# Rex Energy

## Corporate Presentation

## February 2012

*Responsible Development of America's Energy Resources*

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REX ENERGY®

# Forward Looking Statements

Except for historical information, statements made in this presentation, including those relating to significant potential opportunities, future earnings, resource potential, cash flow, capital expenditures, production growth, planned number of wells (as well as the timing of rig operations, natural gas processing plant commissioning and operations, fracture stimulation activities and the completion of wells and the expected dates that wells are producing hydrocarbons that are sold) and potential ethane sales pipeline projects are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are indicated by words such as “expected”, “expects”, “assumes”, “anticipates” and similar words. These statements are based on assumptions and estimates that management believes are reasonable based on currently available information; however, management's assumptions and the company's future performance are subject to a wide range of business risks and uncertainties, and there is no assurance that these goals and projections can or will be met. Any number of factors could cause actual results to differ materially from those in the forward-looking statements, including (without limitation) the following:

- adverse economic conditions in the United States and globally; the difficult and adverse conditions in the domestic and global capital and credit markets; domestic and global demand for oil and natural gas; sustained or further declines in the prices the company receives for oil and natural gas; the effects of government regulation, permitting and other legal requirements; the geologic quality of the company’s properties with regard to, among other things, the existence of hydrocarbons in economic quantities; uncertainties about the estimates of the company’s oil and natural gas reserves; the company’s ability to increase production and oil and natural gas income through exploration and development; the company’s ability to successfully apply horizontal drilling techniques and tertiary recovery methods; the number of well locations to be drilled, the cost to drill and the time frame within which they will be drilled; the effects of adverse weather on operations; drilling and operating risks; the ability of contractors to timely and adequately perform their drilling, construction, well stimulation, completion and production services; the availability of equipment, such as drilling rigs and transportation pipelines; changes in the company’s drilling plans and related budgets; the adequacy of capital resources and liquidity including (without limitation) access to additional borrowing capacity; and uncertainties associated with our legal proceedings and the outcome.

The company undertakes no obligation to publicly update or revise any forward-looking statements. Further information on the company’s risks and uncertainties is available in the company's filings with the Securities and Exchange Commission.

The company's internal estimates of reserves may be subject to revision and may be different from estimates by the company's external reservoir engineers at year end. Although the company believes the expectations and forecasts reflected in these and other forward-looking statements are reasonable, it can give no assurance they will prove to have been correct. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties.

# Estimates Used in This Presentation

## Hydrocarbon Volumes

The SEC permits publicly-reporting oil and gas companies to disclose "proved reserves" in their filings with the SEC. "Proved reserves" are estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. SEC rules also permit the disclosure of "probable" and possible" reserves. Rex Energy discloses proved reserves but does not disclose probable or possible reserves. We may use certain broader terms such as "resource potential," "EUR" (estimated ultimate recovery of resources, defined below) and other descriptions of volumes of potentially recoverable hydrocarbon resources throughout this presentation. These broader classifications do not constitute "reserves" as defined by the SEC and we do not attempt to distinguish these classifications from probable or possible reserves as defined by SEC guidelines.

The company defines EUR as the cumulative oil and gas production expected to be economically recovered from a reservoir or individual well from initial production until the end of its useful life. Our estimates of EURs and resource potential have been prepared internally by our engineers and management without review by independent engineers. These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject to substantially greater risk of being actually realized. We include these estimates to demonstrate what we believe to be the potential for future drilling and production by the company. Ultimate recoveries will be dependent upon numerous factors including actual encountered geological conditions, the impact of future oil and gas pricing, exploration and development costs, and our future drilling decisions and budgets based upon our future evaluation of risk, returns and the availability of capital and, in many areas, the outcome of negotiation of drilling arrangements with holders of adjacent or fractional interest leases. Estimates of resource potential and other figures may change significantly as development of our resource plays provide additional data and therefore actual quantities that may ultimately be recovered will likely differ from these estimates.

## Potential Drilling Locations

Our estimates of potential drilling locations are based upon our total acreage holdings discounted by a factor derived from our historical drilling experiences and practices. We use assumptions for well spacing based on the area of operations, i.e. 120-acre spacing for wells in the Ohio and Butler Area Utica, 84 acre spacing for Marcellus wells and 76 acre spacing for Upper Devonian wells in the Butler County, Pennsylvania operations. We believe these spacing assumptions are consistent with our expected drilling operations and those used by other exploration and production companies operating in the areas in which we operate, as well as in other unconventional shale plays. We divide our discounted acreage holdings by the assumed acre spacing to arrive at an estimated number of potential drilling locations. Management uses these estimates to, among other things, evaluate our acreage holdings and to formulate plans for drilling. Any number of factors could cause the number of wells we actually drill to vary significantly from these estimates, including: the availability of capital, drilling and production costs, commodity prices, availability of drilling services and equipment, lease expirations, regulatory approvals and other factors.

## Potential ASP Units

Our estimates of potential target areas, which we sometimes refer to as "units," for which we may use an Alkali-Surfactant-Polymer ("ASP") flood as a method of tertiary recovery have been prepared internally by our engineers and management. These estimates are based on our evaluation of the sand bodies underlying certain of our properties in the Illinois Basin. We have identified certain characteristics which we believe are desirable for potential ASP projects, including sand bodies with no less than 60 acres of areal extent and net reservoir thickness no less than 15 feet. We have subdivided the sand bodies to determine potential ASP target areas, which have been modeled such that no individual target area or unit would exceed 500 acres. We include these estimates to demonstrate what we believe to be the future potential for ASP tertiary recovery for the company. These estimates are highly speculative in nature and ultimate recoveries will depend on a number of factors, including the ASP technology utilized, the characteristics of the sand bodies and the reservoirs, geological conditions encountered, our decisions regarding capital, and the impact of future oil prices.

# Rex Energy Overview

## Market Data

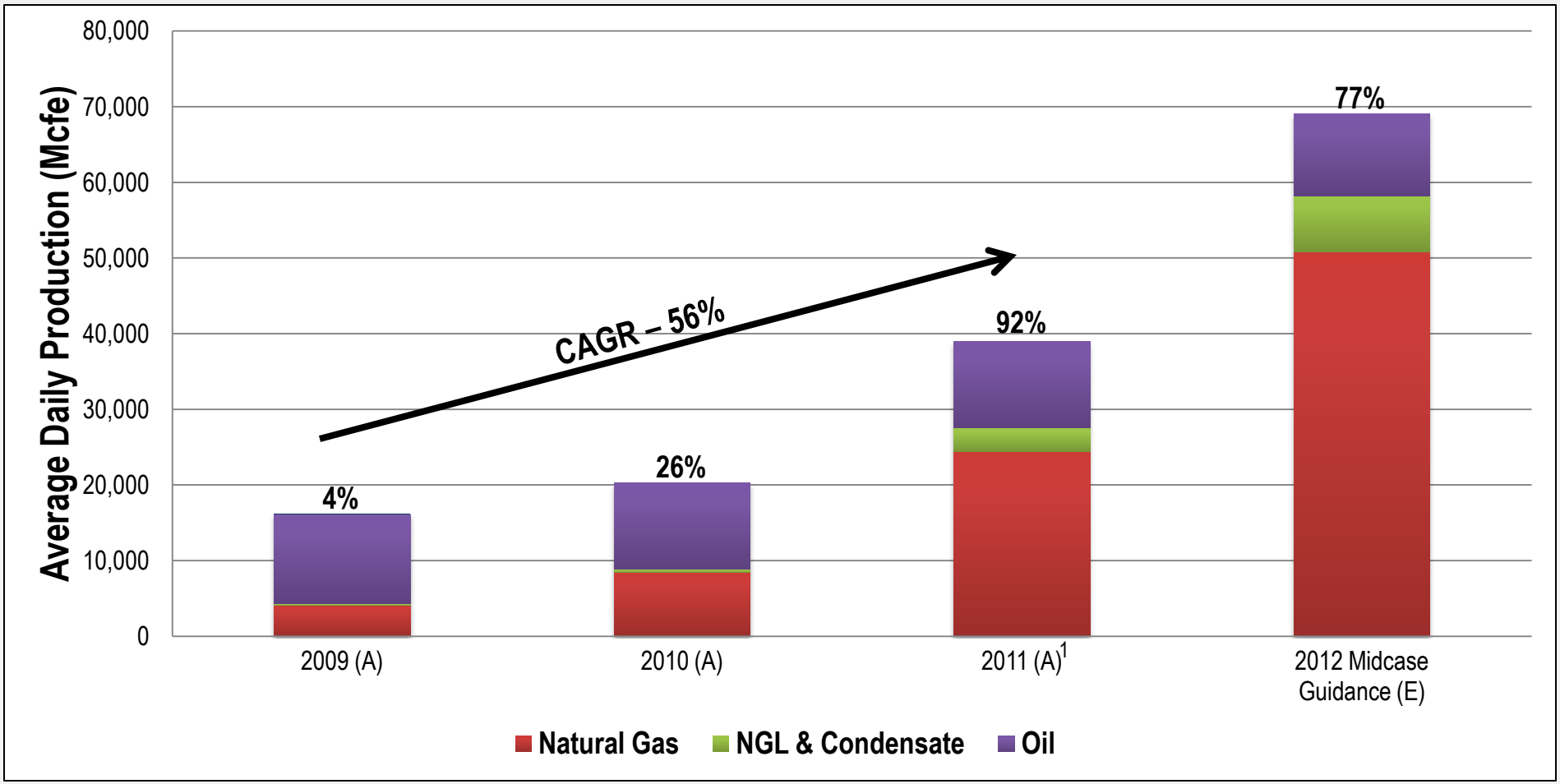
- NASDAQ: REXX
- Common shares outstanding: ~44.9 million[1]
  - ~21% Ownership with corporate officers and directors
- Share Price: $10.72[2]
- Market Capitalization: $476 million[2]
- 52 Week Price Range: $9.67 - $18.00[2]
- 2011 December Exit Rate of 54.6 Mmcfe/d[3]
- Active operations in two basins:
  - Appalachia Basin
  - Illinois Basin

## Balance Sheet & Liquidity[3]

- $10.7 million in cash
- $225 million in debt
- $80 million available on senior credit facility
- Total bank commitments of $305 million
  - Senior Credit Facility of $255 million
  - Second Lien Facility initial commitment of $50 million with ability to increase to $100 million

1. As of January 24, 2012, represents basic and diluted common shares outstanding
2. Data as of market close 1/27/2012
3. Unaudited financial data as of 12/31/2011

