



*"Charting a new course"*

# 2021 Earnings Presentation

August 5, 2021

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## Mac McFarland

President & CEO

## Francisco Leon

EVP & CFO



## Forward Looking / Cautionary Statements – Certain Terms

The information included herein 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
- operations and operational results including production, hedging and capital investment
- budgets and maintenance capital requirements
- reserves and reservoir characteristics
- type curves
- expected synergies from acquisitions and joint ventures
- energy transition initiatives

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:

- our ability to execute our business plan post-emergence
- the volatility of commodity prices and the potential for sustained low oil, natural gas and natural gas liquids prices
- impact of our recent emergence from bankruptcy on our business and relationships
- debt limitations on our financial flexibility
- insufficient cash flow to fund planned investments, interest payments on our debt, debt repurchases or changes to our capital plan
- insufficient capital or liquidity, including as a result of lender restrictions, unavailability of capital markets or inability to attract potential investors
- limitations on transportation or storage capacity and the need to shut-in wells
- inability to enter into desirable transactions including acquisitions, asset sales and joint ventures
- our ability to utilize our net operating loss carryforwards to reduce our income tax obligations
- legislative or regulatory changes, including those related to (i) drilling, completion, well stimulation, operation, maintenance or abandonment of wells or facilities, (ii) managing energy, water, land, greenhouse gases (GHGs) or other emissions, (iii) protection of health, safety and the environment, (iv) tax credits or other incentives or (v) 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
- production-sharing contracts' effects on production and unit operating costs
- the effect of our stock price on costs associated with incentive compensation
- 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, labor difficulties, cyber attacks or other catastrophic events
- pandemics, epidemics, outbreaks, or other public health events, such as the COVID-19
- our ability to recognize the benefits of business strategies and initiatives related to energy transition, including carbon capture and sequestration projects and other renewable energy efforts
- factors discussed in Item 1A, Risk Factors in CRC's Annual Report on Form 10-K available at [www.crc.com](http://www.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](http://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, debt-adjusted shares calculations, drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.

# 2021 Highlights

Continued Strong Core Financial & Operational Performance

Announcing Strategic A&D Transactions

Further Optimizing Operations & Raising FCF Guidance

Increasing Share Repurchase Plan (SRP) to \$250 MM

The New Chapter: Low Carbon Opportunities

## Other Highlights



Strengthened  
ESG  
Commitment

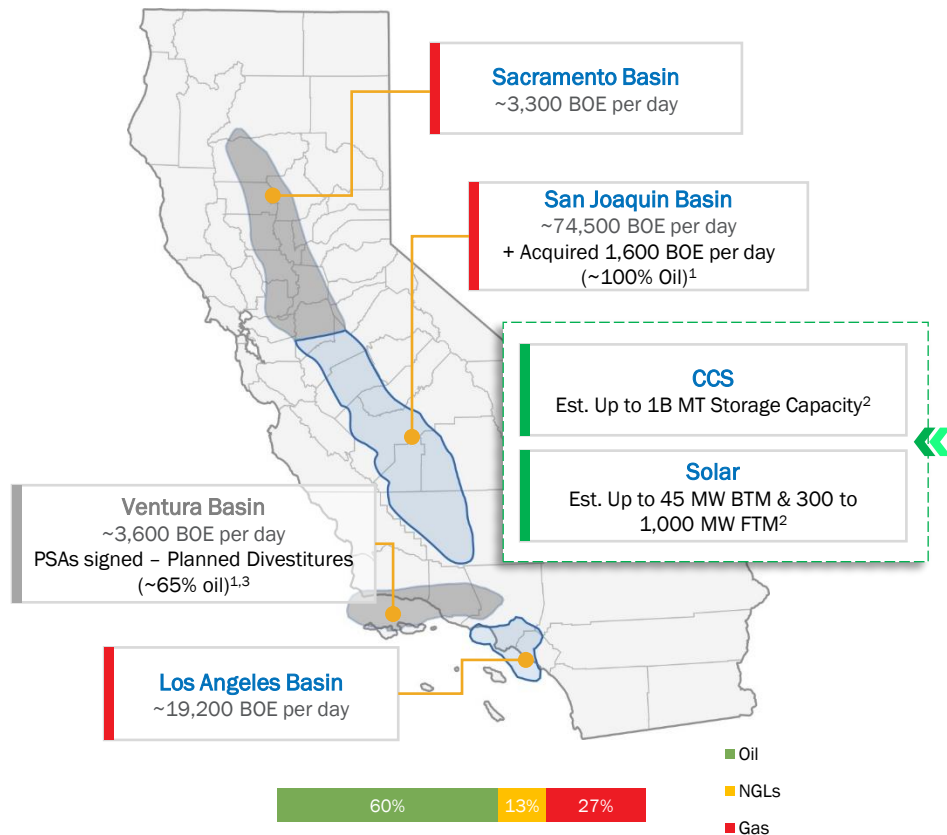


Increased 2021  
guidance to reflect  
improved returns



Sustained Operational  
Excellence  
& Safety Record

## 2021 SNAPSHOT



# ▶ Executing On Our Strategy & Delivering on Our Priorities

## 1 COST & OPERATIONAL EXCELLENCE



Efficient Operating Model

Sustained G&A and Non-Energy Cost Structure Improvements

## 2 DISCIPLINED INVESTING



Prudent Investment and Prioritization of Best Projects

Stable Asset Performance & Disciplined Capital Allocation

## 3 PORTFOLIO MANAGEMENT



Responsible, Value-Focused Stewardship

Strategic A&D Transactions & Leading ESG Platform



## Strong Financial Foundation

\$518 MM Liquidity<sup>1</sup> | 0.5x-0.6x Q21 Net Debt/Est. 2021 Adj. EBITDAX<sup>2</sup>

Raising 2021 FCF<sup>2</sup> Guidance to  
\$400 - \$500 MM



Increasing SRP to  
\$250 Million



## Up to 1 BMT of Potential CO<sub>2</sub> Permanent Storage Capacity for CRC

Strategically Placed Infrastructure Across CA  
Opportunity to Participate in Full CCS Value Chain

## Carbon TerraVault I: New ~40 MMT of Total Est. CO<sub>2</sub> Permanent Storage Project<sup>1</sup>

Filed for up to 10 MMT Class VI EPA Well Permit for Sequestration in A1 & A2 Reservoir | Preparing to File for up to 30 MMT Class VI EPA Well Permit for Sequestration in 26R Reservoir | Started 45Q and LCFS<sup>3</sup> Certification

## 300 to 1,000 MW Solar Opportunity

Front-of-the-Meter Solar for Grid Supply  
3 Projects Identified | 5,000 Acres Suitable for Utility Scale Development  
Interconnection Request Submitted for 3 Sites to CAISO

## Up to 45 MW Solar Photovoltaic<sup>2</sup>

Behind-the-Meter Solar  
Potential at Five Fields Located in San Joaquin and LA Basins  
Qualifying LCFS Pathway<sup>3</sup> | SunPower as a Development Partner



## Committed to ESG Advancement

Sustainability Committee chaired by William B. Roby, with members Nicole Neeman Brady and Andrew B. Bremner

Dedicated corporate division under the executive leadership of Chris Gould as EVP and Chief Sustainability Officer



