

IPAA OGIS NYC

Tony Best, CEO

April 8, 2014





Forward Looking Statements - Cautionary Language

Except for historical information contained herein, statements in this presentation, including information regarding the business of the Company, contain forward looking statements within the meaning of securities laws, including forecasts and projections. The words “anticipate,” “assume,” “believe,” “budget,” “estimate,” “expect,” “forecast,” “intend,” “plan,” “project,” “will” and similar expressions are intended to identify forward looking statements. These statements involve known and unknown risks, which may cause SM Energy’s actual results to differ materially from results expressed or implied by the forward looking statements. These risks include factors such as the availability, proximity and capacity of gathering, processing and transportation facilities; the uncertainty of negotiations to result in an agreement or a completed transaction; the uncertain nature of announced acquisition, divestiture, joint venture, farm down or similar efforts and the ability to complete any such transactions; the uncertain nature of expected benefits from the actual or expected acquisition, divestiture, joint venture, farm down or similar efforts; the volatility and level of oil, natural gas, and natural gas liquids prices; uncertainties inherent in projecting future rates of production from drilling activities and acquisitions; the imprecise nature of estimating oil and gas reserves; the availability of additional economically attractive exploration, development, and acquisition opportunities for future growth and any necessary financings; unexpected drilling conditions and results; unsuccessful exploration and development drilling results; the availability of drilling, completion, and operating equipment and services; the risks associated with the Company’s commodity price risk management strategy; uncertainty regarding the ultimate impact of potentially dilutive securities; and other such matters discussed in the “Risk Factors” section of SM Energy’s 2013 Annual Report on Form 10-K. The forward looking statements contained herein speak as of the date of this announcement. Although SM Energy may from time to time voluntarily update its prior forward looking statements, it disclaims any commitment to do so except as required by securities laws.

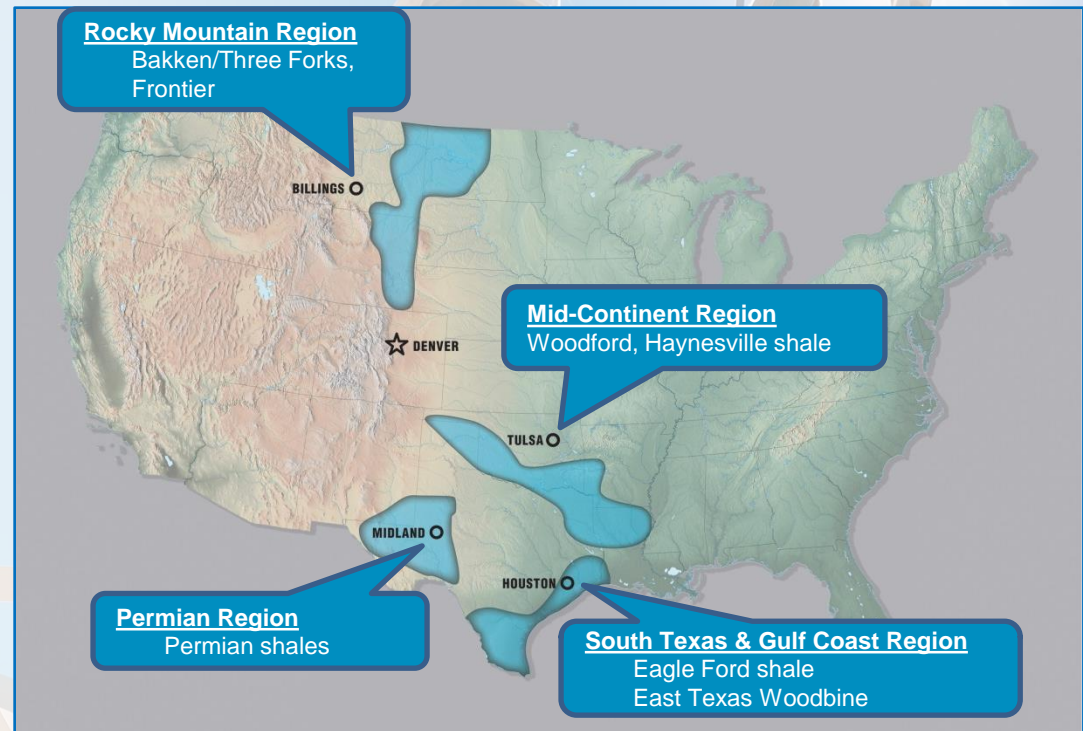
Proved reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible – from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations – prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain. In this presentation, the Company uses the terms “probable,” “possible,” “3P,” and “resources.” Probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered. Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. Reserves are estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations (subject to other conditions). Resources are quantities of oil and gas and related substances estimated to exist in naturally occurring accumulations. SM Energy also uses the term “EUR” (estimated ultimate recovery), which is the sum of reserves remaining as of a given date and cumulative production as of that date. Estimates of probable and possible reserves included in 3P reserves and resources which may potentially be recoverable through additional drilling or recovery techniques are by their nature more uncertain than estimates of proved reserves and accordingly are subject to substantially greater risk of not actually being realized by the Company.

Overview



Founded in 1908, SM Energy Company is a Denver-based independent energy company focused on the acquisition, exploration, development, and production of crude oil, natural gas, and natural gas liquids in onshore North America.

- Resource play focused with emphasis on early, low cost entry into emerging plays.
- Operates in four core areas: South Texas & Gulf Coast, Rocky Mountains, Permian, and the Mid-Continent.
- Focused on liquids-rich development and exploration programs.



Key Messages

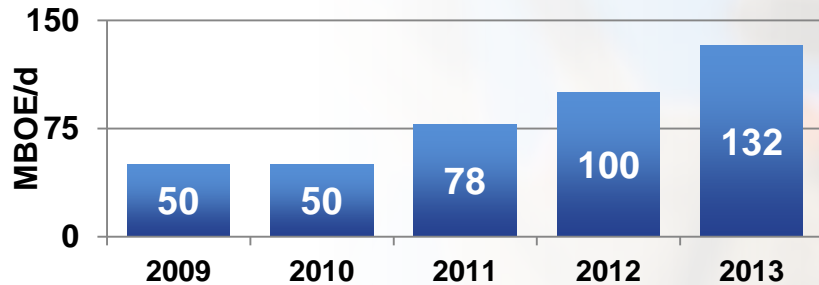


- **SM Energy has a track record of strong operational performance and financial discipline.**
- **The Company expects to deliver on its business plan in 2014 and beyond through:**
 - ✓ **Continued execution of development programs including extensive testing in Eagle Ford and Bakken programs to enhance well performance and add inventory.**
 - ✓ **Disciplined testing and delineation program in New Ventures areas to add new inventory.**

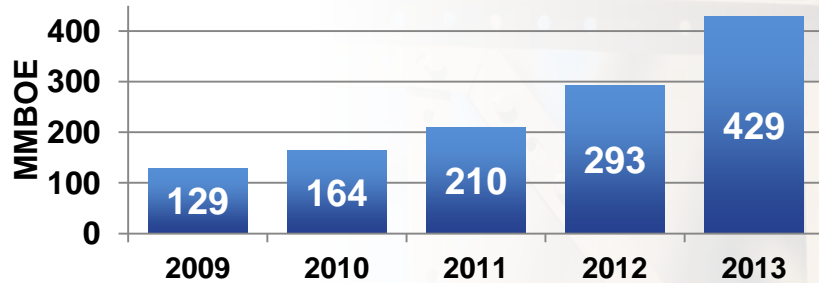
Track Record of Absolute Growth...



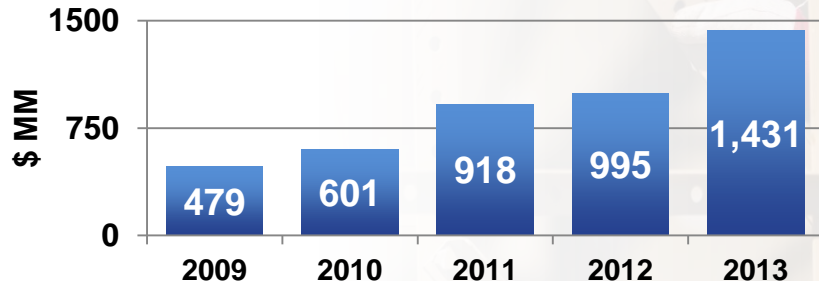
Production



Proved Reserves

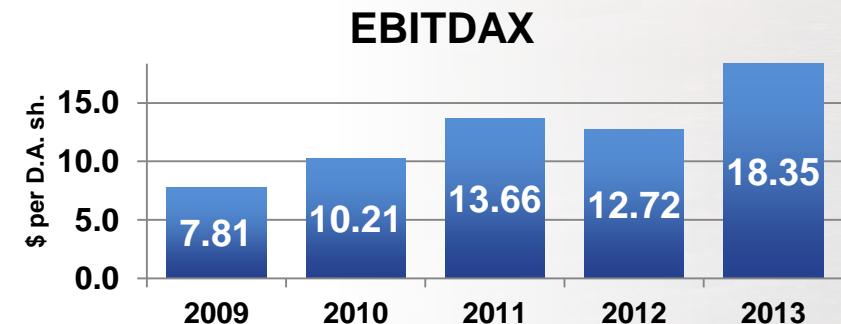
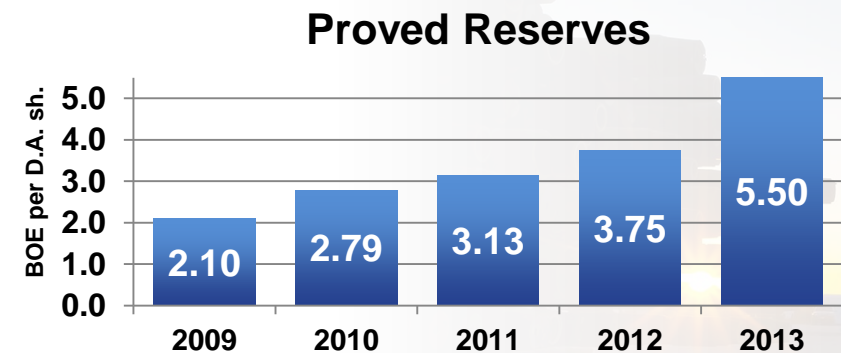
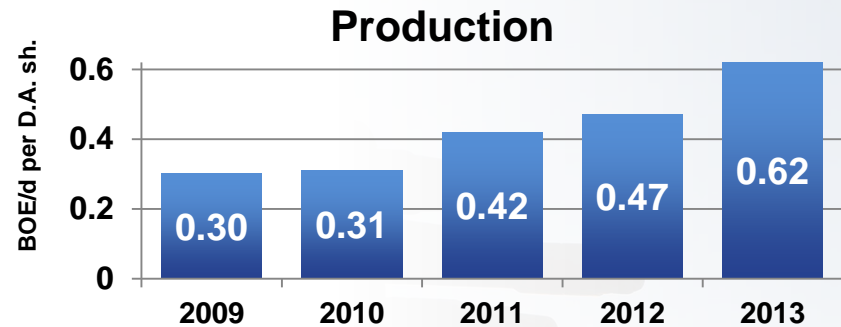


EBITDAX



- In 2013, SM Energy set records for production, proved reserves, and EBITDAX.
- Strong annual growth for all three metrics in 2013.
 - ✓ 33% production growth
 - ✓ 44% proved reserves growth
 - ✓ 44% EBITDAX growth
- 3-year compounded annual growth was >30% for all three metrics.

