



# Mid-Con Energy Partners, LP

## Supplemental: Third Quarter 2016 Results

### October 31, 2016

*Financial information as of October 31, 2016*

**MCEP**  
**NASDAQ**  
**LISTED**

This presentation includes "forward-looking statements" — that is, statements related to future, not past, events within the meaning of the federal securities laws. Forward-looking statements are based on current expectations and include any statement that does not directly relate to a current or historical fact. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate," "believe," "estimate," "intend," "expect," "plan," "project," "should," "goal," "forecast," "guidance," "could," "may," "continue," "might," "potential," "scheduled," or "will" or other similar words. These forward-looking statements involve certain risks and uncertainties and ultimately may not prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. For further discussion of risks and uncertainties, you should refer to Mid-Con Energy's filings with the Securities and Exchange Commission available at [www.midconenergypartners.com](http://www.midconenergypartners.com) or [www.sec.gov](http://www.sec.gov). Mid-Con Energy undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this presentation. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. All forward-looking statements are qualified in their entirety by this cautionary statement and other SEC filings.

These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which may include statements about our:

- business strategies;
- volatility or continued low or further declining commodity prices;
- future financial and operating results, and our ability to pay distributions;
- ability to replace the reserves we produce through acquisitions and the development of our properties;
- revisions to oil and natural gas reserves estimates as a result of changes in commodity prices;
- future capital requirements and availability of financing;
- technology;
- realized oil and natural gas prices;
- production volumes;
- lease operating expenses;
- general and administrative expenses;
- cash flow and liquidity;
- availability of production equipment;
- availability of oil field labor;
- capital expenditures;
- availability and terms of capital;
- marketing of oil and natural gas;
- general economic conditions;
- competition in the oil and natural gas industry;
- effectiveness of risk management activities;
- environmental liabilities;
- counterparty credit risk;
- governmental regulation and taxation;
- developments in oil producing and natural gas producing countries; and
- plans, objectives, expectations and intentions.

# 2016 Strategic Objectives

## Maintaining Momentum During 3Q16



### Strategic Objectives

#### Reducing Costs

*Improving efficiencies, lowering cash break-even levels, widening margins*

#### Reducing Debt

*Protect the balance sheet by delevering via multiple sources of cash flow*

#### Increasing Liquidity

*Maintaining financial flexibility and living within cash flow during uncertain times*

