This presentation contains forward-looking statements that involve risks and uncertainties that could materially affect our expected results of operations, liquidity, cash flows and business prospects. Such statements include those regarding our expectations as to our future:

- financial position, liquidity, cash flows and results of operations
- business prospects
- transactions and projects
- operating costs
- Value Creation Index (VCI) metrics, which are based on certain estimates including future production rates, costs and commodity prices
- operations and operational results including production, hedging and capital investment
- budgets and maintenance capital requirements
- reserves
- type curves
- expected synergies from acquisitions and joint ventures

Actual results may differ from anticipated results, sometimes materially, and reported results should not be considered an indication of future performance. While we believe assumptions or bases underlying our expectations are reasonable and make them in good faith, they almost always vary from actual results, sometimes materially. We also believe third-party statements we cite are accurate but have not independently verified them and do not warrant their accuracy or completeness. Factors (but not necessarily all the factors) that could cause results to differ include:

- commodity price changes
- debt limitations on our financial flexibility
- insufficient cash flow to fund planned investments, debt repurchases or changes to our capital plan
- inability to enter desirable transactions, including acquisitions, asset sales and joint ventures
- legislative or regulatory changes, including those related to drilling, completion, well stimulation, operation, maintenance or abandonment of wells or facilities, managing energy, water, land, greenhouse gases or other emissions, protection of health, safety and the environment, or transportation, marketing and sale of our products
- joint ventures and acquisitions and our ability to achieve expected synergies
- the recoverability of resources and unexplained geologic conditions
- incorrect estimates of reserves and related future cash flows and the inability to replace reserves
- changes in business strategy
- PSC effects on production and unit production costs
- effect of stock price on costs associated with incentive compensation
- insufficient capital, including as a result of lender restrictions, unavailability of capital markets or inability to attract potential investors
- effects of hedging transactions
- equipment, service or labor price inflation or unavailability
- availability or timing of, or conditions imposed on, permits and approvals
- lower-than-expected production, reserves or resources from development projects, joint ventures or acquisitions, or higher-than-expected decline rates
- disruptions due to accidents, mechanical failures, transportation or storage constraints, natural disasters, labor difficulties, cyber attacks or other catastrophic events
- factors discussed in “Risk Factors” in our Annual Report on Form 10-K available on our website at crc.com.

Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "goal," "intend," "likely," "may," "might," "plan," "potential," "project," "seek," "should," "target," "will" or "would" and similar words that reflect the prospective nature of events or outcomes typically identify forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made and we undertake no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon resource quantities, finding and development (F&D) costs, recycle ratio calculations, reserve replacement ratios, original hydrocarbons in place, Value Creation Index (VCI), drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.
Positioned to Execute Our Strategy to Deliver Long Term Value

The VCI Difference Delivers Real Value

- Value-directed investments
- Disciplined capital allocation
- Enhanced returns over full-cycle time frame
- Drives team alignment
- CRC ahead of competitive landscape in shifting to value

Value Creation Index

$$VCI = \frac{\text{PV10 pre-tax cash flows}}{\text{PV10 of investments}}$$
CRC’s Value-Driven Strategic Approach

**Capture Value of Portfolio**
- Pursue value-driven production growth
- Delineate future growth areas
- Enhance already substantial inventory
- Pursue strategic joint ventures

**Ensure Effective Capital Allocation**
- Utilize VCI-based decision-making
- Optimize core operating area investment
- Enhance targeted growth area investment
- Pursue impactful capital workovers

**Drive Operational Excellence**
- Streamline processes
- Apply technology
- Leverage sizeable infrastructure
- Drive strategic consolidation
- Employ new thinking and approaches

**Strengthen Balance Sheet**
- Reinvest to grow cash flow
- Simplify capital structure
- Enhance credit metrics
- Pursue value-accretive M&A
- Reduce absolute level of debt

Proven and pressure-tested strategic approach preserved value through the downturn and is set to drive significant value creation for years to come.
Pressure Tested Through Cycle and Focused on Long-Term Value

---

**SEPARATION ANNOUNCEMENT**

- Brent Crude Oil Price ($/BBL)
- Spin Date

**VALUE PRESERVATION**

- Cut rigs
- Began hedging
- Managed liabilities
- Utilized existing facilities
- Protected base production

