

# Continental Resources

## First Quarter 2011 Update

May 24, 2011

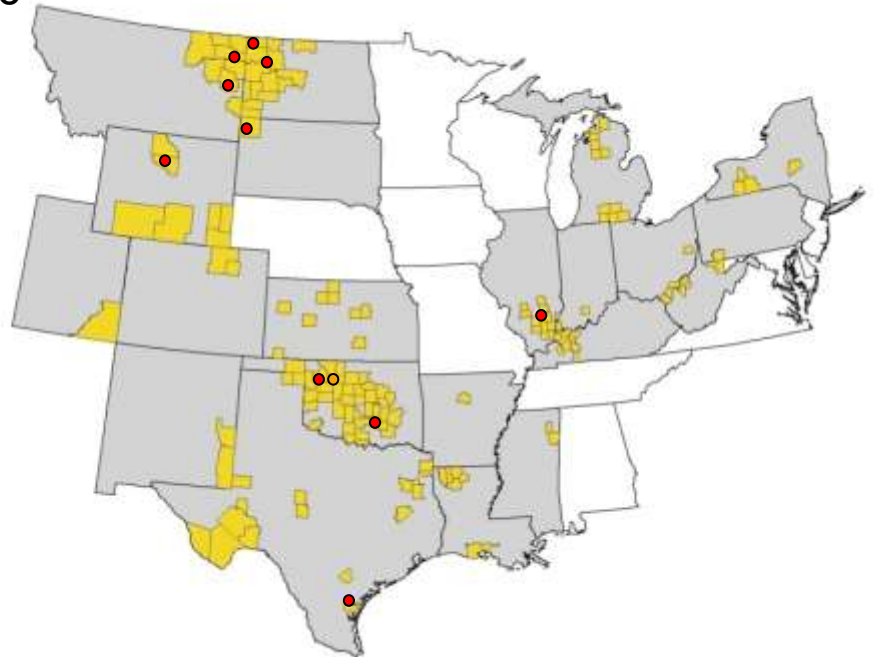


**This presentation includes forward-looking information that is subject to a number of risks and uncertainties, many of which are beyond the Company's control. All information, other than historical facts included in this presentation, regarding strategy, future operations, drilling plans, estimated reserves, future production, estimated capital expenditures, projected costs, the potential of drilling prospects and other plans and objectives of management is forward-looking information. All forward-looking statements speak only as of the date of this presentation. Although the Company believes that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that these plans, intentions or expectations will be achieved. Actual results may differ materially from those anticipated due to many factors, including oil and natural gas prices, industry conditions, drilling results, uncertainties in estimating reserves, uncertainties in estimating future production from enhanced recovery operations, availability of drilling rigs, pipe and other services and equipment, availability of oil and natural gas transportation capacity, availability of capital resources and other factors listed in reports we have filed or may file with the Securities and Exchange Commission.**

**This presentation also includes information on reserves potentially recoverable through additional drilling or enhanced recovery operations. Non-proven estimates are generally not permitted to be disclosed in SEC filings and are subject to a substantial risk of not being realized.**

# Continental Resources, Inc.

- 🔥 #1 oil producer in Williston Basin
- 🔥 Accelerating growth with oil-rich drilling inventory
- 🔥 Excellent 1Q 2011 Results
  - \$269MM EBITDAX (+53% YOY)
  - 34% production growth vs. 1Q10



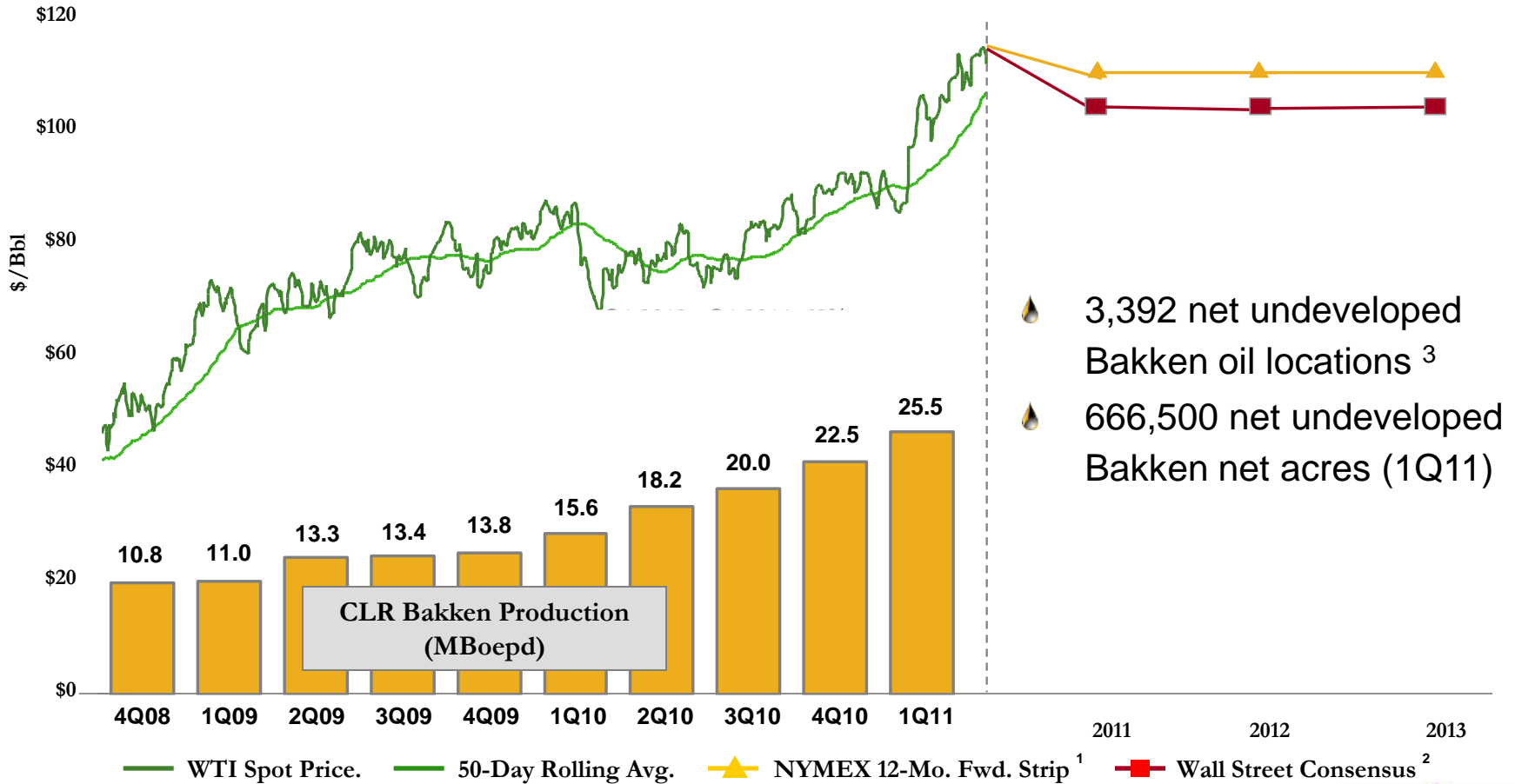
# How Continental Is Creating Value

- 🔥 Target: 35%-to-37% production growth for 2011
- 🔥 Hedges support \$1.75B capex and accelerated growth
- 🔥 High-margin operator of premium assets
  - 72% cash margin in 1Q 2011
  - Operating control of 88% of our PV-10
- 🔥 Strong credit ratios expected through 5-year growth cycle
- 🔥 Long track record of finding substantial oil fields