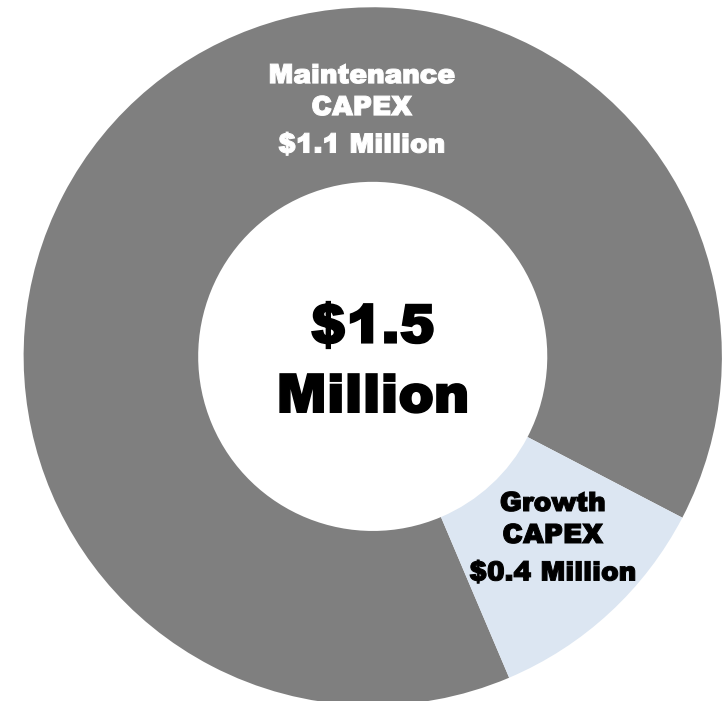
### 3Q16 Highlights

- 3Q16 cash operating costs (including cash interest) averaged \$25.35/Boe, decreasing 7% from 3Q15 and 37% from 3Q14
- 3Q16 LOE of \$15.68/Boe decreased 20% from 3Q15 and 35% from 3Q14
- Continued rationalizing the asset portfolio, replacing high cost Hugoton core area with lower cost Permian bolt-on acquisition
- 3Q16 paydown provided by previously announced Hugoton divestiture, cash settlements from hedges, net proceeds from convertible preferred equity raise in excess of Permian bolt-on acquisition purchase price, and cash from operations
- Reduced debt by \$34.1 million during 3Q16 to \$127.9 million outstanding as of September 30, 2016
- Additional borrowing capacity and collateral coverage provided by previously announced Permian bolt-on acquisition
- Conforming borrowing base increased to \$140.0 million in August 2016, and subsequently reaffirmed by lender group at \$140.0 million during fall 2016 redetermination
- Total liquidity of \$14.2 million as of September 30, 2016

# 3Q16 Capital Expenditures

## Growth & Maintenance CAPEX

- **\$1.5 Million in Total CAPEX**
  - Maintenance: \$1.1 million
  - Growth: \$0.4 million
- **Spud 3 producing wells in 3Q16**
  - Permian: 2 producing wells
  - NE OK: 1 producing well
- **Initiated 6 recompletions during quarter**
  - Permian: 4 recompletions
  - NE OK: 2 recompletions



*MCEP Comments on Maintenance CAPEX: Maintenance CAPEX reflects the total amount of spending required to maintain proper injection pressure and flood fronts across each individual unit.*

# Summary Operating and Financial Results



	Three Months Ended			Variance Analysis			
	September 30,	June 30,	September 30,	Quarter-over-quarter		Year-over-year	
	2016	2016	2015	#	%	#	%
<b>Select Operating Results</b>							
Oil (MBbl)	339	349	422	(10)	(2.9)%	(83)	(19.7)%
Natural gas (MMcf)	149	130	151	19	14.6 %	(2)	(1.3)%
Total Production (MBoe) <sup>(1)</sup>	364	371	447	(7)	(1.9)%	(83)	(18.6)%
<b>Daily Average Production (Boe/d)</b>	<b>3,957</b>	<b>4,077</b>	<b>4,859</b>	<b>(120)</b>	<b>(2.9)%</b>	<b>(902)</b>	<b>(18.6)%</b>
<b>Select Financial Results (\$ in thousands)</b>							
Oil sales	\$ 14,012	\$ 14,447	\$ 18,137	\$ (435)	(3.0)%	\$ (4,125)	(22.7)%
Natural gas sales	\$ 398	\$ 330	\$ 356	\$ 68	20.6 %	\$ 42	11.8 %
Cash settlements from matured derivatives, inclusive of net premiums <sup>(2)</sup>	\$ 1,182	\$ 2,731	\$ 8,374	\$ (1,549)	(56.7)%	\$ (7,192)	(85.9)%
<b>Oil &amp; natural gas sales plus cash settlements from matured derivatives, inclusive of premiums, net</b>	<b>\$ 15,592</b>	<b>\$ 17,508</b>	<b>\$ 26,867</b>	<b>\$ (1,916)</b>	<b>(10.9)%</b>	<b>\$ (11,275)</b>	<b>(42.0)%</b>
Lease operating expenses	\$ 5,709	\$ 5,777	\$ 8,761	\$ (68)	(1.2)%	\$ (3,052)	(34.8)%
Oil and gas production taxes	\$ 753	\$ 732	\$ 206	\$ 21	2.9 %	\$ 547	265.5 %
General and administrative <sup>(3)</sup>	\$ 1,715	\$ 1,478	\$ 2,253	\$ 237	16.0 %	\$ (538)	(23.9)%
<b>Select Non-GAAP Measures:</b>							
Adjusted EBITDA	\$ 11,873	\$ 11,630	\$ 15,744	\$ 243	2.1 %	\$ (3,871)	(24.6)%
Distributable Cash Flow	\$ 9,104	\$ 8,627	\$ 12,433	\$ 477	5.5 %	\$ (3,329)	(26.8)%
<b>Select Financial Results (\$ per Boe)</b>							
Oil sales	\$ 38.49	\$ 38.94	\$ 40.57	\$ (0.45)	(1.2)%	\$ (2.08)	(5.1)%
Natural gas sales	\$ 1.09	\$ 0.89	\$ 0.80	\$ 0.20	22.5 %	\$ 0.29	36.3 %
Cash settlements from matured derivatives, inclusive of net premiums	\$ 3.25	\$ 7.36	\$ 18.73	\$ (4.11)	(55.8)%	\$ (15.48)	(82.6)%
<b>Oil &amp; natural gas sales plus cash settlements from matured derivatives, inclusive of premiums, net</b>	<b>\$ 42.84</b>	<b>\$ 47.19</b>	<b>\$ 60.11</b>	<b>\$ (4.35)</b>	<b>(9.2)%</b>	<b>\$ (17.27)</b>	<b>(28.7)%</b>
Lease operating expenses	\$ 15.68	\$ 15.57	\$ 19.60	\$ 0.11	0.7 %	\$ (3.92)	(20.0)%
Oil and gas production taxes	\$ 2.07	\$ 1.97	\$ 0.46	\$ 0.10	5.1 %	\$ 1.61	350.0 %
General and administrative <sup>(3)</sup>	\$ 4.71	\$ 3.98	\$ 5.04	\$ 0.73	18.3 %	\$ (0.33)	(6.5)%
<b>Select Non-GAAP Measures:</b>							
Adjusted EBITDA	\$ 32.62	\$ 31.35	\$ 35.22	\$ 1.27	4.1 %	\$ (2.60)	(7.4)%
Distributable Cash Flow	\$ 25.01	\$ 23.25	\$ 27.81	\$ 1.76	7.6 %	\$ (2.80)	(10.1)%

