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IPAA/TIPRO “Leaders in Industry” Luncheon  
October 11, 2017



# Forward-Looking & Other Cautionary Statements

The following presentation includes forward-looking statements. These statements relate to future events, such as anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results or the industries or markets in which we operate or participate in general, including our acquisition and acreage trading strategies, projections regarding our rig count and ability to work through our drilled but uncompleted well backlog, our expectations regarding our hedging program, our ability to drill high value Merge wells that reduce leverage over time, our ability to enhance current spacing assumptions in Merge and Woodford, our ability to execute on our development plan in the Merge, including our drilling and leasing programs, projections regarding total production, average daily production, lease operating expenses, production taxes as a percentage of revenue, ad valorem taxes, cash G&A expenses and projected internal rates of return, and the results of our hedging program. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that may prove to be incorrect and are difficult to predict such as oil and gas prices; operational hazards and drilling risks; potential failure to achieve, and potential delays in achieving, expected reserves or production levels from existing and future oil and gas development projects; our ability to identify and consummate acquisitions and other growth opportunities, including acreage trades; unsuccessful exploratory activities; unsuccessful acquisitions; unexpected cost increases or technical difficulties in constructing, maintaining or modifying company facilities; potential liability for remedial actions under existing or future environmental regulations or from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; an inability to improve well spacing; general domestic and international economic and political conditions, as well as changes in tax, environmental and other laws applicable to our business and other economic, business, competitive and/or regulatory factors affecting our business generally as set forth in our filings with the Securities and Exchange Commission (SEC). We caution you not to place undue reliance on our forward-looking statements, which are only as of the date of this presentation or as otherwise indicated, and we expressly disclaim any responsibility for updating such information.

# Jones Energy Overview

NYSE Ticker	JONE
Common share price	\$1.62
Preferred share price <sup>[1]</sup>	\$38.58
<u>Equity Market Cap (\$mm)</u>	
Common stock	\$159
Preferred stock <sup>[1]</sup>	71
Total Equity market cap	\$230
Enterprise Value (\$mm)	~\$964
<u>Common Stock Outstanding (mm)</u>	
Class A	74.4
Class B	23.7
Total common stock outstanding	98.1
<u>Senior Unsecured Debt Outstanding (\$mm)</u>	
6.75% notes due 2022	\$409
9.25% notes due 2023	150



Note: common and preferred share prices as of October 9, 2017.  
[1] Par value of \$92mm (\$50.00/share).

