

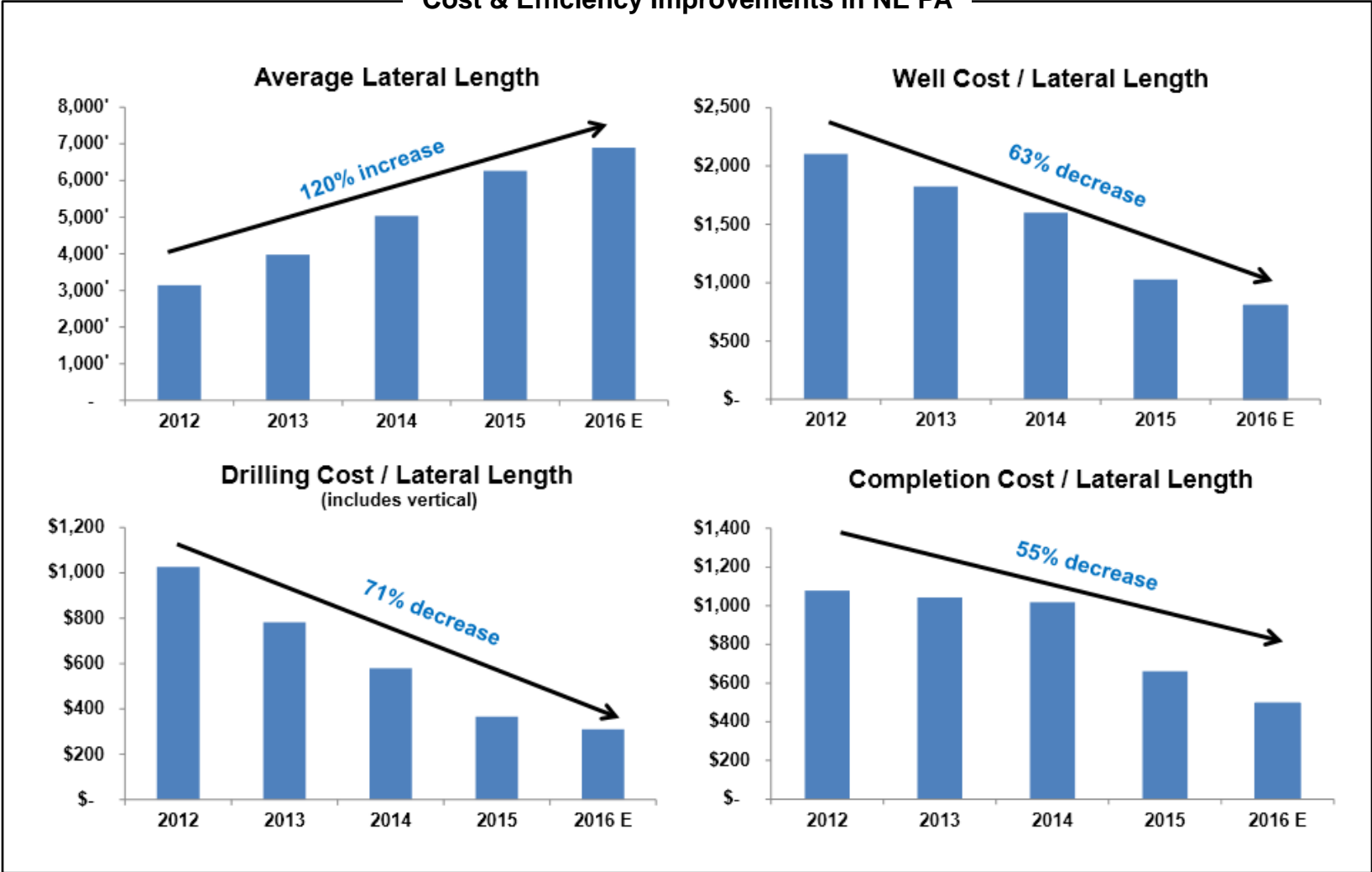
BEG/CEE Panel: December 2016

Mike Kelly, CFA
Managing Director, Head of E&P Research
(713) 658-6302
mkelly@seaportglobal.com

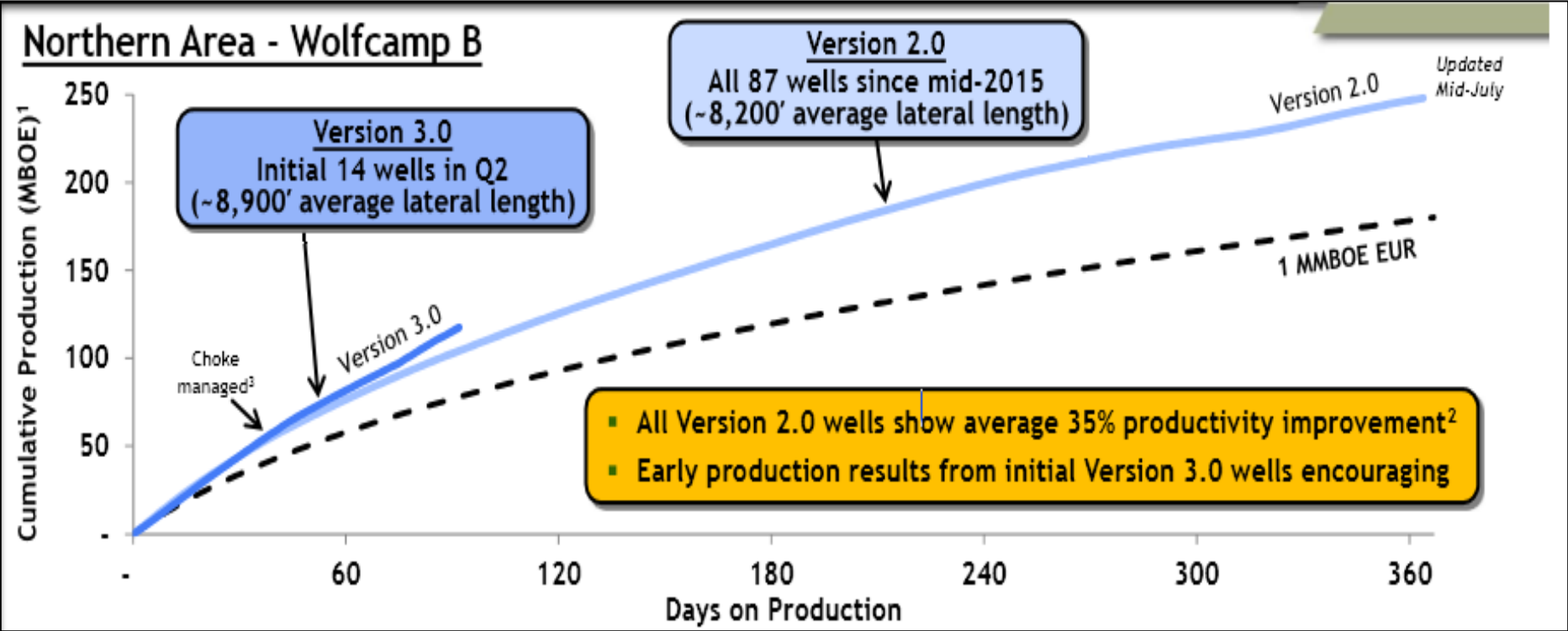
Seaport Global Securities LLC
Equity Sales & Trading Toll Free: (855) 447-3100
Research: (949) 274-8052
www.seaportglobal.com