(1) Production volumes in Boe equivalents calculated at a rate of six Mcf per Bbl.

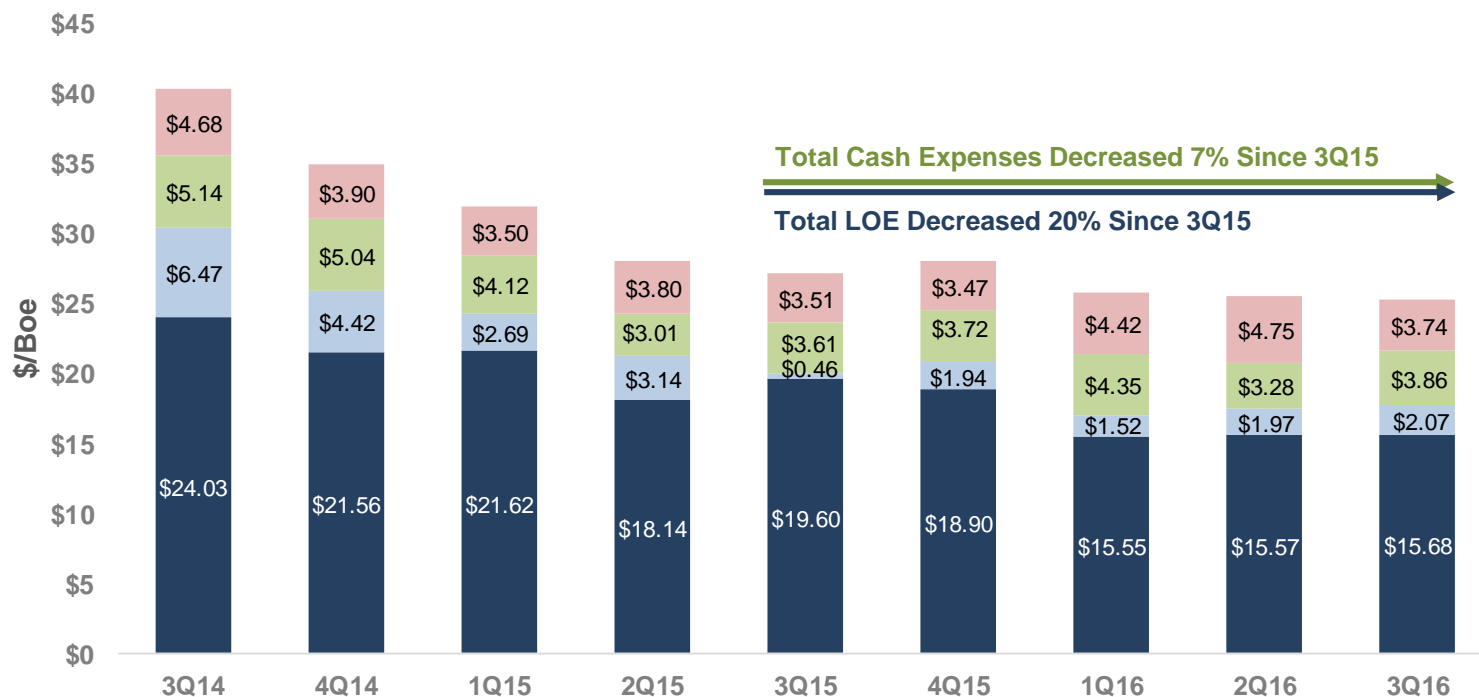
(2) Three months ended September 30, 2016 cash settlements from matured derivatives does not include the \$5.8 million received and the \$1.5 million of deferred premiums paid upon early termination of previous oil derivative contracts in July 2016. Three months ended June 30, 2016 and September 30, 2015 net premiums include those incurred previously or upon settlement that were attributable to instruments that settled in the period.

