

September 14, 2020

Covering the Week of September 4 to September 10, 2020

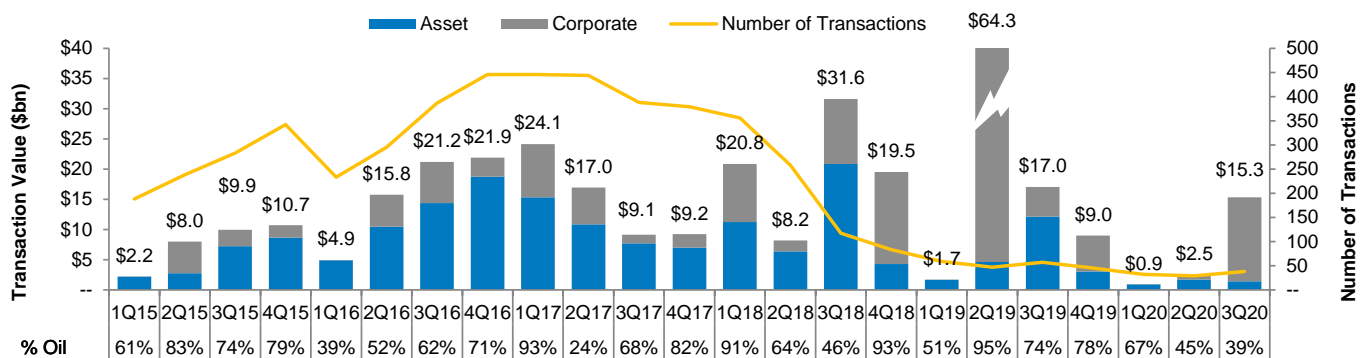
Week in Review

- Zarvona Energy acquired Approach Resources' assets via bankruptcy sale for \$115.5 million
- Sumitomo sold its entire stake in a Marcellus shale gas project operated by PennEnergy Resources

Key Industry Indicators

Indicator	Current Value	Week's Change	% Change	Direction
Prompt Oil Price (\$/bbl)	\$37.30	(\$4.07)	(9.8%)	↓
Prompt Gas Price (\$/mmbtu)	\$2.32	(\$0.16)	(6.6%)	↓
Wkly Trans. Value (\$mm)	\$116	\$116	nmf	↑
Wkly Trans. Count	2	2	nmf	↑
US Rig Count	254	(2)	(0.8%)	↓
US Oil Prod'n (mmbbl/d)	10.0	0.3	3.1%	↑
US Gas Prod'n (bcf/d) ⁽¹⁾	107.9	--	--	—
US Oil Storage (mmbbl)	500.4	2.0	0.4%	↑
US Gas Storage (tcf)	3.5	0.1	2.0%	↑

Quarterly Deal Activity



All references to last week in the comments below are through Thursday

Commodities

- Oil ended last week down. The U.S. Energy Information Administration (EIA)'s latest short-term energy outlook (STEO) raised its WTI and Brent oil price forecasts for 2020. They predicted that WTI and Brent spot prices will average \$38.99/bbl and \$41.90/bbl, respectively, this year. When compared to the EIA's August STEO, these figures have slightly increased from \$38.50/bbl and \$41.42/bbl, respectively, for WTI and Brent spot prices. For 2021, the EIA's September STEO forecasts WTI and Brent average spot prices of \$45.07/bbl and \$49.07/bbl, respectively. The near-term contract closed down \$4.07, or 9.8%, at \$37.30
- Gas ended last week down. The EIA's September STEO increased its forecast for natural gas prices to \$2.49/mmbtu, up 5.8% from the August STEO. In addition, U.S. natural gas storage went up by 2% to 3.5 tcf. The near-term contract closed down \$0.16, or 6.6%, at \$2.32

Equity Markets

- S&P E&P⁽²⁾ underperformed last week (10.2)% vs. SPX⁽²⁾ (2.6)%
- The U.S. equity indexes all finished down last week. Consumer staples, consumer discretionary, financials, healthcare, industrials, real estate, materials, and tech finished down

Debt Markets

- Sixteen issuers priced nineteen tranches for approximately \$12.5 billion in proceeds last week
- U.S. high yield funds reported an outflow of \$769 million
- ETFs reported an outflow of \$831 million, while mutual funds reported an inflow of \$62 million
- High yield index yield was 5.52%; high yield energy index yield was 8.80%

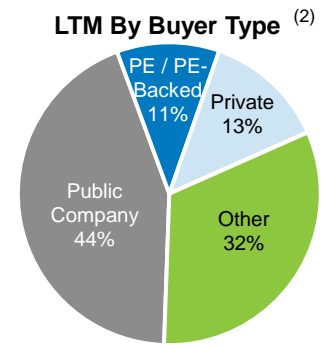
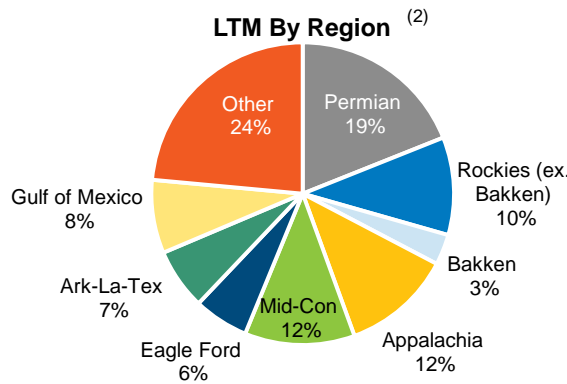
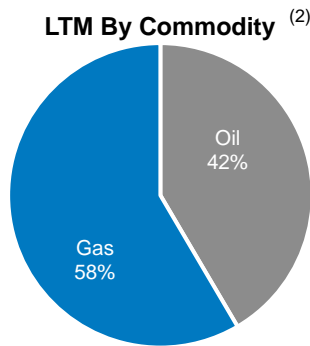
1 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, EIA, PLS
 Note: Current quarter's data is through the week covered by this issue.
 1. EIA U.S. natural gas gross withdrawals and production reported monthly as of May 2020.
 2. S&P E&P = S&P Oil & Gas E&P Select Industry, SPX = S&P 500 Index.

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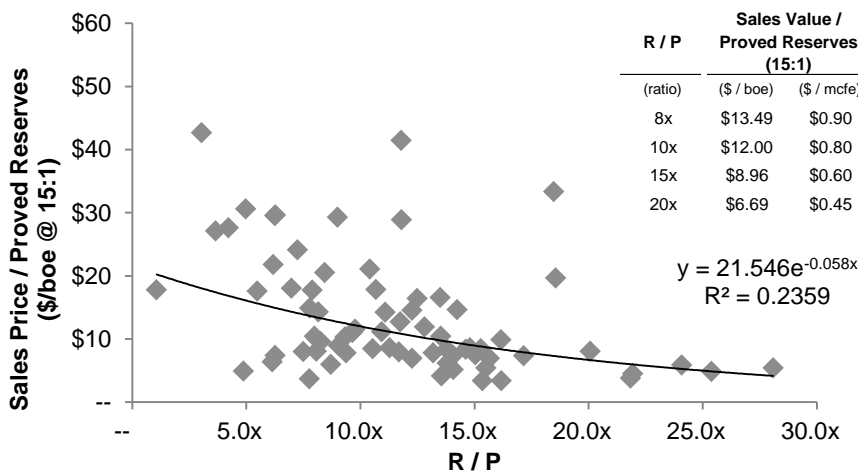
The 10 Most Recent Asset Transactions Over \$20 Million

Ann'd Date	Buyer	Seller	Area	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre)
08-Sep-20	Zarvona Energy LLC	Approach Operating LLC	Permian	113,000 net acres in Midland Basin	\$116	n.a.	\$12,313	\$1,022
20-Aug-20	San Juan Offshore	Arena Offshore	Gulf of Mexico	Gulf of Mexico Shelf assets	\$466	\$3.82	\$12,588	n.a.
18-Aug-20	Ensign & Reliance	Newpek LLC	Eagle Ford	11,000 net acres in Eagle Ford	\$88	n.a.	\$29,333	\$8,000
11-Aug-20	J.P. Morgan	Antero Resources	Marcellus/Utica	Dry gas producing properties in WV	\$220	n.a.	n.a.	n.a.
03-Aug-20	Castleton Resources	Range Resources	Ark-La-Tex	North Louisiana Terryville assets	\$335	\$2.32	\$12,563	\$3,190
28-Jul-20	Undisclosed Buyer	Riviera Operating LLC	Ark-La-Tex	8,100 net acres in North Louisiana	\$27	\$3.30	\$9,925	\$3,272
10-Jul-20	Presidio Petroleum	Templar Energy LLC	Mid-Continent	273,400 net acres in Anadarko Basin	\$91	\$1.78	\$5,056	\$333
08-Jul-20	Undisclosed Buyer	Harvest Oil & Gas Corp	Marcellus/Utica	713,401 net acres in Appalachia	\$21	\$1.23	\$4,201	\$29
26-Jun-20	MP III Echo LLC	Echo Energy Partners	Mid-Continent	19,989 net acres in Anadarko Basin	\$33	n.a.	\$4,198	\$1,649
22-Jun-20	Talos Energy	Castex Energy	Gulf of Mexico	Gulf of Mexico assets	\$65	\$3.69	\$10,156	n.a.

