

# Fourth Quarter 2017 Supplement

February 2018

# NBL



# OUTPERFORMED 2017 GOALS

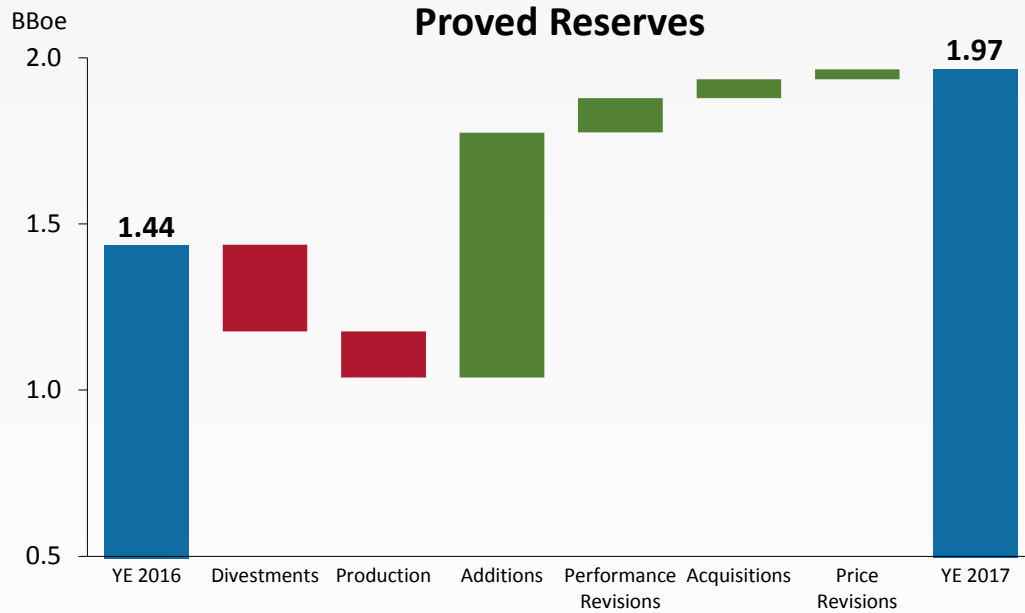
Transformative year as NBL sharpened focus

Goals	Accomplishments
<b>Accelerate Onshore Activities and Drive Capital Efficiencies</b>	<ul style="list-style-type: none"><li>➤ Delivered &gt; 40% U.S. Onshore oil growth from 1Q17 to 4Q17<sup>(1)</sup></li><li>➤ Increased operating cash flow per BOE ~80% from 2016</li><li>➤ Improved returns from drilling efficiencies and productivity</li><li>➤ Demonstrated leading safety and environment performance</li></ul>
<b>Successful Integration of CWEI into NBL</b>	<ul style="list-style-type: none"><li>➤ Established the largest Southern Delaware acreage position</li><li>➤ Commenced full development plan and captured synergies</li><li>➤ Enhanced midstream value through NBLX acreage dedication</li></ul>
<b>Commence Leviathan Development</b>	<ul style="list-style-type: none"><li>➤ Sanctioned one of the largest 2017 offshore projects</li><li>➤ Completed &gt; 40% of Phase I development currently</li></ul>
<b>Grow Value of Midstream to NBL</b>	<ul style="list-style-type: none"><li>➤ Expanded midstream throughput in 2017 through NBL development and third-party business expansion</li><li>➤ Commenced operation of 2 Delaware CGFs</li><li>➤ Completed attractive drop down to NBLX</li></ul>
<b>Target Over \$1 Billion in Portfolio Proceeds</b>	<ul style="list-style-type: none"><li>➤ Delivered &gt; \$2.3 B in proceeds and retired ~\$1.2 B NBL debt</li><li>➤ Divested non-strategic Marcellus, royalty and other assets</li><li>➤ Focused portfolio on high-margin, high-return assets</li></ul>
<b>Focus Exploration on Long-term Value Creation</b>	<ul style="list-style-type: none"><li>➤ Continued to mature portfolio, progressing lowcost, long-term opportunities</li></ul>

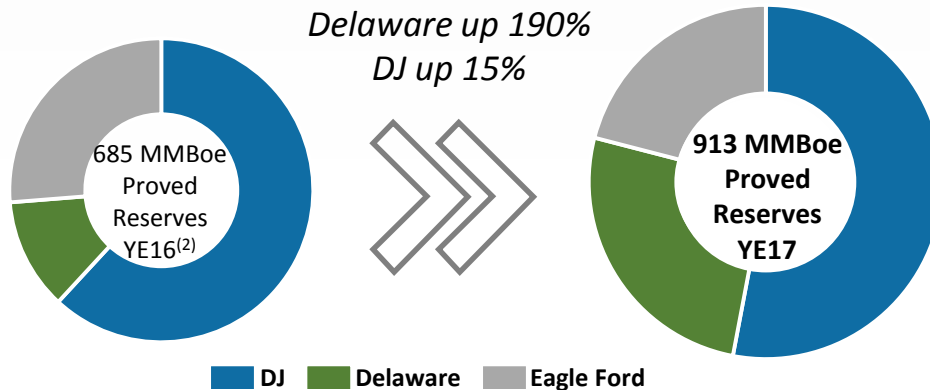
(1) Adjusted for divestments.