(3) General and administrative expenses include non-cash equity based compensation of approximately \$0.3 million for the three months ended September 30, 2016, \$0.3 million for the three months ended June 30, 2016, and \$0.6 million for the three months ended September 30, 2015.

# Operating Cash Flows Before Hedges Continued Positive Downtrend in Cash Expenses

Total Cash Expenses Decreased 37% Since 3Q14

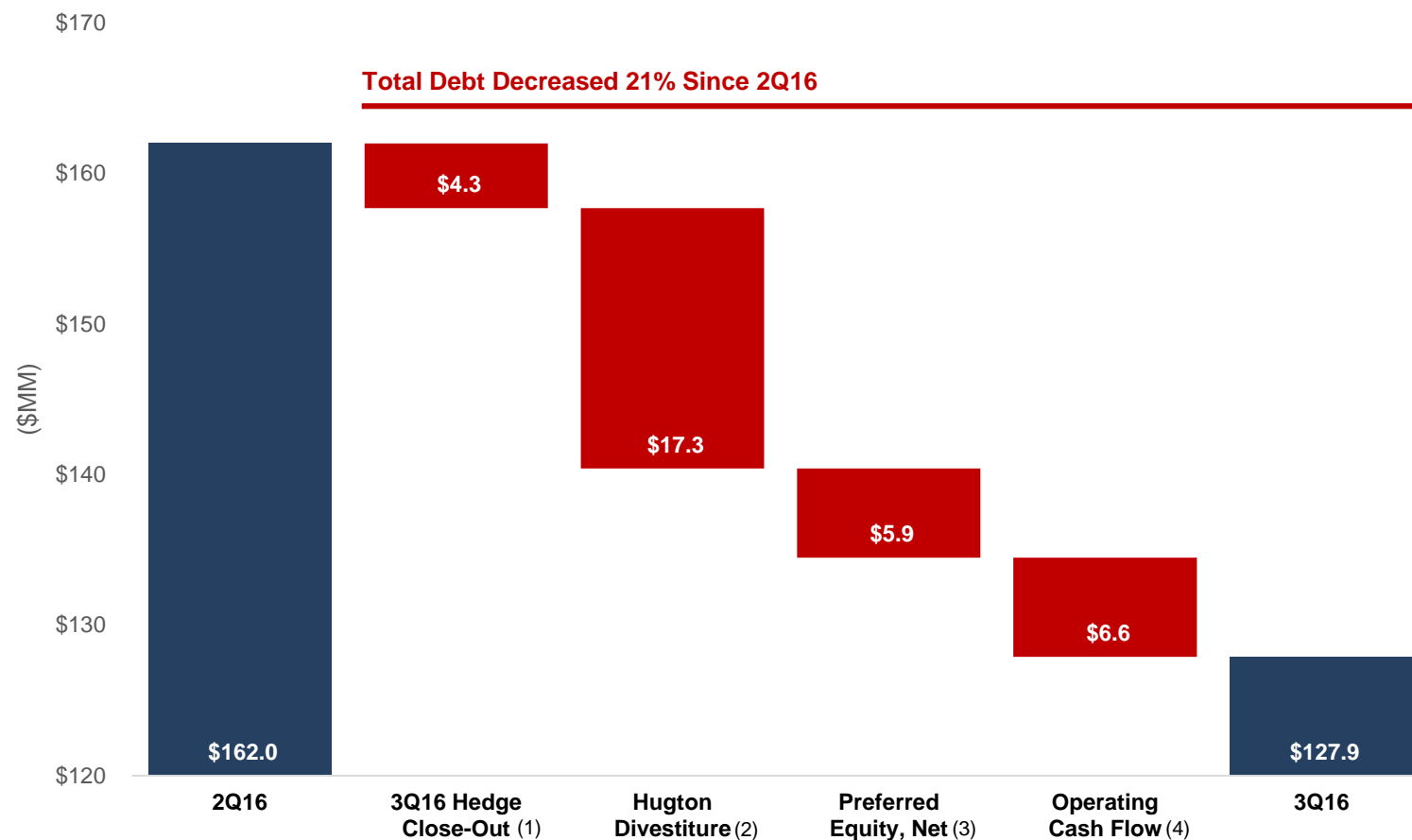
Total LOE Decreased 35% Since 3Q14



(\$/Boe)	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
LOE	\$24.03	\$21.56	\$21.62	\$18.14	\$19.60	\$18.90	\$15.55	\$15.57	\$15.68
Production taxes	\$6.47	\$4.42	\$2.69	\$3.14	\$0.46	\$1.94	\$1.52	\$1.97	\$2.07
Cash G&A	\$5.14	\$5.04	\$4.12	\$3.01	\$3.61	\$3.72	\$4.35	\$3.28	\$3.86
Cash interest expense	\$4.68	\$3.90	\$3.50	\$3.80	\$3.51	\$3.47	\$4.42	\$4.75	\$3.74
<b>Cash expenses</b>	<b>\$40.32</b>	<b>\$34.92</b>	<b>\$31.93</b>	<b>\$28.09</b>	<b>\$27.18</b>	<b>\$28.03</b>	<b>\$25.84</b>	<b>\$25.57</b>	<b>\$25.35</b>

