

### **Forward Looking and Cautionary Statements**

Certain statements contained herein that are not descriptions of historical facts are "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. Words such as "expects," "guidance," "will," "plan," "intend" and variations of such words or similar expressions are used to identify forward-looking statements. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks, uncertainties and contingencies include, but are not limited to, the following: timing, costs and unknown risks related to the pending acquisition and our ability to realize expected benefits of the pending acquisition; potential adverse effects of the completed bankruptcy proceedings on our liquidity, anticipation of resource potential, results of operations, brand, business prospects, ability to retain financing and other risks and uncertainties related to our emergence from bankruptcy; the ability to operate our business following emergence from bankruptcy; our ability to satisfy our short-term and long-term liquidity needs, including our inability to generate sufficient cash flows from operations or to obtain adequate financing to fund our capital expenditures and meet working capital needs; negative events or publicity adversely affecting our ability to maintain our relationships with our suppliers, service providers, customers, employees, and other third parties; new capital structure and the adoption of fresh start accounting, including the risk that assumptions and factors used in estimating enterprise value vary significantly from the current estimates in connection with the application of fresh start accounting; plans, objectives, expectations and intentions contained in this presentation that are not historical; our ability to execute our business plan in the current commodity price environment; any decline in and volatility of commodity prices for oil. NGLs, and natural gas; our anticipated production and development results; our ability to develop, explore for, acquire and replace oil and natural gas reserves and sustain production; our ability to generate profits or achieve targeted reserves in our development and exploratory drilling and well operations; any impairments, write-downs or write-offs of our reserves or assets; the projected demand for and supply of oil, NGLs and natural gas; our ability to contract for drilling rigs, frac crews, supplies and services at reasonable costs; our ability to obtain adequate pipeline transportation capacity for our oil and gas production at reasonable cost and to sell the production at, or at reasonable discounts to, market prices; the uncertainties inherent in projecting future rates of production for our wells and the extent to which actual production differs from that estimated in our proved oil and natural gas reserves; drilling and operating risks; concentration of assets; our ability to compete effectively against other oil and gas companies; leasehold terms expiring before production can be established and our ability to replace expired leases; costs or results of any strategic initiatives; environmental obligations, results of new drilling activities, locations and methods, costs and liabilities that are not covered by an effective indemnity or insurance; the timing of receipt of necessary regulatory permits; the effect of commodity and financial derivative arrangements; the occurrence of unusual weather or operating conditions, including force majeure events; our ability to retain or attract senior management and key employees; counterparty risk related to the ability of these parties to meet their future obligations; compliance with and changes in governmental regulations or enforcement practices, especially with respect to environmental, health and safety matters; physical, electronic and cybersecurity breaches; litigation that impacts us, our assets or our midstream service providers; uncertainties relating to general domestic and international economic and political conditions; and other risks set forth in our filings with the SEC.

Additional information concerning these and other factors can be found in our press releases and public filings with the SEC. Many of the factors that will determine our future results are beyond the ability of management to control or predict. Readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. The statements in this presentation speak only as of the date of this presentation. 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, except as may be required by applicable law.

#### Oil and Gas Reserves

Statements of reserves are only estimates and may not correspond to the ultimate quantities of oil and gas recovered. Investors are urged to consider closely the disclosure in Penn Virginia's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and subsequent Quarterly Reports on Form 10-Q, which are available on its website at <a href="https://www.pennvirginia.com">www.pennvirginia.com</a> under Investors – SEC Filings. You can also obtain these reports from the SEC by calling 1-800-SEC-0330 or from the SEC's website at <a href="https://www.sec.gov">www.sec.gov</a>.

#### **Definitions**

Proved reserves are those quantities of oil and gas which, by analysis of geosciences and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulation before the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether the estimate is a deterministic estimate or probabilistic estimate. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves, but which are as likely than not to be recoverable (there should be at least a 50% probability that the quantities actually recovered will equal or exceed the proved plus probable reserve estimates). Possible reserves are those additional reserves that are less certain to be recoverable than probable reserves (there should be at least a 10% probability that the total quantities actually recovered will equal or exceed the proved plus probable plus possible reserve estimates). Estimated ultimate recovery (EUR) is the sum of reserves remaining as of a given date and cumulative production as of that date. EUR is a measure that by its nature is more speculative than estimates of reserves prepared in accordance with SEC definitions and guidelines and accordingly is less certain.

