



**Corporate Presentation  
November 2015**



# Forward Looking Statements

*This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included in this presentation that address activities, events or developments that Emerald Oil, Inc. (the "Company") expects, believe or anticipates will or may occur in the future are forward-looking statements. The words "believe," "expect," "may," "estimates," "will," "anticipate," "plan," "intend," "foresee," "should," "would," "could," or other similar expressions are intended to identify forward-looking statements, which generally are not historical in nature. However, the absence of these words does not mean that the statements are not forward-looking. Without limiting the generality of the foregoing, forward-looking statements contained in this presentation specifically include the expectations of plans, strategies, objectives and anticipated financial and operating results of the Company, including as to the Company's drilling program, production, hedging activities, capital expenditure levels, capitalization and liquidity levels and other guidance included in this presentation. These statements are based on certain assumptions made by the Company based on management's expectations and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These include the factors discussed or referenced in the Company's filings with the Securities and Exchange Commission ("SEC"), including its Forms 10-K, 10-Q and 8-K, offering memorandum related to this offering, risk relating to financial performance and results, current economic conditions and resulting capital restraints, prices and demand for oil and natural gas, availability of drilling equipment and personnel, availability of sufficient capital to execute the Company's business plan, impact of compliance with legislation and regulations, successful results from the Company's identified drilling locations, the Company's ability to replace reserves and efficiently develop and exploit its current reserves and other important factors that could cause actual results to differ materially from those projected.*

*Any forward-looking statement speaks only as of the date on which such statement is made and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.*

*The SEC generally permits oil and gas companies, in filings made with the SEC, to disclose proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions and certain probable and possible reserves that meet the SEC's definitions for such terms. In this presentation the term "EUR" (estimated ultimate recovery) is used to provide estimates of potential recoverably hydrocarbons based on NSAI's estimates of hydrocarbon quantities that may be potentially discovered through exploratory drilling or recovered with additional drilling or recovery techniques. These quantities do not constitute "reserves" within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or SEC rules. These estimates are by their nature speculative, and, accordingly, are subject to risk of not being actually realized by the Company. In this presentation, "drilling locations" represent the number of locations that the Company currently estimates could potentially be drilled in a particular area given estimated well spacing requirements applicable to that area. Locations drilled and quantities that may be ultimately recovered from the Company's interests will differ substantially. There is no commitment by the Company to drill all of the drilling locations that have been attributed to these quantities. Factors affecting ultimate recovery include the scope of the Company's 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. The Company's production forecasts and expectations for future periods are dependent upon many assumptions, including estimates of production decline rates from existing wells and the undertaking and outcome of future drilling activity, which may be affected by significant commodity price declines or drilling cost increases.*

*The presentation contains the Company's estimated 2015 production, capital expenditures, expenses and other matters. The actual levels of production, capital expenditures and expenses may be higher or lower than these estimates due to, among other things, uncertainty in drilling schedules, changes in market demand and unanticipated delays in production. These estimates are based on numerous assumptions, including assumptions related to number of wells drilled, average spud to release times, rig count, and production rates for wells placed on production. All or any of these assumptions may not prove to be accurate, which could result in actual results differing materially from estimates. If any of the rigs currently being utilized becomes unavailable for any reason, and the Company is not able to secure a replacement on a timely basis, we may not be able to drill, complete and place on production the expected number of wells. Similarly, average spud to release times may not be maintained in 2015. No assurance can be made that new wells will produce in line with historic performance, or that existing wells will continue to produce in line with expectations. Our ability to finance our 2015 capital budget is subject to numerous risks and uncertainties, including volatility in commodity prices and the potential for unanticipated increases in costs associated with drilling, production and transportation. In addition, our production estimate assumes there will not be any new federal, state or local regulation of portions of the energy industry in which we operate, or an interpretation of existing regulation, that will be materially adverse to our business. For additional discussion of the factors that may cause us not to achieve our 2015 production estimates, see "Risk Factors" in the Offering Circular. We do not undertake any obligation to release publicly the results of any future revisions we may make to this prospective data or to update this prospective data to reflect events and circumstances after the date of the Prospectus. Therefore, you are cautioned not to place undue reliance on this information.*

# Company Highlights

## 1 Oil-weighted Williston Basin operator with scalable operational capability

- ~86,000 net acres<sup>(1)</sup> (~73,000 or ~85% operated) represents sizeable position within heart of play
- Current drilling spacing units have upside for ~662 potential net drilling locations

## 2 Pure-play Williston Basin exposure with a high growth rate

- Current proved reserves of 26.3 Mmboe represent a 99% increase year over year<sup>(2)</sup>
- Estimated year over year production growth of 43% on variable one rig program<sup>(3)</sup>

## 3 Accretive development program expected to further increase production and cash flow

- Realized drilling efficiencies to accelerate production and HBP undeveloped operated DSUs
- 2015 average production guidance range of 5,000 - 5,100 Boe/d

## 4 Experienced management team with deep knowledge and expertise in the Williston Basin

- Technical capabilities to optimize current portfolio and identify emerging areas within the Basin
- Operational expertise to implement best drilling and completion practices

(1) Pro forma for Koch Exploration transaction.

(2) Based on increase in proved reserves from 12/31/13 to 12/31/14.

(3) Based on midpoint of 2015 production guidance range.



