



Commodity and Interest Rate Hedging Overview

July 15, 2013

The following information is current as of July 15, 2013.

Memorial Production Partners LP (MEMP) intends to update this information quarterly to the extent there are changes within the quarter. MEMP may update more or less frequently at its discretion.

Forward-Looking Statements

This document contains “forward-looking statements.” MEMP believes that its expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this document. These factors include, but are not limited to, the following risks and uncertainties: the uncertainty inherent in the development and production of oil and natural gas and in estimating reserves; potential difficulties in the marketing of, and volatility in the prices for, oil and natural gas; counterparty credit risk; uncertainties surrounding the success of our secondary and tertiary recovery efforts; competition in the oil and natural gas industry; general political and economic conditions, globally and in the jurisdictions in which we operate; risks related to potential acquisitions, including the ability to make acquisitions on favorable terms or to integrate acquired properties; and the risk that our hedging strategy may be ineffective or may reduce our income. Other factors that could impact forward-looking statements are described in the “Risk Factors” section of MEMP’s most recent Form 10-K filed with the Securities and Exchange Commission and other public filings and press releases by MEMP. MEMP undertakes no obligation to publicly update or revise any forward-looking statements.

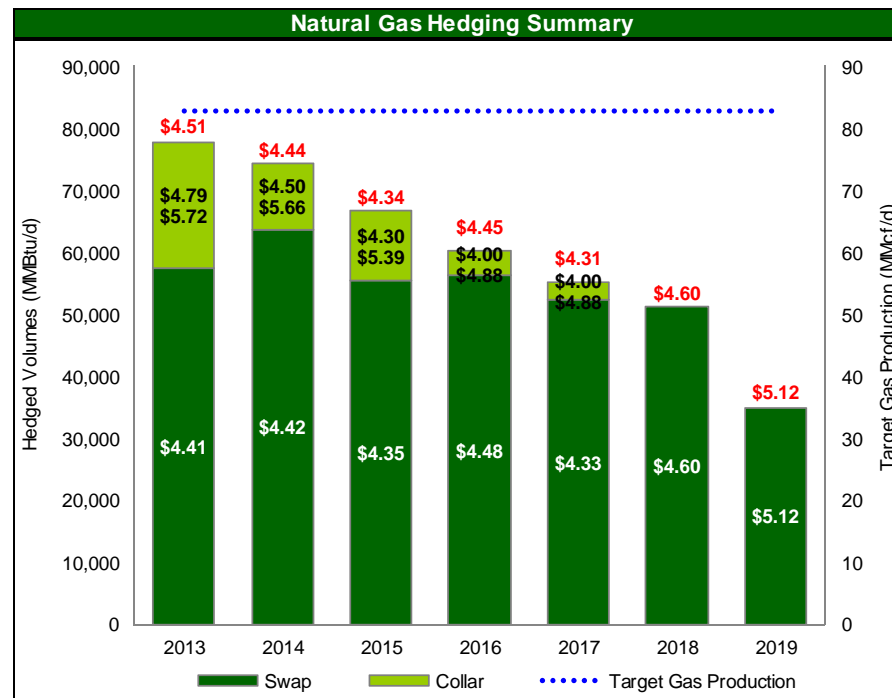
MEMP Hedging Overview: Q3-2013 thru 2019

- MEMP's commodity risk management policy provides for hedging approximately 65-85% of estimated production from total proved reserves on a rolling three to six year period
 - Policy reduces MEMP's exposure to movements in commodity prices and provides stability to distributable cash flow
 - All of MEMP's trading counterparties have credit ratings of A- (S&P) or A3 (Moody's) or higher
- All of MEMP's current hedges are costless, fixed price swaps and collars
- MEMP's targeted average net production estimate represents the production required to reach the lower boundary of the annual production range in the updated 2013 full year guidance

Hedge Summary							
	Year Ending December 31,						
	2013	2014	2015	2016	2017	2018	2019
Natural Gas Derivative Contracts:							
Total weighted-average fixed/floor price	\$4.51	\$4.44	\$4.34	\$4.45	\$4.31	\$4.60	\$5.12
Percent of 2013 production hedged	94%	90%	80%	73%	67%	62%	42%
Crude Oil Derivative Contracts:							
Total weighted-average fixed/floor price	\$95.42	\$93.39	\$91.61	\$86.97	\$85.96	\$85.05	–
Percent of 2013 production hedged	89%	84%	74%	69%	62%	58%	–
Natural Gas Liquids Derivative Contracts:							
Total weighted-average fixed/floor price	\$40.97	\$41.54	–	–	–	–	–
Percent of 2013 production hedged	64%	55%	–	–	–	–	–
Total Derivative Contracts:							
Total weighted-average fixed/floor price	\$7.43	\$7.29	\$7.17	\$7.12	\$6.93	\$7.10	\$5.12
Percent of 2013 production hedged	88%	83%	66%	60%	55%	51%	26%