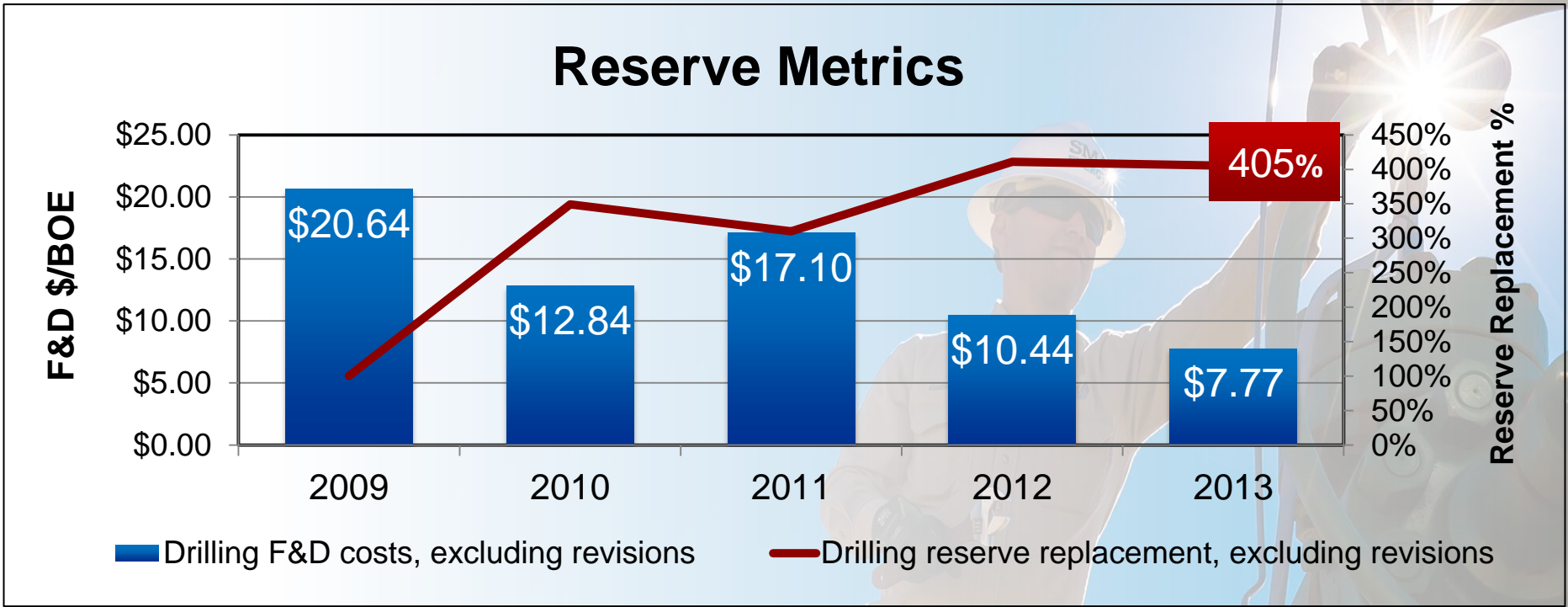
...And Debt-Adj/Share Growth



- The Company has a proven record of growing on a debt-adjusted per share basis.
- SM Energy believes growing on a debt-adjusted per share basis is key to long-term value creation.

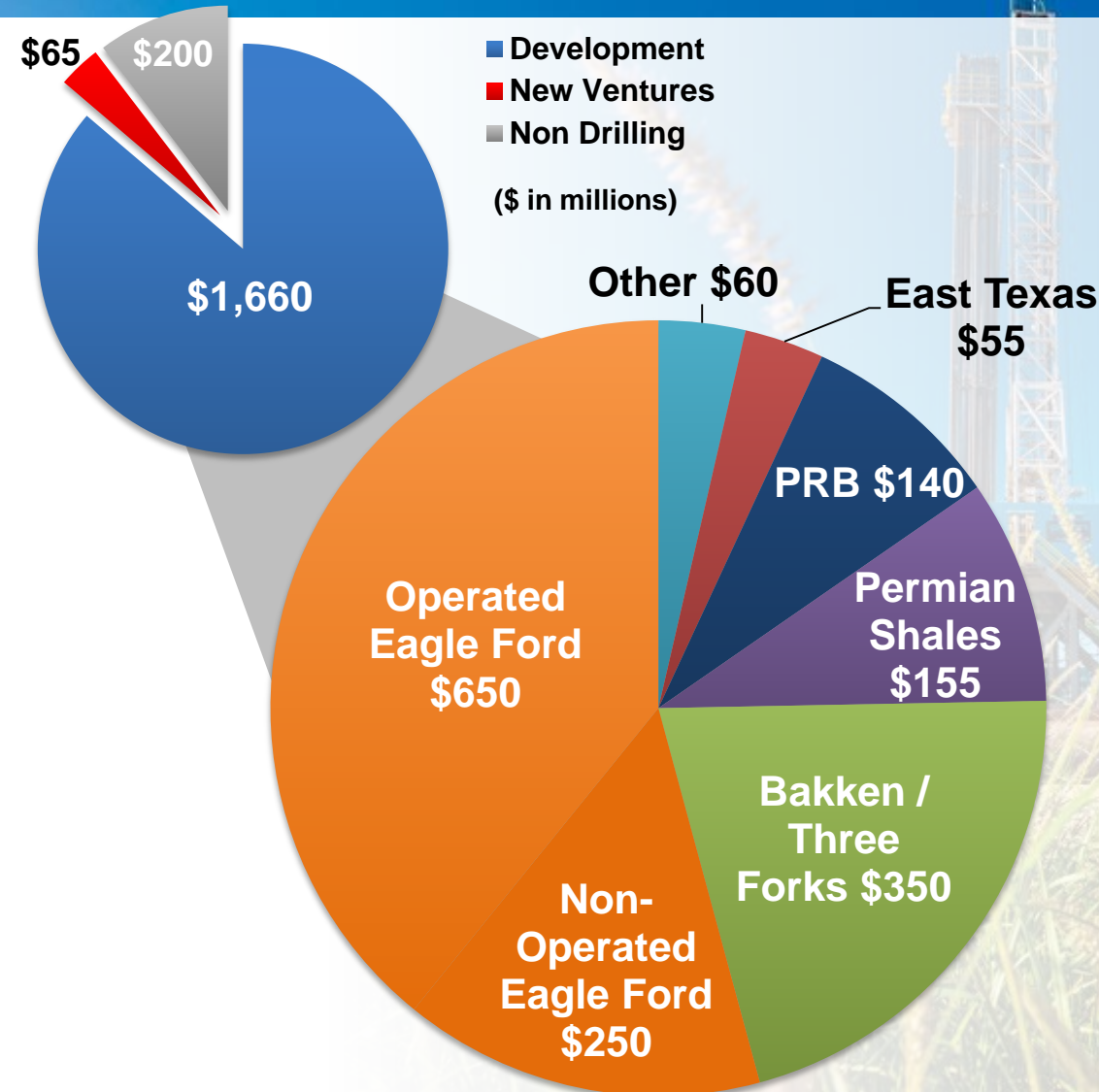


Reserve Metrics



- **Drilling F&D costs decreased by approximately 26% in 2013 to \$7.77 per BOE.**
- **Reserve replacement in excess of 400% for the second consecutive year.**

2014 Capital Budget



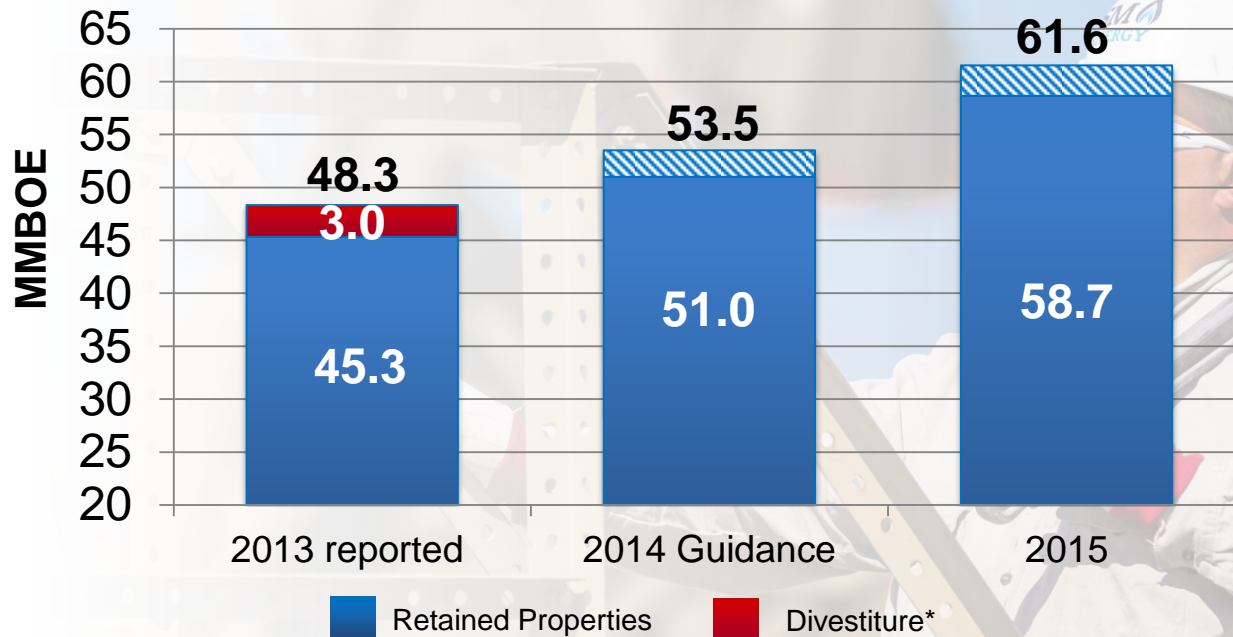
2014 capital budget of ~\$1.9 billion

- Focused EFS and Bakken programs account for 75% of development budget.
- Over 75% of development capital is allocated to projects operated by SM Energy.

Production Outlook



- 2014 production guidance midpoint of 52.3 MMBOE; ~16% projected annual production growth on retained properties in 2014.
- Production growth in 2015 estimated to be ~15%.

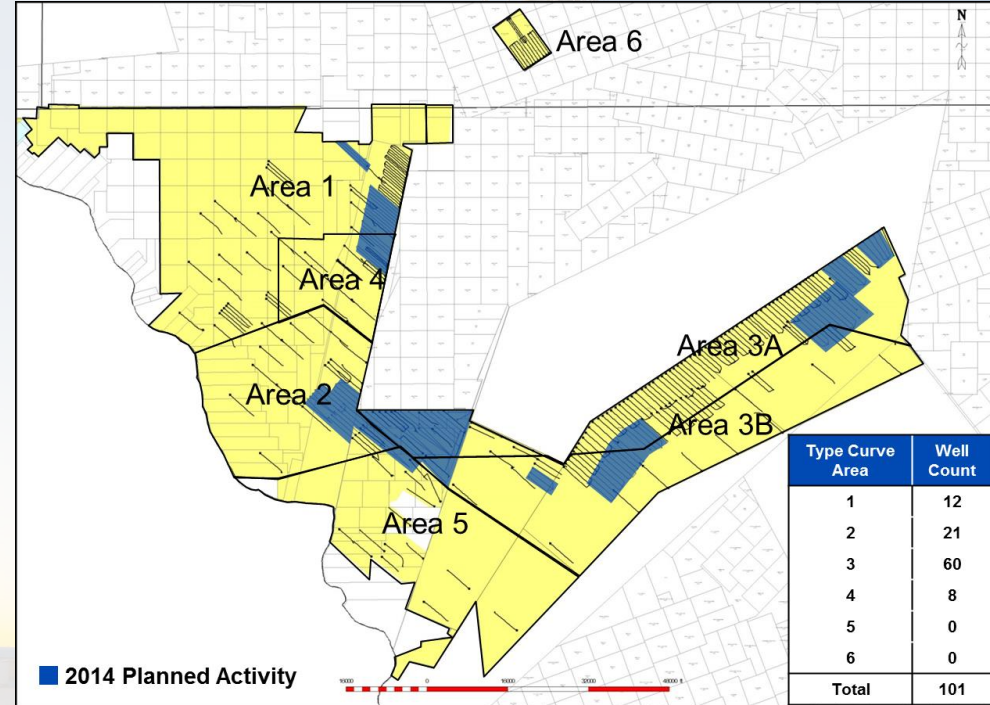


* The Company divested of its Anadarko Basin assets on 12/30/13.

