



Building an Integrated Business in North Louisiana
Fred Bakun: President Indigo Natural Resources
PLANO, February 19, 2020



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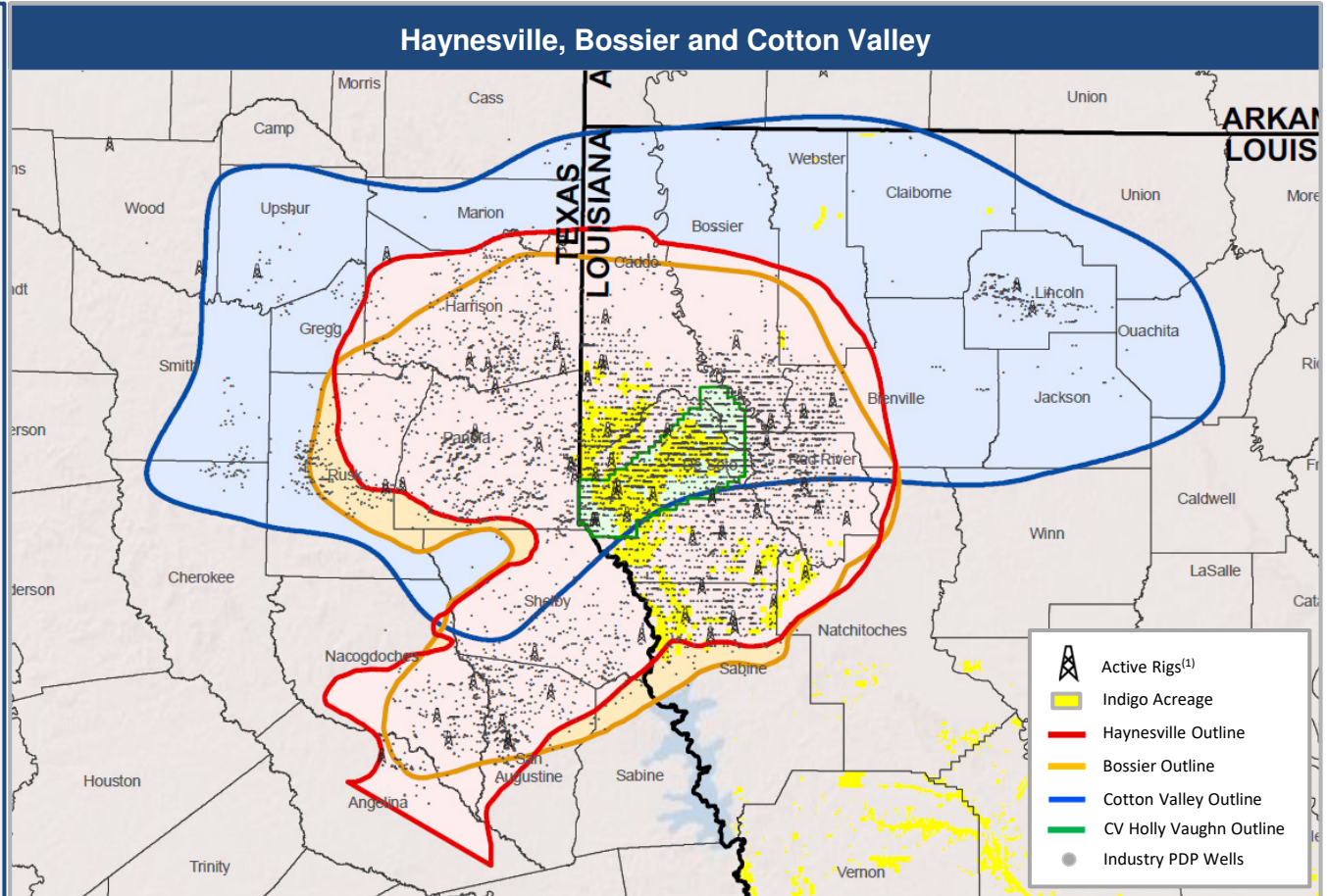
Market Data and Statistical Information Certain data and other market information used in this presentation are based on independent industry publications, government publications and other published independent sources. Although we believe these third-party sources are reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, which could cause our results to differ materially from those expressed in these third-party publications.

