CALIFORNIA RESOURCES CORPORATION

VALUE-DRIVEN

Fourth Quarter and Full Year 2019 Earnings Review
February 26, 2020

Todd Stevens | President & CEO

Mark Smith | Senior EVP & CFO

Forward Looking / Cautionary Statements – Certain Terms

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 made 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 into desirable transactions, including acquisitions, asset sales and joint ventures
- legislative or regulatory changes, including those related to drilling, completion, well stimulation, operation, inspection, 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 unexpected 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 or liquidity, including as a result of lender restrictions, the 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, power outages, transportation or storage constraints, natural disasters, pandemics, labor difficulties, cyber attacks or other catastrophic events
- factors discussed in "Item 1A – 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 additional information about 3P reserves and other hydrocarbon resource quantities, PV-10 and standardized measure, finding and development (F&D) costs, recycle ratio calculations, reserve replacement ratios, VCI, debt-adjusted shares calculations, drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.

Key Highlights

	ACTIVITY	PRODUCTION	CAPITAL	Adj. EBITDAX[3]	TOTAL DEBT[4]
4th Quarter 2019	104 Total Wells Drilled[1] Includes 15 internally funded wells	123 Mboe/d 62% Oil	$146 Million[2] $62 million internally funded	$308 Million	$19 Million Reduction
Full Year 2019	294 Total Wells Drilled[1] Includes 126 internally funded wells	128 Mboe/d 63% Oil	$612 Million[2] $407 million internally funded	$1.14 Billion	$274 Million Reduction

[1] Includes all wells drilled by CRC, including BSP, MIRA and Alpine wells. Includes steam injectors and drilled but uncompleted wells, which would not be included in the SEC definition of wells drilled.
[2] Includes BSP, MIRA and Alpine capital.
[3] See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other important information.
[4] Reflects the face amount of principal reduced.

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

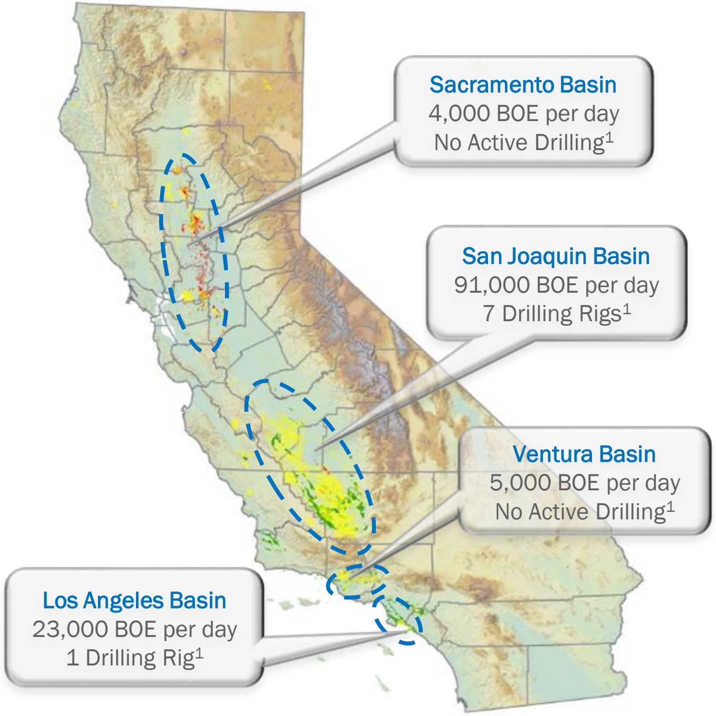
Strengthen Balance Sheet

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

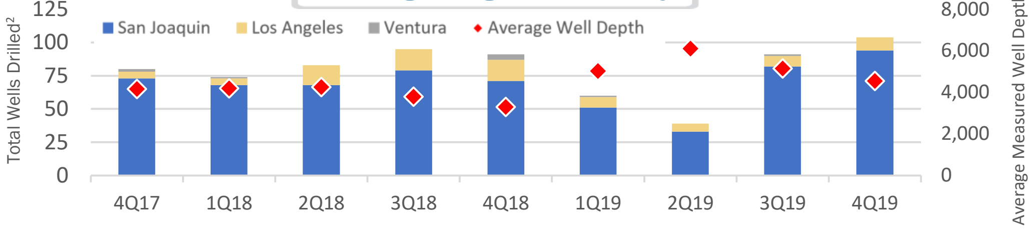
Proven and pressure-tested strategic approach preserved value through the downturn and is set to drive significant value creation for years to come

Development Activity Driving Value

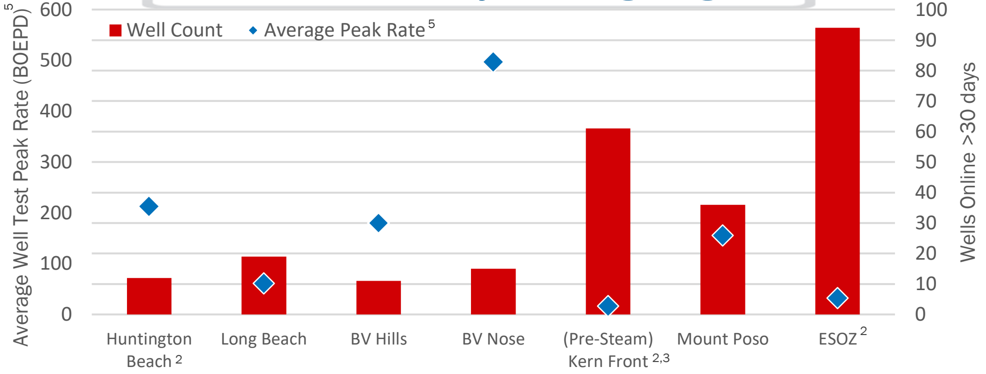
Q4 2019 Operations Results



Drilling Program History



2019 Results of Major Drilling Programs



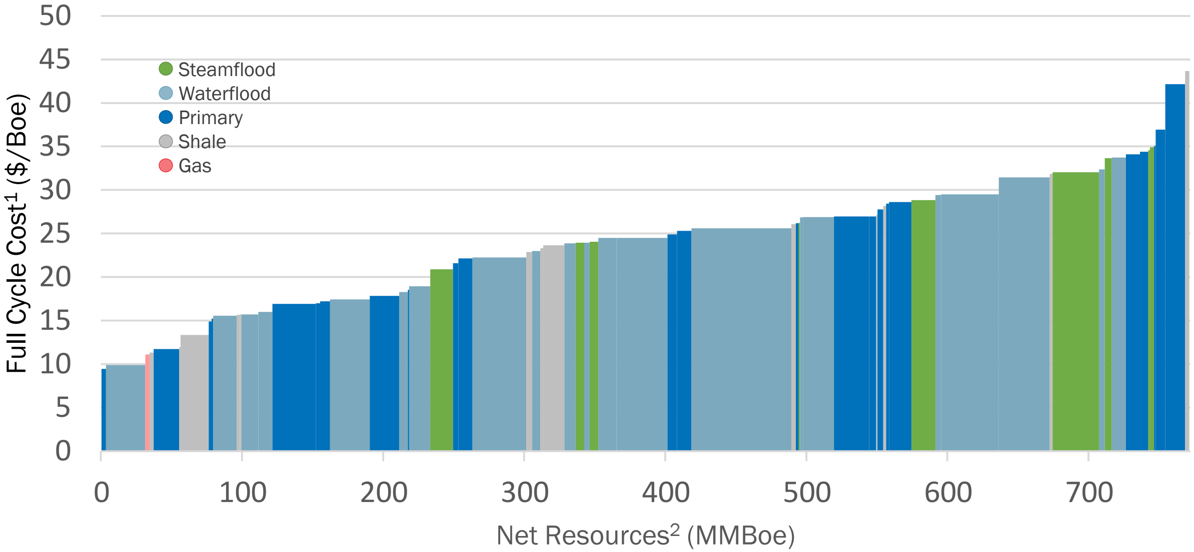
	Huntington Beach	Long Beach	BV Hills	BV Nose	(Pre-Steam) Kern Front	Mount Poso	ESOZ
Average D&C Cost per well[4]	$3.2 MM	$1.0 MM	$1.8 MM	$3.4 MM	$0.4 MM	$0.8 MM	$0.6 MM
	Los Angeles Basin		San Joaquin Basin				

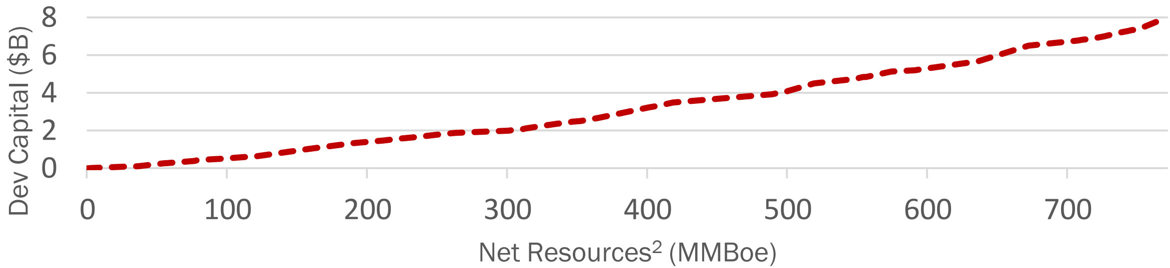
[1] Average CRC operated drilling rigs in the quarter. [2] Includes all wells drilled by CRC, including BSP, MIRA and Alpine wells. Includes steam injectors and drilled but uncompleted wells, which would not be included in the SEC definition of wells drilled. [3] Kern Front wells are steamflood wells which have low IPs and then ramp up over a period of 12-24 months. [4]2019 drilling and completion costs may not be comparable to prior periods due to variances in project mix, well depth, horizontal length and other aspects. [5] Peak rate is the average of the highest well test rate for each well drilled in 2019.

Unlocking Value with a Deep Inventory of Actionable Projects at $60 Brent

- **Fully burdened**, growth-focused portfolio
- Achieve a VCI of **1.3 or greater** at $60 Brent and $3.00 NYMEX
- Projects 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 for details regarding net resources and other hydrocarbon resource quantities.