# Annual Consecutive Growth

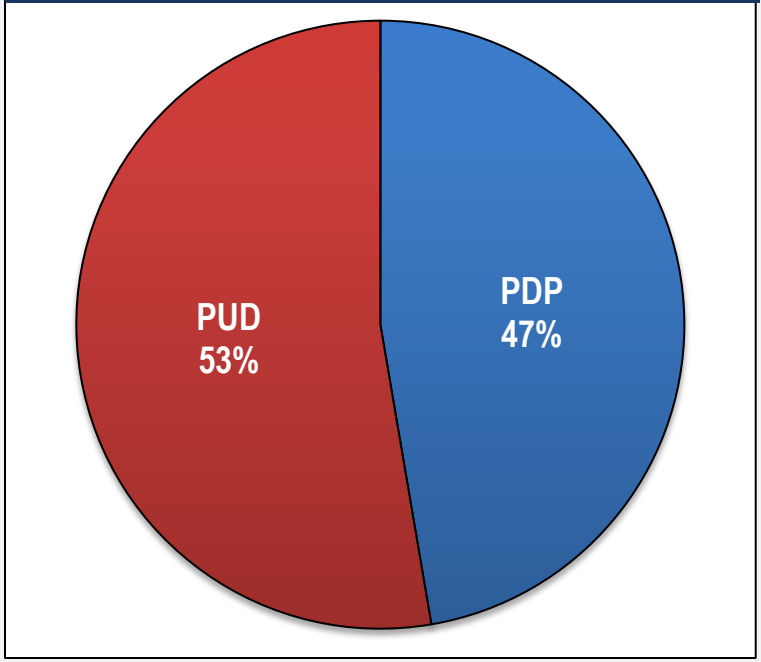



1. Excludes production from discontinued operations

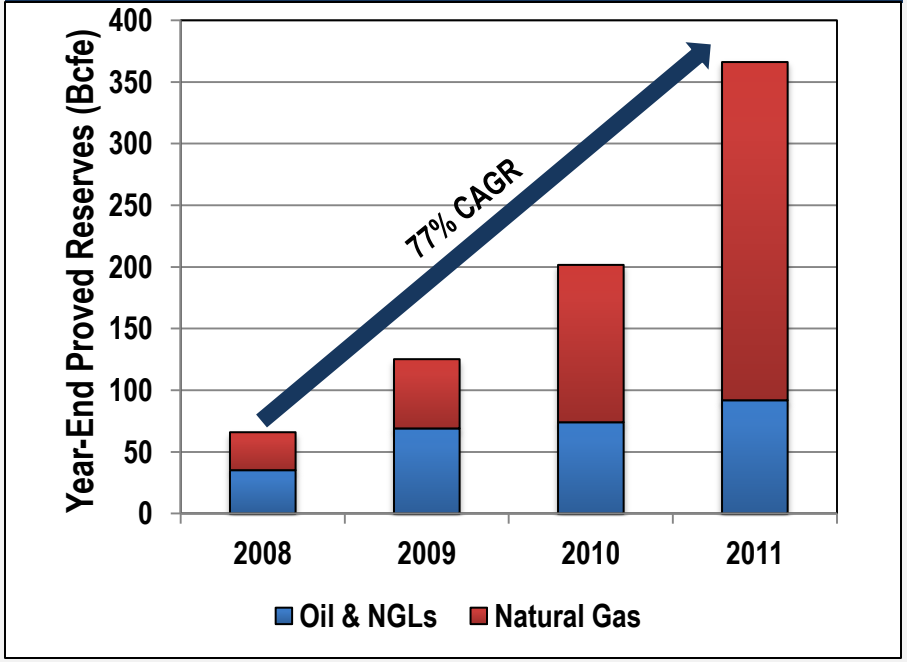
- **Compounded annual growth rate of 56% over last three years, 62% CAGR at midpoint of 2012 guidance**
- **Company has achieved five consecutive quarters of double digit growth since the third quarter of 2010**

# 2011 Proved Reserves

## 2011 PDP – PUD Reserves




## Proved Reserves Growth



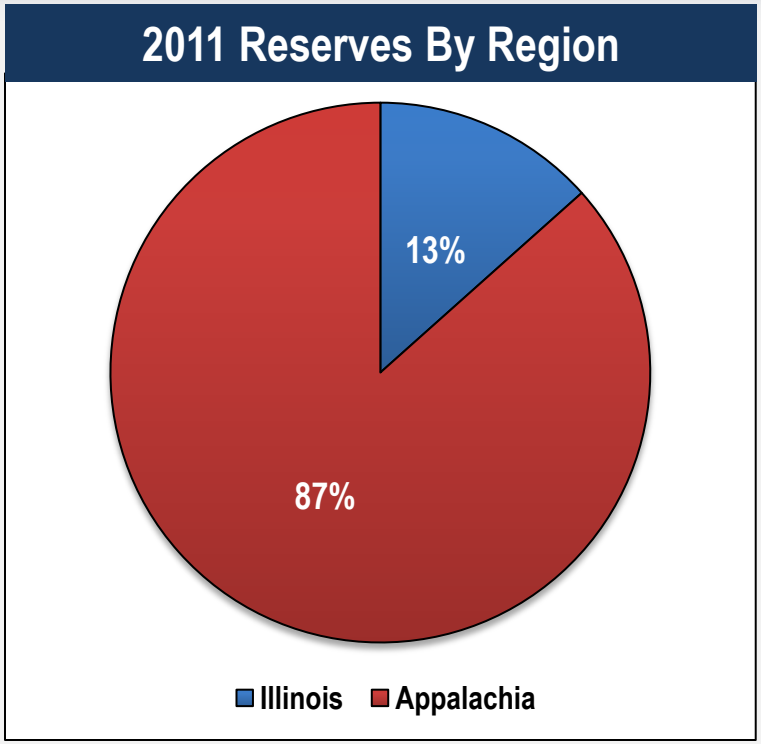

- Ratio of 1.27 PUD to 1 PDP in the Marcellus Shale

| Year | Proved Reserves (Bcfe) | PV-10 (Millions) | % Proved Developed | Oil Price Assumption[1] | Natural Gas Price Assumption[1] | NGL Price Assumption[1] |
|---|---|---|---|---|---|---|
| 2011 | 366.2 | $ 539.6 | 47% | $ 92.45 | $ 4.54 | $ 46.34 |
| 2010 | 201.7 | $ 269.4 | 42% | $ 76.03 | $ 4.57 | $ 31.71 |
| 2009 | 125.2 | $ 190.5 | 54% | $ 57.73 | $ 3.81 | $ 30.27 |
| 2008 | 65.9 | $ 84.0 | 62% | $ 40.50 | $ 6.27 | $ 19.95 |

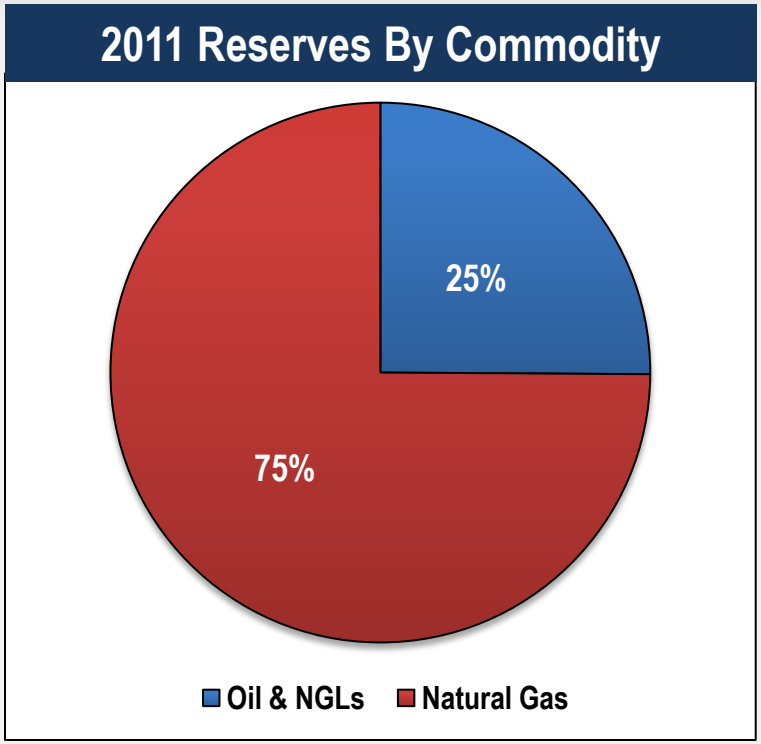
1. Commodity prices used were based on the 12-month unweighted arithmetic average of the first-day-of-the-month price for 2011. For crude oil and NGL volumes, the average West Texas Intermediate posted price of $92.71 per barrel was adjusted by lease for quality, transportation fees and regional price differentials. For gas volumes, the average Henry Hub spot price of $4.118 per MMBTU was adjusted by lease for energy content, transportation fees and regional price differentials. All prices were held constant throughout the life of the properties.

# 2011 Proved Reserves

## 2011 Reserves By Region



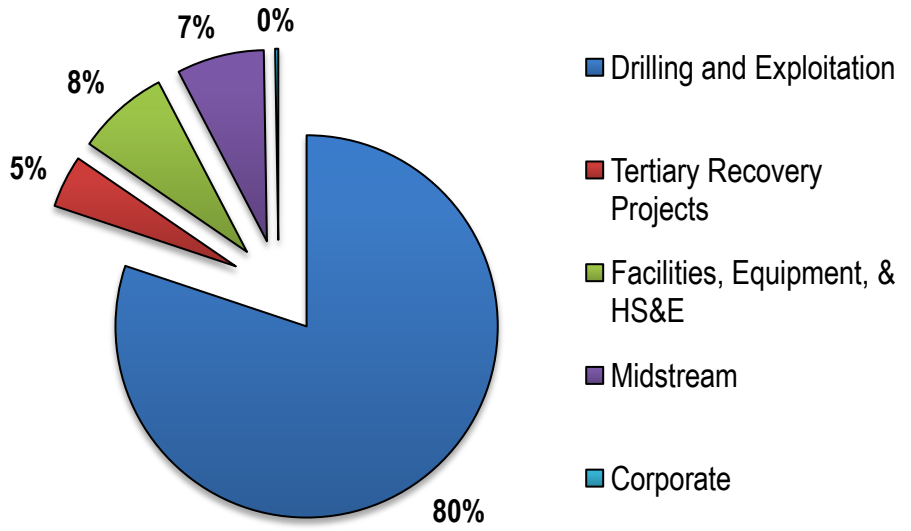

## 2011 Reserves By Commodity




| Area | PDP Reserves (MMcfe) | PDNP Reserves (MMcfe) | PUD Reserves (MMcfe) | Total Proved Reserves (MMcfe) |
|---|---|---|---|---|
| Appalachia Conventional | 4,703 | - | - | 4,703 |
| Appalachia Unconventional | 111,152 | 8,309 | 192,936 | 312,399 |
| Illinois Basin | 48,442 | 646 | - | 49,088 |
| Total | 164,297 | 8,955 | 192,936 | 366,188 |

# 2012 Operating Capital Budget

## Capital Budget Allocation by Activity



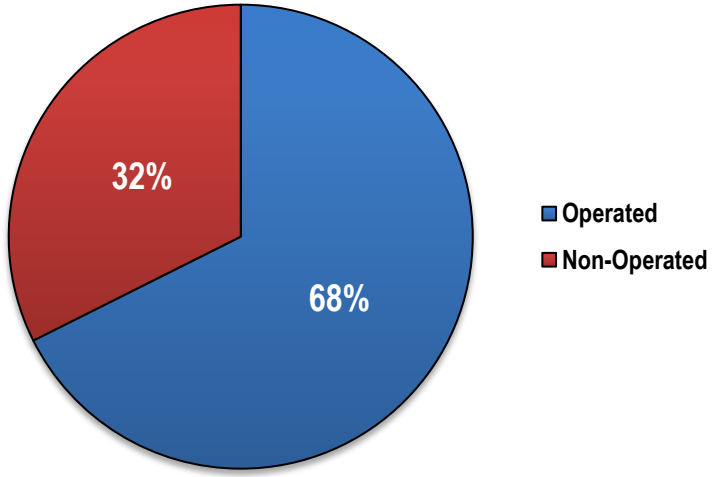

| 2012 Capital Program Breakdown | |
|---|---|
| **Activity** | **Budget ($ in millions)** |
| Drilling and Exploitation | 152.0 |
| Tertiary Recovery Projects | 8.4 |
| Facilities, Equipment, & HS&E | 14.8 |
| Midstream | 14.0 |
| Corporate | 0.5 |
| Total | 189.7[1] |

1. The company does not attempt to budget for future acquisitions of proved and unproved oil and gas properties

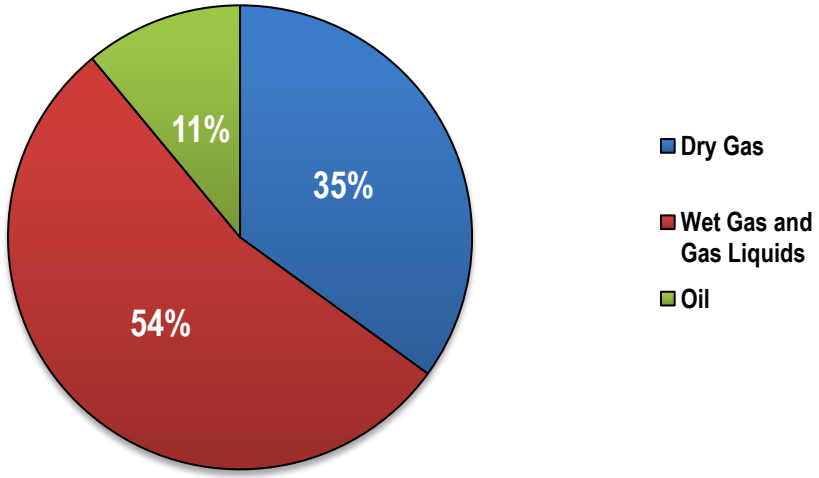
| 2012 Appalachia Drilling Program | | | | |
|---|---|---|---|---|
| | Gross (Net) Wells Drilled | Gross (Net) Wells Fracture Stimulated | Gross (Net) Wells Placed Into Service | Gross (Net) Wells Awaiting Completion |
| Operated | 18 (12.9) | 24 (16.0) | 26 (17.4) | 13 (9.1) |
| Non-Operated | 17 (6.8) | 16 (6.4) | 16 (6.4) | 5 (2.0) |
| Total | 35 (19.7) | 40 (22.4) | 42 (23.8) | 18 (11.1) |

