

Sanchez Energy Corp

Ticker: SN

Sanchez Energy Corporation operates as an oil and gas exploration and production company. The Company offers unconventional oil, natural gas, and petroleum products. Sanchez Energy serves customers in the State of Texas.

1000 Main Street Suite 3000 Houston, TX 77002 United States

Antonio R Sanchez III "Tony" CEO Exchange: New York
#N/A Field Not Applicable CFO Phone: 1-713-783-8000
Web: .sanchezenerycorp.com

STOCK

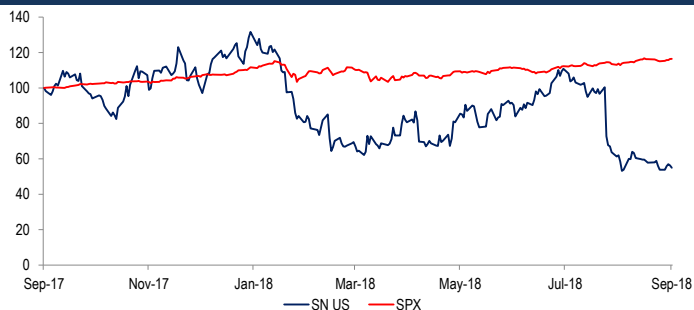
Stock Price (as of: 11/29/2018)

Price	0.74	1 Month Return	-58.07%
52 Week High / Low	6.19 / 0.6338	6 Month Return	-79.27%
Market Cap	64.59	1 Year Return	-85.18%
Enterprise Value	2,225.89	YTD Return	-86.10%

VALUATION METRICS

	2016Y	2017Y	2018YE	2019YE	2020YE
P/E	1,404.4x	-	-	2.1x	4.1x
EV/EBIT	24.1x	21.0x	9.7x	12.6x	13.1x
EV/EBITDA	8.9x	7.8x	5.2x	5.5x	5.7x
P/S	0.9x	0.5x	0.1x	0.1x	0.1x
P/B	-	-	-	-	-
Div Yield	0.0%	0.0%	0.0%	0.0%	0.0%
EBITDA	234	283	465	471	501

52-WEEK STOCK PERFORMANCE

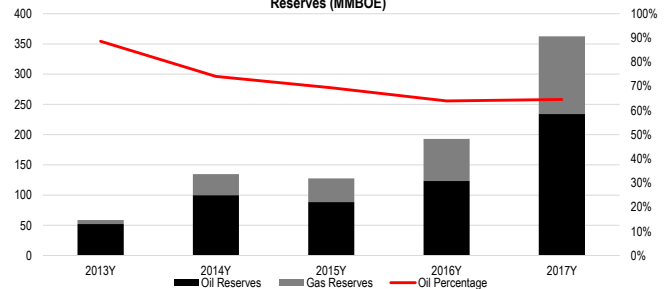


FINANCIAL STATEMENTS

Income Statement	2013Y	2014Y	2015Y	2016Y	2017Y
Revenue	306	672	618	567	753
Operating Profit (Loss)	70	-75	-1,349	86	106
Pretax Income (Loss)	31	-33	-1,447	-140	41
Income Before XO	27	-22	-1,455	-141	43
Net Income	27	-22	-1,455	-141	43
Basic EPS Before Abnormal Items	0.44	-0.01	-10.47	0.01	-0.32
Basic EPS	0.22	-1.06	-25.70	-2.67	-0.46
Diluted EPS Before Abnormal Item	0.44	-0.02	-10.47	0.01	-0.32
Diluted EPS	0.22	-1.06	-25.70	-2.67	-0.46
Dividends Per Share	0.00	0.00	0.00	0.00	0.00
EBITDA	205	263	-1,004	234	283
Balance Sheet	2013Y	2014Y	2015Y	2016Y	2017Y
Total Current Assets	220	682	667	563	351
Total Long-Term Assets	1,410	2,360	835	769	2,120
Total Assets	1,629	3,042	1,501	1,332	2,471
Total Current Liabilities	159	269	168	186	463
Total Long-Term Liabilities	613	1,774	1,790	1,830	2,050
Total Liabilities	772	2,043	1,957	2,016	2,512
Total Shareholders' Equity	857	1,000	-456	-684	-42
Shares Outstanding	46.37	58.58	61.93	66.62	83.98
Cash Flow	2013Y	2014Y	2015Y	2016Y	2017Y
Net Income	27	-22	-1,455	-141	43
Cash From Operating Activities	189	415	272	183	292
Cash From Investing Activities	-1,093	-1,361	-294	-108	-1,383
Cash From Financing Activities	1,007	1,266	-16	-8	773
Net Changes in Cash	103	320	-39	67	-317
Free Cash Flow	-293	-946	-400	-136	-1,266
Free Cash Flow Per Basic Share	-8.05	-18.07	-6.99	-2.30	-16.74
Free Cash Flow Per Diluted Share	-8.05	-18.07	-6.99	-2.30	-16.74
Cash Flow Per Share	5.20	7.94	4.75	3.10	3.86