North Louisiana / East Texas Overview



Basin Overview

- World class resource base
 - 304 Tcf of resource per USGS⁽¹⁾
 - 2.0+ Bcf/1,000 ft
- Stacked pay
 - Haynesville, Bossier and Cotton Valley targets
- 41 active drilling rigs⁽²⁾
 - Private and public operators
- Premium product pricing
 - Proximity to the U.S. Gulf Coast's LNG export and petrochemical demand

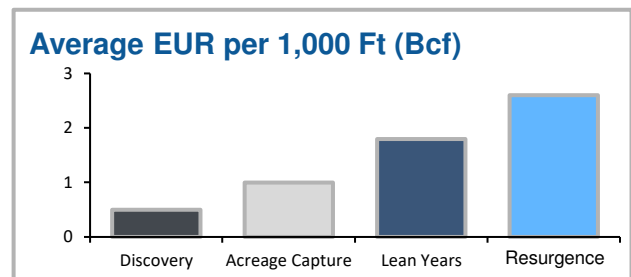
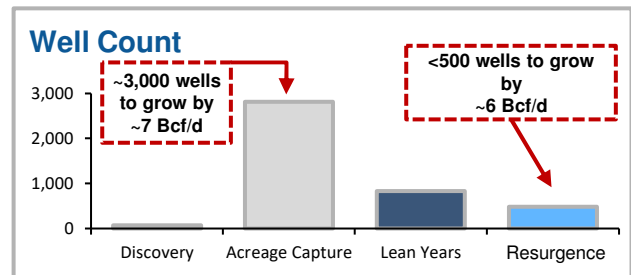
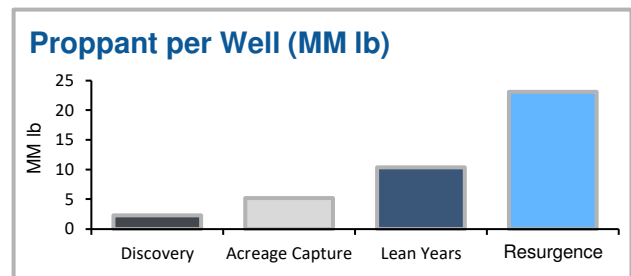
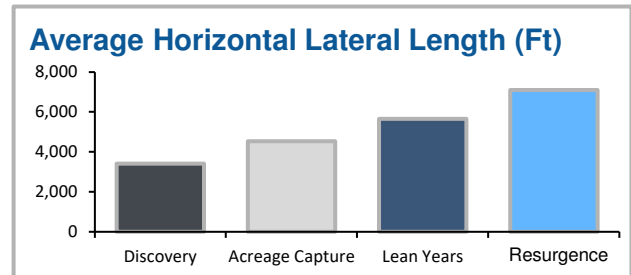
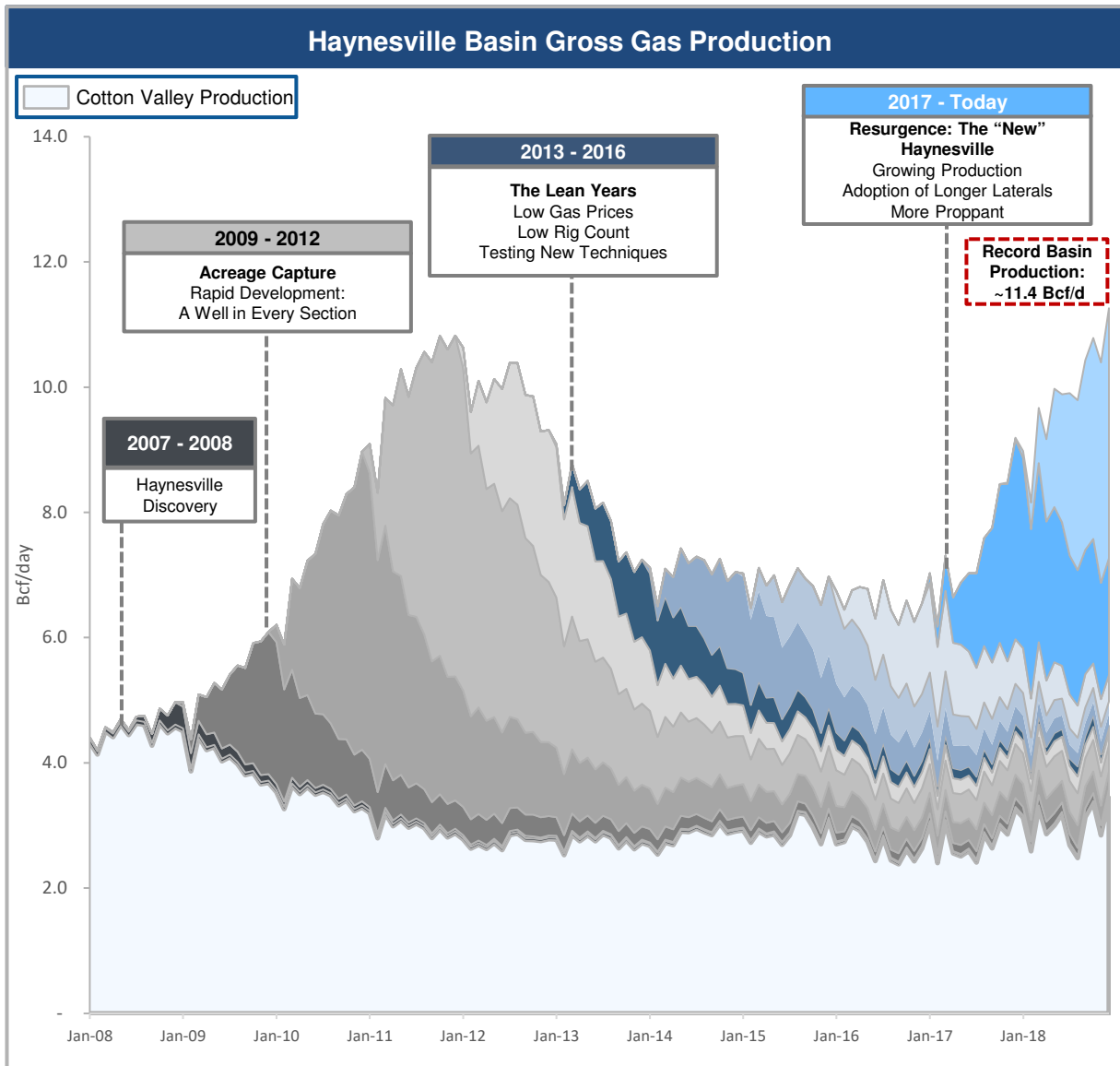


