Barclays CEO Energy-Power Conference
September 2019
Cautionary Statement Regarding Forward-Looking Statements

This presentation contains “forward-looking statements” for purposes of the federal securities laws. All statements, other than statements of historical fact included in this presentation, regarding our strategy, future operations, financial position, estimated capital expenditures, production, revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this presentation, the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events.

We caution you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to, commodity price volatility, inflation, lack of availability of drilling and production equipment and services, environmental risks, failure to find, acquire or gain access to other discoveries and prospects or to successfully develop and produce from our current discoveries and prospects, geologic risk, drilling and other operating risks, well control risk, regulatory changes, the uncertainty inherent in estimating reserves and in projecting future rates of production, cash flow and access to capital, the timing of development expenditures risks discussed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2018 and other filings with the Securities and Exchange Commission.

Reserve engineering is a process of estimating underground accumulations of oil, natural gas and NGLs that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions upward or downward of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of oil, natural gas and NGLs that are ultimately recovered.

Use of Non-GAAP Financial Measures

This presentation includes the use of certain measures that have not been calculated in accordance with generally acceptable accounting principles (GAAP), including Adjusted EBITDA, Net Debt, 2Q 2019 Last Quarter Annualized (“LQA”) Adjusted EBITDA, 2Q 2019 Last Twelve Months (“LTM”) Adjusted EBITDA, Net Debt / 2Q2019 LQA Adjusted EBITDA, Net Debt / 2Q2019 LTM Adjusted EBITDA, 2Q2019 Adjusted EBITDA Margin and 2Q2019 Adjusted EBITDA Margin per Boe. Please refer to the appendix for a reconciliation of the non-GAAP financial measures to their most directly comparable GAAP measures. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP.

This presentation also includes PV-10, which is a non-GAAP financial measure used by management, investors and analysts to estimate the present value, discounted at 10% per annum, of the estimated future cash flows of our estimated proved and probable reserves, as applicable, before income tax and derivatives. This presentation also includes 2P PV-10, which is consistent with PV-10 except it includes proved and probable reserves. Management believes that PV-10 provides useful information to investors because it is widely used by professional analysts and sophisticated investors in evaluating oil and natural gas companies. Because there are many unique factors that can impact an individual company when estimating the amount of future income taxes to be paid, we believe the use of a pre-tax measure is valuable for evaluating us. PV-10 should not be considered as an alternative to the standardized measure of discounted future net cash flows as computed under GAAP. Moreover, GAAP does not provide a measure of estimated future net cash flows for reserves other than proved reserves or for proved, probable or possible reserves calculated using prices other than SEC prices.
**Talos Energy Overview**

Talos is a **technically driven** offshore independent oil and gas company with significant track record of **shareholder value** creation through exploration success and accretive M&A. Talos consistently generates free cash flow.

### Talos Key Assets

- **Gulf of Mexico**
  - Talos Acreage
  - Talos Seismic
  - Shelf and Other
  - Phoenix Complex
  - Pompano
  - Ram Powell
  - Block 7 – Zama Discovery
  - Block 2/31

### PRODUCTION AND RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2Q 2019 Production</th>
<th>2P Reserves¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proved Reserves¹</td>
<td>149 MMBoe</td>
<td>197 MMBoe</td>
</tr>
<tr>
<td>59.0 MMBoe/d</td>
<td></td>
<td></td>
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</table>

### VALUATION

<table>
<thead>
<tr>
<th></th>
<th>2P PV-10¹²</th>
<th>Proved PV-10¹,²</th>
<th>Enterprise Value³</th>
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</thead>
<tbody>
<tr>
<td>2Q 2019 LTM Adj. EBITDA⁴</td>
<td>$616 MM</td>
<td>$452 MM</td>
<td>$1,742 MM</td>
</tr>
<tr>
<td>2Q 2019 LTM Adj. EBITDA⁴</td>
<td></td>
<td></td>
<td>$3,077 MM</td>
</tr>
<tr>
<td>2018 Pro Forma Capex (Including P&amp;A)</td>
<td>$452 MM</td>
<td>$452 MM</td>
<td>$4,140 MM</td>
</tr>
<tr>
<td>Net Debt / 2Q 2019 LTM Adj. EBITDA⁴,⁵</td>
<td>1.2x</td>
<td>1.2x</td>
<td>1.2x</td>
</tr>
</tbody>
</table>

