



**CONTANGO OIL & GAS COMPANY**

**SEPTEMBER 2019**

# Forward Looking Statements

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current expectations of Contango Oil & Gas Company (“Contango” or the “Company”) and include statements regarding the pending acquisition of the Will Energy Properties, our estimates of future production, and other guidance (including information regarding lease operating expenses and cash G&A expenses), acquisitions and divestitures, hedging strategy, future results of operations, quality and nature of the asset base, the assumptions upon which estimates are based and other expectations, beliefs, plans, objectives, assumptions, strategies or statements about future events or performance. Words and phrases used to identify our forward-looking statements include terms such as “guidance”, “expects”, “estimate”, “projects”, “anticipates”, “plans”, “estimates”, “potential”, “possible”, “probable”, or “intends”, or words and phrases stating that certain actions, events or results “may”, “will”, “should”, or “could” be taken, occur or be achieved. Statements concerning oil and gas reserves also may be deemed to be forward looking statements in that they reflect estimates based on certain assumptions that the resources involved can be economically exploited. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those, reflected in the statements. These risks include, but are not limited to: the risks of the oil and gas industry (for example, operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to future production, costs and expenses; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; health, safety and environmental risks and risks related to weather such as hurricanes and other natural disasters); our ability to complete the acquisition of the Will Energy Properties; fluctuations in oil and gas prices; risks associated with derivative positions; our ability to realize expected value from acquisitions and to complete strategic dispositions of assets and realize the benefits of such dispositions; the concentration of drilling in the Southern Delaware Basin, including lower than expected production attributable to down spacing of wells; the need to take impairments on properties due to lower commodity prices; the limited trading volume of our common stock and general market volatility; the recent low trading price of our common stock and the risk we are not able to comply with NYSE American's listing standards; ability of our management team to execute its plans or to meet its goals; shortages of drilling equipment, oil field personnel and services; unavailability of gathering systems, pipelines and processing facilities; the possibility that government policies may change or governmental approvals may be delayed or withheld; and the other factors discussed under the “Risk Factors” in our most recent annual report on Form 10-K and our quarterly reports on Form 10-Q filed with or furnished to the Securities and Exchange Commission. Additional information on these and other factors which could affect Contango’s operations or financial results are included in Contango’s reports on file with the Securities and Exchange Commission. Investors are cautioned that any forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from the projections in the forward-looking statements. Forward-looking statements speak only as of the date they were made and are based on the estimates and opinions of management at the time the statements are made. Contango does not assume any obligation to update forward-looking statements should circumstances or management's estimates or opinions change, except as required by law.*

## *Cautionary Statements Regarding Reserves*

*This presentation includes certain estimates of proved, probable and possible reserves that have not been prepared in accordance with SEC pricing guidelines. Other estimates of hydrocarbon quantities included herein may not comport with specific definitions of reserves under SEC rules and cannot be disclosed in SEC filings. These estimates have been prepared by the Company and are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the Company.*

*The estimates and guidance presented in this presentation are based on assumptions of capital expenditure levels, prices for oil, natural gas and NGLs, current indications of supply and demand for oil, well results and operating costs. IP and other production rates included in this presentation might not be indicative of production over longer periods in the life of the well. The guidance provided in this presentation does not constitute any form of guarantee or assurance that the matters indicated will be achieved. While we believe these estimates and the assumptions on which they are based are reasonable, they are inherently uncertain and are subject to, among other things, significant business, economic, operational and regulatory risks and uncertainties and are subject to material revision. Actual results may differ materially from our estimates and guidance, and we undertake no duty to update these statements.*

*For more cautionary statements about these estimates and the estimates of potential drilling locations, please read “Disclaimer” included in the appendix to this presentation.*

