# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of the**
**Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **March 7, 2019**

# Midstates Petroleum Company, Inc.
(Exact name of registrant specified in its charter)

| **Delaware** | **001-35512** | **45-3691816** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

| | |
|---|---|
| **321 South Boston Avenue, Suite 1000**<br>**Tulsa, Oklahoma** | **74103** |
| (Address of principal executive offices) | (Zip Code) |

Registrant’s telephone number, including area code: **(918) 947-8550**

**Not Applicable.**
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 2.02. Results of Operations and Financial Condition.**

On March 13, 2019, Midstates Petroleum Company, Inc. (the "Company") issued a press release reporting results for the quarter and year ended December 31, 2018. A copy of the Company's press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished pursuant to this Item 2.02 and Exhibit 99.1 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be incorporated by reference into any registration statement filed under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

*Award of Restricted Stock Units and Performance Stock Units*

On March 7, 2019, the Board of Directors (the "Board") for Midstates Petroleum Company, Inc. (the "Company") approved long-term incentive awards to David J. Sambrooks, Richard W. McCullough, Scott C. Weatherholt and Amelia K. Harding pursuant to the Company's 2016 Long Term Incentive Plan (the "LTIP") and based upon recommendation from the Compensation Committee of the Board. These awards include (i) the grant of 30,959, 8,661, 18,612 and 12,439 restricted stock units ("RSUs") to Messrs. Sambrooks, McCullough and Weatherholt and Ms. Harding, respectively, and (ii) the grant of 72,236, 20,209, 43,428 and 29,024 performance stock units ("PSUs") to Messrs. Sambrooks, McCullough and Weatherholt and Ms. Harding, respectively.

The RSUs and PSUs are governed by a form of Restricted Stock Unit Agreement (the "RSU Award Agreement") and a form of Performance Stock Unit Agreement (the "PSU Award Agreement", and together with the RSU Award Agreement, the "Award Agreements") entered into with each of Messrs. Sambrooks, McCullough and Weatherholt and Ms. Harding. The RSUs will generally vest, if at all, in full (100%) on March 1, 2021, and the PSUs will vest, if at all, based on the Company's trading price of common stock for the performance period of January 1, 2019 through December 31, 2020.

Each of the RSUs and PSUs are subject to partial accelerated vesting in the event the executive grantee's employment is terminated prior to the vesting date by the Company without "Cause" or by the executive grantee with "Good Reason" (each, as defined in the LTIP) or due to such executive grantee's death or disability. In the event of a "Change in Control" (as defined in the LTIP), the RSUs are subject to full accelerated vesting, and the PSUs have the potential to receive full accelerated vesting or other alternative benefits, subject to the sole discretion of the Compensation Committee.

The descriptions of the Award Agreements in this Current Report on Form 8-K are qualified in their entirety by reference to the full text of the form of Award Agreements, which are filed as Exhibit 10.1 and Exhibit 10.2 to this Current Report on Form 8-K and are incorporated by reference into this Item 5.02.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

| Exhibit No. | Description of Exhibit |
|---|---|
| 10.1 | Form of Restricted Stock Unit Award Agreement. |
| 10.2 | Form of Performance Stock Unit Award Agreement. |
| 99.1 | Press Release dated March 13, 2019. |

## SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**Midstates Petroleum Company, Inc.**

(Registrant)

Date: March 13, 2019

By: /s/ Scott C. Weatherholt

Scott C. Weatherholt
Executive Vice President - General Counsel & Corporate Secretary

Exhibit 10.1

**MIDSTATES PETROLEUM COMPANY, INC.**

**RESTRICTED STOCK UNIT AGREEMENT**

**PURSUANT TO THE**

**2016 LONG TERM INCENTIVE PLAN**

**(TIME VESTING)**

* * * * *

**Participant: Executive Name**

**Grant Date: March 7, 2019**

**Number of Restricted Stock Units Granted: TBD**

* * * * *

**THIS RESTRICTED STOCK UNIT AWARD AGREEMENT** (this "Agreement"), dated as of the Grant Date specified above, is entered into by and between MIDSTATES PETROLEUM COMPANY, INC., a corporation organized in the State of Delaware (the "Company"), and the Participant specified above, pursuant to the Midstates Petroleum Company, Inc. 2016 Long Term Incentive Plan, as in effect and as amended from time to time (the "Plan"), which is administered by the Committee (as defined in the Plan); and

**WHEREAS,** it has been determined under the Plan that it would be in the best interests of the Company to grant the Restricted Stock Units ("RSUs") provided herein to the Participant.

**NOW, THEREFORE,** in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. This Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to the Award provided hereunder), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Except as provided otherwise herein, any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content.

2. **Grant of Restricted Stock Unit Award**. The Company hereby grants to the Participant, as of the Grant Date specified above, the number of RSUs specified above. Except as otherwise provided by the Plan, the Participant agrees and understands that nothing contained in

this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of the shares of Stock underlying the RSUs, except as otherwise specifically provided for in the Plan or this Agreement.

3. **Vesting**.

(a) Subject to the provisions of Sections 3(b) - 3(e) hereof, the RSUs subject to this Award shall vest in full (100%) on March 1, 2021, provided that the Participant has not incurred a Termination prior to such vesting date. Subject to the provisions of Sections 3(b) - 3(e) hereof, there shall be no proportionate or partial vesting in the periods prior to the vesting date and all vesting shall be subject to the Participant's continued service with the Company or any of its Subsidiaries on the vesting date.

(b) Termination Without Cause, due to death or Disability; Resignation for Good Reason. In the event of the Participant's Termination by the Company without Cause, due to the Participant's death or Disability or by the Participant for Good Reason (each, a "Qualifying Termination"), Participant shall fully vest in all time-vested RSUs granted hereunder.

(c) Change in Control. All unvested RSUs shall become fully vested upon the occurrence of a Qualifying Termination on or within twelve (12) months following a Change in Control.

(d) Committee Discretion to Accelerate Vesting. In addition to the foregoing, the Committee may, in its sole discretion, accelerate vesting of the RSUs at any time and for any reason.

(e) Forfeiture. Subject to the terms of this Section 3, all unvested RSUs (taking into account any vesting that may occur upon the Participant's Termination in accordance with Section 3(b) hereof) shall be immediately forfeited upon the Participant's Termination for any reason.

4. **Delivery of Shares**.

(a) General. Subject to the provisions of Section 4(b) hereof, within ten (10) days following the applicable vesting date of the RSUs, the Participant shall receive the number of shares of Stock that correspond to the number of RSUs that have become vested on the applicable vesting date, less any shares withheld by the Company pursuant to Section 8 hereof.

(b) Blackout Periods. If the Participant is subject to any Company "blackout" policy or other trading restriction imposed by the Company on the date such distribution would otherwise be made pursuant to Section 4(a) hereof, such distribution shall be instead made on the earlier of (i) the date that the Participant is not subject to any such policy or restriction and (ii) the later of (A) the end of the calendar year in which such distribution would otherwise have been made and (B) a date that is immediately prior to the expiration of two and one-half months following the date such distribution would otherwise have been made hereunder.

5. **Dividends; Rights as Stockholder**. Cash dividends on the number of shares of Stock issuable hereunder shall be credited to a dividend book entry account on behalf of the Participant with respect to each RSU granted to the Participant; provided that such cash dividends shall not be deemed to be reinvested in shares of Stock and shall be held uninvested and without interest and paid in cash at the same time that the shares of Stock underlying the RSUs are delivered to the Participant in accordance with the provisions hereof. Stock dividends on shares of Stock shall be credited to a dividend book entry account on behalf of the Participant with respect to each RSU granted to the Participant; provided that such stock dividends shall be paid in shares of Stock at the same time that the shares of Stock underlying the RSUs are delivered to the Participant in accordance with the provisions hereof. Except as otherwise provided herein, the Participant shall have no rights as a stockholder with respect to any shares of Stock covered by any RSU unless and until the Participant has become the holder of record of such shares.

6. **Non-Transferability**. The RSUs, and any rights and interests with respect thereto, issued under this Agreement and the Plan shall not be sold, exchanged, transferred, assigned, pledged, encumbered or otherwise disposed of or hypothecated in any way by the Participant (or any beneficiary of the Participant who holds the RSUs as a result of a Transfer by will or by the laws of descent and distribution), other than in accordance with the provisions of Section 10(a) of the Plan.

7. **Governing Law; Jurisdiction and Venue**. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of Delaware, without giving any effect to any conflict of law provisions thereof, except to the extent Delaware state law is preempted by federal law. The obligation of the Company to sell and deliver Stock hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Stock. The Company and the Participant shall irrevocably and unconditionally (a) submit in any proceeding relating to the Plan or this Agreement, or for the recognition and enforcement of any judgment in respect thereof (a "Proceeding"), to the exclusive jurisdiction of the courts located in Tulsa County, Oklahoma, the court of the United States of America for the Northern District of Oklahoma, and appellate courts having jurisdiction of appeals from any of the foregoing, and agree that all claims in respect of any such Proceeding shall be heard and determined in such Oklahoma State court or, to the extent permitted by law, in such federal court, (b) consent that any such Proceeding may and shall be brought in such courts and waives any objection that the Company and the Participant may now or thereafter have to the venue or jurisdiction of any such Proceeding in any such court or that such Proceeding was brought in an inconvenient court and agree not to plead or claim the same, (c) waive all right to trial by jury in any Proceeding (whether based on contract, tort or otherwise) arising out of or relating to the Plan or this Agreement, (d) agree that service of process in any such Proceeding may be effected by mailing a copy of such process by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party, in the case of a Participant, at the Participant's address shown in the books and records of the Company or, in the case of the Company, at the Company's principal offices, attention General Counsel, and (e) agree that nothing in the Plan shall affect the right to effect service of process in any other manner permitted by the laws of the State of Delaware.