# Established Onshore Oil Producer

🔥 Current commodity price environment supports acceleration of drilling program

## Oil Prices and Historical CLR Bakken Production



- 🔥 3,392 net undeveloped Bakken oil locations <sup>3</sup>
- 🔥 666,500 net undeveloped Bakken net acres (1Q11)

<sup>1</sup> NYMEX 12-Month Forward Strip pricing as of 5/3/2011

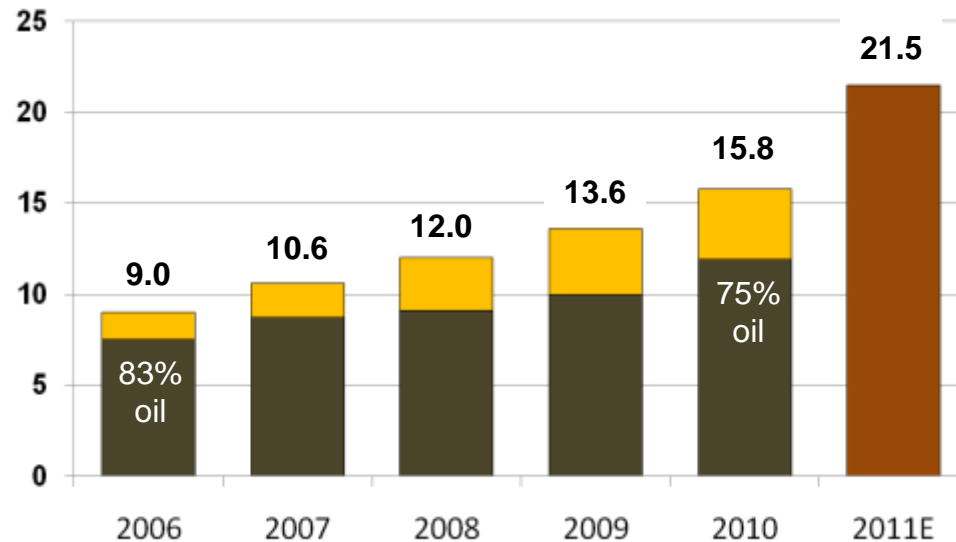
<sup>2</sup> Wall Street Consensus per Thomson One Analytics as of 5/3/2011

<sup>3</sup> Based on 320-acre spacing

# Strong Production Growth Companywide

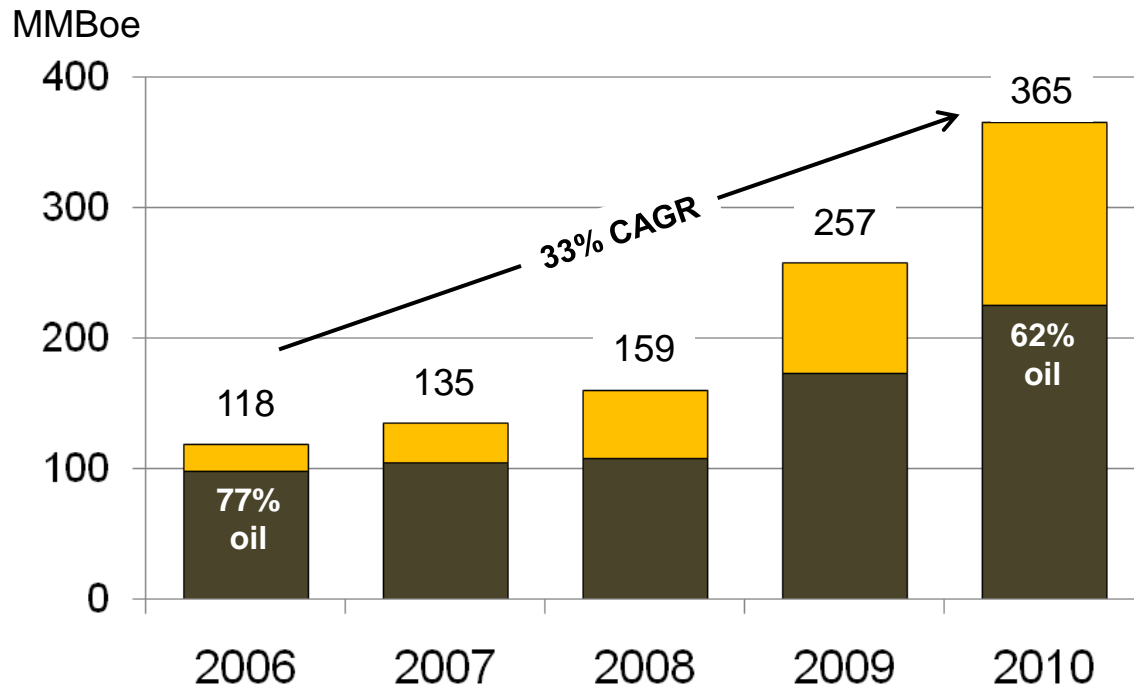
Guidance: 35% to 37% production growth in 2011.

MMBoe

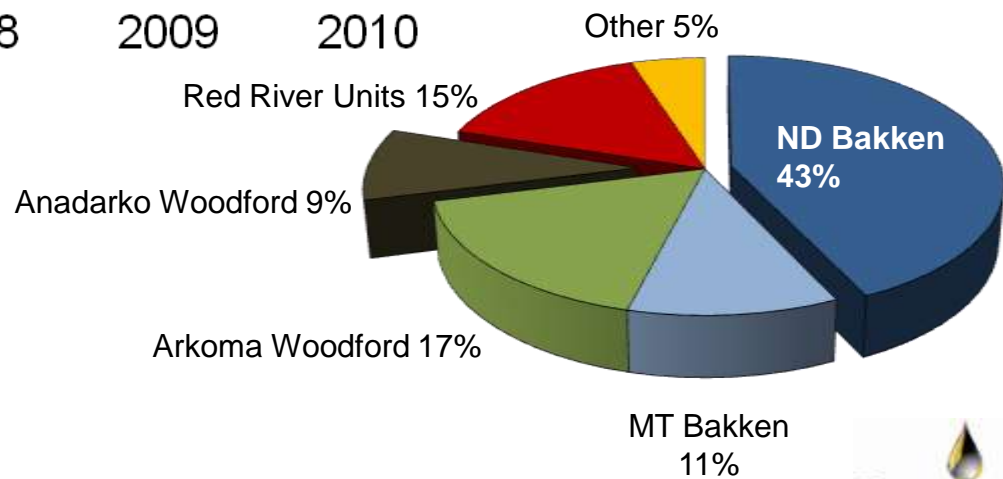


- 🔥 34% total production growth in 1Q 2011 (YOY)
- 🔥 1Q 2011 Bakken production grew 67% over 1Q10
- 🔥 2010 Total reserve additions 95.2 MMBoe, 6X 2010 production
- 🔥 All-sources F&D of \$9.63/Boe