# 2012 Capital Program & Liquidity Analysis

## Capital Expenditures by Operatorship




## Capital Expenditures by Commodity




| Liquidity Sources (Uses) | |
|---|---|
| Cash and Cash Equivalents[1] | $ 10.7 |
| Existing Borrowing Base Debt Available[1] | $ 80.0 |
| Estimated Proceeds From Asset Divestitures | $ 100.0 |
| Total Sources | $ 190.7 |
| Capital Expenditures | (189.7) |
| *Future 2012 cash flows, borrowing base increases and availability under second lien facility will add to liquidity position | |

1. Unaudited financial results as of 12/31/2011

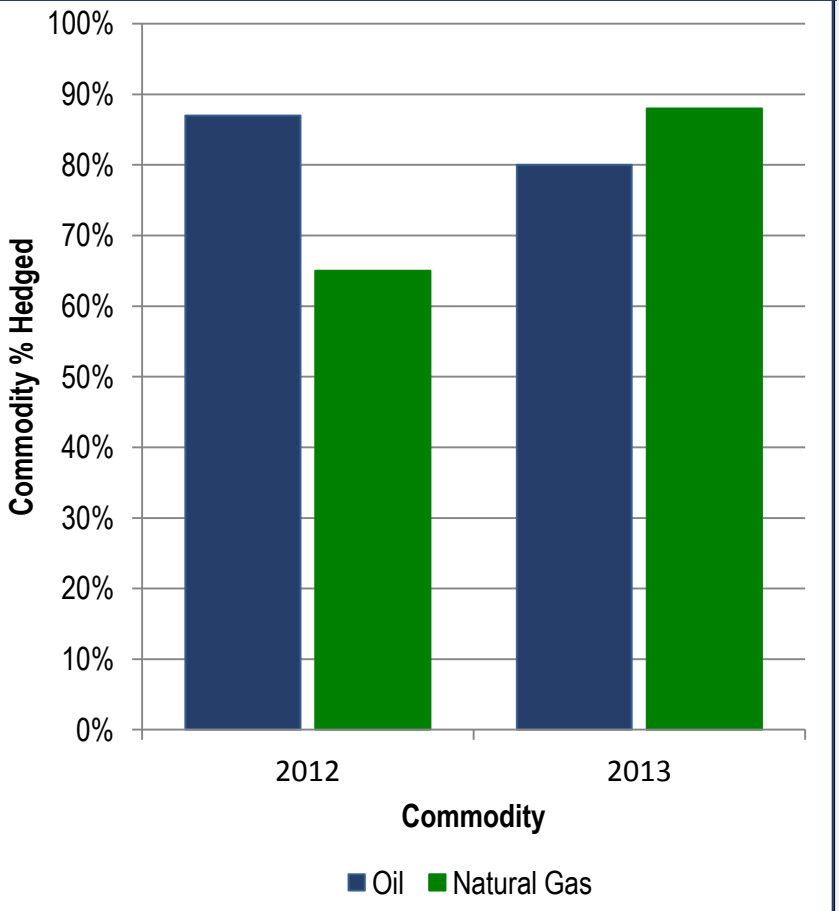
| 2012 Capital Budget | | | |
|---|---|---|---|
| Activity | Appalachia | Illinois | Total |
| Drilling and Exploitation | 150.0 | 2.0 | 152.0 |
| Tertiary Recovery Projects | - | 8.4 | 8.4 |
| Facilities, Equipment, & HS&E | 4.1 | 10.7 | 14.8 |
| Midstream | 14.0 | - | 14.0 |
| Corporate | - | - | 0.5 |
| Total | 168.1 | 21.1 | 189.7 |

# First Quarter and Full Year 2012 Guidance

| | First Quarter 2012 | Full Year 2012 |
|---|---|---|
| Average Daily Production | 56.0 – 60.0 Mmcfe/d | 66.0 – 72.0 Mmcfe/d |
| Lease Operating Expense | $11.0 – 12.0 million | $50.0 – 55.0 million |
| Cash G&A | $5.0 – 6.0 million | $20.0 – 24.0 million |
| Capital Expenditures | N/A | $189.7 million |

# Current Hedging Summary

## Current Production Hedged




## Crude Oil

| | % of Current with Floor | % of Current with Ceiling | Avg. Floor Price | Avg. Ceiling Price |
|---|---|---|---|---|
| 2012 | 87% | 87% | $68.39 | $111.08 |
| 2013 | 80% | 80% | $72.44 | $112.56 |

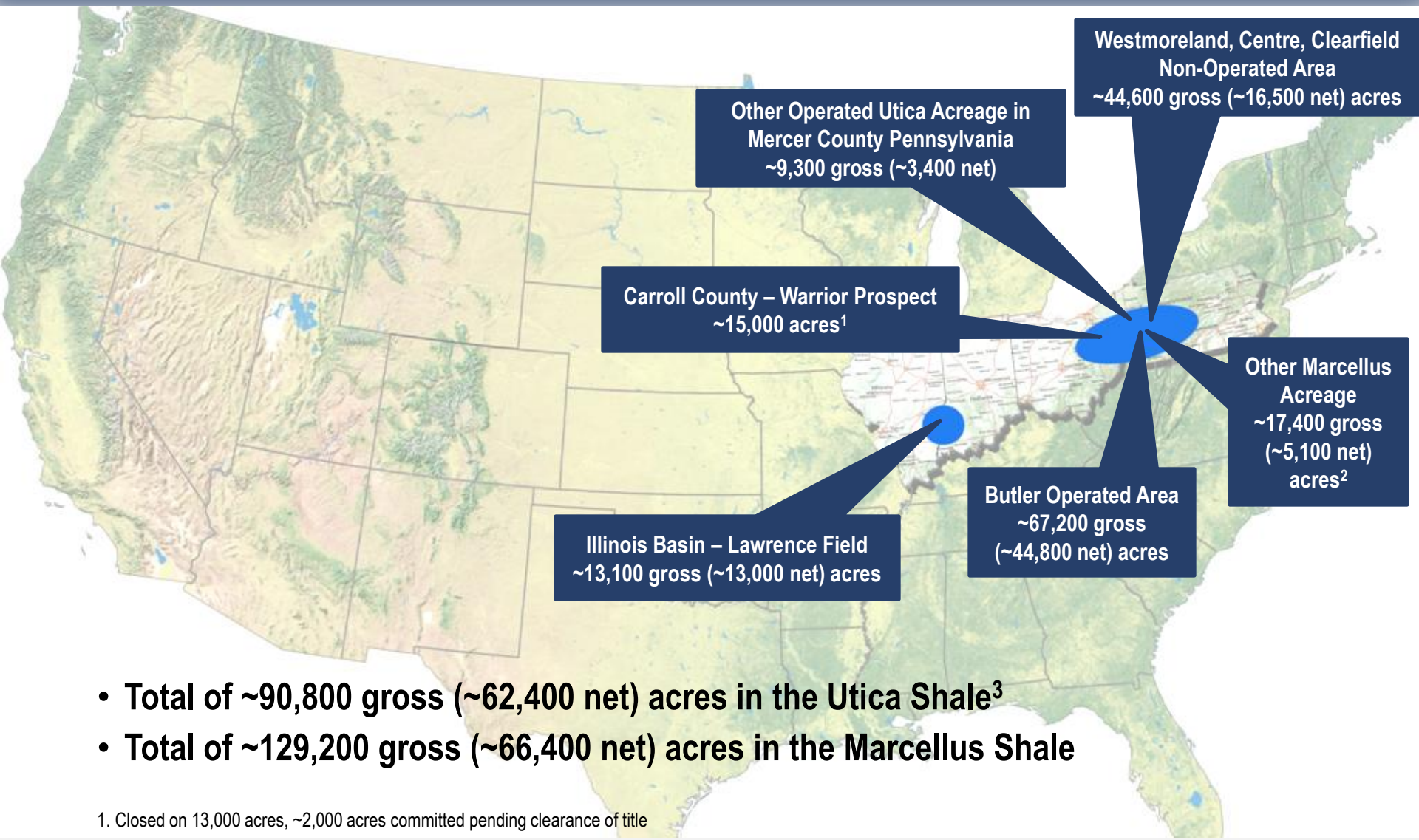
## Natural Gas

| | % of Current with Floor | % of Current with Ceiling | Avg. Floor Price | Avg. Ceiling Price |
|---|---|---|---|---|
| 2012(1) | 65% | 65% | $ 4.52 | $ 5.03 |
| 2013(1) | 88% | 70% | $ 4.45 | $ 4.74 |

- Percentage hedged based on 1st Quarter 2012 mid-case guidance with standard decline

1. Portions of production hedged with put spreads and collar contracts with short puts. See Appendix for more information

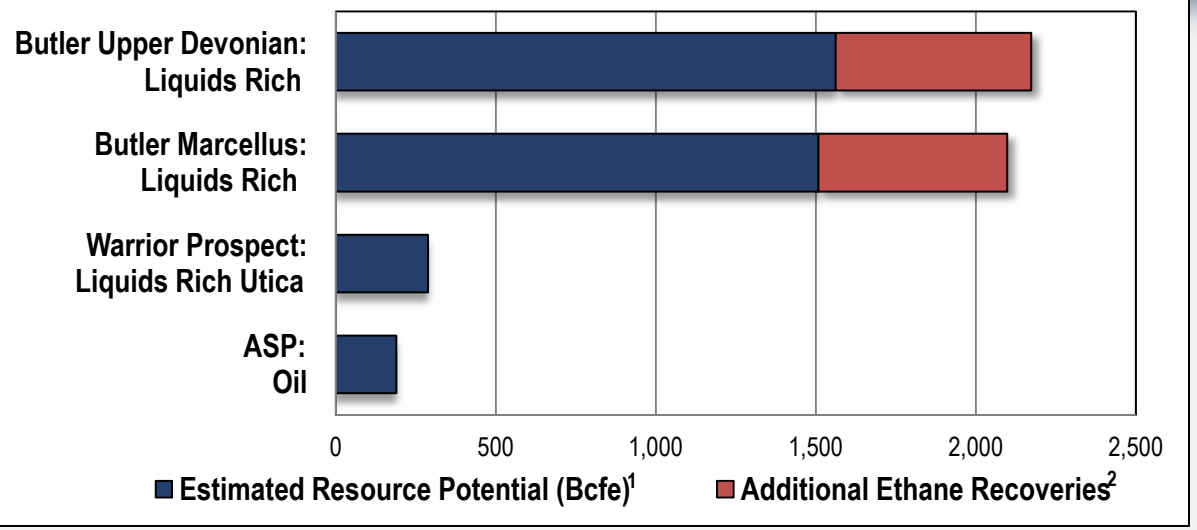
# Acreage Summary




- **Total of ~90,800 gross (~62,400 net) acres in the Utica Shale[3]**
- **Total of ~129,200 gross (~66,400 net) acres in the Marcellus Shale**

1. Closed on 13,000 acres, ~2,000 acres committed pending clearance of title
2. Other Marcellus acreage located in Clearfield, Centre and Fayette Counties, Pennsylvania
3. ~15,000 gross (~7,800 net) acres in areas of Warren County, Pennsylvania, which have not been included in acreage totals