**TRANSITION TO OFFENSE**

- Increased activity
- Engaged in JVs
- Locked in hedges
- Increased liquidity
- Extended maturities

**QUICK RESPONSE TO PRICE CHANGE**

- Invest for value preservation
- Drill high-graded portfolio
- Invest in exploration
- Invest in facilities
- Strengthen balance sheet

---

Brent Crude Price
CRC + JV Rig Count
CRC Rig Count

---

07/14 01/15 07/15 01/16 07/16 01/17 07/17 01/18 07/18 01/19

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CALIFORNIA RESOURCE CORPORATION

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3rd Annual Mizuho Energy Summit | 5
Key Highlights

4th Quarter 2018

91 Gross Wells Drilled¹
includes 86 CRC wells

136 Mboe/d
63% Oil

$314 Million
$352 million Core Adjusted EBITDAX³

$197 Million²
$174 million internally funded

Growth in Oil Production

Production Costs ($/boe)⁴

¹ Includes all wells drilled by CRC, including JV wells.
² Includes JV capital.
³ Core Adjusted EBITDAX excludes the effect of settled hedges of $50 million and cash-settled equity compensation of $(12) million in the fourth quarter. See the Investor Relations page at www.crc.com for historical reconciliations to the closest GAAP measure and other important information.
⁴ Production costs excluding effects of PSC.
World-Class Hydrocarbon Province with Significant Potential

Remaining Recoverable Resources (BBOE¹)

- California
- Permian (Wolfcamp + Sprayberry)
- Bakken
- Eagle Ford
- Marcellus Shale
- Utica
- Haynesville - Bossier
- Anadarko - Woodford
- Barnett
- Niobrara

California a Top Oil Province

- Five of the largest conventional, onshore fields in the lower 48
- Over 35 billion BOE produced since 1876
- Still discovering the limits of remaining potential
- Over 10 billion BOE¹ in remaining recoverable resources

CRC Advantage

- Stacked pays provide additional opportunity through value chain
- Operating expertise to develop the diverse opportunity set
- Robust infrastructure turns disparate fields into integrated plays

²MCF:BOE = 20:1
Note: produced volumes source: DOGGR; Remaining Recoverable Resources Source: USGS
Large Resource Base with Production Diversity

**SACRAMENTO BASIN**
Gas Optionality

**#1 Producer** - 5,000 BOE/d²
- 86% of basin production
- 85% of basin mineral acreage

**VENTURA BASIN**
Growth and Exploration

**#1 Producer** - 6,000 BOE/d²
- 26% of basin production
- 90% of basin mineral acreage

**LOS ANGELES BASIN**
Steady High Margin Oil Assets

**#1 Producer** - 26,000 BOE/d²
- 52% of basin production
- 65% of basin mineral acreage

**SAN JOAQUIN BASIN**
Greater Elk Hills – Flagship Asset
Thermal – Protecting Base Production
South Valley – New Opportunities
Shales & Tight Sands – New Opportunities

**#2 Producer** - 99,000 BOE/d²
- 26% of basin production
- 60% of basin mineral acreage

---

**Largest Operator in California**¹

- Operate ~**12,000** wells
- Across **137** fields
- with **712 MMBOE**³ Proved Reserves

---

¹ Based on gross production. ² CRC net production based on 4Q18. ³ Proved reserves at SEC18 pricing of $71.75 Brent / $3.10 NYMEX.

Note: Total basin production and CRC’s % of basin production are based on gross FY2017 production. Source: DOGGR. Total basin mineral acreage is based on internal estimates.
Enhanced Inventory Growth and Expanded 3P Position

2018 Highlights

- Proved reserves today only 7% lower despite 29% decrease in price from the YE 2014
- Life-of-field studies increased unproved resources
- Recent exploration success not included
- Organic F&D costs excluding price related revisions and acquisitions were $11.31 per BOE in 2018 and 4-year average of $6.42
- Organic recycle ratio of 1.9x in 2018 and 4-year average of 2.6x
- Comprehensive technical review of 40% of fields
- Over 95% of total proved reserves audited by Ryder Scott in the previous three years

1 See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon quantities.
2 Reserve amounts uneconomic at SEC prices for the applicable year.
3 Unproved reserves (probable and possible) represent technical volumes irrespective of commodity price. Proven reserves utilize applicable SEC prices for all year-end periods.
Unlocking Value with a Deep Inventory of Actionable Projects at $65 Brent

- **Fully burdened**, growth-focused portfolio
- Achieve a VCI of **1.3 or greater** at $65 Brent and $3.00 NYMEX
- Deliver **robust cash flow**
- Reflects all **recovery mechanisms** and reserves types
- Leverage existing infrastructure, while opportunistically targeting new infrastructure investment

---

1. Full cycle costs = operating costs + development costs + facility costs + field-level G&A + taxes other than on income.