Active North Louisiana / East Texas Operators



(1) 304 Tcf of Bossier and Haynesville resource per a United States Geological Survey report dated April 2017.
 (2) Rig data per Baker Hughes 2-7-2020.

Basin Transformation



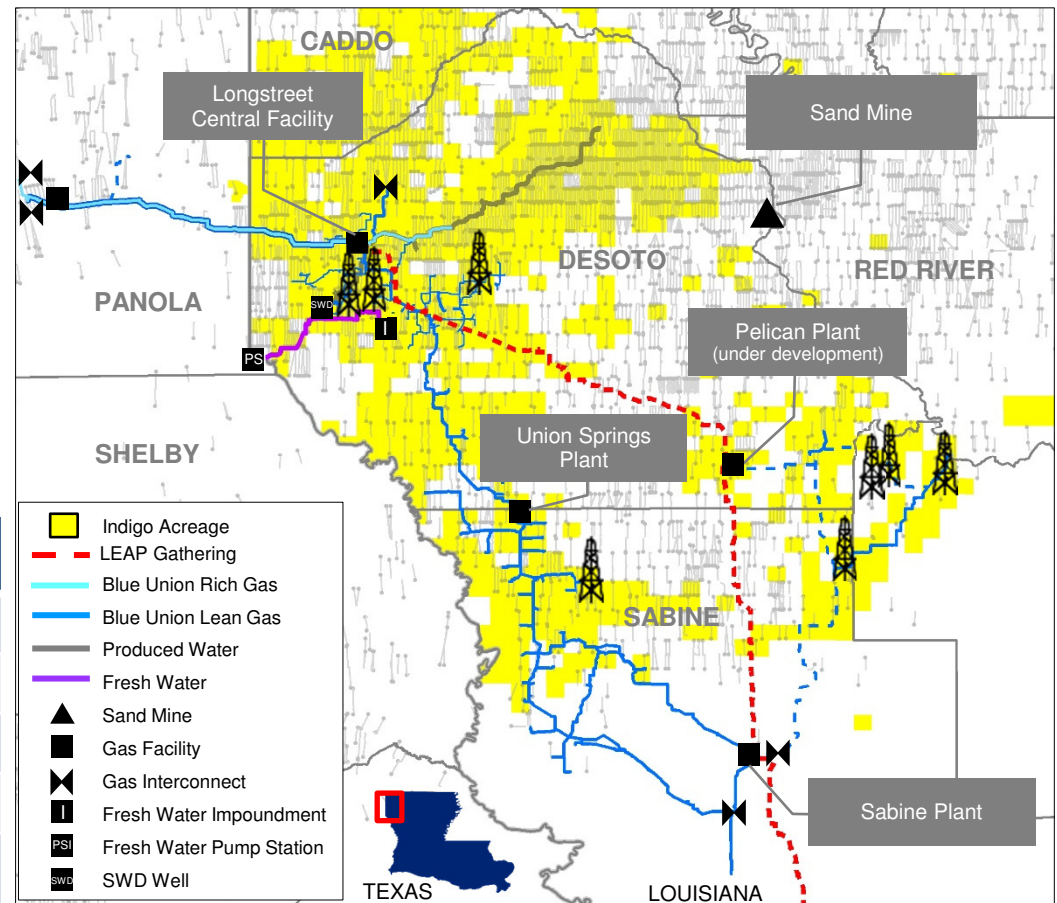
Indigo Today



Company Overview

- ◆ 4th largest private U.S. E&P company
- ◆ 50/50 Midstream JV acquired by DTE Energy for \$2.65 Bln in December 2019
- ◆ Well hedged with a strong balance sheet
- ◆ Headquartered in Houston