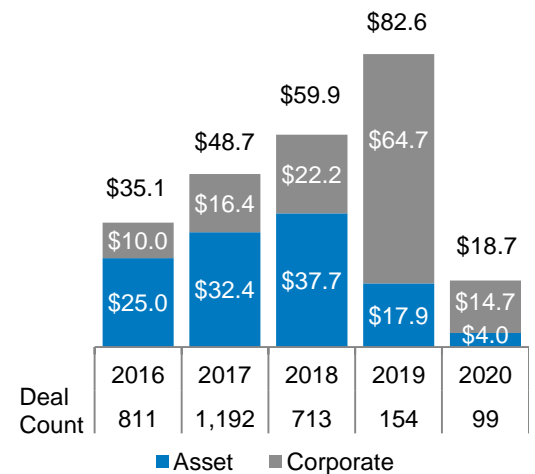
Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services



A&D Valuation Trends⁽³⁾



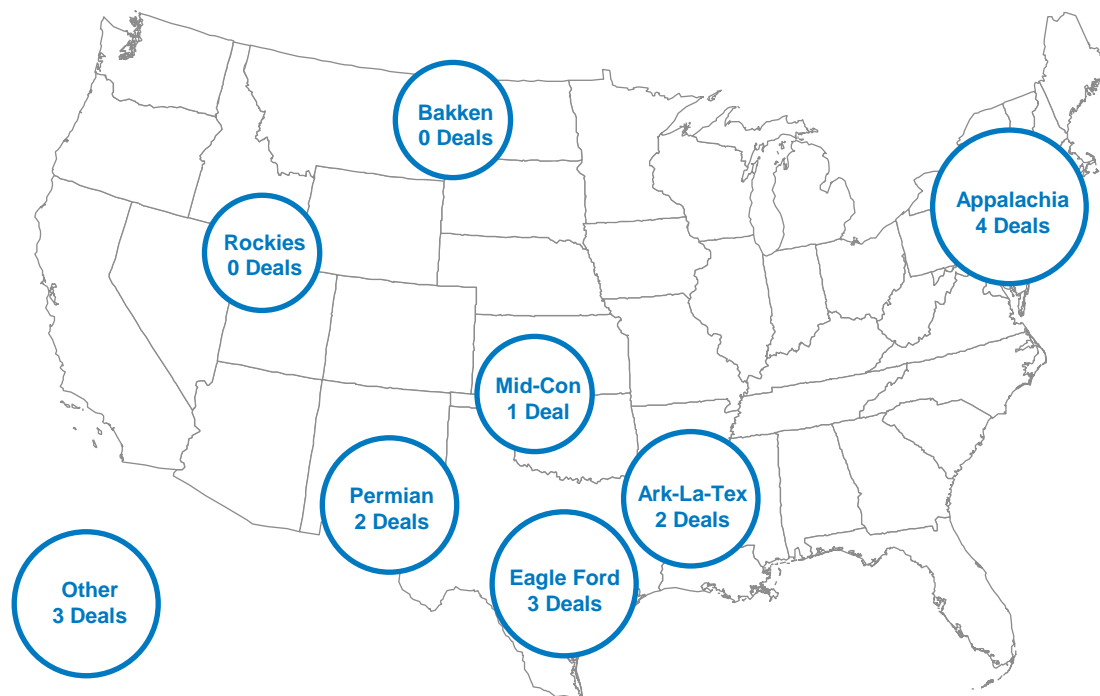
Deal Activity – YTD (\$bn)⁽⁴⁾



2 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, PLS
 1. Represents total enterprise value. 2. Calculated as percentage of total LTM transaction count (number of transactions, not dollar value).
 3. 72 transactions from January 2015 to 2020YTD with transaction value >\$20mm. Adjusted for changes in price outlooks. Recalculated boe reserves are on a 15:1 (gas:oil) basis. Acreage transactions excluded by using deals with PDP of >= 40% of total proved.
 4. Year-to-date data is through this week's date for each respective year.

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Select Significant Deals on the Market



M&A&D Headlines

- [Approach Resources Reports Chapter 11 Bankruptcy \(includes M&A&D activity\)](#)
- [Japan's Sumitomo Sells All of Its Stake in U.S. Marcellus Shale Gas Project](#)
- [Elliott Seeks to Break Up Chevron's Takeover of Noble](#)

Industry Headlines

- [Saudi Cuts Prices, China Slows Imports](#)
- [Early Data Indicates Strong Month of U.S. Crude Buying by China](#)
- [U.S. Shale Producers Race for Federal Permits Ahead of Presidential Election.](#)
- [U.S. Drillers Add Oil and Gas Rigs for Second Week in Three](#)
- [Trump Extends, Expands Offshore Drilling Moratorium Near Florida](#)
- [Neptune Installing Longest Heated Production Pipeline](#)

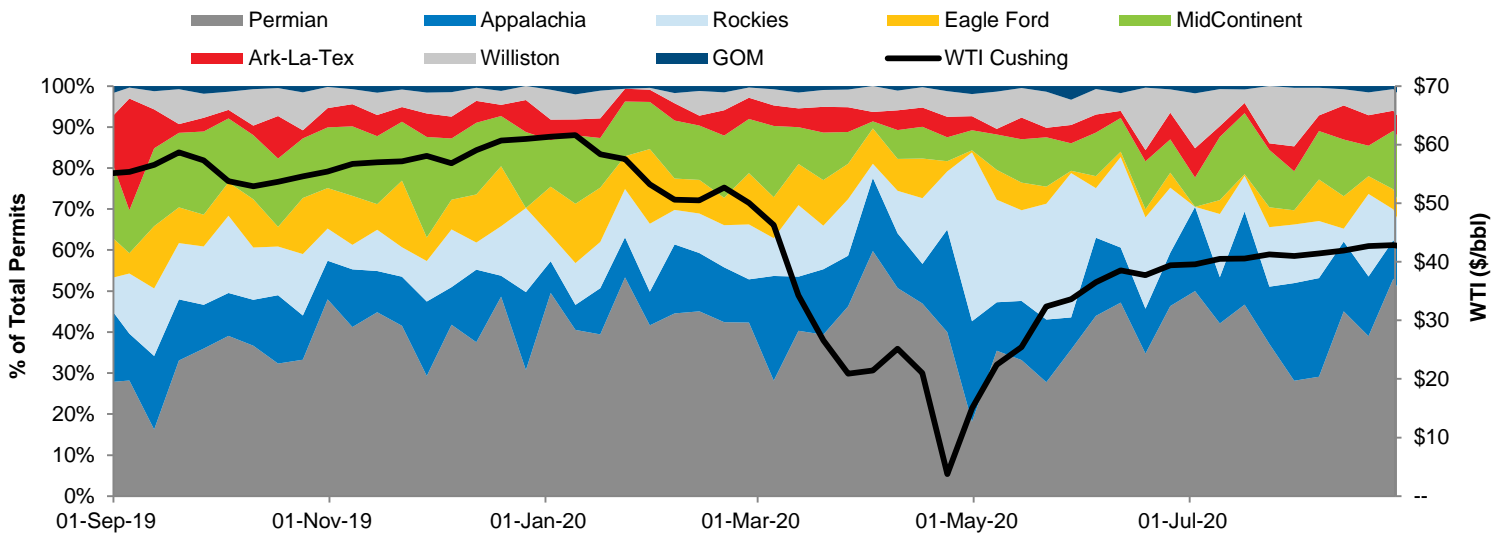
(Click headline to link to the full article)

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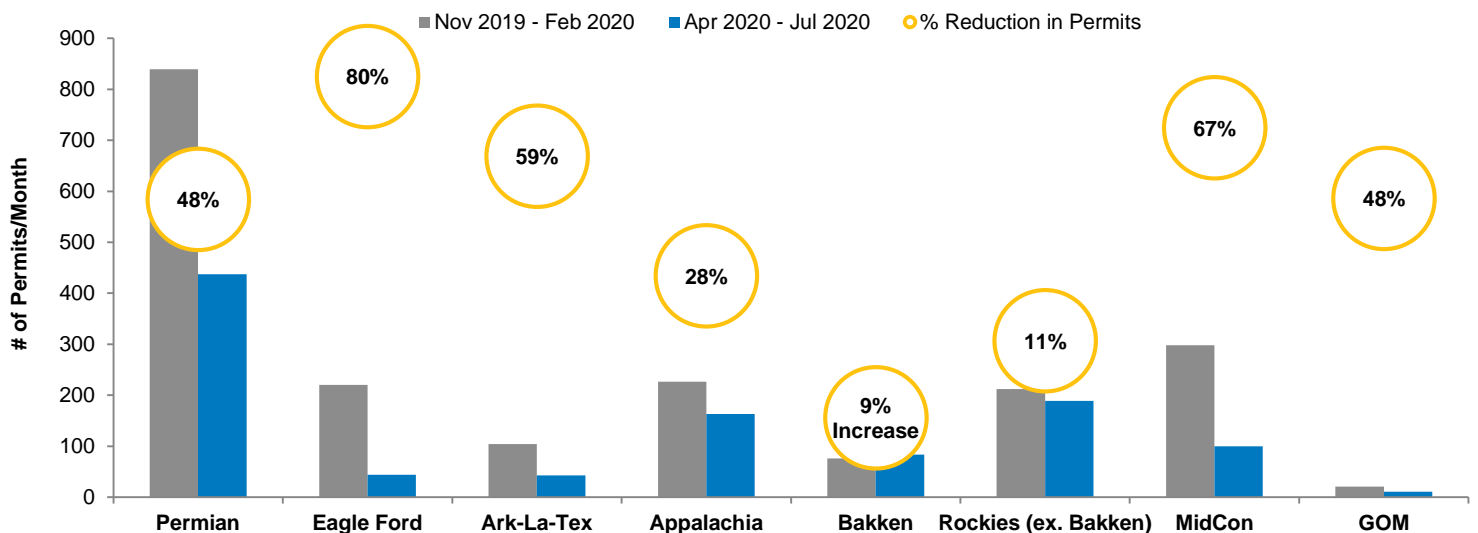
Market Insight: US Permit Activity Over Time

- U.S. permit count has fallen due to the pandemic, but has recently attempted a slow recovery. With total U.S. permits per month decreasing 46% when comparing the period from April 2020 through July 2020 versus the period from November 2019 through February 2020
- Eagle Ford and Mid-Con have seen the largest decline, down 80% and 67%, respectively, from their monthly averages in the November 2019 through February 2020 timeframe
- Appalachia, Bakken, and other Rockies have been the most resilient, with Bakken seeing an increase

BASIN PERCENTAGE OF TOTAL U.S. PERMITS SINCE SEPTEMBER 2019



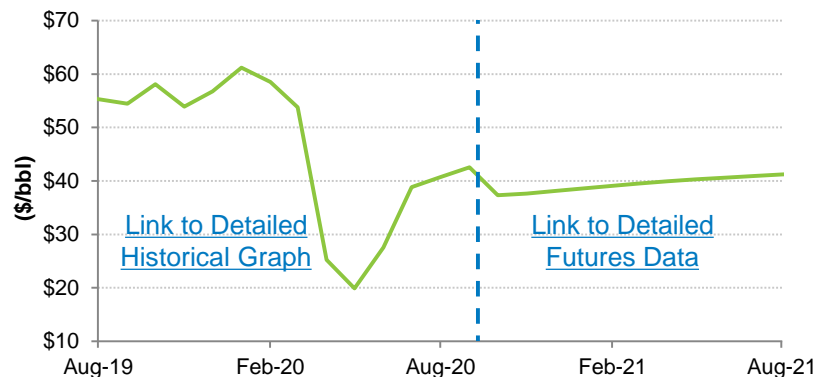
U.S. PERMIT COUNT COMPARISON



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Commodity Prices

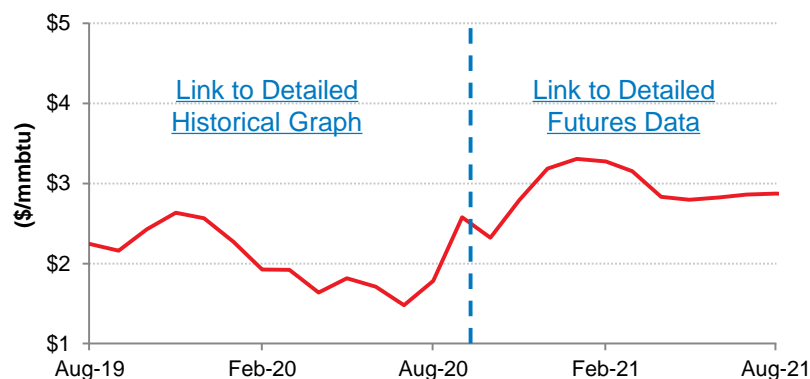
WTI OIL (HISTORICAL / FORECAST)