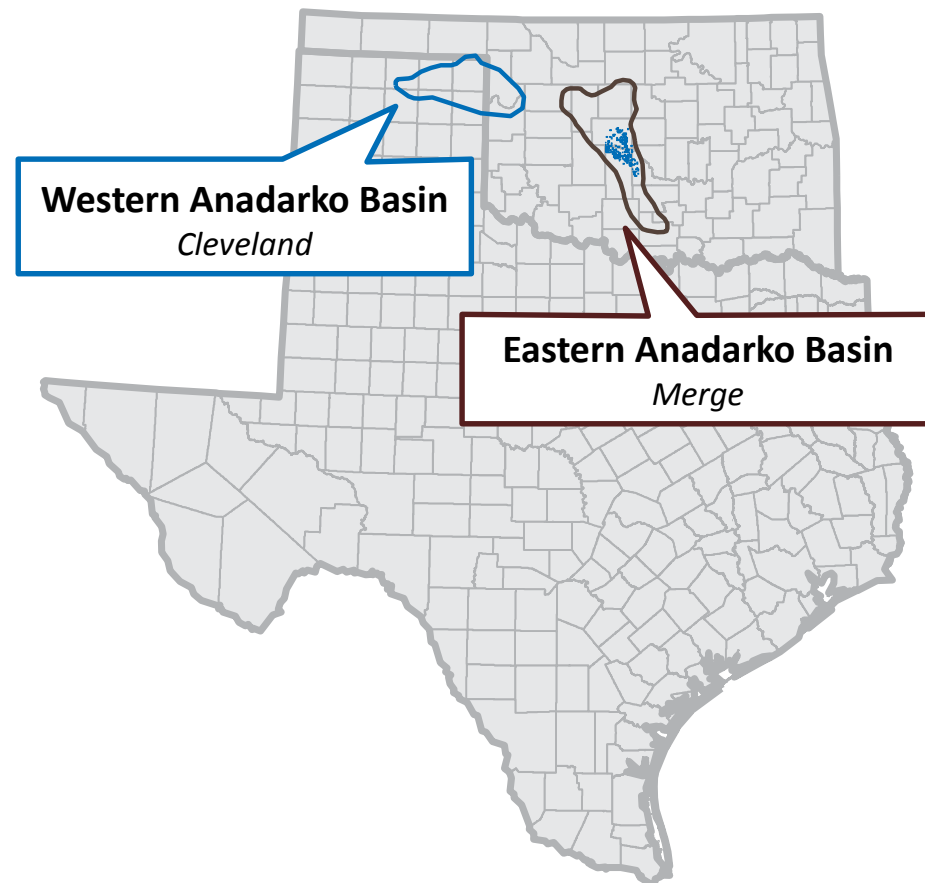
# Corporate Snapshot

## Asset Summary

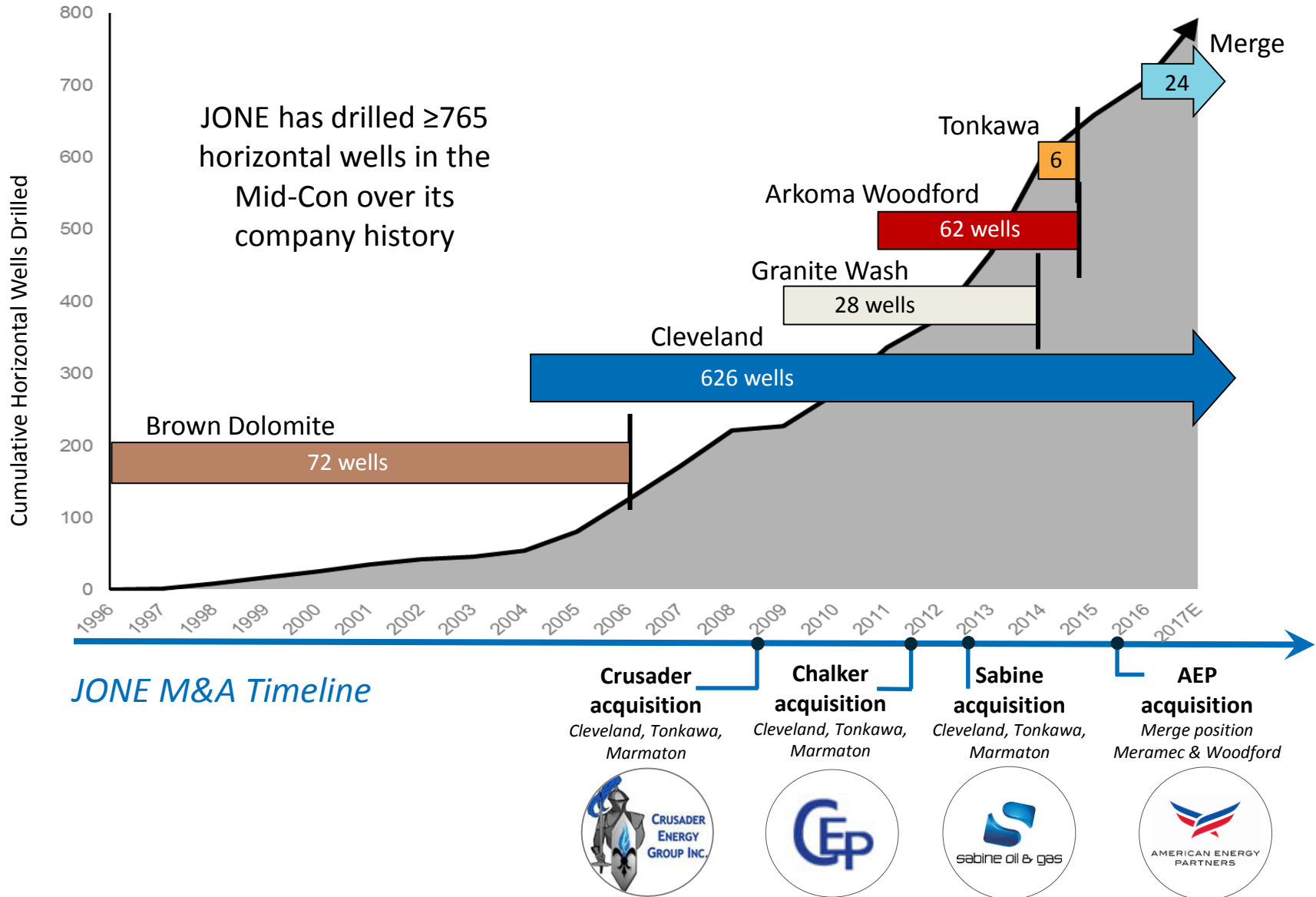
- **Western Anadarko Basin**
  - ~157,000 net acres
  - 2Q17 production of ~17.4 Mboe/d
- **Eastern Anadarko Basin (Merge)**
  - ~21,000 net acres
  - 2Q17 production of ~2.0 Mboe/d

## Operations Summary

- **Western Anadarko Basin**
  - Legacy asset with 1,577 total wells
  - 1 rig program
  - Working through DUC backlog
- **Merge**
  - 7 wells online + 5 wells in flowback
  - 2-rig program going to 3 in 4Q
  - Focused on acreage trades and delineation strategy



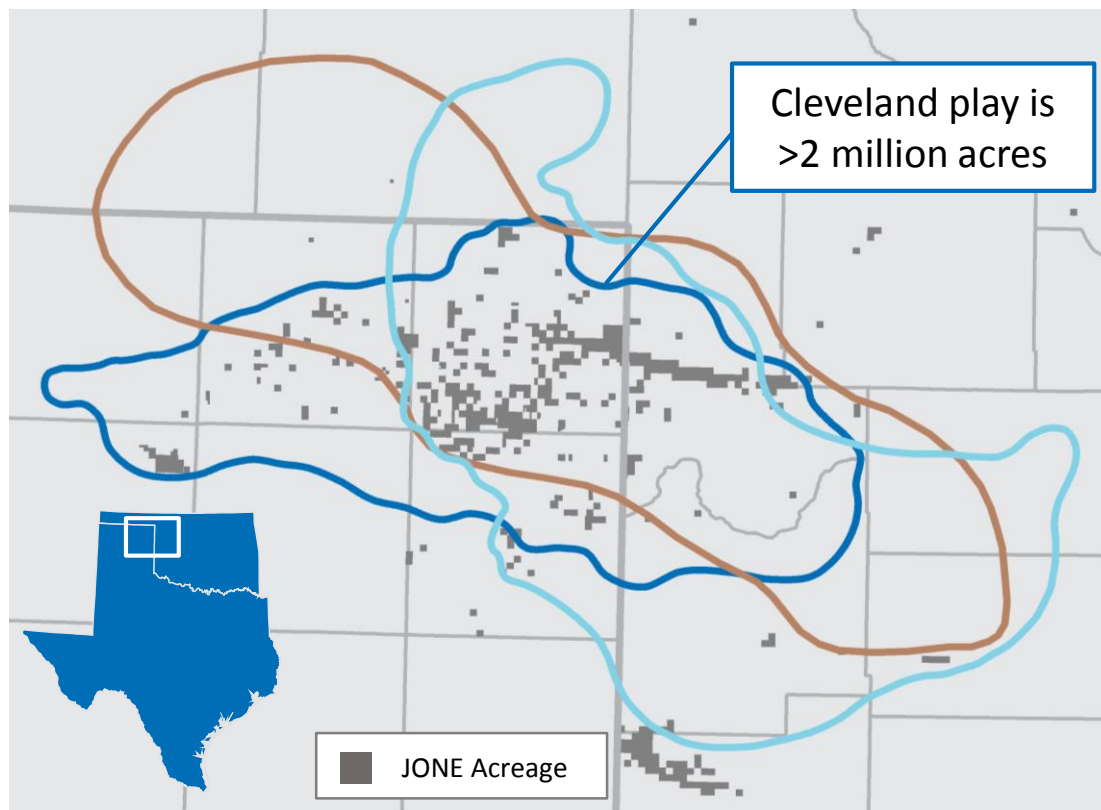
# Proven Track Record of Mid-Con Execution and Consolidation