2. See the Investor Relations page at [www.crc.com](http://www.crc.com) for details regarding net resources.
JVs Provide Additional Capital Flexibility

Net Production By Stream (Mboe/d)

1Total Capital reflected in the graph includes the capital investment of internal CRC capital as well as all JV partners which include BSP and MIRA. Please note our consolidated financial statements include BSP’s investment and exclude MIRA’s investment based on the accounting treatment of each venture.

21Q19 Capital guidance includes CRC, BSP and MIRA capital.
Dynamic Capital Allocation Through Commodity Cycle

**High-Price Scenario**
- Invest to accelerate production growth and explore/pilot new resources
- Add facilities (steam and water handling) to support pace of growth
- High cash generation
- VCI 1.3 floor to reinvest for value
- Accelerate balance sheet strengthening

**Mid-Cycle Price Scenario**
- Invest to grow cash flow
- Drill in high-graded portfolio (>1.5 VCI)
  - Oil to gas ratio for steamfloods (>5:1) - Selectively add steam generation facilities
  - EOR and IOR for long-term cash flow - Primary/shale for high IP impact
- Delineate future growth areas to unlock upside
- Target 10-15% of discretionary cash flow to balance sheet strengthening

**Low-Price Scenario**
- Invest to protect base production
- Take advantage of existing facilities and prior capacity investments
  - Steamfloods and waterfloods – drill to fill
  - Workover existing wellbores for best investment
- Utilize excess equipment to reduce capital costs
- Engineering efforts focused on field surveillance to protect existing production

---

For the various price scenarios:
- **Oil Price $/BBL**
- **Gas Price $/MCF**

- **High-Price Scenario**:
  - Over $1.5B
  - 50% Mature Projects
  - 50% Growth Projects

- **Mid-Cycle Price Scenario**:
  - Approx $750MM
  - 75% Mature Projects
  - 25% Growth Projects

- **Low-Price Scenario**:
  - Up to $300MM
  - 90% Mature Projects
  - 10% Growth Projects
**CRC’s Dynamic Portfolio Provides Flexibility**

For illustration of portfolio optionality based on normalized results per $10MM of investment and not guidance. See end note for details on type curves. Prices for recycle ratio are $65 Brent and $3.00 NYMEX.

<table>
<thead>
<tr>
<th>EUR (MMBOE per $10MM)</th>
<th>YEAR 5</th>
<th>YEAR 5</th>
<th>YEAR 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,385</td>
<td>1,265</td>
<td>1,060</td>
<td></td>
</tr>
<tr>
<td>% Oil</td>
<td>81%</td>
<td>70%</td>
<td>53%</td>
</tr>
<tr>
<td>Development Cost/BOE</td>
<td>$7.20</td>
<td>$7.90</td>
<td>$9.40</td>
</tr>
<tr>
<td>Recycle Ratio</td>
<td>3.4x</td>
<td>2.9x</td>
<td>2.2x</td>
</tr>
</tbody>
</table>
CRC believes near-term crude oil differentials will remain strong.

California refinery demand for native crude continues to be strong and reduction in heavy waterborne crude has positively influenced differentials.

Natural gas prices impacted by peak demand and continued limits on 3rd party storage.

NGL prices have been supported by lower inventories and export markets.
Unparalleled California Expertise and Insight

**Extensive Field Operations Experience**

Decades of observed field behavior and demonstrated shallow base decline rates

~ 25,000 net identified proven and unproved drilling locations in 2018

**Core Assets Provide Operational Leverage**

Applying analog development to adjacent fields

Midstream infrastructure provides low cost advantage

**Largest 3-D Seismic Position in California**

- **Top California Producers in 2017**
  - CRC: 163
  - Chevron USA: 142
  - Aera Energy: 122
  - Sentinel Peak: 30
  - Berry: 18

