



GUIDANCE

Calendar 2020

Production (Bcfe/d)	~2.3
Capital Expenditures	\$520 million

Expenses

Direct operating expense per mcfe	\$0.14 - \$0.16
Transport, gathering, processing and compression expense per mcfe	\$1.40 - \$1.45
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 ^(a)

	<u>Calendar 2020 Guidance</u>
Natural Gas: ^(b)	NYMEX minus \$0.20 - \$0.26
Natural Gas Liquids (including ethane): ^(c)	Mont Belvieu plus \$0.50 to \$1.50 per barrel
Oil/Condensate:	WTI minus \$7.00 to \$8.00

Differential Pricing History

	<u>4Q 2018</u>	<u>1Q 2019</u>	<u>2Q 2019</u>	<u>3Q 2019</u>	<u>4Q 2019</u>
Natural Gas (compared to HH)	(\$0.08)	+\$0.04	(\$0.24)	(\$0.26)	(\$0.31)
Oil/Condensate (compared to WTI)	(\$6.28)	(\$6.30)	(\$6.37)	(\$6.84)	(\$8.21)
NGL (compared to MB equiv.) ^(c)	(\$1.31)	(\$1.65)	(\$1.28)	(\$0.29)	(\$0.14)

(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