Unprecedented Efficiency Gains Putting Downward Pressure on Well Costs

Cost & Efficiency Improvements in NE PA

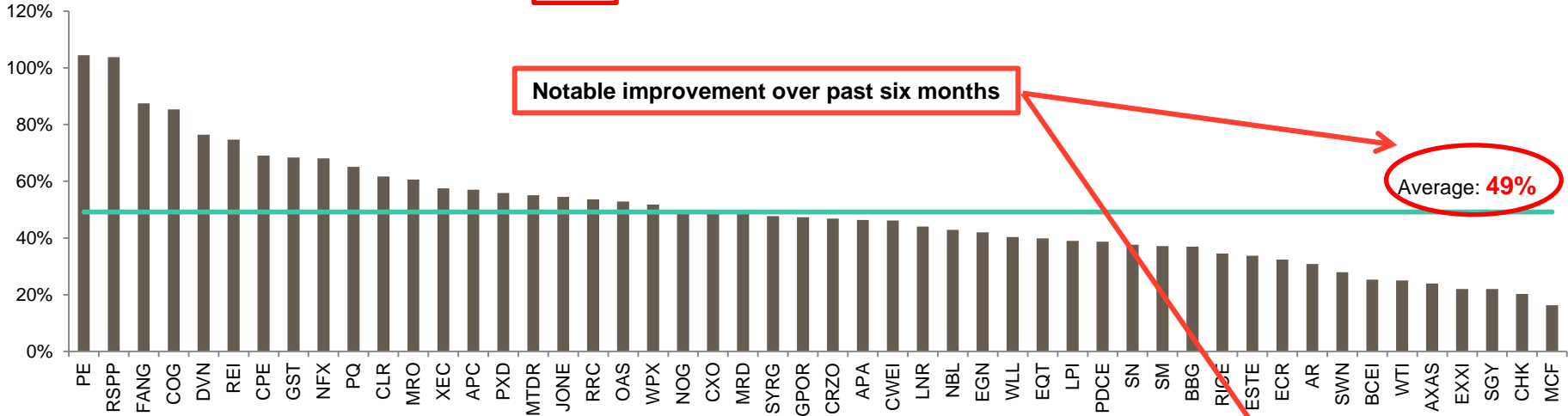


Each Version or Vintage of Completion Is an Improvement

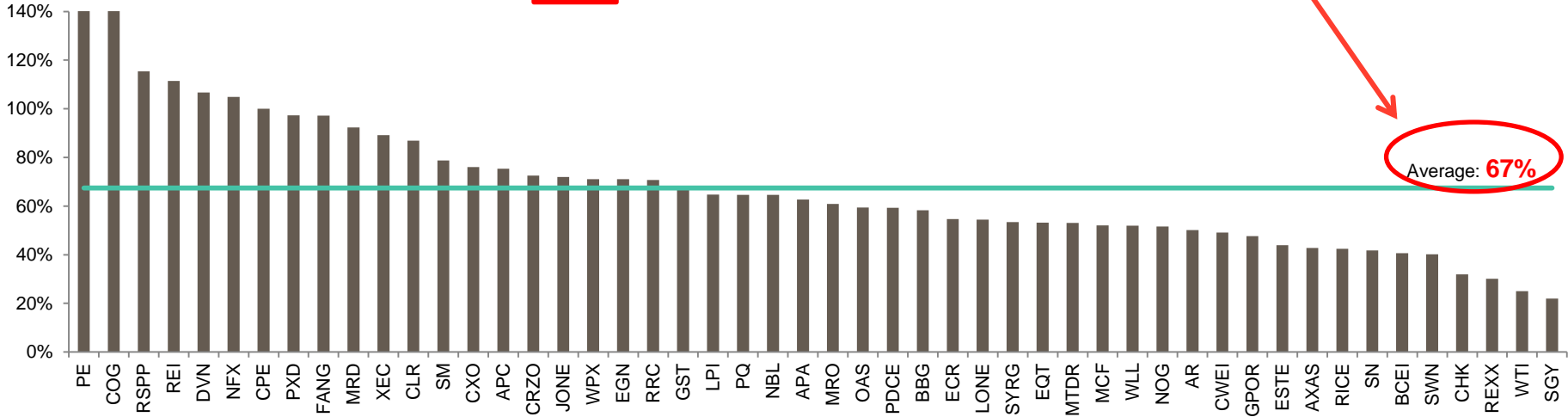


Cheaper Wells + Bigger wells = Better Economics

Q4:15 Drillbit IRRs @ \$55 Oil/\$3.00 Gas

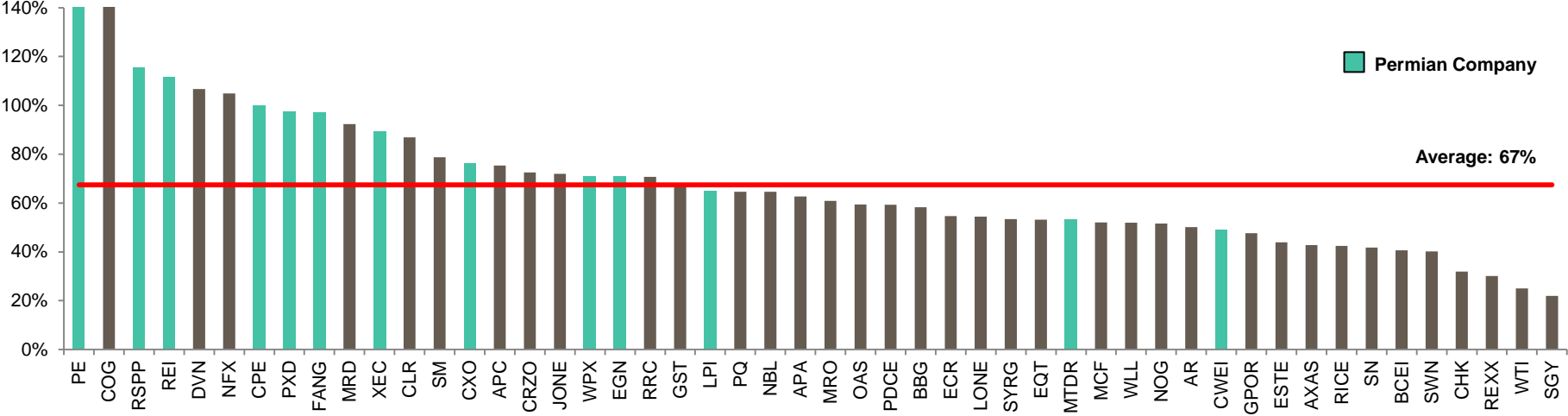


Q2:16 Drillbit IRRs @ \$55 Oil/\$3.00 Gas

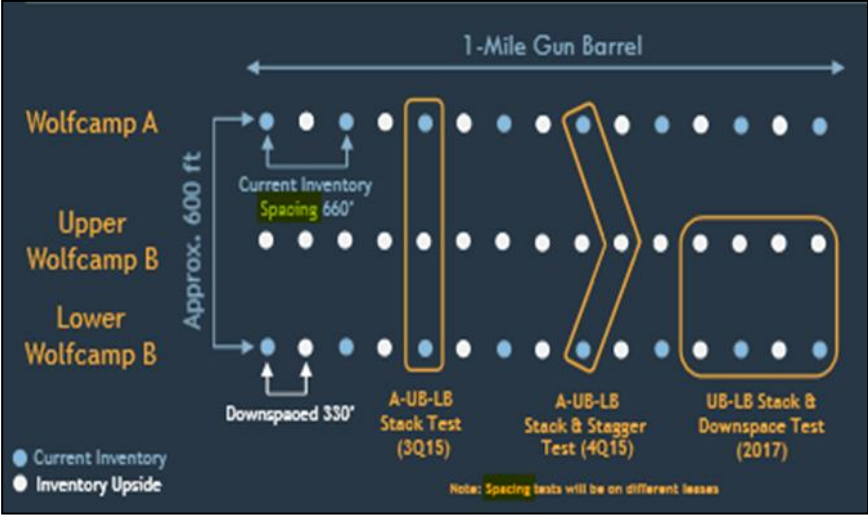
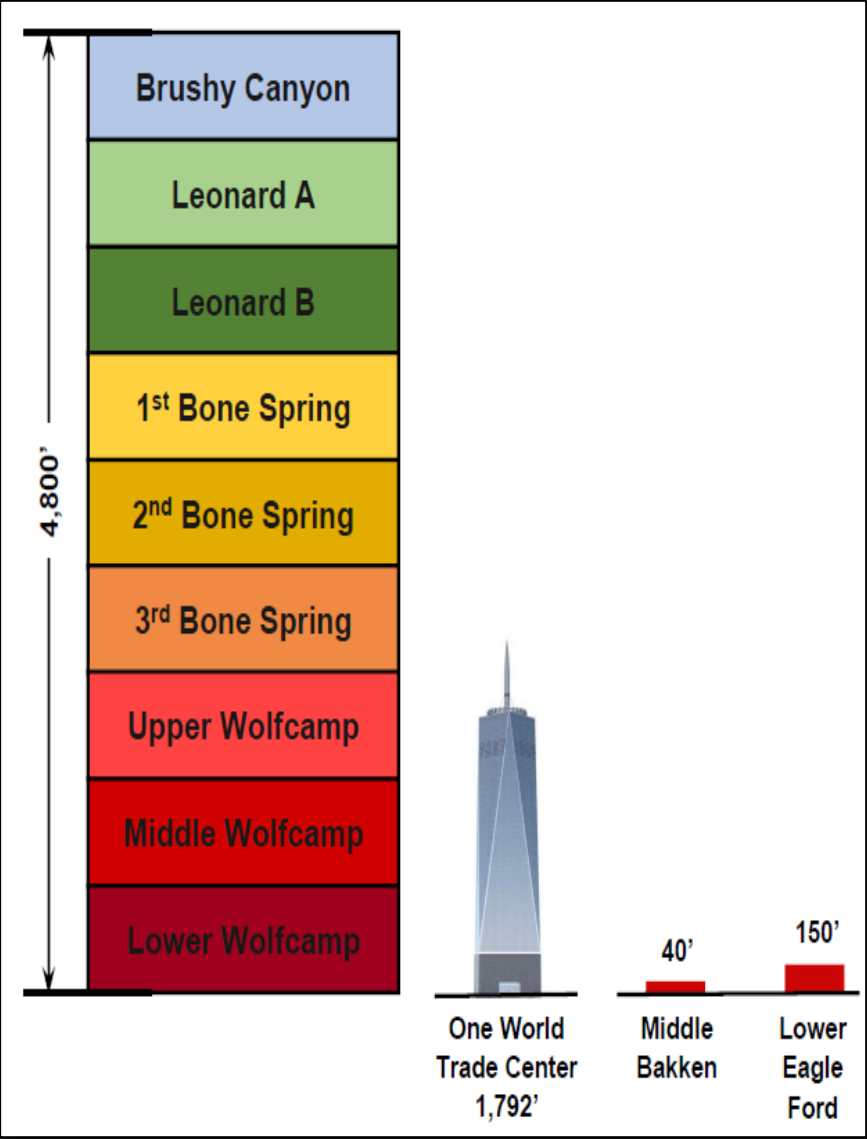


