

RANGE RESOURCES CORPORATION
CALCULATION OF CASH FLOW EXCLUDING CERTAIN ITEMS
A NON-GAAP MEASURE

TABLE 1

(Dollar amounts in thousands, except per share)

	Quarter Ended June 30,					Six Months Ended June 30,				
	2018		2017			2018		2017		
	Amount	Per Share	Amount	Per Share		Amount	Per Share	Amount	Per Share	
Net Income (loss) as reported	\$ (79,836)	\$ 0.20	\$ 69,550	\$ 0.69		\$ (30,598)	\$ 0.20	\$ 239,661	\$ 0.69	
Less certain items not included by analysts -										
Losses (gains) on sales of assets	(156)	(0.00)	(807)	(0.00)		(179)	(0.00)	(23,407)	(0.10)	
Total change in fair value of related to derivatives prior to settlement (gains) losses ¹	89,015	0.36	(107,809)	(0.44)		111,949	0.45	(277,547)	(1.13)	
Abandonment and impairment of unproved properties	54,922	0.22	5,193	0.02		66,695	0.27	9,613	0.04	
(Gain) loss on ARO settlement	12	0.00	40	0.00		12	0.00	40	0.00	
Lawsuit settlements	1,155	0.00	540	0.00		1,332	0.01	1,163	0.00	
Termination costs	-	-	(50)	(0.00)		(37)	(0.00)	2,400	0.01	
Impairment of proved properties and other assets	15,302	0.06	-	-		22,614	0.09	-	-	
Non-cash stock compensation (income) ²	6,615	0.03	(14,466)	(0.06)		(782)	(0.00)	(27,635)	(0.11)	
Other stock-based compensation adjustments ⁵	10,037	0.04	15,671	0.06		35,575	0.14	29,625	0.12	
Deferred tax (benefit) on special items	(46,340)	(0.19)	38,819	0.16		(61,991)	(0.25)	109,176	0.45	
Discrete tax items	(409)	(0.00)	9,210	0.04		18,401	0.07	13,620	0.06	
Total certain items	130,153	0.53	(53,659)	(0.22)		193,589	0.79	(162,952)	(0.66)	
Net income (loss) excluding certain items, non-GAAP measure	\$ 50,317	\$ 0.20	\$ 15,891	\$ 0.06	217%	\$ 162,991	\$ 0.66	\$ 76,709	\$ 0.31	112%
Add back:										
DD&A	161,026		152,504			323,292		302,325		
Deferred income taxes (benefit), excluding special items	18,231		9,622			57,748		47,250		
Exploration expense	7,128		13,970			14,096		21,967		
Allowance for bad debt expense	(1,500)		300			(1,500)		300		
Amortization of debt issuance costs and discount ³	1,725		1,794			3,577		3,572		
Discretionary cash flow, a non-GAAP measure	\$ 236,927		\$ 194,081		22%	\$ 560,204		\$ 452,123		24%
Dilutive average shares outstanding, a non-GAAP measure ⁴	246,692		245,335		1%	246,530		245,242		1%
Cash flow per share, a non-GAAP measure comparable to analysts	\$ 0.96		\$ 0.79		22%	\$ 2.27		\$ 1.84		23%

¹ Included in Derivative fair value on Range's statement of operations.

² Mark-to-market of the Company's common stock and marketable securities held in the deferred comp plan.

³ Included in Interest expense on Range's statement of operations.

⁴ Dilutive shares outstanding excludes the reduction for treasury shares contained in deferred comp plan and includes dilutive effect of stock appreciation rights, if any.

⁵ Included in direct operating, brokered natural gas and marketing, exploration and general and administrative expenses on Range's statement of operations.

RANGE RESOURCES CORPORATION
CALCULATION OF EBITDAX EXCLUDING CERTAIN ITEMS
A NON-GAAP MEASURE

TABLE 2

(Dollar amounts in thousands, except per share)