# Growth in Proved Reserves 2005-2010

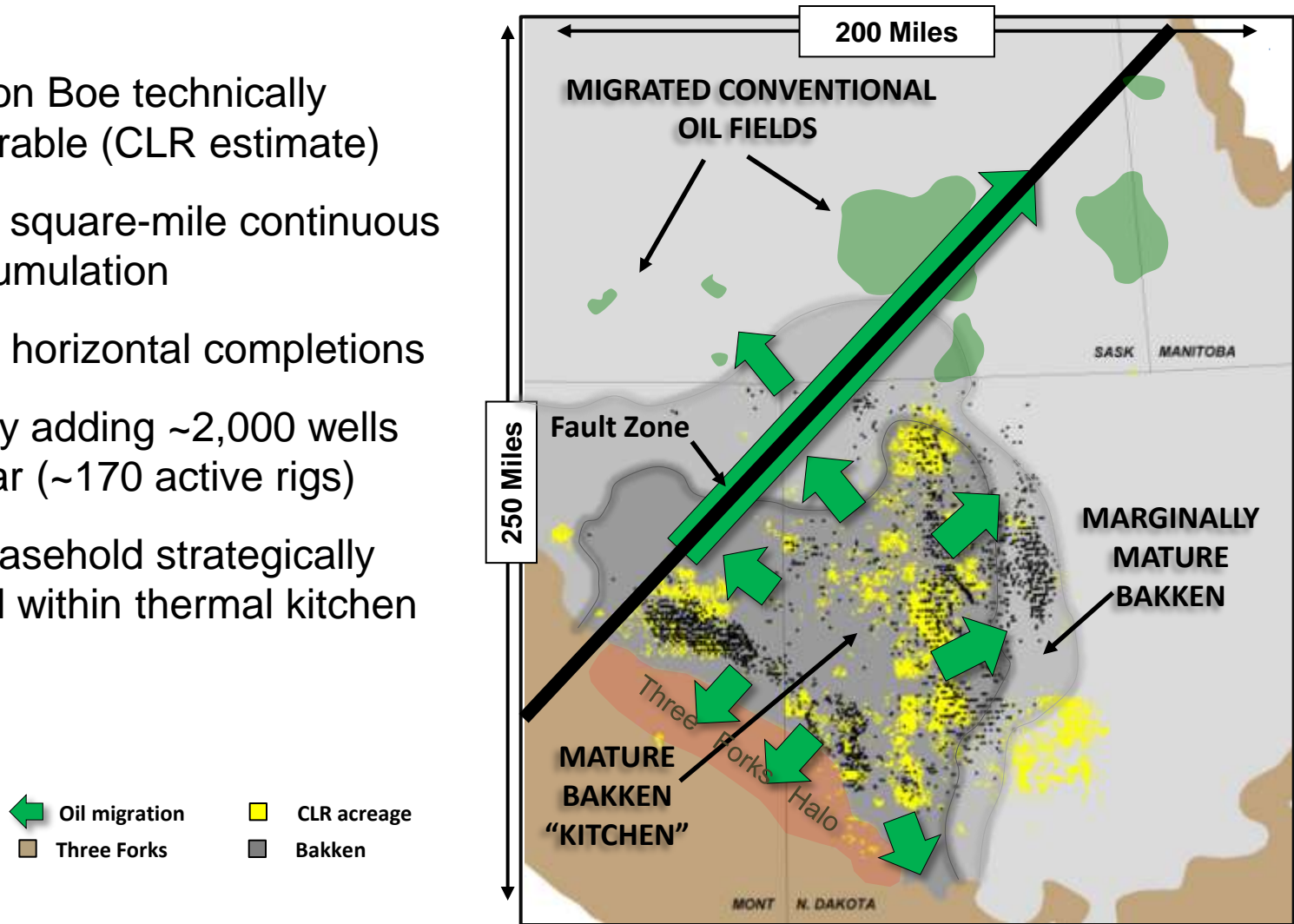


**2010 Proved Reserves:  
365 MMBoe**

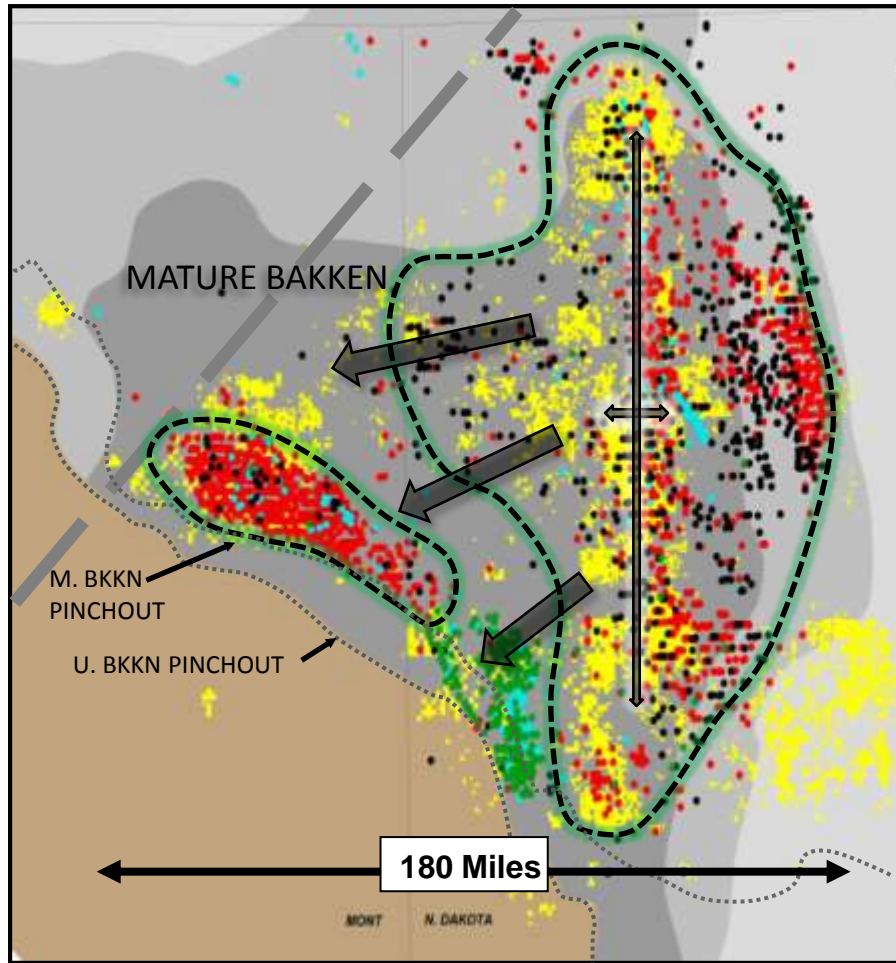


# The Bakken: Continuing to Grow

- 🔥 24 billion Boe technically recoverable (CLR estimate)
- 🔥 14,700 square-mile continuous oil accumulation
- 🔥 ~4,000 horizontal completions
- 🔥 Industry adding ~2,000 wells per year (~170 active rigs)
- 🔥 CLR leasehold strategically located within thermal kitchen