# Western Anadarko Basin – Legacy Supports the Base

## Western Anadarko Stats:

- JONE has over 200,000 gross acres, 1577 wells and > 700 gross locations. The area is +83% HBP.
- Undrilled opportunity within the Marmaton as well as Tonkawa, Cherokee, Hogshooter and other formations.



### Current Target Formations

**Tonkawa**  
Sandstone  
Lease Acreage: ~160,000  
Gross Locations: 279

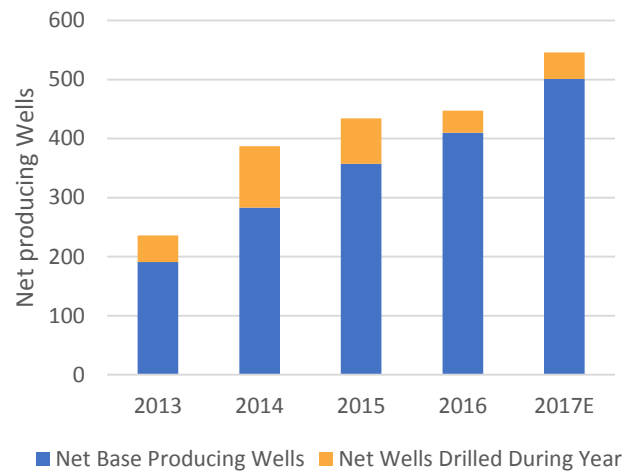
**Cleveland**  
Sandstone  
Lease Acreage: ~212,000  
Gross Locations: 788

**Marmaton**  
Sandstone  
Lease Acreage: ~115,000  
Gross Locations: 473

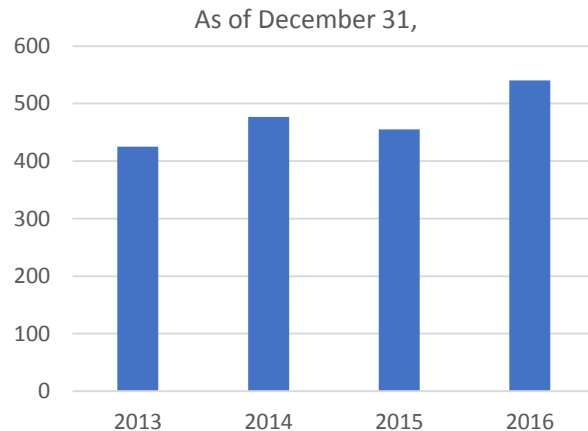
Lower Permian	Wolfcampian	Hugoton		
		Brown Dolomite		
		Chase / Council Grove		
	Virgilian	Admire		
		Upper Virgil		
		Douglas		
		<b>Tonkawa</b>	<b>7500'</b>	
Pennsylvanian	Missourian	Cottage Grove		
		Hogshooter		
		Checkerboard		
			<b>Cleveland</b>	<b>8500'</b>
	Desmoinesian		<b>Marmaton</b>	<b>9000'</b>
Oswego				
Cherokee				
Skinner				
Red Fork				
Atokan	Atoka			
	13 Finger Lime			
Morrowan	Morrow SH			
	Morrow SD			