# SUBSTANTIAL INCREASE IN PROVED RESERVES

37% growth in proved reserves driven by high-return U.S. Onshore and Israel assets



## U.S. Onshore Reserves



## Key Highlights

- Nearly 2 BBoe Proved Reserves with an Organic Reserve Replacement Ratio<sup>(1)</sup> of ~625%
  - Composition is 35% liquids, 15% U.S. gas and 50% int'l gas
- Organic Reserve Additions and Revisions<sup>(1)</sup> of 871 MMBoe at Low Cost of ~\$2.90/BOE
  - 6.3x 2017 production
- U.S. Onshore Business:
  - Increase of 30% in U.S. onshore liquids
  - 265 MMBoe additions and revisions<sup>(1)</sup>
  - ~300% organic reserve replacement at a cost of ~\$7.00/BOE
  - Texas proved reserves increased > 60% from year-end 2016
- Israel Business:
  - ~3.3 Tcfe natural gas added as a result of the Leviathan sanction
  - 292 Bcfe natural gas added due to Tamar performance

Note: The 2017 price deck for calculating proved reserves, before adjusting for differentials, was \$51.34/Bbl WTI crude oil and \$2.98/MMBtu Henry Hub natural gas.

(1) Includes additions, extensions, discoveries, performance and price revisions. (2) Excludes Marcellus proved reserves.

# 4Q17 KEY HIGHLIGHTS

Exceptional and differential operational execution

## Significant Liquids Growth

- Total volumes of 380 MBoe/d, an increase of nearly 50 MBoe/d from 4Q16<sup>(1)</sup> and 25 MBoe/d from 3Q17
- Delivered U.S. onshore oil growth of > 40% from 1Q – 4Q 2017<sup>(1)</sup>
- Record overall company liquids composition of 56% compared to 46% in 4Q16

## Exceptional Increase in Proved Reserves to Nearly 2 BBoe

- Organic reserve additions, including performance and price revisions of 871 MMBoe at ~\$2.90/BOE
- 265 MMBoe of the additions from U.S. Onshore and 600 MMBoe from world-class EMed
- Value of future cash flows from proved reserves, discounted at 10% increased ~100% from YE16 to ~\$11B

## Improved Operating Expenses and Balance Sheet

- Strengthened balance sheet through non-core asset divestitures and retired ~\$570 MM of NBL debt
- Reduced operating expenses 8% from 3Q17 to \$8.10/BOE
- Reduced DD&A to \$14.28/BOE primarily driven by increased reserve bookings

## Midstream Integration Providing Operational Advantages

- Second central gathering facility (operated by NBLX) online in Delaware Basin in December 2017 with 11 wells currently flowing through the system
- Record 122 MBoe/d oil and gas gathering volumes from NBLX operated systems including 3<sup>rd</sup> party

(1) Adjusted for divestments.

# 4Q17 ACTUALS VS. GUIDANCE

Beat vs. expectation on revenues and lower costs

Financial & Operating Metrics	4Q Guidance	4Q Actuals	Earnings Reconciliation	4Q (\$MM)
Total Sales Volumes (MBoe/d)	380 – 390	380	<b>Net Income attributable to NBL (GAAP)</b>	<b>494</b>
Oil (MBbl/d)	140 – 146	141	Adjustments to Net Income, Before Tax	(104)
Natural Gas Liquids (MBbl/d)	69 – 74	70	Adjusted Net Income attributable to NBL, Before Tax	390
Natural Gas (MMcf/d)	1,005 – 1,045	1,012	Current Tax Effect of Adjustments	-
Organic Capital <sup>(1)</sup> (\$MM)	600 – 700	655	Deferred Tax Effect of Adjustments	36
Equity Investment & Other Income (\$MM)	40 – 45	59	Tax Reform Impact	(270)
Lease Operating (\$/BOE)	4.30 – 4.60	4.49	<b>Adjusted Net Income Attributable to NBL<sup>(3)</sup> (Non-GAAP)</b>	<b>156</b>
Gathering, Transportation & Processing (\$/BOE)	3.00 – 3.25	2.83	<b>Adjusted EBITDAX</b>	<b>4Q (\$MM)</b>
DD&A (\$/BOE)	15.00 – 16.00	14.28	<b>Adjusted Net Income Attributable to NBL<sup>(3)</sup> (Non-GAAP)</b>	<b>156</b>
Production Taxes (% Oil, NGL, Gas Revenues)	4.0 – 4.5	1.7	Interest, net	83
Marketing (\$MM)	10 – 20	8	Current Tax Expense, Adjusted	15
Exploration (\$MM)	40 – 60	41 <sup>(2)</sup>	Deferred Tax Benefit, Adjusted	(5)
G&A (\$MM)	95 – 110	111	DD&A	499
Interest, net (\$MM)	80 – 90	83	Exploration	41 <sup>(2)</sup>
			<b>Adjusted EBITDAX<sup>(3)</sup> (Non-GAAP)</b>	<b>789</b>