Operated Eagle Ford



- The Company plans to make approximately 100 flowing completions in 2014.
- SM Energy's 2014 program will focus on improving well design to enhance the performance of its wells.



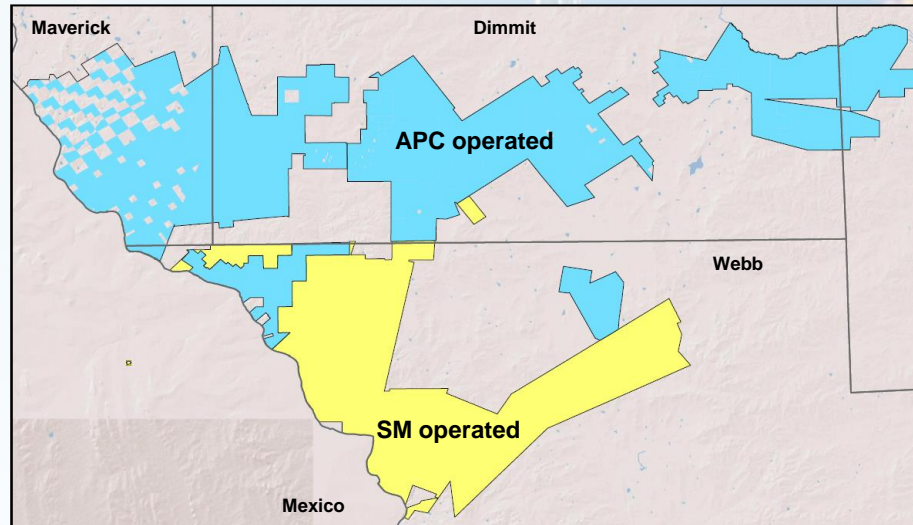
- ~145,000 total net acres
 - ✓ ~ 65,000 net acres - Briscoe Ranch
 - ✓ ~ 15,000 net acres - Apache Ranch
 - ✓ ~ 65,000 net acres - Galvan Ranch

Enhancing Well Performance



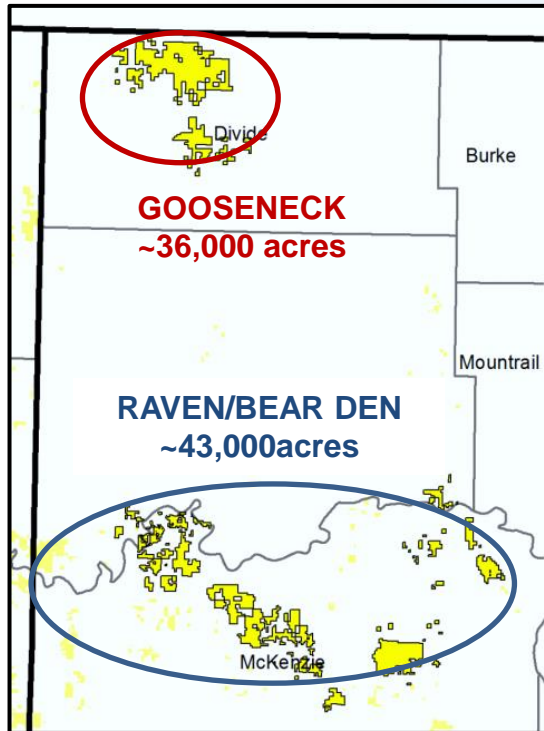
- **Increasing average lateral length to 6,400' in 2014 from 5,000' in 2013.**
- **Increasing sand loading in frac designs up to 2,500 lbs. of sand per lateral foot.**
- **Modifying designs to reduce frac impacts on offset wells.**
- **Testing higher landing zones in thicker pay areas.**
- **Optimizing/accelerating artificial lift installations.**

Non-operated Eagle Ford



- **SM Energy's 2014 budget assumes ~20% production growth year over year.**
- **The operator recently guided to a higher level of activity in its Eagle Ford program.**

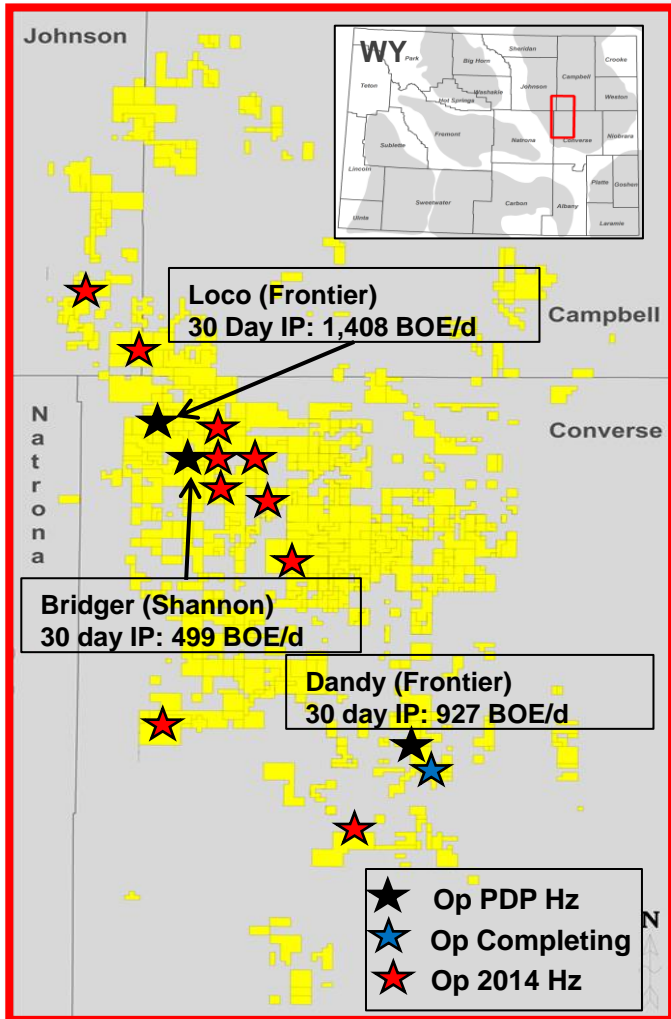
Bakken/Three Forks



- Total Bakken/TFS net acreage
 - ✓ ~159,000
- Focus area total net acreage
 - ✓ ~79,000

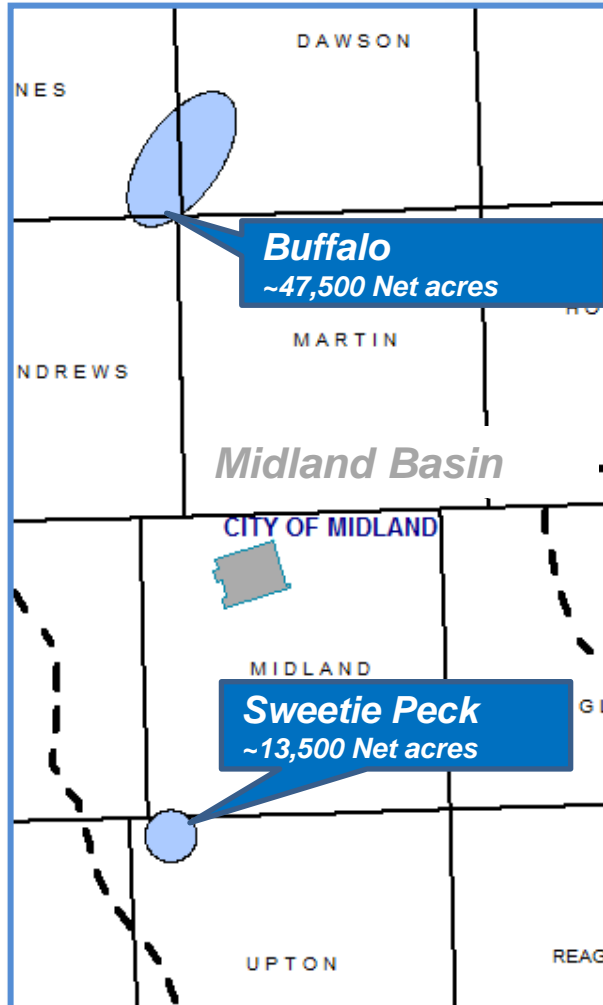
- The Company expects to make ~45 flowing completions in 2014.
- A number of tests are planned in 2014 that are expected to add inventory including:
 - ✓ Increased sand and fluid volume in completions (2Q14).
 - ✓ Downspacing tests in East Raven (2Q14).
 - ✓ Test new intervals at Gooseneck and Stateline (4Q14).

Powder River Basin



- SM Energy currently has ~140,000 net acres (~100,000 net acres prospective for the Frontier).
- Moving from 1 to 2 rigs by 2Q14.
- Plan to drill 10 Frontier wells and make 8 completions in 2014.
- Currently, the Company has 23 approved PRB permits in hand.

Midland Basin Focus Map



Sweetie Peck

- The Company completed 2 wells in 1Q14.
 - ✓ Preliminary results of new wells look to be in line with other Sweetie Peck horizontal wells.
- SM Energy plans to drill and complete 14 wells in 2014.

Buffalo

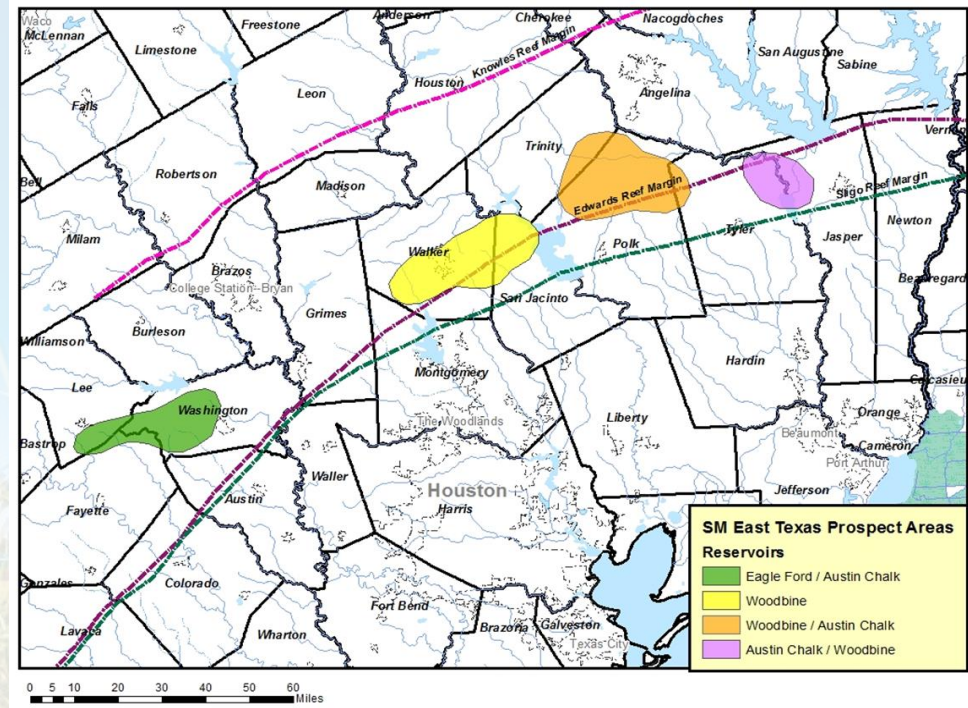
- SM Energy plans to test the Wolfcamp D and lower Spraberry intervals in its Buffalo prospect during 2014.

