

Sequitur

ENERGY RESOURCES LLC



January 23, 2020

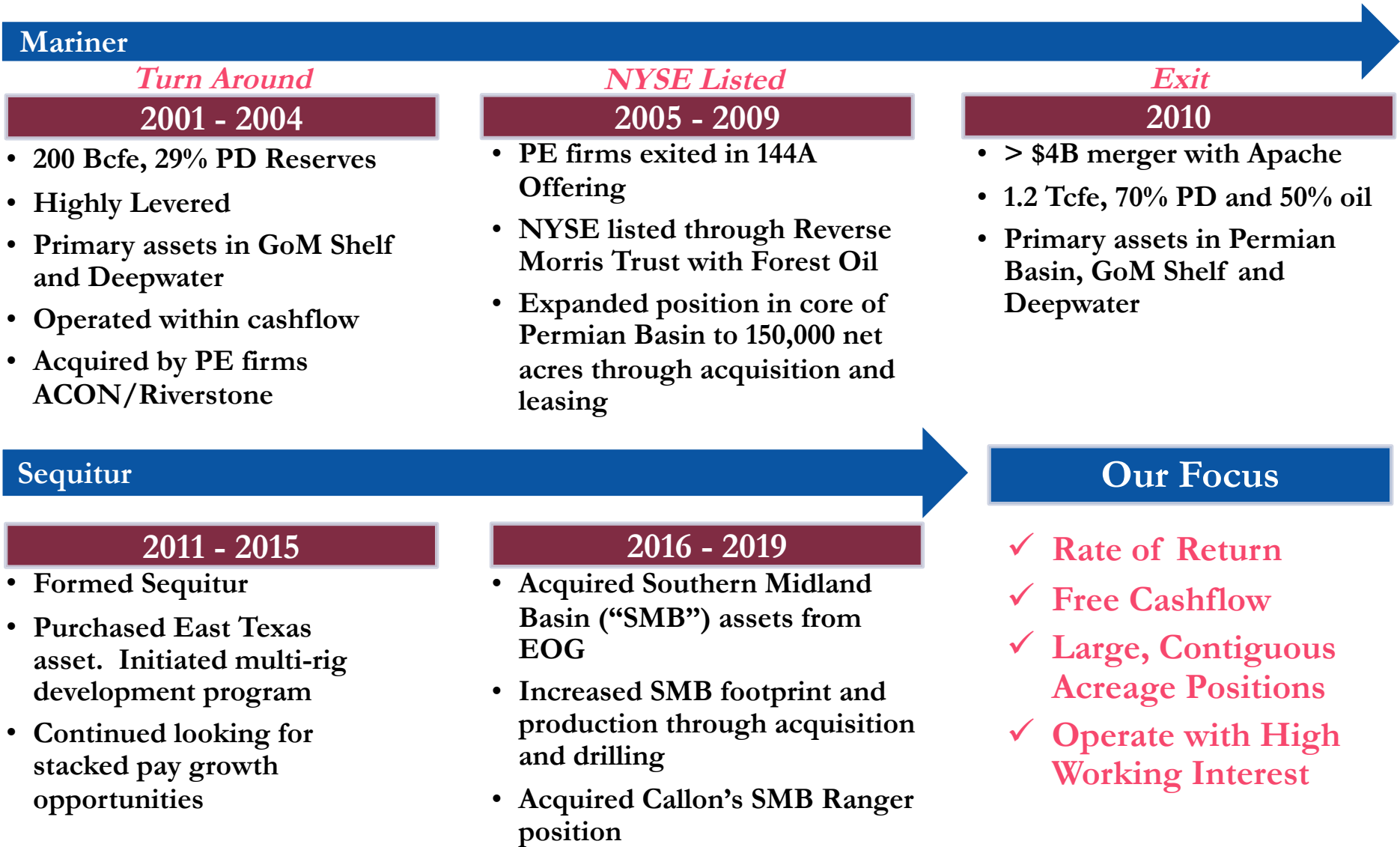
JW MARRIOTT HOUSTON
by THE GALLERIA
HOUSTON, TX