NYMEX WTI Futures as of 10-Sep-20 Close (\$/bbl)

Period ⁽¹⁾	Current	Last Wk.	6 Mo. Ago	1 Yr. Ago
12 Mo. Strip	\$39.56	\$43.19	\$36.85	\$55.32
2020	\$37.69	\$41.73	\$36.12	\$54.68
2021	\$40.61	\$43.96	\$40.74	\$52.40
2022	\$43.03	\$45.46	\$44.15	\$51.71
2023	\$44.52	\$46.55	\$46.11	\$51.90
2024	\$45.90	\$47.63	\$47.13	\$52.57

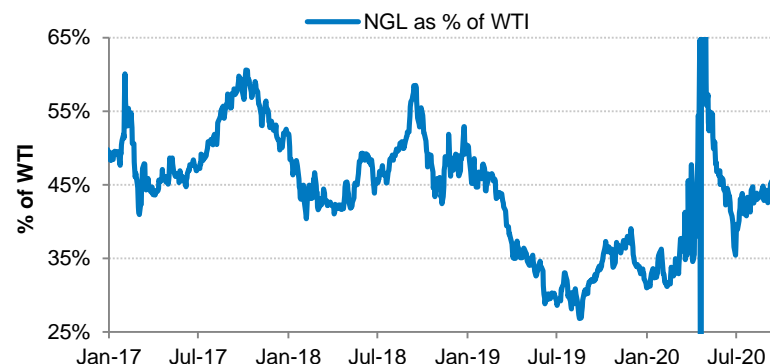
HENRY HUB NATURAL GAS (HISTORICAL / FORECAST)



NYMEX Gas Futures as of 10-Sep-20 Close (\$/mmbtu)

Period ⁽¹⁾	Current	Last Wk.	6 Mo. Ago	1 Yr. Ago
12 Mo. Strip	\$2.92	\$2.97	\$2.29	\$2.57
2020	\$2.77	\$2.89	\$2.19	\$2.54
2021	\$2.97	\$2.98	\$2.40	\$2.47
2022	\$2.65	\$2.64	\$2.41	\$2.49
2023	\$2.50	\$2.50	\$2.46	\$2.57
2024	\$2.48	\$2.50	\$2.52	\$2.62

NGL PRICING⁽²⁾



Historical Prices as of 10-Sep-20 Close (\$/gal)

NGLs	Current	Last Wk.	6 Mo. Ago	1 Yr. Ago
Ethane	\$0.21	\$0.19	\$0.14	\$0.24
Propane	\$0.46	\$0.50	\$0.32	\$0.44
Butane	\$0.51	\$0.54	\$0.37	\$0.52
Iso-butane	\$0.56	\$0.61	\$0.41	\$0.64
Pentane+	\$0.80	\$0.88	\$0.69	\$1.07

Source: BMO Commodity Products Group, Bloomberg, FactSet

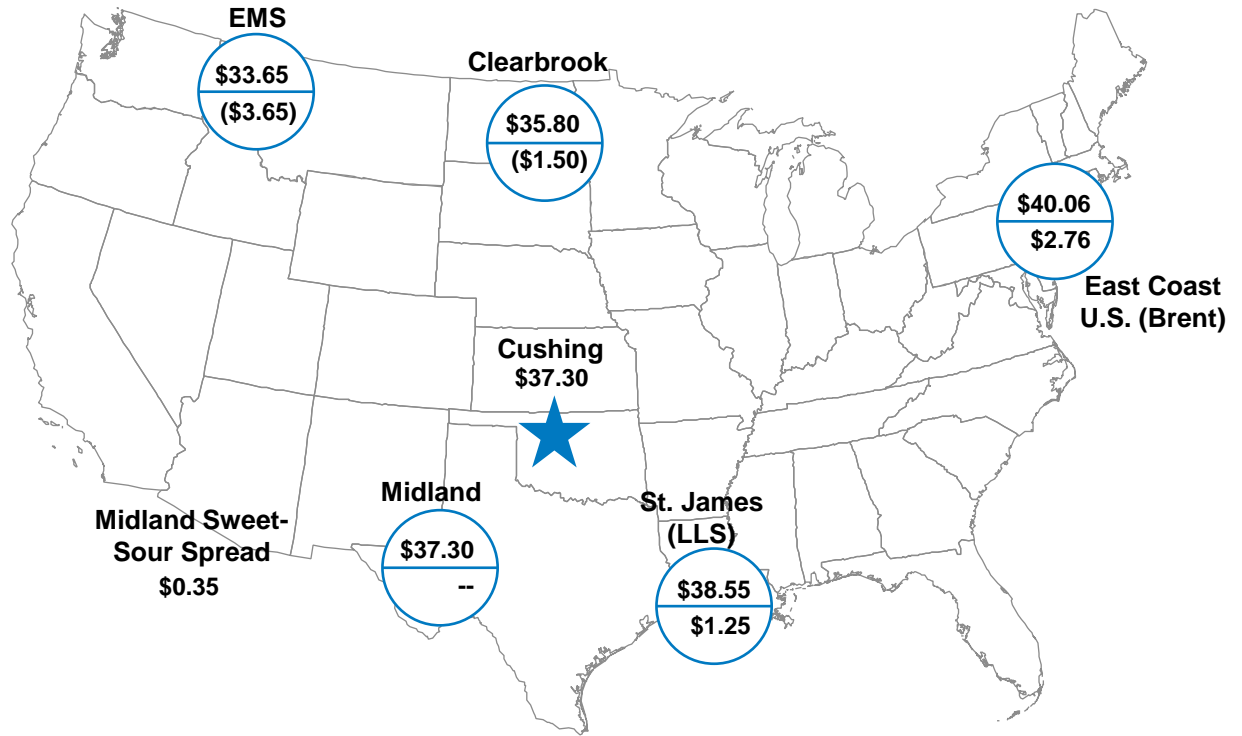
5 | 1. Future prices are calendar year average unless stated otherwise.
2. Assumes typical Gulf Coast barrel composition.

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Commodity Prices (cont'd)

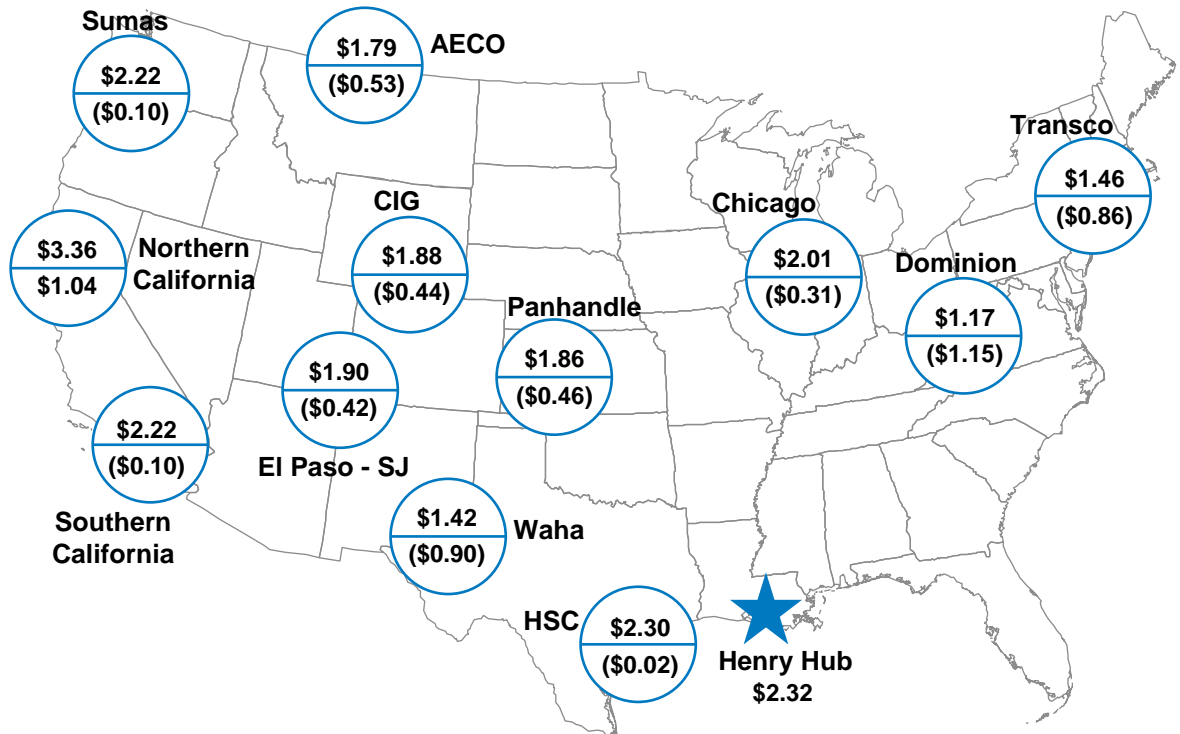
OIL PRICING & DIFFERENTIALS TO CUSHING WTI (\$ / BBL) – AS OF 10-SEP-20

Legend



NATURAL GAS PRICING & DIFFERENTIALS TO HENRY HUB (\$ / MMBTU) – AS OF 10-SEP-20

Legend



Source: BMO Commodity Products Group, Bloomberg

Note: Prices and differentials are for prompt month futures except for Clearbrook which is based on spot prices.

