NEKTAR THERAPEUTICS
Form 4
December 15, 2016

# FORM 4

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

| | |
|---|---|
| OMB Number: | 3235-0287 |
| Expires: | January 31, 2005 |
| Estimated average burden hours per response... | 0.5 |

(Print or Type Responses)

1. Name and Address of Reporting Person *
Nicholson John

(Last) (First) (Middle)

C/O NEKTAR THERAPEUTICS, 455 MISSION BAY BOULEVARD SOUTH

(Street)

SAN FRANCISCO, CA 94158

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
NEKTAR THERAPEUTICS [NKTR]

3. Date of Earliest Transaction (Month/Day/Year)
12/13/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
SVP & Chief Operating Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock (1) | 12/13/2016 | | A | | 20,000 | A | $ 0 | 140,326 | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**
**(*e.g.*, puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | 8 D S (I |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Stock Option | $ 12.24 | 12/13/2016 | | A | | 50,000 | | (2) | 12/12/2024 | Common Stock | 50,000 | |

# Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---|---|---|---|
| | Director | 10% Owner | Officer | Other |
| Nicholson John<br>C/O NEKTAR THERAPEUTICS<br>455 MISSION BAY BOULEVARD SOUTH<br>SAN FRANCISCO, CA 94158 | | | SVP & Chief Operating Officer | |

# Signatures

| | |
|---|---|
| Mark A. Wilson, Attorney-in-Fact | 12/15/2016 |
| **Signature of Reporting Person | Date |

# Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

**(1)** This stock award was acquired pursuant to a grant of restricted stock units ("RSUs"). Each RSU represents a contingent right to receive, upon vesting of the unit, one share of the issuer's common stock. These RSUs vest over three years in equal quarterly installments based on continued service.

**(2)** This stock option vests over four years in equal monthly installments based on continued service.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. LIGN="center"> **Year Ended December 31, 2017 2016 2015** (in thousands)

Acquisition costs of properties:

Proved properties

$214,647 $1,079 $2,291

Unproved properties

1,018,978 93,705 42,266

Exploratory

8,538

Development costs

390,991 152,284 24,446

Costs incurred

$1,633,154 $247,068 $69,003

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**Roan Resources LLC**

**Notes to Financial Statements**

### Capitalized Costs Relating to Oil, Natural Gas and NGL Producing Activities

Capitalized costs related to the Company s oil, natural gas and NGL producing activities are summarized as follows:

| | December 31, 2017 | December 31, 2016 |
|---|---|---|
| | (in thousands) | |
| **Oil and natural gas properties** | | |
| Proved | $ 750,492 | $ 184,376 |
| Unproved | 1,126,459 | 141,004 |
| Less: accumulated depreciation, depletion, amortization and impairment | (78,307) | (27,002) |
| **Oil and natural gas properties, net** | $ 1,798,644 | $ 298,378 |

### Oil, Natural Gas and NGL Reserves

Proved oil, natural gas and NGL estimates at December 31, 2017 were prepared by DeGolyer and MacNaughton, independent petroleum engineers. Proved oil, natural gas and NGL estimates at December 31, 2016 and 2015 were prepared by Ralph E. Davis, independent petroleum engineers. Proved reserves were estimated in accordance with guidelines established by the SEC, which require that reserve estimates be prepared under existing economic and operating conditions based upon the 12-month unweighted average of the first day of the month prices. Proved reserves are estimated volumes of oil, natural gas, and NGLs that geological and engineering data demonstrate with reasonable certainty are recoverable in future years from known reservoirs under existing economic and operating conditions. There are numerous uncertainties inherent in estimating quantities of proved reserves, and projecting future production rates and timing of future development costs. The following table sets forth proved reserves during the periods indicated:

| | Oil (mbbl) | Natural Gas (mmcf) | NGLs (mbbl) | Total (Mboe) |
|---|---|---|---|---|
| Proved reserves at December 31, 2014 | 81 | 1,798 | 38 | 419 |
| Purchase of reserves | 45 | 608 | 14 | 160 |
| Extensions and discoveries | 279 | 6,504 | 632 | 1,995 |
| Revisions of previous estimates | 79 | 41 | 42 | 128 |
| Production | (97) | (434) | (48) | (217) |
| Proved reserves at December 31, 2015 | 387 | 8,517 | 678 | 2,484 |

| | | | | |
|---|---|---|---|---|
| Purchase of reserves | 22 | 333 | 33 | 111 |
| Extensions and discoveries | 2,632 | 33,218 | 2,956 | 11,124 |
| Revisions of previous estimates | 598 | 4,145 | 398 | 1,687 |
| Production | (740) | (6,382) | (546) | (2,350) |
| Proved reserves at December 31, 2016 | 2,900 | 39,831 | 3,519 | 13,057 |
| Purchase of reserves | 9,843 | 163,638 | 16,870 | 53,986 |
| Extensions and discoveries | 30,554 | 486,510 | 61,599 | 173,238 |
| Revisions of previous estimates | (3,583) | 20,844 | (260) | (369) |
| Production | (2,294) | (24,953) | (2,150) | (8,603) |
| Proved reserves at December 31, 2017 | 37,420 | 685,869 | 79,578 | 231,309 |

At December 31, 2017, the Company had approximately 231,309 mboe of proved reserves. The purchase of reserves for the year ended December 31, 2017 includes reserves acquired in the Linn Acquisition. Extensions

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**Roan Resources LLC**

**Notes to Financial Statements**

and discoveries reflect the Company s 2017 drilling activity in Central Oklahoma. Partially offsetting the additions of reserves was production.

At December 31, 2016, the Company had approximately 13,057 mboe of proved reserves. Extensions and discoveries were partially offset by production in 2016. As Citizen acquired approximately 62,500 net acres of unproved leasehold in 2016, the addition of reserves, resulting from drilling activity in 2016, related to this acquired unproved leasehold was included as extensions and discoveries.

At December 31, 2015, the Company had approximately 2,484 mboe of proved reserves. Extensions and discoveries, resulting from Citizen s 2015 drilling results, were partially offset by production for 2015.

The following reserve information sets forth the estimated quantities of proved developed and proved undeveloped ( PUD ) oil, natural gas and NGL reserves of the Company as of December 31, 2017, 2016, and 2015:

| | December 31, | | |
|---|---|---|---|
| | **2017** | **2016** | **2015** |
| Proved Developed Reserves | | | |
| Oil (mbbl) | 12,352 | 2,900 | 387 |
| Natural gas (mmcf) | 259,193 | 39,831 | 8,517 |
| NGL (mbbl) | 24,034 | 3,519 | 678 |
| Total (mboe) | 79,585 | 13,057 | 2,484 |
| Proved Undeveloped Reserves | | | |
| Oil (mbbl) | 25,068 | | |
| Natural gas (mmcf) | 426,676 | | |
| NGL (mbbl) | 55,544 | | |
| Total (mboe) | 151,724 | | |
| Total Proved Reserves | | | |
| Oil (mbbl) | 37,420 | 2,900 | 387 |
| Natural gas (mmcf) | 685,869 | 39,831 | 8,517 |
| NGL (mbbl) | 79,578 | 3,519 | 678 |
| Total (mboe) | 231,309 | 13,057 | 2,484 |

In accordance with SEC regulations, the Company uses the 12-month average price calculated as the unweighted arithmetic average of the spot price on the first day of each month within the 12-month period prior to the end of the reporting period. The oil and natural gas prices used in computing the Company s reserves as of December 31, 2017, 2016, and 2015 were $51.34, $42.64, and $50.16 per barrel of oil, respectively, $2.98, $2.48, and $2.59 per mmbtu of natural gas, respectively. The NGL prices used in computing the Company s reserves as of December 31, 2017, 2016, and 2015 were $19.00, $15.26, and $17.53 per barrel, respectively.

All estimates of proved reserves are determined according to the rules prescribed by the SEC in existence at the time estimates were made. These rules require that the standard of reasonable certainty be applied to proved reserve estimates, which is defined as having a high degree of confidence that the quantities will be recovered. A high degree of confidence exists if the quantity is much more likely to be achieved than not, and, as more technical and economic data becomes available, a positive or upward revision or no revision is much more likely than a negative or downward revision. Estimates are subject to revision based upon a number of factors,

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**Roan Resources LLC**

**Notes to Financial Statements**

including many factors beyond the Company s control such as reservoir performance, prices, economic conditions, and government restrictions. In addition, results of drilling, testing, and production subsequent to the date of an estimate may justify revision of that estimate.

Reserve estimates are often different from the quantities of oil, natural gas, and NGLs that are ultimately recovered. Estimating quantities of proved oil, natural gas and NGL reserves is a complex process that involves significant interpretations and assumptions and cannot be measured in an exact manner. It requires interpretations and judgment of available technical data, including the evaluation of available geological, geophysical and engineering data. The accuracy of any reserve estimate is highly dependent on the quality of available data, the accuracy of the assumptions on which they are based upon, economic factors, such as oil, natural gas and NGL prices, production costs, severance and excise taxes, capital expenditures, workover and remedial costs, and the assumed effects of governmental regulation. In addition, due to the lack of substantial, if any, production data, there are greater uncertainties in estimating PUD reserves, proved developed non-producing reserves and proved developed reserves that are early in their production life. As a result, the Company s reserve estimates are inherently imprecise.

The meaningfulness of reserve estimates is highly dependent on the accuracy of the assumptions on which they were based. In general, the volume of production from oil and natural gas properties the Company owns declines as reserves are depleted. Except to the extent the Company conducts successful exploration and development activities or acquires additional properties containing proved reserves, or both, the Company s proved reserves will decline as reserves are produced.

**Results of Operations for Oil, Natural Gas and NGL Producing Activities**

The following table sets forth the Company s results of operations for oil, natural gas and NGL producing activities for the years ended December 31, 2017, 2016 and 2015:

| | For the Years Ended December 31, | | |
|---|---|---|---|
| | **2017** | **2016** | **2015** |
| | (in thousands) | | |
| Oil, natural gas, and NGL sales | $ 166,385 | $ 54,965 | $ 5,685 |
| Production expenses | 16,872 | 5,090 | 549 |
| Gathering, transportation and processing | 18,602 | 5,920 | 273 |
| Production taxes | 3,685 | 1,087 | 190 |
| Exploration expenses | 28,154 | | |
| Depreciation, depletion and amortization | 36,979 | 24,909 | 2,060 |
| Accretion of asset retirement obligations | 364 | 87 | 31 |
| Impairment | 4,475 | 5,258 | 121 |
| **Results of operations** | $ 57,254 | $ 12,614 | $ 2,461 |

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**Roan Resources LLC**

**Notes to Financial Statements**

**Standardized Measure of Discounted Future Net Cash Flows**

The following summary sets forth the Company s standardized measure of discounted future net cash flows relating from its proved oil, natural gas and NGL reserves.

| | For the Years Ended December 31, 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (in thousands) | |
| Future cash inflows | $ 5,270,465 | $ 271,428 | $ 47,310 |
| Future production costs | (1,664,724) | (102,817) | (21,289) |
| Future development costs | (745,769) | | |
| Future income tax expense (1) | | | |
| Future net cash flows | 2,859,972 | 168,611 | 26,021 |
| Discount to present value at 10% annual rate | (1,664,303) | (50,339) | (7,111) |
| **Standardized measure of discounted future net cash flows** | $ 1,195,669 | $ 118,272 | $ 18,910 |

(1) The Company is a limited liability company treated as a disregarded entity for income tax purposes.