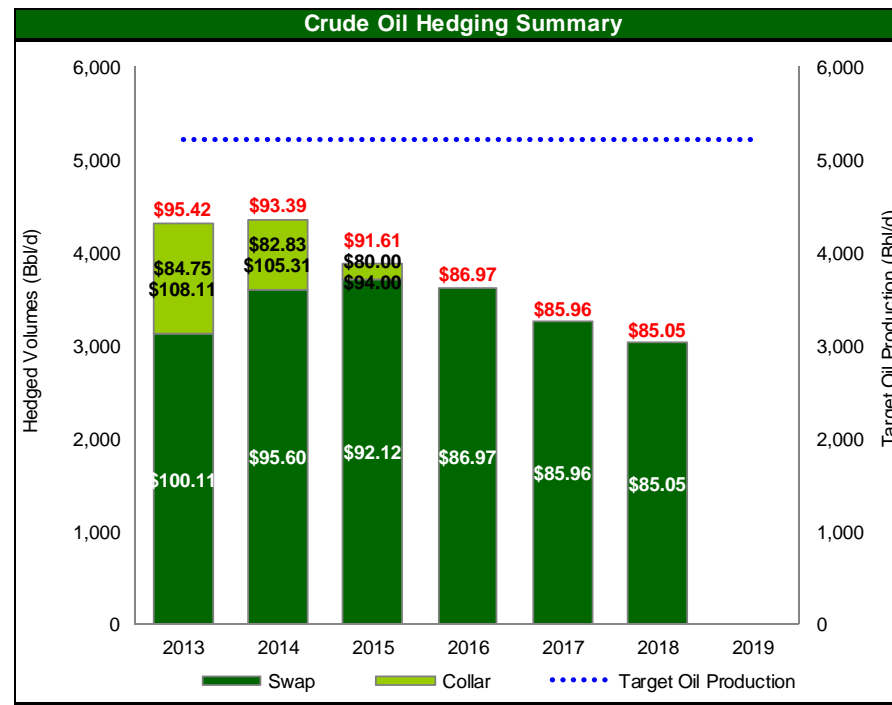
Natural Gas Hedging Q3-2013 through 2019

- MEMP's existing natural gas hedges cover approximately 94% of targeted natural gas production volumes for the remainder of 2013 at a weighted average price of \$4.51
- 100% of MEMP's natural gas hedges are to the appropriate basis differential through 2014



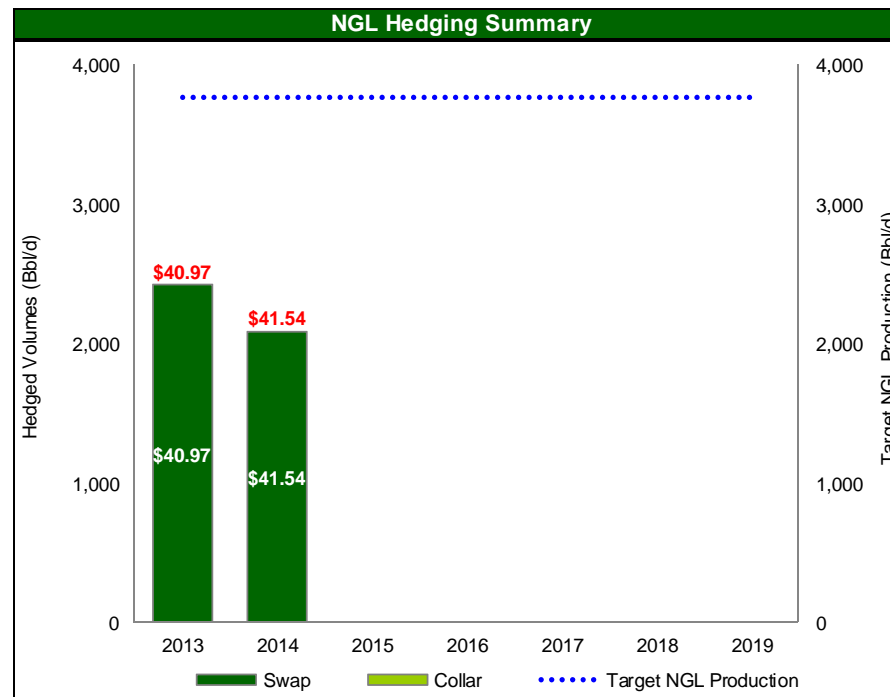
Crude Oil Hedging Q3-2013 through 2018

- MEMP has hedged approximately 89% of targeted crude oil production volumes for the remainder of 2013 at a weighted average price of \$95.42
- MEMP's California production is hedged using Brent swaps, whereas MEMP's East Texas, South Texas and Permian Basin oil production is hedged with WTI swaps and collars
 - MEMP's California hedges include a basis trade through 2014 from Brent to Midway-Sunset
 - 100% of MEMP's oil hedges are to the appropriate basis differential through 2014