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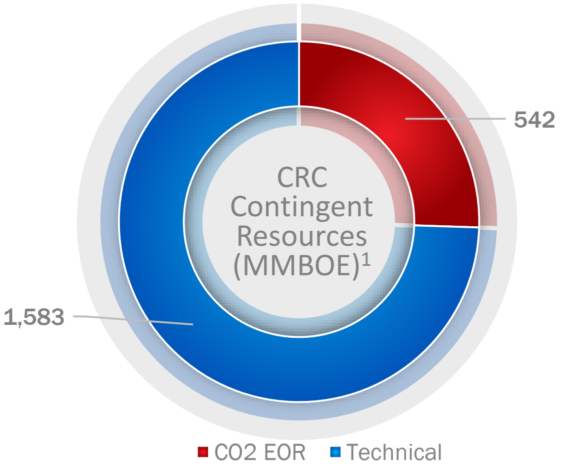
Elk Hills Carbon Capture and Sequestration (CCS)

California Energy Commission:

"The Project identified the Elk Hills Field as one of the premier CO_2 EOR and sequestration sites in the U.S. As described in this Appendix, analysis and study of the Elk Hills Field has confirmed that it is an optimal site for the safe and secure sequestration of CO_2."

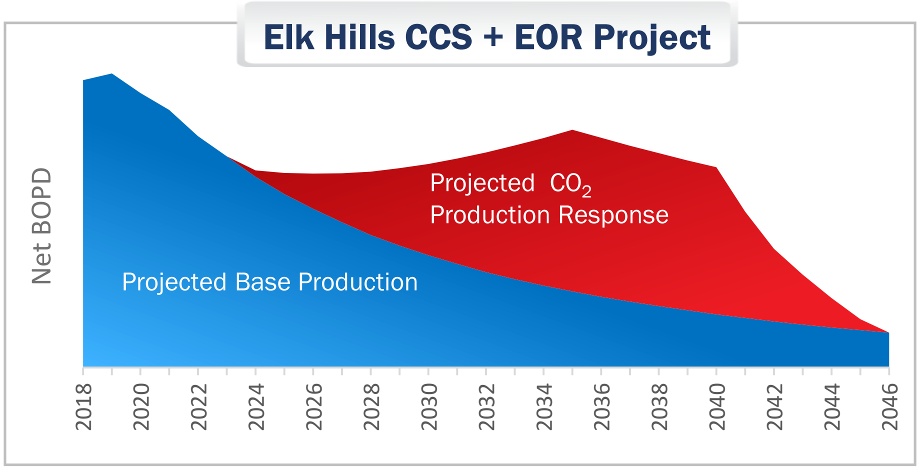
- Report to the Legislature under AB 1925, App. F, page 29 (2010)



[1] As of year-end 2019.
[2] Based on internal estimates.

CCS+EOR Project Elements

- Awarded financial assistance from the Department of Energy on carbon capture FEED study to capture CO_2 produced at the Elk Hills power plant
- Over 150 MMBOE of enhanced recovery potential[2] from existing producing reservoirs utilizing CO_2 EOR at Elk Hills
- Potentially up to 542 MMBOE of enhanced recovery
- Designing long-term carbon sequestration and monitoring
- Engaged with key regulatory agencies



Accelerating Value and Derisking Inventory through Development JVs

Benefit Street Partners — Feb 2017

- Total of $200MM fully funded
- Focus on the San Joaquin and Los Angeles Basins
- CRC operates all wells
- Investor funds project capital in exchange for a net profits interest (NPI) held through a JV
  - Investor preferred interest fully reverts upon achieving target IRR
  - CRC retains an acceleration option

Macquarie — April 2017

- Up to $140MM
  - $138MM funded through 2019
- Focus on three fields within the San Joaquin Basin
  - Kern Front, Mt. Poso, Pleito Ranch
- CRC operates all wells
- DrillCo-type structure where investor funds 100% of project capital for 90% working interest (WI) in wells drilled, with CRC carried on its 10% WI
  - CRC interest increases to 75% upon investor achieving target IRR
  - CRC retains an acceleration option

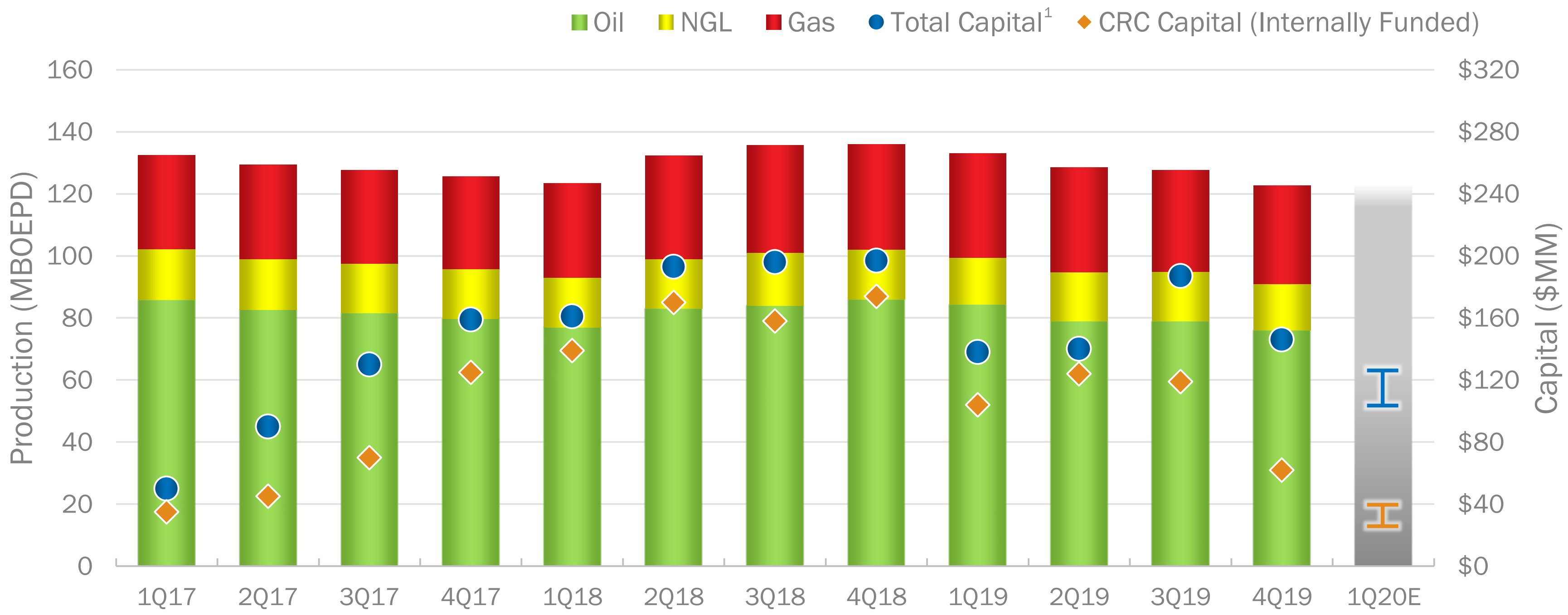
Alpine Energy Capital — July 2019

Powered by Colony Capital & Equity Group Investments

- Up to $500MM
  - Current commitment of $320MM, with $134MM funded through 2019
- Focus on portions of the Elk Hills field within the San Joaquin Basin
- CRC operates all wells
- DrillCo-type structure where investor funds 100% of project capital for 90% WI in wells drilled, with CRC carried on its 10% WI
  - CRC interest increases to 82.5% upon investor achieving target IRR

JVs Provide Additional Capital Flexibility

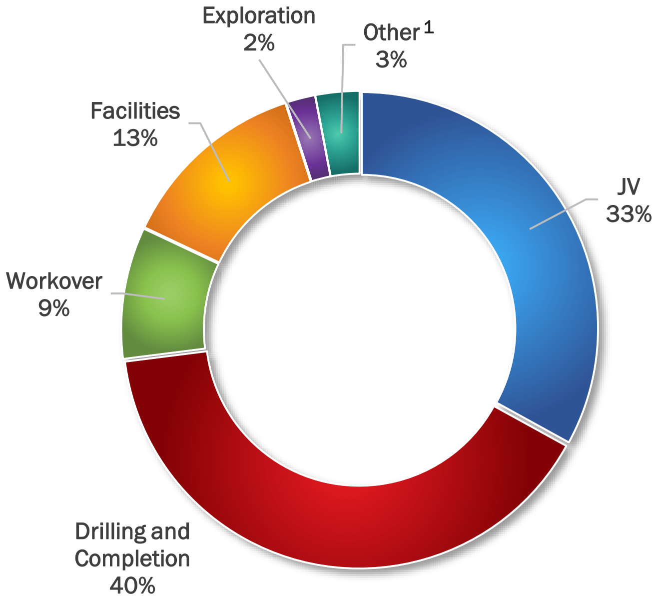
Net Production By Commodity (MBOEPD)



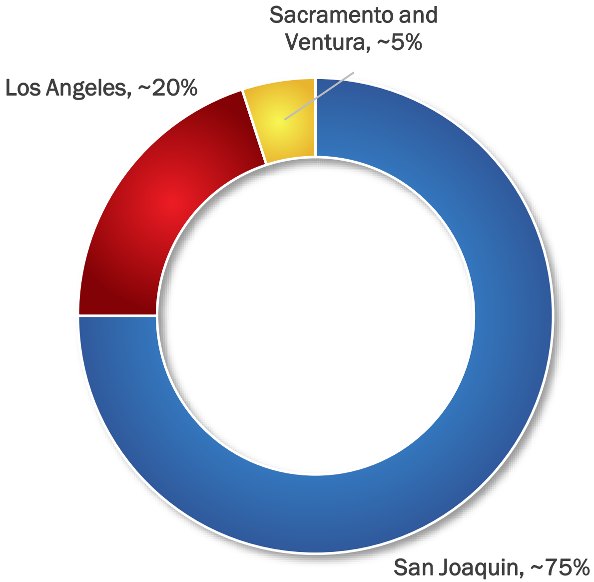
[1] Total Capital reflected in the graph includes the capital investment of internal CRC capital as well as JV partners BSP, MIRA, and Alpine. Our consolidated financial statements include BSP's investment and exclude MIRA's and Alpine's investment based on the accounting treatment of each venture.