(1) Excludes NBLX funded capital expenditures. (2) Excludes certain expiring leases in the Gulf of Mexico.

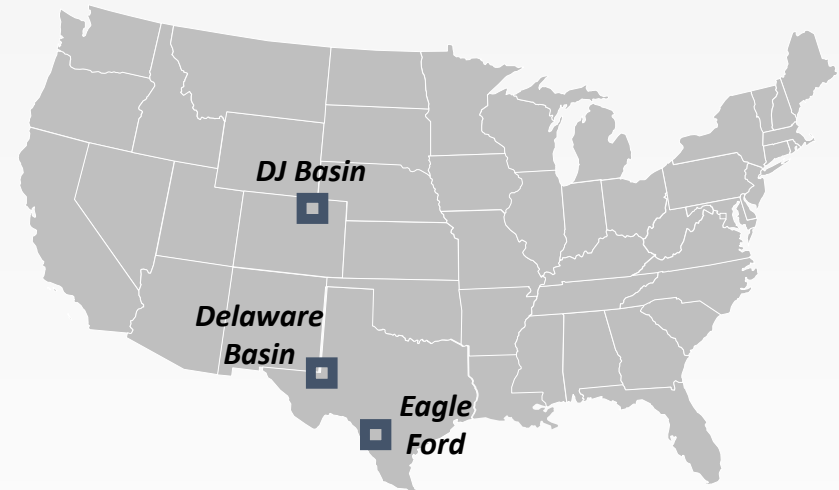
(3) Non-GAAP reconciliation to GAAP measure available in 4Q17 earnings release.

# U.S. ONSHORE

Executing to plan, delivering robust volume and cash flow growth

## 4Q17 Key Highlights

- Operating Cash Flow per BOE up ~40% from 3Q17 and ~80% from Full-year 2016
- U.S. Onshore Oil Record of 104 MBbl/d
  - Delivered > 40% oil growth from 1Q17 to 4Q17<sup>(1)</sup>
- Grew Texas Volumes to a Record 130 MBoe/d
  - Robust Eagle Ford ramp with volumes up 21% from 3Q17
  - 4Q17 Texas volumes reduced by ~7 MBoe/d due to weather and third-party facility impacts
- Sales Volumes in Wells Ranch and East Pony in DJ Basin Grew to 85 MBoe/d; Total Basin Record High Oil Mix of 55%
- Executed Non-core Divestitures in 4Q17, Strengthening the Balance Sheet
  - Closed minerals and royalty sale for \$340 MM and DJ Basin sale of 30,200 net acres for \$568 MM
  - Announced sale of 50% interest in CNXM general partner for \$305 MM



4Q17 Activity	DJ Basin	Delaware Basin	Eagle Ford	Other	Total
Oil (MBbl/d)	63	26	13	2	<b>104</b>
NGL (MBbl/d)	19	6	37	1	<b>63</b>
Gas (MMcf/d)	199	34	253	8	<b>494</b>
<b>Total Sales (MBoe/d)</b>	<b>115</b>	<b>38</b>	<b>92</b>	<b>4</b>	<b>249</b>
Upstream Capital (\$MM)	175	215	57	-	<b>447</b>
Midstream Capital <sup>(2)</sup> (\$MM)	18	58	-	-	<b>76</b>
Avg. Operated Rigs	2	5	1	-	<b>8</b>
Wells Drilled <sup>(3)</sup>	24	20	8	-	<b>52</b>
Avg. Lateral Length (ft)	10,900	9,300	6,000	-	<b>9,500</b>
Wells Completed <sup>(3)</sup>	20	14	5	-	<b>39</b>
Wells Brought Online <sup>(3)</sup>	22	21	10	-	<b>53</b>
Avg. Lateral Length (ft)	9,600	7,200	7,100	-	<b>8,200</b>

(1) Adjusted for divestments. (2) Excludes NBLX funded capital expenditures. (3) Represents NBL operated activity.

