DIAMONDBACK ENERGY, INC. PROVIDES REVISED 2020 GUIDANCE AND UPDATED HEDGE POSITIONS

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MIDLAND, Texas, March 31, 2020 (GLOBE NEWSWIRE) -- Diamondback Energy, Inc. (NASDAQ: FANG) ("Diamondback" or the "Company") today provided revised full year 2020 guidance and updated hedge positions.

REVISED 2020 GUIDANCE HIGHLIGHTS

- Full year revised 2020 production guidance of 295.0 - 310.0 MBOE/d
- Full year revised 2020 oil production guidance of 183.0 - 193.0 MBO/d
- Q4 2020 exit rate production guidance of 170.0 – 180.0 MBO/d (275.0 – 290.0 MBOE/d)
- Full year 2020 CAPEX guidance of $1.5 - $1.9 billion, including drill, complete and equip ("D,C&E") spend of $1.31 - $1.63 billion, $100 - $150 million of midstream capital and $90 - $120 million of infrastructure capital
- The Company plans to exit the third quarter of 2020 operating eight drilling rigs, and exit 2020 operating seven drilling rigs, and will cut further should conditions warrant
- After returning from a one to three month frac holiday, the Company plans to operate between three and five completion crews, and complete between 170 - 200 gross (153 – 180 net) wells with an average lateral length of approximately 10,000 feet in 2020
- Diamondback believes it can maintain Q4 2020 exit rate oil production through 2021 with a four to five completion crew cadence, six to eight operated drilling rigs and a capital budget 20% - 30% less than 2020's $1.5 - $1.9 billion capital budget

"Diamondback's revised 2020 capital budget and operating plan reflects the swift changes we have made in short order as our industry deals with a market that is changing daily due to an unprecedented global demand shock. Size, scale and cost structure are paramount in this market, and Diamondback's cost structure is built to withstand commodity price shocks. Almost all of our anticipated 2020 production is now hedged and we have built downside protection in 2021 to prepare for lower for longer oil prices," stated Travis Stice, Chief Executive Officer of Diamondback.

Mr. Stice continued "A majority of our oil production will flow through the Epic and Gray Oak pipelines beginning in April, where we have both firm transportation on each respective pipeline and associated long-term firm sales contracts tied to the length of our firm transportation commitments. The majority of our remaining oil production, which is currently exposed to the Midland market, is protected in the form of basis hedges. In addition, less than 10% of our current oil production receives West Texas Light pricing. The combination of firm transportation, long-term firm sales agreements, pipeline equity ownership, and financial protection via hedges provide a solid foundation for Diamondback through these uncertain times."

REVISED FULL YEAR 2020 GUIDANCE

	Revised 2020 Guidance
Total net production – MBOE/d	295.0 - 310.0
Oil production – MBO/d	183.0 - 193.0
Unit costs ($/BOE)	
Lease operating expenses, including workovers	$4.40 - $4.80
G&A	
Cash G&A	$0.60 - $0.90
Non-cash equity-based compensation	$0.40 - $0.65
D,D&A	$13.00 - $15.00
Interest expense (net of interest income)	$1.25 - $1.75
Gathering and transportation	$0.80 - $1.00 (Q1 $1.20 - $1.40)
Production and ad valorem taxes (% of revenue)[(a)]	7%
Gross horizontal D,C&E/Ft. - Midland Basin	$600 - $670

Gross horizontal D,C&E/Ft. - Delaware Basin	$930 - $1,030
Gross horizontal wells completed (net)	170 - 200 (153 - 180)
Average lateral length (Ft.)	~10,000'
Midland Basin net lateral feet (%)	~60%
Delaware Basin net lateral feet (%)	~40%
Capital Budget ($ - million)	
Horizontal drilling and completion	$1,310 - $1,630
Midstream (ex. long-haul pipeline investments)	$100 - $150
Infrastructure	$90 - $120
2020 Capital Spend	**$1,500 - $1,900**

(a) Includes production taxes of 4.6% for crude oil and 7.5% for natural gas and NGLs and ad valorem taxes.

DERIVATIVES UPDATE

The Company now has a total of 178.8 thousand barrels per day protected in 2020, with 98% of those hedges having unlimited downside protection as a swap, put or collar. The Company has an average of 83.5 thousand barrels per day of hedge protection in 2021 through a combination of collars and swaps. These hedge positions are consolidated to include hedges in place at Viper Energy Partners LP ("Viper").

As of March 30, 2020, the Company had the following outstanding consolidated derivative contracts, including derivative contracts at Viper. The Company has restructured a significant number of its 2020 contracts, increased hedge protection to cover almost all of its expected 2020 production, and built a position to protect 2021 cash flow. The Company's derivative contracts are based upon reported settlement prices on commodity exchanges, with crude oil derivative settlements based on New York Mercantile Exchange West Texas Intermediate pricing and Crude Oil Brent and with natural gas derivative settlements based on the New York Mercantile Exchange Henry Hub pricing. When aggregating multiple contracts, the weighted average contract price is disclosed.

