

Tanos Energy Announces the Acquisition of Assets From Both ConocoPhillips and Fidelity and Increased Capital Commitments to \$500 Million From Quantum Energy Partners

May 12, 2016 – TYLER, TX – Tanos Energy (“*Tanos*” or the “*Company*”), a private energy company focused on acquisitions and horizontal development in the Ark-La-Tex region, announced today that it has recently closed on the acquisition of assets located primarily in East Texas and North Louisiana from ConocoPhillips Company and Fidelity Exploration and Production Company (collectively the “*Assets*”) and has fully assumed and integrated operations. Concurrent with the closing of the acquisitions, Tanos announced that the Company has received an increased capital commitment to a total of \$500 million from Quantum Energy Partners (“*Quantum*”), a leading provider of private equity capital to the global energy industry.

The Assets, located primarily in East Texas and North Louisiana, include approximately 140,000 net acres and net production of approximately 95 MMcfe/day from approximately 1,400 operated and 2,800 non-operated wells. The acquisitions provide a large-scale position with a solid, diverse production base and horizontal and vertical development upside within the Cotton Valley, Hosston and Bossier formations. Tanos is currently high grading operations, reducing costs, and running one drilling rig and an active workover program given the strong economics of the play even in the current price environment. Tanos is well hedged over the next four years and will consider continuing to expand its development program next year based on the price environment and program results.

Tanos is led by Chief Executive Officer and President Mark Brandon (“*Brandon*”). Brandon has over 30 years of experience in the oil and gas industry and has spent the majority of his career focused in East Texas and North Louisiana. Brandon will be supported by his long standing executive and seasoned operational team. “We are excited to continue our successful partnership with Quantum which started in 2013 and continue to grow our company with these exceptional assets,” said Brandon. “The assets fit squarely within our Ark-La-Tex strategy and we believe we can create a tremendous amount of value for our shareholders as we continue to grow our asset base through ongoing development and continued acquisitions.”

“Our expanded capital commitment to Tanos underlines the confidence we have in Mark and his accomplished team executing on the Ark-La-Tex strategy,” said Garry Tanner, Managing Director of Quantum. “We believe Tanos is one of the top operators and developers in the area and are looking forward to applying this expertise to further develop and grow the business.”