8. **Withholding of Tax**. The Company may require the Participant to pay to the Company (or the Company's Subsidiary if the Participant is an employee of a Subsidiary of the

Company), an amount the Company deems necessary to satisfy its (or its Subsidiary's) current or future obligation to withhold federal, state or local income or other taxes that the Participant incurs as a result of the Award. With respect to any required tax withholding, the Participant may (a) direct the Company to withhold from the shares of Stock to be issued to the Participant under this Agreement, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the RSUs (such amount, in the aggregate, the "Withholding Obligation"), which determination will be based on the shares' Fair Market Value at the time such determination is made; (b) deliver to the Company shares of Stock sufficient to satisfy the Withholding Obligation, based on the shares' Fair Market Value at the time such determination is made; or (c) deliver cash to the Company sufficient to satisfy the Withholding Obligation. Without limiting the foregoing, the Company shall withhold shares of Stock otherwise deliverable to the Participant hereunder in order to pay the Participant's income and employment taxes due upon vesting of the RSUs, but only to the extent permitted by applicable accounting rules so as not to affect accounting treatment.

9. **Legend**. The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates, if any, representing shares of Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates, if any, representing shares of Stock acquired pursuant to this Agreement in the possession of the Participant in order to carry out the provisions of this Section 9.

10. **Securities Representations**. This Agreement is being entered into by the Company in reliance upon the following express representations and warranties of the Participant. The Participant hereby acknowledges, represents and warrants that:

(a) The Participant has been advised that the Participant may be an "affiliate" within the meaning of Rule 144 under the Securities Act and in this connection the Company is relying in part on the Participant's representations set forth in this Section 10.

(b) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the shares of Stock issuable hereunder must be held indefinitely unless an exemption from any applicable resale restrictions is available or the Company files an additional registration statement (or a "re-offer prospectus") with regard to such shares of Stock and the Company is under no obligation to register such shares of Stock (or to file a "re-offer prospectus").

(c) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the Participant understands that (i) the exemption from registration under Rule 144 will not be available unless (A) a public trading market then exists for the Stock of the Company, (B) adequate information concerning the Company is then available to the public, and (C) other terms and conditions of Rule 144 or any exemption therefrom are complied with, and (ii) any sale of the shares of Stock issuable hereunder may be made only in limited amounts in accordance with the terms and conditions of Rule 144 or any exemption therefrom.

11. **Entire Agreement; Amendment**. This Agreement, together with the Plan, contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. This Agreement may be amended the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Grant Date and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with the Participant's consent.

12. **Notices**. All notices required or permitted under this Agreement must be in writing and personally delivered or sent by certified mail, return receipt requested, and shall be deemed to be delivered on the date on which it is actually received by the person to whom it is properly addressed, in the case of a Participant, at the Participant's address shown in the books and records of the Company or, in the case of the Company, at the Company's principal offices, attention General Counsel. Any person entitled to notice hereunder may waive such notice in writing.

13. **No Right to Employment**. Any questions as to whether and when there has been a Termination and the cause of such Termination shall be determined in the sole discretion of the Committee. Nothing in this Agreement confers upon you the right to continue in the employ of or performing services for the Company or any Subsidiary, or interfere in any way with the rights of the Company or any Subsidiary to terminate your employment or service relationship at any time, subject to any employment agreement or other service agreement in effect between the Company and the Participant.

14. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the RSUs awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

15. **Compliance with Laws**. Notwithstanding any provision of this Agreement to the contrary, the issuance of the RSUs (and the shares of Stock upon settlement of the RSUs) pursuant to this Agreement will be subject to compliance with all applicable requirements of federal, state, or foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the Stock may then be listed. No Stock will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, Stock will not be issued hereunder unless (a) a registration statement under the Securities Act of 1933, as amended (the "Act"), is at the time of issuance in effect with respect to the shares issued or (b) in the opinion of legal counsel to the Company, the shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such shares of Stock as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company

may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company. From time to time, the Board and appropriate officers of the Company are authorized to take the actions necessary and appropriate to file required documents with governmental authorities, stock exchanges, and other appropriate Persons to make shares of Stock available for issuance.

16. **Section 409A**. Notwithstanding anything herein or in the Plan to the contrary, the RSUs are intended to be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent.

17. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign any part of this Agreement without the prior express written consent of the Company, which consent may not be unreasonably withheld, conditioned or delayed.

18. **Headings**. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

19. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

20. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder.

21. **Severability**. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

*[Remainder of Page Intentionally Left Blank]*

By signing below, the Participant hereby acknowledges receipt of the RSUs issued on the Grant Date indicated above, which have been issued under the terms and conditions of the Plan and this Agreement.

MIDSTATES PETROLEUM COMPANY, INC.

By: ______________________________________________

Name: Kim Harding

Title: Vice President — Human Resources and Administration

**Accepted by:**

______________________________________________

**Executive Name**

Date: ______________________________________________

**Confirmation of Receipt by Company:**

By: ______________________________________________

Date: ______________________________________________

**Exhibit 10.2**

**MIDSTATES PETROLEUM COMPANY, INC.**

**PERFORMANCE STOCK UNIT AGREEMENT**

**PURSUANT TO THE**

**2016 LONG TERM INCENTIVE PLAN**

**(PERFORMANCE VESTING)**

* * * * *

**Participant: Executive Name**

**Grant Date: March 7, 2019**

**Target Number of Performance Stock Units Granted: TBD**

* * * * *

**THIS PERFORMANCE STOCK UNIT AWARD AGREEMENT** (this "Agreement"), dated as of the Grant Date specified above, is entered into by and between MIDSTATES PETROLEUM COMPANY, INC., a corporation organized in the State of Delaware (the "Company"), and the Participant specified above, pursuant to the Midstates Petroleum Company, Inc. 2016 Long Term Incentive Plan, as in effect and as amended from time to time (the "Plan"), which is administered by the Committee (as defined in the Plan); and

**WHEREAS,** it has been determined under the Plan that it would be in the best interests of the Company to grant the Performance Stock Units ("PSUs") provided herein to the Participant.

**NOW, THEREFORE,** in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. This Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to the Award provided hereunder), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Except as provided otherwise herein, any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control.

2. **Grant of Performance Stock Unit Award**. The Company hereby grants to the Participant, as of the Grant Date specified above, the number of PSUs specified above. Except as

otherwise provided by the Plan, the Participant agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of the shares of Stock underlying the PSUs, except as otherwise specifically provided for in the Plan or this Agreement.

3. **Vesting**.

(a) Subject to the provisions of Sections 3(b) - 3(g) hereof, the PSUs subject to this Award shall vest at the rates indicated below, if and when a 60 consecutive trading-day VWAP is achieved at any time during the two-year performance period, or be forfeited, at the conclusion of the Performance Period if, and to the extent, the Performance Conditions (each, as defined below) are satisfied; provided the Participant remains employed by the Company through the conclusion of the Performance Period.

(i) For purposes of this Agreement, "Performance Period" shall mean the period commencing on January 1, 2019 and ending on December 31, 2020.

(ii) For purposes of this Agreement, "Performance Conditions" shall mean, the Company's Price per Common Share (as defined below) as follows:

| | Price per Common Share of Stock for the Performance Period | Vesting Level as % of Target Number of PSUs |
|---|---|---|
| **Maximum** | **$ 12.50** | **150 %** |
| **Target** | **$ 11.50** | **100 %** |
| **Threshold** | **$ 10.50** | **66 %** |
| **Below Threshold** | **$ 9.50** | **33 %** |

(b) To the extent that Price per Common Share of Stock for the Performance Period is between specified vesting levels, the portion of the PSUs that shall become vested based on the Price per Common Share of Stock performance shall be determined on a pro rata basis using straight line interpolation; provided that the maximum portion of the PSUs that may become vested based on Price per Common Share of Stock for the Performance Period shall not exceed 150% of the Target Number of PSUs.

(c) Termination Without Cause, due to death or Disability; Resignation for Good Reason. In the event of the Participant's Termination by the Company without Cause, due to the Participant's death or Disability or by the Participant for Good Reason (each, a "Qualifying Termination"), between months 6 and 12 of the Performance Period, 50% of the grant shall remain in force and eligible to vest according to the performance vesting schedule as listed above in Section 3(a)(ii), with the remaining 50% of the grant being forfeited and cancelled. In the event of a Qualifying Termination between months 12 and 24 of the Performance Period, 100% of the grant shall remain in force and eligible to vest according to the performance vesting schedule as listed above in Section 3(a)(ii).

(d) Termination With Cause, or Resignation Without Good Reason. In the event of the Participant's Termination by the Company with Cause or by the Participant without Good Reason all PSUs shall be immediately forfeited and cancelled upon the Participant's Termination.

(e) Change in Control.

(i) *Committee Discretion to Adjust Awards*. Upon a Change in Control the Committee, acting in its sole discretion without the consent or approval of the Participant, may affect one or more of the following alternatives: (A) accelerate the vesting of all or a portion of the PSUs, (B) cancel all PSUs and pay to the Participant an amount of cash, shares of stock, or a combination thereof equal to the Change in Control Price for each share subject to the Target Number of PSUs, (C) provide for the assumption or substitution or continuation of PSUs by the successor company or a parent or subsidiary of the successor company, (D) certify the extent to which the Performance Conditions have been achieved prior to the conclusion of the Performance Period based on all information reasonably available to the Committee prior to the Change in Control, or (E) make such adjustments to PSUs then outstanding as the Committee deems appropriate to reflect such Change in Control; provided, however, that the Committee may determine in its sole discretion that no adjustment is necessary to PSUs then outstanding.

