



**MAGNUM  
HUNTER  
RESOURCES  
CORPORATION**

# THE UNCONVENTIONAL RESOURCE COMPANY



**MAGNUM HUNTER RESOURCES CORPORATION**

Investor Presentation

January 2015



# Substantial Leasehold Inventory



As of September 30, 2014

	Developed Acreage <sup>(1)</sup>		Undeveloped Acreage <sup>(2)</sup>		Total Acreage	
	Gross	Net	Gross	Net	Gross	Net
<b>Appalachian Basin <sup>(3)</sup></b>						
Marcellus Shale	58,334	57,908	28,066	22,651	86,400	80,559
Utica Shale	68,887	64,991	59,251	52,925	128,139	117,916
Magnum Hunter Production	145,086	109,568	167,139	146,736	312,225	256,305
Other	24,620	24,620	40	17	24,660	24,637
<b>Total</b>	<b>296,928</b>	<b>257,087</b>	<b>254,496</b>	<b>222,329</b>	<b>551,424</b>	<b>479,416</b>
<b>South Texas</b>						
Other <sup>(4)</sup>	1,777	880	618	546	2,395	1,426
<b>Total</b>	<b>1,777</b>	<b>880</b>	<b>618</b>	<b>546</b>	<b>2,395</b>	<b>1,426</b>
<b>Williston Basin - USA</b>						
North Dakota <sup>(5)</sup>	174,456	47,124	88,973	38,783	263,428	85,907
<b>Total</b>	<b>174,456</b>	<b>47,124</b>	<b>88,973</b>	<b>38,783</b>	<b>263,428</b>	<b>85,907</b>
<b>MHR TOTAL</b>	<b>473,161</b>	<b>305,091</b>	<b>344,087</b>	<b>261,658</b>	<b>817,248</b>	<b>566,749</b>



(1) Developed acreage is the number of acres allocated or assignable to producing wells or wells capable of production

(2) Undeveloped acreage is lease acreage on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and natural gas, regardless of whether such acreage includes proved reserves

(3) Approximately 48,578 Gross Acres and 43,273 Net Acres overlap in our Utica Shale and Marcellus Shale

(4) Pertains to certain miscellaneous properties in Texas and Louisiana

(5) Includes the acreage associated with the recent divestitures of non-core assets in Divide County, North Dakota

# Appalachian Division Overview



## Overview

### ➤ Proved Reserves and PV-10

- Total proved reserves of **64.1** MMBoe as of 6/30/14
- Proved producing reserves of **30.0** MMBoe as of 6/30/14
- PV-10 of \$622.9 million as of 6/30/14

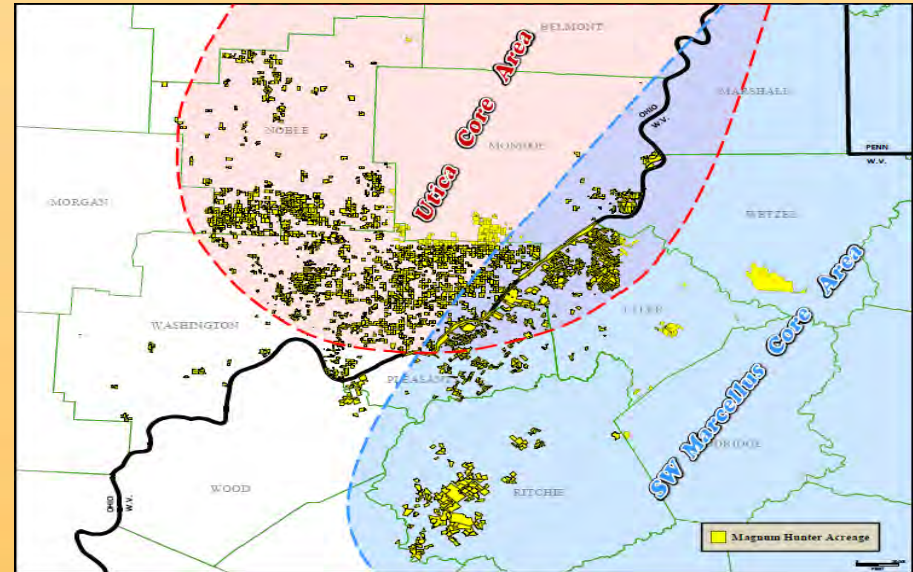
### ➤ Acreage Position

- **~477,600** net acres in the Appalachian Basin
- **80,300** net acres located in the Marcellus Shale
  - 387 gross remaining Marcellus well locations<sup>(1)</sup>
- **118,500** net acres prospective for the Utica Shale
  - 464 gross remaining Utica well locations<sup>(1)</sup>