# Rex Energy Liquids-Rich Resource Potential[1]




| Total Liquids-Rich Operating Area Resource Potential[1] | | |
|---|---|---|
| | MMBOE | Bcfe |
| Oil & Condensate | 52.6 | 315.7 |
| NGLs | 110.8 | 664.5 |
| Natural Gas | 427.8 | 2,566.9 |
| Total | 591.2 | 3,547.1 |
| Additional Ethane Recoveries[2] | 200.2 | 1,200.9 |
| Total with Additional Ethane Recoveries[2] | 791.4 | 4,748.0 |

| Assumptions | Butler Operated Area: Marcellus | Butler Operated Area: Upper Devonian[3] | Warrior Prospect: Liquids-rich Utica[3] | Illinois Basin: ASP |
|---|---|---|---|---|
| Unproved Prospective Acreage[4] | ~38,700 | ~44,700 | ~15,000[5] | N/A |
| Assumed % Drilled[6] | 75% | 75% | 80% | N/A |
| Well Spacing[6] | 84 Acres | 76 Acres | 120 Acres | N/A |
| Net Potential Well Locations[6] | 347 | 443 | 100 | N/A |
| EUR[7] | 5.3 Bcfe | 4.3 Bcfe | 600 MBOE | N/A |
| Royalty Burdens[8] | 18% | 18% | 20% | N/A |
| Resource Potential[1] | 1,508 Bcfe | 1,562 Bcfe | 48,000 MBOE | 31,500 MBbls |
| Total Liquids-rich Resource Potential ~3.5 Tcfe / ~591 MMBOE (~4.7 Tcfe / ~791 MMBOE with full ethane recoveries[2]) | | | | |

1. See notes on "Forward Looking Statements" and "Hydrocarbon Volumes" on pages 2&3
2. Represents potential ethane recoveries assuming a full ethane recovery scenario; see page 16 for estimated yield for ethane recovery
3. As of 12/31/2011, the company has drilled 1 gross (0.7 net) Upper Devonian well and has not begun development of its Warrior Prospect Utica acreage
4. Based on net acreage position excluding acreage from proved developed and undeveloped reserves
5. Closed on 13,000 acres, ~2,000 acres pending clearance of title
6. See note on "Potential Drilling Locations" on page 3
7. EURs based on internal estimates, see notes on "Forward Looking Statements" and "Hydrocarbon Volumes" on pages 2&3
8. Represents the company's average royalty burden assumption in each designated area, does not necessarily reflect royalties paid to landowners

# Leasing Program Focused on Liquids-Rich Areas

| | Year-End 2010 | Year-End 2011 | Change Year-to-Year |
|---|---|---|---|
| Total Marcellus Acreage (Net) | ~56,200 | ~66,400 | +10,200 |
| Marcellus Liquids-Rich Areas (Net)[1] | ~34,100 | ~44,800 | +10,700 |
| Percent of Marcellus Acreage Liquids-Rich | 60.7% | 67.5% | +6.8% |

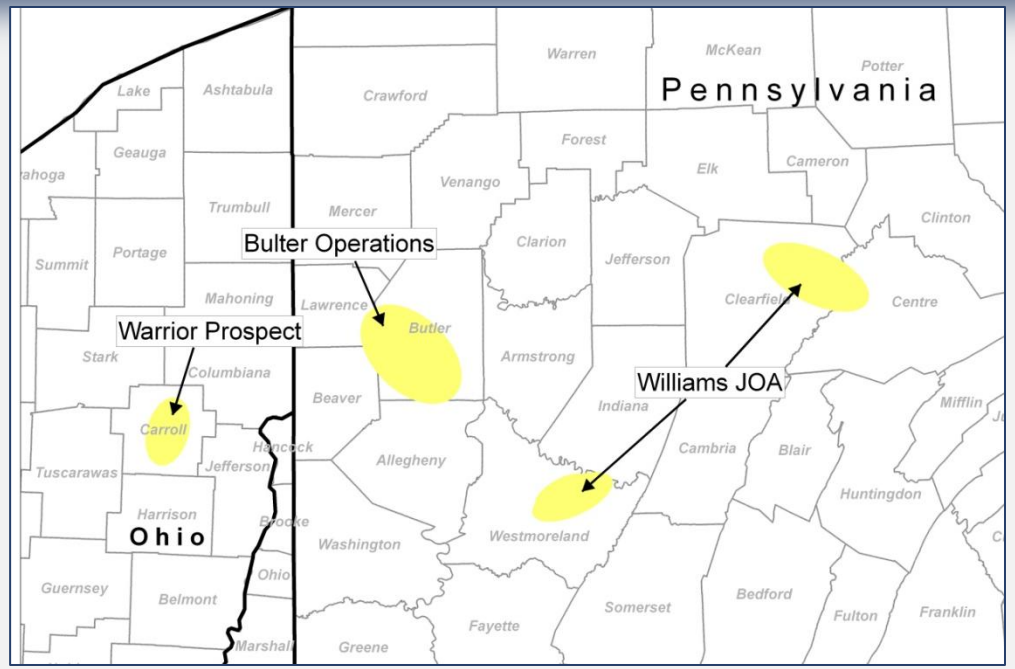
| | Year-End 2010 | Year-End 2011 | Change Year-to-Year |
|---|---|---|---|
| Total Utica Acreage (Net) | ~37,500[2] | ~62,400[2] | +24,900 |
| Utica Liquids-Rich Areas (Net)[1] | -- | ~15,000[3] | +15,000 |
| Percent of Utica Acreage Liquids-Rich | 0% | 24.0% | +24.0% |

1. Based on the company's internal estimates of resource potential; see notes on "Forward Looking Statements" and "Hydrocarbon Volumes" on pages 2&3
2. ~3,400 net acres in Mercer County, Pennsylvania are undetermined as to liquids content
3. Closed on 13,000 acres, ~2,000 acres committed pending clearance of title

# Appalachia Overview

## Butler Area (Operated)

- ~67,200 gross (~44,800 net) acres
- Joint Venture with Sumitomo in Butler County
  - 70% Rex / 30% Sumitomo
- Butler Midstream Joint Venture[1]
  - 60% Stonehenge / 28% Rex / 12% Sumitomo
- 50 MMcf/d Bluestone Cryogenic Plant expected to be commissioned May 2012
- Access to three drilling horizons[2]
  - Marcellus Shale
  - Utica Shale
  - Upper Devonian Shale




## Carroll County, Ohio – Warrior Prospect

- Commitments on ~15,000 acres in liquids rich window of the Utica Shale
- Actively leasing in the area
- Drilling operations expected to begin in 2012

## Westmoreland, Centre, and Clearfield Counties (Non Operated)

- ~44,600 gross (~16,500 net) acres
- Joint Venture among Williams, Rex, and Sumitomo
  - 50% Williams / 40% Rex / 10% Sumitomo
  - JV includes interest in gathering and transportation

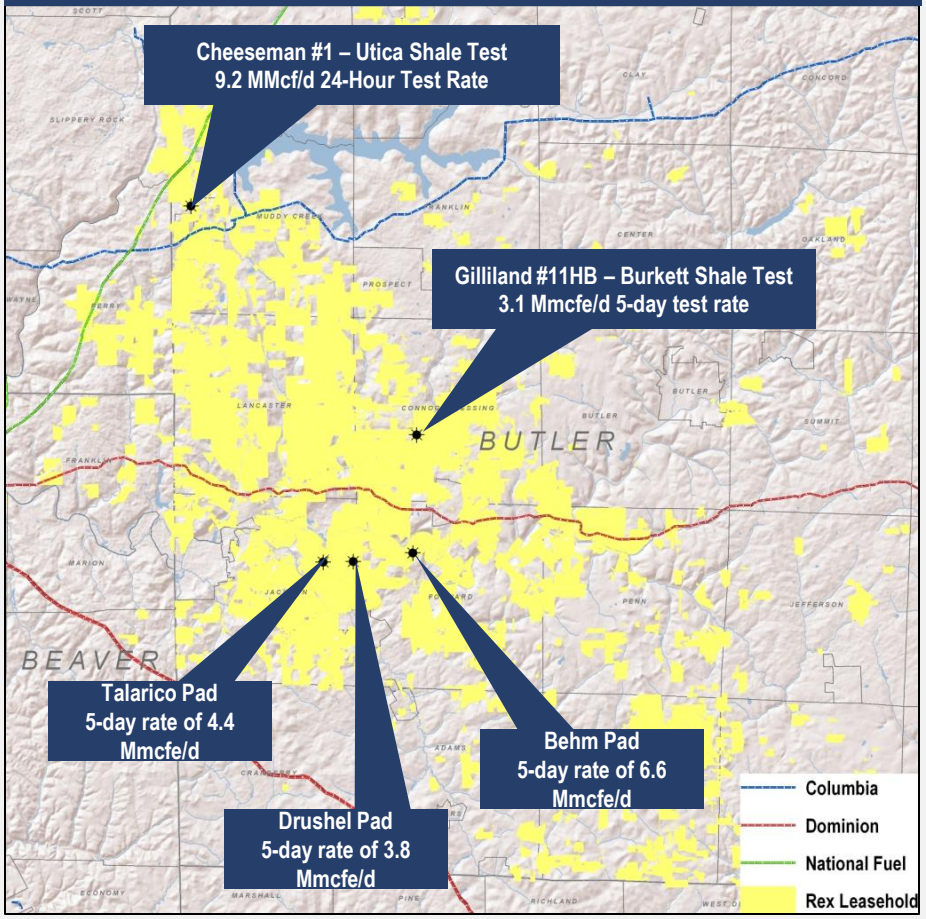
## Other Appalachia Acreage

- ~26,700 gross (~8,600 net) acres in areas of Clearfield, Centre, Mercer and Fayette counties

1. Currently exploring options to monetize Butler midstream assets
2. ~44,100 acres believed to be prospective for all three drilling horizons

# Butler Operated Area

## Butler Operated Area




- Consolidated acreage position of ~67,200 gross (~44,800 net) acres
  - Allows for minimal rig movement
  - Decreases in drilling time
  - Maximizes unitized acreage
- Three potential drilling horizons[1]
  - Marcellus Shale: increasing EUR from previous range
  - Upper Devonian / Burkett Shale: similar in composition to Marcellus Shale
  - Utica Shale: encouraging test well results

| 2011 Butler County Drilling Program Well Counts | | | |
|---|---|---|---|
| Wells Drilled | Fracture Stimulated | Placed in Service | Awaiting Completion[2] |
| 31 | 19 | 21 | 21 |

| 2012 Butler County Drilling Program Well Counts[3] | | | |
|---|---|---|---|
| Wells Drilled | Fracture Stimulated | Placed in Service | Awaiting Completion |
| 15 | 21 | 23 | 13 |

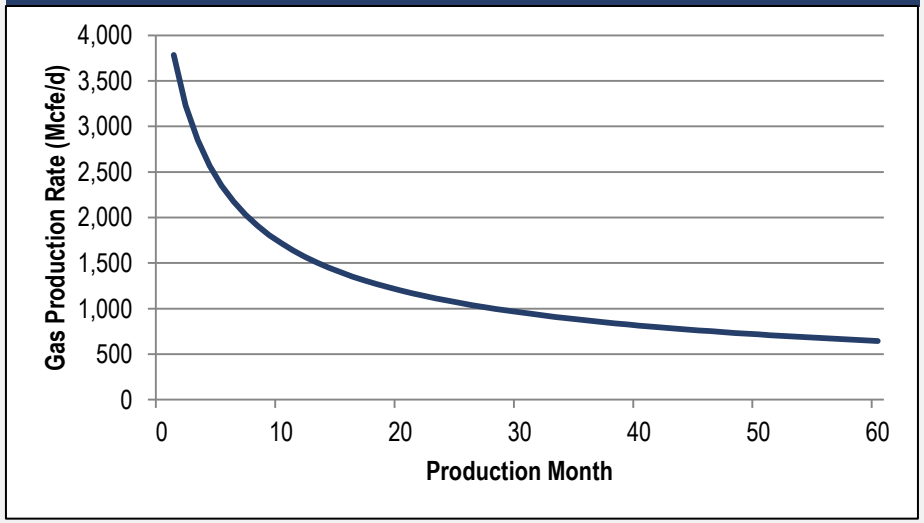
1. ~44,100 net acres believed to be prospective for all three drilling horizons
2. Includes 2 wells completed and awaiting pipeline
3. Includes 3 Utica Shale wells in Butler County

