CALIFORNIA RESOURCES CORPORATION

VALUE-DRIVEN

First Quarter 2019 Earnings Review
May 2, 2019

Todd Stevens | President & CEO

Mark Smith | Senior EVP & CFO

Forward Looking / Cautionary Statements – Certain Terms

This presentation contains forward-looking statements that involve risks and uncertainties that could materially affect our expected results of operations, liquidity, cash flows and business prospects. Such statements include those regarding our expectations as to our future:

- financial position, liquidity, cash flows and results of operations
- business prospects
- transactions and projects
- operating costs
- Value Creation Index (VCI) metrics, which are based on certain estimates including future production rates, costs and commodity prices
- operations and operational results including production, hedging and capital investment
- budgets and maintenance capital requirements
- reserves
- type curves
- expected synergies from acquisitions and joint ventures

Actual results may differ from anticipated results, sometimes materially, and reported results should not be considered an indication of future performance. While we believe assumptions or bases underlying our expectations are reasonable and make them in good faith, they almost always vary from actual results, sometimes materially. We also believe third-party statements we cite are accurate but have not independently verified them and do not warrant their accuracy or completeness. Factors (but not necessarily all the factors) that could cause results to differ include:

- commodity price changes
- debt limitations on our financial flexibility
- insufficient cash flow to fund planned investments, debt repurchases or changes to our capital plan
- inability to enter desirable transactions, including acquisitions, asset sales and joint ventures
- legislative or regulatory changes, including those related to drilling, completion, well stimulation, operation, maintenance or abandonment of wells or facilities, managing energy, water, land, greenhouse gases or other emissions, protection of health, safety and the environment, or transportation, marketing and sale of our products
- joint ventures and acquisitions and our ability to achieve expected synergies
- the recoverability of resources and unexpected geologic conditions
- incorrect estimates of reserves and related future cash flows and the inability to replace reserves
- changes in business strategy
- PSC effects on production and unit production costs
- effect of stock price on costs associated with incentive compensation
- insufficient capital, including as a result of lender restrictions, unavailability of capital markets or inability to attract potential investors
- effects of hedging transactions
- equipment, service or labor price inflation or unavailability
- availability or timing of, or conditions imposed on, permits and approvals
- lower-than-expected production, reserves or resources from development projects, joint ventures or acquisitions, or higher-than-expected decline rates
- disruptions due to accidents, mechanical failures, transportation or storage constraints, natural disasters, labor difficulties, cyber attacks or other catastrophic events
- factors discussed in “Risk Factors” in our Annual Report on Form 10-K available on our website at crc.com.

Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "goal," "intend," "likely," "may," "might," "plan," "potential," "project," "seek," "should," "target, "will" or "would" and similar words that reflect the prospective nature of events or outcomes typically identify forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made and we undertake no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon resource quantities, PV-10 and standardized measure, finding and development (F&D) costs, recycle ratio calculations, reserve replacement ratios, Value Creation Index (VCI), debt adjusted shares calculation, drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.

Key Highlights

1st Quarter 2019

60 Total Wells Drilled[1]
Includes 42 CRC wells

133 Mboe/d
63% Oil

$138 Million[2]
$104 million internally funded

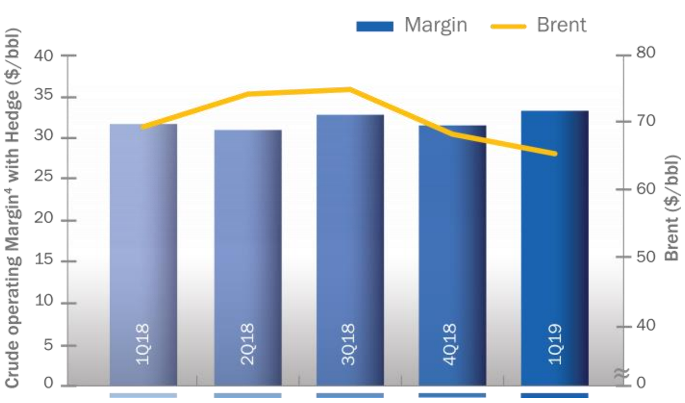
$301 Million
$1,168 million LTM

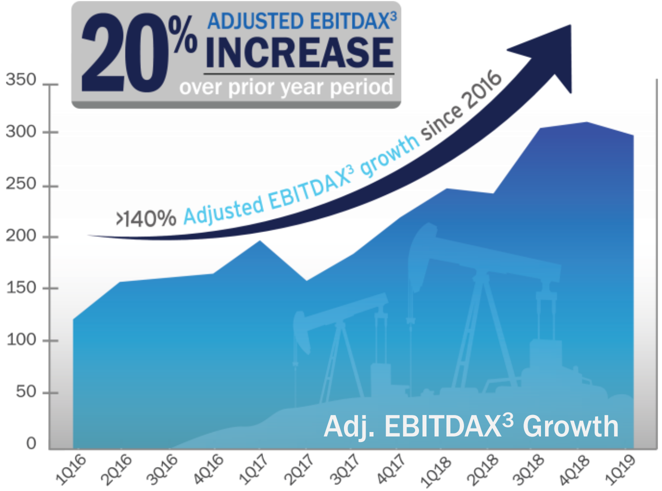
OPERATING MARGIN[4] INCREASED 7% q/q

Shift to put/put-spread hedging program in 2019 provided increased operating margin[4] in the first quarter despite lower commodity prices.

[1] Includes all wells drilled by CRC, including JV wells.
[2] Includes BSP and MIRA capital.
[3] See the Investor Relations page at www.crc.com for historical reconciliations to the closest GAAP measure and other important information.
[4] Calculated as oil and gas revenue, including settled hedges, on a per BOE basis, less production costs per BOE, excluding the effect of PSC-type contracts.

Operating Margin[4] Growth





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CRC's Value-Driven Strategic Approach

Capture Value of Portfolio

- Pursue value-driven production growth
- Delineate future growth areas
- Enhance already substantial inventory
- Pursue strategic joint ventures

Ensure Effective Capital Allocation

- Utilize VCI-based decision-making
- Optimize core operating area investment
- Enhance targeted growth area investment
- Pursue impactful capital workovers

Drive Operational Excellence

- Streamline processes
- Apply technology
- Leverage sizeable infrastructure
- Drive strategic consolidation
- Employ new thinking and approaches

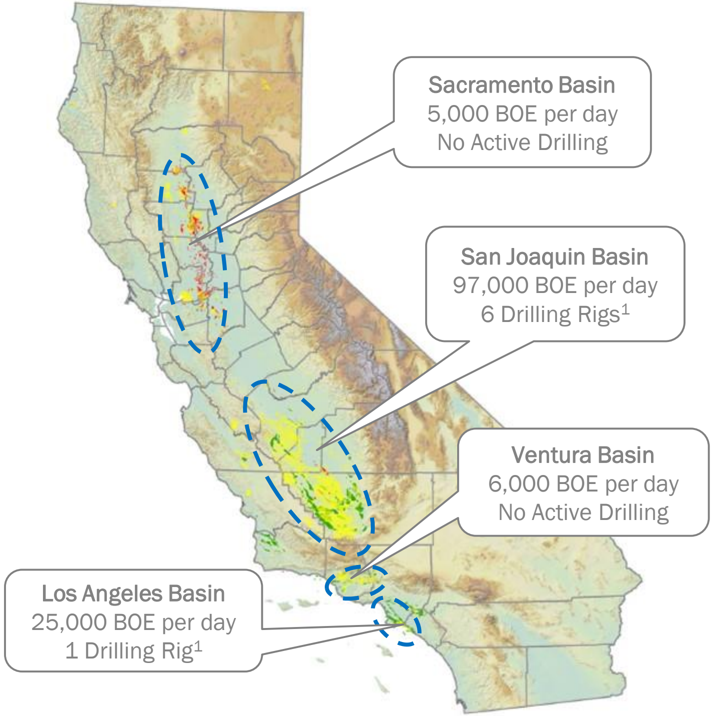
Strengthen Balance Sheet

- Reinvest to grow cash flow
- Simplify capital structure
- Enhance credit metrics
- Pursue value-accretive M&A
- Reduce absolute level of debt

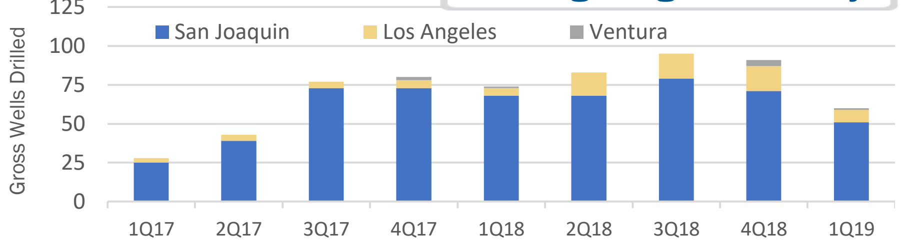
Proven and pressure-tested strategic approach preserved value through the downturn and is set to drive significant value creation for years to come

Development Results Driving Growth

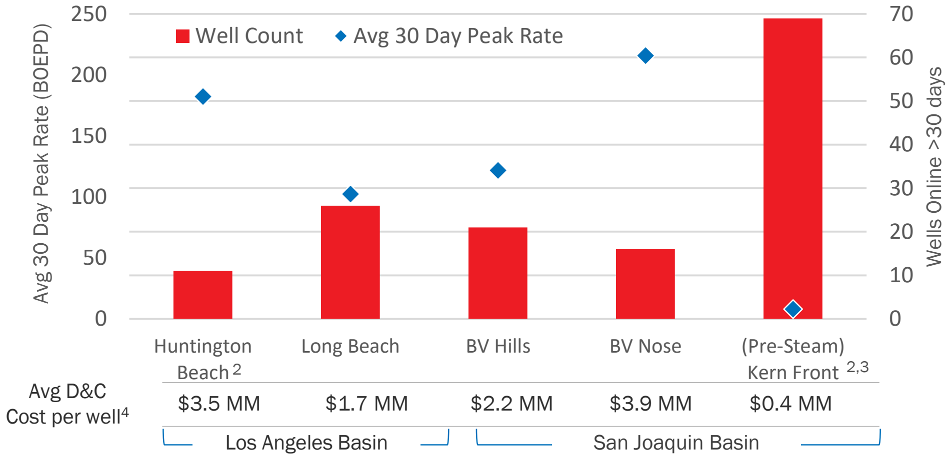
Q1 2019 Operations Results



Drilling Program History



FY 2018 Results of Major Drilling Programs



[1] Average CRC operated drilling rigs per quarter. [2] Includes JV wells. [3] Kern Front wells are steam flood wells which have low IPs and then ramp up over a period of 12-24 months.
[4] Year to date drilling costs may not be comparable to prior periods due to variances in project mix, well depth, horizontal length and other aspects.