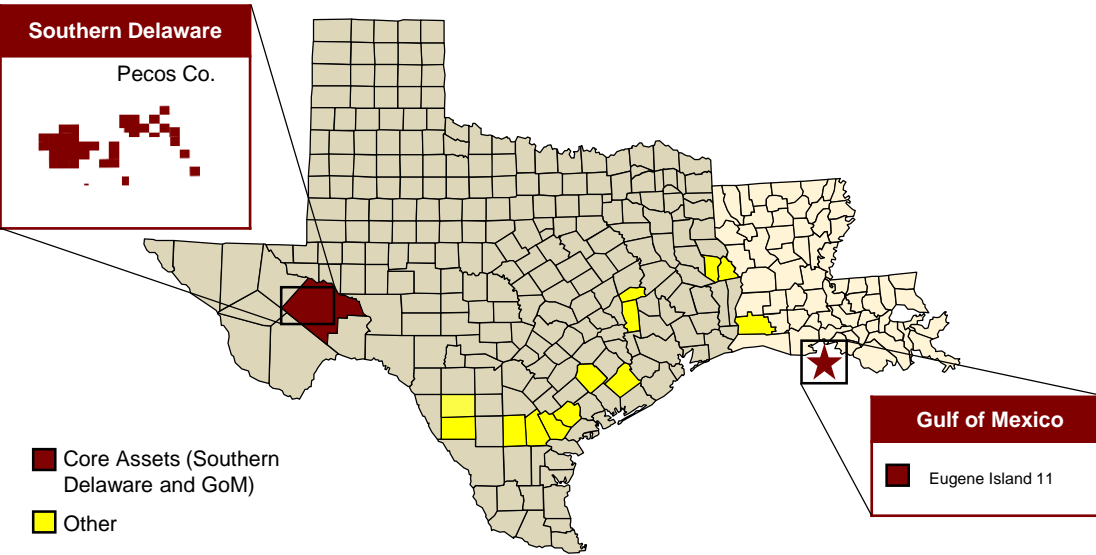
## Recent Highlights

- ✓ Highly supportive, value-based equity ownership
- ✓ New management and directors committing time and capital to transforming business
- ✓ Acquisition of ~1,900 net acres in Pecos County (NE Bullseye)

## Current Initiatives

- ✓ New credit facility led by JPMorgan
- ✓ Strategic long-lived, PDP-focused acquisitions to enhance cash flow and financial flexibility
  - A&D market ripe for consolidation; cost-effective acquisitions to achieve G&A and other operational synergies
  - Pipeline becoming more active with expected Fall 2019 borrowing base cuts across the industry due to lower bank price decks
- ✓ Prudent development of high-graded Permian assets (NE Bullseye)
- ✓ Long-term, growth-oriented investment platform
  - Public company is ideal for roll up strategy due to permanent capital structure and lower long-term cost of equity capital relative to private equity

## Map of Key Assets <sup>(1)</sup>



Note: Additional assets in Mississippi and Wyoming not shown

## Southern Delaware

- 8,400 net operated acres within premier U.S. onshore play
  - Bullseye: 6,500 net; NE Bullseye: 1,900 net
- Acreage materially de-risked from recent development by Contango and offset operators
- Drill schedule in 2018 and 2019:
  - 2018: 8 wells drilled and 7 wells completed
  - 2019: 4 wells drilled, 1 additional well being drilled and 2 wells completed with an additional 4 to be completed
- Targeting WC A, WC B; prospective for Bone Spring
- Midstream integration / optionality
- Additional upside from bolt-on acquisition opportunities

## Gulf of Mexico

- Stable production / cash flow base supported by active hedging program
- Shallow shelf position
  - Eugene Island situated in 13' of water
- 100% PDP with effective decline of ~10% annually
- Minimal incremental capex and total net P&A liabilities of < \$11mm as of December 2018

## Non-Core / Divestiture Candidates

- Non-core assets / divestiture opportunities provide path to enhanced liquidity / financial flexibility
- Southeast Texas (Woodbine, Eagle Ford, Georgetown, Haynesville, James Lime Buda and Austin Chalk), South Texas (Eagle Ford, Georgetown), Rockies (Muddy Sandstone), ~37% equity interest in Exaro Energy III, LLC, other assets (TMS)

Asset Area	Q2 2019 Net Production (MBoe/d)	Proved Reserves <sup>(2)</sup> (MMBoe)	Proved PV-10 <sup>(2)</sup> (\$mm)
Southern Delaware	1.0	9.8	\$77.2
Gulf of Mexico	3.2	8.2	100.1
Other	1.2	3.9	43.2
<b>Consolidated Total</b>	<b>5.4</b>	<b>22.0</b>	<b>\$220.5</b>
~37% Exaro III Equity Interest	1.1	4.4	21.0
<b>Total Inclusive of Equity Interest</b>	<b>6.5</b>	<b>26.4</b>	<b>\$241.5</b>
Will Energy Properties <sup>(3)</sup>	1.5	5.2	39.4
<b>Pro Forma</b>	<b>8.0</b>	<b>31.7</b>	<b>\$280.9</b>

(1) Asset map excludes non-core assets located in Wyoming (Muddy Sandstone and ~37% equity interest in Exaro Energy III, LLC) as well as various Gulf Coast assets.

(2) SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing (\$65.56 Oil / \$3.10 Gas). Includes ~37% equity interest in Exaro Energy III LLC and Will Energy Properties.