	Quarter Ended June 30,			Six Months Ended June 30,		
	2018	2017		2018	2017	
Total revenues, as reported	\$ 656,184	\$ 673,111	-3%	\$ 1,398,783	\$ 1,449,766	-4%
Less certain items not included by analysts -						
(Gain) loss on ARO settlement	12	40		12	40	
Total change in fair value related to derivatives prior to settlement	89,015	(107,809)		111,949	(277,547)	
Total revenues excluding certain items	\$ 745,211	\$ 565,342	32%	\$ 1,510,744	\$ 1,172,259	29%
Less expenses:						
Direct operating	35,088	31,420		73,210	59,443	
Less direct operating stock-based compensation	(539)	(522)		(1,130)	(1,046)	
Transportation, gathering compression	269,910	191,590		514,538	369,238	
Production and ad valorem taxes	10,140	9,969		20,066	19,132	
Brokered natural gas and marketing	102,747	55,857		158,341	109,407	
Less brokered natural gas and marketing stock-based compensation	(313)	(388)		(598)	(651)	
General and administrative as reported	47,583	52,322		116,000	99,818	
Less G&A stock-based compensation	(8,814)	(14,279)		(32,725)	(25,197)	
Less lawsuit settlements	(1,155)	(540)		(1,332)	(1,163)	
	454,647	325,429	40%	846,370	628,981	35%
EBITDAX excluding certain items, a non-GAAP measure	\$ 290,564	\$ 239,913	21%	\$ 664,374	\$ 543,278	22%
EBITDAX per share excluding certain items, a non-GAAP measure	\$ 1.18	\$ 0.98	20%	\$ 2.69	\$ 2.22	22%
EBITDAX / Interest coverage ratio (times coverage), a non-GAAP measure	5.4	5.0	8%	6.3	5.7	9%

RANGE RESOURCES CORPORATION
CALCULATION OF CASH MARGINS, A NON-GAAP MEASURE

TABLE 3

(Dollar amounts in thousands, except per mcf)

	Quarter Ended June 30,					Six Months Ended June 30,				
	2018		2017			2018		2017		
	Amount	Per Mcfe	Amount	Per Mcfe		Amount	Per Mcfe	Amount	Per Mcfe	
Revenues										
Natural Gas, NGL and Oil Sales	\$ 661,390	\$ 3.30	\$ 506,137	\$ 2.86		\$ 1,358,019	\$ 3.42	\$ 1,065,587	\$ 3.04	
Cash settlements on derivative financial instruments	(14,275)	(0.07)	3,386	0.02		(5,350)	(0.01)	(795)	(0.00)	
Brokered natural gas and marketing ¹	97,908	0.49	56,016	0.32		157,663	0.40	107,597	0.31	
Cash revenues applicable to production	745,023	3.72	565,539	3.20	16%	1,510,332	3.80	1,172,389	3.34	14%
Expenses										
Direct operating	35,088	0.18	31,420	0.18		73,210	0.18	59,443	0.17	
Less direct operating stock-based compensation	(539)	(0.00)	(522)	(0.00)		(1,130)	(0.00)	(1,046)	(0.00)	
Transportation, gathering and compression	269,910	1.35	191,590	1.08		514,538	1.30	369,238	1.05	
Production and ad valorem ²	10,140	0.05	9,969	0.06		20,066	0.05	19,132	0.05	
Brokered natural gas and marketing	102,747	0.51	55,857	0.32		158,341	0.40	109,407	0.31	
Less brokered natural gas and marketing stock-based compensation	(313)	(0.00)	(388)	(0.00)		(598)	(0.00)	(651)	(0.00)	
General and administrative as reported	47,583	0.24	52,322	0.30		116,000	0.29	99,818	0.28	
Less G&A stock-based compensation	(8,814)	(0.04)	(14,279)	(0.08)		(32,725)	(0.08)	(25,197)	(0.07)	
Less lawsuit settlements	(1,155)	(0.01)	(540)	(0.00)		(1,332)	(0.00)	(1,163)	(0.00)	
Interest expense as reported	53,862	0.27	47,926	0.27		106,247	0.27	95,027	0.27	
Less amortization of deferred financing costs	(1,725)	(0.01)	(1,794)	(0.01)		(3,577)	(0.01)	(3,572)	(0.01)	
Cash expenses	506,784	2.53	371,561	2.10	21%	949,040	2.39	720,436	2.05	16%
Cash margins, a non-GAAP measure	\$ 238,239	\$ 1.19	\$ 193,978	\$ 1.10	9%	\$ 561,292	\$ 1.41	\$ 451,953	\$ 1.29	10%
Mmcf produced during period	200,223		176,950		13%	397,178		350,818		13%

¹ Includes revenue from brokered gas and gas marketing

² Includes production taxes which are payable on the market value of commodities, not hedged amounts.