2014 East Texas Program



~215,000 net acres

- The Company plans for 8 test wells throughout 2014
- 2014 program will focus on delineating the acreage in order to prove up resource and establish infrastructure requirements.





Recap: How We Continue to Grow Inventory

➤ **Continue to execute and deliver on established development programs.**

Eagle Ford	Bakken/Three Forks
Enhance inventory through longer laterals and improved completion design.	Increase inventory through downspacing, enhanced completion design and additional intervals.

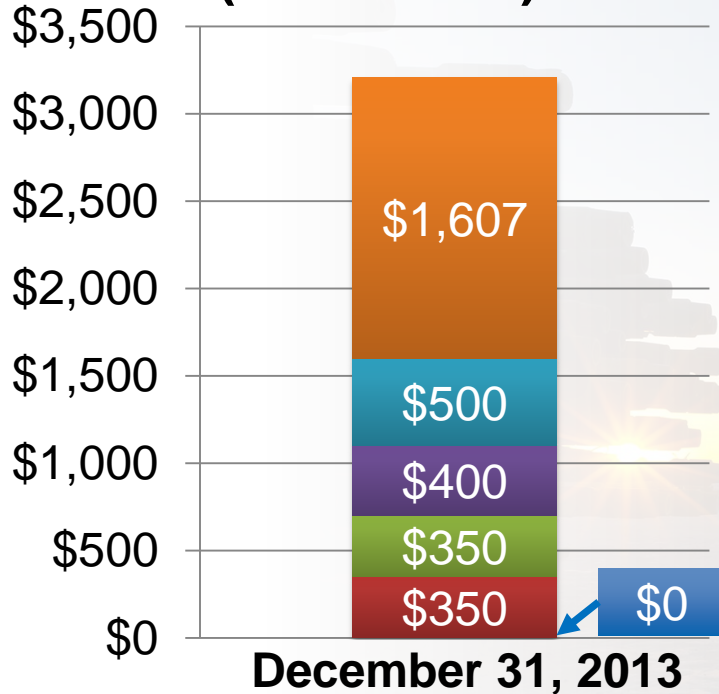
➤ **Add inventory through New Venture success.**

Powder River Basin	Permian Basin	East Texas
Continue delineation of acreage position.	Develop Sweetie Peck prospect, test additional intervals in Buffalo and Sweetie Peck Prospects.	Test and delineate four prospect areas.



Financial Position

TOTAL BOOK CAPITALIZATION (in millions)



- At December 31, 2013, the Company's net debt to trailing EBITDAX was 0.9 and net debt to book capitalization was 45%.
- Borrowing base and commitment recently redetermined at \$2.2 billion and \$1.3 billion, respectively, despite 2H13 divestitures.

Revolving Credit Facility

Senior Notes due 2019

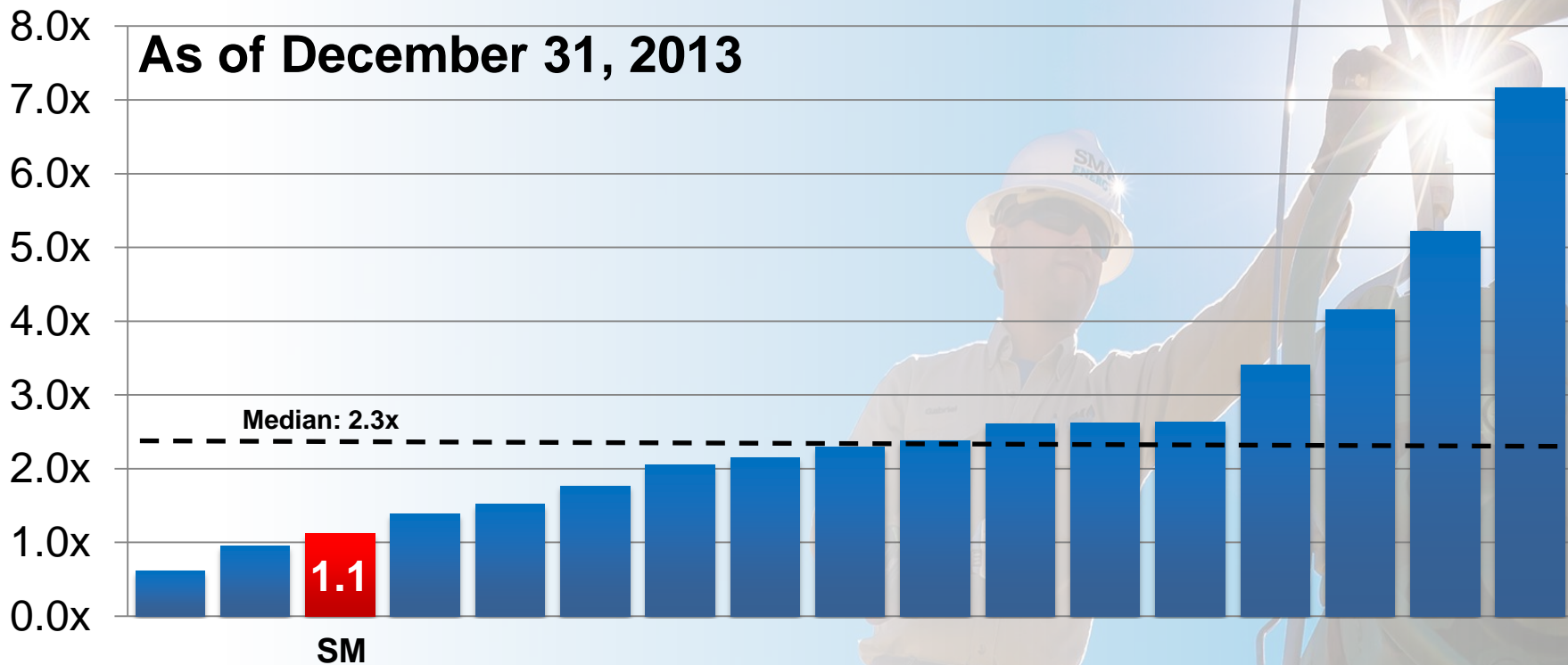
Senior Notes due 2021

Senior Notes due 2023

Senior Notes due 2024

Stockholders' Equity

Debt to TTM EBITDAX



➤ **SM Energy's debt to trailing twelve-month EBITDAX is below its peer median average of 2.3x.**

Note: Balance sheet and TTM EBITDAX data sourced from Bloomberg. Peer Group includes BBG, CLR, COG, CRK, CXO, DNR, EGN, FST, LPI, NFX, QEP, RRC, UPL, WLL, XCO, XEC.

Going Forward

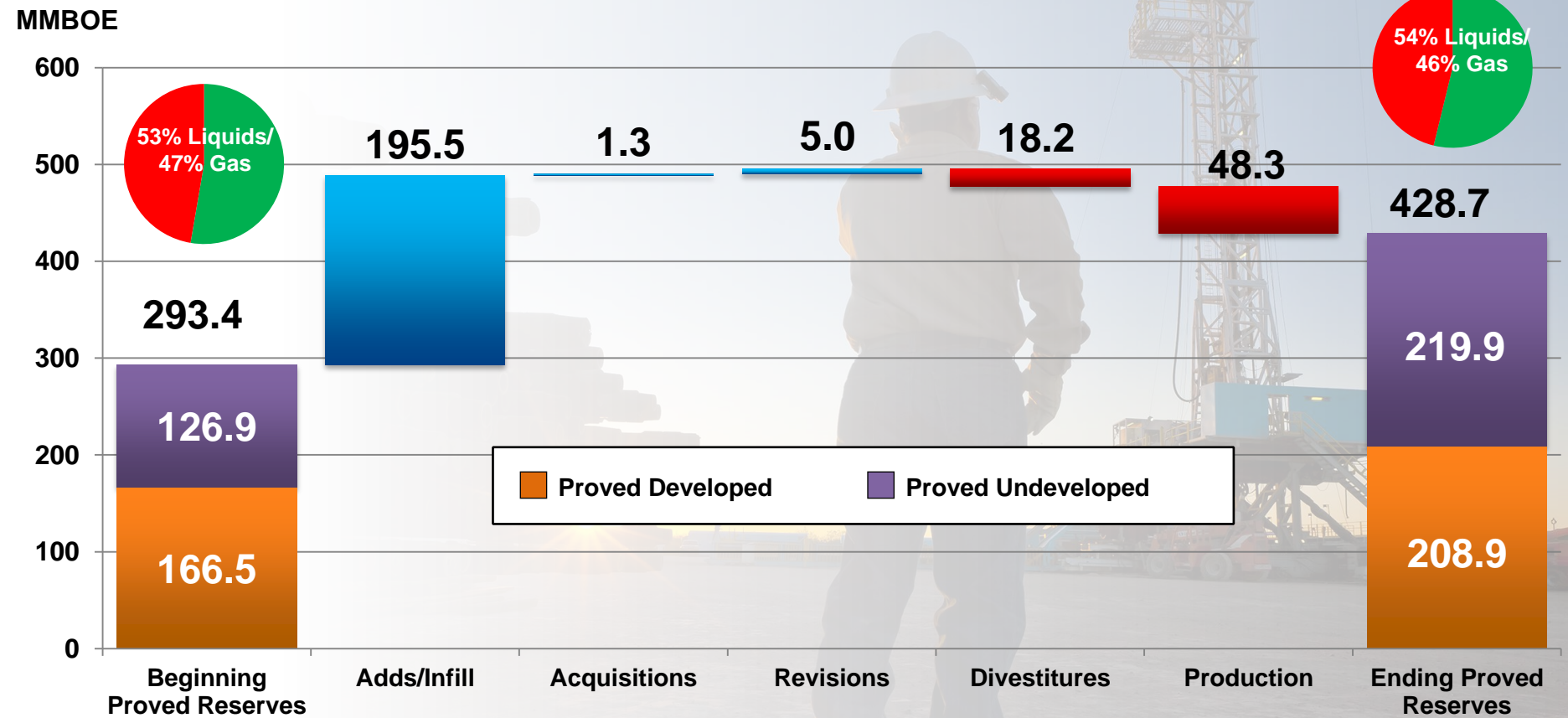


- **We have momentum to continue top level performance on measurements that matter.**
- **We are focused on significant inventory growth and we have the resource base to achieve this objective.**
- **Near-term catalysts include:**
 - ✓ **Enhanced completions in the Eagle Ford and Bakken.**
 - ✓ **Key well tests in New Venture areas: Permian, East Texas, and Powder River Basin.**
- **Leadership transition announced.**



Appendix

2013 Proved Reserve Roll-Forward

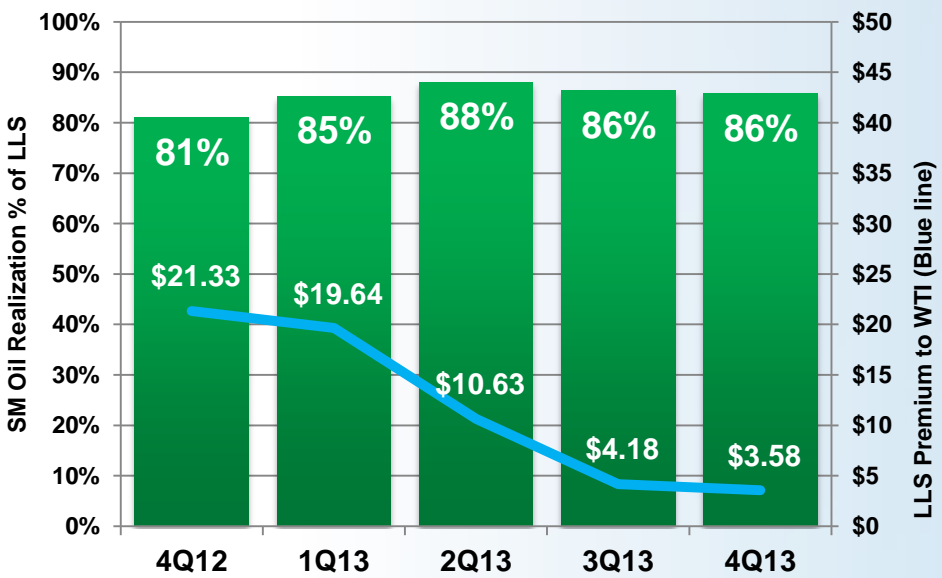


- Proved reserves increased by 46% from 2012.
- Liquid proved reserves increased 49% year over year.