# EOX Overview

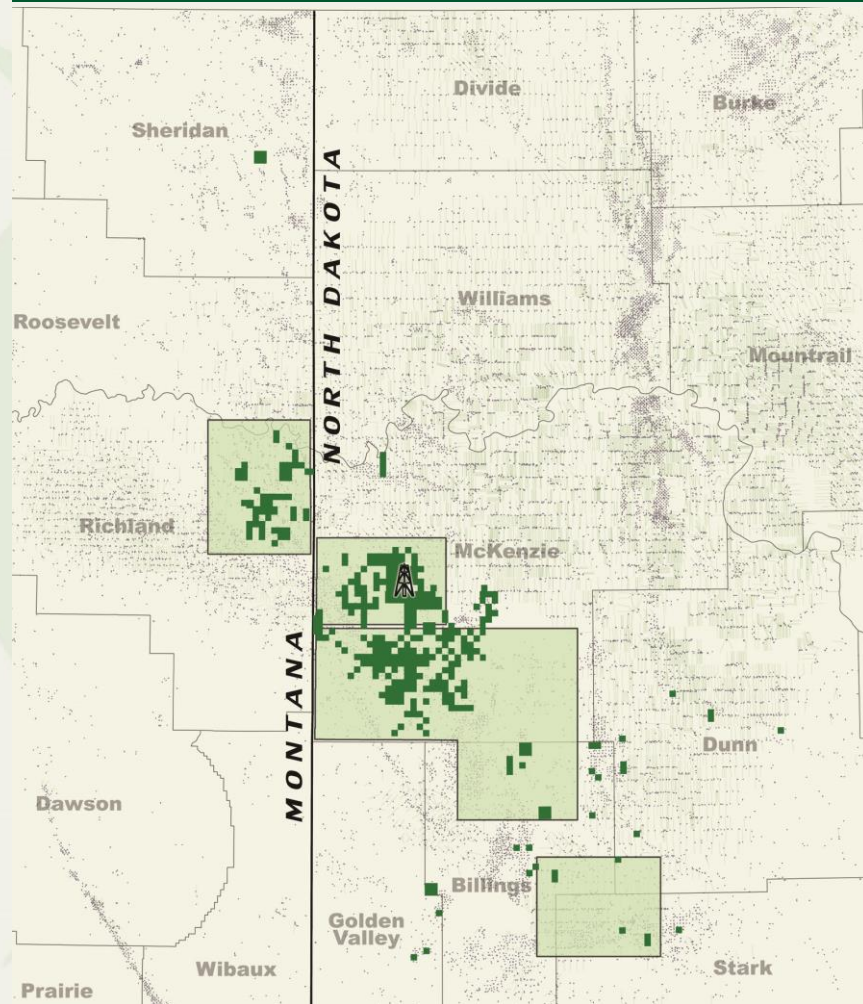
## Summary

- Independent E&P company focused on Williston Basin and headquartered in Denver, Colorado
- ~86,000 net acre position in the core of the Williston Basin
- Identified ~662 net potential drilling locations on this acreage prospective for oil in the Bakken, Three Forks and Pronghorn sand formations
- Drilled & completed 4 gross (3.4 net) & completed 8 gross (7.0 net) previously drilled wells

## Key Highlights

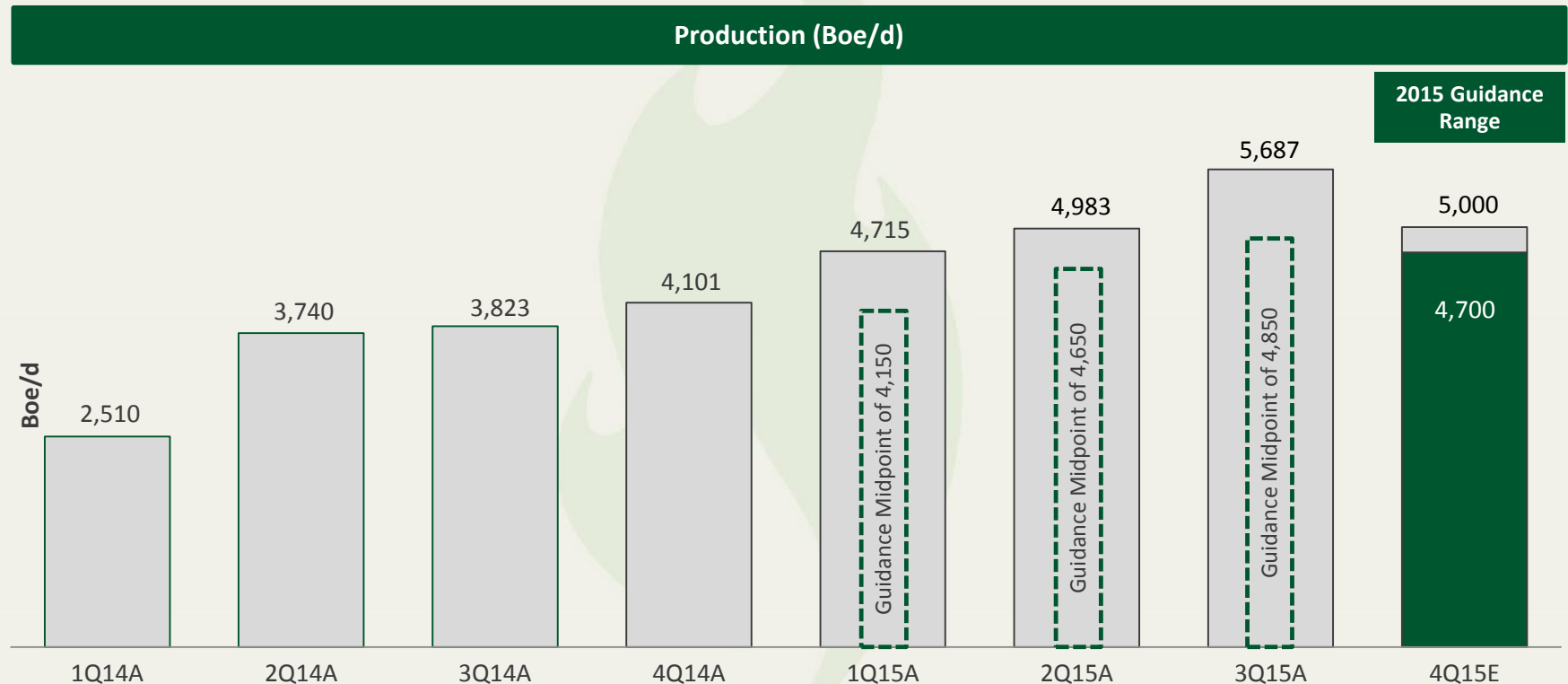
- Average daily production for 1Q'15: 4,715 Boe/d
- Average daily production for 2Q'15: 4,983 Boe/d
- Average daily production for 3Q'15: 5,687 Boe/d
- 2015 average production guidance: 5,000 – 5,100 Boe/d