▶ **STEWARDING OUR  
RETURNS-FOCUSED  
BUSINESS MODEL**

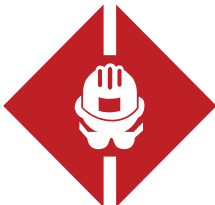
## Second Quarter 2021



**PRODUCTION**  
**101 Mboe/d**  
60% Oil



**OPERATIONS**  
21 Drilled<sup>1</sup>  
21 Online | 48 Workover Wells  
2 Drilling | 35 Maintenance Rigs



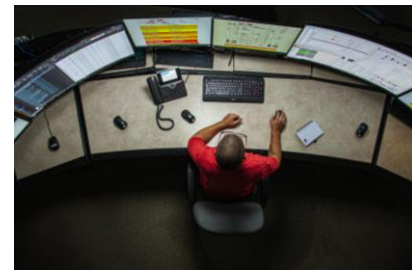
**HSE**  
0.00 LTIR<sup>2</sup> | 0.00 Employee IIR<sup>3</sup>  
No Major Incidents

## First Half 2021

**PRODUCTION**  
**100 Mboe/d**  
60% Oil

**OPERATIONS**  
38 Drilled<sup>1</sup>  
36 Online | 88 Workover Wells  
2 Drilling | 33 Maintenance Rigs

**HSE**  
0.00 LTIR<sup>2</sup> | 0.00 Employee IIR<sup>3</sup>  
No Major Incidents

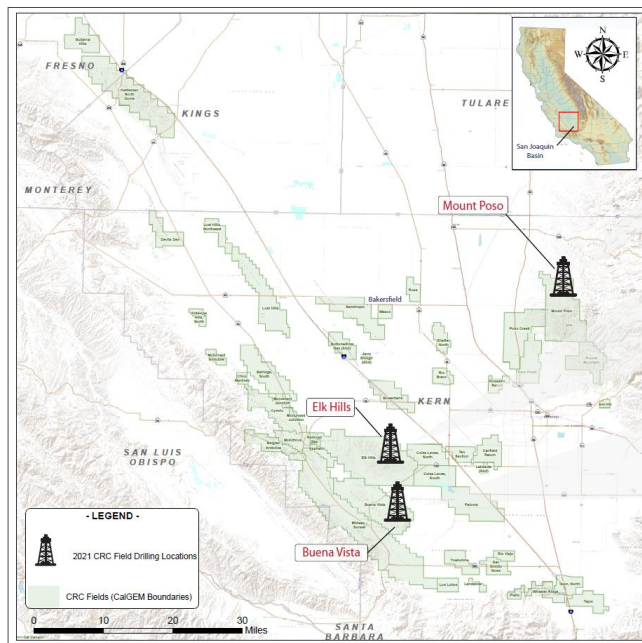




# Emphasizing CRC's Asset Quality

## 2021 YTD DEVELOPMENT PERFORMANCE:

- 2 rigs running in San Joaquin basin during Q2
- Focused on shallow, high margin oil projects in the Mt. Poso, Elk Hills, and Buena Vista fields.



- CRC has invested in 88 capital workovers across multiple fields at an average cost of ~\$180k per job, resulting in an average rate of ~20 boepd per workover and estimated returns >200%

## 6-Month Program Highlights (avg. per well)

Mount Poso	
Wells Drilled & Completed	22
TMD (ft.)	2,630
Peak IP <sup>1</sup> (boepd)	90
Estimated IRR <sup>2</sup> (%)	146%

Elk Hills (ESOZ)	
Wells Drilled & Completed	1
TMD (ft.)	4,790
Peak IP <sup>1</sup> (boepd)	128
Estimated IRR <sup>2</sup> (%)	122%

Buena Vista	
Wells Drilled & Completed	13
TMD (ft.)	5,895
Peak IP <sup>1</sup> (boepd)	47
Estimated IRR <sup>2</sup> (%)	97%

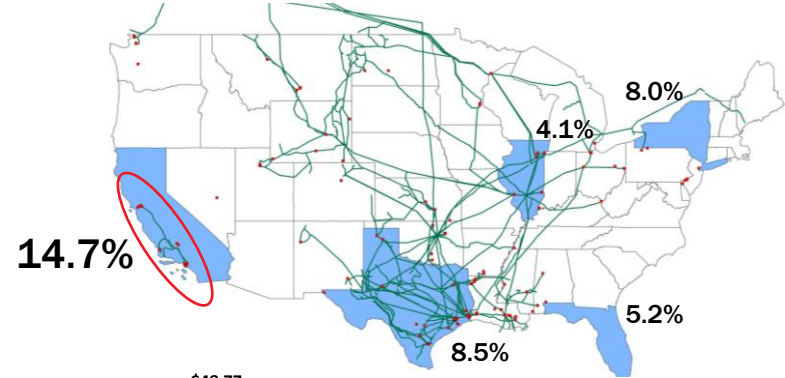
## Third Rig Program Forecast (avg. per well)<sup>3</sup>

Long Beach	
Wells to be Drilled	9
TMD (ft.)	5,000
Peak IP <sup>1</sup> (boepd)	72
Estimated IRR <sup>2</sup> (%)	60%

# CRC Price Realizations Remained Strong in CA's Improving Market Dynamics

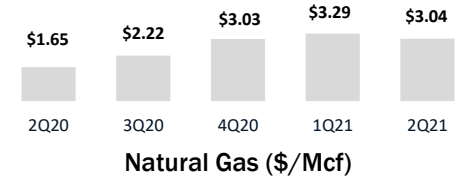
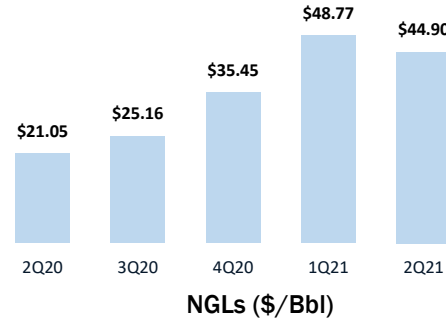
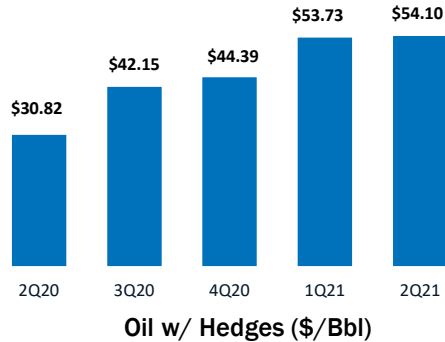
- Realized oil prices increased due to stronger Brent pricing and an almost full return to pre-COVID market conditions.
- Realized natural gas prices remained strong relative to NYMEX - however they were weaker relative to Q1 due to milder weather and limited injection capacity at SoCalGas
- NGL realizations took their typical seasonal dip in 2Q from 1Q as gains in crude outpaced NGL's and winter premiums rolled off pricing