### **Overview**

### Increases Core Leasehold Position and Production By Approximately 30%

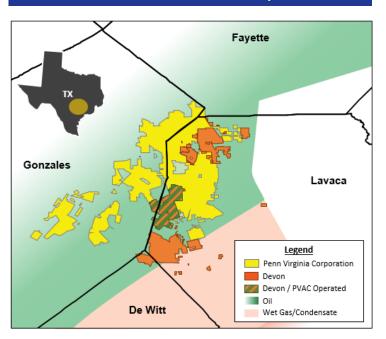
#### **Transaction Summary**

- On July 31, 2017, Penn Virginia Corporation ("PVAC") announced a \$205 MM acquisition of Devon Energy Corporation's ("DVN") Eagle Ford assets located primarily in Lavaca County, TX
- Target closing on or before September 30, 2017 with effective date of March 1, 2017
- PVAC expects purchase price to be adjusted downwards by ~\$15 MM to reflect net cash flows from effective date to closing, resulting in ~\$190 MM net purchase price
- Intend to fund with new \$150 MM of committed debt financing and borrowings under credit facility
- Transaction subject to customary purchase price and closing adjustments

#### **Significant Benefits of Acquisition**

- Acquiring ~19,600 net acres contiguous to PVAC's core operations, offering an expanded well inventory including opportunity for extended reach laterals ("XRLs") with PV10 breakeven pricing of less than ~\$30/Bbl
- Increases net production by ~30%, or ~3,000 BOEPD (~64% oil)
- Accretive to PVAC under all measures, including earnings, cash flow and net asset value per share. Acquiring at attractive price of ~\$2,900/net acre net of:
  - Net production value of ~\$105 MM (\$35,000 per flowing BOEPD)
  - ~\$15 MM to reflect net cash flows from effective date to closing
  - ORRI in non-acquired acreage of ~\$8 MM
  - Midstream assets valued at ~\$20 MM
- Modifying development program by shifting one of PVAC's drilling rigs to Area 2
  predominantly in the acquired acreage, which is expected to have higher returns
  and where PVAC will have increased WI
- Significant upside potential in the upper Eagle Ford and Austin Chalk formations
- ~\$40 MM of identified operational synergies
- · Maintains healthy balance sheet and ample liquidity

#### **PVAC / DVN Asset Map**

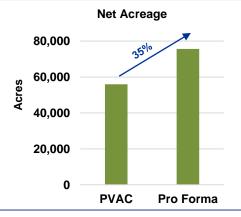


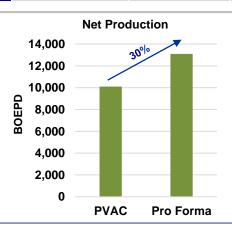
### **Transaction and Asset Highlights**

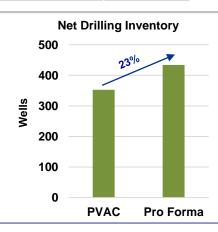
### Capitalizes on Strong Recent Well Results and Adds Drilling Inventory

- Expands PVAC's core leasehold position by 35%, or ~19,600 net acres (90% held by production), which includes 42 drilling units (including 16 units, or 35% of total, currently operated by PVAC) and average WI and NRI of ~98% and ~76%, respectively
- Significant de-risked inventory of 91 gross locations (including six in drilling units currently operated by PVAC) targeting the lower Eagle Ford formation
  - XRLs are identified for 43 gross (41 net) locations, including 26 gross (25 net) locations with average lateral length of 10,000' or greater
- Net PDP reserves of ~6.3 MMBOE (~62% oil). Total resource potential estimated at >60 MMBOE
- Includes infield gathering and compression system with no volume commitments or acreage dedications

All numbers are approximate	Pre-Acquisition Penn Virginia	Acquisition	Post-Acquisition Penn Virginia	Percent Change
Net production (BOEPD) <sup>(1)</sup>	10,100	3,000	13,100	30%
Oil - percent of BOEPD <sup>(1)</sup>	75%	64% 72%		(3%)
Net acreage <sup>(2)</sup>	56,000	19,600	75,600	35%
Gross drilling inventory(2)(3)	525	85	610	16%
Net drilling inventory <sup>(2)</sup>	353	81	434	23%
Net treatable lateral length <sup>(4)</sup>	2.1 MM feet	0.7 MM feet	2.8 MM feet	33%







<sup>1)</sup> For the month of June 2017.

