



Supplemental Q3 2013 Earnings Results



THE MONTHLY DISTRIBUTION MLP™

Third Quarter 2013 Highlights



- Adjusted EBITDA (a non-GAAP financial measure defined below) increased 25% to \$82.7 million in the third quarter of 2013 from \$66.3 million in the third quarter of 2012 and increased 3% from the \$80.3 million recorded in the second quarter of 2013.
- Distributable Cash Flow Available to Common and Class B Unitholders (a non-GAAP financial measure defined below) increased 44% to \$52.9 million from the \$36.6 million generated in the third quarter of 2012 and increased 9% from the \$48.4 million generated in the second quarter of 2013.
- We reported net income available to common and Class B unitholders for the quarter of \$1.9 million or \$0.02 per basic unit compared to a reported net loss of \$68.7 million or \$(1.29) per basic unit in the third quarter of 2012. The recent quarter includes net non-cash losses of \$20.6 million that are adjustments to arrive at Adjusted Net Income available to common and Class B unitholders (a non-GAAP financial measure defined below). The third quarter of 2012 results included net non-cash losses of \$86.7 million.
- Adjusted Net Income available to common and Class B unitholders (a non-GAAP financial measure defined below) was \$22.6 million in the third quarter of 2013, or \$0.29 per basic unit, as compared to \$17.9 million, or \$0.34 per basic unit, in the third quarter of 2012.
- Reported average production of 35,250 BOE per day in the third quarter of 2013, up 45% over 24,367 BOE per day produced in the third quarter of 2012 and a 3% decrease over 36,477 BOE per day produced in the second quarter of 2013. On a BOE basis, crude oil, natural gas and natural gas liquids (“NGLs”) accounted for 24%, 64%, and 12% of our third quarter 2013 production, respectively.

