



CENTENNIAL

*Core Oil
Delaware Basin Pure-Play*

***Second Quarter 2017
Earnings Presentation***

August 7, 2017



Important Information

Forward-Looking Statements

The information in this presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact included in this presentation, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this presentation, the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on management’s current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. We caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond our control, incident to the development, production, gathering and sale of oil and natural gas. These risks include, but are not limited to, commodity price volatility, inflation, lack of availability of drilling and production equipment and services, environmental risks, drilling and other operating risks, regulatory changes, the uncertainty inherent in estimating reserves and in projecting future rates of production, cash flow and access to capital, the timing of development expenditures and the other risks described in our filings with the Securities and Exchange Commission. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this presentation.

Use of Non-GAAP Financial Measures

This presentation includes the non-GAAP financial measure, Adjusted EBITDAX. Please refer to slide 15 for a reconciliation of Adjusted EBITDAX to net (loss) income, the most comparable GAAP measure. We believe Adjusted EBITDAX is useful because it allows us to more effectively evaluate our operating performance and compare the results of our operations from period to period and against our peers without regard to financing methods of capital structure. We exclude the items listed in slide 15 from net (loss) income in arriving at Adjusted EBITDAX because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDAX should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP or as an indicator of our operating performance or liquidity. Certain items excluded from Adjusted EBITDAX are significant components in understanding and assessing a company’s financial performance, such as a company’s cost of capital and tax structure, as well as the historic cost of depreciable assets, none of which are components of Adjusted EBITDAX. Our presentation of Adjusted EBITDAX should not be construed as an inference that our results will be unaffected by unusual or non-recurring items. Our computations of Adjusted EBITDAX may not be comparable to other similarly titled measures of other companies.

Centennial – Q2 2017 highlights

- Reported \$20.8mm of GAAP net income⁽¹⁾ and \$63.1mm of adjusted EBITDAX⁽²⁾
- Increased Q2 2017 average daily oil production volumes by 66% compared to Q1 2017; average daily oil equivalent volumes up 61%
 - Increased oil commodity mix to 59% in Q2 from 57% in Q1
- Increased full-year 2017 oil and oil equivalents production guidance by 14% and 15%, respectively
- Reported 5 of the strongest recent industry Reeves County horizontal wells on a Bo/d / 1,000' basis
- Lowered all full-year 2017 unit cost estimates
 - LOE, cash G&A, gathering, processing & transportation, DD&A and severance & ad valorem taxes
- Deferred addition of 7th rig previously planned for the second half of 2017
 - Full-year capital and well count guidance remains unchanged

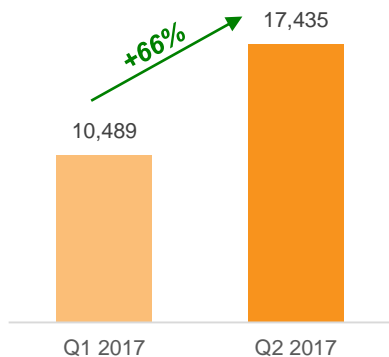
(1) Net income attributable to common shareholders

(2) Adjusted EBITDAX is not presented in accordance with generally accepted accounting principles in the United States. Please see slide 15 for a reconciliation to net income, our most directly comparable financial measure calculated and presented in accordance with GAAP.

Operational and financial outperformance

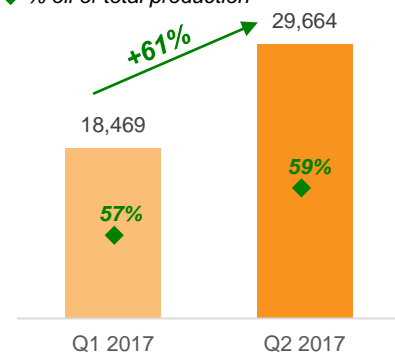
Production growth

Oil production (Bo/d)



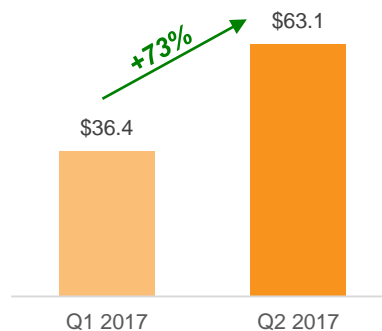
Oil equivalent production (Boe/d)

◆ % oil of total production

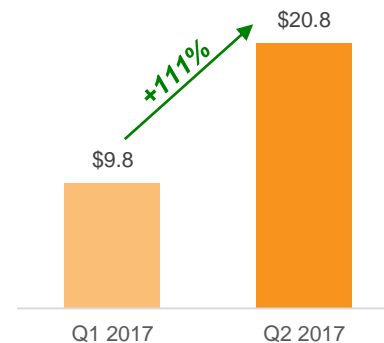


Cash flow / income growth

Adjusted EBITDAX¹ (\$ mm)



Net income² (\$ mm)

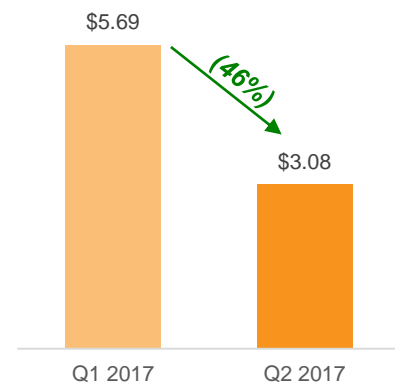


Unit cost improvement

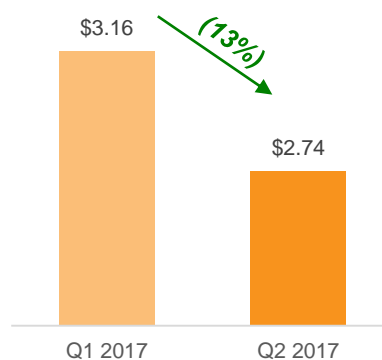
LOE (\$/Boe)



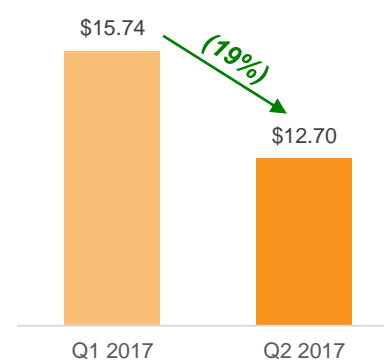
Cash G&A (\$/Boe)³



GP&T (\$/Boe)