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Source: Talos

1. 12/31/2018 reserves and PV-10 presented using pricing of $55.00/BO & $2.75/MMBTU before differentials. Excludes Gunflint.
2. PV-10 is a non-GAAP measure. GAAP does not prescribe any corresponding measure for PV-10 of reserves on any basis other than SEC prices. As a result, it is not practical to reconcile PV-10 using the price deck noted on footnote 1 to GAAP standardized measure.
3. As of August 30, 2019.
4. Last Twelve Months ("LTM") Adjusted EBITDA is a non-GAAP measure. Reconciliation from non-GAAP to closest GAAP measure included in Appendix.
Delivering Results Despite Market Sentiment

In contrast to sector performance and investor skepticism, Talos has **delivered strong results** and **consistent free cash flow**, and is continuing to **build a well-positioned business**

WTI has traded in a narrow range over the last twelve months

Source: Talos.
Note: Pro Forma 2017 figures reflect combined results prior to Talos’s merger with Stone Energy, completed May 10, 2018. Market Capitalization figures shown as of May 10, 2018 and as of August 9, 2019.
Through our extensive seismic footprint and the latest advancements in reprocessing, Talos continues to develop its exploration portfolio around infrastructure and the established Miocene deepwater trend.

### Talos Seismic Expertise – US Gulf of Mexico

- **Shelf and Other Deepwater**
  - 14.4 MBoe/d net\(^1\)
  - 61% Oil
  - 87% Operated

- **Green Canyon 18**
  - 1.1 MBoe/d net\(^1\)
  - 88% Oil
  - 100% Operated

- **Phoenix Complex**
  - 22.8 MBoe/d net\(^1\)
  - 80% Oil
  - 100% Operated

- **Ram Powell**
  - 5.8 MBoe/d net\(^1\)
  - 57% Oil
  - 100% Operated

- **Pompano/Amberjack/Gunflint**
  - 14.9 MBoe/d net\(^1\)
  - 84% Oil
  - 91% Operated

- **Notes:**
  1. All net production rates based on 2Q 2019 actuals, reflective of respective working interest and net of royalty interests

- **Key Points:**
  - 0.9 million gross / 0.6 million net leased acres in the US Gulf of Mexico
  - Greater than 56,000 square miles of seismic coverage
Gulf of Mexico Investment Thesis

Why Gulf of Mexico?

- One of the most important and prolific oil basins in the US, second only to the Permian basin in total current oil production
- Long history of production, with year-over-year production growth since 2013, and forecasted to continue to grow over the next 10 years
- Established infrastructure leading to attractive differentials
- Exploration and development focused on leveraging existing infrastructure
- Improved drilling and completion efficiencies, similar to onshore basins
- Lower rig rates, with a cost of goods and services market that increases at a lower rate than other onshore basins

Industry Commentary

“Subsea wells tied back to existing production facilities have been reducing not only costs but also start-up times in the GoM...Companies like Anadarko Petroleum Corp., BP, Shell and Talos Energy are relying on existing infrastructure to uplift economics for exploration and production.”

Hart Energy – June 24, 2019

Source: Wood Mackenzie, EIA, RS energy group.
1 Monthly production as of Dec 2018.
Talos Core Competencies and Focus Areas

- Targeting prolific Pliocene --> Miocene window
- Excellent rock properties and advances in seismic lead to direct hydrocarbon indicators (DHI’s)
- Reduce risk and increase exploration success
- Top-tier offshore operational performance
- Infrastructure-led exploration leads to low-cost developments and short cycle time to first production
- Focus on health, safety, and environment
- Efficient execution in drilling, completions and well-work at low cost

Geology & Geophysics

- Targeting prolific Pliocene --> Miocene window
- Excellent rock properties and advances in seismic lead to direct hydrocarbon indicators (DHI’s)
- Reduce risk and increase exploration success

Offshore Operations

- Top-tier offshore operational performance
- Infrastructure-led exploration leads to low-cost developments and short cycle time to first production
- Focus on health, safety, and environment
- Efficient execution in drilling, completions and well-work at low cost

Low Entry Cost Focus

- Industry focus on onshore unconventional assets gives way to low entry cost opportunities in the offshore space
- 228,000 gross acres leased in Mexico with zero up-front acreage cost
## Talos Energy – Core Areas