Selected Summary Financials



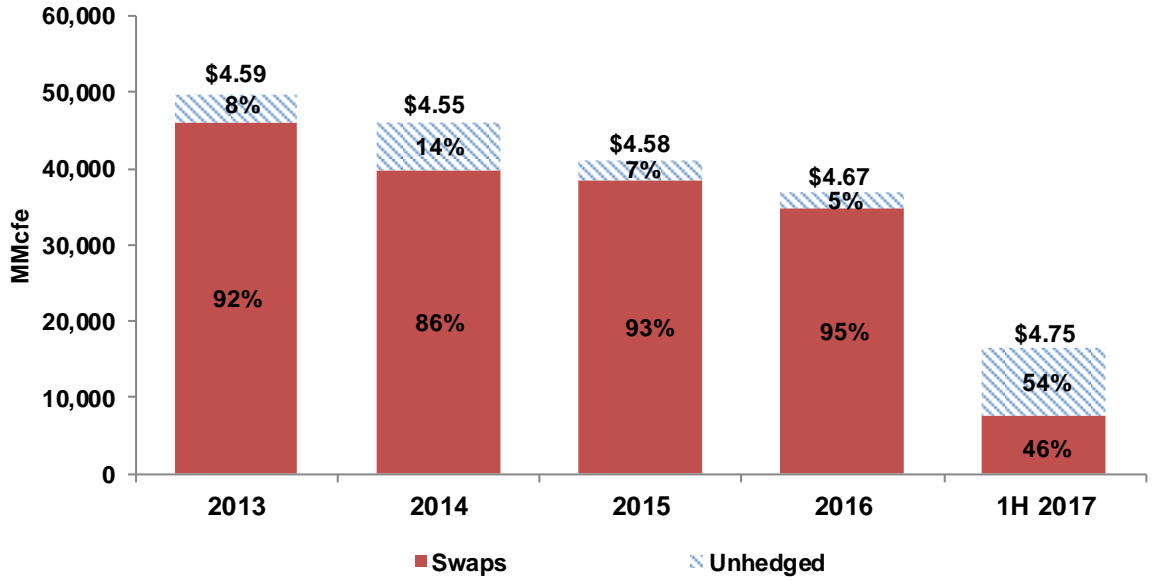
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
	(\$ in thousands, except per unit data)			
Production (BOE/d)	35,250	24,367	34,957	16,786
Oil, natural gas and natural gas liquids sales	\$ 121,510	\$ 78,871	\$ 334,929	\$ 228,029
Realized gain (loss) on commodity derivative contracts	\$ (5,359)	\$ 318	\$ (2,175)	\$ (756)
Unrealized gain (loss) on commodity derivative contracts	\$ (12,355)	\$ (51,332)	\$ 13,781	\$ 9,243
Operating expenses	\$ 36,436	\$ 26,567	\$ 106,425	\$ 75,918
Selling, general and administrative expenses	\$ 5,730	\$ 5,499	\$ 19,179	\$ 15,298
Depreciation, depletion, amortization, and accretion	\$ 41,750	\$ 31,245	\$ 123,354	\$ 73,897
Impairment of oil and natural gas properties	\$ —	\$ 18,029	\$ —	\$ 18,029
Net income (loss) available to common and Class B unitholders	\$ 1,881	\$ (68,727)	\$ 56,007	\$ 32,696
Adjusted net income available to common and Class B unitholders ⁽¹⁾	\$ 22,601	\$ 17,932	\$ 58,591	\$ 48,153
Adjusted net income available to common and Class B unitholders, per common unit ⁽¹⁾	\$ 0.29	\$ 0.34	\$ 0.82	\$ 0.92
Adjusted EBITDA ⁽¹⁾	\$ 82,687	\$ 66,277	\$ 235,401	\$ 163,965
Interest expense, including realized losses on interest rate derivative contracts	\$ 15,819	\$ 12,857	\$ 49,129	\$ 29,158
Drilling, capital workover and recompletion expenditures	\$ 12,774	\$ 16,925	\$ 42,192	\$ 40,285
Distributions to preferred unitholders	\$ 1,240	\$ —	\$ 1,392	\$ —
Distributable cash flow available to common and Class B unitholders ⁽¹⁾	\$ 52,854	\$ 36,640	\$ 142,688	\$ 100,044
Distributable cash flow available to common and Class B unitholders, per common unit ⁽¹⁾	\$ 0.68	\$ 0.67	\$ 1.93	\$ 1.89
Common and Class B units distribution coverage ⁽¹⁾	1.09x	1.12x	1.05x	1.06x
Weighted average common and Class B units outstanding	77,903	53,139	71,351	52,555

(1) Non-GAAP financial measures. Please see Adjusted Net Income, Adjusted EBITDA and Distributable Cash Flow tables in this presentation for a reconciliation of these measures to their nearest comparable GAAP measure.