DD&A (\$/Boe)



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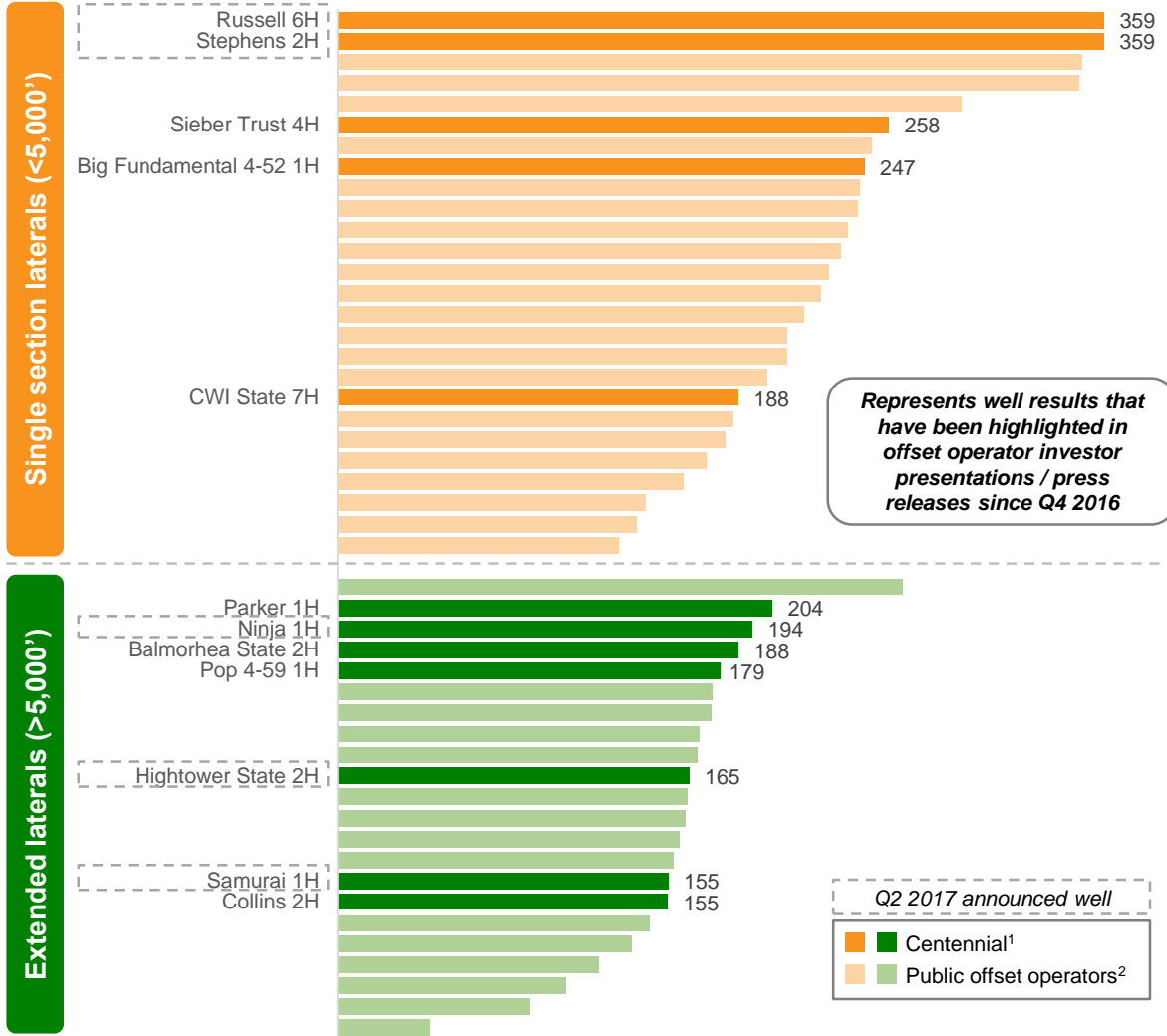
(2) Net income attributable to common shareholders

(3) Q1 2017 G&A / Boe metric includes ~\$1.8mm in one-time / non-recurring charges

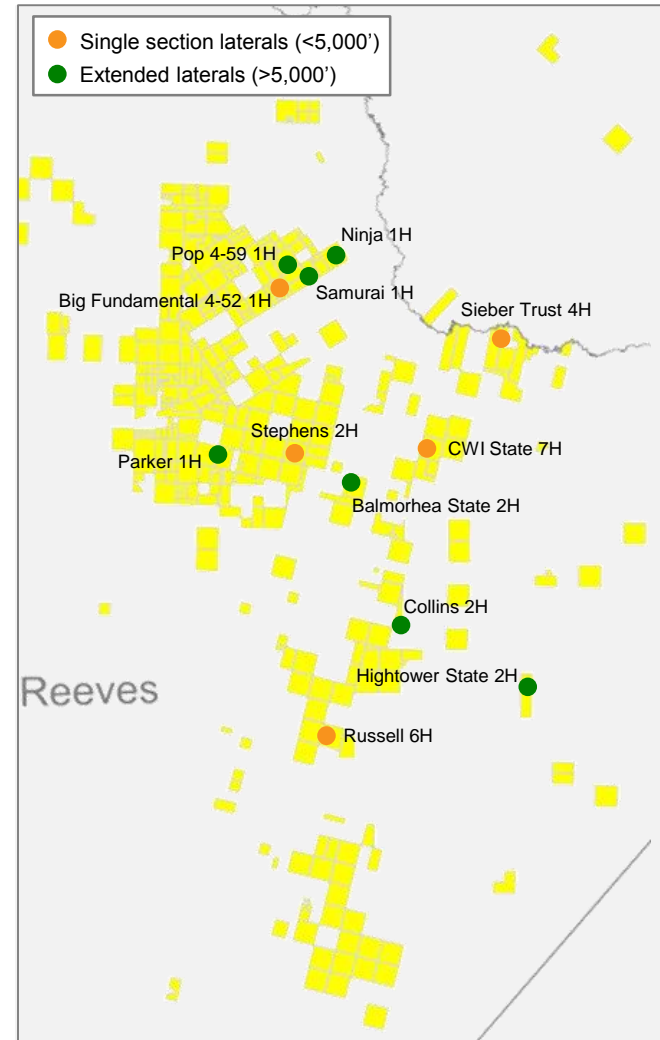
Industry leading well results in Reeves County