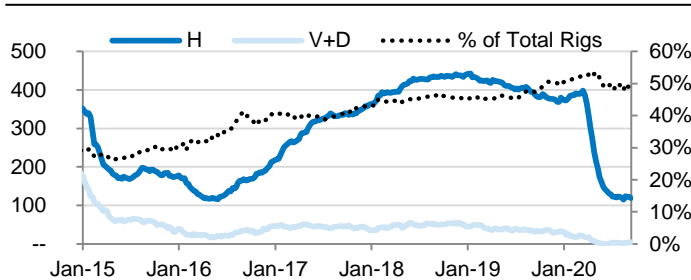
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Permian Snapshot

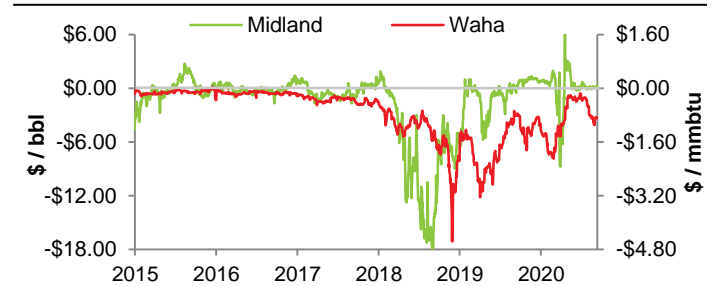
Item	Value	Wkly Change	Last Week
Rig Count	124	↓ (1)	125
Permitting Activity	57	↓ (11)	68

Item	Value	Wkly Change	Last Week
Oil Differential	\$0.30	↑ \$0.15	\$0.15
Gas Differential	(\$0.89)	↓ (\$0.01)	(\$0.88)

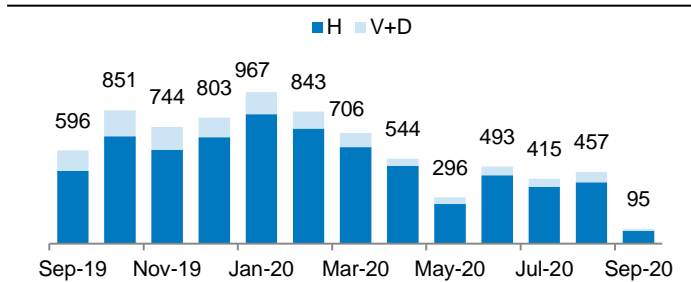
RIG COUNT



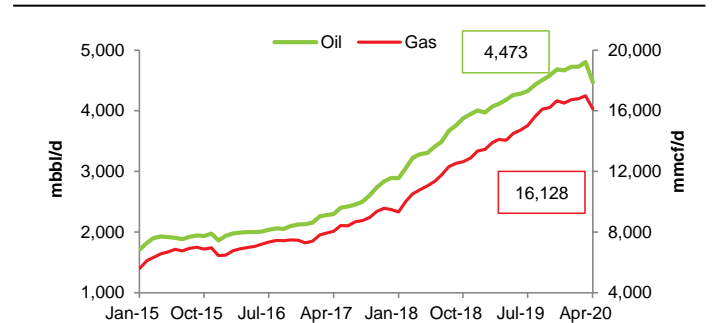
DIFFERENTIALS



PERMITTING ACTIVITY BY MONTH



GROSS PRODUCTION (THROUGH 30-APR-20)

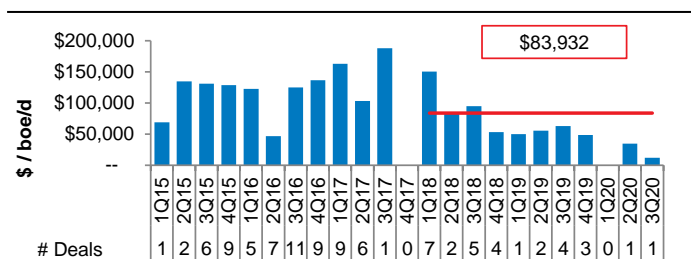


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

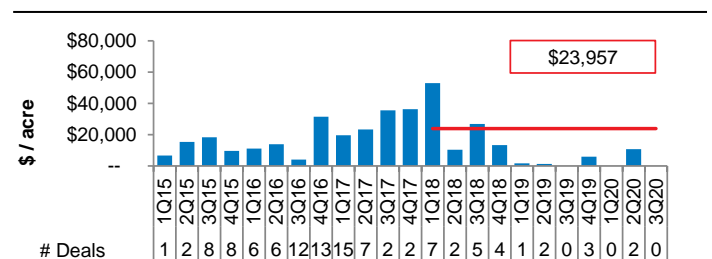
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
08-Sep-20	Zarvona Energy LLC	Approach Operating LLC	113,000 net acres in Midland Basin	\$116	n.a.	\$12,313	\$1,022
04-Jun-20	Undisclosed Buyer	Black Stone Minerals	Midland Basin mineral and royalty assets	\$55	n.a.	n.a.	nmf
04-Jun-20	Pegasus Resources LLC	Black Stone Minerals	Permian Basin mineral and royalty assets	\$100	n.a.	n.a.	nmf
14-Apr-20	Undisclosed Buyer	Ring Energy	19,998 net acres in Delaware Basin	\$32	\$3.15	\$34,615	\$1,575
31-Mar-20	Viper Energy Partners	Undisclosed Sellers	410 net royalty acres in Permian Basin	\$63	n.a.	n.a.	nmf
				Mean	\$73	\$3.15	\$23,464
				Median	\$63	\$3.15	\$23,464

Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services

TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

Note: Current quarter's data is through the week covered by this issue.

1. Represents total enterprise value. Excludes transactions with deal value <\$20 million.
2. \$/acre multiple not adjusted for value associated with production.
3. Red line denotes average since 01-Jan-18. Calculated as the weighted average of each quarter's transactions.
4. Production valued at \$45,000/boepd in 2014, \$30,000/boepd in 2015, \$35,000/boepd in 2016 & 2017, \$40,000/boepd in 2018 & 2019, and \$30,000/boepd in 2020.

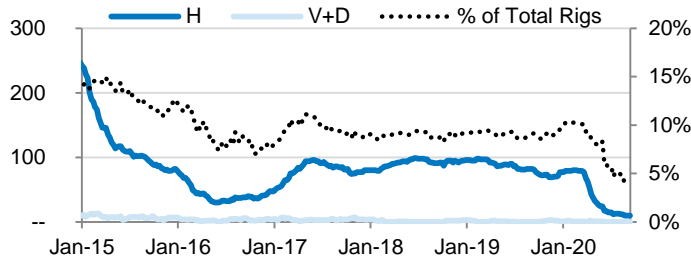
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Eagle Ford Snapshot

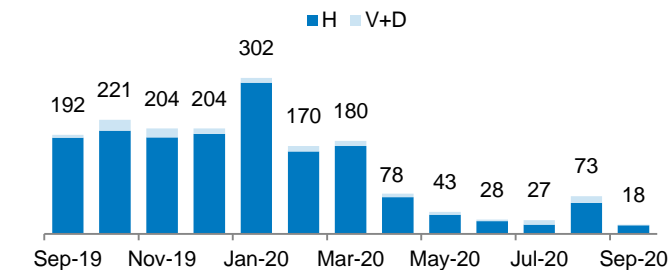
Item	Value	Wkly Change	Last Week
Rig Count	10	█ --	10
Permitting Activity	13	↑ 4	9

Item	Value	Wkly Change	Last Week
Oil Differential	\$0.95	↑ \$0.05	\$0.90
Gas Differential	(\$0.02)	↑ \$0.01	(\$0.03)

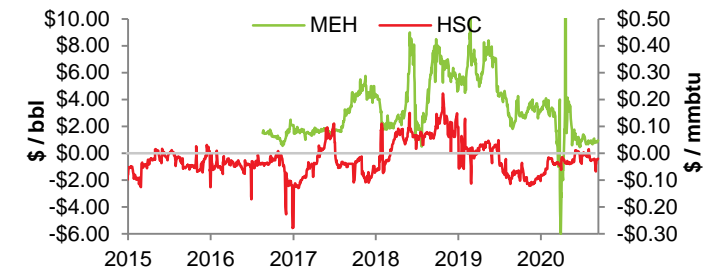
RIG COUNT



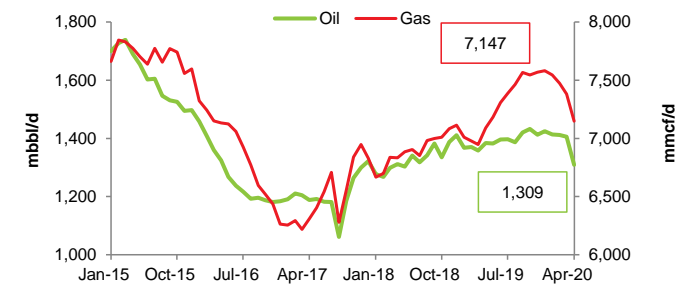
PERMITTING ACTIVITY BY MONTH



DIFFERENTIALS



GROSS PRODUCTION (THROUGH 30-APR-20)

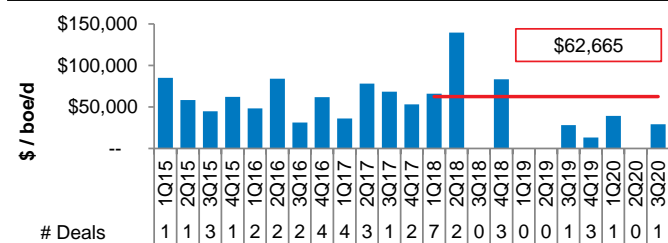


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

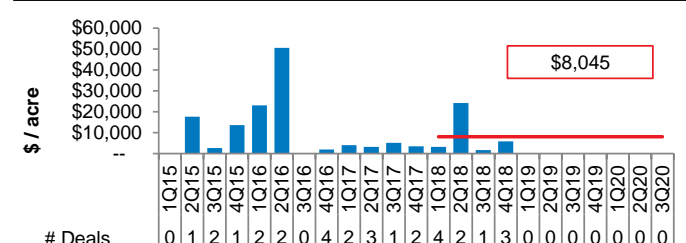
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
18-Aug-20	Ensign & Reliance	Newpek LLC	11,000 net acres in Eagle Ford	\$88	n.a.	\$29,333	\$8,000
21-Feb-20	Magnolia Oil & Gas Corp	Undisclosed Seller	Non-op Eagle Ford assets	\$71	n.a.	\$39,176	n.a.
12-Nov-19	Kimbell Royalty Partners	Buckhorn Resources	400 net royalty acres in Eagle Ford	\$32	n.a.	\$117,752	nmf
07-Nov-19	Repsol	Equinor	100% ownership in former Eagle Ford JV	\$325	n.a.	\$9,559	\$7,476
06-Nov-19	Marathon	Rocky Creek & Delago	18,000 net acres in Eagle Ford	\$185	n.a.	\$26,429	\$10,278
			Mean	\$140	n.a.	\$44,450	\$8,585
			Median	\$88	n.a.	\$29,333	\$8,000

