



RANGE RESOURCES®

TO: Analysts and Investors

FROM: Rodney L. Waller and the IR Team

DATE: October 29, 2014

RE: Third Quarter 2014 Highlights and Pricing Information

Range released Third Quarter 2014 earnings this afternoon. As shown in the highlights below, production grew 26%, reaching a record high of 1,209 Mmcfe per day compared to the prior-year quarter. On Range's website you will find links to the earnings press release, updated guidance, as well as supplemental information that will assist you in reconciling GAAP to non-GAAP results, EBITDAX, cash margins, trends per mcfe and pricing tables for gas, NGLs, and crude oil that reflect prices including and excluding transportation, gathering and transmission fees.

Given investor interest surrounding Appalachian natural gas takeaway, differentials and marketing, we prepared a presentation in mid-October titled "Takeaway Capacity in Appalachia." That presentation is still on our website and provides a general overview of Appalachian natural gas fundamentals, Range specifics on natural gas transportation agreements as well as peer group transportation comparison tables.

We have also posted a revised investor presentation on our website titled "Company Presentation - October 29, 2014". The presentation has several new slides and general updates on the slides mentioned below.

Range Resources Corporation- Summary of New Slides and Updated Slides

<u>Slide #</u>	<u>Description</u>
14	Updated Point Pleasant Gas In Place (GIP) map incorporating the areas of highest pressure gradients
15, 16	Updated All Shales GIP map with new Point Pleasant data
23	Updated calculation for 4Q14 and 1Q15 corporate differentials
26	Pro-forma 3Q cash flow assuming: 1) no ethane extraction, and 2) full utilization of all ethane agreements
65	LNG Exports – Developing Projects To-Date, at least 8 of the 38 proposed are in advanced stages
18, 19, 32, 33, 41, 45, 49	Updated operational slides – noting that Range expects to average 6,200 foot laterals across its SW PA acreage in 2015
7, 8, 54, 69-75	Updated financial slides

Slides 14-16 have been updated to reflect a revised Point Pleasant GIP map. In addition, we have added a layer of data to the GIP maps, to better reflect what we believe could be the core of the Point Pleasant. At a basic level, the areas of maximum GIP that also have a high pressure gradients offer the greatest likelihood of high-rate gas wells. We believe recent industry well results support this.

We also updated operational data on the slides mentioned above. You will notice that average expected lateral lengths for the 2015 drilling program are approximately 6,200 feet for SW PA and approximately 6,000 feet for NE PA. This is a substantial increase to previous expectations as the Company continues to optimize drilling and completion techniques in Appalachia.

Senior management will discuss the financial results, new operational information and answer questions on tomorrow's conference call at 9:00 am ET. Details for the call and webcast are shown below and in the press release.

Third Quarter Highlights –

- Range produced a record average of 1,209 Mmcf per day, an increase of 26% over the prior year quarter
- Unit costs decreased \$0.36 per mcf or 10% compared to the prior year quarter
- Outstanding well results continue in the Marcellus
- New technology in Nora field yields best results in years with returns up to 100%
- 45 new gas purchase customers added to date in 2014
- New bank agreement announced with a maximum facility amount of \$4.0 billion and reduced borrowing costs
- Credit upgrades announced from Standard and Poor's and Moody's

Natural Gas Price Realizations –

During the third quarter, most Appalachian price indices continued to weaken as additional supply growth outpaced regional demand and infrastructure to export natural gas out of the basin. Range offset some of this regional weakness by hedging basis, as reflected in the \$0.22 gain per mcf on basis hedging in the third quarter. This resulted in a corporate differential of \$0.49 below NYMEX, a 15% improvement over second quarter 2014.

Based upon the contracts that Range has in place for the periods disclosed and the future basis differential indications from quotations on ICE (the "Intercontinental Exchange") as of October 24, 2014, the calculated differential in each division would be the amounts shown in the table below. The table represents the Company's calculated differentials at a point in time (October 24, 2014) not an expected future realized price since prices change daily. For comparative purposes, a table of historical basis settlements and actual differentials by division for 2014 is included in Table 9 of the Supplemental Tables for third quarter 2014 on the Company's website.

DIFFERENTIALS BY DIVISION

	Actual 3Q 2014	Calculated Estimates by Division	
		4Q 2014	1Q 2015
	<i>Based on NYMEX</i>		
Marcellus			
SW PA	\$ (0.56)	\$ (0.55)	\$ + 0.25
NE PA	(1.44)	(1.57)	(1.20)
Nora	+ 0.25	+ 0.20	+ 0.20
Midcontinent ⁽¹⁾	(0.76)	(0.80)	(0.80)
Basis Hedging	+ 0.22	+ 0.17	(0.12)
Corporate Differential	\$ (0.49)	\$ (0.58)	\$ (0.31)

⁽¹⁾ Midcontinent processing, gathering and transportation costs are netted against the realized price received from a third party which increases the differential by approximately \$0.60.

NGL Price Realizations –

In addition to natural gas pricing detail, we have included additional detail on NGL realizations in Table 8 of our Supplemental Tables. You will notice that our realizations (as a % of Mont Belvieu weighted average) have improved in 2014 as we have significantly increased our ethane production. In prior periods, when Range was leaving ethane in the gas stream, the entire processing and fractionation cost was being carried by the rest of the NGL production. As Range has begun extracting ethane, our utilization of the plant is more efficient and the incremental cost to produce ethane is minimal. Third quarter realizations were 70% of a Mont Belvieu weighted average. Third quarter has historically been the lowest priced quarter of the year (as a % of Mont Belvieu) as propane prices are highly seasonal. Given a normal winter, one would expect that NGL realizations (as a % of Mont Belvieu weighted average) would improve in the fourth quarter 2014 and first quarter 2015 as propane prices strengthen relative to the rest of the barrel.

Conference Call Information –

A conference call to review the financial results is scheduled on Thursday, October 30 at 9:00 a.m. ET. To participate in the call, please dial 877-407-0778 and ask for the Range Resources third quarter 2014 financial results conference call. A replay of the call will be available through November 29. To access the phone replay dial 877-660-6853. The conference ID is 13592168.

A simultaneous webcast of the call may be accessed over the Internet at <http://www.rangeresources.com>. The webcast will be archived for replay on the Company's website until November 29.

If you have questions concerning any of the information, the IR staff is staying late to take your calls.

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