Publicly released well results since Q4 2016

CDEV / offset operator Reeves County well results (IP-30 Bo/d / 1,000')



Centennial Reeves County well locator map



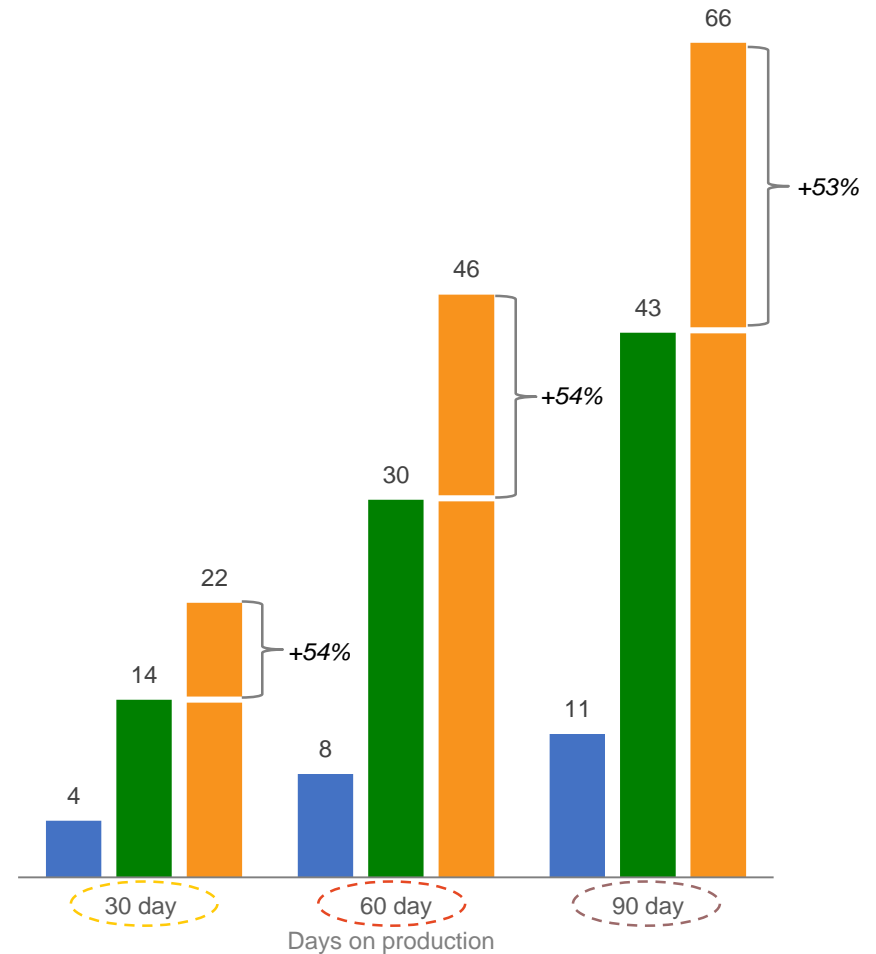
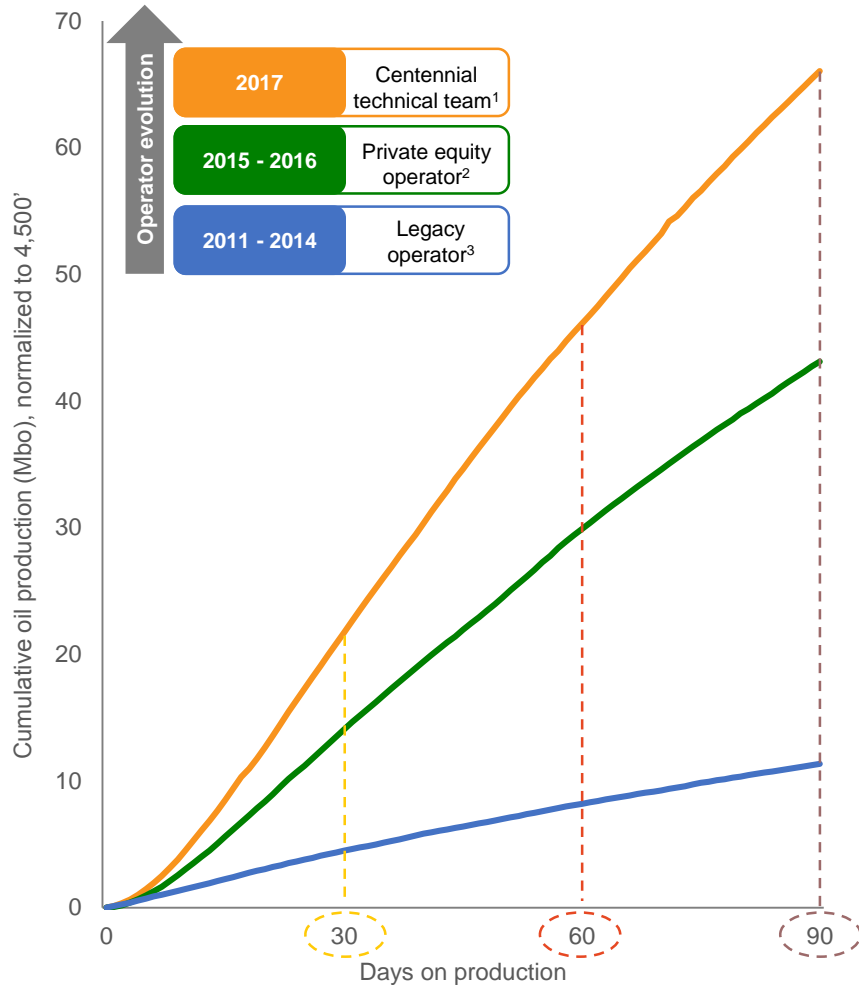
Source: Company presentations and press releases since Q4 2016

(1) Includes CDEV Reeves County well results released in connection with 2Q17 earnings, 1Q17 earnings and 4Q16 earnings

(2) Reeves County peer group includes: CXO, EOG, FANG, NBL, OXY, PDCE, REN, WPX and XEC

Tangible results from new technical team on Silverback acreage

Average cumulative oil production by operator on acquired Silverback acreage (MBo; normalized to 4,500', includes all lateral lengths)