## Leasehold Position – Williston Basin



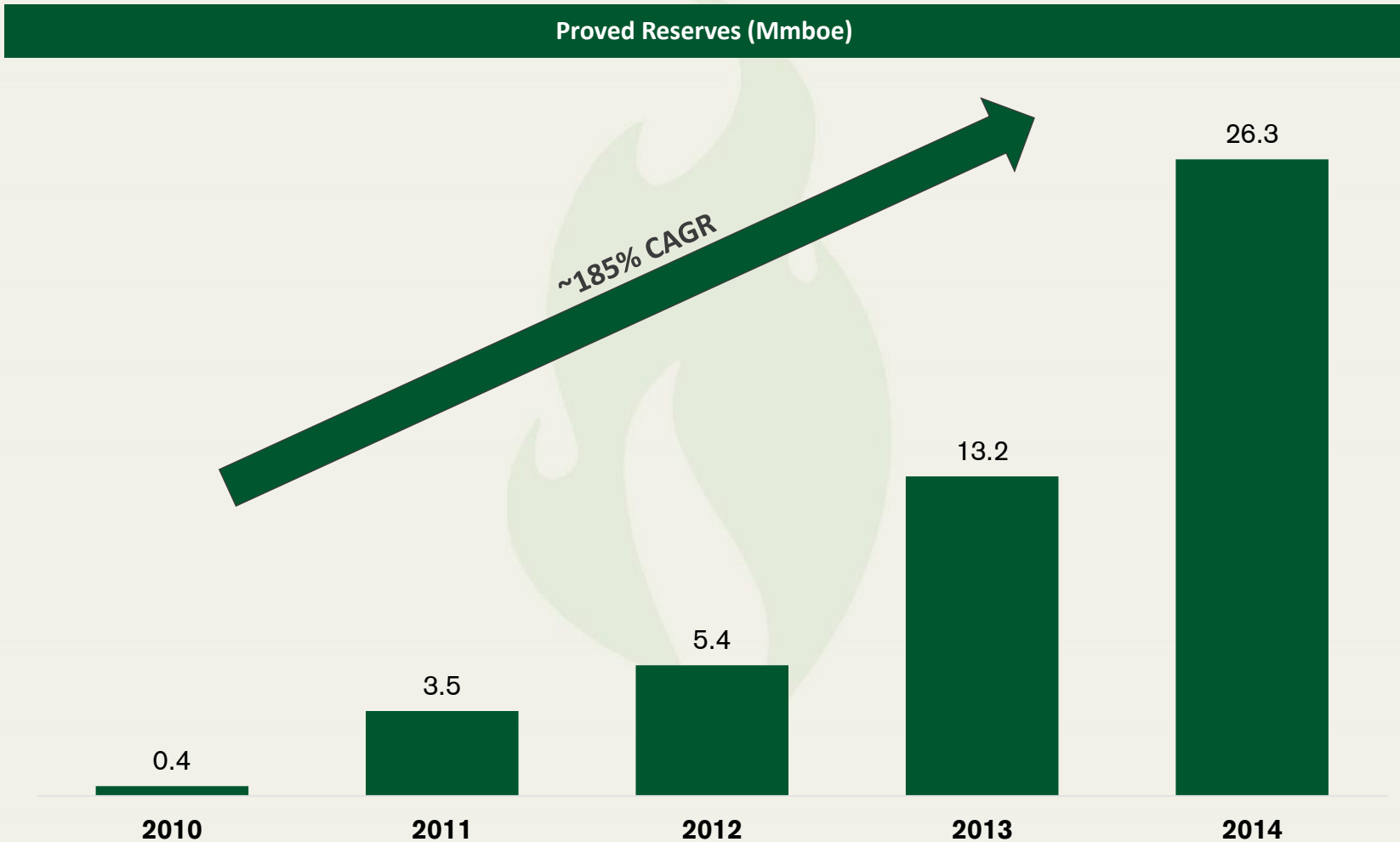
# Track Record of Production Growth

- Significant production ramp up with 2015E average production guidance of 5,000 - 5,100 boe/d
- Production profile growth will continue in 2016 with a focus on the operated drilling program to convert EOX's substantial undeveloped operated leasehold position to production



# Track Record of Reserves Growth

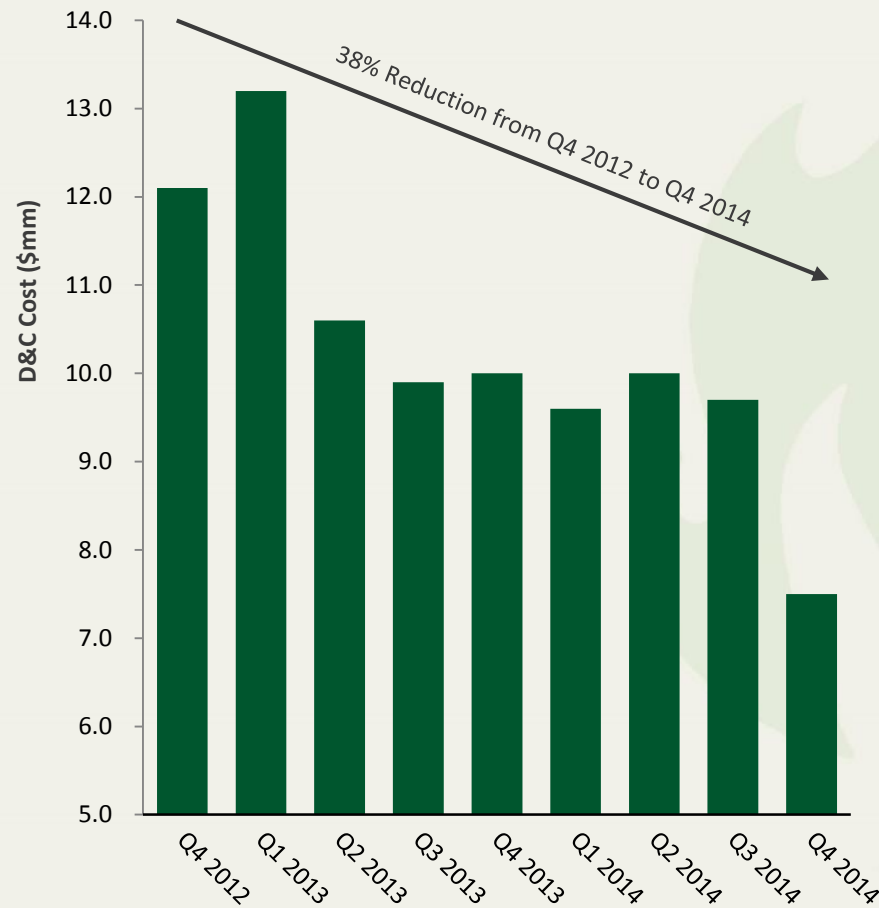
- Significant increase in proved reserves through the 2014 fiscal year
- Increase primarily as a result of increased drilling activity in our operated well program <sup>(1)</sup>



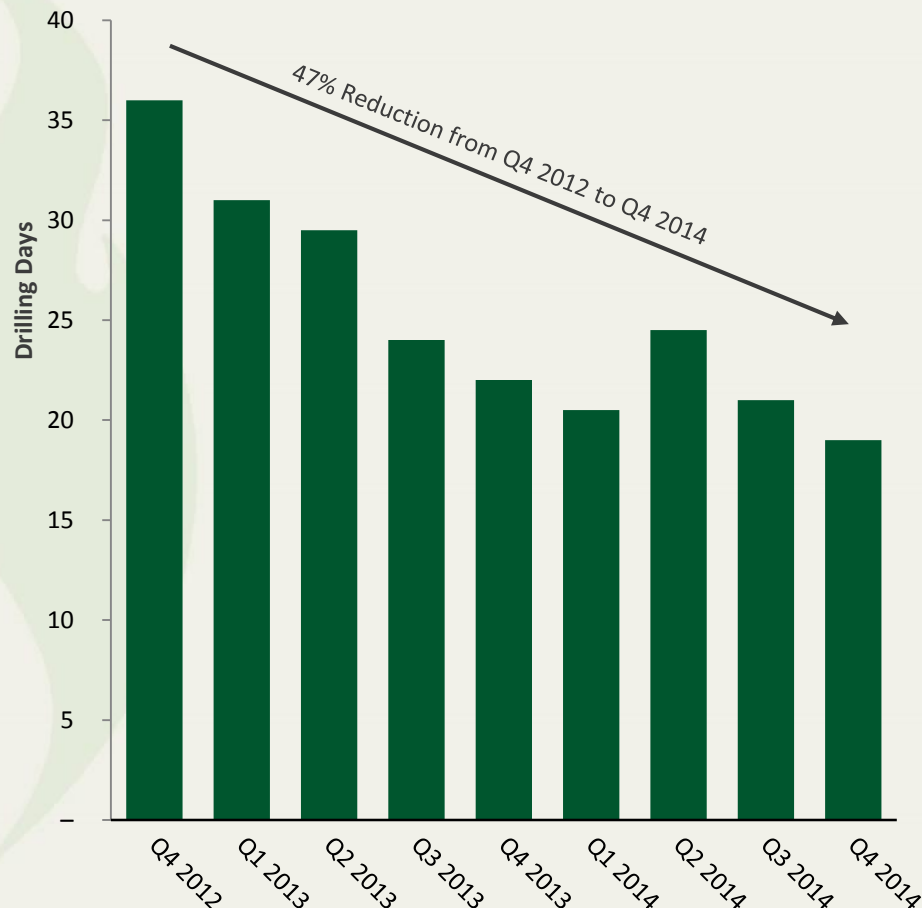
(1) Based on increase in proved reserves from 12/31/13 to 12/31/14.