RANGE RESOURCES CORPORATION
PER MCFE TRENDS CALCULATED ON GAAP REPORTED NET INCOME

TABLE 4

(Dollar amounts in thousands, except per mcfe)

	4th Qtr 2017		Year 2017		1st Qtr 2018		2nd Qtr 2018	
	Amount	/mcfe	Amount	/mcfe	Amount	/mcfe	Amount	/mcfe
Revenues and other income:								
Natural Gas, NGL and Oil sales	\$ 603,159	\$ 3.02	\$ 2,176,287	\$ 2.97	\$ 696,629	\$ 3.54	\$ 661,390	\$ 3.30
Cash settlements on derivative financial instruments	(2,945)	\$ (0.01)	13,117	\$ 0.02	8,925	\$ 0.05	(14,275)	\$ (0.07)
Brokered natural gas and marketing	50,732	\$ 0.25	219,474	\$ 0.30	59,755	\$ 0.30	97,908	\$ 0.49
Total change in fair value related to derivatives prior to settlement	27,969	\$ 0.14	200,233	\$ 0.27	(22,934)	\$ (0.12)	(89,015)	\$ (0.44)
(Gain) loss on ARO settlement	(17)	\$ -	47	\$ -	-	\$ -	(12)	\$ -
Other	134	\$ -	1,872	\$ -	224	\$ -	188	\$ -
Total revenues and other income	679,032	\$ 3.40	2,611,030	\$ 3.56	742,599	\$ 3.77	656,184	\$ 3.28
Costs and expenses:								
Direct operating	33,793	\$ 0.17	121,708	\$ 0.17	34,189	\$ 0.17	33,024	\$ 0.16
Direct operating workovers	3,631	\$ 0.02	10,484	\$ 0.01	3,342	\$ 0.02	1,525	\$ 0.01
Direct operating stock-based compensation	497	\$ -	2,060	\$ -	591	\$ -	539	\$ -
Transportation, gathering and compression	200,300	\$ 1.00	761,183	\$ 1.04	244,628	\$ 1.24	269,910	\$ 1.35
Production and ad valorem taxes	11,757	\$ 0.06	42,882	\$ 0.06	9,926	\$ 0.05	10,140	\$ 0.05
Brokered natural gas and marketing	50,734	\$ 0.25	218,874	\$ 0.30	55,309	\$ 0.28	102,434	\$ 0.51
Brokered natural gas and marketing stock based-compensation	397	\$ -	1,437	\$ -	285	\$ -	313	\$ -
Exploration	6,747	\$ 0.03	50,920	\$ 0.07	6,968	\$ 0.04	7,128	\$ 0.04
Exploration stock-based compensation	1,146	\$ 0.01	2,742	\$ -	751	\$ -	371	\$ -
Abandonment and impairment of unproved properties	217,544	\$ 1.09	269,725	\$ 0.37	11,773	\$ 0.06	54,922	\$ 0.27