- **Majority of CA Production is Shallow**
  - Production Mix
  - Shallow: CRC $19, Chevron USA $21, Aera Energy $24, Sentinel Peak $29, Berry $19
  - Deeper (>5,000'): CRC $19

Source: DOGGR, Wood Mackenzie, Company Estimates. Note: Gross production data is average production in 2017. Opex data for CRC, Chevron, Aera, and Berry is from FY 2017, opex data for Sentinel Peak is from most recent available information which is FY 2016.
Elk Hills Flagship Asset in San Joaquin Basin

- **Large field with 100% NRI**
  - 10 billion original BOE in place within multiple reservoirs
  - Produces ~60,000 BOE/d with annual 10% base decline

- **Infrastructure provides low-cost advantage**
  - On-site gas processing and liquids extraction
  - Large power plant reduces electricity costs by 75%
  - Various light crude blends desired by multiple customers

- **Large integrated business**
  - Stacked reservoirs with 280+ MMBOE proven reserves
  - Diverse development inventory
  - Proving ground for recovery techniques

---

**Annualized Elk Hills synergies**

<table>
<thead>
<tr>
<th>Initial Target</th>
<th>$34MM Implemented</th>
</tr>
</thead>
</table>

1 Synergies include operational cost savings and revenue enhancement
Leveraging Infrastructure for Nearby Low-Cost Field Development

• Coring up with Elk Hills
  - Elk Hills serves as the hub
  - Power, pipelines, compression
  - Connecting fields and building out

• Lower cost shared resources
  - Central control facilities and automation
  - Optimized service provider utilization
  - Shared support staff across fields

• Efficient step-out to new growth areas
  - Dominant acreage position
  - Low development costs for bolt-ons
  - Discovering new resources through exploration

~900 Million BOE of 3P reserves

1 3P approximate totals: 380 MMBOE proved, 280 MMBOE probable, 250 MMBOE possible
Developing Entire Southern San Joaquin Basin into Core Area

- Redevelopment, expansion and additional recovery in existing CRC operated fields
  - Large fields with low recovery factors
  - >500 identified development locations
  - >150 MMBOE potential 3P reserves
- New field development project following recent exploration successes: Pleito Ranch
  - Extension of CRC operated Pleito Ranch field
  - >90 identified development locations
  - >30 MMBOE discovered resources
- Delivering value-driven growth
  - Apply technology, operating expertise and knowledge
  - Improved returns from leveraging existing infrastructure
  - Disciplined and deliberate investment into high graded portfolio

Large Inventory of Development Projects

<table>
<thead>
<tr>
<th>Field Area</th>
<th>Original MMBOE In Place</th>
<th>Rf</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yowlumne</td>
<td>900</td>
<td>13%</td>
<td>Workover, primary drilling, new reservoirs and EOR</td>
</tr>
<tr>
<td>Paloma</td>
<td>1,000</td>
<td>14%</td>
<td>Workover, primary drilling, and EOR</td>
</tr>
<tr>
<td>Coles Levee</td>
<td>1,300</td>
<td>21%</td>
<td>Workover, primary drilling, and EOR</td>
</tr>
<tr>
<td>Rio Viejo</td>
<td>60</td>
<td>16%</td>
<td>Primary drilling, New reservoirs</td>
</tr>
<tr>
<td>Landslide</td>
<td>70</td>
<td>23%</td>
<td>Workover, primary drilling, and EOR</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,330</strong></td>
<td><strong>18%</strong></td>
<td></td>
</tr>
</tbody>
</table>

1See the Investor Relations page at [www.crc.com](http://www.crc.com) for important information regarding potential reserves, discovered resources and other hydrocarbon resources.
Conventional Exploration Program Generates Substantial Value

- 10 well exploration program in 2017 and 2018
  - Delineation and expansion of proven play trends plus new impact play concepts

- Reduced risk via joint ventures
  - 7 exploration wells funded by partners; CRC total initial net investment of ~$20MM

- Meaningful value creation
  - ~$4/share value, potential to increase further with additional appraisal

Multiple Small Joint Ventures

$170+MM\textsuperscript{2,3} PV10 from Initial Net Investment of ~$20MM

Fully-Burdened VCI of 1.5\textsuperscript{2,4}

Repeatable recipe for success provided by analog prospects in CRC's differentiated inventory