# Track Record of Improving Operating Efficiency

Williston Basin (Low Rider) D&C cost<sup>(1)</sup>



Williston Basin (Low Rider) Drilling Days<sup>(1)</sup>

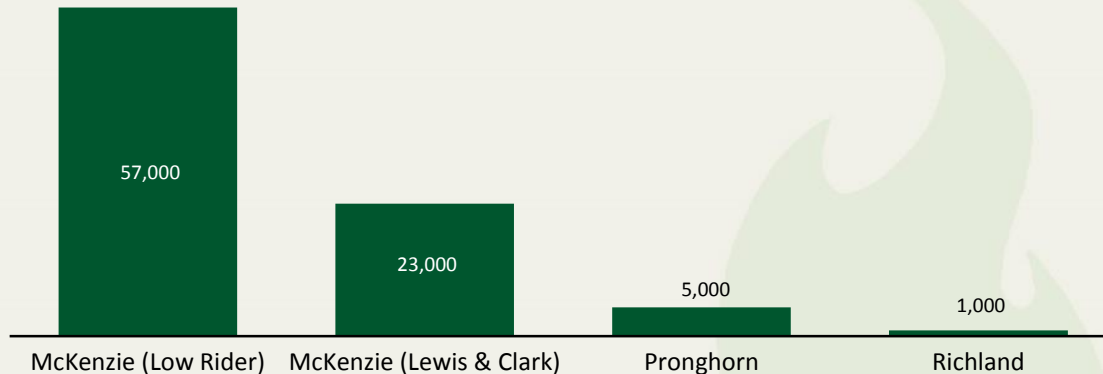


(1) Quarterly D&C cost and drilling days represent the median of Low Rider Middle Bakken wells spud in the quarter.

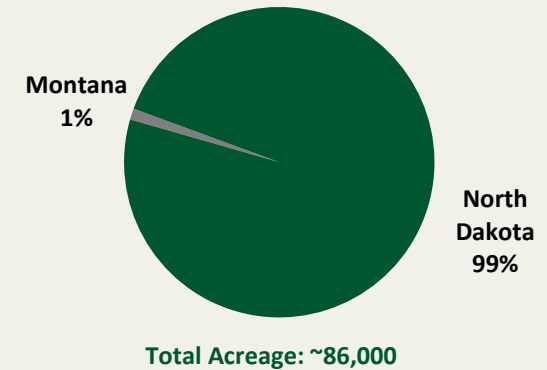
# Acreage & Drilling Inventory – Williston Basin

## Acreage Summary<sup>(1)</sup>

(Net Acres)



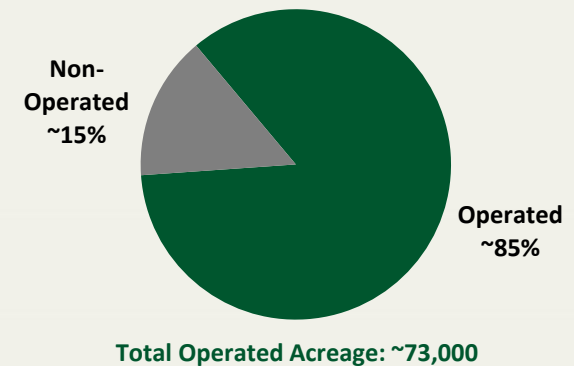
## Acreage by State



## Current Inventory

Project Area	Net Acres	Potential DSUs	Wells / DSU	Potential Locations <sup>(2)</sup>
McKenzie (Low Rider)	57,000	45	12	540
McKenzie (Lewis & Clark)	23,000	18	5	90
Pronghorn	5,000	4	6	24
Richland	1,000	1	8	8
<b>Total</b>	<b>86,000</b>	<b>68</b>		<b>662</b>

## Operated Acreage

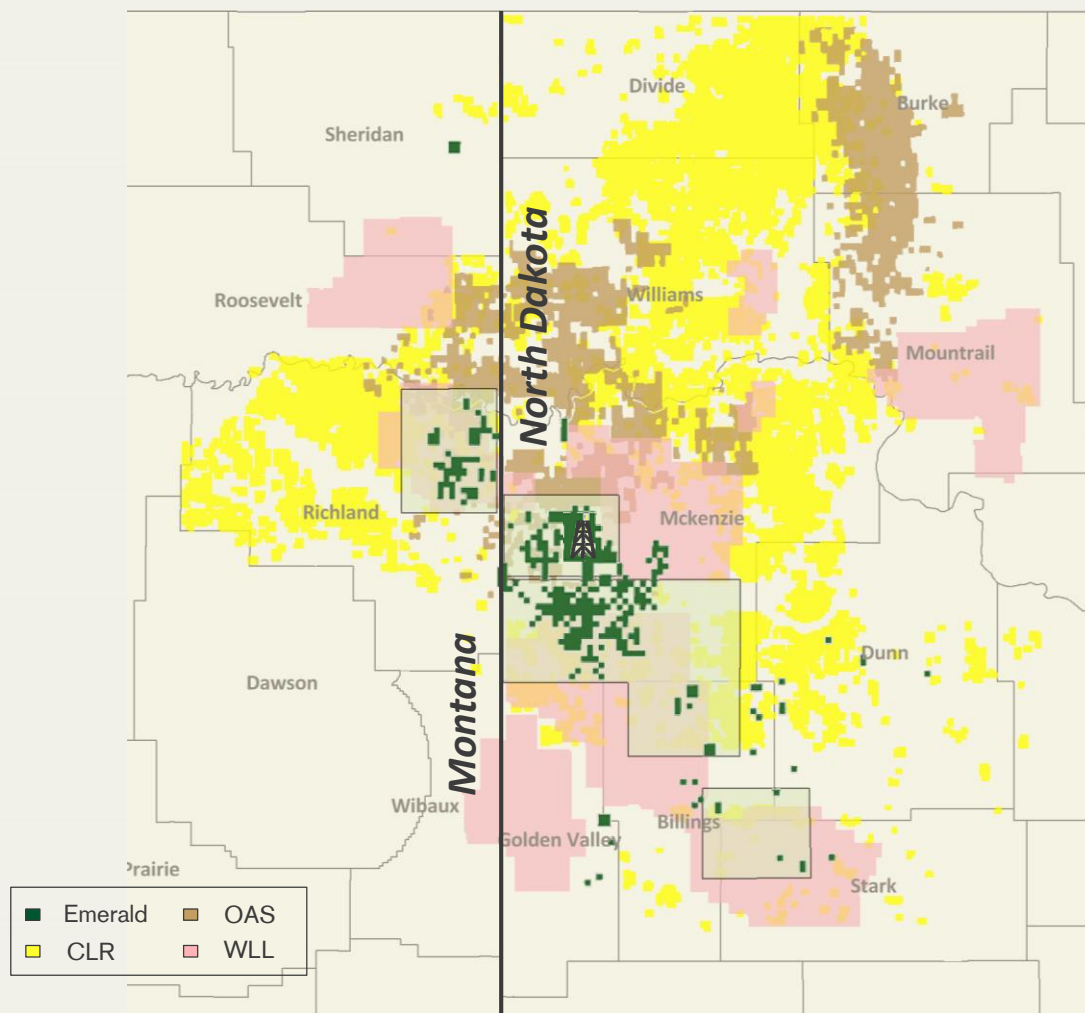


(1) Pro forma for Koch Exploration transaction.