(1) Marcellus/Utica well locations only contemplate locations with a working interest > 70%

## Areas of Operation



### Utica and Marcellus Shale Overview

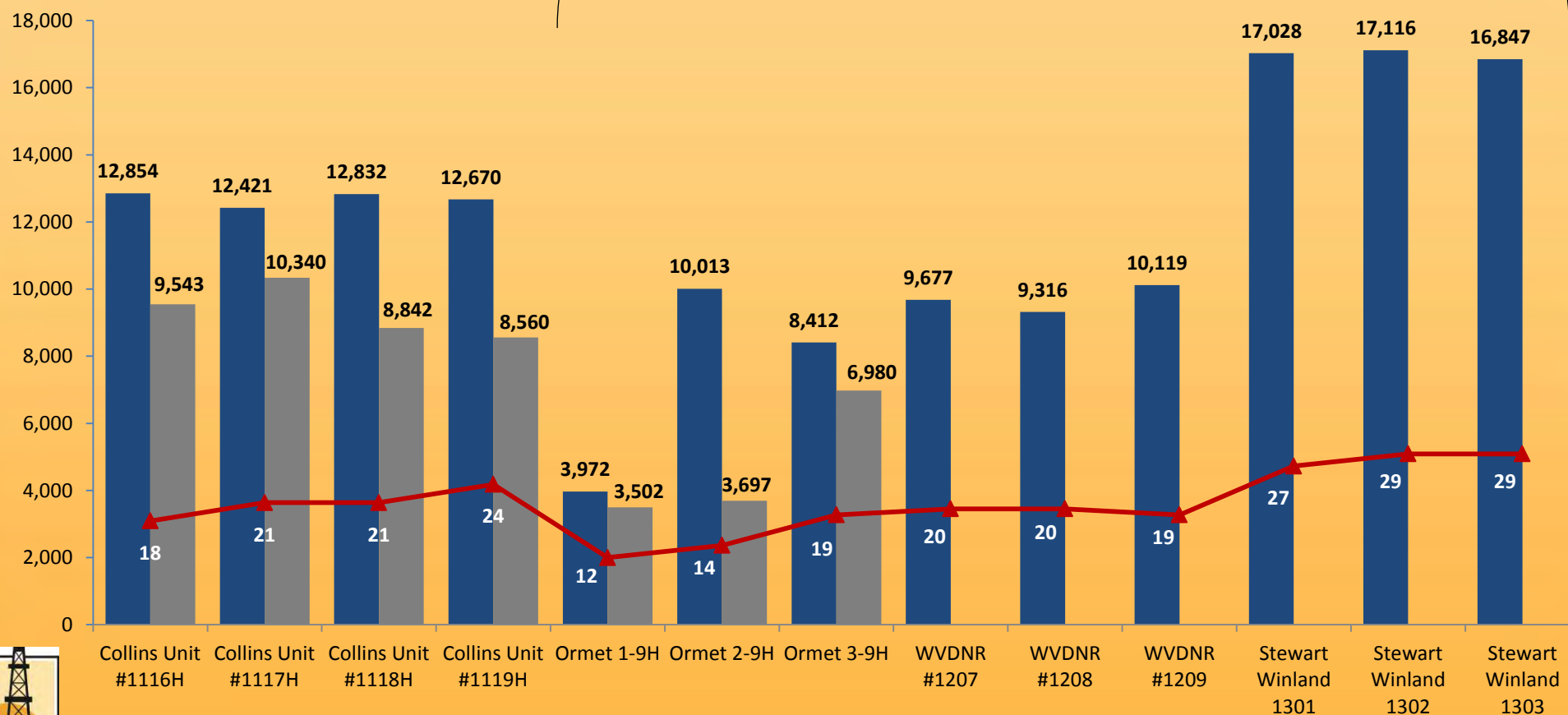
- 52 gross wells have been drilled and placed on production to-date with 16 gross (15 net) shut-in on existing pads
  - 18 wells in Tyler County, WV (10 wells shut-in)
  - 28 wells in Wetzel County, WV (3 wells shut-in)
  - 5 wells in Monroe County, OH (2 wells shut-in)
  - 1 well in Washington County, OH (1 well shut-in)
- Current Completion Operations: 6 gross (6 net)
  - 4 gross (4 net) wells in Wetzel County, WV
  - 2 gross (2 net) wells in Tyler County, WV

