

Continental Resources Inc/OK

Ticker: CLR

Continental Resources, Inc., based in Oklahoma City, is focused on the exploration and production of on-shore oil-prone plays in the United States. The Company concentrates its leasehold and production strategies in the Bakken of North Dakota and Montana, as well as Oklahoma in its recently discovered SCOOP play and the Northwest Cana play.

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STOCK

Stock Price (as of: 04/08/2019)

Price	47.00	1 Month Return	17.79%
52 Week High / Low	71.95 / 35.54	6 Month Return	-28.69%
Market Cap	17,706.72	1 Year Return	-20.23%
Enterprise Value	20,874.64	YTD Return	16.94%

VALUATION METRICS

	2017Y	2018Y	2019YE	2020YE	2021YE
P/E	106.5x	14.1x	21.3x	14.7x	12.7x
EV/EBIT	58.3x	13.1x	17.9x	12.7x	9.9x
EV/EBITDA	12.4x	6.0x	6.8x	5.6x	5.0x
P/S	6.4x	3.2x	3.9x	3.2x	2.9x
P/B	3.9x	2.5x	2.5x	2.2x	1.8x
Div Yield	0.0%	0.0%	0.0%	0.0%	0.0%
EBITDA	2,120	3,453	3,373	4,022	4,244

52-WEEK STOCK PERFORMANCE

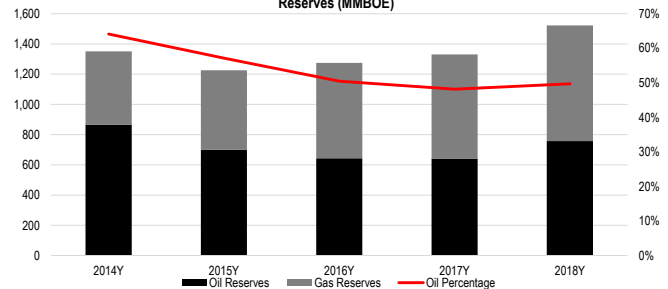


FINANCIAL STATEMENTS

	2014Y	2015Y	2016Y	2017Y	2018Y
Income Statement					
Revenue	4,627	2,659	2,141	3,059	4,697
Operating Profit (Loss)	1,693	-224	-288	449	1,594
Pretax Income (Loss)	1,562	-535	-632	156	1,297
Income Before XO	977	-354	-400	789	990
Net Income	977	-354	-400	789	988
Basic EPS Before Abnormal Items	2.76	-0.31	-0.87	0.50	2.87
Basic EPS	2.65	-0.96	-1.08	2.13	2.66
Diluted EPS Before Abnormal Item	2.75	-0.32	-0.87	0.50	2.85
Diluted EPS	2.64	-0.96	-1.08	2.11	2.64
Dividends Per Share	0.00	0.00	0.00	0.00	0.00
EBITDA	3,062	1,522	1,422	2,120	3,453
Balance Sheet					
Total Current Assets	1,390	822	913	1,252	1,412
Total Long-Term Assets	13,755	14,097	12,899	12,948	13,886
Total Assets	15,145	14,920	13,812	14,200	15,298
Total Current Liabilities	1,952	923	932	1,330	1,388
Total Long-Term Liabilities	8,225	9,328	8,577	7,738	7,489
Total Liabilities	10,177	10,251	9,510	9,068	8,876
Total Shareholders' Equity	4,968	4,669	4,302	5,131	6,422
Shares Outstanding	372.01	372.96	374.49	375.22	376.02
Cash Flow					
Net Income	977	-354	-400	789	988
Cash From Operating Activities	3,356	1,857	1,126	2,079	3,456
Cash From Investing Activities	-4,587	-3,046	-533	-1,809	-2,860
Cash From Financing Activities	1,228	1,176	-588	-243	-357
Net Changes in Cash	-4	-13	5	27	239
Free Cash Flow	-1,361	-1,223	-39	126	541
Free Cash Flow Per Basic Share	-3.69	-3.31	-0.10	0.34	1.46
Free Cash Flow Per Diluted Share	-3.67	-3.31	-0.10	0.34	1.44
Cash Flow Per Share	9.10	5.03	3.04	5.60	9.29

Source: Bloomberg, EnerCom Analytics

Reserves (MMBOE)



PRODUCTION & COSTS

	2014Y	2015Y	2016Y	2017Y	2018Y
Production					
Oil (MMBL/Day)	122.0	146.6	128.0	138.5	168.2
NGL (MMBL/Day)	--	--	--	--	--
Gas (MMCF/Day)	313.1	450.6	533.4	625.1	780.1
Total (MBOE/Day)	174.2	221.7	216.9	242.6	298.2
Costs (\$/BOE)					
Production (LOE & Prod Tax)	11.05	6.79	5.45	6.00	8.59
G&A	2.90	2.35	2.14	2.16	1.69

