



Reconciliation of Cash Provided by (Used in) Operating Activities to Operating Cash Flow (In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2017	2016	2017	2016
Net cash provided by (used in) operating activities	\$ 43,974	\$ 75,002	\$ 147,906	\$ (64,039)
Changes in operating assets and liabilities	2,107	(43,215)	(5,699)	3,805
Operating cash flow	\$ 46,081	\$ 31,787	\$ 142,207	\$ (60,234)

Reconciliation of Net (Loss) Income to EBITDA and Adjusted EBITDA (In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2017	2016	2017	2016
Net (loss) income	\$ (8,485)	\$ (404,337)	\$ 65,822	\$ (1,233,474)
Adjusted for				
Income tax (benefit) expense	(8,457)	4	(8,496)	11
Interest expense	1,177	3,589	3,509	127,517
Depreciation and amortization - other	3,399	7,514	10,729	21,323
Depreciation and depletion - oil and natural gas	31,029	27,725	87,486	90,978
EBITDA	18,663	(365,505)	159,050	(993,645)
Asset impairment	498	354,451	3,475	718,194
Stock-based compensation	2,961	1,247	10,789	4,291
Loss (gain) on derivative contracts	11,702	(338)	(46,024)	4,823
Cash received upon settlement of derivative contracts ⁽¹⁾	4,994	20,393	7,700	66,851
Loss on settlement of contract	-	-	-	90,184
Restructuring costs ⁽²⁾	515	476	8,554	36,406
Drilling participation agreement transaction costs	2,881	-	2,881	-
Oil field services - exit costs	-	12	-	2,428
Gain on extinguishment of debt	-	-	-	(41,179)
Reorganization items, net	-	42,754	-	243,672
Employee incentive and retention	-	9,724	-	20,141
Other	(477)	1,521	(2,712)	14,820
Adjusted EBITDA	\$ 41,737	\$ 64,735	\$ 143,713	\$ 166,986

⁽¹⁾ Excludes amounts received for early settlement of contracts in the nine-month period ended September 30, 2016.

⁽²⁾ Includes severance.

Reconciliation of Cash Provided by (Used in) Operating Activities to Adjusted EBITDA (In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	Successor	Predecessor	Successor	Predecessor
	2017	2016	2017	2016
Net cash provided by (used in) operating activities	\$ 43,974	\$ 75,002	\$ 147,906	\$ (64,039)
Changes in operating assets and liabilities	2,107	(43,215)	(5,699)	3,805
Interest expense	1,177	3,589	3,509	127,517
Cash received on early settlement of derivative contracts	-	-	-	(17,894)
Contractual maturity reached on previous early settlements	-	5,756	-	12,137
Cash paid on early conversion of convertible notes	-	-	-	33,452
Cash paid on settlement of contract	-	-	-	11,000
Restructuring costs ⁽¹⁾⁽²⁾	515	498	6,729	31,328
Drilling participation agreement transaction costs	2,881	-	2,881	-
Income tax (benefit) expense	(8,457)	4	(8,496)	11
Oil field services - exit costs ⁽²⁾	-	13	-	2,386
Cash paid for reorganization items	-	11,836	-	11,836
Employee incentive and retention	-	9,724	-	20,141
Other	(460)	1,528	(3,117)	(4,694)
Adjusted EBITDA	\$ 41,737	\$ 64,735	\$ 143,713	\$ 166,986

⁽¹⁾ Includes severance.

⁽²⁾ Excludes associated stock-based compensation.

**Reconciliation of Net (Loss Applicable) Income Available to Common Stockholders to Adjusted
Net Income Available (Loss Applicable) to Common Stockholders
(In thousands)**

	Three Months Ended September 30,			
	Successor		Predecessor	
	2017		2016	
	\$	\$/Diluted Share	\$	\$/Diluted Share
Net loss applicable to common stockholders	\$ (8,485)	\$ (0.25)	\$ (404,337)	\$ (0.56)
Asset impairment	498	0.01	354,451	0.49
Loss (gain) on derivative contracts	11,702	0.34	(338)	0.00
Cash received upon settlement of derivative contracts ⁽¹⁾	4,994	0.15	20,393	0.03
Restructuring costs ⁽²⁾	515	0.02	476	0.00
Drilling participation agreement transaction costs	2,881	0.09	-	-
Oil field services - exit costs	-	-	12	0.00
Reorganization items, net	-	-	42,754	0.06
Employee incentive and retention	-	-	9,724	0.02
Other	(215)	(0.01)	2,200	0.00
Adjusted net income available to common stockholders	<u>\$ 11,890</u>	<u>\$ 0.35</u>	<u>\$ 25,335</u>	<u>\$ 0.04</u>
	Basic	Diluted ⁽³⁾	Basic	Diluted ⁽³⁾
Weighted average number of common shares outstanding	34,290	34,388	718,373	718,373
Total adjusted net income per share	<u>\$ 0.35</u>	<u>\$ 0.35</u>	<u>\$ 0.04</u>	<u>\$ 0.04</u>

	Nine Months Ended September 30,			
	Successor		Predecessor	
	2017		2016	
	\$	\$/Diluted Share	\$	\$/Diluted Share
Net income available (loss applicable) to common stockholders	\$ 65,822	\$ 2.06	\$ (1,249,795)	\$ (1.76)
Asset impairment	3,475	0.11	718,194	1.01
(Gain) loss on derivative contracts	(46,024)	(1.44)	4,823	0.01
Cash received upon settlement of derivative contracts ⁽¹⁾	7,700	0.24	66,851	0.09
Loss on settlement of contract	-	-	90,184	0.13
Restructuring costs ⁽²⁾	8,554	0.27	36,406	0.05
Drilling participation agreement transaction costs	2,881	0.09	-	-
Oil field services - exit costs	-	-	2,428	0.00
Gain on extinguishment of debt	-	-	(41,179)	(0.06)
Reorganization items, net	-	-	243,672	0.34
Employee incentive and retention	-	-	20,141	0.03
Other	(1,642)	(0.06)	15,410	0.03
Adjusted net income available (loss applicable) to common stockholders	<u>\$ 40,766</u>	<u>\$ 1.27</u>	<u>\$ (92,865)</u>	<u>\$ (0.13)</u>
	Basic	Diluted ⁽³⁾	Basic	Diluted ⁽³⁾
Weighted average number of common shares outstanding	31,750	31,984	708,788	708,788
Total adjusted net income (loss) per share	<u>\$ 1.28</u>	<u>\$ 1.27</u>	<u>\$ (0.13)</u>	<u>\$ (0.13)</u>

⁽¹⁾ Excludes amounts received for early settlement of contracts in the 2016 periods.

⁽²⁾ Includes severance.

⁽³⁾ Weighted average fully diluted common shares outstanding for certain periods presented includes shares that are considered antidilutive for calculating loss per share in accordance with GAAP.