NGL Hedging Q3-2013 through 2014

- Hedging NGLs by product protects MEMP from fluctuations in the NGL to crude oil price relationship
 - Due to a lack of market liquidity, direct hedging of NGLs is typically limited to 12 to 24 months
- MEMP has hedged approximately 64% of targeted NGL production volumes for the remainder of 2013 at a weighted average floor of \$40.97
 - C2 (Ethane) has been hedged at a lower percentage relative to other products



Natural Gas and NGL Hedges: Q3-2013 thru 2019

Natural Gas / NGLs Hedge Summary							
	Year Ending December 31,						
	2013	2014	2015	2016	2017	2018	2019
Natural Gas Derivative Contracts:							
Swap contracts:							
Volume (MMBtu)	10,551,032	23,265,500	20,233,340	20,559,300	19,080,800	18,720,000	12,775,000
Volume (MMBtu/d)	57,343	63,741	55,434	56,173	52,276	51,288	35,000
Weighted-average fixed price	\$4.41	\$4.42	\$4.35	\$4.48	\$4.33	\$4.60	\$5.12
Collar contracts:							
Volume (MMBtu)	3,774,000	3,840,000	4,080,000	1,440,000	1,080,000	–	–
Volume (MMBtu/d)	20,511	10,521	11,178	3,934	2,959	–	–
Weighted-average floor price	\$4.79	\$4.50	\$4.30	\$4.00	\$4.00	–	–
Weighted-average ceiling price	\$5.72	\$5.66	\$5.39	\$4.88	\$4.88	–	–
Put options:							
Volume (MMBtu)	–	–	–	–	–	–	–
Volume (MMBtu/d)	–	–	–	–	–	–	–
Weighted-average floor price	–	–	–	–	–	–	–
Total Natural Gas Derivative Contracts:							
Total natural gas volumes hedged (MMBtu)	14,325,032	27,105,500	24,313,340	21,999,300	20,160,800	18,720,000	12,775,000
Total natural gas volumes hedged (MMBtu/d)	77,853	74,262	66,612	60,107	55,235	51,288	35,000
Total weighted-average fixed/floor price	\$4.51	\$4.44	\$4.34	\$4.45	\$4.31	\$4.60	\$5.12
Percent of target production hedged	94%	90%	80%	73%	67%	62%	42%
Natural Gas Liquids Derivative Contracts:							
Swap contracts:							
Volume (Bbl)	445,639	761,400	–	–	–	–	–
Volume (Bbl/d)	2,422	2,086	–	–	–	–	–
Weighted-average fixed price	\$40.97	\$41.54	–	–	–	–	–
Collar contracts:							
Volume (Bbl)	–	–	–	–	–	–	–
Volume (Bbl/d)	–	–	–	–	–	–	–
Weighted-average floor price	–	–	–	–	–	–	–
Weighted-average ceiling price	–	–	–	–	–	–	–
Total Natural Gas Liquids Derivative Contracts:							
Total natural gas liquids volumes hedged (Bbl)	445,639	761,400	–	–	–	–	–
Total NGL volumes hedged (Bbl/d)	2,422	2,086	–	–	–	–	–
Total weighted-average fixed/floor price	\$40.97	\$41.54	–	–	–	–	–
Percent of target production hedged	64%	55%	–	–	–	–	–