General and administrative	41,167	\$ 0.21	150,786	\$ 0.21	44,329	\$ 0.23	39,114	\$ 0.20
General and administrative stock-based compensation	39,717	\$ 0.20	74,873	\$ 0.10	23,911	\$ 0.12	8,814	\$ 0.04
General and administrative - legal settlements	(831)	\$ -	6,197	\$ 0.01	177	\$ -	1,155	\$ 0.01
General and administrative - bad debt expense	500	\$ -	1,550	\$ -	-	\$ -	(1,500)	\$ (0.01)
Termination costs	(278)	\$ -	2,106	\$ -	(37)	\$ -	-	\$ -
Termination costs-stock based compensation	(1)	\$ -	1,664	\$ -	-	\$ -	-	\$ -
Non-cash stock compensation	(14,077)	\$ (0.07)	(50,915)	\$ (0.07)	(7,397)	\$ (0.04)	6,615	\$ 0.03
Interest	49,629	\$ 0.25	188,450	\$ 0.26	50,533	\$ 0.26	52,137	\$ 0.26
Interest - amortization of deferred financing costs	1,844	\$ 0.01	7,229	\$ 0.01	1,852	\$ 0.01	1,725	\$ 0.01
Depletion, depreciation and amortization	162,918	\$ 0.82	624,992	\$ 0.85	162,266	\$ 0.82	161,026	\$ 0.80
Impairment of proved properties and other assets	-	\$ -	63,679	\$ 0.09	7,312	\$ 0.04	15,302	\$ 0.08
Loss (gain) on sale of assets	(207)	\$ -	(23,716)	\$ (0.03)	(23)	\$ -	(156)	\$ -
Total costs and expenses	806,927	\$ 4.04	2,528,910	\$ 3.45	650,685	\$ 3.30	764,538	\$ 3.82
Income (loss) before income taxes	(127,895)	\$ (0.64)	82,120	\$ 0.11	91,914	\$ 0.47	(108,354)	\$ (0.54)
Income tax expense (benefit)								
Current	17	\$ -	17	\$ -	-	\$ -	-	\$ -
Deferred	(349,097)	\$ (1.75)	(251,043)	\$ (0.34)	42,676	\$ 0.22	(28,518)	\$ (0.14)
	(349,080)	\$ (1.75)	(251,026)	\$ (0.34)	42,676	\$ 0.22	(28,518)	\$ (0.14)
Net income (loss)	221,185	\$ 1.11	333,146	\$ 0.45	49,238	\$ 0.25	(79,836)	\$ (0.40)
Production during the period (Mmcfe)	199,681		733,231		196,955		200,223	
Net income (loss) per common share								
Basic	\$ 0.89		\$ 1.34		\$ 0.20		\$ (0.32)	
Diluted	\$ 0.89		\$ 1.34		\$ 0.20		\$ (0.32)	
Weighted average common shares outstanding								
Basic	245,281		245,091		245,709		245,880	
Diluted	245,537		245,458		246,594		245,880	