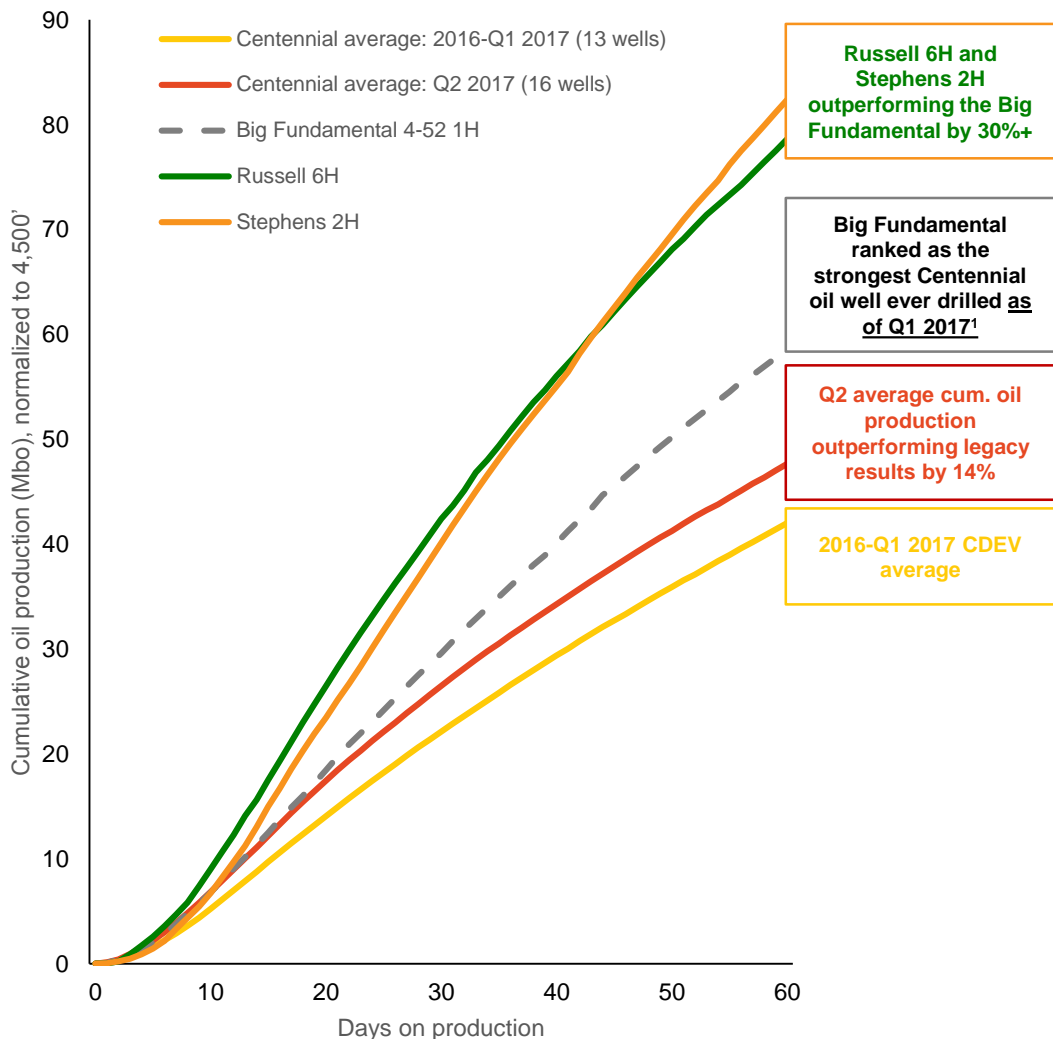


Note: Production data unadjusted for downtime; Operator classification based on Company that completed the horizontal well; percentage increase calculations may not re-calculate due to rounding

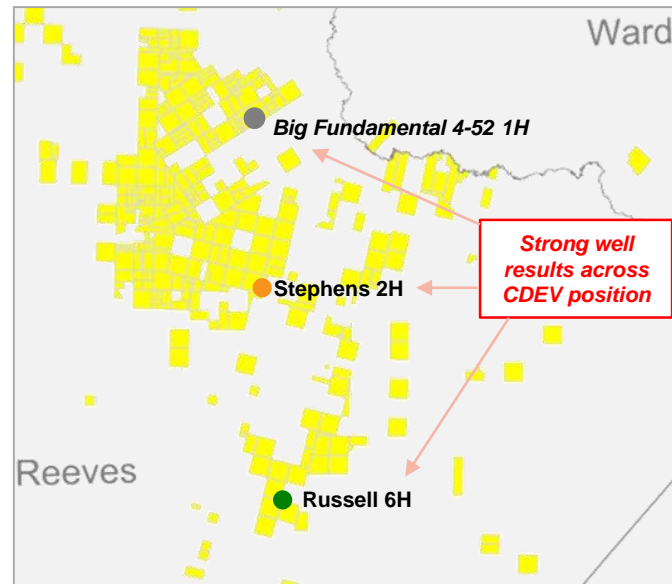
- (1) Includes production from 4 wells: Represents horizontal wells completed by Centennial (Big Fundamental 4-52 1H, Ninja 4-50 49 1H, Samurai 4-49 50 1H and Little Fundamental 4-52 2H)
- (2) Includes production from 8 wells: Represents horizontal wells completed by private equity operator
- (3) Includes production from 22 wells: Represents horizontal wells completed by legacy operator

Russell and Stephens wells significantly outperforming our best well ever drilled as of Q1

Single section laterals (<5,000') cum. oil production (Mbo)



