

Tall City Exploration III Announces Equity Commitment of Up to \$500 Million from Warburg Pincus

Midland, Texas and New York – September 17, 2018 – Tall City Exploration III LLC (“Tall City” or “the Company”), an oil and gas exploration and production company, announced today that it has received a line of equity financing of up to \$500 million from funds affiliated with Warburg Pincus, a global private equity firm focused on growth investing.

Headquartered in Midland, Texas, with additional offices in Houston, Texas, Tall City intends to pursue play extension and acquire-and-exploit opportunities throughout the Permian Basin. Tall City will apply the same proven geologic and petrophysics-driven thesis consistent with the team’s prior successful ventures, including most recently at Tall City I, where the team assembled more than 90,000 net acres in Howard and Reagan Counties.

Tall City is led by President and Chief Executive Officer Michael Oestmann, an Exxon-trained geologist and geophysicist with considerable Permian Basin experience and a successful track record in senior leadership positions at several independent entities. Mr. Oestmann is joined by many members of the original Tall City team who have deep operational and engineering experience in the Permian Basin, including: Executive VP and Chief Financial Officer Michael Marziani; Senior Vice President of Drilling Dennis Kruse; Senior Vice President of Operations Gary Womack; and Senior Vice President of Land and General Counsel Angela Staples. Additionally, Tall City is joined by new management team members Tom Fekete, VP of Geoscience, and Matt Lake, VP of Reservoir Engineering.

“Since our successful exit of Tall City I, we have been actively evaluating new opportunities to replicate our prior successes and continue to find attractive opportunities in the Permian Basin,” said Michael Oestmann, President and Chief Executive Officer of Tall City. “We are very pleased to have the support of Warburg Pincus, a leading and long-standing Permian Basin investor, as we establish the new Tall City to pursue attractive opportunities in this prolific region.”

“Tall City has an outstanding track record for developing extensional acreage and delivering strong returns,” said David Habachy, Managing Director, Warburg Pincus. “The Company presents a compelling opportunity in the Permian Basin and complements our existing investments in the region. We are thrilled to partner with a very strong operator in this high potential geography, and we look forward to working with Mike and his highly experienced team on this exciting new venture.”

About Tall City

Tall City Exploration III LLC is a Warburg Pincus backed exploration and production oil and gas company headquartered in Midland, Texas. The company’s primary activities include the pursuit of acquisitions and the exploration and development of upstream oil and gas assets in the Permian Basin. For more information, please visit www.tallcityexploration.com.

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$45 billion in private equity assets under management. The firm's active portfolio of more than 175 companies is highly diversified by stage, sector, and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value.

Founded in 1966, Warburg Pincus has raised 17 private equity funds which have invested more than \$68 billion in over 825 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information, please visit www.warburgpincus.com.

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