Project Returns in the Permian: Shows that the Valuation Premium Is Warranted

Q2:16 Drillbit IRRs @ \$55 Oil/\$3.00 Gas



Stacked Pay & Downspacing: Rise of “Effective Acreage”

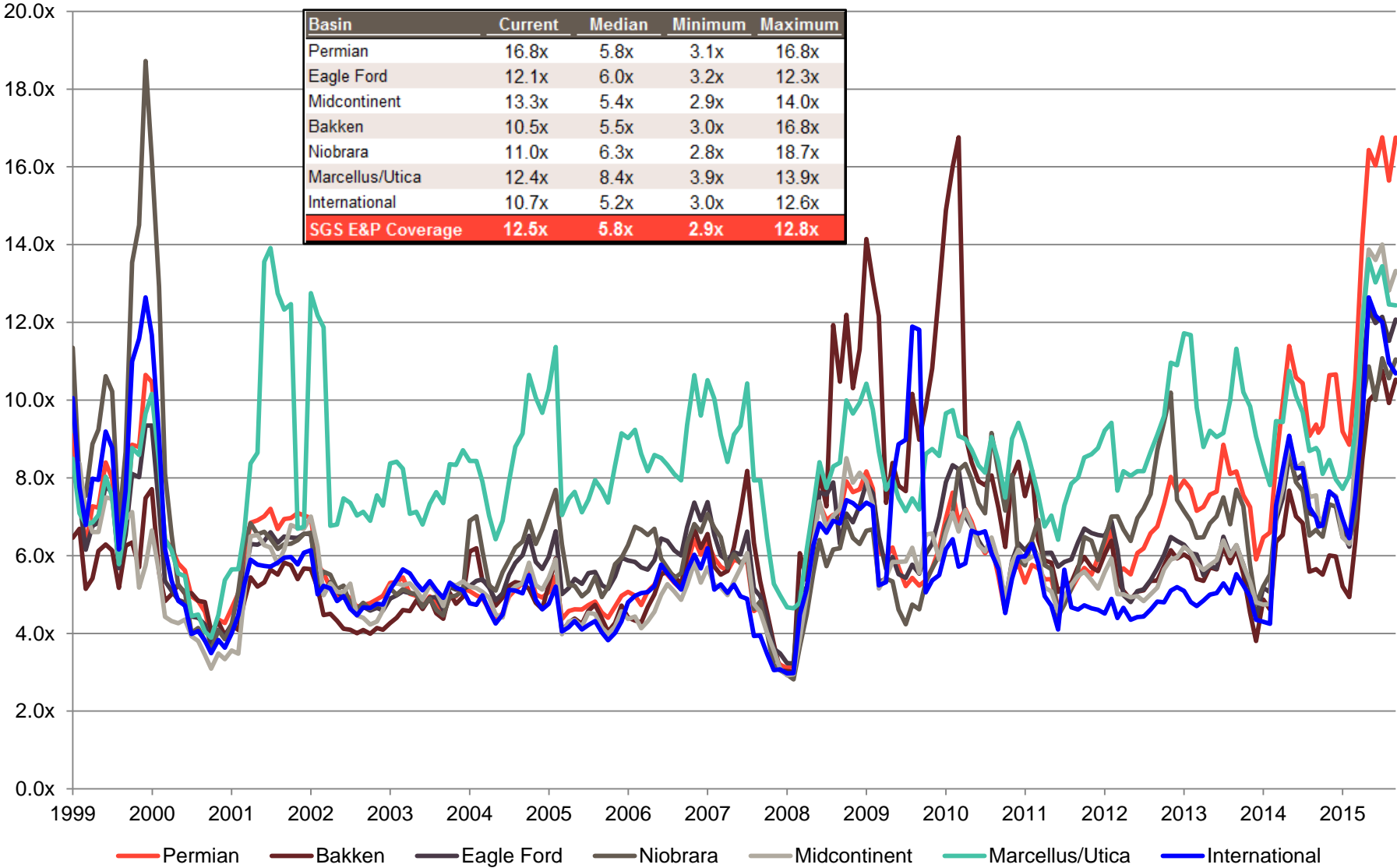


Equity Performance of Permian Pure-Plays: It's Very Good

Ticker	QTD	YTD	1-Year	3-Year	WTI	
					Peak	Bottom
					6/20/14	2/11/16
CPE	26%	69%	71%	183%	24%	131%
XEC	5%	40%	20%	38%	(11%)	54%
CWEI	174%	154%	55%	42%	(45%)	518%
CXO	4%	33%	28%	20%	(14%)	45%
FANG	(3%)	32%	35%	93%	(1%)	30%
EGN	8%	27%	7%	(26%)	(42%)	112%
LPI	8%	42%	20%	(59%)	(62%)	108%
MTDR	6%	6%	7%	24%	(25%)	53%
PE	19%	74%	114%	N/A	38%	96%
PXD	17%	41%	51%	(5%)	(24%)	59%
REI	11%	39%	1%	(33%)	(45%)	98%
RSPP	5%	50%	66%	N/A	14%	89%
WPX	30%	110%	62%	(39%)	(50%)	182%
AVERAGE	24%	55%	41%	21%	(19%)	121%
XOP	3%	18%	3%	(45%)	(57%)	49%