## CALIFORNIA IS AN ENERGY ISLAND AND THE LARGEST U.S. GDP CONTRIBUTOR



Note: 5 largest contributors to domestic GDP  
Source: BEA, Data from 1Q21; EIA

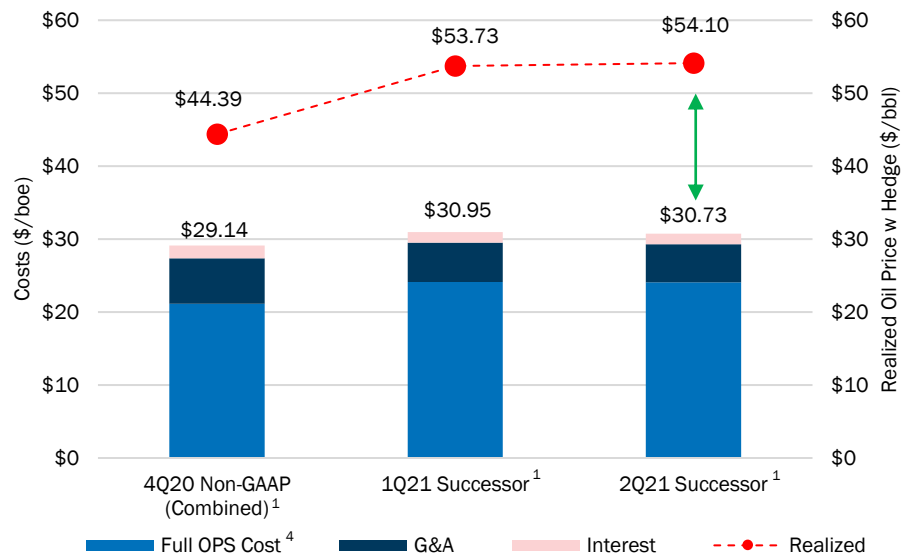
Expecting NGLs pricing to strengthen on a relative basis through the 2H21



Brent/NYMEX	\$33.27	\$43.37	\$45.24	\$61.10	\$69.02	\$33.27	\$43.37	\$45.24	\$61.10	\$69.02	\$1.77	\$1.93	\$2.66	\$2.72	\$2.76
Differential	(\$3.00)	(\$1.54)	(\$1.30)	(\$0.29)	(\$0.08)	(\$12.22)	(\$18.21)	(\$9.79)	(\$12.33)	(\$24.12)	(\$0.12)	\$0.29	\$0.37	\$0.57	\$0.28
Hedge Impact	\$0.55	\$0.32	\$0.45	(\$7.08)	(\$14.84)	-	-	-	-	-	-	-	-	-	
Realized Prices	\$30.82	\$42.15	\$44.39	\$53.73	\$54.10	\$21.05	\$25.16	\$35.45	\$48.77	\$44.90	\$1.65	\$2.22	\$3.03	\$3.29	\$3.04

# Second Quarter 2021 Highlights

## RETAINING COST FOCUS TO ENABLE MARGIN EXPANSION



### REDUCED MAINTENANCE SPENDING

### PRUDENT MAINTENANCE SPENDING

	2Q20 <sup>1</sup> Predecessor	1Q21 <sup>1</sup> Successor	2Q21 <sup>1</sup> Successor
Energy operating costs <sup>2</sup> (\$/Boe)	\$3.51	\$4.70	\$4.70
Gas processing costs (\$/Boe)	\$0.46	\$0.53	\$0.66
Non-energy operating costs <sup>2</sup> (\$/Boe)	\$8.45	\$13.10	\$13.12
<b>Operating costs (\$/Boe)</b>	<b>\$12.42</b>	<b>\$18.33</b>	<b>\$18.48</b>
Energy operating costs, excluding effects of PSC-type contracts <sup>2,3</sup> (\$/Boe)	\$3.34	\$4.14	\$4.07
Gas processing costs (\$/Boe)	\$0.46	\$0.53	\$0.66
Non-energy operating costs, excluding effects of PSC-type contracts <sup>2,3</sup> (\$/Boe)	\$8.20	\$12.05	\$12.02
<b>Operating costs, excluding effects of PSC-type contracts<sup>3</sup> (\$/Boe)</b>	<b>\$12.00</b>	<b>\$16.72</b>	<b>\$16.75</b>
G&A (\$/boe)	\$6.75	\$5.36	\$5.25
Taxes other than on income (\$/boe)	\$3.72	\$4.47	\$4.05
Interest expense, net (\$/boe)	\$8.31	\$1.45	\$1.42
Transportation costs (\$/boe)	\$0.78	\$1.34	\$1.53

(1) Periods subsequent to October 31, 2020 (Successor period) and ending on or prior to October 31, 2020 (Predecessor period) are distinct reporting periods as a result of the adoption of fresh start accounting upon emergence from Chapter 11 bankruptcy and as such, 1Q21 and 2Q21 are not comparable to prior periods. For further information, consult the 2020 10K, Part II, Item 8 – Financial Statements and Supplementary Data, Note 3 Fresh Start Accounting. (2) Energy operating costs consist of purchases of fuel gas used to generate electricity, purchased electricity and internal costs to produce electricity used in our operations. Non-energy operating costs equal total operating costs less energy operating costs and gas processing costs. Purchases of fuel gas to generate steam which is then used in our steamfloods is included in non-energy operating costs. (3) Represent non-GAAP measures. For all historical non-GAAP financial measures, please see the Investor Relations page at [www.crc.com](http://www.crc.com) for a reconciliation to the closest GAAP measure and other additional information. (4) Full OPS cost includes operating costs plus transportation costs, plus taxes other than on income

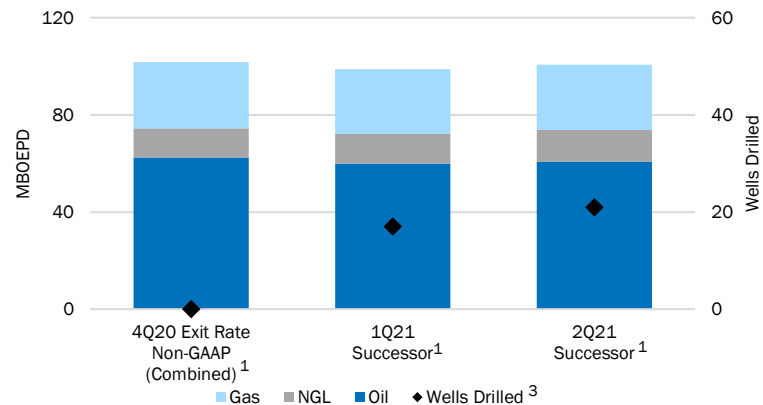
# Second Quarter 2021 Highlights (cont.)

	2Q20 <sup>1</sup> Predecessor	1Q21 <sup>1</sup> Successor	2Q21 <sup>1</sup> Successor
Net Oil Production (MBbl/d)	70	60	61
Total Net Production (MBoe/d)	112	99	101
Realized Oil Price w/ Hedge (\$/Bbl)	\$30.82	\$53.73	\$54.10
Realized NGL Price (\$/Bbl)	\$21.05	\$48.77	\$44.90
Realized Natural Gas Price (\$/Mcf)	\$1.65	\$3.29	\$3.04
Adjusted Net (Loss) <sup>2</sup> Income per Share - Diluted (\$/share)	(\$4.08)	\$1.22	\$0.94
<b>Adjusted EBITDAX<sup>2</sup> (\$MM)</b>	<b>\$19</b>	<b>\$189</b>	<b>\$169</b>
Cash (Used in) Provided by Operating Activities (\$MM)	(\$135)	\$147	\$127
Internally Funded Capital Investments (\$MM)	\$3	\$27	\$50
<b>Free Cash Flow<sup>2</sup> (\$MM)</b>	<b>(\$138)</b>	<b>\$120</b>	<b>\$77</b>

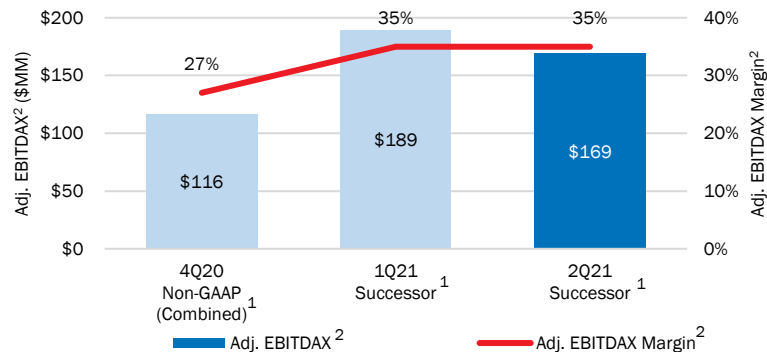
## Strong 1H21 with ~ \$200 MM in FCF<sup>2</sup>