# Marcellus Shale Recent Well Results

## Marcellus Operated Well Results

■ IP 30-day avg. rate (Mcf/d)    ■ IP 24-hr avg. rate (Mcf/d)    ▲ Frac Stages (#)

### Recently Completed Wells



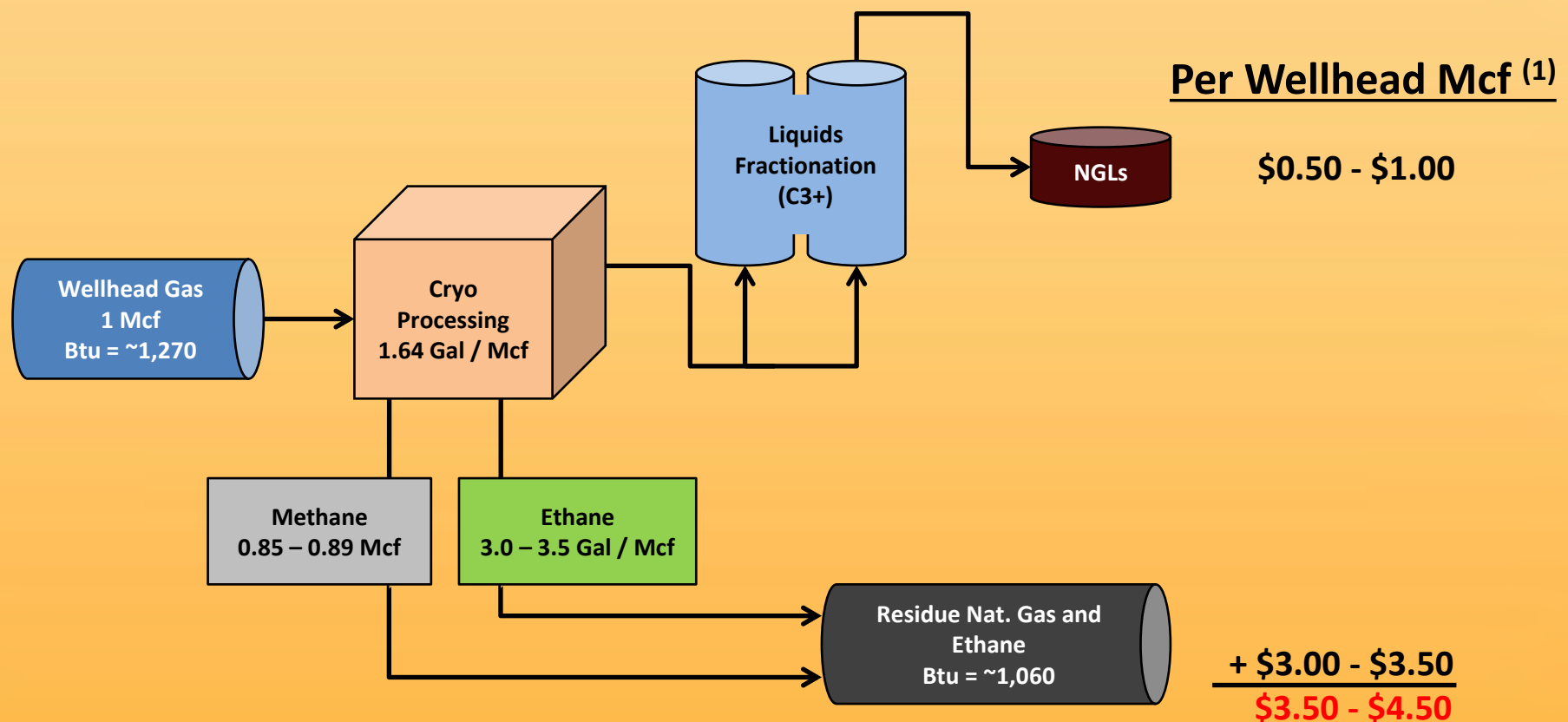
Please note that the Ormet, WVDNR and Stewart Winland wells reflect peak production rates (Ormet 1-9H initially tested and completed in 2011 at a restricted rate)