# DELAWARE BASIN

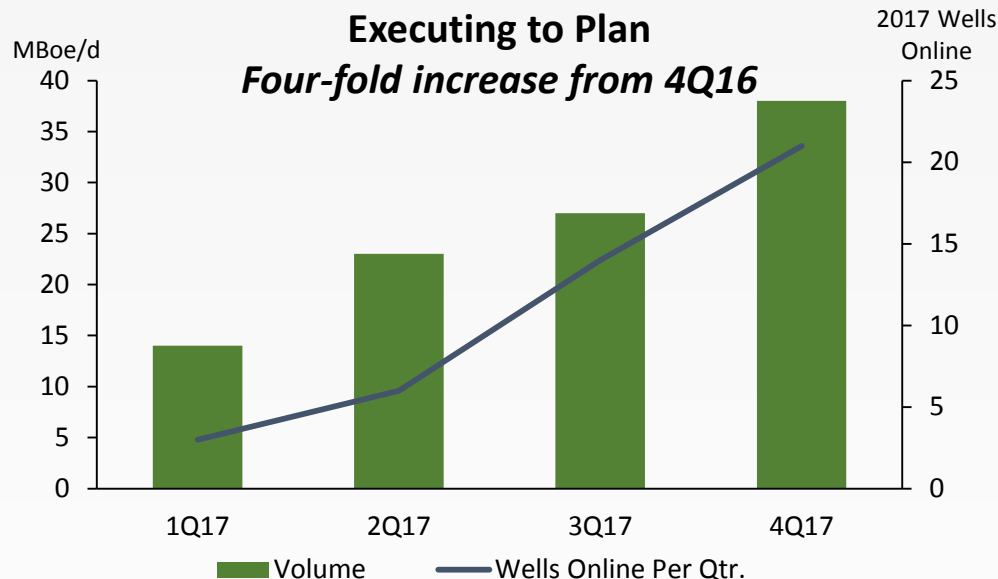


Focused on full development mode

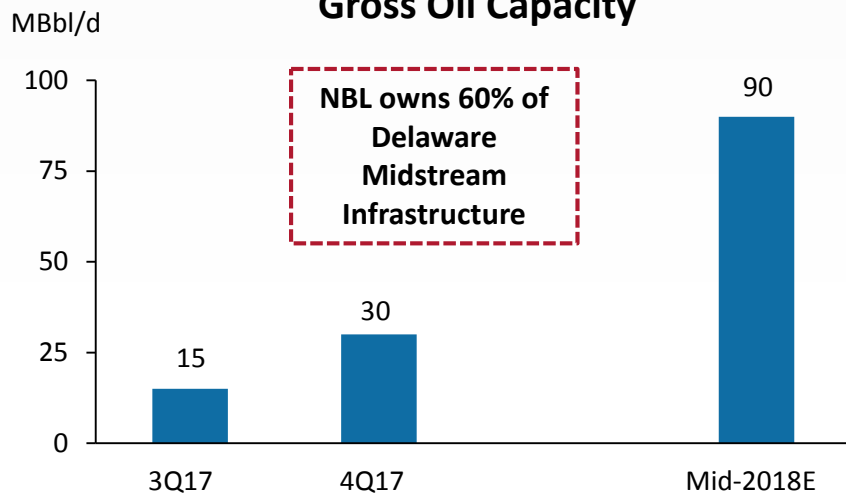
## Cash Flow and Volume Growth

- Exited 4Q17 with record production > 45 MBoe/d
- 4Q17 sales volumes up > 40% from 3Q17
- Strong operating cash flow growth
- Calamity Jane 7-well pad online with strong early performance

## Progressing Midstream Build-out Supports Upstream Growth



## Central Gathering Facility (CGF) Gross Oil Capacity



Delaware Basin Activity	3Q17	4Q17
Total Sales Volume (MBoe/d)	27	38
Upstream Capital (\$MM)	214	215
Avg. Operated Rigs	5	5
Wells Drilled <sup>(1)</sup>	17	20
Avg. Lateral Length (ft)	8,300	9,300
Wells Completed <sup>(1)</sup>	14	14
Wells Brought Online <sup>(1)</sup>	14	21
Avg. Lateral Length (ft)	7,300	7,200

(1) Represents NBL operated activity.