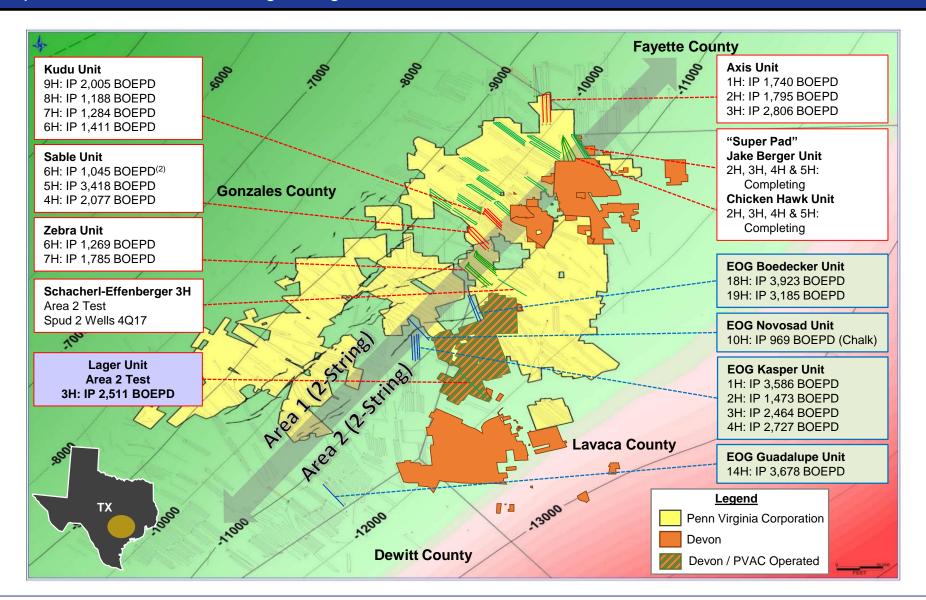
Pre-Acquisition PVAC net acreage and drilling inventory as of May 9, 2017.

<sup>(3)</sup> Acquisition locations exclude six gross locations currently operated by PVAC.

<sup>(4)</sup> Represents total treatable lateral length in net drilling inventory.

# **Acreage Map**

### Acquisition Fits Well With Existing Acreage Wells(1)



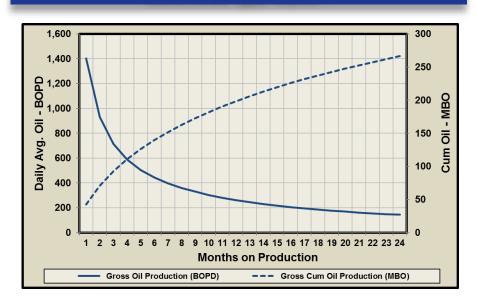
<sup>(1)</sup> Results are based on 24-hour IPs of the listed wells. EOG results are as reported to the Texas Railroad Commission.



<sup>(2)</sup> IP measured with only 9 stages flowing. The remaining 14 stages were drilled out after the recording of the metric.