Disclaimer

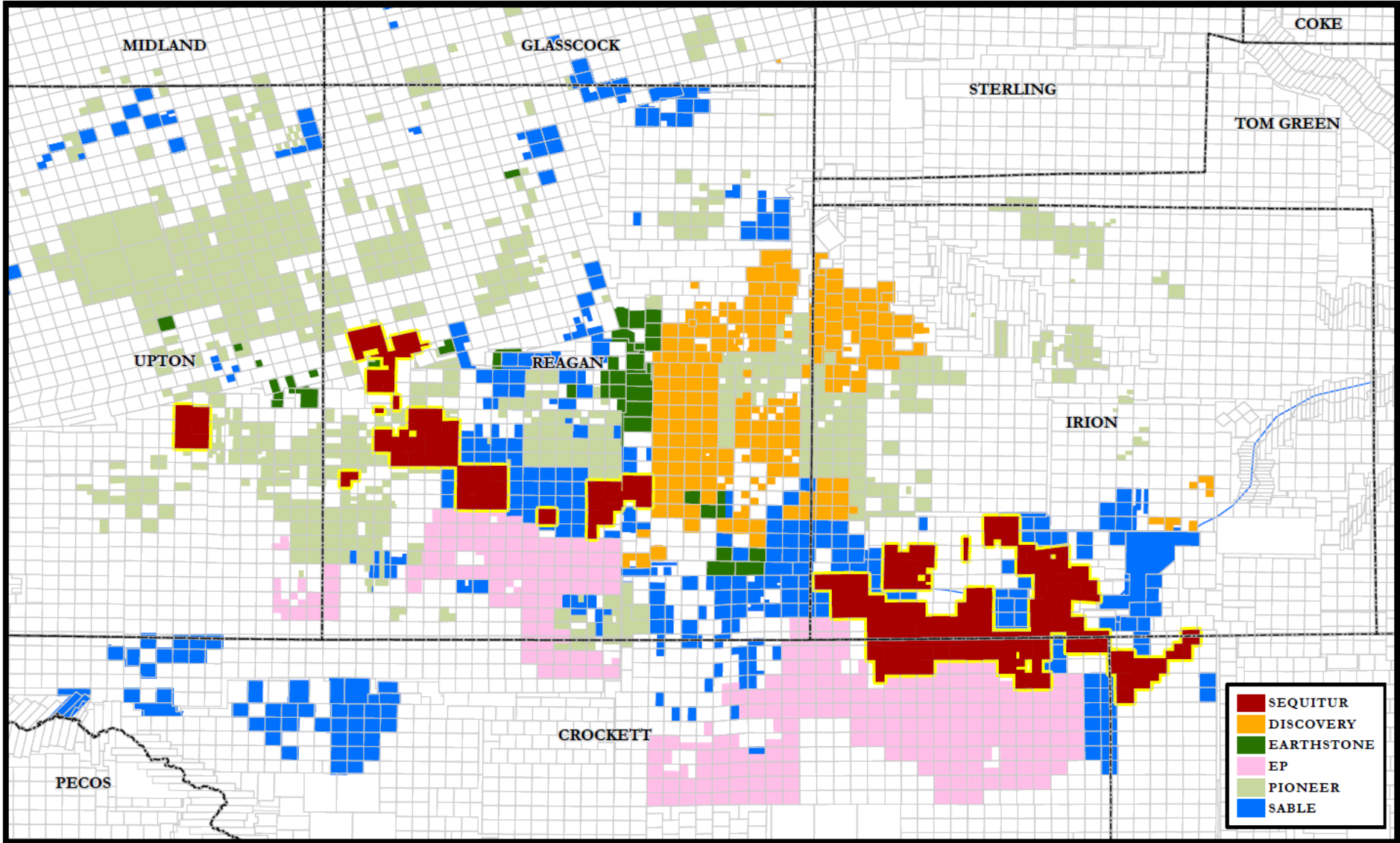
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Presentation and the oral statements made in connection with it, may include “forward-looking statements.” All statements, other than statements of historical facts, concerning, among other things, planned capital expenditures, increases in oil and gas production, the number of anticipated wells to be drilled or completed after the date of this Presentation, future cash flows and borrowings, pursuit of potential acquisition opportunities and our financial position, business strategy and other plans and objectives of management are forward-looking statements. These forward-looking statements may be identified by their use of terms and phrases such as “may,” “expect,” “estimate,” “project,” “plan,” “believe,” “intend,” “achievable,” “anticipate,” “will,” “continue,” “potential,” “should,” “could,” and similar terms and phrases. Forward-looking statements are subject to risks and uncertainties, and are not guarantees of future performance. Actual results or developments may differ materially from the projections in the forward-looking statements. These forward-looking statements are based on management’s current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. We do not undertake any obligation to release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation to reflect the occurrence of unanticipated events. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. Except as required by applicable law, we do not assume a duty to update these forward-looking statements, whether as a result of new information, subsequent events or circumstances, changes in expectations or otherwise.