Indigo Acreage and Midstream JV Map



Indigo Asset Overview

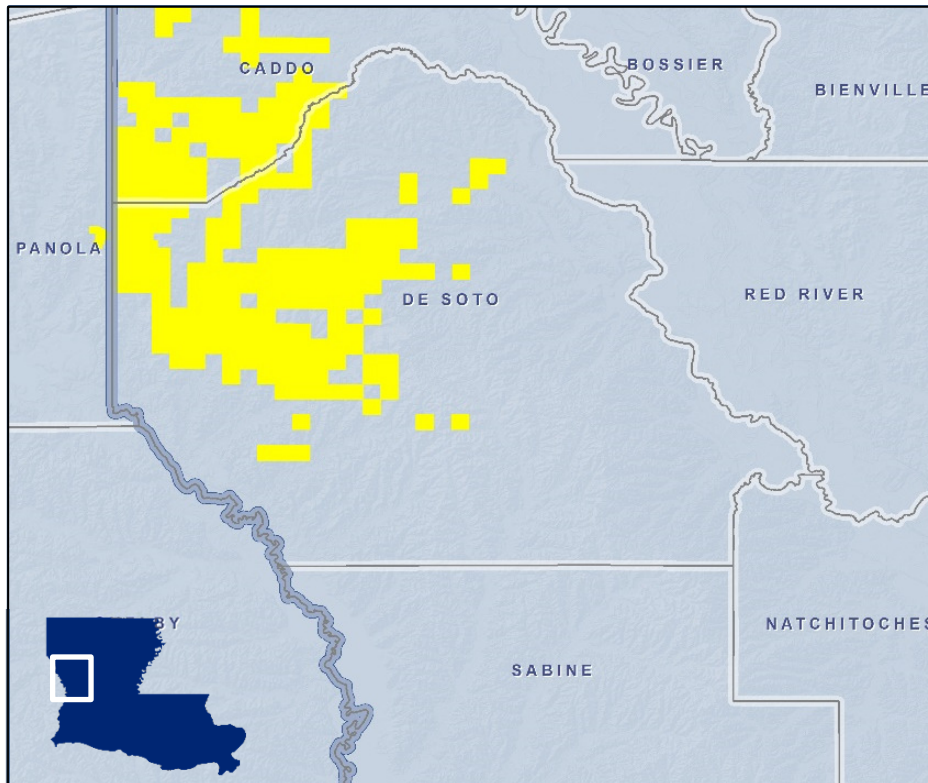
Net Production	923 Net MMcfe/d ⁽¹⁾
Gross Production	1,294 Gross MMcfe/d ⁽¹⁾
Proved Net Reserves	4.7 Tcfe / \$2.4 B PV-10 ⁽²⁾
3P Net Reserves	17.2 Tcfe / \$4.8 B PV-10 ⁽²⁾
Gross Operated Core Horizontal Locations	1,724 ⁽³⁾

(1) Wellhead production as of 11/11/2019.

(2) NSAI reserves and PV-10 as of 12/31/2018 based on NYMEX pricing. 5-year average NYMEX Pricing of \$2.696 / MMBtu HHUB and \$50.04/ Bbl WTI.

