



Upstream A&D: Market Update, Regional Metrics, and Market Value Calculations

May 3, 2017

BMO Financial Group and BMO Capital Markets

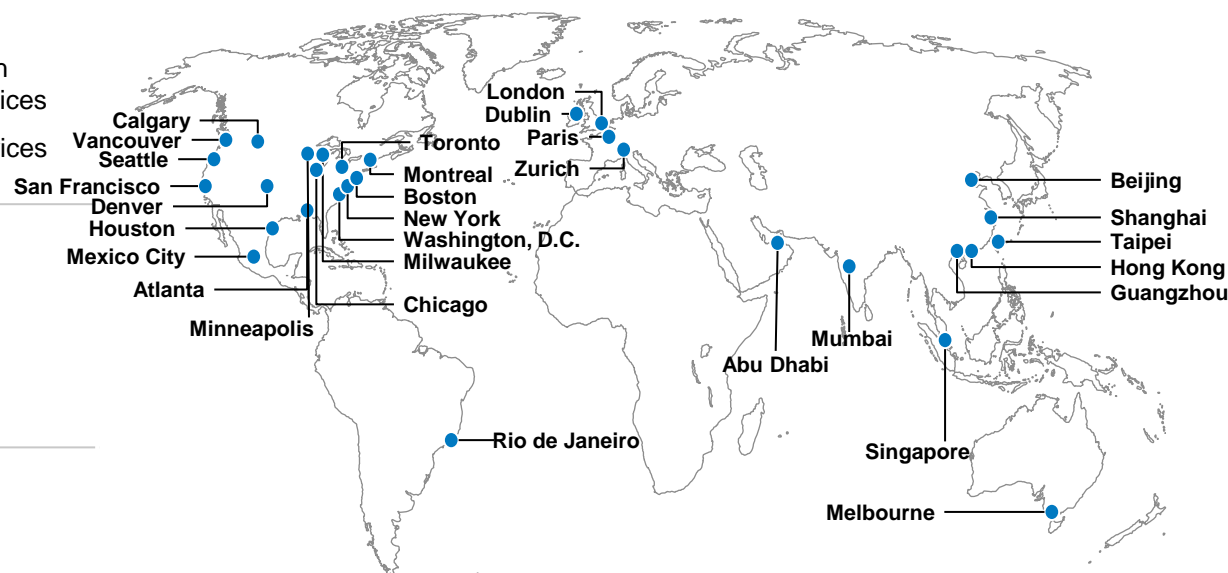
BMO FINANCIAL GROUP



BMO CAPITAL MARKETS – GLOBAL INVESTMENT BANKING OPERATIONS



Organization	<ul style="list-style-type: none"> Canada's first bank: established in 1817 Offers broad range of retail banking, wealth management and investment banking services One of the largest diversified financial services providers in North America 	
	Market Cap	C\$55.1 billion
	Total Assets	C\$687.9 billion
Key Operating Data	F2016 Net Revenue	C\$19.5 billion
	Employees	Over 45,000
	Tier 1 Capital Ratio	11.6%
US Energy	50+ Employees	\$2.1 bn in loans outstanding
	\$5.3 bn of loan commitments	



BMO CAPITAL MARKETS' CAPABILITIES

Advisory Services	Corporate Finance	Distribution & Trading	Treasury
<ul style="list-style-type: none"> Mergers and Acquisitions Asset Acquisitions and Divestitures Strategic Advisory Fairness Opinions Takeover Defense Private Placements Valuation Analysis Restructuring/Recapitalization 	<ul style="list-style-type: none"> Equity Underwriting Convertible Securities Share Buybacks Corporate Lending Investment-Grade Debt Mezzanine Lending High-Yield Debt Securitization Public Sector Finance 	<ul style="list-style-type: none"> Institutional Sales Trading Equity Research Fixed Income Research Investor Marketing Investor Conferences Account Sponsorship Retail Distribution 	<ul style="list-style-type: none"> Cash/Asset Management Correspondent Banking Trade Finance Corporate Card and Spend Solutions Risk Management Commodity Products Equity/Credit Derivatives Foreign Exchange Interest Rate Derivatives

Select BMO U.S. Energy A&D Transactions

Select BMO U.S. A&D Mandates

SELL-SIDE

 Pinedale Assets Advisor Mandated	Undisclosed Sale of Legacy Rockies Gas Assets Advisor Post-bid	Undisclosed Sale of Barnett Shale Assets Advisor Post-bid	 \$300 million Eagle Ford Assets Advisor April 2017	 \$28 million South Texas Gas Assets Advisor December 2016	 Haynesville Assets Advisor September 2016
 \$310 million Eagle Ford Assets Financial Advisor August 2016	 \$78 million Conventional South and West Texas Assets Financial Advisor August 2016	 \$178 million Midland Basin Assets Advisor December 2015	 \$115 million East Texas Eagle Ford assets Advisor July 2015	 \$315 million Permian Basin Assets Sole Financial Advisor April 2015	 \$30.5 million Eagle Ford Advisor December 2014
 \$105 million Powder River Basin Advisor January 2015	 \$108 million South Central Oklahoma Advisor December 2014	 \$112 million Powder River Basin Advisor October 2014	 \$205 million Bakken / Three Forks Advisor September 2014	 \$772 million Western Anadarko Basin Granite Wash and Cana-Woodford/Stack Packages Advisor June 2014	 \$413 million Powder River / Rockies and Sage Creek Plant Advisor September 2013
 \$297 million South Texas, Mid-Continent, and Rockies Advisor December 2013	 \$105 million Powder River Basin Advisor October 2013	 \$131 million PRB/Tonkawa-Marm Advisor June/Sept 2013	 \$113 million Bakken/N.L.A/Permian Advisor May/Nov/Dec 2013	 \$200 million East Texas/North Louisiana Advisor March 2013	 \$90.5 million Gulf Coast/Chatom Plant Advisor October 2012

BUY-SIDE

Undisclosed Acquisition of Eagle Ford Assets Advisor Mandated	 \$135 million Acquisition of Delaware Basin Assets Advisor October 2016
 \$126 million Acquisition of Marcellus Shale Joint Venture Ownership Advisor July 2015	 \$137 million Acquisition of Harvey E. Yates Co. including certain Delaware Basin assets Advisor March 2015
 \$230 million Eagle Ford Shale Advisor April 2014	 \$82.5 million Joint Venture of Niobrara Shale Assets with Carrizo Oil & Gas Advisor October 2012
 US\$1.0 billion BP Jonah Field Advisor July 2012	 US\$1.2 billion BP Hugoton Advisor March 2012

Top-Tier Energy Corporate M&A Advisory Capabilities

SELECTED M&A ADVISORY TRANSACTIONS

 JP Energy Partners \$464 million Sale to American Midstream Partners, LP Financial Advisor March 2017	 Spectra Energy \$127 billion Merger with Enbridge Financial Advisor February 2017	 InterOil \$2.6 billion Sale of InterOil to ExxonMobil Independent Fairness Opinion December 2016	 TERRA ENERGY PARTNERS Portfolio Company of Kayne Anderson Warburg Pincus Capital Advisors, L.P. \$910 million Acquisition of the Piceance Basin Assets of WPX Energy Financial Advisor April 2016	 ARCLIGHT Acquisition of Gulf Financial Terms Not Disclosed Exclusive Financial Advisor December 2015	 ORLEN Upstream C\$356 million Acquisition of Kicking Horse Energy Financial Advisor December 2015	 ORLEN Upstream \$119 million Acquisition of FX Energy Inc. Financial Advisor December 2015	 Crescent Point ENERGY CORP C\$1.5 billion Acquisition of Legacy Oil + Gas Financial Advisor June 2015
 Warren Resources \$353 million Acquisition of the Marcellus Assets of Citrus Energy Corporation Financial Advisor August 2014	 REGENCY ENERGY PARTNERS \$5.6 billion Acquisition of PVR Partners Financial Advisor* October 2013	 NEXEN \$17.9 billion Acquisition of Nexen Inc. Financial Advisor February 2013	 Progress \$6.0 billion Sale to PETRONAS Financial Advisor December 2012	 Crescent Point ENERGY CORP \$861 million Acquisition of Ute Energy Upstream Holdings Financial Advisor November 2012	 Gibsons \$445 million Acquisition of OMNI Energy Services Financial Advisor October 2012	 AltaGas \$1.1 billion Acquisition of SEMCO Holding Corp Financial Advisor August 2012	 CONCHO \$1.0 billion Acquisition of the assets of Three Rivers Operating Company Financial Advisor July 2012
 GazMétro \$702 million Acquisition of Central Vermont Public Service Financial Advisor June 2012	 nal ENERGY C\$1.9 billion Sale to Pengrowth Energy Corp. Financial Advisor May 2012	 Venoco \$1.5 billion Sale to Denver Parent Corporation Financial Advisor* January 2012	 MAGNUM HUNTER Resources Corporation \$327 million Acquisition of NuLoch Resources Financial Advisor May 2011	 MAGNUM HUNTER Resources Corporation \$104 million Acquisition of NGAS Resources Financial Advisor April 2011	 Crescent Point ENERGY CORP C\$1.3 billion Acquisition of Shelter Bay Energy Inc. Financial Advisor July 2010	 INNERGEX C\$850 million Combination with Innergex Renewable Energy Financial Advisor March 2010	 STERLING ENERGY PLC \$90 million Sale of U.S. Operations Financial Advisor December 2009
 Resolute Energy Corporation \$582 million Merger with Hicks Acquisition Company Financial Advisor September 2009	 GFI C\$318 million Sale to Salamander Energy plc Financial Advisor March 2008	 Crescent Point ENERGY CORP C\$310 million Acquisition of Landex Petroleum Corp. Financial Advisor March 2008	 enerPLUS C\$1.7 billion Acquisition of Focus Energy Trust Financial Advisor February 2008	 canetic C\$5.4 billion Merger with Penn West Energy Trust Financial Advisor January 2008	 TRISTAR OIL & GAS LTD C\$612 million Acquisition of Real Resources Inc. Financial Advisor August 2007	 WHITTIER ENERGY CORPORATION \$188 million Sale to Sterling Energy, plc Financial Advisor March 2007	 PETROHAWK ENERGY CORPORATION \$1.9 billion Merger with KCS Energy Financial Advisor July 2006

















* Denotes deals done by team members at other firms.

Best-In-Class A&D Execution Capability

SUMMARY

- Broad based upstream expertise and strong technical talent together with BMO's investment and corporate banking expertise combine to provide best-in-class A&D advisory services
- Global A&D team with regional headquarters in Houston (largest office), Calgary, and London provides unique buyer insight
- Transactional and technical experience across all major North American basins (conventional and resource plays) and all stages of development
- Proven A&D advisory execution services with approximately \$12 billion in sell-side, buy-side and joint venture transactions closed since 2010

U.S A&D ORGANIZATION

 Geoff Roberts, PE Managing Director Group Head <ul style="list-style-type: none"> • 30+ years of A&D experience • Prior to BMO, leadership roles with Roberts Energy Advisors, Madison Energy Advisors, Oil & Gas Asset Clearinghouse and Randall & Dewey • Registered Professional Engineer 	 Bob Maurer, CPG Senior Advisor Geology & Geophysics <ul style="list-style-type: none"> • 40 years of G&G experience, including last 23 years in A&D • Prior to BMO, 23 years with Jefferies / Randall & Dewey as Head of Geosciences and Petroleum Technology groups 	 Zola George, CPG Senior Advisor Geology & Geophysics	 Ashley Northrup Associate Engineering Technician
 Howard Barnwell, CFA Director Transactions Manager & Business Development <ul style="list-style-type: none"> • 12 years of investment banking experience with 6 years focused exclusively on M&A&D • Prior to BMO, worked at UBS and a Wells Fargo predecessor 	 Sherri Clark, PE Senior Advisor Engineering & Evaluations <ul style="list-style-type: none"> • 37 years of industry experience, last 21 years in A&D • Prior to BMO, 21 years at Jefferies / Randall & Dewey as an Engineering Manager 	 Hank Fuselier Geologist / Database Manager	 Chelsea Neville Transaction Coordinator
 Rob Priske Director Transactions Manager & Business Development <ul style="list-style-type: none"> • 11 years of investment banking experience with 6 years focused on M&A&D • Prior to BMO, worked at Credit Suisse, Jefferies, and Deutsche Bank 	 Steve Hendrickson, PE Senior Advisor Engineering & Evaluations <ul style="list-style-type: none"> • 32 years of industry experience, including last 11 years in A&D • Prior to BMO, held senior engineering and A&D leadership positions with Shell, El Paso, and Eagle Rock 	 Jennifer Jacobs Engineer	 Michael Hackett Associate
 Dan Schockling Director Non-Technical Manager <ul style="list-style-type: none"> • 25 years of financial industry experience, last 17 years in E&P sector • Prior to BMO, VP Operations of OFS company, VP / Director private debt / mezzanine capital fund, and leading financial service firms 	 Eric Monus, PE Vice President Engineering & Evaluations <ul style="list-style-type: none"> • Registered Professional Engineer with over 7 years experience in oil and gas • Prior to joining BMO, worked at ExxonMobil in reservoir and production engineering roles 	 Kristina Ruhl Associate Geo-technician	 Aaron Moeller Analyst
		 Andi Vasquez Associate Geo-technician	 Marshall Soper Analyst