# 3Q16 Debt Reduction

## Revolver Borrowings Decreased by \$34.1 Million

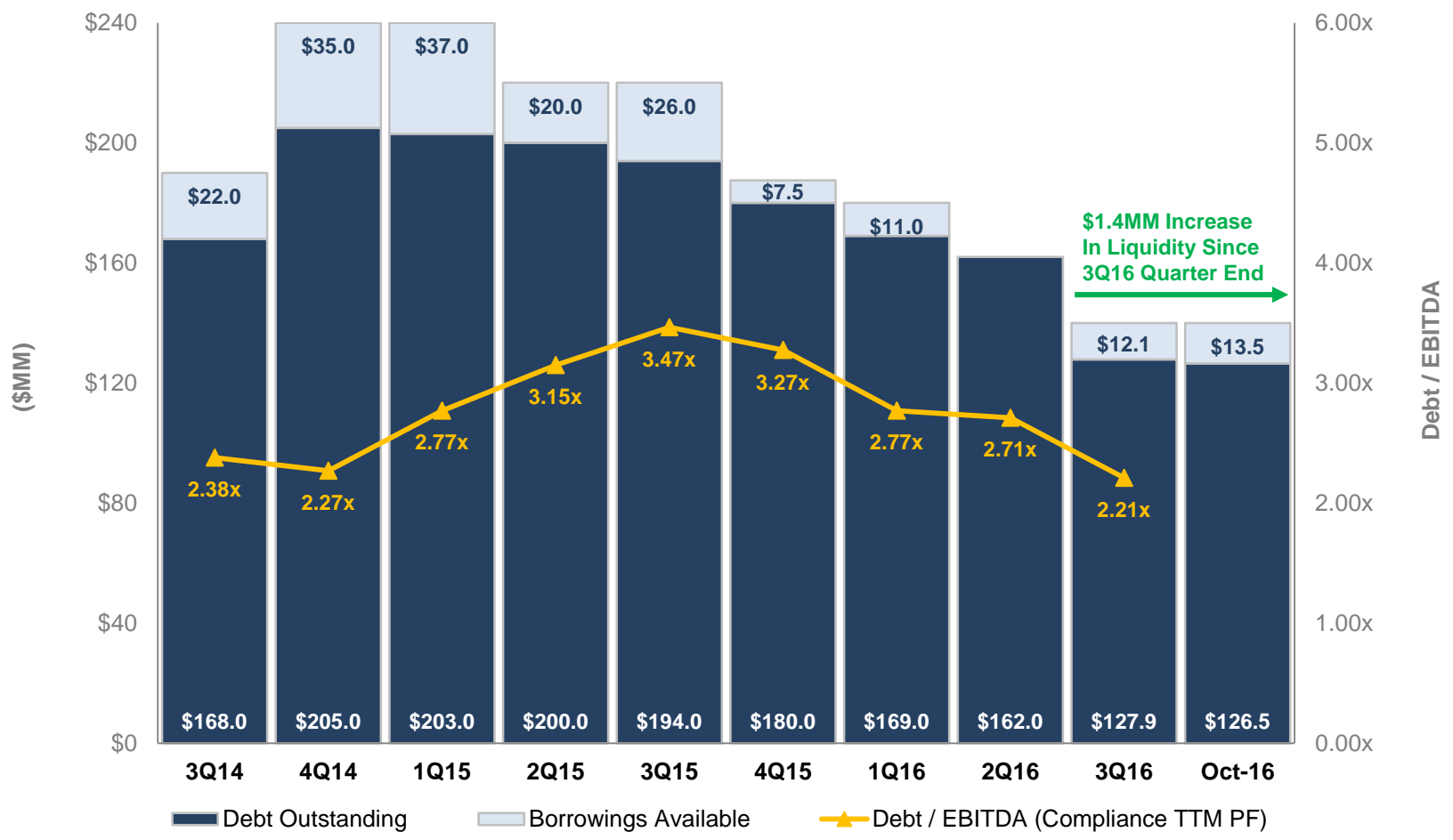


- (1) Net cash proceeds of \$4.3 million from July 2016 hedge close-out include \$5.8 million received and \$1.5 million of deferred premiums paid upon early termination of oil derivative contracts covering production from July 2016 to September 2016.
- (2) As of September 30, 2016, the Partnership had received net proceeds from the divestiture of \$17.3 million, subject to final post-closing adjustments.
- (3) Reflects net proceeds from \$25.0 million private offering of Class A Convertible Preferred Units, less offering costs, less net proceeds of \$19.1 million paid for the Permian bolt-on acquisition as of September 30, 2016, subject to final post-closing adjustments.