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TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



8 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

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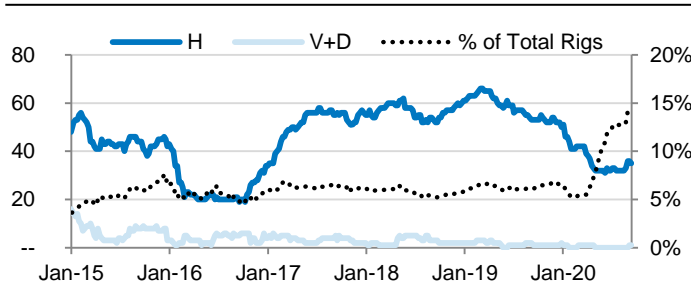
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Ark-La-Tex Snapshot

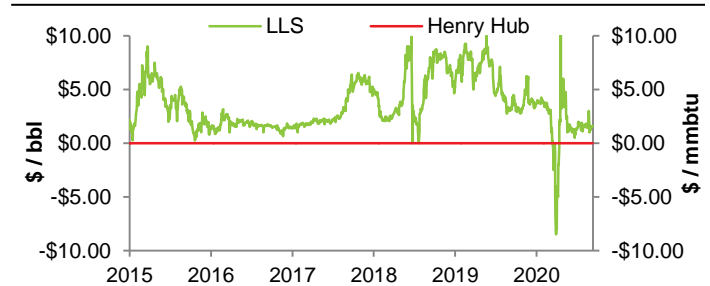
Item	Value	Wkly Change	Last Week
Rig Count	36	↓ (1)	37
Permitting Activity	--	↓ (10)	10

Item	Value	Wkly Change	Last Week
Oil Differential	\$1.60	↑ \$0.20	\$1.40
Gas Differential	--	█ --	--

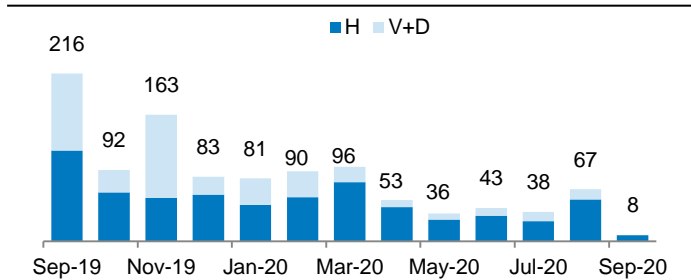
RIG COUNT



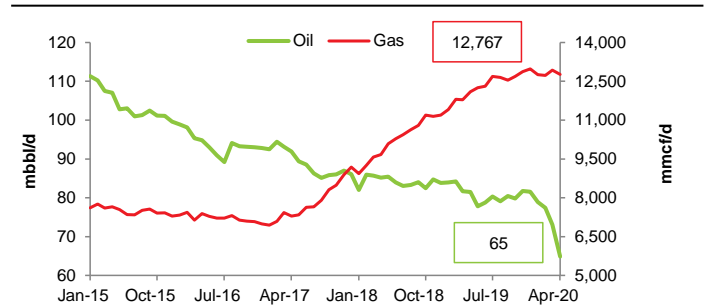
DIFFERENTIALS



PERMITTING ACTIVITY BY MONTH



GROSS PRODUCTION (THROUGH 30-APR-20)

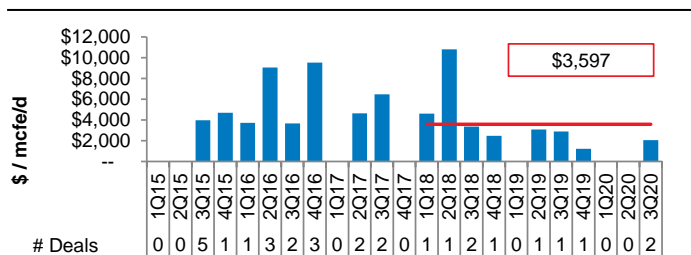


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

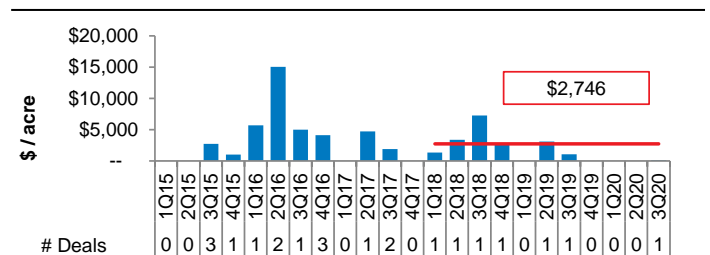
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/mcf)	Prod. Multiple (\$/mcf/d)	Net Acres (\$/acre) ⁽²⁾
03-Aug-20	Castleton Resources	Range Resources	North Louisiana Terryville assets	\$335	\$0.39	\$2,094	\$3,190
28-Jul-20	Undisclosed Buyer	Riviera Operating LLC	8,100 net acres in North Louisiana	\$27	\$0.55	\$1,654	\$3,272
20-Dec-19	Undisclosed Buyer	Riviera Operating LLC	75,873 net acres in East Texas	\$34	\$0.17	\$1,213	\$448
29-Jul-19	Osaka Gas	Sabine Oil & Gas Corp	175,000 net acres in East TX	\$610	n.a.	\$2,905	\$9,136
19-Dec-18	Comstock	Shelby Shale LLC	6,023 net acres in Haynesville	\$21	n.a.	n.a.	\$3,404
			Mean	\$205	\$0.37	\$1,967	\$3,890
			Median	\$34	\$0.39	\$1,874	\$3,272

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TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



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 4. Production valued at \$3,000/mcfepd in 2014, and \$2,000/mcfepd in 2015, 2016, 2017, 2018, 2019, and 2020.

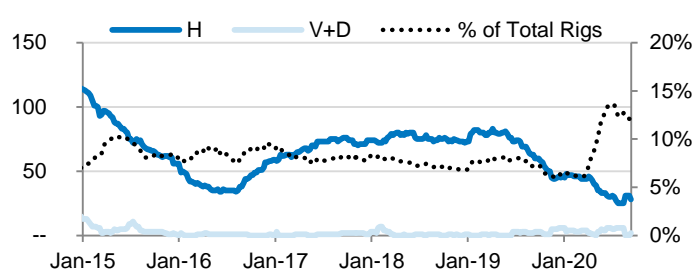
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Appalachia Snapshot

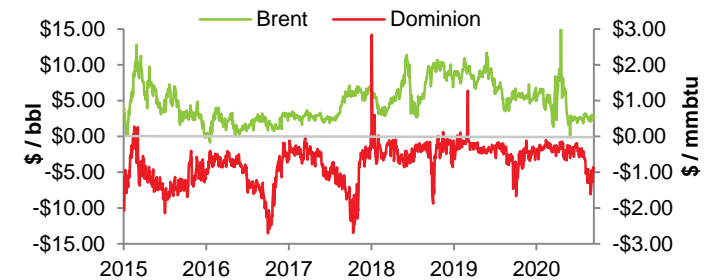
Item	Value	Wkly Change	Last Week
Rig Count	30	↓ (1)	31
Permitting Activity	3	↓ (26)	29

Item	Value	Wkly Change	Last Week
Oil Differential	\$2.76	↑ \$0.06	\$2.70
Gas Differential	(\$0.93)	↑ \$0.10	(\$1.04)

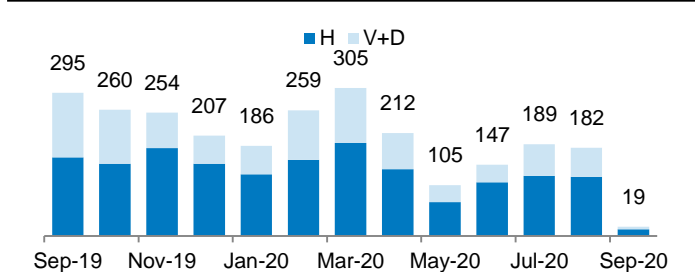
RIG COUNT



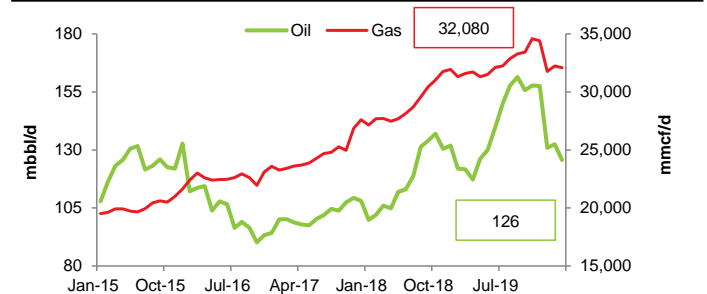
DIFFERENTIALS



PERMITTING ACTIVITY BY MONTH



GROSS PRODUCTION (THROUGH 31-MAR-20)

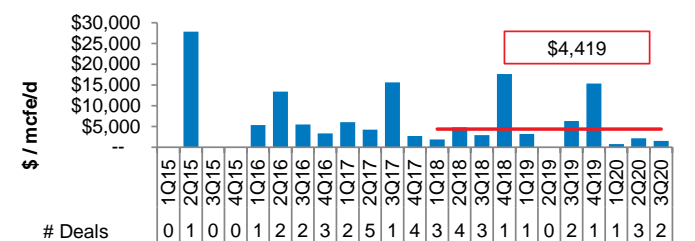


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

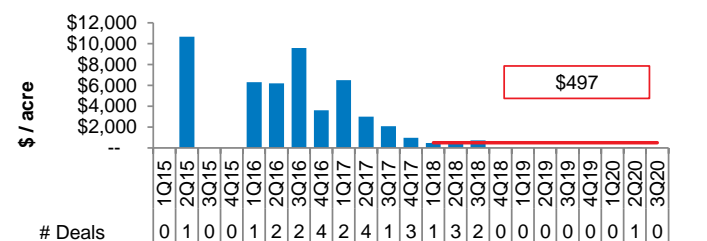
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾	Proved Multiple	Prod. Multiple	Net Acres
				(\$mm)	(\$/mcf)	(\$/mcf/d)	(\$/acre) ⁽²⁾
11-Aug-20	J.P. Morgan	Antero Resources	Dry gas producing properties in WV	\$220	n.a.	n.a.	n.a.
08-Jul-20	Undisclosed Buyer	Harvest Oil & Gas Corp	713,401 net acres in Appalachia	\$21	\$0.21	\$700	\$29
15-Jun-20	Sixth Street Partners	Antero Resources	Overriding royalty interests in Appalachia	\$402	n.a.	n.a.	nmf
11-May-20	Diversified Gas & Oil	EQT	Appalachia Basin asset in PA and WV	\$125	\$0.43	\$2,315	n.a.
04-May-20	National Fuel Gas	Shell	450,000 net acres in Appalachia	\$541	\$0.76	\$2,164	\$1,202
				Mean	\$0.47	\$1,726	\$615
				Median	\$0.43	\$2,164	\$615

Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services

TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

Note: Current quarter's data is through the week covered by this issue.

