Agenda

2016 Review

- Safety
- Drilling & Wellwork Delivery
- Deferrals

2017 Plan – working safer, smarter & more simply

- Looking within – identifying focus areas and seeking novel solutions from within the company
- Looking ahead – relentless pursuit of best in class results
Near Miss reporting at all time high

Looking ahead:

- Culture of Caring
- Contractor support & accountability
- How I Show Up workshops
Drilling Delivery

<table>
<thead>
<tr>
<th></th>
<th>Rotary – ’16 Actuals</th>
<th>Rotary – ’17 Plan</th>
<th>CTD – ’16 Actuals</th>
<th>CTD – ’17 Plan</th>
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</thead>
<tbody>
<tr>
<td><strong>Active Rigs</strong></td>
<td></td>
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<tr>
<td>Jan – April</td>
<td>2 rigs</td>
<td>1</td>
<td>2 rigs</td>
<td>1</td>
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<tr>
<td>Apr – Dec</td>
<td>1 rig</td>
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<td>1 rig</td>
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<tr>
<td><strong>Wells Completed</strong></td>
<td>11</td>
<td>10</td>
<td>31</td>
<td>22</td>
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<tr>
<td><strong>Wells PoP’d</strong></td>
<td>58 - no wells on backlog</td>
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</table>

Well Duration (Avg. days)
Wellwork Delivery

<table>
<thead>
<tr>
<th>Wellwork</th>
<th>2016 Plan</th>
<th>2016 Actuals</th>
<th>2017 Plan</th>
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<tbody>
<tr>
<td>Jobs Planned (SOR)</td>
<td>650</td>
<td>685</td>
<td>600</td>
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<tr>
<td>Wells Completed</td>
<td>400</td>
<td>425</td>
<td>375</td>
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2016 Highlights

- **Record low well deferrals**
  - Data clean-up (early 2016)
  - Top 10 Management
  - Contributions from 22 Root Cause Failure Analysis (RCFA) activities completed in 2016
Looking Within

- PoP Strategy & Timing
- Drilling Well (or RWO) on Paper
- Road Improvement Project
- Rig Intake Process
- Lower 48 visits
Looking Ahead

- Rotary Drilling Target
  - Plan delivers 30% lower spend per well by YE 2018

- CTD Drilling Target
  - Plan delivers 20% lower spend per well by YE 2018

- Complex Wellwork
  - Workplan under development
  - Maintain 2016 efficiency gains

- Key Enablers:
  - Crew Competency
  - Contracting Strategy
  - Deflation
  - De-scoping
  - Dependent on a supportive State regulatory and fiscal environment