Well locator and summary results

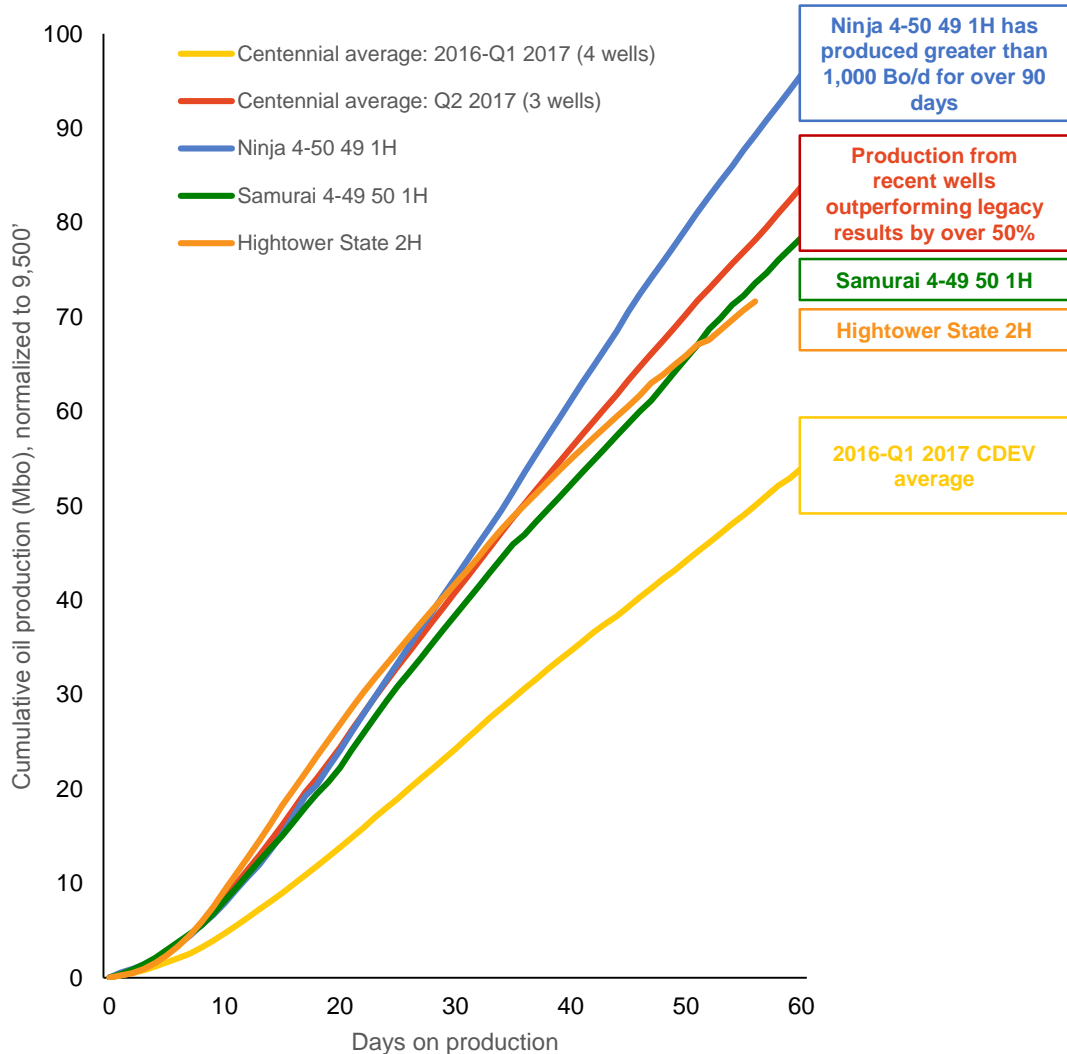


	Stephens 2H	Russell 6H
Production Results		
Lateral length (ft.)	4,190	4,185
Zone	WC UA	WC UA
IP 30 (Bo/d)	1,503	1,503
IP 30 (Boe/d)	1,953	1,750
% oil	77%	86%
IP 30 / 1,000' (Bo/d)	359	359
Completion design		
Clusters / stage	15	15
Proppant (lbs/ft)	2,400	2,600

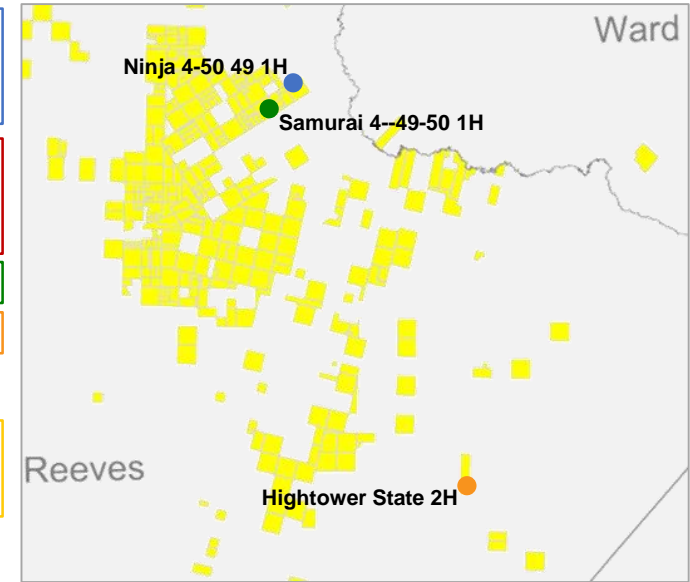
Note: IP 30 data and % oil figures based on 2-stream production results
 (1) Based on normalized 60-day cumulative oil production

Recent extended laterals outperforming legacy results

Two section laterals (>8,000') cum. oil production (Mbo)



Well locator and summary results



	Ninja 4-50 49 1H	Samurai 4-50 49 1H	Hightower State 2H
Production Results			
Lateral length (ft.)	8,775	8,990	9,515
Zone	WC UA	WC UA	WC UA
IP 30 (Bo/d)	1,704	1,391	1,566
IP 30 (Boe/d)	3,140	2,672	1,951
% oil	54%	52%	80%
IP 30 / 1,000' (Bo/d)	194	155	165
Completion design			
Clusters / stage	15	15	15
Proppant (lbs/ft)	2,400	2,200	2,400

Note: IP 30 data and % oil figures based on 2-stream production results

Summary Q2 2017 Financial Results

Financial summary (\$mm) ¹			
(\$ in millions, unless specified)	Q2 2017	Q1 2017	% change
Average Daily Production (Boe/d)	29,664	18,469	61%
Average Daily Oil Production (Bo/d)	17,435	10,489	66%
% Oil	59%	57%	–
Financial highlights			
Total Revenue	\$ 91.1	\$ 61.1	49%
Adjusted EBITDAX ²	\$ 63.1	\$ 36.4	73%
Net Income ³	\$ 20.8	\$ 9.8	111%
Unit Costs (\$/Boe)			
Lease Operating Expense	\$ 3.06	\$ 4.38	(30%)
Gathering, Processing & Transportation	\$ 2.74	\$ 3.16	(13%)
Severance & Ad Valorem Taxes	\$ 1.75	\$ 1.92	(9%)
Cash G&A	\$ 3.08	\$ 5.69	(46%)
Depreciation, Depletion & Amortization	\$ 12.70	\$ 15.74	(19%)
Capital Expenditures Incurred			
Drilling & Completion	\$ 145.7	\$ 89.4	63%
Land and Other	17.1	9.2	86%
Facilities, Seismic and Other	6.8	2.2	208%
Total Capital Expenditures	\$ 169.6	\$ 100.8	68%
Total Debt Balance	\$35.0	\$ -	--
Cash and Cash Equivalents	-	54.9	--
Liquidity ⁴	\$ 314.1	\$304.4	