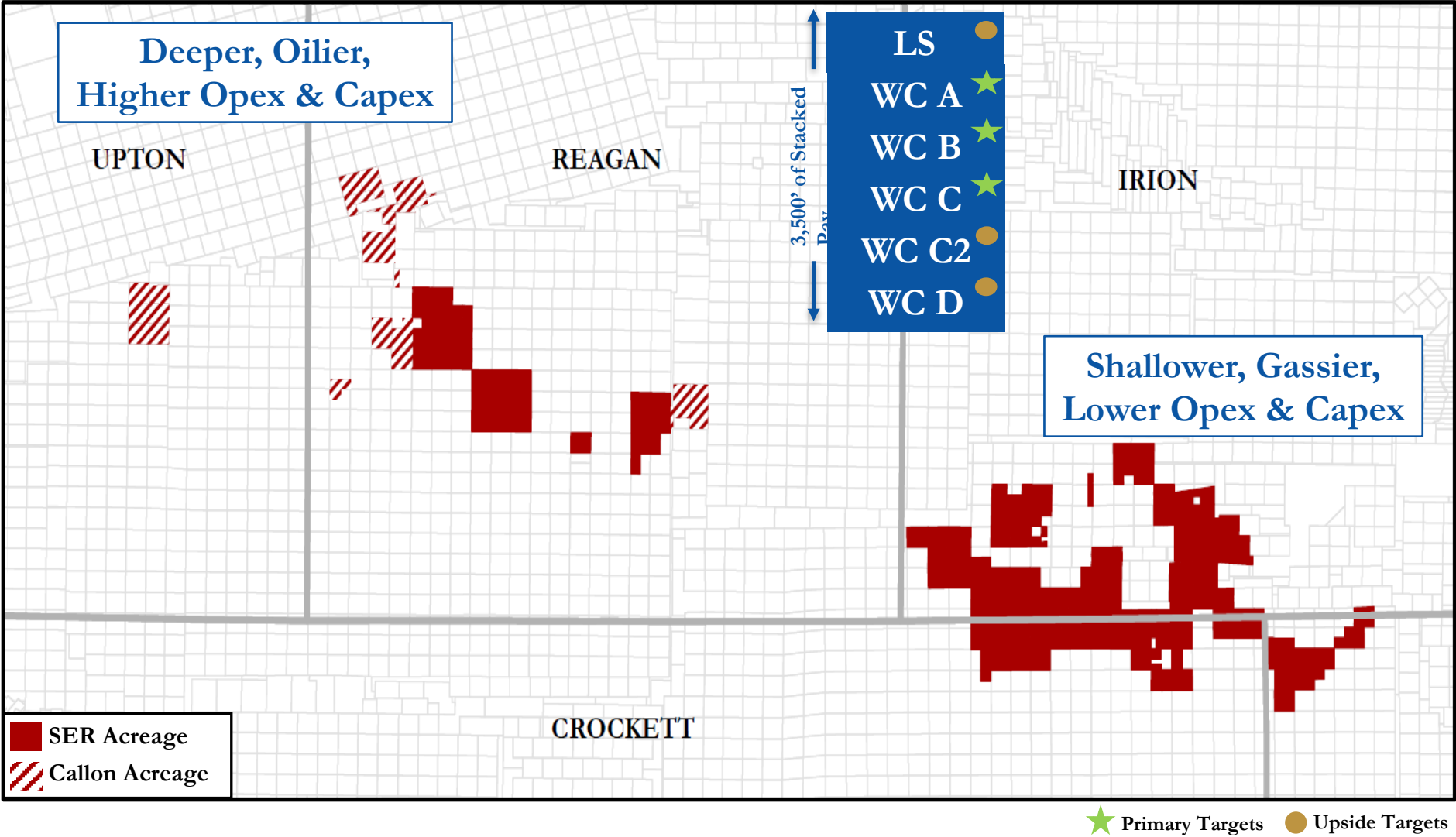
Sequitur Formed by Mariner Executive Management Team



Acreage Positions of SMB Operators



Sequitur's Acreage Positions are in the Thickest Part of WC



Callon Ranger Asset Transaction

Rationale

- Ranger asset no longer core to Callon
- Bolt-on to existing Reagan County position
- Significant operating synergies primarily related to infrastructure
- Increased primary target location count by > 160 as well as over 90 additional upside locations
- Average lateral length of additional locations is > 8,375'
- ~100% operated with average 77% WI