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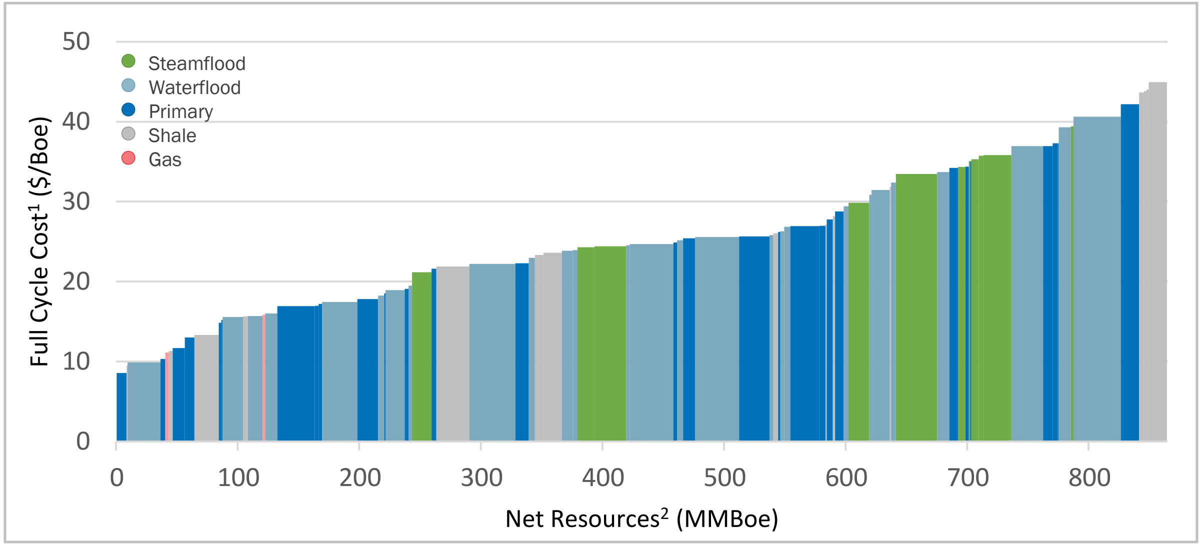
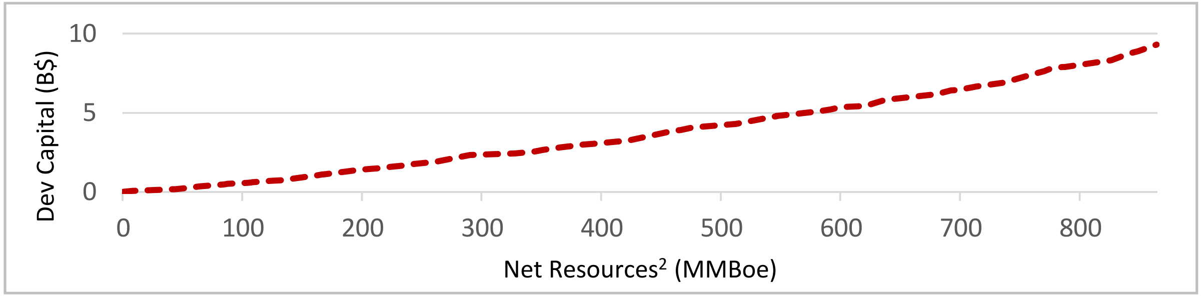
Unlocking Value with a Deep Inventory of Actionable Projects at $65 Brent

- **Fully burdened**, growth-focused portfolio
- Achieve a VCI of **1.3 or greater** at $65 Brent and $3.00 NYMEX
- Deliver **robust cash flow**
- Reflects all **recovery mechanisms** and **reserves types**
- Leverage existing infrastructure, while opportunistically **targeting new infrastructure investment**

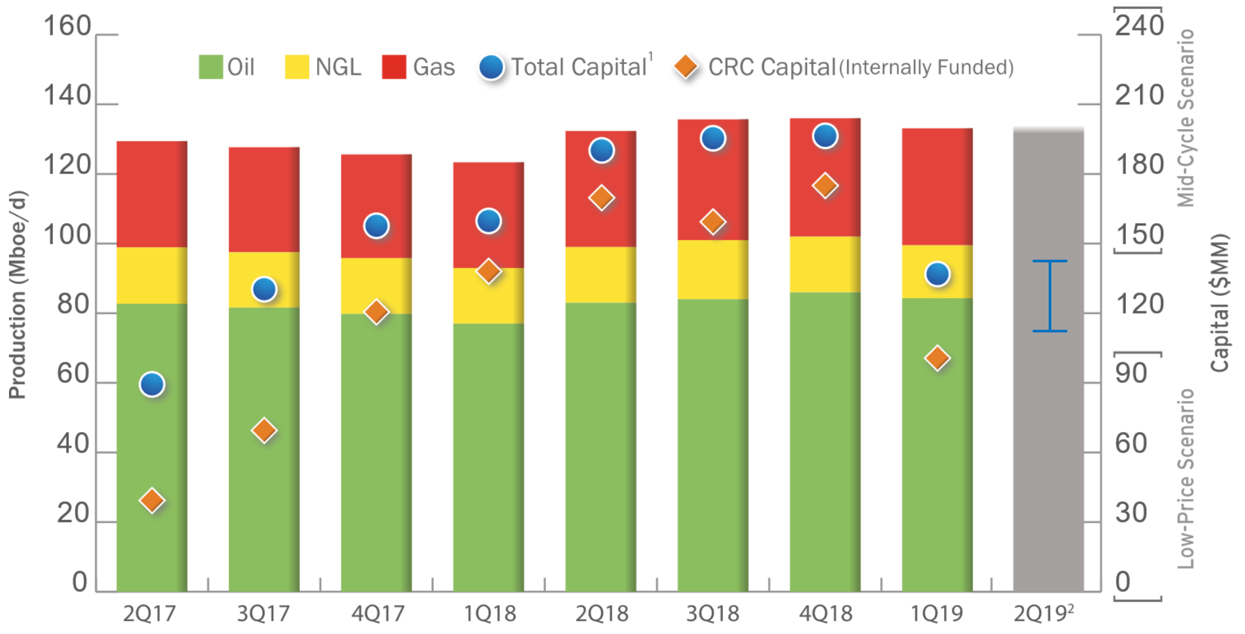
[1] Full cycle costs = operating costs + development costs + facility costs + field-level G&A + taxes other than on income.
[2] See the Investor Relations page at www.crc.com for details regarding 3P resources and other hydrocarbon resource quantities.





JVs Provide Additional Capital Flexibility

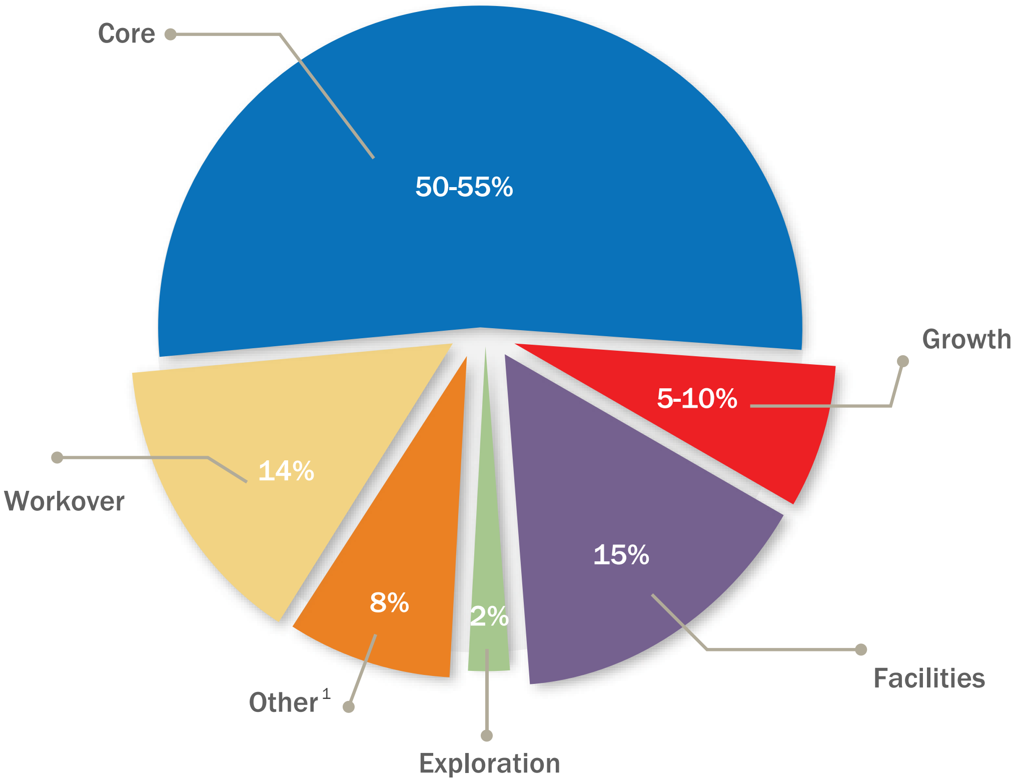
Net Production By Stream (Mboe/d)



[1]Total Capital reflected in the graph includes the capital investment of internal CRC capital as well as JV partners BSP and MIRA. Our consolidated financial statements include BSP's investment and exclude MIRA's investment based on the accounting treatment of each venture.

