



# **RBC Capital Markets' MLP Conference**

**November 16, 2012**

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# Forward Looking Statements

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This presentation may include “forward-looking statements” as defined by the Securities and Exchange Commission (“SEC”). All statements, other than statements of historical facts, included in this press release that address activities, events or developments that MEMP expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements are based on certain assumptions made by MEMP based on its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of MEMP, which may cause MEMP’s actual results to differ materially from those implied or expressed by the forward-looking statements. These include risks relating to financial performance and results, availability of sufficient cash flow to pay distributions and execute MEMP’s business plan, prices and demand for natural gas and oil, MEMP’s ability to replace reserves and efficiently develop its current reserves and other important factors that could cause actual results to differ materially from those projected as described in MEMP’s reports filed with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement. For a more complete list of these risk factors, please read MEMP’s filings with the SEC, which are available on MEMP’s Investor Relations website at <http://investor.memorialpp.com/sec.cfm> or on the SEC’s website at [www.sec.gov](http://www.sec.gov). MEMP undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this presentation.

The SEC permits oil and gas companies, in their filings with the SEC, to disclose only "reserves" as defined by SEC rules. Estimates of reserves in this presentation are based on economic assumptions with regard to commodity prices (NYMEX oil and natural gas futures prices utilized in acquisitions completed in 2012) that differ from the prices required by the SEC (historical 12 month average) to be used in calculating reserves estimates prepared in accordance with SEC rules. In addition, the estimates of reserves in this press release were prepared by internal reserve engineers and are based on various assumptions, including assumptions related to oil and natural gas prices as discussed above, drilling and operating expenses, capital expenditures, taxes and availability of funds. Our internal estimates of proved reserves may differ materially from the estimates of our proved reserves as of December 31, 2012 that will be prepared by Netherland, Sewell & Associates, Inc. as a result of the SEC pricing and other assumptions employed by an independent reserve engineering firm.

# Overview of Memorial Production Partners LP

- **Upstream publicly-traded partnership headquartered in Houston, Texas**
- **Initial public offering – December 2011**
  - Units traded on NASDAQ under the ticker MEMP
- **Diverse portfolio of mature, long-lived producing properties**
  - Focus on acquiring, exploiting and developing oil and gas properties
  - Assets in South Texas and East Texas/North Louisiana
- **Extensive hedge portfolio**
- **Completed four accretive transactions since IPO**

## Key Statistics<sup>(1)</sup>

- **Total proved reserves – 533 Bcfe**
  - 62% proved developed
  - 79% natural gas
- **2012 production target: 21 – 22 Bcfe**
  - R/P of 24+ years
  - Over 1,600 gross (690 net) wells

(1) Pro forma statistics reflect SEC proved reserves as of December 31, 2011 plus proved reserves from 2012 acquisitions of oil and gas properties as of the effective date of the acquisitions using forward strip oil and natural gas prices, which differ from estimates calculated in accordance with SEC rules and regulations; proved reserves exclude the impact of production roll-off

# Why Memorial Production Partners?

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- **Memorial Resource Development LLC (“MRD”) provides operating and A&D leverage and scale**
  - Proven track record in acquisitions
    - \$1B+ acquisitions / 20+ transactions in the last 4 years
  - Multiple acquisition sources along with properties with organic growth potential
- **Stable asset base well-suited for an MLP**
  - Conventional assets with high R/P ratios and shallow decline profiles
  - Low maintenance capital requirements
- **Experienced management with proven acquisition and exploitation skills**
  - Organizational depth – MRD has over 200 employees
  - Completed four transactions since December 2011 IPO
- **Commitment to long-term hedging for cash flow stability**
- **Strong balance sheet**
- **Current yield of 11% as of 11/13/12**
  - Attractive yield with strong coverage metrics – tax effective yield of ~ 14.6%
  - 2<sup>nd</sup> distribution increase declared 10/22/12 - \$1.98 per unit annualized distribution