Disciplined Capital Plan Leveraged Project Portfolio

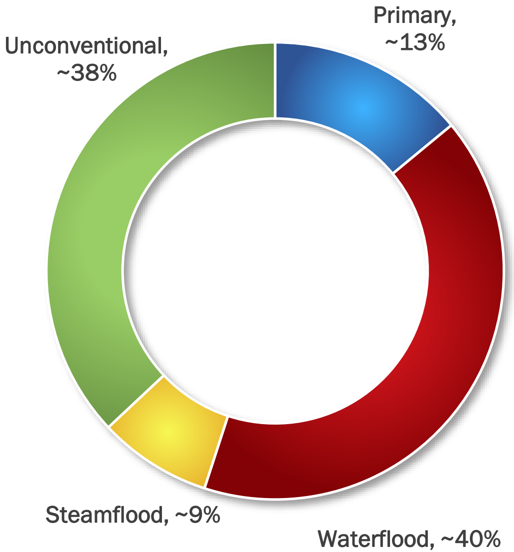
2019 Total Capital



2019 Internally Funded Development Capital By Basin

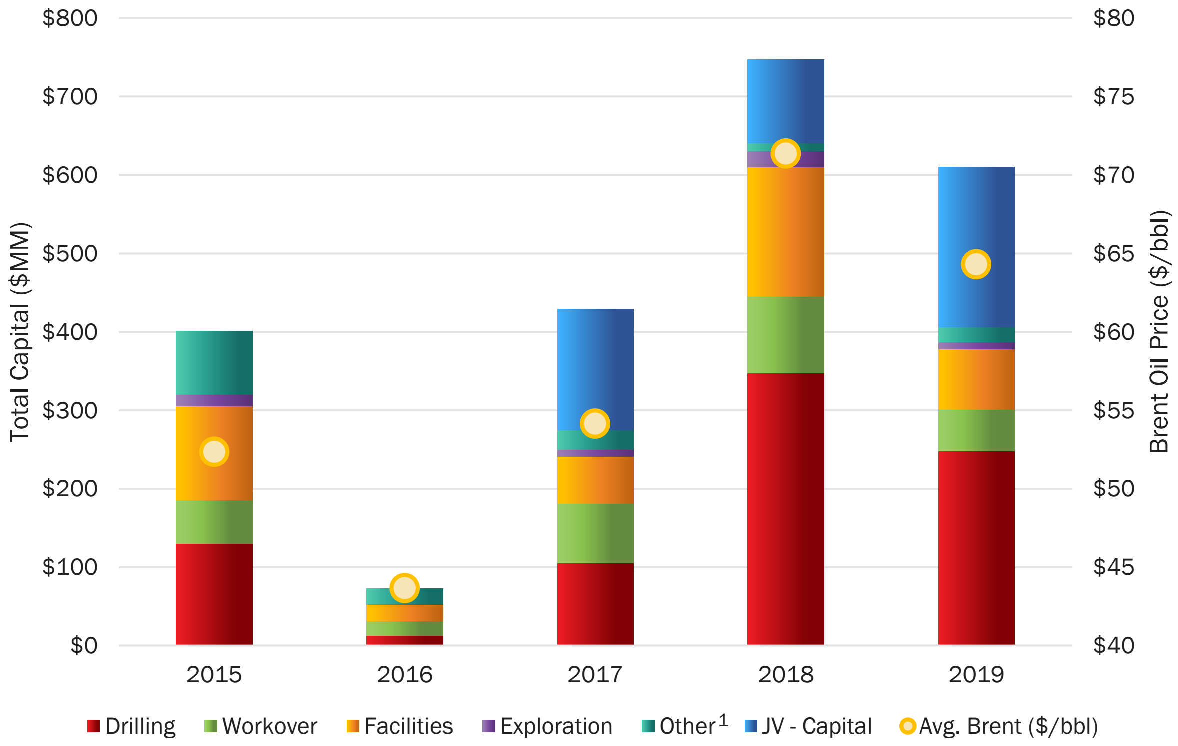


2019 Internally Funded Development Capital By Drive Mechanism



[1] Other includes corporate, maintenance and occupational health, safety and environmental projects and other investments.

Consistent History of Capital Discipline



Results of Fully-Burdened[2] 2019 CRC Development Program

Total: $455 million

$63.15 Brent/$2.58 NYMEX

Delivered 1.6 VCI

[1] Other includes corporate, maintenance and occupational health, safety and environmental projects and other investments.
[2] Facility costs and certain non-return capital are apportioned to producing wells in the year they are drilled. Excludes exploration, other, and amounts related to our MIRA and Alpine JVs.

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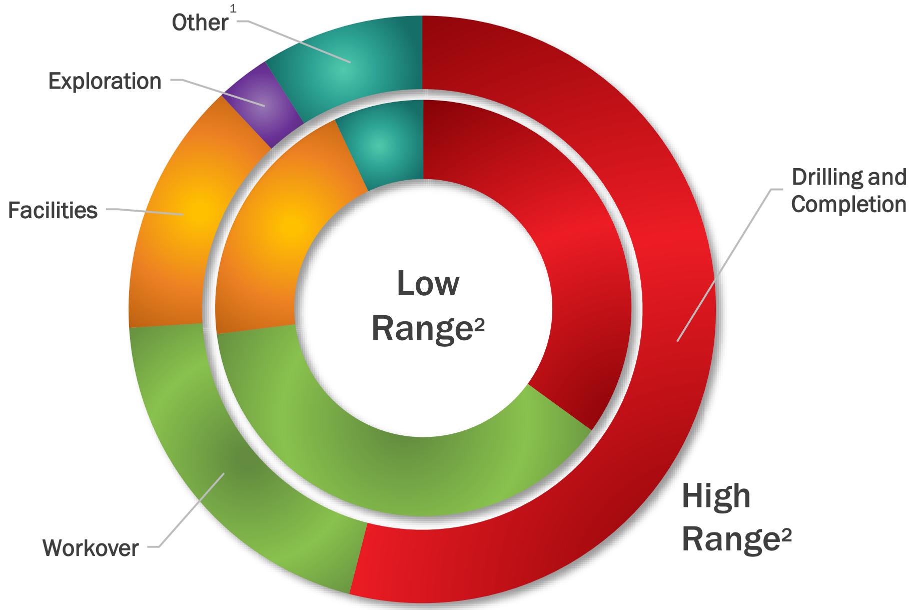
2020 Dynamic Capital Plan

2020E Total Internal Capital
$100 to $300 Million



2020 Estimated Total Capital Program $260 to $500 Million

Expect to Remain within Discretionary Cash Flow

2020 Estimated JV Capital $160 to $200 Million

CRC Program Focus

Buena Vista | Elk Hills
Huntington Beach
Long Beach | Shallow Horizontals

[1] Other includes corporate, maintenance and occupational health, safety and environmental projects and other investments.
[2] Inner circle represents percentages in a low capital scenario, and outer circle represents percentages in a high capital scenario. Based on current prices, CRC plans to begin the year at the low end of the capital investment range.

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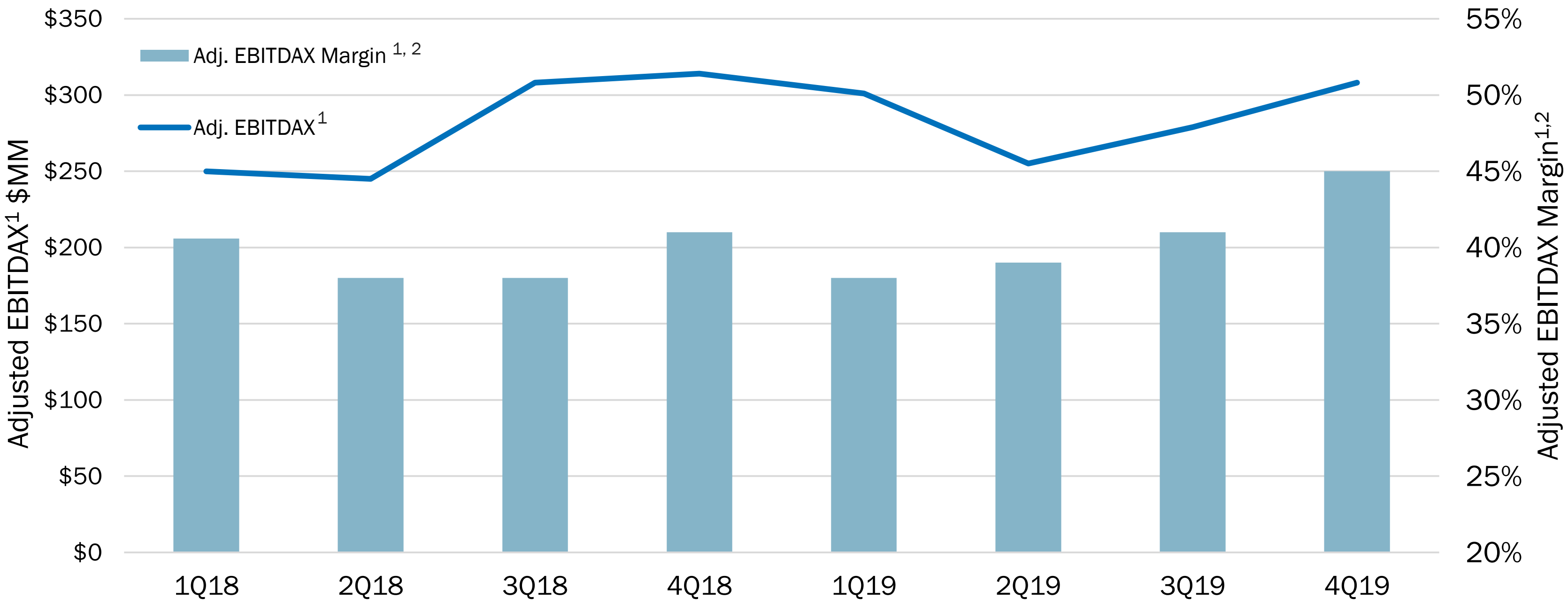
CRC Delivers Stable Adjusted EBITDAX[1] Margins

Adjusted EBITDAX[1] by Quarter

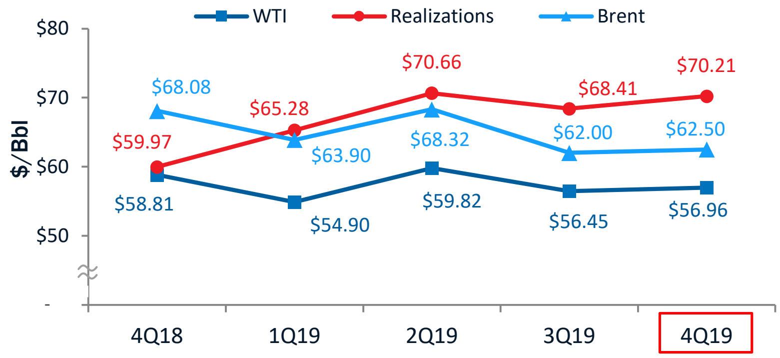


Highest quarterly Adjusted EBITDAX margin[1,2] to date

[1] See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other additional information.
[2] Results for reporting periods beginning after January 1, 2018 are presented under the new revenue recognition accounting standard while prior periods are not adjusted and continue to be reported under accounting standards in effect for the applicable period.