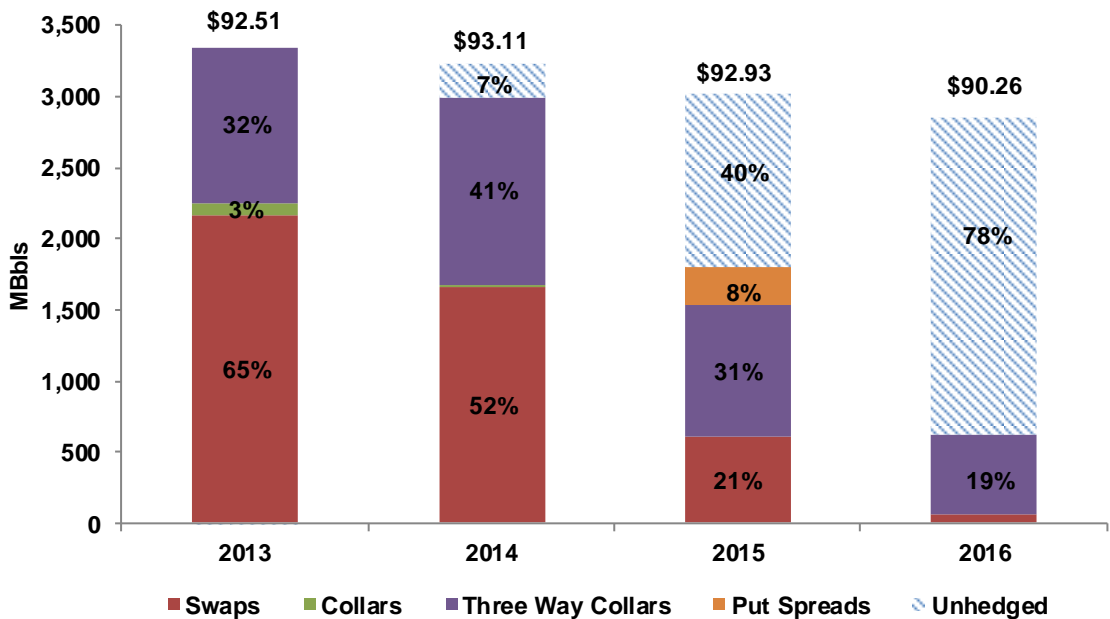
Commodity Hedge Summary



Gas Hedges



Oil Hedges



Note: Hedge prices reflect a weighted average of swap prices, floor prices on collars and long put prices on three way collars. Excludes NGL production. Weighted average floor price includes impact from the range bonus accumulators in 2013-2014.

Natural Gas and NGL Hedge Positions (Full Year)



	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
Natural Gas Positions:					
Fixed Price Swaps:					
Notional Volume (MMBtu)	46,080,000	39,750,225	38,507,500	34,953,000	7,602,000
Fixed Price (\$/MMBtu)	\$4.59	\$4.55	\$4.58	\$4.67	\$4.75
Total:					
Notional Volume (MMBtu)	46,080,000	39,750,225	38,507,500	34,953,000	7,602,000
Fixed Price (\$/MMBtu)	\$4.59	\$4.55	\$4.58	\$4.67	\$4.75
Basis Swaps: (1)					
Notional Volume (MMBtu)	912,500	452,500	-	-	-
Fixed Price (\$/MMBtu)	(\$0.32)	(\$0.32)	-	-	-
Swaptions and Calls:					
Notional Volume (MMBtu)	-	1,642,500	-	-	-
Fixed Price (\$/MMBtu)	-	\$5.69	-	-	-
	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
Natural Gas Liquids:					
Fixed Price Swaps					
Mont Belviu Ethane					
Notional Volume (Bbls)	59,333	70,774	-	-	-
Fixed Price (\$/Bbl)	\$11.0250	\$11.0250	-	-	-
Mont Belviu Propane					
Notional Volume (Bbls)	44,355	144,157	91,250	-	-
Fixed Price (\$/Bbl)	\$37.9050	\$40.4971	\$42.00	-	-
Mont Belviu N. Butane					
Notional Volume (Bbls)	12,638	15,075	-	-	-
Fixed Price (\$/Bbl)	\$65.6208	\$65.6208	-	-	-
Mont Belviu Isobutane					
Notional Volume (Bbls)	13,479	16,078	-	-	-
Fixed Price (\$/Bbl)	\$70.2366	\$70.2366	-	-	-
Mont Belviu N. Gasoline					
Notional Volume (Bbls)	23,195	27,667	-	-	-
Fixed Price (\$/Bbl)	\$88.5738	\$88.5738	-	-	-
Total					
Notional Volume (Bbls)	153,000	273,750	91,250	-	-
Fixed Price (\$/Bbl)	\$40.3001	\$40.8667	\$42.00	-	-

Oil Hedge Positions (Full Year)