**Changes in Standardized Measure of Discounted Future Net Cash Flows**

The following table sets forth the changes in the Company s standardized measure of discounted future net cash flows relating from its proved oil, natural gas and NGL reserves:

| | For the Years Ended December 31, 2017 | 2016 | 2015 |
|---|---|---|---|
| | | (in thousands) | |
| Standardized measure, beginning of year | $ 118,272 | $ 18,910 | $ 6,500 |
| Sales of oil, natural gas and NGLs produced, net of production costs | (124,526) | (42,868) | (4,673) |
| Net changes in prices and production costs | 36,233 | 18,256 | (2,614) |
| Extensions and discoveries, net of production and development costs | 877,846 | 104,581 | 15,235 |
| Changes in estimated future development costs | (17,970) | | |
| | 148,505 | | |

| | | | |
|---|---|---|---|
| Development costs incurred during the period that reduce future costs | | | |
| Revisions of previous quantity estimates | (5,676) | 15,573 | 985 |
| Purchases of reserves | 279,026 | 462 | 1,428 |
| Accretion of discount | 11,827 | 1,891 | 650 |
| Changes in production rates and other | (127,868) | 1,467 | 1,399 |
| Standardized measure, end of year | $ 1,195,669 | $ 118,272 | $ 18,910 |

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**Roan Resources LLC**

**Condensed Balance Sheets (Unaudited)**

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| | (in thousands) | |
| **ASSETS** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 24,376 | $ 1,471 |
| Accounts receivable | | |
| Oil, natural gas and natural gas liquid sales | 21,347 | 74,527 |
| Oil, natural gas and natural gas liquid sales Affiliates | 8,136 | 4,695 |
| Joint interest owners | 84,336 | |
| Affiliates | 31,728 | |
| Other | | 320 |
| Prepaid drilling advances | 37,019 | |
| Derivative contracts | 281 | 152 |
| Other current assets | 6,190 | 930 |
| Total current assets | 213,413 | 82,095 |
| **Long-term assets** | | |
| Oil and natural gas properties, successful efforts method | 2,187,486 | 1,876,951 |
| Accumulated depreciation, depletion, amortization and impairment | (137,564) | (78,307) |
| Oil and natural gas properties, net | 2,049,922 | 1,798,644 |
| Other property and equipment, net | 3,150 | 1,147 |
| Deferred financing costs | 3,326 | 2,710 |
| Derivative contracts | | 996 |
| **Total assets** | $ 2,269,811 | $ 1,885,592 |
| **LIABILITIES AND MEMBERS EQUITY** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities | $ 122,278 | $ 10,245 |
| Accounts payable and accrued liabilities Affiliates | 26,256 | 164,865 |
| Revenue payable | 74,128 | |
| Revenue payable Affiliates | | 18,955 |
| Drilling advances | 47,605 | |
| Asset retirement obligations | 416 | |
| Derivative contracts | 49,424 | 9,279 |
| Total current liabilities | 320,107 | 203,344 |
| **Noncurrent liabilities** | | |
| Long-term debt | 284,639 | 85,339 |
| Asset retirement obligations | 12,158 | 10,769 |

| | | |
|---|---|---|
| Derivative contracts | 10,664 | 1,371 |
| Other | 117 | |
| **Total liabilities** | 627,685 | 300,823 |
| **Commitments and contingencies (Note 13)** | | |
| **Total members equity** | 1,642,126 | 1,584,769 |
| **Total liabilities and members equity** | $ 2,269,811 | $ 1,885,592 |

The accompanying notes are an integral part of these unaudited condensed financial statements.

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**Roan Resources LLC**

**Condensed Statements of Operations (Unaudited)**

| | For the Six Months Ended June 30, 2018 | 2017 |
|---|---|---|
| | (in thousands, except per unit amounts) | |
| **Revenues** | | |
| Oil sales | $ 122,369 | $ 29,001 |
| Natural gas sales | 21,458 | 18,039 |
| Natural gas sales Affiliates | 9,439 | |
| Natural gas liquid sales | 25,144 | 11,975 |
| Natural gas liquid sales Affiliates | 13,127 | |
| (Loss) gain on derivative contracts | (64,216) | 2,254 |
| Total revenues | 127,321 | 61,269 |
| **Operating Expenses** | | |
| Production expenses | 15,374 | 6,114 |
| Gathering, transportation and processing | | 6,470 |
| Production taxes | 4,682 | 1,210 |
| Exploration expenses | 18,483 | 246 |
| Depreciation, depletion and amortization | 46,466 | 11,352 |
| General and administrative | 27,106 | 17,573 |
| Total operating expenses | 112,111 | 42,965 |
| **Total operating income** | 15,210 | 18,304 |
| **Other income (expense)** | | |
| Interest expense, net | (2,886) | (177) |
| **Net income** | $ 12,324 | $ 18,127 |
| **Earnings per unit** | | |
| Basic | $ 0.00 | $ 0.01 |
| Diluted | $ 0.00 | $ 0.01 |
| **Weighted average number of units outstanding** | | |
| Basic | 3,026,163 | 1,500,000 |
| Diluted | 3,026,163 | 1,500,000 |

The accompanying notes are an integral part of these unaudited condensed financial statements.

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**Roan Resources LLC**

**Condensed Statement of Changes in Members Equity (Unaudited)**

**For the Six Months Ended June 30, 2018**

| (in thousands) | |
|---|---|
| **Balance at December 31, 2017** | $ 1,584,769 |
| Acquisition of oil and natural gas properties in exchange for equity units | 39,906 |
| Equity-based compensation | 5,127 |
| Net income | 12,324 |
| **Balance at June 30, 2018** | $ 1,642,126 |

The accompanying notes are an integral part of these unaudited condensed financial statements.

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**Roan Resources LLC**

**Condensed Statements of Cash Flows (Unaudited)**

| | For the Six Months Ended June 30, 2018 | For the Six Months Ended June 30, 2017 |
|---|---|---|
| | (in thousands) | |
| **Cash flows from operating activities** | | |
| Net income | $ 12,324 | $ 18,127 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation, depletion and amortization | 46,466 | 11,352 |
| Unproved leasehold amortization and impairment and dry hole expense | 14,471 | 246 |
| Amortization of deferred financing costs | 341 | |
| Amortization of deferred rent | 117 | |
| Loss (gain) on derivative contracts | 64,216 | (2,254) |
| Net cash (paid) received for derivative settlements | (13,911) | 130 |
| Equity-based compensation | 5,127 | |
| Changes in operating assets and liabilities increasing (decreasing) cash: | | |
| Accounts receivable Oil, natural gas and natural gas liquid sales | 53,180 | (423) |
| Accounts receivable Oil, natural gas and natural gas liquid sales - Affiliates | (3,441) | |
| Accounts receivable Joint interest owners | (14,380) | (4,741) |
| Accounts receivable Affiliates | (31,748) | |
| Accounts receivable Other | 320 | 1,629 |
| Prepaid drilling advances | (8,047) | |
| Other current assets | (4,920) | (98) |
| Accounts payable and accrued liabilities | 34,611 | (3,869) |
| Accounts payable Affiliates | (32,078) | |
| Drilling advances | 39,502 | 14,873 |
| Revenue payable | 21,335 | (6,938) |
| Revenue payable Affiliates | (18,955) | |
| Net cash provided by operating activities | 164,530 | 28,034 |
| **Cash flows from investing activities:** | | |
| Acquisition of oil and natural gas properties | (22,935) | (38,824) |
| Development of oil and natural gas properties | (314,662) | (54,764) |
| Acquisition of other property and equipment | (2,371) | (113) |
| Purchase of investment | | (3,000) |
| Net cash used in investing activities | (339,968) | (96,701) |
| **Cash flows from financing activities:** | | |
| Proceeds from borrowings | 199,300 | |
| Deferred financing costs | (957) | |
| Contributions from Citizen members | | 80,383 |

| | | |
|---|---|---|
| Net cash provided by financing activities | 198,343 | 80,383 |
| Net increase in cash and cash equivalents | 22,905 | 11,716 |
| Cash and cash equivalents, beginning of period | 1,471 | 6,853 |
| Cash and cash equivalents, end of period | $ 24,376 | $ 18,569 |

The accompanying notes are an integral part of these unaudited condensed financial statements.

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**Roan Resources LLC**

**Condensed Statements of Cash Flows (Unaudited), continued**

| | For the Six Months Ended June 30, | |
|---|---|---|
| | **2018** | **2017** |
| | (in thousands) | |
| **Supplemental disclosure of cash flow information:** | | |
| Cash paid for interest, net of capitalized interest | $ 2,078 | $ 177 |
| **Supplemental disclosure of non-cash investing activity:** | | |
| Change in accrued capital expenditures | $ (34,614) | $ 12,549 |
| Acquisition of oil and natural gas properties for equity | $ 39,906 | $ |

The accompanying notes are an integral part of these unaudited condensed financial statements.

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**Roan Resources LLC**

**Notes to Unaudited Condensed Financial Statements**

## Note 1 Business and Organization

Roan Resources LLC (the Company or Roan ) was formed in May 2017 to engage in the acquisition, exploration, development, production, and sale of oil and natural gas reserves. The Company s oil and natural gas properties are located in Central Oklahoma. The Company s corporate headquarters is located in Oklahoma City, Oklahoma.

On August 31, 2017, the Company executed a contribution agreement (the Contribution Agreement ) by and among the Company, Citizen Energy II, LLC ( Citizen ), Linn Energy Holdings, LLC ( LEH ) and Linn Operating, LLC ( LOI , and together with LEH, Linn ) pursuant to which, among other things, Citizen and Linn agreed to contribute oil and natural gas properties within an area-of-mutual-interest to the Company (collectively the Contribution ). In exchange for their contributions, Citizen and Linn each received a 50% equity interest in the Company.

The contributions of oil and natural gas properties to Roan by Citizen and Linn were determined to meet the definition of a business. However, as Roan had no assets or operations prior to the Contribution, it was determined that Citizen was the acquirer for accounting purposes in accordance with ASC Topic 805, *Business Combinations ( ASC 805 ).* As a result, the information in the accompanying financial statements and footnotes for the period prior to the Contribution reflects the historical results of Citizen. Citizen was formed in July 2014 to engage in the acquisition, exploration, development, production, and sale of oil and natural gas properties located in Central Oklahoma. For the period following the Contribution, the information in the accompanying financial statements and footnotes reflects the results of Roan. See *Note 4 Acquisitions* for additional discussion of the business combination of the oil and natural gas properties contributed by Linn.