(2) Management estimates based on 8 Middle Bakken wells and 4 Three Forks wells per 1,280-acre spacing unit for Low Rider. 5 Middle Bakken wells and 3 Three Forks wells per 1,280-acre spacing unit for Richland. Pronghorn based on 6 Pronghorn sand wells per 1,280-acre spacing unit. Lewis & Clark based on 5 Three Forks wells per 1,280-acre spacing unit.

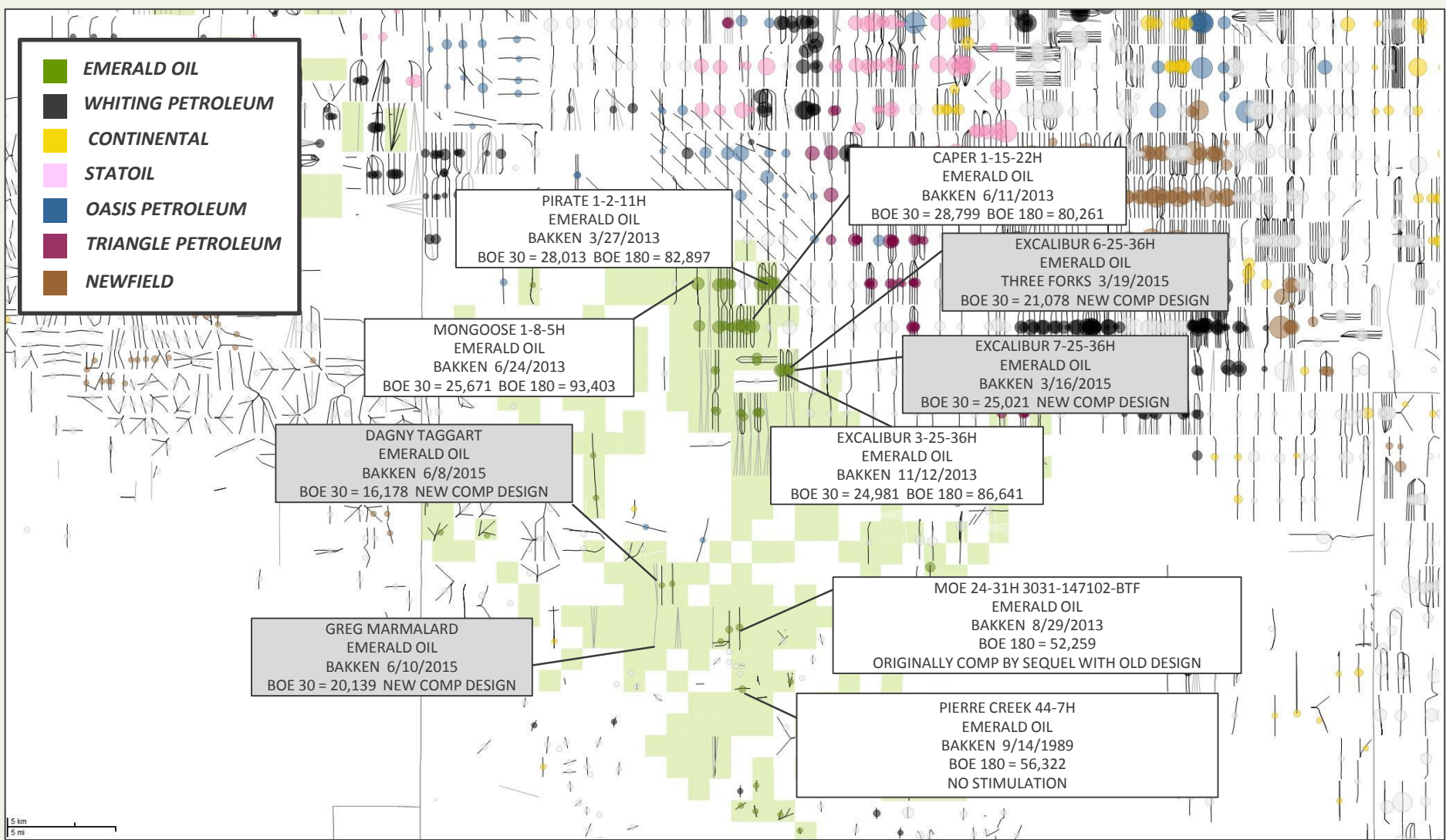


# Williston Basin – Acreage Map



Source: CLR, OAS and WLL April 2015 investor presentation.

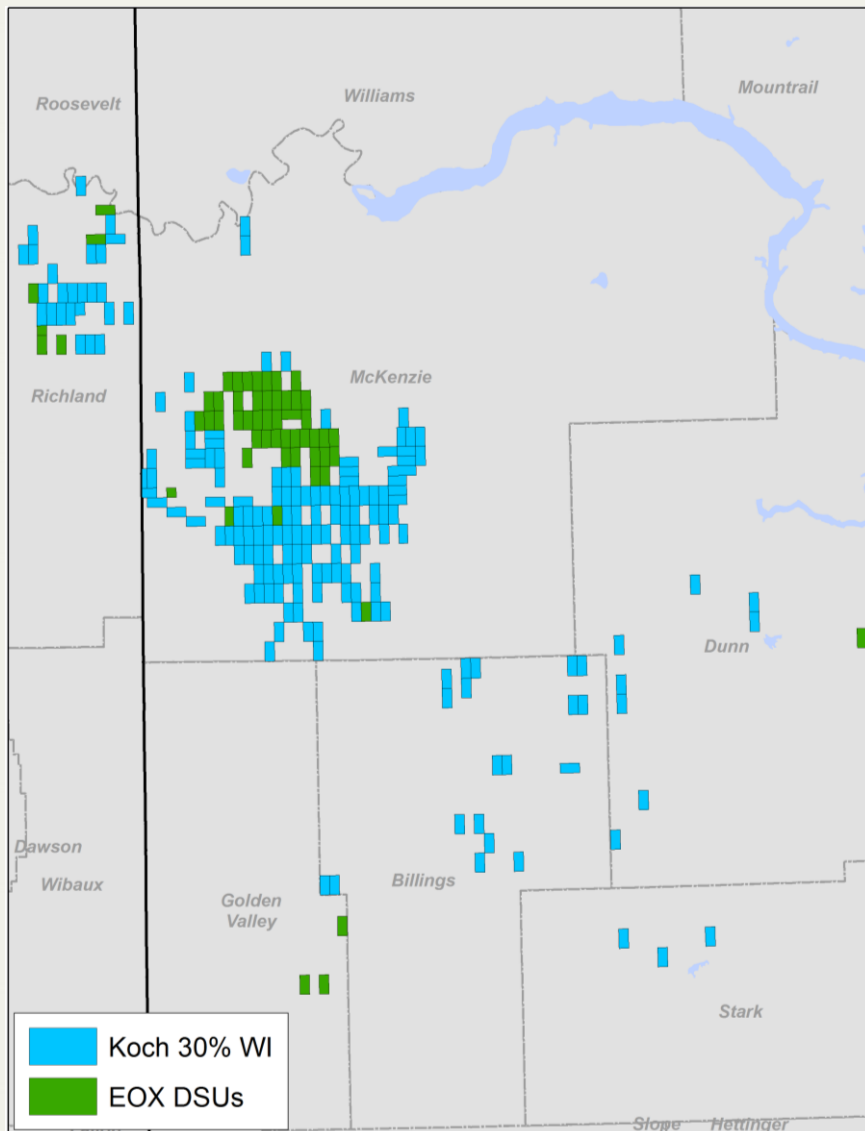
# EOX Assets – McKenzie County (Low Rider / Lewis & Clark)