SUMMARY

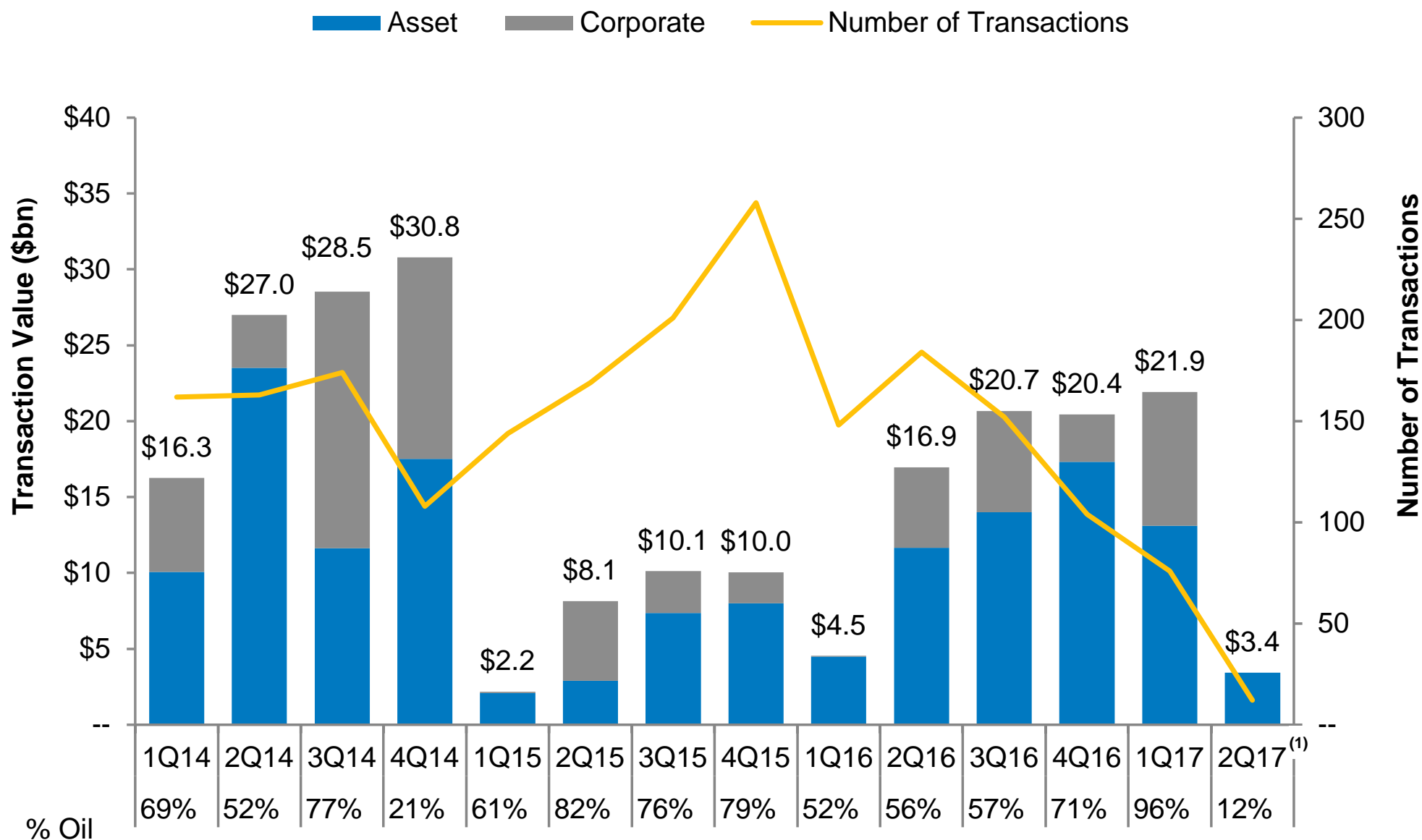


GLOBAL FINANCIAL EXPERIENCE



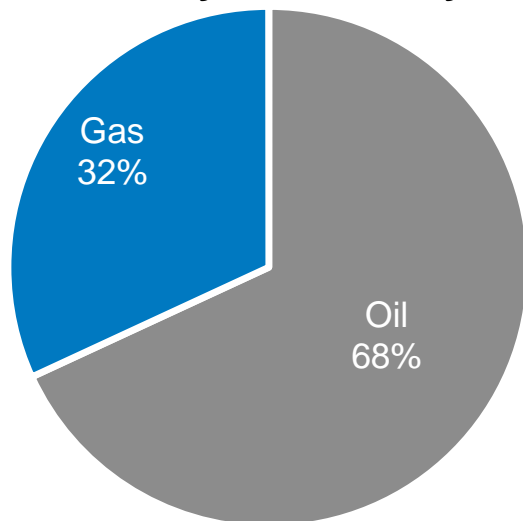
A&D Market Conditions

Quarterly Deal Activity

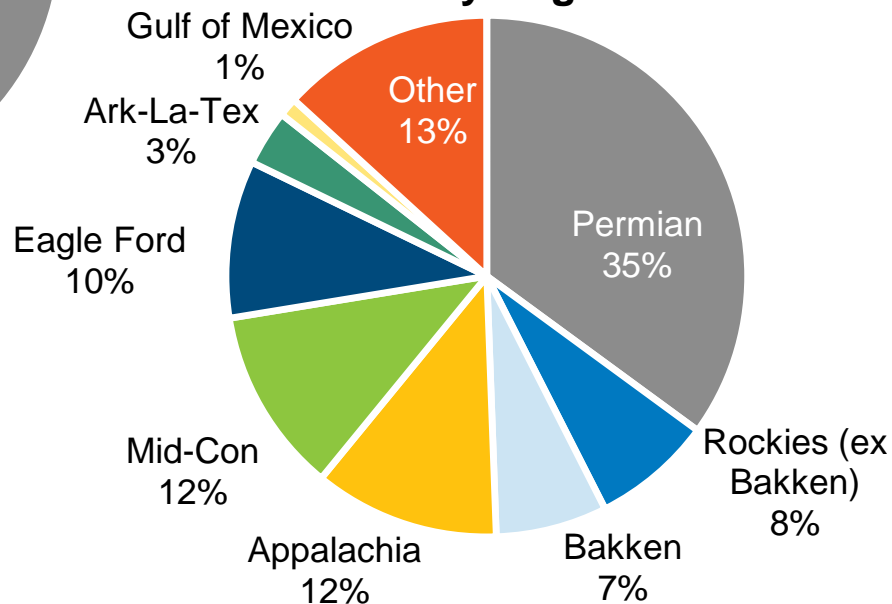


LTM Deal Activity by Categories

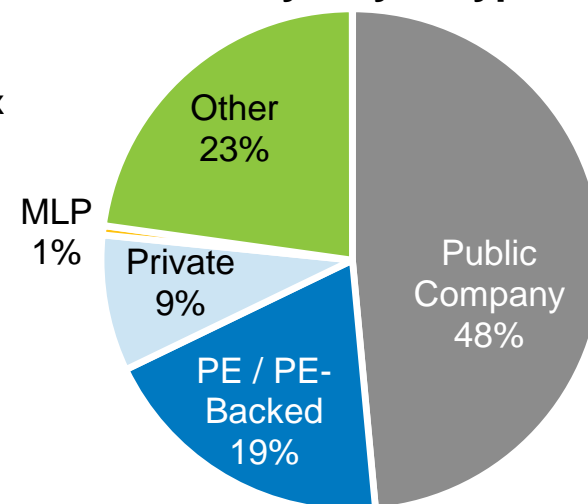
LTM By Commodity



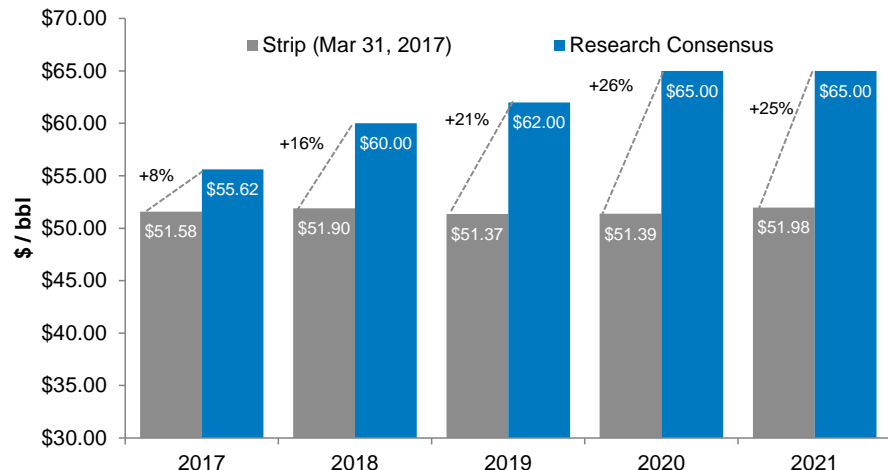
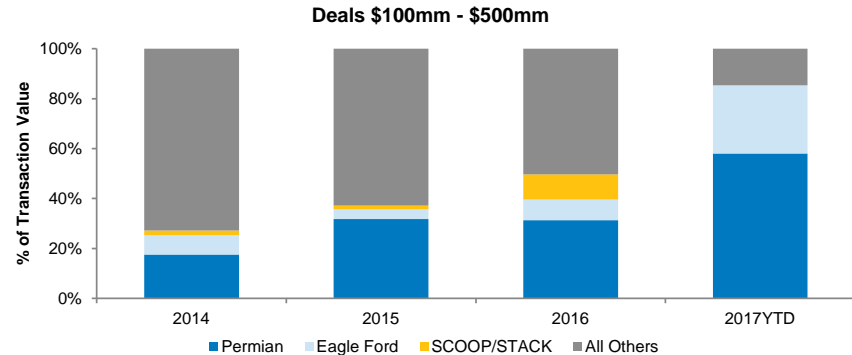
LTM By Region



LTM By Buyer Type



A&D Market Conditions

THEME	DISCUSSION	EXAMPLES																									
Strip vs. internal price forecast signals now is a good time to buy assets	<ul style="list-style-type: none">Most people believe the hedge market is at or near the bottom of expectations – there is little perceived benefit to hedge (other than in some gas-weighted transactions)<ul style="list-style-type: none">BMO estimates \$55/bbl needed for companies to resume hedgingLong term, analysts’ oil expectations are significantly above the NYMEX stripExpectations for a more stable, if not stronger, commodity price environment are driving activityOPEC compliance at 100%+<ul style="list-style-type: none">Saudi indicating production cuts may be extended	 <table border="1"><thead><tr><th>Year</th><th>Strip (Mar 31, 2017)</th><th>Research Consensus</th><th>% Increase</th></tr></thead><tbody><tr><td>2017</td><td>\$51.58</td><td>\$55.62</td><td>+8%</td></tr><tr><td>2018</td><td>\$51.90</td><td>\$60.00</td><td>+16%</td></tr><tr><td>2019</td><td>\$51.37</td><td>\$62.00</td><td>+21%</td></tr><tr><td>2020</td><td>\$51.39</td><td>\$65.00</td><td>+26%</td></tr><tr><td>2021</td><td>\$51.98</td><td>\$65.00</td><td>+25%</td></tr></tbody></table>	Year	Strip (Mar 31, 2017)	Research Consensus	% Increase	2017	\$51.58	\$55.62	+8%	2018	\$51.90	\$60.00	+16%	2019	\$51.37	\$62.00	+21%	2020	\$51.39	\$65.00	+26%	2021	\$51.98	\$65.00	+25%	
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Perceived feeding frenzy in select basins is pushing many companies to expand their areas of interest	<ul style="list-style-type: none">Perceived as overly competitive: Midland Basin, Delaware Basin, SCOOP/STACK, and core of the Eagle FordPermian and Eagle Ford multiples have expanded after adjusting for commodity price changes, whereas other areas have generally declinedPrivate Equity backed teams may focus acquisition dollars elsewhere as valuations in the Permian, SCOOP/STACK, and Eagle Ford rise2017: Delaware Basin robust; activity increasing in Eagle Ford, Midcontinent, Rockies	 <table border="1"><thead><tr><th>Year</th><th>Permian</th><th>Eagle Ford</th><th>SCOOP/STACK</th><th>All Others</th></tr></thead><tbody><tr><td>2014</td><td>~20%</td><td>~5%</td><td>~5%</td><td>~70%</td></tr><tr><td>2015</td><td>~35%</td><td>~5%</td><td>~5%</td><td>~55%</td></tr><tr><td>2016</td><td>~30%</td><td>~10%</td><td>~10%</td><td>~50%</td></tr><tr><td>2017 YTD</td><td>~60%</td><td>~25%</td><td>~5%</td><td>~10%</td></tr></tbody></table>	Year	Permian	Eagle Ford	SCOOP/STACK	All Others	2014	~20%	~5%	~5%	~70%	2015	~35%	~5%	~5%	~55%	2016	~30%	~10%	~10%	~50%	2017 YTD	~60%	~25%	~5%	~10%
Year	Permian	Eagle Ford	SCOOP/STACK	All Others																							
2014	~20%	~5%	~5%	~70%																							
2015	~35%	~5%	~5%	~55%																							
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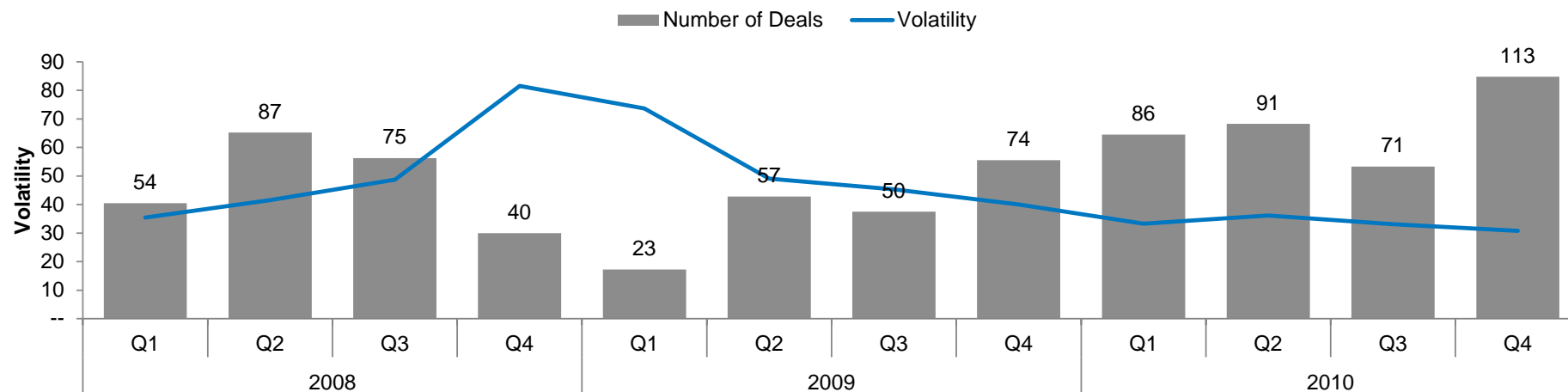
High quality assets continue to be well received by the market

A&D Market Drivers

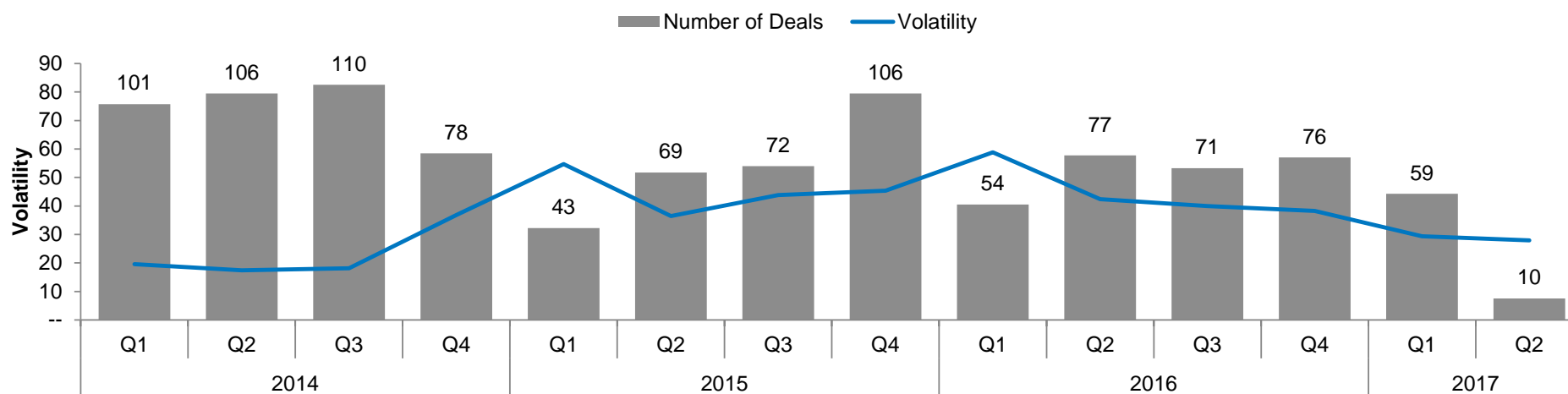
Oil Price Volatility vs. Transaction Activity

Nothing Impacts Activity Greater Than Volatility

ACTIVITY FROM 2008 TO 2010

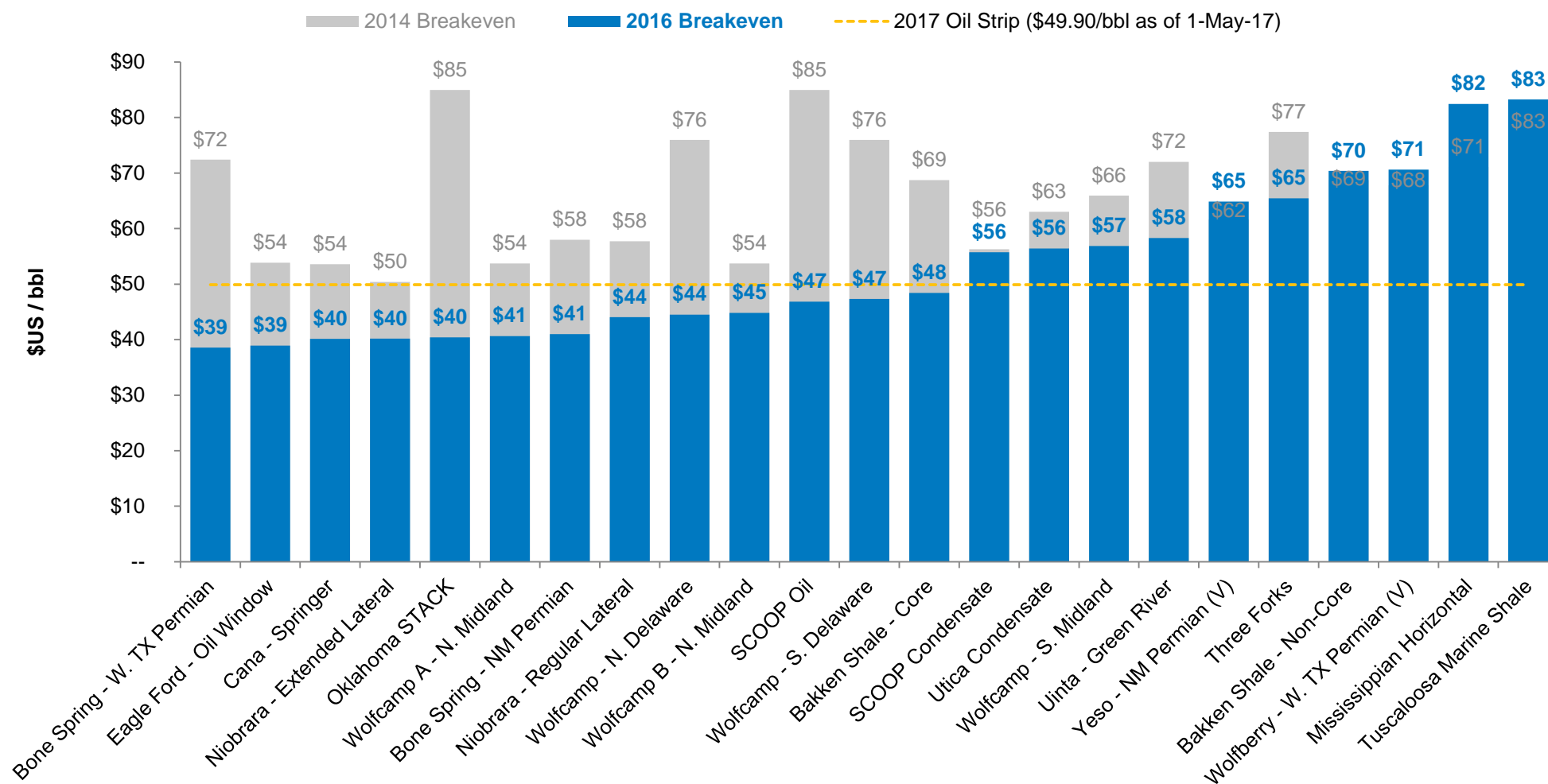


ACTIVITY FROM 2014 TO PRESENT⁽¹⁾



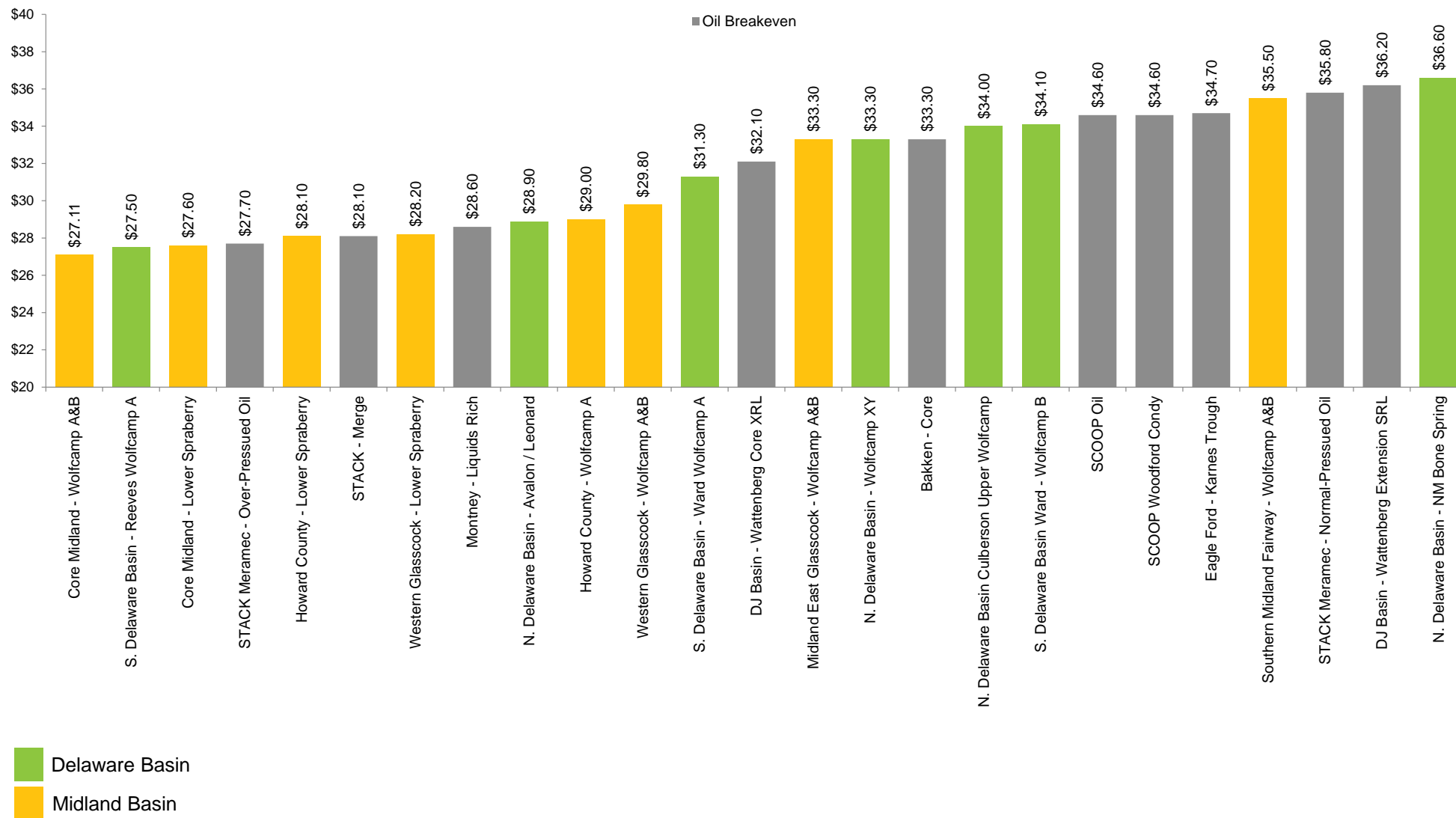
US Breakevens – Mid 2016

Oil Breakevens – Fall 2014 vs Mid 2016



Current Breakevens Have Fallen Even More

TOP 25 OIL ONSHORE BREAKEVENS (\$ / BBL)



Price Forecasts in A&D Cover a Range of Scenarios

Type	Conservative		Moderate		Market Compete		Research Consensus	
Description	Current (Spot) Flat		Strip then Flat		Long Strip then Escalate		Research Consensus	
Competitive?	No		Maybe		Probably		Definitely	
	Gas	Oil	Gas	Oil	Gas	Oil	Gas	Oil
2017	\$3.22	\$48.84	\$3.36	\$49.58	\$3.36	\$49.58	\$3.23	\$54.83
2018	\$3.22	\$48.84	\$3.05	\$50.21	\$3.05	\$50.21	\$3.10	\$58.00
2019	\$3.22	\$48.84	\$2.87	\$49.95	\$2.87	\$49.95	\$3.25	\$60.00
2020	\$3.22	\$48.84	\$2.87	\$50.15	\$2.87	\$50.15	\$3.25	\$65.00
2021	\$3.22	\$48.84	\$2.87	\$50.81	\$2.87	\$50.81	\$3.29	\$62.50
Then	\$3.22	\$48.84	Flat		Escalate 2-3%		Escalate 2-3%	

Current prices = Spot or NYMEX prompt month as of 1-May-17

Strip = Calendar as of 1-May-17

Research Consensus = Combination of Bloomberg and FactSet as of May 2016 combined with BMO market observations

Significant Acquisition Capital is Sitting on the Sidelines

- 200+ private equity funds in North America focused on energy with AUM of ~\$270 billion (in funds still making investments)
- Investable dry powder estimated to be \$100++ billion



Private Equity Sponsors and Portfolio Companies

Apollo Management

Apex Energy, LLC	Canacol Energy Ltd	Chisholm Oil & Gas LLC	Deep Gulf Energy	EP Energy Corporation	Extraction Oil & Gas Holdings	HK TMS, LLC	Jupiter Resources Inc.	Pardus Oil & Gas, LLC	Pelican Energy, LLC
Renaissance Umiat, LLC	Spotted Hawk Development	Talos Energy LLC	Venoco, Inc.	Whistler Energy II, LLC	White Star Petroleum, LLC	Zenergy, Inc.			

