

**CONTANGO**  
OIL & GAS COMPANY



*Enhancing Value. Expanding the Opportunity.*



**ENERCOM**  
CONSULTING

FEBRUARY 18, 2014

## Company Contacts

Allan D. Keel

*President, Chief Executive Officer and Director*

E. Joseph Grady

*Senior Vice President and Chief Financial Officer*

## Investor Relations:

Email: [investorrelations@contango.com](mailto:investorrelations@contango.com)

Web Site: [www.contango.com](http://www.contango.com)

## Company Headquarters

Contango Oil & Gas Company

717 Texas Avenue, Suite 2900

Houston, TX 77002

## Forward Looking Statements

*Certain statements included in this presentation are "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Contango Oil & Gas Company ("Contango" or the "Company") cautions that strategic plans, assumptions, expectations, objectives for future operations, drilling results, projections, intentions, or beliefs about future events may, and often do, vary from actual results and the differences can be material. Some of the key factors which could cause actual results to vary from those Contango expects include changes in natural gas and oil prices, the timing of planned capital expenditures, availability of acquisitions, uncertainties in estimating proved reserves and resource potential and forecasting drilling and production results, operational factors affecting the commencement or maintenance of producing wells, the condition of the capital markets generally, as well as the Company's ability to access them, and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting Contango's business. Statements regarding future production are subject to all of the risks and uncertainties normally incident to the exploration for and development and production of oil and gas. Please refer to our filings with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K for the year ended June 30, 2013, and subsequent filings for a further discussion of these risks.*

*This presentation includes certain estimates of proved, probable and possible reserves that have not been prepared in accordance with SEC pricing guidelines. Other estimates of hydrocarbon quantities included herein may not comport with specific definitions of reserves under SEC rules and cannot be disclosed in SEC filings. These estimates have been prepared by the Company and are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the Company. For more information about these estimates and the estimates of potential drilling locations, see "Hydrocarbon Quantities" and "Drilling Locations" included in this presentation.*

Exchange/Ticker:	<b>NYSE Mkt: MCF</b>
Share Price <sup>(1)</sup> :	<b>\$41.96</b>
Market Capitalization <sup>(2)</sup> :	<b>\$812.5 million</b>
Enterprise Value <sup>(2)</sup> :	<b>\$902.5 million</b>
Combined Daily Production (Q4:13) <sup>(3)</sup>	<b>110 Mmcfed</b>
Combined Proved PV-10 Value <sup>(3) (4)</sup> :	<b>\$987.2 million</b>
Combined Proved Reserves <sup>(3) (4)</sup> :	<b>313.9 Bcfe</b>
Combined Unproved Reserve Potential <sup>(5)</sup> :	<b>1,311 Bcfe</b>

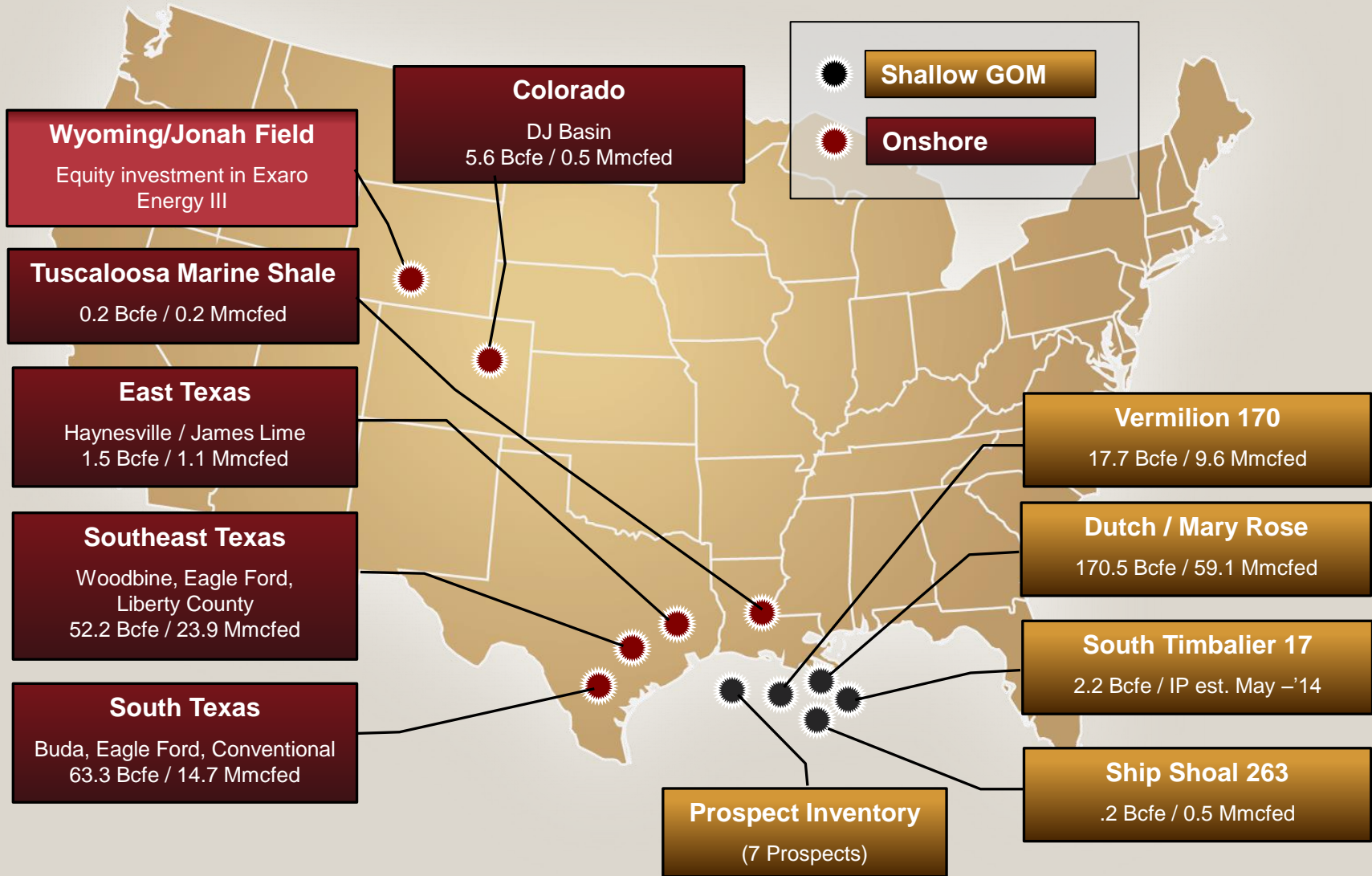
1) As of January 31, 2014

2) Based on 19.4 million shares outstanding and \$90 million of debt as of 12/31/2013

3) Merged with Crimson Exploration Inc. effective 10/1/13; amounts are for combined entities

4) Based on 12/31/13 SEC pricing. PV-10 value excludes hedging effects. See "Hydrocarbon Quantities & Drilling Locations."

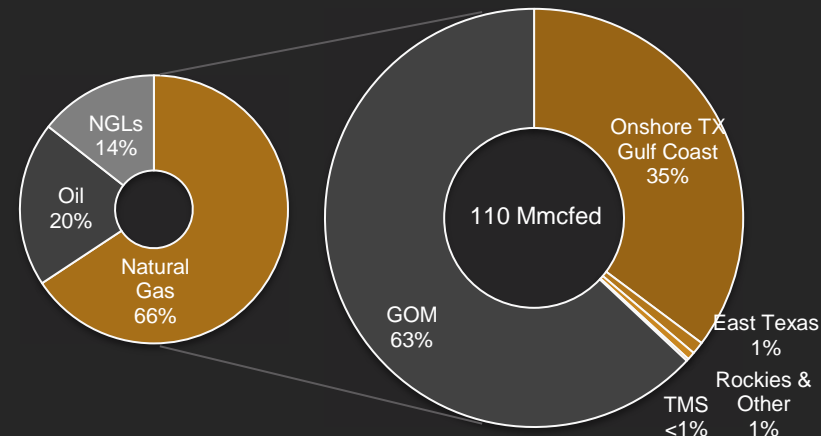
5) Based on Company estimates. See "Hydrocarbon Quantities & Drilling Locations."



## Reserves / Production

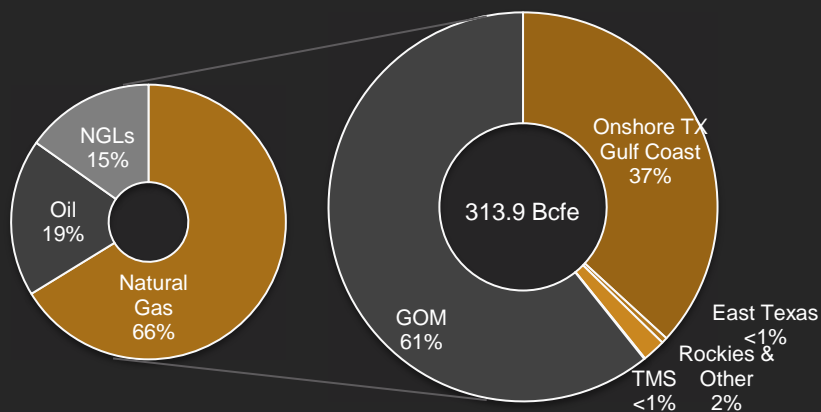
- ~ 60% shallow water GOM
  - Strong cash flow; high impact
- ~ 40% onshore resource plays
  - Low risk, repeatable; long term growth
- Liquids
  - ~33% of 2013 production
  - ~62% of 2013 revenue
  - ~62 % of estimated 2014 production from drilling