Source: IHS, North Dakota Industrial Commission and management estimates.  
Note: Dates represent date of first production. Production results for selected wells not intended to be representative of potential production from wells we intend to drill in the target acreage or of any particular location in such acreage.

# Venture with Koch - Overview

## Acquired 30% Working Interest Leasehold

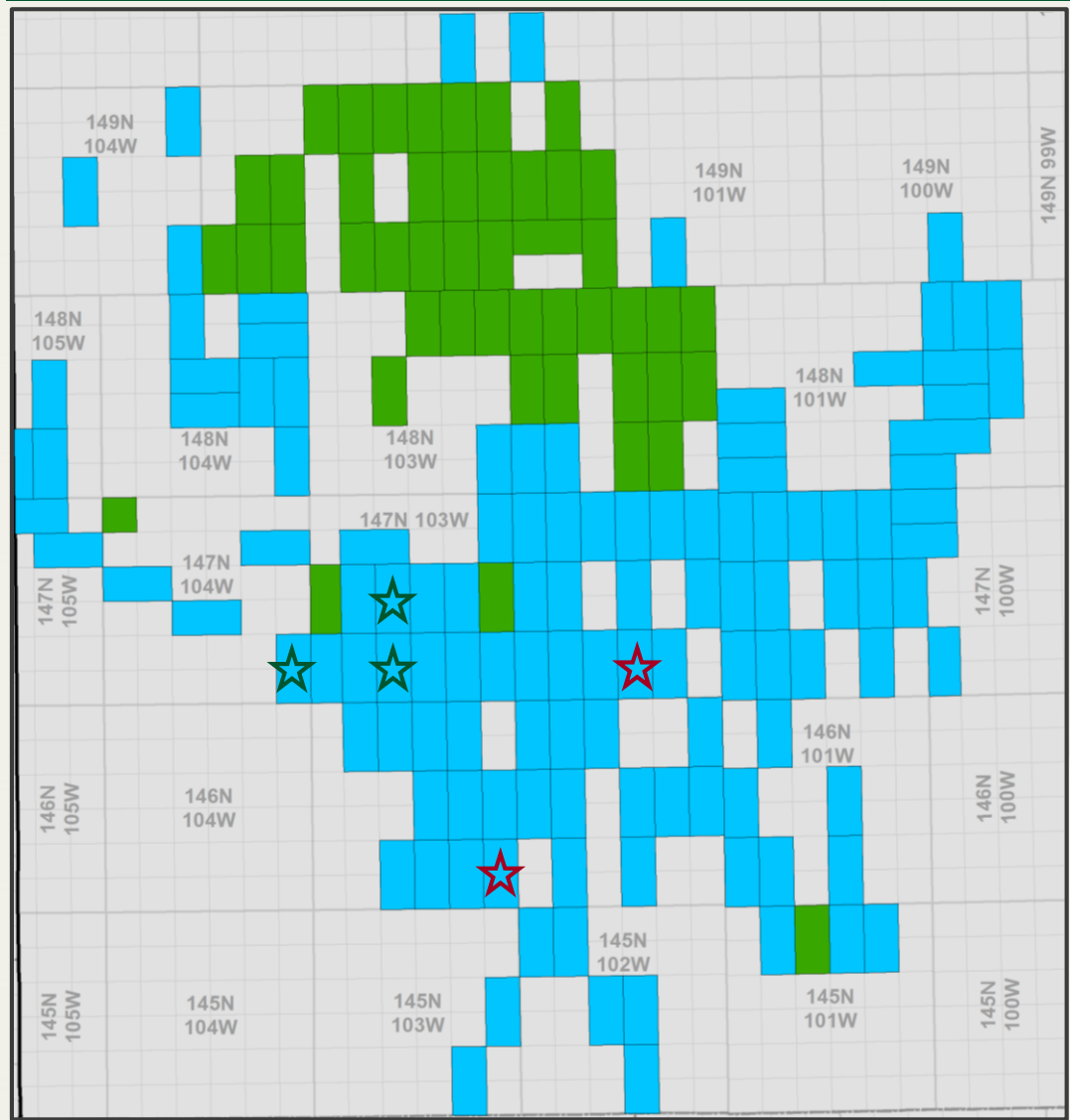


## Summary

- On 10/1/15, Emerald closed a transaction with Koch Exploration, a wholly owned subsidiary of Koch Industries, Inc., where Koch acquired a 30% working interest from Emerald in the majority of its undeveloped southern North Dakota properties:
  - ~25,000 net acres in North Dakota for \$16.4MM
  - ~4,500 net acres in Montana for \$1.0MM
  - Reimbursement for Koch's proportionate 30% share of the existing AFEs of three wells in southern McKenzie County
  - Total transaction size of approximately \$22.8 million
- In conjunction with the transaction, Emerald and Koch Exploration entered into a drilling agreement:
  - Drill two wells in 2016 in southern McKenzie County to further delineate the acreage position
- An AMI was established as part of the deal where acreage acquired by the partnership in the future will be split 50/50

# Venture with Koch – McKenzie County

McKenzie County Leasehold



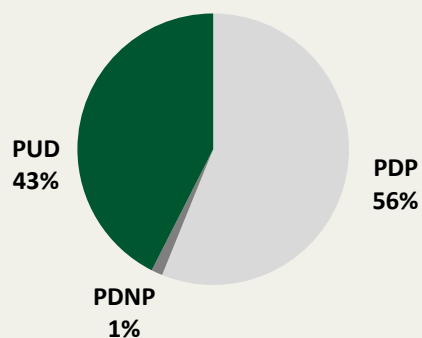
- ☆ - Three wells where Koch Exploration will reimburse Emerald for their proportionate 30% share of existing AFEs
- ☆ - Two wells in the 2016 drilling agreement to further delineate the acreage position

# Reserves Summary

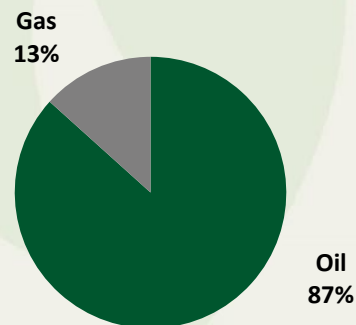
Category	Net Proved Resources as of 12/31/2014*			
	Oil (MBbls)	Gas (Mmcf)	Total (Mboe)	PV-10 <sup>(1)</sup> (\$mm)
PDP	12,885	11,406	14,786	\$408
PDNP	309	264	353	10
PUD	9,632	9,399	11,199	117
<b>Total proved</b>	<b>22,826</b>	<b>21,069</b>	<b>26,338</b>	<b>\$535</b>

\* Based on FYE2014 SEC reserve report.