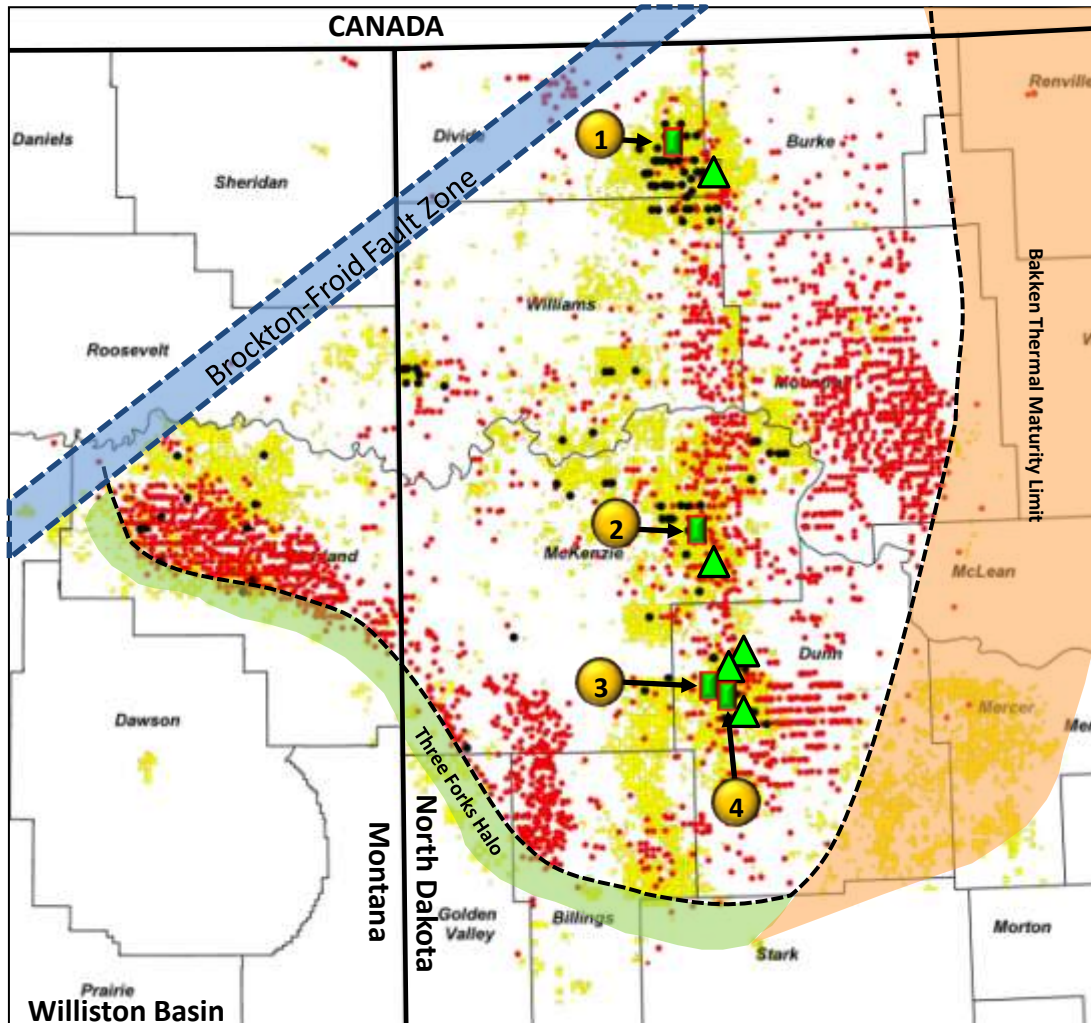
# CLR Acreage: Substantially De-Risked



- 868,900 net acres (March 2011)
  - 68% is de-risked and in development mode
- 25,523 Boepd in 1Q11  
Bakken production -- +67% YOY
- Strong 1Q11 results in new drilling area: Williston Prospect
- 24 operated rigs



# ECO-Pad Design Enhances Economics

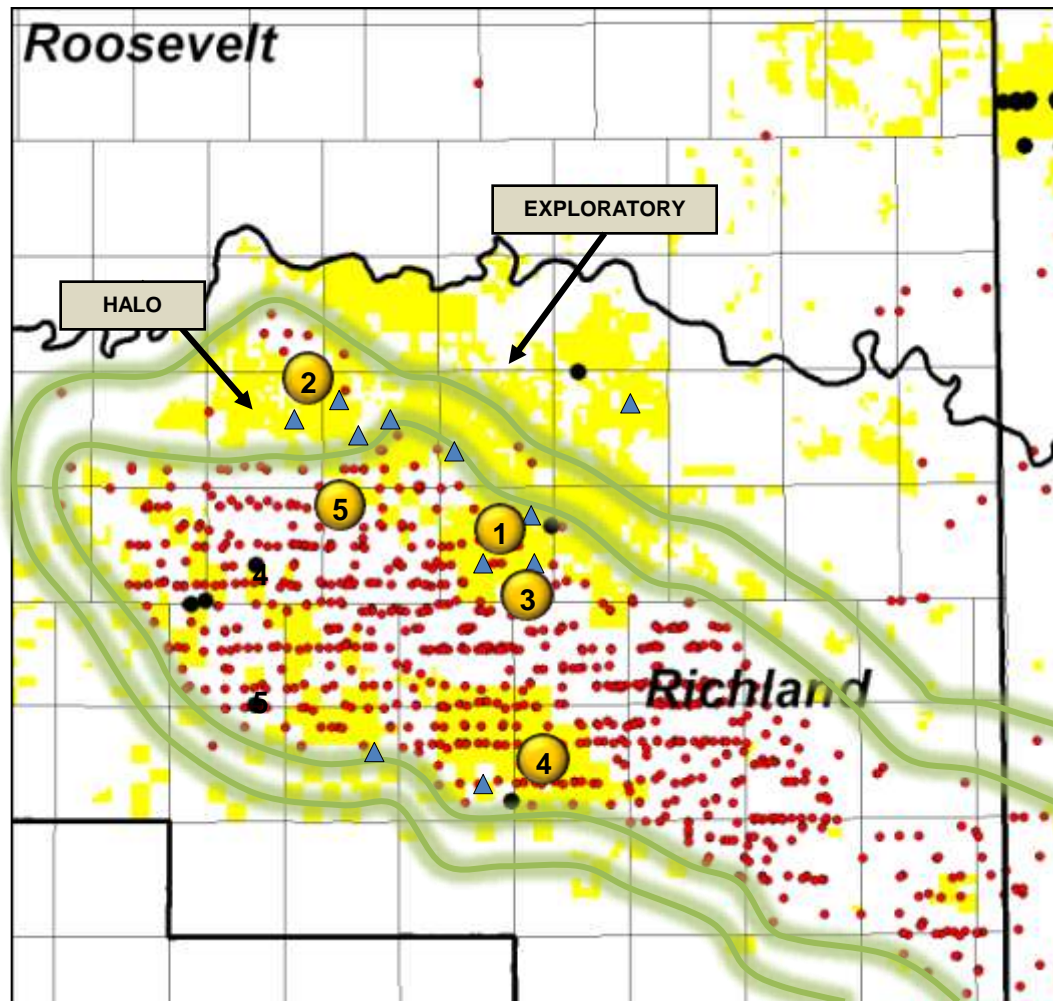


## ECO-Pad Projects Completed

1. Glasoe/Raymo – IP 940 Boepd
2. Kennedy/Miles – 1,377 Boepd
3. Arthur/Hegler (#1) – 1,088 Boepd
4. Bridger/Bonneville – 745 Boepd (restricted rate)

- Bakken producer
- 2010 CLR Bakken/ Three Forks Spud
- Producing ECO-Pad
- ▲ CLR ECO-Pad at TD/Drilling