(3) Will Energy Properties production is a 2Q 2019 and Will Energy reserves and PV-10 are as of 12/31/2018 using SEC pricing (\$65.56 Oil / \$3.10 Gas). Pro forma for 2019 acquisitions and divestitures. Effective date for reserves is as of December 31, 2018.

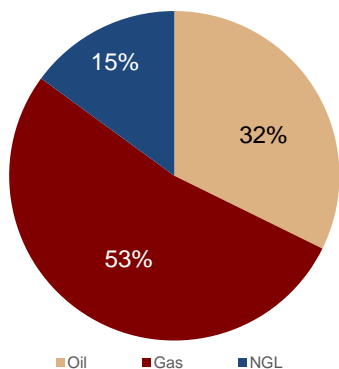
Note: PV-10 is a non-GAAP financial measure. See "PV-10 Definition" for reconciliation to comparable GAAP measure.

# Net Proved Reserves – Year End 2018 at SEC Pricing

As of 12/31/2018	Proved Reserves <sup>(1)</sup>				Proved PV-10 <sup>(1)</sup> (\$mm)
	Oil (MMBbl)	Gas (Bcf)	NGL (MMBbl)	Total (MMBoe)	
Proved Developed Producing	3.1	45.6	2.2	12.9	\$174.7
Proved Developed Non-Producing	0.0	1.2	0.1	0.3	1.6
Proved Undeveloped	6.3	7.4	1.2	8.8	44.2
<b>Consolidated Total Proved (1P)</b>	<b>9.4</b>	<b>54.2</b>	<b>3.5</b>	<b>22.0</b>	<b>\$220.5</b>
<i>~37% Exaro III Equity Interest (100% PDP)</i>	<i>0.3</i>	<i>25.0</i>	<i>0.0</i>	<i>4.4</i>	<i>21.0</i>
<b>Total Proved (1P)</b>	<b>9.7</b>	<b>79.2</b>	<b>3.5</b>	<b>26.4</b>	<b>\$241.5</b>
<i>Will Energy Properties <sup>(2)</sup></i>	<i>0.5</i>	<i>21.1</i>	<i>1.2</i>	<i>5.2</i>	<i>39.4</i>
<b>Pro Forma Total Proved (1P)</b>	<b>10.2</b>	<b>100.2</b>	<b>4.7</b>	<b>31.7</b>	<b>\$280.9</b>

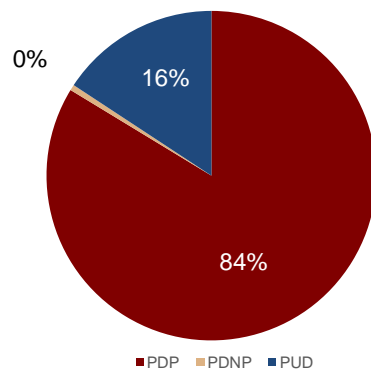
## Pro Forma Proved Reserves Summary <sup>(1)</sup>

### Proved Reserves Mix



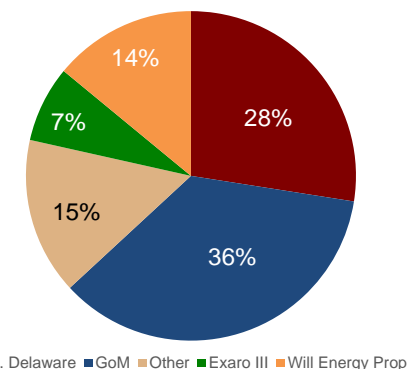
**Pro Forma Total MMBoe: 31.7**

### Proved PV-10 by Category



**Pro Forma Total PV-10: \$280.9mm**

### Proved PV-10 by Area



**Pro Forma Total PV-10: \$280.9mm**

(1) SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing (\$65.56 Oil / \$3.10 Gas). Includes ~37% equity interest in Exaro Energy III LLC and Will Energy Properties.

(2) SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing (\$65.56 Oil / \$3.10 Gas). Pro forma for 2019 acquisitions and divestitures. Effective date for Will Energy Properties reserves as of December 31, 2018.

Note: PV-10 is a non-GAAP financial measure. See "PV-10 Definition" for reconciliation to comparable GAAP measure.