	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
Oil Positions:					
Fixed Price Swaps:					
Notional Volume (Bbls)	2,166,900	1,669,875	619,000	73,200	-
Fixed Price (\$/Bbl)	\$90.61	\$90.07	\$91.26	\$92.25	-
Collars:					
Notional Volume (Bbls)	82,125	12,000	-	-	-
Floor Price (\$/Bbl)	\$88.89	\$100.00	-	-	-
Ceiling Price (\$/Bbl)	\$102.78	\$116.20	-	-	-
Three Way Collars:					
Notional Volume (Bbls)	1,100,650	1,313,850	924,055	549,000	-
Floor Price (\$/Bbl)	\$94.15	\$93.47	\$92.10	\$90.00	-
Ceiling Price (\$/Bbl)	\$102.41	\$101.26	\$101.55	\$95.00	-
Put Sold (\$/Bbl)	\$72.28	\$72.57	\$72.04	\$70.00	-
Put Spreads:					
Notional Volume (Bbl)	-	-	255,500	-	-
Floor Price (\$/Bbl)	-	-	\$100.00	-	-
Put Sold (\$/Bbl)	-	-	\$75.00	-	-
Total:					
Notional Volume (Bbls)	3,349,675	2,995,725	1,798,555	622,200	-
Fixed Price (\$/Bbl)	\$92.51	\$93.11	\$92.93	\$90.26	-
Basis Swaps:					
Midland-Cushing					
Notional Volume (Bbls)	471,000	584,000	365,000	-	-
Fixed Price (\$/Bbl)	(\$1.00)	(\$0.84)	(\$0.90)	-	-
Cushing-WTS					
Notional Volume (Bbls)	247,500	328,500	-	-	-
Fixed Price (\$/Bbl)	(\$1.05)	(\$1.05)	-	-	-
LLS-Brent					
Notional Volume (Bbls)	-	182,500	-	-	-
Fixed Price (\$/Bbl)	-	(\$3.95)	-	-	-
LLS-WTI					
Notional Volume (Bbls)	84,000	-	-	-	-
Fixed Price (\$/Bbl)	\$9.60	-	-	-	-
Swaptions and Calls:					
Notional Volume (Bbls)	159,850	492,750	508,445	622,200	-
Fixed Price (\$/Bbl)	\$100.14	\$117.22	\$105.98	\$125.00	-
Range Bonus Accumulators:					
Notional Volume (Bbl)	685,000	912,500	-	-	-
Bonus (\$/Bbl)	\$3.83	\$4.94	-	-	-
Range Ceiling (\$/Bbl)	\$104.49	\$103.20	-	-	-
Range Floor (\$/Bbl)	\$72.63	\$70.50	-	-	-
Puts Sold					
Notional Volume (Bbls)	834,650	-	619,000	73,200	-
Put Sold (\$/Bbl)	\$65.13	-	\$72.05	\$75.00	-

Adjusted EBITDA / Distributable Cash Flow and Adjusted Net Income



Adjusted EBITDA

Adjusted EBITDA is a significant performance metric used by management and by external users of our financial statements such as investors, research analysts and others to assess the financial performance of our assets without regard to financing methods, capital structure or historical cost basis; the ability of our assets to generate cash sufficient to pay interest costs and support our indebtedness; and our operating performance and return on capital as compared to those of other companies in our industry.

Adjusted EBITDA is not intended to represent cash flows for the period, nor is it presented as a substitute for net income (loss), operating income (loss), cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Our Adjusted EBITDA excludes some, but not all, items that affect net income (loss) and operating income (loss) and these measures may vary among other companies. Therefore, our Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Distributable Cash Flow

Distributable Cash Flow Available to Common and Class B Unitholders is used by management as a tool to measure (prior to the establishment of any cash reserves by our board of directors) the cash distributions we could pay our common and Class B unitholders. Specifically, this financial measure indicates to investors whether or not we are generating cash flow at a level that can sustain or support an increase in our monthly distribution rate to our common and Class B unitholders. While Distributable Cash Flow Available to Common and Class B Unitholders is measured on a quarterly basis for reporting purposes, management must consider the timing and size of its planned capital expenditures in determining the sustainability of its monthly distribution to common and Class B unitholders. Capital expenditures are typically not spent evenly throughout the year due to a variety of factors including weather, rig availability, and the commodity price environment. As a result, there will be some volatility in Distributable Cash Flow Available to Common and Class B Unitholders measured on a quarterly basis. Distributable Cash Flow Available to Common and Class B Unitholders is not intended to be a substitute for net income (loss), operating income (loss), cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP.