Source: Bloomberg, EnerCom Analytics

Reserves (MMBOE)



PRODUCTION & COSTS

Production	2013Y	2014Y	2015Y	2016Y	2017Y
Oil (MBBL/Day)	8.0	16.7	19.6	17.4	22.5
NGL (MBBL/Day)	1.2	7.1	15.8	16.3	22.9
Gas (MMCF/Day)	8.4	40.6	103.0	118.0	149.7
Total (MBOE/Day)	10.6	30.5	52.6	53.4	70.3
Costs (\$/BOE)	2013Y	2014Y	2015Y	2016Y	2017Y
Production (LOE & Prod Tax)	13.69	11.79	9.56	8.98	10.95
G&A	12.38	5.72	3.87	5.64	5.63

RESERVES

Reserve Volumes (MMBOE)	2013Y	2014Y	2015Y	2016Y	2017Y
Starting Reserves	21.21	58.73	134.76	127.64	192.77
Changes	37.52	76.03	-7.12	65.13	169.96
Ending Reserves	58.73	134.76	127.64	192.77	362.73
Total Reserves					
Oil Reserves	52.04	99.82	88.56	123.24	234.13
Gas Reserves	6.69	34.94	39.08	69.53	128.60
Oil Percentage	89%	74%	69%	64%	65%
Reserves Metrics	2013Y	2014Y	2015Y	2016Y	2017Y
3-Yr F&D per BOE	20.86	25.60	29.95	12.43	9.28
Production Replacement	432%	273%	90%	456%	171%

DRILLING ACTIVITY

New Wells	2013Y	2014Y	2015Y	2016Y	2017Y
Exploration	3	6	8	0	0
Developed	60	82	108	64	124
Dry	--	--	--	1	1
Productive Wells	2013Y	2014Y	2015Y	2016Y	2017Y
Oil	125	190	212	139	174
Gas	0	199	293	333	687
Acres (Thousands)	2013Y	2014Y	2015Y	2016Y	2017Y
Developed	6	24	34	39	60
Undeveloped	154	271	228	285	283

RATIOS

Profitability	2013Y	2014Y	2015Y	2016Y	2017Y
Return on Assets	2.62	-0.93	-64.03	-9.99	2.27
Return on Equity	1.49	-7.70	--	--	--
Return on Capital	5.93	1.74	-68.70	-5.17	9.13
Gross Margin	38.57	80.44	14.60	43.07	39.19
EBITDA Margin	66.99	39.12	-162.44	41.23	37.52
Operating Margin	22.89	-11.21	-218.18	15.22	14.01
Profit Margin	8.80	-3.24	-235.28	-24.96	5.73
Liquidity	2013Y	2014Y	2015Y	2016Y	2017Y
Quick Ratio	0.97	1.76	2.60	2.70	0.40
Current Ratio	1.38	2.53	3.98	3.03	0.76
Cash Ratio	0.97	1.76	2.60	2.70	0.40
Total Debt/Total Capital	40.90	63.60	136.50	166.48	102.18
Cash & Equiv/Current Asset	69.93	69.48	65.26	89.18	52.58
CFO/Total Debt	0.32	0.24	0.16	0.11	0.15
Working Capital	61	413	499	377	-112
Net Debt/EBITDA	2.15	4.84	--	5.18	6.26