RESERVES

	2014Y	2015Y	2016Y	2017Y	2018Y
Reserve Volumes (MMBOE)					
Starting Reserves	1,084.12	1,351.09	1,225.81	1,274.86	1,331.00
Changes	266.97	-125.28	49.05	56.13	191.37
Ending Reserves	1,351.09	1,225.81	1,274.86	1,331.00	1,522.37
Total Reserves					
Oil Reserves	866.36	700.51	643.23	640.95	757.10
Gas Reserves	484.73	525.30	631.64	690.05	765.27
Oil Percentage	64%	57%	50%	48%	50%
Reserves Metrics					
3-Yr F&D per BOE	11.54	15.95	18.41	20.38	8.99
Production Replacement	523%	-54%	175%	179%	272%

DRILLING ACTIVITY

	2014Y	2015Y	2016Y	2017Y	2018Y
New Wells					
Exploration	79	21	16	12	6
Developed	307	248	76	202	253
Dry	3	1	0	0	0
Productive Wells					
Oil	1,798	1,993	1,987	2,144	2,300
Gas	302	311	319	282	289
Acres (Thousands)					
Developed	1,104	1,154	1,184	1,185	1,220
Undeveloped	1,552	1,195	787	598	526

RATIOS

	2014Y	2015Y	2016Y	2017Y	2018Y
Profitability					
Return on Assets	7.22	-2.35	-2.78	5.64	6.70
Return on Equity	21.91	-7.34	-8.91	16.74	17.53
Return on Capital	11.76	-1.32	-1.69	8.77	10.25
Gross Margin	54.99	12.89	-0.51	27.28	44.12
EBITDA Margin	66.17	57.26	66.42	69.32	73.52
Operating Margin	36.60	-8.43	-13.43	14.69	33.93
Profit Margin	21.12	-13.30	-18.67	25.81	21.04
Liquidity					
Quick Ratio	0.30	0.42	0.45	0.54	0.67
Current Ratio	0.71	0.89	0.98	0.94	1.02
Cash Ratio	0.01	0.01	0.02	0.03	0.20
Total Debt/Total Capital	54.70	60.39	60.47	55.32	47.32
Cash & Equiv/Current Asset	1.75	1.39	1.82	3.51	20.02
CFO/Total Debt	0.56	0.26	0.17	0.33	0.60
Working Capital	-562	-101	-19	-79	25
Net Debt/EBITDA	1.95	4.67	4.62	2.98	1.59

CREDIT

S&P	BBB-	Outlook	STABLE
Moody's	WR	Outlook	STABLE
Fitch	BBB-	Outlook	STABLE

MAJOR SHAREHOLDERS

Holder Name	Portfolio Name	Source	Amt Held	% Out	Latest Chg	File Dt	Inst Type	Country	Metro Area
Hamm Harold G	n/a	Form 4	284,895,212	75.77	186,363	2/12/2019	Unclassified	n/a	Unclassified
FMR LLC	n/a	ULT-AGG	9,001,629	2.39	(5,759,794)	12/31/2018	Investment Advisor	United States	Boston
Vanguard Group Inc/T	n/a	ULT-AGG	8,594,199	2.29	(31,061)	12/31/2018	Investment Advisor	United States	Philadelphia
T Rowe Price Group I	n/a	ULT-AGG	6,869,440	1.83	6,259,230	12/31/2018	Investment Advisor	United States	Baltimore
BlackRock Inc	n/a	ULT-AGG	4,954,072	1.32	(141,138)	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
State Street Corp	n/a	ULT-AGG	3,182,944	0.85	248,658	12/31/2018	Investment Advisor	United States	Boston
Point72 Asset Manage	n/a	ULT-AGG	2,861,277	0.76	2,184,286	12/31/2018	Hedge Fund Manager	United States	New York City/Southern CT/Northern NJ
Hume Jeffrey B	n/a	Form 4	2,229,794	0.59	16,444	2/11/2019	Unclassified	n/a	Unclassified
Two Sigma Investment	n/a	ULT-AGG	2,017,476	0.54	(722,468)	12/31/2018	Hedge Fund Manager	United States	New York City/Southern CT/Northern NJ
Teachers Insurance & Wellington Managemen	n/a	ULT-AGG	1,871,545	0.5	(934,970)	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
DE Shaw & Co LP	n/a	13F	1,636,820	0.44	(25,505)	12/31/2018	Investment Advisor	United States	Boston
Deutsche Bank AG	n/a	ULT-AGG	1,526,568	0.41	(875,688)	12/31/2018	Hedge Fund Manager	United States	New York City/Southern CT/Northern NJ
BANK OF NEW YORK MEL	n/a	ULT-AGG	1,284,149	0.34	384,958	12/31/2018	Investment Advisor	Germany	Frankfurt
Janus Henderson Grou	n/a	ULT-AGG	1,259,234	0.33	269,786	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
Goldman Sachs Grou	n/a	13F	1,175,219	0.31	126,659	12/31/2018	Investment Advisor	United Kingdom	London
Bank of America Corp	n/a	ULT-AGG	1,074,519	0.29	75,622	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
Government Pension I	n/a	13F	1,014,559	0.27	(222,959)	12/31/2018	Bank	United States	Charlotte
Morgan Stanley	n/a	MF-AGG	1,010,199	0.27	-	3/31/2018	Government	Japan	Tokyo
Deep Basin Capital L	n/a	ULT-AGG	995,537	0.26	(699,609)	12/31/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
Deep Basin Capital L	n/a	13F	929,431	0.25	929,431	12/31/2018	Hedge Fund Manager	United States	New York City/Southern CT/Northern NJ