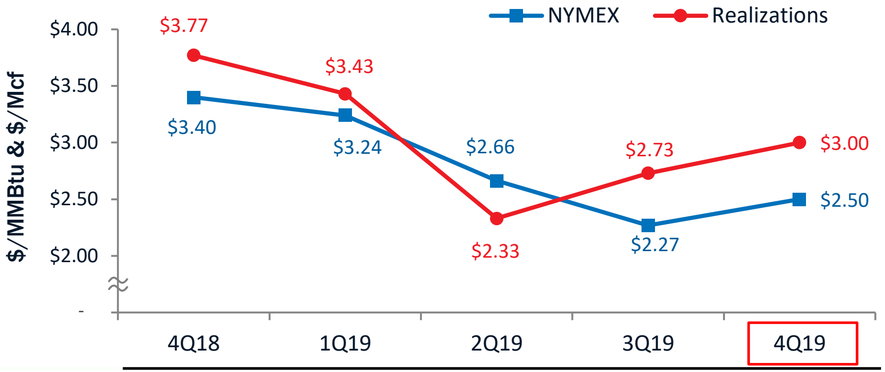
CRC Price Realizations – Strong Brent Realizations

Oil Price Realization (with Hedges)



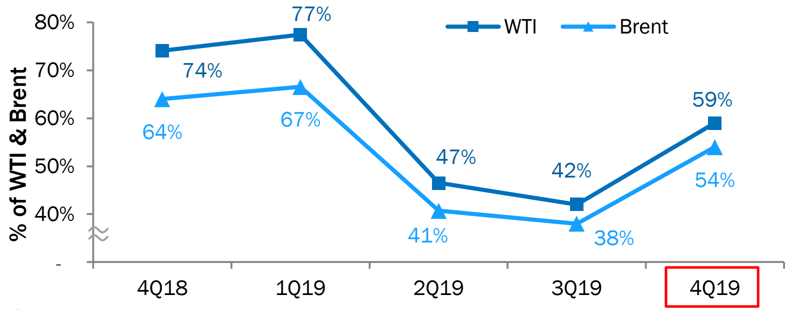
Realization % of WTI	102%	119%	118%	121%	112%

Gas Price Realization



Realization % of NYMEX	111%	106%	88%	120%	120%

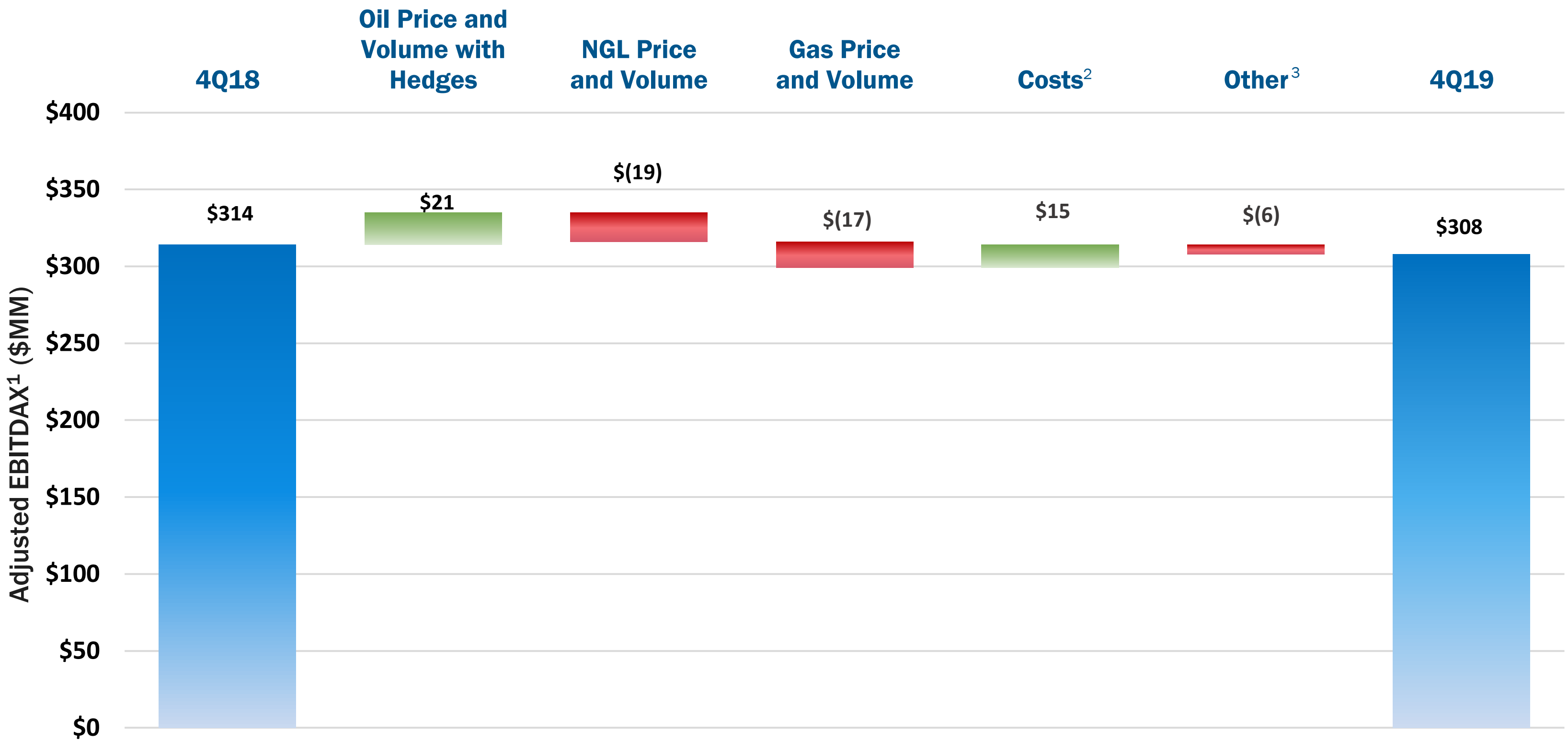
NGL Price Realization - % of WTI & Brent



- California native crude continues to see a strong premium over WTI due to Brent based pricing and transportation advantages
- Realized natural gas prices recovered from lows seen in the second quarter after temperate winter across the U.S. and colder California weather
- NGL prices continue to see a premium over peers due to the disconnect between the California market place and other major basins

CRC believes its realizations for all hydrocarbon streams will remain strong

4Q18 to 4Q19 Adj. EBITDAX[1]



[1] See the Investor Relations page at www.crc.com for historical reconciliations to the closest GAAP measure and other additional information.
[2] Costs includes changes in operating expenses, general and administrative expenses and taxes other than on income.
[3] Other includes GHG costs, trading income, EHPP gross margin, and other.

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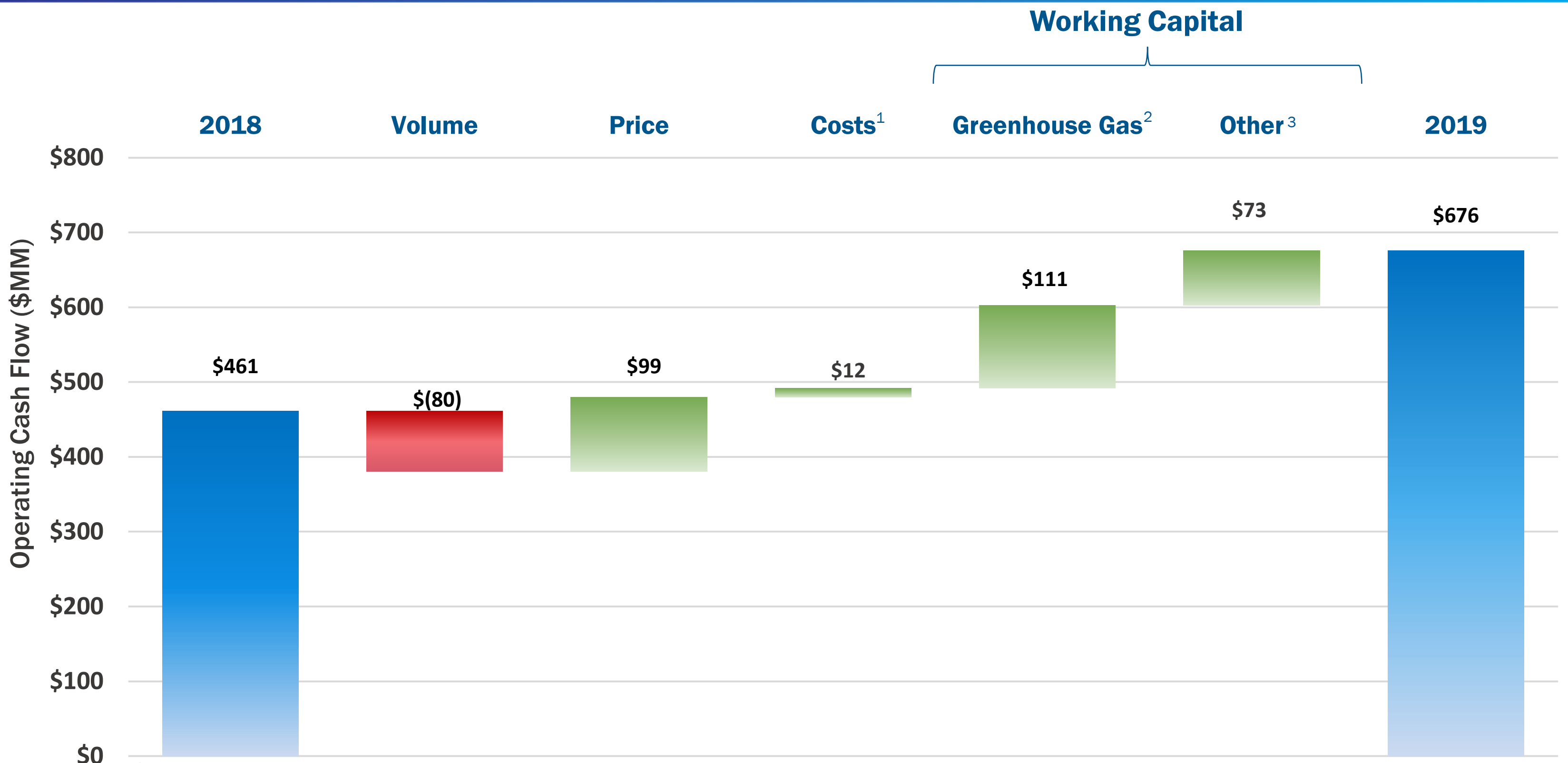
Total Year Operating Cash Flow



[1] Costs includes changes in operating expenses, general and administrative expenses and taxes.

[2] Greenhouse gas includes payments in 2018 of $98 million to purchase GHG allowances which we sold in 2016 to enhance our liquidity at the lowest point of the commodity price cycle. In 2019 we monetized $13 million of greenhouse gas allowances.

[3] Other includes derivative payments, interest payments and other.

Reserves Update

[1] Management Discretion reflects PUDs deferred and recategorized due to changes in capital allocations.
[2] Includes Improved Recovery.