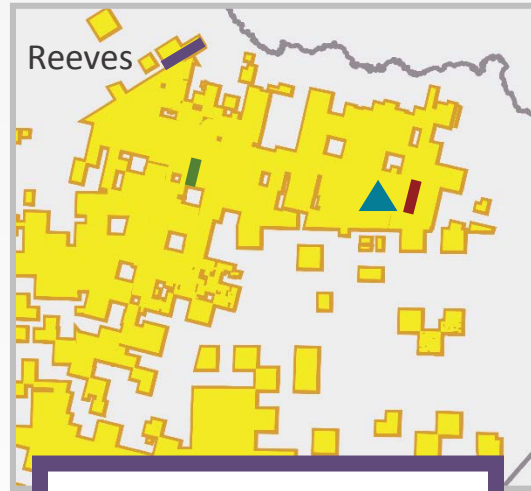
# DELAWARE BASIN



Results demonstrate confidence in development plan

## Highlights

- Current Development Plan Supported by Strong 2017 Results
  - Calamity Jane 7-well pad outperforming expectations
    - Early data showing no evidence of communication between wells
    - Micro seismic indicating highly effective containment within 3<sup>rd</sup> Bone Spring and Wolfcamp A
  - Extended production history on Monroe and Trigger spacing tests confirm current development plan
    - Longer laterals continue to exhibit flatter declines
- Cole Younger Wolfcamp B Achieving Equivalent Rate to Wolfcamp A Upper
  - 3,800 foot lateral, online late 3Q17
  - 90 day cumulative production of 119 MBoe
- Laura Wilder Wells Exhibiting Top Tier Results



### Calamity Jane 7 Well Pad

- 2 3<sup>rd</sup> Bone Springs, 30-day avg. IP ~2,600 Boe/d
- 3 Wolfcamp A Upper, 30-day avg. IP ~2,000 Boe/d
- 2 Wolfcamp A Lower, 30-day avg. IP ~1,000 Boe/d
- Online late 4Q17, 7,000' avg. lateral length, 70% oil

### Jesse James CGF

- 2<sup>nd</sup> CGF online 4Q17

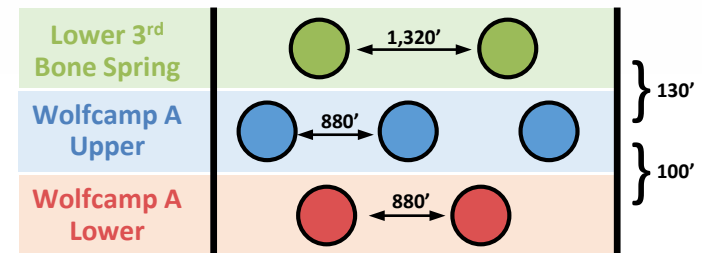
### Laura Wilder 2 Well Pad

- Wolfcamp A Upper, 30-day IP ~3,400 Boe/d
- Wolfcamp A Lower, 30-day IP ~2,300 Boe/d
- Online 4Q17, 8,400' avg. lateral length, 67% oil

### Trigger 3 Well Pad

- 2 Wolfcamp A Upper, 90-day avg. IP ~2,100 Boe/d
- 1 Wolfcamp A Lower, 90-day avg. IP ~1,600 Boe/d
- Online late 3Q17, 7,900' avg. lateral length, 72% oil

**Calamity Jane  
Multi-zone  
Spacing  
Development**





# DJ BASIN



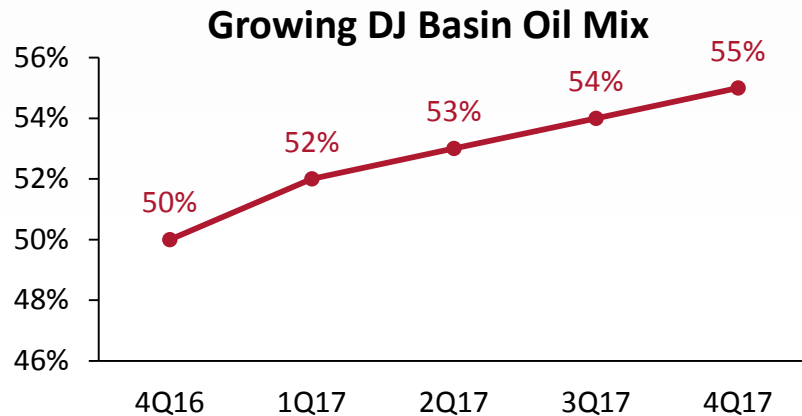
Focus areas driving sustained higher oil mix

