UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 7, 2020

Riviera Resources, Inc.
(Exact name of registrant specified in its charter)

Delaware	333-225927	82-5121920
(State or Other Jurisdiction Of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

600 Travis Street, Suite 1700 Houston, Texas	77002
(Address of principal executive offices)	(Zip Code)

(281) 840-4000
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On May 7, 2020, Riviera Resources, Inc. ("Riviera" or the "Company") issued a press release announcing its earnings for the quarter ended March 31, 2020, and its updated guidance for 2020 with respect to its Upstream segment. The press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. Also on May 7, 2020, the Company held an earnings call. The transcript is being furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference.

Item 8.01 Other Information.

On November 22, 2019, the Company completed the sale of its interests in remaining properties located in the Hugoton Basin (the "Hugoton Basin Assets Sale") to Scout Energy Group V, LP (the "Buyer") under a Purchase and Sale Agreement dated August 28, 2019, for a purchase price of approximately $286 million. During the year ended December 31, 2019, the Company recorded a noncash impairment charge of approximately $100 million to reduce the carrying value of these assets to fair value.

In connection with the Hugoton Basin Assets Sale, the Buyer also acquired the Company's interests in Mayzure, LLC ("Mayzure"), including a term overriding royalty interest in helium produced from certain oil and natural gas properties in the Hugoton Basin that Riviera contributed to Mayzure in March 2019 (the "VPP Interests"). The Buyer's acquisition of the VPP Interests from the Company, together with the Hugoton Basin Assets Sale, is collectively referred to herein as the "Transactions". On March 20, 2019, Mayzure issued 5.16% senior secured notes in the amount of approximately $82 million, due September 20, 2028, (the "Mayzure Notes"), which were secured by the VPP Interests. Neither Riviera, nor any of its subsidiaries other than Mayzure, guaranteed the Mayzure Notes. In consideration for the distribution of the VPP Interests, Mayzure contributed the net proceeds from the issuance of the Mayzure Notes to Riviera. Financing fees and expenses of approximately $3 million were incurred in connection with the Mayzure Notes and the Company made repayments of approximately $7 million.

In connection with the consummation of the Transactions, on November 25, 2019 the Company filed a Current Report on Form 8-K to provide, among other things, the unaudited pro forma condensed combined financial information of the Company. This Form 8-K is being filed by the Company solely to provide additional disclosures required by Rule 3-05 and Article 11 of Regulation S-X.

This Current Report on Form 8-K provides the following additional financial information, which is filed as Exhibit 99.3 to this Current Report on Form 8-K:

- Unaudited Pro Forma Condensed Consolidated Statement of Operations of the Company for the year ended December 31, 2019 to give pro forma effect to the Transactions, as if the Transactions had been completed on January 1, 2019.

Exhibit 99.3, which is included under Item 8.01 of this Current Report on Form 8-K, is being filed pursuant to Item 8.01. The remaining portions of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2, are being furnished pursuant to Item 2.02 of this Current Report on Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section, nor shall they be deemed incorporated by reference in any filing under the Securities Act, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number	Description
99.1	Press Release dated May 7, 2020.
99.2	Earnings Call Script dated May 7, 2020.
99.3	The Unaudited Pro Forma Condensed Consolidated Statement of Operations of the Company for the Year Ended December 31, 2019.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 8, 2020

RIVIERA RESOURCES, INC.

By: /s/ David B. Rottino
Name: David B. Rottino
Title: President and Chief Executive Officer

Exhibit 99.1

Riviera Resources

NEWS RELEASE

RIVIERA RESOURCES REPORTS FIRST QUARTER 2020 RESULTS

HOUSTON, May 7, 2020 – Riviera Resources, Inc. (OTCQX: RVRA) ("Riviera" or the "Company") and its wholly owned subsidiary, Blue Mountain Midstream LLC ("Blue Mountain") announces financial and operating results for the first quarter 2020 and provides a strategic update.

The Company highlights the following accomplishments:

- Returned an aggregate of approximately $310 million to shareholders in the last five months:
  - Cash distribution of $4.25 per share paid to shareholders on December 12, 2019
  - Cash distribution of $1.00 per share paid to shareholders on April 24, 2020
- Announced an additional cash distribution of $0.75 per share, a return of over $45 million, payable on May 12, 2020
- Closed the following sales in the first quarter 2020:
  - Interests in properties located in the Overton and Personville fields of East Texas for proceeds of approximately $44 million
  - The Drunkards Wash field located in Utah for proceeds of approximately $4 million
  - Oklahoma City office building for proceeds of approximately $21 million
- Ended the first quarter with a consolidated cash balance of ~$165 million and ~$73 million drawn on the Blue Mountain Midstream LLC ("Blue Mountain") senior secured revolving loan facility (the "Blue Mountain Credit Facility")
- Reduced operating and general and administrative costs to optimally manage the business
- Consolidated management of Blue Mountain within the Company's existing executive management team, while continuing to maintain separate capital structures for each entity
- Continued to work with Tudor, Pickering, Holt & Co., in addition to on-going work with other advisors, to explore a potential sale or merger for Riviera or Blue Mountain