Condensate Update

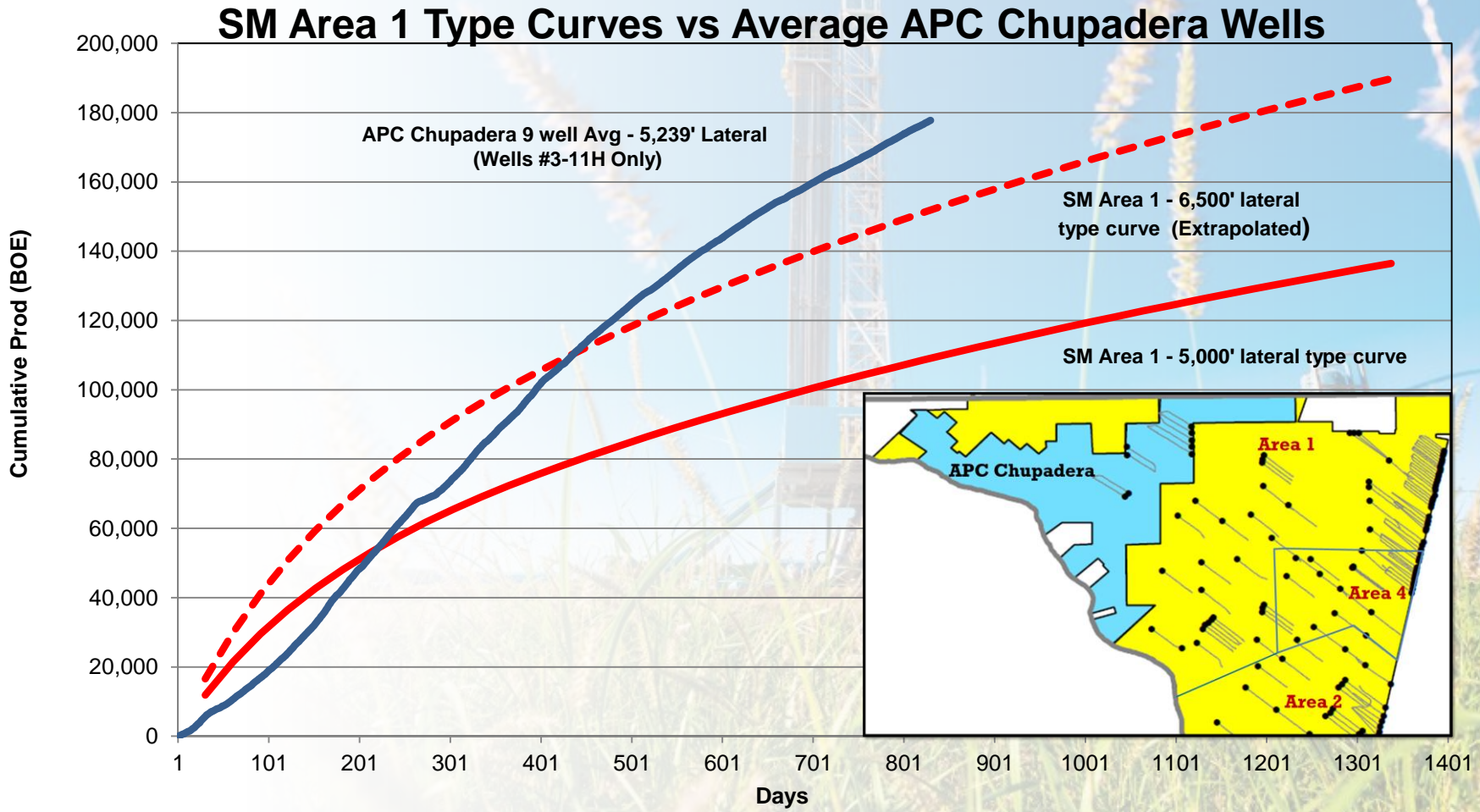
South Texas & Gulf Coast % Oil Realization to LLS



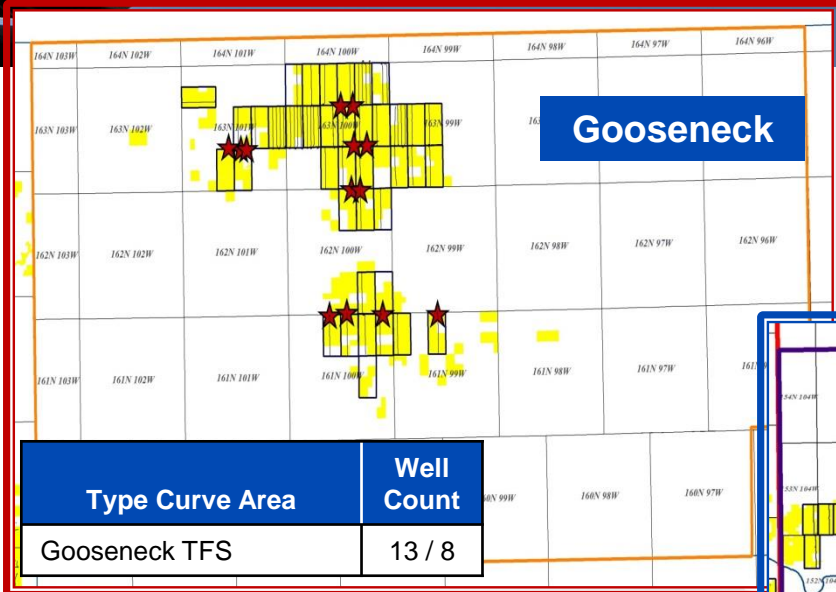
- Substantially all of SM Energy's Eagle Ford condensate trades off of an LLS benchmark.
- The Company's condensate realization has remained stable as a percentage of the LLS benchmark.
- SM Energy has approximately 10,000 Bbls/d of firm condensate sales contracts utilizing a mixture of fixed and floating gravity differentials.



Western Eagle Ford Results

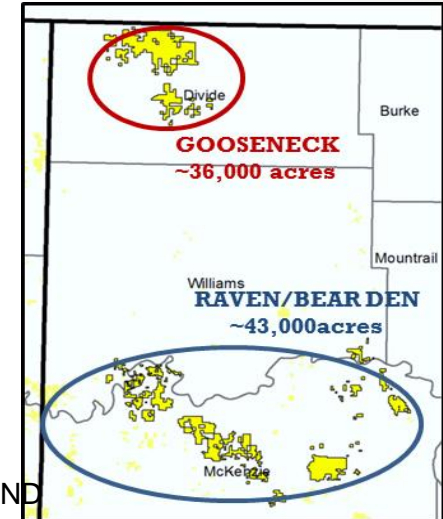
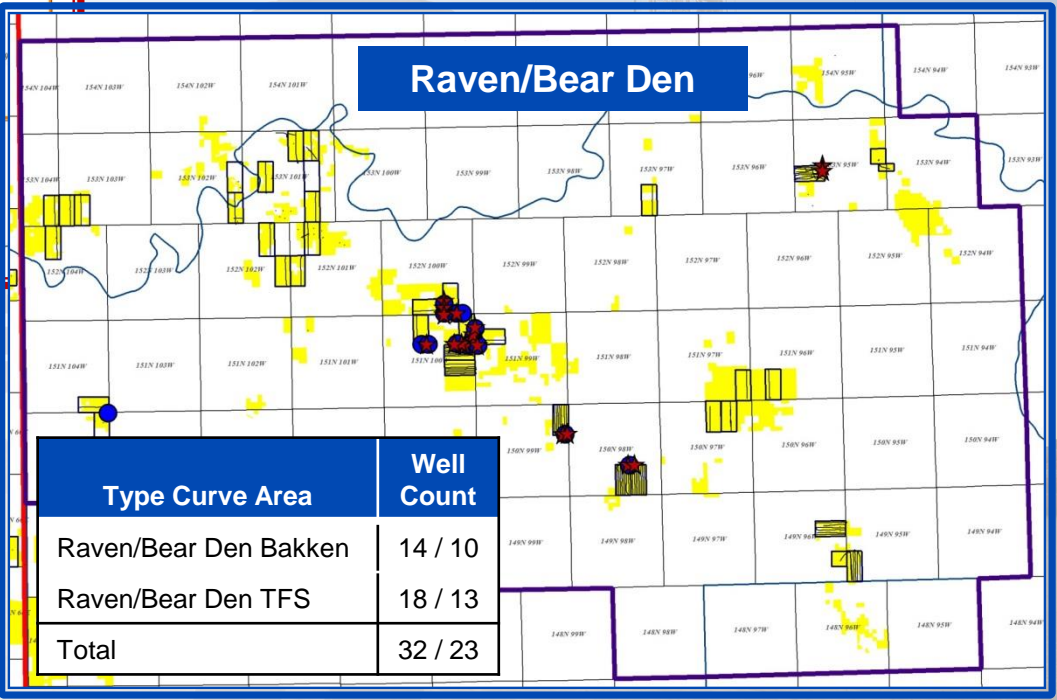


