

STATE COLLEGE, Pa., Sept. 12, 2016 (GLOBE NEWSWIRE) -- [Rex Energy Corp.](#) (Nasdaq:REXX) today provided an update on its Appalachian Basin operations.

Operational Update

Moraine East Area Joint Development Agreement

The company's joint development partner, Benefit Street Partners L.L.C. ("BSP") has elected into the next four wells in the development program, the four-well Vaughn pad in the Warrior North Area. BSP's election increases the total capital commitment to date by BSP from \$98.1 million to \$120.1 million. The company is currently drilling the second of four wells on the Vaughn pad and expects to place the four wells into sales in December 2016.

Moraine East High Pressure System

The company's gathering and transportation provider has commissioned the Moraine East high pressure system. The commissioning of the high pressure system is an important step in the continued development of the Moraine East Area as it will result in a decrease in overall field pressures to levels similar to the Legacy Butler Area. The reduction in pressures will allow for more consistent flow rates and improvement in liquids recovery. The next four wells in the Moraine East Area, located on the previously completed Fleeger II pad, are currently scheduled to be placed into sales during the first week of October. The Fleeger II pad consists of three Marcellus wells and one Upper Devonian Burkett well, with an average lateral length of approximately 6,500 feet.

Warrior North Area – Carroll County, Ohio

As previously announced, the company placed into sales the three-well Goebeler pad and the two-well Perry pad. The Goebeler wells were drilled to an average lateral length of approximately 7,360 feet and completed in an average of 41 completion stages. The Perry wells were drilled to an average lateral length of approximately 6,350 feet with an average of 36 completion stages. The table below lists the average 5-day and 30-day sales rates for the Goebeler pad and the Perry pad.

Average 5-Day Sales Rate

Pad Name	Choke Size	Natural Gas (Mcf/d)	NGLs (Bbls/d)	Condensate (Bbls/d)	% Liquids	Total (Mboe/d)
Goebeler 1H, 2H, 3H	26/64"	2,748	625	552	72 %	1,634
Perry 1H, 2H	28/64"	2,043	462	636	76 %	1,439

Average 30-Day Sales Rate

Pad Name	Choke Size	Natural Gas (Mcf/d)	NGLs (Bbls/d)	Condensate (Bbls/d)	% Liquids	Total (Mboe/d)
Goebeler 1H, 2H, 3H	20/64"	2,396	544	437	71 %	1,381
Perry 1H, 2H	21/64"	1,871	423	463	74 %	1,197

Gulf Coast Transportation

Rex Energy expects to begin transporting natural gas volumes from its Butler Operated Area to the Gulf Coast and Midwest beginning November 1, 2016. Under the terms of the agreements, the company will move approximately 130,000 MMBtu per day on the Lebanon West II pipeline to the Lebanon Interconnect located in Warren County, Ohio. The company will then move approximately 100,000 MMBtu per day to the Gulf Coast and 30,000 MMBtu per day into the Midwest markets. The 30,000 MMBtu per day transportation into the Midwest markets will be temporary until the company's remaining 30,000 MMBtu per day transportation to the Gulf Coast becomes available in April 2017. The commencement of this transportation allows Rex Energy to access premium markets in both the Midwest and the Gulf Coast, including future LNG export facilities. The company expects approximately 50% of its natural gas volumes will access these new markets, with the remaining natural gas volumes sold into local markets, where the company has approximately 50% of its remaining local basis transportation hedged.

Third Quarter Production

Given the better than expected performance of recent wells in the Warrior North Area and reduced downtime of the Moraine East Area related to the commissioning of the high pressure system, Rex Energy currently expects third quarter 2016 production to be at the high-end of the previously announced guidance range of 190 – 195 MMcf/d.

Headquartered in State College, Pennsylvania, Rex Energy is an independent oil and gas exploration and production company with its core operations in the Appalachian Basin. The company's strategy is to pursue its higher potential exploration drilling prospects while acquiring oil and natural gas properties complementary to its portfolio.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. Forward-looking statements are based on current beliefs and expectations and involve certain assumptions or estimates that involve various risks and uncertainties, such as financial market conditions, changes in commodities prices and the other risks discussed in detail in the company's Annual Report on Form 10-K for the year ended December 31, 2015 and other subsequent filings with the Securities and Exchange Commission. Readers should not place undue reliance on any forward-looking statements or estimates contained in this release, which are made only as of the date hereof. Rex Energy has no duty, and assumes no obligation, to update forward-looking statements or estimates as a result of new information, future events or changes in the company's expectations.

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