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Fourth Quarter 2019 Results Comparison

	4Q18	3Q19	4Q19
Net Oil Production	86 MBbl/d	79 MBbl/d	76 MBbl/d
Total Net Production	136 MBoe/d	128 MBoe/d	123 MBoe/d
Realized Oil Price w/ Hedge ($/Bbl)	$59.97	$68.41	$70.21
Realized NGL Price ($/Bbl)	$43.56	$23.55	$33.81
Realized Natural Gas Price ($/Mcf)	$3.77	$2.73	$3.00
Net Income (loss) Attributable to Common Stock	$346 MM	$94 MM	$(67 MM)
Net Income (loss) Attributable to Common Stock per Share – Diluted	$7.00	$1.89	$(1.36)
Adjusted Net Income[1] per Share – Diluted	$0.53	$0.34	$0.73
Adjusted EBITDAX[1]	$314 MM	$278 MM	$308 MM
Internally Funded Capital Investments	$174 MM	$117 MM	$62 MM
Cash Provided by Operating Activities	$68 MM	$268 MM	$136 MM

[1]See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other important information.

Quarterly Cost Comparison

	4Q18	3Q19	4Q19
Production costs ($/Boe)	$18.61	$18.82	$18.67
Production costs excluding PSC effects[1] ($/Boe)	$17.44	$17.44	$17.32
Taxes other than on income ($MM)	$29	$42	$38
Exploration expense ($MM)	$16	$5	$4
Interest and debt expense ($MM)	$98	$95	$90

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[1] See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other important information.

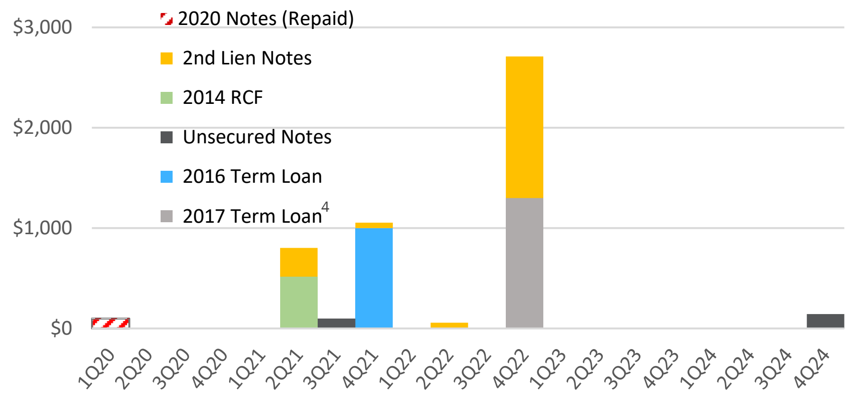
Strengthening the Balance Sheet

Capitalization ($MM)

	As of 12/31/19
1st Lien 2014 Revolving Credit Facility (RCF)	$ 518
1st Lien 2017 Term Loan	1,300
1st Lien 2016 Term Loan	1,000
2nd Lien Notes	1,815
Senior Unsecured Notes	344
Total Debt	4,977
Less cash [1]	(14)
Net Debt	4,963
Mezzanine Equity	802
Total Equity	(296)
Total Net Capitalization	$ 5,469

Total Debt / Total Net Capitalization	91%
Total Debt / LTM Adjusted EBITDAX[2]	4.4x
LTM Adjusted EBITDAX[2] / LTM Interest Expense	3.0x
PV-10[3] / Total Debt	1.4x
Total Debt / Proved Reserves[3] ($/Boe)	$7.73
Total Debt / Proved Developed Reserves[3] ($/Boe)	$10.12
Total Debt / 4Q19 Production ($/Boepd)	$40,462

Debt Maturities ($MM)

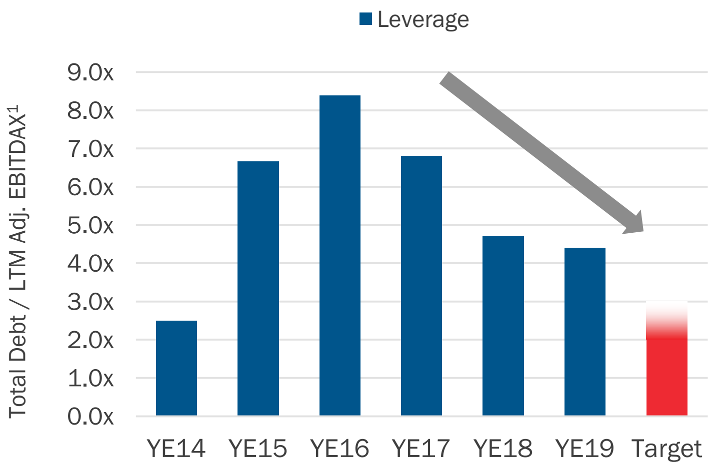


Total debt below $5.0 billion at year-end 2019

[1] Excludes $3MM of restricted cash.
[2] See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other important information.
[3] Proved Reserves and PV-10 estimates are as of 12/31/19 and based on SEC19 prices of $63.15 per barrel Brent / $2.58 per MMBTU NYMEX. See the Investor Relations page at www.crc.com for details on how PV-10 is calculated.
[4] The 2017 Term Loan is subject to a springing maturity in October 2021 related to the outstanding balance of the 2016 Term Loan.

Strengthening the Balance Sheet Remains a Priority

Target 2.5x – 3x Leverage Ratio



Simple Capital Structure → Complicated Capital Structure → Simplified Capital Structure

[1] See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other additional information.
[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
- Accretive acquisitions

Disciplined Capital Investment
- Target 10-15% of discretionary cash flow for balance sheet strengthening[2]
- Cash flow growth and support future reinvestment

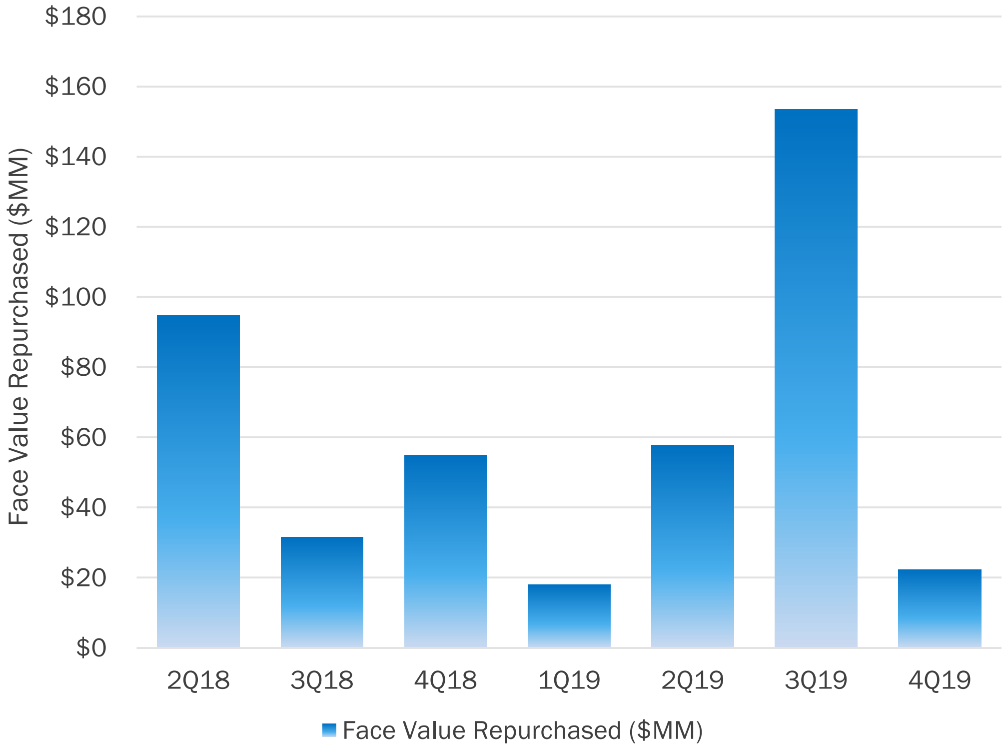
Asset Monetizations
- Joint ventures
- Infrastructure
- Producing assets
- Mineral interests

Debt Repurchases

- CRC has opportunistically **repurchased approximately $435MM** in face value of Second Lien Notes since issuance including **$23MM in the fourth quarter of 2019** and **$252MM in full-year 2019**

- Received an **average discount of 27 percent** from the face value, for **a discount capture of over $119MM**

Second Lien Note Repurchases



First Quarter 2020 Guidance

Anticipated Realizations Against the Prevailing Index Prices for 1Q20			
Oil	96%	to	101% of Brent
NGLs	48%	to	53% of Brent
Natural Gas	110%	to	120% of NYMEX
Production, Capital and Income Statement Guidance			
Production[1]	119	to	124 MBOEPD
Capital[2]	$100	to	$125 million
Production Costs[1]	$18.35	to	$19.45 per Boe
Adjusted G&A[1, 3]	$5.70	to	$6.10 per Boe
DD&A[1]	$10.05	to	$10.35 per Boe
Taxes other than on income	$38	to	$42 million
Exploration expense	$3	to	$8 million
Interest expense	$87	to	$92 million
Cash interest	$64	to	$69 million
Effective tax rate	--	to	--
Cash tax rate	--	to	--

[1] Ranges in the above table are based on average Q1 2020 Brent price of $60 per barrel. If based on average Q1 2020 Brent price of $65 per barrel, production guidance would range from 118 to 123 MBOEPD and production costs would range from $18.45 to $19.55 per BOE.
[2] Capital guidance includes CRC, MIRA and Alpine capital. For further detail on our Q1 2020 guidance, please see our latest Earnings Release.
[3] See the Investor Relations page at www.crc.com for historical reconciliations to the closest GAAP measure and other important information.