# Montana Bakken Highlights

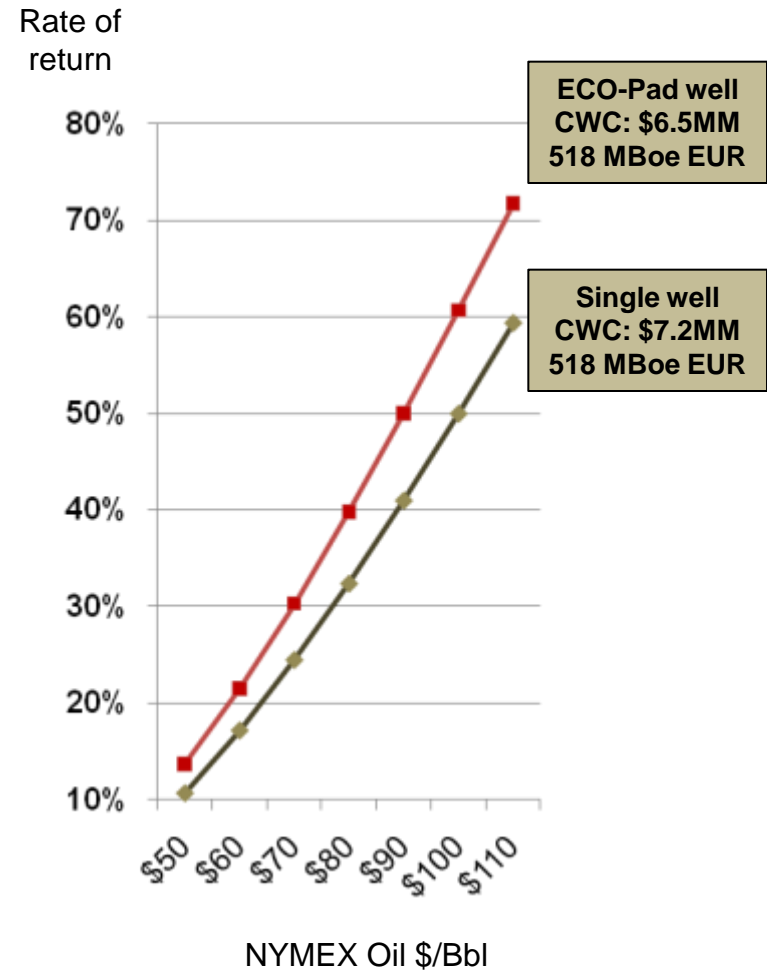
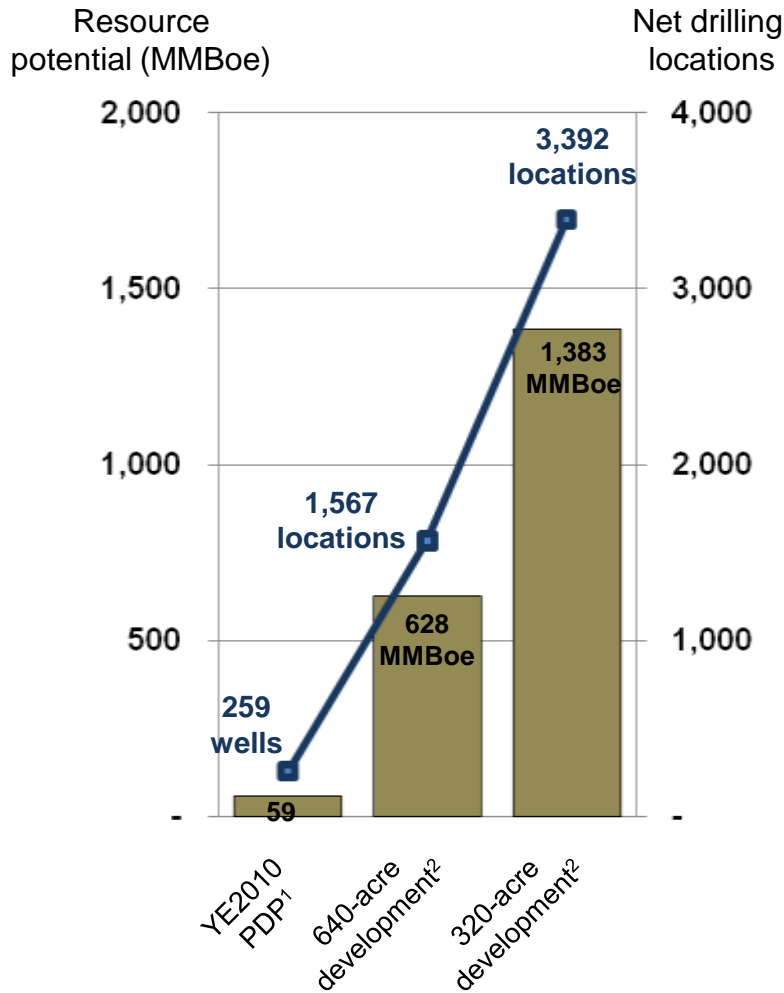


1. Rognas 2-22H – IP 1,013 Boepd
2. Tolksdorf 1-1H – 642 Boepd
3. Big Sky 3-35H – 1,163 Boepd
4. Clayton 3-20H – 1,118 Boepd
5. Amestoy 1-6H – 836 Boepd

- Bakken producer
- 2010 CLR Bakken/Three Forks spud
- ▲ 2011 planned well
- CLR acreage

← 50 miles →

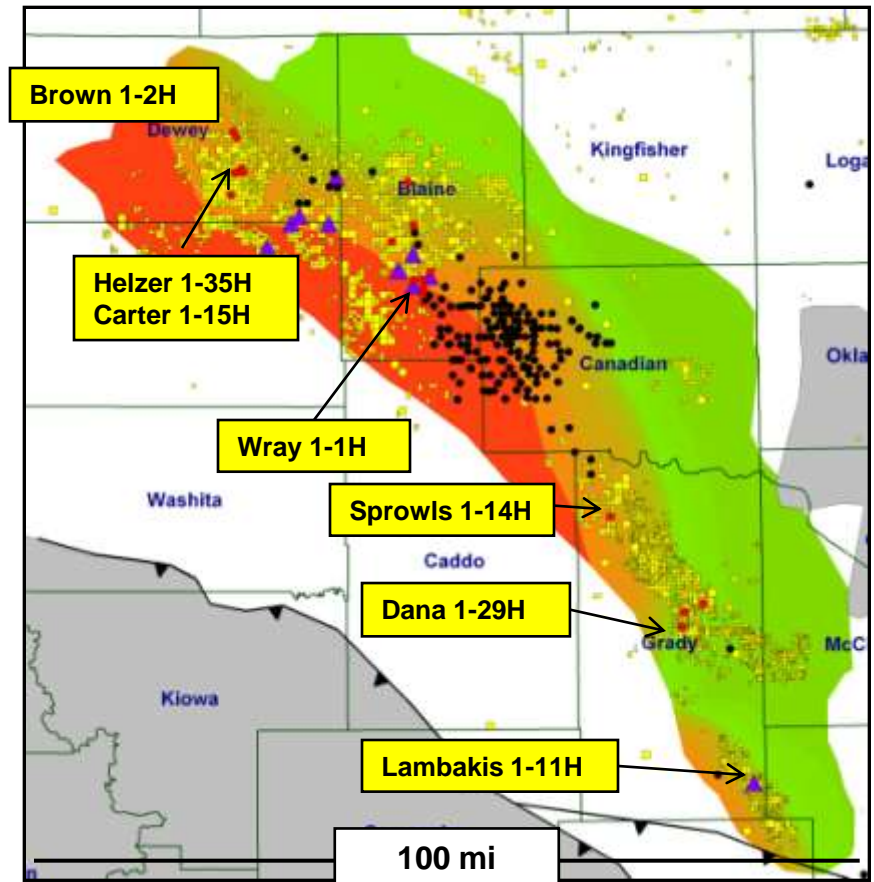
# Bakken: Superior Growth and Returns



<sup>1</sup> Represents total wells drilled YE2010 and PDP reserves.  
<sup>2</sup> Resource potential assumes 518 MBoe (ND) and 430 MBoe (MT).  
<sup>3</sup> Net of differentials. Assumes \$4.50 natural gas.