1 Partner WI funding varied by well; 2 $65 Brent and $3/NYMEX; 3 Net P50 PV10 = Sum [P50 type curve PV10 x NRI] for development locations; 4 VCI = [Net P50 PV10 pre-tax cash flows] / [PV10 exploration and development capital]
Strengthening the Balance Sheet Remains a Priority

Target 2x – 3x Leverage Ratio

- **Leverage**
- **Core Adjusted EBITDAX\(^1\)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Leverage</th>
<th>Core Adjusted EBITDAX(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YE14</td>
<td>1.0x</td>
<td>2.0x</td>
</tr>
<tr>
<td>YE15</td>
<td>2.0x</td>
<td>3.0x</td>
</tr>
<tr>
<td>YE16</td>
<td>3.0x</td>
<td>5.0x</td>
</tr>
<tr>
<td>YE17</td>
<td>4.0x</td>
<td>7.0x</td>
</tr>
<tr>
<td>YE18</td>
<td>5.0x</td>
<td>9.0x</td>
</tr>
<tr>
<td>Target</td>
<td>2.0x – 3.0x</td>
<td>10.0x</td>
</tr>
</tbody>
</table>

Simple Capital Structure ➔ Complicated Capital Structure ➔ Simplified Capital Structure

1. See the Investor Relations page at [www.crc.com](http://www.crc.com) for a reconciliation to the closest GAAP measure and other important information. Core Adjusted EBITDAX excludes settled hedges and cash settled equity compensation costs.
2. Subject to limitations on debt repayment in finance agreements.

Continue to Employ ALL of the ABOVE Approach

**Capital Markets Solutions**
- Refinance and simplify capital structure

**Disciplined Capital Investment**
- Target 10-15% of discretionary cash flow for balance sheet strengthening\(^2\)
- Accretive acquisitions
- Cash flow growth and support future reinvestment

**Asset Monetizations**
- Joint ventures
- Infrastructure
- Producing assets
- Mineral interests

CALIFORNIA RESOURCE CORPORATION
Recent Transactions - Improving Debt Metrics

Annual Highlights

• Repurchased face value of $183 MM of 2nd Lien Notes and $49 MM of senior notes in 2018 for $199 MM in cash

• Purchased LIBOR interest caps which cap a notional $1.3B of floating rate debt at one-month LIBOR of 2.75% through May 2021

• S&P upgrade on 2nd Lien Notes to B-
Disciplined Capital Plan Leverages Portfolio of Projects & Management Expertise

**2019 Internally Funded Capital Program**
$300 to $385 Million

Expect to Align with
Discretionary Cash Flow

Potential Additional JV Capital
$100 to $150 Million
to invest in Core and Growth properties

Core Program
Buena Vista | Elk Hills | Long Beach
Kern Front | Mount Poso

1Other includes corporate, maintenance and occupational health, safety and environmental projects, seismic and other investments.
Current Enterprise Value Deeply Discounted

1, 5 See endnotes in the Appendix. See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon quantities.
Disciplined Execution on Our Highest Value Projects to Deliver Substantial Value

**VALUE DRIVEN**

- Portfolio of world-class assets investable throughout the commodity cycle
- Robust inventory of high value growth projects
- Deep operational knowledge and technical expertise
- Integrated and complementary infrastructure
- Disciplined and effective capital allocation

Balance capital investment with **Financial Strengthening Efforts** for best long-term value creation

**Balance Sheet Goals**
- Reduce Debt
- Reduce Fixed Charges
- Simplify Balance Sheet

**High VCI Projects**
- Core Operating Areas
- Growth Prospects
- Investing for the Future
## Opportunistically Built Oil Hedge Portfolio

**Strategy**

Protect cash flow, operating margins and capital investment program

2019 program continues to target hedges on 50% of crude oil production and provides more upside exposure to commodity price movement