ArcLight Capital Partners

AL Warwick Holdings, LLC	Black Light Holdings	Bruin E&P Partners	Canyon Creek Energy II, LLC	Element Petroleum III, LLC	Enable Midstream Partners	LOGOS Resources II LLC			
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Ares Management

BlackBrush Oil & Gas	Development Capital Resources	Halcon Resources	True Oil Company LLC						
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Blackstone (Private Equity)

GeoSouthern Haynesville, LP	Guidon Energy	Jetta Permian, LP	LLOG Exploration	Osum Oil Sands	Royal Resources Partners LP	Saratoga Resources Inc	Sequel Energy Group LLC	Vine Oil & Gas LP	Western Eagle Ford JV
Windy Cove Energy, LLC	Zavanna, LLC								

Denham Capital Management

Atlantic Resources Company	Bright Horizon Resources	Cascade Petroleum	Connaught Oil & Gas	Covey Park Energy LLC	Fairway Resources III	LOLA Energy	S&A Resources	Sierra Buckeye	Tall City Exploration II
Tundra Oil & Gas LLC	URSA Resources Group II	WhiteWater Midstream							

EIG Partners

CHK Utica, L.L.C.	Crown Oil Partners V, LP	EI Dorado Resources, LLC	FourPoint Energy	Intervention Energy, LLC	Jamestown Resources LLC	Jonah Energy LLC	Larchmont Resources, L.L.C.	Pelican Energy, LLC	Plains Offshore Operations
Rice Energy Inc									

EnCap Investments

Advance Energy Partners	Ameredev II LLC	Brigadier Oil & Gas	Broad Oak Energy II	Carrera Energy LLC	Cinco Oil & Gas, LLC	Common Resources III	Cornerstone Natural Resources	Council Oak Resources	Dorado E&P
Earthstone Energy	Eclipse Resources Corporation	Escondido Resources II	Excalibur Resources, LLC	Felix Energy II	Forge Energy, LLC	Fortis Minerals	Fuse Energy	Grayson Mill Energy, LLC	Grenadier Energy Partners II
Halcón Resources Corporation	Laramie Energy II	Lone Star Land & Energy II	Marlin Resources	Modern Resources Inc.	Novo Oil & Gas	OGX Holding III	Paloma Partners IV	Payrock Energy II	PennEnergy Resources
PetroLegacy Energy I	PetroLegacy Energy II	Piedra Resources III	Plantation Petroleum Company	Protege Energy III	QStar II	Raisa Energy, LLC	Royal Holly Energy, LLC	Sabalo Energy, LLC	Scala Energy
Southland Royalty Company	Talon Oil & Gas III	Tracker Resource Development	Travis Peak Resources	Unconventional Resources	Verdun Oil Company				

First Reserve Corp

American Energy Permian Basin	Ascent Resources, LLC	Cobalt International Energy	Deep Gulf Energy	First ECA Midstream	Mountaineer Keystone	NewWoods Petroleum	Saddle Barnett Resources	Texas American Resources Company	
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Kayne Anderson

Adventure Exploration Partners III	Amistad Energy Partners, LLC	Balidol Oil & Gas, LLC	Beacon E&P Company II	Cantera Energy, LLC	Casillas Petroleum Resource Partners	Corlena Oil Company II and III	Crown Energy Resources LLC	Grenadier Energy Partners II	Haymaker Minerals & Royalties
HRM Resources II	Invictus Energy, LLC	KA Henry I & II	Kraken Oil & Gas	Monadnock Resources, LLC	Newton Energy Partners	Oak Ridge Natural Resources	PAK Development	Phoenix Natural Resources	Primary Natural Resources
PT Petroleum, LLC	Raptor Petroleum II	Riverbend Permian II	Sabinal Energy, LLC	Terra Energy Partners LLC	Treadstone Energy Partners II	Triumph Energy Partners			

Private Equity Sponsors and Portfolio Companies

KKR									
Accelerated Oil Technologies	Comstock Resources' JV	Fleur de Lis Energy	Haymaker Minerals & Royalties	RPM Energy Partners	Trinity River Energy, LLC	Venado Oil and Gas, LLC	Veresen Midstream LP	Westbrick Energy	
NGP Energy Capital Management									
89 Energy	Avad Energy Centennial Resource Development, Inc	Axia Energy II, LLC	Blackbeard Operating	Black Mountain Oil & Gas	BlueStone Natural Resources	Boaz Energy II Crossing Rocks Energy Partners	Bravo Natural Resources	Caird Energy, LLC	Caltex Resources
CanEra Resources Inc. III		Charger Resources II, LLC	Cisco Energy, LLC	Colgate Energy, LLC	Confluence Resources		DeanLake Operator LLC	Fifth Creek Energy Company	Fort Worth Minerals Northstar Offshore Group
Four Corners Petroleum PCORE Exploration & Production II	Four Corners Petroleum	Four Corners Petroleum II	Four Corners Petroleum	HighMark Energy	Juniper Resources, LLC	Luxe Energy	Luxe Minerals LLC	Northern Blizzard Resources	Springbok Energy Partners
	PetroCore, LLC	Petrus Resources Ltd	Prairie Storm Energy	Propel Energy, LLC	PSI Midstream Partners, L.P.	Rebellion Energy	Remora Petroleum	Seven Generations Energy	
Spry2 Energy Inc. WildHorse Resources Development	Stanolind Oil and Gas LP II	Steppe Resources Inc.	Steward Energy II	Tap Rock Resources, LLC	Teal Natural Resources	Tecolote Energy LLC	Torrent Oil LLC	White Oak Energy, L.L.C.	Wild Wind Petroleum
	Wold Oil Properties, LLC								
Quantum Energy Partners									
Crump Energy Partners II, LLC	Elk River Resources, LLC	EnergyQuest II, LLC	ExL Petroleum Management	Jagged Peak Energy, Inc	Juno Energy III	Native American Resource Partners	Newark E&P	QL Energy I, LLC	Renaissance Offshore
Rio Oil and Gas II, LLC	Rockcliff Energy, LLC	Sentinel Peak Resources LLC	Tanos Energy II, LLC	Tug Hill Operating / THQ	Vitruvian Exploration II, LLC	Wishbone Energy Partners			
Riverstone									
Admiral Permian Resources, LLC	Canadian International Oil Corp.	Canadian Non-Operated Resources LP	CanEra Resources Inc. III	Carrier Energy Partners II LLC	Carrier Energy Partners LLC	Castex Energy 2014, LLC	Centennial Resource Development	Cobalt International Energy	Eagle Energy Exploration
Enduro Resource Partners	EP Energy Corporation	Fieldwood Energy, LLC	ILX Holdings	ILX Holdings II	ILX Holdings III	Kerogen Energy Holdings	Northern Blizzard Resources	PetroLegacy Energy I	Ridgewood Energy Corp
Rover Petroleum, LLC	Talos Energy LLC	Three Rivers Operating Company III	Trail Ridge Energy Partners II	TrailStone L.P.					
TPG Capital									
Hunt Oil Company - Midland Basin JV	Jonah Energy LLC	Petro Harvester Oil & Gas							

Regional Transaction Metrics

Regional Snapshot

A&D Market Monitor
Houston

May 1, 2017

Covering the Week of April 22 – April 28, 2017

BMO Capital Markets
We're here to help.

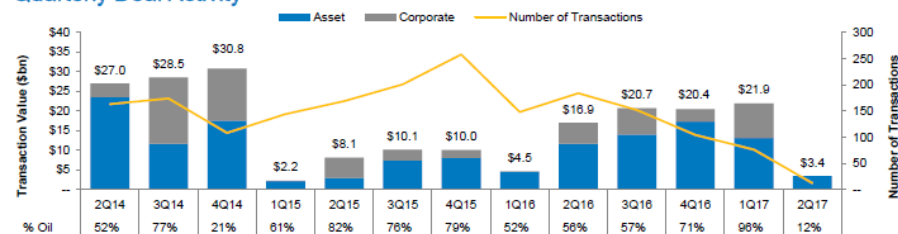
Week in Review

- Resource Energy announced that it entered into an agreement to acquire ~45,000 net mineral acres in the Williston Basin from Blue Ridge Mountain Resources (formerly Magnum Hunter Resources) for \$34.7 million
- BHP announced that it is preparing to divest Hawkville assets in the Eagle Ford and is also considering selling its Fayetteville assets
- KLR Energy Acquisition announced the completion of its combination with Tema Oil and Gas; the combined company has been renamed Rosehill Resources

Key Industry Indicators

Indicator	Current Value	Week's Change	% Change	Direction
Prompt Oil Price (\$/bbl)	\$49.33	(\$0.29)	(0.6%)	↓
Prompt Gas Price (\$/mmbtu)	\$3.28	\$0.18	5.7%	↑
Wkly Trans. Value (\$mm)	\$35	(\$285)	(89%)	↓
Wkly Trans. Count	1	(4)	(80%)	↓
US Rig Count	870	13	1.5%	↑
US Oil Prod'n (mmbbl/d)	9.3	0.0	0.1%	↑
US Gas Prod'n (bcfd) ⁽¹⁾	90.0	1.9	2.2%	↑
US Oil Storage (mmbbl)	528.7	(3.6)	(0.7%)	↓
US Gas Storage (tof)	2.2	0.1	3.5%	↑

Quarterly Deal Activity



Commodities

- Oil ended last week slightly down, trading within a tight range. There were reports that if OPEC compliance remains strong, then the oil market could reach balance again by year end. However, continued US production growth could change things. The rig count rose for the 15th straight week, increasing by 13. U.S. production also continues to climb, reaching levels not seen since August 2015. The near-term contract closed the week down \$0.29, or 0.6%, at \$49.33
- Natural gas ended last week up. Hopes of a steamy summer, as well as production outages in the Northeast, helped prices rise. Inventory injection numbers were in line with analysts' expectations at 74 bcf. The gas rig count increased by four to 171. The near-term contract closed the week up \$0.18, or 5.7%, at \$3.28

Equity Markets

Debt Markets

- S&P E&P⁽²⁾ underperformed last week (0.4%) vs. SPX⁽²⁾ 1.5%
- Last week, investors continued to digest the corporate earnings calendar with 287 companies of the S&P 500 having reported results so far. Of the 287, 65% have topped sales estimates and 81% have beat earnings expectations
- 14 issuers priced 14 issues to raise \$7.0 billion last week
- Year-to-date volume stands at \$157.0 billion, compared to \$93.4 billion in year-to-date 2016
- Retail cash inflows to U.S. high yield mutual funds totaled \$290.7 million last week, compared to the prior week's outflow of \$362.2 million. This brings year-to-date outflows for 2017 to \$4.4 billion, compared to \$9.6 billion of inflows in year-to-date 2016
- Three E&P HY issues priced last week
 - Covey Park Energy (B3/B) priced its debut offering of \$450 million 7.500% Senior Notes due 2025 at par. The 8NCS Senior Notes priced at talk. Proceeds will be used to repay the company's existing \$150 million funded Bridge Loan and to repay drawings on the company's Revolving Credit Facility. **BMO acted as Joint Bookrunner on the transaction**
 - Bill Barnett Corp (Caa2/CCC+) priced \$275 million of 8.750% Senior Notes at par. The 8NCS3 issuance marked the Company's first high yield offering in over five years and included various revisions to initial terms. Proceeds from the transaction will refinance existing debt, including their 7.625% Notes due 2019 and 5.000% Convertible Notes due 2028. **BMO acted as Joint Bookrunner on the transaction**
 - Saka Energi Indonesia (Ba1/BB) priced \$625 million of 4.450% Senior Notes due 2024. The 7NCL notes priced tight of talk at par. Proceeds from the transaction will be used to refinance existing debt

A&D Market Monitor
Houston

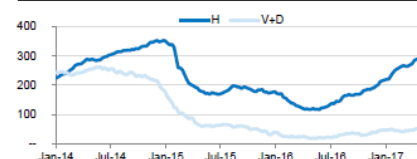
May 1, 2017

BMO Capital Markets
We're here to help.

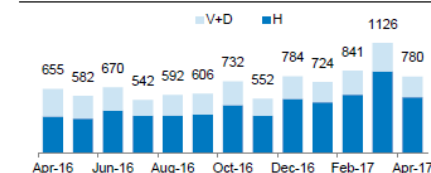
Permian Snapshot

Item	Value	Wkly Change	Last Week
Rig Count	342	↑	340
Permitting Activity	213	↓	252

RIG COUNT



PERMITTING ACTIVITY BY MONTH

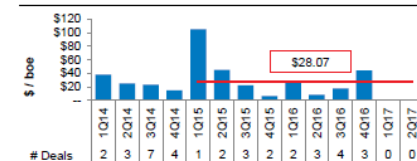
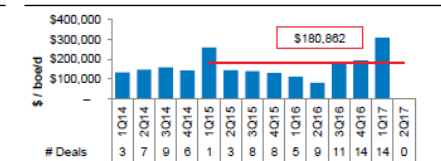


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
24-Mar-17	Oxy	Vanguard Natural Resources	3,048 net acres in Midland Basin	\$78	n.a.	\$385,882	\$25,690
21-Mar-17	Marathon	Black Mountain; Undisclosed	21,000 net acres in Delaware Basin	\$700	n.a.	\$1,750,000	\$33,333
15-Mar-17	Undisclosed Buyer	Pioneer	20,500 net acres in Midland Basin	\$286	n.a.	\$177,333	\$12,976
09-Mar-17	Marathon	BC Operating; Undisclosed	70,000 net acres in Delaware Basin	\$1,100	n.a.	\$220,000	\$15,714
03-Mar-17	Resolute Energy	Undisclosed	4,592 net acres in Delaware Basin	\$160	n.a.	\$200,000	\$34,843
Mean				\$461	n.a.	\$546,639	\$24,513
Median				\$266	n.a.	\$220,000	\$25,699

Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾TRANSACTION PRODUCTION MULTIPLES⁽²⁾

Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info

Note: Current quarter's data is through the week covered by this issue

1. Represents total enterprise value. Excludes transactions with deal value <\$20 million.

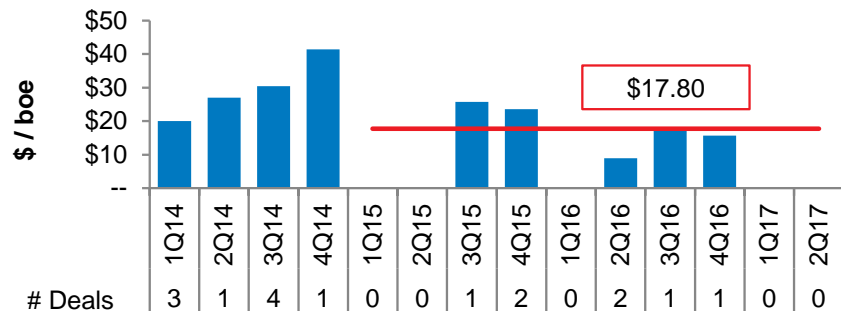
2. Red line denotes average since 1-Jan-15. Calculated as the weighted average of each quarter's transactions.

3. \$/acre multiple not adjusted for value associated with production.

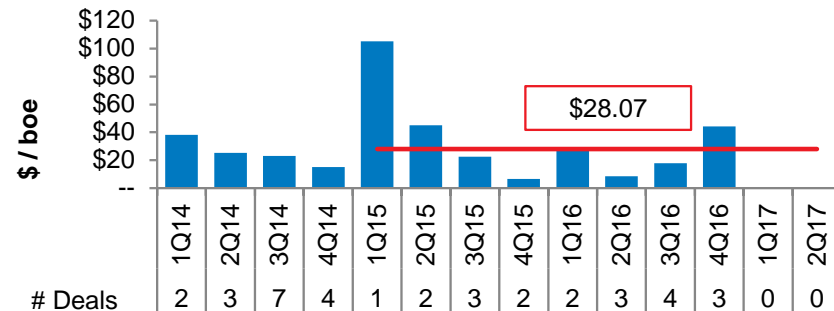
1 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, EIA
Note: Current quarter's data is through the week covered by this issue.
2. EIA U.S. natural gas gross withdrawals and production reported monthly as of February 2017.
3. S&P E&P = S&P Oil & Gas E&P Select Industry, SPX = S&P 500 Index, ADTV = Average Daily Trading Volume.