RANGE RESOURCES CORPORATION
TABLE 5
PER MCFE TRENDS CALCULATED EXCLUDING CERTAIN ITEMS, A NON-GAAP MEASURE
RECONCILIATION BETWEEN GAAP AND NON-GAAP PROVIDED IN EACH EARNINGS RELEASE AND ON TABLE 1 FOR CURRENT PERIOD

(Table 4 presented on GAAP basis and Table 5 presented on Non-GAAP basis, as typically presented by analysts)

(Dollar amounts in thousands, except per mcf)

	4th Qtr 2017		Total Year 2017		1st Qtr 2018		2nd Qtr 2018	
	Amount	/mcf	Amount	/mcf	Amount	/mcf	Amount	/mcf
Revenues								
Natural Gas, NGL and Oil sales	\$ 603,159	\$ 3.02	\$ 2,176,287	\$ 2.97	\$ 696,629	\$ 3.54	\$ 661,390	\$ 3.30
Cash settlements on derivative financial instruments	(2,945)	\$ (0.01)	13,117	\$ 0.02	8,925	\$ 0.05	(14,275)	\$ (0.07)
Brokered natural gas and marketing	50,732	\$ 0.25	219,474	\$ 0.30	59,755	\$ 0.30	97,908	\$ 0.49
Total change in fair value related to derivatives prior to settlement	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Loss on ARO settlement	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Other	134	\$ -	1,872	\$ -	224	\$ -	188	\$ -
	<u>651,080</u>	<u>\$ 3.26</u>	<u>2,410,750</u>	<u>\$ 3.29</u>	<u>765,533</u>	<u>\$ 3.89</u>	<u>745,211</u>	<u>\$ 3.72</u>
Expenses								
Direct operating	33,793	\$ 0.17	121,708	\$ 0.17	34,189	\$ 0.17	33,024	\$ 0.16
Direct operating workovers	3,631	\$ 0.02	10,484	\$ 0.01	3,342	\$ 0.02	1,525	\$ 0.01
Direct operating stock-based compensation	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Transportation, gathering and compression	200,300	\$ 1.00	761,183	\$ 1.04	244,628	\$ 1.24	269,910	\$ 1.35
Production and ad valorem taxes	11,757	\$ 0.06	42,882	\$ 0.06	9,926	\$ 0.05	10,140	\$ 0.05
Brokered natural gas and marketing	50,734	\$ 0.25	218,874	\$ 0.30	55,309	\$ 0.28	102,434	\$ 0.51
Brokered natural gas and marketing stock based compensation	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Exploration	6,747	\$ 0.03	50,920	\$ 0.07	6,968	\$ 0.04	7,128	\$ 0.04
Exploration stock-based compensation	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Abandonment and impairment of unproved properties	-	\$ -	-	\$ -	-	\$ -	-	\$ -
General and administrative	41,167	\$ 0.21	150,786	\$ 0.21	44,329	\$ 0.23	39,114	\$ 0.20
General and administrative stock-based compensation	-	\$ -	-	\$ -	-	\$ -	-	\$ -
General and administrative - legal settlements	-	\$ -	-	\$ -	-	\$ -	-	\$ -
General and administrative - bad debt expense	-	\$ -	800	\$ -	-	\$ -	(1,500)	\$ (0.01)
General and administrative - DEP penalty/legal contingency	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Memorial merger expenses	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Termination costs	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Interest	46,749	\$ 0.23	181,850	\$ 0.25	50,533	\$ 0.26	52,137	\$ 0.26
Interest - amortization of deferred financing costs	1,844	\$ 0.01	7,229	\$ 0.01	1,852	\$ 0.01	1,725	\$ 0.01
Depletion, depreciation and amortization	149,662	\$ 0.75	624,992	\$ 0.85	162,266	\$ 0.82	161,026	\$ 0.80
Impairment of proved properties and other assets	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Loss (gain) on the sale of assets	-	\$ -	-	\$ -	-	\$ -	-	\$ -
	<u>546,384</u>	<u>\$ 2.74</u>	<u>2,171,708</u>	<u>\$ 2.96</u>	<u>613,342</u>	<u>\$ 3.11</u>	<u>676,663</u>	<u>\$ 3.38</u>
Income before income taxes	104,696	\$ 0.52	239,042	\$ 0.33	152,191	\$ 0.77	68,548	\$ 0.34
Income tax expense (benefit)								
Current	17	\$ -	17	\$ -	-	\$ -	-	\$ -
Deferred	51,926	\$ 0.26	96,088	\$ 0.13	39,517	\$ 0.20	18,231	\$ 0.09
	<u>51,943</u>	<u>\$ 0.26</u>	<u>96,105</u>	<u>\$ 0.13</u>	<u>39,517</u>	<u>\$ 0.20</u>	<u>18,231</u>	<u>\$ 0.09</u>
Net income	<u>52,753</u>	<u>\$ 0.26</u>	<u>142,937</u>	<u>\$ 0.19</u>	<u>112,674</u>	<u>\$ 0.57</u>	<u>50,317</u>	<u>\$ 0.25</u>
Production during the period (Mmcf)	199,681		733,233		196,955		200,223	
Net income per common share:								
Basic	\$ 0.22		\$ 0.75		\$ 0.46		\$ 0.20	
Diluted	\$ 0.22		\$ 0.75		\$ 0.46		\$ 0.20	
Weighted average common shares outstanding								
Basic	244,761		189,911		245,709		245,880	
Diluted	244,761		189,911		246,594		246,692	