## Q4 2013 Production<sup>(1)</sup>



1) Excludes production attributable to our 37% equity investment in Exaro

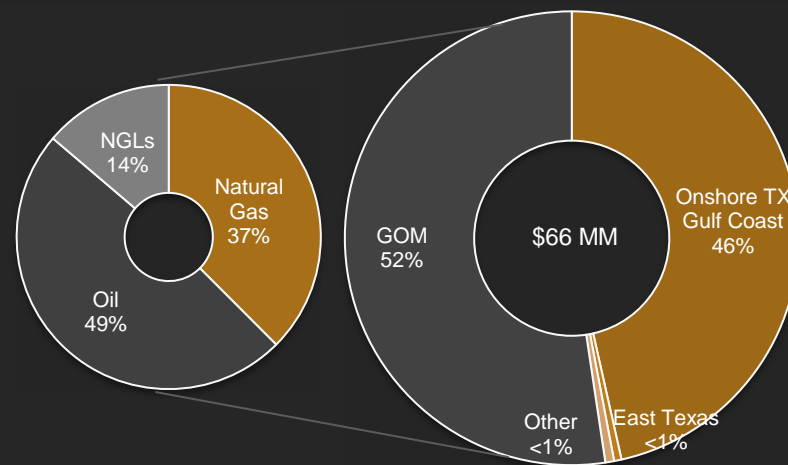
## Proved Reserves<sup>(2)(3)</sup>



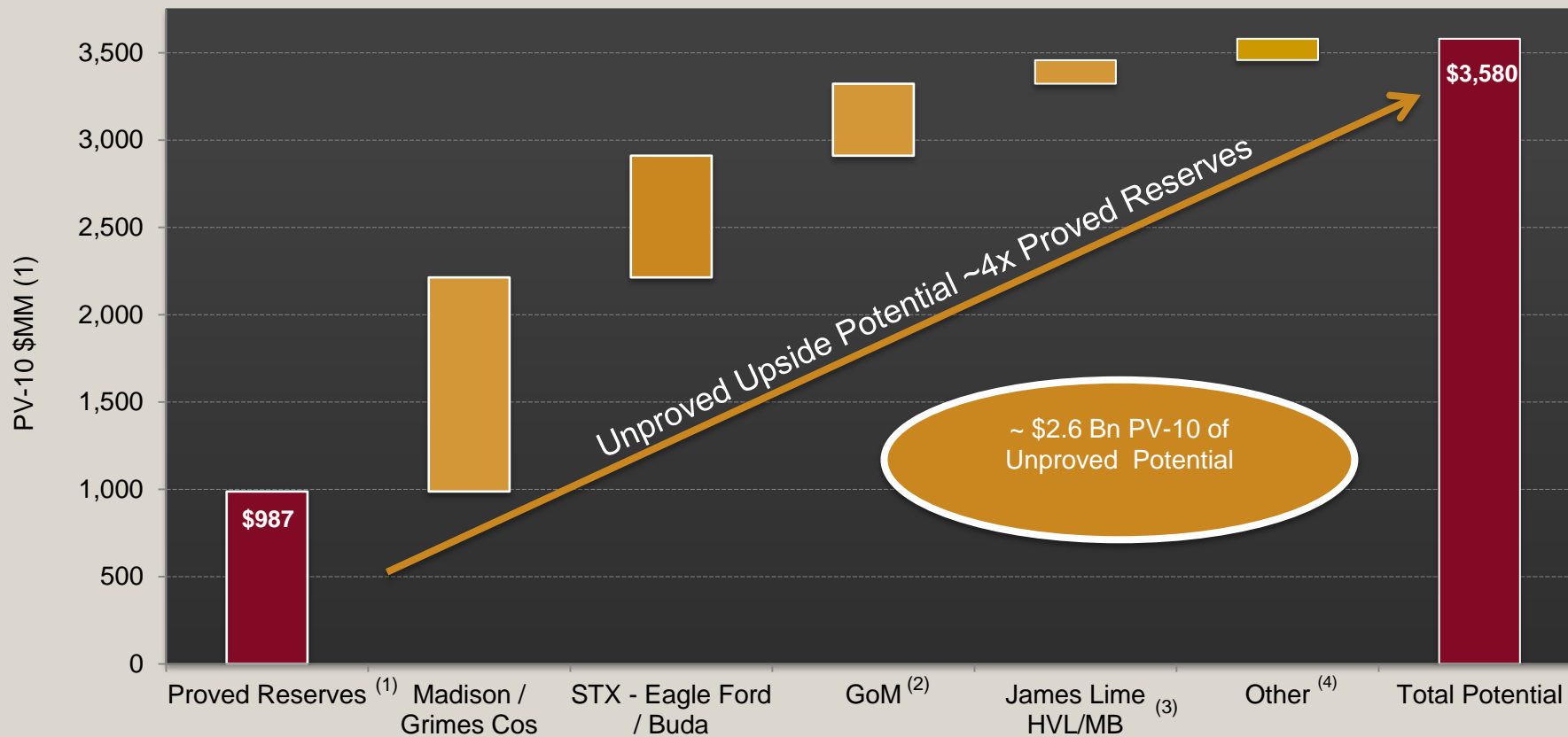
2) Excludes 41.8 Bcfe of reserves attributable to our 37% equity investment in Exaro

3) Reserves based on external reports. See "Hydrocarbon Quantities & Drilling Locations."

## Q3 2013 Revenue



# GROWTH POTENTIAL SUMMARY PV-10 (1)



<b>% Liquids</b>	34%	77%	87%	25%	58%	24%	58%
<b>PV-10 \$MM</b>	\$987	\$1,226	\$697	\$412	\$135	\$123	\$3,580
<b>BCFE</b>	313.9	651.7	222.6	172.4	113.5	151.2	1,625
<b>Unproved Locs.</b>		458	250	7	57	340	1,112

(1) Unproved resource potential based on internal estimate as of 9/30/2013. Proved Reserves based on 12/31/2013 SEC pricing. See "Hydrocarbon Quantities & Drilling Locations."

(2) Company estimates based on gas prices of \$3/Mcf for 2 years; \$4/Mcf flat thereafter, and oil prices of \$100/Bbl

(3) Excludes 115 locations in the Haynesville/Mid-Bossier formations not economical in the current price environment. These locations have 272 Bcf and a PV-10 of -\$80 million.

(4) Includes Niobrara and conventional prospects.



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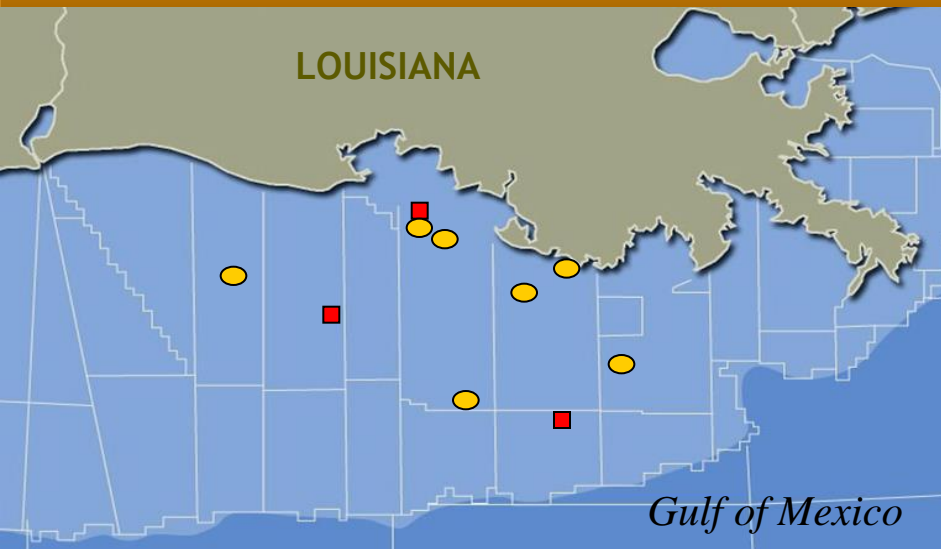
**SHALLOW GULF OF MEXICO**

*HIGH IMPACT CASH FLOW TO FUND  
LOW RISK GROWTH OBJECTIVES*

Reserve Category	Bcfe	PV-10 (\$MM)	%
PD	187.9	\$541.2	98%
PUD	2.6	\$13.3	2%
<b>Total</b>	<b>190.5</b>	<b>\$554.5</b>	<b>100%</b>

Production (Q4 2013)		%
Natural Gas MMcf/d)	54.4	78%
Oil and condensate (Mbbbl/d)	0.8	7%
NGL (Mbbbl/d)	1.7	15%
<b>Total (Mmcf/d)</b>	<b>69.2</b>	<b>100%</b>

## Reserves by Category (Bcfe) <sup>(1)</sup>



## Other Assets

- 7 drill-ready GoM prospects
- Budgeted to drill 2 – 3 prospects per year
- Continuing relationship with Juneau Exploration, a well-regarded prospect generator

Offshore reserves based on William M. Cobb & Associates proved reserve report as of 12/31/2013 at SEC pricing.

## Eugene Island 11

### Company-owned and operated

- 10 producing wells drilled from 2006 – 2010
- Companion platform and two pipelines to access alternate markets

