



GUIDANCE	<u>1Q 2018</u>	<u>FY 2018</u>
Production		
Mmcfe/d	2,180	~11% over 2017
% Liquids	30% to 32%	
Expenses		
Direct operating expense per mcfe	\$0.18 - \$0.19	
Transport, gathering, processing and compression expense per mcfe	\$1.04 - \$1.08	
Production tax expense per mcfe	\$0.05 - \$0.07	
Exploration expense	\$7 - \$10 million	
Unproved impairment expense	\$13 - \$15 million	
G&A expense per mcfe	\$0.21 - \$0.23	
Interest expense per mcfe	\$0.26- \$0.28	
DD&A expense per mcfe	\$0.82 - \$0.85	
Net brokered natural gas expense	~ \$2 million	

Differential Calculations^(a)	<u>1Q 2018</u>	<u>FY 2018</u>
Natural Gas -	NYMEX plus \$0.11	NYMEX minus \$0.15
Natural Gas Liquids (NGLs) -		28% - 32% of WTI
Oil/Condensate -		WTI minus \$5.00-\$6.00

Differential Pricing History	<u>4Q 2016</u>	<u>1Q 2017</u>	<u>2Q 2017</u>	<u>3Q 2017</u>	<u>4Q 2017</u>
Natural Gas (compared to HH)	(\$0.37)	+\$0.01	(\$0.39)	(\$0.51)	(\$0.35)
Oil/Condensate (compared to WTI)	(\$4.66)	(\$4.84)	(\$4.84)	(\$4.80)	(\$4.63)
NGL (% of WTI)	29%	31%	30%	35%	36%

(a) Differentials based on pre-NYMEX hedge pricing, excluding transportation, gathering and compression expense. Natural Gas differential includes basis hedging. Based on strip pricing as of 02/21/2018