# Butler County Marcellus Economics

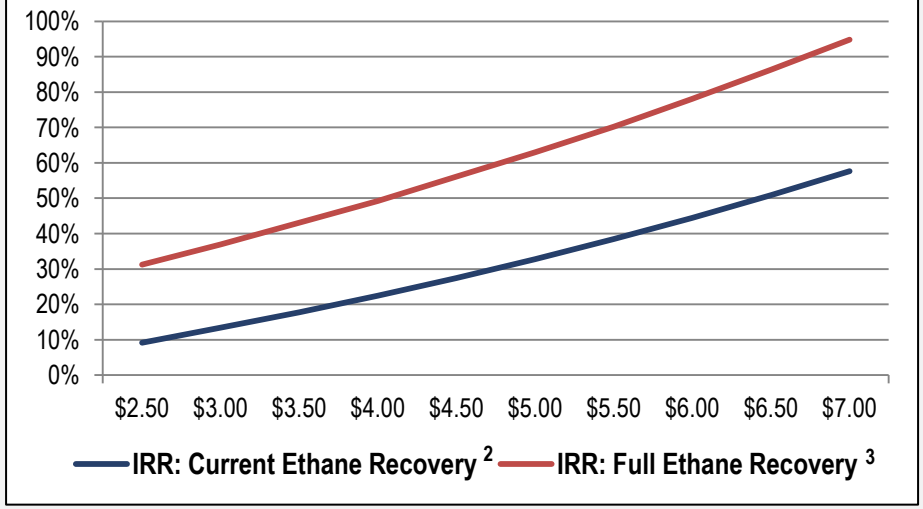
## Butler Area (Operated) Assumptions

- Well costs of $5.3 million per well
- Lateral length of 3,500 ft.
- 30-Day average rate of 3.8 MMcfe/d
- Reference Oil Price: $90.00
- EUR of 5.3 Bcfe per well[1]
  - EUR range increase 20% over 2010 EUR with only 13% increase in well cost
- NGL yield with current Ethane recovery of 1.64 gallons per Mcf (39 Bbls per MMcf)[2]
- Butler Area type curve based on current ethane recovery and NGL yield
- NGL yield with full Ethane recovery of approximately 4.5 gallons per Mcf (107 Bbls per MMcf)[3]

## Butler County Wet Gas Type Curve



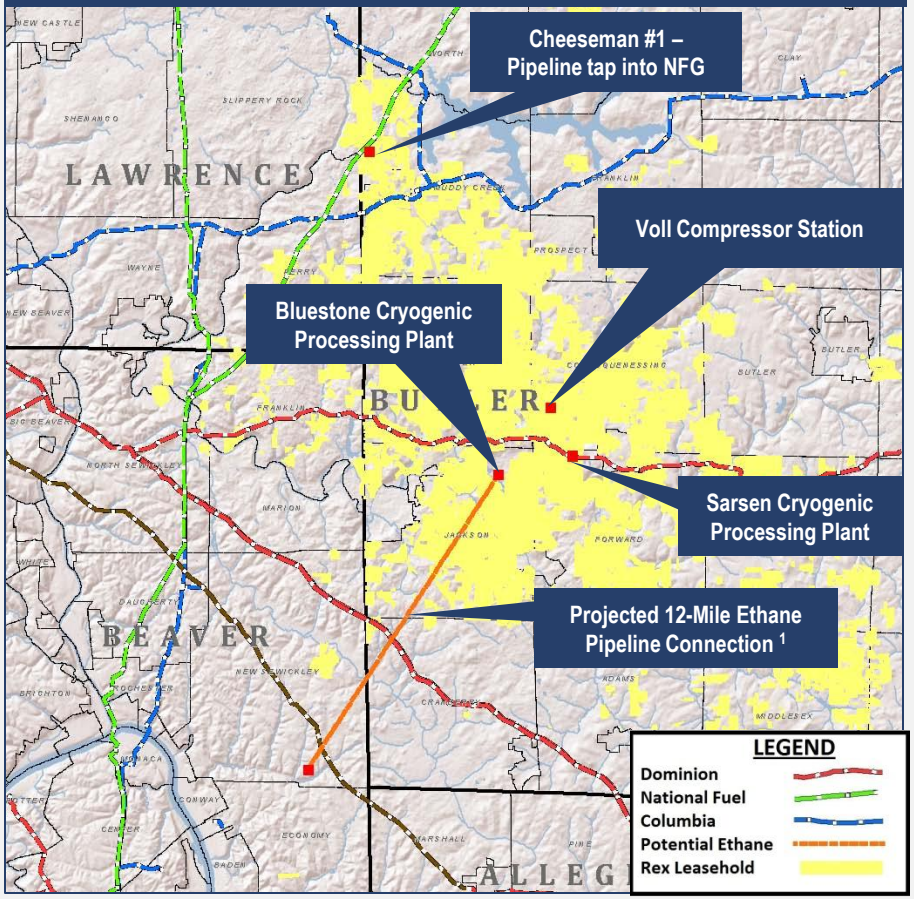

## Before Tax IRR




1. See note on "Hydrocarbon Volumes" on page 3
2. Assumption used for "Current Ethane Recovery" projections
3. Assumption used for "Full Ethane Recovery" projections

# Butler Area Midstream & Infrastructure

## Butler Operated Area




1. Pipeline route shown for illustrative purposes only. Actual pipeline route, design, construction and capacity may vary from illustration shown. See note on "Forward Looking Statements" on page 2. The company can give no assurance that proposed ethane projects will be completed or that ethane markets will expand as currently projected

- Firm transportation of 85.0 gross MMcf/d
  - 25.0 gross MMcf/d available March 2012
  - Remaining 60.0 gross MMcf/d available January 2013
- Sarsen Plant
  - Current processing capacity of 34 MMcf/d
  - Capacity increase to 40 MMcf/d with commissioning of the Voll compressor station expected in February 2012
- Bluestone Plant
  - 50 MMcf/d processing capacity design
  - Expected commissioning in May 2012
- Location for third cryogenic processing plant being determined
- Cheeseman #1H Utica Shale test well expected sales February 2012
- Currently exploring options to monetize Butler midstream assets
- Regional projects entering southwestern Pennsylvania have been proposed to expand ethane alternatives[1]
  - Rex Energy targeting 2014 for potential expanded ethane sales[1]

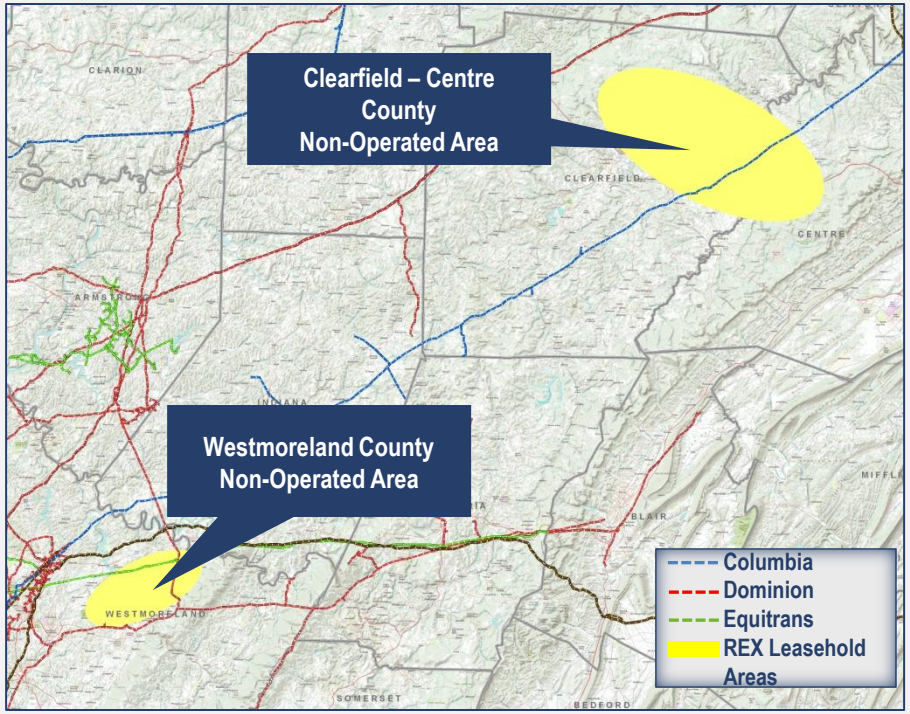
# Marcellus Non-Operated Overview

## Westmoreland, Clearfield and Centre Counties, PA

- Sizeable acreage position with ~44,600 gross (~16,500 net) acres[1]
- 34 Wells producing in Westmoreland County
- 4 Wells producing in Centre County
- 4 Wells producing in Clearfield County
- 47.0 gross (15.8 Net) MMcf/d 2011 December Exit Rate in Westmoreland County
- 13.3 gross (4.5 Net) MMcf/d 2011 December Exit Rate in Clearfield and Centre County

| 2011 Non-Operated Drilling Program Well Counts | | | |
|---|---|---|---|
| Wells Drilled | Fracture Stimulated | Placed in Service | Awaiting Completion |
| 26 | 29 | 30 | 3 |

| 2012 Non-Operated Drilling Program Well Counts | | | |
|---|---|---|---|
| Wells Drilled | Fracture Stimulated | Placed in Service | Awaiting Completion |
| 17 | 16 | 16 | 5 |



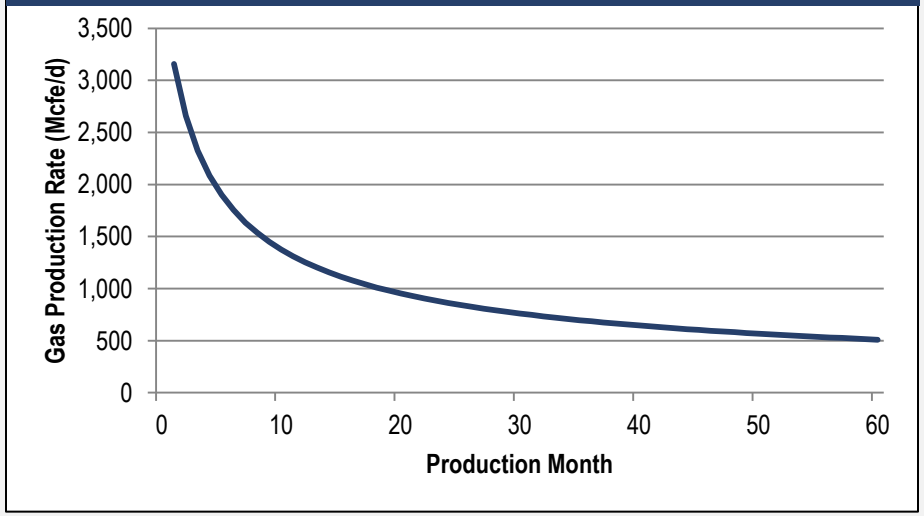

1. Includes non-operated area acreage only

# Westmoreland County Marcellus Economics

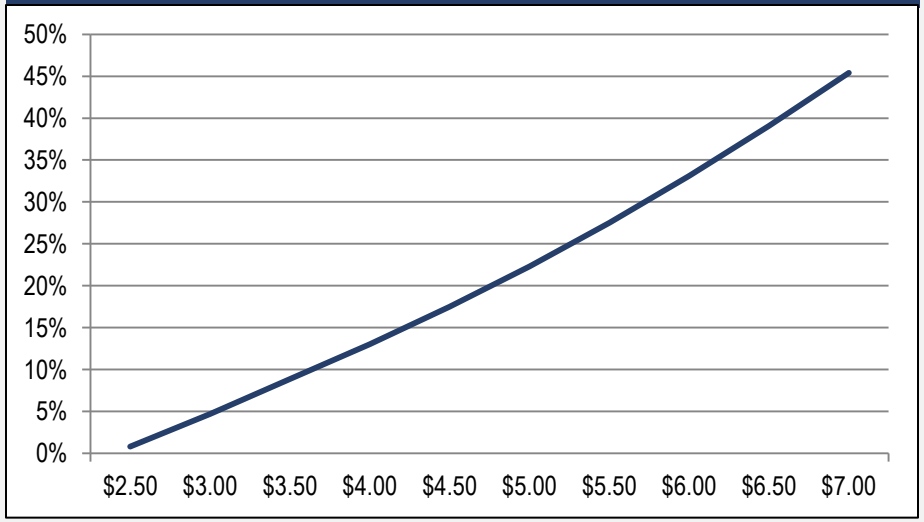
## Westmoreland County (Non-Operated) Assumptions