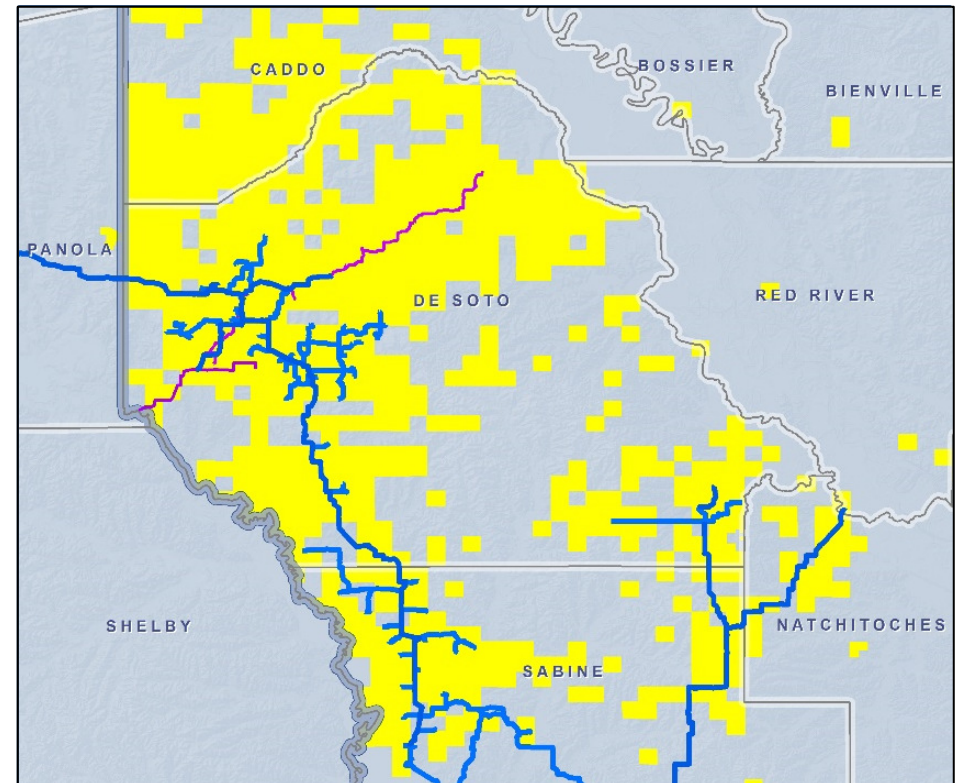
(3) NSAI estimated locations based on 12/31/2018 NYMEX pricing. Includes only Haynesville, Bossier and Holly Vaughn locations. Excludes 219 Cotton Valley Other locations.