# NGL Uplift in Appalachia



- Following the startup of the Mobley Processing Plant in December 2012, Magnum Hunter has realized an uplift in NGLs on a per wellhead Mcf basis between \$0.50 - \$1.00
- The Company has 200 MMcf/d of dedicated processing capacity at the Mobley Plant



(1) All values shown are versus wellhead production in Mcf.

# Economic Sensitivity of Marcellus “Magnum Rich”

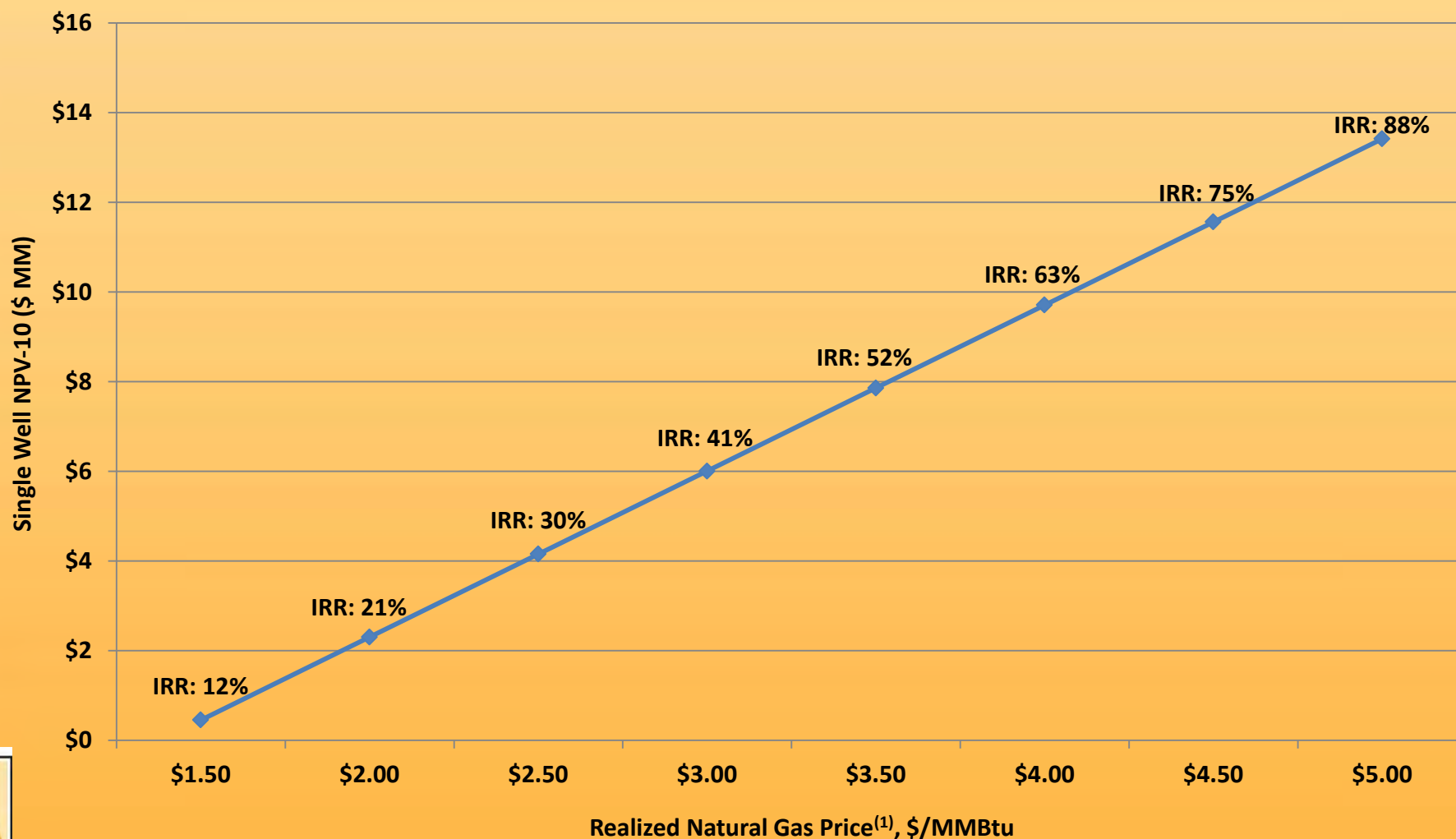


## Assumptions for 2014 Case:

CAPEX: \$7.0 million per well

EUR: 11.0 Bcfe (includes NGL)