# Acquisition Opportunity – Will Energy Properties

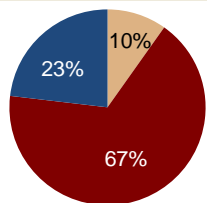
## Will Energy Properties Overview

- Core assets located in the North Louisiana (“N LA”) and Western Anadarko Basin (“WAB”)
- 159,872 net acres (~95% HBP / ~75% operated)
- 2Q 2019 net production: 1.5 MBoe/d
  - 13% oil, 22% NGLs, 66% gas
- Expected operational cash flow of ~\$5mm over the next twelve months
- Long-life, low decline assets - PDP decline rate of ~10%
- Low-risk upside potential
  - Multiple opportunities to arrest decline through targeted capex
  - Significant PDNP development potential in both fields
  - Large land position provides for PUDs and non-operated opportunities
- Contango has entered into a PSA to acquire key assets from Will Energy (“Will Energy Properties”)
  - Effective date 7/1/2019; expected close Q4 2019

## Net Proved Reserves – Year End 2018 at SEC Pricing<sup>(1)</sup>

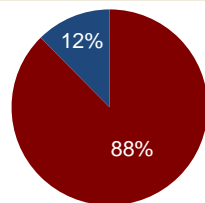
As of 12/31/2018	Proved Reserves				Proved
	Oil (MMBbl)	Gas (Bcf)	NGL (MMBbl)	Total (MMBoe)	PV-10 (\$mm)
North Louisiana PDP	0.4	2.1	0.1	0.9	\$13.0
Western Anadarko PDP	0.1	18.9	1.1	4.4	21.5
Western Anadarko SWD	--	--	--	--	4.9
<b>Total Proved (1P)</b>	<b>0.5</b>	<b>21.1</b>	<b>1.2</b>	<b>5.2</b>	<b>\$39.4</b>

Proved Reserves Mix



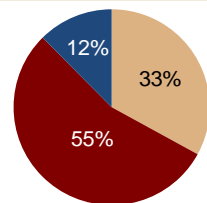
Total MMBoe: 5.2

Proved PV-10 by Category



Total PV-10: \$39.4mm

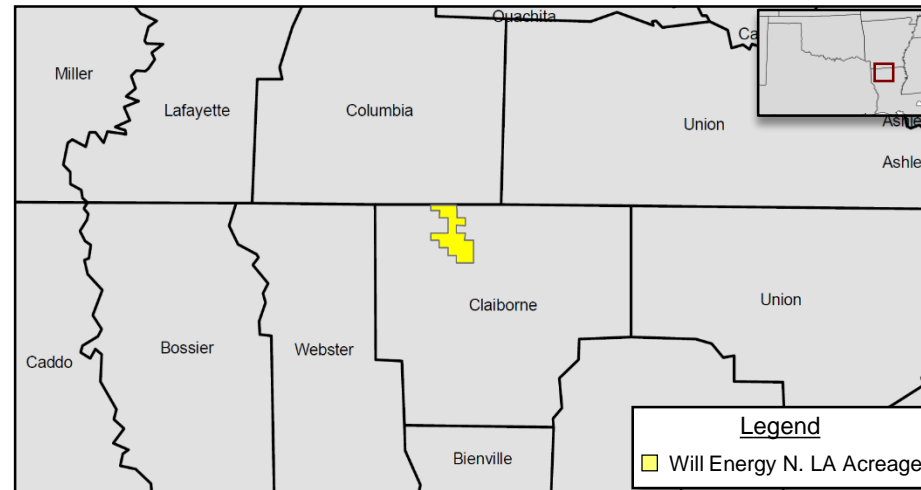
Proved PV-10 by Area



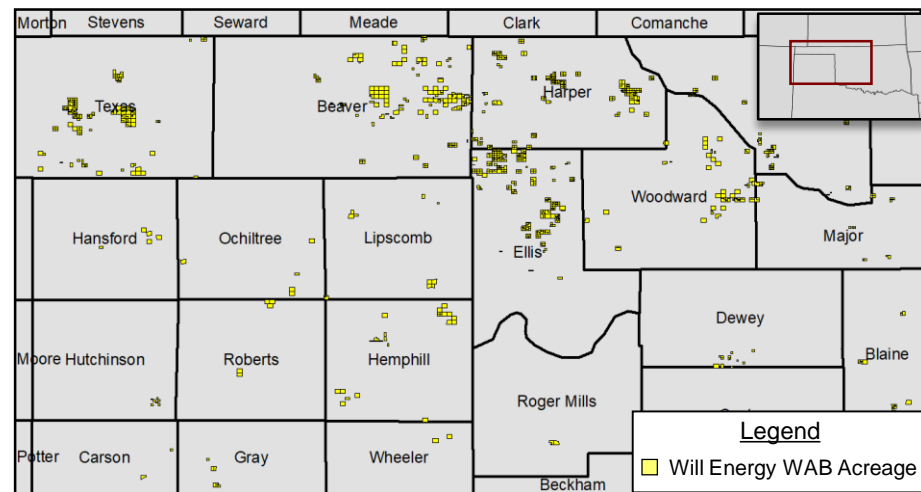
Total PV-10: \$39.4mm

## Map of Key Assets

### North Louisiana



### Western Anadarko Basin<sup>(2)</sup>



(1) SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing (\$65.56 Oil / \$3.10 Gas). Pro forma for 2019 acquisitions and divestitures. Effective date for reserves for Will Energy Properties as of December 31, 2018.