Adjusted Net Income

This information is provided because management believes exclusion of the impact of these items will help investors compare results between periods and identify operating trends that could otherwise be masked by these items and to highlight the significant fluctuations that commodity price volatility has on our results, particularly as it relates to unrealized changes in the fair value of our derivative contracts. Adjusted Net Income Available to Common and Class B Unitholders is not intended to represent cash flows for the period, nor is it presented as a substitute for net income (loss), operating income (loss), cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP.

Adjusted EBITDA and Distributable Cash Flow (a)



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income (loss)	\$ 3,121	\$ (68,727)	\$ 57,399	\$ 32,696
Plus:				
Interest expense, including realized losses on interest rate derivative contracts	15,819	12,857	49,129	29,158
Depreciation, depletion, amortization, and accretion	41,750	31,245	123,354	73,897
Impairment of oil and natural gas properties	—	18,029	—	18,029
Amortization of premiums paid on derivative contracts	56	3,441	165	10,516
Amortization of value on derivative contracts acquired	7,444	14,213	22,872	14,096
Unrealized (gains) losses on commodity and interest rate derivative contracts	13,097	53,795	(17,075)	(3,736)
(Gain) loss on acquisition of oil and natural gas properties, net	236	—	(5,591)	(13,796)
Taxes	101	(16)	(140)	(153)
Compensation related items	942	1,440	4,445	3,258
Material transaction costs incurred on acquisitions	121	—	843	—
Adjusted EBITDA	\$ 82,687	\$ 66,277	\$ 235,401	\$ 163,965
Less:				
Interest expense, net	(15,819)	(12,857)	(49,129)	(29,158)
Drilling, capital workover and recompletion expenditures	(12,774)	(16,925)	(42,192)	(40,285)
Distributions to Preferred unitholders	(1,240)	—	(1,392)	—
Proceeds from sale of leasehold interests	—	145	—	5,522
Distributable cash flow available to common and Class B unitholders	\$ 52,854	\$ 36,640	\$ 142,688	\$ 100,044
Distributable cash flow per common and Class B unit	\$ 0.68	\$ 0.67	\$ 1.93	\$ 1.89
Common and Class B unit distribution coverage	1.09x	1.12x	1.05x	1.06x

- (a) Our Adjusted EBITDA should not be considered as an alternative to net income (loss), operating income (loss), cash flows from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Our Adjusted EBITDA excludes some, but not all, items that affect net income (loss) and operating income (loss) and these measures may vary among other companies. Therefore, our Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Adjusted Net Income



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income (loss) available to common and Class B unitholders	\$ 1,881	\$ (68,727)	\$ 56,007	\$ 32,696
Plus (less):				
Unrealized (gain) loss on commodity derivative contracts	12,355	51,332	(13,781)	(9,243)
Unrealized (gain) loss on interest rate derivative contracts	742	2,463	(3,294)	5,507
Unrealized fair value on phantom units granted to officers	(178)	622	1,535	864
Amortization of value on derivative contracts acquired	7,444	14,213	22,872	14,096
(Gain) loss on acquisition of oil and natural gas properties, net	236	—	(5,591)	(13,796)
Impairment of oil and natural gas properties	—	18,029	—	18,029
Material transaction costs incurred on acquisitions	121	—	843	—
Adjusted net income available to common and Class B unitholders	\$ 22,601	\$ 17,932	\$ 58,591	\$ 48,153
Net income (loss) available to common and Class B unitholders, per common unit	\$ 0.02	\$ (1.29)	\$ 0.78	\$ 0.62
Plus (less):				
Unrealized (gain) loss on commodity derivative contracts	0.16	0.96	(0.19)	(0.17)
Unrealized (gain) loss on interest rate derivative contracts	0.01	0.05	(0.04)	0.10
Unrealized fair value on phantom units granted to officers	—	0.01	0.02	0.02
Amortization of value on derivative contracts acquired	0.10	0.27	0.32	0.27
(Gain) loss on acquisition of oil and natural gas properties, net	—	—	(0.08)	(0.26)
Impairment of oil and natural gas properties	—	0.34	—	0.34
Material transaction costs incurred on acquisitions	—	—	0.01	—
Adjusted net income available to common and Class B unitholders, per common unit	\$ 0.29	\$ 0.34	\$ 0.82	\$ 0.92