Proved Reserve Multiples (Oil Weighted)

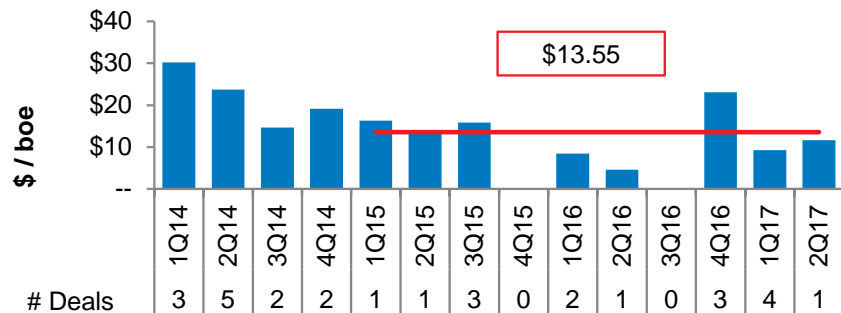
BAKKEN



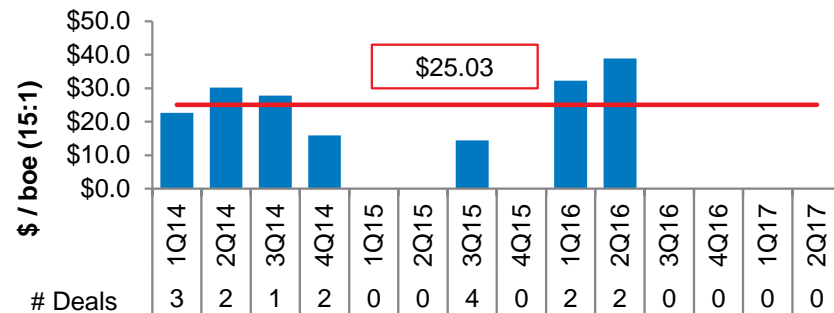
PERMIAN



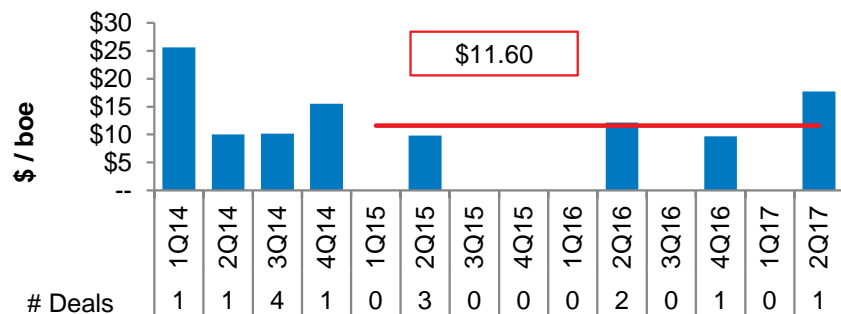
EAGLE FORD



ARK LA TX (INCLUDES SCOOP/STACK)



MID-CONTINENT

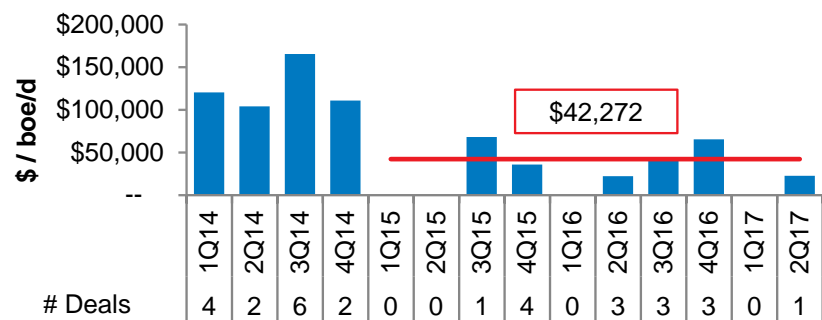


OTHER ROCKIES

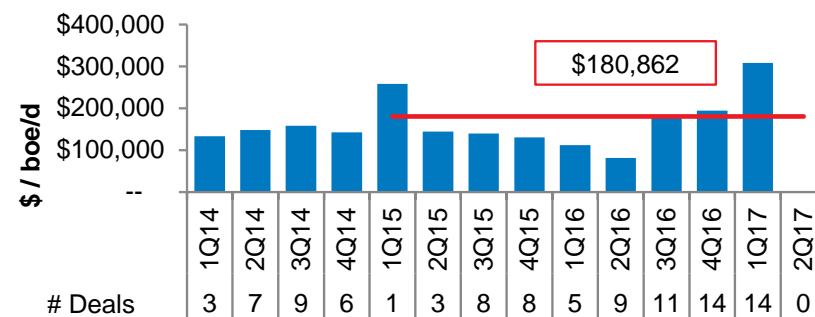


Production Multiples (Oil Weighted)

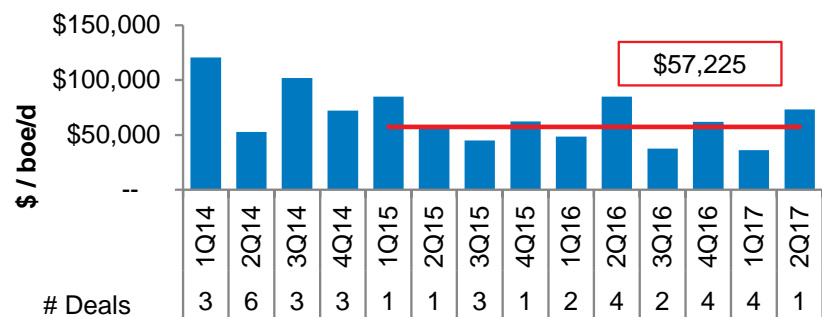
BAKKEN



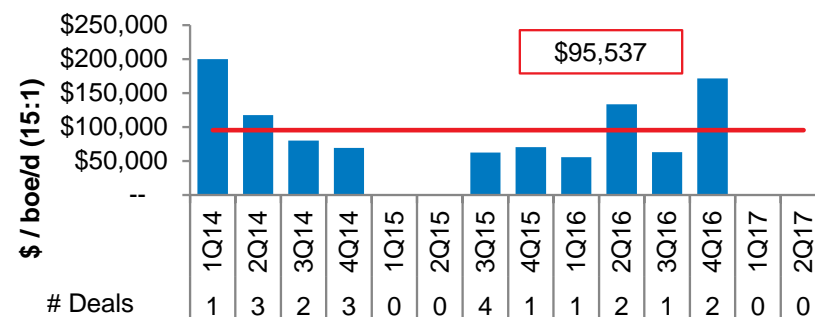
PERMIAN



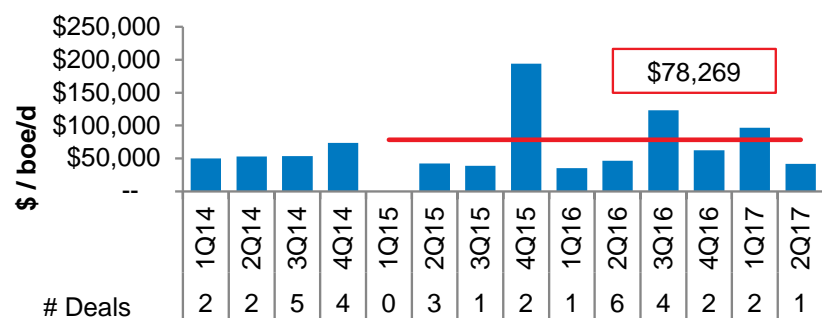
EAGLE FORD



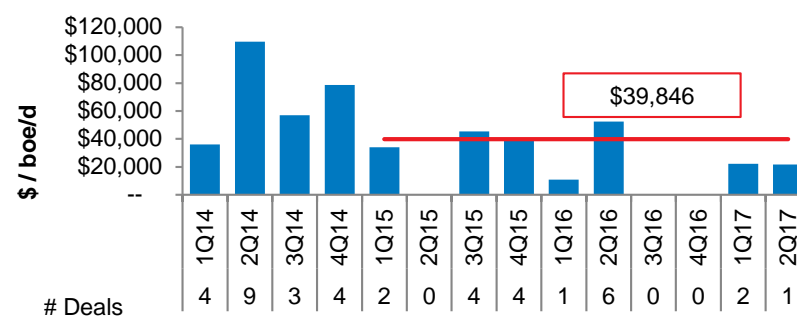
ARK LA TX (INCLUDES SCOOP/STACK)



MID-CONTINENT



OTHER ROCKIES



Typical Transaction Process

Announcement

EXCO 2016 South Texas Divestiture

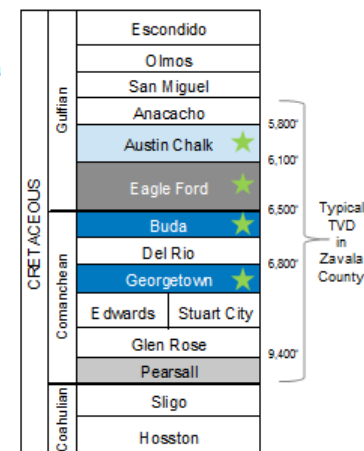


EXCO Resources, Inc. ("EXCO") is offering for sale all of its South Texas Eagle Ford assets (the "Properties"). BMO Capital Markets has been retained as exclusive financial advisor to EXCO.

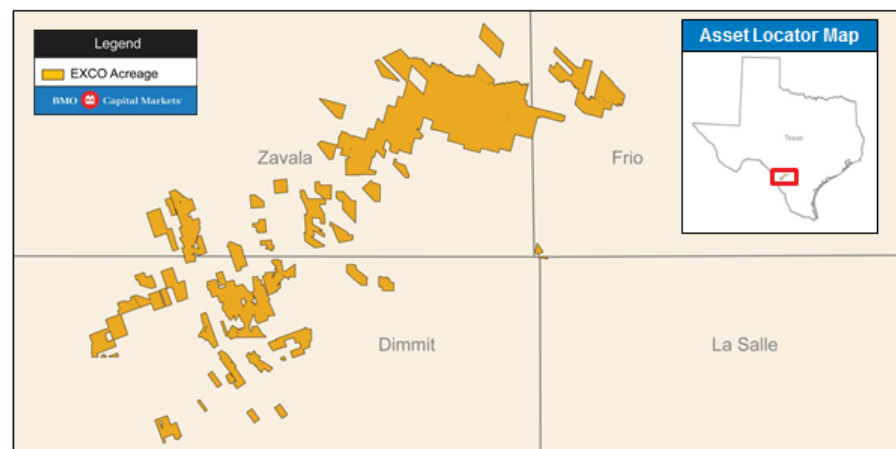
Asset Overview

- Excellent opportunity to acquire a highly economic, operated asset in a unique area of the oil window of the Eagle Ford play
- A partially developed oil asset with a strong PDP base in the low risk area of the Eagle Ford
- Average September 2016 net production of 4,400 boe/d (>90% oil) from ~230 operated and ~20 non-operated wells producing from the Lower Eagle Ford, Austin Chalk, and Buda formations
- Large, contiguous leasehold of ~51,000 net acres (93% HBP) primarily in Zavala, Frio, and Dimmit counties, Texas
- Eagle Ford acreage over 50% undeveloped
- Over 275 gross drilling locations in Lower Eagle Ford; additional potential locations in Upper Eagle Ford, Austin Chalk, Buda, and Georgetown formations
- Recent Eagle Ford completions using higher proppant intensity have yielded 30 - 50% greater EUR
- Shallow depth to top of Eagle Ford allows for lower D&C costs and short cycle times; wells with 7,500' lateral length average 11 days spud to rig release
- Extensive third party midstream infrastructure in place to facilitate further development

Stratigraphic Column



Asset Map



Announcement

Key Investment Highlights

Significant upside potential

- Low-risk upside consists of more than 275 gross operated Lower Eagle Ford drilling locations
 - Significant running room with over half the Eagle Ford acreage undeveloped
 - Eagle Ford oil recoveries over 110 bbls per lateral foot
- Recent offset Buda development has delivered wells with EUR up to 325 mbo
- Recently completed offset well in the Georgetown formation tested 470 boe/d
- Prolific Austin Chalk production in offset acreage, but largely undeveloped across EXCO's position
- Upper Eagle Ford prospective and untested for staggered/stacked development
- De-risked through well control and 3rd party seismic surveys
- Refrac potential with larger completion designs

Predictable production and cash flow

- Current net production of 4,400 boe/d (>90% oil)
 - Most recently drilled wells turned to sales in October 2015
 - High degree of control as 93% of leasehold is HBP and almost 100% of production is operated
- LTM cash flow is approximately \$45 million/year

Area exit for EXCO

- Full exit of South Texas for EXCO (all rights, all depths)
- Majority of the assets were purchased from Chesapeake in 2013 (strong PDP base at acquisition)
- Experienced field operations staff are available for hire

Process Overview and Timeline

- Key process dates
 - VDR available late December 2016 / early January 2017
 - Data Room presentations in January 2017
- Contact Chelsea Neville, Transactions Coordinator, at EXCO.eagleford@bmo.com for a Confidentiality Agreement, access to the VDR, data room requests, or questions

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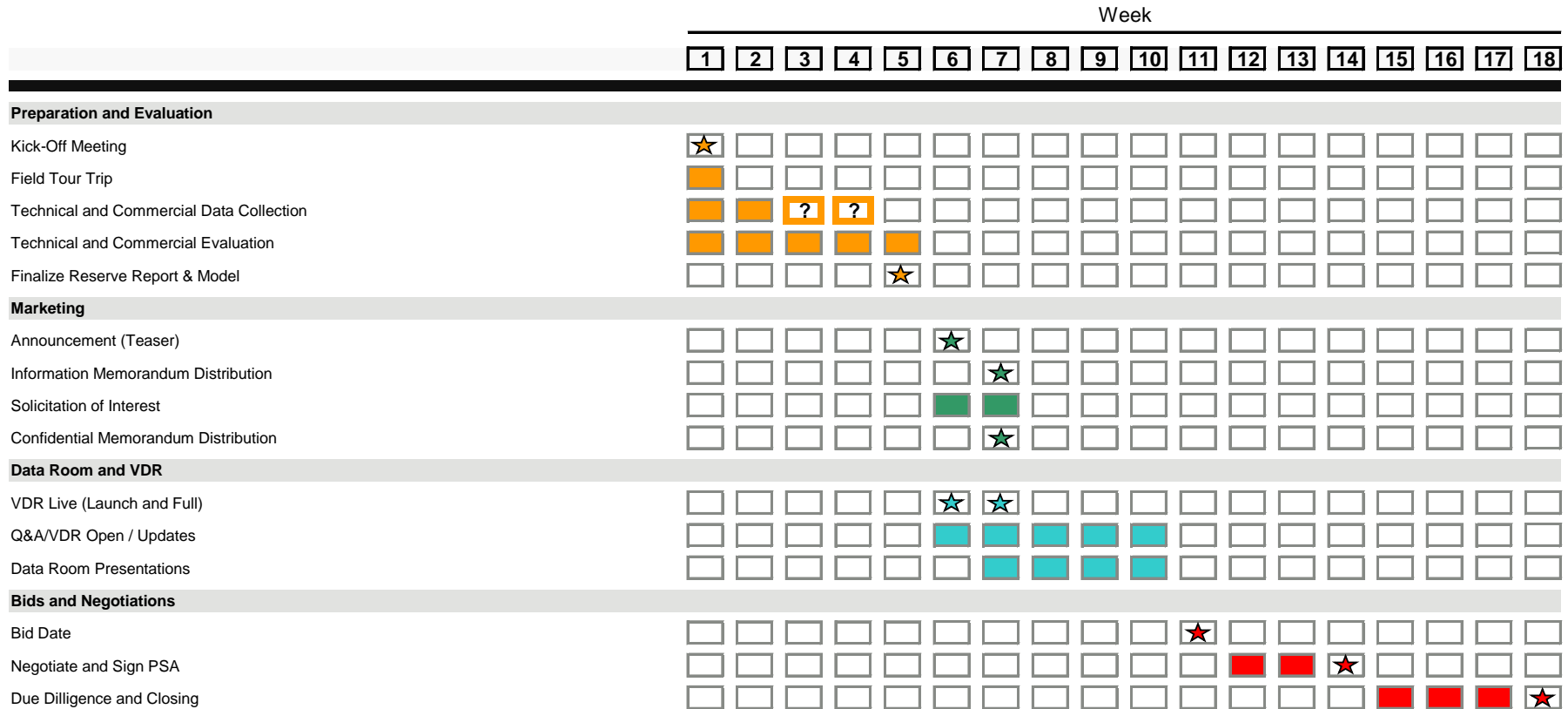
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NOTE: All or part of the EXCO 2016 Eagle Ford Divestiture is subject to prior sale at any time and any dates are subject to revisions at any time, at the sole discretion of EXCO and BMO Capital Markets Corp. ("BMOCMC"). All information included in this document is based on information provided by EXCO. Please note all numbers may be approximate or estimated and tables may not add due to rounding. Please do not contact EXCO directly. Direct all inquiries to the BMOCMC personnel listed above.

