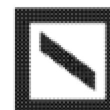
Figure 16: E&P Credit & Operational Metrics Screen: Results and Ranking Snapshot

	'16 Net Leverage	'16 PV-10 to Net Debt	'16 Liquidity flat BB 50/3.75	'15 Hedging	'16 Adj. Cash Margin	'16 Mix	Top to Bottom Overall Ranking
Top Quartile	QEP FANG XEC AR NFX HIL PE CXO	DNR QEP HIL XEC FANG NFX RRC OAS	DNR LTSCN NFX QEP OAS TLW CHK EPE	EPE DNR NFX HK PVA HIL XCO MPO	TLW TPLM FANG CXO PE EPE BCEI PVA	DNR HK OAS TPLM FANG TLW AEPB PE	NFX EPE HIL DNR TLW PE CXO PVA FANG
Bottom Quartile	LTSCN HK MPO XCO SD SAIVST AEPB MHR	AEPB TPLM HK XCO SAIVST SEVGEN MHR	HIL WPX SD SEVGEN MHR SAIVST AEPB MPO	SM AEPB SEVGEN CHK QEP MHR LTSCN XEC	SEVGEN CHK LTSCN SD MPO RRC XCO SAIVST MHR	QEP WPX RRC CHK SAIVST MHR AR XCO	SD LTSCN MPO SAIVST SEVGEN AEPB MHR
Methodology Comments	Through cycle leverage is key for credit investors. Of particular importance: where each credit started the cycle.	Given PV-10s use in RBL borrowing base decisions, another big data point for credit investors. The addition of the asset coverage aspect vs. debt adds another important dimension.	Given an expected ~30% default rate across B/CCC HY energy, liquidity gives us a reasonable measure of distance to default.	Hedges are short term in nature and most important in 2015. To the extent hedges preserve liquidity and operating momentum over the next year for E&Ps, they remain an important tool.	Locational differences in major plays drive realization per unit. Cost incorporates relative costs given play type, maturity of an overall portfolio (efficiency gains), corporate costs (G&A), & capital structure (interest burden).	Despite bear oil market, oil mix will drive higher per unit cash margin for oilier E&Ps.	Not surprising to see more highly rated companies in top quartile overall but companies like Parsley (PE) and Penn Virginia (PVA) with CCC ratings are more surprising.
Methodology Observations	Newer E&Ps in ramp mode clearly less favored than more mature E&Ps here.	Favors E&Ps with more mature assets and a higher % of PDP assets.	Positive for E&P companies that most recently termed out RBL balances ahead of the downturn or completed asset sales.	Top quartile is significantly more oily (65%) and defensive about protecting against oil downside. Bottom quartile is about ~55% gas where there was less to protect in the way of cash flows.	Our "adjusted" cash margin skews some otherwise basic insight re: lowest cost producers. Relative interest burden could be improved with possible restructurings. Note: no decreased service costs assumed.	E&Ps with long-dated and core natural gas reserves screen poorly here despite clear long term viability.	Bottom quartile with uniformly B/CCC rated companies is largely as expected in our minds.

Source: Deutsche Bank, company data, Bloomberg Finance LP
For the following companies not covered by DB High Yield, the forecasts figures reflect Bloomberg consensus estimates only: AMEPER,AR,BCEI,CXO,FANG,EPE,LTSCN,MHR,MPO,OAS,PE,PVA,ROSE,SN,SEVGEN,SM,TPLM,TLW and WPX



CONFIDENTIAL - PURSUANT TO FED. R. CRIM. P. 6(e)
CONFIDENTIAL

DB-SDNY-0044563
SDNY_GM_00190747
EFTA01357786