



Rex Energy Announces Fourth Quarter and Full Year 2017 Production and Estimated Price Realizations and Provides Operational Update

- Realized natural gas prices improved 67%, before hedging, as compared to the full-year 2016
- Realized C3+ NGL pricing for fourth quarter of 2017 was 72% of WTI before hedging
- Previously announced four-well Wilson Pad produced at an average 30-day sales rate per well, assuming full ethane recovery, of 10.0 MMcfe/d
- Three-well Jenkins Pad produced at an average 30-day sales rate per well, assuming full ethane recovery, of 6.0 MMcfe/d consisting of 70% liquids, including an average 332 Bbls/d of condensate
- Fourth quarter production at the high end of guidance range

STATE COLLEGE, Pa., February 6, 2018 (GLOBE NEWSWIRE) – Rex Energy Corporation (the “Company”) (NASDAQ: REXX) announced fourth quarter 2017 and full-year 2017 production and estimated pricing realizations and provided an operational update.

Note: All results included in this release are unaudited; they are preliminary pending the completion of the Company’s financial closing procedures. These preliminary estimates may be revised in connection with the preparation of our financial statements for the year ended December 31, 2017.

Production Results and Price Realizations

Rex Energy’s fourth quarter 2017 production was 205.3 MMcfe/d, consisting of 123.4 MMcf/d of natural gas, 13.0 Mboe/d of NGLs (including 7.3 Mboe/d of ethane) and 0.7 Mboe/d of condensate. Condensate and NGLs (including ethane) accounted for 40% of production during the quarter. Full-year 2017 production was 184.5 MMcfe/d.

During the fourth quarter of 2017, realized natural gas prices, before the effects of hedging, improved approximately 7% as compared to the fourth quarter of 2016. For the full-year 2017, realized natural gas prices, before the effects of hedging, improved approximately 67% as compared to full-year 2016. The improvement in natural gas realizations was driven by an increase in sales of natural gas to the Gulf Coast and improved differentials in the northeast markets. In addition, C3+ NGL prices, before the effects of hedging, averaged approximately 72% of WTI oil prices. The improvement in C3+ NGL prices was largely due to continued improvement in Mont Belvieu prices and improved differentials for C3+ NGLs in the northeast. Full-year 2017 realized C3+ NGL prices averaged approximately 61% of WTI.

The table below outlines Rex Energy’s fourth quarter production and realized pricing, including the effects of cash-settled derivatives, together with the same period comparison from the prior year:

	Three Months Ended		Full Year Ended	
	December 31,		December 31,	
	2017 ⁽¹⁾	2016 ⁽¹⁾	2017 ⁽¹⁾	2016 ⁽¹⁾
Production Data (average per day):				
Natural gas (Mcf)	123,426	120,929	113,580	122,089
Natural gas liquids (C3+) (Bbls)	5,710	5,436	5,072	5,454
Ethane (Bbls)	7,271	5,792	6,017	5,769
Condensate (Bbls)	667	1,100	733	985
Total (Mcf/d) ⁽²⁾	205,316	194,898	184,512	195,331

Average price per unit:

Realized natural gas price per Mcf – as reported	\$ 2.39	\$ 2.23	\$ 2.74	\$ 1.64
Realized impact from cash settled derivatives per Mcf	<u>0.24</u>	<u>0.19</u>	<u>0.03</u>	<u>0.59</u>
Net realized price per Mcf	\$ 2.63	\$ 2.42	\$ 2.77	\$ 2.23
Realized NGL (C3+) price per Bbl – as reported	\$ 39.75	\$ 27.64	\$ 31.21	\$ 17.97
Realized impact from cash settled derivatives per Bbl	<u>(11.25)</u>	<u>(2.25)</u>	<u>(6.37)</u>	<u>2.46</u>
Net realized price per Bbl	\$ 28.50	\$ 25.39	\$ 24.84	\$ 20.43
Realized ethane price per Bbl – as reported	\$ 10.03	\$ 9.36	\$ 9.96	\$ 7.81
Realized impact from cash settled derivatives per Bbl	<u>0.04</u>	<u>(0.48)</u>	<u>0.02</u>	<u>(0.01)</u>
Net realized price per Bbl	\$ 10.07	\$ 8.88	\$ 9.98	\$ 7.80
Realized condensate price per Bbl – as reported	\$ 49.29	\$ 43.13	\$ 44.89	\$ 37.08
Realized impact from cash settled derivatives per Bbl	<u>(0.31)</u>	<u>(5.40)</u>	<u>1.04</u>	<u>4.56</u>
Net realized price per Bbl	\$ 48.98	\$ 37.73	\$ 45.93	\$ 41.64
Realized gas differential to NYMEX	\$ (0.30)	\$ (0.56)	\$ (0.34)	\$ (0.23)