 **Significant Outperformance**

Permian Valuations: 4-Turn Premium Reflects that the Permian Is Good

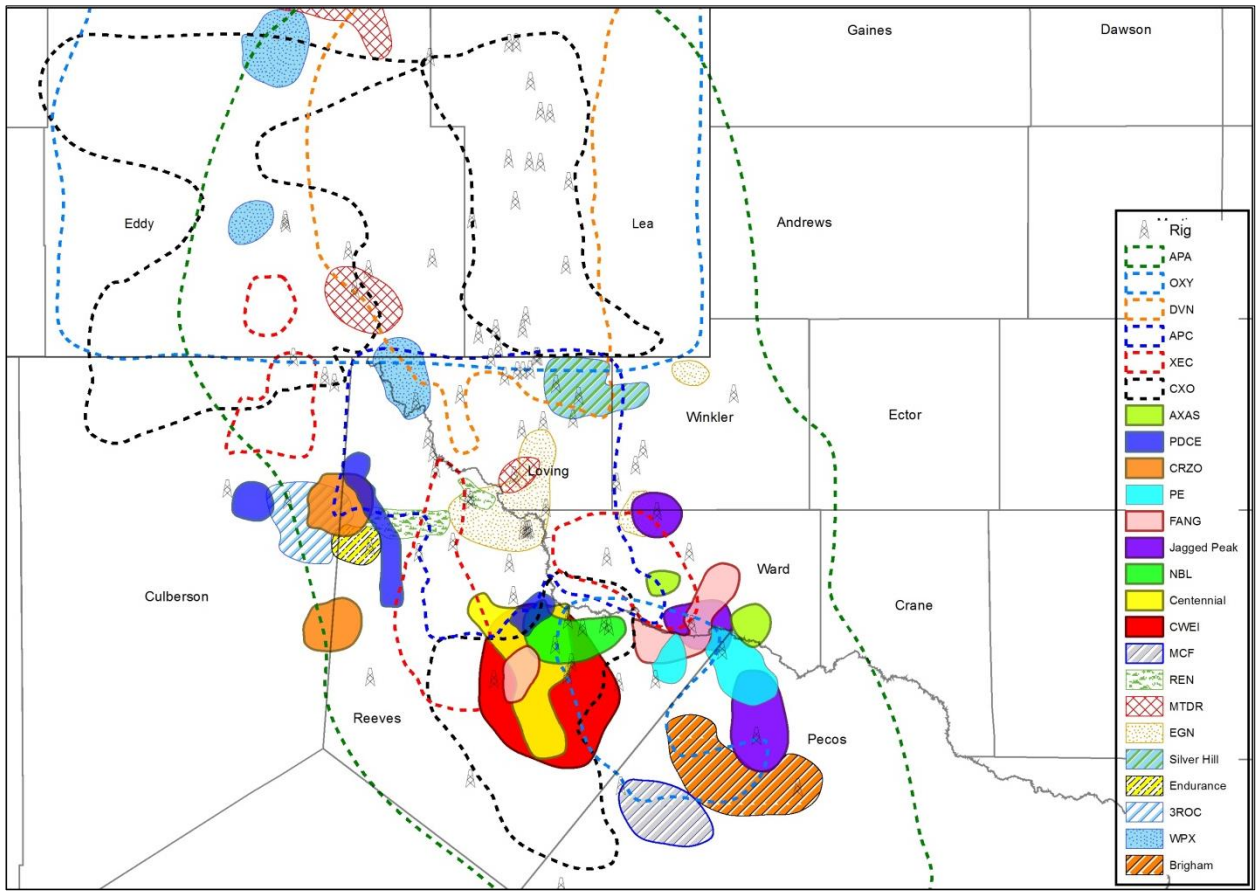


E&P Outlook by Basin: Delaware Basin Key Players

Key Players

	230,000 acres
	235,000 acres
	230,000 acres
	375,000 acres
	66,000 acres
	285,000 acres*
	19,180 acres
	49,351 acres
	89,500 acres
	45,000 acres
	42,485 acres
	57,000 acres
	12,900 acres
	100,000 acres

Acreage Positions



Note: Rigs active as of 8/28/2016.

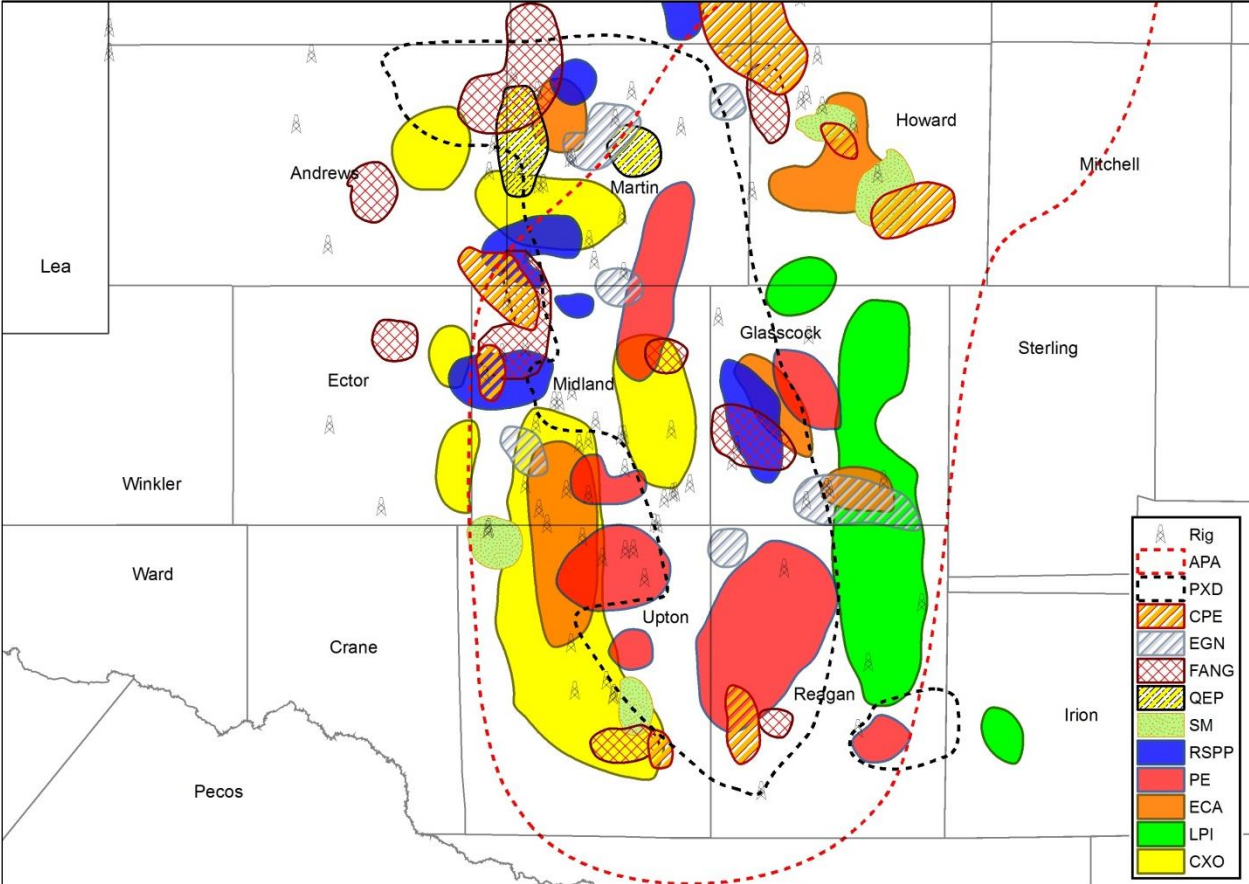
* Only include Bone Spring perspective.

E&P Outlook by Basin: Midland Basin Key Players

Key Players

	605,000 acres
	34,000 acres
	150,000 acres
	146,000 acres
	86,793 acres
	85,822 acres
	135,387 acres
	90,306 acres
	708,000 acres
	41,200 acres
	26,800 acres

Acreage Positions



Note: Rigs active as of 8/28/2016.