In conjunction with the Contribution Agreement, the Company entered into master services agreements with both Citizen and Linn ( MSAs ). Under the MSAs, Citizen and Linn provided certain services in respect to the oil and natural gas properties they contributed to the Company. Such services included serving as operator of the oil and natural gas properties contributed, land administration, marketing, information technology and accounting services. As a result of Citizen and Linn continuing to serve as operator of the contributed assets and contracting directly with vendors for goods and services for operations, Citizen and Linn collected amounts due from joint interest owners for their share of costs and billed the Company for its share of costs. The services provided under the MSAs ended in April 2018 when the Company took over as operator for the oil and natural gas properties contributed by Citizen and Linn. See *Note 12 Transactions with Affiliates* for additional discussion of the MSAs and transactions with Citizen and Linn.

## Note 2 Summary of Significant Accounting Policies

For a description of the Company s significant accounting policies, refer to Note 2 to the financial statements included in its 2017 annual financial report. The accompanying financial statements were prepared in conformity with accounting principles generally accepted in the United States of America ( GAAP ).

### Interim Financial Statements

The accompanying condensed financial statements as of December 31, 2017 were derived from the audited financial statements contained in the Company s 2017 annual financial report. The unaudited interim condensed financial statements for the six months ended June 30, 2018 and 2017 were prepared by the Company in accordance with the accounting policies stated in the audited financial statements included in its 2017 annual financial report. In the opinion of management, the Company s unaudited condensed financial statements reflect all known adjustments necessary to fairly state the financial position of the Company and its results of operations

**Roan Resources LLC**

**Notes to Unaudited Condensed Financial Statements**

and cash flows for such periods. All such adjustments are of a normal, recurring nature. Certain information and disclosures normally included in financial statements prepared in conformity with GAAP have been condensed or omitted, although the Company believes that the disclosures contained herein are adequate to make the information presented not misleading. These unaudited condensed financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company s 2017 annual financial report.

### Use of Estimates

The preparation of financial statements and related footnotes in conformity with GAAP requires that management formulate estimates and assumptions that affect revenues, expenses, assets, liabilities and the disclosure of contingent assets and liabilities. A significant item that requires management s estimates and assumptions is the estimate of proved oil, natural gas and natural gas liquid ( NGLs ) reserves which are used in the calculation of depletion of the Company s oil and natural gas properties and impairment, if any, of proved oil and natural gas properties. Changes in estimated quantities of its reserves could impact the Company s reported financial results as well as disclosures regarding the quantities and value of proved oil and natural gas reserves. Although management believes these estimates are reasonable, actual results could differ from these estimates.

### Recently Adopted Accounting Standards

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* ( ASC 606 ). This guidance supersedes most of the existing revenue recognition requirements in GAAP and requires (i) an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services and (ii) requires expanded disclosures regarding the nature, amount, timing and certainty of revenue and cash flows from contracts with customers. Subsequent to the issuance of ASU 2014-09, the FASB issued additional guidance to assist entities with implementation efforts, including the issuance of ASU 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*, pertaining to the presentation of revenues on a gross basis (revenues presented separately from associated expenses) versus a net basis. This guidance requires an entity to record revenue on a gross basis if it controls a promised good or service before transferring it to a customer, whereas an entity records revenue on a net basis if its role is to arrange for another entity to provide the goods or services to a customer. Applying the guidance in ASU 2016-08 requires significant judgment in determining the point in time when control of products transfers to customers. Effective January 1, 2018, the Company adopted ASC 606 using the modified retrospective method of transition under which the standard is applied only to the most current period presented. Accordingly, comparative information has not been adjusted and continues to be reported under the previous revenue standard. See *Note 3 Revenue from Contracts with Customers* for discussion of the impact upon adoption and the additional disclosures.

### Recent Accounting Standards Issued Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This update applies to any entity that enters into a lease, with some specified scope exemptions. Under this update, a lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. While there were no major changes to the lessor accounting, changes were made to align key aspects with the revenue recognition guidance. This update will be effective for fiscal years beginning after December 15, 2018, including interim reporting periods within those fiscal years, with early application permitted. Entities will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The Company enters into

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lease agreements to support its operations, such as office space, vehicles, and drilling rigs. This ASU will not impact the accounting or financial presentation of the Company s mineral leases. The Company is evaluating the impact of the adoption of this guidance on its financial statements.

### Note 3 Revenue from Contracts with Customers

The Company adopted ASC 606 on January 1, 2018 using a modified retrospective approach, which only applies to contracts that were not completed as of the date of initial application. The adoption did not require an adjustment to opening retained earnings for the cumulative effect adjustment. The adoption does not have a material impact on the timing of the Company s revenue recognition or its financial position, results of operations, net income, or cash flows, but does impact the Company s presentation of revenues and expenses under the gross-versus-net presentation guidance in ASU 2016-08.

The following table shows the impact of the adoption of ASC 606 on the Company s current period results as compared to the previous revenue recognition standard, ASC Topic 605, *Revenue recognition* ( ASC 605 ):

| | **Six months ended June 30, 2018** | | |
|---|---|---|---|
| **In thousands** | **Under ASC 606** | **Under ASC 605** | **Increase/ (decrease)** |
| Revenues: | | | |
| Oil sales | $ 122,369 | $ 122,369 | $ |
| Natural gas sales | 30,897 | 39,181 | (8,284) |
| Natural gas liquid sales | 38,271 | 48,539 | (10,268) |
| | | | |
| Operating expenses: | | | |
| Gathering, transportation and processing | | 18,552 | (18,552) |
| Net income | $ 12,324 | $ 12,324 | $ |

**Oil Sales**

Most of the Company s oil contracts transfer physical custody and title at or near the wellhead, which is commonly when control of the oil has been transferred to the purchaser. The Company s oil production is primarily sold under market-sensitive contracts that are typically priced at a differential to the New York Mercantile Exchange ( NYMEX ) price. Any differentials incurred after the transfer of control of the oil are net against oil sales as they represent part of the transaction price of the contract. For its oil contracts, the Company generally records its sales based on the net amount received.

**Natural Gas and NGL Sales**

Most of the Company s natural gas is sold at the wellhead or inlet to the processor s facility, which is commonly when control of the natural gas has been transferred to the purchaser. The natural gas is sold under percentage of proceeds processing contracts. Under these contracts, the purchaser gathers the natural gas where it is produced and transports it via pipeline to natural gas processing plants where NGL products are extracted. The NGL products and remaining residue gas are then sold by the purchaser. Under the natural gas percentage of proceeds contracts, the Company receives a percentage of the value for the extracted NGLs and the residue gas.

For its natural gas processing contracts, the Company generally records its natural gas and natural gas liquid sales net of gathering, processing, and transportation expenses based on a principal versus agent assessment for individual contracts.

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**Performance Obligations**

The Company satisfies the performance obligations under its oil and natural gas sales contracts through delivery of its production and transfer of control to a customer. Upon delivery of production, the Company has the right to receive consideration from its customers in amounts that correspond with the value of the production transferred.

The Company s oil sales contracts are short-term in nature with a contract term of one year or less. For those contracts, the Company utilized the practical expedient in ASC 606-10-50-14 exempting the Company from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

For the Company s natural gas and NGL sales contracts that have a contract term greater than one year, the Company utilized the practical expedient in ASC 606-10-50-14(A) which states the Company is not required to disclose the transaction price allocated to remaining performance obligations if the variable consideration is allocated entirely to a wholly unsatisfied performance obligation. Under these sales contracts, each unit of product generally represents a separate performance obligation; therefore, future volumes are wholly unsatisfied, and disclosure of the transaction price allocated to remaining performance obligations is not required.

**Contract Balances**

The Company recognizes sales of oil, natural gas, and NGLs at a point in time when it satisfies a performance obligation and at that point the Company has an unconditional right to receive payment. Accordingly, these contracts do not give rise to contract assets or contract liabilities under ASC 606. The Company had accounts receivable related to revenue from contracts with customers of approximately $29.5 million as of June 30, 2018 which represent this unconditional right to receive payment.

**Prior Period Performance Obligations**

To record revenues for oil, natural gas and natural gas liquid sales, the Company estimates the amount of production delivered at the end of each month and the prices expected to be received for those sales. Differences between estimated revenues and actual amounts received for all prior months are recorded in the month payment is received from the customer. For the six months ended June 30, 2018, revenue recognized related to performance obligations satisfied in prior reporting periods was not material.

**Note 4 Acquisitions**

*Linn Acquisition*

As noted in *Note 1 Business and Organization*, in connection with the Contribution, the Company acquired from Linn certain oil and natural gas properties located in Central Oklahoma (the Linn Acquisition ). In exchange for the contributed oil and natural gas properties, Linn received a 50% equity interest in the Company valued at approximately $1.3 billion based on the value of the business. At the time of the Linn Acquisition, the Company consisted of oil and natural gas properties contributed by Citizen and Linn. Accordingly, the fair value of the Company was primarily comprised of the fair value of these contributed oil and natural gas properties. See *Note 10 Equity* for further discussion of the equity issued to Linn.

As the Linn Acquisition was determined to be a business combination as the acquired oil and natural gas properties met the definition of a business, the acquired assets and liabilities were recorded at fair value as of

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August 31, 2017, the acquisition date. The following assumptions were used to determine the fair value of the oil and natural gas properties:

| | |
|---|---|
| Discount rate | 9.50% |
| Reserve risk factor (1) | 35%-100% |
| Oil price | three years NYMEX WTI forward curve |
| Natural gas price | three years NYMEX Henry Hub forward curve |
| NGL price | 39% of oil price |
| Price escalation (2) | 2.00% |

(1) Possible reserves had a reserve risk factor of 35%, probable reserves had a reserve risk factor of 75%, and proved undeveloped reserves had a reserve risk factor of 90%.
(2) Prices were escalated at the end of the forward curve

The following table summarizes the purchase price and allocation of the fair values of assets acquired and liabilities assumed (in thousands):

| | |
|---|---|
| **Consideration given** | |
| Equity units | $ 1,281,743 |
| **Allocation of purchase price** | |
| Inventory | 205 |
| Proved oil and natural gas properties | 214,647 |
| Unproved oil and natural gas properties | 1,086,600 |
| Total assets acquired | 1,301,452 |
| Asset retirement obligations | (7,547) |
| Revenue suspense | (12,162) |
| Total fair value of net assets acquired | $ 1,281,743 |

The following unaudited pro forma combined results of operations is provided for the six months ended June 30, 2017 as though the Linn Acquisition had been completed as of the earliest period presented at the time of the acquisition. The pro forma combined results of operations have been prepared by adjusting the historical results of the Company to include the historical results of the assets acquired in the Linn Acquisition.

