



## GUIDANCE

### Calendar 2020

**Production (per day)**

~2.3 Bcfe

**Capital Expenditures**

\$430 million

### Expenses

Direct operating expense per mcfe	\$0.14 - \$0.16
Transport, gathering, processing and compression expense per mcfe	\$1.37 - \$1.40
Production tax expense per mcfe	\$0.04 - \$0.05
Exploration expense	\$30 - \$38 million
Cash G&A expense per mcfe	\$0.14 - \$0.16
Interest expense per mcfe	\$0.22 - \$0.24
DD&A expense per mcfe	\$0.48 - \$0.52
Net brokered natural gas expense	\$10 - \$16 million

### Differential Calculations <sup>(a)</sup>

#### Calendar 2020 Guidance

Natural Gas: <sup>(b)</sup>	NYMEX minus \$0.20 - \$0.26
Natural Gas Liquids (including ethane): <sup>(c)</sup>	Mont Belvieu plus \$0.50 to \$1.50 per barrel
Oil/Condensate:	WTI minus \$7.00 to \$8.00

### Differential Pricing History

	<u>1Q 2019</u>	<u>2Q 2019</u>	<u>3Q 2019</u>	<u>4Q 2019</u>	<u>1Q 2020</u>
Natural Gas (compared to HH)	+\$0.04	(\$0.24)	(\$0.26)	(\$0.31)	(\$0.12)
Oil/Condensate (compared to WTI)	(\$6.30)	(\$6.37)	(\$6.84)	(\$8.21)	(\$6.10)
NGL (compared to MB equiv.) <sup>(c)</sup>	(\$1.65)	(\$1.28)	(\$0.29)	(\$0.14)	\$1.30

(a) Differentials based on pre-hedge NYMEX pricing, excluding transportation, gathering and compression expenses.

(b) Natural Gas differential includes basis hedging.

(c) NGL weighting based on 53% ethane, 27% propane, 7% normal butane, 4% iso-butane and 9% natural gasoline