- Well costs of $5.8 million per well
- Lateral length of 3,500 ft.
- 30-Day average rate of 3.2 MMcf/d
- EUR of 4.2 Bcf per well
  - EUR increase 40% over 2010 EUR with only 23% increase in well cost
- Seven recently completed laterals recorded an unconstrained 30-day average rate of 4.3 MMcf/d

## Westmoreland County Dry Gas Type Curve




## Before Tax IRR



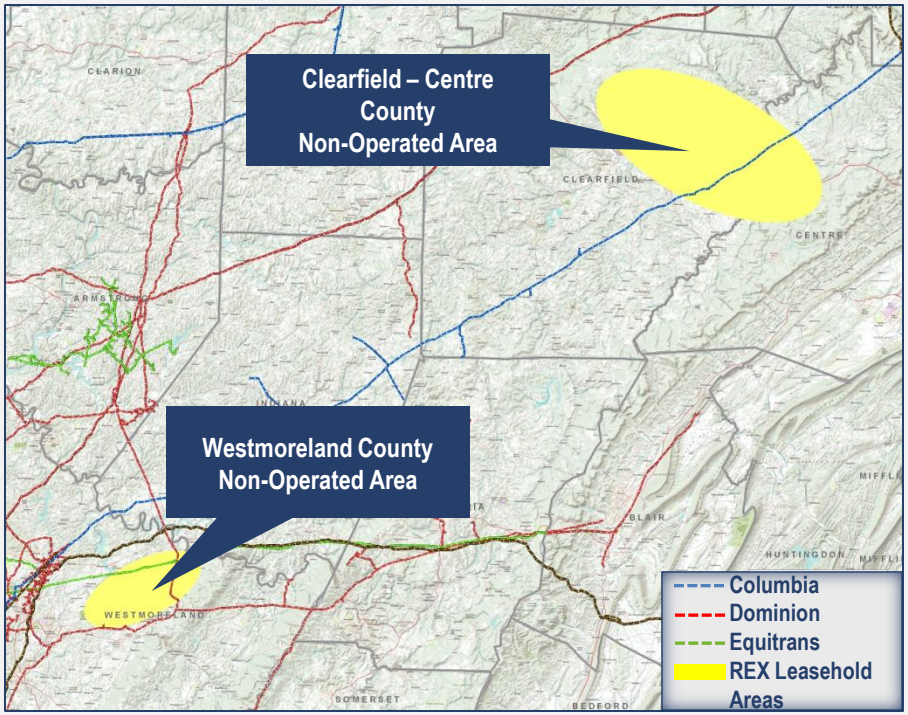
# Non-Operated Midstream and Infrastructure

## Westmoreland County, PA

- 17.0 gross MMcf/d capacity through Ecker Station tap into Dominion line
- 35.0 gross MMcf/d capacity through high pressure delivery system into Peoples line
- 29.0 gross MMcf/d capacity through Salem Beagle Club station into Equitable gas line

## Clearfield and Centre Counties, PA

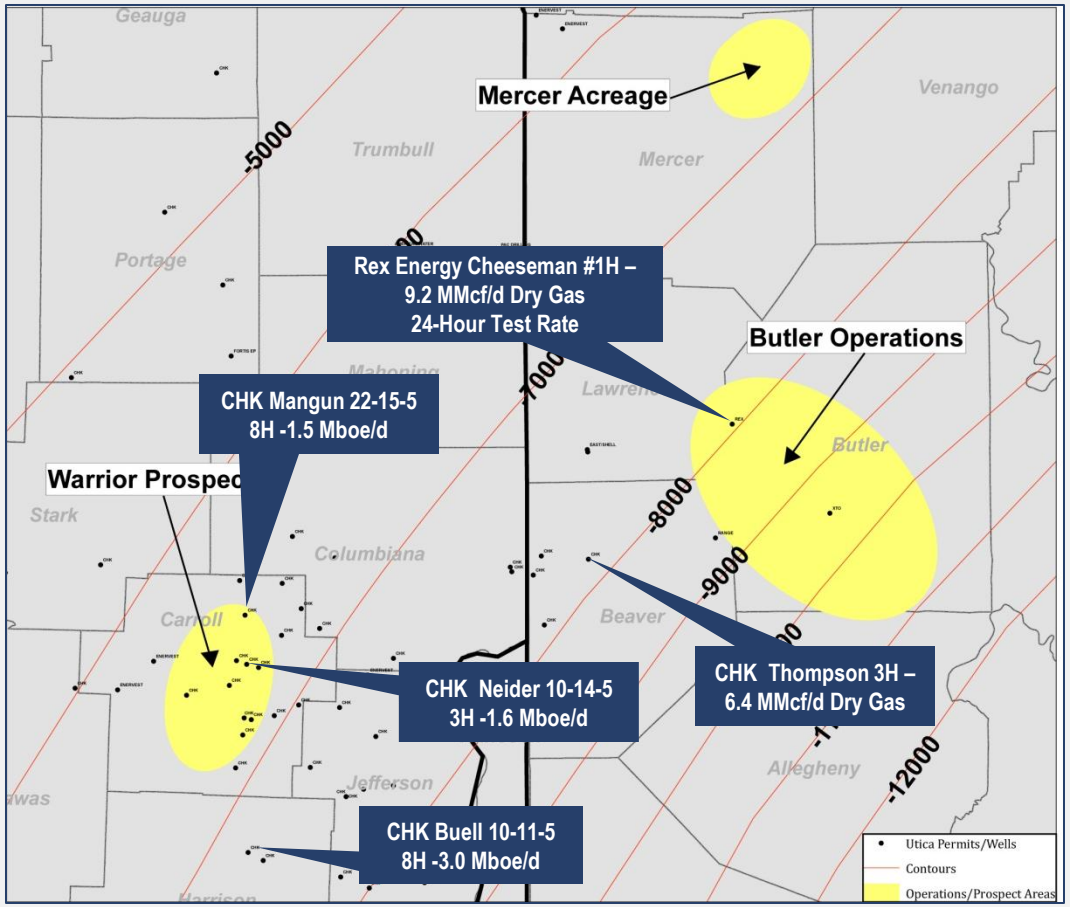
- 7.0 gross MMcf/d firm capacity with interruptible takeaway into Columbia gas line



# Utica Shale Overview

## ~ 90,800 gross (~62,400 net) acres in the Utica Shale[1]

- Butler County Operations ~66,400 gross (~44,100 net) acres
  - Successful well test in 2011 in Butler County - Cheeseman #1H - 9.2 MMcf/d 24 hour test rate (dry gas)
- Ohio Warrior Prospect 15,000 acres[2]
- Other operated Utica acreage 9,300 gross (3,400 net) acres
- Expecting to drill 6 Utica Shale wells in 2012
  - Drill and complete 3 wells in the Warrior Prospect
  - Drill 3 wells in the Butler County operated area (1 completed and placed in service)

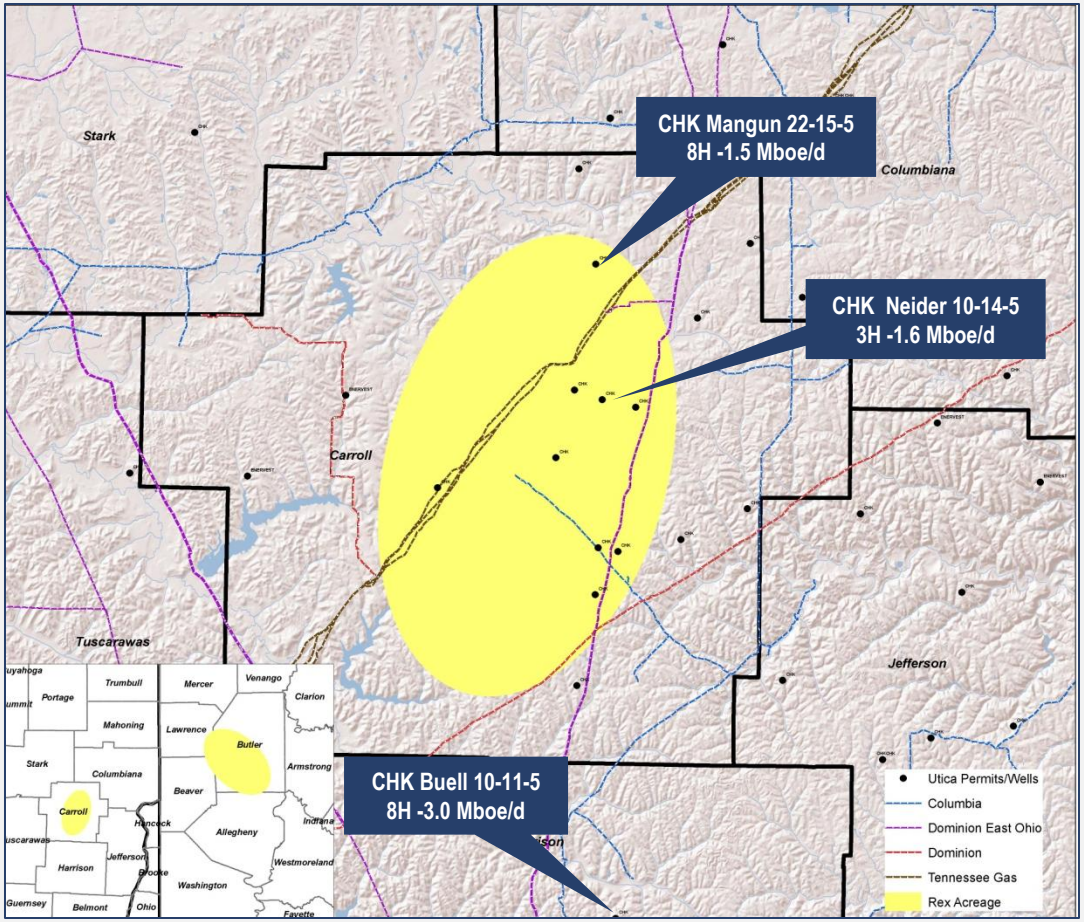



1. ~15,000 gross (~7,800 net) acres in areas of Warren County, Pennsylvania which have not been included in acreage totals
2. Closed on 13,000 acres, ~2,000 acres committed pending clearance of title

# Ohio Utica – Warrior Prospect

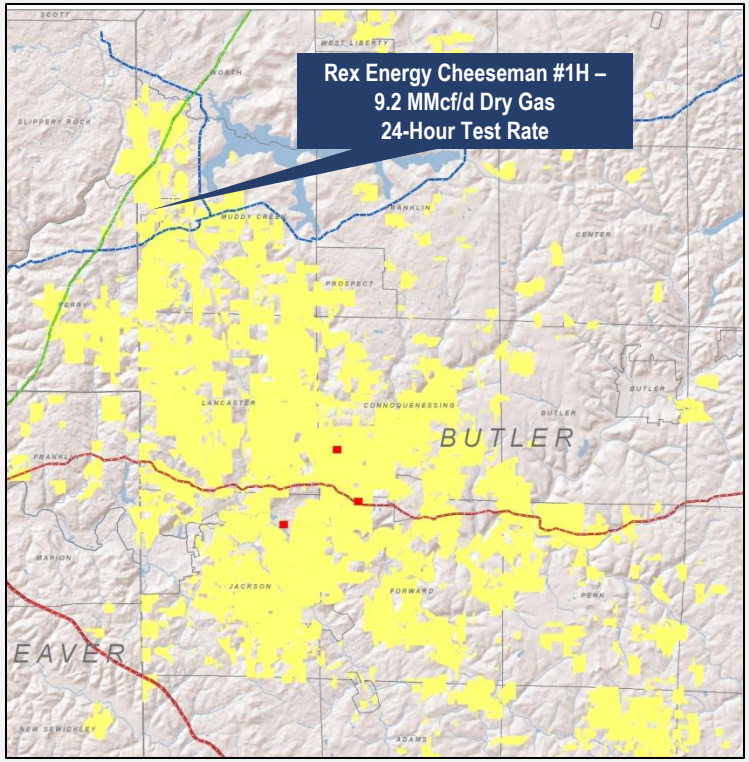
## ~ 15,000 acres in the Utica Shale[1]