<table>
<thead>
<tr>
<th></th>
<th>1Q19</th>
<th>2Q19</th>
<th>3Q19</th>
<th>4Q19</th>
<th>1Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sold Calls</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrels per Day</td>
<td>15,000</td>
<td>5,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Weighted Average Ceiling Price per Barrel</td>
<td>$66.15</td>
<td>$68.45</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Purchased Calls</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrels per Day</td>
<td>2,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Weighted Average Ceiling Price per Barrel</td>
<td>$71.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Purchased Puts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrels per Day</td>
<td>38,000</td>
<td>40,000</td>
<td>40,000</td>
<td>35,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Weighted Average Floor Price per Barrel</td>
<td>$65.66</td>
<td>$69.75</td>
<td>$73.13</td>
<td>$75.51</td>
<td>$75.00</td>
</tr>
<tr>
<td><strong>Sold Puts</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrels per Day</td>
<td>40,000</td>
<td>35,000</td>
<td>40,000</td>
<td>35,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Weighted Average Floor Price per Barrel</td>
<td>$51.88</td>
<td>$55.71</td>
<td>$57.50</td>
<td>$60.00</td>
<td>$60.00</td>
</tr>
<tr>
<td><strong>Swaps</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrels per Day</td>
<td>7,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Weighted Average Price per Barrel</td>
<td>$67.71</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Percentage of 4Q18 Oil Production Hedged Against Downside**

<table>
<thead>
<tr>
<th></th>
<th>1Q19</th>
<th>2Q19</th>
<th>3Q19</th>
<th>4Q19</th>
<th>1Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td>52%</td>
<td>47%</td>
<td>47%</td>
<td>41%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

The BSP JV entered into crude oil derivatives that are included in our consolidated results but not in the above table. For further information please see attachment 10 of our latest earnings release.
Opportunistically Built Oil Hedge Portfolio

CRC has a well-positioned 2019 hedge portfolio that still provides upside exposure to commodity price movements.

CRC benefits from both Brent pricing and a top hedge portfolio compared to Proxy peer group after accounting for Brent pricing advantage.

Note: Hedge positions are current as of 3Q18 Earnings. Proxy peers include: CPE, CRZO, DNR, EPE, FANG, GPOR, LPI, MTD, NFX, OAS, PDCE, PE, RRC, SM, WLL, WPA, XEC.
### Recent Transactions - Improving Debt Metrics

#### Capitalization ($MM)

<table>
<thead>
<tr>
<th></th>
<th>12/31/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Lien 2014 Revolving Credit Facility (RCF)</td>
<td>$540</td>
</tr>
<tr>
<td>1st Lien 2017 Term Loan</td>
<td>1,300</td>
</tr>
<tr>
<td>1st Lien 2016 Term Loan</td>
<td>1,000</td>
</tr>
<tr>
<td>2nd Lien Notes</td>
<td>2,067</td>
</tr>
<tr>
<td>Senior Unsecured Notes</td>
<td>344</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td>5,251</td>
</tr>
<tr>
<td>Less cash</td>
<td>(15)</td>
</tr>
<tr>
<td><strong>Total Net Debt</strong></td>
<td>5,236</td>
</tr>
<tr>
<td>Mezzanine Equity</td>
<td>756</td>
</tr>
<tr>
<td>Equity</td>
<td>(247)</td>
</tr>
<tr>
<td><strong>Total Net Capitalization</strong></td>
<td>$5,745</td>
</tr>
</tbody>
</table>

- **Total Debt / Total Net Capitalization**: 91%
- **Total Debt / LTM Adjusted EBITDAX^3**: 4.6x
- **Total Debt / 4Q18 Annualized Adjusted EBITDAX^4**: 4.2x
- **LTM Adjusted EBITDAX^3 / LTM Interest Expense**: 3.0x
- **PV-10^5 / Total Debt**: 1.8x
- **Total Debt / Proved Reserves^5 ($/Boe)**: $7.38
- **Total Debt / Proved Developed Reserves^6 ($/Boe)**: $9.91
- **Total Debt / 4Q18 Production ($/Boepd)**: $38,610

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#### Debt Maturities ($MM)

- **2nd Lien Notes**: $2,067
- **2014 RCF**: $540
- **Unsecured Notes**: $756
- **2016 Term Loan**: $1,000
- **2017 Term Loan**: $1,300

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1. Excludes $2MM of restricted cash.
2. Includes $114 million of noncontrolling interest for BSP and Ares.
3. LTM Adjusted EBITDAX includes an estimated adjustment of $33.5 million for 1Q18 at approximately $65 Brent, as a result of the Elk Hills transaction, including synergies. See the Investor Relations page at [www.crc.com](http://www.crc.com) for historical reconciliations to the closest GAAP measure and other important information.
4. 4Q18 Annualized EBITDAX reflects oil price including the effect of hedges of $59.97/bbl Brent.
5. Proved Reserves and PV-10 estimates are based on SEC18 prices of $71.75 Brent / $3.10 NYMEX. See the Investor Relations page at [www.crc.com](http://www.crc.com) for details on how PV-10 is calculated.
6. Subject to springing maturity to October 2021 if more than $100MM in principle amount is outstanding under the 2016 Term Loan at that time.
CRC’s BOE Recovery per Foot Competes With Major Shale Plays