Gooseneck TFS 2014 Activity



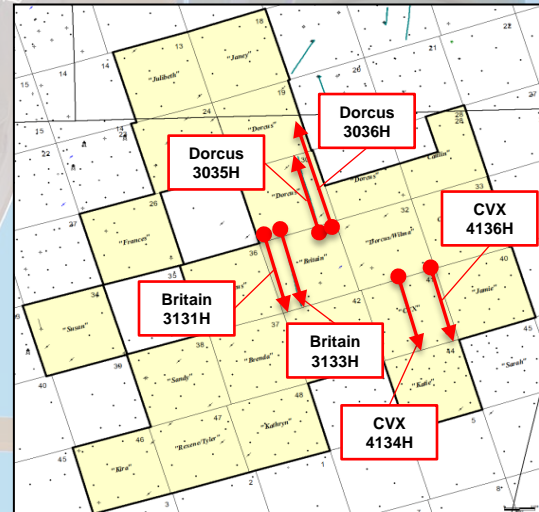
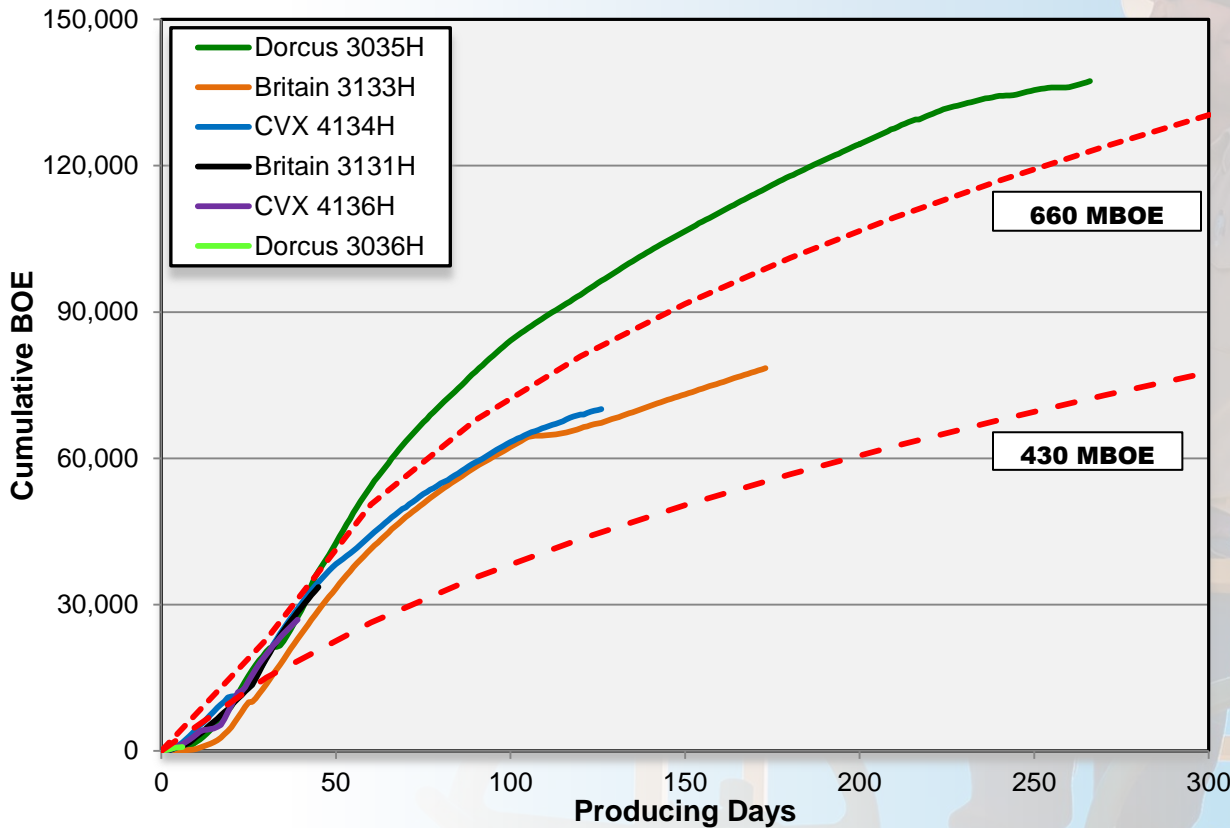
2014 planned activity

- = 2014 BAKKEN WELL
- ★ = 2014 THREE FORKS WELL



Sweetie Peck Hz. Well Performance

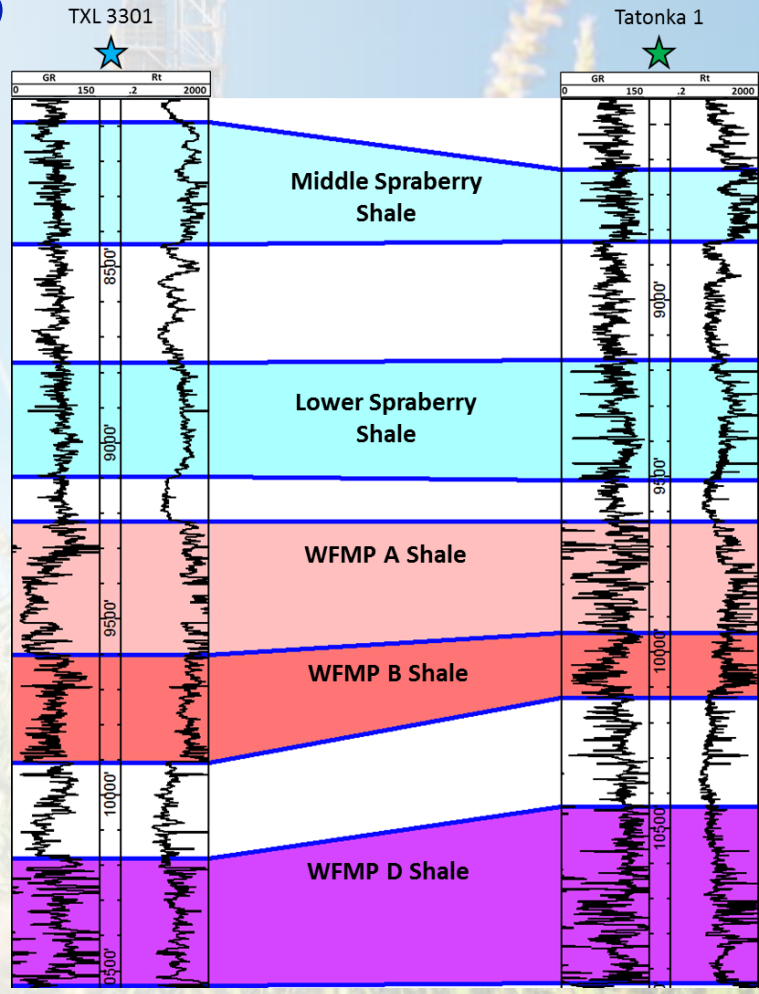
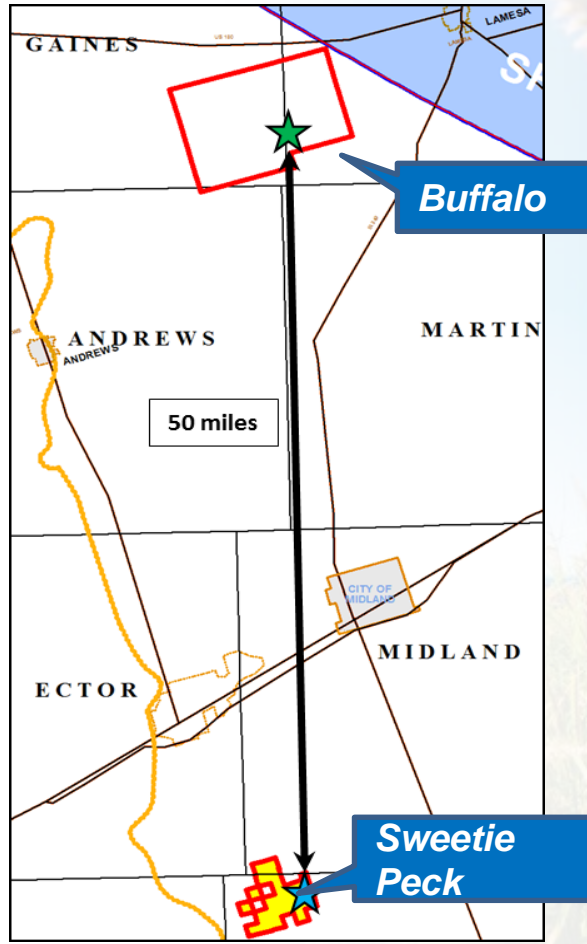
Well Name	Target Interval	Lateral Length	Stages	Proppant	Lift Mechanism
Dorcus 3035H	Wolfcamp B	4,960	25	White Sand	ESP
Britain 3133H	Wolfcamp B	4,960	25	RCP	Gas Lift
CVX 4134H	Wolfcamp B	4,932	25	LWC	ESP
Britain 3131H	Wolfcamp B	4,904	25	LWC	ESP
CVX 4136H	Wolfcamp B	4,974	25	RCP	ESP
Dorcus 3036H	Wolfcamp B	7,647	39	White + Resin Tail	Flowing Back (to be ESP)



