CALIFORNIA RESOURCES CORPORATION

THIRD QUARTER 2016
EARNINGS REVIEW

THIRD QUARTER SPOTLIGHT

"In the third quarter, **we began to ramp up our field activities, while continuing to keep our investments within our cash flow.** Importantly, our teams safely re-initiated our capital investment programs while maintaining our cost reductions and drilling efficiencies. We anticipate our increased drilling activity in the remainder of 2016 and 2017 has the potential to position CRC for an inflection point in our business.

Our debt position was reduced by a net $625 million in the third quarter as a result of our tender for our unsecured bonds. This brings our total debt reduction to approximately $1.5 billion from peak levels after the spin. Based on the improving price outlook, we are building multi-year planning scenarios to develop our extensive inventory, supported by our low-decline base production, that we believe can further improve our leverage metrics organically. We continually evaluate options for additional deleveraging in this dynamic market to reach our target leverage goals."

- Todd A. Stevens, President and CEO

Stabilizing Oil Prices in 3Q

Reduced Costs Year over Year

Reduced Debt

$88MM
OF FREE CASH FLOW AFTER WORKING CAPITAL* IN 3Q 2016

CRC generated **positive free cash flow*** due to its **commitment to its core financial tenets:** living within cash flow, protecting its base production and enhancing its margins.

*For a reconciliation of these non-GAAP numbers refer to our third quarter earnings release.

RESILIENT BASE PRODUCTION

CALIFORNIA RESOURCES CORPORATION

CRC maintained
90,000BBL/DAY
of oil production

with only
$19MM
in total capital

=5,000BBL

CRC's decline rate is significantly below the industry median.

ENHANCING MARGINS

CALIFORNIA RESOURCES CORPORATION

3Q YTD Production Costs
DOWN 20%
Year over Year
(on an absolute dollar basis)

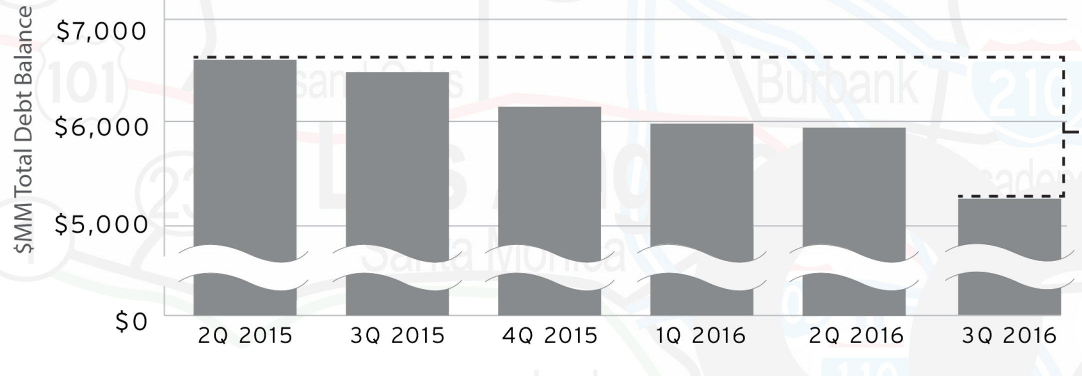
3Q YTD Adjusted General and Administrative Costs*
DOWN 23%
Year over Year
(on an absolute dollar basis)

*For a reconciliation of these non-GAAP numbers refer to our third quarter earnings release.

STRENGTHENING THE BALANCE SHEET

CALIFORNIA RESOURCES CORPORATION

TOTAL DEBT



DOWN $1.5B
from post-spin peak

For more information, please see CRC's Third Quarter Earnings Release

This infographic includes financial measures that are not in accordance with United States generally accepted accounting principles ("GAAP"), including free cash flow after working capital and Adjusted General and Administrative Costs. While management believes that such measures are useful for investors, they should not be used as a replacement for financial measures that are in accordance with GAAP. For a reconciliation of Adjusted General and Administrative Costs and free cash flow after working capital to the nearest comparable measure in accordance with GAAP, please refer to our third quarter 2016 earnings release issued on November 3, 2016.