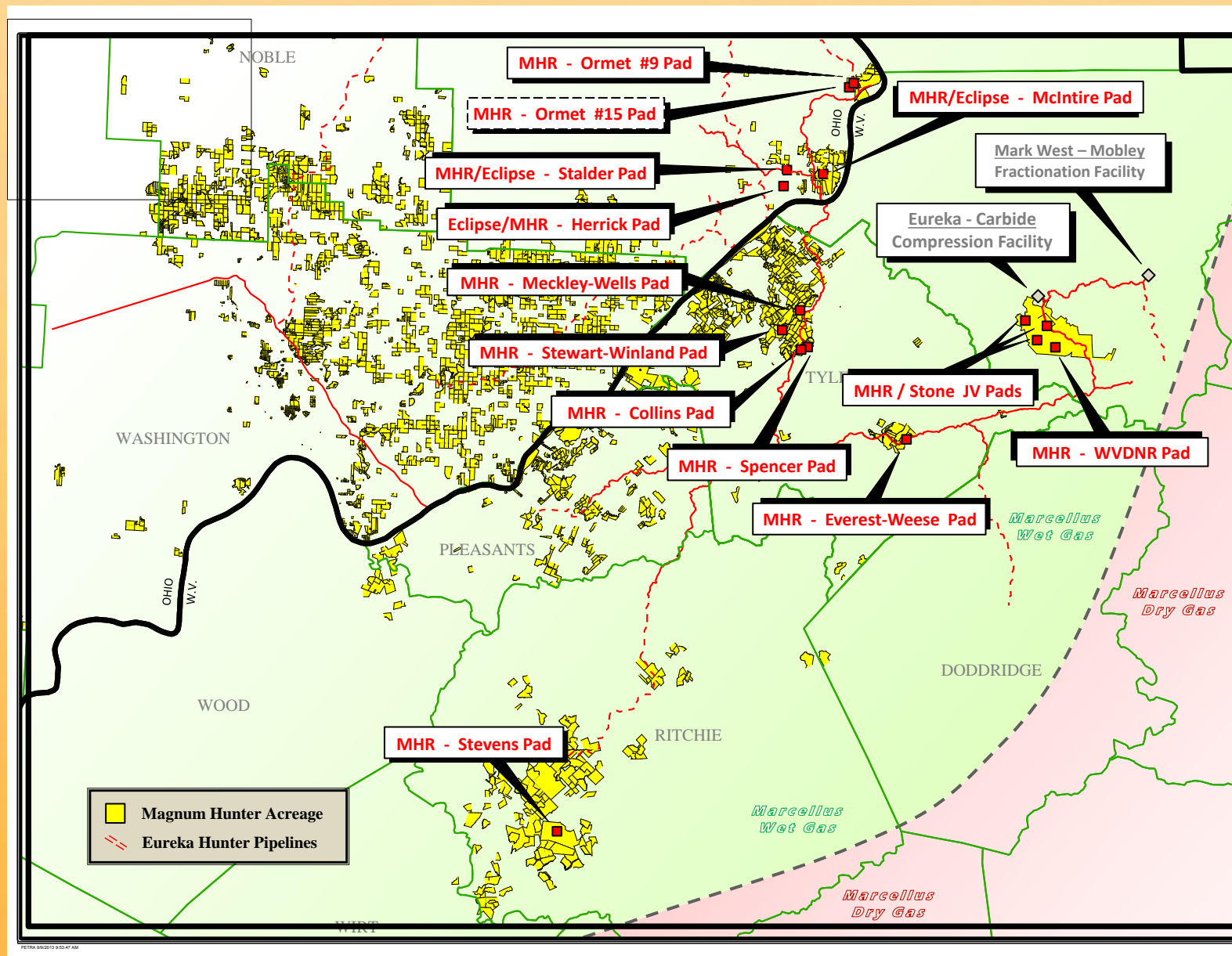
—◆— 2014 Case



Note: Assumes realized oil price of \$60.00/Bbl and realized NGL price of \$30.00/Bbl (50% of realized oil price)

(1) NYMEX natural gas (HH) spot pricing as of 1/8/2015 was \$2.93 per MMBtu

# Marcellus Shale



Note: MHR owns approximately 80,300 net acres in the Marcellus Shale.