Geology



Sweetie Peck to Buffalo



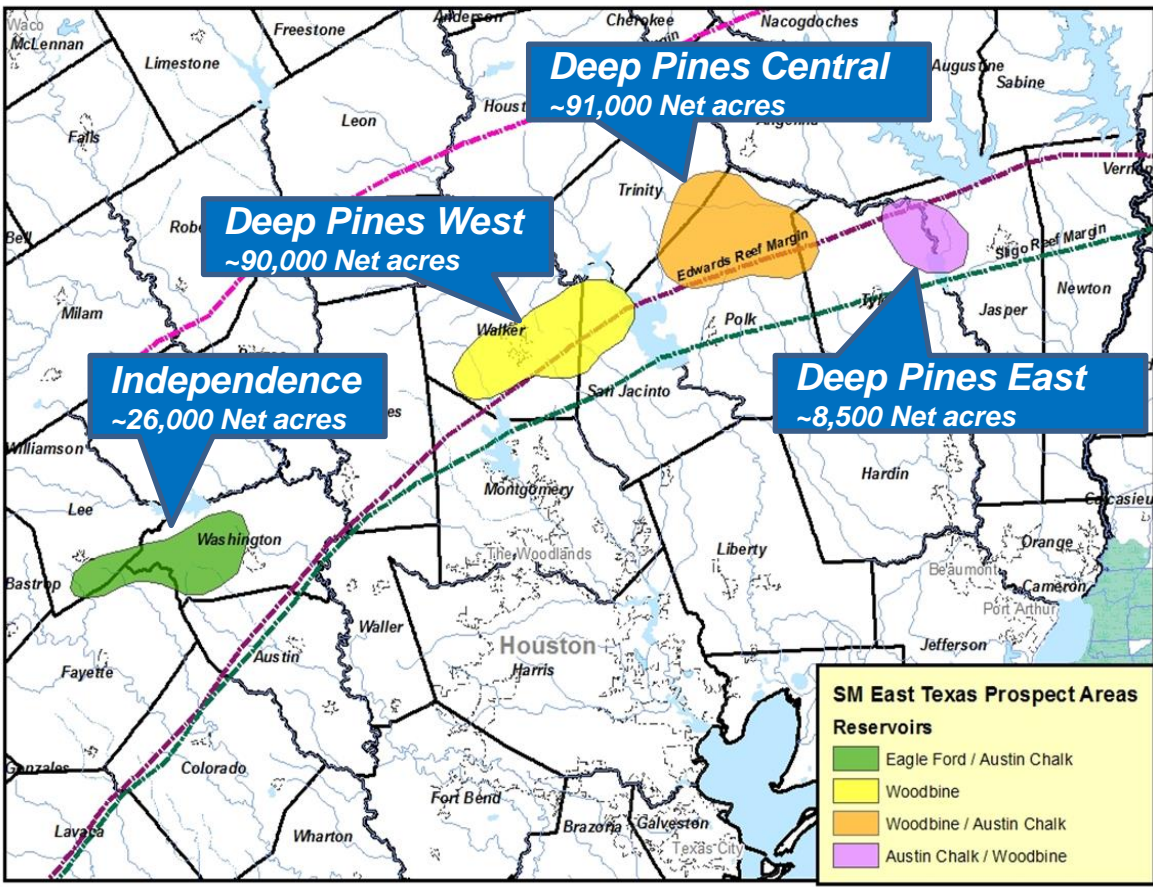
SM Energy East Texas Prospect Areas



Total Net Acreage: ~215,000

➤ Three Geologic Concepts

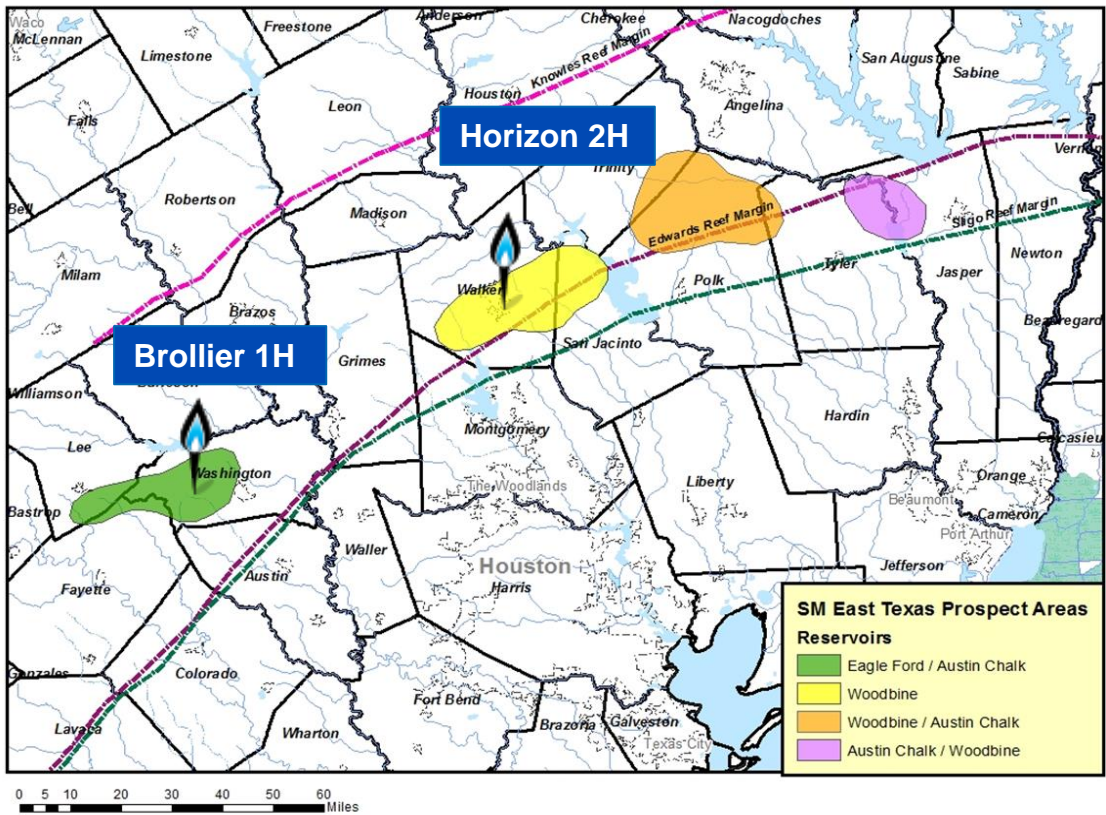
- ✓ Eagle Ford Resource Play (East Texas) – Extension of the South Texas Lower Eagle Ford Play northeast of the San Marcos Arch.
- ✓ Austin Chalk Resource Play – Application of modern unconventional completion techniques in areas where Austin Chalk matrix is hydrocarbon saturated but weak natural fractures.
- ✓ Woodbine Sandstone Play – Hydrocarbon charged, over-pressured marine sandstones.



SM Energy East Texas Prospect Areas



Well Name	Target Interval	Effective Lateral Length	Stages	Fluid Volume (Bbl/Stage)	7-Day IP (BOE/d)	%Oil	BTU Gas	FCP (PSI)
Horizon 2H	Woodbine	2,500	11	7,775	873	41	1,278	1,540
Brollier 1H	Eagle Ford	4,450	17	6,500	1,474	6	1,196	6,110



2014 East Texas Program



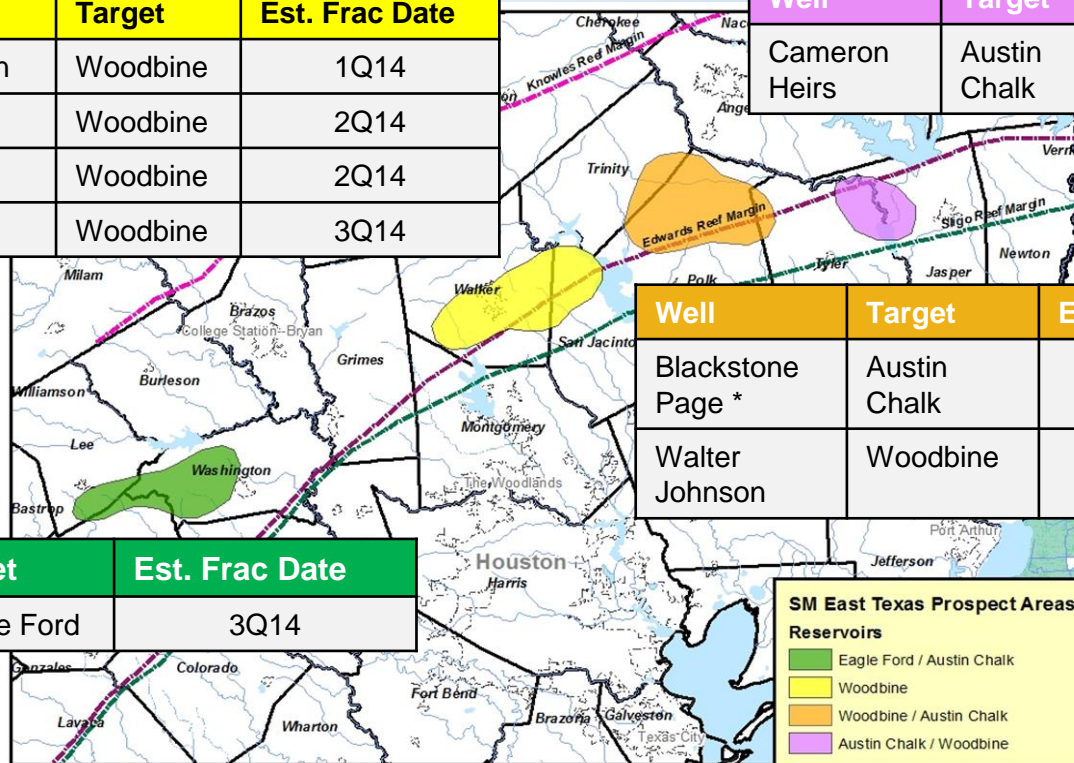
- Drill additional test wells in each of the four prospect areas to delineate and high-grade acreage position.

Well	Target	Est. Frac Date
Matt Dillon	Woodbine	1Q14
Little Joe	Woodbine	2Q14
Doc	Woodbine	2Q14
Ben	Woodbine	3Q14

Well	Target	Est. Frac Date
Cameron Heirs	Austin Chalk	3Q14

Well	Target	Est. Frac Date
Blackstone Page *	Austin Chalk	2Q14
Walter Johnson	Woodbine	2Q14

Well	Target	Est. Frac Date
12H	Eagle Ford	3Q14



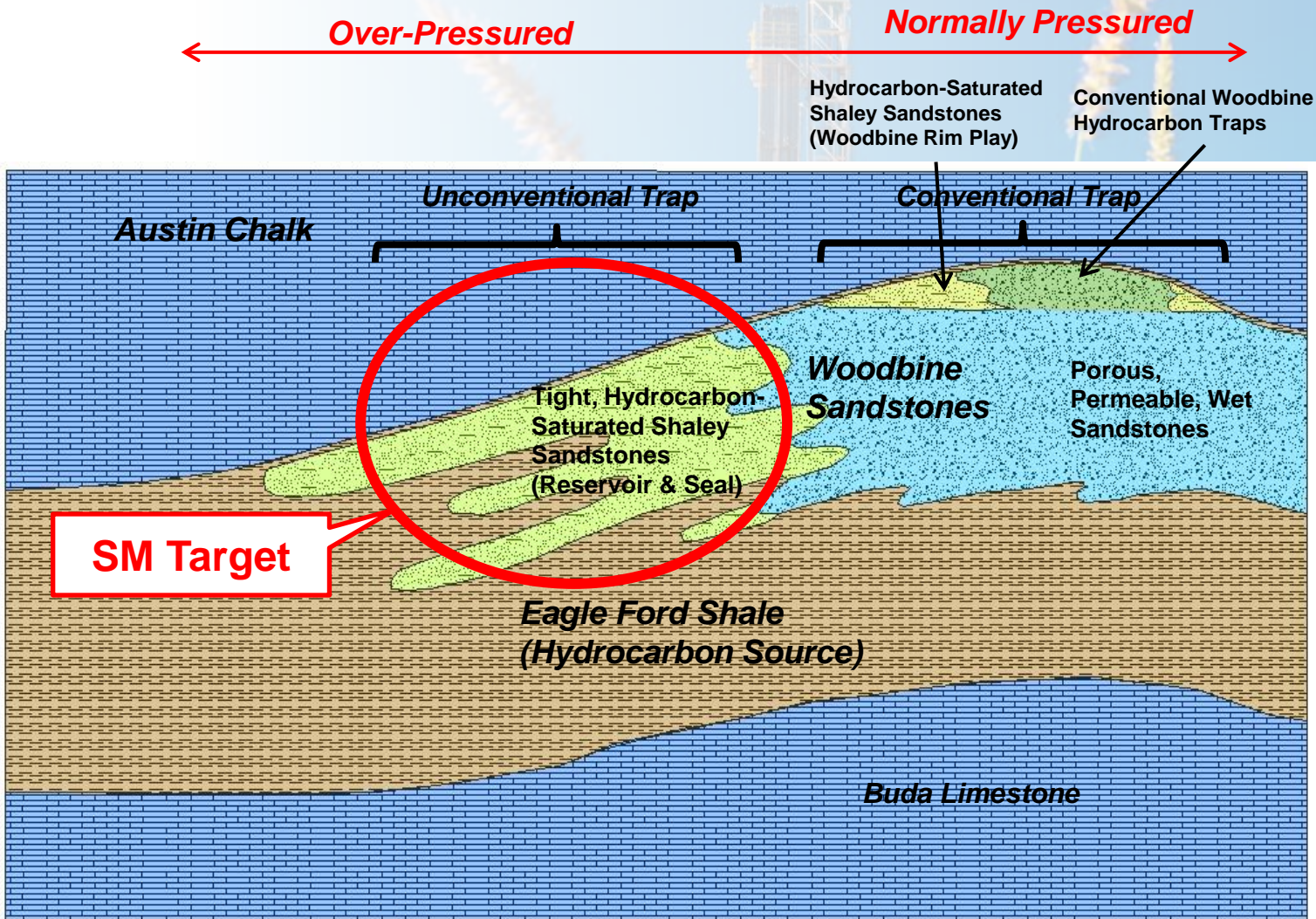
SM East Texas Prospect Areas

Reservoirs

- Eagle Ford / Austin Chalk
- Woodbine
- Woodbine / Austin Chalk
- Austin Chalk / Woodbine

* Non-operated

Woodbine Trap Model



4Q13 Regional Realizations



Benchmark		
NYMEX WTI OIL (Bbl)	\$	97.41
Hart Composite NGL (Bbl)	\$	43.13
NYMEX Henry Hub Gas (MMBTU)	\$	3.82

Production Volumes	STGC	Rockies	Mid-Con	Permian	SM Total
Oil (MBbls)	1,449	1,699	113	493	3,756
Gas (MMcf)	27,442	1,708	9,285	1,064	39,499
NGL (MBbls)	2,813	5	75	0	2,894
MBOE	8,836	1,989	1,735	671	13,233

Revenue (in thousands)										
Oil	\$	125,710	\$	142,958	\$	9,895	\$	46,070	\$	324,810
Gas		101,878		10,523		37,268		7,391		157,060
NGL		108,718		282		2,789		8		111,798
Total	\$	336,306	\$	153,763	\$	49,953	\$	53,468	\$	593,667

Expenses										
LOE	\$	19,319	\$	20,417	\$	8,354	\$	12,886	\$	61,152
Transportation	\$	71,299	\$	1,558	\$	2,163	\$	32	\$	75,052
Production Taxes	\$	6,518	\$	15,518	\$	1,401	\$	3,108	\$	26,550

Per Unit Metrics:										
Realized Oil/Bbl	\$	86.74	\$	84.15	\$	87.77	\$	93.42	\$	86.48
% of Benchmark – WTI		89 %		86 %		90 %		96 %		89 %
Realized Gas/Mcf	\$	3.71	\$	6.16	\$	4.01	\$	6.95	\$	3.98
% of Benchmark - NYMEX HH		97 %		161 %		105 %		182 %		104 %
Realized NGL/Bbl	\$	38.64	\$	56.42	\$	37.08	\$	32.09	\$	38.63
% of Benchmark – HART		90 %		131 %		86 %		74 %		90 %
Realized BOE	\$	38.06	\$	77.32	\$	28.78	\$	79.73	\$	44.86
LOE/BOE	\$	2.19	\$	10.27	\$	4.81	\$	19.21	\$	4.62
Transportation/BOE	\$	8.07	\$	0.78	\$	1.25	\$	0.05	\$	5.67
Production Tax - % of Total Revenue		1.9 %		10.1 %		2.8 %		5.8 %		4.5 %

* Totals may not sum due to rounding.