# Strong D&C History in the Cleveland

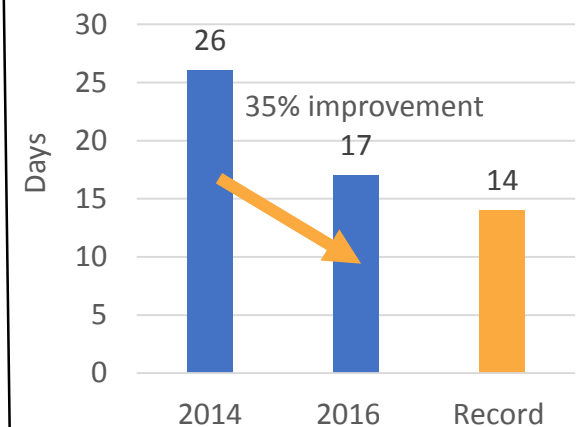
## Net Producing Cleveland Wells



## Net Identified Cleveland Drilling Locations



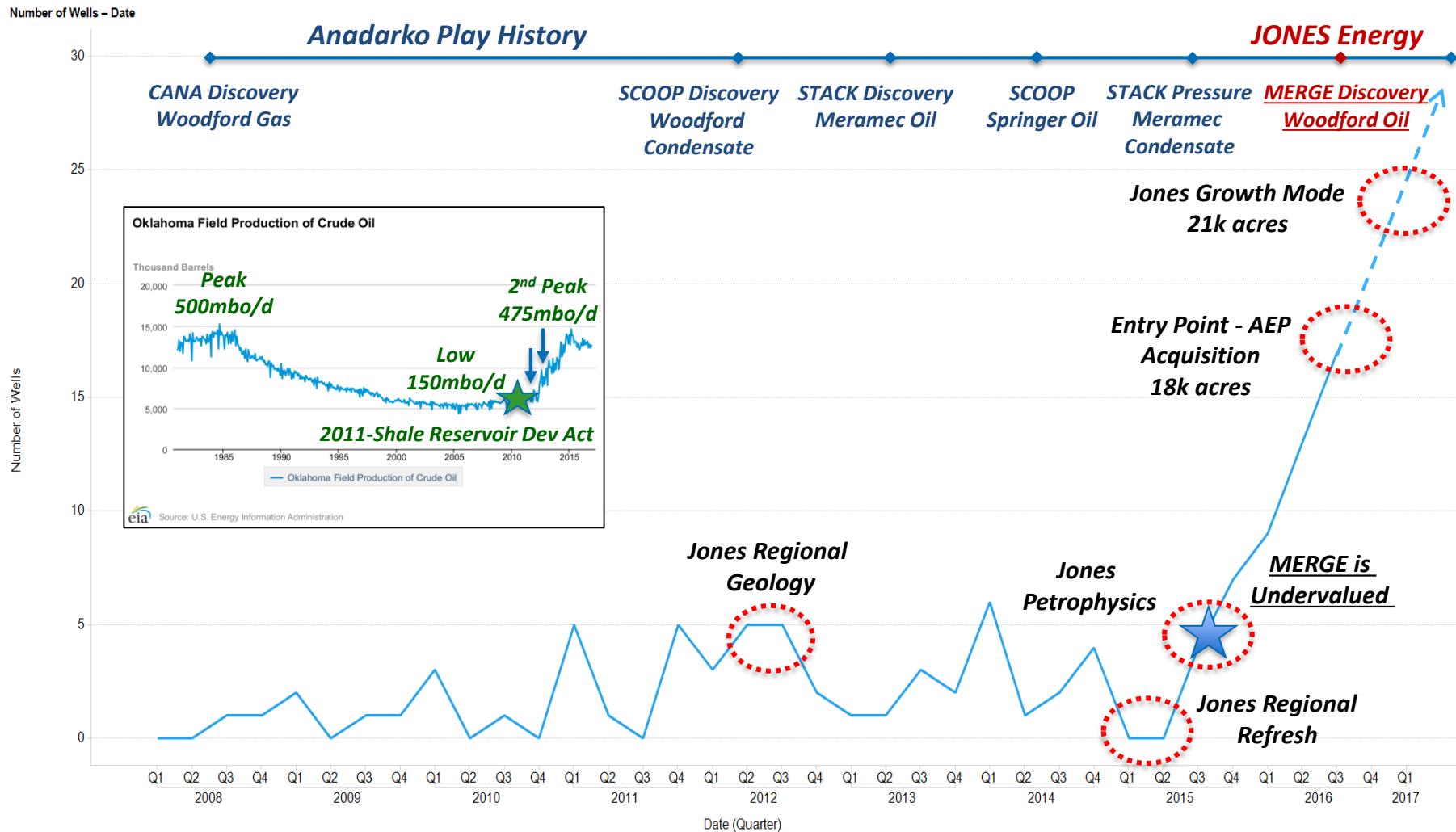
## Average Spud to Spud



- JONE solid reputation as best-in-class operator in the WAB
- Since IPO, JONE continues to increase inventory and drive efficiencies
- WAB offers significant value opportunities
- Public markets find valuation challenging