(ii) *Termination of Employment under Change in Control Effectuated by Way of Sale, Merger or other Business Combination.* Notwithstanding anything in this Agreement to the contrary, and subject to the Committee's discretion as described in Section 3(e)(i) above, upon the occurrence of a Qualifying Termination on or within twelve (12) months following a Change in Control which is effectuated by way of a sale of the Company, merger, acquisition, business combination, amalgamation or the sale of all or substantially of all of the Company's assets (or any other similar transaction), the Participant's right to vest in the PSUs granted hereunder shall be determined by the price determined to have been paid as consideration to the Company under the applicable transaction for each Common Share of the Company's Stock (the "CIC Price"). In the event the CIC Price is below $9.50, the Participant shall not vest in any of the PSUs awarded hereunder; however, should the CIC Price equal or exceed $9.50, the number of PSUs to vest shall be determined in accordance with the terms of Section 3(a)(ii) above. For the avoidance of doubt, the 60 consecutive trading-day VWAP requirement under Section 3(a) above shall not apply in the event of a Qualifying Termination under this Section 3(e)(ii). The vesting of any PSUs under this Section 3(e)(ii) shall occur immediately upon the Qualifying Termination of the Participant.

(iii) *Termination of Employment under Change in Control.* Subject to the Committee's discretion as described in Section 3(e)(i) above, upon the occurrence of a Qualifying Termination on or within twelve (12) months following a Change in Control that is *not* effectuated by one of the form of transactions described in Section 3(e)(ii) above, the Participant shall vest in the number of PSUs as prescribed under the provisions of Sections 3(a) – (c).

(f) Committee Discretion. In addition to the foregoing, the Committee may, in its sole discretion, (i) accelerate vesting of the PSUs at any time and for any reason and (ii) reduce the number of shares of Stock otherwise deliverable in respect of PSUs following the conclusion of the Performance Period based on the Committee's assessment of overall Company performance or other factors the Committee deems appropriate to take into consideration.

(g) Forfeiture. Subject to the terms of this Section 3, all unvested PSUs (taking into account any vesting that may occur upon the Participant's Termination in accordance with Section 3(c), Section 3(d) and Section 3(e) hereof) shall be immediately forfeited upon the Participant's Termination for any reason.

4. **Delivery of Shares**.

(a) General. Following the conclusion of the Performance Period the Committee shall certify the extent to which the Performance Conditions have been achieved and the extent to which the PSUs shall vest hereunder. Subject to the provisions of Section 4(b) and Section 4(c) hereof, following the Committee's certification and within sixty (60) days following the conclusion of the Performance Period the Participant shall receive the number of shares of Stock that correspond to the number of PSUs that have become vested, less any shares of Stock withheld by the Company pursuant to Section 7 hereof. Notwithstanding the foregoing, in the event of a Qualifying Termination in accordance with Section 3(e) hereof and subject to the provisions of Section 4(b) and Section 4(c) hereof, the Participant shall receive the number of shares of Stock that correspond to the number of PSUs that have become vested, less any shares of Stock withheld by the Company pursuant to Section 7 hereof, within ten (10) days following the Participant's Qualifying Termination. For the avoidance of doubt, any portion of the PSUs that do not become vested in accordance with this Section 4(a) will be forfeited following the conclusion of the Performance Period.

(b) Administrative Provisions. Any portion of the PSUs that does not become vested in accordance with the provisions of this Agreement shall be automatically forfeited and cancelled for no value without any consideration being paid therefor and otherwise without any further action of the Company whatsoever. The Committee shall in good faith make all determinations necessary or appropriate to determine whether the performance vesting conditions hereunder have been satisfied. The Committee's determinations shall be final, binding and conclusive upon all parties, absent manifest error or bad faith.

(c) Blackout Periods. If the Participant is subject to any Company "blackout" policy or other trading restriction imposed by the Company on the date such distribution would otherwise be made pursuant to Section 4(a) hereof, such distribution shall be instead made on the earlier of (i) the date that the Participant is not subject to any such policy or restriction and (ii) the later of (A) the end of the calendar year in which such distribution would otherwise have been made and (B) a date that is immediately prior to the expiration of two and one-half months following the date such distribution would otherwise have been made hereunder.

(d) Dividends; Rights as Stockholder. Cash dividends on the number of shares of Stock issuable hereunder shall be credited to a dividend book entry account on behalf of the Participant with respect to each PSU granted to the Participant; provided that such cash dividends shall not be deemed to be reinvested in shares of Stock and shall be held uninvested and without interest and paid in cash at the same time (and to the same extent) that the shares of Stock underlying the PSUs are delivered to the Participant in accordance with the provisions hereof. Stock dividends on shares of Stock shall be credited to a dividend book entry account on behalf of the Participant with respect to each PSU granted to the Participant; provided that such stock dividends shall be paid in shares of Stock at the same time (and to the same extent) that the shares of Stock underlying the PSUs are delivered to the Participant in accordance with the provisions hereof. Except as otherwise provided herein, the Participant shall have no rights as a stockholder with respect to any shares of Stock covered by any PSU unless and until the Participant has become the holder of record of such shares.

5. **Non-Transferability**. The PSUs, and any rights and interests with respect thereto, issued under this Agreement and the Plan shall not be sold, exchanged, transferred, assigned, pledged, encumbered or otherwise disposed of or hypothecated in any way by the Participant (or any beneficiary of the Participant who holds the PSUs as a result of a Transfer by will or by the laws of descent and distribution), other than in accordance with the provisions of Section 10(a) of the Plan.

6. **Governing Law; Jurisdiction and Venue**. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of Delaware, without giving any effect to any conflict of law provisions thereof, except to the extent Delaware state law is preempted by federal law. The obligation of the Company to sell and deliver Stock hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Stock. The Company and the Participant shall irrevocably and unconditionally (a) submit in any proceeding relating to the Plan or this Agreement, or for the recognition and enforcement of any judgment in respect thereof (a “Proceeding”), to the exclusive jurisdiction of the courts located in Tulsa County, Oklahoma, the court of the United States of America for the Northern District of Oklahoma, and appellate courts having jurisdiction of appeals from any of the foregoing, and agree that all claims in respect of any such Proceeding shall be heard and determined in such Oklahoma State court or, to the extent permitted by law, in such federal court, (b) consent that any such Proceeding may and shall be brought in such courts and waives any objection that the Company and the Participant may now or thereafter have to the venue or jurisdiction of any such Proceeding in any such court or that such Proceeding was brought in an inconvenient court and agree not to plead or claim the same, (c) waive all right to trial by jury in any Proceeding (whether based on contract, tort or otherwise) arising out of or relating to the Plan or this Agreement, (d) agree that service of process in any such Proceeding may be effected by mailing a copy of such process by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party, in the case of a Participant, at the Participant’s address shown in the books and records of the Company or, in the

case of the Company, at the Company's principal offices, attention General Counsel, and (e) agree that nothing in the Plan shall affect the right to effect service of process in any other manner permitted by the laws of the State of Delaware.

7. **Withholding of Tax**. The Company may require the Participant to pay to the Company (or the Company's Subsidiary if the Participant is an employee of a Subsidiary of the Company), an amount the Company deems necessary to satisfy its (or its Subsidiary's) current or future obligation to withhold federal, state or local income or other taxes that the Participant incurs as a result of the Award. With respect to any required tax withholding, the Participant may (a) direct the Company to withhold from the shares of Stock to be issued to the Participant under this Agreement, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the PSUs (such amount, in the aggregate, the "Withholding Obligation"), which determination will be based on the shares' Fair Market Value at the time such determination is made; (b) deliver to the Company shares of Stock sufficient to satisfy the Withholding Obligation, based on the shares' Fair Market Value at the time such determination is made; or (c) deliver cash to the Company sufficient to satisfy the Withholding Obligation. Without limiting the foregoing, the Company shall withhold shares of Stock otherwise deliverable to the Participant hereunder in order to pay the Participant's income and employment taxes due upon vesting of the PSUs, but only to the extent permitted by applicable accounting rules so as not to affect accounting treatment.

8. **Legend**. The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates, if any, representing shares of Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates, if any, representing shares of Stock acquired pursuant to this Agreement in the possession of the Participant in order to carry out the provisions of this Section 8.

9. **Securities Representations**. This Agreement is being entered into by the Company in reliance upon the following express representations and warranties of the Participant. The Participant hereby acknowledges, represents and warrants that:

(a) The Participant has been advised that the Participant may be an "affiliate" within the meaning of Rule 144 under the Securities Act and in this connection the Company is relying in part on the Participant's representations set forth in this Section 9.

(b) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the shares of Stock issuable hereunder must be held indefinitely unless an exemption from any applicable resale restrictions is available or the Company files an additional registration statement (or a "re-offer prospectus") with regard to such shares of Stock and the Company is under no obligation to register such shares of Stock (or to file a "re-offer prospectus").

(c) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the Participant understands that (i) the exemption from registration under Rule 144 will not be available unless (A) a public trading market then exists for the Stock of the Company, (B) adequate information concerning the Company is then available to the public, and (C) other terms and conditions of Rule 144 or any exemption therefrom are complied with, and (ii) any sale of the shares of Stock issuable hereunder may be made only in limited amounts in accordance with the terms and conditions of Rule 144 or any exemption therefrom.

10. **Entire Agreement; Amendment**. This Agreement, together with the Plan, contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. This Agreement may be amended the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Grant Date and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with the Participant's consent.