- (4) Includes \$1.2 million in cash settlements from matured derivatives that settled during the period. 3Q16 commodity derivatives unwound in July 2016 hedge close-out were replaced with at-the-market swaps, in equal volumes, with an average swap price of approximately \$48.88/Bbl.

# 2.21x Leverage<sup>(1)</sup> and Liquidity Update

## Borrowing Base Reaffirmed at \$140 Million

Borrowing Base (\$MM)	3Q14:	4Q14:	2Q15:	4Q15:	1Q16:	2Q16:	3Q16:	4Q16:	Reaffirmed \$140MM at Fall-16 Redetermination
	\$190	\$240	\$220	\$188	\$180	\$163	\$140	\$140	

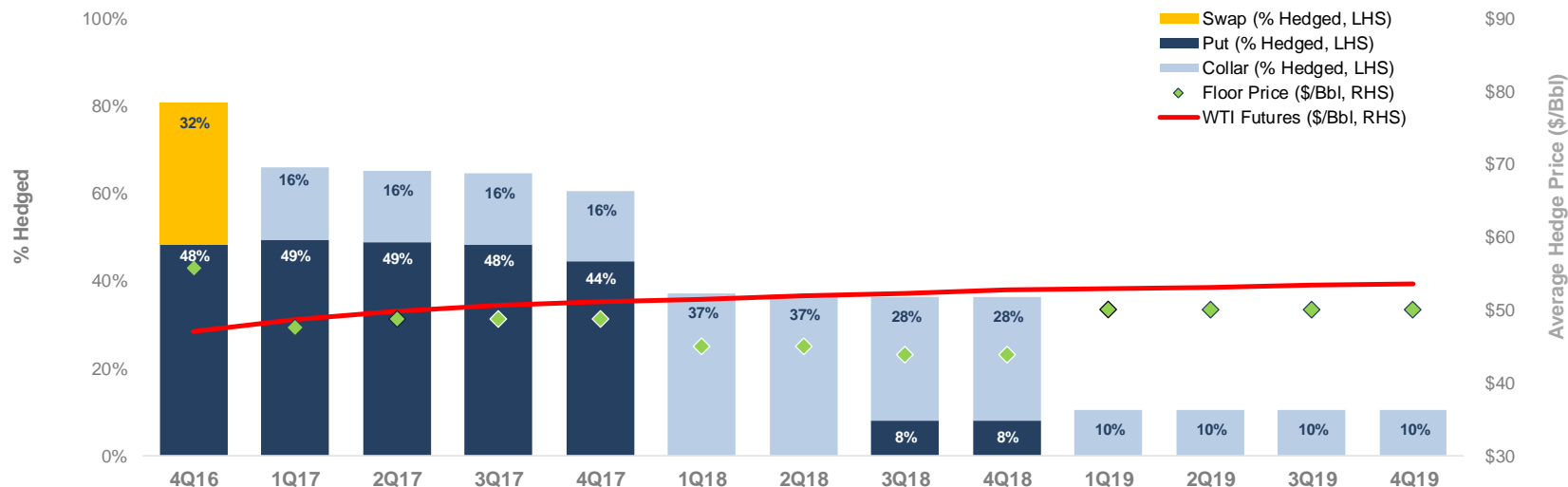


(1) Debt to EBITDA calculated on a trailing twelve month basis, as defined per the credit agreement, and includes pro forma adjustments for acquisitions and divestitures.