- Represents total enterprise value. Excludes transactions with deal value <\$20 million.
- \$/acre multiple not adjusted for value associated with production.
- Red line denotes average since 01-Jan-18. Calculated as the weighted average of each quarter's transactions.
- Production valued at \$3,000/mcfepd in 2014, and \$2,000/mcfepd in 2015, 2016, 2017, 2018, 2019, and 2020.

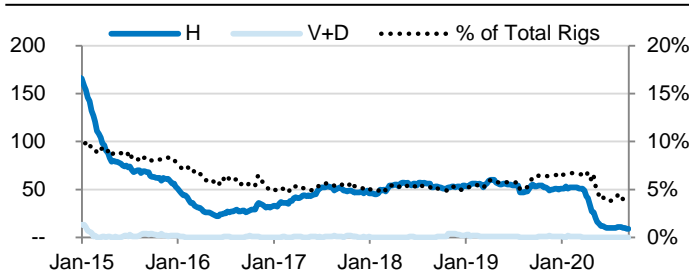
September 14, 2020

Bakken Snapshot

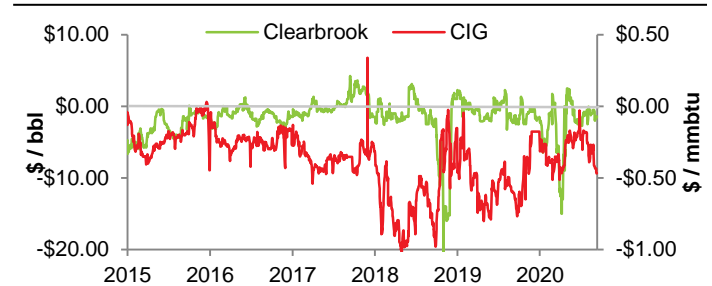
Item	Value	Wkly Change	Last Week
Rig Count	9	█ --	9
Permitting Activity	1	█ (13)	14

Item	Value	Wkly Change	Last Week
Oil Differential	(\$1.50)	█ ↑ \$0.25	(\$1.75)
Gas Differential	(\$0.47)	█ ↓ (\$0.03)	(\$0.43)

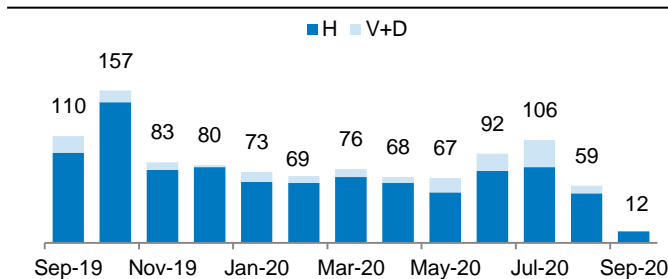
RIG COUNT



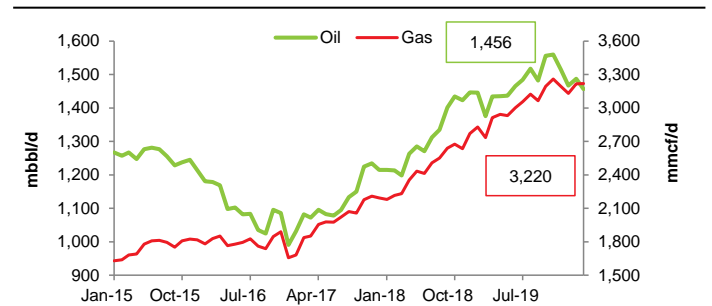
DIFFERENTIALS



PERMITTING ACTIVITY BY MONTH



GROSS PRODUCTION (THROUGH 31-MAR-20)

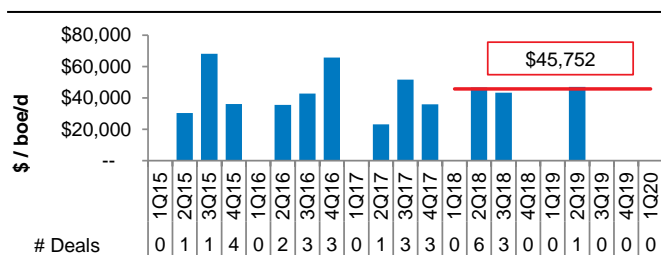


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

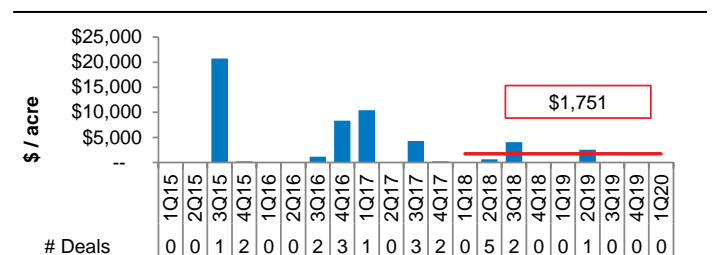
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
22-Apr-19	Northern Oil and Gas	Flywheel Energy LLC	18,000 net acres in Williston Basin	\$310	n.a.	\$47,014	\$17,238
31-Jul-18	Northern Oil and Gas	W Energy Partners	10,600 net acres in Williston Basin	\$288	n.a.	\$42,708	\$27,196
18-Jul-18	Northern Oil and Gas	Pivotal Petroleum Partners LP	Producing assets in Williston Basin	\$152	n.a.	\$37,032	n.a.
12-Jul-18	PetroShale Inc	Slawson Exploration Co	1,981 net acres in Williston Basin	\$55	\$6.04	\$100,000	\$27,764
06-Jul-18	Energy Resources 12 LP	Bruin E&P Partners LLC	2.8% non-operated WI in Bakken assets	\$83	n.a.	n.a.	n.a.
				Mean	\$178	\$6.04	\$56,688
				Median	\$152	\$6.04	\$44,861

Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services

TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



11 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

Note: Current quarter's data is through the week covered by this issue.

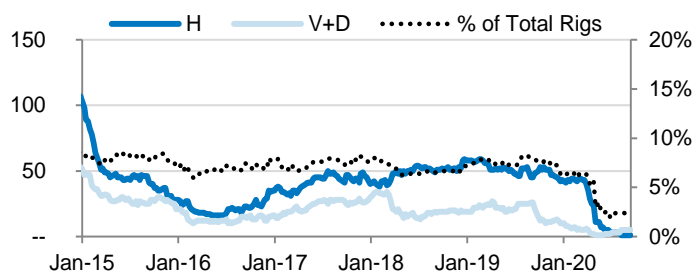
1. Represents total enterprise value. Excludes transactions with deal value <\$20 million.
2. \$/acre multiple not adjusted for value associated with production.
3. Red line denotes average since 01-Jan-18. Calculated as the weighted average of each quarter's transactions.
4. Production valued at \$45,000/boepd in 2014, \$30,000/boepd in 2015, \$35,000/boepd in 2016 & 2017, \$40,000/boepd in 2018 & 2019, and \$30,000/boepd in 2020.

September 14, 2020

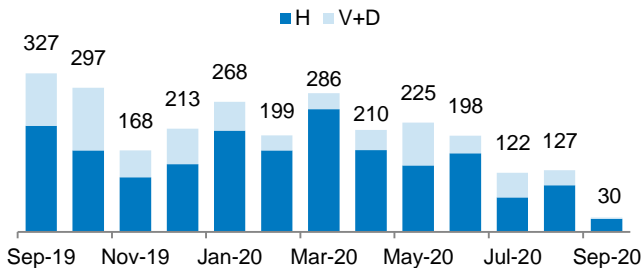
Rockies (excl. Bakken) Snapshot

Item	Value	Wkly Change	Last Week
Rig Count	6	█	--
Permitting Activity	24	↑	16

RIG COUNT

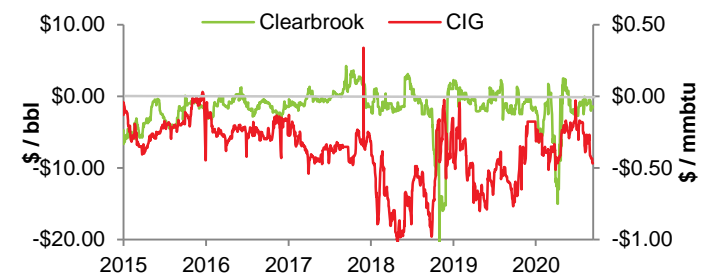


PERMITTING ACTIVITY BY MONTH

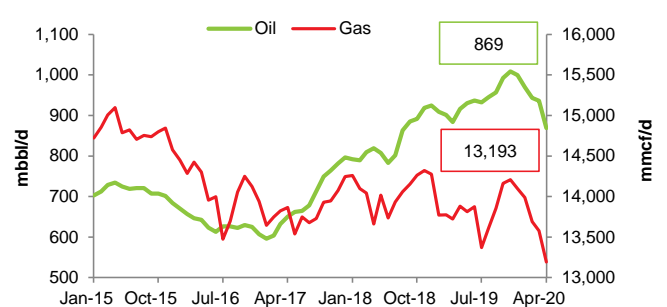


Item	Value	Wkly Change	Last Week
Oil Differential	(\$1.50)	↑	\$0.25
Gas Differential	(\$0.47)	↓	(\$0.03)

DIFFERENTIALS



GROSS PRODUCTION (THROUGH 30-APR-20)