Strategically Built Oil Hedge Portfolio

Strategy

- **Protect cash flow, operating margins and capital investment program**
- **Hedge program targets up to 50% of crude oil production**

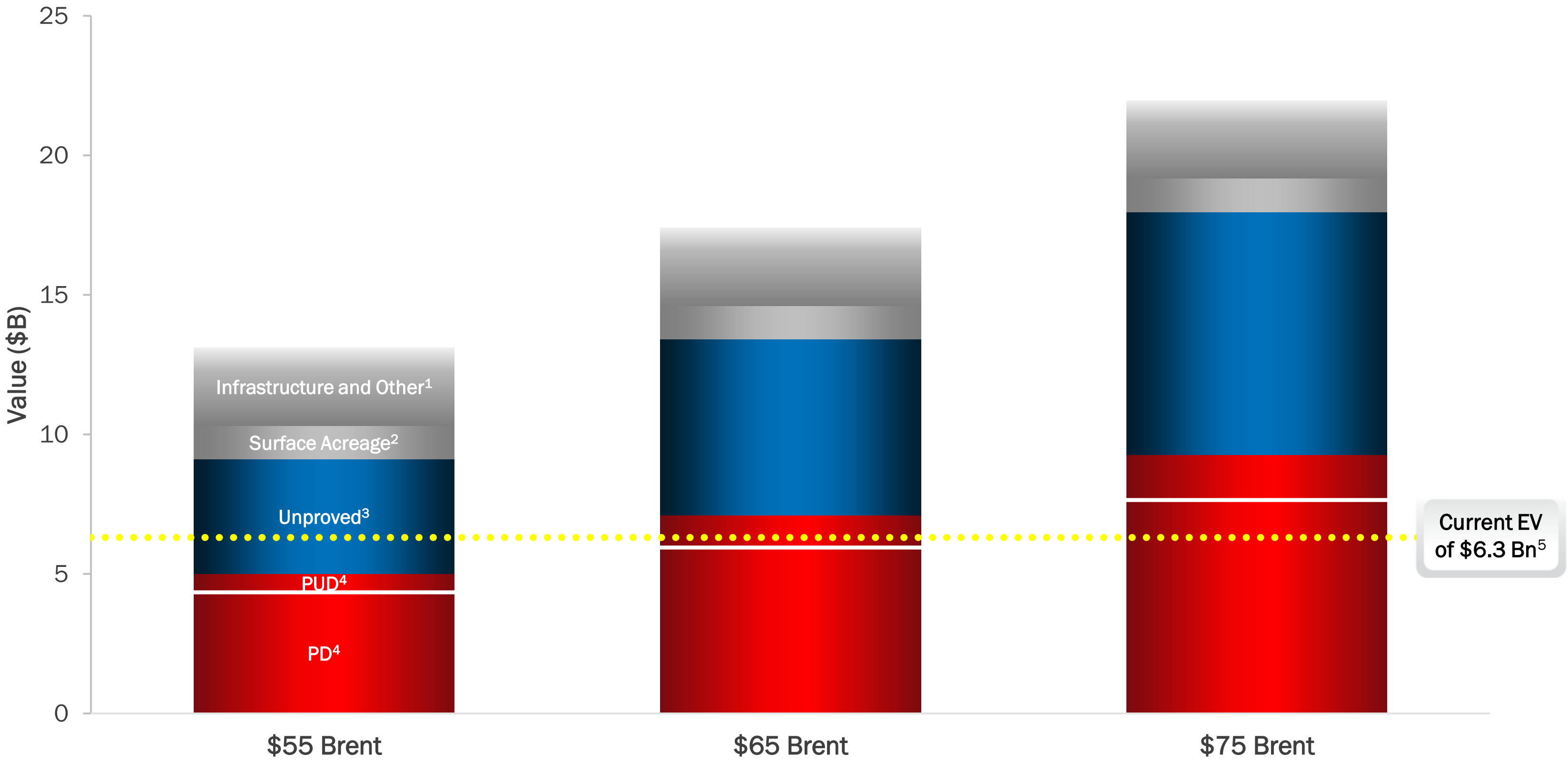
Hedge program preserves significant upside exposure to commodity price movement

		1Q20	2Q20	3Q20	4Q20
Purchased Puts	Barrels per Day	30,000	20,000	13,000	8,000
	Weighted Average Price per Barrel	$70.83	$67.50	$65.00	$65.00
Sold Puts	Barrels per Day	30,000	20,000	18,000	13,000
	Weighted Average Price per Barrel	$56.67	$53.75	$54.31	$53.81
Swaps	Barrels per Day	-	5,000[1]	5,000[1]	5,000[1]
	Weighted Average Price per Barrel	-	$70.05	$65.00	$65.00
Percentage Hedged Against 4Q19 Net Oil Production		39%	33%	24%	17%

Note: 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 9 of our Q4 2019 Earnings Release.

[1] Counterparties have the option to increase swap volumes by up to 5,000 barrels per day at a weighted-average Brent price of $70.05 for the second quarter of 2020, a counterparty has an option to increase volumes up to 5,000 barrels per day at $65.00 for the third and fourth quarters of 2020.

Current Enterprise Value Deeply Discounted



[1-5] See endnotes in the Appendix. See the Investor Relations page at www.crc.com for additional information about 3P reserves and other hydrocarbon quantities.

Disciplined Execution on Highest Value Projects

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- 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	High VCI Projects
Reduce Debt	Core Operating Areas
Reduce Leverage	Growth Prospects
Reduce Fixed Charges	Investing for the Future

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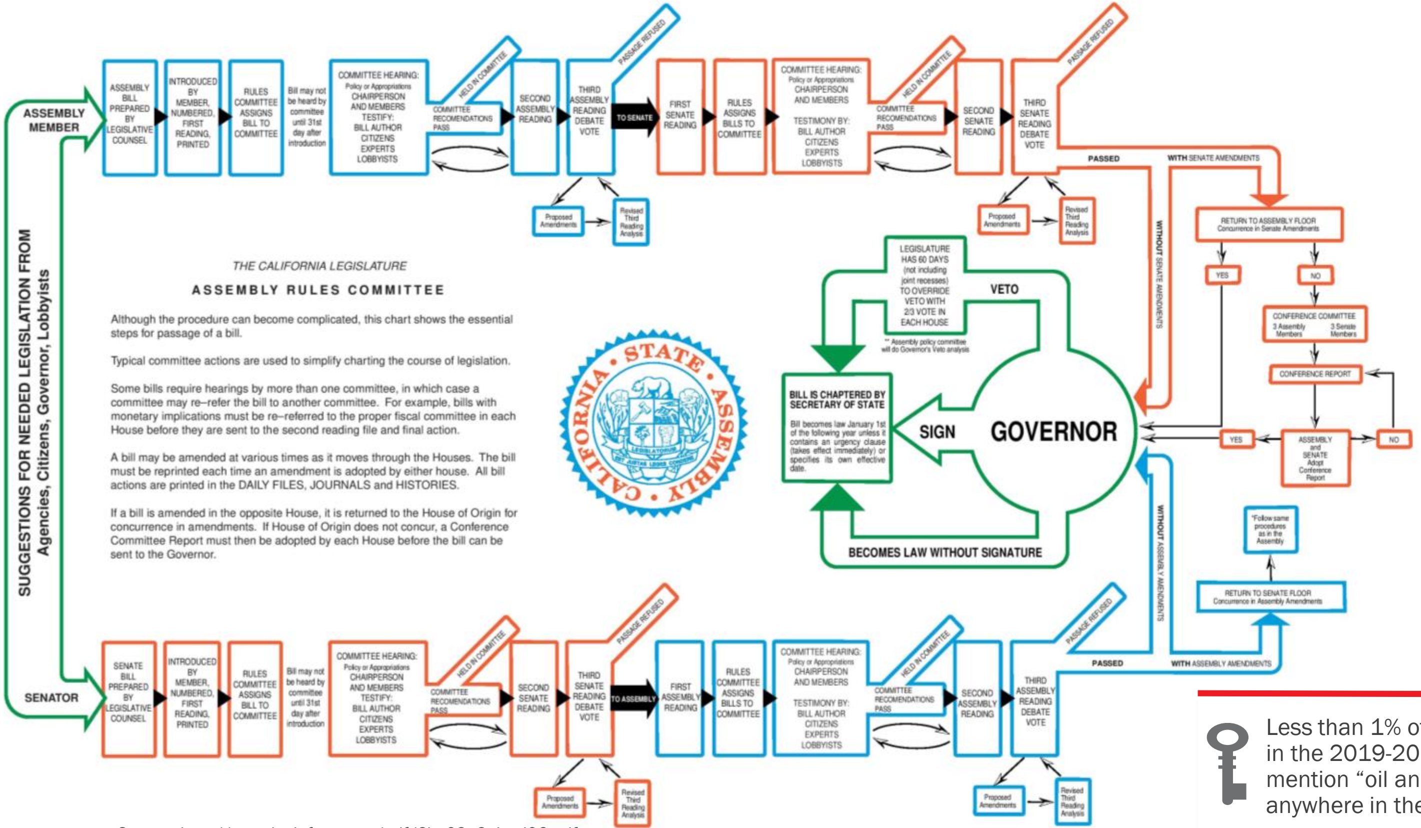
APPENDIX

Complex Road to Becoming a Law: California's Legislative Process



Less than 1% of the measures introduced in the 2019-20 legislative session currently mention "oil and gas" or "crude oil" anywhere in the text[1]

Source: http://www.leginfo.ca.gov/pdf/Ch_09_CaLegi06.pdf

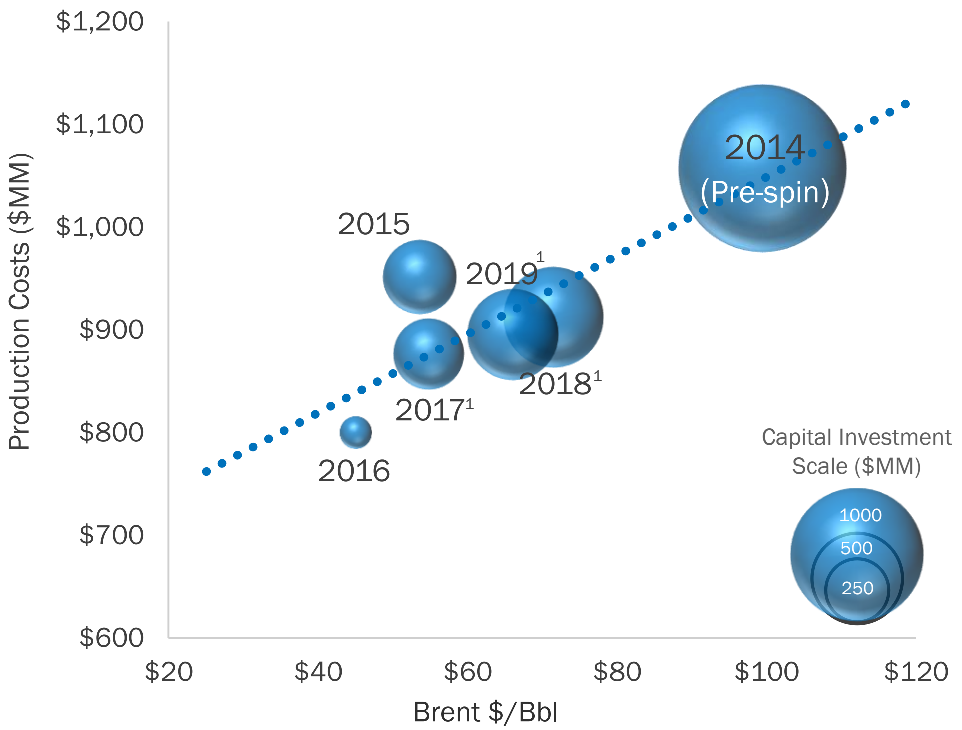
[1] Keyword search in Legislature's web site on 2/24/20 for terms "oil and gas" or "crude oil" at http://leginfo.legislature.ca.gov/faces/billSearchClient.xhtml.