**RECONCILIATION OF REVENUES PRESENTED WITH AND WITHOUT
TRANSPORTATION, GATHERING AND COMPRESSION FEES**

Table 6

	2016		2017					2018			QE3 - MTM ^(a) Hedge Values as of 06/30/2018									
	FY16		QE1	QE2	QE3	QE4	FY17	QE1	QE2	YTD										
Revenues																				
Oil, Gas & NGLs Gross Revenues																				
Oil	\$	124,864,724	\$	50,034,679	\$	45,819,193	\$	55,834,481	\$	69,961,151	\$	221,649,504	\$	62,528,701	\$	76,336,022	\$	138,864,723		
Gas		753,888,044		371,352,079		336,533,314		301,113,941		340,965,668		1,349,965,002		431,573,257		360,350,336		791,923,593		
NGLs		318,462,089		138,063,562		123,784,171		150,592,872		192,231,517		604,672,122		202,527,238		224,703,109		427,230,347		
Total		1,197,214,857		559,450,320		506,136,678		507,541,294		603,158,336		2,176,286,628		696,629,196		661,389,467		1,358,018,663		
Cash Settled Hedges:																				
Oil	\$	47,710,344	\$	2,697,003	\$	5,575,265	\$	6,601,638	\$	375,816	\$	15,249,722	\$	(8,315,302)	\$	(12,243,716)	\$	(20,559,018)	\$	(14,453,813)
Gas (NYMEX)		232,628,228		(5,603,056)		4,017,410		25,154,295		33,299,690		56,868,339		43,202,988		18,782,145		61,985,133		3,397,303
Gas (Basis)		19,371,379		13,058,892		(3,076,030)		1,096,338		3,112,322		14,191,522		(10,694,639)		(669,044)		(11,363,683)		(1,180,054)
NGLs		47,625,976		(14,333,474)		(3,130,405)		(15,995,142)		(39,733,457)		(73,192,478)		(15,268,233)		(20,144,530)		(35,412,763)		(23,492,189)
Total		347,335,928		(4,180,635)		3,386,240		16,857,129		(2,945,629)		13,117,105		8,924,814		(14,275,145)		(5,350,331)		(35,728,753)
Gross Revenue with Hedges																				
Oil	\$	172,575,068	\$	52,731,682	\$	51,394,458	\$	62,436,119	\$	70,336,967	\$	236,899,226	\$	54,213,399	\$	64,092,306	\$	118,305,705		
Gas		1,005,887,651		378,807,915		337,474,694		327,364,574		377,377,680		1,421,024,863		464,081,606		378,463,437		842,545,043		
NGLs		366,088,065		123,730,088		120,653,766		134,597,730		152,498,060		531,479,644		187,259,005		204,558,579		391,817,584		
Total		1,544,550,785		555,269,685		509,522,918		524,398,423		600,212,707		2,189,403,733		705,554,010		647,114,322		1,352,668,332		
Transport, gathering & compression																				
Oil	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Gas		403,209,305		122,193,636		129,556,721		133,018,940		141,901,724		526,671,021		157,233,935		164,064,426		321,298,361		
NGLs		162,000,193		55,454,857		62,032,826		58,626,179		58,397,945		234,511,807		87,393,716		105,846,304		193,240,020		
Total		565,209,498		177,648,493		191,589,547		191,645,119		200,299,669		761,182,828		244,627,651		269,910,730		514,538,381		
Net Revenues after Hedges and Transport																				
Oil	\$	172,575,068	\$	52,731,682	\$	51,394,458	\$	62,436,119	\$	70,336,967	\$	236,899,226	\$	54,213,399	\$	64,092,306	\$	118,305,705		
Gas		602,678,346		256,614,279		207,917,973		194,345,634		235,475,956		894,353,842		306,847,671		214,399,011		521,246,682		
NGLs		204,087,873		68,275,231		58,620,940		75,971,551		94,100,115		296,967,837		99,865,289		98,712,275		198,577,564		
Total		979,341,287		377,621,192		317,933,371		332,753,304		399,913,038		1,428,220,905		460,926,359		377,203,592		838,129,951		
Volumes																				
Oil (Bbls)		3,609,171		1,065,286		1,052,784		1,288,303		1,380,649		4,787,022		1,063,434		1,210,379		2,273,813		
Gas (Mcf)		375,811,462		116,256,337		119,487,827		121,644,949		132,864,354		490,253,467		134,954,095		136,057,805		271,011,900		
NGLs (Bbls)		27,825,635		8,536,728		8,524,267		8,892,778		9,755,481		35,709,254		9,270,031		9,483,910		18,753,941		
Mefe's		564,420,298		173,868,421		176,950,133		182,731,435		199,681,134		733,231,123		196,954,885		200,223,539		397,178,424		
Mefe's per day		1,542,132		1,931,871		1,944,507		1,986,211		2,170,447		2,008,852		2,188,388		2,200,259		2,194,356		

^(a) The amounts shown represent the mark-to-market value as of June 30, 2018. Actual settlement amounts will differ as commodity prices change.

This information is being provided to give analysts and investors a reasonableness check for the following quarter's hedging calculations.

Additional detail on the Company's hedge position is available on our website under Investor Relations - Hedging Summaries