### Net reserves of 170.5 Bcfe (as of 1/1/2014)

- 99.7% PD
- 79% natural gas
- PV-10% of \$504 MM

### Net production of 59.1 Mmcfe/d (4Q:13)

- 79% natural gas

## Vermilion 170

### Company-owned and operated

- Single well structure drilled in 2011

### Net reserves of 17.7 Bcfe

- 100% PD
- 77% natural gas
- PV-10% of \$48 MM

### Net production of 9.6 Mmcfe/d (4Q:13)

- 75% natural gas

Eugene Island 11 Platform



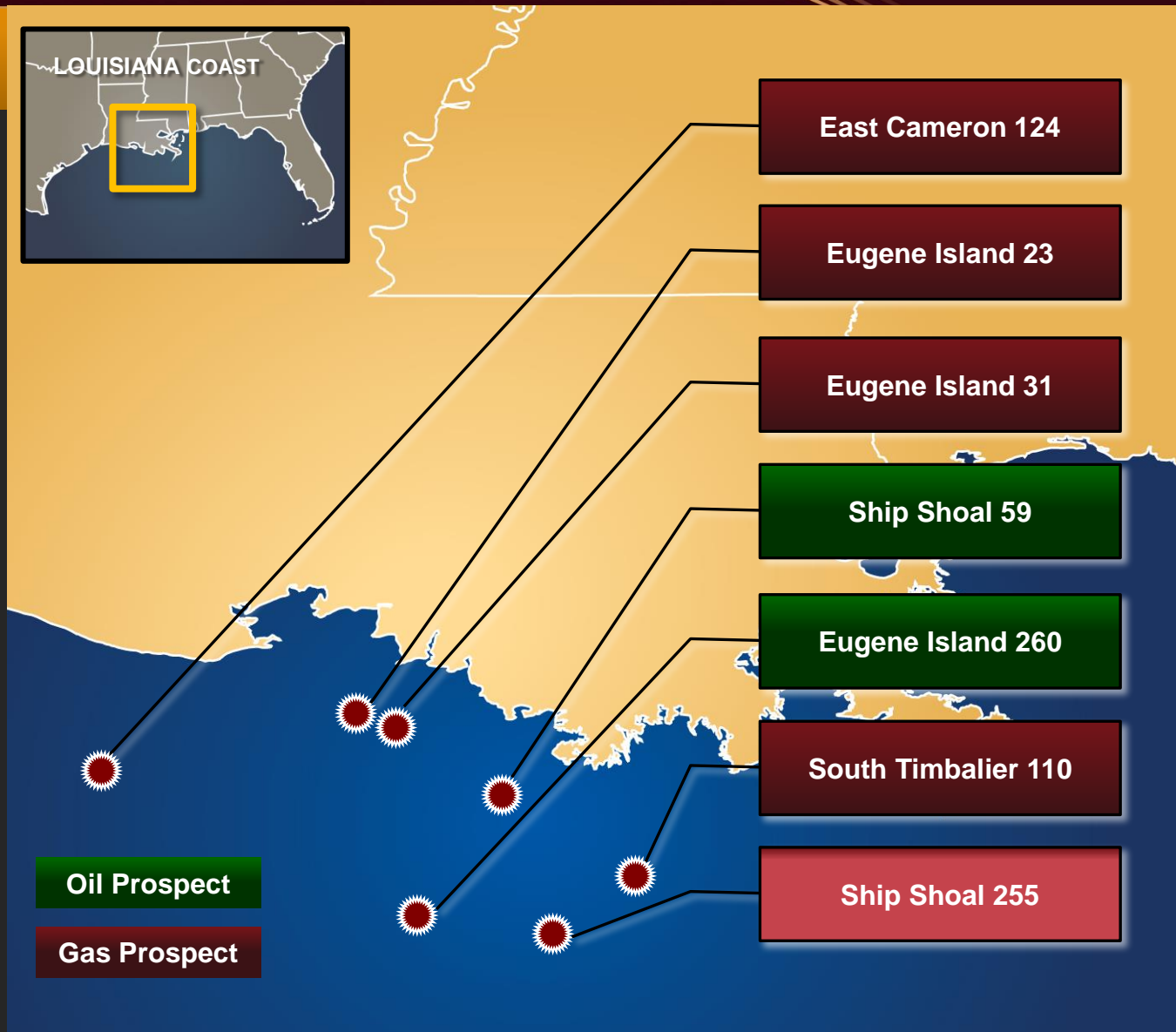
Vermilion 170 Platform



# GOM PROSPECT INVENTORY

## Highlights

- 7 existing drill-ready shallow-water prospects
  - Ave. EUR: 28 Bcfe
    - 73% Gas
- Well Costs:
  - Ave. DHC: \$16 MM
  - Ave. CC: \$12 MM
- Ave. Payout: ~2.2 Years
- Ave. PV-10: \$59 MM





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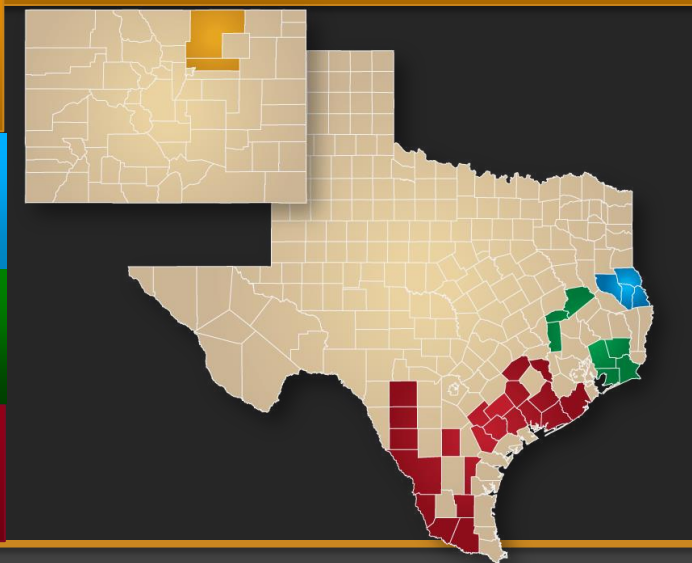
**ONSHORE RESOURCE ASSETS**

***LOW RISK, REPEATABLE LONG  
TERM GROWTH DRIVER***

# ONSHORE ASSET OVERVIEW

Reserve Category	Bcfe	PV-10 (\$MM)	% PV
PD	67.7	\$253.5	59%
PUD	55.7	\$179.1	41%
<b>Total</b>	<b>123.3</b>	<b>\$432.6</b>	<b>100%</b>

Production (Q4 2013)		%
Natural Gas MMcf/d)	17.7	44%
Oil and condensate (Mbb/d)	2.8	42%
NGL (Mbb/d)	1.0	14%
<b>Total (Mmcfe/d)</b>	<b>40.6</b>	<b>100%</b>



**Colorado & Other**

- 5.6 Bcfe Proved Reserves
- 0.5 MMcf/d Avg. Daily Production
- Upside: Niobrara

**East Texas**

- 1.5 Bcfe Proved Reserves
- 1.1 MMcf/d Avg. Daily Production
- Upside: James Lime, Haynesville / Mid-Bossier

**Southeast Texas**

- 52.2 Bcfe Proved Reserves
- 23.9 MMcf/d Avg. Daily Production
- Upside: Woodbine, Eagle Ford, Georgetown

**South Texas**

- 63.3 Bcfe Proved Reserves
- 14.7 MMcf/d Avg. Daily Production
- Upside: Eagle Ford, Buda

**Louisiana and Mississippi**

- 0.7 Bcfe Proved Reserves
- 0.4 MMcf/d Avg. Daily Production
- Upside: Tuscaloosa Marine Shale

**Other Assets – Equity Investment**

37% WI in select EnCana-operated Jonah Field acreage through Exaro Energy (~ 41.8 Bcfe, net)

# ONSHORE RESOURCE OPPORTUNITIES <sup>(1)</sup>

	<u>Locations</u>		<u>MMBoe</u>	<u>NPV 10% (\$MM)</u>	<u>% Liquids</u>
	<u>2014</u>	<u>Total</u>			
<b>First Tier Opportunities</b>					
Force (SETX Woodbine)	11	24	6	\$172	93%
Iola/Grimes (Woodbine)	2	59	24	\$166	39%
Chalktown (Woodbine)	6	47	11	\$93	70%
Booth-Tortuga Area (Buda)	19	35	3	\$140	92%
Zavala / Dimmit ( STX Eagle Ford) - 160 ac spacing	-	86	14	\$261	89%
James Lime (ETX) <sup>(2)</sup>	2	57	19	\$135	58%
Karnes County (Eagle Ford) – Infill	-	9	3	\$78	93%
Other STX	3	-	-	-	-
<b>Subtotal First Tier Opportunities</b>	<b>43</b>	<b>317</b>	<b>79</b>	<b>\$1,044</b>	<b>64%</b>
<b>Second Tier Opportunities</b>					
Madison County (Eagle Ford)	1	216	46	\$525	94%
Madison County (Georgetown)	-	112	22	\$270	83%
Tuscaloosa Marine Shale	TBD	TBD	TBD	TBD	TBD
Zavala / Dimmit (STX Eagle Ford) - Infill to 80 Acres	-	87	14	\$213	92%
Conventional Gas / Other	-	163	18	\$84	12%
Pawnee (Eagleford)	-	33	3	\$5	0%
Colorado (Niobrara / DJ Sands)	1	177	7	\$40	57%
<b>Subtotal Second Tier Opportunities</b>	<b>2</b>	<b>788</b>	<b>111</b>	<b>\$1,137</b>	<b>74%</b>
<b>Total Unproved Resource Potential</b>	<b>45</b>	<b>1,105</b>	<b>190</b>	<b>\$2,181</b>	<b>70%</b>

(1) Unproved resource potential based on internal estimate as of 9/30/2013.

(2) Excludes 115 locations in the Haynesville/Mid-Bossier formations not economical in the current price environment. These locations have 272 Bcf and a PV-10 of -\$80 million