# Why Merge?

## MERGE Horizontal Drilling Permits Per Year



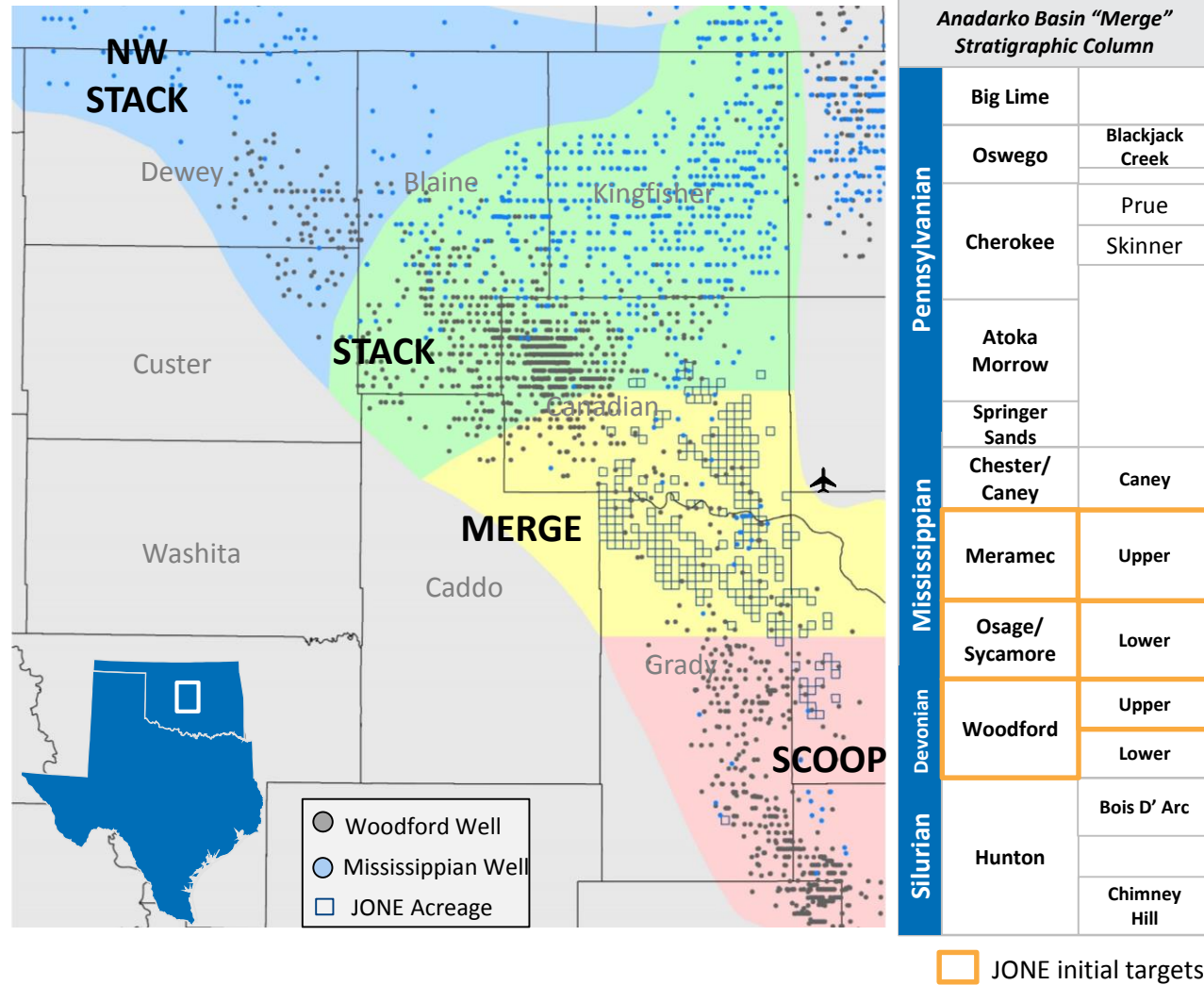


# What is the Merge Play?

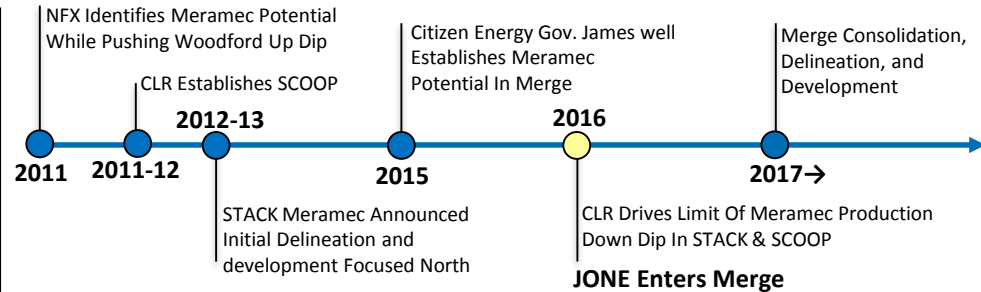
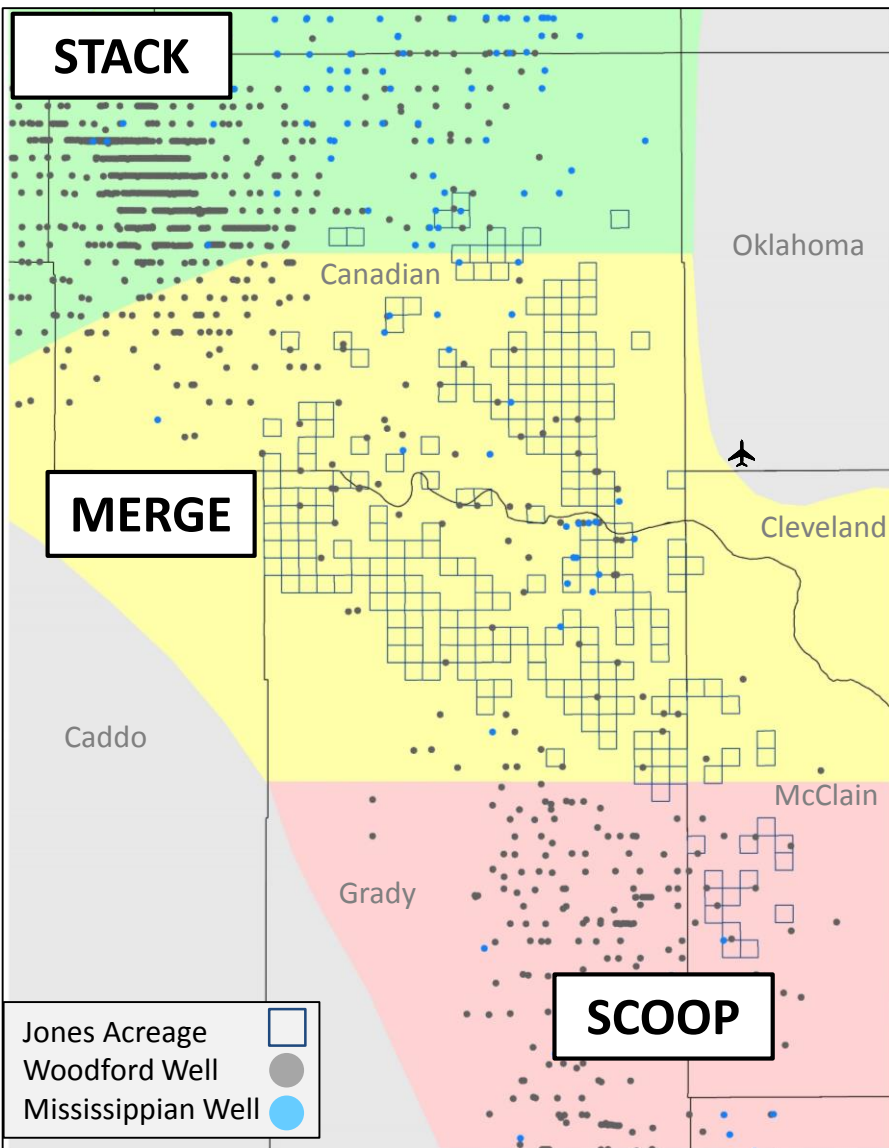
Merge located between the STACK and the SCOOP within the Anadarko Basin