These supplemental pro forma results of operations are provided for illustrative purposes only and do not purport to be indicative of the actual results that would have been achieved by the combined company for the periods presented or that may be achieved by the combined company in the future. The pro forma results of operations do not include any cost savings or other synergies that resulted, or may result, from the Linn Acquisition or any estimated costs incurred to integrate the Linn Acquisition.

| | Six Months Ended June 30, 2018 | |
|---|---|---|
| | (in thousands) | |
| Revenue | $ | 101,474 |
| Net income | $ | 38,201 |

*Acquisitions of Unproved Properties*

During the year ended December 31, 2017, the Company acquired, from unrelated third parties, interests in approximately 23,400 net acres of leasehold in separately negotiated transactions for aggregate cash

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consideration of $49.7 million, all of which were accounted for as asset acquisitions and recorded as additions to unproved oil and natural gas properties.

As discussed in *Note 12 Transactions with Affiliates*, Citizen and Linn acquired acreage during 2017 on the Company s behalf for $63.0 million, which was included in accounts payable and accrued liabilities affiliates at December 31, 2017. In March 2018, the Company paid Linn $22.9 million in cash and issued equity units to both Citizen and Linn to settle the amount due.

**Note 5 Oil and Natural Gas Properties**

The Company s oil and natural gas properties are in the continental United States. The oil and natural gas properties include the following:

| | June 30, 2018 | December 31, 2017 |
|---|---|---|
| | (in thousands) | |
| **Oil and natural gas properties** | | |
| Proved | $ 1,068,937 | $ 750,492 |
| Unproved | 1,118,549 | 1,126,459 |
| Less: accumulated depreciation, depletion, amortization and impairment | (137,564) | (78,307) |
| **Oil and natural gas properties, net** | **$ 2,049,922** | **$ 1,798,644** |

The Company recorded depletion expense on capitalized oil and natural gas properties of $45.7 million and $11.3 million for the six months ended June 30, 2018 and 2017, respectively.

For the six months ended June 30, 2018, the Company recorded amortization expense on its unproved oil and natural gas properties of $14.5 million which is reflected in exploration expense on the accompanying statements of operations. There was no such expense recorded for the six months ended June 30, 2017. Unproved leasehold amortization for the six months ended June 30, 2018 reflects consideration of the Company s drilling plans and the lease terms of our existing unproved properties. For the six months ended June 30, 2017, the Company recorded impairment expense on its unproved oil and natural gas properties of $0.2 million for leases which expired. No impairment of proved oil and natural gas properties was recorded for the six months ended June 30, 2018 and 2017.

**Note 6 Asset Retirement Obligations**

The following is a reconciliation of the changes in the Company s asset retirement obligation ( ARO ) for the six months ended June 30, 2018 (in thousands):

| | |
|---|---|
| **Asset retirement obligation, December 31, 2017** | **$10,769** |
| Liabilities incurred or acquired | 1,402 |
| Revisions in estimated cash flows | |
| Liabilities settled | |
| Accretion expense | 403 |
| **Asset retirement obligation, June 30, 2018** | **12,574** |
| Less: current portion of obligations | 416 |
| **Asset retirement obligation long term** | **$12,158** |

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Accretion expense is included in depreciation, depletion and amortization in the accompanying statements of operations.

## Note 7 Long-Term Debt

In September 2016, the Company entered into a credit agreement with lender with an initial borrowing base of $20.0 million (the 2016 Credit Facility ). In October 2016, the Company amended the 2016 Credit Facility to increase the borrowing base to $35.0 million from $20.0 million. Amounts borrowed under the 2016 Credit Facility bore interest at London Interbank Offered Rate ( LIBOR ) plus an applicable margin, based on the utilization percentage of the facility as provided for in the credit agreement. Additionally, the 2016 Credit Facility provided for a commitment fee of 0.25% and that was payable at the end of each calendar quarter.

In April 2017, the Company replaced its 2016 Credit Facility and entered into a two-year, $500.0 million credit facility ( Citizen 2017 Credit Facility ), which had an initial borrowing base of $82.5 million. In August 2017, the Citizen 2017 Credit Facility was terminated and the outstanding balance of $20.3 million was repaid.

In September 2017, the Company entered into a $750 million credit agreement with an initial borrowing base of $200.0 million and maturity on September 5, 2022 (the 2017 Credit Facility ). In April 2018 the redetermination resulted in an increase to the borrowing base to $425.0 million. Redetermination of the borrowing base of the 2017 Credit Facility occurs semiannually on or about October 1 and April 1. As of June 30, 2018, the Company had $284.6 million of outstanding borrowings and no letters of credit outstanding under the 2017 Credit Facility.

Amounts borrowed under the 2017 Credit Facility bear interest at LIBOR or the alternate base rate ( ABR ). Either rate is adjusted upward by an applicable margin, based on the utilization percentage of the 2017 Credit Facility. Additionally, the 2017 Credit Facility provides for a commitment fee of 0.50%, which is payable at the end of each calendar quarter. The pricing grid below shows the applicable margin for LIBOR rate loans depending on the Utilization Level (as defined in the credit agreement):

| Utilization Level | Utilization | LIBOR Margin | Applicable Margin | Commitment Fee |
|---|---|---|---|---|
| Level I | < 25% | 2.25% | 1.25% | 0.500% |
| Level II | ≥25% but <50% | 2.50% | 1.50% | 0.500% |
| Level III | ≥50% but <75% | 2.75% | 1.75% | 0.500% |
| Level IV | ≥75% but <90% | 3.00% | 2.00% | 0.500% |
| Level V | ≥ 90% | 3.25% | 2.25% | 0.500% |

The 2017 Credit Facility contains representations, warranties, covenants, conditions and defaults customary for transactions of this type, including but not limited to: (i) limitations on liens and incurrence of debt covenants; (ii) limitations on the sale of property, mergers, consolidations and other similar transactions covenants; (iii) limitations on investments, loans and advances covenants; and (iv) limitations on dividends, distributions, redemptions and restricted payments covenants. Additionally, the Company is limited from hedging in excess of 80%

of its projected production per its internal forecast for the next two years. For periods after the next two years, the limit is based on proved reserves per the most recent reserve report. If the amount of borrowings outstanding exceed 50% of the borrowing base, the Company is required to hedge a minimum of 50% of the future production expected to be derived from proved developed reserves for the next eight quarters per its most recent reserve report.

The 2017 Credit Facility also contains financial covenants requiring the Company to comply with a leverage ratio of the Company s consolidated debt to consolidated EBITDAX (as defined in the credit agreement) for the

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period of four fiscal quarters, or annualized with available financial information until four fiscal quarters are available, then ended of not more than 4.00 to 1.00 and a current ratio of the Company s consolidated current assets to consolidated current liabilities (as defined in the credit agreement) as of the fiscal quarter ended of not less than 1.00 to 1.00.

As of June 30, 2018, the Company was in compliance with the covenants under the 2017 Credit Facility.

**Note 8 Derivative Instruments**

The Company utilizes fixed price swaps and basis swaps to manage the price risk associated with forecasted sale of its oil and natural gas production. Fixed price swaps are settled monthly based on differences between the fixed price specified in the contract and the referenced settlement price. Basis swaps are settled monthly based on differences between a fixed price differential and the applicable market price differential. When the referenced settlement price is less than the price specified in the contract, the Company receives an amount from the counterparty based on the price difference multiplied by the volume. Similarly, when the referenced settlement price exceeds the price specified in the contract, the Company pays the counterparty an amount based on the price difference multiplied by the volume.

The following table represents the Company s open commodity contracts at June 30, 2018:

| | 2018 | 2019 | 2020 | Total |
|---|---|---|---|---|
| **Oil fixed price swaps** | | | | |
| Volume (Mbbl) | 2,576 | 4,608 | 410 | 7,594 |
| Weighted-average price per bbl | $ 57.45 | $ 58.66 | $ 60.19 | $ 58.33 |
| **Natural gas fixed price swaps** | | | | |
| Volume (Bbtu) | 16,284 | 21,900 | 5,005 | 43,189 |
| Weighted-average price per mmbtu | $ 2.94 | $ 2.90 | $ 2.69 | $ 2.89 |
| **Natural gas basis swaps** | | | | |
| Volume (Bbtu) | 9,200 | 10,950 | | 20,150 |
| Weighted-average price per mmbtu | $ 0.54 | $ 0.55 | $ | $ 0.55 |

The Company nets the fair value of derivative instruments by counterparty in the accompanying balance sheets where the right to offset exists. See *Note 9 Fair Value Measurements* for further information regarding the fair value measurement of the Company s derivatives.

The Company has elected to not account for commodity derivative instruments as hedging instruments, gains or losses resulting from the change in fair value along with the gains or losses resulting in settlement of derivative contracts are reflected in loss on derivative contracts included in the statement of operations. For the six months ended June 30, 2018, loss on derivative contracts was $64.2 million, which includes $13.9 million of net loss on derivatives settled in 2018. For the six months ended June 30, 2017, gain on derivative contracts was $2.25 million which includes $0.1 million of net gain on derivatives settled in 2017.

**Note 9 Fair Value Measurements**

The Company measures and reports certain assets and liabilities on a fair value basis and has classified and disclosed its fair value measurements using the following levels of the fair value hierarchy:

Level 1 Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in active markets as of the reporting date.

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Level 2 Observable market-based inputs or unobservable inputs that are corroborated by market data. These are inputs other than quoted prices in active markets included in Level 1 that are either directly or indirectly observable as of the reporting date.

Level 3 Unobservable inputs that are not corroborated by market data and may be used with internally developed methodologies that result in management s best estimate of fair value.

Assets and liabilities that are measured at fair value are classified based on the lowest level of input that is significant to the fair value measurement. The Company s assessment of the significance of a particular input to the fair value measurement requires judgment, which may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels. The determination of the fair values, stated below, considers the market for the Company s financial assets and liabilities, the associated credit risk and other factors. The Company considers active markets as those in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

The Company recognizes transfers between fair value hierarchy levels as of the end of the reporting period in which the event or change in circumstances causing the transfer occurred. During the six months ended June 30, 2018, the Company did not have any transfers between Level 1, Level 2 or Level 3 fair value measurements.

**Assets and Liabilities Measured at Fair Value on a Recurring Basis**

The Company s recurring fair value measurements are performed for its commodity derivatives.