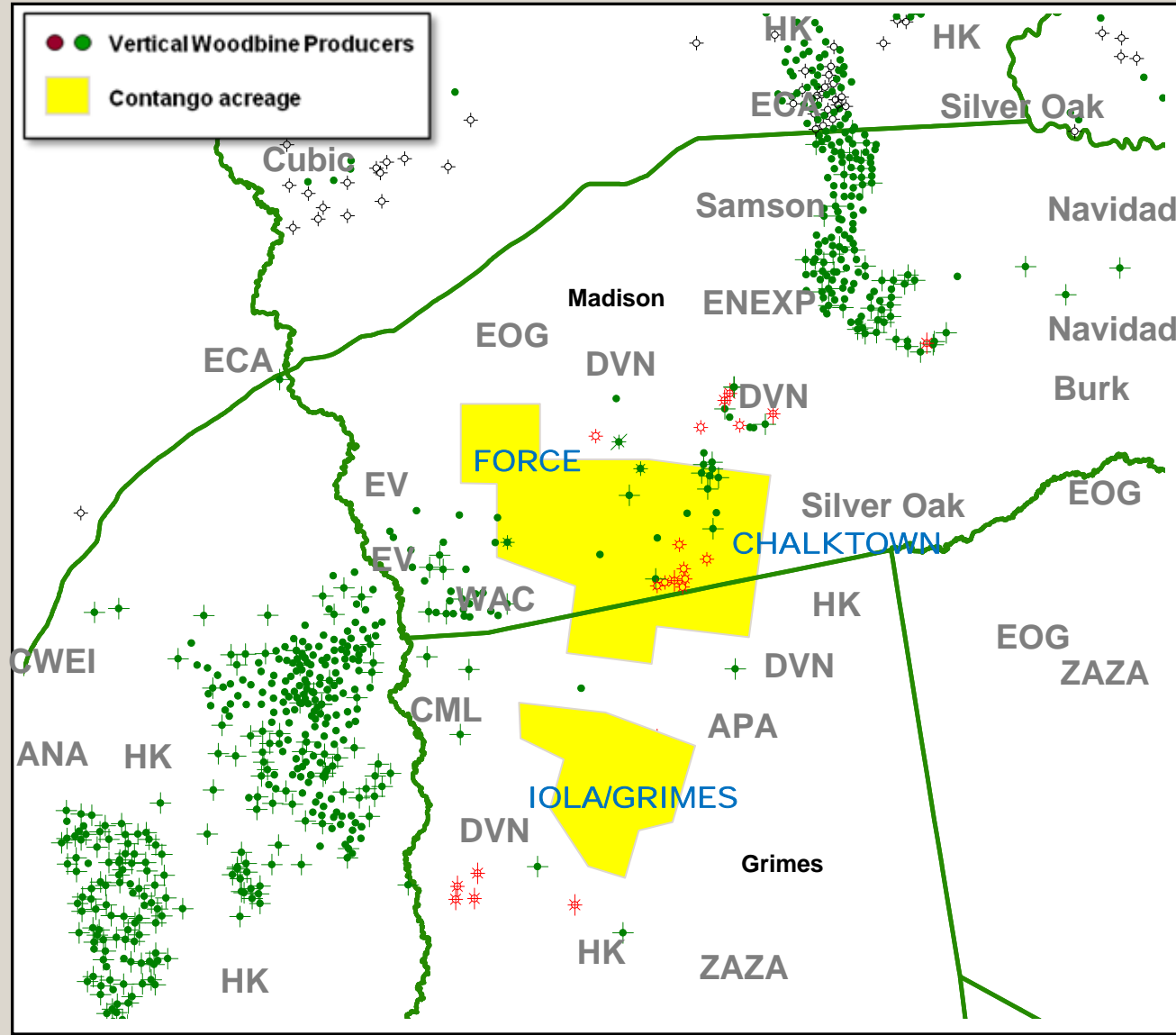
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**SETX – MADISON / GRIMES WOODBINE**

*LOW RISK, REPEATABLE LONG  
TERM GROWTH DRIVER*

# MADISON AND GRIMES INDUSTRY OVERVIEW

Pay Zones		
Eocene	Wilcox	
	Midway	
Cretaceous	Austin Chalk	●
	Sub C'ville	⊗
	Woodbine	●
	Lewisville	●
	Dexter	●
	Eagle Ford	●
	Buda	●
	Georgetown	●
	Edwards	⊗
	Glen Rose	⊗
	Rodessa	⊗
Sligo	⊗	
Travis Peak	⊗	
CV/Bossier	⊗	

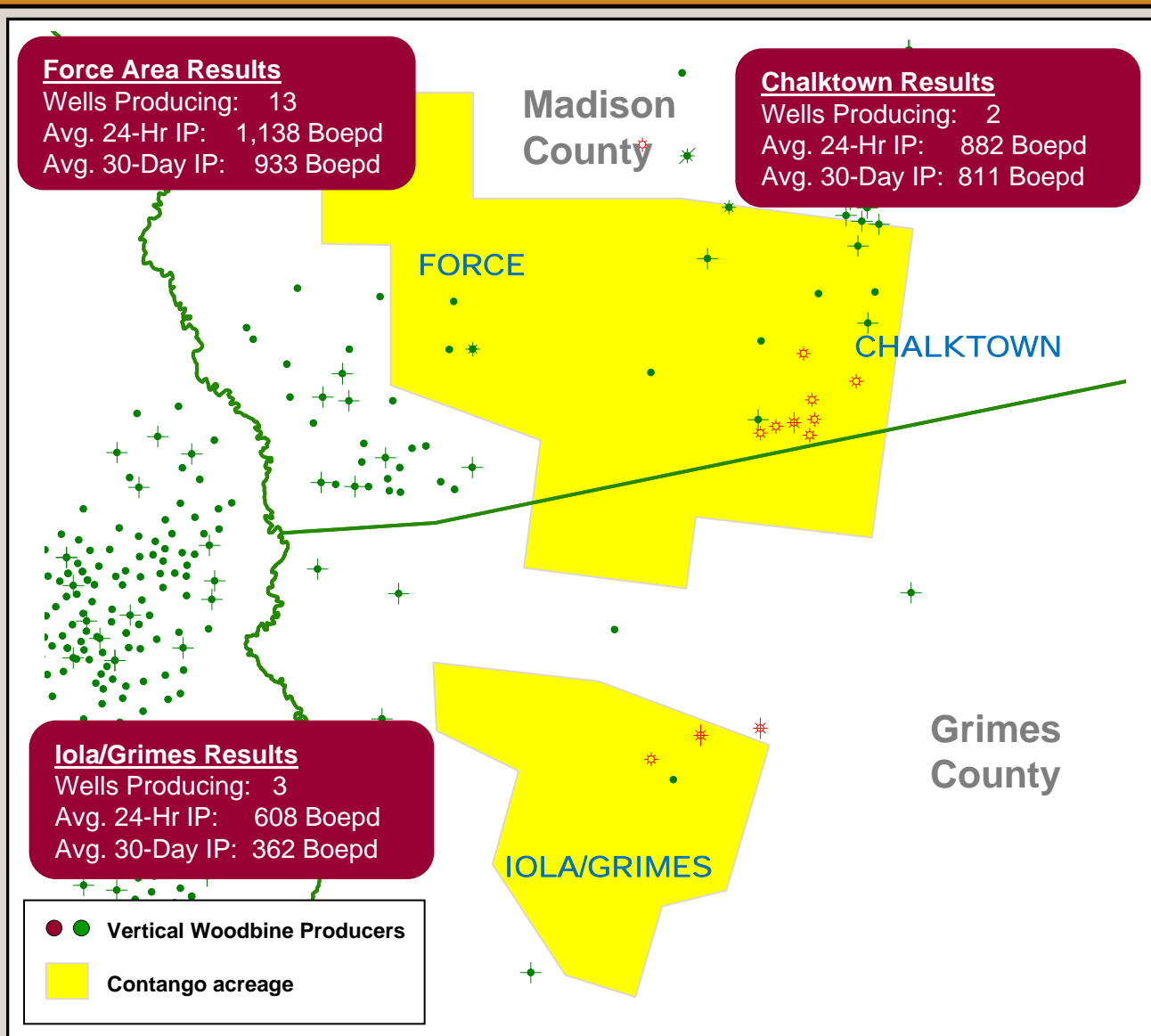


# CONTANGO'S WOODBINE EXPOSURE MADISON/GRIMES COUNTY

## Highlights

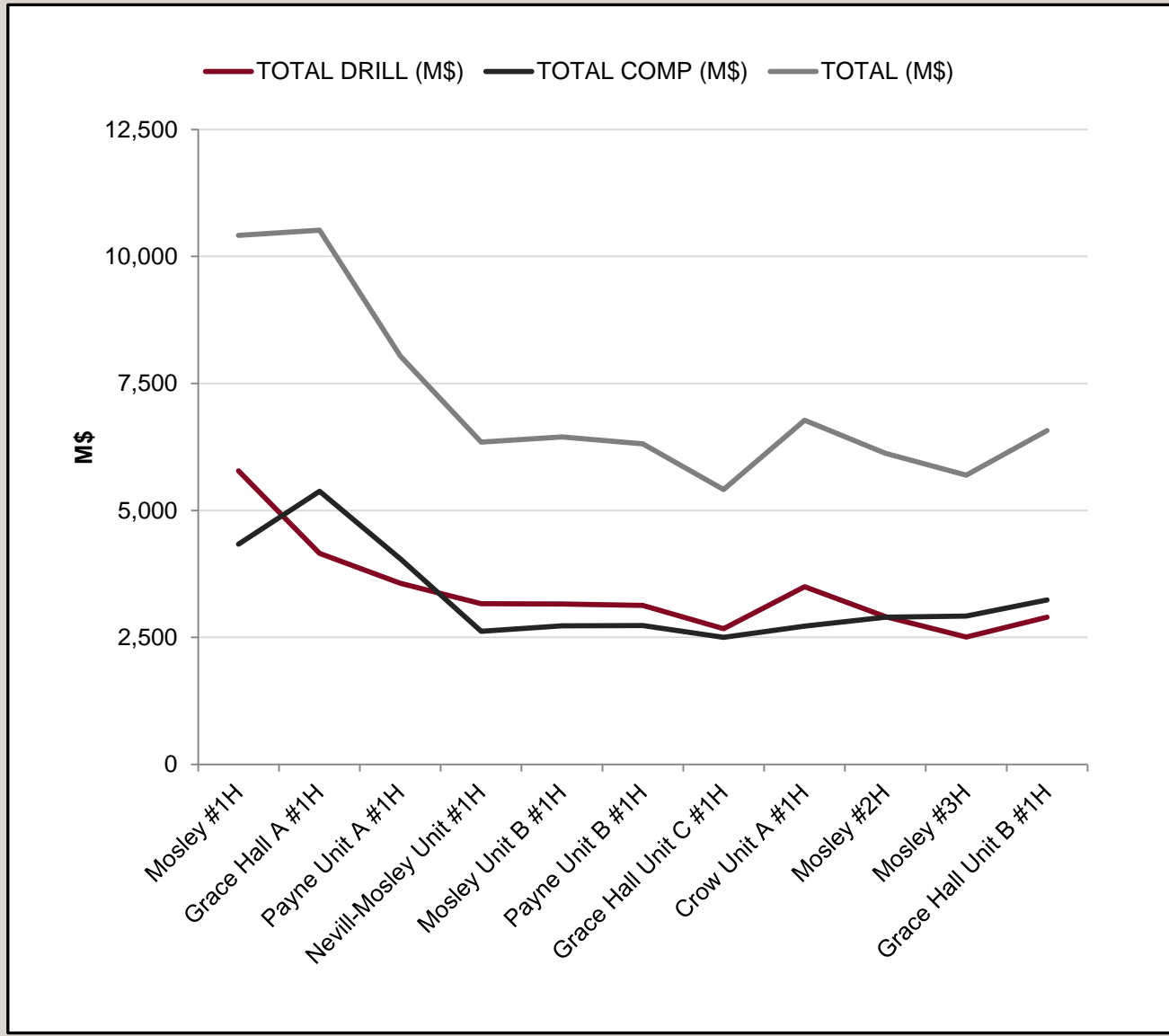
- **~19,000 net acres**
  - Madison and Grimes Counties
  - ~50% HBP
- 19 wells drilled
  - 18 on production
  - 1 completing
  - 1 wells drilling
- 18 Gross wells planned for 2014
  - \$83 MM, net
- 130 Woodbine Locations
- EURs: 300-550 Mboe<sup>(1)</sup>
- Net Potential: 109 Mmboe<sup>(1)</sup>
- Well Costs: \$6-7.5MM
- >75% Oil/NGLs

(1) Company estimates. See "Hydrocarbon Quantities & Drilling Locations."