[2]2Q19 capital guidance includes CRC, BSP and MIRA capital.

Disciplined Capital Plan Leverages Project Portfolio



2019 Internally Funded Capital Program $300 to $385 Million

Expect to Align with **Discretionary Cash Flow**

Potential JV Capital $100 to $150 Million
to invest in Core and Growth properties

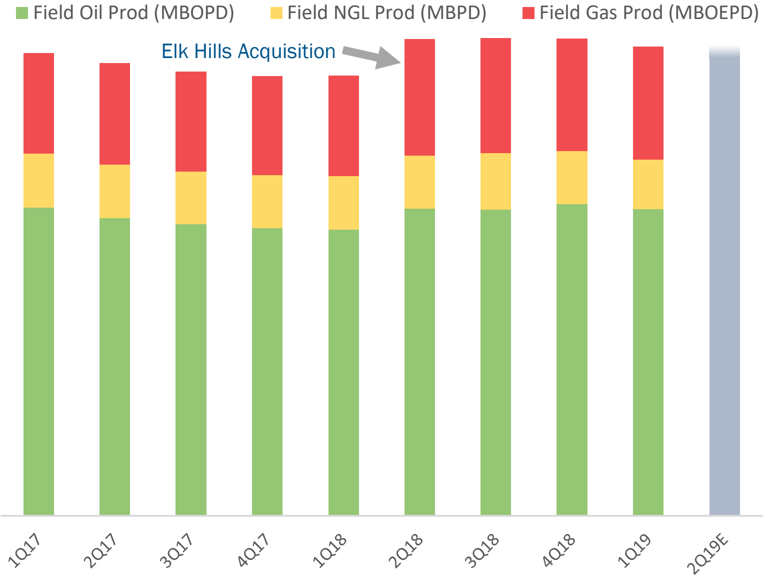
Core Program

Buena Vista | Elk Hills | Long Beach
Kern Front | Mount Poso

[1]Other includes corporate, maintenance and occupational health, safety and environmental projects, seismic and other investments.

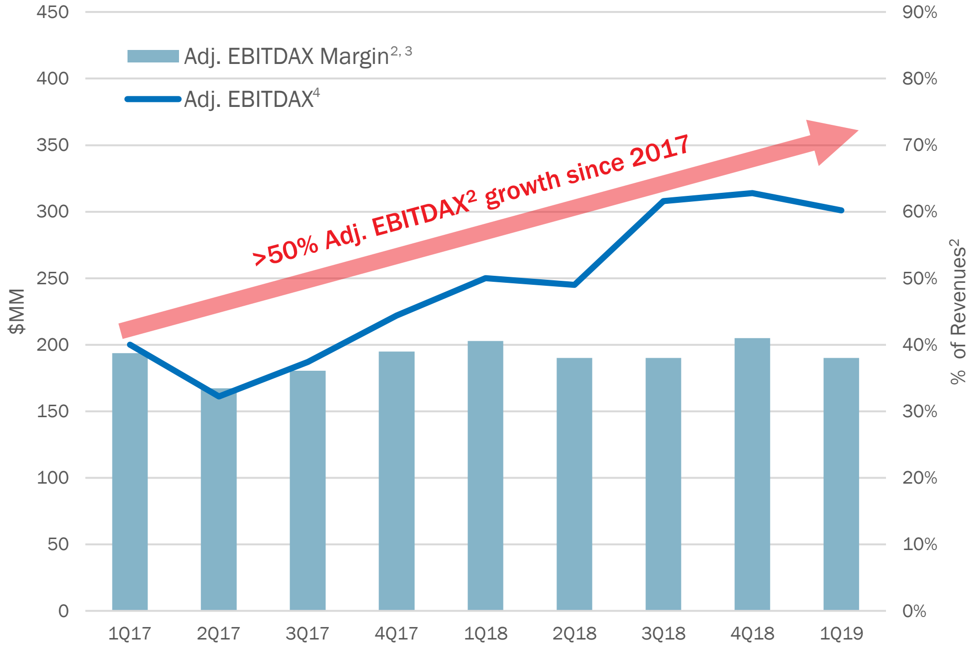
Production Delivers Growth with Expanding Adjusted EBITDAX Margins

Field Production[1]



Increasing oil production and Adjusted EBITDAX

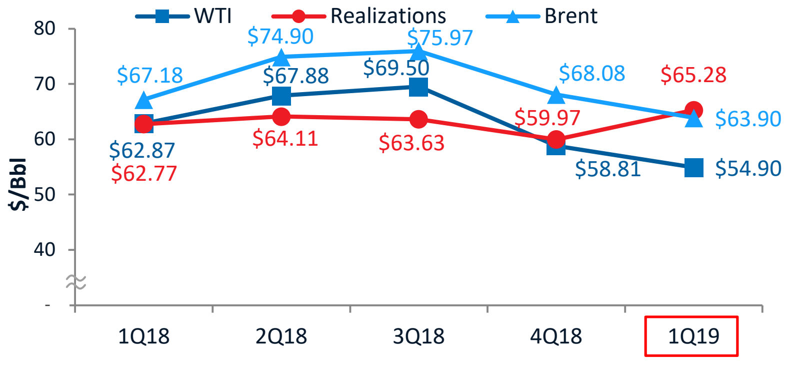
Adjusted EBITDAX



[1] Field Production includes gross production from the Wilmington field, which is subject to PSCs, and net production from all other assets.
[2] See Attachment 3 of the Earnings Release for the calculation of Adj. EBITDAX Margin and Revenues, which excludes non-cash derivatives gains and losses.
[3] Results for reporting periods beginning after January 1, 2018 are presented under the new revenue recognition accounting standard while prior periods are not adjusted and continue to be reported under accounting standards in effect for the applicable period.
[4] See the Investor Relations page at www.crc.com for a reconciliation of Adjusted EBITDAX to the closest GAAP measure and other important information.

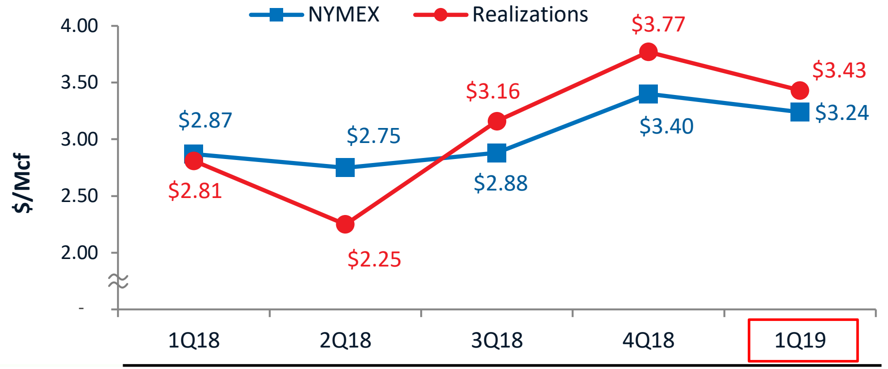
CRC Price Realizations

Oil Price Realization (with Hedges)



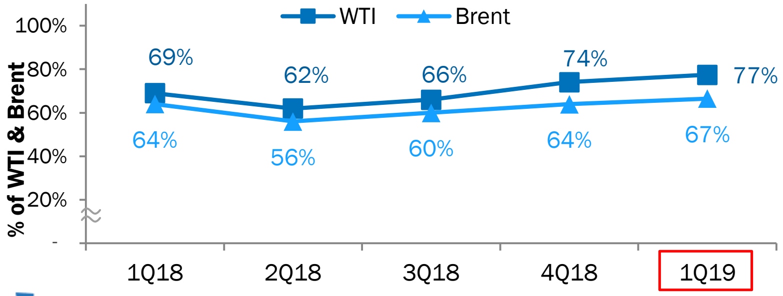
	1Q18	2Q18	3Q18	4Q18	1Q19
Realization % of WTI	**100%**	**94%**	**92%**	**102%**	**119%**

Gas Price Realization



	1Q18	2Q18	3Q18	4Q18	1Q19
Realization % of NYMEX	**98%**	**82%**	**110%**	**111%**	**106%**

NGL Price Realization - % of WTI & Brent



- California refinery demand for native crude continues to be strong and reduction in heavy waterborne crude has positively influenced differentials.
- Natural gas prices impacted by peak demand and seasonality.
- NGL prices have been supported by lower inventories and export markets.