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***Commodity Derivative Instruments***

Commodity derivative contracts are stated at fair value in the accompanying balance sheets. The Company adjusts the valuations from the valuation model for nonperformance risk and for counterparty risk. The fair values of the Company s commodity derivative instruments are classified as Level 2 measurements as they are calculated using industry standard models using assumptions and inputs which are substantially observable in active markets throughout the full term of the instruments. These include market price curves, contract terms and prices, credit risk adjustments, implied market volatility and discount factors. The following table presents the amounts and classifications of the Company s derivative assets and liabilities as of June 30, 2018 and December 31, 2017, as well as the potential effect of netting arrangements on contracts with the same counterparty (in thousands):

| | June 30, 2018 | | | | | |
|---|---|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Gross Fair Value** | **Netting** | **Carrying Value** |
| **Assets** | | | | | | |
| Current commodity derivatives | $ | $ 3,208 | $ | $ 3,208 | $ (2,927) | $ 281 |
| Long-term commodity derivatives | | 2,064 | | 2,064 | (2,064) | |
| **Total assets** | **$** | **$ 5,272** | **$** | **$ 5,272** | **$ (4,991)** | **$ 281** |
| **Liabilities** | | | | | | |
| Current commodity derivatives | $ | $ (52,351) | $ | $ (52,351) | $ 2,927 | $ (49,424) |
| Long-term commodity derivatives | | (12,728) | | (12,728) | 2,064 | (10,664) |
| **Total liabilities** | **$** | **$ (65,079)** | **$** | **$ (65,079)** | **$ 4,991** | **$ (60,088)** |

| | December 31, 2017 | | | | | |
|---|---|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Gross Fair Value** | **Netting** | **Carrying Value** |
| **Assets** | | | | | | |
| Current commodity derivatives | $ | $ 2,856 | $ | $ 2,856 | $ (2,704) | $ 152 |
| Long-term commodity derivatives | | 2,182 | | 2,182 | (1,186) | 996 |
| **Total assets** | **$** | **$ 5,038** | **$** | **$ 5,038** | **$ (3,890)** | **$ 1,148** |
| **Liabilities** | | | | | | |
| Current commodity derivatives | $ | $ (11,983) | $ | $ (11,983) | $ 2,704 | $ (9,279) |
| Long-term commodity derivatives | | (2,557) | | (2,557) | 1,186 | (1,371) |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total liabilities** | **$** | **$ (14,540)** | **$** | **$ (14,540)** | **$ 3,890** | **$ (10,650)** |

**Non-Recurring Fair Value Measurements**

The Company s non-recurring fair value measurements include the purchase price allocations for the fair value of assets and liabilities acquired through business combinations and the determination of the grant date fair value of the Company s performance share units. The fair value of assets and liabilities acquired through business combinations is calculated using a discounted-cash flow approach using level 3 inputs. The fair value of assets or liabilities associated with purchase price allocations is on a non-recurring basis and is not measured in periods after initial recognition. The grant date fair value of the Company s performance share units is determined using a Monte Carlo simulation model and is classified as a Level 3 measurement. Please refer to *Note 4 Acquisitions* and *Note 11 Performance Share Units* for additional discussion.

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**Other Financial Instruments**

The Company s financial instruments, not otherwise recorded at fair value, consist primarily of cash, trade receivables, trade payables, and long-term debt. The carrying values of cash and cash equivalents, accounts payable, revenue payable, and accounts receivable approximate fair values due to the short-term maturities of these instruments and the carrying value of long-term debt approximates fair value as the applicable interest rates are variable and reflective of market rates.

**Note 10 Equity**

The Company s operations are governed by the provisions of the Amended and Restated LLC Agreement ( LLC Agreement ), effective August 31, 2017, and the Company has one class of membership interests outstanding. The membership units (the Units ) represent capital interests in the Company. Distributions are made pro rata in accordance with their membership interests. As of June 30, 2018, the Company had 10.0 billion Units authorized and 3.04 billion Units issued and outstanding. Pursuant to the LLC Agreement (and as is customary for limited liability companies), the liability of the Members is limited to their contributed capital.

In connection with the Contribution in August 2017, the Company issued 1.5 billion Units, which represents a 50% equity interest in the Company, to Linn in exchange for the contribution of oil and natural gas properties. See *Note 4 Acquisitions* for additional discussion of the Linn Acquisition. Additionally, the Company issued 1.5 billion Units, which represents a 50% equity interest in the Company, to Citizen in exchange for the contribution of oil and natural gas properties. The fair value of the Units issued to Citizen was the same as the Units issued to Linn.

As discussed in *Note 4 Acquisitions*, Citizen and Linn acquired acreage during 2017 on the Company s behalf. In March 2018, the Company issued 19.2 million Units to each Citizen and Linn for the additional leasehold acreage.

For the period January 1, 2017 through August 31, 2017, Citizen s operations were governed by the provisions of the Citizen Amended and Restated Operating Agreement ( Citizen Operating Agreement ), effective February 29, 2016, and Citizen had two classes of membership interests outstanding, Class A and Class B. Class A represented capital interests in Citizen and Class B represented interests in profits, losses and distributions. Distributions were made to the Series A and Series B Members pro rata in accordance with their membership interests; however, once the Class A received an internal rate of return threshold of 9% prior to distributions to any other class of interest, the Class B received a percentage of distributions in excess of their membership interests based on the terms of the Citizen Operating Agreement.

Citizen s Class B units were considered profits interest and are accounted for in accordance with ASC Topic 710 ( ASC 710 ), *Compensation general*. No compensation expense has been recorded with respect to the Class B units because no distributions have occurred.

The Company s Unit activity for the six months ended June 30, 2018 is as follows (in thousands):

| | |
|---|---|
| **Issued and outstanding units, December 31, 2017** | 3,000,000 |
| Units issued in exchange for contribution of oil and natural gas properties | 38,500 |
| **Issued and outstanding units, June 30, 2018** | 3,038,500 |

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## Note 11 Performance Share Units

The Company has adopted an equity-based compensation plan ( the Plan ), which provides for future grants of options, unit appreciation rights, restricted units, phantom units, unit awards, performance awards and other unit-based awards. The Company has reserved 105 million Units for delivery with respect to these awards.

The Company grants performance share units ( PSUs ) pursuant to the terms of the Plan and individual performance share unit agreements. The percent of awarded PSUs in which each recipient vests, if any, will range from 0% to 200% based on the Company s value on December 31, 2020 ( Performance Period End Date ). The Company s value on the Performance Period End Date will be determined by (a) if prior to an initial public offering, the value of the Company determined in good faith by a designated committee of the Board of Managers of the Company, or (b) if on or following an initial public offering, the market value of the public entity determined with reference to the volume-weighted average price of the publicly traded securities of the public entity for the 30 consecutive trading days immediately preceding the Performance Period End Date, as reported on the stock exchange composite tape. Each vested PSU is exchangeable for one Unit of the Company.

The following table summarizes information related to the total number of PSUs awarded as of June 30, 2018:

| | Number of Units | Weighted Average Fair Value | Total Fair Value ($ in thousands) |
|---|---|---|---|
| **Units outstanding at December 31, 2017** | **16,350,000** | **$ 1.41** | **$ 23,054** |
| Units granted | 6,325,000 | $ 2.05 | $ 12,966 |
| Units vested | | $ | $ |
| **Units outstanding at June 30, 2018** | **22,675,000** | **$ 1.59** | **$ 36,020** |

Compensation expense associated with the PSU awards for the six months ended June 30, 2018 was $5.1 million and is included in general and administrative expenses on the accompany statement of operations. Unrecognized expense as of June 30, 2018 for all outstanding PSU awards was $30.6 million and will be recognized over a weighted-average remaining period of 2.50 years.

The grant date fair value of the PSUs was determined using a Monte Carlo simulation model, which results in an estimated percentage of performance share units earned and estimated Company value on the Performance Period End Date. The grant date fair value of the PSUs is expensed on a straight-line basis from the grant date to the Performance Period End Date.

The following assumptions were used for the Monte Carlo simulation model to determine the grant date fair value and associated compensation expense for the PSU awards granted during the six months ended June 30, 2018:

| | |
|---|---|
| Company enterprise value | $ 4.56 billion |
| Equity volatility | 34.0% |
| Weighted average risk-free interest rate | 1.96% |

**Note 12 Transactions with Affiliates**

**Management Service Agreements**

For the six months ended June 30, 2018, the Company incurred approximately $10.0 million in charges related to the services provided under the MSAs which are recorded in general and administrative expenses in the accompanying statements of operations.

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**Notes to Unaudited Condensed Financial Statements**

Through April 2018, Citizen and Linn billed the Company for its share of operating costs in accordance with the MSAs. At December 31, 2017, the Company had $55.5 million and $46.5 million due to Linn and Citizen, respectively, included in accounts payable and accrued liabilities affiliates in the accompanying balance sheets. At December 31, 2017, the Company had $19.0 million due to Linn and Citizen for revenue suspense associated with the oil and gas properties contributed to the Company. In April 2018, the services provided by Citizen and Linn under the MSAs ended and the Company took over as operator for the oil and natural gas properties contributed by Citizen and Linn.

Accounts receivable affiliates at June 30, 2018, of $31.7 million primarily related to the Company s share of revenue less direct operating expenses associated with production from oil and natural gas properties during the period Citizen and Linn served as operator.

In conjunction with the conclusion of the MSAs, the Company assumed certain working capital accounts, totaling $112.6 million, associated with the properties contributed from Citizen and Linn. At June 30, 2018, amounts due to Linn of $26.3 million were included in accounts payable and accrued liabilities affiliates in the accompanying balance sheets and reflect amounts owed to Linn for the working capital accounts acquired, partially offset by amounts due to the Company for revenue associated with production from oil and natural gas properties Linn operated on the Company s behalf.

**Acquisition of Acreage**

As provided for in the Contribution Agreement, Citizen and Linn acquired additional acreage within an area of mutual interest on behalf of the Company. As of December 31, 2017, the additional acreage acquired totaled $63.0 million and the Company reflected the amount due to Citizen and Linn in accounts payable and accrued liabilities affiliates. See *Note 4 Acquisitions* and *Note 10 Equity* for further discussion of the settlement of the payable due to Citizen and Linn related to the additional acquired acreage.

**Natural Gas Dedication Agreement**

The Company has a gas dedication agreement with Blue Mountain Midstream LLC ( Blue Mountain ), which is a subsidiary of Linn. Amounts due from Blue Mountain at June 30, 2018 and December 31, 2017 are reflected as accounts receivable oil, natural gas, and natural gas liquids sales affiliates in the accompanying balance sheets and represent accrued revenue for the Company s portion of the production sold to Blue Mountain due to the Company. Sales to Blue Mountain are reflected as natural gas sales affiliates and natural gas liquids sales affiliates in the accompanying statements of operations. There were no such sales to Blue Mountain during the six months ended June 30, 2017. See further discussion of this gas dedication agreement in *Note 13 Commitments and Contingencies*.

**Note 13 Commitments and Contingencies**

**Litigation**

In the ordinary course of business, the Company may at times be subject to claims and legal actions. Management believes it is remote that the impact of such matters will have a material adverse effect on the Company s financial position, results of operations or cash flows.

**Environmental Matters**

The Company is subject to various federal, state and local laws and regulations relating to the protection of the environment. These laws, which are often changing, regulate the discharge of materials into the environment and

**Roan Resources LLC**

**Notes to Unaudited Condensed Financial Statements**

may require the Company to remove or mitigate the environmental effects of the disposal or release of petroleum or chemical substances at various sites. The Company has established procedures for the ongoing evaluation of its operations to identify potential environmental exposures and to comply with regulatory policies and procedures. At June 30, 2018, the Company had no environmental matters requiring specific disclosure or requiring the recognition of a liability.

### Natural Gas Dedication Agreements

The Company has dedicated its natural gas production from the oil and natural gas properties contributed by Citizen under an agreement with a third party. Under this dedication agreement, the Company is required to deliver its natural gas production from a geographic area, as defined in the agreement, through November 2030. There is no specified volume or volume penalty in the agreement.