<table>
<thead>
<tr>
<th>Area</th>
<th>2P Reserves(^1)</th>
<th>2Q 2019 Production</th>
<th>Key Assets</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GREEN CANYON</strong></td>
<td>95 mmboe</td>
<td>23.9 mboe/d net, ~81% oil</td>
<td>Phoenix, Tornado, Boris, GC 18</td>
<td>The U.S. Gulf of Mexico business generates significant free cash flow while funding approximately $85 million of Mexico exploration and appraisal in 2019</td>
</tr>
<tr>
<td><strong>MISSISSIPPI CANYON</strong></td>
<td>67 mmboe</td>
<td>20.7 mboe/d net, ~77% oil</td>
<td>Pompano, Ram Powell, Amberjack, Gunflint</td>
<td></td>
</tr>
<tr>
<td><strong>GOM SHELF / OTHER</strong></td>
<td>35 mmboe</td>
<td>14.4 mboe/d net, ~61% oil</td>
<td>Ewing Bank 305/306, Main Pass 72</td>
<td></td>
</tr>
<tr>
<td><strong>OFFSHORE MEXICO</strong></td>
<td>-</td>
<td>-</td>
<td>Zama Block 31, Other Prospects</td>
<td></td>
</tr>
</tbody>
</table>

### Notes
- The U.S. Gulf of Mexico business generates significant free cash flow while funding approximately $85 million of Mexico exploration and appraisal in 2019.
- 2Q Production: 23.9 mmboe/d net, ~81% oil.
- Key Assets: Phoenix, Tornado, Boris, GC 18.
- **Other Prospects:** Zama Block 31, Other Prospects.

\(^1\) 12/31/2018 reserves and PV-10 presented using pricing of $55.00/BO & $2.75/MMBTU before differentials. Excludes Gunflint.
Recent strategic acquisition of the GC 18 platform with active production and significant available capacity

Low entry cost transaction providing scalable infrastructure in a core operating area

Existing asset has produced over 100 MMBoe and we expect another re-development program

Talos subsequently executed multiple drilling business development opportunities to leverage the new facility:
  - Acquired Antrim discovery from Exxon, which will tie back to GC 18 facility
  - Drilled the Bulleit well and had a discovery (GC 18 tie-back)
  - Acquired new blocks in recent federal lease sale in close proximity
  - Acquired Hershey prospect from Exxon

Validation of strategy focused on core areas, infrastructure access, and upside exploration and exploitation.
Material rate and reserve growth since acquiring

Recently drilled and completed Boris 3 and Tornado 3

Reached a production milestone in May 2019 of ~43 MBoe/d
Active in All Business Development Areas

Stranded Discoveries & Exploration, Development JVs
- Provides a diversified portfolio of opportunities
- Increases scale significantly
- Typically sold for cash
- More difficult to execute in a soft capital markets scenario
- Talos benefits from owning or having access to nearby infrastructure to economically justify development

Single Asset Acquisition
- Low cost of entry on all metrics
- Typically sold by Majors
- Sellers main focus is on protection against P&A liabilities
- Acquisition of existing infrastructure allows Talos to be better explorers by focusing on low-risk exploration within a 30-mile radius

Roll Up of Private Companies
- Private companies looking for an opportunity to monetize investment
- Typically includes additional inventory of drillable prospects
- Increases scale significantly
- Talos benefits from owning or having access to nearby infrastructure to economically justify development

Asset Packages
- Provides a diversified portfolio of opportunities
- Increases scale significantly
- Typically sold for cash
- More difficult to execute in a soft capital markets scenario
## Recent Business Development Activity

### Single Asset Acquisition

**RAM POWELL**
- **Seller:** Shell, ExxonMobil, Anadarko
- **Transaction Date:** May 2018
- **Acquisition metrics:** $5,230/Boe of production
- **2Q2019 Production:** 5.8 MBoe/d Net
- **Working Interest:** 100%

**GREEN CANYON 18**
- **Seller:** Whistler Energy (acquired entity)
- **Transaction Date:** August 2018
- **Acquisition metrics:** $9,333/Boe of production
- **2Q2019 Production:** 1.1 MBoe/d Net
- **Working Interest:** 100%

**GUNFLINT**
- **Seller:** Samson Offshore
- **Transaction Date:** January 2019
- **Acquisition metrics:** $16,450/Boe of production
- **Current Production:** 1.3 MBoe/d Net
- **Working Interest:** 9.6%

### Roll-Up of Private Company

**ANTRIM**
- **Seller:** ExxonMobil
- **Transaction Date:** January 2019
- **Working Interest:** 100%
- **Discovery – appraisal in coming years**