- Close access to infrastructure and pipelines
- Acreage within liquids rich window of the Utica Shale
- 100 Potential drilling locations[2]
- Drilling and development expected to begin in 2012
- Secured 15 MMcf/d of firm wet gas processing capacity for Ohio Utica development
  - Processing at Dominion Natrium Facility after expected plant commissioning in December 2012, interim processing at Dominion Hastings Plant
- Actively leasing in the area




1. Closed on 13,000 acres, ~2,000 acres committed pending clearance of title; the company refers to this acreage as its "Warrior Prospect"
2. See note on "Potential Drilling Locations" on page 3

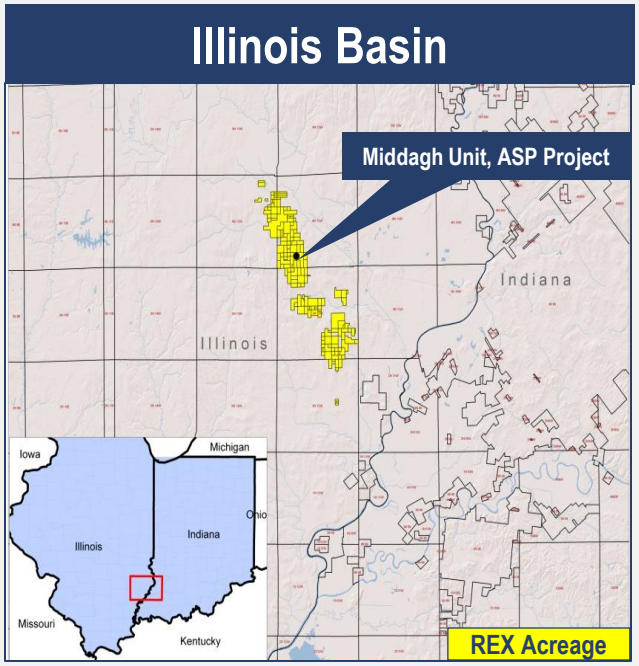
# Butler Area Utica Shale Resource Potential[1]




| Butler Operated Area: Utica Shale – Dry Gas | |
|---|---|
| Unproved Prospective Acreage[2] | ~43,800 |
| Assumed % Drilled[3] | 30% |
| Well Spacing[3] | 120 Acres |
| Net Potential Well Locations[3] | 110 |
| EUR[4] | 4.5 Bcfe |
| Royalty Burdens[5] | 18% |
| Resource Potential[1] | 405.9 Bcfe |

1. See notes on "Forward Looking Statements" and "Hydrocarbon Volumes" on pages 2&3
2. Based on net acreage position excluding acreage from proved developed and undeveloped reserves that the company believes to be prospective for Utica Shale development. Actual future development of this acreage may vary. See notes on "Forward Looking Statements" and "Hydrocarbon Volumes" on pages 2&3. Does not include ~3,400 net acres in Mercer County, Pennsylvania
3. See note on "Potential Drilling Locations" on page 3; drilling assumptions based on what the company believes can be drilled economically under the current commodity price environment
4. Current EUR assumption based on internal estimates using a 4.3 MMcf/d 30-day estimated average production rate; see notes on "Forward Looking Statements" and "Hydrocarbon Volumes" on pages 2&3
5. Represents the company's average royalty burden assumption in the designated area, does not necessarily reflect royalties paid to landowners

# Lawrence Field ASP Overview




## ~13,100 gross (13,000 net) acres in Lawrence Field

- Estimated 1 billion barrels of original-oil-in-place (OOIP)
- Field has produced 400 MMBbls since 1906
- Waterflooded since the 1950's
- Two successful surfactant-polymer flood pilots completed by Marathon with 15-20% of OOIP recovered
- Field currently produces ~1,600 gross (1,250 net) barrels per day under waterflood

## ASP Project Summary

- ASP stands for Alkali-Surfactant-Polymer flood
- Alkali-Surfactant mix reduces interfacial tension allowing remaining oil to flow easier through the formation
- Polymer improves sweep efficiency by forcing fluid into parts of the field not effectively swept by the waterflood
- Field ASP injection plant constructed in 2008
    - Capacity design of 72,000 Bbls per day
- 15 Acre Middagh Unit Pilot used to confirm commerciality of ASP Tertiary Recovery in the Lawrence Field:
    - Pilot flood initiated in August 2010
    - Initial oil response seen on March 2011
    - Peak production rates observed in September 2011
    - Proved reserves are booked as of 12/31/2011 at 13% of Pore Volume

# ASP Economics

## Resource Potential Range Confirmed

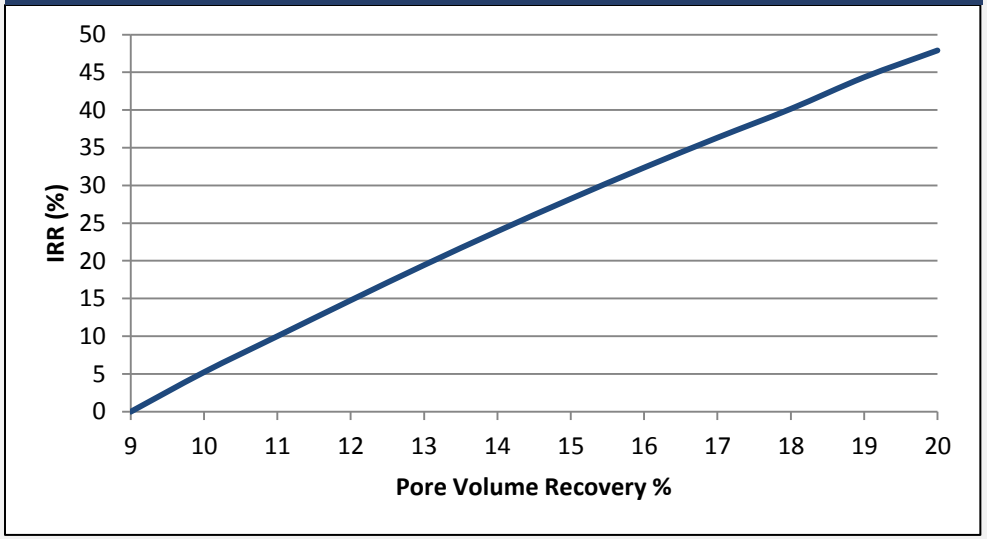
- Proved reserve bookings at 13% of pore volume recovery confirming mid-point resource potential range of ~31.5 MMBbls (net)
- North and Central Lawrence Units reviewed for ASP potential in Bridgeport and Cypress formations by NSAI
  - 27 ASP targets identified across both units combined[2]
- Estimated 76% of North and Central Lawrence acreage prospective for ASP flooding, with a further ~1,900 acres of South Lawrence unit to undergo further review

## Delta Unit Conceptual Economics[3]

- $5MM of Capex in 2012 and $21MM in 2013
- Proved reserve bookings at 13% of Pore Volume equate to ~20% IRR at $100/Bbl NYMEX prices
- All reserves recovered in first 5 years
- Discounted Return on Investment: ~1.25
- Full-cycle F&D Cost ~$30/Bbl

| Resource Potential: North & Central Lawrence Units[1] | | |
|---|---|---|
| | Low Case | High Case |
| Bridgeport Sand Pore Volume | 182.7 MMbbl | |
| Cypress Sand Pore Volume | 128.3 MMbbl | |
| Royalties | 22% | |
| Recovery Potential (%PV) | 8% | 20% |
| Total ASP Upside Potential (Net) | 19.4 MMbbl | 48.5 MMbbl |

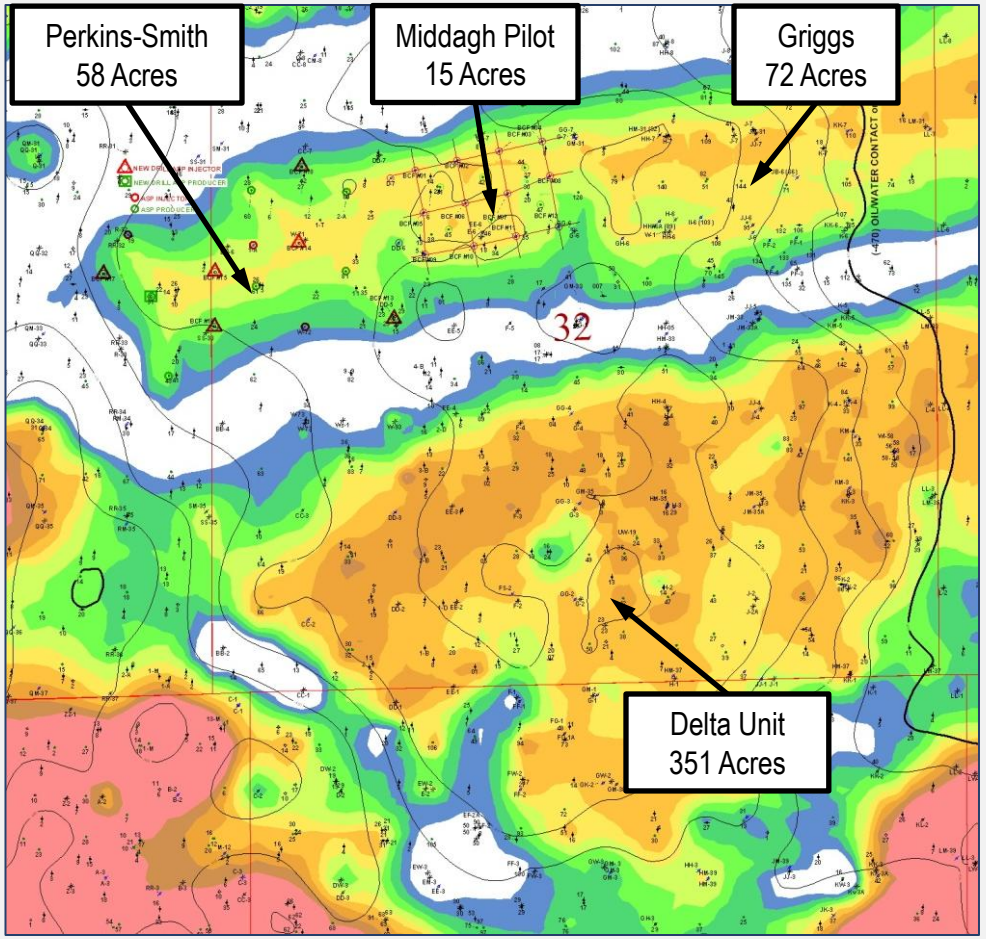
## Delta Unit ASP Economics




1. Resource potential and pore volume recovery assumptions based on full development program. Individual ASP unit results may vary significantly. See note on "Hydrocarbon Volumes" on page 3
2. See note on "Potential ASP Units" on page 3
3. Based on company estimates and projections to date. See note on "Hydrocarbon Volumes" on page 3