CRC believes near-term crude oil realizations will remain strong

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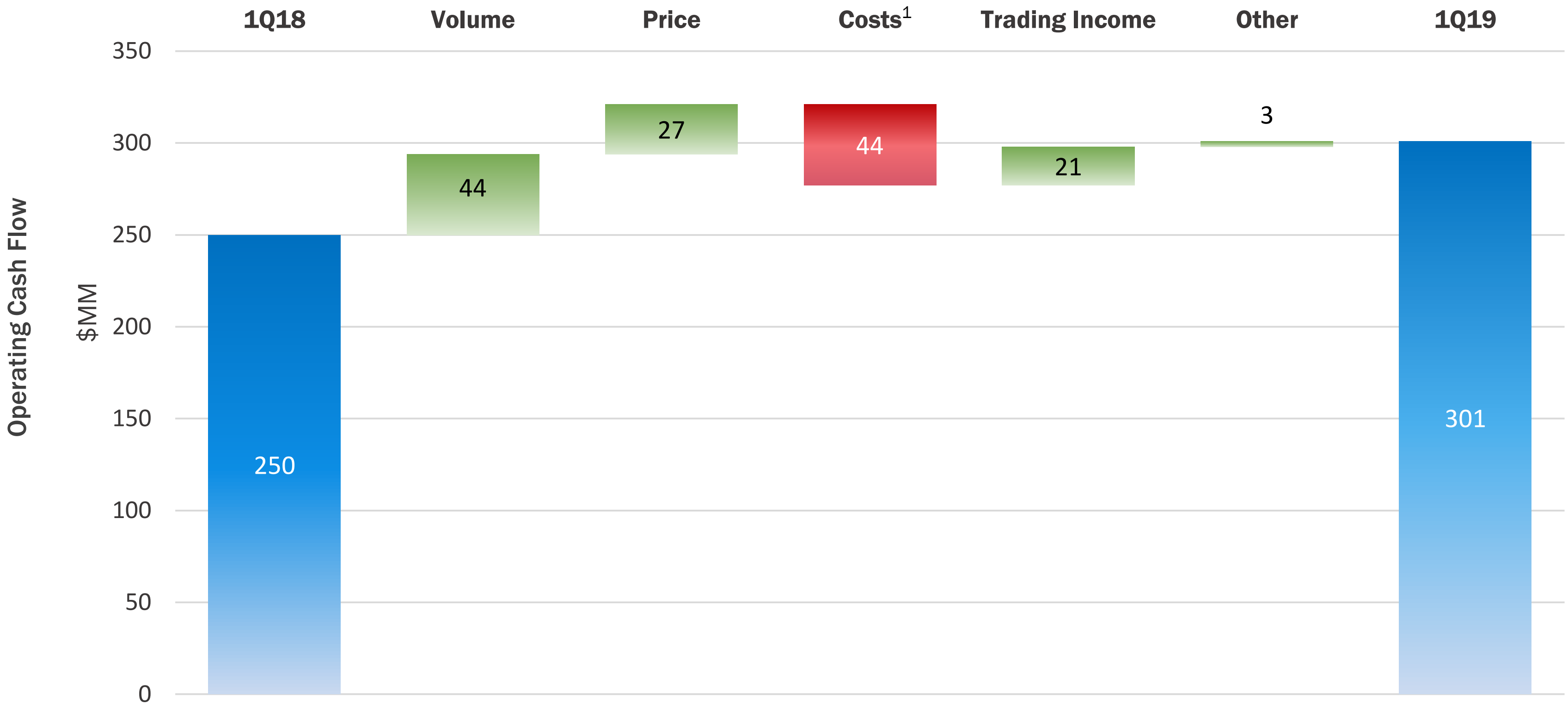
Strong Adjusted EBITDAX Growth

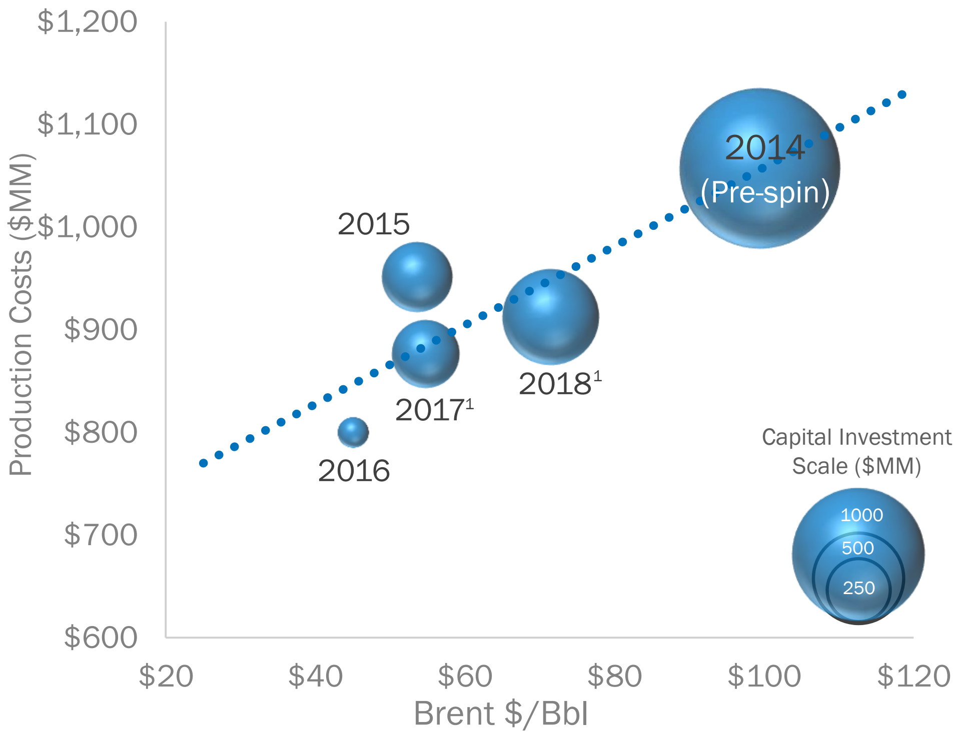


[1] Costs includes changes in operating expenses, general and administrative expenses, and taxes.

Demonstrated Experience Controlling Production Costs Through Price Cycle

- **Capital investment scales** with commodity price changes
- **Flexible operations** and **shallow base decline** allow for quick response to commodity price changes while **preserving value**
- Proven we can **consistently control production costs** through **any price cycle**
- Production costs have been **as low as approximately \$15/boe since CRC's inception**

Annual Production Costs & Capital Investment[1]



[1]Includes JV Capital.

First Quarter 2019 Results Summary Comparison

	1Q18	4Q18	1Q19
Net Income (Loss) Attributable to Common Stock per Share – Diluted	$(0.05)	$7.00	$(1.38)
Adjusted Net Income[1] per Share – Diluted	$0.18	$0.53	$0.63
Oil Production	77 MBbl/d	86 MBbl/d	84 MBbl/d
Total Production	123 MBoe/d	136 MBoe/d	133 MBoe/d
Realized Oil Price w/ Hedge ($/Bbl)	$62.77	$59.97	$65.28
Realized NGL Price ($/Bbl)	$43.13	$43.56	$42.52
Realized Natural Gas Price ($/Mcf)	$2.81	$3.77	$3.43
Net Income (Loss) Attributable to Common Stock	$(2) MM	$346 MM	$(67) MM
Adjusted EBITDAX[1]	$250 MM	$314 MM	$301 MM
Internally Funded Capital Investments	$139 MM	$174 MM	$104 MM
Cash Flow Provided by Operations	$200 MM	$68 MM	$158 MM

[1]See the Investor Relations page at www.crc.com for a reconciliation to the closest GAAP measure and other important information.

Quarterly Cost Comparison

	1Q18	4Q18	1Q19
Production costs ($/Boe)	$19.08	$18.61	$19.46
Production costs excluding PSC effects ($/Boe)	$17.47	$17.44	$18.01
Taxes other than on income ($MM)	$38	$29	$41
Exploration expense ($MM)	$8	$16	$10
Interest expense ($MM)	$92	$98	$100

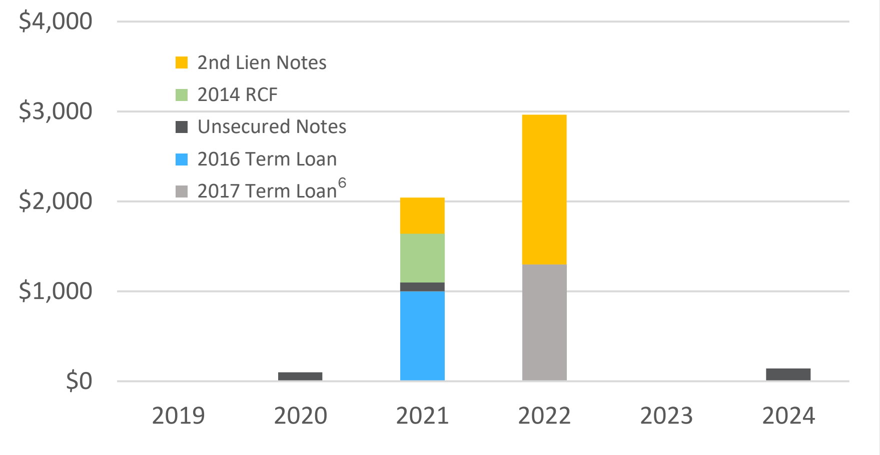
Recent Transactions - Improving Debt Metrics

Capitalization ($MM)

	3/31/2019
1st Lien 2014 Revolving Credit Facility (RCF)	$ 576
1st Lien 2017 Term Loan	1,300
1st Lien 2016 Term Loan	1,000
2nd Lien Notes	2,049
Senior Unsecured Notes	344
Total Debt	5,269
Less cash	(17)[1]
Total Net Debt	5,252
Mezzanine Equity	766
Equity	(289)[2]
Total Net Capitalization	$ 5,729

Total Debt / Total Net Capitalization	92%
Total Debt / LTM Adjusted EBITDAX[3]	4.5x
Total Debt / 1Q19 Annualized Adjusted EBITDAX[4]	4.3x
LTM Adjusted EBITDAX[3] / LTM Interest Expense	3.0x
PV-10[5] / Total Debt	1.8x
Total Debt / Proved Reserves[5] ($/Boe)	$7.40
Total Debt / Proved Developed Reserves[5] ($/Boe)	$9.94
Total Debt / 1Q19 Production ($/Boepd)	$39,617