(2) Map does not include all Western Anadarko Basin acreage.

Note: PV-10 is a non-GAAP financial measure. See "PV-10 Definition" for reconciliation to comparable GAAP measure.

PV-10 is a non-GAAP financial measure and represents the present value, discounted at 10% per year, of estimated future cash inflows from proved natural gas and crude oil reserves, less future development and production costs using pricing assumptions in effect at the end of the period. PV-10 differs from Standardized Measure because it does not include the effects of income taxes on future net revenues. Neither PV-10 nor Standardized Measure represents an estimate of fair market value of our natural gas and crude oil properties. PV-10 is used by the industry and by our management as an arbitrary reserve asset value measure to compare against past reserve bases and the reserve bases of other business entities that are not dependent on the taxpaying status of the entity.

For purposes of the following table, proved reserves and PV-10 at December 31 is calculated using SEC pricing (see pages 3 and 4 for details), and PV-10 for December 31 is calculated using SEC pricing.

The following table provides a reconciliation of our Standardized Measure to PV-10 (in thousands):

	<b>December 31, 2018</b>	
	<u>Contango Standalone</u>	<u>Investment in Exaro<sup>(1)</sup></u>
Standardized measure of discounted future net cash flows	\$218,944	\$21,001
Future income taxes, discounted at 10%	1,563	0
Pre-tax net present value, discounted at 10%	<u>\$220,507</u>	<u>\$21,001</u>

A reconciliation of PV-10 of the Will Energy Properties to the standardized measure of discounted future net cash flows is unavailable to Contango without unreasonable effort. Contango is not able to provide a quantitative reconciliation because certain items required for such reconciliation are outside of the company's control and/or cannot be reasonably determined.

(1) Exaro does not include the effect of income taxes because Exaro is treated as a partnership for tax purposes.

This presentation includes certain estimates of proved reserves that have not been prepared in accordance with SEC pricing guidelines. Other estimates of hydrocarbon quantities and type curve metrics included herein (including average type curve metrics for the Southern Delaware Basin) may not comport with specific definitions of reserves under SEC rules and cannot be disclosed in SEC filings. The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves, which are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions (using unweighted average 12-month first day of the month prices), operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation.

SEC rules require pricing of reserves using a 12-month first day of the month index price average as of December 31, 2018, which were \$65.56 per barrel of oil and condensate and \$3.10 per MMBtu of natural gas, before adjustments for regional price differentials and transportation costs.

Offshore and Southern Delaware Basin reserves at December 31, 2018, were prepared by William M. Cobb & Associates. Remaining onshore reserves at December 31, 2018 were prepared by Netherland Sewell & Associates, Inc. All other reserves prepared by Company-engineered reserve reports, except where otherwise stated.

We cannot assure you that all of our acreage will ultimately be prospective in all or any of the targeted zones, or that such acreage will ultimately be drilled or included in drilling units. For purposes of estimates in this presentation, we have assumed that our acreage is prospective and capable of being included in drilling units of sufficient size to drill wells with 10,000 foot laterals.

Type curve metrics described herein refer to the Company's internal estimates of average per well hydrocarbon quantities and production profiles that may be potentially recovered from a hypothetical future well developed generally from the most analogous information available based on the average offset well performance of Company or third party operator wells with similar lateral lengths and completion styles. These quantities do not necessarily constitute or represent reserves within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or SEC rules. There is no assurance that the Company will achieve comparable results on its acreage and individual well results will vary. Information concerning the Southern Delaware Basin is based solely upon analysis of third party data and drilling results and is therefore subject to greater risk of recovery.

Estimates of proved reserves disclosed in this presentation should be read together with the estimates of proved reserves that have been prepared in accordance with applicable SEC regulations and included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. Net production for the quarter ended June 30, 2019 (excluding production from assets divested subsequent to June 30, 2019) disclosed in this presentation should be read together with the Company's reported production results for the quarter ended June 30, 2019 included in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2019.