11. **Notices**. All notices required or permitted under this Agreement must be in writing and personally delivered or sent by certified mail, return receipt requested, and shall be deemed to be delivered on the date on which it is actually received by the person to whom it is properly addressed, in the case of a Participant, at the Participant's address shown in the books and records of the Company or, in the case of the Company, at the Company's principal offices, attention General Counsel. Any person entitled to notice hereunder may waive such notice in writing.

12. **No Right to Employment**. Any questions as to whether and when there has been a Termination and the cause of such Termination shall be determined in the sole discretion of the Committee. Nothing in this Agreement confers upon you the right to continue in the employ of or performing services for the Company or any Subsidiary, or interfere in any way with the rights of the Company or any Subsidiary to terminate your employment or service relationship at any time, subject to any employment agreement or other service agreement in effect between the Company and the Participant.

13. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the PSUs awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

14. **Compliance with Laws**. Notwithstanding any provision of this Agreement to the contrary, the issuance of the PSUs (and the shares of Stock upon settlement of the PSUs) pursuant to this Agreement will be subject to compliance with all applicable requirements of federal, state, or foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the Stock may then be listed. No Stock will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, Stock will not be issued hereunder unless (a) a registration statement under the Securities Act of 1933, as amended (the "Act"), is at the time of

issuance in effect with respect to the shares issued or (b) in the opinion of legal counsel to the Company, the shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such shares of Stock as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company. From time to time, the Board and appropriate officers of the Company are authorized to take the actions necessary and appropriate to file required documents with governmental authorities, stock exchanges, and other appropriate Persons to make shares of Stock available for issuance.

15. **Section 409A**. Notwithstanding anything herein or in the Plan to the contrary, the PSUs are intended to be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent.

16. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign any part of this Agreement without the prior express written consent of the Company, which consent may not be unreasonably withheld, conditioned or delayed.

17. **Headings**. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

18. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

19. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder.

20. **Severability**. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

*[Remainder of Page Intentionally Left Blank]*

By signing below, the Participant hereby acknowledges receipt of the PSUs issued on the Grant Date indicated above, which have been issued under the terms and conditions of the Plan and this Agreement.

MIDSTATES PETROLEUM COMPANY, INC.

By: ________________________________________
Name: Kim Harding
Title: Vice President — Human Resources and Administration

**Accepted by:**

________________________________________
**XXXXXX**

Date: ________________________________________

**Confirmation of Receipt by Company:**

By: ________________________________________

Date: ________________________________________

**Exhibit 99.1**

321 SOUTH BOSTON AVENUE, SUITE 1000
TULSA, OKLAHOMA 74103

**PRESS RELEASE FOR IMMEDIATE ISSUANCE**

# MIDSTATES PETROLEUM ANNOUNCES FOURTH QUARTER AND FULL YEAR 2018 RESULTS

TULSA, OK — (BUSINESS WIRE) — March 13, 2019 — Midstates Petroleum Company, Inc. (“Midstates” or the “Company”) (NYSE: MPO) today announced its fourth quarter and full year 2018 results.

## Fourth Quarter and Full-Year 2018 Highlights and Recent Key Items

- Reported net income of $49.8 million, or $1.91 per share, for the full year 2018 and net income of $35.8 million, or $1.38 per share, in the fourth quarter 2018
- Announced year-end 2018 SEC proved reserves of 72.4 million barrels of oil equivalent (MMBoe) with a net present value discounted at 10% (PV-10) of approximately $580 million
  - Year-end 2018 SEC proved developed producing (PDP) reserves of 46.5 MMBoe with a PV-10 of approximately $425 million
- Achieved Mississippian Lime production of 16,747 barrels of oil equivalent per day (Boepd) for the full year 2018
- Generated Adjusted EBITDA of $27.8 million in the fourth quarter of 2018, outpacing quarterly operational capital expenditures by approximately $24.2 million; full-year 2018 Adjusted EBITDA totaled $116.4 million, approximately $19.9 million higher than full-year operational capital expenditures
- Initiated a process pursuing all strategic and opportunistic transactions that create significant shareholder value
- Completed workforce reduction in January 2019 to better align general and administrative costs (G&A) with current activity levels; reduced Adjusted Cash G&A expense by $4 million to $5 million annually (excluding one-time severance costs)
- Successfully executed $50 million tender offer for outstanding capital stock in February 2019, returning capital to shareholders

For the fourth quarter of 2018, Midstates reported net income of $35.8 million, or $1.38 per share, which included the impact of a $25.4 million gain related to the Company’s commodity derivative contracts. In the same period in 2017, the Company reported a net loss of $121.0 million, or ($4.78) per share, including the impact of a $5.1 million commodity derivative charge, and in the third quarter of 2018 reported net income of $11.5 million, or $0.44 per share, including the impact of a $6.6 million commodity derivative charge. For the full year 2018, Midstates reported net income of $49.8 million, or $1.91 per share, which included the impact of a $3.6 million gain related to the Company’s commodity derivative contracts, compared to a net loss of $85.1 million, or ($3.39) per share, including the impact of a $3.7 million gain related to the Company’s commodity derivative contracts, in 2017.

In the fourth quarter of 2018, Midstates generated Adjusted EBITDA of $27.8 million, excluding advisory fees and costs incurred for strategic reviews. This compares to $33.9 million for the same quarter in 2017 and $31.9 million for the third quarter of 2018. For the full year 2018, Midstates generated Adjusted EBITDA of $116.4 million, excluding advisory fees and costs incurred for strategic reviews, compared to $128.2 million, in 2017.

David Sambrooks, President and Chief Executive Officer, commented, “In 2018 we continued our strong operational results and strengthened Midstates financially through several notable accomplishments. Operationally, we optimized base production through a substantial workover program and have taken actions to drive down lease operating and overhead expenses to help maximize margins and grow value. Midstates generated $116.4 million in Adjusted EBITDA, outpacing our operational capex by $20 million and we monetized a portion of our portfolio by selling our non-core Anadarko asset, using the proceeds and free cash flow to pay down $105 million in debt during 2018. Finally, our year-end 2018 reserve report continues to demonstrate the underlying value of Midstates.”

Mr. Sambrooks continued, “We remain focused on creating value for our shareholders. As such, we are forecasting significant free cash flow generation in 2019, which allowed us to successfully execute a $50 million tender offer earlier this year and affords us the opportunity to consider multiple options moving forward, including returning a substantial portion of our excess cash to our shareholders. As we look to the future, we remain committed to optimizing our production, minimizing costs and operating efficiently, as well as actively pursuing all opportunities that enhance us financially and operationally.”

*(Adjusted EBITDA, Adjusted Cash Operating Expenses, and Adjusted Cash G&A Expenses are non-GAAP financial measures. Each measure is defined and reconciled to the most directly comparable GAAP measure under “Non-GAAP Financial Measures” in the tables below.)*

**Operational Update**

Midstates ceased drilling at the end of the third quarter of 2018 in order to further study the production results of its recent extended lateral wells. With the erosion of commodity prices in the fourth quarter of 2018, the Company elected to continue the pause in drilling through mid-year 2019 to maximize free cash flow generation from its producing properties and will evaluate future development plans as the Company moves forward.

The Company did not bring online any new saltwater disposal injection wells during the fourth quarter of 2018. Midstates is currently operating 11 non-Arbuckle injection wells in Woods and Alfalfa Counties, Oklahoma, with permitted injection capacity of approximately 240,000 barrels of water per day. The Company’s total permitted injection capacity in all formations in Woods and Alfalfa Counties, Oklahoma, which may differ from actual injection capacity due to operational constraints, is approximately 372,000 barrels of water per day. The Company’s current disposal rate into all formations is approximately 135,000 barrels of water per day. Approximately 45% of the Company’s water injection is currently being injected into non-Arbuckle formations.

**Production and Pricing**

Production during the fourth quarter of 2018 totaled 16,351 Boepd, compared with 17,996 Boepd during the third quarter of 2018. Oil volumes comprised 27% of total production, natural gas liquids (NGLs) 26%, and natural gas 47% during the fourth quarter of 2018. Production for the full year 2018 totaled 20,326 Boepd, compared with 22,148 Boepd for the full year 2017. Production from the Company’s Mississippian Lime properties contributed approximately 82%, or 16,747 Boepd, and the Anadarko Basin properties contributed approximately 18%, or 3,579 Boepd. Midstates divested its Anadarko Basin properties in the second quarter of 2018. For the total Company, oil volumes comprised 29% of total production, natural gas liquids (NGLs) 25%, and natural gas 46% for the full year 2018.

On January 1, 2018, Midstates adopted Accounting Standards Codification 606, Revenue from Contracts with Customers (ASC 606). As a result, gathering and transportation and a portion of lease operating expenses are now being presented net against oil, NGLs and natural gas revenues.

Total oil, NGLs and natural gas revenues in the fourth quarter of 2018 were approximately $43.2 million, before the impact of derivatives, compared to $53.0 million in the third quarter of 2018. During the fourth quarter of 2018, the Company realized a gain on derivatives of $25.4 million, compared with a $6.6 million loss during the third quarter of 2018. For the full year 2018, total oil, NGLs and natural gas revenues were approximately $200.8 million, before the impact of derivatives, compared to $220.9 million for the full year 2017. In 2018, the Company realized a gain on derivatives of $3.6 million, compared with a $3.7 million gain during the full year 2017.