EBITDAX Reconciliation



EBITDAX (1)
(in thousands)

Reconciliation of net income (loss) (GAAP) to EBITDAX (non-GAAP) to net cash provided by operating activities (GAAP):

Net income (loss) (GAAP)
Interest expense
Interest income
Income tax expense (benefit)
Depletion, depreciation, amortization, and asset retirement obligation liability accretion
Exploration (2)
Impairment of proved properties
Abandonment and Impairment of unproved properties
Stock-based compensation expense
Derivative (gain) loss
Cash settlement gain
Change in Net Profits Plan liability
Gain on divestiture activity

EBITDAX (Non-GAAP)

Interest expense
Interest income
Income tax expense (benefit)
Exploration
Exploratory dry hole expense
Amortization of debt discount and deferred financing costs
Deferred income taxes
Plugging and abandonment
Other
Changes in current assets and liabilities

Net cash provided by operating activities (GAAP)

For the Three Months Ended
December 31,

	2013	2012
	\$6,996	(\$67,138)
	24,541	18,368
	(3)	(19)
	8,755	(37,008)
	202,640	204,267
	20,105	15,778
	110,935	170,400
	37,646	5,046
	6,852	8,454
	11,605	(15,590)
	9,347	11,461
	(15,419)	(11,562)
	(28,484)	(4,228)
	\$395,516	\$298,229
	(\$24,541)	(\$18,368)
	3	19
	(8,755)	37,008
	(20,105)	(15,778)
	(32)	2,310
	1,476	1,077
	6,936	(36,943)
	(2,493)	(1,052)
	(154)	(379)
	(10,206)	2,260
	\$337,645	\$268,383

(1) EBITDAX represents income (loss) before interest expense, interest income, income taxes, depreciation, depletion, amortization and accretion, exploration expense, property impairments, non-cash stock compensation expense, derivative gains and losses net of cash settlements, change in the Net Profit Plan liability, and gains and losses on divestitures. EBITDAX excludes certain items that the Company believes affect the comparability of operating results and can exclude items that are generally one-time or whose timing and/or amount cannot be reasonably estimated. EBITDAX is a non-GAAP measure that is presented because the Company believes that it provides useful additional information to investors, as a performance measure, for analysis of the Company's ability to internally generate funds for exploration, development, acquisitions, and to service debt. The Company is also subject to financial covenants under its credit facility based on its debt to EBITDAX ratio. In addition, EBITDAX is widely used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in the oil and gas exploration and production industry, and many investors use the published research of industry research analysts in making investment decisions. EBITDAX should not be considered in isolation or as a substitute for net income (loss), income (loss) from operations, net cash provided by (used in) operating activities, profitability, or liquidity measures prepared under GAAP. Because EBITDAX excludes some, but not all items that affect net income (loss) and may vary among companies, the EBITDAX amounts presented may not be comparable to similar metrics of other companies.

(2) Stock-based compensation expense is a component of exploration expense and general and administrative expense on the accompanying statements of operations. Therefore, the exploration line items shown in the reconciliation above will vary from the amount shown on the accompanying statements of operations for the component of stock-based compensation expense recorded to exploration.

Adjusted Net Income Reconciliation

Reconciliation of net income (loss) (GAAP) to adjusted net income (Non-GAAP):

(in thousands, except per share data)

	For the Three Months Ended December 31,	
	2013	2012
Reported Net Income (loss) (GAAP)	\$ 6,996	\$ (67,138)
Adjustments net of tax: ⁽¹⁾		
Change in Net Profits Plan liability	(9,683)	(7,249)
Derivative (gain) loss	7,288	(9,775)
Derivative cash settlement gain	5,870	7,186
Gain on divestiture activity	(17,888)	(2,651)
Impairment of properties	69,667	106,841
Abandonment and impairment of unproved properties	23,642	3,164
Adjusted net income (Non-GAAP): ⁽²⁾	\$ 85,892	\$ 30,378
Adjusted net income per diluted common share:	\$ 1.26	\$ 0.45
Diluted weighted-average common shares outstanding:	68,354	66,906

(1) For the three-month period ended December 31, 2013, adjustments are shown net of tax and are calculated using a tax rate of 37.2%, which approximates the Company's statutory tax rate adjusted for ordinary permanent differences. For the twelve-month period ended December 31, 2013, adjustments are shown net of tax using the Company's effective rate of 38.6%, as calculated by dividing income tax expense by income before income taxes shown on the consolidated statement of operations. For the three and twelve-month period ended December 31, 2012, adjustments are shown net of tax and are calculated using an tax rate of 37.3%, which approximates the Company's statutory tax rate adjusted for ordinary permanent differences.

(2) Adjusted net income excludes certain items that the Company believes affect the comparability of operating results and generally are items whose timing and/or amount cannot be reasonably estimated. These items include non-cash adjustments and impairments such as the change in the Net Profits Plan liability, derivative losses net of cash settlements, impairment of proved properties, abandonment and impairment of unproved properties, and (gain) loss on divestiture activity. The non-GAAP measure of adjusted net income is presented because management believes it provides useful additional information to investors for analysis of SM Energy's fundamental business on a recurring basis. In addition, management believes that adjusted net income is widely used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in the oil and gas exploration and production industry, and many investors use the published research of industry research analysts in making investment decisions. Adjusted net income should not be considered in isolation or as a substitute for net income, income from operations, cash provided by operating activities or other income, profitability, cash flow, or liquidity measures prepared under GAAP. Since adjusted net income excludes some, but not all, items that affect net income and may vary among companies, the adjusted net income amounts presented may not be comparable to similarly titled measures of other companies.

2014 Guidance (as of Feb. 18, 2014)



	1Q14	FY 2014
Production (MMBOE)	12.0 – 12.6	51.0 – 53.5
Average daily production (MBOE/d)	133 – 140	140 – 147
LOE (\$/BOE)	\$5.25 – \$5.50	\$5.25 – \$5.50
Transportation (\$/BOE)	\$5.75 – \$6.05	\$5.75 – \$6.05
Production taxes (% of pre-derivative oil and gas revenue)	5.0% - 5.5%	5.0% - 5.5%
G&A – Cash (\$/BOE)	\$2.00 – \$2.20	\$2.20 – \$2.45
G&A – Cash NPP (\$/BOE)	\$0.20 – \$0.35	\$0.20 – \$0.35
G&A – Non-cash (\$/BOE)	\$0.35 – \$0.50	\$0.30 – \$0.50
G&A Total (\$/BOE)	\$2.55 – \$3.05	\$2.70 – \$3.30
DD&A (\$/BOE)	\$15.10 – \$15.90	\$15.10 – \$15.90
Effective income tax rate range		37.0% – 37.5%
% of income tax that is current		<3%

Oil Derivative Position*



Oil Swaps - NYMEX Equivalent

Oil Swaps – WTI swap with LLS basis Differential

	<u>Bbls</u>		<u>\$/Bbl</u>
2014			
Q1	2,175,000	\$	96.13
Q2	2,373,000	\$	94.95
Q3	973,000	\$	95.25
Q4	891,000	\$	95.16
2014 Total	6,412,000		
2015			
Q1	820,000	\$	89.09
Q2	896,000	\$	88.93
Q3	615,000	\$	89.15
Q4	580,000	\$	89.14
2015 Total	2,911,000		
2016			
Q1	1,382,000	\$	85.19
Q4	1,322,000	\$	85.19
2016 Total	2,704,000		
Grand Total	12,027,000		

	<u>Bbls</u>		<u>\$/Bbl</u>
2014			
Q1	425,000	\$	100.91
2014 Total	425,000		
Grand Total	425,000		

***As of 2/12/14**

Oil Derivative Position*



Oil Collars - NYMEX Equivalent

	<u>Bbls</u>		<u>Ceiling \$/Bbl</u>		<u>Floor \$/Bbl</u>
2014					
Q1	694,000	\$	115.07	\$	80.97
Q2	431,000	\$	102.50	\$	85.00
Q3	973,000	\$	102.58	\$	85.00
Q4	923,000	\$	102.63	\$	85.00
2014 Total	3,021,000				
2015					
Q1	882,000	\$	99.53	\$	85.00
Q2	709,000	\$	94.06	\$	85.00
Q3	906,000	\$	91.25	\$	85.00
Q4	869,000	\$	92.19	\$	85.00
2015 Total	3,366,000				
Grand Total	6,387,000				

***As of 2/12/14**

Gas Derivative Position*



Natural Gas Swaps - NYMEX Equivalent

	<u>MMBTU</u>		<u>\$/MMBTU</u>
2014			
Q1	32,266,000	\$	4.24
Q2	23,758,000	\$	4.06
Q3	24,541,000	\$	4.10
Q4	22,014,000	\$	4.13
2014 Total	102,579,000		
2015			
Q1	17,342,000	\$	4.30
Q2	15,985,000	\$	4.06
Q3	14,950,000	\$	4.18
Q4	9,667,000	\$	4.18
2015 Total	57,944,000		
2016			
Q1	14,703,000	\$	4.42
Q2	9,130,000	\$	4.19
Q3	7,004,000	\$	4.26
Q4	6,635,000	\$	4.25
2016 Total	37,472,000		
2017			
Q1	6,299,000	\$	4.31
Q2	5,974,000	\$	4.30
Q3	5,712,000	\$	4.30
Q4	5,445,000	\$	4.43
2017 Total	23,430,000		
2018			
Q1	5,203,000	\$	4.43
Q2	4,997,000	\$	4.43
2018 Total	10,200,000		
Grand Total	231,625,000		

Natural Gas Collars - NYMEX Equivalent

	<u>MMBTU</u>		<u>Ceiling \$/MMBTU</u>		<u>Floor \$/MMBTU</u>
2014					
Q1	1,540,000	\$	5.59	\$	4.40
Q2	4,194,000	\$	5.41	\$	4.51
Q3	-				
Q4	-				
2014 Total	5,734,000				
2015					
Q1	2,525,000	\$	4.41	\$	4.11
Q2	2,297,000	\$	4.44	\$	4.14
Q3	2,005,000	\$	4.44	\$	4.14
Q4	6,176,000	\$	4.45	\$	4.12
2015 Total	13,003,000				
Grand Total	18,737,000				

Note: Excludes volumes that were early settled in 1Q14 to unwind trades associated with Anadarko Basin properties sold on 12/30/13. The early settlement of these trades will result in a cash settlement gain of \$5.6 million in 1Q14.

*As of 2/12/14

NGL Derivative Position*



Natural Gas Liquid Swaps - Mont. Belvieu

	<u>Bbls</u>		<u>\$/Bbl</u>
2014			
Q1	1,429,000	\$	57.96
Q2	1,096,000	\$	58.04
Q3	960,000	\$	58.06
Q4	861,000	\$	58.06
2014 Total	4,346,000		
			*As of 2/12/14
Grand Total	4,346,000		