(1) Amounts may not sum due to rounding

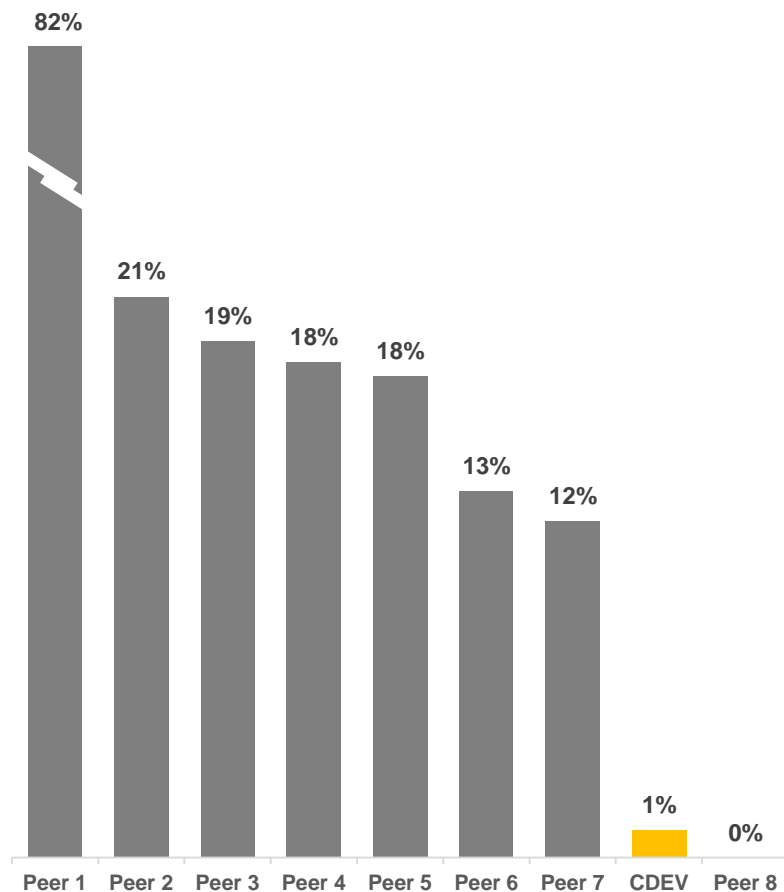
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(3) Net income attributable to common shareholders

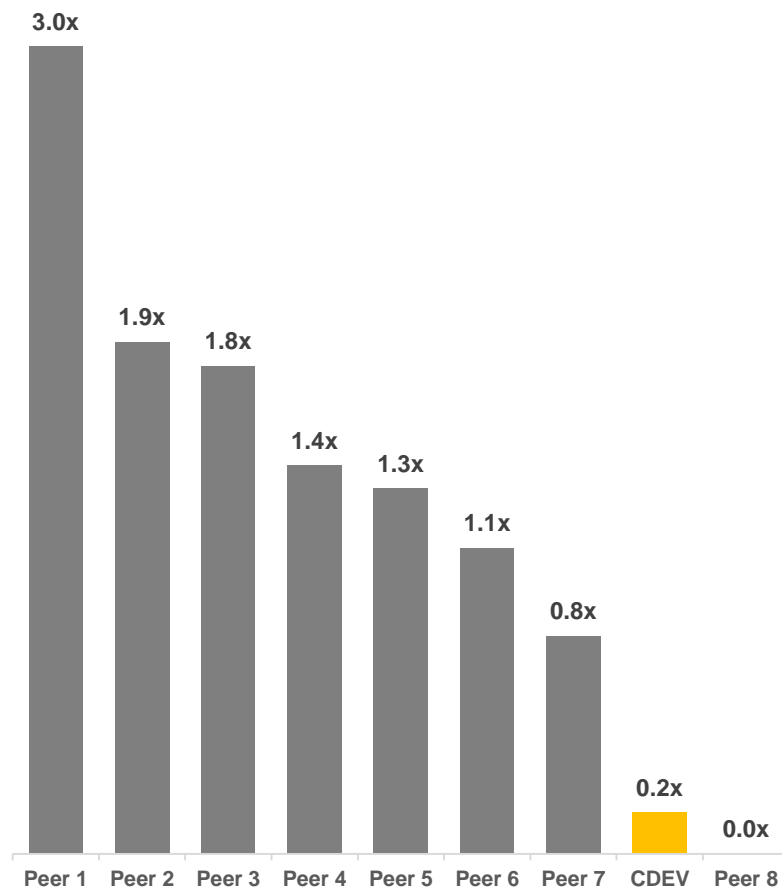
(4) Liquidity defined as cash, plus availability under the revolving credit facility

Superior leverage profile provides operational flexibility

Net Debt / Total Capitalization¹



Net Debt / 2017E EBITDAX¹



Source: Company filings and consensus estimates

Note: Peer group includes: CPE, CXO, EGN, FANG, JAG, LPI, PE, and RSPP

(1) CDEV, CPE, CXO, FANG and PE as of 6/30/17; remaining companies as of 3/31/17; pro forma for capital markets and A&D activity post 3/31/17