Oil Hedges: Q3-2013 thru 2019

Oil Hedge Summary							
	Year Ending December 31,						
	2013	2014	2015	2016	2017	2018	2019
NYMEX Oil Derivative Contracts:							
Swap contracts:							
Volume (Bbl)	334,992	763,824	816,372	795,756	685,200	720,000	–
Volume (Bbl/d)	1,821	2,093	2,237	2,174	1,877	1,973	–
Weighted-average fixed price	\$93.14	\$91.14	\$88.38	\$82.18	\$81.80	\$81.13	–
Collar contracts:							
Volume (Bbl)	219,600	276,000	60,000	–	–	–	–
Volume (Bbl/d)	1,193	756	164	–	–	–	–
Weighted-average floor price	\$84.75	\$82.83	\$80.00	–	–	–	–
Weighted-average ceiling price	\$108.11	\$105.31	\$94.00	–	–	–	–
Brent Oil Derivative Contracts:							
Swap contracts:							
Volume (Bbl)	240,000	551,500	540,000	528,000	504,000	384,000	–
Volume (Bbl/d)	1,304	1,511	1,479	1,443	1,381	1,052	–
Weighted-average fixed price	\$109.85	\$101.78	\$97.78	\$94.17	\$91.63	\$92.40	–
Collar contracts:							
Volume (Bbl)	–	–	–	–	–	–	–
Volume (Bbl/d)	–	–	–	–	–	–	–
Weighted-average floor price	–	–	–	–	–	–	–
Weighted-average ceiling price	–	–	–	–	–	–	–
Total Crude Oil Derivative Contracts:							
Total Crude Oil Derivative Contracts:							
Total crude oil volumes hedged (Bbl)	854,592	1,591,324	1,416,372	1,323,756	1,189,200	1,104,000	–
Total crude oil volumes hedged (Bbl/d)	4,645	4,360	3,880	3,617	3,258	3,025	–
Total weighted-average fixed/floor price	\$95.42	\$93.39	\$91.61	\$86.97	\$85.96	\$85.05	–
Percent of target production hedged	89%	84%	74%	69%	62%	58%	–

Interest Rate Hedging Overview: 2013 thru 2016

- As a result of the announced acquisition on July 15, 2013, MEMP will acquire interest rate hedges for a notional principal amount of \$11.5 million from the effective date of the transaction until mid-June 2014 at a fixed annual LIBOR rate of 0.5%
- As of July 1, 2013 (pro-forma for the acquisition), MEMP has entered into the following interest rate derivative hedging transactions as it relates to the debt outstanding under its revolving credit facility:
 - \$276.5 million of variable rate notional amounts from mid-October 2013 through mid-April 2014 at a weighted average fixed annual LIBOR rate of 1.28%
 - \$236.5 million of variable rate notional amounts from mid-April 2014 through mid-June 2014 at a weighted average fixed annual LIBOR rate of 1.30%
 - \$225 million of variable rate notional amounts from mid-June 2014 through mid-October 2014 at a weighted average fixed annual LIBOR rate of 1.34%
 - \$150 million of variable rate notional amounts from mid-October 2014 through mid-December 2016 at a weighted average fixed annual LIBOR rate of 1.19%

Appendix – Acquisition Hedges: Q3-2013 thru 2018

- As part of the announced acquisition, MEMP will acquire commodity hedges that cover approximately 72% of acquired PDP volumes through 2015 (82% through 2014)
 - The acquired hedges will be novated from sellers to MEMP at closing
- Consistent with its hedging policy, MEMP has layered on incremental commodity hedges that, together with the acquired hedges, cover up to 85% of projected production volumes related to this acquisition through 2018.
- The acquired and incremental commodity hedges represent:
 - Gas volumes of 29 Bcf for the period 2013 – 2018 at a weighted average fixed price of \$4.26
 - Oil volumes of 3.8 MMBbls for the period 2013 – 2018 at a weighted average fixed price of \$84.67
 - NGL volumes of 91,800 Bbls for the period 2013 – 2014 at an average fixed price of \$36.27

Acquisition Hedge Summary						
	Year Ending December 31,					
	2013	2014	2015	2016	2017	2018
Natural Gas Derivative Contracts:						
Volumes hedged (MMBtu)	3,014,000	6,320,000	5,880,000	5,040,000	4,680,000	4,080,000
Weighted-average fixed/floor price	\$4.39	\$4.30	\$4.09	\$4.24	\$4.26	\$4.34
Crude Oil Derivative Contracts:						
Volumes hedged (Bbl)	481,200	801,600	684,000	651,600	565,200	600,000
Weighted-average fixed/floor price	\$89.44	\$88.75	\$87.28	\$80.42	\$80.42	\$80.33
Natural Gas Liquids Derivative Contracts:						
Volumes hedged (Bbl)	30,600	61,200	–	–	–	–
Weighted-average fixed/floor price	\$36.27	\$36.27	–	–	–	–
Total Derivative Contracts:						
Volumes hedged (Mcf)	6,084,800	11,496,800	9,984,000	8,949,600	8,071,200	7,680,000
Weighted-average fixed/floor price	\$9.43	\$8.74	\$8.39	\$8.24	\$8.10	\$8.58



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