2Q21 FCF reflects increased CAPEX to more normalized rate and 1H21 property tax payments

## MAINTAINING PRODUCTION WITH LIMITED DRILLING ACTIVITY DUE TO STRONG MAINTENANCE OPPORTUNITIES



## ASSET PERFORMANCE SUPPORTS EARNINGS POWER

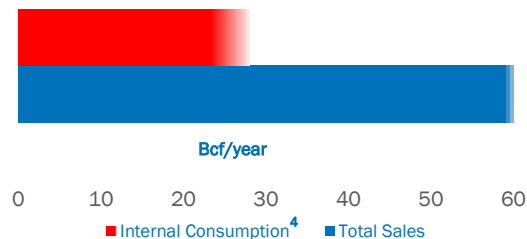


# Raising the Bar on Guidance & Improving Shareholder Returns

	PRIOR GUIDANCE FY 2021E <sup>1</sup>	REVISED GUIDANCE FY 2021E <sup>1</sup>
Total Production (Mboepd) <sup>2</sup>	96 - 99	97 - 100
Oil Production (Mboepd) <sup>2</sup>	60 - 62	Reaffirmed
Operating Costs (\$MM)	\$615 - \$630 \$17.01 - \$17.98 \$/boe	\$670 - 695 \$18.36 - \$19.63 \$/boe
Capital Spend (\$MM)	\$185 - \$210 \$5.12 - \$5.42 \$/boe	\$170 - \$190 \$4.66 - \$5.37 \$/boe
Operating and Capital Needs (\$MM)	\$800 - \$840	\$840 - \$885
G&A (\$MM)	\$180 - \$190 \$4.98 - \$5.42 \$/boe	Reaffirmed
Adjusted EBITDAX <sup>3</sup> (\$MM)	\$625 - \$725 \$17.84 - \$20.06	\$725 - \$825 \$19.86 - \$23.30 \$/boe
Free Cash Flow <sup>3</sup> (\$MM)	\$250 - \$350	\$400 - \$500
Free Cash Flow Yield <sup>3,5</sup>	11% - 15%	17% - 22%



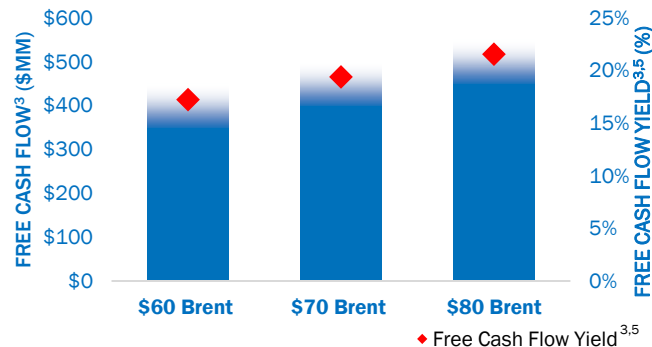
## CRC IS NET LONG IN NATURAL GAS



ADJUSTING \$35 MM FOR INCREASE IN NATURAL GAS PRICES



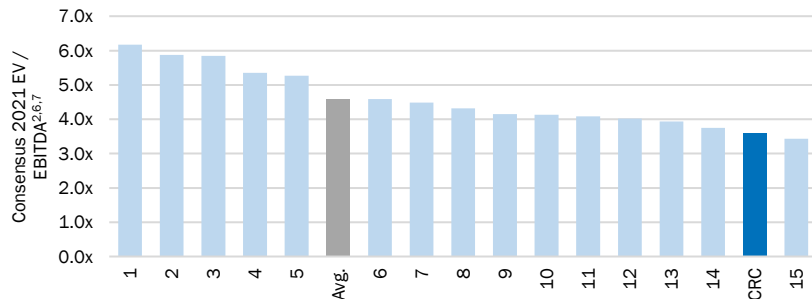
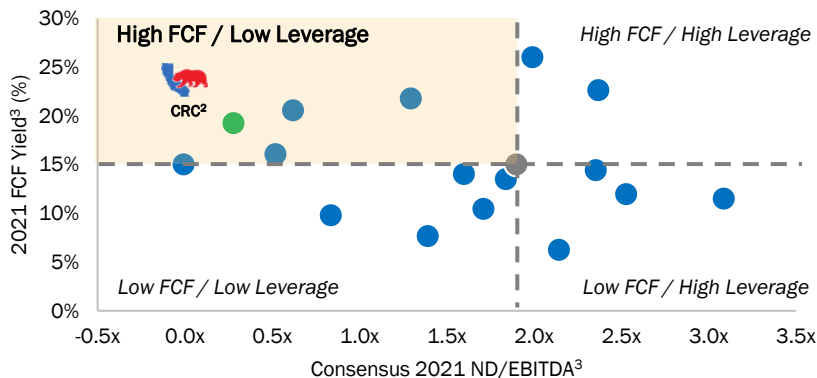
SHIFTING \$20 MM FROM CAPITAL TO OPEX FOR HIGHER IRR WELL WORK



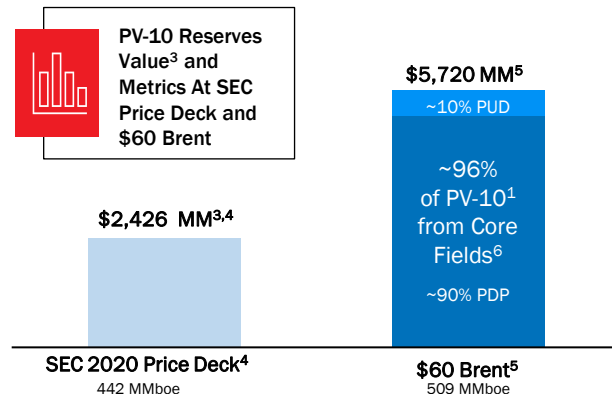
(1) 2021E prior guidance used \$60 per barrel Brent pricing, \$38.75 per barrel for NGLs and \$2.75 per mcf NYMEX gas. Revised guidance assumes strip pricing as of June 30, 2021. (2) 2021E Production range subject to PSC effects. (3) Represent non-GAAP figures. Adj. EBITDAX and Free Cash Flow are non-GAAP measures. For all historical non-GAAP financial measures please see the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other additional information. Reconciliations of 2021E Adj. EBITDAX and Free Cash Flow to their nearest GAAP equivalent can be found in the Supplemental Materials on slides 26 - 27. (4) Internal consumption doesn't include Natural Gas used to generate and sell merchant power at Elk Hills Power Plant (5) FCF Yield reflects FY 2021E Free Cash Flow divided by market capitalization as of July 29, 2021, calculated using 81.879 million shares.