SGS E&P Comp Sheets (As of 12/5/2016)

Ticker	Last Price	Analyst	Rating	Price Target	Market Cap (\$MM)	EV (\$MM)	EV / Production (\$/boepd)		EV / EBITDA		Net Debt / EBITDA		Capex (% of CFO)		Absolute Prod. Growth		PDP F&D Cost (\$/boe)		Op. Margin (\$/boe)	Recycle Ratio
							2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2014	2015	2Q16	2Q16
Large: Over \$10B																				
APA	\$65.11	MK/JA	Neutral	\$53.00	\$24,704	\$33,255	\$64,629	\$67,888	11.0x	8.0x	2.2x	1.6x	86%	78%	(6%)	(5%)	\$40.60	\$30.44	\$16.57	0.54
APC	\$68.56	MK/MS	Accumulate	\$62.00	\$34,997	\$53,989	\$69,316	\$70,025	14.2x	9.7x	4.2x	2.9x	125%	86%	(7%)	(1%)	\$35.01	\$21.26	\$11.35	0.53
CLR	\$57.61	MK/SA	Buy	\$57.00	\$21,579	\$28,468	\$132,800	\$131,391	16.6x	13.9x	3.8x	3.0x	80%	83%	(3%)	1%	\$28.55	\$18.07	\$18.87	1.04
COG	\$22.66	MK/MS	Buy	\$38.00	\$10,540	\$11,602	\$40,855	\$37,727	20.3x	10.9x	1.8x	0.7x	82%	69%	3%	8%	\$5.80	\$4.82	\$4.27	0.89
CXO	\$142.60	MK/SA	Accumulate	\$148.00	\$20,834	\$23,403	\$156,536	\$131,281	14.6x	13.5x	1.6x	1.5x	108%	97%	4%	19%	\$26.91	\$21.53	\$17.62	0.82
DVN	\$47.85	MK/SA	Neutral	\$39.00	\$25,054	\$33,426	\$55,815	\$66,393	14.5x	10.9x	3.6x	2.7x	102%	84%	(12%)	(16%)	\$41.57	\$15.46	\$7.62	0.49
ECA	\$12.69	-	-	-	\$12,347	\$17,719	\$50,223	\$53,319	14.7x	11.3x	3.0x	2.6x	135%	133%	(13%)	(6%)	N/A	N/A	N/A	N/A
EOG	\$103.74	-	-	-	\$59,802	\$65,776	\$118,090	\$108,183	23.1x	13.1x	2.1x	1.1x	112%	82%	(3%)	9%	\$26.88	\$26.64	\$14.43	0.54
EQT	\$71.18	MK/MS	Accumulate	\$87.00	\$12,296	\$16,602	\$49,280	\$44,687	12.5x	7.8x	1.2x	0.7x	147%	114%	22%	10%	\$8.31	\$5.29	(\$1.26)	(0.24)
HES	\$57.92	-	-	-	\$18,342	\$23,815	\$73,910	\$75,462	18.2x	10.8x	3.3x	2.3x	246%	111%	(14%)	(2%)	\$38.35	\$24.90	\$14.88	0.60
MRO	\$18.20	MK/JA	Neutral	\$17.00	\$15,420	\$21,036	\$53,886	\$52,788	17.3x	9.5x	4.4x	2.4x	111%	83%	(11%)	2%	\$40.40	\$18.69	\$9.07	0.26
NBL	\$38.82	MK/MS	Neutral	\$38.00	\$16,681	\$22,952	\$54,878	\$56,322	9.6x	9.2x	2.7x	2.7x	88%	90%	18%	(3%)	\$34.16	\$30.42	\$11.15	0.37
OXY	\$70.85	-	-	-	\$54,143	\$59,453	\$94,320	\$96,655	16.4x	9.2x	1.9x	1.2x	86%	65%	(6%)	(2%)	\$20.44	\$133.58	N/A	N/A
PXD	\$187.55	MK/JA	Buy	\$215.00	\$31,810	\$32,102	\$136,939	\$115,429	17.1x	14.6x	0.1x	0.3x	126%	120%	15%	19%	\$22.72	\$15.71	\$13.65	0.67
XEC	\$139.08	MK/MS	Buy	\$168.00	\$13,211	\$14,183	\$85,627	\$77,635	21.6x	13.5x	1.6x	0.9x	128%	87%	1%	10%	\$17.51	\$10.20	\$9.93	0.97
AVERAGE							\$82,474	\$79,012	16.1x	11.1x	2.5x	1.8x	117%	92%	(1%)	3%	\$27.66	\$26.93	\$11.40	0.58
MEDIAN							\$69,316	\$70,025	16.4x	10.9x	2.2x	1.6x	111%	86%	(3%)	1%	\$27.73	\$19.97	\$11.35	0.54
Mid: \$2B-\$10B																				
AR	\$25.37	MK/MS	Buy	\$36.00	\$7,964	\$14,033	\$46,711	\$38,099	9.5x	8.8x	3.2x	3.3x	130%	122%	21%	23%	\$7.48	\$6.54	\$0.39	0.06
CHK	\$7.23	MK/SA	Sell	\$2.50	\$6,415	\$19,932	\$32,026	\$35,941	16.6x	9.7x	9.9x	6.0x	165%	118%	(8%)	(11%)	\$10.37	\$14.16	\$2.21	0.16
CPE	\$17.24	MK/SA	Buy	\$18.00	\$2,776	\$3,112	\$202,836	\$144,106	20.1x	12.8x	1.7x	1.2x	129%	114%	60%	41%	\$38.84	\$19.76	\$25.35	1.28
CRZO	\$41.39	MK/MS	Accumulate	\$44.00	\$2,685	\$4,087	\$97,786	\$88,559	10.7x	9.3x	3.7x	3.2x	137%	118%	14%	10%	\$26.34	\$19.42	\$15.74	0.81
EGN	\$60.19	MK/MS	Buy	\$69.00	\$5,843	\$5,825	\$107,001	\$91,324	20.2x	11.8x	0.7x	0.7x	182%	142%	(17%)	17%	\$27.32	\$21.89	\$17.14	0.78
FANG	\$108.14	MK/JA	Buy	\$120.00	\$8,439	\$9,134	\$217,457	\$160,707	26.1x	14.4x	1.5x	0.8x	119%	94%	27%	35%	\$16.57	\$9.46	\$21.98	2.56
GPOR	\$26.42	MK/SA	Neutral	\$31.00	\$3,312	\$4,068	\$34,434	\$27,969	10.0x	7.7x	2.1x	2.1x	147%	155%	29%	23%	\$14.41	\$8.22	\$4.03	0.49
LPI	\$15.01	MK/SA	Neutral	\$11.00	\$3,604	\$4,940	\$103,259	\$98,753	11.6x	12.5x	3.1x	3.4x	129%	134%	7%	5%	\$31.78	\$17.21	\$12.64	0.73
MTDR	\$25.66	MK/SA	Neutral	\$23.00	\$2,394	\$2,828	\$102,555	\$88,094	19.9x	11.4x	3.7x	2.5x	303%	166%	10%	16%	\$26.45	\$31.17	\$12.70	0.41
NFX	\$45.95	MK/SA	Buy	\$57.00	\$9,126	\$11,185	\$71,091	\$75,290	11.3x	10.1x	2.4x	2.1x	101%	100%	5%	(6%)	\$25.18	\$14.19	\$11.92	0.84
OAS	\$15.12	MK/JA	Accumulate	\$13.00	\$3,574	\$5,768	\$113,959	\$85,455	11.6x	8.6x	4.8x	3.3x	119%	84%	0%	33%	\$27.33	\$14.17	\$18.78	1.33
PDCI	\$73.85	MK/SA	Buy	\$87.00	\$4,847	\$5,549	\$94,231	\$65,583	11.7x	9.6x	1.4x	1.5x	98%	134%	40%	44%	\$14.52	\$14.61	\$12.14	0.83
PE	\$38.27	MK/MS	Buy	\$47.00	\$7,945	\$8,704	\$235,178	\$158,679	26.3x	15.6x	2.6x	1.7x	173%	115%	68%	48%	\$22.82	\$21.31	\$21.05	0.99
QEP	\$19.85	-	-	-	\$4,756	\$5,938	\$38,878	\$37,520	9.6x	7.3x	2.5x	2.1x	90%	112%	2%	4%	\$22.71	\$10.84	\$8.35	0.77
RICE	\$24.71	MK/MS	Neutral	\$29.00	\$5,972	\$7,256	\$54,174	\$32,580	11.5x	7.7x	1.9x	2.3x	215%	155%	46%	66%	\$11.89	\$7.24	\$3.56	0.49
RRC	\$36.36	MK/MS	Buy	\$59.00	\$8,986	\$13,843	\$53,883	\$40,123	19.7x	12.3x	5.6x	3.5x	108%	95%	10%	34%	\$6.92	\$4.60	\$0.66	0.14
RSPP	\$44.36	MK/SA	Buy	\$53.00	\$7,006	\$7,933	\$271,539	\$143,514	33.3x	13.7x	1.4x	1.8x	146%	101%	39%	89%	\$27.09	\$9.77	\$22.48	2.30
SM	\$38.90	MK/SA	Buy	\$53.00	\$3,900	\$6,630	\$43,255	\$42,693	8.6x	7.9x	4.3x	4.2x	114%	140%	(13%)	1%	\$17.37	\$17.88	\$7.99	0.45
SWN	\$11.67	MK/JA	Neutral	\$14.00	\$5,759	\$10,867	\$26,689	\$25,960	14.4x	7.8x	4.6x	2.5x	115%	92%	(9%)	3%	\$8.32	\$6.03	\$0.56	0.09
WLL	\$12.22	MK/JA	Neutral	\$8.00	\$3,365	\$8,134	\$63,307	\$69,052	9.9x	8.6x	4.4x	4.0x	102%	95%	(21%)	(8%)	\$40.27	\$22.85	\$14.04	0.61
WPX	\$15.21	MK/SA	Neutral	\$12.00	\$5,237	\$7,699	\$94,818	\$83,214	16.1x	13.9x	4.5x	4.5x	158%	183%	(52%)	14%	\$13.28	\$15.87	\$5.64	0.36
AVERAGE							\$100,241	\$77,772	15.6x	10.5x	3.3x	2.7x	142%	122%	12%	23%	\$20.82	\$14.63	\$11.40	0.78
MEDIAN							\$94,231	\$75,290	11.7x	9.7x	3.1x	2.5x	129%	118%	10%	17%	\$22.71	\$14.19	\$12.14	0.73