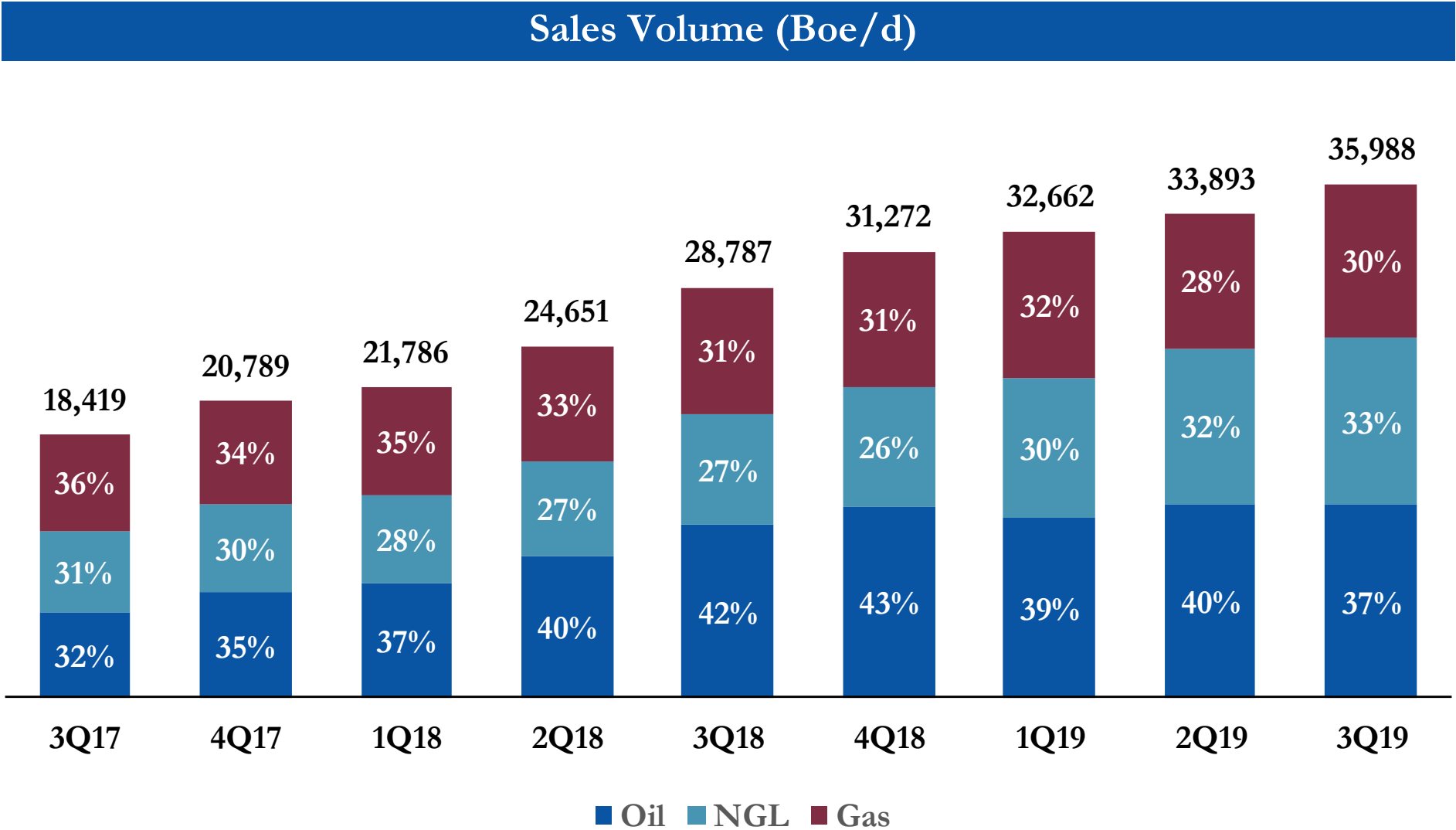
Excellent Transaction Metrics

- Purchase price of \$264.6MM effective 1/1/19 with contingent payments over 3 years subject to future average annual oil prices capped @ \$61.1MM
- 19 MMBoe PD Reserves representing > 80% of purchase price
- 11,085 net acres
- January 2019 Production: > 5,000 Boepd (~44% oil)
- Acreage cost < \$5,000/acre
- High single well IRR's

Financial Discipline

- Funded from revolver which was increased to \$750MM
- Paid down revolver by \$85MM in 2019
- No increase in corporate G&A
- Satisfied investment criteria

Quarterly Production Growth



Sequitur Data Sheet (including Callon Transaction)

Large Contiguous, Operated Position

- Current Production ~ 33,000 Boepd 33% oil, 67% liquids
- 90,000 net acres with ~60,000 net acres on University Lands
- 100% operated with average 89% WI and > 8,500 average lateral length
- YE18 PD Reserves: 110 MMBoe
- YE 18 Proved Reserves: 214 MMBoe

Large Inventory of De-Risked Locations

- > 830 locations at 880' spacing excluding upside locations
- IRR's of 30-50% in current commodity price environment
- Consistent and proven results with ~280 horizontal producing wells
- 3D seismic coverage on > 90% of acreage

Infrastructure in Place to Accommodate Growth

- 94 miles of water lines
- 67 miles of gas gathering lines connected to 3 separate gas processing companies
- 148 source water wells
- 32 frac ponds totaling 11.7MM bbls capacity
- 10 saltwater disposal wells
- 1 recycling facility