## Highlights

- **Focus on efficiency**
  - Per well cost \$6-\$7.5 mm; down from \$8 - \$10 MM
  - 44% reduction in drilling days
  - 42% reduction in completion days



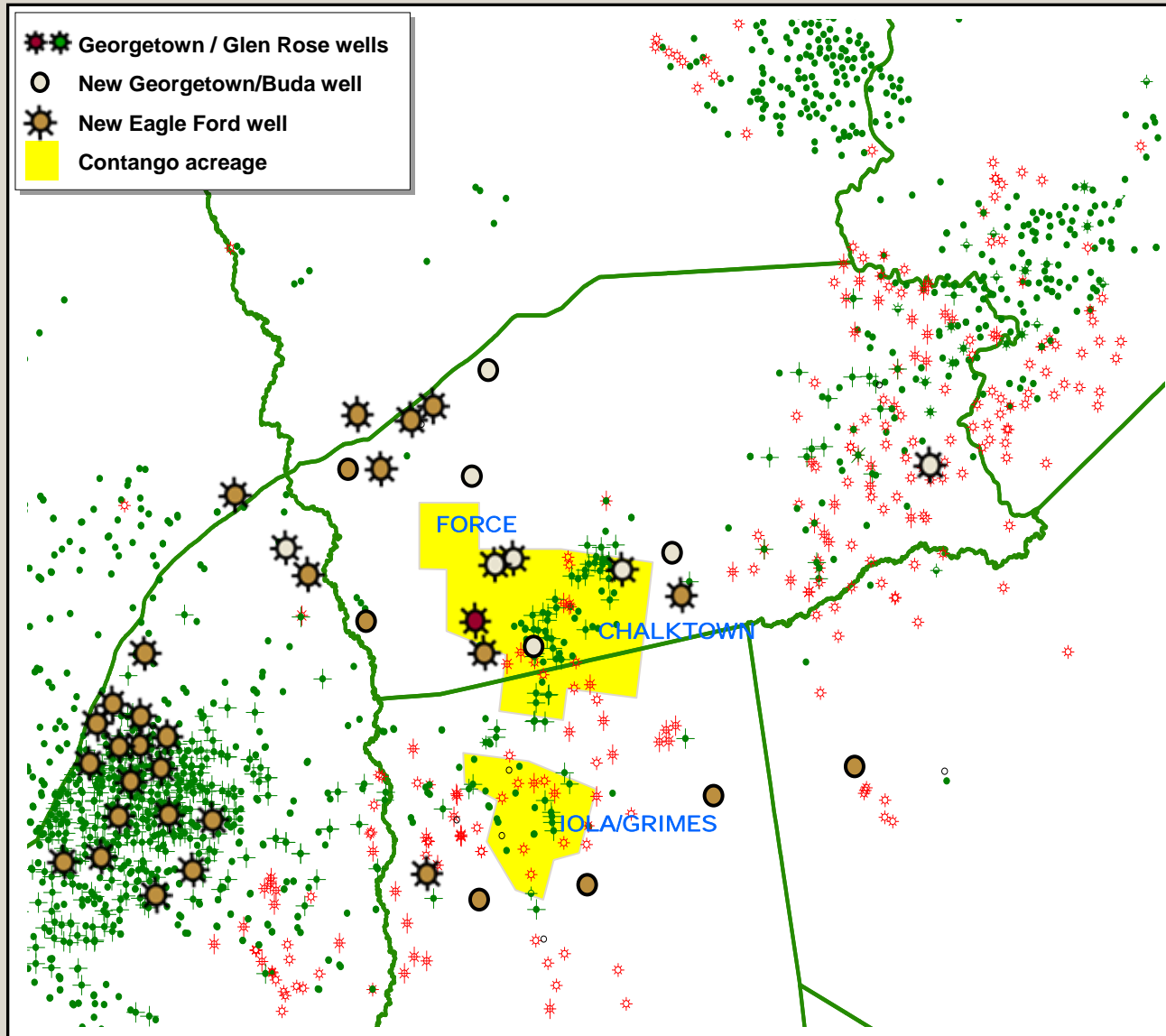
Competitor Activity

■ Eagle Ford Drilling Nearby

- HK, EOG, ECA, others testing Eagle Ford in Brazos County
- Activity moving northeast
- MCF will continue to monitor offset well results
- Possible Eagle Ford Test well in 2014
- 216 potential locations

■ Georgetown / Buda

- DVN, Navidad, CEP have drilled nearby wells
- MCF is watching well results – no activity planned for 2014
- 112 potential locations





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**STX – BUDA / EAGLE FORD**

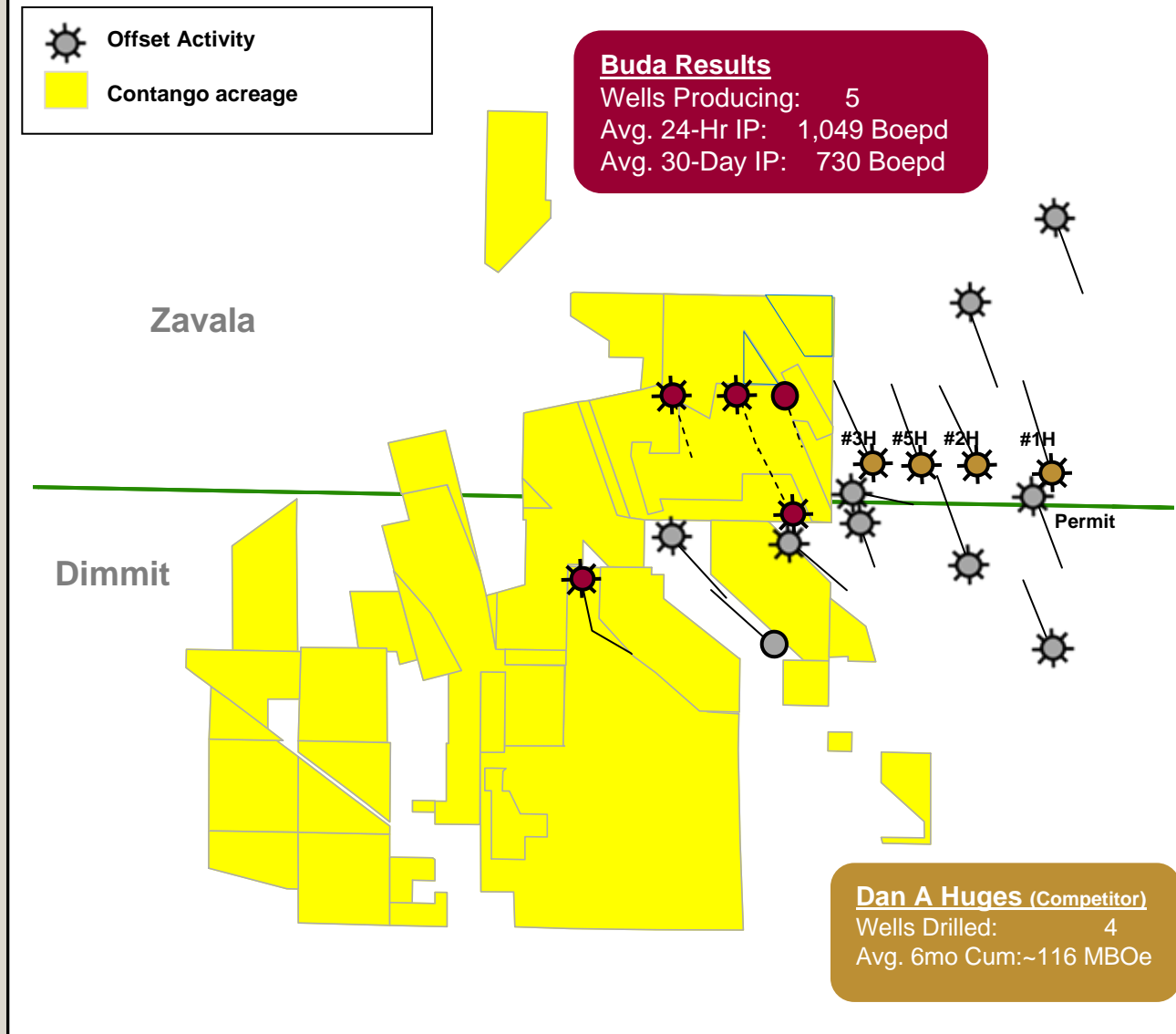
*LOW RISK, REPEATABLE LONG  
TERM GROWTH DRIVER*

# STX BUDA OVERVIEW ZAVALA/DIMMIT COUNTY

## Highlights

- **5,700 net acres**
  - Booth-Tortuga Area
  - >90 % HBP
- 19 Gross wells planned for 2014
  - \$33 MM, net
- >30 Locations
- EURs: 200-300 Mboe<sup>(1)</sup>
- Net Potential: 1.2 Mmboe<sup>(1)</sup>
- Well Costs: ~\$3 - 4mm
- >90% Oil