For the oil and natural gas properties contributed by Linn, the Company assumed Linn s dedication agreement with Blue Mountain. The agreement with Blue Mountain requires the Company to deliver all of its natural gas production from its oil and natural gas properties in the contract area, as defined in the agreement, through November 2030. There is no specified volume or volume penalty in the agreement.

### Volume Commitment

The Company has a minimum volume delivery commitment of natural gas of 18,250,000 mcf by November 2021. Under this commitment, the Company is required to deliver natural gas from a specified area, as defined in the agreement. As of June 30, 2018, the Company has delivered 3,989,236 mcf under this commitment. In the event that the Company is unable to meet this natural gas volume delivery commitment, it would incur deficiency fees of $0.625 per mcf.

### Note 14 Subsequent Events

Management has evaluated subsequent events through September 17, 2018, which is the date the financial statements were available to be issued. No events or transactions other than those already disclosed have occurred subsequent to the balance sheet date that might require recognition or disclosure in the financial statements.

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## Report of Independent Auditors

To the Board of Managers of Roan Resources LLC:

We have audited the accompanying financial statements of certain oil and natural gas properties contributed by Linn Energy, Inc. (the LINN Properties ), which comprise the statements of revenues and direct operating expenses for the eight months ended August 31, 2017 and for the years ended December 31, 2016 and 2015.

***Management s Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor s Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the revenues and direct operating expenses of the LINN Properties for the eight months ended August 31, 2017 and the years ended December 31, 2016 and 2015 in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

The accompanying special purpose financial statements reflect the revenues and direct operating expenses of the LINN Properties using the basis of preparation described in Note 1 to the financial statements and are not intended to be a complete presentation of the financial position, results of operations or cash flows of the LINN Properties. Our opinion is not modified with respect to this matter.

/s/ PricewaterhouseCoopers LLP

Houston, Texas

September 24, 2018

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**STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES OF THE**

**PROPERTIES CONTRIBUTED BY LINN ENERGY, INC.**

(Audited)

| | Eight Months Ended August 31, 2017 | Year Ended December 31, 2016 | Year Ended December 31, 2015 |
|---|---|---|---|
| | | (in thousands) | |
| Operating revenues | $ 55,573 | $ 35,274 | $ 22,454 |
| Direct operating expenses | 13,888 | 12,434 | 9,448 |
| Excess of revenues over direct operating expenses | $ 41,685 | $ 22,840 | $ 13,006 |

*The accompanying notes are an integral part of the Statements of Revenues and Direct Operating Expenses.*

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**STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES OF THE**

**PROPERTIES CONTRIBUTED BY LINN ENERGY, INC.**

**Note 1 Basis of Presentation**

On August 31, 2017, Linn Energy, Inc. ( LINN Energy ), through certain of its subsidiaries, completed the transaction in which LINN Energy contributed certain upstream assets located in Oklahoma (the LINN Properties ) to Roan Resources LLC ( Roan ). In exchange for their contribution, LINN Energy received a 50% equity interest in Roan.

The accompanying statements of revenues and direct operating expenses were prepared from the historical accounting records of LINN Energy. These statements are not intended to be a complete presentation of the results of operations of the LINN Properties. The statements do not include general and administrative expense, effects of derivative transactions, interest income or expense, depreciation, depletion and amortization, any provision for income tax expenses and other income and expense items not directly associated with revenues from the LINN Properties. Historical financial statements reflecting the financial position, results of operations and cash flows required by United States generally accepted accounting principles ( GAAP ) are not presented as such information is not readily available and not meaningful to the LINN Properties. Accordingly, the accompanying statements of revenues and direct operating expenses are presented in lieu of the financial statements required under Rule 3-05 of Securities and Exchange Commission ( SEC ) Regulation S-X.

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions about future events that affect the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management s best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Such estimates and assumptions are adjusted when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from these estimates. Any changes in estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

***Revenue Recognition***

Sales of oil, natural gas and natural gas liquids ( NGL ) are recognized when the product has been delivered to a custody transfer point, persuasive evidence of a sales arrangement exists, the rights and responsibility of ownership pass to the purchaser upon delivery, collection of revenue from the sale is reasonably assured, and the sales price is fixed or determinable.

***Direct Operating Expenses***

Direct operating expenses primarily include lease operating expenses, transportation expenses and taxes other than income taxes. Lease operating costs include expenses such as labor, field office, vehicle, supervision, maintenance, tools and supplies, and workover expenses. Taxes other than income taxes consist primarily of severance and ad valorem taxes.

**Note 2 Commitments and Contingencies**

Roan is not aware of any legal, environmental or other commitments or contingencies that would have a material effect on the statements of revenues and direct operating expenses.

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**STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES OF THE**

**PROPERTIES CONTRIBUTED BY LINN ENERGY, INC. - Continued**

### Note 3 Related Party Transactions

LINN Energy s subsidiary, Blue Mountain Midstream LLC ( Blue Mountain ), has an agreement in place for the processing of natural gas from certain of the LINN Properties. Transportation expenses related to such processing agreement with Blue Mountain are included in direct operating expenses on the statements of revenues and direct operating expenses.

### Note 4 Subsequent Events

Following an internal reorganization, on August 7, 2018, LINN Energy completed the spin-off of Riviera Resources, Inc. ( Riviera ). Pursuant to the spin-off, Blue Mountain is currently a subsidiary of Riviera. The Company has evaluated subsequent events through the auditor s report date, which is the date the statements of revenues and direct operating expenses were available to be issued, and has concluded that no other events need to be reported during this period.

### Note 5 Supplemental Oil and Natural Gas Reserve Information (Unaudited)

**Estimated Quantities of Proved Oil and Natural Gas Reserves**

Estimated quantities of proved oil, natural gas and NGL reserves at December 31, 2016, and 2015, and changes in the reserves during the years, are shown below. These reserve estimates have been prepared in accordance with SEC regulations using the average price during the 12-month period, determined as an unweighted average of the first-day-of-the-month price for each month.

| | Year Ended December 31, 2016 | | | |
|---|---|---|---|---|
| | Natural Gas (MMcf) | Oil (MBbls) | NGL (MBbls) | Total (MMcfe) |
| **Proved developed and undeveloped reserves:** | | | | |
| Beginning of year | 50,503 | 1,659 | 3,621 | 82,185 |
| Revisions of previous estimates | 2,433 | (5) | 540 | 5,641 |
| Extensions, discoveries and other additions | 76,443 | 5,554 | 10,150 | 170,665 |
| Production | (6,543) | (350) | (336) | (10,657) |
| End of year | 122,836 | 6,858 | 13,975 | 247,834 |
| **Proved developed reserves:** | | | | |
| Beginning of year | 50,503 | 1,659 | 3,621 | 82,185 |
| End of year | 79,493 | 3,486 | 7,859 | 147,564 |
| **Proved undeveloped reserves:** | | | | |

| | | | | |
|---|---|---|---|---|
| Beginning of year | | | | |
| End of year | 43,343 | 3,372 | 6,116 | 100,270 |

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**STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES OF THE**

**PROPERTIES CONTRIBUTED BY LINN ENERGY, INC. - Continued**

| | Year Ended December 31, 2015 | | | |
|---|---|---|---|---|
| | Natural Gas (MMcf) | Oil (MBbls) | NGL (MBbls) | Total (MMcfe) |
| **Proved developed and undeveloped reserves:** | | | | |
| Beginning of year | 80,474 | 1,808 | 5,434 | 123,923 |
| Revisions of previous estimates | (26,792) | (368) | (1,714) | (39,275) |
| Extensions, discoveries and other additions | 1,397 | 391 | 198 | 4,927 |
| Production | (4,576) | (172) | (297) | (7,390) |
| End of year | 50,503 | 1,659 | 3,621 | 82,185 |
| **Proved developed reserves:** | | | | |
| Beginning of year | 80,474 | 1,808 | 5,434 | 123,923 |
| End of year | 50,503 | 1,659 | 3,621 | 82,185 |
| **Proved undeveloped reserves:** | | | | |
| Beginning of year | | | | |
| End of year | | | | |

The year ended December 31, 2016 includes approximately 6 Bcfe of positive revisions of previous estimates (9 Bcfe due to asset performance, partially offset by 3 Bcfe of negative revisions due to lower commodity prices). The year ended December 31, 2015 includes approximately 39 Bcfe of negative revisions of previous estimates (28 Bcfe due to lower commodity prices and 11 Bcfe due to asset performance). Reserve additions from extensions, discoveries and other additions were primarily attributable to LINN Energy s development drilling of proved acreage. During the year ended December 31, 2016, proved undeveloped reserves increased to 100 Bcfe from zero at December 31, 2015. As a result of the uncertainty regarding LINN Energy s future commitment to capital, LINN Energy reclassified all of its proved undeveloped reserves to unproved at December 31, 2015.

**Standardized Measure of Discounted Future Net Cash Flows**

Information with respect to the standardized measure of discounted future net cash flows relating to proved reserves is summarized below. Future cash inflows are computed by applying applicable prices relating to the LINN Properties proved reserves to the year-end quantities of those reserves. Future production, development, site restoration and abandonment costs are derived based on current costs assuming continuation of existing economic conditions. There are no future income tax expenses because Roan is not subject to federal income taxes and state taxes are not material.

| | December 31, 2016 | December 31, 2015 |
|---|---|---|
| | (in thousands) | |
| Future estimated revenues | $ 757,928 | $ 241,918 |
| Future estimated production costs | (280,533) | (116,098) |
| Future estimated development costs | (116,847) | (22,633) |

| | | |
|---|---|---|
| Future net cash flows | 360,548 | 103,187 |
| 10% annual discount for estimated timing of cash flows | (202,790) | (49,071) |
| Standardized measure of discounted future net cash flows | $ 157,758 | $ 54,116 |
| **Representative NYMEX prices:** [1] | | |
| Natural gas (Mcf) | $ 2.48 | $ 2.59 |
| Oil (Bbl) | $ 42.64 | $ 50.16 |

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**STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES OF THE**

**PROPERTIES CONTRIBUTED BY LINN ENERGY, INC. - Continued**

(1) In accordance with SEC regulations, reserves were estimated using the average price during the 12-month period, determined as an unweighted average of the first-day-of-the-month price for each month, excluding escalations based upon future conditions. The average price used to estimate reserves is held constant over the life of the reserves.