Build and Integrated Production and Midstream Company



2015

- ◆ Indigo focused on a single horizon
- ◆ No material midstream presence



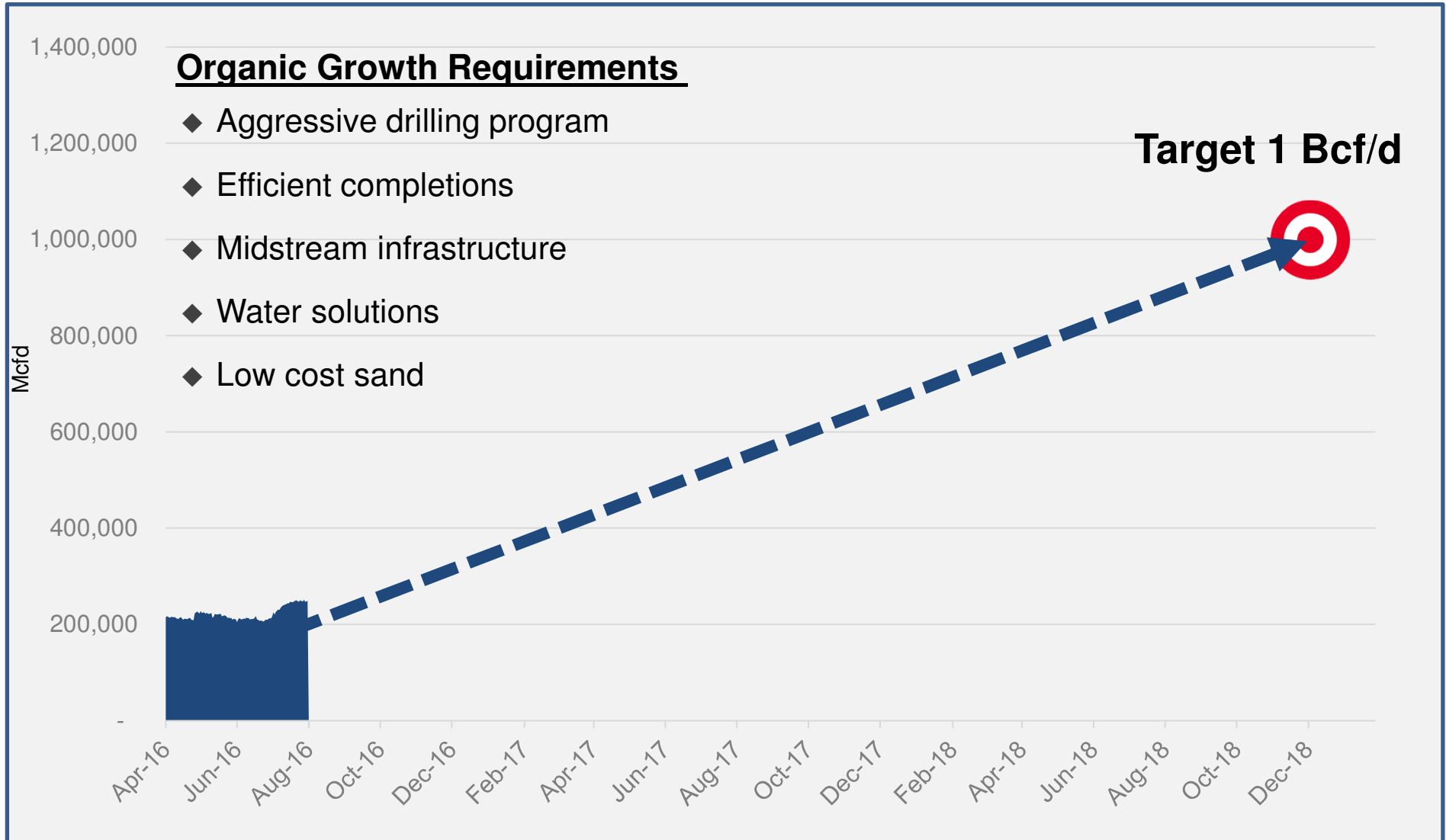
Present Day

- ◆ Expanded acreage position in NLA
 - 450,000 net acres; targeting multiple horizons
- ◆ Large scale integrated midstream business

Indigo Vision: 2015



Indigo's goal to grow to 1.0 Bcf/d production company



Active Drilling Program

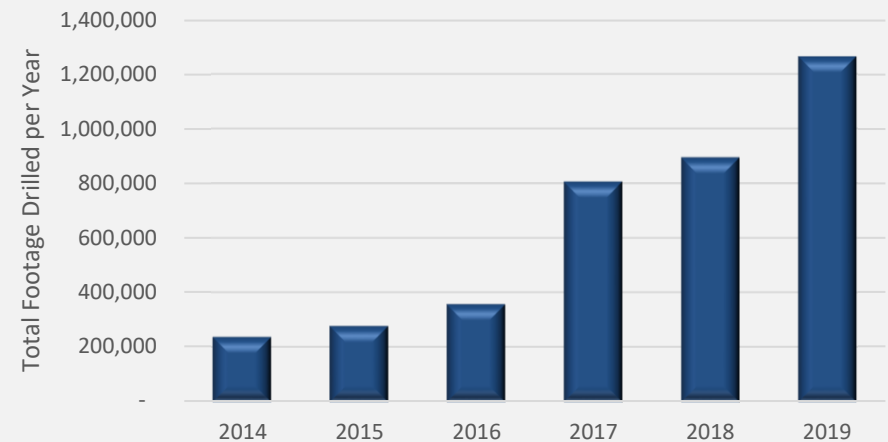


Grow with the drill bit

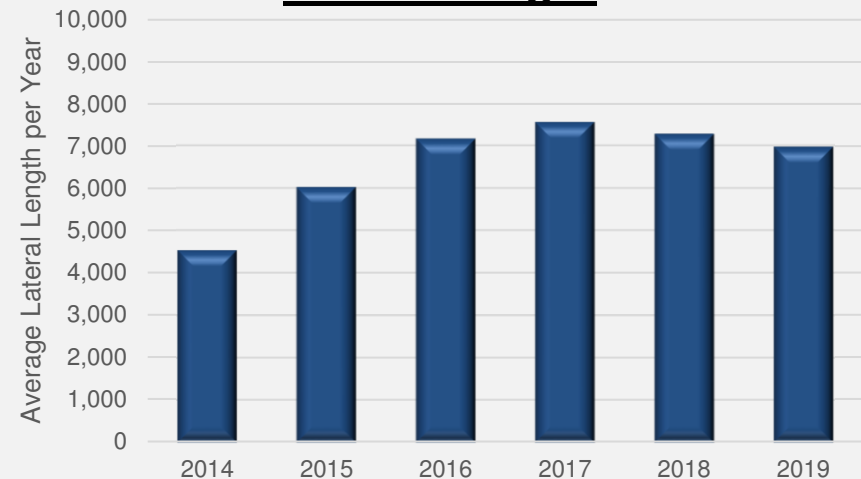
- ◆ One of the most active drillers Louisiana
- ◆ Running 5 rigs
- ◆ Drilled 48 wells with over 8,000' of lateral
- ◆ Average lateral ~7,000' in 2019