# Hedge Profile

## As of October 31, 2016



Oil Hedges	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19
WTI Swap Volume (Bbl/d)	1,304	-	-	-	-	-	-	-	-	-	-	-	-
Swap Price (\$/Bbl)	\$ 64.18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Collar Volume (Bbl/d)	-	667	659	652	652	1,500	1,484	1,141	1,141	424	424	424	424
Call Strike Price (\$/Bbl)	\$ -	\$ 49.00	\$ 50.15	\$ 51.22	\$ 52.35	\$ 57.39	\$ 57.91	\$ 52.42	\$ 53.13	\$ 60.52	\$ 60.52	\$ 60.52	\$ 60.52
Put Strike Price (\$/Bbl)	\$ -	\$ 40.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 43.57	\$ 43.57	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Put Volume (Bbl/d) <sup>(1)(2)</sup>	1,957	2,000	1,978	1,957	1,794	-	-	326	326	-	-	-	-
Put Strike Price (\$/Bbl) <sup>(1)(2)</sup>	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ -	\$ -	\$ 45.00	\$ 45.00	\$ -	\$ -	\$ -	\$ -
Total Hedged Volume (Bbl/d)	3,261	2,667	2,637	2,609	2,446	1,500	1,484	1,467	1,467	424	424	424	424
Floor Strike Price (\$/Bbl)	\$ 55.67	\$ 47.50	\$ 48.75	\$ 48.75	\$ 48.67	\$ 45.00	\$ 45.00	\$ 43.89	\$ 43.89	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
% Production Hedged <sup>(3)</sup>	81%	66%	65%	64%	60%	37%	37%	36%	36%	10%	10%	10%	10%

(1) Deferred premium puts include premiums that are to be paid monthly as the contracts settle (refer to our SEC filing for additional details).

(2) Total deferred put premiums by calendar year: 2016 (\$1.3MM), 2017 (\$5.0MM), and 2018 (\$0.4MM).

(3) Estimated percent hedged based on the calculated mid-point of full year 2016 production guidance.

# 2016 Guidance, Capital Budget<sup>(1)</sup>

## Lowering LOE & Production Tax Mid-Points



<b>FY2016 Guidance as of 10/31/16</b>	<b>2016</b>
Net production (Boe/d) <sup>(2)</sup>	3,950 - 4,150
Lease operating expenses per Boe	\$14.50 - \$16.50
Production taxes (% of total revenue)	5.0% - 5.3%
Estimated capital expenditures	\$8.0 MM

*NOTE: This outlook is subject to all the cautionary statements and limitations described under the "Forward-Looking Statements" caption included at the beginning of this presentation.*

*(1) 2016 Capital Budget unchanged from August 1, 2016.*

*(2) Production volumes in Boe equivalents calculated at a rate of six Mcf per Bbl.*



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# Appendix

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# Appendix: Non-GAAP Summary<sup>(1)</sup>