## Continued Strong Productivity

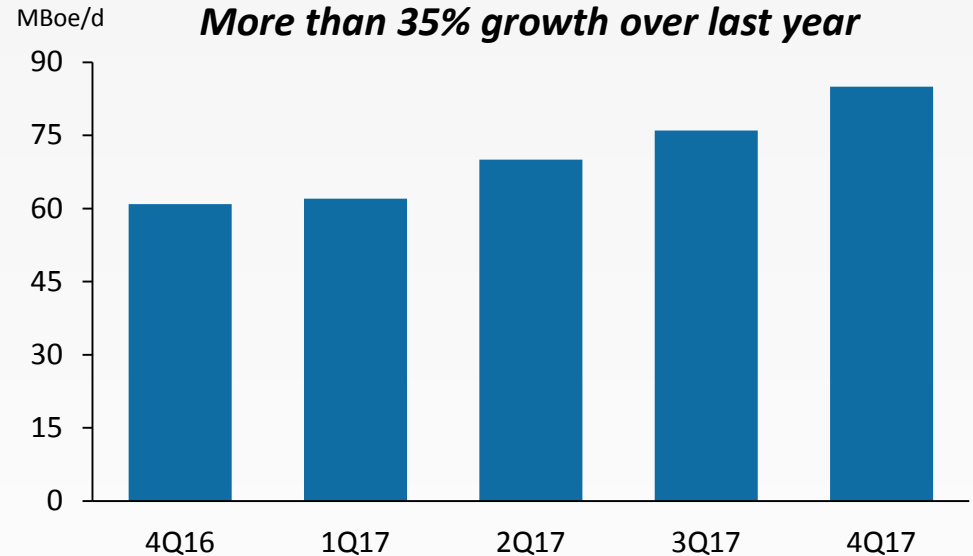
- Driven by high-margin new well performance and low GOR development
- 4Q17 oil volumes up 14% from 1Q17
- Combined Wells Ranch and East Pony volumes up 12% from 3Q17 to 85 MBoe/d

## Activity in Mustang Executing to Plan

- Exited the year with > 30 wells drilled
- First wells to sales by mid-year 2018
- Timing Mustang wells in coordination with infrastructure build-out



## Wells Ranch and East Pony More than 35% growth over last year



DJ Basin Activity	3Q17	4Q17
Total Sales Volume (MBoe/d)	112	115
Upstream Capital (\$MM)	206	175
Avg. Operated Rigs	2	2
Wells Drilled <sup>(1)</sup>	32	24
Avg. Lateral Length (ft)	8,200	10,900
Wells Completed <sup>(1)</sup>	17	20
Wells Brought Online <sup>(1)</sup>	32	22
Avg. Lateral Length (ft)	9,200	9,600

(1) Represents NBL operated activity.

# NOBLE MIDSTREAM (NBLX)

Top-tier distribution growth with strong coverage and low leverage

**20%**

targeted  
annual distribution  
growth

**29%**

increase in 4Q17 oil and  
gas gathering volume  
compared to 3Q17

**81%**

produced water gathering  
growth in 4Q17  
compared to 3Q17

**2.4x**

distribution coverage  
with a strong  
balance sheet

## Delaware Basin Highlights

- Full Quarter Contribution from Billy Miner I CGF
  - 2nd NBLX operated CGF online early December
- 4Q17 Average Throughput on Advantage Crude Oil System of 60 MBbl/d; January 2018 Nominations of 90 MBbl/d
  - Jesse James CGF connection to Advantage Pipeline commenced operation in 4Q17
- Significant 2018 Volume Throughput Growth Anticipated from NBL Development
  - Construction of 3 additional CGFs expanding crude oil capacity to 90 MBbl/d by mid-2018

## DJ Basin Highlights

- Wells Ranch and East Pony Oil and Gas Gathering Volumes Grew Throughout 2017
- Gathering and Fresh Water Delivery Systems Online for Third-party Customers
- Construction Underway on Mustang IDP Gathering Infrastructure, Online by Mid-2018
  - Fresh water system operational late 4Q17
- Formed Black Diamond JV to Acquire Saddle Butte Rockies Midstream in 4Q17
- NBL and Third-party Well Connections Drive Further Gathering Growth in 2018

# EAGLE FORD SHALE



Solid execution delivering cash flow ramp

## Highly-prolific South Gates Ranch Development

- Record quarterly sales volumes of 92 MBoe/d
- 10 wells online in 4Q17 driving significant volume ramp
- Volumes more than doubled from 4Q16

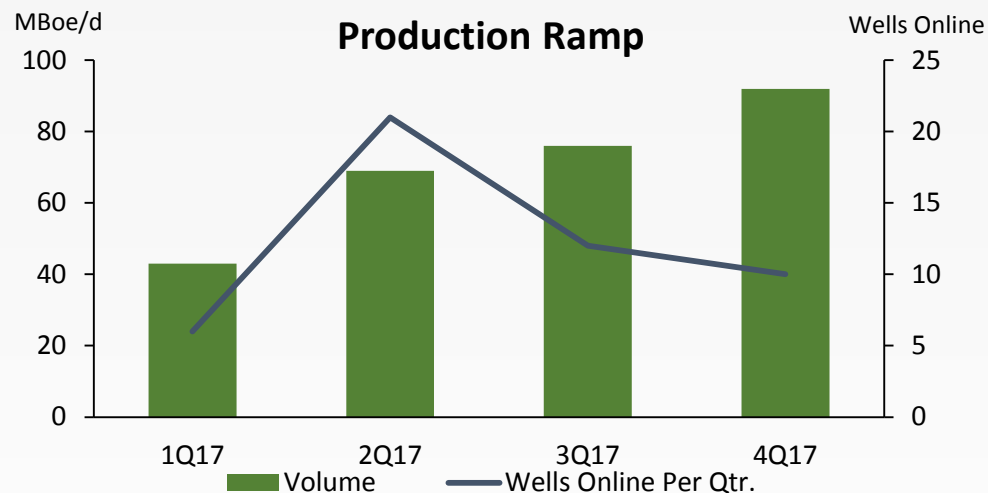
## North Gates Ranch Co-development Results