The following table sets forth information regarding average realized sales prices for the periods indicated:

| | Crude Oil | | NGLs | | Natural Gas | |
|---|---|---|---|---|---|---|
| | Year Ended December 31, 2018 | Year Ended December 31, 2017 | Year Ended December 31, 2018 | Year Ended December 31, 2017 | Year Ended December 31, 2018 | Year Ended December 31, 2017 |
| Average sales price exclusive of realized derivatives and certain deductions from revenue | $ 64.57 | $ 49.45 | $ 27.62 | $ 22.64 | $ 2.39 | $ 2.64 |
| Realized derivatives | (3.72) | 1.47 | — | — | (0.01) | 0.15 |
| Average sales price with realized derivatives exclusive of certain deductions from revenue | $ 60.85 | $ 50.92 | $ 27.62 | $ 22.64 | $ 2.38 | $ 2.79 |
| Certain deductions from revenue | (0.03) | — | (0.04) | — | (0.67) | — |
| Average sales price inclusive of realized derivatives and certain deductions from revenue | $ 60.82 | $ 50.92 | $ 27.58 | $ 22.64 | $ 1.71 | $ 2.79 |

**Hedging Update**

To reduce downside commodity price risk and protect cash flow, Midstates has entered into a number of swaps and three-way collars to hedge a portion of the Company's oil and natural gas revenues through 2020. A summary of the Company's hedges is included in the below table.

| | NYMEX WTI | | | | | |
|---|---|---|---|---|---|---|
| | Fixed Swaps | | Three-Way Collars | | | |
| | Hedge Position (Bbls) | Weighted Avg Strike Price | Hedge Position (Bbls) | Weighted Avg Ceiling Price | Weighted Avg Floor Price | Weighted Avg Sub-Floor Price |
| **Quarter Ended:** | | | | | | |
| December 31, 2018(1) | 313,720 | $ 58.59 | 46,000 | $ 56.70 | $ 50.00 | $ 40.00 |
| March 31, 2019(1) | 74,800 | $ 66.48 | 180,000 | $ 63.14 | $ 53.75 | $ 43.75 |
| June 30, 2019(1) | 57,650 | $ 64.69 | 182,000 | $ 63.14 | $ 53.75 | $ 43.75 |
| September 30, 2019(1) | 46,000 | $ 62.96 | 184,000 | $ 63.14 | $ 53.75 | $ 43.75 |
| December 31, 2019(1) | 46,000 | $ 61.43 | 184,000 | $ 63.14 | $ 53.75 | $ 43.75 |
| March 31, 2020(1) | — | $ — | 91,000 | $ 65.75 | $ 50.00 | $ 40.00 |
| June 30, 2020(1) | — | $ — | 91,000 | $ 65.75 | $ 50.00 | $ 40.00 |
| September 30, 2020(1) | — | $ — | 92,000 | $ 65.75 | $ 50.00 | $ 40.00 |
| December 31, 2020(1) | — | $ — | 92,000 | $ 65.75 | $ 50.00 | $ 40.00 |

| | NYMEX HENRY HUB | | | | | |
|---|---|---|---|---|---|---|
| | Fixed Swaps | | Three-Way Collars | | | |
| | Hedge Position (MMBtu) | Weighted Avg Strike Price | Hedge Position (MMBtu) | Weighted Avg Ceiling Price | Weighted Avg Floor Price | Weighted Avg Sub-Floor Price |
| **Quarter Ended:** | | | | | | |
| December 31, 2018(1) | 2,055,000 | $ 2.95 | 1,380,000 | $ 3.40 | $ 3.00 | $ 2.50 |
| March 31, 2019(1) | 1,980,000 | $ 3.01 | 1,350,000 | $ 3.40 | $ 3.00 | $ 2.50 |
| June 30, 2019(1) | 1,365,000 | $ 2.75 | | | | |
| September 30, 2019(1) | 1,380,000 | $ 2.75 | | | | |
| December 31, 2019(1) | 465,000 | $ 2.75 | 610,000 | $ 3.45 | $ 2.65 | $ 2.15 |
| March 31, 2020(1) | | | 910,000 | $ 3.45 | $ 2.65 | $ 2.15 |

(1) Positions shown represent open commodity derivative contract positions as of December 31, 2018.

**2018 Year-End Proved Reserves**

Midstates' reserves were fully engineered by its third-party independent reserve consultant, Cawley, Gillespie & Associates, Inc. The following table presents these results:

| | Oil (MBls) | Natural Gas (MMcf) | NGLs (MBbls) | Total (MBoe) | PV-10(1) (in millions) | PV-10(2) (in millions) |
|---|---|---|---|---|---|---|
| **Mississippian Lime:** | | | | | | |
| Proved developed producing | 10,713 | 138,850 | 12,650 | 46,505 | $ 424,989 | $ 378,453 |
| Proved developed non-producing | 282 | 8,398 | 775 | 2,457 | 8,400 | 7,380 |
| Proved undeveloped | 7,070 | 63,265 | 5,846 | 23,460 | 146,261 | 119,829 |
| **Total Proved** | **18,065** | **210,513** | **19,271** | **72,422** | **$ 579,650** | **$ 505,662** |

(1) Year-end 2018 SEC Pricing: $65.56 per barrel of oil, $29.50 per barrel of NGLs, and $3.10 per million BTUs of gas.
(2) Utilizing flat pricing of $60.00 per Bbl of oil, $27.00 per Bbl of NGLs, and $3.00 per million BTUs of gas.

Midstates' estimated proved reserves for year-end 2018 totaled 72.4 MMBoe, comprised of 25% oil, 27% NGLs, and 48% natural gas. The Company elected to pause drilling in the fourth quarter of 2018 and reconfigured its drilling program to emphasize two-mile laterals. The revised development strategy reduced proved undeveloped (PUD) inventory to 48 locations at year-end 2018, consisting of 31 two-mile laterals and 17 one-mile laterals developed over 3 years within the SEC five-year development window.

At year-end 2018, Midstates' proved reserves, as prepared utilizing SEC pricing, had a net PV-10 of approximately $579.7 million. The Company's estimated reserves at year-end 2018 were based on the average oil, NGL, and natural gas prices for each month, which were $65.56 per barrel ("Bbl"), $29.50 per Bbl, and $3.10 per million BTUs.

Utilizing flat pricing of $60.00 per Bbl of oil, $27.00 per Bbl of NGLs, and $3.00 per million BTUs, the Company's year-end 2018 proved reserves had a PV-10 value of approximately $506 million.

**Costs and Expenses**

Adjusted Cash Operating Expenses (which excludes debt restructuring and advisory fees, as well as severance costs) for the fourth quarter of 2018 were $16.6 million, or $11.02 per Boe, compared with $18.6 million, or $11.21 per Boe, in the third quarter of 2018. Full year 2018 Adjusted Cash Operating Expenses were $79.7 million, or $11.97 per Boe, compared with $103.5 million, or $12.80 per Boe in 2017. The decrease in Adjusted Cash Operating Expenses for full year 2018 compared to the full year 2017 was due primarily to the sale of the Company's Anadarko Basin producing properties in May 2018, resulting in lower lease operating and Adjusted Cash G&A expenses.

Lease operating expenses (LOE) and workover expenses combined totaled $10.6 million, or $7.05 per Boe, in the fourth quarter of 2018, compared with $11.9 million, or $7.16 per Boe, in the third quarter of 2018. Full year 2018 combined LOE and workover expenses were $54.2 million, or $8.14 per Boe, compared with $63.3 million, or $7.83 per Boe in 2017. LOE per Boe decreased by $0.38 for the full year 2018 compared to the full year 2017 primarily due to the sale of the Company's Anadarko Basin producing properties in May 2018, which had higher LOE per Boe. Full year 2018 workover expenses increased $0.69 per Boe from the full year 2017 due to the Company's expanded Mississippian Lime workover program during 2018.

Severance and other taxes for the fourth quarter of 2018 were $2.7 million, or $1.78 per Boe (6.2% of oil, NGL and natural gas sales revenue), compared to $3.4 million, or $2.03 per Boe (6.2% of oil, NGL and natural gas sales revenue) in the third quarter of 2018. Full year 2018 severance and other taxes were $11.7 million, or $1.75 per Boe (5.8% of oil, NGL and natural gas sales revenue), compared with $8.9 million, or $1.10 per Boe (4.0% of oil, NGL and natural gas sales revenue) in 2017. Severance and other tax rates have increased from prior quarters due to legislation that was signed into law in Oklahoma that increased the 4.0% incentive tax rate to 7.0% effective with December 2017 production. Additionally, new legislation was signed into law in March 2018 in Oklahoma to further amend the gross production incentive tax rate for wells drilled beginning July 1, 2015 from 2.0% to 5.0% effective July 2018.

In January 2019, to better align Midstates' general and administrative (G&A) expense with its current activity levels, the Company completed a workforce reduction that will result in annualized Adjusted Cash G&A expense savings of $4 million to $5 million (excluding one-time severance costs). G&A expenses for the fourth quarter of 2018 totaled $4.8 million, or $3.20 per Boe, compared to $4.7 million, or $2.84 per Boe, in the third quarter of 2018. Fourth quarter 2018 and third quarter 2018 G&A expenses included net non-cash share-based compensation expense of $1.1 million, or $0.72 per Boe, and $0.9 million, or $0.55 per Boe, respectively. Full year 2018 G&A expenses total $24.5 million, or $3.68 per Boe, compared to $29.4 million, or $3.63 per Boe, for the full year 2017. Full year 2018 and full year 2017 G&A expenses included net non-cash share-based compensation expense of $5.4 million, or $0.81 per Boe, and $9.2 million, or $1.14 per Boe, respectively. Adjusted Cash G&A expense, which excludes non-cash share-based compensation and certain non-recurring items, but includes capitalized general and administrative costs, totaled $3.3 million, or $2.17 per Boe for the fourth quarter of 2018, compared to $3.9 million, or $2.33 per Boe, in the third quarter of 2018. Fourth quarter 2018 Adjusted Cash G&A expenses decreased compared to third quarter of 2018 primarily due to lower employee costs. Full year 2018 Adjusted Cash G&A expense totaled $15.5 million, or $2.32 per Boe, compared to $20.1 million, or $2.48 per Boe, for the full year 2017. Full year 2018 Adjusted Cash G&A expenses decreased compared to full year 2017 primarily due to lower employee costs.