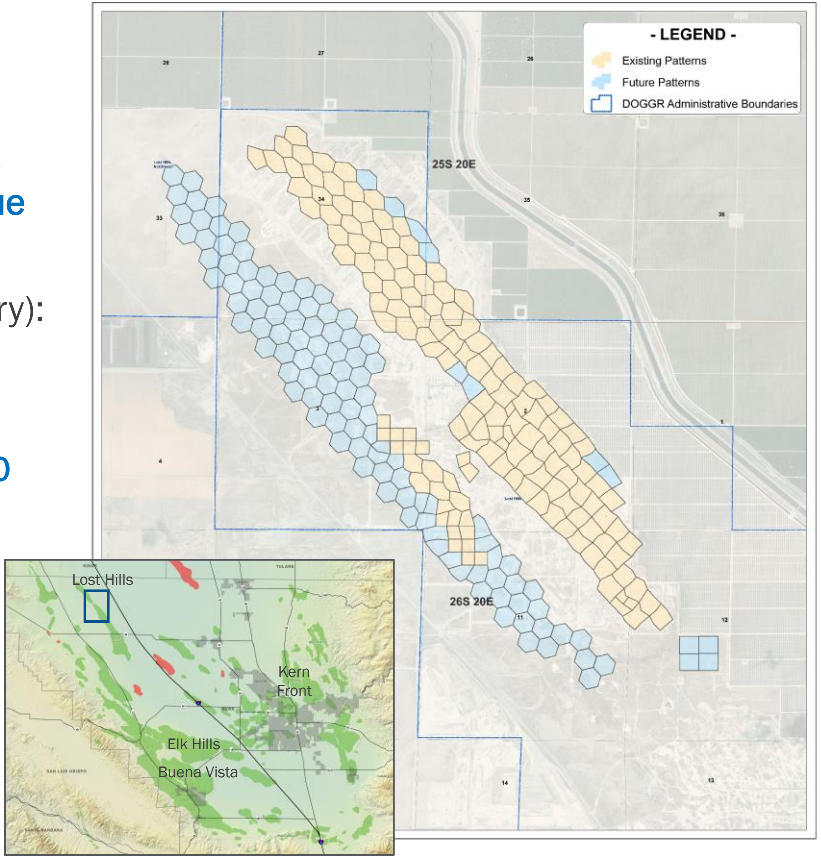
Debt Maturities ($MM)



[1] Excludes $26 MM of restricted cash.
[2] Includes $137 million of noncontrolling interest for BSP and Ares.
[3] See the Investor Relations page at www.crc.com for historical reconciliations to the closest GAAP measure and other important information.
[4] 1Q19 Annualized EBITDAX reflects realized oil price including the effect of hedges of $65.28/bbl Brent.
[5] Proved Reserves and PV-10 estimates are as of 12/31/18 and based on SEC18 prices of $71.75 Brent / $3.10 NYMEX. See the Investor Relations page at www.crc.com for details on how PV-10 is calculated.
[6] The 2017 Term Loan remains subject to a springing maturity in October 2021 related to the outstanding balance of the 2016 Term Loan.

Lost Hills Field – 50% Operated Working Interest Sale + Joint Venture

- Completed a sale of operatorship and a 50% working interest in certain zones in the Lost Hills field
- Over **$200 MM in total consideration** consisting of **$168 MM in cash** + drilling carry with estimated **minimum value of $35 MM**
- Implied transaction metrics (assuming minimum carry):
  - ~$88,000 per flowing barrel
- Other transaction highlights:
  - **Partner will carry CRC on 100% of the investment in 200 new wells**
  - Operatorship is transferred to buyer
  - **CRC retains rights to deep formations**
  - Closed May 1, 2019
- Lost Hills is a heavy oil field in the northwestern San Joaquin basin



Second Quarter 2019 Guidance

Anticipated Realizations Against the Prevailing Index Prices for 2Q19			
Oil	95%	to	100% of Brent
NGLs	41%	to	46% of Brent
Natural Gas	85%	to	95% of NYMEX
Production, Capital and Income Statement Guidance			
Production[1]	127	to	133 Mboe/d
Capital[2]	$115	to	$145 million
Production Costs[1]	$17.75	to	$19.25 per Boe
Adjusted G&A[1]	$6.55	to	$6.95 per Boe
DD&A[1]	$10.15	to	$10.45 per Boe
Taxes other than on income	$36	to	$40 million
Exploration expense	$9	to	$14 million
Interest expense	$96	to	$101 million
Cash interest	$151	to	$156 million
Income tax expense rate	--	to	--
Cash tax rate	--	to	--

[1]Based on average Q2 2019 Brent price of $68 per barrel. [2]Capital guidance includes CRC, BSP, and MIRA capital. For further detail on our Q2 2019 guidance, please see our latest Earnings Release.

Opportunistically Built Oil Hedge Portfolio

Strategy

Protect cash flow, operating margins and capital investment program

Hedge program continues to target hedges on 50% of crude oil production and provides more upside exposure to commodity price movement

		2Q19	3Q19	4Q19	1Q20	2Q20
Sold Calls	Barrels per Day	5,000	-	-	-	-
	Weighted Average Ceiling Price per Barrel	$68.45	-	-	-	-
Purchased Calls	Barrels per Day	-	-	-	-	-
	Weighted Average Ceiling Price per Barrel	-	-	-	-	-
Purchased Puts	Barrels per Day	40,000	40,000	35,000	20,000	10,000
	Weighted Average Floor Price per Barrel	$69.75	$73.13	$75.71	$72.50	$70.00
Sold Puts	Barrels per Day	35,000	40,000	35,000	20,000	10,000
	Weighted Average Floor Price per Barrel	$55.71	$57.50	$60.00	$57.50	$55.00
Swaps	Barrels per Day	-	-	-	5,000	5,000
	Weighted Average Price per Barrel	-	-	-	$70.29	$70.05
Percentage of 1Q19 Oil Production Hedged Against Downside		**48%**	**48%**	**42%**	**30%**	**18%**

The BSP JV entered into crude oil derivatives that are included in our consolidated results but not in the above table. For further information please see Attachment 7 of our Earnings Release.