Normalizing estimated ultimate recovery (EUR) vs. measured depth shows CRC advantage

- Better recovery factors driven by low decline rate waterfloods and steamfloods
- Diverse reservoir portfolio provides optionality to drill deep large EUR producers with later life up-hole recompletions

**Historical focus:**
- Cheaper, simpler well designs (primarily vertical)
- Quality reservoirs that do not require complicated completions or long horizontal

**Future upside:**
- Tighter rock, horizontal drilling with new generation stimulation, increasing reservoir contact

Notes:
Source: Wood Mackenzie data for Shale Play areas; Source: Internal estimates for CRC, taking all wells drilled since 2012. BOE calculated as Oil + 20:1 Gas.
Well dots sized by oil expected ultimate recovery (MMBOE). Darker colors are newer wells; lighter colors are older wells.
Wolfcamp includes Midland and Delaware Basins.
Demonstrated Experience Controlling Production Costs Through Price Cycle

- **Capital investment scales** with commodity price changes
- **Flexible operations** and **shallow base decline** allow for quick response to commodity price changes while preserving value
- Proven we can **consistently control production costs** through any price cycle
- Production costs have been **as low as approximately $15/boe** since CRC’s inception

\(^1\text{Includes JV Capital.}\)
Accelerating Value and De-risking Inventory through JVs

- Up to $250MM over ~2 years
  - Four tranches of $50MM
  - Total of $200MM funded

- Investor funds 100% of project capital in exchange for a net profits interest (NPI)
  - Investor NPI interest reverts to CRC after low teens target IRR
  - CRC retains early termination options

- Current focus is in the San Joaquin and Los Angeles Basin
  - CRC operates all wells

- Up to $300MM
  - Current commitment of $140MM

- DrillCo type structure where Investor funds 100% of project capital for 90% WI, with CRC carried on its 10% WI
  - CRC interest reverts to 75% after target IRR is achieved
  - CRC retains early termination options

- Focus on four fields within the San Joaquin Basin
  - Kern Front, Mt. Poso, Pleito Ranch, Wheeler Ridge
  - CRC operates all wells
CRC’s Regulatory Strategy Advances California’s Leading Standards

CRC’S CONSISTENT REGULATORY STRATEGY

✓ Reflect Californians’ values
✓ Solicit community input
✓ Advance community interests
✓ Build strategic alliances
✓ Educate and inform policy makers
✓ Sustain 90-day permit inventory per rig line
✓ Fulfill California’s high standards
✓ Help achieve the state’s long-term goals
✓ Contribute to vibrant future for all Californians

Growing Permit Inventory
(Permitted drilling rig days at end of period)

Seasoned operator with proven local expertise
California Policies Impact Natural Gas Prices

Aliso Canyon Effect on Inventory

Source: EIA and SoCalGas Envoy

Impact of Solar Generation

Source: California ISO

Lack of Natural Gas Storage and Peak Demand

Source: Bloomberg

Limited third-party storage, peak demand days, and reliance on renewable sources have increased volatility in local natural gas prices.
End Notes

From Slide 23

1 CRC estimate of reserves value as of December 31, 2018. Includes field-level operating expenses, G&A and taxes other than on income. Assumes $3.00/MMBTU NYMEX in all cases.

2 Reflects the value of facilities and midstream assets at 50% of estimated replacement value. This discount is estimated to exceed the burden on reserves that would be incurred if assets were monetized. Excludes the value of the assets monetized in the Ares transaction. Does not include value of extensive seismic library.

3 Surface & Mineral reflect the estimated value of undeveloped surface and mineral acreage held in fee.

4 Unproved reserves are comprised of risked probable and possible reserves as of December 31, 2017.

5 Calculated using December 31, 2018 debt at par and a market cap as of 2/22/2019. Includes non-controlling interests reported as mezzanine and permanent equity as of December 31, 2018.

See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon resource quantities, finding and development (F&D) costs, recycle ratio calculations, reserves replacement ratios, original hydrocarbons in place, Value Creation Index (VCI), drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.