# Lawrence Field ASP Update

- **Middagh Pilot:**
  - Production increased from 16 BOPD and has maintained a range of 65 – 75 gross BOPD over the last 90 days; peak production was seen at 100+ BOPD
  - Oil cuts in the Pilot increased from 1.0% to ~12.0% in total unit, with individual wells experiencing oil cuts above 20%
  - Third party engineer firm NSAI booked PDP reserves as of 12/31/2011
- **Perkins-Smith Unit Pilot Expansion:**
  - Third party engineer firm NSAI booked PDNP reserves as of 12/31/2011
  - All drilling and infrastructure complete
  - Initial brine injection underway
  - Plan to commence ASP injection by 2nd quarter of 2012
  - Initial project response expected by 2nd quarter of 2013; expected peak response of 175-250 gross BOPD by 4th quarter of 2013
- **Delta Unit Full Scale Expansion:**
  - Core studies and geologic mapping underway
  - Drilling of additional pattern wells planned for 2Q & 3Q-2012
  - Injection line tie-in targeted for 3Q-2012
  - Expect to initiate tracer injection survey work in 3Q-2012
  - Planning to begin ASP injection in 2Q-2013
  - Initial production response anticipated in 2014
- **ASP Recovery Incremental Production Impact:**
  - Potential to double current field production in 2015



# Appendix

*Responsible Development of America's Energy Resources*

REX ENERGY®

# Assumed Net Asset Value

| ($ in millions) | Description | Scenario A | Scenario B |
|---|---|---|---|
| 2011 Year-End Proved Reserves | 366.2 Bcfe | $536.5 (NYMEX PV-10[1]) | $ 539.6 (SEC PV-10[2]) |
| Warrior Prospect (Liquids-rich Utica) - Net Acreage | 15,000 Net Acres[3] | $90.0 (@ $6,000 per acre[4]) | $225.0 (@ $15,000 per acre[4]) |
| Butler Marcellus - Resource Potential[5] | 1,508.0 Bcfe Net[6] | $452.4 (@ $0.30/Mcfe[7]) | $904.8 (@ $0.60/Mcfe[7]) |
| ASP - Resource Potential[5] | 31.5 MMBbls Net[6] | $31.5 (@ $1.00/Bbl[7]) | $94.5 (@ $3.00/Bbl[7]) |
| Other | Midstream and Rockies Assets[8] | $ 90.0 | $ 110.0 |
| Less Long-term Debt[9] | As of 12/31/2011 | ($ 225.0) | ($ 225.0) |
| Assumed Net Asset Value | | $ 975.4 | $ 1,648.9 |

1. Based on Rex Energy internal estimates using NYMEX commodity strip prices as of December 31, 2011. Estimates have not be updated to reflect current market prices
2. Estimated by Netherland, Sewell, & Associates, Inc. at $92.45 per Bbl and $4.54 per Mcf as of 12/31/2011
3. Closed on 13,000 acres, ~2,000 acres pending clearance of title
4. Based on publicly available data for recent joint venture transactions
5. See note on “Forward Looking Statements” and “Hydrocarbon Volumes” on pages 2&3
6. Recoveries based on Rex Energy internal estimates, (see page 3); excludes approximately 307.4 Bcfe of Marcellus proved reserves and 5.0 Bcfe of Utica and Upper Devonian Shale proved reserves as of December 31, 2011
7. Assumptions based on analyst valuations
8. Based on Rex Energy internal estimates of the amount of proceeds it expects to receive in connection with its previously announced divestiture of its midstream assets in Butler County, Pennsylvania and its interests in the Denver-Julesburg Basin
9. Includes borrowings under the senior credit facility and second lien facility

# Wet Gas Economic Yields

## $3.75 NYMEX equates to $3.95 per Mcf of net revenue

- **$3.75 NYMEX Henry Hub**
- **$100.00 NYMEX WTI**

| Wellhead Production – 1 mcf of Natural Gas | | |
|---|---|---|
| | Natural Gas | NGLs |
| Production by Product | .900 mcf | 1.64 gallons/ mcf[2] |
| Gross Realized by Product | $3.42 net[1] | $2.03[3] |
| Aggregate Realized Price per 1 mcf at wellhead | $5.45 | |
| Gathering, transportation and operating expenses | $1.50 | |
| Net Income Less Operating Expenses | $3.95[4] | |

1. $0.05 added to NYMEX Henry Hub for premium
2. .85 gallon/ mcf is excluded since it is used as fuel for compressors at the Sarsen cryogenic plant
3. NGL Price assumption of 52% of $100.00 NYMEX WTI
4. Does not include Rex's 28% interest in cash flow from the cryogenic plant partnership

# Butler Marcellus Operated Wells In Inventory

| Pad | Gross Well Count | Net Well Count | Status |
|---|---|---|---|
| Gilliland #11-HB | 1.0 | 0.7 | Completed awaiting pipeline |
| Grosick[1] | 4.0 | 1.7 | Fracture stimulating remaining four of seven Wells |
| Carson | 3.0 | 2.1 | Drilled awaiting completion |
| Bricker | 1.0 | 0.7 | Drilled awaiting completion |
| Graham | 3.0 | 2.1 | Drilled awaiting completion |
| Pallack | 2.0 | 1.4 | Drilled awaiting completion |
| Drushel | 1.0 | 0.7 | Drilled awaiting completion |
| Gilliland - Marcellus Wells | 5.0 | 3.5 | Wells drilled awaiting completion |
| Total 2011 Wells in Inventory | 20 | 12.9 | |

# Butler Operated Drilling & Completion Schedule

| Pad | Gross Well Count | Net Well Count | Status |
|---|---|---|---|
| Plesniak | 2 | 1.4 | Drilling first of two wells |
| Lynn N&S | 2 | 1.4 | Awaiting Drilling Rig |
| JRGL | 1 | 0.7 | Awaiting Drilling Rig |
| Stebbins | 1 | 0.7 | Awaiting Drilling Rig |
| Meyer | 1 | 0.7 | Awaiting Drilling Rig |
| Breakneck Beagle Club | 1 | 0.7 | Awaiting Drilling Rig |
| Wack | 1 | 0.7 | Awaiting Drilling Rig |
| Lamperski | 1 | 0.7 | Awaiting Drilling Rig |
| Rape | 2 | 1.4 | Awaiting Drilling Rig |
| Total 2012 Drilling Program | 12 | 8.4 | |

| 2012 Butler County Operated Area Drilling Program | Gross | Net |
|---|---|---|
| Wells Drilled | 12 | 8.4 |
| Wells Fracture Stimulated | 20 | 12.9 |
| Wells Placed in Service | 21 | 13.6 |
| Wells Drilled Awaiting Completion | 11 | 7.7 |

# Utica Shale Drilling & Completion Schedule

| Area | Pad | Gross Well Count | Net Well Count | Status |
|---|---|---|---|---|
| Butler County, PA | Cheeseman #1H | 1 | 0.7 | Completed Awaiting Pipeline |
| Butler County, PA | Petro | 1 | 0.7 | Awaiting Drilling Rig |
| Butler County, PA | Grubbs | 1 | 0.7 | Awaiting Drilling Rig |
| Butler County, PA | Burgh | 1 | 0.7 | Awaiting Drilling Rig |
| Carroll County, OH | Brace | 1 | 0.8 | Awaiting Drilling Rig |
| Carroll County, OH | G. Graham | 1 | 0.8 | Awaiting Drilling Rig |
| Carroll County, OH | Troyer | 1 | 0.8 | Awaiting Drilling Rig |
| | Total 2012 Utica Drilling Program | 7 | 5.2 | |

| 2012 Utica Shale Drilling Program | Gross | Net |
|---|---|---|
| Wells Drilled | 6 | 4.5 |
| Wells Fracture Stimulated | 4 | 3.1 |
| Wells Placed in Service | 5 | 3.8 |
| Wells Drilled Awaiting Completion | 2 | 1.4 |

# Non Operated Drilling & Completion Schedule

| County | Pad | Gross Well Count | Net Well Count | Status |
|---|---|---|---|---|
| Westmoreland | Duralia | 2.0 | 0.8 | Wells Drilled Awaiting Completion |
| Westmoreland | McBroom | 1.0 | 0.4 | One of three wells on pad awaiting completion |
| | Total 2011 Wells in Inventory | 3.0 | 1.2 | |

| County | Pad | Gross Well Count | Net Well Count | Status |
|---|---|---|---|---|
| Westmoreland | Corbett | 2.0 | 0.8 | Drilling Second of Two Wells |
| Westmoreland | Gera | 2.0 | 0.8 | Awaiting Drilling Rig |
| Westmoreland | Mehalic | 2.0 | 0.8 | Awaiting Drilling Rig |
| Clearfield/Centre | Hartle | 2.0 | 0.8 | Awaiting Drilling Rig |
| Clearfield/Centre | Billotte | 2.0 | 0.8 | Awaiting Drilling Rig |
| Clearfield/Centre | Lauver | 2.0 | 0.8 | Awaiting Drilling Rig |
| Clearfield/Centre | Smith | 1.0 | 0.4 | Awaiting Drilling Rig |
| Clearfield/Centre | Sankey | 2.0 | 0.8 | Awaiting Drilling Rig |
| Clearfield/Centre | Mignot | 2.0 | 0.8 | Awaiting Drilling Rig |
| | Total 2012 Drilling Program | 17.0 | 6.8 | |

| 2012 Non-Operated Drilling Program | Gross | Net |
|---|---|---|
| Wells Drilled | 17 | 6.8 |
| Wells Fracture Stimulated | 16 | 6.4 |
| Wells Placed in Service | 16 | 6.4 |
| Wells Drilled Awaiting Completion | 5 | 2.0 |

# Current Hedging Summary

| Crude Oil[1] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1Q12 | 2Q12 | 3Q12 | 4Q12 | 1Q13 | 2Q13 | 3Q13 | 4Q13 |
| Collar Contracts | | | | | | | | |
| Volume Hedged | 150,000 | 150,000 | 150,000 | 150,000 | 135,000 | 135,000 | 135,000 | 135,000 |
| Ceiling | $ 111.08 | $ 111.08 | $ 111.08 | $ 111.08 | $ 112.56 | $ 112.56 | $ 112.56 | $ 112.56 |
| Floor | $ 68.39 | $ 68.39 | $ 68.39 | $ 68.39 | $ 72.44 | $ 72.44 | $ 72.44 | $ 72.44 |

| Natural Gas Hedges[1] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1Q12 | 2Q12 | 3Q12 | 4Q12 | 1Q13 | 2Q13 | 3Q13 | 4Q13 |
| Swap Contracts | | | | | | | | |
| Volume | 1,050,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,170,000 | 1,170,000 | 1,170,000 | 1,170,000 |
| Price | $ 4.59 | $ 4.43 | $ 4.43 | $ 4.43 | $ 3.93 | $ 3.93 | $ 3.93 | $ 3.93 |
| Collar Contracts | | | | | | | | |
| Volume | 750,000 | 750,000 | 750,000 | 750,000 | 840,000 | 840,000 | 840,000 | 840,000 |
| Ceiling | $ 5.89 | $ 5.89 | $ 5.89 | $ 5.89 | $ 5.68 | $ 5.68 | $ 5.68 | $ 5.68 |
| Floor | $ 4.70 | $ 4.70 | $ 4.70 | $ 4.70 | $ 4.77 | $ 4.77 | $ 4.77 | $ 4.77 |

1. Hedging position as of 1/24/2012

# Current Hedging Summary Cont'd

| Natural Gas Hedges Cont'd[1] | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1Q12 | 2Q12 | 3Q12 | 4Q12 | 1Q13 | 2Q13 | 3Q13 | 4Q13 |
| Put Contracts | | | | | | | | |
| Volume | - | - | - | - | 660,000 | 660,000 | 660,000 | 660,000 |
| Floor | - | - | - | - | $ 5.00 | $ 5.00 | $ 5.00 | $ 5.00 |
| Collar Contracts with Short Puts | | | | | | | | |
| Volume | 660,000 | 660,000 | 660,000 | 660,000 | 480,000 | 480,000 | 480,000 | 480,000 |
| Ceiling | $ 5.13 | $ 5.13 | $ 5.13 | $ 5.13 | $ 5.08 | $ 5.08 | $ 5.08 | $ 5.08 |
| Floor | $ 4.48 | $ 4.48 | $ 4.48 | $ 4.48 | $ 4.38 | $ 4.38 | $ 4.38 | $ 4.38 |
| Short Put | $3.66 | $3.66 | $3.66 | $3.66 | $ 3.53 | $ 3.53 | $ 3.53 | $ 3.53 |

1. Hedging position as of 1/24/2012