Coverage Ratio Calculation



Distribution Coverage Ratio

The coverage ratio is used to determine the amount of actual cash distributions the company makes, relative to the amount it could potentially pay out. The amount of distribution which could be paid out is referred to as Distributable Cash Flow. The coverage ratio is then calculated by dividing Distributable Cash Flow by the actual cash distribution.

	Three Months Ended		
	3/31/13	6/30/13	9/30/13
Adjusted EBITDA	\$72,433	\$80,282	\$82,687
Interest expense, net	(16,385)	(16,925)	(15,819)
Capital expenditures	(14,648)	(14,770)	(12,774)
Distributions to preferred unitholders	-	(152)	(1,240)
Distributable cash flow	<u>\$41,400</u>	<u>\$48,435</u>	<u>\$52,854</u>
Distributable cash flow per unit	\$0.61	\$0.65	\$0.68
Distribution per unit	\$0.6075	\$0.6150	\$0.6225
Units outstanding (millions)	68.4	74.8	77.9
Distribution coverage ratio	1.00x	1.05x	1.09x

Production and Realized Pricing



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013 ^(a)	2012 ^(a)	2013 ^(a)	2012 ^{(a)(b)}
Average realized prices, excluding hedges:				
Oil (Price/Bbl)	\$ 97.38	\$ 82.98	\$ 88.70	\$ 85.93
Natural Gas (Price/Mcf)	\$ 2.47	\$ 1.84	\$ 2.51	\$ 2.39
NGLs (Price/Bbl)	\$ 35.51	\$ 37.91	\$ 36.51	\$ 46.21
Average realized prices, including hedges ^(c) :				
Oil (Price/Bbl)	\$ 84.37	\$ 83.14	\$ 83.45	\$ 84.16
Natural Gas (Price/Mcf)	\$ 3.48	\$ 4.01	\$ 3.38	\$ 4.59
NGLs (Price/Bbl)	\$ 35.56	\$ 37.91	\$ 36.68	\$ 46.21
Average NYMEX prices:				
Oil Price (Price/Bbl)	\$ 105.82	\$ 92.15	\$ 98.22	\$ 96.20
Natural Gas Price (Price/Mcf)	\$ 3.57	\$ 2.81	\$ 3.68	\$ 2.70
Total production volumes:				
Oil (MBbls)	793	682	2,316	2,061
Natural Gas (MMcf)	12,398	8,238	37,565	12,505
NGLs (MBbls)	383	187	966	454
Combined (MBOE)	3,243	2,242	9,543	4,599
Average daily production volumes:				
Oil (Bbls/day)	8,621	7,415	8,484	7,523
Natural Gas (Mcf/day)	134,765	89,547	137,601	45,639
NGLs (Bbls/day)	4,168	2,028	3,540	1,656
Combined (BOE/day)	35,250	24,367	34,957	16,786

- (a) During 2013 and 2012, we acquired certain oil and natural gas properties and related assets. The operating results of these properties are included with ours from the closing date of the acquisition forward.
- (b) On March 30, 2012, we divested oil and natural gas properties in the Appalachian Basin. As such, there are no operating results from these properties included in our operating results from the closing date of the divestiture forward.
- (c) Excludes amortization of premiums paid and amortization on derivative contracts acquired.