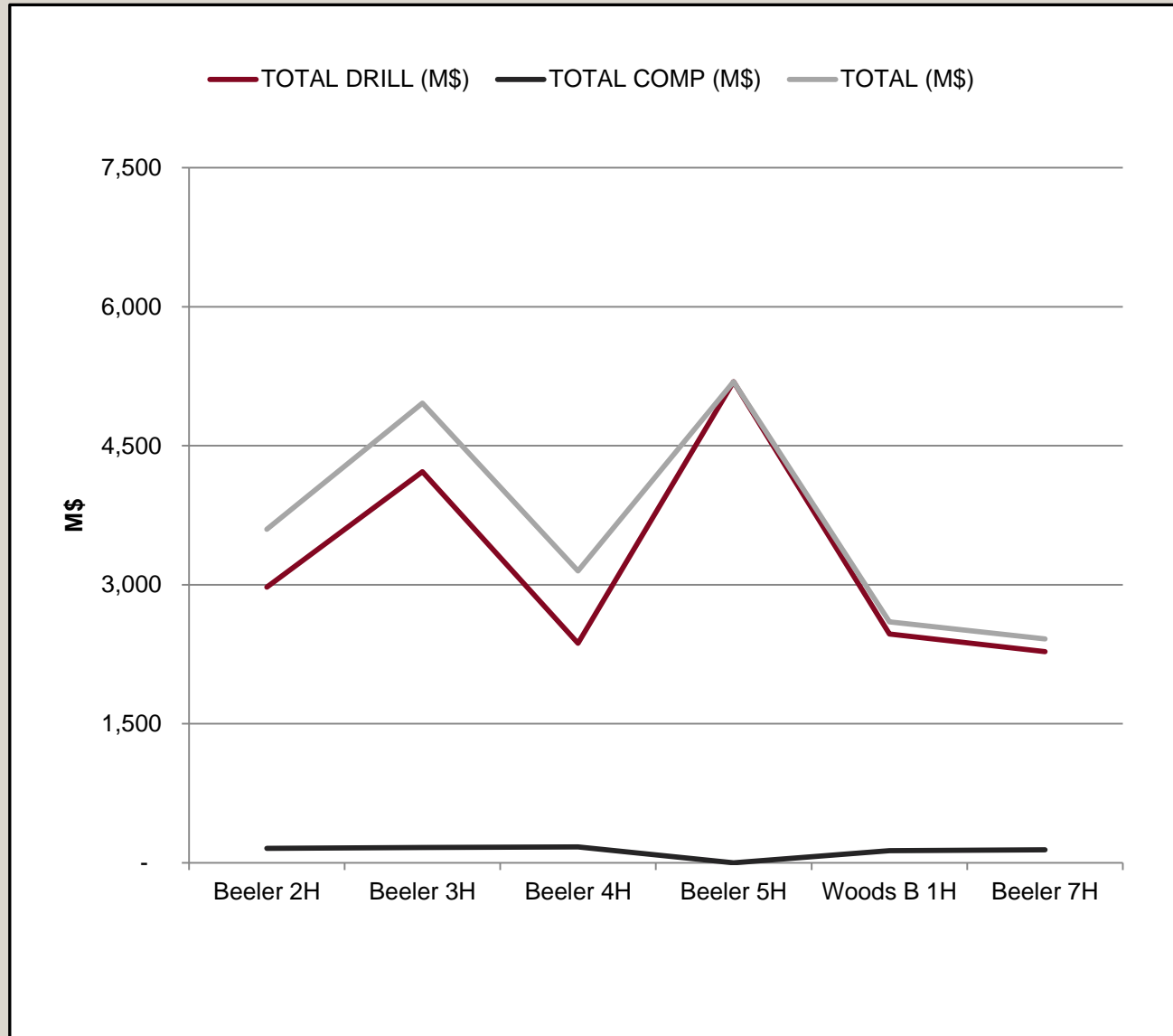
(1) Company estimates. See "Hydrocarbon Quantities & Drilling Locations."



## Highlights

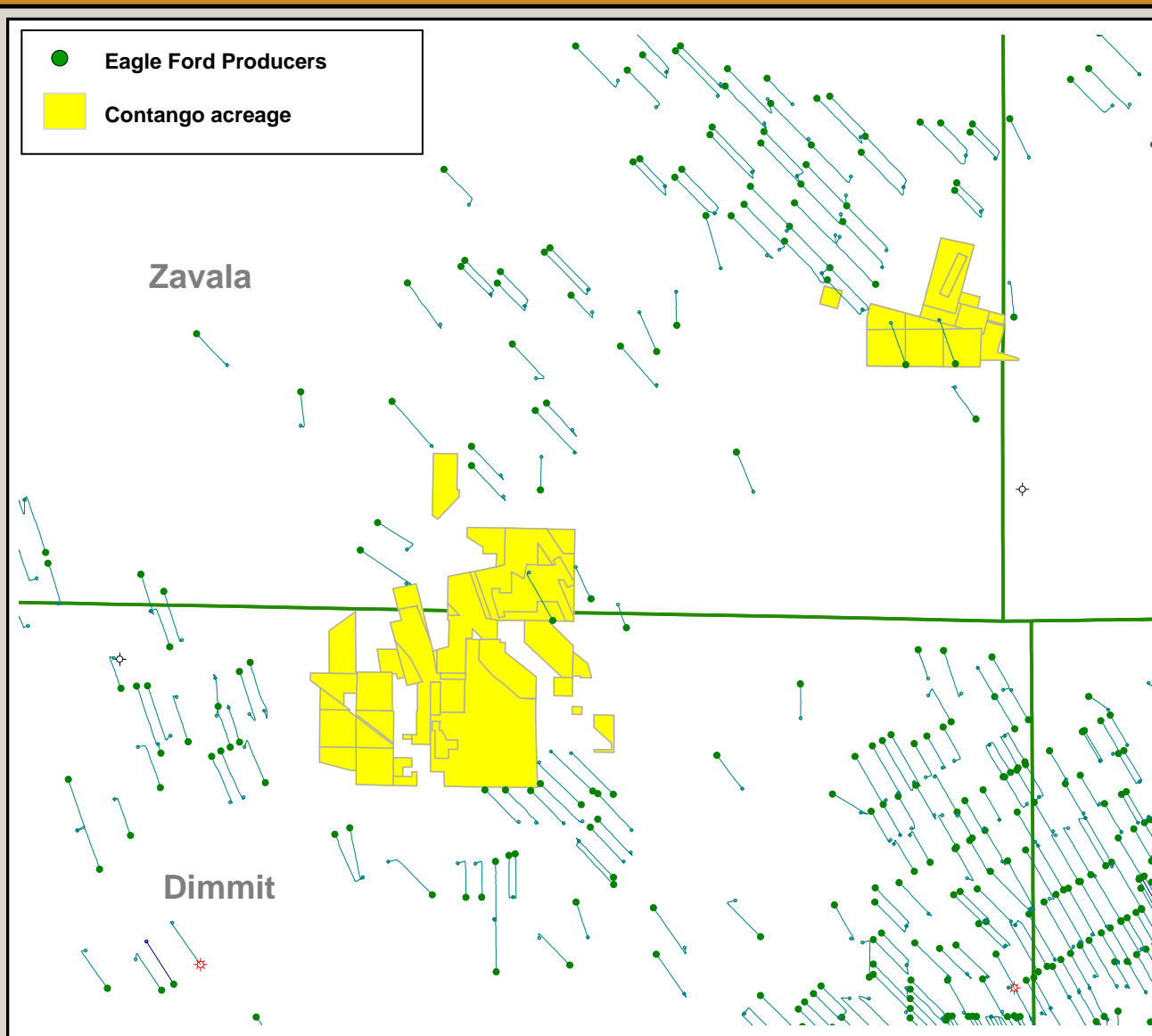
### Focus on efficiency

- Per well cost \$3-\$4 mm; down from \$3.5 - \$5 MM
- 48% reduction in drilling days on last two wells
- 17% reduction in completion days on last two wells



## Highlights

- **8,400 net acres**
  - >90% HBP
  - Zavala/Dimmit: 6,900 net acres
  - Karnes: 1,100 net acres
  - Bee: 400 acres
- 215 Locations
- EURs: 350-450 Mboe<sup>(1)</sup>
- Net potential: 31 Mmboe<sup>(1)</sup>
- Well Costs: \$7-8mm
- 87% Oil/NGLs



(1) Company estimates. See "Hydrocarbon Quantities & Drilling Locations."