# Leading in the Anadarko Woodford

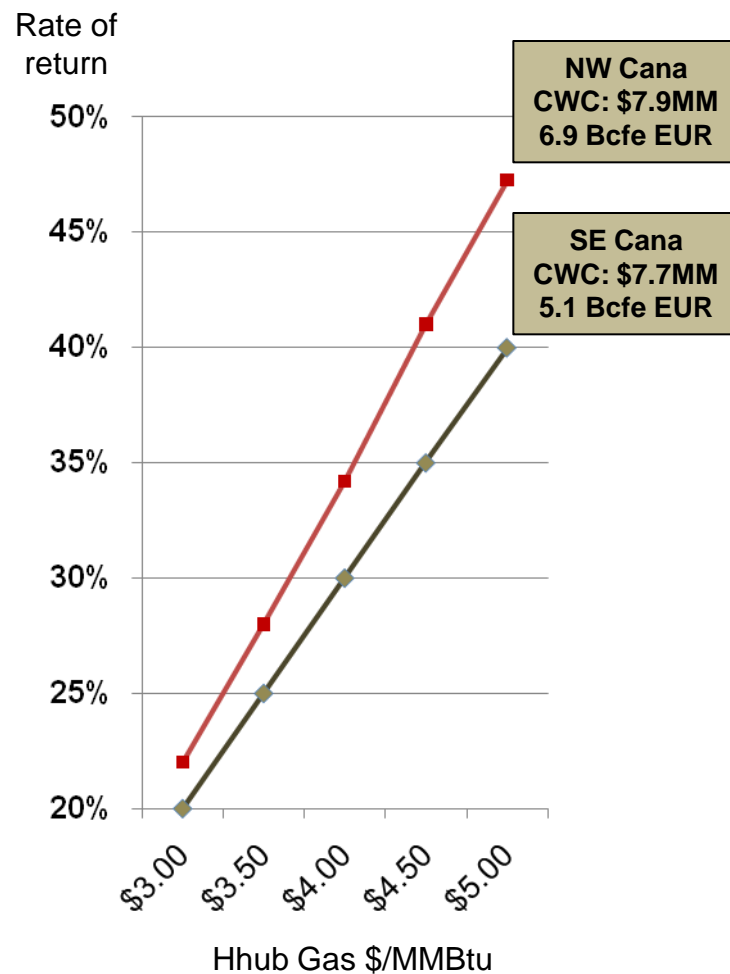
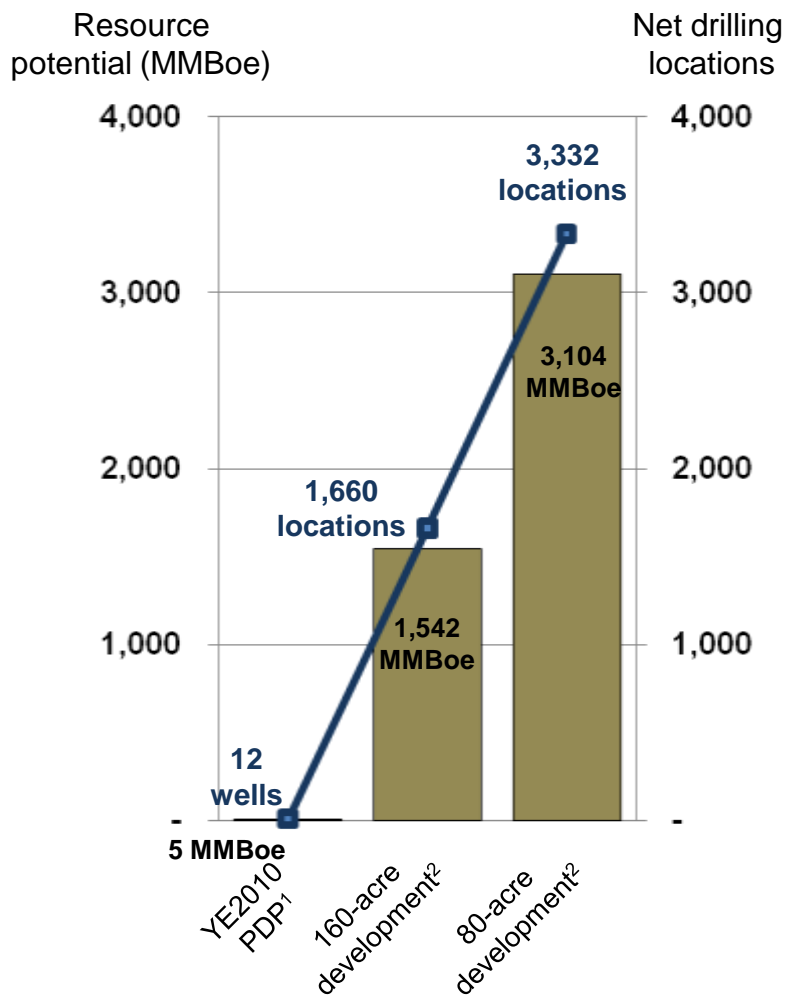
- 🔥 **CLR has led expansion of play**
  - CLR production 2,685 Boepd in 1Q11, 190% increase over 1Q10
  - 270,000 net acres
  - 10 CLR operated rigs drilling<sup>1</sup> (51 industry rigs currently drilling)
  - Participating in acquiring 500 sq. miles of 3-D seismic
- 🔥 **Northwest Cana (68% of acreage)**
  - De-risking rapidly
  - Wray 1-1H (46% WI) 6.2 MMcfpd
  - Brown 1-2H (100% WI) 4.5 MMcfpd & 75 Bopd
  - Helzer 1-35H (84% WI) 5.4 MMcfpd & 57 Bopd
  - Carter 1-15H (41% WI) 3.2 MMcfpd & 163 Bopd
- 🔥 **Southeast Cana (32% of acreage)**
  - Sprowls 1-14H (100% WI) 2.8 MMcfpd & 96 Bopd
  - Dana 1-29H (78% WI) 2.5 MMcfpd & 82 Bopd
  - Lambakis 1-11H (98% WI) completing