CALIFORNIA RESOURCES CORPORATION

Demonstrated Experience Controlling Production Costs Through Price Cycle

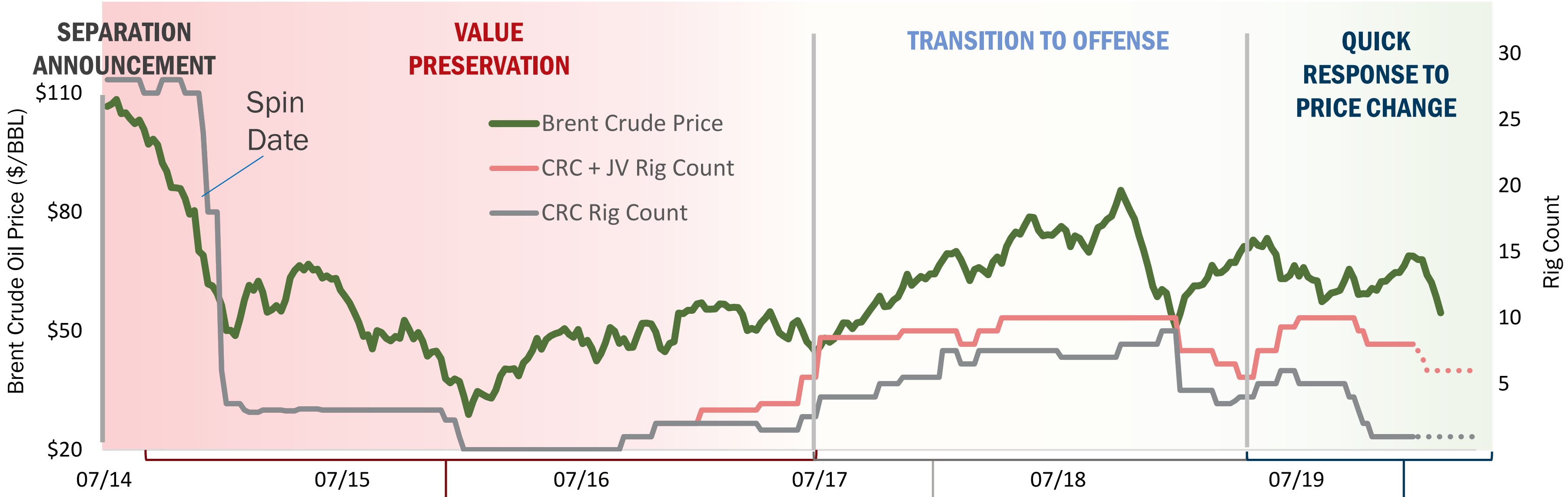
- **Capital investment scales** with commodity price changes
- **Flexible operations** and **shallow base decline** allow for quick response to commodity price changes while **preserving value**
- **Consistently controlled production costs** throughout **price cycles**

Annual Production Costs & Capital Investment[1]



[1] Includes JV Capital.

Pressure Tested Through the Commodity Price Cycle and Focused on Long-Term Value



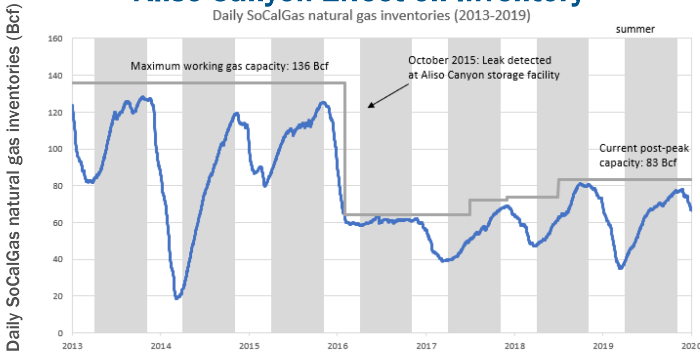
Cut rigs
Began hedging
Managed liabilities
Utilized existing facilities
Protected base production

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

Invest for value preservation
Drill high-graded portfolio
Invest in exploration and facilities
Strengthen balance sheet
Entered into JV with Alpine

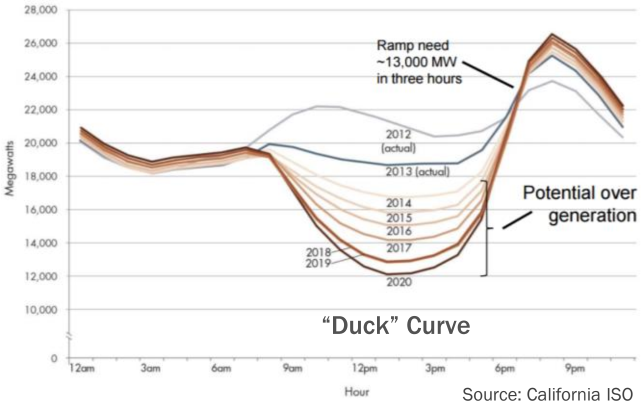
California Policies Impact Natural Gas Prices

Aliso Canyon Effect on Inventory



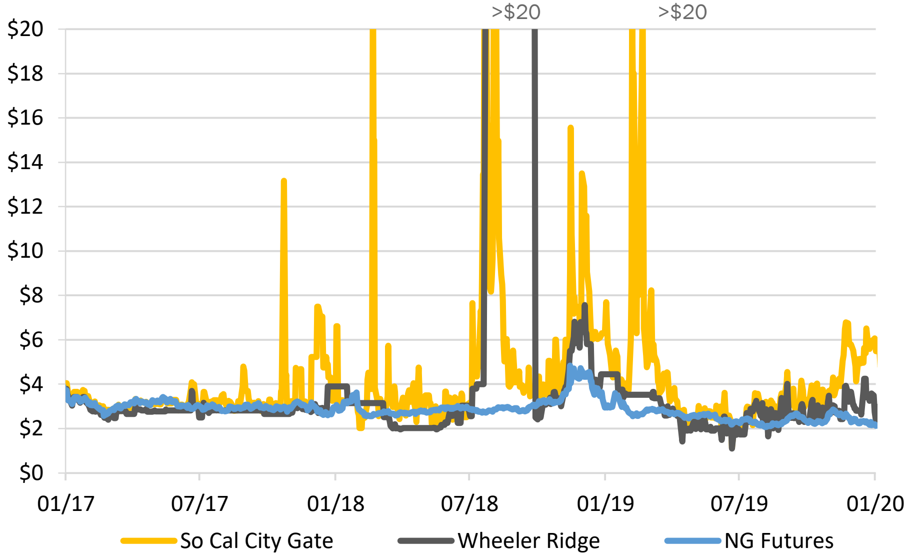
Source: EIA and SoCalGas Envoy

Impact of Solar Generation



Source: California ISO

Lack of Natural Gas Storage and Peak Demand



California Natural Gas Prices

Source: Bloomberg

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

CALIFORNIA RESOURCES CORPORATION

CRC's Natural Gas Liquids Marketing

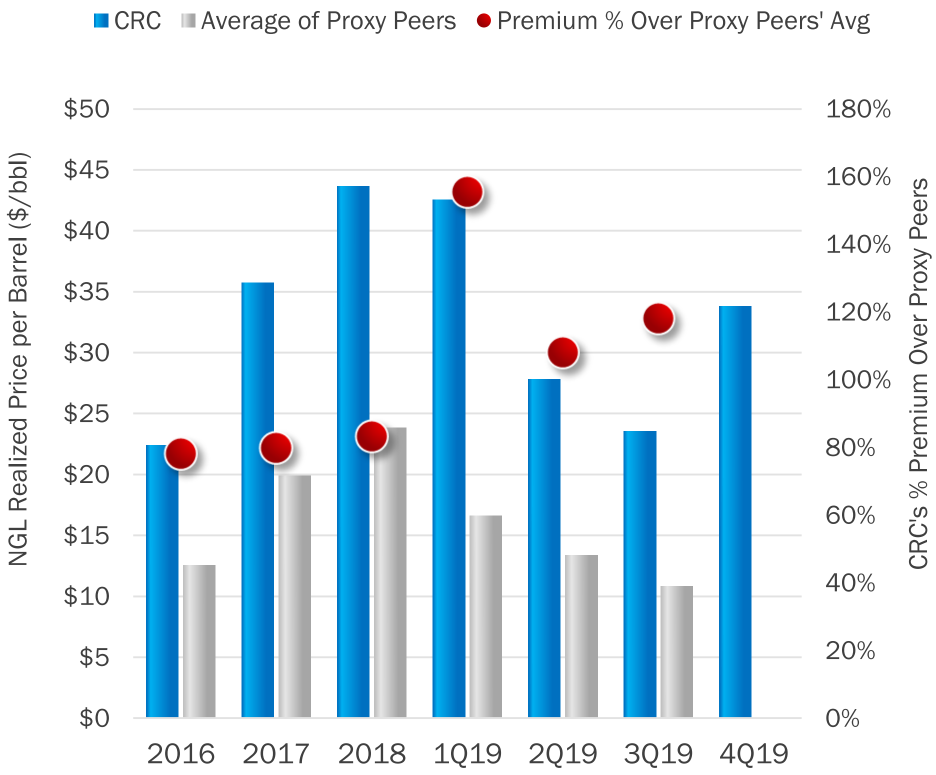
- CRC is the largest NGLs producer in California
  Approximately 15,000 bpd
- Breakdown of CRC's NGLs production:

53% Propane
- Approximately half sold locally and half exported to Mexico
- Dynamically adjust market mix to achieve highest net realization

33% Butane
- 100% sold in the California market
- Infrastructure connected to multiple processing facilities
- California is a premium market for butane

14% Natural Gasoline
- 100% sold in the California market
- Minimize transportation costs and maximize net realization

CRC's NGLs trend with national prices, but trade at a premium due to market conditions in California and isolation from the larger national market.