Statement of Operations



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues:				
Oil, natural gas and NGLs sales	\$ 121,510	\$ 78,871	\$ 334,929	\$ 228,029
Realized gain (loss) on commodity derivative contracts	(5,359)	318	(2,175)	(756)
Unrealized gain (loss) on commodity derivative contracts	(12,355)	(51,332)	13,781	9,243
Total revenues	103,796	27,857	346,535	236,516
Costs and expenses:				
Production:				
Lease operating expenses	25,339	19,514	76,021	54,754
Production and other taxes	11,097	7,053	30,404	21,164
Depreciation, depletion, amortization, and accretion	41,750	31,245	123,354	73,897
Impairment of oil and natural gas properties	—	18,029	—	18,029
Selling, general and administrative expenses	5,730	5,499	19,179	15,298
Total costs and expenses	83,916	81,340	248,958	183,142
Income (loss) from operations	19,880	(53,483)	97,577	53,374
Other income (expense):				
Interest expense	(14,832)	(12,389)	(46,233)	(27,548)
Realized loss on interest rate derivative contracts	(987)	(468)	(2,896)	(1,610)
Unrealized gain (loss) on interest rate derivative contracts	(742)	(2,463)	3,294	(5,507)
Gain (loss) on acquisition of oil and natural gas properties, net	(236)	—	5,591	13,796
Other	38	76	66	191
Total other expense	(16,759)	(15,244)	(40,178)	(20,678)
Net income (loss)	\$ 3,121	\$ (68,727)	\$ 57,399	\$ 32,696
Distributions to Preferred unitholders	(1,240)	—	(1,392)	—
Net income (loss) available to Common and Class B unitholders	\$ 1,881	\$ (68,727)	\$ 56,007	\$ 32,696
Net income (loss) per Common and Class B units – basic and diluted	\$ 0.02	\$ (1.29)	\$ 0.78	\$ 0.62
Weighted average common units outstanding:				
Common units – basic	77,483	52,719	70,931	52,135
Common units – diluted	77,748	52,719	71,361	52,188
Class B units – basic & diluted	420	420	420	420

Balance Sheet



	September 30, 2013 (Unaudited)	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$ 7,426	\$ 11,563
Trade accounts receivable, net	75,050	51,880
Derivative assets	30,733	46,690
Other current assets	4,051	3,858
Total current assets	117,260	113,991
Oil and natural gas properties, at cost	2,492,082	2,126,268
Accumulated depletion, amortization and impairment	(670,413)	(550,032)
Oil and natural gas properties evaluated, net – full cost method	1,821,669	1,576,236
Other assets		
Goodwill	420,955	420,955
Derivative assets	62,849	53,240
Other assets	33,262	35,712
Total assets	\$ 2,455,995	\$ 2,200,134
Liabilities and members' equity		
Current liabilities		
Accounts payable:		
Trade	\$ 9,638	\$ 8,417
Affiliates	163	32
Accrued liabilities:		
Lease operating	9,421	7,884
Development capital	8,231	4,754
Interest	22,693	11,573
Production and other taxes	19,393	12,852
Derivative liabilities	11,638	5,366
Oil and natural gas revenue payable	19,333	8,226
Distribution payable	16,339	11,919
Other	10,819	8,479
Total current liabilities	127,668	79,502
Long-term debt	957,815	1,247,631
Derivative liabilities	5,337	11,996
Asset retirement obligations, net of current portion	70,059	60,096
Other long-term liabilities	1,345	3,445
Total liabilities	1,162,224	1,402,670
Commitments and contingencies		
Members' equity		
Preferred units, 2,520,000 units issued and outstanding at September 30, 2013	60,635	—
Common units, 77,498,386 units issued and outstanding at September 30, 2013 and 58,706,282 at December 31, 2012	1,230,871	794,426
Class B units, 420,000 issued and outstanding at September 30, 2013 and December 31, 2012	2,265	3,038
Total members' equity	1,293,771	797,464
Total liabilities and members' equity	\$ 2,455,995	\$ 2,200,134