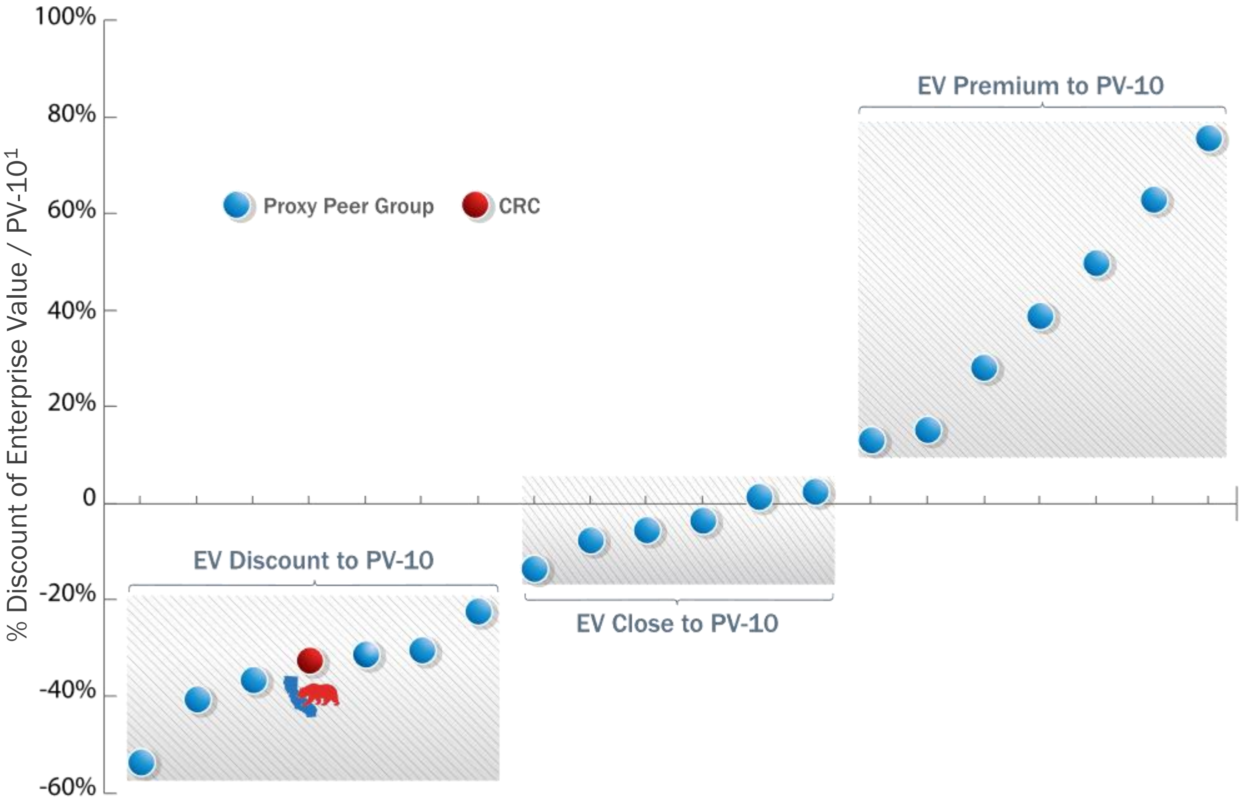
CRC Significantly Undervalued

EV Undervalued

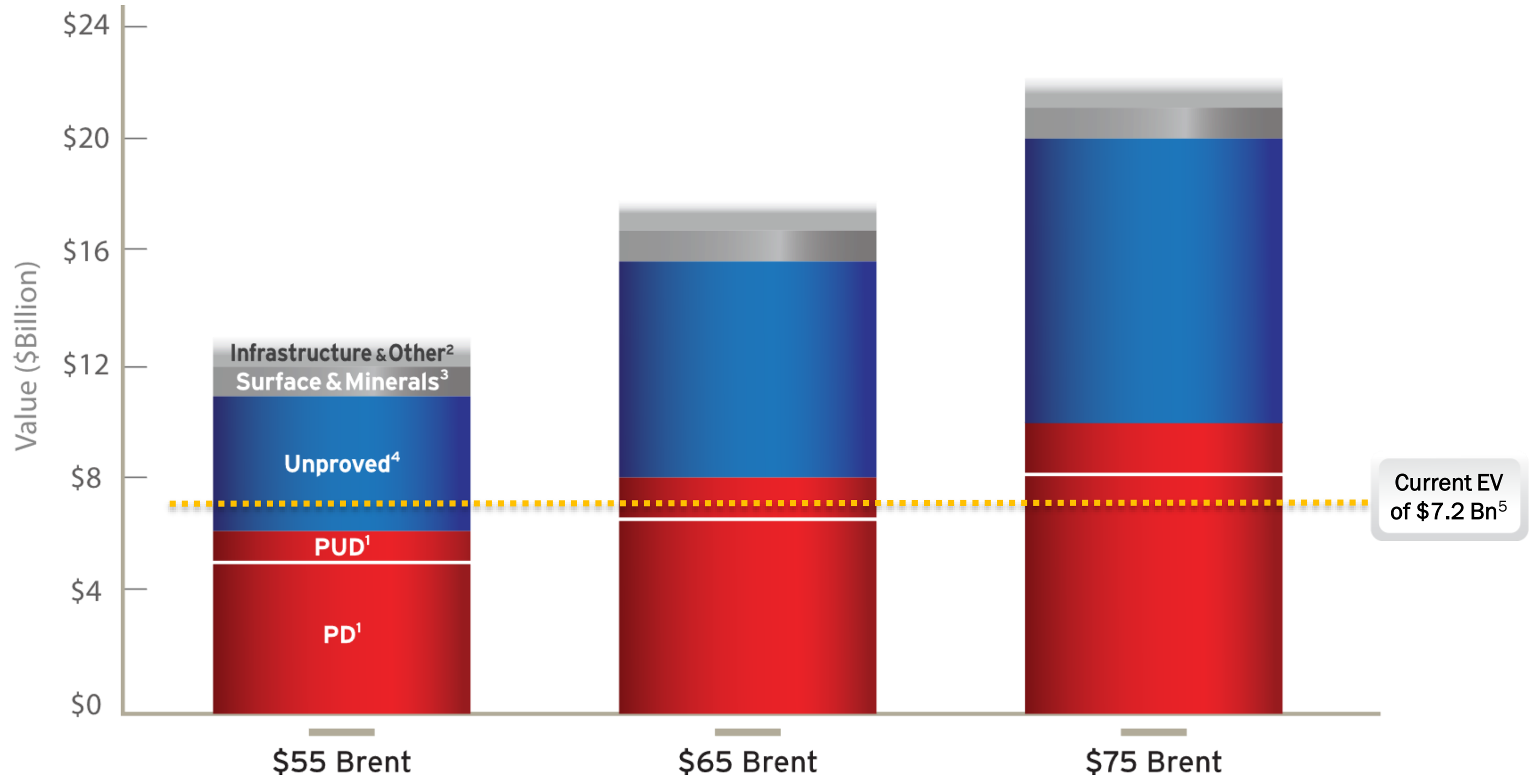
CRC has a top PV-10[1] value among Proxy peers, but is undervalued by enterprise value.

CRC's market cap and debt are significantly below the PV-10[1] value of our assets.

[1]PV-10 values as disclosed in 4Q18 and effective 12/31/18 using 2018 SEC pricing: Brent $71.75, WTI $65.55, NYMEX $3.10. Total debt as of 12/31/18. Market capitalization as of 4/30/19. Note Proxy peers include: COG, CPE, CRZO, DNR, EPE, FANG, LPI, MTDR, MUR, OAS, PDCE, PE, QEP, RRC, SM, SWN, WLL, WPX, XEC.



Current Enterprise Value Deeply Discounted



[1-5] See endnotes in the Appendix. See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon quantities.

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Disciplined Execution on Highest Value Projects to Deliver Substantial Value

VALUE DRIVEN

- Portfolio of world-class assets investable throughout the commodity cycle
- Robust inventory of high value growth projects
- Deep operational knowledge and technical expertise
- Integrated and complementary infrastructure
- Disciplined and effective capital allocation

Balance capital investment with
Financial Strengthening Efforts
for best long-term value creation

Balance Sheet Goals	High VCI Projects
Reduce Debt	Core Operating Areas
Reduce Fixed Charges	Growth Prospects
Simplify Balance Sheet	Investing for the Future

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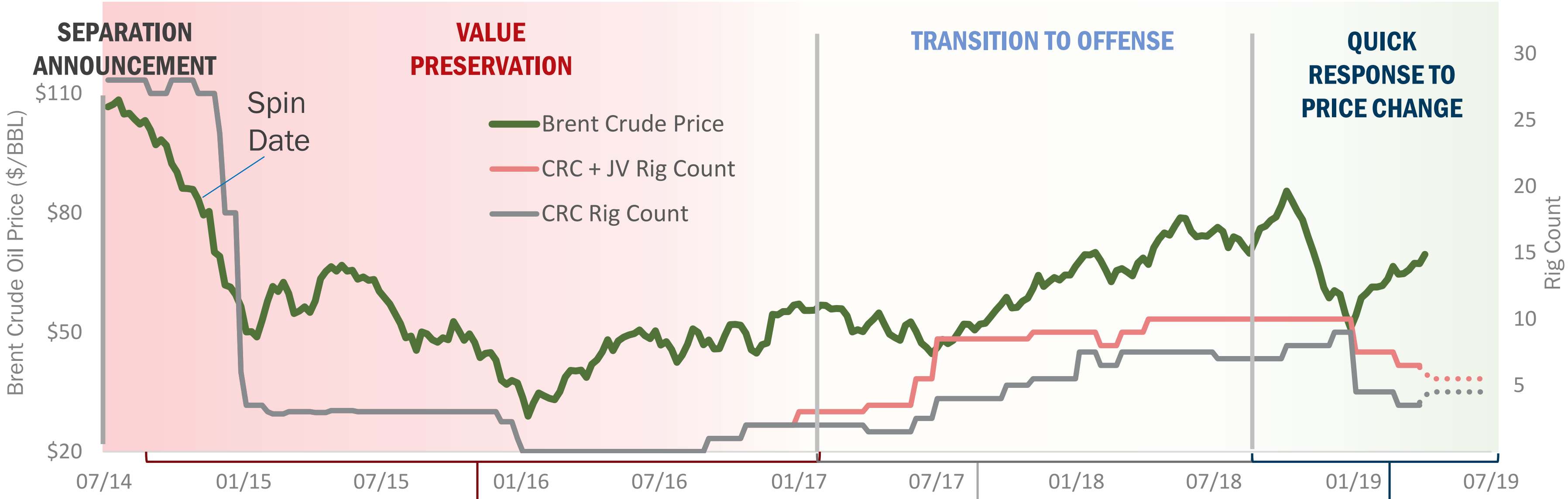
APPENDIX

Pressure Tested Through Cycle and Focused on Long-Term Value



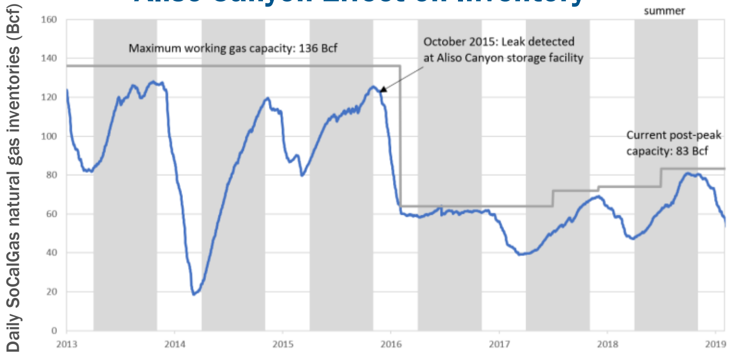
Cut rigs
Began hedging
Managed liabilities
Utilized existing facilities
Protected base production

Increased activity
Engaged in JVs
Locked in hedges
Increased liquidity
Extended maturities

Invest for value preservation
Drill high-graded portfolio
Invest in exploration
Invest in facilities
Strengthen balance sheet

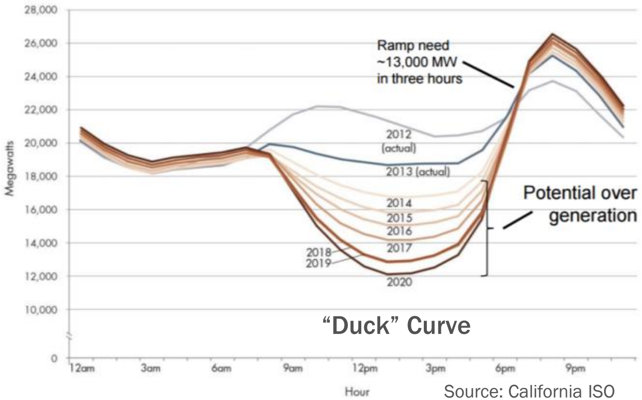
California Policies Impact Natural Gas Prices

