

(MM, except per share amounts)	shares (in millior	242			mkt cap	\$	1,730
	2015	2016E	2017E	2018E	2019E	2020E	
\$2,400 RCF Cumulative Cash	\$ 2,400	\$ -	\$ -	\$ 395	\$ 997	\$ 1,916	
Interest Rate (Blended)	5%	5%	5%	5%	5%	5%	
Avg Stock Price	\$7.15	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	
Tax Rate	15%	18%	18%	18%	18%	18%	
Debt Issued	\$ 1,100	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Due	\$ 350	\$ 300	\$ 300	\$ 250	\$ 202	\$ 500	
Covenant Multiple	0.6x	0.6x	0.6x	0.6x	0.6x	0.6x	
Dividend per Share	\$ 0.15	\$ -	\$ -	\$ -	\$ -	\$ -	
Dividend Rate		1.50%	0.00%	0.00%	0.00%	0.00%	
DD&A growth	0%	0%	-5%	-5%	-5%	0%	
Calculation	2015	2016E	2017E	2018E	2019E	2020E	
Revenues	\$ 3,071	\$ 2,376	\$ 1,500	\$ 866	\$ 462	\$ 462	
- drilling expense %	41%	41%	41%	41%	41%	41%	
- drilling expense	-1259	-974	-615	-355	-189	-189	
- SG&A	-85	-80	-70	-70	-70	-70	
EBITDA	\$ 1,727	\$ 1,322	\$ 815	\$ 441	\$ 203	\$ 203	
- DD&A	-635	-630	-599	-569	-540	-540	
EBIT	\$ 1,092	\$ 692	\$ 217	\$ (128)	\$ (338)	\$ (338)	
- interest expense	-220	-225	-210	-195	-202	-222	
- minority	-70	-50	-40	-40	-40	-40	
EBT	\$ 802	\$ 417	\$ (34)	\$ (363)	\$ (580)	\$ (600)	
- Taxes	-122	-75.0	0.0	0.0	0.0	0.0	
Net Income	\$ 680	\$ 342	\$ (34)	\$ (363)	\$ (580)	\$ (600)	
+DD&A	635	630	599	569	540	540	
- Capex	-450	-800	-360	-360	-360	-360	
FCF (owner's earnings)	\$ 865	\$ 172	\$ 205	\$ (154)	\$ (400)	\$ (420)	
- dividend	-315	-36.3	0	0	0	0	
CF for Repurchase/debt repay	\$ 550	\$ 136	\$ 205	\$ (154)	\$ (400)	\$ (420)	
- debt payment	\$ (350)	\$ (300)	\$ (300)	\$ (250)	\$ (202)	\$ (500)	
Total Cash Flows	\$ 200	\$ (164)	\$ (95)	\$ (404)	\$ (602)	\$ (920)	
Liquidity w/Revolver & Cash	\$ 2,669	\$ 2,504	\$ 2,409	\$ 2,005	\$ 1,403	\$ 484	
* not using \$225m 1yr RCF due Jan'16							
Beginning Gross Debt	4,850	4,500	4,200	3,900	4,045	4,445	
Debt Paid + Debt Issued	-350	-300	-300	-250	-202	-500	
Credit Facility used	0	0	0	395	602	920	
Ending Gross Debt	\$ 4,500	\$ 4,200	\$ 3,900	\$ 4,045	\$ 4,445	\$ 4,864	
Assets	13,058	11,628	10,230	9,661	9,121	8,581	
Writedowns*	-800	-800	0	0	0	0	
Non Control Interest	0.72	0.72	0.72	0.72	0.72	0.72	
Ending Debt/Tang book (.6 covenant)	0.37x	0.39x	0.38x	0.42x	0.49x	0.57x	
Covenant Multiple	0.60x	0.60x	0.60x	0.60x	0.60x	0.60x	
Min Tang Book Value needed	\$ 7,500	\$ 7,000	\$ 6,500	\$ 6,742	\$ 7,408	\$ 8,107	
Margin Of Safety on Tang Book	\$ 4,757	\$ 3,827	\$ 3,729	\$ 2,918	\$ 1,712	\$ 473	
interest cover	7.8x	5.9x	3.9x	2.3x	1.0x	0.9x	