

## Continental Resources Announces Revised 2020 Capital Budget Of \$1.2 Billion And Provides Operational Update

OKLAHOMA CITY, March 19, 2020 /[PRNewswire](#)/ -- In response to the significant drop in commodity prices, Continental Resources, Inc. (NYSE: CLR) ("Continental" or the "Company") today announced a revised 2020 capital budget of \$1.2 billion, representing a 55% decrease in capital spend from the Company's original budget of \$2.65 billion. The Company expects to be cash flow neutral under \$30 per barrel WTI.

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The Company will be reducing its average rig count from 9 to approximately 3 in the Bakken and 10.5 to approximately 4 in Oklahoma. The Company has taken action to implement cost saving initiatives across its operations as part of its ongoing commitment to remain free cash flow positive.

"With a solid balance sheet, peer-leading operating costs and minimal long-term service or supply contracts, Continental will remain flexible and nimble as we optimize development and monitor market conditions," said Bill Berry, Chief Executive Officer. "Continental has a proven track record of adjusting activity and delivering cost savings to maximize cash flow generation in lower price environments."

Harold Hamm, Executive Chairman, said, "This budget adjustment has been precipitated by the collapse of crude oil prices due to the market manipulation of Saudi Arabia and Russia. Illegal dumping of crude oil by these countries began earlier this month at a time of low demand during this unprecedented pandemic of Coronavirus. The U.S. Department of Commerce has been asked by U.S. Senator James Inhofe, Chairman of the Senate Armed Services Committee, to initiate an immediate investigation and to take action under Section 232 of the Trade Expansion Act of 1962 to protect national security and counter this illegal activity. We believe this is a short demand cycle which could see some near-term correction when this illegal dumping practice is halted."

With the revised budget, the Company anticipates 2020 production to be down less than 5% year-over-year. The Company plans to provide additional details surrounding its 2020 guidance updates as part of its first quarter 2020 earnings release, based on its ongoing evaluation of evolving business and market conditions.

### **Cautionary Statement for the Purpose of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995**

This press release includes "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 included in this press release other than statements of historical fact are forward-looking statements, including, but not limited to, statements, information, forecasts or expectations regarding the Company's business and future plans, including those relating to its share repurchase program, payment of dividends, debt reduction goals, free cash flow generation and liquidity expectations, and its expectations regarding the achievement of ROCE goals. When used in this press release, the words "could," "may," "believe," "anticipate," "intend," "estimate," "expect," "project," "budget," "target," "plan," "continue," "potential," "guidance," "strategy," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Forward-looking statements are based on the Company's current expectations and assumptions about future

events and currently available information as to the outcome and timing of future events. Although the Company believes these assumptions and expectations are reasonable, they are inherently subject to numerous business, economic, competitive, regulatory and other risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control. No assurance can be given that such expectations will be correct or achieved or that the assumptions are accurate. The risks and uncertainties include, but are not limited to, commodity price volatility; the geographic concentration of our operations; financial market and economic volatility; the inability to access needed capital; the risks and potential liabilities inherent in crude oil and natural gas drilling and production and the availability of insurance to cover any losses resulting therefrom; difficulties in estimating proved reserves and other reserves-based measures; declines in the values of our crude oil and natural gas properties resulting in impairment charges; our ability to replace proved reserves and sustain production; the availability or cost of equipment and oilfield services; leasehold terms expiring on undeveloped acreage before production can be established; our ability to project future production, achieve targeted results in drilling and well operations and predict the amount and timing of development expenditures; the availability and cost of transportation, processing and refining facilities; legislative and regulatory changes adversely affecting our industry and our business, including initiatives related to hydraulic fracturing; increased market and industry competition, including from alternative fuels and other energy sources; and the other risks described under Part I, Item 1A. Risk Factors and elsewhere in the Company's Annual Report on Form 10-K for the year ended December 31, 2019, registration statements and other reports filed from time to time with the SEC, and other announcements the Company makes from time to time.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which such statement is made. Should one or more of the risks or uncertainties described in this press release occur, or should underlying assumptions prove incorrect, the Company's actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Except as otherwise required by applicable law, the Company undertakes no obligation to publicly correct or update any forward-looking statement whether as a result of new information, future events or circumstances after the date of this report, or otherwise.

## **About Continental Resources**

Continental Resources (NYSE: CLR) is a top 10 independent oil producer in the U.S. Lower 48 and a leader in America's energy renaissance. Based in Oklahoma City, Continental is the largest leaseholder and the largest producer in the nation's premier oil field, the Bakken play of North Dakota and Montana. The Company also has significant positions in Oklahoma, including its SCOOP Woodford and SCOOP Springer discoveries and the STACK plays. With a focus on the exploration and production of oil, Continental has unlocked the technology and resources vital to American energy independence and our nation's leadership in the new world oil market. In 2020, the Company will celebrate 53 years of operations. For more information, please visit [www.CLR.com](http://www.CLR.com).

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