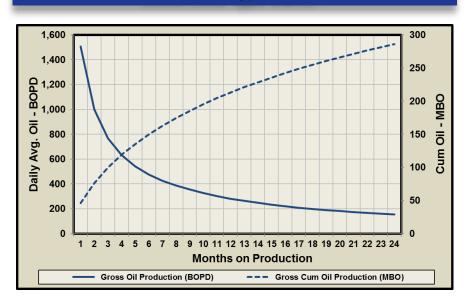
### **Devon North & South Areas**

#### North Area Type Curve<sup>(1)</sup>



North Area Assumptions <sup>(1)</sup>				
Well Costs	\$7.7 million			
Frac Stages	42			
Average Lateral Length (Ft.)	8,300			
Production Mix <sup>2</sup>	81% Oil			
Gross EUR (MBOE)	725			
GOR	1,600			

#### South Area Type Curve<sup>(1)</sup>



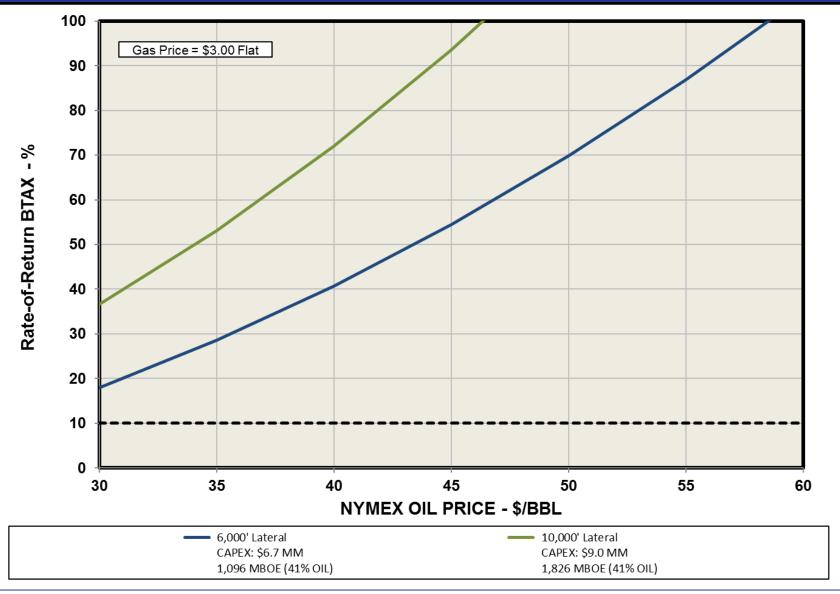
South Area Assumptions <sup>(1)</sup>				
Well Costs	\$8.0 million			
Frac Stages	42			
Average Lateral Length (Ft.)	8,300			
Production Mix <sup>2</sup>	41% Oil			
Gross EUR (MBOE)	1,520			
GOR	7,000			

<sup>1)</sup> Type curve is management's estimate and adjusted for GOR. North Area based on PVAC's Area 1 type curve and South Area based on PVAC's Area 2 type curve.