Aliso Canyon Effect on Inventory



Source: EIA and SoCalGas Envoy

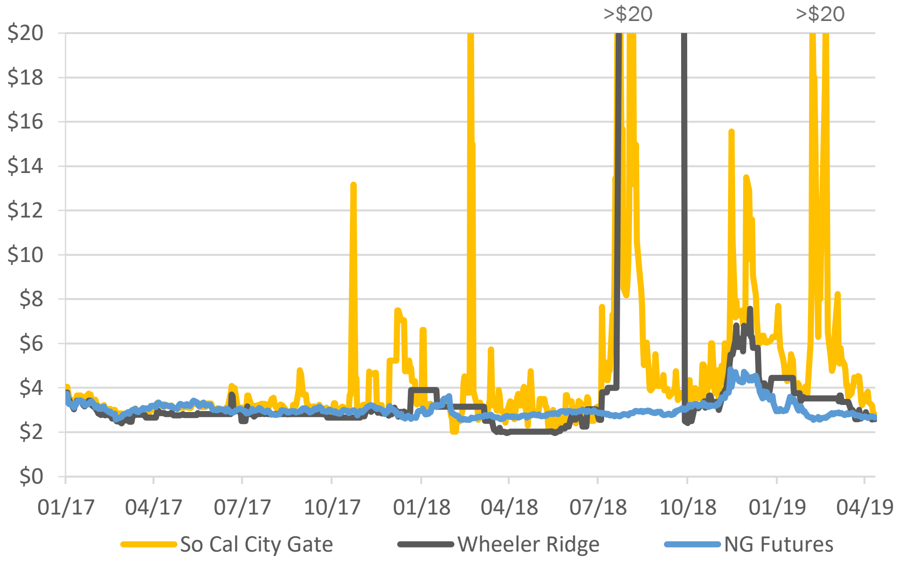
Impact of Solar Generation



"Duck" Curve

Source: California ISO

Lack of Natural Gas Storage and Peak Demand



California Natural Gas Prices

Source: Bloomberg

Limited third-party storage, peak demand, and reliance on renewable sources have increased volatility in local natural gas prices

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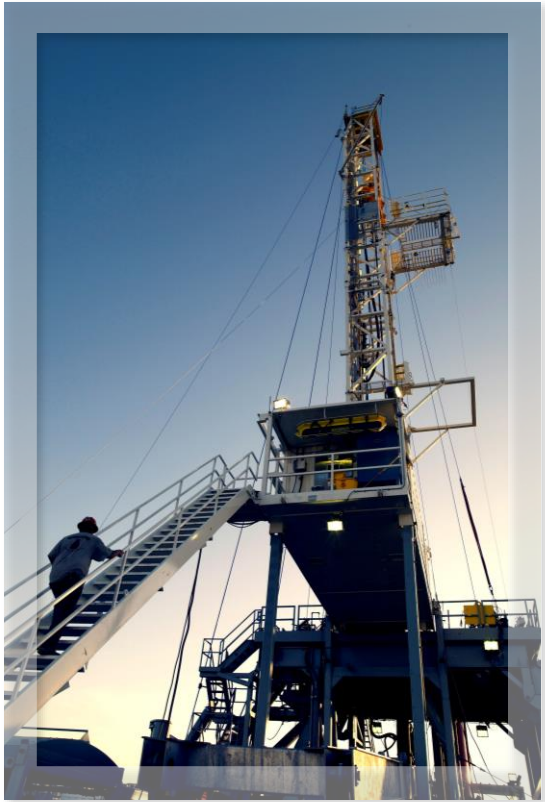
Accelerating Value and Derisking Inventory through JVs



Highlights

BENEFIT STREET PARTNERS

- **Up to $250MM over ~2 years**
  - Four tranches of $50MM
  - Total of $200MM funded
- **Investor funds 100% of project capital in exchange for a net profits interest (NPI)**
  - Investor NPI interest reverts to CRC after low teens target IRR
  - CRC retains early termination options
- **Current focus is in the San Joaquin and Los Angeles Basin**
- **CRC operates all wells**

MACQUARIE

- **Up to $300MM**
  - Current commitment of $140MM
- **DrillCo type structure where Investor funds 100% of project capital for 90% WI, with CRC carried on its 10% WI**
  - CRC interest reverts to 75% after target IRR is achieved
  - CRC retains early termination options
- **Focus on four fields within the San Joaquin Basin**
  - Kern Front, Mt. Poso, Pleito Ranch, Wheeler Ridge
- **CRC operates all wells**

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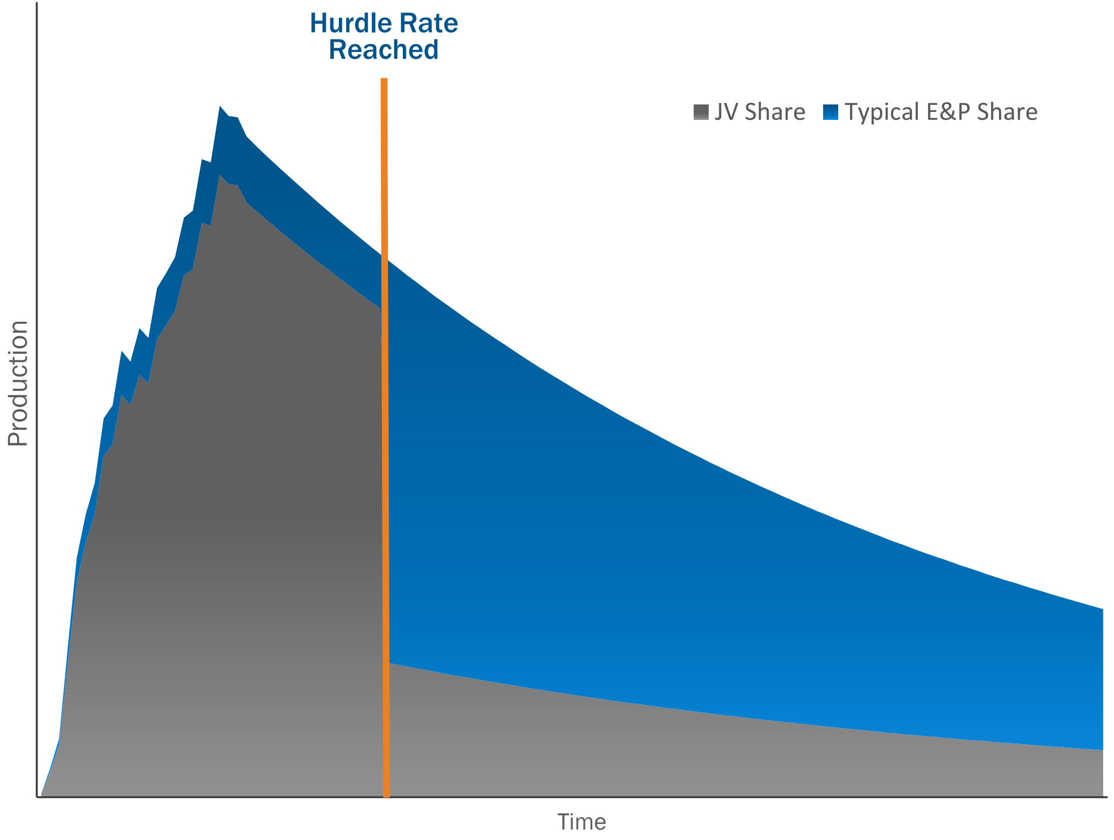
Typical Industry JV Structure

- **Based on recent industry JV deals, a typical deal structure is**
  - Partner pays 80-100% Capital
  - Receives 80-100% Working Interest
  - Typical hurdle rate:
    - 10% - 20% IRR
  - Partner's working interest once hurdle rate is achieved:
    - 5% - 25%



