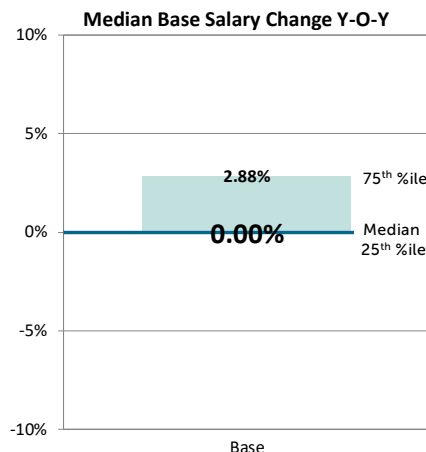


Exploration & Production CEO Pay Trends:

A CAP study of 19 exploration & production companies

Base Salary

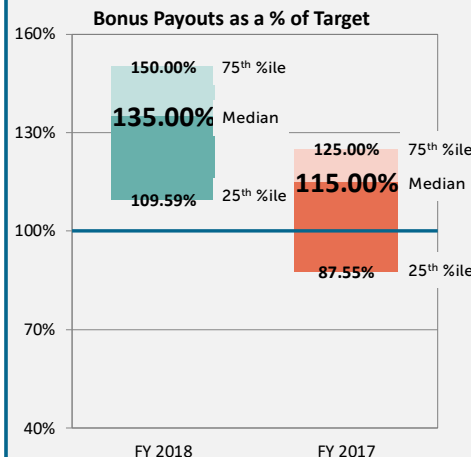
75% of companies **did not increase** CEO base salaries.



- Our study showed that base salary levels saw no change at the 25th and 50th percentiles of the market.
- A 3% adjustment would be at the 75th percentile.
- This represents a fairly significant change from last year when a similar CAP study showed that more than 50% of E&Ps increased CEO base salary.

Annual Incentives / Bonuses

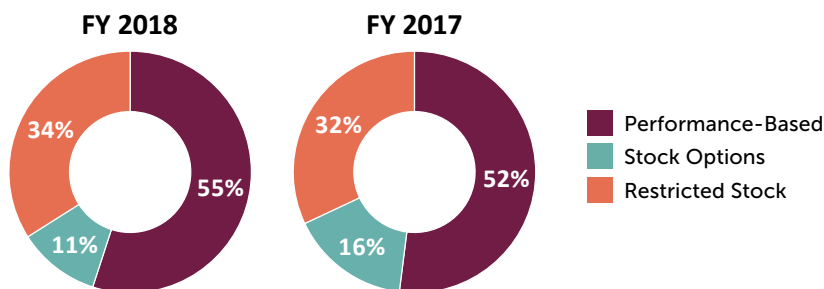
Median bonus payouts as a % of target increased 20% year-over-year.



- Median payout for 2018 performance: **135% of target**
- Average payout for 2018 performance: **124% of target**
- Actual total cash paid was up approximately 20% year-over-year, while Target total cash remained the same over last year.

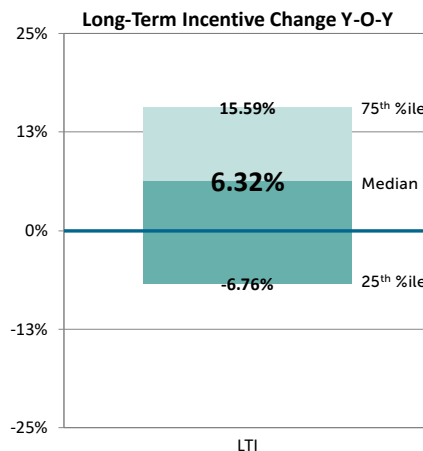
Long-Term Incentives (LTI)

Long-term incentive award mix shifted slightly in 2018.



- Time based awards now account for 45% of total LTI award value while performance-based awards represent 55% of the total.
- The transition away from stock options continued. The allocation of value to restricted stock and performance awards increased slightly year over year while options dropped 5%.

70% of E&P companies increased CEO LTI award values over last year.



- CEO Long-term incentive values increased approximately **6% at the median year-over-year**.
- 30% of the E&Ps reviewed decreased LTI award value.