- ▲ CLR Woodford rigs
- Woodford completions
- CLR acreage

<sup>1</sup> As of May 18, 2011

# Anadarko: Liquids-Rich Exposure



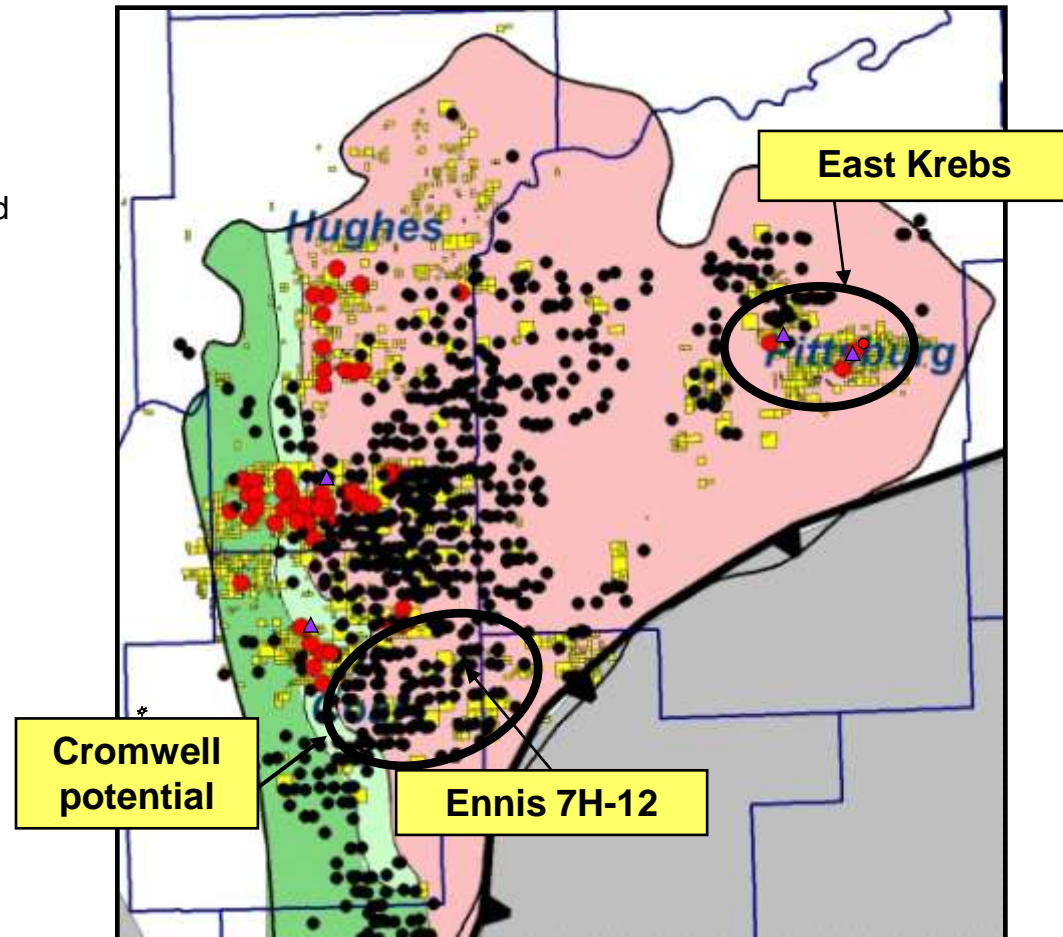
<sup>1</sup> Represents total wells drilled YE2010 and PDP reserves.

<sup>2</sup> Resource potential assumes 6.9 Bcfe (NW Cana) and 5.1 Bcfe (SE Cana).

<sup>3</sup> Net of differentials. Assumes \$90 WTI oil.

# Arkoma Woodford: Continued Expansion

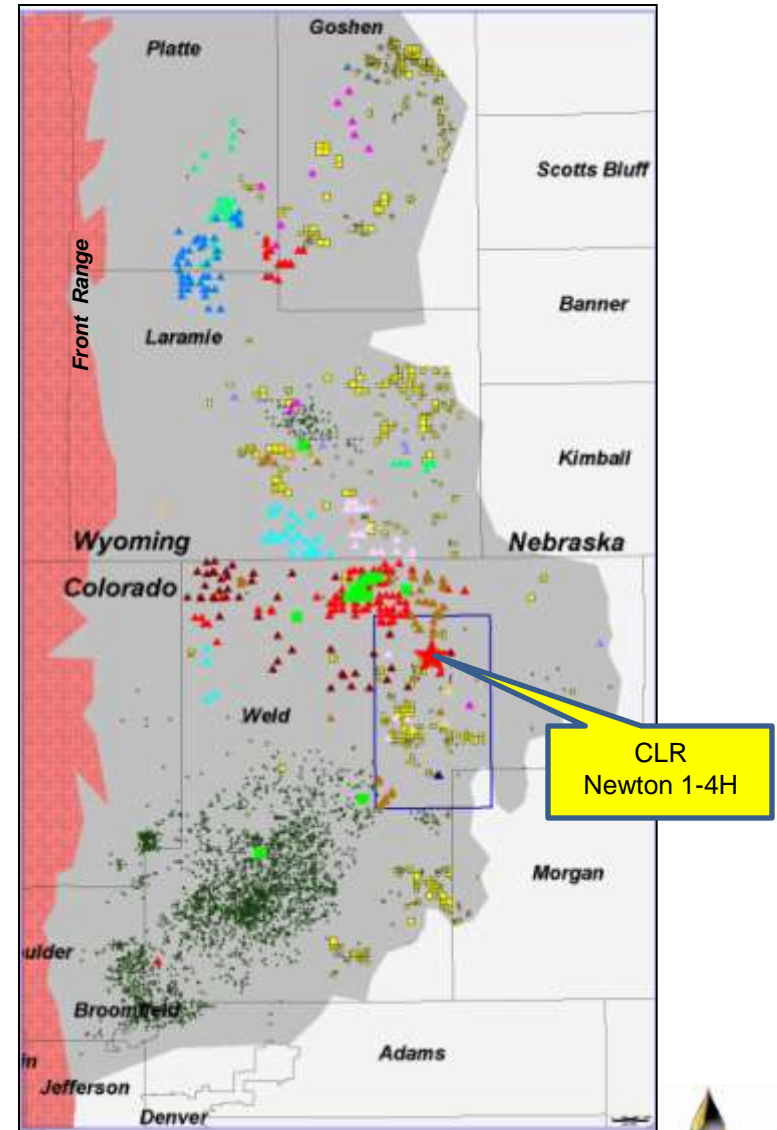
- 🔥 Good results from East Krebs drilling
  - Marilyn 1-29H (80%WI): 4.2 MMcfpd
  - Delphia1-34H (97%WI): 2.8 MMcfpd
  - Gaberino 1-28H (78% WI): 3.3 MMcfpd
- 🔥 4,065 Boepd production for 1Q2011, +17% YOY
- 🔥 43,600 net acres (47% HBP)