Depreciation, depletion and amortization expense for the fourth quarter of 2018 totaled $14.8 million, or $9.85 per Boe, compared to $15.5 million, or $9.36 per Boe in the third quarter of 2018. Full year 2018 Depreciation, depletion and amortization expense total $62.0 million, or $9.31 per Boe, compared to $65.8 million, or $8.14 per Boe, for the full year 2017.

Interest expense totaled $0.7 million (net of amounts capitalized) for the fourth quarter of 2018, compared to $0.7 million in the third quarter of 2018. The Company capitalized $0.2 million in interest to unproved properties in the fourth quarter of 2018 and 0.1 million in third quarter of 2018. Full year 2018 interest expense total $4.5 million (net of amounts capitalized), compared to $5.6 million for the full year 2017. The Company capitalized $0.5 million in interest to unproved properties in 2018 and $2.4 million in 2017.

The decrease in interest expenses for full year 2018 compared to the full year 2017 was the result of the Company making $105 million in pay-downs during 2018 to the outstanding credit facility balance with proceeds from the sale of the Anadarko Basin producing properties and cash on hand.

The Company had an effective tax rate of 0% and did not record an income tax expense or benefit for both the fourth quarter or full year 2018.

**Capital Expenditures**

In the fourth quarter of 2018, the Company invested $3.6 million of operating capital in the Mississippian Lime.

The following table provides operational capital spending by area as well as a reconciliation to total capital expenditures for the three months and full year ended December 31, 2018 (in thousands):

| | For the Three Months Ended December 31, 2018 | For the Year Ended December 31, 2018 |
|---|---|---|
| Drilling and completion activities | $ 2,636 | $ 90,220 |
| Acquisition of acreage and seismic data | 967 | 6,246 |
| **Operational capital expenditures incurred** | **$ 3,603** | **$ 96,466** |
| Capitalized G&A, office, ARO & other | 395 | 3,744 |
| Capitalized interest | 153 | 466 |
| **Total capital expenditures incurred** | **$ 4,151** | **$ 100,676** |

| | For the Three Months Ended December 31, 2018 | For the Year Ended December 31, 2018 |
|---|---|---|
| Mississippian Lime | $ 3,603 | $ 96,530 |
| Anadarko Basin | — | (64) |
| **Total operational capital expenditures incurred** | **$ 3,603** | **$ 96,466** |

**Balance Sheet and Liquidity**

On December 31, 2018, the Company's liquidity was approximately $156.3 million, consisting of cash and cash equivalents of $11.3 million and $145.0 million available under its credit facility. Its long-term debt was $23.1 million, resulting in net debt of approximately $11.8 million.

As of March 6, 2019, the Company's liquidity was approximately $109.0 million, consisting of cash and cash equivalents of $3.0 million and $106.0 million available under its credit facility. Its long-term debt was $62.1 million, resulting in net debt of approximately $59.1 million.

On October 24, 2018, the Company's borrowing base under its revolving credit facility was reaffirmed at $170 million. The next scheduled borrowing base redetermination will occur during the second quarter of 2019.

**Strategic Update**

Midstates is committed to pursuing all strategic and opportunistic transactions that create significant shareholder value, including a sale of the Company or mergers and acquisitions that provide for greater scale and operational synergies to enhance bottom line profitability. To aid in this pursuit, the Company has retained Houlihan Lokey, Inc as its financial advisor.

**Conference Call Information**

The Company will host a conference call to discuss fourth quarter and year-end 2018 results on Thursday, March 14, at 9:00 a.m. Eastern time (8:00 a.m. Central time). Participants may join the conference call by dialing (877) 645-4610 (for U.S. and Canada) or (707) 595-2723 (International). The conference call access code is 5358516 for all participants. To listen via live web cast, please visit the Investor Relations section of the Company's website, www.midstatespetroleum.com.

An audio replay of the conference call will be available approximately two hours after the conclusion of the call. The audio replay will remain available for approximately 30 days and can be accessed by dialing (855) 859-2056 (for U.S. and Canada) or (404) 537-3406 (International). The conference call audio replay access code is 5358516 for all participants. The audio replay will also be available in the Investors section of the Company's website approximately two hours after the conclusion of the call and remain available for approximately 30 calendar days.

**Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements that are not statements of historical fact, including statements regarding the Company's strategy, future operations, financial position, estimated revenues and losses, projected costs, resource potential, drilling locations, prospects and plans and objectives of management, are considered forward-looking statements. Without limiting the generality of the foregoing, these statements are based on certain assumptions made by the Company based on management's experience, expectations and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Although the Company believes that its plans, intentions and expectations reflected in or suggested by the forward-looking statements made in this press release are reasonable, the Company gives no assurance that these plans, intentions or expectations will be achieved when anticipated or at all. Moreover, such statements are subject to a number of factors, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These factors include, but are not limited to variations in the market demand for, and prices of, oil and natural gas; uncertainties about the Company's estimated quantities of oil and natural gas reserves, resource potential and drilling locations; the adequacy of the Company's capital resources and liquidity; general economic and business conditions; weather-related downtime; failure to realize expected value creation from property acquisitions; uncertainties about the Company's ability to replace reserves and economically develop its current reserves; risks related to the concentration of the Company's operations; drilling results; and potential financial losses or earnings reductions from the Company's commodity derivative positions.

Any forward-looking statement speaks only as of the date on which such statement is made and the Company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

**About Midstates Petroleum Company, Inc.**

Midstates Petroleum Company, Inc. is an independent exploration and production company focused on the application of modern drilling and completion techniques in oil and liquids-rich basins in the onshore U.S. The Company's operations are currently focused on oilfields in the Mississippian Lime play in Oklahoma.

*********

Contact:
Midstates Petroleum Company, Inc.

Jason McGlynn, Investor Relations, (918) 947-4614
Jason.McGlynn@midstatespetroleum.com

**MIDSTATES PETROLEUM COMPANY, INC.**
**CONSOLIDATED BALANCE SHEETS**

**(In thousands, except share amounts)**

**(Unaudited)**

| | December 31, 2018 | December 31, 2017 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 11,341 | $ 68,498 |
| Accounts receivable: | | |
| Oil and gas sales | 22,165 | 32,455 |
| Joint interest billing | 2,474 | 3,297 |
| Other | 1,374 | 166 |
| Commodity derivative contracts | 6,940 | 762 |
| Other current assets | 1,684 | 1,510 |
| Total current assets | 45,978 | 106,688 |
| PROPERTY AND EQUIPMENT: | | |
| Oil and gas properties, on the basis of full-cost accounting | | |
| Proved properties | 809,272 | 765,308 |
| Unproved properties not being amortized | 4,050 | 7,065 |
| Other property and equipment | 6,345 | 6,508 |
| Less accumulated depreciation, depletion and amortization | (266,198) | (204,419) |
| Net property and equipment | 553,469 | 574,462 |
| OTHER NONCURRENT ASSETS: | | |
| Commodity derivative assets | 791 | — |
| Other noncurrent assets | 5,257 | 6,978 |
| Total other noncurrent assets | 6,048 | 6,978 |
| **TOTAL** | **$ 605,495** | **$ 688,128** |
| **LIABILITIES AND EQUITY** | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 6,511 | $ 11,547 |
| Accrued liabilities | 25,521 | 42,842 |
| Commodity derivative contracts | — | 3,433 |
| Total current liabilities | 32,032 | 57,822 |
| LONG-TERM LIABILITIES: | | |
| Asset retirement obligations | 8,087 | 15,506 |
| Commodity derivative contracts | 80 | 562 |
| Long-term debt | 23,059 | 128,059 |
| Other long-term liabilities | 560 | 592 |
| Total long-term liabilities | 31,786 | 144,719 |
| | | |
| COMMITMENTS AND CONTINGENCIES | | |
| | | |
| STOCKHOLDERS' EQUITY: | | |
| Preferred stock, $0.01 par value, 50,000,000 shares authorized | — | — |
| Warrants, 6,625,554 warrants outstanding | 37,329 | 37,329 |
| Common stock, $0.01 par value, 250,000,000 shares authorized | 255 | 253 |
| Treasury stock | (2,455) | (1,603) |
| Additional paid-in-capital | 531,911 | 524,755 |
| Retained deficit | (25,363) | (75,147) |
| Total stockholders' equity | 541,677 | 485,587 |
| **TOTAL** | **$ 605,495** | **$ 688,128** |