SGS E&P Comp Sheets (As of 12/5/2016)

Ticker	Last Price	Analyst	Rating	Price Target	Market Cap (\$MM)	EV (\$MM)	EV / Production (\$/boepd)		EV / EBITDA		Net Debt / EBITDA		Capex (% of CFO)		Absolute Prod. Growth		PDP F&D Cost (\$/boe)		Op. Margin (\$/boe)	Recycle Ratio
							2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2016E	2017E	2014	2015	2Q16	2Q16
Small: \$300MM-\$2B																				
BBG	\$7.76	MK/SA	Neutral	\$7.00	\$467	\$1,032	\$61,206	\$58,444	6.0x	7.9x	3.2x	4.4x	84%	126%	(7%)	5%	\$28.04	\$20.00	\$15.23	0.76
BCEI	\$1.15	MK/SA	N/A	N/A	\$57	\$983	\$46,226	\$64,890	10.7x	13.7x	10.7x	14.0x	117%	112%	(25%)	(29%)	\$29.67	\$23.93	\$10.74	0.45
CWEI	\$105.23	MK/SA	Buy	\$102.00	\$1,812	\$2,448	\$179,915	\$206,833	45.3x	26.1x	6.0x	5.2x	N/A	1,654%	(14%)	(13%)	\$37.99	\$19.82	\$6.23	0.31
DNR	\$3.72	-	-	-	\$1,482	\$4,628	\$72,327	\$77,205	11.7x	10.0x	7.5x	6.4x	84%	76%	(12%)	(6%)	\$12.59	\$47.97	\$20.84	0.43
ECR	\$3.11	MK/MS	Buy	\$4.50	\$810	\$1,119	\$29,638	\$21,380	12.0x	6.1x	4.8x	2.9x	444%	186%	9%	39%	\$25.64	\$9.56	\$0.54	0.06
EPE	\$5.64	-	-	-	\$1,424	\$5,157	\$59,254	\$63,745	5.0x	7.5x	3.7x	5.6x	69%	135%	(21%)	(7%)	\$19.44	\$18.11	N/A	N/A
ERN	\$2.15	-	-	-	\$457	\$920	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HK	\$9.03	-	-	-	\$837	\$1,812	\$48,342	\$45,943	2.8x	6.0x	N/A	N/A	68%	99%	(10%)	5%	\$44.01	\$22.69	N/A	N/A
JONE	\$4.60	MK/JA	Accumulate	\$6.00	\$399	\$915	\$46,953	\$39,342	4.9x	5.2x	3.5x	4.2x	156%	141%	(22%)	19%	\$22.18	\$21.00	\$6.49	0.31
REI	\$12.96	MK/JA	Buy	\$12.00	\$543	\$534	\$219,979	\$133,783	35.6x	13.7x	0.6x	1.0x	246%	181%	20%	64%	\$40.83	\$24.06	\$13.56	0.56
REN	\$33.90	MK/MS	Buy	\$45.00	\$596	\$1,187	\$83,364	\$43,462	8.6x	6.4x	4.1x	3.3x	200%	156%	15%	92%	N/A	\$34.70	\$7.35	0.73
SN	\$8.81	MK/MS	Neutral	\$9.00	\$581	\$2,225	\$41,487	\$40,271	7.2x	8.4x	3.8x	5.0x	158%	185%	2%	3%	\$50.62	\$16.77	\$6.32	0.38
SYRG	\$9.35	MK/SA	Buy	\$8.50	\$1,875	\$1,899	\$171,564	\$99,807	36.2x	12.0x	1.8x	1.5x	252%	197%	26%	72%	\$36.66	\$24.64	\$7.38	0.30
UNT	\$24.63	-	-	-	\$1,268	\$2,181	\$46,353	\$47,098	10.0x	6.8x	4.0x	2.5x	85%	86%	(14%)	(2%)	\$17.65	\$14.67	N/A	N/A
UPL	\$7.10	-	-	-	\$1,089	\$781	\$6,051	\$5,623	1.8x	1.1x	N/A	N/A	N/A	N/A	(3%)	8%	\$7.48	\$5.38	N/A	N/A
XCO	\$1.06	-	-	-	\$299	\$1,687	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$20.72	\$10.93	N/A	N/A
AVERAGE							\$79,476	\$67,702	14.1x	9.3x	4.5x	4.7x	163%	256%	(4%)	18%	\$28.11	\$20.95	\$9.47	0.43
MEDIAN							\$53,798	\$52,771	9.3x	7.7x	3.9x	4.3x	136%	141%	(8%)	5%	\$26.84	\$20.00	\$7.37	0.41
Micro: Under \$300MM																				
AREX	\$3.46	-	-	-	\$144	\$657	\$53,290	\$54,975	13.3x	9.9x	10.2x	5.9x	86%	101%	(19%)	(3%)	\$22.81	\$13.59	\$8.28	0.61
AXAS	\$2.14	MK/JA	Accumulate	\$2.50	\$289	\$403	\$66,416	\$54,125	16.8x	7.1x	4.8x	2.3x	155%	112%	1%	23%	\$29.71	\$18.31	\$6.22	0.34
CRK	\$10.43	-	-	-	\$140	\$1,145	\$40,044	\$31,125	12.4x	6.6x	12.0x	7.3x	N/A	149%	(5%)	29%	\$60.51	\$15.56	\$6.21	0.40
ESTE	\$14.66	MK/JA	Buy	\$16.00	\$856	\$871	\$217,688	\$98,299	55.9x	12.0x	2.1x	1.1x	312%	173%	(5%)	121%	\$26.67	\$33.53	\$8.53	0.44
GST	\$1.27	MK/JA	Buy	\$2.25	\$167	\$693	\$89,232	\$94,118	20.6x	13.0x	9.6x	7.2x	N/A	400%	(42%)	(5%)	\$26.08	\$8.63	\$9.47	1.10
LONE	\$8.32	MK/JA	Buy	\$12.00	\$69	\$380	\$61,433	\$61,713	6.4x	7.1x	4.4x	5.4x	89%	175%	(3%)	(0%)	N/A	\$15.36	\$15.44	0.73
MCF	\$9.58	MK/SA	Neutral	\$11.00	\$236	\$350	\$28,955	\$26,937	8.6x	4.5x	2.2x	1.6x	102%	182%	(22%)	7%	\$94.85	\$30.43	\$6.17	0.20
NOG	\$2.25	MK/JA	N/A	N/A	\$145	\$975	\$69,741	\$71,848	6.5x	8.0x	5.5x	6.9x	82%	137%	(14%)	(3%)	\$24.81	\$22.76	\$17.86	0.78
PQ	\$3.99	MK/JA	Buy	\$7.00	\$84	\$451	\$41,509	\$33,872	25.0x	8.5x	16.0x	5.9x	1,764%	86%	(30%)	23%	\$12.30	\$4.98	\$3.98	0.80
REXX	\$0.49	MK/MS	N/A	N/A	\$48	\$880	\$26,603	\$24,982	16.0x	11.7x	13.4x	9.7x	922%	92%	1%	6%	\$10.16	\$8.60	\$0.40	0.05
SGY	\$6.54	MK/JA	N/A	N/A	\$39	\$1,285	\$37,343	\$35,061	10.2x	6.1x	9.8x	6.0x	254%	82%	(13%)	7%	\$33.88	\$38.36	\$10.90	0.03
SNDE	\$14.50	MK/JA	Buy	\$25.00	\$181	\$309	\$45,498	\$32,215	5.7x	3.2x	2.7x	1.6x	164%	98%	(14%)	41%	N/A	N/A	N/A	N/A
TPLM	\$0.31	-	-	-	\$24	\$259	\$19,297	N/A	N/A	N/A	N/A	N/A	N/A	N/A	17%	N/A	\$22.40	\$23.51	N/A	N/A
WTI	\$1.89	MK/JA	N/A	N/A	\$145	\$1,456	\$34,410	\$36,166	9.4x	5.7x	8.4x	4.8x	79%	47%	(9%)	(5%)	\$204.40	\$26.04	\$10.00	0.38
AVERAGE							\$59,390	\$50,418	15.9x	8.0x	7.8x	5.1x	365%	141%	(11%)	19%	\$47.38	\$43.05	\$8.62	0.49
MEDIAN							\$43,503	\$36,166	12.4x	7.1x	8.4x	5.9x	155%	112%	(11%)	7%	\$26.38	\$18.31	\$8.41	0.42