# Results Indicate Best Shale Play in US



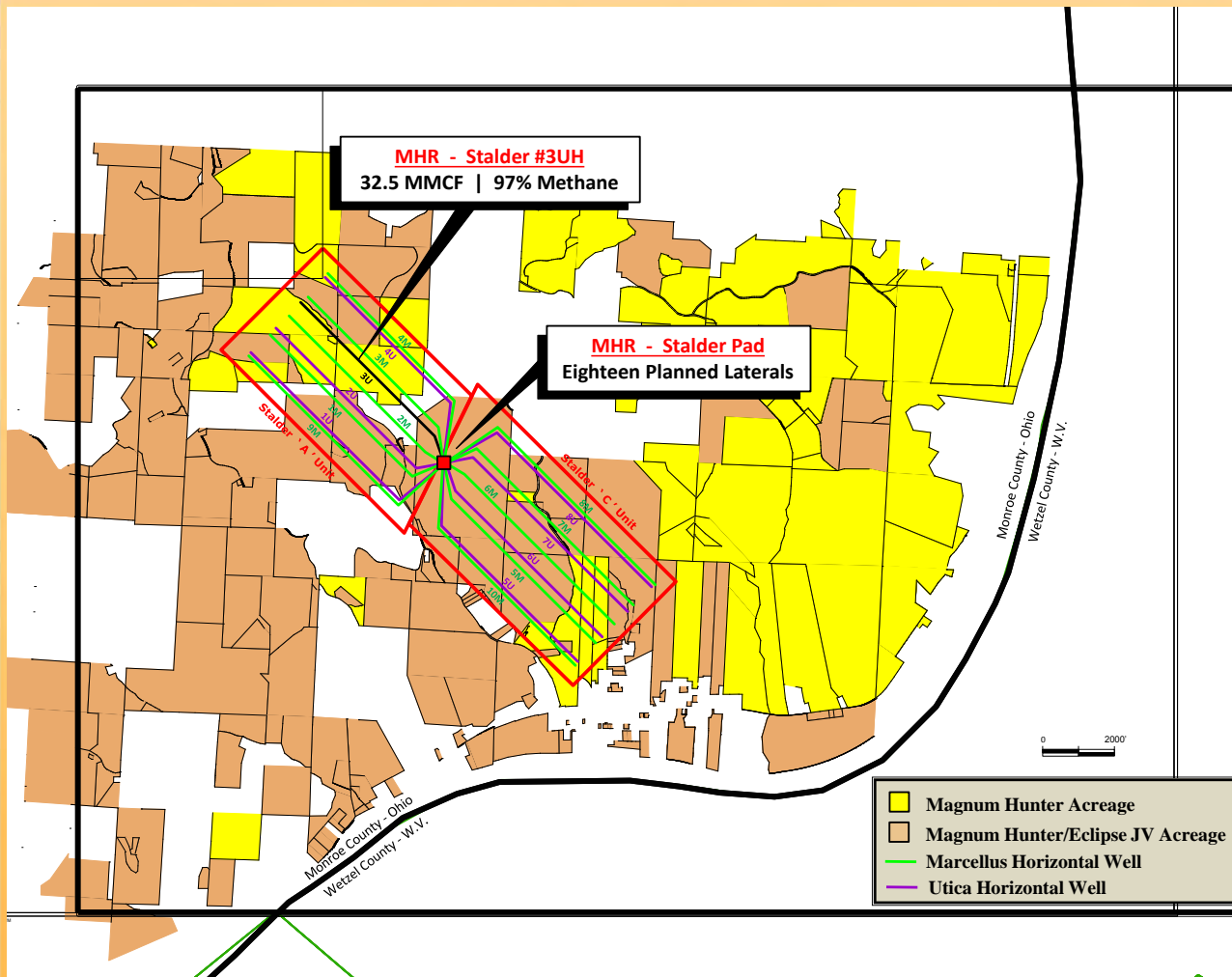
Shale Play Comparison Chart

Parameter	Ohio/West Va./Penn. Utica Shale / Point Pleasant	Wyoming/Colorado DJ Basin Niobrara	Texas Eagle Ford	N. Dakota Bakken
Lithology	Calcareous Shale Shale with carbonate stringers	Chalk/marl	Calcareous Shale	Silty Dolomite
Lithology Descriptor		Like Limestone	Like Limestone	More Dolomitic
<b>Storage Capacity</b>				
Formation Thickness	100'-300'	150'-300'	75'-300'	< 150'
Porosity	3-16%	6-10%	4-15%	8-12%
Water Saturation (Sw)	5-10%	35-90%	15-45%	15-25%
OOIP per section (MMBOE)	20-35	30+	30-50	10-15
<b>Productive Capacity</b>				
Clay Content	~10-25%	10-40%	8-11%	5-10%
Total Organic Carbon (TOC)	2-6%	2-6%	5%	9%
Ability to Fracture Stimulate	na	Brittleness varies, 250' frac length	Brittle, fracs easy, 500' frac length	Brittle, fracs easy, 500+' frac length
Permeability	< 0.1 mD	< 0.1 mD	< 0.1 mD	< 0.1 mD
Reservoir Pressure (psi/ft)	~0.5-0.85	0.4-0.6	0.5-0.8	0.5-0.7
Gas-Oil-Ratio (GOR)	~3,000	0-10,000+	500-2,000	500-1,000
<b>Development Parameters</b>				
Depth	7,000'-11,000'	6,000'-8,000'	6,000'-8,000'	7,000'-11,000'
Well Cost (\$MM)	8.0-10.0	4.0-6.0	9.0	10.0
Spacing (acres/well)	80-160	~160	80-160	100-200
EUR (MBOE/well)	600+	175-350	450-700	300-1,000





# Stalder Pad Drilling Locations



Magnum Hunter announced the initial production results from the first Utica horizontal well on the Stalder Pad on 2/14/14

- Tested at a peak rate of 32.5 MMCF of natural gas per day
- Drilled to a true vertical depth of 10,653 feet with a 5,050 foot horizontal lateral
- Successfully fracked with 20 stages

The first Marcellus horizontal well on the Stalder Pad has been completed and tested