# CRC's Low Valuation Provides Equity Upside: Increasing SRP to \$250MM

## MULTIPLES COMPARED TO PEERS<sup>1</sup> SHOW STRONG INVESTMENT OPPORTUNITY



## CURRENT OIL PRICING OFFERS ROBUST UPSIDE



	SEC Price Deck <sup>4</sup>	\$60 Brent <sup>5</sup>
Total Proved Reserves / 2020 Exit Production	11.8 years	13.6 years
PV-10 <sup>3</sup> (\$MM)	\$2,426	\$5,720
PV-10 <sup>3</sup> / 2Q21 Net Debt <sup>3</sup> (\$)	5.4x	12.7x
2Q21 Net Debt <sup>3</sup> / Total Proved Reserves (\$/boe)	\$1.02	\$0.88
EV <sup>7</sup> / Total Proved Reserves (\$/boe)	\$6.27	\$5.44
PV-10 <sup>1</sup> / Total Proved Reserves (\$/boe)	\$5.49	\$11.24
EV <sup>7</sup> / PV-10 <sup>1</sup> (\$)	1.1x	0.5x

(1) Peers consist of AR, BRY, COG, CPE, CRK, KOS, MGY, MTRD, MUR, PDCE, RRC, SM, SWN, VET, XEC. Source FactSet as of July 29, 2021. (2) CRC 2021 estimated Free Cash Flow and Adj. EBITDAX are based on 2021 guidance. Net Debt is estimated as of December 31, 2021 and is prior to share repurchases in 2H21. Please see slides 16, 18, 26 and 27 for more details. (3) PV-10 is as of December 31, 2020. Reflects non-GAAP measures. For all historical non-GAAP financial measures please see the Investor Relations page at [www.crc.com](http://www.crc.com) for a reconciliation to the closest GAAP measure and other additional information. Please see appendix slides 26 through 27 for information on 2021 estimated measures. Free Cash Flow Yield is calculated as FY 2021E Free Cash Flow over market capitalization as of July 29, 2021. CRC market capitalization is calculated using 81.879 million shares. (4) Represents FY2020 Reserves at SEC prices as of December 31, 2020 and reflects average realized pricing of \$42.35 per barrel for oil, \$26.42 per barrel for NGLs and \$2.28 per Mcf for natural gas. (5) Index prices used to estimate our PV-10 of proved reserves were \$60 per barrel for oil, \$38.75 per barrel of NGLs and \$2.50 per Mcf for natural gas. GAAP does not prescribe a standardized measure of reserves on a basis other than SEC pricing. As such, no standardized measure of our PV-10 of proved reserves using \$60 per barrel for oil, \$38.75 per barrel of NGLs and \$2.50 per Mcf for natural gas has been provided (6) See Strategy Day presentation (slide 14) for core field description which is available at [crc.com](http://crc.com). (7) Enterprise Value estimated as of July 29, 2021. CRC's EV reflects market capitalization using 81.879 million shares plus \$449 million of Net Debt.

# Value Through Core A&D Transactions

## BOLT-OFF THROUGH VENTURA BASIN EXIT

- **Signed PSAs for a full basin divestiture<sup>1</sup>**
- **Removes high-cost fields**
- **Simplifies CRC's operations into three basins**



- 3.6 mboepd (~65% oil)<sup>3</sup>
- Highest cost barrels at CRC
- \$102 MM total consideration<sup>1</sup>

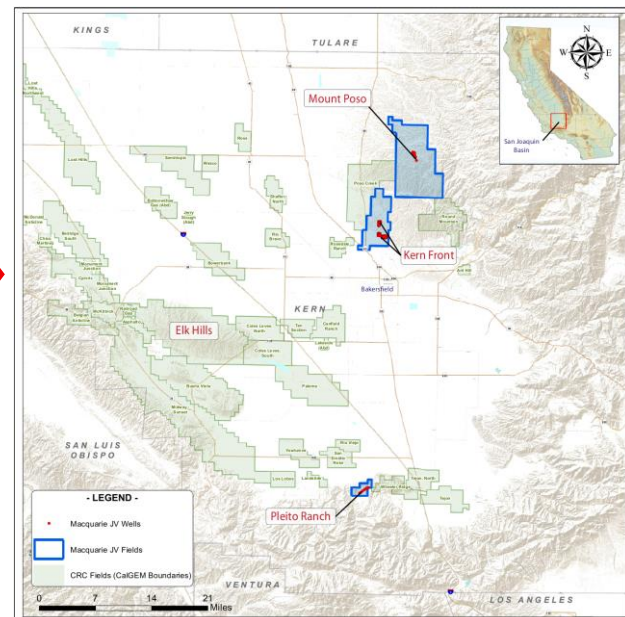


- 1.6 mboepd (~100% oil)<sup>3</sup>
- Includes producing wells in Mount Poso, Kern Front and Pleito Ranch
- \$53 MM Cash

**Simplifies Business Model**  
**Streamlines Cost Structure**  
**Improves Operational Efficiencies**

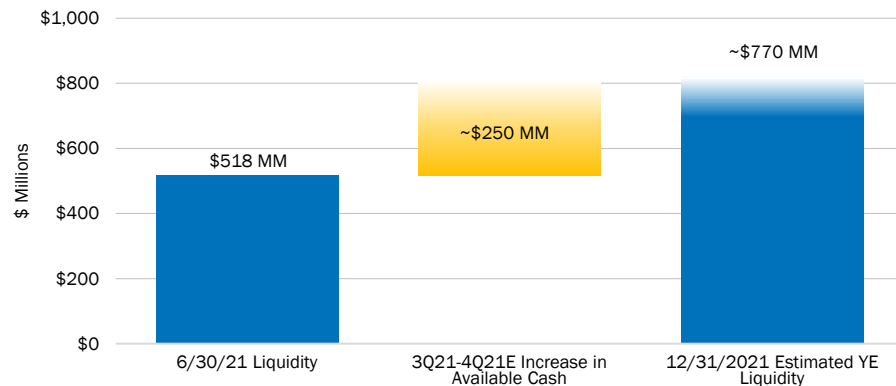
## BOLT-ON ACQUISITION IN OUR CORE ASSET

- **Purchase of MIRA's<sup>2</sup> Working Interest**
- **Simplifies business model and high grades barrel produced**
- **Valuation reflects core location, minimal integration and execution risk**



# Maintaining Balance Sheet Strength, Liquidity, and Financial Flexibility

## ESTIMATED LIQUIDITY ROLL FORWARD<sup>1</sup>

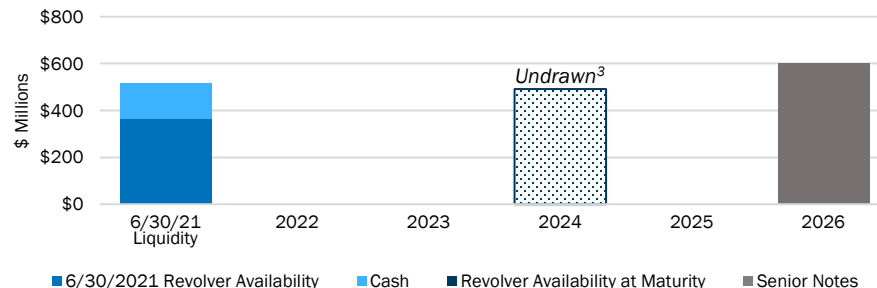


## 6/30/21 DEBT SNAPSHOT

(\$ in millions)

Revolving Credit Facility (RCF)	\$ 0
7.125% Senior Notes	600
<b>Face Value of Debt</b>	<b>\$ 600</b>
Less Available Cash	(151)
<b>Net Debt</b>	<b>\$ 449</b>

## NO SIGNIFICANT MATURITIES UNTIL 2026



## MULTIPLES DEMONSTRATE FLEXIBILITY

(\$ in millions)