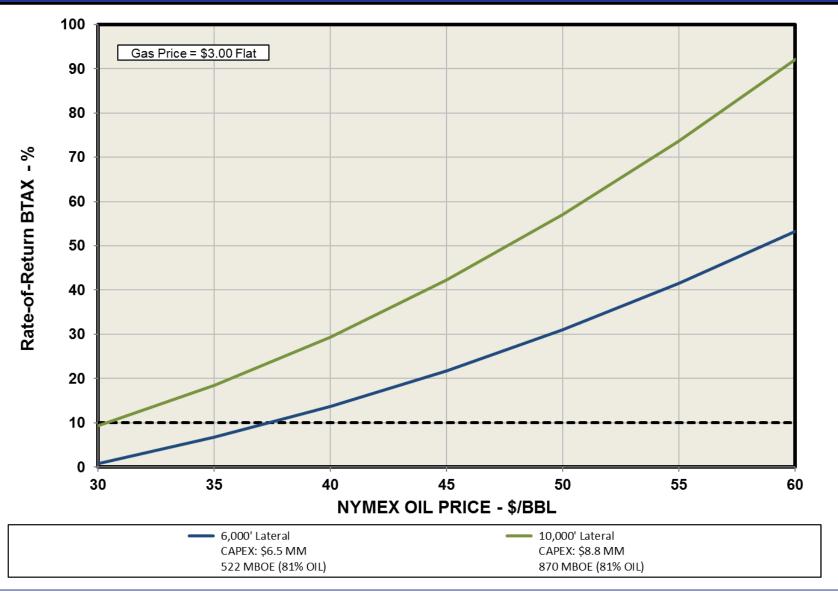




## Single Well Economics – Devon South Area



## Single Well Economics – Devon North Area



# **Acreage Accretion Analysis**

Purchase Price Per Acre

	PVAC (\$MM)	Acquisition (\$MM)
Enterprise Value (1)	\$598	\$205
Net Production Value (\$35,000 Per Flowing BOEPD) (2)	\$(354)	\$(105)
Anticipated Purchase Price Adjustment From 3/1 to 9/30	-	\$(15)
ORRI in Non-Devon Acreage	-	\$(8)
Midstream Assets	-	\$(20)
Adjusted Acreage Value	\$244	\$57
\$ Per Acre	\$4,357	\$2,908

Note: Based on management's internal estimates.

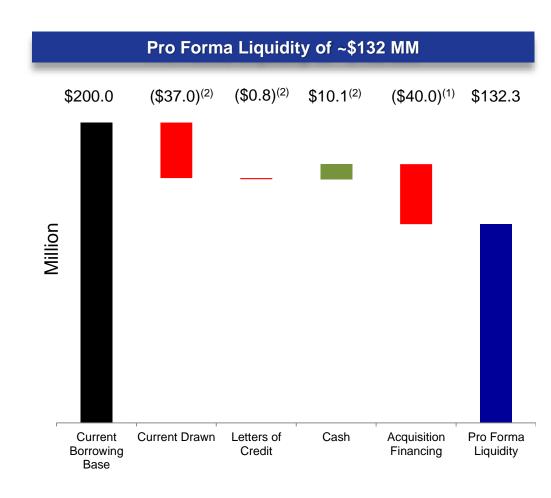


<sup>(1)</sup> PVAC based on July 28, 2017 closing share price of \$38.10 and net debt of ~\$27 MM as of June 30, 2017. Net debt is defined as total debt less cash.

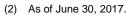
<sup>(2)</sup> For the month of June 2017.

## **Transaction Financing and Pro Forma Liquidity**

- Expected transaction financing<sup>(1)</sup>
  - New \$150 MM of committed debt
  - ~\$40 MM from credit facility
- In discussions to further amend and increase borrowing base
  - Expect meaningful increase in borrowing base
- Anticipate adding hedges at closing



<sup>(1)</sup> Assumes net purchase price of ~\$190 MM including ~\$15 MM adjustment to reflect net cash flows from effective date to closing. Excludes transaction financing costs.



### **Revised Guidance**

	Previous		Pro Forma		
	2017	2018	2017	2018	
Production (Boe/d)	% oil	% oil	% oil	% oil	
Fourth quarter (exit rate)	11,200 - 12,100 76%	13,500 - 14,500 79%	14,600 - 15,200 74%	21,000 - 23,000 74%	
Full year	10,000 - 11,000 74%	12,600 - 13,700 78%	10,600 - 11,200 73%	20,000 - 22,000 74%	
Capital expenditures (\$MM)	\$120 - \$140	\$125 - \$145	\$140 - \$160	\$220 - \$240	

- PVAC plans to fund its 2017 capital budget with cash flow from operations and borrowings under its credit facility, and expects to fund its 2018 capital expenditures primarily with cash flow from operations
- On a combined basis, PVAC anticipates lease operating expense ("LOE"), gathering, processing, and transportation expense ("GPT"), and ad valorem/severance taxes on a per BOE basis will be similar to current levels
- General & administrative ("G&A") expense, excluding transaction related costs, are expected to be similar on an absolute basis, but ~25% lower on a per BOE basis
- Continuing with two rig drilling program with number of net wells increasing due to higher working interest

Note: The estimates and guidance presented in this presentation are based on assumptions of capital expenditure levels; prices for oil, natural gas and NGLs; current indications of supply and demand for oil; well results; and, operating costs. Data regarding acreage that is expected to be acquired is based on currently available information about such acreage, including reserves and production. The guidance provided in this presentation does not constitute any form of guarantee or assurance that the matters indicated will be achieved. While we believe these estimates and the assumptions on which they are based are reasonable, they are inherently uncertain and are subject to, among other things, significant business, economic, operational and regulatory risks and uncertainties and are subject to material revision. Actual results may defer materially from estimates and guidance.