**RECONCILIATION OF PRICING PRESENTED WITH AND WITHOUT
TRANSPORTATION, GATHERING AND COMPRESSION FEES**

Table 7

	2016	2017					2018		
	FY16	QE1	QE2	QE3	QE4	FY17	QE1	QE2	YTD
Volumes									
Oil (Bbls)	3,609,171	1,065,286	1,052,784	1,288,303	1,380,649	4,787,022	1,063,434	1,210,379	2,273,813
Gas (Mcf)	375,811,462	116,256,337	119,487,827	121,644,949	132,864,354	490,253,467	134,954,095	136,057,805	271,011,900
NGLs (Bbls)	27,825,635	8,536,728	8,524,267	8,892,778	9,755,481	35,709,254	9,270,031	9,483,910	18,753,941
Mcf's	564,420,298	173,868,421	176,950,133	182,731,435	199,681,134	733,231,123	196,954,885	200,223,539	397,178,424
<i>Mcf's per day</i>	<i>1,542,132</i>	<i>1,931,871</i>	<i>1,944,507</i>	<i>1,986,211</i>	<i>2,170,447</i>	<i>2,008,852</i>	<i>2,188,388</i>	<i>2,200,259</i>	<i>2,194,356</i>
Per Unit Prices									
Oil (per bbl):									
NYMEX - WTI	\$ 43.69	\$ 51.81	\$ 48.36	\$ 48.14	\$ 55.30	\$ 51.07	\$ 62.88	\$ 67.89	\$ 65.54
Differential	(9.09)	(4.84)	(4.84)	(4.80)	(4.63)	(4.77)	(4.08)	(4.82)	(4.47)
Average price before NYMEX hedges	\$ 34.60	\$ 46.97	\$ 43.52	\$ 43.34	\$ 50.67	\$ 46.30	\$ 58.80	\$ 63.07	\$ 61.07
NYMEX Hedging	13.22	2.53	5.30	5.12	0.27	3.19	(7.82)	(10.12)	(9.04)
Average price including hedges	\$ 47.82	\$ 49.50	\$ 48.82	\$ 48.46	\$ 50.94	\$ 49.49	\$ 50.98	\$ 52.95	\$ 52.03
Transport, Gathering & Compression	-	-	-	-	-	-	-	-	-
Net Revenue price	\$ 47.82	\$ 49.50	\$ 48.82	\$ 48.46	\$ 50.94	\$ 49.49	\$ 50.98	\$ 52.95	\$ 52.03
Gas (per mcf):									
NYMEX - HH	\$ 2.51	\$ 3.29	\$ 3.18	\$ 3.00	\$ 2.94	\$ 3.10	\$ 2.99	\$ 2.80	\$ 2.89
Differential	(0.50)	(0.10)	(0.36)	(0.51)	(0.37)	(0.35)	0.21	(0.15)	0.03
Settled basis hedging	0.05	0.11	(0.03)	0.01	0.02	0.03	(0.08)	(0.00)	(0.04)
Differential including basis hedging	(0.45)	0.01	(0.39)	(0.51)	(0.35)	(0.32)	0.13	(0.16)	(0.01)
Average price before NYMEX hedges	\$ 2.06	\$ 3.30	\$ 2.79	\$ 2.49	\$ 2.59	\$ 2.78	\$ 3.12	\$ 2.64	\$ 2.88
NYMEX Hedging	0.62	(0.04)	0.03	0.20	0.25	0.11	0.32	0.14	0.23
Average price including all hedges	\$ 2.68	\$ 3.26	\$ 2.82	\$ 2.69	\$ 2.84	\$ 2.89	\$ 3.44	\$ 2.78	\$ 3.11
Transport, Gathering & Compression	(1.07)	(1.05)	(1.08)	(1.09)	(1.07)	(1.07)	(1.17)	(1.21)	(1.19)
Net Revenue price	\$ 1.60	\$ 2.21	\$ 1.74	\$ 1.60	\$ 1.77	\$ 1.82	\$ 2.27	\$ 1.58	\$ 1.92
NGLs (per bbl):									
Average price before NYMEX hedges	\$ 11.44	\$ 16.17	\$ 14.52	\$ 16.93	\$ 19.70	\$ 16.93	\$ 21.85	\$ 23.69	\$ 22.78
Hedging	1.71	(1.67)	(0.36)	(1.80)	(4.07)	(2.05)	(1.65)	(2.12)	(1.89)
Average price including hedges	\$ 13.16	\$ 14.50	\$ 14.16	\$ 15.14	\$ 15.63	\$ 14.88	\$ 20.20	\$ 21.57	\$ 20.89
Transport, Gathering & Compression	(5.82)	(6.50)	(7.28)	(6.59)	(5.99)	(6.57)	(9.43)	(11.16)	(10.30)
Net Revenue price	\$ 7.33	\$ 8.00	\$ 6.88	\$ 8.54	\$ 9.65	\$ 8.32	\$ 10.77	\$ 10.41	\$ 10.59
% of WTI - Gross	26.2%	31.2%	30.0%	35.2%	35.6%	33.2%	34.7%	34.9%	34.8%
Per Mcfe Prices									
Price/mcfe with 3rd party transport	\$ 1.74	\$ 2.17	\$ 1.80	\$ 1.82	\$ 2.00	\$ 1.95	\$ 2.34	\$ 1.88	\$ 2.11
Price/mcfe w/o 3rd party transport	\$ 2.74	\$ 3.19	\$ 2.88	\$ 2.87	\$ 3.01	\$ 2.99	\$ 3.58	\$ 3.23	\$ 3.41