RCF Borrowing Base	\$ 1,200
2021E Free Cash Flow <sup>2</sup>	\$400 – \$500
YE 2021E Net Debt <sup>1,2</sup> / 2021E Adjusted EBITDAX <sup>2</sup>	0.2x – 0.3x
2021E Adjusted EBITDAX <sup>2</sup> / 2021E Interest Expense	13.2x – 16.5x

(1) Prior to share repurchases. Liquidity at 6/30/21 calculated as cash of \$151 million and \$492 million capacity on CRC's Revolving Credit Facility less \$125 million in outstanding letters of credit. Estimated YE 2021 liquidity is calculated using cash as of 6/30/21 plus the midpoint of Free Cash Flow guidance less 1H21 free cash flow of ~\$200 million and \$492 million capacity on CRC's Revolving Credit Facility less \$125 million in outstanding letters of credit. 3Q21 to 4Q21 estimated increase in available cash reflects revised Free Cash Flow guidance less 1H21 free cash flow of ~\$200 million. (2) Adj. EBITDAX, Net Debt and Free Cash Flow are non-GAAP measures. For all historical non-GAAP financial measures please see the Investor Relations page at [www.crc.com](http://www.crc.com) for a reconciliation to the closest GAAP measure and other additional information. Reconciliations of 2021E Adj. EBITDAX, Net Debt and Free Cash Flow to their nearest GAAP equivalent can be found in the Supplemental Materials on slides 26 - 27. (3) Undrawn revolver as of June 30, 2021.



# » Hedging Program Protects Cash Flow

## » STRATEGY

- CRC hedging strategy typically utilizes a mixture of Puts, Collars and Swaps to protect cash flow and to ensure CRC's ability to live within cash flow, and is also aligned with CRC's RBL requirements

### HEDGE CONTRACT SETTLEMENTS EXPECTED TO SIGNIFICANTLY DECREASE IN 2022 & 2023

	1Q21	2Q21	3Q21E	4Q21E	2021E	1H22E	2H22E	2022E	2023E
Hedge Contract Settlements <sup>2</sup> (\$MM)	(\$39)	(\$82)	(\$105)	(\$64)	(\$290)	(\$96)	(\$75)	(\$171)	(\$72)

## » OIL HEDGE PROTECTION<sup>1</sup> as of June 30, 2021

		3Q21	4Q21	1Q22	2Q22	2H22	FY23
SOLD CALLS	Barrels per Day	36,688	37,037	35,347	35,343	28,773	14,790
	Weighted-Average Price per Barrel	\$50.47	\$60.75	\$60.37	\$60.63	\$59.07	\$58.01
PURCHASED PUTS	Barrels per Day	36,943	35,820	35,347	35,343	28,773	14,790
	Weighted-Average Price per Barrel	\$40.18	\$40.19	\$40.57	\$41.13	\$40.70	\$40.00
SOLD PUTS	Barrels per Day	14,647	14,193	6,869	-	2,674	-
	Weighted-Average Price per Barrel	\$30.00	\$32.00	\$32.00	-	\$32.00	-
SWAPS	Barrels per Day	11,063	11,922	10,869	8,669	8,386	6,930
	Weighted-Average Price per Barrel	\$51.02	\$52.61	\$52.62	\$51.31	\$51.22	\$52.15

## ► Hedging Program Changes Since April 30, 2021

		Downside Protection (Swaps + Purchased Puts)	Ceiling (Sold Calls)
3Q 2021	Barrels per Day	1,326	326
	Weighted Avg. Price per Barrel	\$67.91	\$67.95
4Q 2021	Barrels per Day	1,337	337
	Weighted Avg. Price per Barrel	\$66.68	\$66.00
1Q 2022	Barrels per Day	3,000	1,000
	Weighted Avg. Price per Barrel	\$65.07	\$73.06
2Q 2022	Barrels per Day	4,000	2,000
	Weighted Avg. Price per Barrel	\$63.26	\$71.15
3Q 2022	Barrels per Day	3,000	1,000
	Weighted Avg. Price per Barrel	\$65.51	\$72.65
4Q 2022	Barrels per Day	3,000	1,000
	Weighted Avg. Price per Barrel	\$63.57	\$70.60
FY 2023	Barrels per Day	2,000	-
	Weighted Avg. Price per Barrel	\$63.46	-

A scenic view of a green valley with rolling hills and a pumpjack in the foreground. The landscape is lush with green grass and scattered trees. In the foreground, a pumpjack (oil pump) is visible, situated on a dirt pad. The background shows a vast valley with rolling hills and a winding road. The overall scene is bright and sunny, suggesting a clear day.

## ➤ New Chapter : Low Carbon Opportunities

# Understanding California's Full CCS Potential



**5th LARGEST ECONOMY WORLDWIDE<sup>1</sup>**  
**BIGGEST DOMESTIC GDP POWERHOUSE STATE**

- 424 MMT of CO<sub>2</sub> e in 2017<sup>2</sup>



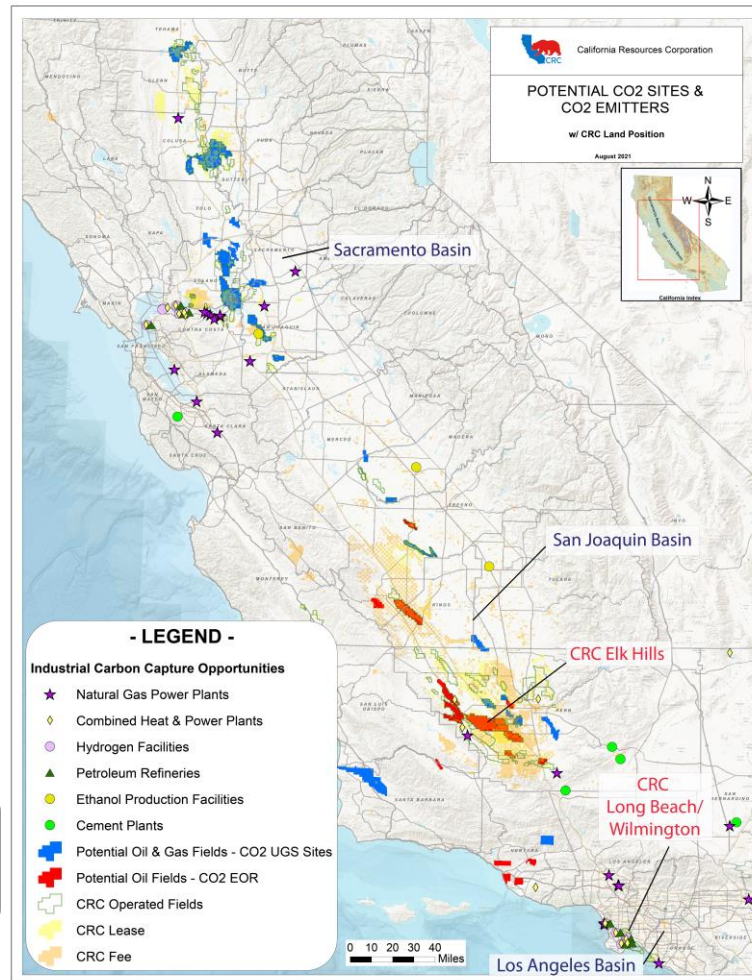
**CCS TECHNOLOGY HAS THE POTENTIAL TO REDUCE ~ 15% OF THE CO<sub>2</sub> EMISSIONS NEEDED FOR CA TO MEET ITS 2030 TARGET<sup>2</sup>**



**~ 2 - 5 BMT<sup>3</sup> of O&G GEOLOGICAL STORAGE POTENTIAL ACROSS CA**  
**CRC OWNS A MEANINGFUL PORTION OF THESE RESOURCES<sup>3</sup>**