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Illustrative Broad Auction Timeline



September 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

November 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Flexibility to accelerate or delay based on EXCO's readiness and market conditions

Marketing Observations from EXCO's Eagle Ford Process

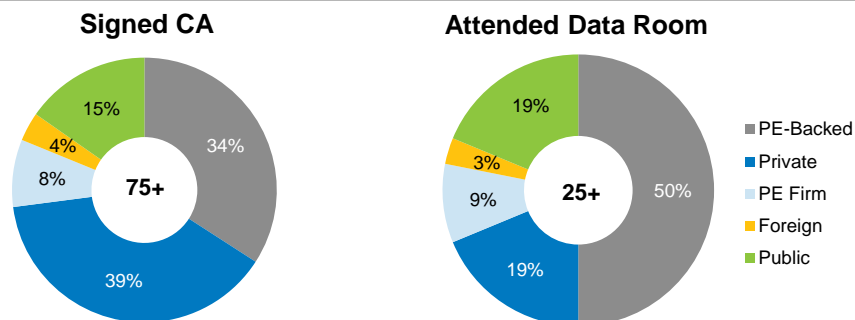
PROCESS TIMELINE

- Introductory Letter distributed: 19-Dec-2016
- Physical Data Room opened: 17-Jan-2017
- Virtual Data Room opened: 18-Jan-2017
- Bid Date: 23-Feb-2017
- PSA signed and press release issued: 10-April-2017
- Transaction expected to close: June 2017

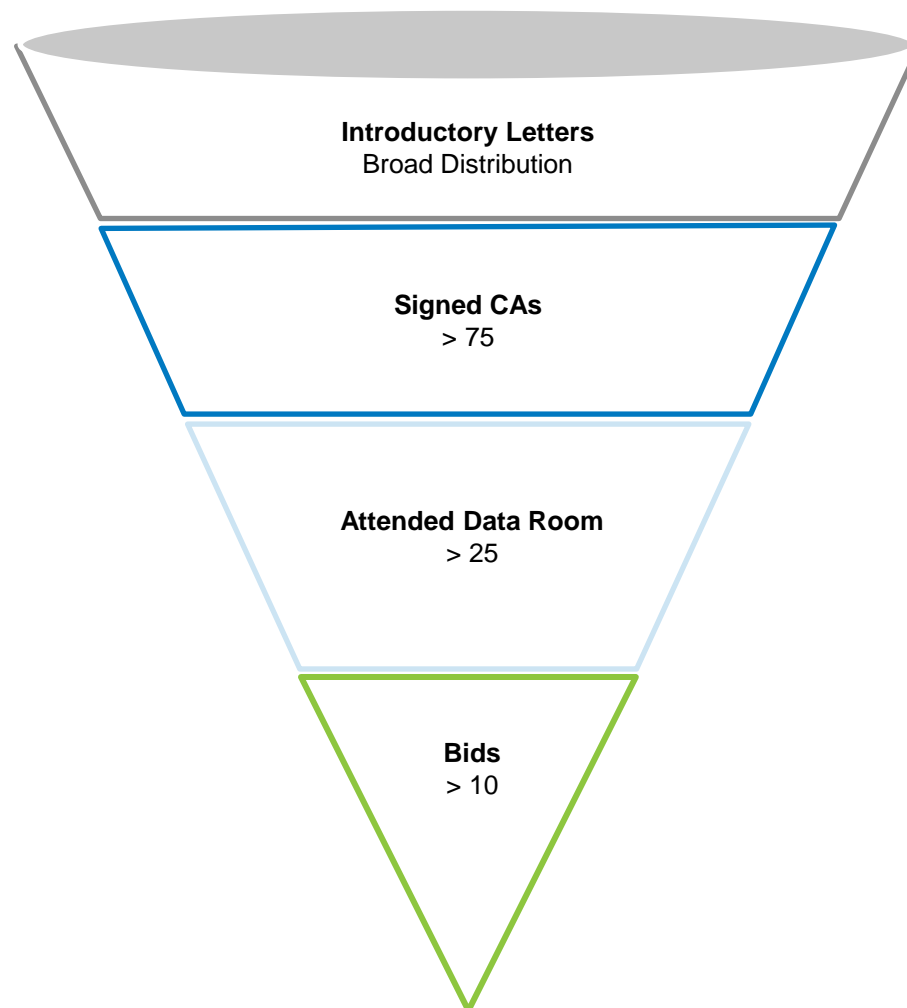
PROCESS INSIGHTS

- Buyers have been allocating value to PDP and most Lower Eagle Ford development locations
- Typically, PDP valued at PV10 and PUD-like locations valued at better than PV18-20
- Most buyers are paying for larger completions (current practice) and longer laterals even if seller has not demonstrated recent results; analogs have been sufficient for value
- Additional Lower Eagle Ford bench and Upper Eagle Ford more heavily risked
- Generally limited value assigned, if any, to development of other formations: Austin Chalk, Buda, Pearsall, Georgetown, etc.

PARTICIPATION DETAIL




PROSPECTIVE BUYER SALE PROCESS OVERVIEW



Broad process resulted in considerable competition and a favorable outcome for EXCO

EXCO Resources Sells Eagle Ford Assets for \$300 million



\$300 million

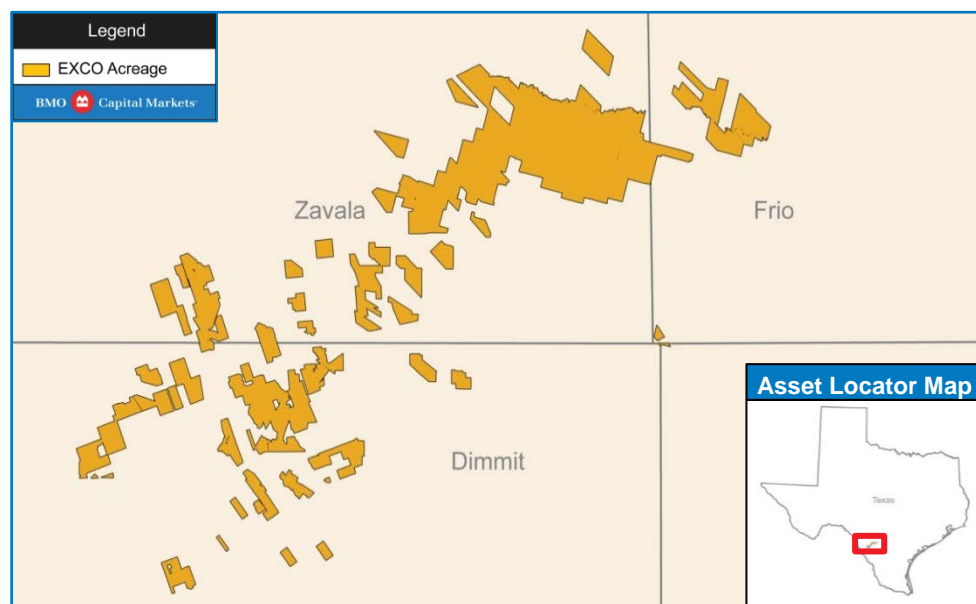
Sale of Eagle Ford Assets

Financial Advisor
April 2017

TRANSACTION OVERVIEW

- On April 10, 2017, EXCO Resources, Inc. ("EXCO" or the "Company") (NYSE: XCO) announced the execution of a definitive agreement to divest its oil and natural gas properties in South Texas to Venado Oil and Gas, LLC, an affiliate of KKR, for \$300 million
- Assets are located in the Eagle Ford Shale's black oil window, primarily in Zavala, Frio, and Dimmit counties, TX
 - Partially developed asset with a strong PDP base and over 50% acreage undeveloped
 - Large inventory of drilling locations in the Lower Eagle Ford and Buda with strong IRRs
 - High degree of control as 93% of leasehold is HBP and almost 100% of production is operated
- Purchase price implies upside valued at better than PV-20⁽¹⁾
- Amid a volatile commodity price environment, this transaction was well received by the market as immediately following announcement XCO traded up over 10% from the prior trading day's close
- Transaction enhances EXCO's liquidity and optimizes development of existing portfolio, as the Company intends to use certain of the proceeds to fund Haynesville and Bossier Shale drilling and development in North Louisiana and East Texas

ASSET MAP



TRANSACTION SUMMARY

- Highly contiguous 50,860 net acre Eagle Ford position with 8,514 net acres in historical development area with KKR ("Area 1")
- December 2016 net daily production of ~4,100 boe/d (~90% oil) with almost 100% of production operated
- 312 gross drilling locations in Lower Eagle Ford and 38 gross drilling locations in the Buda

Eagle Ford Multiples (\$300 million Purchase Price)

	Metric	Multiple
Implied Multiples		
Production	4,100 boe/d	\$73,171 / boe/d
Total Net Acreage	50,860 net acres	\$5,899 / acre
Area 1 Net Acreage	8,514 net acres	\$35,236 / acre
Implied Adjusted Multiples⁽²⁾		
Total Adj. Net Acreage	50,860 net acres	\$3,077 / acre
Area 1 Adj. Net Acreage ⁽³⁾	8,514 net acres	\$13,408 / acre
Total Adj. Net Locations (Lower EF)	144 net locations	\$1.09 mm / location

Source: Company filings, press releases, FactSet, BMO Capital Markets estimates

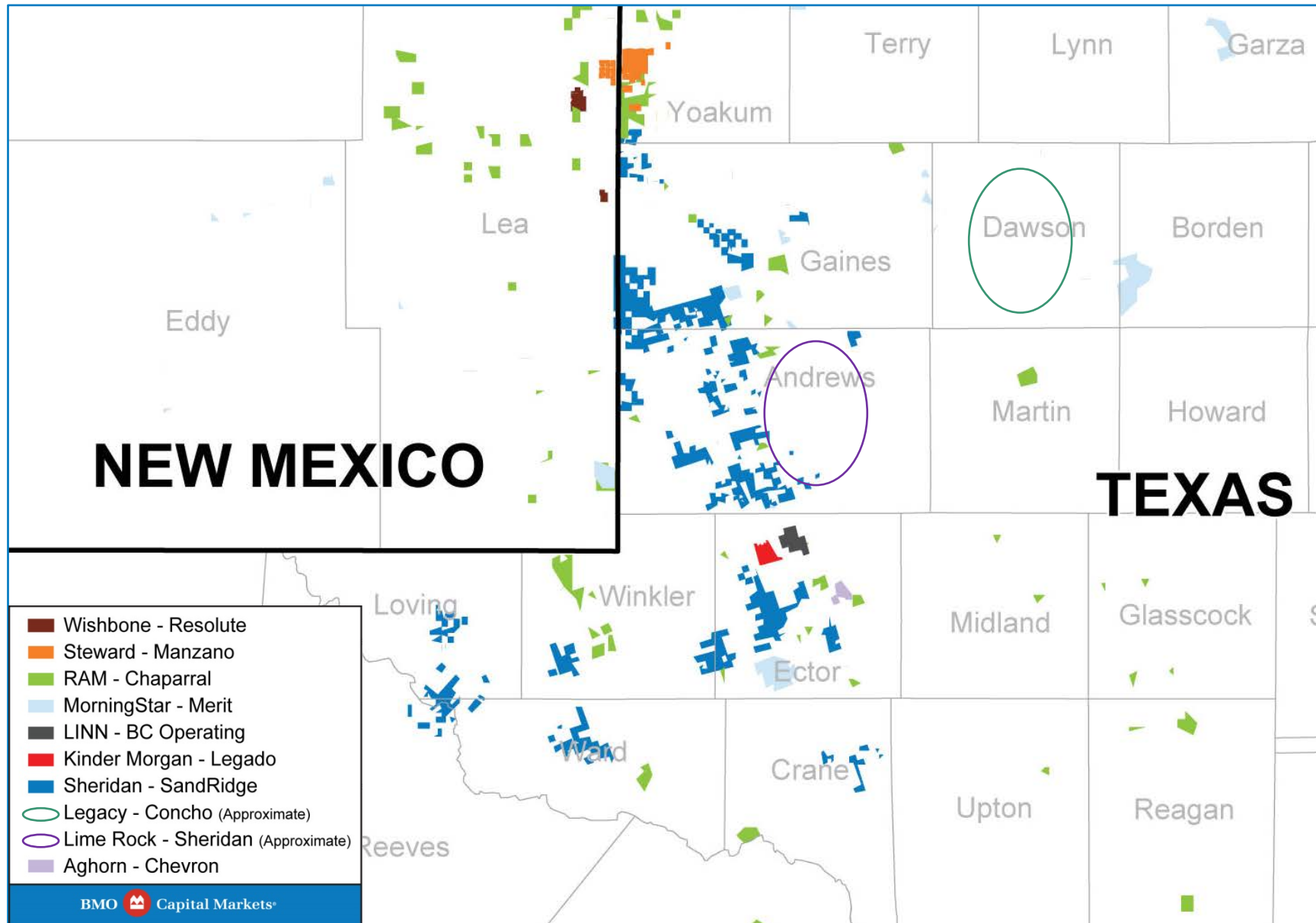
26

- Strip as of 4/7/2017.
- Developed acreage assumed to be valued \$143.5 million (production valued at \$35,000/boepd), implying \$156.5 million value for undeveloped acreage.
- Area 1 Adj. Net Acreage assumes \$1,000 per net acre allocated to non-Area 1 acreage.



How Investment Bankers Calculate Fair Market Value

Precedent Transactions Map



Discounted Cash Flow Analysis

Primary Valuation Determinant

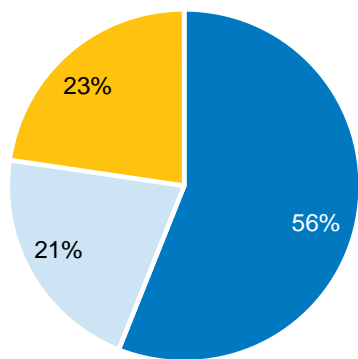
- Database as received from client with 24-Mar-17 strip ⁽¹⁾ applied; no adjustment to curves or costs
- No additional value ascribed to Probable, and Possible locations as they were not provided for analysis
 - Furthermore, upside portion of total value already above industry comfort levels
- Additional information on development costs and type curves would be required to add additional locations as a component of Discounted Cash Flow analysis

RESERVES VALUE AT STRIP PRICING⁽¹⁾

Category	Gross Well Count	Net Reserves		Net Capex (\$mm)	Development Cost (\$/boe)	Net PV-8	Net PV-10	Net PV-12	Net PV-15	Net PV-20	Net PV-25	Net PV-30	Value Range	
		(mboe)	% Oil			(\$/mboe)	(\$mm)	(\$mm)	(\$mm)	(\$mm)	(\$mm)	(\$mm)	High (\$mm)	Low (\$mm)
PDP	2,344	63,197	67%	\$85.2	n.a.	\$647.7	\$573.6	\$515.6	\$448.9	\$371.6	\$319.2	\$281.2	\$574	\$516
PDNP	1,509	32,927	69%	\$97.2	\$2.95	\$369.3	\$311.8	\$267.5	\$217.6	\$161.4	\$124.6	\$99.0	\$218	\$161
PUD	658	87,511	81%	\$570.8	\$6.52	\$769.4	\$611.6	\$494.0	\$366.7	\$232.0	\$150.7	\$98.5	\$232	\$151
Total Proved	4,511	183,635	74%	\$753.2	\$9.47	\$1,786.4	\$1,497.1	\$1,277.2	\$1,033.2	\$765.0	\$594.4	\$478.8	\$1,023	\$828
													Hedges	\$75
													Total With Hedges	\$75
														\$1,099
														\$903

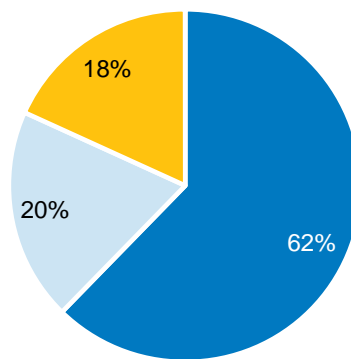
VALUE BY RES CAT (HIGH RANGE)

■ PDP ■ PDNP ■ PUD



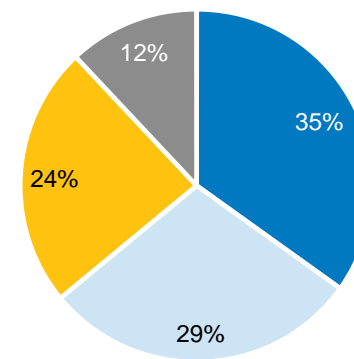
VALUE BY RES CAT (LOW RANGE)

■ PDP ■ PDNP ■ PUD



PERMIAN TOTAL PV10 BY COUNTY

■ Yoakum ■ Lea ■ Terry ■ Dawson

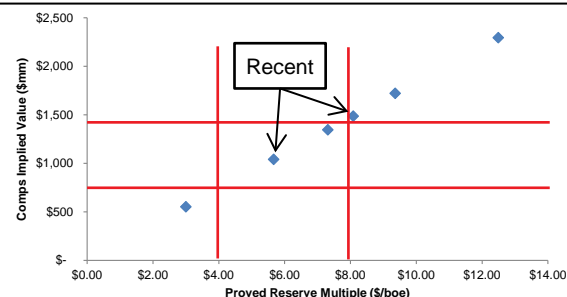


Selected Sample Basin Platform Transactions

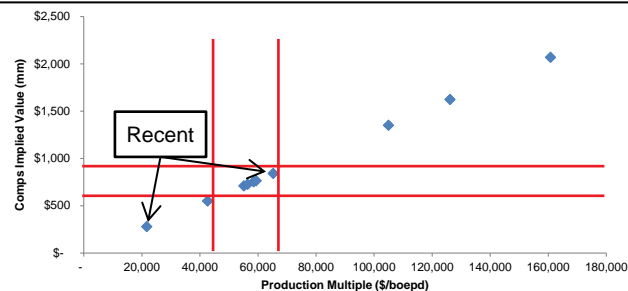
Secondary Valuation Determinant

Announcement Date (dd-mm-yy)	Buyers	Sellers	Counties	Announced TEV (US\$ mm)	Proved Reserves (mmboe)	% PD (%)	Production (mboe/d)	% Oil (%)	R / P (ratio)	Net Acres	TEV Adj. Factor ⁽¹⁾ (%)	Price Adjusted TEV ⁽¹⁾ /				12-mo. Strip at Annc.	
												Proved Reserves (US\$ / boe)	Production (US\$ / boe/d)	Net Acres (US\$ / acre)	Adj. Net Acres ⁽²⁾ (US\$ / acre)	NYMEX Oil (US\$ / bbl)	NYMEX Gas (US\$ / mmbtu)
17-Jan-17	Wishbone	Resolute Energy Corporation	Lea	\$15	1.8	56%	0.7	n.a.	n.a.	3,583	(4.3%)	\$8.09	\$21,685	\$4,007	nmf	\$55.21	\$3.49
01-Aug-16	Steward Energy	Manzano Energy	Lea, Yoakum	\$225	42.4	n.a.	3.7	n.a.	n.a.	16,954	6.8%	\$5.67	\$65,285	\$14,171	\$6,574	\$43.93	\$3.13
30-May-14	RAM Energy	Chaparral Energy	Multiple	\$49	n.a.	n.a.	0.6	72%	n.a.	n.a.	(47.2%)	n.a.	\$42,677	n.a.	n.a.	\$97.83	\$4.44
17-Sep-13	MorningStar Partners LP	Merit Energy	Multiple	\$468	n.a.	n.a.	2.3	80%	n.a.	n.a.	(48.4%)	n.a.	\$104,967	n.a.	n.a.	\$99.41	\$3.95
11-Sep-13	LINN Energy	BC Operating	Ector	\$525	30.0	n.a.	4.8	63%	17.1x	6,250	(46.5%)	\$9.36	\$58,519	\$44,943	\$18,063	\$100.79	\$3.81
01-Jun-13	Kinder Morgan Energy Partners, L.P.	Legado Resources	Ector	\$286	51.7	37%	1.2	100%	115.2x	n.a.	(45.7%)	\$3.00	\$126,143	n.a.	n.a.	\$90.93	\$4.12
19-Dec-12	Sheridan Production Partners II	SandRidge Energy	Andrews	\$2,600	198.9	55%	24.5	82%	22.2x	216,700	(44.0%)	\$7.32	\$59,391	\$6,715	\$2,758	\$91.34	\$3.54
07-Nov-12	Legacy Reserves	Concho Resources	Lea, Eddy, Chaves	\$520	25.6	85%	5.8	60%	12.1x	n.a.	(38.5%)	\$12.49	\$55,147	n.a.	n.a.	\$86.87	\$3.76
31-Aug-12	Lime Rock Resources	Sheridan Production Partners	Andrews	\$132	n.a.	n.a.	0.8	n.a.	n.a.	n.a.	0.9%	n.a.	\$160,794	n.a.	n.a.	\$97.54	\$3.31
30-Nov-11	Aghorn Operating LLC	Chevron	Ector	\$18	n.a.	n.a.	0.2	94%	n.a.	98	(50.0%)	n.a.	\$56,435	\$89,836	\$34,121	\$99.69	\$3.75
												High	\$12.49	\$160,794	\$89,836	\$34,121	
												Mean	\$7.65	\$75,104	\$31,934	\$15,379	
												Median	\$7.70	\$58,955	\$14,171	\$12,318	
												Low	\$3.00	\$21,685	\$4,007	\$2,758	

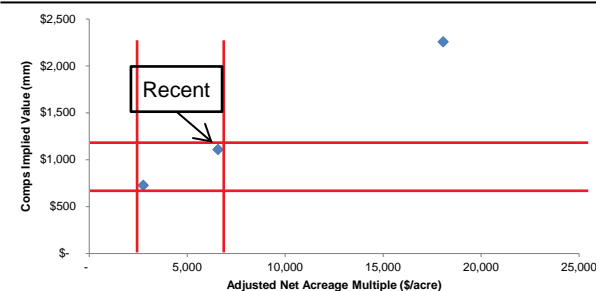
IMPLIED PROVED RESERVE MULTIPLE VALUE



IMPLIED PRODUCTION MULTIPLE VALUE



IMPLIED ADJUSTED ACREAGE MULTIPLE VALUE ⁽²⁾



Source: BMO Transaction Database

Note: Only includes transactions greater than \$10 million.