Energy Disclosures

I, Mike Kelly, CFA, hereby certify: (1) that all of the views expressed in this report accurately reflect my personal views about any and all of the subject securities or issuers; and (2) that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Seaport Global Securities acted as Manager for an offering of securities for Earthstone Energy Inc., Gastar Exploration, Ltd., Contango Oil & Gas Co. and Ring Energy, Inc. in the past 12 months. Seaport Global Securities received compensation for investment banking services from Callon Petroleum Co., Earthstone Energy Inc., Gastar Exploration, Ltd., Lonestar Resources, Contango Oil & Gas Co., Parsley Energy Inc., PetroQuest Energy, Inc., Ring Energy, Inc., Synergy Resources and W&T Offshore and they have been a client of the firm in the past 12 months.

Seaport Global Securities expects to receive or intends to seek compensation for investment banking services from Lonestar Resources, Ring Energy, Inc. and RSP Permian, Inc., which are clients of the firm, in the next 3 months.

Seaport Global Securities acted as Co-Manager for an offering of securities for Callon Petroleum Co., Parsley Energy Inc., PetroQuest Energy, Inc., Ring Energy, Inc., RSP Permian, Inc. and Synergy Resources in the past 12 months.

Seaport Global Securities provided investment banking services for Callon Petroleum Co., Earthstone Energy Inc., Gastar Exploration, Ltd., Lonestar Resources, Contango Oil & Gas Co., Parsley Energy Inc., PetroQuest Energy, Inc., Ring Energy, Inc., Synergy Resources and W&T Offshore and they have been a client of the firm in the past 12 months.

Seaport Global Securities makes a market in shares of Apache Corp., Anadarko Petroleum Corp., Antero Resources Corporation, Bill Barrett Corp., Bonanza Creek Energy, Inc., Chesapeake Energy Corp., Continental Resources, Inc., Cabot Oil & Gas Corp., Callon Petroleum Co., Carrizo Oil & Gas Inc., Clayton Williams Energy, Inc., Concho Resources, Inc., Devon Energy Corp., Energen Corp., EOG Resources, Inc., Earthstone Energy Inc., Diamondback Energy, Inc., Gulfport Energy Corp., Gastar Exploration, Ltd., Hess Corporation, Lonestar Resources, Laredo Petroleum Holdings, Inc., Contango Oil & Gas Co., Marathon Oil Corporation, Matador Resources Company, Noble Energy Inc., Newfield Exploration Co., Oasis Petroleum Inc., PDC Energy, Parsley Energy Inc., Pioneer Natural Resources Co., Ring Energy, Inc., Rex Energy Corporation, Rice Energy Inc., Range Resources Corporation, RSP Permian, Inc., Stone Energy Corp, SM Energy Company, Sanchez Energy, Southwestern Energy Co., Synergy Resources, Whiting Petroleum Corp. and Cimarex Energy Co..

Mike Kelly, CFA, and/or a member of his/her household currently has a financial interest in EOG Resources, Inc., QEP Resources, Inc. and Resolute Energy Corp. in the form of a long position in the common stock.

Mike Kelly, CFA, and/or a member of his/her household currently has a financial interest in EOG Resources, Inc. in the form of a long position in debt securities.

Mike Kelly, CFA, and/or a member of his/her household currently has a financial interest in Resolute Energy Corp. in the form of a short position in call options.

As with all employees of Seaport Global Securities LLC, a portion of our analysts' compensation is paid from the total collection of revenues from all areas of the firm including but not limited to Investment Banking and Sales and Trading departments. In no instance are research analysts' compensation directly derived from Investment Banking revenues.

Other Companies Mentioned in This Report

- Apache Corp. (APA: \$66.39, Neutral)
- Antero Resources Corporation (AR: \$26.55, Buy)
- Abraxas Petroleum Corp. (AXAS: \$2.09, Accumulate)
- Bonanza Creek Energy, Inc. (BCEI: \$1.38, NA)
- Continental Resources, Inc. (CLR: \$56.57, Buy)
- Callon Petroleum Co. (CPE: \$16.81, Buy)
- Carrizo Oil & Gas Inc. (CRZO: \$41.03, Accumulate)
- Concho Resources, Inc. (CXO: \$142.50, Accumulate)
- Devon Energy Corp. (DVN: \$47.55, Neutral)
- Eclipse Resources Corporation (ECR: \$3.21, Buy)
- EOG Resources, Inc. (EOG: \$103.53)
- EQT Corporation (EQT: \$73.33, Accumulate)
- Earthstone Energy Inc. (ESTE: \$13.56, Buy)
- Diamondback Energy, Inc. (FANG: \$105.39, Buy)
- Gastar Exploration, Ltd. (GST: \$1.28, Buy)
- Halcón Resources Corp. (HK: \$8.61)
- Anadarko Petroleum Corp. (APC: \$69.27, Accumulate)
- Approach Resources, Inc. (AREX: \$3.47)
- Bill Barrett Corp. (BBG: \$7.26, Neutral)
- Chesapeake Energy Corp. (CHK: \$7.58, Sell)
- Cabot Oil & Gas Corp. (COG: \$23.73, Buy)
- Comstock Resources, Inc. (CRK: \$10.93)
- Clayton Williams Energy, Inc. (CWEI: \$94.27, Buy)
- Denbury Resources Inc. (DNR: \$3.91)
- Encana Corporation (ECA: \$12.42)
- Energen Corp. (EGN: \$60.28, Buy)
- EP Energy Corporation (EPE: \$5.99)
- Erin Energy Corp. (ERN: \$2.10)
- Energy XXI (EXXI: \$0.11)
- Gulfport Energy Corp. (GPOR: \$28.79, Neutral)
- Hess Corporation (HES: \$60.95)
- Jones Energy, Inc. (JONE: \$4.45, Accumulate)
- Laredo Petroleum Holdings, Inc. (LPI: \$14.18, Neutral)