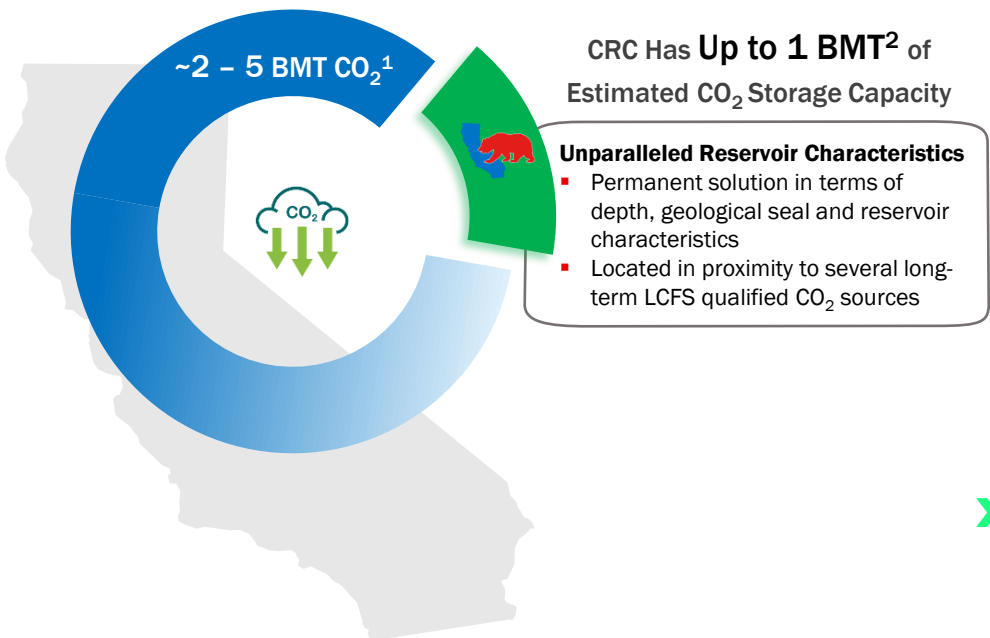
**“ CCS enables production of low - and zero-carbon fuels, electricity, chemicals, materials, and products that transform captured carbon into economic value, sustaining and creating industries and high-paying jobs “**

- Great Plains Institute, 2021

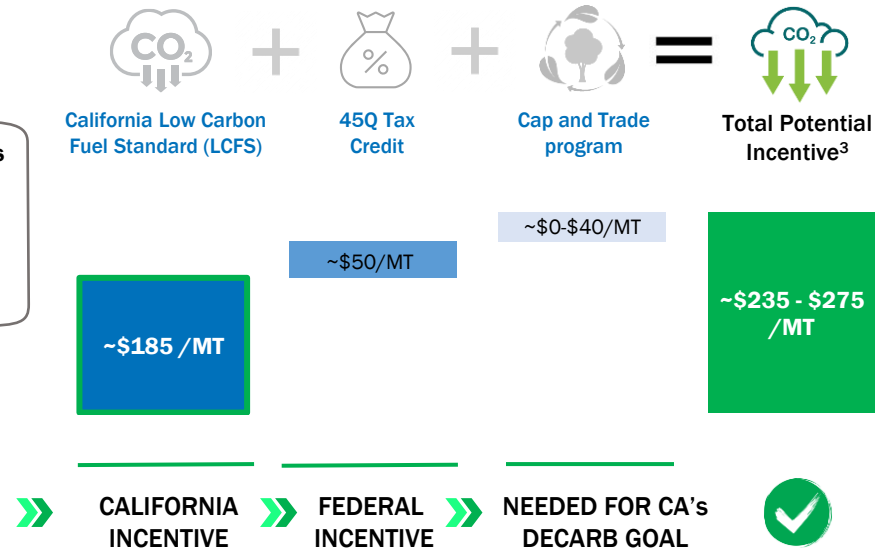


# Defining CRC's Strategic Decarbonization Advantage

## CA'S DEPLETED O&G RESERVOIRS PROVIDE ENORMOUS PERMANENT CARBON STORAGE POTENTIAL



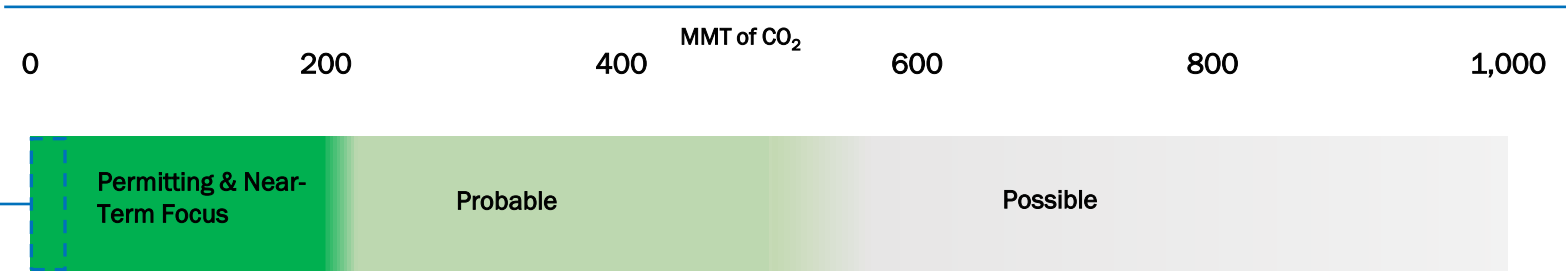
## CALIFORNIA HAS THE MOST SUPPORTIVE REGULATORY ENVIRONMENT FOR DECARBONIZATION, INCLUDING FINANCIAL CCS INCENTIVES



## THE RIGHT ASSETS & THE RIGHT REGULATORY ENVIRONMENT

# Validating CRC's New Chapter

## Est. CRC O&G RESERVOIR CCS STORAGE CAPACITY<sup>1</sup>



### Carbon TerraVault I: New ~40 MMT CCS Project<sup>1,2</sup>

- Filed for up to 10 MMT Class VI EPA well permit for sequestration in A1 & A2 reservoir
- Started 45Q and LCFS certification
- Preparing to file for up to 30 MMT Class VI EPA well permit for sequestration in 26R reservoir
- Initiated conversations with emitters in close proximity to the project
- Began engaging with regulatory agencies, investors and other important stakeholders

### Elk Hills CalCapture ~1.4 MMT/year CCUS Project<sup>1</sup>

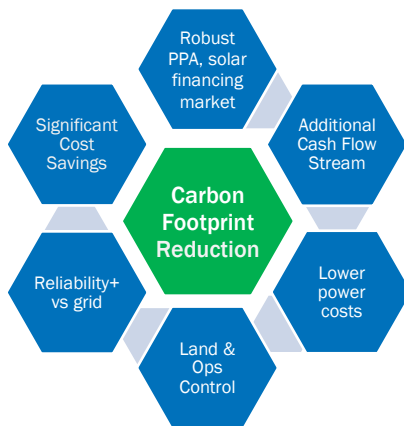
- FEED Study: Finalizing Owners Costs - DOE Report 3Q 2021
- Preparing to file for a Class II expansion well permit
- Full CO<sub>2</sub> output 45Q eligible for EOR (\$35/ton); ~1/3 eligible for LCFS