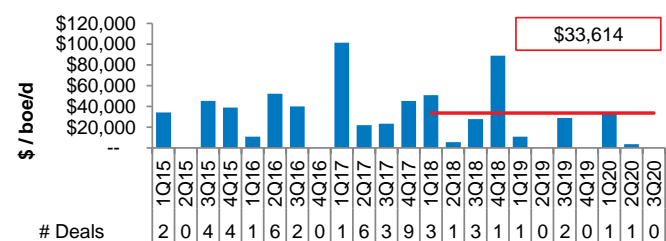


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

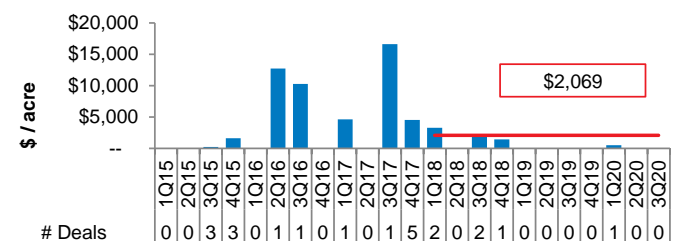
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾	Proved Multiple	Prod. Multiple	Net Acres
				(\$mm)	(\$/boe)	(\$/boe/d)	(\$/acre) ⁽²⁾
11-May-20	Morning Star Oil Co	Southland Royalty Co	205,000 net acres in San Juan Basin	\$53	n.a.	\$3,635	\$260
31-Jan-20	Undisclosed Buyer	ConocoPhillips	98,000 net acres in DJ Basin	\$380	\$27.14	\$34,545	\$3,878
09-Dec-19	YTEF Drilling Capital LLC	Bayswater E&P LLC	DJ Basin JV	\$125	n.a.	n.a.	n.a.
03-Sep-19	Undisclosed Buyer	Crescent Point	224,000 net undeveloped acres in Uinta	\$525	n.a.	\$32,051	\$2,344
14-Feb-19	Undisclosed Buyer	Harvest Oil & Gas Corp	San Juan Basin assets	\$43	\$1.57	\$10,835	n.a.
				Mean	\$225	\$14.36	\$20,267
				Median	\$125	\$14.36	\$21,443

Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services

TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

Note: Current quarter's data is through the week covered by this issue.

1. Represents total enterprise value. Excludes transactions with deal value <\$20 million.
2. \$/acre multiple not adjusted for value associated with production.
3. Red line denotes average since 01-Jan-18. Calculated as the weighted average of each quarter's transactions.
4. Production valued at \$45,000/boepd in 2014, \$30,000/boepd in 2015, \$35,000/boepd in 2016 & 2017, \$40,000/boepd in 2018 & 2019, and \$30,000/boepd in 2020.

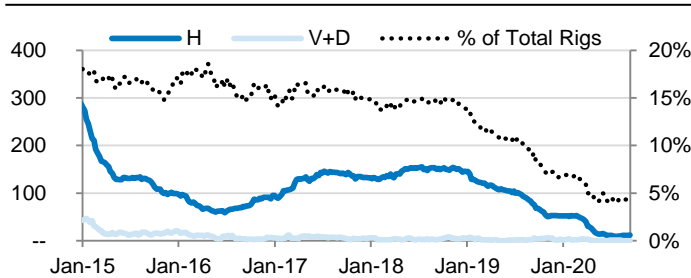
September 14, 2020

Mid-Continent Snapshot

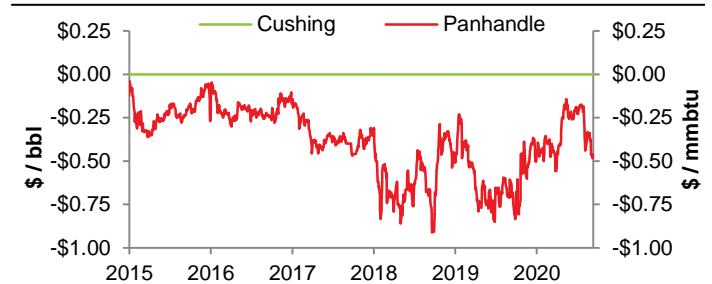
Item	Value	Wkly Change	Last Week
Rig Count	12	↑	11
Permitting Activity	33	↓	35

Item	Value	Wkly Change	Last Week
Oil Differential	--	█	--
Gas Differential	(\$0.46)	↓	(\$0.46)

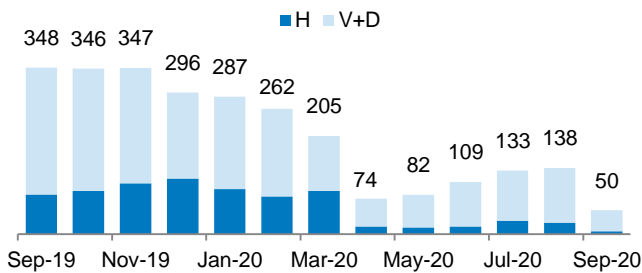
RIG COUNT



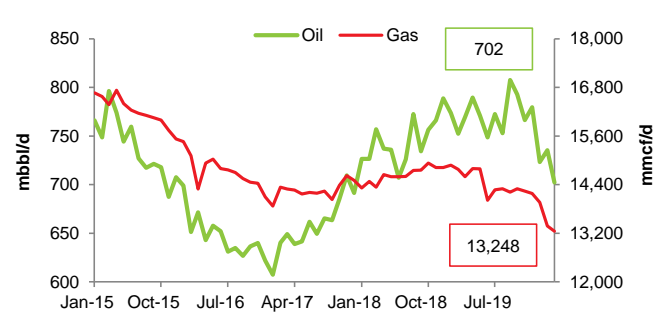
DIFFERENTIALS



PERMITTING ACTIVITY BY MONTH



GROSS PRODUCTION (THROUGH 31-MAR-20)

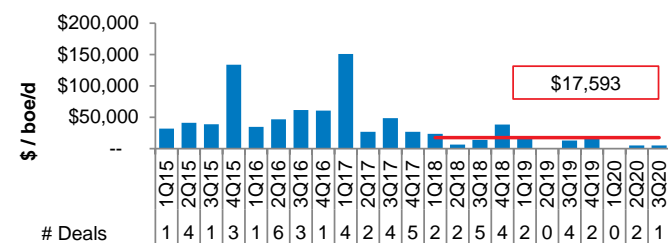


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

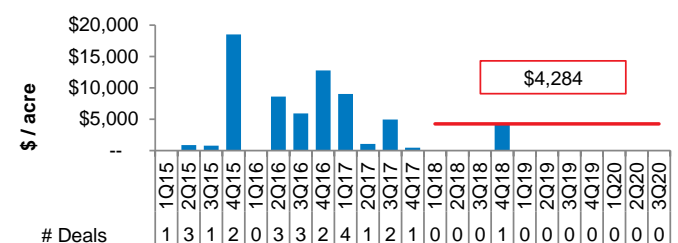
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽¹⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽²⁾
10-Jul-20	Presidio Petroleum	Templar Energy LLC	273,400 net acres in Anadarko Basin	\$91	\$1.78	\$5,056	\$333
26-Jun-20	MP III Echo LLC	Echo Energy Partners	19,989 net acres in Anadarko Basin	\$33	n.a.	\$4,198	\$1,649
03-Apr-20	BCE-Mach III LLC	Alta Mesa Resources	130,000 net acres in STACK	\$160	\$2.22	\$5,317	\$1,227
10-Dec-19	Dow	Devon Energy	STACK Basin JV	\$100	n.a.	n.a.	n.a.
27-Sep-19	Contango	White Star Petroleum LLC	314,800 net acres in Mid-Con	\$133	\$1.57	\$8,833	\$421
			Mean	\$103	\$1.86	\$5,851	\$907
			Median	\$100	\$1.78	\$5,186	\$824

Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services

TRANSACTION PRODUCTION MULTIPLES⁽³⁾



TRANSACTION ADJUSTED NET ACRE MULTIPLES^(3,4)



13 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

Note: Current quarter's data is through the week covered by this issue.

1. Represents total enterprise value. Excludes transactions with deal value <\$20 million. 2. \$/acre multiple not adjusted for value associated with production.
3. Red line denotes average since 01-Jan-18. Calculated as the weighted average of each quarter's transactions.
4. Production valued at \$45,000/boepd in 2014, \$30,000/boepd in 2015, \$35,000/boepd in 2016 & 2017, \$40,000/boepd in 2018 & 2019, and \$30,000/boepd in 2020.

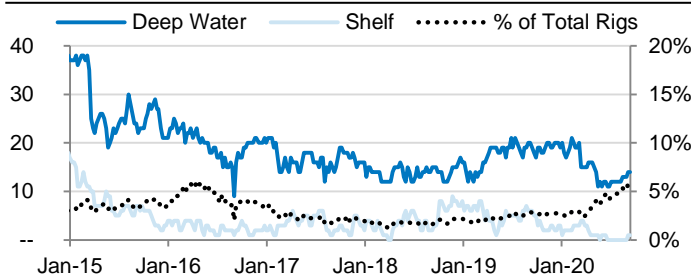
September 14, 2020

Gulf of Mexico Snapshot

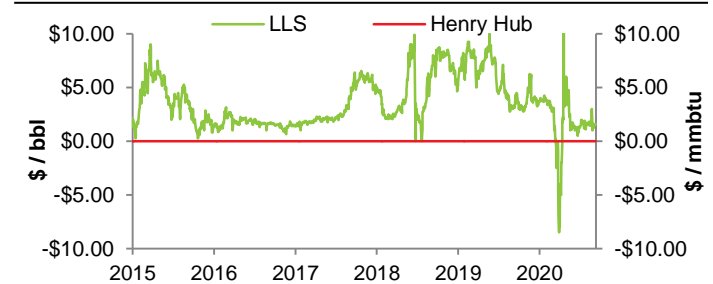
Item	Value	Wkly Change	Last Week
Rig Count	15	█ --	15
Permitting Activity	12	█ ↑ 2	10

Item	Value	Wkly Change	Last Week
Oil Differential	\$1.60	█ ↑ \$0.20	\$1.40
Gas Differential	--	█ --	--