- Continue to co-develop Upper and Lower Eagle Ford wells
- Lower Eagle Ford performance consistent with expectations
- Upper Eagle Ford wells significantly outperforming historical completions

## Added 2 Rigs Late in 2017

- New wells online 2Q 2018
- Focusing on co-development in North Gates Ranch

## Delivered Substantial Production Ramp



Eagle Ford Activity	3Q17	4Q17
Total Sales Volume (MBoe/d)	76	92
Upstream Capital (\$MM)	73	57
Avg. Operated Rigs	-	1
Wells Drilled <sup>(1)</sup>	-	8
Avg. Lateral Length (ft)	-	6,000
Wells Completed <sup>(1)</sup>	11	5
Wells Brought Online <sup>(1)</sup>	12	10
Avg. Lateral Length (ft)	6,100	7,100

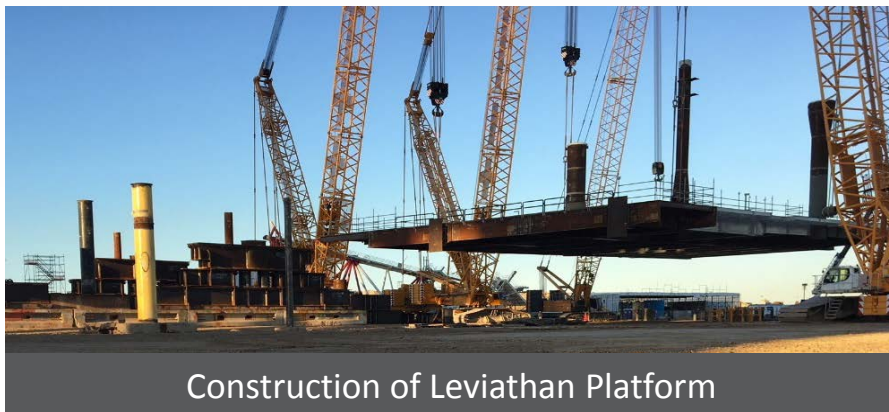
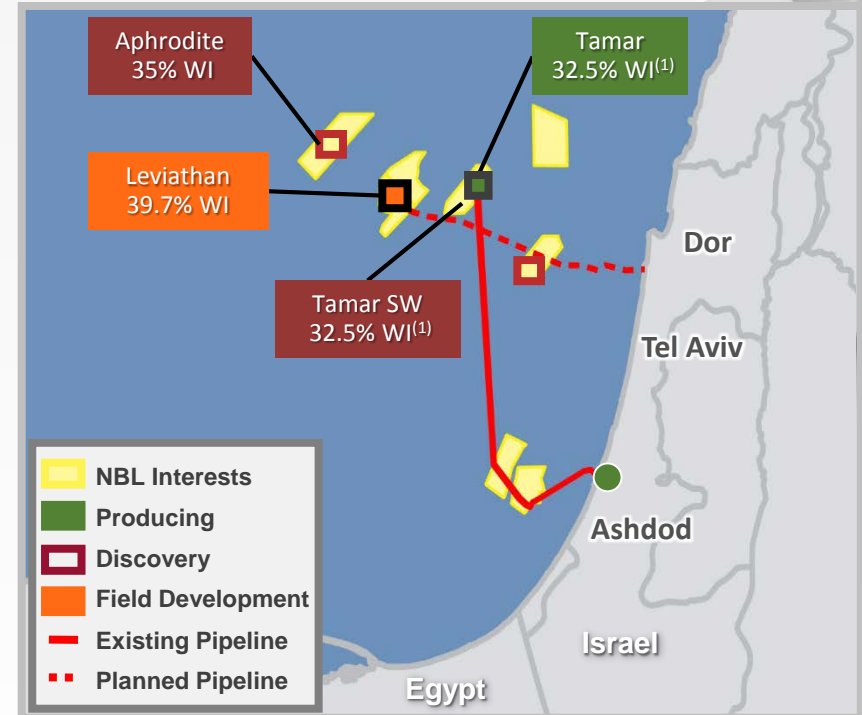
(1) Represents NBL operated activity.