Simplifying Centennial's Equity Capital Base

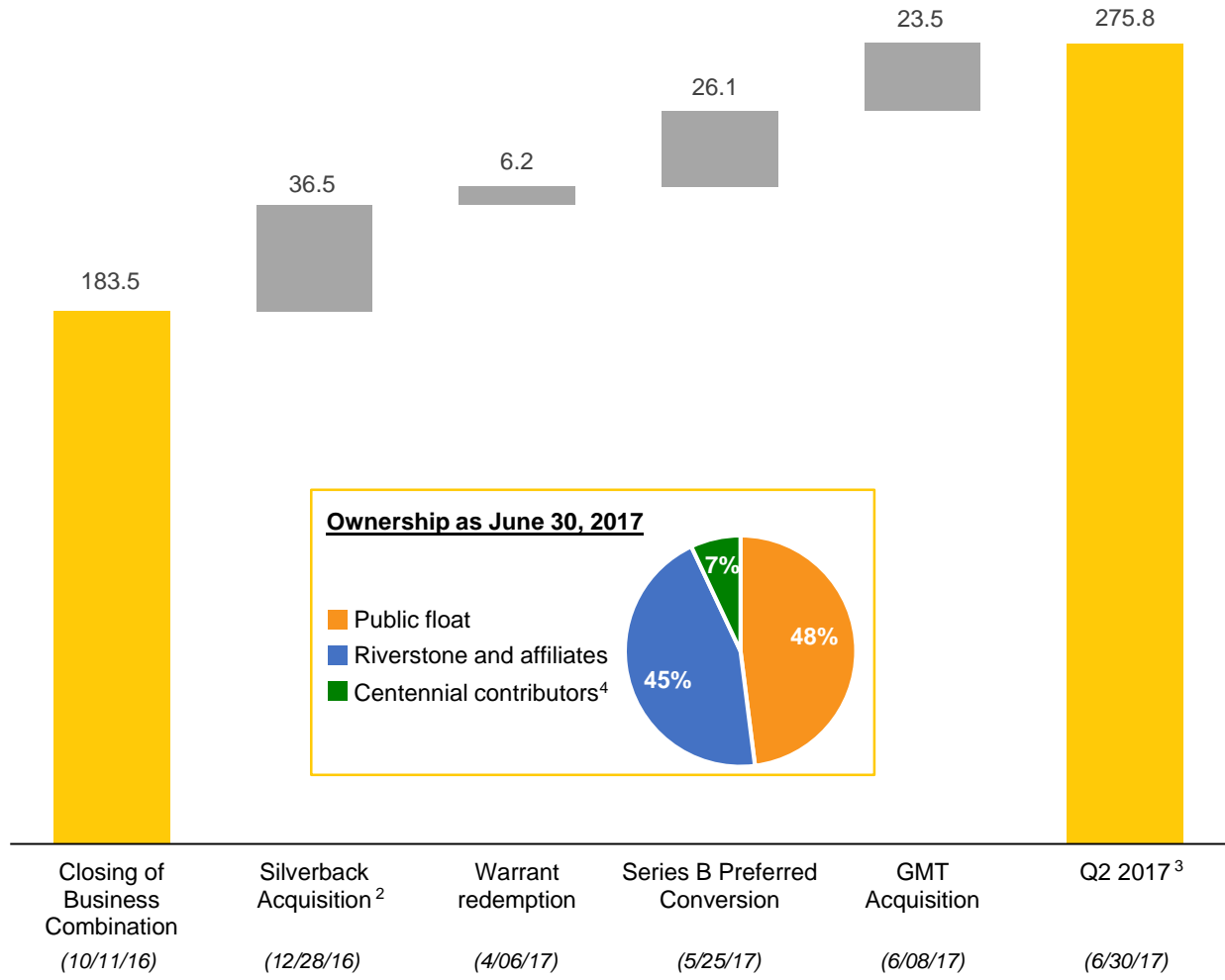
- Key initiatives to-date:

- Redemption of public warrants
- Conversion of Series B preferred shares

- Current share structure:

- 257 million Class A Common shares
- 19 million Class C shares
- 8 million Private Warrants¹

Evolution of shares outstanding (Class A & Class C)¹



(1) Share count does not include 8 million Private Warrants
 (2) Figure does not include Series B preferred shares issued to Riverstone as part of the transaction
 (3) Total shares outstanding as of August 3, 2017, excluding restricted stock
 (4) Represents CRD, NGP Follow-On and Celerio, collectively

Revised 2017 Guidance Summary

Guidance summary

- Deferring addition of 7th rig, 6 rigs flat for second half of 2017
- Production guidance increased
 - 14% increase to mid-point daily oil production
 - 15% increase to mid-point of average daily equivalent production
- All full year unit cost estimates reduced as a result of cost controls and growth in absolute volumes
- Full-year capital and well count guidance remains unchanged

Updated FY 2017 guidance

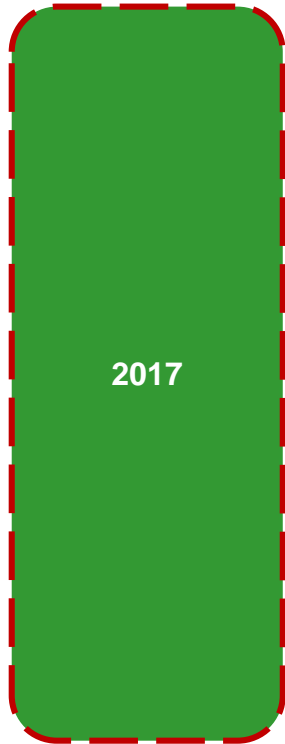
	Post - GMT 2017 FY Guidance	Updated 2017 FY Guidance
Net Average Daily Production (Boe/d)	23,600 - 27,900	27,350 - 31,650 ↑
Oil Net Average Daily Production (Bo/d)	14,850 - 16,650	17,100 - 18,900 ↑
Production Costs (per Boe)		
Lease Operating Expense	(\$3.25) - (\$3.75)	(\$3.25) - (\$3.55) ↓
Gathering, Processing & Transportation	(\$3.10) - (\$3.60)	(\$2.75) - (\$3.25) ↓
Depreciation, Depletion, Amortization	(\$18.00) - (\$20.00)	(\$14.00) - (\$16.00) ↓
Cash General and Administrative ¹	(\$3.00) - (\$3.75)	(\$3.00) - (\$3.50) ↓
Severance and Ad Valorem Taxes (% of revenue)	6% - 8%	6% - 7% ↓
Capital Expenditure Program (\$MM)	\$535 - \$625	\$535 - \$625
D&C Capital Expenditure	\$475 - \$540	\$475 - \$540
Land	\$50 - \$70	\$50 - \$70
Facilities, Seismic and Other	\$10 - \$15	\$10 - \$15
Operated Drilling Program		
Wells Spud (Gross)	65 - 75	65 - 75
Wells Completed (Gross)	65 - 75	65 - 75

(1) Represents G&A expenses less equity based compensation expense, which Centennial does not estimate