The following summarizes the principal sources of change in the standardized measure of discounted future net cash flows:

| | Year Ended December 31, 2016 | Year Ended December 31, 2015 |
|---|---|---|
| | (in thousands) | |
| Beginning balance | $ 54,116 | $ 177,138 |
| Sales and transfers of oil, natural gas and NGL produced during the period | (22,840) | (13,006) |
| Changes in estimated future development costs | 572 | (2,214) |
| Net change in sales and transfer prices and production costs related to future production | (1,788) | (109,743) |
| Extensions and discoveries | 112,658 | 9,537 |
| Net change due to revisions in quantity estimates | 13,285 | (23,028) |
| Accretion of discount | 5,412 | 17,714 |
| Changes in production rates and other | (3,657) | (2,282) |
| Ending balance | $ 157,758 | $ 54,116 |

The data presented should not be viewed as representing the expected cash flow from, or current value of, existing proved reserves since the computations are based on a large number of estimates and arbitrary assumptions. The required projection of production and related expenditures over time requires further estimates with respect to pipeline availability, rates of demand and governmental control. Actual future prices and costs are likely to be substantially different from the current prices and costs utilized in the computation of reported amounts. Any analysis or evaluation of the reported amounts should give specific recognition to the computational methods utilized and the limitations inherent therein.

## ANNEX A

## GLOSSARY OF OIL AND NATURAL GAS TERMS

The following are abbreviations and definitions of certain terms used in this document, which are commonly used in the oil and natural gas industry:

***3-D seismic***. Geophysical data that depict the subsurface strata in three dimensions. 3-D seismic typically provides a more detailed and accurate interpretation of the subsurface strata than 2-D, or two-dimensional, seismic.

***Analogous reservoir***. Analogous reservoirs, as used in resources assessments, have similar rock and fluid properties, reservoir conditions (depth, temperature and pressure) and drive mechanisms, but are typically at a more advanced stage of development than the reservoir of interest and thus may provide concepts to assist in the interpretation of more limited data and estimation of recovery. When used to support proved reserves, an analogous reservoir refers to a reservoir that shares the following characteristics with the reservoir of interest: (i) same geological formation (but not necessarily in pressure communication with the reservoir of interest); (ii) same environment of deposition; (iii) similar geological structure; and (iv) same drive mechanism. For a complete definition of analogous reservoir, refer to the SEC s Regulation S-X, Rule 4-10(a)(2).

***Basin***. A large natural depression on the earth s surface in which sediments generally brought by water accumulate.

***Bbl***. One stock tank barrel of 42 U.S. gallons liquid volume used herein in reference to crude oil, condensate or NGLs.

***Boe***. One barrel of oil equivalent, calculated by converting natural gas to oil equivalent barrels at a ratio of six Mcf of natural gas to one Bbl of oil. This is an energy content correlation and does not reflect a value or price relationship between the commodities.

***British thermal unit or Btu***. The quantity of heat required to raise the temperature of a one-pound mass of water from 58.5 to 59.5 degrees Fahrenheit.

***Completion***. Preparation of a well bore and installation of permanent equipment for production of oil, natural gas or NGLs or, in the case of a dry well, reporting to the appropriate authority that the well has been abandoned.

***Condensate***. A mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature.

***Delineation***. The process of placing a number of wells in various parts of a reservoir to determine its boundaries and production characteristics.

***Developed acreage***. The number of acres that are allocated or assignable to productive wells or wells capable of production.

***Development costs***. Costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and natural gas. For a complete definition of development costs, refer to the SEC s Regulation S-X, Rule 4-10(a)(7).

***Development project***. The means by which petroleum resources are brought to the status of economically producible. As examples, the development of a single reservoir or field, an incremental development in a producing field or the integrated development of a group of several fields and associated facilities with a common ownership may constitute a development project.

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***Development well***. A well drilled within the proved area of an oil or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

***Differential***. An adjustment to the price of oil or natural gas from an established spot market price to reflect differences in the quality and/or location of oil or natural gas.

***Dry well***. A well found to be incapable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of such production exceed production expenses and taxes.

***Economically producible***. The term economically producible, as it relates to a resource, means a resource which generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation. For a complete definition of economically producible, refer to the SEC s Regulation S-X, Rule 4-10(a)(10).

***E&P***. Exploration and production.

***Exploratory well***. A well drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil or natural gas in another reservoir.

***Field***. An area consisting of a single reservoir or multiple reservoirs all grouped on, or related to, the same individual geological structural feature or stratigraphic condition. The field name refers to the surface area, although it may refer to both the surface and the underground productive formations. For a complete definition of field, refer to the SEC s Regulation S-X, Rule 4-10(a)(15).

***Fracture stimulation***. A process whereby fluids mixed with proppants are injected into a wellbore under pressure in order to fracture, or crack open, reservoir rock, thereby allowing oil and/or natural gas trapped in the reservoir rock to travel through the fractures and into the well for production.

***Formation***. A layer of rock which has distinct characteristics that differs from nearby rock.

***Gross acres or gross wells***. The total acres or wells, as the case may be, in which a working interest is owned.

***Held by production***. Acreage covered by a mineral lease that perpetuates a company s right to operate a property as long as the property produces a minimum paying quantity of oil or natural gas.

***Horizontal drilling***. A drilling technique used in certain formations where a well is drilled vertically to a certain depth and then drilled at a right angle within a specified interval.

***Liquids***. Describes oil, condensate and natural gas liquids.

***MBbl***. One thousand barrels of crude oil, condensate or NGLs.

***MBoe***. One thousand Boe.

***MBoe/d***. One thousand Boe per day.

***Mcf***. One thousand cubic feet of natural gas.

***MMBoe***. One million Boe.

***MMBtu***. One million British thermal units.

***MMcf***. One million cubic feet of natural gas.

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***Net acres***. The percentage of total acres an owner has out of a particular number of acres, or a specified tract. An owner who has 50% interest in 100 acres owns 50 net acres.

***Net production***. Production that is owned by us less royalties and production due to others.

***Net revenue interest***. A working interest owner s gross working interest in production less the royalty, overriding royalty, production payment and net profits interests.

***NGLs***. Natural gas liquids. Hydrocarbons found in natural gas which may be extracted as liquefied petroleum gas and natural gasoline.

***NYMEX***. The New York Mercantile Exchange.

***Operator***. The individual or company responsible for the development and/or production of an oil or natural gas well or lease.

***Play***. A geographic area with hydrocarbon potential.

***Production costs***. Costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. For a complete definition of production costs, refer to the SEC s Regulation S-X, Rule 4-10(a)(20).

***Productive well***. A well that is found to be capable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of the production exceed production expenses and taxes.

***Proration unit.*** A unit that can be effectively and efficiently drained by one well, as allocated by a governmental agency having regulatory jurisdiction.

***Prospect***. A specific geographic area which, based on supporting geological, geophysical or other data and also preliminary economic analysis using reasonably anticipated prices and costs, is deemed to have potential for the discovery of commercial hydrocarbons.

***Proved developed non-producing***. Hydrocarbons in a potentially producing horizon penetrated by a wellbore, the production of which has been postponed pending installation of surface equipment or gathering facilities, or pending the production of hydrocarbons from another formation penetrated by the wellbore. The hydrocarbons are classified as proved but non-producing reserves.

***Proved developed reserves***. Reserves that can be expected to be recovered through (i) existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared with the cost of a new well or (ii) through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

***Proved properties***. Properties with proved reserves.

***Proved reserves***. Those quantities of oil, natural gas and NGLs, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible-from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations-prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. For a complete definition of proved oil and natural gas reserves, refer to the SEC s Regulation S-X, Rule 4-10(a)(22).

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***Proved undeveloped reserves or PUDs***. Proved reserves that are expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required for recompletion. Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances. Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances justify a longer time. Under no circumstances shall estimates for proved undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, or by other evidence using reliable technology establishing reasonable certainty.

***PV-10***. The present value of estimated future cash inflows from proved oil and gas reserves, less future development and production costs, discounted at 10% per annum to reflect the timing of future cash flows.

***Realized price***. The cash market price less all expected quality, transportation and demand adjustments.

***Reasonable certainty***. A high degree of confidence that quantities will be recovered. For a complete definition of reasonable certainty, refer to the SEC s Regulation S-X, Rule 4-10(a)(24).

***Recompletion***. The completion for production of an existing wellbore in another formation from that which the well has been previously completed.

***Reliable technology***. Reliable technology is a grouping of one or more technologies (including computational methods) that has been field tested and has been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

***Reserves***. Estimated remaining quantities of oil and natural gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and natural gas or related substances to market and all permits and financing required to implement the project. Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).

***Reservoir***. A porous and permeable underground formation containing a natural accumulation of producible oil and/or natural gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

***Resources***. Quantities of oil and natural gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable and another portion may be considered to be unrecoverable. Resources include both discovered and undiscovered accumulations.

***Royalty***. An interest in an oil and natural gas lease that gives the owner the right to receive a portion of the production from the leased acreage (or of the proceeds from the sale thereof), but does not require the owner to pay any portion of the production or development costs on the leased acreage. Royalties may be either landowner s royalties, which are reserved by the owner of the leased acreage at the time the lease is granted, or overriding royalties, which are usually reserved by an owner of the leasehold in connection with a transfer to a subsequent owner.

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***Section***. 640 acres.

***Spacing***. The distance between wells producing from the same reservoir. Spacing is often expressed in terms of acres, e.g., 40-acre spacing, and is often established by regulatory agencies.

***Spud***. Commenced drilling operations on an identified location.

***Standardized measure***. Discounted future net cash flows estimated by applying year end prices to the estimated future production of year end proved reserves. Future cash inflows are reduced by estimated future production and development costs based on period-end costs to determine pre-tax cash inflows. Future income taxes, if applicable, are computed by applying the statutory tax rate to the excess of pre-tax cash inflows over our tax basis in the oil and natural gas properties. Future net cash inflows after income taxes are discounted using a 10% annual discount rate.

***Success rate***. The percentage of wells drilled which produce hydrocarbons in commercial quantities.

***Undeveloped acreage***. Lease acreage on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and natural gas regardless of whether such acreage contains proved reserves.

***Unit or spacing unit***. The joining of all or substantially all interests in a reservoir or field, rather than a single tract, to provide for development and operation without regard to separate property interests. Also, the area covered by a unitization agreement.

***Unproved properties***. Properties with no proved reserves.

***Wellbore***. The hole drilled by the bit that is equipped for oil, natural gas and NGLs production on a completed well. Also called well or borehole.

***Working interest***. The right granted to the lessee of a property to develop and produce and own natural gas or other minerals. The working interest owners bear the exploration, development and operating costs on either a cash, penalty or carried basis.

***Workover***. Operations on a producing well to restore or increase production.

***WTI.*** West Texas Intermediate.

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**117,255,430 Shares**

**Roan Resources, Inc.**

**Class A Common Stock**

**Prospectus**

**, 2018**

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## PART II

## INFORMATION NOT REQUIRED IN PROSPECTUS

**Item 13. Other Expenses of Issuance and Distribution**

The following table sets forth an itemized statement of the amounts of all expenses payable by us in connection with the registration of the Class A common stock offered hereby. With the exception of the SEC registration fee and the FINRA filing fee, the amounts set forth below are estimates. The selling stockholders will not bear any portion of such expenses.

| | |
|---|---|
| SEC registration fee | $ 250,262.02 |
| Accounting fees and expenses | * |
| Legal fees and expenses | * |
| Printing and engraving expenses | * |
| Miscellaneous | * |
| Total | $ * |

* To be provided by amendment

**Item 14. Indemnification of Directors and Officers**

Section 145 of the DGCL provides that a corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise), against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. A similar standard is applicable in the case of derivative actions (i.e., actions by or in the right of the corporation), except that indemnification extends only to expenses, including attorneys fees, incurred in connection with the defense or settlement of such action and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation.