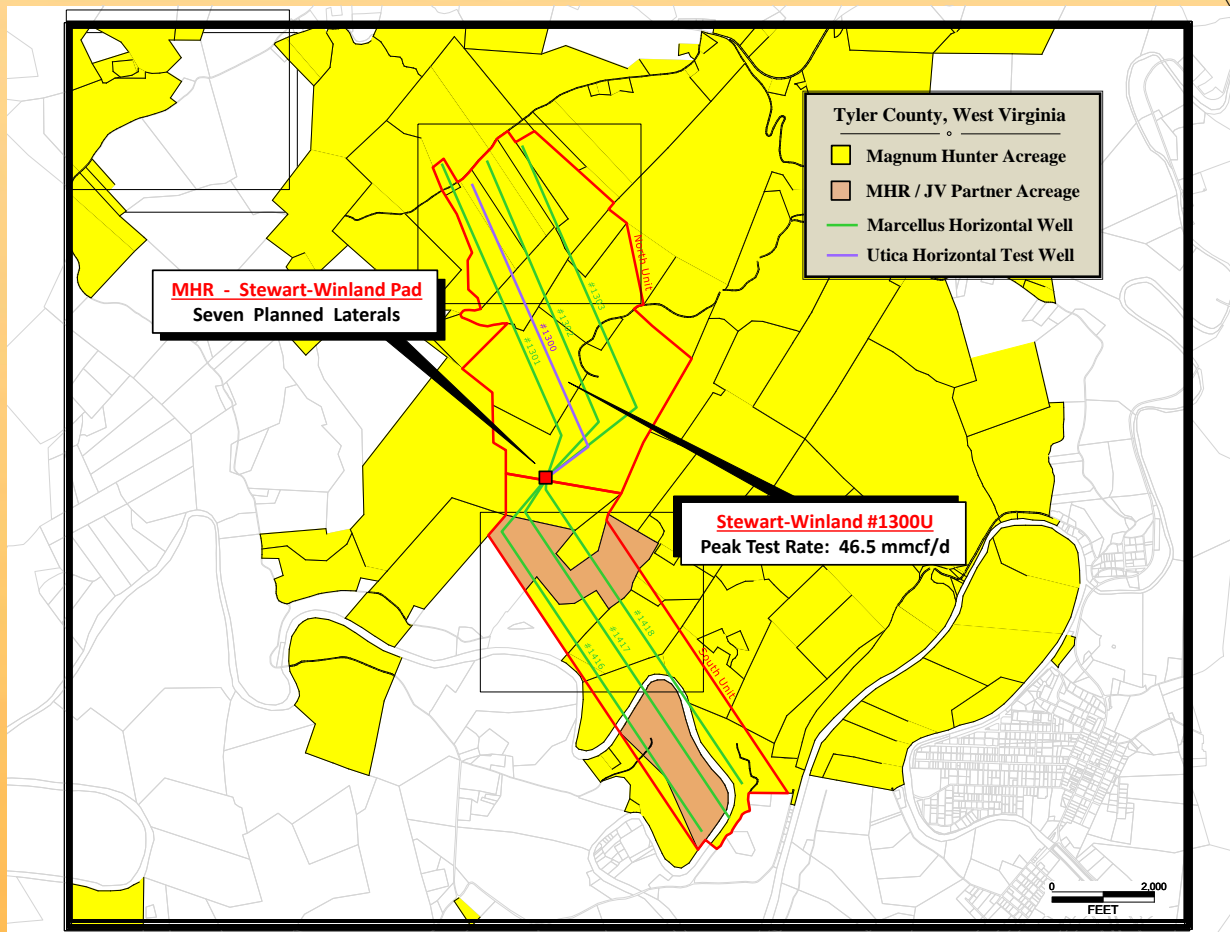
- Drilled to a true vertical depth of 6,070 feet with a 5,474 foot horizontal lateral

Currently tying in the three new horizontal Utica wells (Stalder #6UH, Stalder #7UH and Stalder #8UH)

- All five wells will be placed on production in late January 2015



# Stewart-Winland Pad Drilling Locations



The Stewart-Winland Pad located in Tyler County, WV has seven planned laterals

- Four wells have been drilled and completed on the North Unit (3 Marcellus and 1 Utica)
- Three wells will be drilled on the South Unit (3 Marcellus)

Utica Well was fracture stimulated (22 stages) and tested at a peak rate of 46.5 MMCF

The three Marcellus wells tested at peak rates of 17.0 MMCFE, 17.1 MMCFE and 16.8 MMCFE, respectively

Immediate take-away capacity exist on the Eureka Hunter Pipeline system and all wells are tied in and flowing to sales