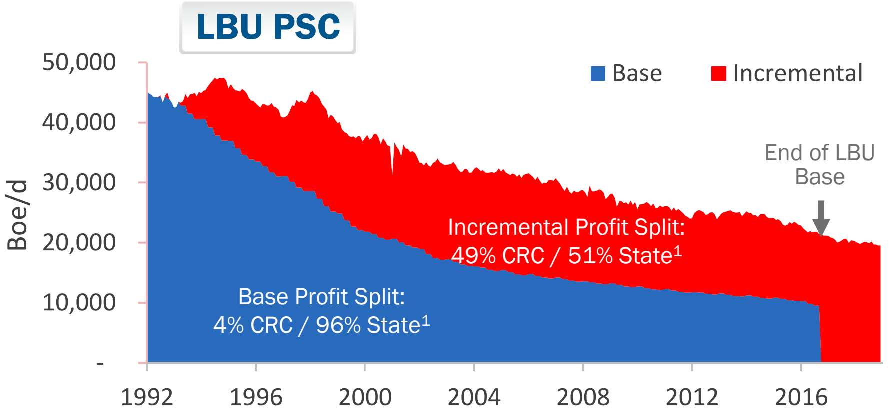
Strategic Partner Alignment

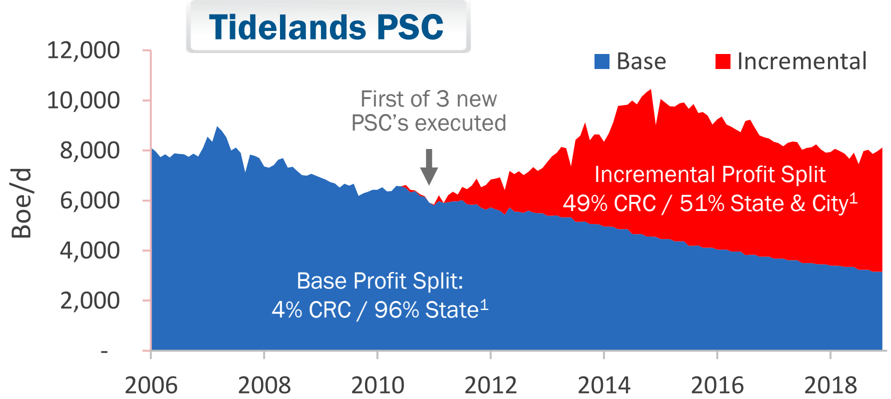
Summary of Deal	
Partner	▪ Affiliate of Ares Management (Ares)
Contributed Assets	▪ Elk Hills power plant, gas processing assets and related non-borrowing base infrastructure owned by CRC
Midstream JV Capitalization	▪ Class A common interests (voting) owned 50% by Ares and 50% by California Resources Elk Hills (CREH) ▪ Class B preferred interests ("Preferred") owned 100% by Ares ▪ Class C common interests (distributing) owned 95.25% by CREH and 4.75% by Ares
Distribution to Partners	▪ Preferred interests to receive distributions of 13.5% per annum on the $750 MM contributed amount ▪ 9.5% cash pay and 4.0% PIK to be deferred for the first three years ▪ Deferred distributions are interest bearing and repaid over two years following the deferral period ▪ Remaining cash after Preferred distributions to be distributed pro rata to Class C interests
Exit Provisions	▪ Prior to end of 5 or 7.5 years, CRC may redeem Preferred at variable amounts that include make whole premiums ▪ At end of 5 years, CRC may elect to either redeem or extend to 7.5 years ▪ At 7.5 years, if not redeemed by CRC, Preferred can monetize the JV
Board	▪ Board of Managers consists of three CRC representatives and three representatives from Ares

CALIFORNIA RESOURCES CORPORATION

Wilmington Field – Production Sharing Contracts

- Over 90% of CRC's Long Beach production is covered under **Production Sharing Contracts (PSCs)** with the State and the City of Long Beach
- CRC's net production decreases when prices rise and increases when prices decline
- "Base" rate/profit is defined in contracts
  - State/City receive most of base profit
  - CRC receives remainder
- "Incremental" rate/profit is everything greater than the Base
- Per the provisions of the contract, the Base of the LBU PSC ended in 4Q 2016





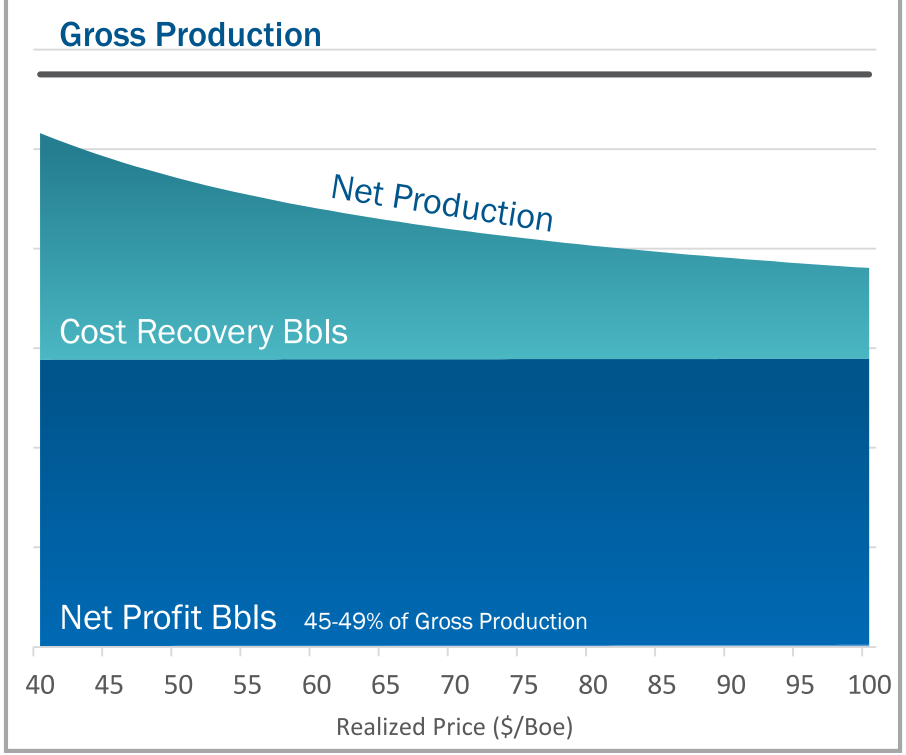
[1]Average profit split %.

Wilmington Production Sharing Contracts

- **Over 25% of CRC's oil production is subject to Production Sharing Contracts**
- **PSC Mechanics**
  - CRC pays our partners' share of the Operating and Capital Cost
  - CRC recovers our partners' portion of the cost in barrels
  - CRC receives 45-49% of the gross production as "Profit Barrels"
- **As prices rise, fewer barrels are required to recover our partners' portion of the cost**

Higher oil prices result in higher cash flow, but lower net production

Effect of Oil Price on Net Production

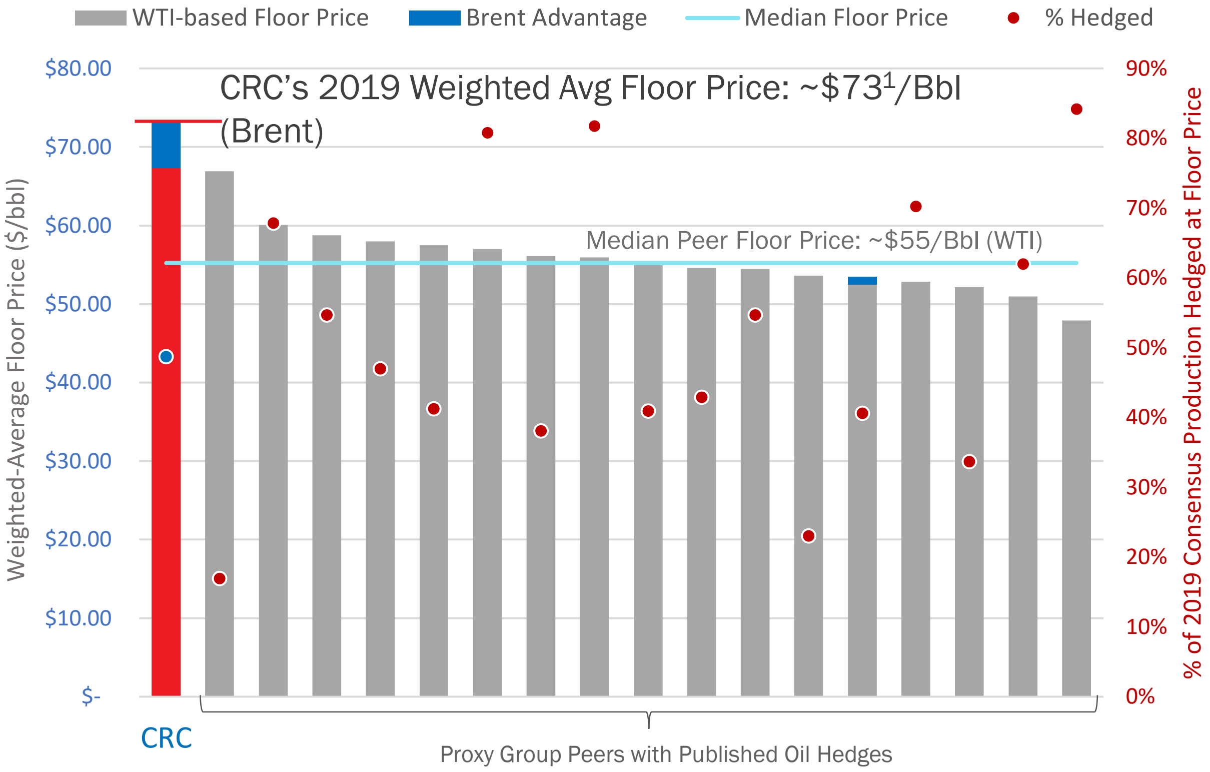


Opportunistically Built Oil Hedge Portfolio

Highest Floor Price Among Peers

CRC has a well-positioned 2019 hedge portfolio that still provides upside exposure to commodity price movements

CRC benefits from both Brent pricing and a top hedge portfolio compared to Proxy peer group after accounting for Brent pricing advantage.



[1]At prices above $58/bbl Brent. At prices below $58/bbl, the hedge value is $15/bbl + Brent.
Note: Hedge positions cover Q2-Q4 of 2019 and are current as of 4Q18 Earnings.
Proxy peers with published hedges include: CPE, CRZO, DNR, EPE, FANG, LPI, MTDR, OAS, PDCE, PE, QEP, RRC, SM, SWN, WLL, WPX, XEC.

End Notes

From Slide 20

[1] CRC estimate of reserves value as of December 31, 2018. Includes field-level operating expenses, G&A and taxes other than on income. Assumes $3.00/MMBTU NYMEX in all cases.

[2] Reflects the value of facilities and midstream assets, excluding assets owned by the Ares JV, at 50% of estimated replacement value. This discount is estimated to exceed the burden on reserves that would be incurred if assets were monetized. Does not include value of extensive seismic library.

[3] Surface & Mineral reflects the estimated value of undeveloped surface and mineral acreage held in fee.

[4] Unproved reserves are comprised of risked probable and possible reserves as of December 31, 2018.

[5] Calculated using March 31, 2019 debt at par and a market cap as of 4/30/2019. Includes non-controlling interests reported as mezzanine and permanent equity as of March 31, 2019.

See the Investor Relations page at www.crc.com for important information about 3P reserves and other hydrocarbon resource quantities, PV-10 and standardized measure, finding and development (F&D) costs, recycle ratio calculations, reserve replacement ratios, Value Creation Index (VCI), debt adjusted shares calculation, drilling locations and reconciliations of non-GAAP measures to the closest GAAP equivalent.