Drilling More Total Footage



Lateral Length



Completion Efficiency

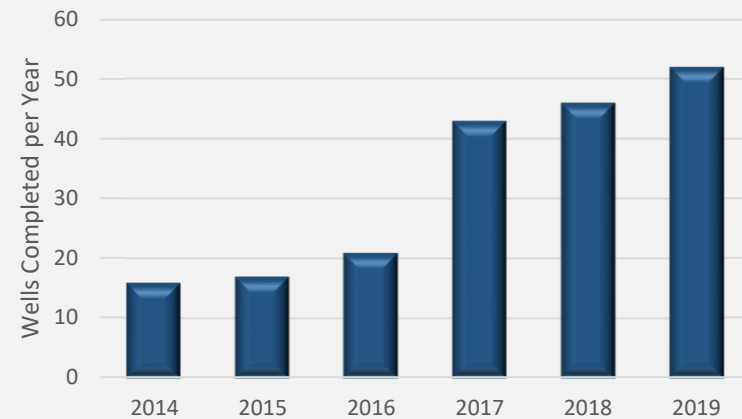


Increasing stimulation intensity

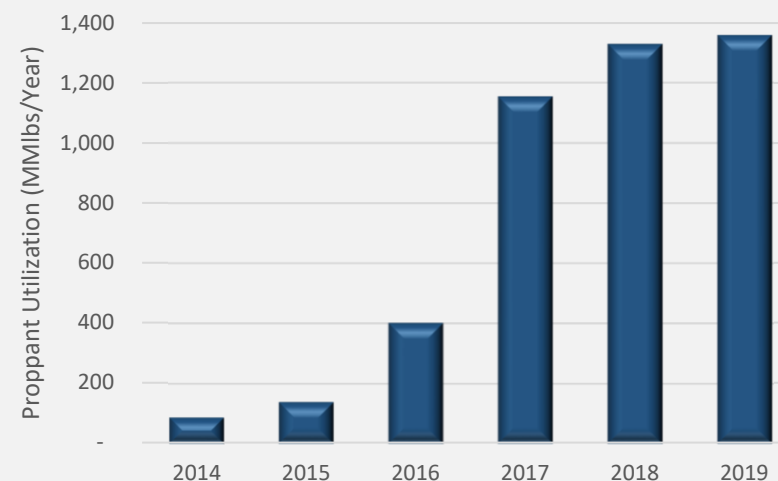
- ◆ Average 2 full time stimulation crews
- ◆ Placed 2,577 stages in 2019
- ◆ Utilized 1.36 bln pounds of proppant in 2019
- ◆ Most efficient completions operation in the basin



Completing 50+ wells per year



Increasing Proppant Usage



Growing Volumes and Reserves

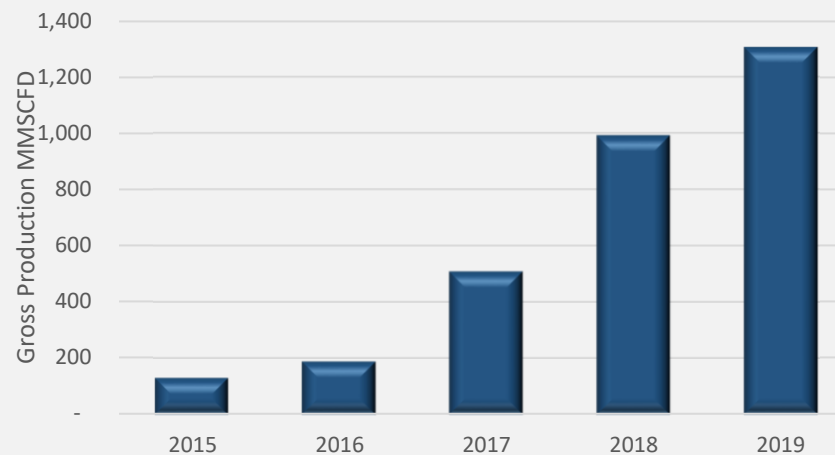


600% increase in operated production from 2016 to 2019

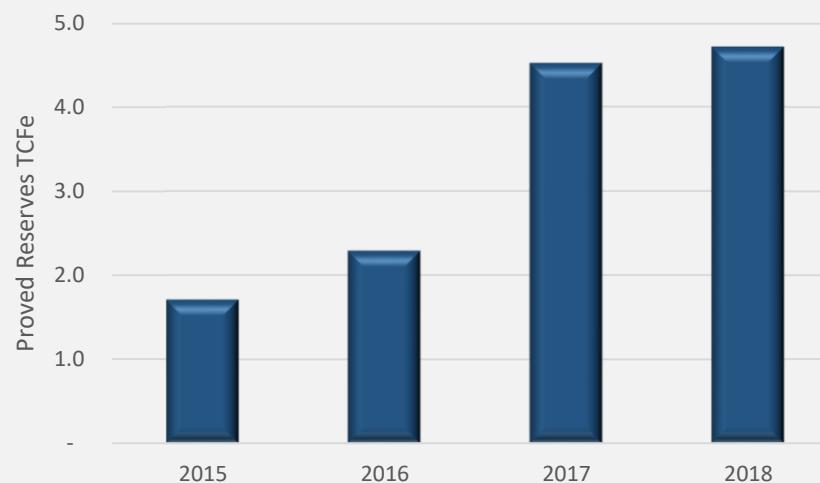
- ◆ Averaged appx 1.3 BCFD gross in 2019
- ◆ Proved reserves of 4.7 TCFe



Growing Volumes (LA Operated)