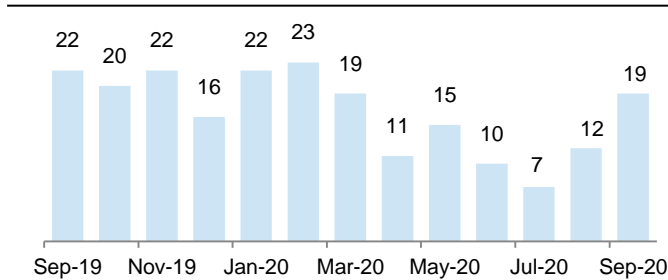
RIG COUNT



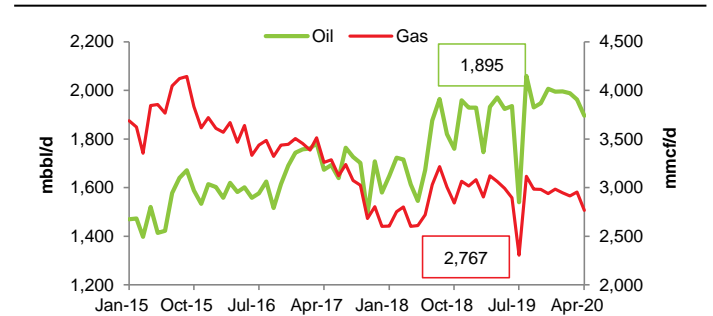
DIFFERENTIALS



PERMITTING ACTIVITY BY MONTH⁽¹⁾



GROSS PRODUCTION (THROUGH 30-APR-20)

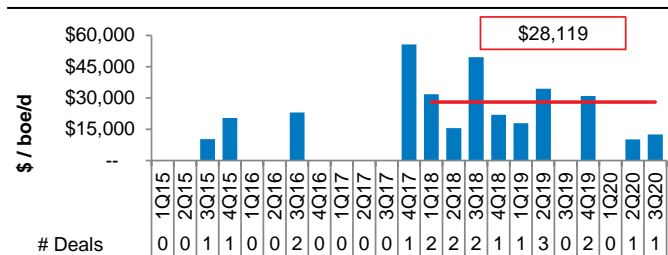


TRANSACTION ACTIVITY (EXCLUDES CORPORATE DEALS)

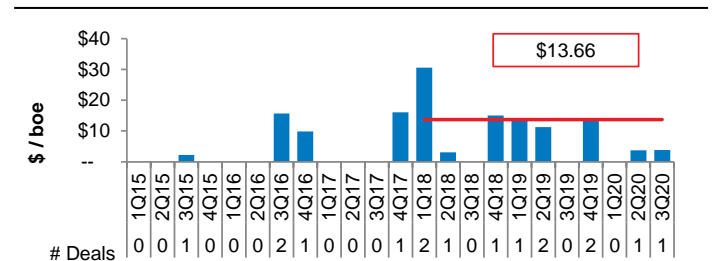
Ann'd Date	Buyer	Seller	Asset Description	Value ⁽²⁾ (\$mm)	Proved Multiple (\$/boe)	Prod. Multiple (\$/boe/d)	Net Acres (\$/acre) ⁽³⁾	
20-Aug-20	San Juan Offshore	Arena Offshore	Gulf of Mexico Shelf assets	\$466	\$3.82	\$12,588	n.a.	
22-Jun-20	Talos Energy	Castex Energy	Gulf of Mexico assets	\$65	\$3.69	\$10,156	n.a.	
12-Dec-19	W&T Offshore	ConocoPhillips	Deepwater GOM assets	\$20	\$4.88	\$8,696	n.a.	
10-Dec-19	Talos Energy	Multiple	GOM assets and exploration prospects	\$640	\$14.71	\$33,684	n.a.	
27-Jun-19	W&T Offshore	ExxonMobil	Mobile Bay assets	\$200	\$2.70	\$10,101	n.a.	
				Mean	\$278	\$5.96	\$15,045	n.a.
				Median	\$200	\$3.82	\$10,156	n.a.

Blue = BMO provided transaction advisory services Green = BMO provided acquisition financing or related services
Purple = BMO provided both transaction advisory services and acquisition financing or related services

TRANSACTION PRODUCTION MULTIPLES⁽⁴⁾



TRANSACTION PROVED RESERVE MULTIPLES⁽⁴⁾



14 Source: BMO Transaction Database, Baker Hughes, BMO Commodity Products Group, Bloomberg, Enverus

Note: Current quarter's data is through the week covered by this issue.

1. Permits include directional and unidentified drilling permits. 2. Represents total enterprise value. Excludes transactions with deal value <\$20 million.
3. \$/acre multiple not adjusted for value associated with production.
4. Red line denotes average since 01-Jan-18. Calculated as the weighted average of each quarter's transactions.

September 14, 2020

[Click event to open](#)

Upcoming Industry Events

September 2020

Sep 15	Houston Producers Forum Luncheon
Sep 18	ADAM-Houston Monthly Luncheon
Sep 29-30	DUG Permian Basin & Eagle Ford (virtual)

October 2020

Oct 13-15	OilComm Conference & Exposition (virtual)
Oct 16	ADAM-Houston Monthly Luncheon
Oct 20	Houston Producers Forum Luncheon
Oct 26-29	SPE Technical Conference and Exhibition (virtual)
Oct 28	DUG Haynesville (virtual)

November 2020

Nov 3-4	Executive Oil Conference & Exhibition (Midland)
Nov 17	Houston Producers Forum Luncheon
Nov 20	ADAM-Houston Monthly Luncheon

December 2020

Dec 1-3	DUG East (Pittsburgh)
Dec 3	IPAA Texas Hold'Em Tournament
Dec 8-9	A&D Strategies and Opportunities Conference
Dec 15	Houston Producers Forum Luncheon

January 2021

Jan 13	IPAA Leaders in Industry Luncheon
Jan 15	ADAM-Houston Monthly Luncheon
Jan 18-22	API E&P Winter Standards Meeting
Jan 19	Houston Producers Forum Luncheon
Jan 21	IPAA Private Capital Conference

February 2021

Feb	DUG Energy ESG Conference
Feb 2-4	SPE Hydraulic Fracturing Technology Conference
Feb 8-12	NAPE Summit
Feb 10	IPAA Leaders in Industry Luncheon
Feb 16	Houston Producers Forum Luncheon
Feb 19	ADAM-Houston Monthly Luncheon
Feb 21-24	Energy in Data Conference

March 2021

Mar 1-3	SPE Reservoir Simulation Conference
Mar 10	IPAA Leaders in Industry Luncheon
Mar 16	Houston Producers Forum Luncheon
Mar 19	ADAM-Houston Monthly Luncheon
Mar 25-26	DUG Bakken and Rockies (Denver)

April 2021

Apr 14	IPAA Leaders in Industry Luncheon
Apr 16	ADAM-Houston Monthly Luncheon
Apr 19-20	Mineral & Royalty Conference
Apr 19-21	DUG Permian (Fort Worth)
Apr 20	Houston Producers Forum Luncheon
Apr 27-30	SPE Western Regional Meeting
Apr 29	SPE Permian Basin Summit

May 2021

May 3-6	Offshore Technology Conference
May 11-13	SPE-GCS ESP Symposium
May 12	IPAA Leaders in Industry Luncheon
May 18	Houston Producers Forum Luncheon
May 20	SPE Reservoir Study Group Luncheon
May 21	ADAM-Houston Monthly Luncheon
May 26-27	DUG Haynesville (Shreveport)

June 2021

Jun 9	IPAA Leaders in Industry Luncheon
Jun 9	SPE Completions and Production Study Group
Jun 15	Houston Producers Forum Luncheon
Jun 18	ADAM-Houston Monthly Luncheon

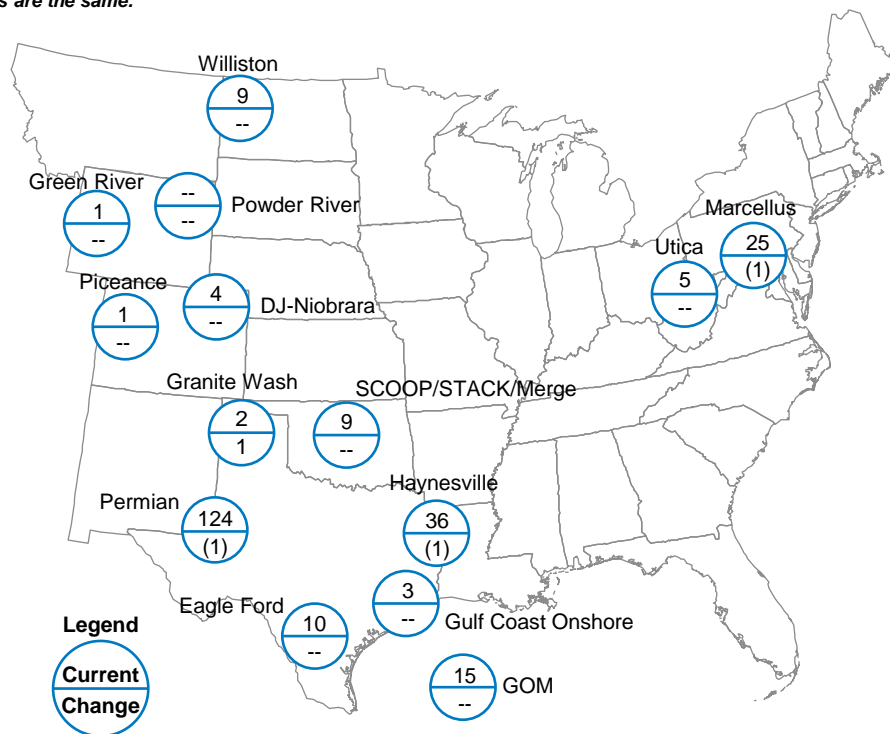
September 14, 2020

Rig Count Summary

BMO uses updated basin outlines, and the resulting rig counts, to more accurately represent current basin knowledge. The data below reflect these changes and is different than those shown by Baker Hughes. The totals are the same.

	This Week	Change	Last Week	Last Year
Total Rigs	254	(2)	256	886
Oil	180	(1)	181	733
Gas	71	(1)	72	153
Miscellaneous	3	--	3	--
Directional	21	1	20	57
Horizontal	214	(6)	220	776
Vertical	19	3	16	53

Basin	This Week	Change	Last Week	Last Year
Permian	124	(1)	125	419
SCOOP/STACK/Merge	9	--	9	61
Granite Wash	2	1	1	7
Eagle Ford	10	--	10	81
Haynesville	36	(1)	37	54
Marcellus	25	(1)	26	51
Utica	5	--	5	12
Williston	9	--	9	55
DJ-Niobrara	4	--	4	22
Green River	1	--	1	18
Powder River	--	--	--	23
Piceance	1	--	1	4
Gulf Coast Onshore	3	--	3	11
GOM	15	--	15	25
Alaska	3	--	3	7
Other	7	--	7	36
Mid-Con	1	--	1	14
Rockies	--	--	--	3
Western	5	--	5	17
Eastern	1	--	1	2



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