- Price adjusted TEV is calculated by multiplying TEV by the ratio of current (as of 24-Mar-17) 12-month average of NYMEX WTI (\$49.33/bbl) and NYMEX Gas (\$3.34/mmbtu) prices to the 12-month average prices on the announcement date of the deal, or the TEV Adj. Factor.
- Assumes a production multiple of \$35,000/boe/d.

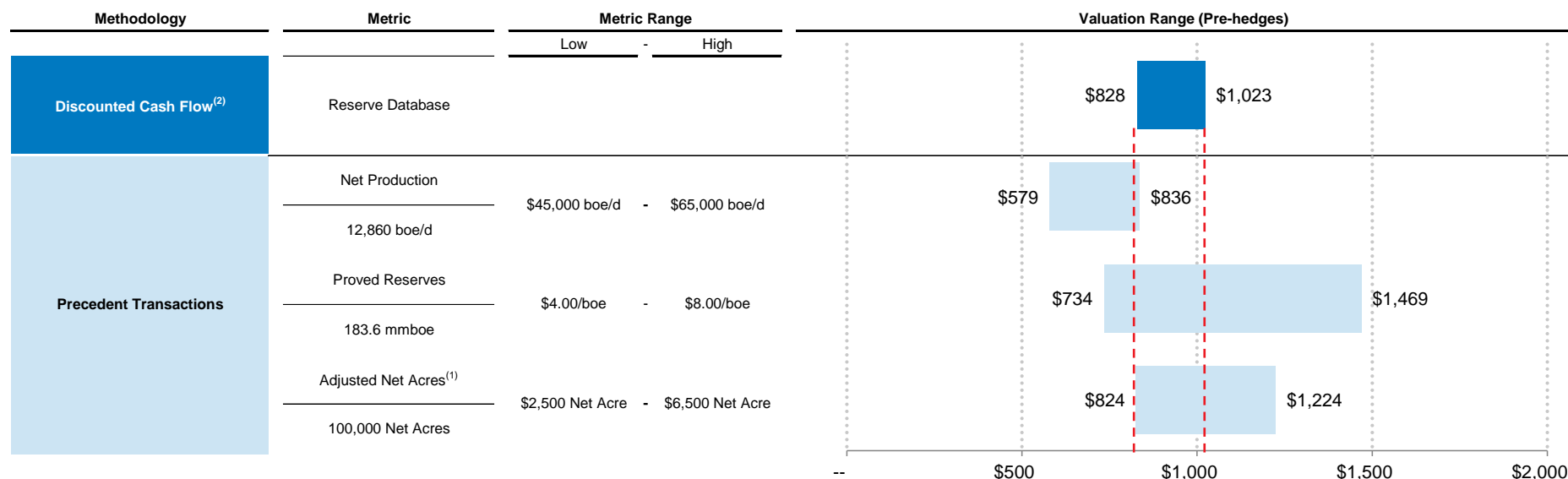
Estimated Fair Market Value

Combines Input and Output from Multiple Sources

- BMO A&D has been asked to provide an assessment of the value of the company's assets
 - Assets primarily in the Sample sub region of the Example Basin
 - The Main reservoir is the main driver of upside
 - Conventional production is the majority of the asset value
- BMO A&D has reviewed the company's reserve database, LOS, and precedent transactions
- Company's assets are mainly conventional in nature
 - Higher valuations will depend on how favorably the Main play is received by the market
 - A number of unproved horizontal locations exist, but were not included in the reserve database or in our valuation analysis

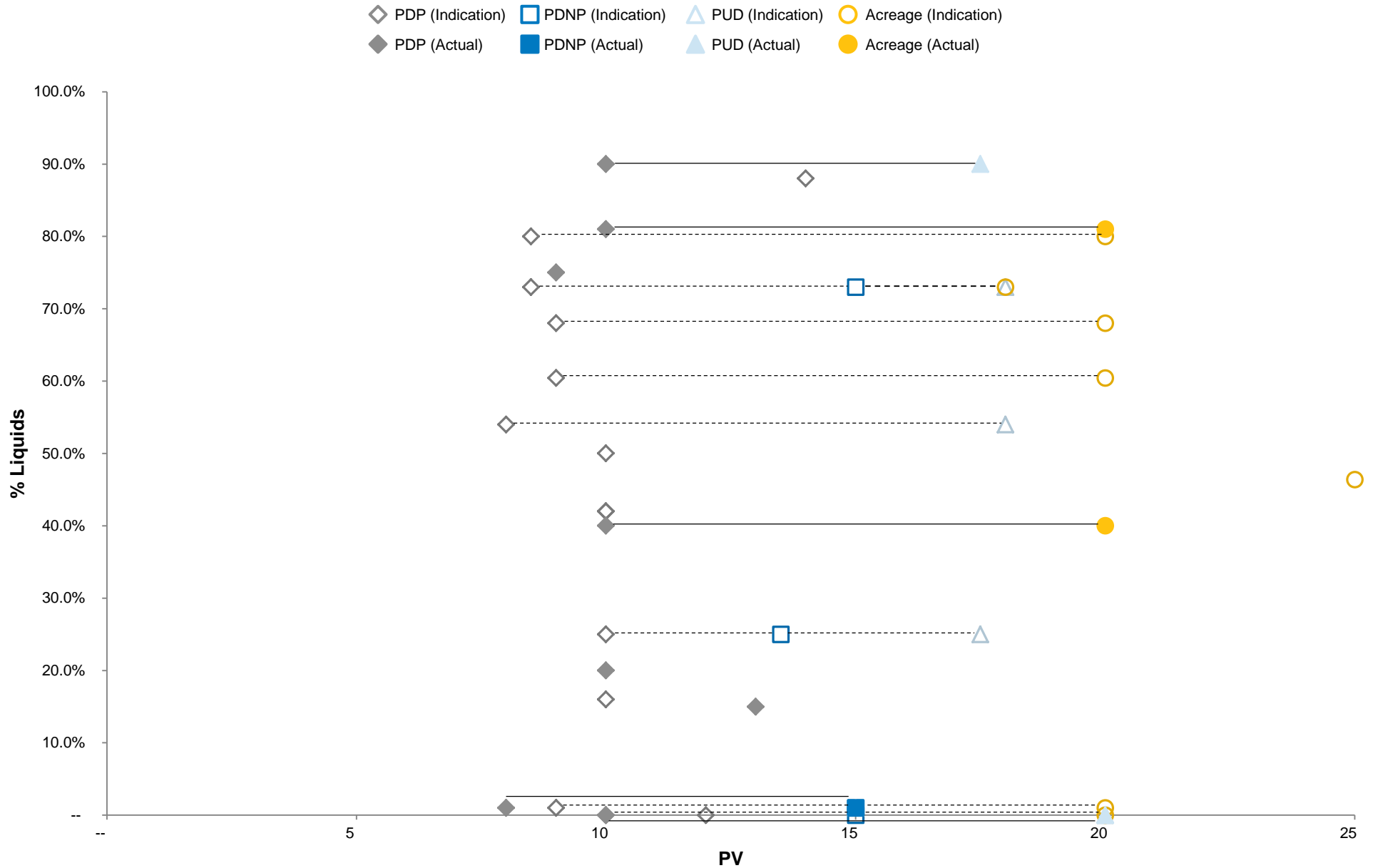
VALUE RANGE MULTIPLES

	Low	High
Transaction Value (US\$ mm)	\$903	\$1,099
Less: Hedges	(\$75)	(\$75)
Underlying E&P Value (US\$ mm)	\$828	\$1,023
Implied Multiples		
Production (\$/boe/d)	\$64,359	\$79,566
Proved Reserves (\$/boe)	\$4.51	\$5.57
Net Acres (\$/acre)	\$8,277	\$10,232
Adjusted Net Acres ⁽¹⁾ (\$/acre)	\$2,540	\$4,496
PDP Next 12 Months CF Multiple	8.1x	10.0x



Buyer Valuation Approaches

Discount Rate not the Determining Factor for Winning Bids – Winning Requires Differentiated View of Costs, Midstream Synergies, Reserves Upside



How to keep up with all of this:

The BMO ***A&D Market Monitor***

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Covering the Week of April 22 – April 28, 2017

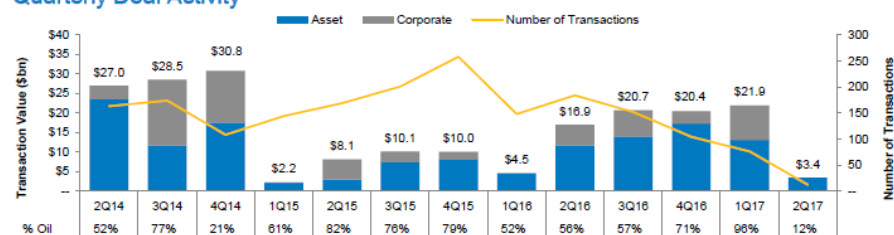
Week in Review

- Resource Energy announced that it entered into an agreement to acquire ~45,000 net mineral acres in the Williston Basin from Blue Ridge Mountain Resources (formerly Magnum Hunter Resources) for \$34.7 million
- BHP announced that it is preparing to divest Hawkville assets in the Eagle Ford and is also considering selling its Fayetteville assets
- KLR Energy Acquisition announced the completion of its combination with Tema Oil and Gas; the combined company has been renamed Rosehill Resources

Key Industry Indicators

Indicator	Current Value	Week's Change	% Change	Direction
Prompt Oil Price (\$/bbl)	\$49.33	(\$0.29)	(0.6%)	↓
Prompt Gas Price (\$/mmbtu)	\$3.28	\$0.18	5.7%	↑
Wkly Trans. Value (\$mm)	\$35	(\$285)	(80%)	↓
Wkly Trans. Count	1	(4)	(80%)	↓
US Rig Count	870	13	1.5%	↑
US Oil Prod'n (mmbbl/d)	9.3	0.0	0.1%	↑
US Gas Prod'n (bofd) ⁽¹⁾	90.0	1.9	2.2%	↑
US Oil Storage (mmbbl)	528.7	(3.6)	(0.7%)	↓
US Gas Storage (tcf)	2.2	0.1	3.5%	↑

Quarterly Deal Activity



Commodities

- Oil ended last week slightly down, trading within a tight range. There were reports that if OPEC compliance remains strong, then the oil market could reach balance again by year end. However, continued US production growth could change things. The rig count rose for the 15th straight week, increasing by 13. U.S. production also continues to climb, reaching levels not seen since August 2015. The near-term contract closed the week down \$0.29, or 0.6%, at \$49.33
- Natural gas ended last week up. Hopes of a steamy summer, as well as production outages in the Northeast, helped prices rise. Inventory injection numbers were in line with analysts' expectations at 74 bcf. The gas rig count increased by four to 171. The near-term contract closed the week up \$0.18, or 5.7%, at \$3.28

Equity Markets

Debt Markets

- S&P E&P⁽²⁾ underperformed last week (0.4%) vs. SPX⁽²⁾ 1.5%
- Last week, investors continued to digest the corporate earnings calendar with 287 companies of the S&P 500 having reported results so far. Of the 287, 65% have topped sales estimates and 81% have beat earnings expectations
- 14 issuers priced 14 issues to raise \$7.0 billion last week
- Year-to-date volume stands at \$157.0 billion, compared to \$93.4 billion in year-to-date 2016
- Retail cash inflows to U.S. high yield mutual funds totaled \$290.7 million last week, compared to the prior week's outflow of \$362.2 million. This brings year-to-date outflows for 2017 to \$4.4 billion, compared to \$9.6 billion of inflows in year-to-date 2016
- Three E&P HY issues priced last week
 - Covey Park Energy (B3/B) priced its debut offering of \$450 million 7.500% Senior Notes due 2025 at par. The 8NC3 Senior Notes priced at talk. Proceeds will be used to repay the company's existing \$150 million funded Bridge Loan and to repay drawings on the company's Revolving Credit Facility. **BMO acted as Joint Bookrunner on the transaction**
 - Bill Barrett Corp (Caa2/CCC+) priced \$275 million of 8.750% Senior Notes at par. The 8NC3 issuance marked the Company's first high yield offering in over five years and included various revisions to initial terms. Proceeds from the transaction will refinance existing debt, including their 7.625% Notes due 2019 and 5.000% Convertible Notes due 2028. **BMO acted as Joint Bookrunner on the transaction**
 - Saka Energi Indonesia (Ba1/BB) priced \$625 million of 4.450% Senior Notes due 2024. The 7NCL notes priced tight of talk at par. Proceeds from the transaction will be used to refinance existing debt

1 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, EIA

Note: Current quarter's data is through the week covered by this issue.

1 EIA U.S. natural gas gross withdrawals and production reported monthly as of February 2017.

2 S&P E&P = S&P Oil & Gas E&P Select Industry, SPX = S&P 500 Index, ADTV = Average Daily Trading Volume.

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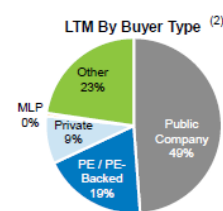
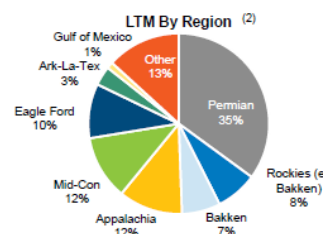
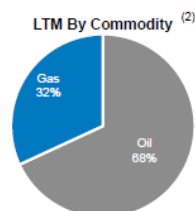
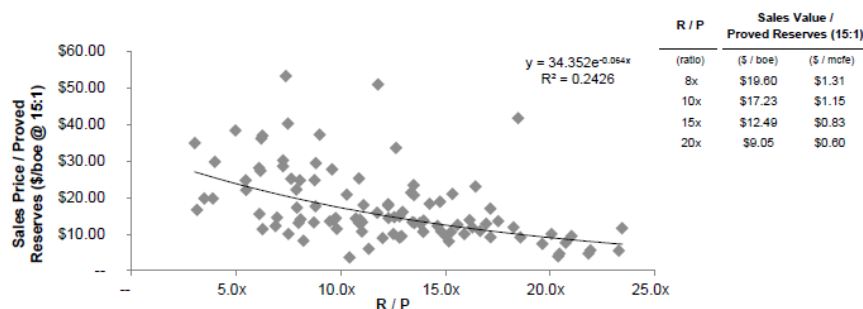
May 1, 2017

The 10 Most Recent Asset Transactions Over \$20 Million

Ann'd Date	Buyer	Seller	Area	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre)
26-Apr-17	Resource Energy Partners	Blue Ridge Mountain	Bakken	45,000 net acres in Williston Basin	\$35	n.a.	\$23,133	\$771
19-Apr-17	Macquarie Infrastructure Co	California Resources Corp	California	JV to develop San Joaquin basin assets	\$300	n.a.	n.a.	n.a.
13-Apr-17	Hilcorp Energy Co	ConocoPhillips	Other Rockies	1.3 million net acres in San Juan Basin	\$2,700	\$4.50	\$21,774	\$2,077
10-Apr-17	Venado Oil & Gas	EXCO	Eagle Ford	50,800 net acres in South TX Eagle Ford	\$300	\$11.61	\$73,171	\$5,809
04-Apr-17	Unit Corp	Undisclosed	Mid-Continent	8,335 net acres in Anadarko Basin	\$57	\$17.73	\$41,514	\$6,809
03-Apr-17	Carbon Natural Gas Co	Undisclosed	Marcellus / Utica	Appalachia Basin acreage in TN	\$20	n.a.	\$33,333	n.a.
28-Mar-17	Chesapeake	Range Resources Corp	Mid-Continent	10,300 net acres in STACK	\$26	n.a.	n.a.	\$1,347
24-Mar-17	Oxy	Vanguard Natural Resources	Permian	3,048 net acres in Midland Basin	\$78	n.a.	\$385,862	\$25,609
22-Mar-17	Gastar Exploration Inc	Undisclosed	Mid-Continent	Working interest in STACK	\$51	n.a.	\$155,758	\$9,065
21-Mar-17	Marathon	Black Mountain; Undisclosed	Permian	21,000 net acres in Delaware Basin	\$700	n.a.	\$1,750,000	\$33,333

Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

A&D Valuation Trends⁽³⁾

2

Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg

1. Represents total enterprise value.

2. Calculated as percentage of total LTM transaction count.

3. 100 transactions from April 2013 to 2017YTD with transaction value >\$20mm. Adjusted for changes in price outlooks. Recalculated boe reserves are on a 15:1 (gas:oil) basis. Acreage transactions excluded by using deals with PDP of >= 40% of total proved.