Proved Reserves



Building Midstream Infrastructure



Greenfield gathering system provides runway for growth

- ◆ Gathering system currently provides lean gas and rich gas gathering and treating services with 1.5 Bcf/d capacity
- ◆ Freshwater supply and produced water disposal
- ◆ Local proppant supply with 1.5 MMTPA capacity
- ◆ LEAP: 36" line providing gathering and redelivery to southwest LA markets

Sabine Plant CO₂ & H₂S Treating Facility



Gen6 Sand Mine



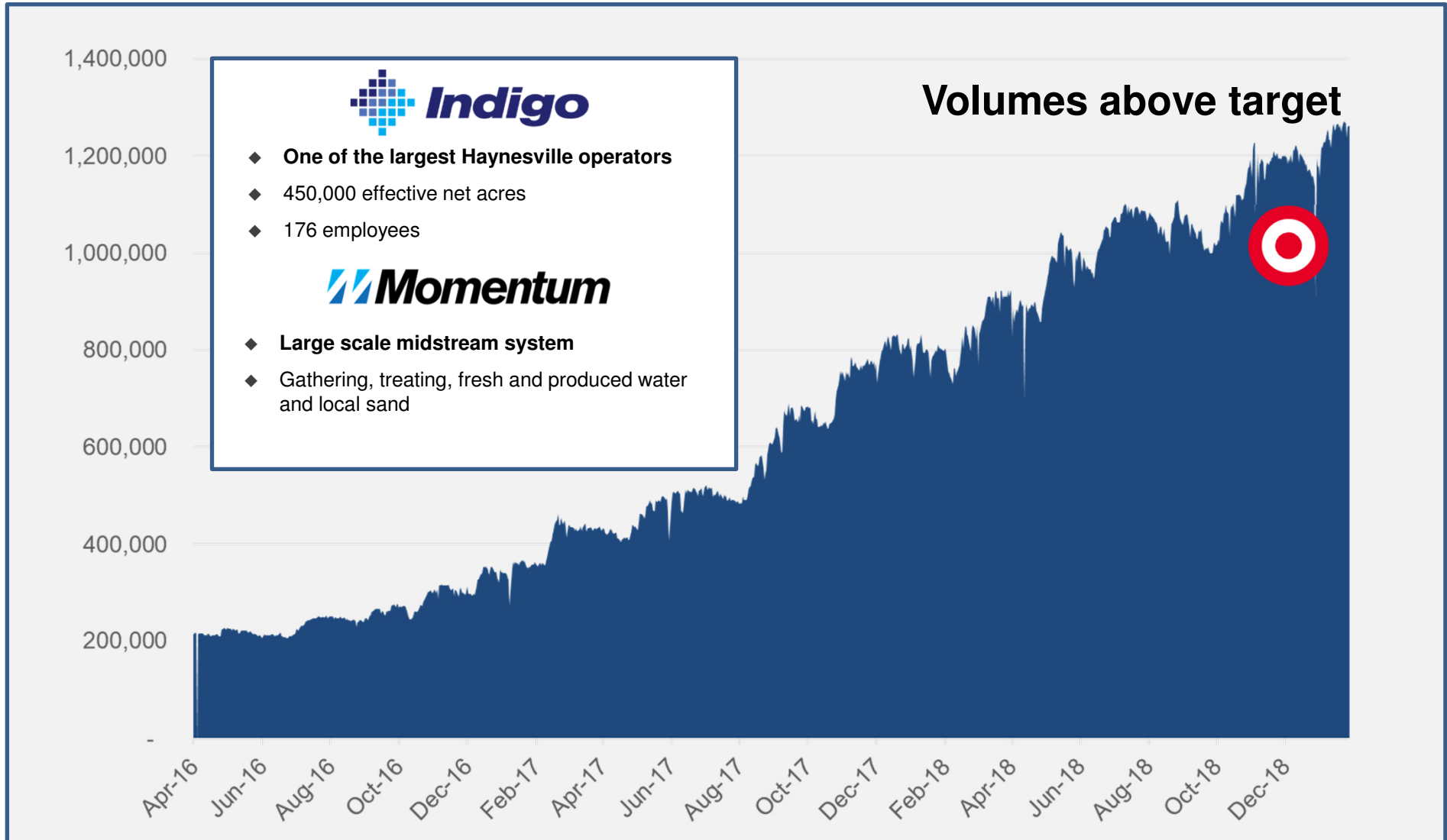
Fresh and Produced Water Services



Indigo Execution



Delivering growth



Indigo: Key Highlights



Fourth Largest Private E&P in the U.S.

Top Tier Natural Gas Resource

Conservative Financial Profile

Low Leverage with Strong Hedge Book

Targeting Free Cash Flow in 2020