Centennial 2020 Game Plan

Delivering investor returns through operational outperformance

Objective: Best equity performance of any U.S. Mid Cap E&P through 2020



2017

2018

2020

- Grow net oil production from 5,757 Bo/d in 2016 to 60,000 by 2020
- Become mid-cap technical leader in G&G and well completion technology
- Achieve above average competence in drilling technology and execution
- Evaluate Bone Spring Shale prospectivity across acreage
- Maintain one of the lowest net debt positions of all U.S. E&P companies
- Maintain clear, easy to understand financials
- Target up to \$50-\$70 million per year spend for acreage acquisitions
- Achieve lowest unit costs among peers – LOE and G&A
- Achieve 60,000 Bo/d average annual oil production

Centennial Resource Development Overview

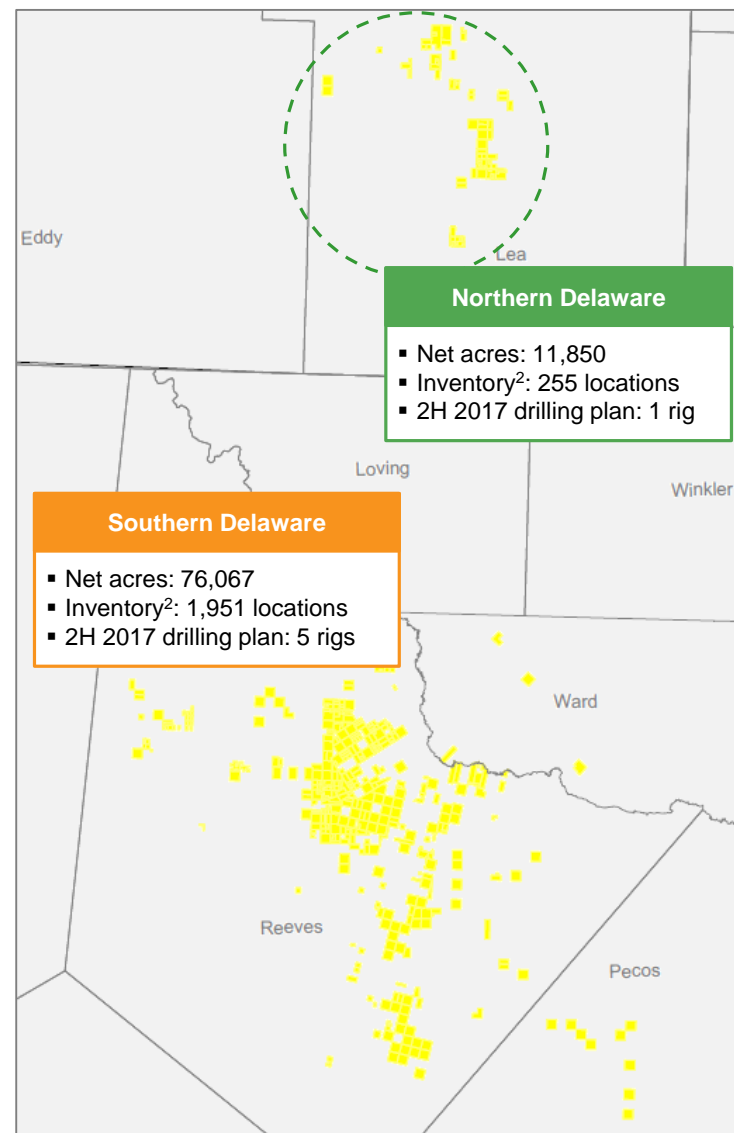
Core Delaware Basin Pure-Play

Q2 2017 highlights

- Increased Q2 2017 average daily oil production volumes by 66% compared to Q1 2017; average daily oil equivalent volumes up 61%
 - Increased commodity mix from 57% oil to 59% oil from Q1 to Q2 2017
- Increased midpoint of 2017 production guidance for total production and oil production by 15% and 14%, respectively
- Lowered full-year unit cost estimate guidance across all categories
- Closed the acquisition of the Northern Delaware Basin assets of GMT Exploration on June 8, 2017

Summary operational statistics

Operational overview			
Q2 2017 actuals			
Total production (Boe/d)			29,664
Oil production (Bo/d)			17,435
% oil			59%
Active operated rigs running (as of 6/30/17)			6
2017E production guidance (midpoint)		Previous	Revised
2017E production (Boe/d)		25,750	29,500
2017E oil production (Bo/d)		15,750	18,000
Acreage ¹			
Total net acreage			-88,000
% Operated			84%
Drilling inventory ^{1,2}			
Gross horizontal drilling locations			2,206
Gross operated horizontal drilling locations			1,394
Proved reserves			
Total proved reserves at 12/31/16 (MBoe) ³			82,959
% oil			56%



(1) As of 12/31/2016 plus incremental GMT acquisition acreage / inventory
 (2) Represents gross horizontal drilling locations; for legacy Centennial assumes credit for the Upper and Lower Wolfcamp A, Wolfcamp B, Wolfcamp C and 3rd Bone Spring Sand; assumes no locations in Pecos County; for GMT assumes credit for the Avalon Shale, 2nd Bone Spring Sand, 3rd Bone Spring Sand and Wolfcamp A
 (3) As of 12/31/2016; does not include incremental proved reserves from GMT acquisition

Reconciliation of Adjusted EBITDAX to Net Income

Adjusted EBITDAX reconciliation (\$ thousands) ¹			
	Q2 2017	Q1 2017	Successor
	For the three months ended June 30, 2017	For the three months ended March 31, 2017	October 11, 2016 through December 31, 2016
Adjusted EBITDAX reconciliation to net income:			
Net income (loss) attributable to common shareholders	\$20,762	\$9,823	(\$8,081)
Net income attributable to noncontrolling interest	2,436	884	(904)
Interest expense	707	410	378
Income tax expense (benefit)	9,069	-	-
Depreciation, depletion and amortization	34,300	26,160	14,877
Abandonment expense (benefit) and impairment of unproved properties	-	(29)	-
Net (gain) loss on derivative instruments	(2,529)	(3,759)	1,548
Net cash receipts (payments) on settled derivatives	273	(397)	1,054
Equity based compensation expense	2,318	2,610	1,333
Exploration expense	2,470	-	844
Transaction costs	457	887	4,097
(Gain) loss on sale of oil and natural gas properties	(7,191)	(166)	(24)
Adjusted EBITDAX	\$63,072	\$36,423	\$15,122

(1) Adjusted EBITDAX is not presented in accordance with generally accepted accounting principles in the United States