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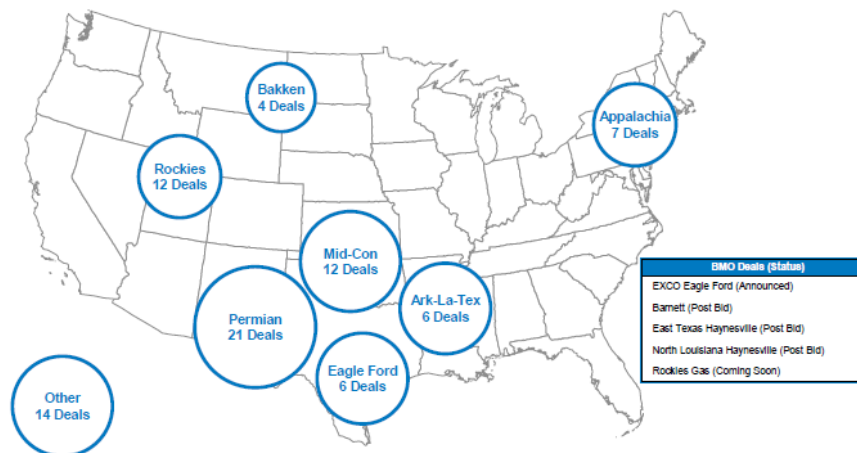


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Select Significant Deals on the Market



BMO Deals (Status)
EXCO Eagle Ford (Announced)
Barnett (Post Bid)
East Texas Haynesville (Post Bid)
North Louisiana Haynesville (Post Bid)
Rockies Gas (Coming Soon)

A&D Headlines

- [Resource Energy Picks Up Bakken Assets from Blue Ridge Mountain](#)
- [BHP Billiton Looks at Shale Field Sales in Wake of Elliott Agitation](#)
- [KLR Energy Acquisition Corp. and Tema Oil and Gas Company Announce Completion of Business Combination](#)

Industry Headlines

- [Oil Discoveries Fell to Historic Lows in 2016](#)
- [Saudi Arabia Seen Losing Market Share to Iran, Iraq on Oil Cuts](#)
- [Shale Investments have Surged by \\$100 Billion, Rystad Says](#)
- [Oil Service Costs Could Rise 15 Percent this Year, Wood Mac Says](#)
- [US Department of Energy Approves Golden Pass to Export LNG](#)

(Click headline to link to the full article)

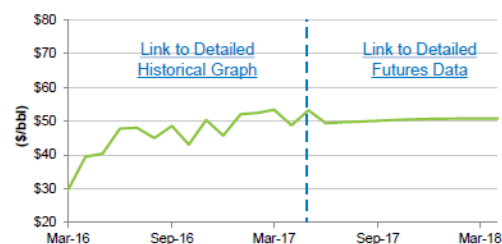
3 | Disclaimer: The foregoing links are for convenience only and relate to materials that were not prepared or reviewed by BMO Capital Markets. BMO Capital Markets takes no responsibility for and makes no representations with respect to the contents thereof. These materials may be inconsistent with the views of BMO Capital Markets. Source of Select Significant Deals on the Market: IHS, iDerrick

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Commodity Prices

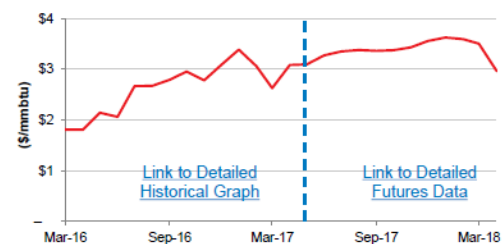
WTI OIL (HISTORICAL / FORECAST)



NYMEX WTI Futures as of 28-Apr-17 Close (\$/bbl)

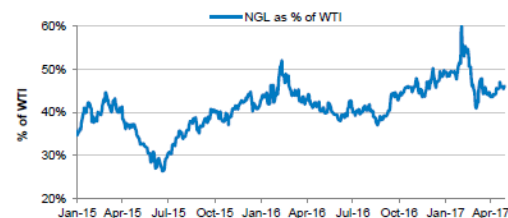
Period ⁽¹⁾	Current	Last Wk.	6 Mo. Ago	1 Yr. Ago
12 Mo. Strip	\$50.32	\$50.87	\$51.16	\$45.03
2017	\$50.03	\$50.49	\$51.51	\$49.29
2018	\$50.57	\$51.38	\$53.56	\$50.41
2019	\$50.24	\$51.32	\$54.87	\$51.39
2020	\$50.47	\$51.64	\$55.50	\$52.34
2021	\$51.18	\$52.35	\$56.27	\$53.19

HENRY HUB NATURAL GAS (HISTORICAL / FORECAST)



NYMEX Gas Futures as of 28-Apr-17 Close (\$/mmbtu)

Period ⁽¹⁾	Current	Last Wk.	6 Mo. Ago	1 Yr. Ago
12 Mo. Strip	\$3.36	\$3.32	\$3.13	\$2.77
2017	\$3.39	\$3.29	\$3.19	\$3.01
2018	\$3.13	\$3.11	\$3.03	\$3.04
2019	\$2.91	\$2.91	\$2.94	\$3.04
2020	\$2.91	\$2.91	\$2.97	\$3.12
2021	\$2.93	\$2.94	\$3.06	\$3.26

NGL PRICING⁽²⁾

Historical Prices as of 28-Apr-17 Close (\$/gal)

NGLs	Current	Last Wk.	6 Mo. Ago	1 Yr. Ago
Ethane	\$0.25	\$0.24	\$0.23	\$0.20
Propane	\$0.64	\$0.64	\$0.58	\$0.50
Butane	\$0.72	\$0.71	\$0.75	\$0.58
Iso-butane	\$0.80	\$0.79	\$0.84	\$0.63
Pentane+	\$1.07	\$1.10	\$1.08	\$0.98

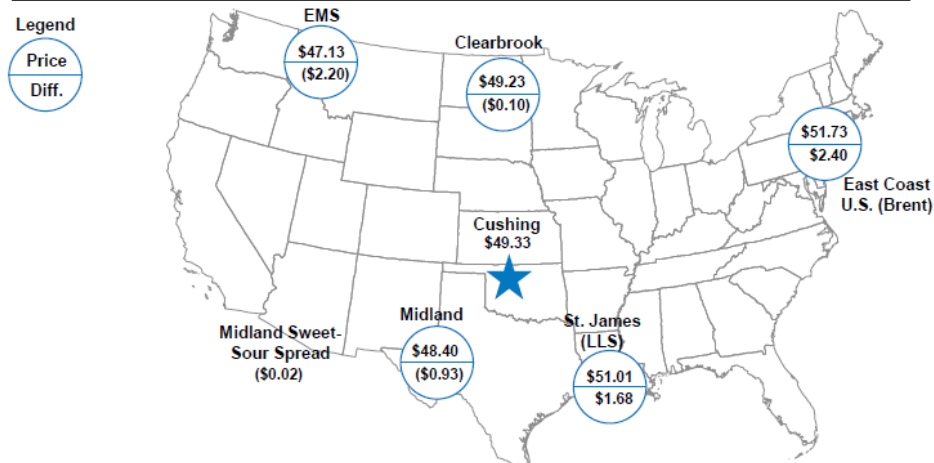
4 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, FactSet
 1. Future prices are calendar year average unless stated otherwise.
 2. Assumes typical Gulf Coast barrel composition.



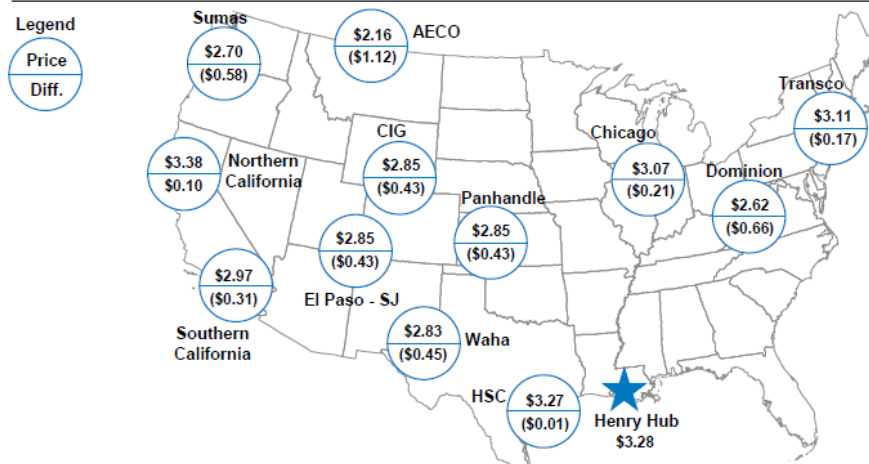
May 1, 2017

Commodity Prices (cont'd)

OIL PRICING & DIFFERENTIALS TO CUSHING WTI (\$ / BBL) – AS OF 28-APR-17



NATURAL GAS PRICING & DIFFERENTIALS TO HENRY HUB (\$ / MMBTU) – AS OF 28-APR-17



5 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg
Note: Prices and differentials are for prompt month futures except for Clearbrook which is based on spot prices.

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





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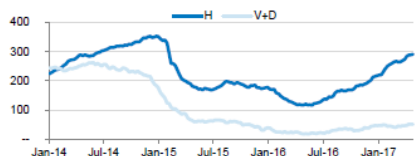
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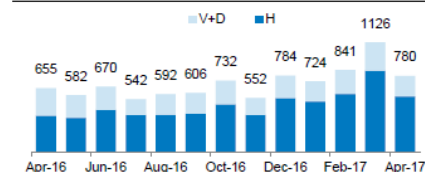
Permian Snapshot

Item	Value	Wkly Change	Last Week	Item	Value	Wkly Change	Last Week
Rig Count	342		2 340	Oil Differential	(\$0.85)		(\$0.40) (\$0.45)
Permitting Activity	213		(39) 252	Gas Differential	(\$0.45)		(\$0.05) (\$0.40)

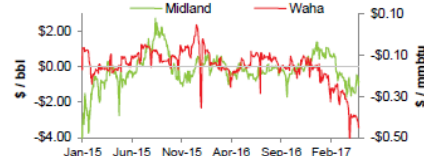
RIG COUNT



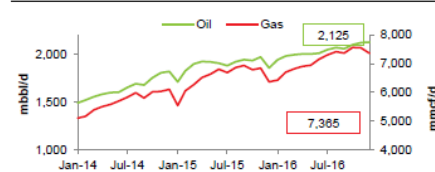
PERMITTING ACTIVITY BY MONTH



DIFFERENTIALS



GROSS PRODUCTION



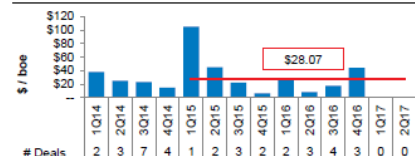
TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽³⁾
24-Mar-17	Oxy	Vanguard Natural Resources	3,048 net acres in Midland Basin	\$78	n.a.	\$385,882	\$25,899
21-Mar-17	Marathon	Black Mountain; Undisclosed	21,000 net acres in Delaware Basin	\$700	n.a.	\$1,750,000	\$33,333
15-Mar-17	Undisclosed Buyer	Pioneer	20,500 net acres in Midland Basin	\$286	n.a.	\$177,333	\$12,976
09-Mar-17	Marathon	BC Operating; Undisclosed	70,000 net acres in Delaware Basin	\$1,100	n.a.	\$220,000	\$15,714
03-Mar-17	Resolute Energy	Undisclosed	4,592 net acres in Delaware Basin	\$160	n.a.	\$200,000	\$34,843
Mean				\$461	n.a.	\$546,639	\$24,513
Median				\$266	n.a.	\$220,000	\$25,899

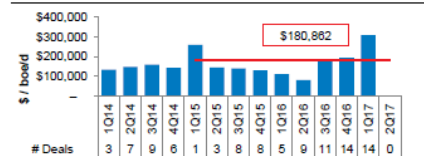
Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾



TRANSACTION PRODUCTION MULTIPLES⁽²⁾



Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info
Note: Current quarter's data is through the week covered by this issue.
1. Represents total enterprise value. Excludes transactions with deal value <\$20 million.
2. Red line denotes average since 1-Jan-15. Calculated as the weighted average of each quarter's transactions.
3. \$/acre multiple not adjusted for value associated with production.

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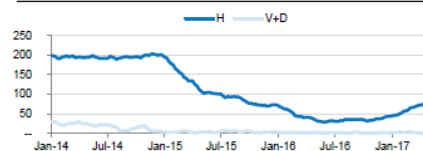
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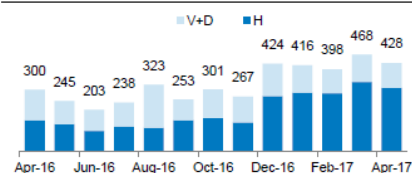
Eagle Ford Snapshot

Item	Value	Wkly Change	Last Week	Item	Value	Wkly Change	Last Week
Rig Count	83		5 78	Oil Differential	\$1.80		(\$0.35) \$2.15
Permitting Activity	83		(80) 163	Gas Differential	(\$0.01)		-- (\$0.01)

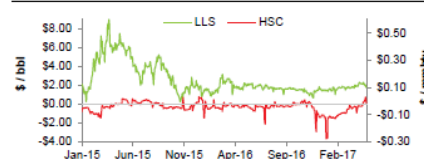
RIG COUNT



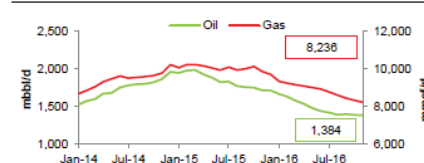
PERMITTING ACTIVITY BY MONTH



DIFFERENTIALS



GROSS PRODUCTION



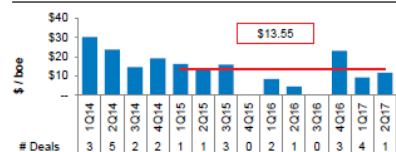
TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
10-Apr-17	Venado Oil & Gas	EXCO	50,860 net acres in South TX Eagle Ford	\$300	\$11.61	\$73,171	\$5,899
31-Jan-17	EV Energy Partners	Undisclosed	East Texas Eagle Ford	\$59	\$9.17	\$58,700	n.a.
24-Jan-17	Hawkwood Energy LLC	Halcon Resources Corp	80,500 net acres in East TX Eagle Ford	\$500	\$22.94	\$83,333	\$8,211
12-Jan-17	Sanchez; Blackstone	Anadarko	155,000 net acres in Eagle Ford	\$2,275	\$7.58	\$33,955	\$14,677
03-Jan-17	Venado Oil & Gas	SM Energy	37,500 net non-operated acres	\$800	\$12.31	\$29,347	\$21,333
Mean				\$787	\$12.72	\$55,701	\$12,030
Median				\$500	\$11.61	\$58,700	\$10,444

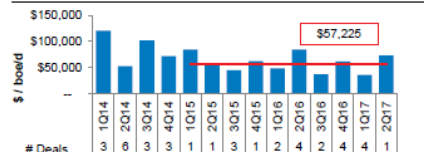
Blue = BMO Capital provided transaction advisory services

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TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾



TRANSACTION PRODUCTION MULTIPLES⁽²⁾



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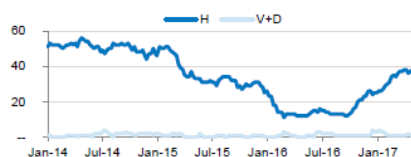
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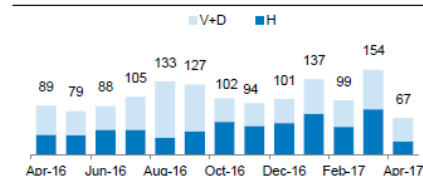
Ark-La-Tex Snapshot

Item	Value	Wkly Change	Last Week
Rig Count	39	↑	1 38
Permitting Activity	15	↓	(11) 26

RIG COUNT



PERMITTING ACTIVITY BY MONTH

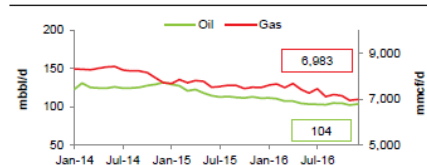


Item	Value	Wkly Change	Last Week
Oil Differential	\$1.80	↓	(\$0.35) \$2.15
Gas Differential	--	--	--

DIFFERENTIALS



GROSS PRODUCTION

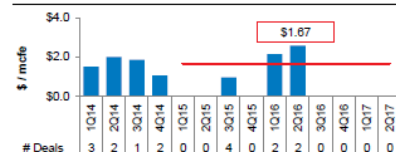
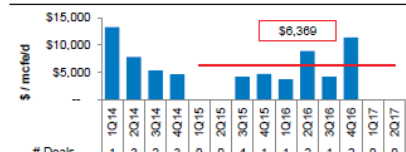


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾	Proved Multiple	Prod. Multiple	Net Acres
20-Dec-16	Covey Park Energy LLC	Chesapeake	41,500 net acres in Haynesville	\$485	n.a.	\$9,300	\$11,205
05-Dec-16	Indigo Minerals LLC	Chesapeake	78,000 net acres in De Soto & Sabine	\$450	n.a.	\$15,000	\$5,769
30-Sep-16	Castleton Commodities Int'l	Anadarko	104,600 net acres in the Haynesville	\$1,000	n.a.	\$4,219	\$9,560
26-Jul-16	Chesapeake	Freeport-McMoRan	72,000 net acres and 1,450 wells	\$87	n.a.	n.a.	\$1,208
06-Jun-16	Undisclosed	Devon Energy	Panola Co., TX	\$525	\$1.01	\$3,977	n.a.
			Mean	\$505	\$1.01	\$8,124	\$6,936
			Median	\$465	\$1.01	\$6,760	\$7,665

Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾TRANSACTION PRODUCTION MULTIPLES⁽²⁾

8 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info
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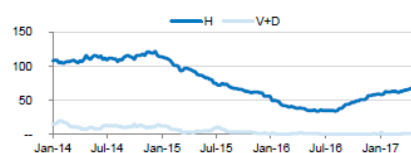
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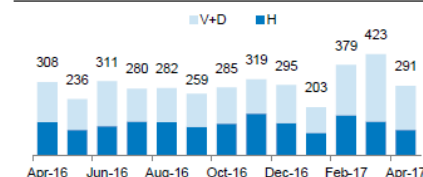
Appalachia Snapshot

Item	Value	Wkly Change	Last Week
Rig Count	69	↓	69
Permitting Activity	46	↑	40

RIG COUNT



PERMITTING ACTIVITY BY MONTH



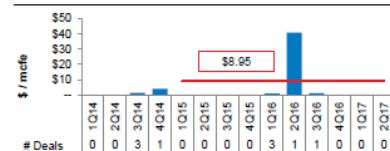
TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/mcf)	Prod. Multiple (\$/mcf/d)	Net Acres (\$/acre) ⁽³⁾
03-Apr-17	Carbon Natural Gas Co	Undisclosed	Appalachia Basin acreage in TN	\$20	n.a.	\$5,556	n.a.
08-Feb-17	EQT Corporation	Stone Energy	85,400 net acres in WV Marcellus	\$527	n.a.	\$6,588	\$6,171
02-Feb-17	EQT Corporation	Undisclosed	14,000 net acres in WV Marcellus	\$130	n.a.	n.a.	\$9,286
17-Jan-17	Banpu Public Co Ltd	Chief Oil & Gas LLC	Non-op wells in PA Marcellus	\$63	n.a.	n.a.	n.a.
04-Jan-17	Antero Resources Corp	Rex Energy Corp	4,100 net acres in Ohio Utica	\$30	n.a.	\$3,333	\$7,317
Mean				\$154	n.a.	\$5,159	\$7,591
Median				\$63	n.a.	\$5,556	\$7,317

Blue = BMO Capital provided transaction advisory services

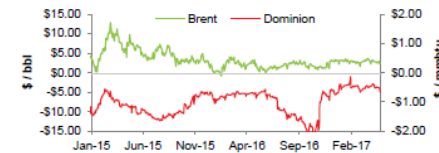
Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾

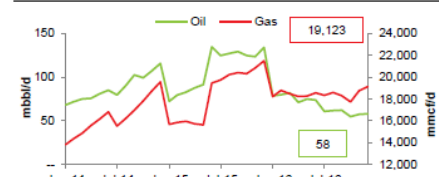


Item	Value	Wkly Change	Last Week
Oil Differential	\$2.40	↓	(\$0.29)
Gas Differential	(\$0.68)	↓	(\$0.16)

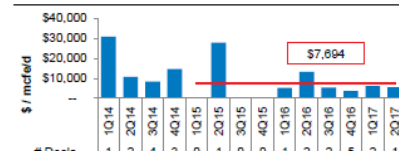
DIFFERENTIALS



GROSS PRODUCTION



TRANSACTION PRODUCTION MULTIPLES⁽²⁾



Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info
Note: Current quarter's data is through the week covered by this issue.
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3. \$/acre multiple not adjusted for value associated with production.