# Strengthening Solar Capability

## SELF SUPPLY | BEHIND THE METER:

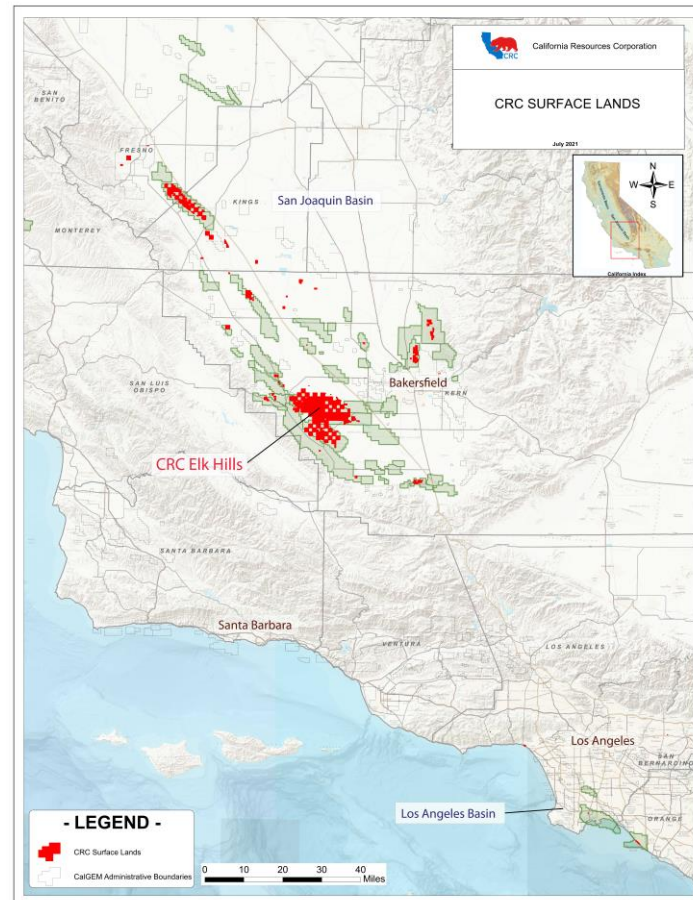
- Advancing an agreement with SunPower for a 12 MW behind-the-meter solar project at Mt. Poso, expected to be LCFS eligible
- **Targeting up to 45 MW Solar PV** installations in five fields located in San Joaquin and LA Basin with construction planned in 2022, all online estimated by 1Q-2023
- Estimated cash power cost reduction by >35% at the five fields further driving margin enhancements

Expecting to successfully surpass CRC's 2030 renewables goal upon BTM project commission



## GRID SUPPLY | FRONT OF THE METER:

- CRC has identified over 5,000 acres suitable for utility scale development presents future value for CRC and investors
- Potential for **300 to 1,000 MW with core 3 projects identified**
- Potential to further reduce CO2 emissions while adding further commercial opportunity



## ➤ Introducing New Board Member



### Nicole Neeman Brady

*Newly appointed Director  
Member of the Sustainability &  
Compensation Committees*

- Appointed as a member of the Sustainability & Compensation Committees on August 5, 2021
- Over 20 years of experience in strategic planning and sustainability roles
- Currently serves as the Chief Executive Officer and a Director of Sustainable Development Acquisition Corp.; previously served as Principal and Chief Operating Officer at Renewable Resources Group
- Serves on the Boards of Directors of Sustainable Development Acquisition Corp, Blue Ocean Mariculture and the Library Foundation of Los Angeles, and is a Commissioner of the Los Angeles Department of Water and Power

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***“ I am excited to be joining CRC’s Board and look forward to providing oversight to its energy transition initiatives. I see great potential with CRC’s strategic position in California to further CRC’s sustainability efforts and help the state meet its decarbonization goals. ”***

*– Nicole Neeman Brady, newly elected CRC BoD member*

***“ I am extremely pleased to welcome Nicole to the Board of CRC. Nicole brings extensive sustainability experience, strengthens our governance practices and further demonstrates CRC’s position as an ESG leader in the energy sector. ”***

*– Tiffany (TJ) Thom Cepak, Chair of the Board*





## ➤ SUPPLEMENTAL MATERIALS

## Adjusted EBITDAX Reconciliation

We define adjusted EBITDAX as earnings before interest expense; income taxes; depreciation, depletion and amortization; exploration expense; other unusual, infrequent and out-of-period items; and other non-cash items. We believe this measure provides useful information in assessing our financial condition, results of operations and cash flows and is widely used by the industry, the investment community and our lenders. Although this is a non-GAAP measure, the amounts included in the calculation were computed in accordance with GAAP. Certain items excluded from this non-GAAP measure are significant components in understanding and assessing our financial performance, such as our cost of capital and tax structure, as well as depreciation, depletion and amortization of our assets. This measure should be read in conjunction with the information contained in our financial statements prepared in accordance with GAAP. A version of Adjusted EBITDAX is a material component of certain of our financial covenants under our Revolving Credit Facility and is provided in addition to, and not as an alternative for, income and liquidity measures calculated in accordance with GAAP. The following table represents a reconciliation of the GAAP financial measures of net income and net cash provided by operating activities to the non-GAAP financial measure of adjusted EBITDAX.

(\$ millions)	FY 2021	
	Estimated	
	Low	High
Net income	\$195	\$240
Interest and debt expense, net	50	55
Depreciation, depletion and amortization	190	225
Exploration expense	5	10
Other non-cash items	285	295
<b>Estimated Adjusted EBITDAX</b>	<b>\$725</b>	<b>\$825</b>

(\$ millions)	FY 2021	
	Estimated	
	Low	High
Net cash provided by operating activities	\$590	\$670
Cash Interest	30	35
Exploration expenditures	5	10
Working capital changes	100	110
<b>Estimated Adjusted EBITDAX</b>	<b>\$725</b>	<b>\$825</b>

# Leverage & Free Cash Flow Reconciliation

## Leverage and Net Debt

We calculate the leverage ratio by dividing net debt by adjusted EBITDAX for the applicable period. We define net debt as the face value of our debt less available cash. We believe the leverage ratio is an important metric of the operational and financial health of our Company and is useful to investors as an indicator of our ability to incur additional debt and to service our existing debt. The following table presents a reconciliation of our leverage ratio. The leverage ratio is a supplemental measure of our performance that is not required by or presented in accordance with U.S. generally accepted accounting principles (“GAAP”).

## Free Cash Flow

Management uses free cash flow, which is defined by us as net cash provided by operating activities after our internal capital investment, as a measure of liquidity. The table at right presents a reconciliation of net cash provided by operating activities to free cash flow.

	2Q 2021E	
	Low	High
<i>(\$ in millions)</i>		
Face value of debt	\$600	\$600
Available cash	(151)	(151)
<b>Net Debt as of June 30, 2021</b>	<b>\$449</b>	<b>\$449</b>
2021E Adjusted EBITDAX	\$825	\$725
<b>2Q21E Leverage Ratio</b>	<b>0.5x</b>	<b>0.6x</b>

	FY 2021E	
	Low	High
<i>(\$ in millions)</i>		
Face value of debt	\$600	\$600
Estimated available cash <sup>1</sup>	(450)	(350)
<b>Estimated Net Debt as of December 31, 2021</b>	<b>\$150</b>	<b>\$250</b>
2021E Adjusted EBITDAX	\$825	\$725
<b>2021E Leverage Ratio</b>	<b>0.2x</b>	<b>0.3x</b>

	FY 2021E	
	Low	High
<i>(\$ in millions)</i>		
Net cash provided by operating activities	\$590	\$670
Capital Investment	(190)	(170)
<b>Estimated Free Cash Flow</b>	<b>\$400</b>	<b>\$500</b>



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