**MIDSTATES PETROLEUM COMPANY, INC.**
**CONSOLIDATED STATEMENTS OF OPERATIONS**

**(In thousands)**

**(Unaudited)**

| | For the Three Months Ended December 31, 2018 | For the Year Ended December 31, 2018 | For the Three Months Ended December 31, 2017 | For the Year Ended December 31, 2017 | For the Three Months Ended September 30, 2018 |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Oil sales | $ 24,111 | $ 123,945 | $ 31,586 | $ 117,083 | $ 33,218 |
| Natural gas liquid sales | 9,096 | 44,747 | 12,532 | 44,112 | 12,720 |
| Natural gas sales | 9,993 | 32,138 | 13,387 | 59,708 | 7,026 |
| Other revenue | 1,018 | 4,252 | 947 | 4,191 | 1,384 |
| Total revenues from contracts with customers | 44,218 | 205,082 | 58,452 | 225,094 | 54,348 |
| Gains (losses) on commodity derivative contracts—net | 25,425 | 3,555 | (5,108) | 3,659 | (6,583) |
| Total revenues | 69,643 | 208,637 | 53,344 | 228,753 | 47,765 |
| **EXPENSES:** | | | | | |
| Lease operating and workover | 10,608 | 54,229 | 15,223 | 63,287 | 11,861 |
| Gathering and transportation | 63 | 241 | 3,480 | 14,507 | 54 |
| Severance and other taxes | 2,682 | 11,680 | 2,701 | 8,869 | 3,360 |
| Asset retirement accretion | 152 | 846 | 267 | 1,100 | 147 |
| Depreciation, depletion, and amortization | 14,818 | 62,000 | 19,361 | 65,832 | 15,485 |
| Impairment in carrying value of oil and gas properties | — | — | 125,300 | 125,300 | — |
| General and administrative | 4,805 | 24,540 | 6,250 | 29,352 | 4,688 |
| Advisory fees | — | 850 | — | — | — |
| Total expenses | 33,128 | 154,386 | 172,582 | 308,247 | 35,595 |
| **OPERATING INCOME (LOSS)** | 36,515 | 54,251 | (119,238) | (79,494) | 12,170 |
| **OTHER INCOME (EXPENSE):** | | | | | |
| Interest income | 5 | 33 | 9 | 9 | 4 |
| Interest expense—net | (713) | (4,500) | (1,738) | (5,592) | (658) |
| Total other expense | (708) | (4,467) | (1,729) | (5,583) | (654) |
| **INCOME (LOSS) BEFORE TAXES** | **35,807** | **49,784** | **(120,967)** | **(85,077)** | **11,516** |
| Income tax benefit | — | — | — | — | — |
| **NET INCOME (LOSS)** | **$ 35,807** | **$ 49,784** | **$ (120,967)** | **$ (85,077)** | **$ 11,516** |
| Participating securities—non-vested restricted stock | (940) | (1,394) | — | — | (351) |
| **NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS** | **$ 34,867** | **$ 48,390** | **$ (120,967)** | **$ (85,077)** | **$ 11,165** |
| Basic and diluted net income (loss) per share attributable to common shareholders | $ 1.38 | $ 1.91 | $ (4.78) | $ (3.39) | $ 0.44 |
| Basic and diluted weighted average number of common shares outstanding | 25,385 | 25,337 | 25,253 | 25,119 | 25,332 |

**MIDSTATES PETROLEUM COMPANY, INC.**
**CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

**(In thousands)**

**(Unaudited)**

| | Series A Preferred Stock | Common Stock | Warrants | Treasury Stock | Additional Paid-in-Capital | Retained Earnings (Deficit) | Total Stockholders' Equity (Deficit) |
|---|---|---|---|---|---|---|---|
| **Balance as of December 31, 2015 (Predecessor)** | **$ —** | **$ 110** | **$ —** | **$ (3,081)** | **$ 888,247** | **$ (2,211,342)** | **$ (1,326,066)** |
| Share-based compensation | — | (6) | — | — | 3,045 | — | 3,039 |
| Acquisition of treasury stock | — | — | — | (53) | — | — | (53) |
| Net income | — | — | — | — | — | 1,323,079 | 1,323,079 |
| **Balance as of October 21, 2016 (Predecessor)** | **$ —** | **$ 104** | **$ —** | **$ (3,134)** | **$ 891,292** | **$ (888,263)** | **$ (1)** |
| Cancellation of predecessor equity | — | (104) | — | 3,134 | (891,292) | 888,263 | 1 |
| **Balance as of October 21, 2016 (Predecessor)** | **$ —** | **$ —** | **$ —** | **$ —** | **$ —** | **$ —** | **$ —** |
| Issuance of successor common stock | — | 247 | — | — | 510,905 | — | 511,152 |
| Issuance of successor warrants | — | — | 37,329 | — | — | — | 37,329 |
| **Balance as of October 21, 2016 (Successor)** | **$ —** | **$ 247** | **$ 37,329** | **$ —** | **$ 510,905** | **$ —** | **$ 548,481** |
| Issuance of successor common stock | — | 3 | — | — | — | — | 3 |
| Share-based compensation | — | | — | — | 3,400 | — | 3,400 |
| Net income | — | — | — | — | — | 9,930 | 9,930 |
| **Balance as of December 31, 2016 (Successor)** | **$ —** | **$ 250** | **$ 37,329** | **$ —** | **$ 514,305** | **$ 9,930** | **$ 561,814** |
| Issuance of successor common stock | — | 3 | — | — | 10,450 | — | 10,453 |
| Share-based compensation | — | — | — | (1,603) | — | — | (1,603) |
| Net loss | — | — | — | — | — | (85,077) | (85,077) |
| **Balance as of December 31, 2018 (Successor)** | **$ —** | **$ 253** | **$ 37,329** | **$ (1,603)** | **$ 524,755** | **$ (75,147)** | **$ 485,587** |
| Share-based compensation | — | 2 | — | — | 7,156 | — | 7,158 |
| Acquisition of treasury stock | — | — | — | (852) | — | — | (852) |
| Net income | — | — | — | — | — | 49,784 | 49,784 |
| **Balance as of December 31, 2018 (Successor)** | **$ —** | **$ 255** | **$ 37,329** | **$ (2,455)** | **$ 531,911** | **$ (25,363)** | **$ 541,677** |

**MIDSTATES PETROLEUM COMPANY, INC.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(In thousands)**

**(Unaudited)**

| | For the Year Ended December 31, 2018 | For the Year Ended December 31, 2017 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net income (loss) | $ 49,784 | $ (85,077) |
| *Adjustments to reconcile net income/(loss) to net cash provided by operating activities:* | | |
| (Gains) on commodity derivative contracts—net | (3,555) | (3,659) |
| Net cash received (paid) for commodity derivative contracts not designated as hedging instruments | (7,328) | 6,891 |
| Asset retirement accretion | 846 | 1,100 |
| Depreciation, depletion, and amortization | 62,000 | 65,832 |
| Impairment in carrying value of oil and gas properties | — | 125,300 |
| Share-based compensation, net of amounts capitalized to oil and gas properties | 5,407 | 9,196 |
| Amortization of deferred financing costs | 476 | 385 |
| *Change in operating assets and liabilities:* | | |
| Accounts receivable—oil and gas sales | 8,690 | 2,766 |
| Accounts receivable—JIB and other | (744) | 3,362 |
| Other current and noncurrent assets | 537 | 283 |
| Accounts payable | (1,779) | 2,961 |
| Accrued liabilities | (7,145) | (8,973) |
| Other | (34) | (765) |
| **Net cash provided by operating activities** | **$ 107,155** | **$ 119,602** |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Investment in property and equipment | $ (112,398) | $ (130,199) |
| Proceeds from the sale of oil and gas properties | 54,091 | 2,885 |
| Proceeds from the sale of oil and gas equipment | 355 | 1,350 |
| **Net cash used in investing activities** | **$ (57,952)** | **$ (125,964)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from revolving credit facility | $ 1,000 | $ — |
| Repayment of revolving credit facility | (106,000) | — |
| Deferred financing costs | (508) | (375) |
| Repurchase of restricted stock for tax withholdings | (852) | (1,603) |
| **Net cash used in financing activities** | **$ (106,360)** | **$ (1,978)** |
| **NET (DECREASE) IN CASH AND CASH EQUIVALENTS** | **$ (57,157)** | **$ (8,340)** |
| **Cash and cash equivalents, beginning of period** | **68,498** | **76,838** |
| **Cash and cash equivalents, end of period** | **$ 11,341** | **$ 68,498** |
| | | |
| **SUPPLEMENTAL INFORMATION:** | | |
| Non-cash transactions — investments in property and equipment accrued — not paid | $ 6,092 | $ 17,164 |
| Cash paid for interest, net | $ 4,128 | $ 5,353 |