ANALYST COVERAGE & RECOMENDATIONS

Firm Name	Analyst	Recommendation	Weighting	Δ	Target Price	Date	Date	BARR	1 Yr Rtn
Raymond James	JOHN FREEMAN	strong buy	5	M	\$75.00	Not Provided	2/15/2019	8	-12
Macquarie	PAUL GRIGEL	outperform	5	M	\$56.00	12 month	2/15/2019	8	-12
Stifel	DERRICK WHITFIELD	buy	5	M	\$67.00	Not Provided	2/15/2019	8	-12
Imperial Capital LLC	JASON WANGLER	outperform	5	M	\$55.00	Not Provided	2/15/2019	8	-12
Tudor Pickering & Co	MATTHEW PORTILLO	hold	3	M	\$45.00	Not Provided	2/15/2019	6	0
Morgan Stanley	DREW VENKER	Overwt/Attractive	5	M	\$60.00	12 month	2/14/2019	8	-12
RBC Capital Markets	BRAD HEFFERN	outperform	5	M	\$55.00	12 month	2/14/2019	8	-12
Credit Suisse	BETTY JIANG	outperform	5	M	\$56.00	Not Provided	2/14/2019	8	-12
Scotia Howard Weil Inc	PETER KISSEL	sector outperform	5	M	\$76.00	12 month	2/14/2019		
Jefferies	THOMAS HUGHES	buy	5	M	\$64.00	12 month	2/14/2019		
Ladenburg Thalmann & Co	MICHAEL SCHMITZ	buy	5	M	\$70.00	Not Provided	2/14/2019	8	-12
Capital One Securities, Inc.	PHILLIPS JOHNSTON	overweight	5	M	\$33.00	12 month	2/14/2019	4	20.77
Stephens Inc	DREW LIPKE	overweight	5	M	\$88.00	Not Provided	2/14/2019		
Evercore ISI	STEPHEN RICHARDSON	in-line	3	M	\$60.00	12 month	2/14/2019	9	-14.46
Mizuho Securities USA Inc	PAUL SANKEY	buy	5	M	\$59.00	12 month	2/14/2019		
TD Securities	MENNO HULSHOF	buy	5	M	\$57.00	12 month	2/14/2019		
MKM Partners	John Gerdes	buy	5	M	\$58.00	12 month	2/14/2019		
BMO Capital Markets	PHILLIP JUNGWIRTH	outperform	5	M	\$55.00	Not Provided	2/13/2019	2	25.54
SunTrust Robinson Humphrey	NEAL DINGMANN	buy	5	M	\$70.00	Not Provided	2/13/2019	8	-12
KeyBanc Capital Markets	Leo Mariani	overweight	5	M	\$52.00	12 month	2/13/2019		
Johnson Rice & Co	LENNY RAYMOND	buy	5	M	\$82.00	Not Provided	2/13/2019		
Guggenheim Securities	SUBASH CHANDRA	buy	5	M	\$66.00	12 month	2/13/2019	8	-12
Cowen	DAVID DECKELBAUM	market perform	3	M	\$49.00	Not Provided	2/13/2019		
Seaport Global Securities	JOHN ASCHENBECK	buy	5	M	\$72.00	12 month	2/13/2019		
Morningstar, Inc	DAVID MEATS	hold	3	D	\$52.00	Not Provided	2/13/2019	7	-2.83
Piper Jaffray	RYAN TODD	overweight	5	M	\$50.00	12 month	2/13/2019		
Coker & Palmer	DAVID BEARD	not rated		M	\$45.00	12 month	2/13/2019		
Barclays	JEANINE WAI	overweight	5	M	\$58.00	Not Provided	2/11/2019		
IFS Securities	ELI KANTOR	outperform	5	M	\$55.00	12 month	2/11/2019		
Wolfe Research	JOSH SILVERSTEIN	outperform	5	M	\$57.00	Not Provided	2/10/2019	8	-12
Zacks Investment Research	TEAM COVERAGE	hold	3	U	Not Provided		2/6/2019		
Goldman Sachs	BRIAN SINGER	neutral/attractive	3	M	\$55.50	12 month	1/31/2019	5	14.36
J.P. Morgan	ARUN JAYARAM	neutral	3	M	\$54.00	9 month	1/30/2019	6	0
Wells Fargo Securities	NITIN KUMAR	outperform	5	M	\$61.00	Not Provided	1/30/2019		
Susquehanna Financial	BIJU PERINCHERIL	neutral	3	M	\$48.00	12 month	1/30/2019	6	0

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