**INDEX DIFFERENTIALS COMPARED TO CORPORATE DIFFERENTIALS
INSIDE FERC BID-WEEK PRICES**

Table 8

Per Unit Prices

FERC Settlement Prices (As compared to NYMEX)⁽¹⁾

	2017				2018					
	QE1	QE2	QE3	QE4	QE1	QE2	JUL <i>closed</i>	AUG <i>open</i>	SEP <i>open</i>	QE3
MichCon	\$ 0.03	\$ (0.08)	\$ (0.11)	\$ (0.10)	\$ (0.14)	\$ (0.16)	\$ (0.18)	\$ (0.10)	\$ (0.13)	\$ (0.14)
Columbia (TCO)	\$ (0.23)	\$ (0.18)	\$ (0.19)	\$ (0.23)	\$ (0.26)	\$ (0.21)	\$ (0.19)	\$ (0.12)	\$ (0.20)	\$ (0.17)
Dominion South (DTI)	\$ (0.53)	\$ (0.52)	\$ (1.25)	\$ (1.21)	\$ (0.58)	\$ (0.54)	\$ (0.66)	\$ (0.56)	\$ (0.60)	\$ (0.61)
Leidy	\$ (0.63)	\$ (0.60)	\$ (1.29)	\$ (1.31)	\$ (0.67)	\$ (0.91)	\$ (0.83)	\$ (0.64)	\$ (0.65)	\$ (0.71)
TETCO M2	\$ (0.49)	\$ (0.54)	\$ (1.29)	\$ (1.24)	\$ (0.54)	\$ (0.57)	\$ (0.68)	\$ (0.59)	\$ (0.62)	\$ (0.63)
TETCO M3	\$ 0.59	\$ (0.46)	\$ (1.18)	\$ (0.87)	\$ 2.31	\$ (0.47)	\$ (0.56)	\$ (0.46)	\$ (0.50)	\$ (0.51)
Transco Zone 6 Non-NY	\$ 0.58	\$ (0.33)	\$ (0.59)	\$ (0.02)	\$ 3.09	\$ (0.18)	\$ (0.14)	\$ (0.07)	\$ (0.32)	\$ (0.18)
Columbia Gulf (CGT)	\$ (0.11)	\$ (0.12)	\$ (0.12)	\$ (0.13)	\$ (0.14)	\$ (0.15)	\$ (0.16)	\$ (0.16)	\$ (0.17)	\$ (0.16)
TGP 500L	\$ (0.07)	\$ (0.09)	\$ (0.09)	\$ (0.08)	\$ (0.06)	\$ (0.07)	\$ (0.08)	\$ (0.07)	\$ (0.07)	\$ (0.07)
TGT Z1	\$ (0.10)	\$ (0.12)	\$ (0.13)	\$ (0.13)	\$ (0.12)	\$ (0.15)	\$ (0.18)	\$ (0.18)	\$ (0.20)	\$ (0.19)

					CALCULATED As of July 12, 2018					
	QE1	QE2	QE3	QE4	QE1	QE2	JUL	AUG	SEP	QE3
NYMEX - Henry Hub	\$ 3.29	\$ 3.18	\$ 3.00	\$ 2.94	\$ 2.99	\$ 2.80	\$ 3.00	\$ 2.80	\$ 2.77	\$ 2.86
Weighted Average Corporate Differential to NYMEX	\$ (0.10)	\$ (0.36)	\$ (0.52)	\$ (0.37)	\$ 0.21	\$ (0.15)				\$ (0.19)
Basis Hedging Impact (Settlement/MTM) ⁽²⁾	\$ 0.11	\$ (0.03)	\$ 0.01	\$ 0.02	\$ (0.08)	\$ (0.01)				\$ (0.01)
Differential including basis hedging	\$ 0.01	\$ (0.39)	\$ (0.51)	\$ (0.35)	\$ 0.13	\$ (0.16)				\$ (0.20)
Average price before NYMEX hedges	\$ 3.30	\$ 2.79	\$ 2.49	\$ 2.59	\$ 3.12	\$ 2.64				\$ 2.66
NYMEX hedges ⁽²⁾	\$ (0.04)	\$ 0.03	\$ 0.20	\$ 0.25	\$ 0.32	\$ 0.14				\$ 0.10
Average price after NYMEX hedges	<u>\$ 3.26</u>	<u>\$ 2.82</u>	<u>\$ 2.69</u>	<u>\$ 2.84</u>	<u>\$ 3.44</u>	<u>\$ 2.78</u>				<u>\$ 2.76</u>

⁽¹⁾ Pricing as of 07/12/18. Open months from third party broker

⁽²⁾ Mark to market as of 07/12/18