### Single Asset Acquisition

**GREEN CANYON 18**
- **Seller:** Whistler Energy (acquired entity)
- **Transaction Date:** August 2018
- **Acquisition metrics:** $9,333/Boe of production
- **2Q2019 Production:** 1.1 MBoe/d Net
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**GUNFLINT**
- **Seller:** Samson Offshore
- **Transaction Date:** January 2019
- **Acquisition metrics:** $16,450/Boe of production
- **Current Production:** 1.3 MBoe/d Net
- **Working Interest:** 9.6%

### Stranded Discoveries & Expl., Dev. JVs

**ANTRIM**
- **Seller:** ExxonMobil
- **Transaction Date:** January 2019
- **Working Interest:** 100%
- **Discovery – appraisal in coming years**

**MURPHY EXPLORATION JV**
- **Partner:** Murphy Oil
- **Size:** 20,000 acres
- **Area of Focus:** Middle Miocene Prospects
- **Recent successful lease sale bids on MC 554, 555**

**HERSHEY**
- **Seller:** ExxonMobil
- **Transaction Date:** September 2019
- **Working Interest:** 100%
- **Major exploration prospect adjacent to Phoenix complex**
Mexico Block 7 Core Area

Overview
- Participating Interest: 35%
- Operator: Talos Energy
- Acreage: 114,854 gross acres
- Water Depth: 500-650 ft

Zama Discovery
- Water Depth: 550 ft
- Appraisal operations completed under budget and ahead of schedule
- Aggressively applied latest technologies in the areas of coring, drilling fluids and mechanics, and wireless downhole monitoring during the DST

Other Prospects
- All prospects are amplitude supported opportunities
  - Pok-A-Tok
  - Xlapak (multiple stacked targets)
  - Balamku
  - Chactun
  - Kaan

Block 7 contains the globally recognized Zama Discovery and numerous other high quality prospects.
Block 7 – Zama Appraisal Plan Results

Zama #2
- 1,676 ft gross TVD sand
- 581 ft gross TVD pay
- 68-73% net to gross
- OWC ~100 ft deeper than plan
- Ahead of schedule, under budget

Zama #2 ST1
- 873 ft gross TVD pay
- 68-73% net to gross
- 714 ft whole core, 98% recovery
- DST: 7,900 boe/d unstimulated, 94% oil
- Ahead of schedule, under budget

Zama #3
- 1,000 ft gross TVD sand
- 748 ft gross TVD pay
- Similar section net to gross, 85-90% Zone 3
- 717 ft whole core, 99% recovery
- Ahead of schedule, under budget

Talos expects gross resource range in upper half of 400-800 MMBoe guidance and production rate of up to 150-175 MBoe/d
Zama – One of the Lowest Breakevens in the World

The Zama discovery stacks up well against WoodMac’s new global sources of oil supply and is considered one of the most economic projects in the world.

Source: Wood Mackenzie
Note: Wood Mackenzie Oil Supply Tool H2 2017 dataset, Breakevens calculated point forward at NPV15
1 Projects that took FID at end-2017 but are included for reference
Mexico Block 2/31 Shallow Water Area

Very attractive shallow water acreage set with Olmeca prospect de-risked by Pemex well

Block 2/31 Overview

- Participating Interest: 25%
- Operator: Hokchi Energy, a subsidiary of Pan American Energy (PAE)
- Acreage: 112,979 gross acres
- Water Depth: 100-150 ft

Olmeca Complex

- Pemex well in 2003
- Xaxamani-2 well is a discovery; drill stem test planned to confirm productivity
- Plan is to drill the Tolteca well immediately after DST planned at Xaxamani-2

Pan American Energy (PAE)

- Pan American Energy is the largest privately-owned integrated energy company operating in Argentina
- The company is owned 50% by BP, 50% by Bridas Corporation
**Mexico Block 2/31 Olmeca Complex**

### Exploration Background

- **Xaxamani-1 well Drilled by Pemex in 2003**
- **65 ft gas and 130 ft oil pay in two sands**
- **Resource area was included in the Block 31 exploration area**
- **Just offshore from the 1950’s era Rabon Grande Oil Field (same field pays)**
- **Deeper potential below the “800m Sand” in the third amplitude to the East**
- **Amplitude area covers approximately 1,000 - 1,500 acres per zone – potential for multi-zone development**

**800m Sand – Trough Amplitude**

- **Exploration Background**
- **Rabon Grande Field**
- **Cumulative Production**
  - 7 MMBO & 4 BCF
  - 7.7 MMBOE

**750m Sand**

- **Well Path**
- **Rabon Grande Field**
- **Cumulative Production**
  - 7 MMBO & 4 BCF
  - 7.7 MMBOE
Mexico – Preliminary Timeline to FID

**Key activities between now and FID**

1. Unitization proceedings and agreement
2. Finalize development plan, submit to government
3. Government approval of development plan
Since the Zama discovery was announced in 2017, permitting activity in the region has increased to unprecedented levels.