- Lonestar Resources (LONE: \$7.55, Buy)
- Contango Oil & Gas Co. (MCF: \$9.34, Neutral)
- Marathon Oil Corporation (MRO: \$18.42, Neutral)
- Noble Energy Inc. (NBL: \$39.63, Neutral)
- Northern Oil and Gas, Inc. (NOG: \$2.75, NA)
- Occidental Petroleum Corp. (OXY: \$68.64)
- Parsley Energy Inc. (PE: \$35.76, Buy)
- Pioneer Natural Resources Co. (PXD: \$185.78, Buy)
- Ring Energy, Inc. (REI: \$11.33, Buy)
- Rex Energy Corporation (REXX: \$0.56, NA)
- Range Resources Corporation (RRC: \$38.22, Buy)
- Stone Energy Corp (SGY: \$6.69, NA)
- Sanchez Energy (SN: \$9.53, Neutral)
- Southwestern Energy Co. (SWN: \$12.37, Neutral)
- Triangle Petroleum Corporation (TPLM: \$0.36)
- Ultra Petroleum Corp. (UPL: \$7.90, NA)
- WPX Energy, Inc. (WPX: \$14.93, Neutral)
- EXCO Resources Inc. (XCO: \$1.05)
- Memorial Resource Development Corp. (MRD: \$14.72, NA)
- Matador Resources Company (MTDR: \$24.80, Neutral)
- Newfield Exploration Co. (NFX: \$46.96, Buy)
- Oasis Petroleum Inc. (OAS: \$15.38, Accumulate)
- PDC Energy (PDCE: \$78.37, Buy)
- PetroQuest Energy, Inc. (PQ: \$4.08, Buy)
- QEP Resources, Inc. (QEP: \$20.17)
- Resolute Energy Corp. (REN: \$33.06, Buy)
- Rice Energy Inc. (RICE: \$24.59, Neutral)
- RSP Permian, Inc. (RSPP: \$42.31, Buy)
- SM Energy Company (SM: \$35.44, Buy)
- Sundance Energy Corporation (SNDE: \$14.51, Buy)
- Synergy Resources (SYRG: \$9.71, Buy)
- Unit Corp. (UNT: \$25.16, Buy)
- Whiting Petroleum Corp. (WLL: \$12.12, Neutral)
- W&T Offshore (WTI: \$1.95, NA)
- Cimarex Energy Co. (XEC: \$142.61, Buy)

Please contact Seaport Global Securities LLC, for important disclosure information for covered companies. Contact the Director of Equity Research at (949) 274-8052 or write to Seaport Global Securities LLC, 600 Anton Boulevard, Suite 1700, Costa Mesa, CA 92626.

Clients should also refer to <https://sgsecurities.bluematrix.com/sellside/Disclosures.action> for price charts, as well as specific disclosures for covered companies.

Explanation of Ratings

Buy - The investment outlook and risk/reward over the following 12 months are very favorable on an absolute basis and relative to the peer group.

Speculative Buy - The investment outlook over the following 12 months is very favorable on an absolute basis and relative to the peer group, however, there is higher than average risk associated with the investment that could result in material loss.

Accumulate - The investment outlook and risk/reward over the following 12 months are favorable on an absolute basis and relative to the peer group.

Neutral - The investment outlook and risk/reward over the following 12 months are neutral on an absolute basis and relative to the peer group.

Reduce - The investment outlook and risk/reward over the following 12 months are unfavorable on an absolute basis and relative to the peer group.

Sell - The investment outlook and risk/reward over the following 12 months are very unfavorable on an absolute basis and relative to the peer group.

NA - A rating is not assigned.

Ratings Distribution

Rating	Research Coverage		Investment Banking Clients*		
	Count	% of Total	Count	% of Total	% of Rating Category
Buy (Buy, Speculative Buy or Accumulate)	151	53.4%	15	71.4%	9.9%
Hold/Neutral/NA	117	41.3%	6	28.6%	5.1%
Sell(Sell or Reduce)	15	5.3%	0	0.0%	0.0%
Total	283	100.0%	21	100.0%	7.4%

*Investment banking clients are companies for whom Seaport Global Securities has provided investment banking services in the previous 12 months.

Note: Ratings Distribution as of September 30, 2016

This material has been prepared by Seaport Global Securities LLC, a U.S. registered broker-dealer, member FINRA and SIPC, employing appropriate expertise, and in the belief that it is fair and not misleading. Seaport Global is the global brand name for Seaport Global Securities LLC ("SPGS") and its affiliates worldwide. Information, opinions or recommendations contained in the reports and updates are submitted solely for advisory and information purposes. The information upon which this material is based was obtained from sources believed to be reliable, but has not been independently verified. Therefore, we cannot guarantee its accuracy. Additional and supporting information is available upon request. This is neither an offer nor solicitation of an offer to buy or sell any security or investment. Any opinions or estimates constitute our best judgment as of this date, and are subject to change without notice. Not all products and services are available outside of the US or in all US states. © 2016. Seaport Global Securities LLC. All rights reserved. No part of this report may be reproduced or distributed in any manner without the written permission of SPGS. SPGS specifically prohibits the re-distribution of this report, via the Internet or otherwise, and accepts no liability whatsoever for the actions of third parties in this respect.

For Canadian Investors:

Seaport Global Securities LLC, is not registered in Canada, but relies on the International Dealer Exemption in each province. This report was not prepared in accordance with Canadian research disclosure requirements. The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence.

For UK and European Investors:

MARKETING COMMUNICATION

The Seaport Group Europe LLP ("SGE") and Sea Port Group Securities (Europe) LLP ("SPGSE") are authorized and regulated by the Financial Conduct Authority. Due to their size and structure, their analysts may represent the interests of the firm or of companies referred to in its research. As a result, SGE or SPGSE does not hold its research out as being impartial. This research is non-independent and is classified as a Marketing Communication under the FCA's rule COBS 12.3.2R. As such it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and it is not subject to the prohibition on dealing ahead of the dissemination of investment research in COBS 12.2.5R. However, SGE and SPGSE have adopted internal procedures which prohibit employees from dealing ahead of the publication of non-independent research, except for legitimate market making and fulfilling clients' unsolicited orders.

Analysts may forward a draft copy of the non-independent research, prior to publication, to the subject company in order to verify facts. Where such verification is sought, the analyst must remove any rating or investment summary from the non-independent research prior to forwarding it to the subject company. Any subsequent amendments to the non-independent research are to correct factual inaccuracies only. Any matters of judgment are the author's own and our analysts will not amend the non-independent research on the basis of an issuer's contrary view.

Price targets or Projections

Price targets or projections, if discussed, reflect in part the analyst's estimates for the company's earnings. The achievement of any price target or projection may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market, and may not occur if the company's earnings fall short of estimate.

DISCLAIMERS

This material is: (i) for your private information, and we are not soliciting any action based upon it; (ii) not to be construed as an offer to sell or a solicitation of an offer to buy any investments or other related financial instruments in any jurisdiction where such offer or solicitation would be illegal; and (iii) is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such.

Opinions expressed are current opinions as of the original publication date appearing on this material only and the information, including the opinions contained herein, are subject to change without notice. Members of Seaport Global may from time to time perform investment banking or other services (including acting as advisor, manager or lender) for, or solicit investment banking or other business from, companies mentioned herein. Further, members of Seaport Global, and / or its officers, directors and employees, may, from time to time, have long or short positions in, and buy or sell, the investments, securities, derivatives (including options) or other related financial instruments thereof, of companies mentioned herein, or related investments, securities, derivatives or other related financial instruments. In addition, members of Seaport Global may act as a market maker and principal, willing to buy and sell certain of the investments, securities or other related financial instruments of companies mentioned herein. Further, members of Seaport Global may buy and sell certain of the investments, securities or other related financial instruments of companies mentioned herein, as agent for its clients.

Investors should consider this report as only a single factor in making their investment decision and, as such, the report should not be viewed as identifying or suggesting all risks, direct or indirect, that may be associated with any investment decision. SGE, SPGSE and other non-US members of Seaport Global, their officers, directors and employees may, to the extent it relates to non-US issuers and is permitted by applicable law, have acted upon or used this material immediately following, its publication.

The securities described herein may not have been registered under the U.S. Securities Act of 1933 ("ACT") , and, in such case, may not be offered or sold in the United States or to U.S. persons unless they have been registered under such Act, or except in compliance with an exemption from the registration requirements of such Act.

Unless governing law permits otherwise, you must contact a Seaport Global entity in your home jurisdiction if you want to use our services in effecting a transaction in the investments, securities or other related financial instruments mentioned in this material.

This publication has been approved for distribution in the United Kingdom by The Seaport Group Europe LLP and Sea Port Group Securities (Europe) LLP, which are authorized and regulated by the Financial Conduct Authority (FCA). It is intended only for investors who are professional clients and eligible counterparties as defined by the FCA, and may not, therefore, be redistributed to other classes of investors.

The Seaport Group Europe LLP, Sea Port Group Securities (Europe) LLP and other Seaport Global entities manage conflicts identified through the following: their Chinese Wall, confidentiality and conflicts of interest policies, maintenance of a Restricted List and a Watch List, personal account dealing rules, policies and procedures for managing conflicts of interest arising from the allocation and pricing of investments, securities or other related financial instruments and disclosure to clients via client documentation.