## Key Points:

- Unique and distinguishing play characteristics
- “Best of Both” attributes including Meramec extension from STACK and Upper Woodford extension from SCOOP
- Multiple benches within proven productive zones
- Higher reservoir quality
- Additional upside from Hunton/Springer/etc.



# Merge Poised To Follow Similar Progression to SCOOP/STACK



## 2016 Highlights: “Year of the Merge”

- JONE enters the Merge play, September 2016
- **Meramec:** aggressively moving westward into over pressured, higher GOR Osage & Meramec facies
- **Woodford:** tested different Woodford landing points and saw an increase in proppant loading

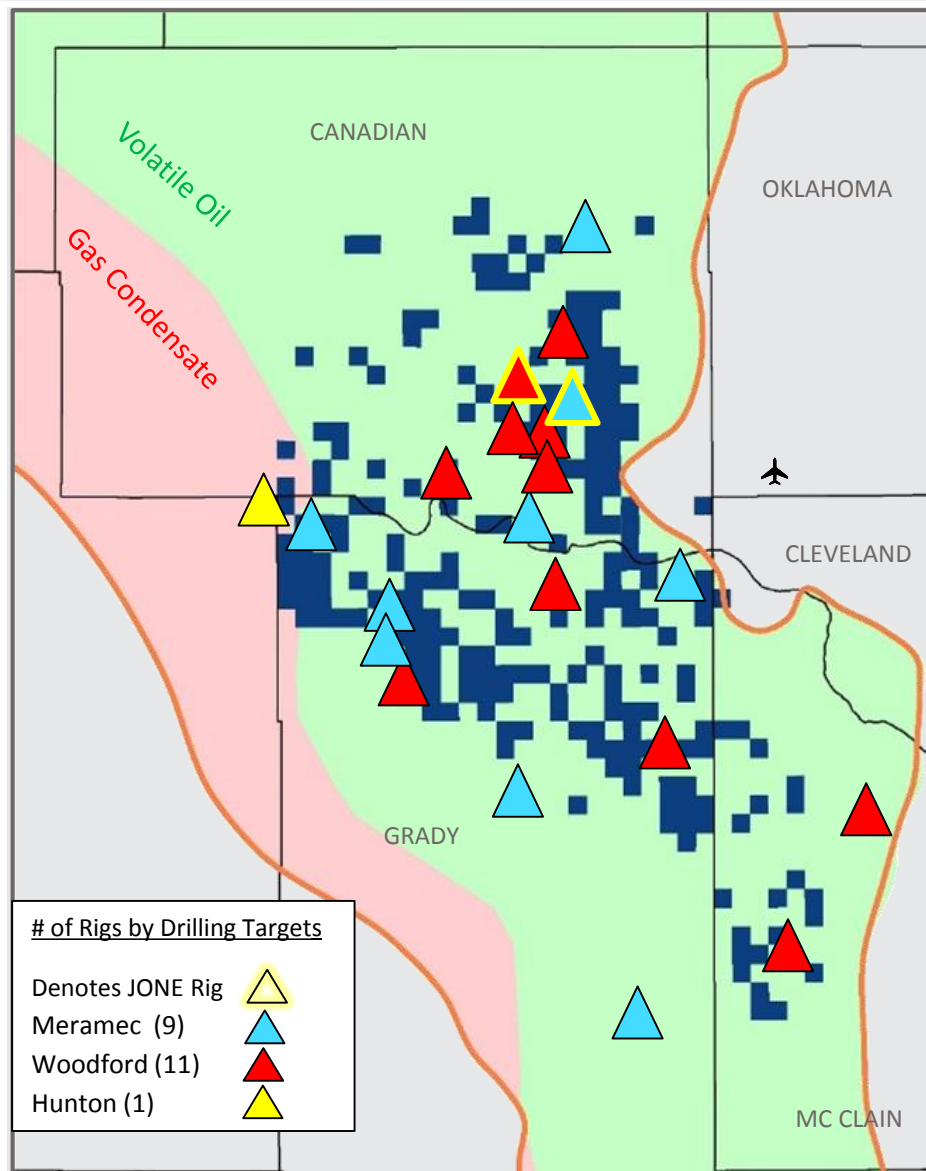
## 2017 To-Date:

- **Meramec:** JONE begins delineation of 7 stacked, proven productive benches
- **Woodford:** JONE optimizes completion design. Offset operator density testing underway.