Exploration projects are increasing with numerous high impact prospects to be evaluated in the coming 12-18 months.

Industry participants span a broad spectrum of international companies.

Scope and scale of industry participation reinforces our conviction in the basin’s potential.
**Key Activities in 2019**

*Talos Energy has been extremely active in the first half of 2019 across its portfolio, with a high degree of success on key projects*

<table>
<thead>
<tr>
<th>Geography</th>
<th>Type / Block</th>
<th>Asset</th>
<th>Status</th>
<th>Timing</th>
<th>Results</th>
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<tbody>
<tr>
<td>United States</td>
<td>Deepwater</td>
<td>Tornado 3</td>
<td>On Production</td>
<td>1Q</td>
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<tr>
<td></td>
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<td>Boris 3</td>
<td>On Production</td>
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<td></td>
<td>HP-1 Dry-Dock</td>
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<td>Offshore Mexico</td>
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<td></td>
<td>EW 306 A-2 ST2</td>
<td>On Production</td>
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<td></td>
<td>EW 306 A-10 ST2</td>
<td>On Production</td>
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<td>GI 82 A-22</td>
<td>Currently Drilling</td>
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<tr>
<td>Block 7</td>
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<td>Zama 2</td>
<td>Finalized</td>
<td>1Q</td>
<td>✓</td>
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<td></td>
<td></td>
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<td>✗</td>
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<td>Drilled</td>
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<td>Currently Drilling</td>
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<td>✓</td>
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<td></td>
<td>Tolteca</td>
<td>In Plan</td>
<td>3Q</td>
<td>-</td>
</tr>
</tbody>
</table>
Talos Trading Below Proved Developed Producing PV-10

Talos currently trades below PV-10 of PDP reserves of $2.0 billion at $55/$2.75

Note: PV-10 is a non-GAAP measure. GAAP does not prescribe any corresponding measure for PV-10 of reserves on any basis other than SEC prices. As a result, it is not practical to reconcile PV-10 using the price deck noted on footnote 1 to GAAP standardized measure.

1 12/31/2018 reserves and PV-10 presented using pricing of $55.00/BO & $2.75/MMBTU before differentials
2 Excludes Gunflint
3 Probable PV-10 includes $730 mm of developed probable value based on 31 mmboe of reserves
4 Based on closing share price of $19.04 as of August 30, 2019
Zama Illustrative Estimated Cash Flows – First Year of Peak Production

Illustrative estimated cash flows assumes first full year of production. Due to cost recovery early in the life of the project, cash flow to E&P consortium is substantial.

150,000 BBL/D

$3.6bn Revenue at $65 Brent

- $0.3bn Royalty (~9.75% @ $65 Brent)
- $0.7bn Government Profit Oil (~69%)
= $1.1bn Total Government

$2.1bn Zama Consortium Cost Recovery (60% of Revenue)

- $0.3bn Zama Consortium Profit Oil (~31%)
= $2.5bn Total Zama Consortium

- Peak Production range of 150 – 175 mboe/d
- 90%+ good quality oil, ~28-30° API

- First dollar cost recovery of all opex, capex, work programs, and P&A (after royalties)
- Up to 60% of Revenue per year
- Zama Consortium profit oil is adjusted based on cumulative rate of return of project
- Government take increases over time depending on cumulative rate of return of project
- Material annual cash flow to Zama consortium partners
- Total cash flow will be shared amongst the partners based on their post-unitization participating interest in the Zama Consortium

1 Reference to Zama Consortium is inclusive of Pemex at an equity rate to be determined by the unitization process. Other partners in the Zama Consortium include Talos Energy (operator), WintershallDea and Premier Oil
2 Post Cost Recovery phase, the Mexican Government will capture the majority of the cash flows from the project
## Reconciliation of net income (loss) to Adj. EBITDA and of Adj. EBITDA to Adj. EBITDA excluding hedges ($ in millions)