CREDIT

S&P	CCC	Outlook	NEG
Moody's	--	Outlook	NEG
Fitch	--	Outlook	--

MAJOR SHAREHOLDERS

Holder Name	Portfolio Name	Source	Amt Held	% Out	Latest Chg	File Dt	Inst Type	Country	Metro Area
SANCHEZ JR ANTONIO R	n/a	Form 4	4,454,803	5.09	506,231	4/17/2018	Unclassified	n/a	Unclassified
HOTCHKIS & WILEY CAP	HOTCHKIS AND WILEY	13F	4,362,747	4.99	62,492	6/30/2018	Investment Advisor	United States	Los Angeles/Pasadena
BLACKROCK	n/a	ULT-AGG	3,903,130	4.46	99,271	6/30/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
VANGUARD GROUP	n/a	ULT-AGG	3,618,832	4.14	(105,360)	6/30/2018	Investment Advisor	United States	Philadelphia
ALLIANZ SE	n/a	ULT-AGG	3,060,000	3.5	60,000	6/30/2018	Investment Advisor	Germany	Munich
BLACKSTONE GROUP LP	n/a	13G	1,955,000	2.24	-	5/24/2017	Private Equity	United States	New York City/Southern CT/Northern NJ
SANCHEZ III ANTONIO	n/a	Form 4	1,886,666	2.16	506,231	4/17/2018	Unclassified	n/a	Unclassified
JPMORGAN CHASE & CO	n/a	ULT-AGG	1,749,472	2	389,242	6/30/2018	Investment Advisor	United States	New York City/Southern CT/Northern NJ
NEW GENERATION ADVIS	NEW GENERATION ADVIS	13F	1,468,318	1.68	(255,225)	6/30/2018	Hedge Fund Manager	United States	Boston
SANCHEZ MANAGEMENT C	n/a	Form 4	1,414,666	1.62	-	4/17/2018	Corporation	United States	Dallas/Ft. Worth
STATE STREET CORP	n/a	ULT-AGG	1,406,698	1.61	(77,929)	6/30/2018	Investment Advisor	United States	Boston
PENN CAPITAL MANAGEM	PENN CAPITAL MANAGEM	13F	1,213,546	1.39	(19,000)	6/30/2018	Hedge Fund Manager	United States	Philadelphia
SANCHEZ EDUARDO A	n/a	Form 4	1,160,680	1.33	(250,337)	12/13/2017	Unclassified	n/a	Unclassified
BANK OF AMERICA CORP	BANK OF AMERICA	13F	997,180	1.14	(29,036)	6/30/2018	Bank	United States	Charlotte
NORTHERN TRUST CORPO	NORTHERN TRUST CORPO	13F	926,733	1.06	58,327	6/30/2018	Investment Advisor	United States	Chicago
SUSQUEHANNA INTERNAT	SUSQUEHANNA INTERNAT	13F	921,500	1.05	(1,308,531)	6/30/2018	Investment Advisor	United States	Philadelphia
SANCHEZ PATRICIO D	n/a	Form 4	900,879	1.03	239,914	4/17/2018	Unclassified	n/a	Unclassified
GROUP ONE TRADING LP	GROUP ONE TRADING LP	13F	832,109	0.95	677,429	6/30/2018	Investment Advisor	United States	Chicago
BRIGADE CAPITAL MANA	BRIGADE CAPITAL MANA	13F	814,378	0.93	(540,622)	6/30/2018	Hedge Fund Manager	United States	New York City/Southern CT/Northern NJ
SANCHEZ OIL & GAS CO	n/a	Form 4	799,472	0.91	-	4/17/2018	Corporation	United States	Houston

ANALYST COVERAGE & RECCOMENDATIONS

Firm Name	Analyst	Recommendation	Weighting	Δ	Target Price	Date	Date	BARR	1 Yr Rtn
RBC Capital Markets	BRAD HEFFERN	sector perform	3 M		3.5	12 month	9/13/2018	6	-31.71
Capital One Securities, Inc.	PHILLIPS JOHNSTON	underweight	1 M		1	Not Provided	9/12/2018	1	43.24
Macquarie	PAUL GRIGEL	neutral	3 M		2	12 month	9/11/2018	2	0
Stifel	MICHAEL S SCIALLA	hold	3 M		2	Not Provided	8/29/2018	2	0
Seaport Global Securities	MIKE KELLY	neutral	3 M			Not Provided	8/27/2018	4	-4.88
Piper Jaffray	KASHY HARRISON	neutral	3 M		3	Not Provided	8/27/2018	3	-0.89
J.P. Morgan	MICHAEL GLICK	underweight	1 M			Not Provided	8/24/2018		
Johnson Rice & Co	RONALD E MILLS	accumulate	4 M		4.6	Not Provided	8/15/2018	7	-43.24
BMO Capital Markets	DAN MCSPIRIT	market perform	3 M		4	Not Provided	8/10/2018	2	0
Northland Securities Inc	JEFF GRAMPP	market perform	3 M		3	12 month	8/9/2018	5	-27.72
SunTrust Robinson Humphrey	NEAL DINGMANN	hold	3 M		4	12 month	8/8/2018	2	0
EVA Dimensions	ANTHONY CAMPAGNA	overweight	5 U			Not Provided	5/30/2018		

Important disclosures: The information provided herein is believed to be reliable; however, EnerCom, Inc. makes no representation or warranty as to its completeness or accuracy. EnerCom's conclusions are based upon information gathered from sources deemed to be reliable. This note is not intended as an offer or solicitation for the purchase or sale of any security or financial instrument of any company mentioned in this note. This note was prepared for general circulation and does not provide investment recommendations specific to individual investors. All readers of the note must make their own investment decisions based upon their specific investment objectives and financial situation utilizing their own financial advisors as they deem necessary. Investors should consider a company's entire financial and operational structure in making any investment decisions. Past performance of any company discussed in this note should not be taken as an indication or guarantee of future results. EnerCom is a multi-disciplined management consulting services firm that regularly intends to seek business, or currently may be undertaking business, with companies covered on Oil & Gas 360®, and thereby seeks to receive compensation from these companies for its services. In addition, EnerCom, or its principals or employees, may have an economic interest in any of these companies. As a result, readers of EnerCom's Oil & Gas 360® should be aware that the firm may have a conflict of interest that could affect the objectivity of this note.