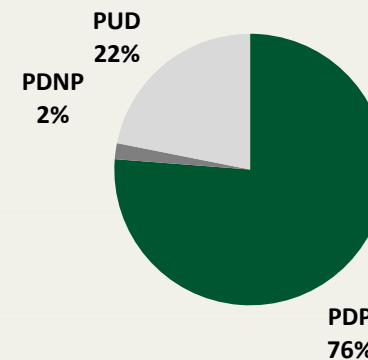
## Estimated Proved Reserves



## Reserve Commodity Mix



## Proved PV-10

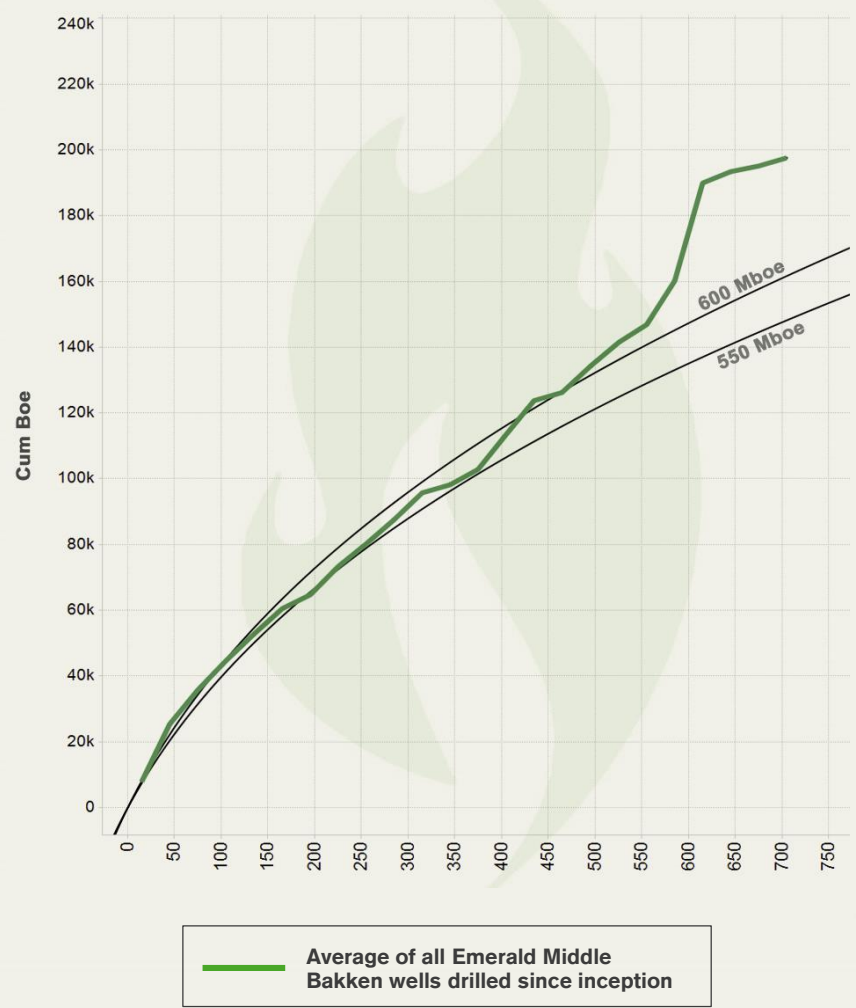


Source: Company information.

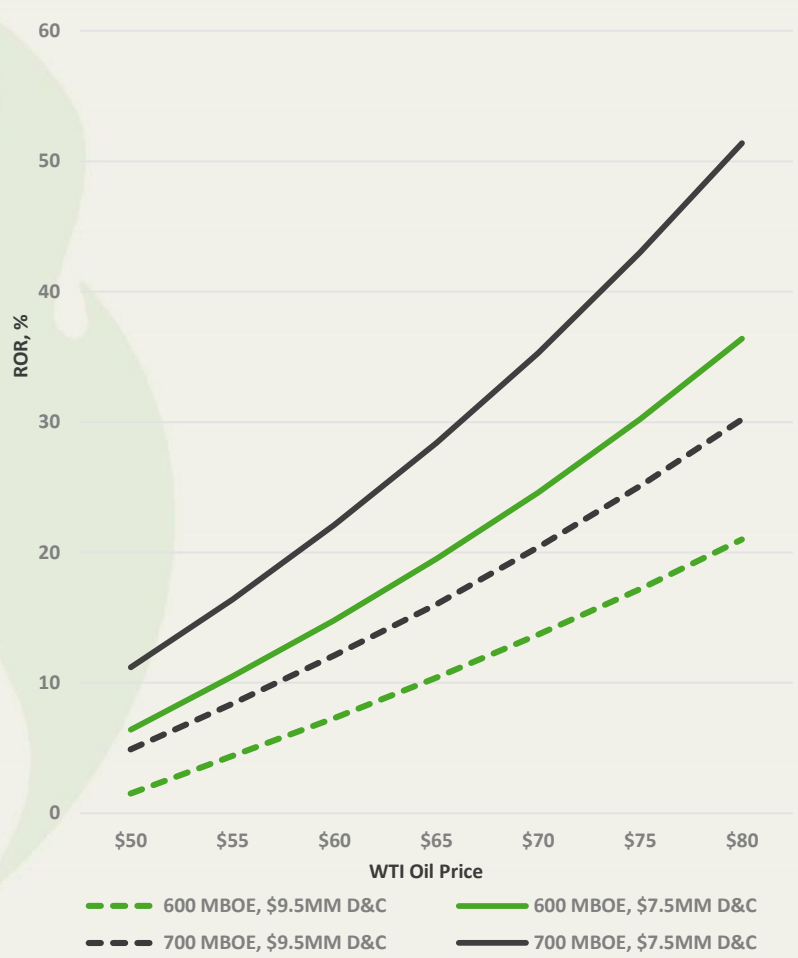
(1) Based on SEC \$91.48/Bbl oil and \$4.35/MMBtu natural gas price deck as per NSAI report.

# Average Well Profile – Results Exceeding Expectations

Middle Bakken Type Curves<sup>(1)</sup>



Oil Price Sensitivities<sup>(2)</sup>



(1) Well results are long lateral well completions normalized for non-producing days.  
(2) Assumes a \$10 differential to WTI, and a \$4 natural gas price.