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**OTHER ONSHORE**

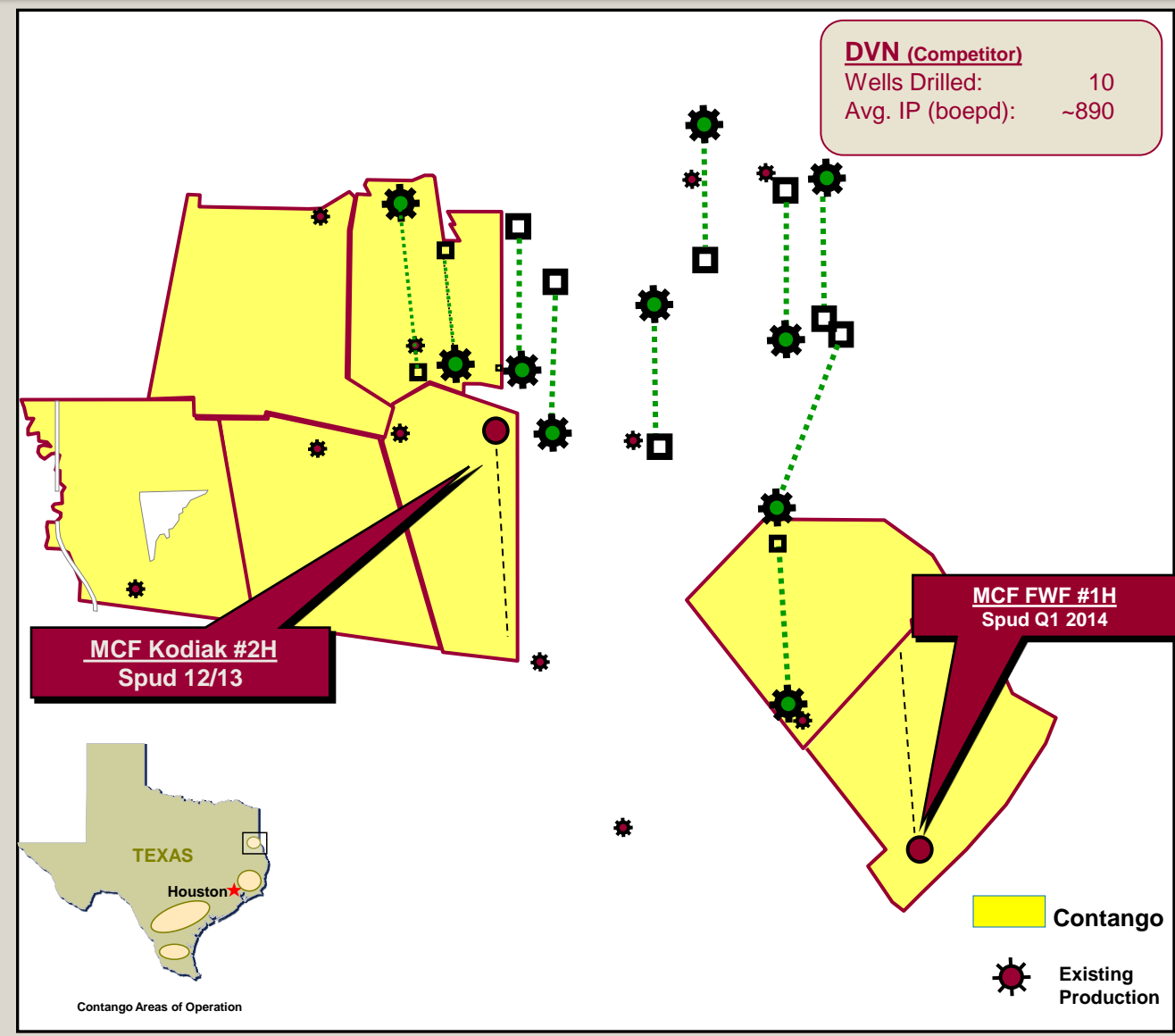
***LOW RISK, REPEATABLE LONG  
TERM GROWTH DRIVER***

# ETX -- JAMES LIME OVERVIEW SAN AUGUSTINE/SABINE COUNTIES



## Highlights

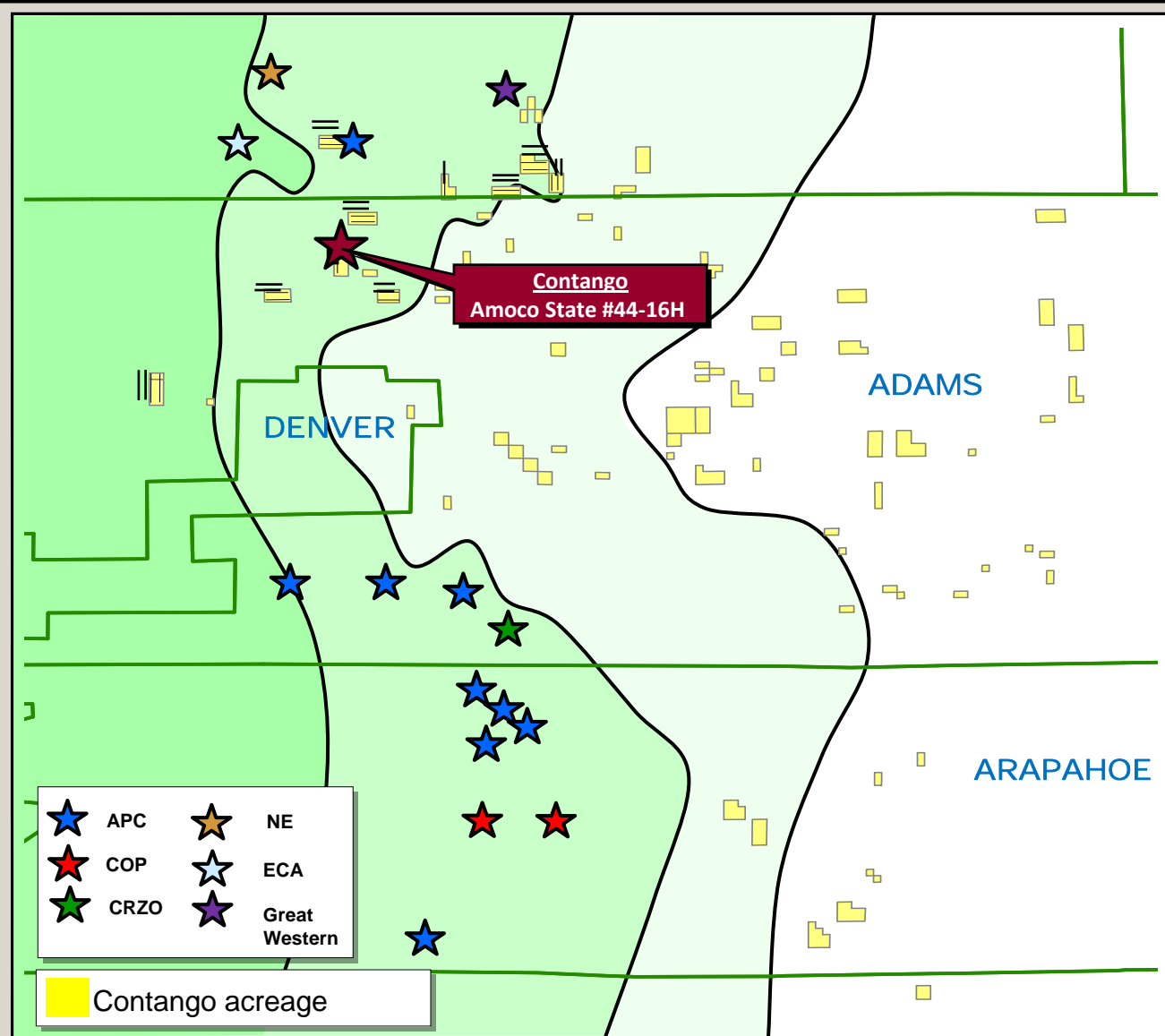
- **4,800 net acres**
  - San Augustine and Sabine Counties
  - >90% HBP
- 2 Gross wells planned for 2014
  - \$8 MM, net
- 25-50 Locations
- EURs: 2-4 Bcfe
- Net Potential: 114 Bcfe
- Well Costs: \$6-7MM
- ~60% Oil/NGLs
- 7 producing wells from the Haynesville Shale and Middle Bossier



# NIOBRARA PLAY COLORADO ACTIVITY

## Niobrara Highlights

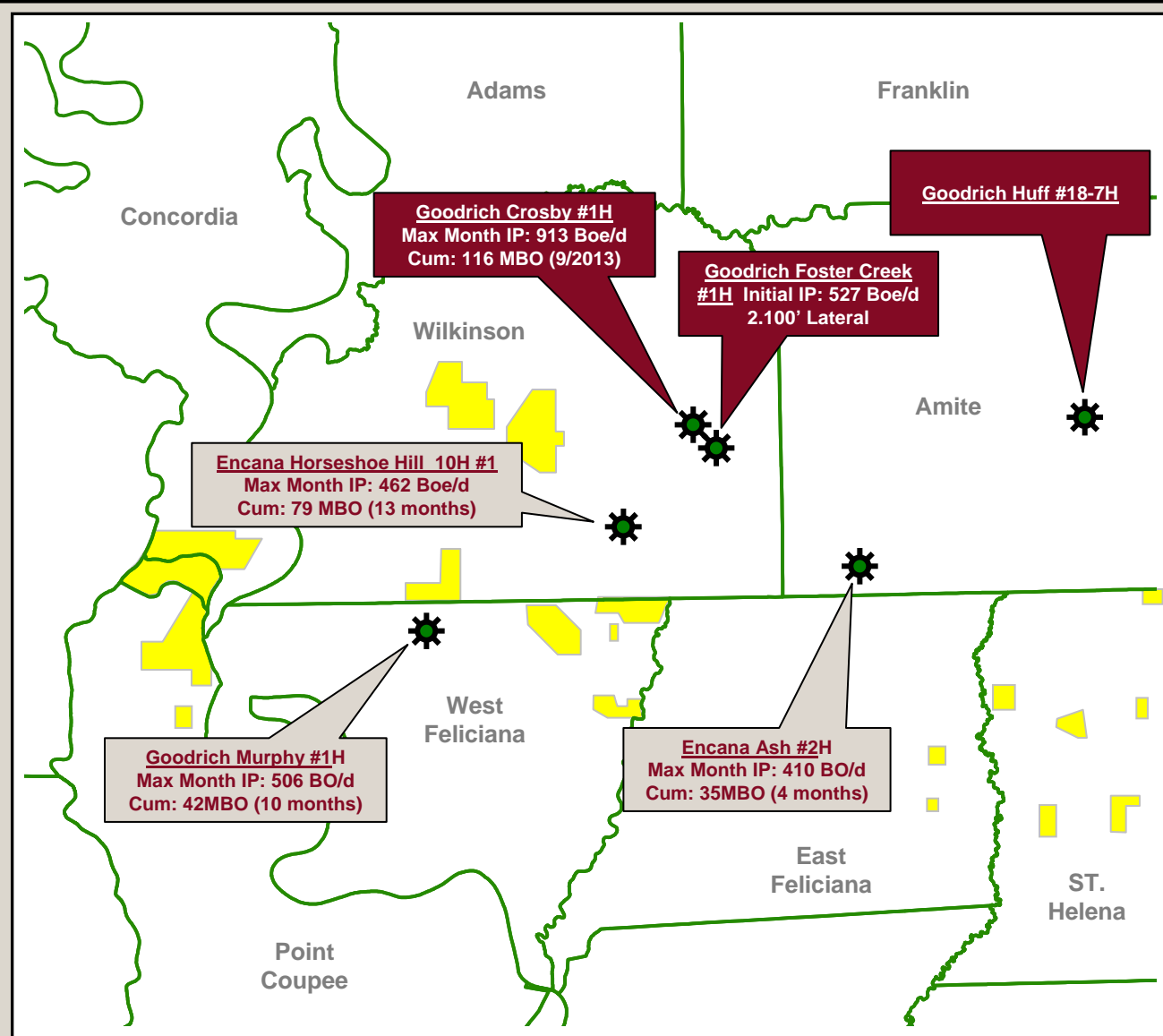
- **10,000 net acres**
  - >90% HBP
  - Adam/Weld/Arapahoe Counties
- 1 Gross well planned for 2014
  - \$3 MM, net
- 21 Locations
- EUR: 300-500 Mboe<sup>(1)</sup>
- Net Potential: 3.3 Mmboe<sup>(1)</sup>
- Well Costs: ~\$5 - 6mm
- >90% Oil/NGLs



(1) Company estimates. See "Hydrocarbon Quantities & Drilling Locations."