Our certificate of incorporation and our bylaws will contain provisions that limit the liability of our directors and officers for monetary damages to the fullest extent permitted by the DGCL. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except with respect to liability:

- for any breach of the director s duty of loyalty to our company or our stockholders;
- for any act or omission not in good faith or that involve intentional misconduct or knowing violation of law;
- under Section 174 of the DGCL regarding unlawful dividends and stock purchases; or
- for any transaction from which the director derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the DGCL is amended to provide for further limitations on the personal liability of directors or officers of corporations, then the personal liability of our directors and officers will be further limited to the fullest extent permitted by the DGCL.

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In addition, we entered into indemnification agreements with our current directors containing provisions that are in some respects broader than the specific indemnification provisions contained in the DGCL. The indemnification agreements will require us, among other things, to indemnify our directors against certain liabilities that may arise by reason of their status or service as directors and to advance their expenses incurred as a result of any proceeding against them as to which they could be indemnified. We also intend to enter into indemnification agreements with our future directors.

We intend to maintain liability insurance policies that indemnify our directors and officers against various liabilities, including certain liabilities arising under the Securities Act and the Exchange Act, that may be incurred by them in their capacity as such.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

**Item 15. Recent Sales of Unregistered Securities**

In connection with our incorporation on September 19, 2018, under the laws of the State of Delaware, we issued 1,000 shares of our Class A common stock to Linn Energy, Inc. for an aggregate purchase price of $1.00. These securities were offered and sold by us in reliance upon the exemption from the registration requirements provided by Section 4(a)(2) of the Securities Act. These shares were redeemed for nominal value in connection with the Reorganization.

Further, on September 24, 2018, in connection with the closing of the Reorganization and pursuant to the terms of the Master Reorganization Agreement and the Roan Holdco Merger Agreement, we issued 76,269,766 shares of our Class A common stock to Roan Holdings. This issuance of our Class A common stock did not involve any underwriters, underwriting discounts or commissions or a public offering and such issuance was exempt from registration requirements pursuant to Section 4(a)(2) of the Securities Act.

**Item 16. Exhibits and Financial Statement Schedules**

(a) Exhibits.

| Exhibit No. | Description |
|---|---|
| 2.1 | Linn Merger Agreement, dated September 24, 2018, by and among Linn Energy, Inc., Roan Resources, Inc. and Linn Merger Sub #2, LLC (incorporated by reference to Exhibit 2.1 to Form 8-K filed on September 24, 2018) |
| 2.2 | Roan Merger Agreement, dated September 24, 2018, by and among Roan Holdings, LLC, Roan Holdings Holdco, LLC, Roan Resource, Inc. and Linn Merger Sub #3, LLC (incorporated by reference to Exhibit 2.2 to Form 8-K filed on September 24, 2018) |
| 3.1 | |

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|---|---|
| | Second Amended and Restated Certificate of Incorporation of Roan Resources, Inc. (incorporated by reference to Exhibit 3.1 to Form 8-K filed on September 27, 2018) |
| 3.2 | Second Amended and Restated Bylaws of Roan Resources, Inc. (incorporated by reference to Exhibit 3.2 to Form 8-K filed on September 27, 2018) |
| 4.1 | Registration Rights Agreement, dated September 24, 2018, by and among Roan Resources, Inc. and each of the other parties listed on the signature page thereto (incorporated by reference to Exhibit 4.1 to Form 8-K filed on September 24, 2018) |
| 4.2 | Stockholders Agreement, dated September 24, 2018, by and among Roan Resources, Inc., the Existing LINN Owners (as defined therein), Roan Holdings, LLC and any other persons signatory thereto from time to time (incorporated by reference to Exhibit 4.2 to Form 8-K filed on September 24, 2018) |

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| Exhibit No. | Description |
|---|---|
| 5.1* | Opinion of Vinson & Elkins L.L.P. |
| 10.1 | Credit Agreement, dated September 5, 2017, by and among Citibank, N.A., as administrative agent for the Lenders (incorporated by reference to Exhibit 10.1 to Form 8-K filed on September 24, 2018) |
| 10.2 | Amendment No. 1 to Credit Agreement, dated April 9, 2018 (incorporated by reference to Exhibit 10.2 to Form 8-K filed on September 24, 2018) |
| 10.3 | Amendment No. 2 to Credit Agreement, dated May 30, 2018 (incorporated by reference to Exhibit 10.3 to Form 8-K filed on September 24, 2018) |
| 10.4 | Amendment No. 3 to Credit Agreement, dated September 27, 2018 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on September 27, 2018) |
| 10.5 | Roan Resources, Inc. Amended and Restated Management Incentive Plan, dated September 24, 2018 (incorporated by reference to Exhibit 10.4 to Form 8-K filed on September 24, 2018) |
| 10.6 | Form of Performance Share Unit Grant Notice and Performance Share Unit Award Agreement pursuant to the Roan Resources, Inc. Amended and Restated Management Incentive Plan (incorporated by reference to Exhibit 10.5 to Form 8-K filed on September 24, 2018) |
| 10.7 | Voting Agreement, dated September 24, 2018, by and among Roan Resources, Inc., the Existing LINN Owners (as defined therein), Roan Holdings, LLC and any other persons signatory thereto from time to time (incorporated by reference to Exhibit 10.6 to Form 8-K filed on September 24, 2018) |
| 10.8 | Second Amended and Restated Limited Liability Company Agreement of Roan Resources LLC (incorporated by reference to Exhibit 10.7 to Form 8-K filed on September 24, 2018) |
| 10.9 | Amended and Restated Employment Agreement, dated November 6, 2017, between Roan Resources, Inc. and Tony Maranto (incorporated by reference to Exhibit 10.8 to Form 8-K filed on September 24, 2018) |
| 10.10 | Employment Agreement, dated June 18, 2018, between Roan Resources LLC and David Edwards (incorporated by reference to Exhibit 10.9 to Form 8-K filed on September 24, 2018) |
| 10.11 | Employment Agreement, dated November 6, 2017, between Roan Resources LLC and Joel Pettit (incorporated by reference to Exhibit 10.10 to Form 8-K filed on September 24, 2018) |
| 10.12 | Employment Agreement, dated November 6, 2017, between Roan Resources LLC and Greg Condray (incorporated by reference to Exhibit 10.11 to Form 8-K filed on September 24, 2018) |
| 10.13 | Employment Agreement, dated September 17, 2018, between Roan Resources LLC and David Treadwell (incorporated by reference to Exhibit 10.12 to Form 8-K filed on September 24, 2018) |
| 10.14 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Tony Maranto (incorporated by reference to Exhibit 10.13 to Form 8-K filed on September 24, 2018) |
| 10.15 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Matthew Bonanno (incorporated by reference to Exhibit 10.14 to Form 8-K filed on September 24, 2018) |
| 10.16 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Evan Lederman (incorporated by reference to Exhibit 10.15 to Form 8-K filed on September 24, 2018) |
| 10.17 | |

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| | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and John Lovoi (incorporated by reference to Exhibit 10.16 to Form 8-K filed on September 24, 2018) |
| 10.18 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Paul B. Loyd Jr. (incorporated by reference to Exhibit 10.17 to Form 8-K filed on September 24, 2018) |
| 10.19 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Michael Raleigh (incorporated by reference to Exhibit 10.18 to Form 8-K filed on September 24, 2018) |

| Exhibit No. | Description |
|---|---|
| 10.20 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Andrew Taylor (incorporated by reference to Exhibit 10.19 to Form 8-K filed on September 24, 2018) |
| 10.21 | Indemnification Agreement, dated September 24, 2018, between Roan Resources, Inc. and Anthony Tripodo (incorporated by reference to Exhibit 10.20 to Form 8-K filed on September 24, 2018) |
| 21.1 | List of Subsidiaries of Roan Resources, Inc. (incorporated by reference to Exhibit 21.1 to Form 8-K filed on September 24, 2018) |
| 23.1* | Consent of PricewaterhouseCoopers LLP |
| 23.2* | Consent of PricewaterhouseCoopers LLP |
| 23.3* | Consent of DeGolyer and MacNaughton |
| 23.4* | Consent of Vinson & Elkins L.L.P. (included in Exhibit 5.1) |
| 24.1 | Power of Attorney (included on the signature page hereto) |
| 99.1 | Report of DeGolyer and MacNaughton, Summary of Reserves at December 31, 2017 (incorporated by reference to Exhibit 99.5 to Form 8-K filed on September 24, 2018) |
| 101.INS* | XBRL Instance Document. |
| 101.SCH* | XBRL Taxonomy Extension Schema Document. |
| 101.CAL* | XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF* | XBRL Taxonomy Extension Definition Linkbase Document. |
| 101.LAB* | XBRL Taxonomy Extension Labels Linkbase Document. |
| 101.PRE* | XBRL Taxonomy Extension Presentation Linkbase Document. |

Compensatory plan or arrangement.

* Filed herewith.

(b) Financial Statement Schedules. Financial statement schedules are omitted because the required information is not applicable, not required or included in the financial statements or the notes thereto included in the prospectus that forms a part of this registration statement.

**Item 17. Undertakings**

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining liability under the Securities Act, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on

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Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement (i) to include any prospectus required by section 10(a)(3) of the Securities Act of 1933; (ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement, and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(4) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

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## SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Oklahoma City, State of Oklahoma, on October 23, 2018.

**ROAN RESOURCES, INC.**

By: /s/ Tony C. Maranto
Name: Tony C. Maranto
Title: President and Chief Executive Officer

Each person whose signature appears below appoints David M. Edwards and David Treadwell, and each of them, any of whom may act without the joinder of the other, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any registration statement (including any amendment thereto) that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or would do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities on October 23, 2018.

| Signature | Title |
|---|---|
| /s/ Tony C. Maranto | President, Chief Executive Officer and Chairman (Principal Executive Officer) |
| Tony C. Maranto | |
| /s/ David M. Edwards | Chief Financial Officer |
| David M. Edwards | (Principal Financial Officer) |
| /s/ Amber N. Bonney | Chief Accounting Officer |
| Amber N. Bonney | (Principal Accounting Officer) |
| /s/ Matthew Bonanno | Director |
| Matthew Bonanno | |

| | |
|---|---|
| /s/ Evan Lederman | Director |
| Evan Lederman | |
| /s/ John V. Lovoi | Director |
| John V. Lovoi | |
| /s/ Paul B. Loyd Jr. | Director |
| Paul B. Loyd, Jr. | |
| /s/ Michael P. Raleigh | Director |
| Michael P. Raleigh | |

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| Signature | Title |
|---|---|
| /s/ Andrew Taylor | Director |
| Andrew Taylor | |
| /s/ Anthony Tripodo | Director |
| Anthony Tripodo | |

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