# Safe, Diverse MLP Assets

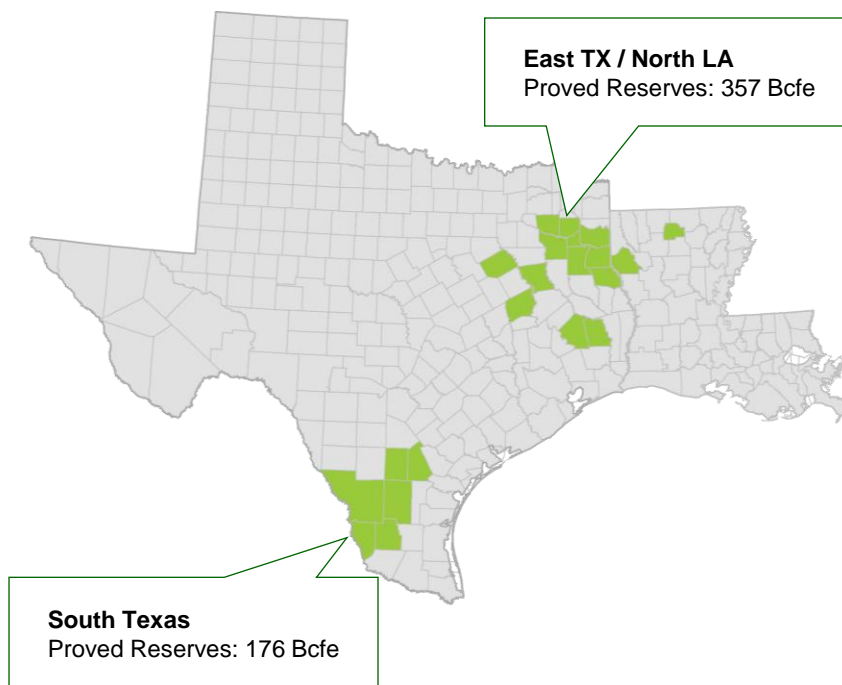
## Asset Overview

- Concentrated in mature basins with operations dating to the 1930s
- High development success rates
- 144,897 gross (107,792 net) acres
  - All held by production: no lease expiration issues
- Operational control of 94% of proved reserves
  - Operation of assets by MRD via Omnibus Agreement
- 1,611 gross (692 net) producing wells from over 50 fields and 25 different geologic horizons
- Inventory of 447 proved low-risk infill drilling, recompletion and development opportunities in core operational areas
  - 266 proved recompletion and development opportunities
  - 181 PUDs

## Focused Operations

### Memorial Production Asset Overview <sup>(1)</sup>

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  - 62% proved developed
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# Strategic Relationships Provide Growth Opportunities

## NATURAL GAS PARTNERS®

- Over \$10 billion of capital commitments under management since inception in 1988
- 12 upstream focused funds
- 50+ portfolio companies



- Overlapping asset base – 1.2+ Tcfe Proved Reserves
- Experienced operating teams
- Basin specific M&A and operational expertise

### Drop Downs from Memorial Resource



- 57% ownership in MEMP
- 50% ownership of IDRs
- Over 1.2+ Tcfe of proved reserves
- Over 1,400 gross wells (550 net)
- Over 173,000 net undeveloped acres

### Acquisitions from NGP

- 50% ownership of IDRs (non-voting)
- Board representation
- Proprietary deal flow
- Incentivized to grow MEMP equity investment

### Third Party Acquisitions



- Industry relationships
- Proven track record
- Industry transition promotes A&D environment for mature assets








### Joint Bid with Memorial Resource



- Proper value allocation based on risk profile
- Enhances ability to compete for acquisitions

# Safety, Growth and Returns

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- High quality assets 
- MLP appropriate asset profile 
- Strong sponsorship with aligned interests 
- Supportable and clear growth strategy 
- Seasoned management team 
- Cash flow visibility and security 
- Attractive yield 



***Memorial***  
*Production Partners*