## Asset Overview

- **Initial entry in to play**
  - 25% non-operating WI in the Goodrich Crosby 12H-1 well in Wilkinson Co, MS in October 2012
  - Well is currently producing ~315 barrels of oil per day, with cumulative production of 116,000 barrels of oil through 9/30/2013
  
- **Subsequent investment**
  - ~28,000 acres in the TMS as of 9/30/2013
  - participate in small non-op WI to gain knowledge/experience prior to initiating an operated, drilling program
  - CMR / Foster Creek (< 1%)
  - Huff (~3%)





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**FUNDING THE FUTURE**

*BALANCE SHEET STRENGTH  
SUPPORTS GROWTH OBJECTIVES*

## Strong Pro Forma Balance Sheet

\$ in millions	Contango As Adjusted (9/30/13) <sup>(1)</sup>
<b>Balance Sheet Data:</b>	
Cash	\$10
Senior Debt	110
Stockholders Equity	580
Total Capitalization	\$690
<b>Credit Statistics:</b>	
Net Debt / Book Capitalization	16%
Net Debt / LTM Adjusted EBITDAX <sup>(1)(2)</sup>	< 1.0 x
Net Debt / Proved Reserves (\$/Mcf)	\$0.35
Net Debt / Proved Developed Reserves (\$/Mcf)	\$0.43
Borrowing Base / Net Availability	\$275 / \$165
Pro Forma LTM Adjusted EBITDAX <sup>(1)(2)</sup>	\$184

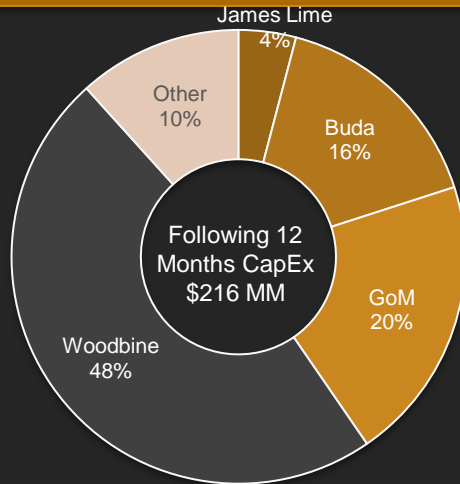
(1) Pro Forma data from Contango Pro Forma Financial statements; see Contango 8-K/A 12/13/2013

(2) Adjusted EBITDAX = EBITDAX adjusted for other items; see Contango 8-k from 11/12/2013

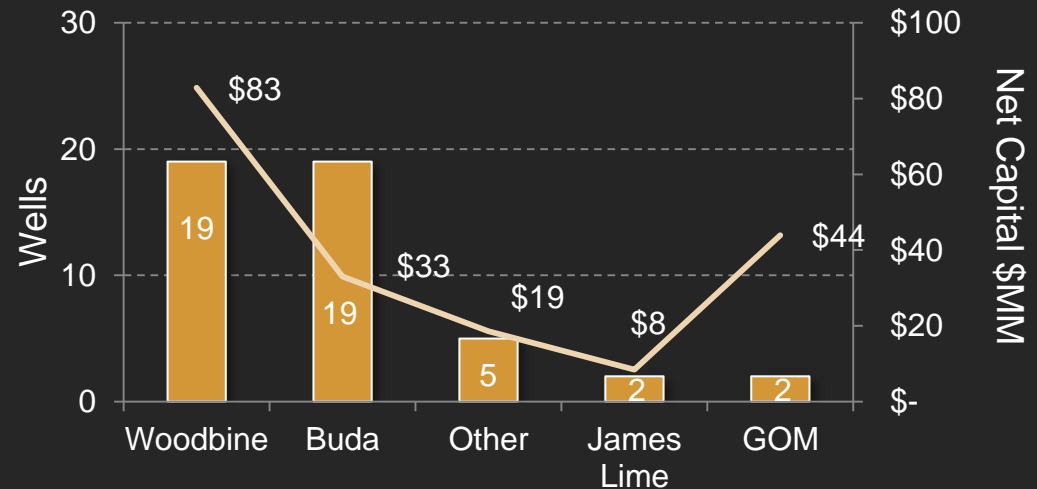
## Development Strategy

- Fund exploration and development with cash flow
- Primary focus on liquids-rich onshore resource plays complemented with potentially high-impact GoM prospects
- Advantage of being substantially held by production
- 2014 Activity -- \$216MM; 47 gross wells, 27.9 net
  - Madison/Grimes, Buda, and James Lime
  - Individual tests of other formations
  - Monitor offset activity in TMS

## 2014 Estimated Capital Expenditures



## 2014 Wells Planned by Play



Source: Internal estimates.

## Attractive asset base

- 52.3 Mmboe (313.9 Bcfe) of proved reserves<sup>(1)</sup>
- 4 x unproved reserve potential
- Operational control >80%

## Near term catalysts

- Horizontal Woodbine/Lewisville/Georgetown
- STX Buda and Eagle Ford Shale
- James Lime/Haynesville/Mid-Bossier
- TMS
- Niobrara Shale

## Financial flexibility

- No near-term debt maturities
- Sufficient liquidity to pursue strategic plan
- Strong balance sheet
- Active hedging program

<sup>(1)</sup> Based on SEC pricing at 12/31/2013.



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APPENDIX

## Current Position and Past Experience

Allan D. Keel

- **President, Chief Executive Officer and Director**
- President/CEO, Crimson Exploration Inc. (since 2005)
- VP / GM, Westport Resources
- President / COO, Mariner Energy & Woodside Energy

E. Joseph Grady

- **Senior Vice President and Chief Financial Officer**
- Senior Vice President & Chief Financial Officer, Crimson Exploration Inc. (since 2005)
- Chief Financial Officer, Texas Petrochemicals Holdings
- Chief Financial Officer, Forcenergy & Pelto Oil Company

Tommy H. Atkins

- **Senior Vice President – Exploration**
- Senior Vice President – Exploration, Crimson Exploration Inc. (since 2005)
- General Manager, Newfield Exploration
- Exploration Manager, EOG Resources

Steve Mengle

- **Senior Vice President – Engineering**
- Senior Vice President - Engineering, Crimson Exploration Inc. (since 2005)
- Asset Manager, Kerr-McGee
- Senior management at Norcen Explorer & Westport Resources

A. Carl Isaac

- **Senior Vice President – Operations**
- Senior Vice President - Operations, Crimson Exploration Inc. (since 2010)
- Executive Vice President, Beryl Resources
- Operations Management roles at Equitable Resources, Westport Resources, Kerr-McGee and Enduring Resources

This presentation includes certain estimates of proved reserves that have not been prepared in accordance with SEC pricing guidelines. Other estimates of hydrocarbon quantities included herein may not comport with specific definitions of reserves under SEC rules and cannot be disclosed in SEC filings. The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves, which are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions (using unweighted average 12-month first day of the month prices), operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation.

SEC rules require pricing of reserves using a 12-month first day of the month index price average as of December 31, 2013, which were \$93.42 per barrel of oil and condensate and \$3.67 per Mmbtu of natural gas, adjusted for regional price differentials and transportation costs.

Onshore reserves (except for TMS) were prepared by Netherland Sewell & Associates, Inc. Offshore and TMS reserves were prepared by William M. Cobb & Associates. All other reserves prepared by Company-engineered reserve reports, except where otherwise stated. In this presentation, we have used the following terms to refer to unproved hydrocarbon quantities that the SEC rules would prohibit from inclusion in SEC filings:

**“Unproved reserve or resource potential”** refers to Contango's internal estimates of hydrocarbon quantities that may be potentially discovered through exploratory drilling or recovered with additional drilling or recovery techniques. Unproved reserve or resource potential may not constitute reserves within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or proposed SEC rules and does not include any proved reserves. Area wide unproved reserve or resource potential has been risked using a risk factor selected by Contango's management. Actual quantities that may be ultimately recovered from Contango's interests will differ substantially. Factors affecting ultimate recovery include the scope of our ongoing drilling program, which will be directly affected by the availability of capital, drilling and production costs, availability of drilling services and equipment, drilling results, lease expirations, transportation constraints, regulatory approvals and other factors; and actual drilling results, including geological and mechanical factors affecting recovery rates. Estimates of resource potential may change significantly as development of our resource plays provides additional data.

**“EUR”**, or Estimated Ultimate Recovery, refers to Contango's internal estimates of per well hydrocarbon quantities that may be potentially recovered from a hypothetical future well completed as a producer in the area. These quantities do not necessarily constitute or represent reserves within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or proposed SEC rules.

Oil and condensate resource potential is shown in Mcf equivalents based on a 6:1 Mcf/barrel conversion ratio. Liquid resource potential for other areas is converted to Mcf equivalent on 6:1 basis.

In this presentation, "potential drilling locations" represent the number of locations that we currently estimate could potentially be drilled in a particular area determined by (a) dividing the number of net acres in which we have an interest by the Company estimated well spacing requirements applicable to that area, and (b) reducing the resulting number by a risk factor based on our management's internal estimates of the risks and probabilities associated with drilling in that area. Our actual drilling activities will depend on oil and natural gas prices, the availability of capital, drilling and production costs, availability of drilling services and equipment, drilling results, lease expirations, gathering system and transportation constraints, regulatory approvals and other factors. We may not be able to drill wells on many of these locations.



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