# Current Merge Rig Activity

## Rigs by operator on the JONE Merge footprint

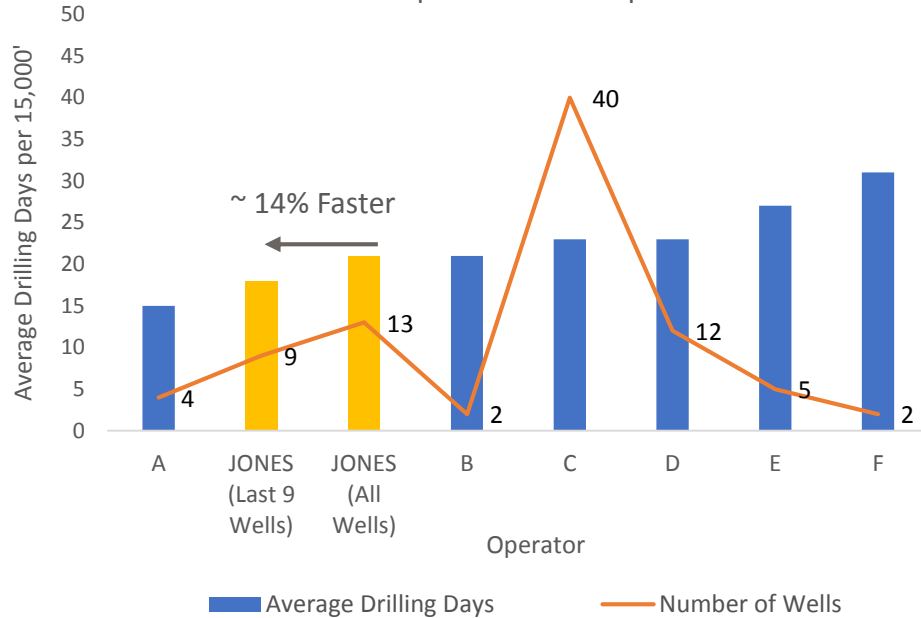
<u>Operator</u>	<u># of Rigs</u>
Citizen Energy	3
MRO	3
XEC	3
JONE	2
Gaedeke Energy	2
LINN	2
Travis Peak Resources	2
NFX	1
89 Energy	1
APA	1
Chaparral Energy	1
<b>Total</b>	<b>21</b>



# Driving Efficiencies in the Merge

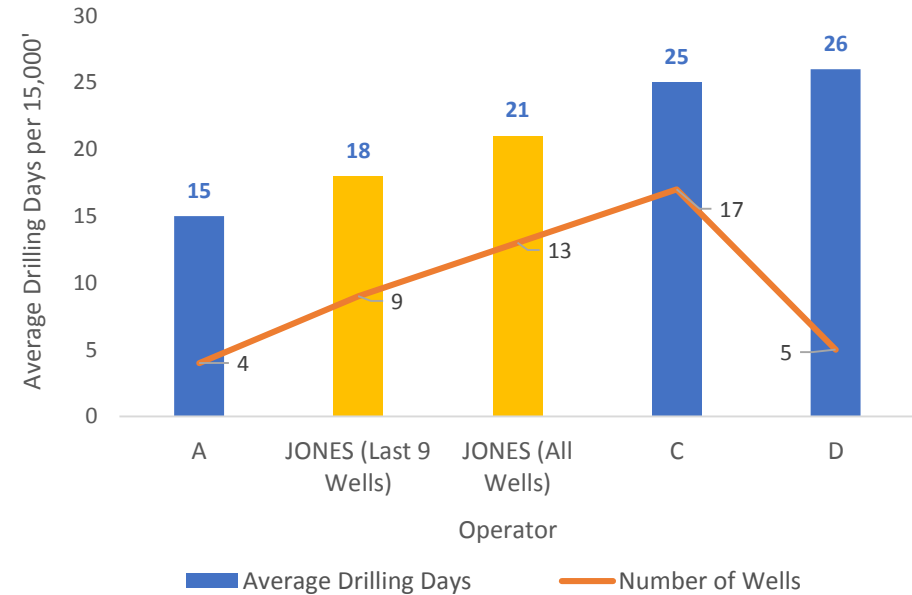
## Average Drilling Days

All Townships on JONE Footprint



## Average Drilling Days

Active Townships on JONE Footprint with > 3 Wells



## JONE program advancing from delineation mode to first round optimization

- Drill times for the last 9 wells decreased by ~30% over the first 4 wells
- JONE wells now averaging less than 20 days drill time.
- Reducing one day of drill time saves JONE ~\$45K