# 2015 Capex Plans

## 2015E Capital Plan

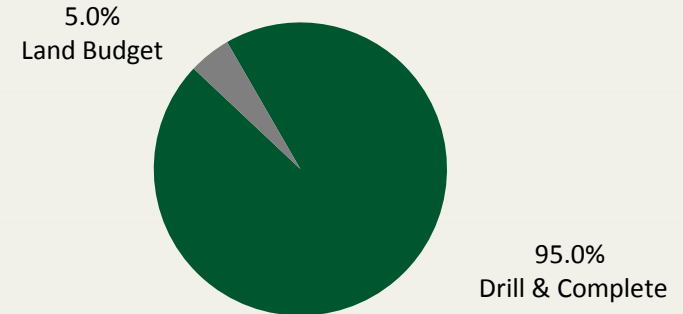
- 2015E drilling budget of \$62.0 - \$81.0 million for 12-month period ending 12/31/15
- 100% operated drilling activity
  - Drilled & completed 4 gross (3.4 net) & complete 8 gross (7.0 net) previously drilled wells
- Drill & Complete capital expenditures incurred through 9/30/2015 of \$69.2 million

## Funding

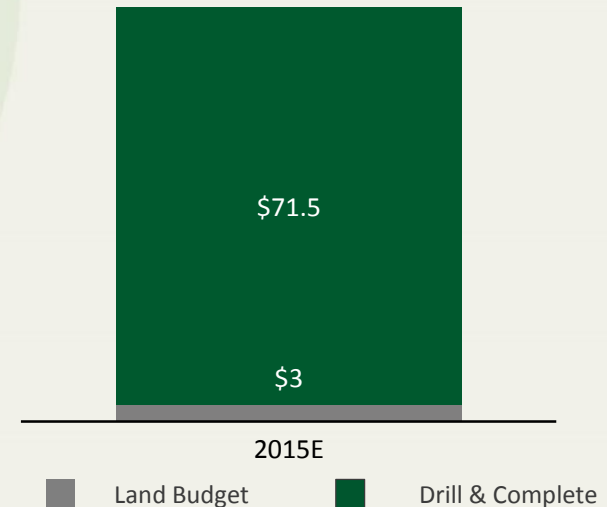
- Well positioned to execute on 2015 capital spending program in the current commodity price environment

## 2015E<sup>(1)</sup> Capital Expenditures

(\$ in millions)



## 2015E Total Capital Expenditures \$63.0 – 86.0 million

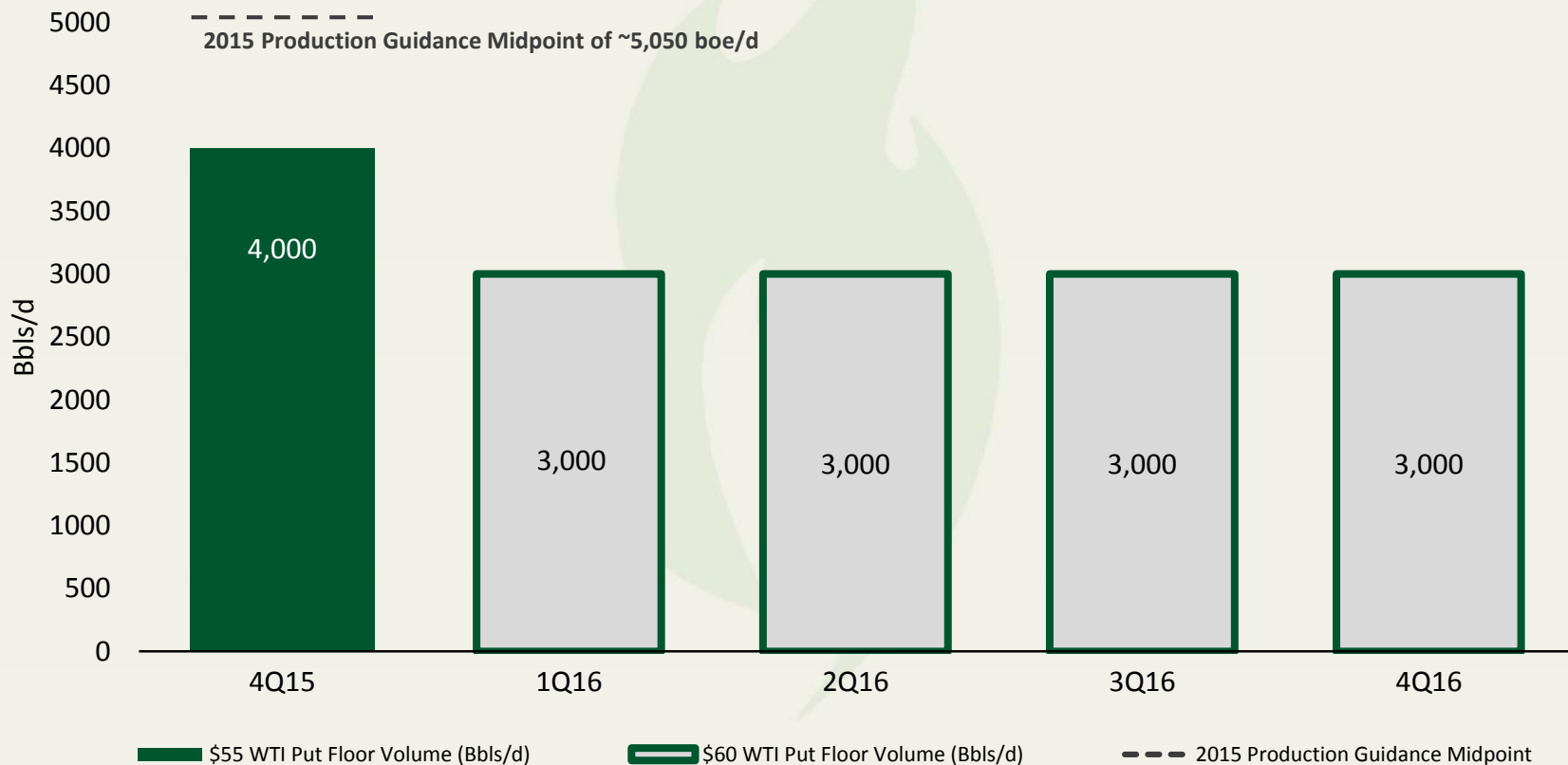


(1) Represents mid-point of 2015E drilling budget of \$62.0 - \$81.0 million and 2015E land budget of \$1.0 - \$5.0 million.

# Hedge Positions

- Management's goal is to opportunistically maximize downside protection
- Company utilizes puts to floor production in order to allow for upside appreciation

## Hedging Summary<sup>(1)</sup>



(1) Reflects open put contracts as of 9/30/15.

# Capital Discipline in Current Commodity Environment

- **Disciplined deployment of capital and capital efficient production growth**

- Reduced Williston Basin rig count from 3 to 0.5 in Q4 2014 following the rapid commodity price decline
- 2015 production expected to grow ~43% over 2014 production
- Expect to be cash flow positive in the second half of 2015 on the current variable one rig program

- **Utilize hedging to protect cash flows**

- Emerald plans to hedge up to the maximum allowed under the Company's borrowing base
- Current puts in place with floors of \$55 per bbl in 2015 and \$60 per bbl in 2016

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