# EASTERN MEDITERRANEAN

Strong natural gas demand in Israel with a stable long-term cash flow profile

## 4Q17 Key Highlights

- Gross Sales Volumes of 911 MMcfe/d; Net 262 MMcfe/d
  - Completed maintenance at Tamar ahead of schedule
  - Strong price realizations of \$5.31/Mcf
- Leviathan Development Progressing
  - ~40% complete with zero recordable incidents
  - Construction of the platform is underway
  - Commenced preparations to mobilize drilling rig
  - Project remains on schedule and on budget
- Announced 7.5% Tamar Divestiture for Total Consideration of ~\$800 MM in January 2018
  - Closing expected by the end of 1Q18



Construction of Leviathan Platform

Israel	3Q17	4Q17
Net Gas Sales (MMcfe/d)	285	262
Gross Gas Sales (MMcfe/d)	997	911
Organic Capital (\$MM)	126	112

(1) Represents working interest as of December 31, 2017.

# OTHER GLOBAL OFFSHORE

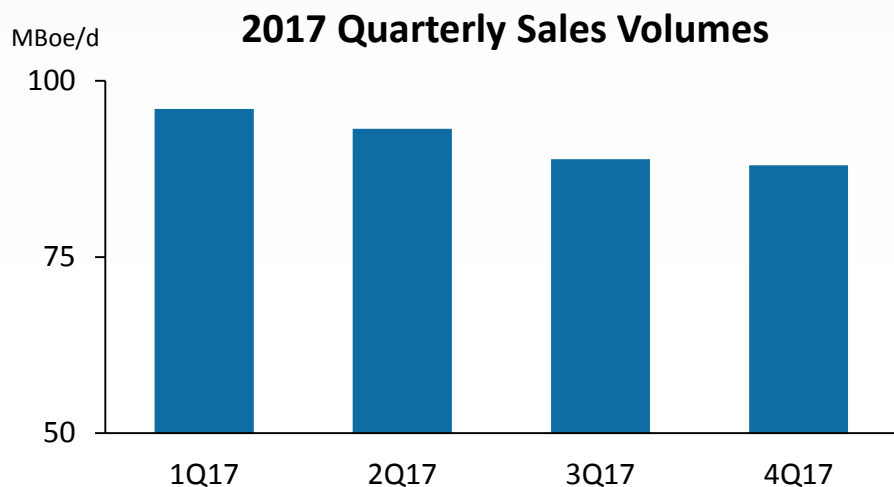
Continued exceptional operational and safety performance

## Key Highlights

- High-margin, Premium-priced Oil Production
  - Represented ~25% of total company oil volumes
- Aseng Field Reached Cumulative Oil Production Milestone of 90 MMBbls
- Continued Exceptional Safety Performance
  - 3+ years without lost-time incident in West Africa
  - One million man hours without a recordable incident in Gulf of Mexico



Alen Platform, West Africa



	Gulf of Mexico		Equatorial Guinea	
	3Q17	4Q17	3Q17	4Q17
Oil (MBbl/d)	21	18	13	17
Equity Method	-	-	2	2
NGL (MBbl/d)	1	2	-	-
Equity Method	-	-	7	6
Gas (MMcf/d)	20	22	246	236
<b>Total Sales (MBoe/d)</b>	<b>25</b>	<b>23</b>	<b>63</b>	<b>64</b>
Organic Capital (\$MM)	3	-	-	3

Note: Produced volumes differ from sales in Equatorial Guinea due to the timing of liftings.

# Forward-Looking Statements and Other Matters

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This presentation contains certain "forward-looking statements" within the meaning of federal securities laws. Words such as "anticipates", "believes", "expects", "intends", "will", "should", "may", and similar expressions may be used to identify forward-looking statements. Forward-looking statements are not statements of historical fact and reflect Noble Energy's current views about future events. Such forward-looking statements may include, but are not limited to, future financial and operating results, and other statements that are not historical facts, including estimates of oil and natural gas reserves and resources, estimates of future production, assumptions regarding future oil and natural gas pricing, planned drilling activity, future results of operations, projected cash flow and liquidity, business strategy and other plans and objectives for future operations. No assurances can be given that the forward-looking statements contained in this presentation will occur as projected and actual results may differ materially from those projected. Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, without limitation, the volatility in commodity prices for crude oil and natural gas, the presence or recoverability of estimated reserves, the ability to replace reserves, environmental risks, drilling and operating risks, exploration and development risks, competition, government regulation or other actions, the ability of management to execute its plans to meet its goals and other risks inherent in Noble Energy's businesses that are discussed in Noble Energy's most recent annual reports on Form 10-K, respectively, and in other Noble Energy reports on file with the Securities and Exchange Commission (the "SEC"). These reports are also available from the sources described above. Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Noble Energy does not assume any obligation to update any forward-looking statements should circumstances or management's estimates or opinions change.

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