A&D Market Monitor

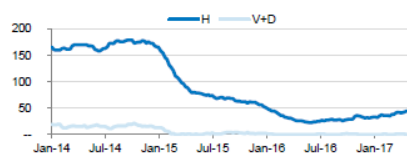
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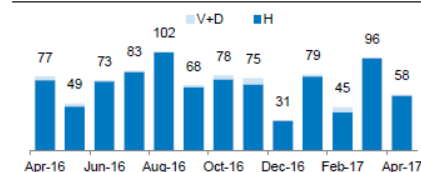
Bakken Snapshot

Item	Value	Wkly Change	Last Week
Rig Count	44	—	44
Permitting Activity	17	↑	7

RIG COUNT



PERMITTING ACTIVITY BY MONTH

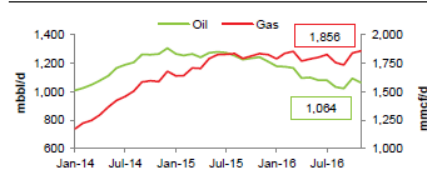


Item	Value	Wkly Change	Last Week
Oil Differential	(\$0.10)	↑	(\$0.50)
Gas Differential	(\$0.47)	↓	(\$0.42)

DIFFERENTIALS



GROSS PRODUCTION

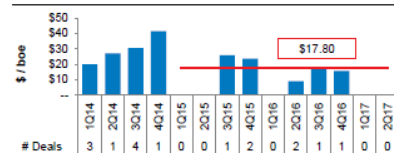
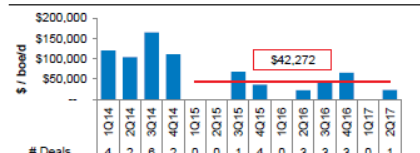


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽³⁾
26-Apr-17	Resource Energy Partners	Blue Ridge Mountain	45,000 net acres in Williston Basin	\$35	n.a.	\$23.133	\$771
10-Mar-17	Energy 11 LP	Kaiser-Franco Oil Company	Purchase of additional WI in ND	\$53	n.a.	n.a.	n.a.
12-Dec-16	Undisclosed	Enerplus	5,800 net acres in ND	\$292	n.a.	\$73.000	\$50,345
22-Nov-16	Salt Creek Oil and Gas LLC	Undisclosed	1,795 net acres in Williston Basin	\$38	n.a.	\$69.273	\$21,226
17-Oct-16	Oasis Petroleum Inc	SM Energy	55,000 net acres in North Dakota	\$785	\$15.64	\$63.306	\$14,273
			Mean	\$241	\$15.64	\$57.178	\$21,654
			Median	\$53	\$15.64	\$66.290	\$17,749

Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾TRANSACTION PRODUCTION MULTIPLES⁽²⁾

Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info

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3. \$/acre multiple not adjusted for value associated with production.

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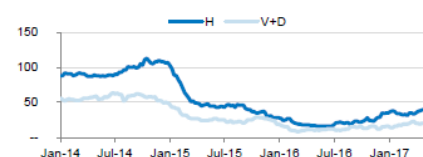
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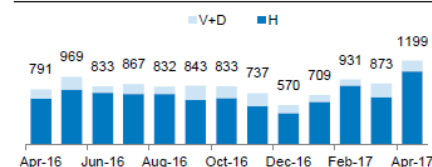
Rockies (excl. Bakken) Snapshot

Item	Value	Wkly Change	Last Week	Item	Value	Wkly Change	Last Week
Rig Count	60	↑	1	Oil Differential	(\$0.10)	↑	\$0.40 (\$0.50)
Permitting Activity	263	↓	(145)	Gas Differential	(\$0.47)	↓	(\$0.04) (\$0.42)

RIG COUNT



PERMITTING ACTIVITY BY MONTH

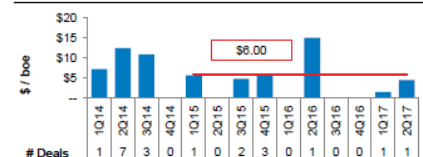
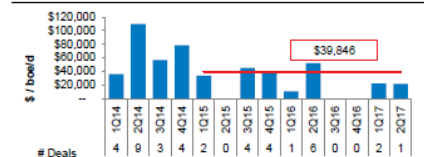


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres
13-Apr-17	Hilcorp Energy Co	ConocoPhillips	1.3 million net acres in San Juan Basin	\$2,700	\$4.50	\$21,774	\$2,077
12-Jan-17	Undisclosed	Synergy Resources Corp	10,000 net acres in DJ Basin	\$71	n.a.	\$101,429	\$7,100
04-Jan-17	Elk Petroleum Ltd	Freeport-McMoRan Inc	Non-op acreage in Wind River Basin	\$20	\$1.55	\$5,882	n.a.
12-Dec-16	Extraction Oil & Gas	Undisclosed	16,800 net acres in DJ Basin	\$177	n.a.	n.a.	\$10,536
04-Nov-16	Ute Energy	III Exploration	Western Uinta Basin acreage	\$52	n.a.	n.a.	n.a.
Mean				\$604	\$3.02	\$43,028	\$6,571
Median				\$71	\$3.02	\$21,774	\$7,100

Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾TRANSACTION PRODUCTION MULTIPLES⁽²⁾

Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info
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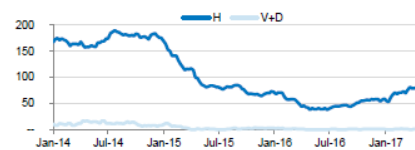
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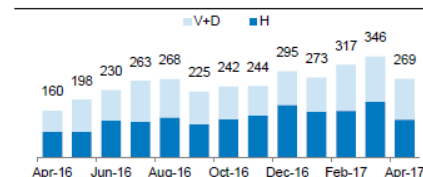
Mid-Continent Snapshot

Item	Value	Wkly Change	Last Week
Rig Count	85	↑	4 81
Permitting Activity	62	↓	(20) 82

RIG COUNT



PERMITTING ACTIVITY BY MONTH

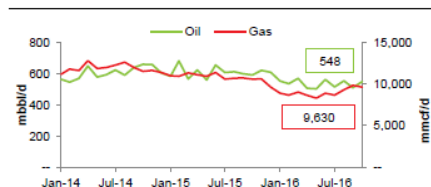


Item	Value	Wkly Change	Last Week
Oil Differential	--	--	--
Gas Differential	(\$0.45)	↓	(\$0.03) (\$0.42)

DIFFERENTIALS



GROSS PRODUCTION

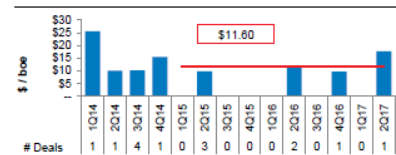
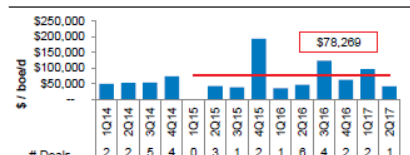


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
04-Apr-17	Unit Corp	Undisclosed	8,335 net acres in Anadarko Basin	\$57	\$17.73	\$41,514	\$6,809
28-Mar-17	Chesapeake	Range Resources Corp	19,300 net acres in STACK	\$26	n.a.	n.a.	\$1,347
22-Mar-17	Gastar Exploration Inc	Undisclosed	Working interest in STACK	\$51	n.a.	\$155,758	\$9,065
20-Jan-17	SandRidge Energy	IOG Capital; Red Mountain	13,100 net acres in SCOOP/STACK	\$48	n.a.	\$68,571	\$3,664
13-Dec-16	Gulfport Energy Corp	Vitruvian Exploration II LLC	46,400 net surface acres in SCOOP	\$1,850	\$9.69	\$60,656	\$39,871
			Mean	\$406	\$13.71	\$81,625	\$12,151
			Median	\$51	\$13.71	\$64,614	\$6,809

Blue = BMO Capital provided transaction advisory services

Green = BMO Capital provided acquisition financing or related services

TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾TRANSACTION PRODUCTION MULTIPLES⁽²⁾

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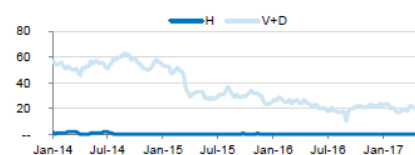
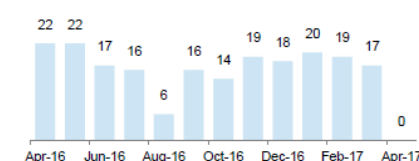
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Gulf of Mexico Snapshot

Item	Value	Wkly Change	Last Week	Item	Value	Wkly Change	Last Week
Rig Count	17	↓	(3)	Oil Differential	\$1.80	↓	(\$0.35)
Permitting Activity	--	█	--	Gas Differential	--	█	--

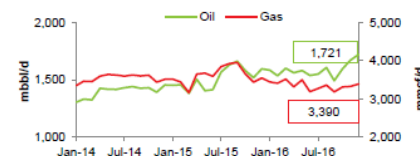
RIG COUNT

PERMITTING ACTIVITY BY MONTH⁽⁴⁾

DIFFERENTIALS



GROSS PRODUCTION

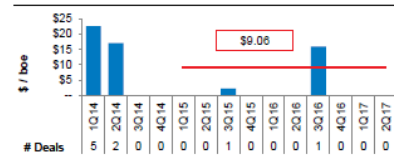
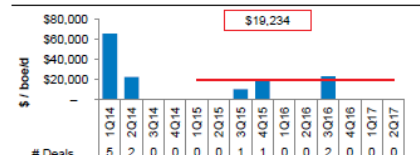


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾	Proved Multiple	Prod. Multiple	Net Acres
				(\$mm)	(\$/boe)	(\$/boe/d)	(\$/acre) ⁽²⁾
12-Sep-16	Anadarko	Freeport-McMoran Inc	Deepwater GOM assets	\$2,000	\$15.88	\$25,000	n.a.
29-Aug-16	EnVen Energy Ventures	Shell	Brutus and Glider fields	\$425	n.a.	\$17,000	n.a.
09-Nov-15	EnVen Energy Ventures	Marathon	Petronius and Neptune fields	\$205	n.a.	\$20,500	n.a.
01-Jul-15	Undisclosed	Energy XXI	East Bay field	\$21	\$2.23	\$10,244	n.a.
			Mean	\$663	\$9.06	\$18,186	n.a.
			Median	\$315	\$9.06	\$18,750	n.a.

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TRANSACTION PROVED RESERVE MULTIPLES⁽²⁾TRANSACTION PRODUCTION MULTIPLES⁽²⁾

Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Drilling Info

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New feature: Click to
open any event!

Upcoming Industry Events

May 2017

May 1-4 [Offshore Technology Conference](#)
May 3 [SPEE-Houston Luncheon](#)
 May 8-10 [Argus US Natural Gas Markets](#)
 May 8-10 [SPE Reservoir Characterization and Stimulation](#)
 May 16 [Houston Producers Forum Luncheon](#)
 May 18 [IADC Drilling Onshore Conference](#)
 May 10 [IPAA/TIPRO Leaders in Industry Luncheon](#)
 May 19 [ADAM-Houston Monthly Luncheon](#)
 May 23-24 [Hart's Midstream Texas Conference](#)
May 24 [Society of Petroleum Resource Economists](#)
 May 24 [SPE Business Development Group](#)

June 2017

Jun 8 [Society of Petroleum Resource Economists](#)
 Jun 8-9 [IADC International Tax Seminar](#)
 Jun 10-13 [SPEE Annual Conference](#)
 Jun 14 [IPAA/TIPRO Leaders in Industry Luncheon](#)
 Jun 16 [ADAM-Houston Monthly Luncheon](#)
 Jun 20 [Houston Producers Forum Luncheon](#)
 Jun 20-22 [DUG East](#)
 Jun 25 [2017 AAPG Rocky Mountain Annual Meeting](#)
 Jun 27-29 [Cyber Security for Oil & Gas](#)
 Jun 28 [SPE Business Development Group](#)
 Jun 28-29 [IADC World Drilling 2017 Conference](#)

July 2017

Jul 6 [Society of Petroleum Resource Economists](#)
 Jul 12 [IPAA/TIPRO Leaders in Industry Luncheon](#)
 Jul 24-26 [SPE/AAPG/SEG Unconventional Resources](#)

August 2017

Aug 9 [IPAA/TIPRO Leaders in Industry Luncheon](#)
 Aug 13-17 [Enercom Oil & Gas Conference](#)
 Aug 15 [Houston Producers Forum Luncheon](#)
 Aug 16-17 [NAPE Summer](#)
 Aug 18 [ADAM-Houston Monthly Luncheon](#)
 Aug 22-23 [IADC Asset Integrity & Reliability Conference](#)
 Aug 22-24 [COGA Rocky Mountain Energy Summit](#)
 Aug 29-30 [IADC Well Control Conference](#)
 Aug 29-31 [DUG Eagle Ford](#)

September 2017

Sep 6 [SPEE-Houston Luncheon](#)
 Sep 6-7 [Hart's A&D Strategies and Opportunities](#)
 Sep 13 [IADC Shale Energy Workshop](#)
 Sep 13 [IPAA/TIPRO Leaders in Industry Luncheon](#)

September 2017 (cont'd)

Sep 13-14 [SPE Liquids Rich Basins Conference](#)
 Sep 15 [ADAM-Houston Monthly Luncheon](#)
 Sep 19 [Houston Producers Forum Luncheon](#)
 Sep 19-21 [DUG Midcontinent](#)

October 2017

Oct 3 [IPAA OGIS Chicago](#)
 Oct 4 [SPEE-Houston Luncheon](#)
 Oct 9-11 [SPE Annual Technical Conference](#)
 Oct 11 [IPAA/TIPRO Leaders in Industry Luncheon](#)
 Oct 17 [Houston Producers Forum Luncheon](#)
 Oct 17-18 [IADC Human Factors Conference](#)
 Oct 20 [ADAM-Houston Monthly Luncheon](#)
 Oct 24-25 [IADC Advanced Rig Technology Conference](#)

November 2017

Nov 1 [SPEE-Houston Luncheon](#)
 Nov 6-7 [Hart's Executive Oil Conference \(Midland\)](#)
 Nov 6-8 [AICPA Oil & Gas Conference](#)
 Nov 8 [IPAA Annual Meeting](#)
 Nov 8 [IPAA/TIPRO Leaders in Industry Luncheon](#)
 Nov 8-10 [IADC Annual General Meeting](#)
 Nov 17 [ADAM-Houston Monthly Luncheon](#)
 Nov 21 [Houston Producers Forum Luncheon](#)

December 2017

Dec 5 [SPEE-Houston Luncheon](#)
 Dec 13 [IPAA Leaders in Industry Luncheon](#)

January 2018

Jan 16 [Houston Producers Forum Luncheon](#)
 Jan 19 [ADAM-Houston Monthly Luncheon](#)
 Jan 23-25 [SPE Hydraulic Fracturing Technology](#)
 Jan 30-Feb 1 [Hart's Marcellus-Utica Midstream](#)

February 2018

Feb 7-9 [NAPE Summit](#)
 Feb 6-7 [IADC HSE & Training Conference](#)
 Feb 16 [ADAM-Houston Monthly Luncheon](#)
 Feb 20 [Houston Producers Forum Luncheon](#)

March 2018

Mar 5-9 [CERA Week](#)
 Mar 6-8 [IADC/SPE Drilling Conference](#)
 Mar 18 [ADAM-Houston Monthly Luncheon](#)
 Mar 20 [Houston Producers Forum Luncheon](#)

14 ^{Red text indicates events featuring a speaker from BMO's A&D Group}
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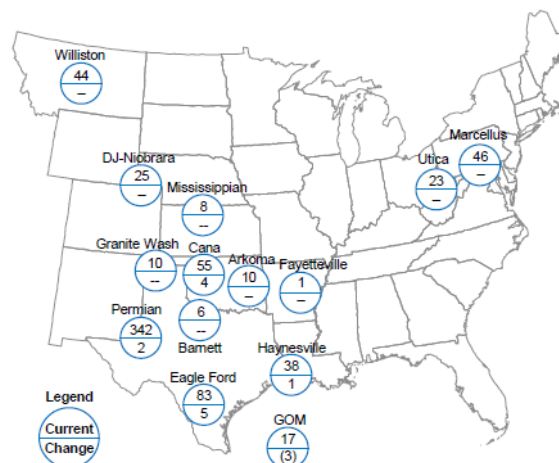
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Rig Count Summary

	This Week	Change	Last Week	Last Year
Total Rigs	870	13	857	420
Oil	607	9	688	332
Gas	171	4	167	87
Miscellaneous	2	—	2	1
Directional	63	3	60	46
Horizontal	730	12	718	324
Vertical	77	(2)	79	50

Basin	This Week	Change	Last Week	Last Year
Arkoma	10	—	10	2
Barnett	6	—	6	6
Cana	55	4	51	27
DJ-Niobrara	25	—	25	14
Eagle Ford	83	5	78	37
Fayetteville	1	—	1	—
Granite Wash	10	—	10	3
GOM	17	(3)	20	24
Haynesville	38	1	37	12
Marcellus	46	—	46	26
Mississippian	8	—	8	4
Permian	342	2	340	134
Utica	23	—	23	11
Williston	44	—	44	26
Other	162	4	158	94



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NEWSLETTER

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15 | Source of rig count stats: Baker Hughes

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