**MIDSTATES PETROLEUM COMPANY, INC.**
**SELECTED FINANCIAL AND OPERATING STATISTICS**

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | | For the Three Months Ended September 30, |
|---|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 | 2018 |
| **Operating Data — Mississippian Lime:** | | | | | |
| ***Net production volumes:*** | | | | | |
| Oil (Bbls/day) | 4,463 | 4,960 | 4,768 | 5,108 | 5,249 |
| NGLs (Bbls/day) | 4,194 | 3,903 | 4,014 | 4,273 | 4,257 |
| Natural gas (Mcf/day) | 46,161 | 50,787 | 47,791 | 52,797 | 50,939 |
| Total oil equivalents (MBoe) | 1,505 | 1,594 | 6,113 | 6,636 | 1,656 |
| Average daily production (Boe/day) | 16,351 | 17,327 | 16,747 | 18,181 | 17,996 |
| **Operating Data — Anadarko Basin:** | | | | | |
| ***Net production volumes:*** | | | | | |
| Oil (Bbls/day) | — | 1,347 | 1,168 | 1,379 | — |
| NGLs (Bbls/day) | — | 1,065 | 1,017 | 1,066 | — |
| Natural gas (Mcf/day) | — | 8,867 | 8,365 | 9,135 | — |
| Total oil equivalents (MBoe) | — | 358 | 540 | 1,448 | — |
| Average daily production (Boe/day) | — | 3,890 | 3,579 | 3,967 | — |
| **Operating Data - Combined:** | | | | | |
| ***Net production volumes:*** | | | | | |
| Oil (Bbls/day) | 4,463 | 6,307 | 5,936 | 6,487 | 5,249 |
| NGLs (Bbls/day) | 4,194 | 4,968 | 5,031 | 5,339 | 4,257 |
| Natural gas (Mcf/day) | 46,161 | 59,654 | 56,156 | 61,932 | 50,939 |
| Total oil equivalents (MBoe) | 1,505 | 1,952 | 6,663 | 8,084 | 1,656 |
| Average daily production (Boe/day) | 16,351 | 21,217 | 20,326 | 22,148 | 17,996 |
| **Average Sales Prices:** | | | | | |
| Oil, without realized derivatives (per Bbl) | $ 58.73 | $ 54.43 | $ 64.54 | $ 49.45 | $ 68.79 |
| Oil, with realized derivatives (per Bbl) | $ 63.64 | $ 53.49 | $ 60.82 | $ 50.92 | $ 60.68 |
| Natural gas liquids, without realized derivatives (per Bbl) | $ 23.57 | $ 27.42 | $ 27.58 | $ 22.64 | $ 32.48 |
| Natural gas liquids, with realized derivatives (per Bbl) | $ 23.57 | $ 27.42 | $ 27.58 | $ 22.64 | $ 32.48 |
| Natural gas, without realized derivatives (per Mcf) | $ 2.35 | $ 2.44 | $ 1.72 | $ 2.64 | $ 1.49 |
| Natural gas, with realized derivatives (per Mcf) | $ 1.93 | $ 2.67 | $ 1.71 | $ 2.79 | $ 1.51 |
| **Costs and Expenses (per Boe of production):** | | | | | |
| Lease operating | $ 6.27 | $ 7.02 | $ 6.35 | $ 6.73 | $ 5.81 |
| Workover | $ 0.78 | $ 0.78 | $ 1.79 | $ 1.10 | $ 1.35 |
| Gathering and transportation | $ 0.04 | $ 1.78 | $ 0.04 | $ 1.79 | $ 0.03 |
| Severance and other taxes | $ 1.78 | $ 1.38 | $ 1.75 | $ 1.10 | $ 2.03 |
| Asset retirement accretion | $ 0.10 | $ 0.14 | $ 0.13 | $ 0.14 | $ 0.09 |
| Depreciation, depletion and amortization | $ 9.85 | $ 9.92 | $ 9.31 | $ 8.14 | $ 9.36 |
| Impairment of oil and gas properties | $ — | $ 64.19 | $ — | $ 15.50 | $ — |
| General and administrative | $ 3.20 | $ 3.20 | $ 3.68 | $ 3.63 | $ 2.84 |
| Advisory fees | $ — | $ — | $ 0.13 | $ — | $ — |

**MIDSTATES PETROLEUM COMPANY, INC.**
**ADJUSTED EBITDA**

**(In thousands)**

**(Unaudited)**

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | | For the Three Months Ended September 30, |
|---|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** | **2018** |
| **Adjusted EBITDA to net income (loss) reconciliation:** | | | | | |
| Net income (loss) | $ 35,807 | $ (120,967) | $ 49,784 | $ (85,077) | $ 11,516 |
| Depreciation, depletion and amortization | 14,818 | 19,361 | 62,000 | 65,832 | 15,485 |
| Impairment in carrying value of oil and gas properties | — | 125,300 | — | 125,300 | — |
| Losses (gains) on commodity derivative contracts—net | (25,425) | 5,108 | (3,555) | (3,659) | 6,583 |
| Net cash received (paid) for commodity derivative contracts not designated as hedging instruments | 203 | 742 | (7,328) | 6,891 | (3,854) |
| Income tax expense | — | — | — | — | — |
| Interest income | (5) | (9) | (33) | (9) | (4) |
| Interest expense, net of amounts capitalized | 713 | 1,738 | 4,500 | 5,592 | 658 |
| Asset retirement obligation accretion | 152 | 267 | 846 | 1,100 | 147 |
| Share-based compensation, net of amounts capitalized | 1,078 | 2,094 | 5,407 | 9,196 | 905 |
| **Adjusted EBITDA** | **$ 27,341** | **$ 33,634** | **$ 111,621** | **$ 125,166** | **$ 31,436** |
| Lagging costs associated with restructuring | 208 | — | 543 | — | — |
| Costs incurred for strategic reviews | 280 | — | 3,402 | — | 489 |
| Advisory costs | — | 300 | 850 | 3,030 | — |
| **Adjusted EBITDA before restructuring and advisory costs** | **$ 27,829** | **$ 33,934** | **$ 116,416** | **$ 128,196** | **$ 31,925** |

**MIDSTATES PETROLEUM COMPANY, INC.**
**CASH OPERATING EXPENSES**

**(In thousands)**

**(Unaudited)**

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | | For the Three Months Ended September 30, |
|---|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** | **2018** |
| Operating Expenses — GAAP | $ 33,128 | $ 172,582 | $ 154,386 | $ 308,247 | $ 35,595 |
| *Adjustments for certain non-cash items:* | | | | | |
| Asset retirement accretion | 152 | 267 | 846 | 1,100 | 147 |
| Share-based compensation, net | 1,078 | 2,094 | 5,407 | 9,196 | 905 |
| Depreciation, depletion and amortization | 14,818 | 19,360 | 62,000 | 65,832 | 15,485 |
| Impairment of oil and gas properties | — | 125,300 | — | 125,300 | — |
| **Cash Operating Expenses — Non-GAAP** | **$ 17,080** | **$ 25,561** | **$ 86,133** | **$ 106,819** | **$ 19,058** |
| **Cash Operating Expenses — Non-GAAP per Boe** | **$ 11.35** | **$ 13.09** | **$ 12.93** | **$ 13.21** | **$ 11.51** |
| | | | | | |
| Advisory fees | $ — | $ 300 | $ 850 | $ 3,030 | $ — |
| Advisory fees, per Boe | $ — | $ 0.15 | $ 0.13 | $ 0.37 | $ — |
| | | | | | |
| Lagging costs associated with restructuring | $ 208 | $ — | $ 543 | $ — | $ — |
| Lagging costs associated with restructuring, per Boe | $ 0.14 | $ — | $ 0.08 | $ — | $ — |
| | | | | | |
| Severance costs | $ — | $ 331 | $ 1,621 | $ 331 | $ — |
| Severance costs, per Boe | $ — | $ 0.17 | $ 0.24 | $ 0.04 | $ — |
| | | | | | |
| Costs incurred for strategic reviews | $ 280 | $ — | $ 3,402 | $ — | $ 489 |
| Costs incurred for strategic reviews, per Boe | $ 0.19 | $ — | $ 0.51 | $ — | $ 0.30 |
| | | | | | |
| **Adjusted Cash Operating Expenses — Non-GAAP** | **$ 16,592** | **$ 24,930** | **$ 79,717** | **$ 103,458** | **$ 18,569** |
| **Adjusted Cash Operating Expenses — Non-GAAP per Boe** | **$ 11.02** | **$ 12.77** | **$ 11.97** | **$ 12.80** | **$ 11.21** |

**MIDSTATES PETROLEUM COMPANY, INC.**
**ADJUSTED CASH GENERAL AND ADMINISTRATIVE EXPENSES**

**(In thousands)**

**(Unaudited)**

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | | For the Three Months Ended September 30, |
|---|---|---|---|---|---|
| | 2018 | 2017 | 2018 | 2017 | 2018 |
| General and Administrative Expenses — GAAP | $ 4,805 | $ 6,250 | $ 24,540 | $ 29,352 | $ 4,688 |
| *Adjustments for certain non-cash and non-recurring items:* | | | | | |
| Share-based compensation, net | (1,078) | (2,094) | (5,407) | (9,196) | (905) |
| Capitalized general and administrative expenses | 29 | 606 | 1,900 | 3,270 | 571 |
| Severance costs | — | (331) | (1,621) | (331) | — |
| Costs incurred for strategic reviews | (280) | — | (3,402) | — | (489) |
| Advisory costs included in general and administrative expenses | (208) | (300) | (543) | (3,030) | — |
| **Adjusted Cash General and Administrative Expenses — Non-GAAP** | **$ 3,268** | **$ 4,131** | **$ 15,467** | **$ 20,065** | **$ 3,865** |
| **Adjusted Cash General and Administrative Expenses — Non-GAAP per Boe** | **$ 2.17** | **$ 2.12** | **$ 2.32** | **$ 2.48** | **$ 2.33** |

**MIDSTATES PETROLEUM COMPANY, INC.**
**Reconciliation of PV-10 to the Standardized Measure**

We refer to PV-10 as the present value of estimated future net cash flows of estimated proved reserves as calculated in the respective reserves report using a discount rate of 10%. This amount includes projected revenues, estimated production costs, estimated future development costs and estimated cash flows related to future asset retirement obligations ("ARO"). PV-10 is a financial measure not defined under US GAAP. Accordingly, the following table reconciles total PV-10 to the standardized measure of discounted future net cash flows, which is the most directly comparable US GAAP financial measure. We believe the presentation of PV-10 provides useful information because it is widely used by investors in evaluating oil and natural gas companies without regard to specific income tax characteristics of such entities. PV-10 is not a measure of financial or operating performance under US GAAP, nor is it intended to represent the current market value of our estimated proved reserves. PV-10 should not be considered in isolation or as a substitute for the standardized measure of discounted future net cash flows as defined under US GAAP.

The following table provides a reconciliation of PV-10 to the standardized measure of discounted cash flows (in thousands):

| | As of December 31, 2018 | As of December 31, 2017(1) |
|---|---|---|
| PV-10 | $ 579,650 | $ 558,133 |
| Present value of future income tax, discounted at 10% | (13,374) | (8,890) |
| **Standardized measure of discounted future net cash flows** | **$ 566,276** | **$ 549,243** |

(1) The PV-10 and standardized measure of discounted future net cash flows as of December 31, 2017 includes our Anadarko Basin assets, which were divested on May 31, 2018.