- (1) Natural gas liquids (C3+), ethane and condensate are converted at the rate of one barrel of oil equivalent to six Mcfe.
- (2) Includes production and revenue from Warrior South, which was sold in January 2017. Excluding the effects of Warrior South, annual production would have been 115,421 Mcf/d of natural gas, 5,037 Bbls/d of NGLs (C3+), 5,768 Bbls/d of ethane, and 920 Bbls/d of condensate, totaling 185,775 MCFe/d for the full-year 2016; 115,349 Mcf/d of natural gas, 5,093 Bbls/d of NGLs (C3+), 5,792 Bbls/d of ethane, and 1,054 Bbls/d of condensate, totaling 186,981 MCFe for the fourth quarter of 2016.

Operational Update*Four-Well Wilson Pad – Butler Legacy*

As previously announced, the four-well Wilson pad was placed into sales during November 2017 and produced at an initial 24-hour average sales rate per well of 10.9 MMcfe/d, consisting of 6.6 MMcf/d of natural gas and 721 Bbls/d of NGLs.

The average 30-day sales rate per well was 10.0 MMcfe/d, consisting of 6.0 MMcf/d of natural gas and 662 Bbls/d of NGLs.

Three of the four wells on the Wilson pad were drilled at an average lateral length of approximately 10,200 feet. These three extended-length wells produced at an average 30-day sales rate per well of 11.4 MMcfe/d, consisting of 6.9 MMcf/d of natural gas and 755 Bbls/d of NGLs. Current rates from these wells continue to show strong production results and pressure profiles.

Three-Extended Lateral Wilson Wells – New Rates				
Pad	Natural Gas (Mcf/d)	NGLs (Bbls/d)	Total (Mcf/d)	Liquids %
5-Day	7,355	809	12,209	40%
30-Day	6,867	755	11,397	40%
60-Day	6,740	742	11,192	40%

“We are very pleased with the continued performance of the Wilson pad, in particular the three extended lateral length wells, which have continued to exceed our initial expectations,” said Tom Stabley, President

and Chief Executive Officer. “The early success of the Wilson pad further illustrates the continued optimization of our completion design.”

Three-Well Jenkins Pad – Warrior North

The Company has recently placed the three-well Jenkins pad into sales. The three wells were drilled to an average lateral length of approximately 6,500 feet and were completed with an average of 37 stages. The three wells produced at an average 30-days sales rate per well of approximately 6.0 MMcfe/d, consisting of 1.8 MMcf/d of natural gas, 370 Bbls/d of NGLs and 332 Bbls/d of condensate. In conjunction with placing these wells into sales, the Company has returned to production certain wells that were shut-in during the completion phase of the Jenkins pad, in which the Company owns a 100% working interest.

* All sales rates assume full ethane recovery.

Drilling and Completion Update

In Moraine East, the Company recently finished completing the four-well Kern pad, in which it owns a 100% working interest. These wells are expected to be placed into sales in March and will have a similar completion design to the previously completed Frye pad. Currently, the Company is in the process of completing the recently drilled seven-well Goebeler pad in Warrior North, where it owns an approximate 71% working interest. Finally, the Company is currently drilling the fourth of five wells on the Hofer pad in the Butler Legacy area, where the Company has seen some of the best results in the area to date.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of federal securities laws. All statements, other than statements of historical facts, included in this release that address activities, events, developments, forecasts, or guidance that Rex Energy expects, believes or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements rely on assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside Rex Energy's ability to control or predict, that could cause results to differ materially from management's current expectations. These risks and uncertainties include, but are not limited to, economic and market conditions, operational considerations, the timing and success of our exploration and development efforts, and other uncertainties. Additional information concerning these and other factors can be found in our press releases and public periodic filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2016, and we strongly encourage you to review those documents to understand these risks. You should not place undue reliance on forward-looking statements because they reflect management's views only as of the date of this release. We undertake no obligation to revise or update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

About Rex Energy Corporation

Headquartered in State College, Pennsylvania, Rex Energy is an independent oil and gas exploration and production company with its core operations in the Appalachian Basin. The Company's strategy is to pursue its higher potential exploration drilling prospects while acquiring oil and natural gas properties complementary to its portfolio.

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