<table>
<thead>
<tr>
<th>Net Income (loss)</th>
<th>September 30, 2018</th>
<th>December 31, 2018</th>
<th>March 31, 2019</th>
<th>June 30, 2019</th>
</tr>
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<tbody>
<tr>
<td>Interest Expense</td>
<td>25</td>
<td>24</td>
<td>25</td>
<td>25</td>
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<tr>
<td>Income Tax Expense (Benefit)</td>
<td>-</td>
<td>3</td>
<td>(6)</td>
<td>6</td>
</tr>
<tr>
<td>Depreciation, Depletion, Amortization</td>
<td>88</td>
<td>84</td>
<td>65</td>
<td>96</td>
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<tr>
<td>Write-down of oil and natural gas properties</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>Accretion Expense</td>
<td>10</td>
<td>11</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Loss on Debt Extinguishment</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transaction Related Costs</td>
<td>8</td>
<td>5</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Derivative Fair Value (gain)/ loss(^1)</td>
<td>53</td>
<td>(257)</td>
<td>110</td>
<td>(30)</td>
</tr>
<tr>
<td>Net cash receipts (payments) on settled derivative instruments(^1)</td>
<td>(41)</td>
<td>(16)</td>
<td>(3)</td>
<td>(10)</td>
</tr>
<tr>
<td>Non-cash (gain) loss on sale of assets</td>
<td>-</td>
<td>(2)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-cash write-down of other well equipment inventory</td>
<td>-</td>
<td>0</td>
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</tr>
<tr>
<td>Non-cash equity-based compensation expense</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Adj. EBITDA</td>
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<td>159</td>
<td>94</td>
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</tr>
<tr>
<td>Net cash receipts (payments) on settled derivative instruments(^1)</td>
<td>41</td>
<td>16</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Adj. EBITDA excluding hedges</td>
<td>$198</td>
<td>$175</td>
<td>$97</td>
<td>$216</td>
</tr>
</tbody>
</table>
## Non-GAAP Reconciliations

### Reconciliation of Net Debt

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>As of June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Principal</td>
<td>$712</td>
</tr>
<tr>
<td>Capital Leases</td>
<td>87</td>
</tr>
<tr>
<td>Gross Debt</td>
<td>799</td>
</tr>
<tr>
<td>Cash (excl. restricted)</td>
<td>(89)</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td><strong>$710</strong></td>
</tr>
</tbody>
</table>

### Reconciliation of 2Q 2019 LTM Adjusted EBITDA

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>2Q 2019 LTM Adj. EBITDA</th>
<th>$616</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q18 Adj. EBITDA</td>
<td>$157</td>
<td></td>
</tr>
<tr>
<td>4Q18 Adj. EBITDA</td>
<td>159</td>
<td></td>
</tr>
<tr>
<td>1Q19 Adj. EBITDA</td>
<td>94</td>
<td></td>
</tr>
<tr>
<td>2Q19 Adj. EBITDA</td>
<td>207</td>
<td></td>
</tr>
</tbody>
</table>

### Reconciliation of 2Q 2019 LQA Adjusted EBITDA

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>2Q19 LQA Adj. EBITDA</th>
<th>$828</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q19 Adj. EBITDA</td>
<td>$207</td>
<td></td>
</tr>
<tr>
<td>X 4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Reconciliation of Net Debt / 2Q 2019 LQA Adjusted EBITDA

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>As of June 30, 2019</th>
<th>Net Debt / 2Q 2019 LQA Adj. EBITDA 1.2x</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt</td>
<td>$710</td>
<td></td>
</tr>
<tr>
<td>2Q 2019 LQA Adjusted EBITDA</td>
<td>$616</td>
<td></td>
</tr>
</tbody>
</table>

### Reconciliation of 2Q 2019 Adjusted EBITDA Margin

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>Margin</th>
<th>Margin (ex. hedges)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q19 Adj. EBITDA / ex. hedges</td>
<td>$207</td>
<td>$216</td>
</tr>
<tr>
<td>Revenue</td>
<td>/ $287</td>
<td>/ $287</td>
</tr>
<tr>
<td>Adj. EBITDA Margin / ex. hedges</td>
<td>72%</td>
<td>75%</td>
</tr>
</tbody>
</table>

### Reconciliation of 2Q 2019 Adjusted EBITDA Margin per Boe

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>Margin per Boe</th>
<th>Margin per Boe (ex. hedges)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q19 Adj. EBITDA / ex. hedges</td>
<td>$207</td>
<td>$216</td>
</tr>
<tr>
<td>Production (MMboe)</td>
<td>5.4</td>
<td>5.4</td>
</tr>
<tr>
<td>Adj. EBITDA Margin/Boe / ex. hedges</td>
<td>$38.54</td>
<td>$40.32</td>
</tr>
</tbody>
</table>