	Crude Oil (Bbls/day, $/Bbl)				
	Q2 2020	**Q3 2020**	**Q4 2020**	**1H 2021**	**2H 2021**
Swaps - WTI (Cushing)	15,000	11,000	11,000	—	—
	$ 46.77	$ 43.47	$ 43.47	$ —	$ —
Swaps - WTI (Magellan East Houston)[1]	14,000	14,000	14,000	5,000	5,000
	$ 56.98	$ 56.98	$ 56.98	$ 37.78	$ 37.78
Swaps - Crude Brent Oil[2]	30,200	24,200	24,200	16,000	5,000
	$ 50.27	$ 47.62	$ 47.62	$ 43.79	$ 41.62
Puts - WTI (Cushing)	4,700	4,700	4,700	—	—
	$ 46.51	$ 46.51	$ 46.51	$ —	$ —
Costless Collars - WTI (Cushing)	51,029	51,029	51,029	10,000	10,000
Long Put Price ($/Bbl)	$ 35.56	$ 35.56	$ 35.56	$ 30.00	$ 30.00
Ceiling Price ($/Bbl)	$ 41.54	$ 41.54	$ 41.54	$ 43.05	$ 43.05
Costless Collars - WTI (Magellan East Houston)	4,000	4,000	4,000	—	—
Long Put Price ($/Bbl)	$ 39.00	$ 39.00	$ 39.00	$ —	$ —
Ceiling Price ($/Bbl)	$ 49.00	$ 49.00	$ 49.00	$ —	$ —
Costless Collars - Crude Brent Oil	62,710	62,710	62,710	58,000	58,000
Long Put Price ($/Bbl)	$ 37.74	$ 37.74	$ 37.74	$ 39.52	$ 39.52
Ceiling Price ($/Bbl)	$ 45.87	$ 45.87	$ 45.87	$ 48.26	$ 48.26
Costless Put Spreads - WTI (Magellan East Houston)	3,800	3,800	3,800	—	—
Short Put Price ($/Bbl)	$ 25.00	$ 25.00	$ 25.00	$ —	$ —
Long Put Price ($/Bbl)	$ 50.00	$ 50.00	$ 50.00	$ —	$ —
Midland-Cushing Basis Swaps - WTI	45,538	45,087	45,087	—	—
	$ (1.57)	$ (1.57)	$ (1.57)	$ —	$ —
Roll Swaps - WTI	20,000	20,000	20,000	—	—
	$ 0.44	$ 0.44	$ 0.44	$ —	$ —

(1) Includes 10,000 Bo/d of swaps whereby the Company receives $55.00/Bbl when the settlement price is above $40/Bbl and settlement price plus $15/Bbl if below $40/Bbl
(2) Includes of 11,000 of swaps in the first half of 2021 whereby the counterparty has the right to extend the hedge into the second half of 2021 at an average price of $44.77/Bbl

	Natural Gas (Mmbtu/day, $/Mmbtu)				
	Q2 2020	**Q3 2020**	**Q4 2020**	**1H 2021**	**2H 2021**
Natural Gas Swaps - Henry Hub	30,000	30,000	30,000	30,000	30,000
	$ 2.55	$ 2.55	$ 2.55	$ 2.46	$ 2.46
Natural Gas Swaps - Waha Hub	80,000	90,000	90,000	—	—

	$ 1.68	$ 1.58	$ 1.58	$ —	$ —
Natural Gas Basis Swaps - Waha Hub	145,000	145,000	145,000	170,000	170,000
	$ (1.57)	$ (1.57)	$ (1.57)	$ (0.71)	$ (0.71)

About Diamondback Energy, Inc.

Diamondback is an independent oil and natural gas company headquartered in Midland, Texas focused on the acquisition, development, exploration and exploitation of unconventional, onshore oil and natural gas reserves in the Permian Basin in West Texas. For more information, please visit www.diamondbackenergy.com.

Forward Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than historical facts, that address activities that Diamondback assumes, plans, expects, believes, intends or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements are based on management's current beliefs, based on currently available information, as to the outcome and timing of future events, including proposed sales of assets, future dividends, production, drilling and capital expenditure plans and effects of hedging arrangements. These forward-looking statements involve certain risks and uncertainties that could cause the results to differ materially from those expected by the management of Diamondback. Information concerning these risks and other factors can be found in Diamondback's filings with the Securities and Exchange Commission, including its Forms 10-K, 10-Q and 8-K, which can be obtained free of charge on the Securities and Exchange Commission's web site at http://www.sec.gov. Diamondback undertakes no obligation to update or revise any forward-looking statement.

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