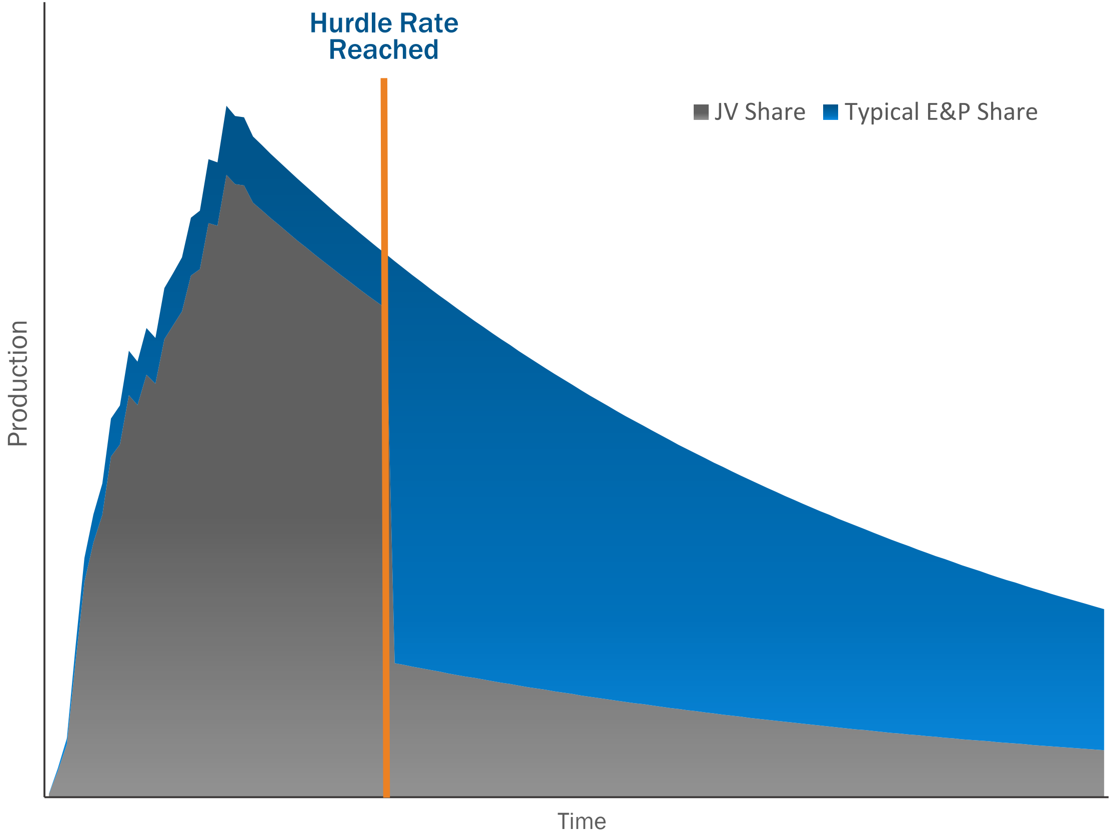


[1] Proxy peers with reported NGLs include: CRZO, FANG, GPOR, LPI, PDCE, PE, QEP, RRC, SM, SWN, WLL, WPX, XEC. All prices, including CRC's, are unhedged and current as reported in 2018 10-K and 1Q19, 2Q19 and 3Q19 10-Q filings.

CALIFORNIA RESOURCES CORPORATION

Typical DrillCo JV Structure

- **Based on recent industry JV deals, a typical DrillCo structure is**
  - Partner pays 80-100% Capital
  - Partner receives 80-100% Working Interest in wells drilled
  - Typical hurdle rate:
    - 10% - 20% IRR
  - Partner's working interest if hurdle rate is achieved:
    - 5% - 25%



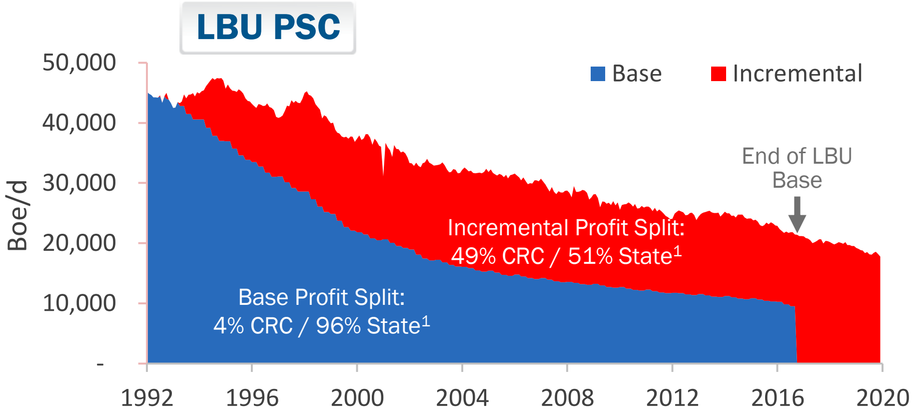
Midstream Joint Venture

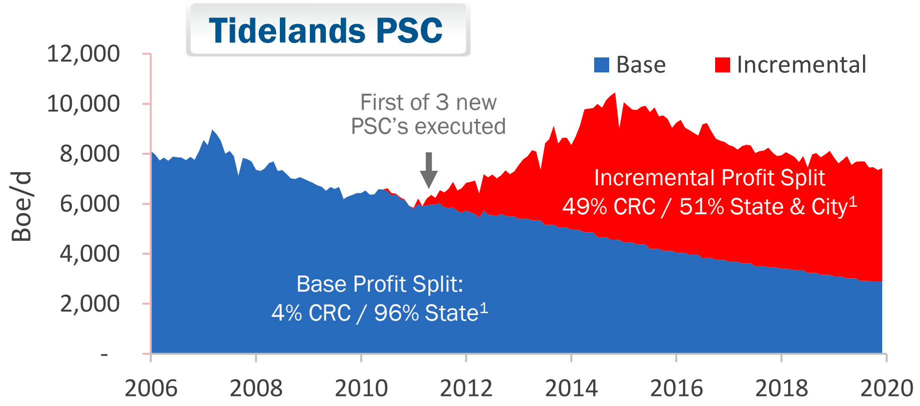
Summary of Deal

Partner	▪ Affiliate of Ares Management (Ares)
Contributed Assets	▪ Elk Hills power plant, gas processing assets and related non-borrowing base infrastructure owned by CRC
Midstream JV Capitalization	▪ Class A common interests (voting) owned 50% by Ares and 50% by California Resources Elk Hills (CREH) ▪ Class B preferred interests ("Preferred") owned 100% by Ares ▪ Class C common interests (distributing) owned 95.25% by CREH and 4.75% by Ares
Distribution to Partners	▪ Preferred interests to receive preferred distributions of 13.5% per annum on the \$750 MM contributed amount ▪ 9.5% cash pay and 4.0% PIK to be deferred for the first three years ▪ Deferred distributions are interest bearing and repaid over two years following the deferral period ▪ Remaining cash after Preferred distributions to be distributed pro rata to Class C interests
Exit Provisions	▪ Prior to end of 5 or 7.5 years, CRC may redeem Preferred at variable amounts that include make whole premiums ▪ At end of 5 years, CRC may elect to either redeem or extend to 7.5 years ▪ At 7.5 years, if not redeemed by CRC, Preferred can monetize the JV
Board	▪ Board of Managers consists of three CRC representatives and three representatives from Ares

Wilmington Field – Production Sharing Contracts

- Over 90% of CRC's Long Beach production is covered under **Production Sharing Contracts (PSCs)** with the State and the City of Long Beach
- CRC's net production decreases when prices rise and increases when prices decline
- "Base" rate/profit is defined in contracts
  - State/City receive most of base profit
  - CRC receives remainder
- "Incremental" rate/profit is everything greater than the Base
- Per the provisions of the contract, the Base of the LBU PSC ended in 4Q 2016





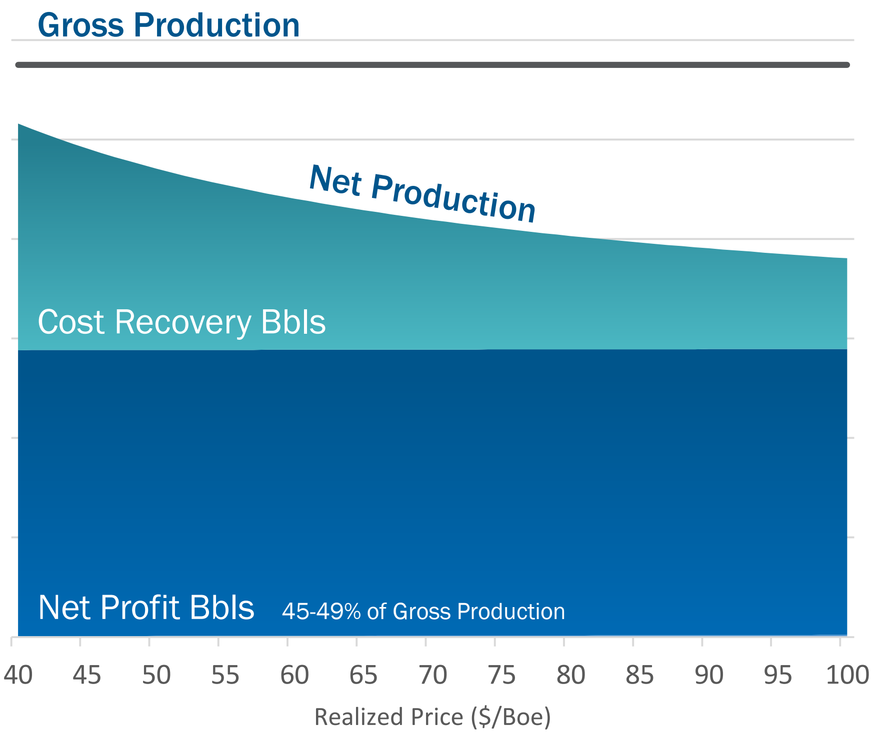
[1] Average profit split %.

Wilmington Production Sharing Contracts

- **Over 25% of CRC's oil production is subject to Production Sharing Contracts**
- **PSC Mechanics**
  - CRC pays our partners' share of the Operating and Capital Cost
  - CRC recovers our partners' portion of the cost in barrels
  - CRC receives 45-49% of the gross production as "Profit Barrels"
- **As prices rise, fewer barrels are required to recover our partners' portion of the cost**

Higher oil prices result in higher cash flow, but lower net production

Effect of Oil Price on Net Production



End Notes

From Slide 25

[1] Reflects the value of facilities and midstream assets, excluding assets owned by the Ares JV, at 50% of estimated replacement value. This discount is estimated to exceed the burden on reserves that would be incurred if assets were monetized. Does not include value of extensive seismic library.

[2] Surface reflects the estimated value of undeveloped surface acreage held in fee.

[3] Unproved reserves are comprised of probable and possible reserves as of December 31, 2019.

[4] CRC estimate of reserves value as of December 31, 2019. Includes field-level operating expenses, G&A and taxes other than on income. Assumes $2.58/MMBTU NYMEX in all cases.

[5] Calculated using December 31, 2019 debt at par and a market cap as of 12/31/2019. Includes non-controlling interests reported as mezzanine and permanent equity as of December 31, 2019.

See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon resource quantities, PV-10 and standardized measure, finding and development (F&D) costs, recycle ratio calculations, reserve replacement ratios, Value Creation Index (VCI), debt adjusted shares calculation, drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.