(\$ in thousands, except per unit metrics)	Three Months Ended			Variance Analysis			
	September 30,	June 30,	September 30,	Quarter-over-quarter		Year-over-year	
	2016	2016	2015	#	%	#	%
Net income (loss)	(2,421)	(15,769)	(25,478)	13,348	nm	23,057	nm
Interest expense, net	1,724	2,052	1,802	(328)	(16.0)%	(78)	(4.3)%
Depreciation, depletion and amortization	5,665	5,800	9,655	(135)	(2.3)%	(3,990)	(41.3)%
Accretion of discount on asset retirement obligations	127	159	91	(32)	(20.1)%	36	39.6 %
Loss (gain) on derivatives, net	444	10,088	(19,771)	(9,644)	n/a	20,215	n/a
Cash settlements received for early terminations of derivatives, net	5,820	-	-	5,820	n/a	5,820	n/a
Cash settlements received for matured derivatives, net	1,182	6,191	8,383	(5,009)	(80.9)%	(7,201)	(85.9)%
Cash premiums (paid) received for derivatives, net (2)	(1,509)	(1,611)	(499)	102	(6.3)%	(1,010)	nm
Impairment of proved oil and natural gas properties	-	895	40,920	(895)	n/a	(40,920)	n/a
Impairment of proved oil and natural gas properties sold	-	3,578	-	(3,578)	n/a	-	n/a
Non-cash equity-based compensation	311	260	641	51	19.6 %	(330)	(51.5)%
Loss (gain) on sale of proved oil and natural gas properties, net	530	(13)	-	543	n/a	530	n/a
<b>Adjusted EBITDA</b>	<b>11,873</b>	<b>11,630</b>	<b>15,744</b>	<b>243</b>	<b>2.1 %</b>	<b>(3,871)</b>	<b>(24.6)%</b>
Less:							
Cash interest expense	1,363	1,764	1,567	(401)	(22.7)%	(204)	(13.0)%
Estimated maintenance capital expenditures	1,129	1,239	1,744	(110)	(8.9)%	(615)	(35.3)%
Distributions to preferred unitholders (3)	277	-	-	277	n/a	277	n/a
<b>Distributable Cash Flow</b>	<b>9,104</b>	<b>8,627</b>	<b>12,433</b>	<b>477</b>	<b>5.5 %</b>	<b>-3,329</b>	<b>(26.8)%</b>
Distributable Cash Flow per unit	0.301	0.286	0.413	0.015	5.1 %	(0.113)	(27.2)%
Units outstanding (4)	30,272	30,145	30,086	127	0.4 %	186	0.6 %

(1) This presentation includes "EBITDA", "Adjusted EBITDA", and "Distributable Cash Flow", each of which are non-generally accepted accounting principles ("Non-GAAP") measures, and should not be considered an alternative to net income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP.

(2) September 30, 2016 cash premiums paid for derivatives, net reflect deferred premiums paid upon early termination of previous oil derivative contracts in July 2016.

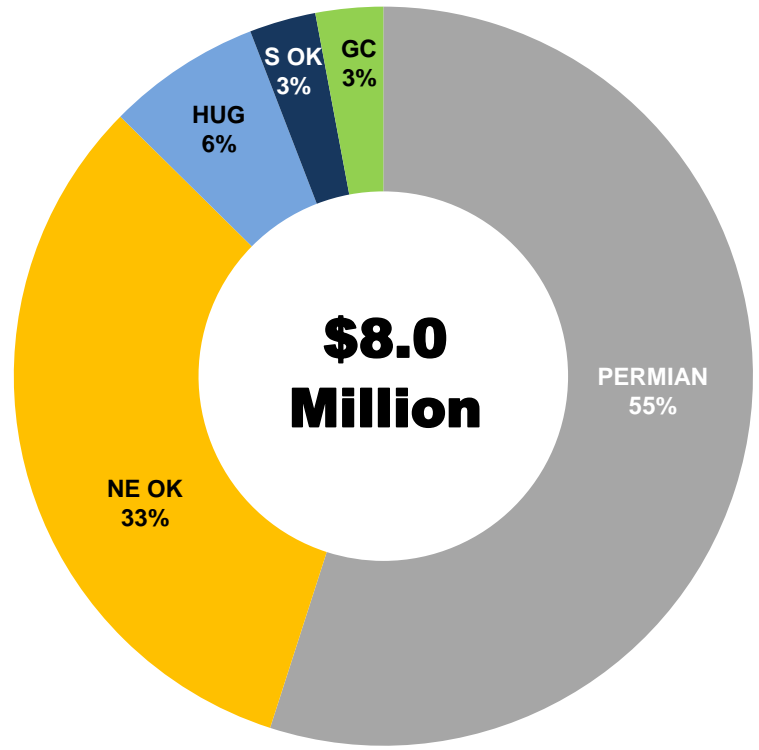
(3) Cash distributions to preferred unitholders of Class A Convertible Preferred Units payable on November 14, 2016 according to terms of the Partnership Agreement and attributable to the period from August 11, 2016 to September 30, 2016.

(4) Total limited partner and general partner units outstanding at reference date.

# Appendix: 2016 Net Capital Budget Core Area Summary

## By Core Area

(\$ in millions)



## By Fiscal Quarter

(\$ in millions)