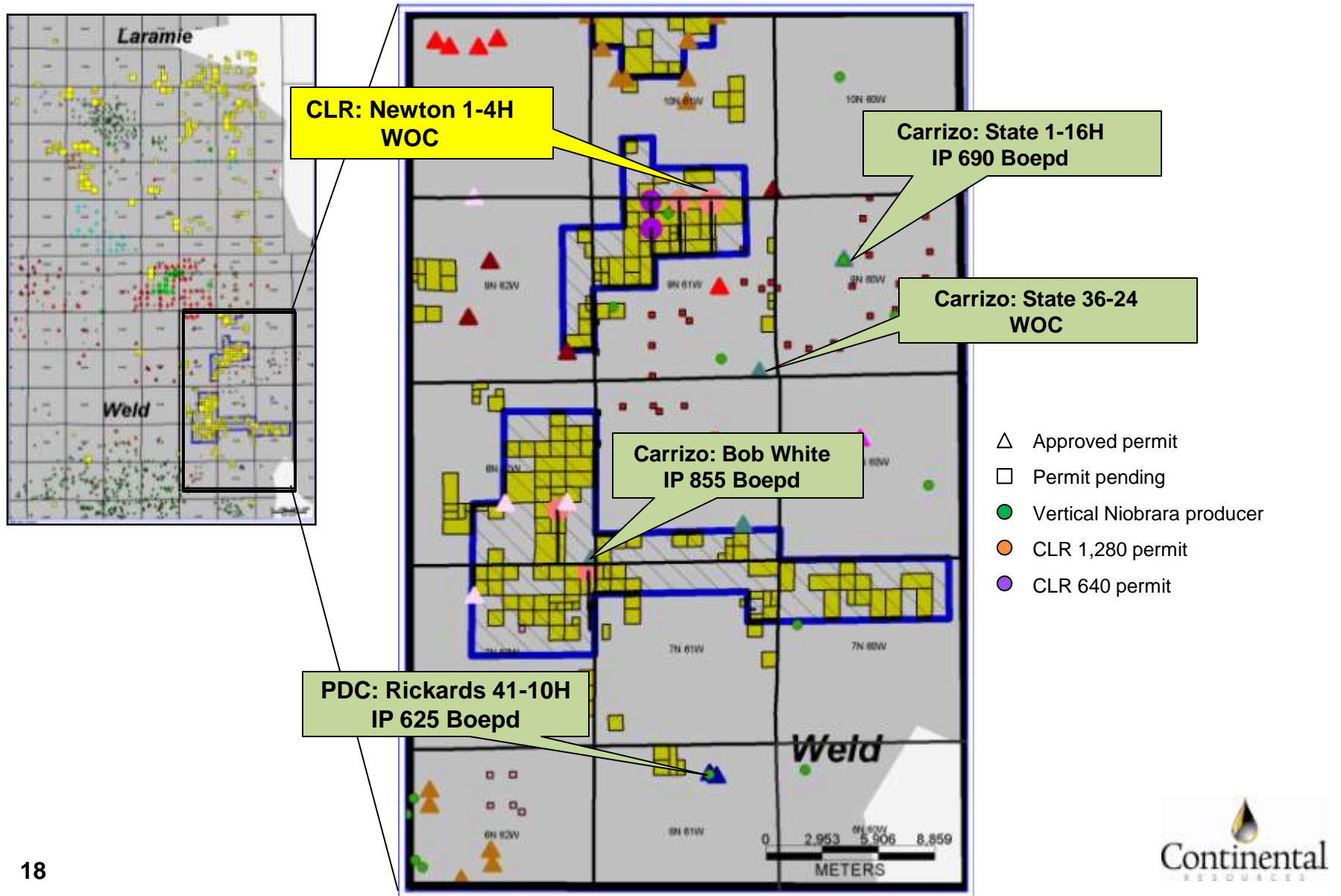
- Woodford producer
- ▲ CLR 2010 proposed location
- CLR-operated producer
- CLR acreage

# Niobrara/DJ Basin

- 🔥 CLR: 71,712 net acres
  - 33% Colorado/67% Wyoming
  - 224 net potential locations (320-acre spacing)
  - 52 MMBoe potential net reserves (unrisked)
- 🔥 Newton 1-4H (79% WI) being completed
  - CLR's initial Niobrara well
  - First 1,280-acre spaced well drilled in Niobrara/DJ Basin
  - 8,050 feet of lateral in zone



# CLR's Newton 1-4H in Weld Co., CO



# Operating and Fiscal Discipline

	<u>Years ended December 31,</u>			
	2008	2009	2010	1Q2011
Realized oil price (\$/bbl)	\$88.87	\$54.44	\$70.69	\$85.34
Realized natural gas price (\$/Mcf)	\$6.90	\$3.22	\$4.49	\$5.09
Oil production (Boepd)	24,993	27,459	32,385	38,446
Natural gas production (MMcfpd)	46,861	59,194	65,598	79,297
Total production (Boepd)	32,803	37,324	43,318	51,663
<b>EBITDAX (\$000's)<sup>1</sup></b>	<b>\$757,708</b>	<b>\$450,648</b>	<b>\$810,877</b>	<b>\$268,655</b>

## Key Operational Statistics<sup>2</sup>

Average oil equivalent price	\$77.66	\$45.10	\$59.70	\$71.14
Production expense	8.40	6.89	5.87	6.38
Production tax	4.84	3.37	4.82	6.01
G&A	2.95	3.03	3.09	3.56
Interest	1.01	1.72	3.34	4.13
<b>Total cash costs</b>	<b>\$17.20</b>	<b>\$15.01</b>	<b>\$17.12</b>	<b>\$20.08</b>
<b>Cash margin</b>	<b>\$60.46</b>	<b>\$30.09</b>	<b>\$42.58</b>	<b>\$51.06</b>
<b>Cash margin %</b>	<b>77.9%</b>	<b>66.7%</b>	<b>71.3%</b>	<b>71.8%</b>

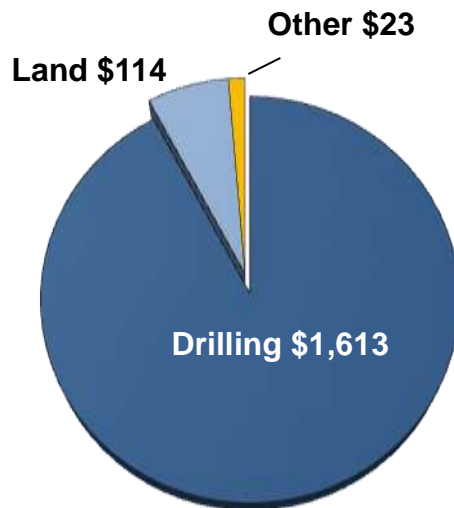
<sup>1</sup> See Non-GAAP Financial Measures in Form 10-K, Form 10-Q and earnings release for a reconciliation of net income to EBITDAX.

<sup>2</sup> Average costs per Boe have been computed using sales volumes.

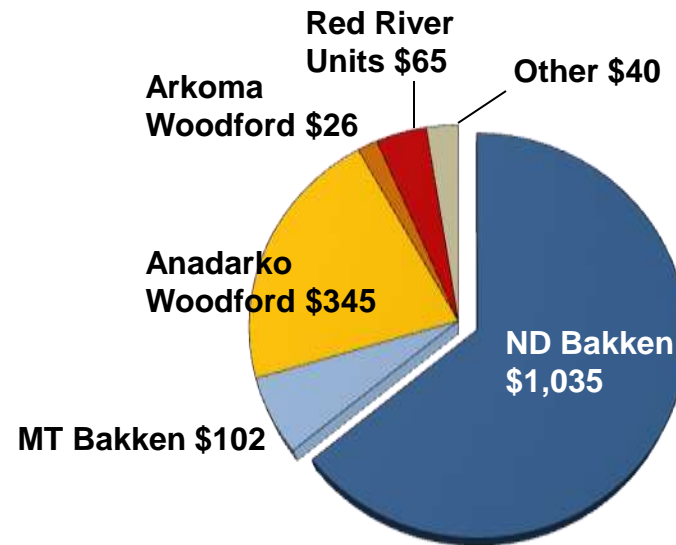
# Harvesting an Oil-Rich Inventory

- 🔥 2011 capital budget of \$1.75B
- 🔥 Focus on core growth areas with strong economics
  - \$1.1B allocated to Bakken (71% of drilling budget)
  - \$345MM allocated to Anadarko Woodford (21% of drilling budget)

2011 Capital Budget by Category (\$MM)



2011 Drilling Capex by Region (\$MM)



Accelerating NAV

# Positioned for Value Creation

- 💧 Low-cost, high-margin operator
  - Operate 88% of our PV-10
- 💧 Strong balance sheet
- 💧 Hedged for operational stability
- 💧 Huge drilling inventory
- 💧 Goal: 3X growth in production and reserves



# Continental Resources, Inc.