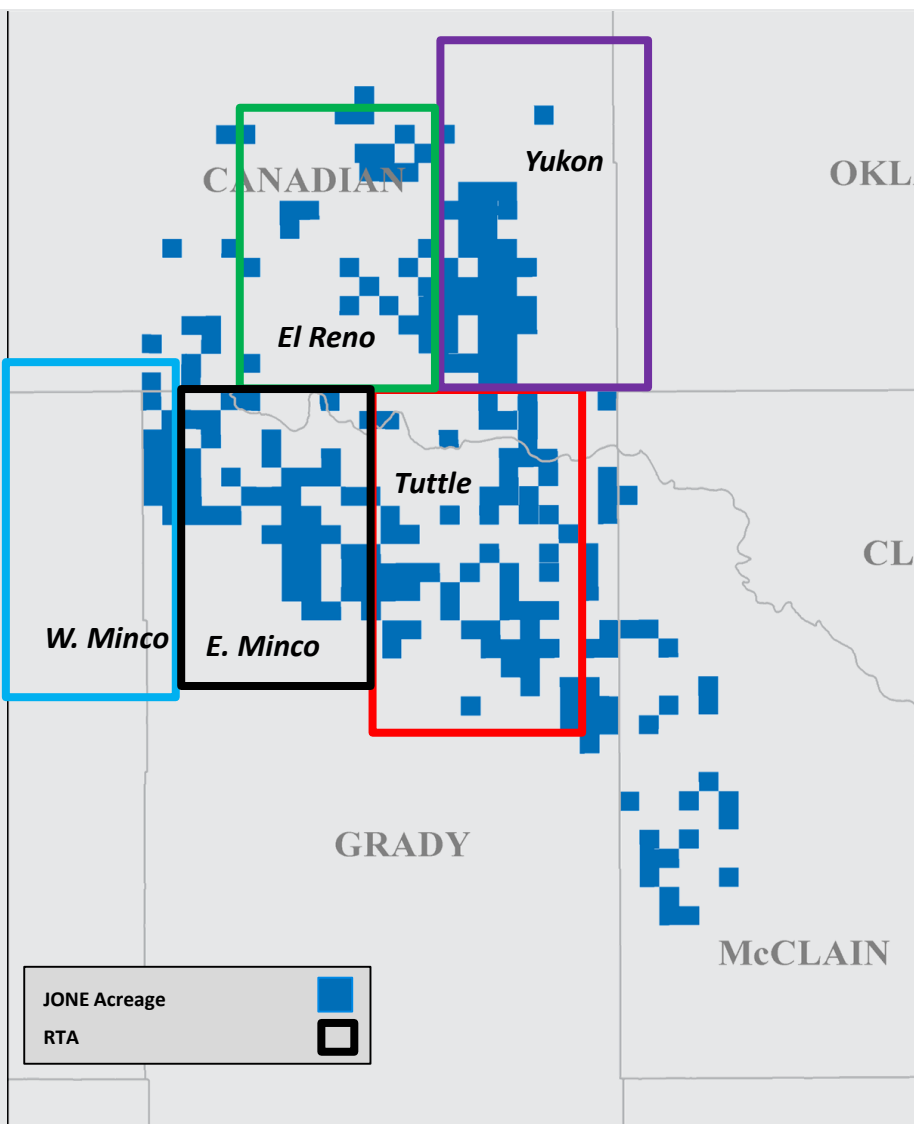
# JONE Merge Position

	<u>Merge Entry:</u> September 2016		<u>Today:</u> September 2017	
Net Acres:	16,975 <sup>1</sup>		21,279	
Operated Sections:	19		35	
Total Sections:	219		235	
	Gross Loc.	Resource <sup>2</sup> (MMBoe)	Gross Loc.	Resource <sup>2</sup> (MMBoe)
Meramec	740	115	1,106	193
Woodford	1,375	215	1,833	271
Hunton	0	0	252	32
Springer	0	0	60	9
TOTAL	2,115	330	3,251	505
Producing Wells:	27		51	
Net Production (Boe/d):	138		~3,000	

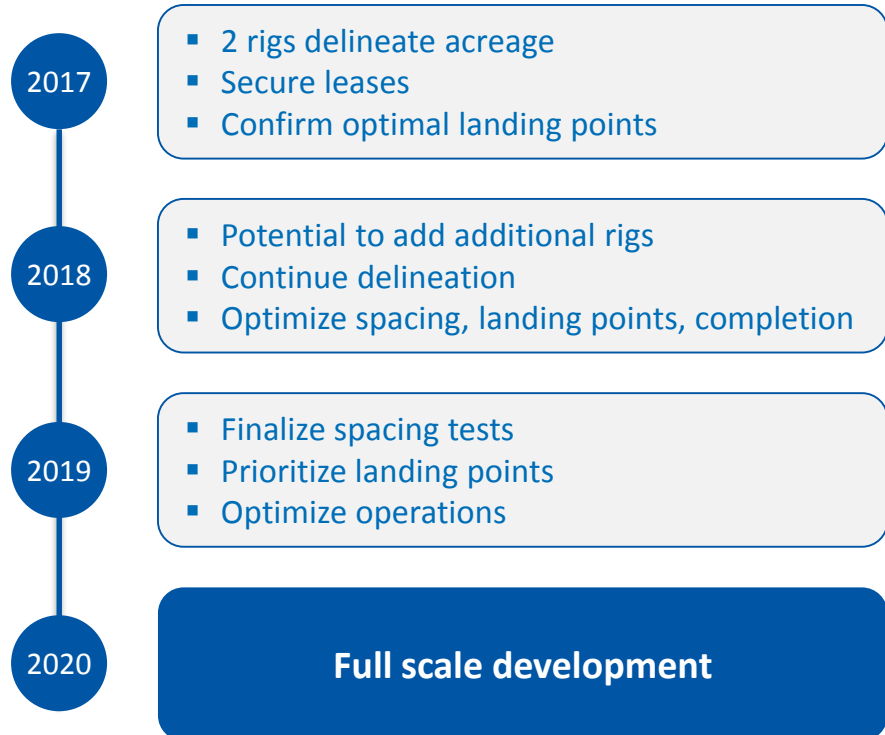
<sup>1</sup> Acreage closed and funded

<sup>2</sup> Net unrisks resource potential based on Company internal estimates

# Merge Development Plan



- Defined development areas of consistent geology <sup>[1]</sup>
  - Hydrocarbon phase
  - Pressure gradient
  - Landing point
  - Drilling depth range
- Multi-year strategy to maximize resource value



Note:  
 [1] Reliable technology areas (RTA); SEC mechanism for unconventional reserve booking. RTA data acquisition includes rock, fluids, and active/passive seismic.

# All in on the Merge

- Third Merge rig
- Long lateral drilling - both 7,500' and 10,000' wells
- Specific bench testing
- Further completion optimization
- Pad drilling
- Density trials
- Gradual ramp in rigs