Blue Mountain highlights:

- Performed in line with first quarter guidance targets with respect to natural gas throughput of 118 MMcf/d, and water managed of approximately 40,600 Bbl/d
- Exceeded first quarter guidance target with 57% of gathered water on pipe
- Turned 14 wells to sales on natural gas system in first quarter of 2020
- Continued expansion of the water gathering system, connecting to a total of 15 pads in the first quarter of 2020
- Reduced 2020 capital estimate to $25 million, 11% lower than prior guidance estimate

Riviera Upstream highlights:

- Outperformed first quarter upstream guidance with respect to Adjusted EBITDAX, driven primarily by lower operating expenses
- Reduced 2020 capital by $21 million with decision to suspend North Louisiana operated drilling program, maintaining the option to re-initiate the program if gas prices improve

David Rottino, Riviera's President and Chief Executive Officer, commented, "In the first quarter, the Company outperformed upstream Adjusted EBITDAX guidance, closed four transactions for proceeds of approximately $69 million, and announced a $1.00 cash distribution, returning approximately $60 million to shareholders in April 2020. In addition, we paid a $4.25 cash distribution to shareholders in December 2019, returning approximately $250 million, and recently announced another cash distribution $0.75 per share payable on May 12,2020, that will return over $45 million to shareholders. We also remain committed to reducing operating and general and administrative costs to optimally manage the business during this market downturn, and recently announced the consolidation of management of Blue Mountain within the Company's existing executive management team. With our continued focus on reducing costs, strong asset base, and a midstream business that is optimally positioned in the Anadarko basin, the Company is well positioned to sustain its business during this downturn."

Key Financial Results (1)

$ in millions	First Quarter 2020	2019
Average daily production (MMcfe/d)	72	265
Total oil, natural gas and NGL revenues	$ 15	$ 76
Net (loss) income	$ (102)	$ 13
Adjusted EBITDAX (a non-GAAP financial measure) (1)	$ 10	$ 29
Net cash provided by (used in) operating activities	$ (4)	$ 38
Oil and natural gas capital	$ 1	$ 38
Total capital	$ 14	$ 61

(1) Includes severance costs of approximately $1.5 million and $0.1 million for the three months ended March 31, 2020 and March 31, 2019, respectively.

Cost Reduction Initiatives

General and Administrative Costs

The Company remains focused on finding ways to continue to reduce general and administrative costs, and recently announced the consolidation of management of Blue Mountain with the Company's existing executive management team, while continuing to maintain separate capital structures for each entity. In the first quarter of 2020, Riviera Upstream's general and administrative expenses, excluding share-based compensation expenses and severance expenses, were approximately $8.5 million. The Company expects by fourth quarter 2020, Upstream's general and administrative expenses, excluding share-based compensation expenses and severance expenses, will be approximately $4.4 million. This represents a 48% decrease from the first quarter 2020.

Operating Expenses

The Company has taken several proactive steps to significantly reduce lease operating expenses, including a reduction in workforce, optimizing compression and well workover programs, and negotiating lower overall service costs. With respect to operating costs, the Company has lowered costs by reducing workover activity, reducing workforce, releasing equipment, and negotiating lower rates for saltwater disposal and chemicals. As result, the Company estimates the Upstream's lease operating costs to be $14 million to $16 million in 2020, a 25% decrease from the mid-point of previously estimated lease operating expenses of $19 million to $21 million.

Capital Expenses

As previously announced, the Company has decided to defer initiating its operated drilling program in the Ruston Field of North Louisiana, reducing its 2020 budgeted capital by approximately $21 million. As the planned program was not scheduled to begin until late in the year, the impact to previously estimated 2020 production and EBITDA is minimal. Because the acreage is held by production, the Company has the flexibility to drill at a later date without the risk of losing its current leases. The reliability and results of development locations in the Ruston field are still encouraging, with expected IRR over 100% at $2.75/MMbtu gas prices. If prices do improve throughout the year, Riviera will maintain the option to re-initiate the program.

Opportunistic Asset Monetizations

In the first quarter of 2020 the Company closed four transactions generating aggregate proceeds of approximately $69 million. The four transactions include the sale of properties located in the Uinta Basin (closed January 2020), the sale of properties located in East Texas (Overton field closed January 2020 and Personville field closed February 2020), and the Oklahoma City Office building (closed February 2020).

Return of Capital to Shareholders

Thus far in 2020, the Company has returned or announced approximately $107 million of capital to shareholders through a $1.00 per share cash distribution paid to shareholders on April 24, 2020, a $0.75 per share cash distribution payable on May 12, 2020, and share repurchases.

On July 18, 2019, the Company's Board of Directors increased the share repurchase authorization to $150 million of the Company's outstanding shares of common stock. As of April 30, 2020, approximately $22 million was available for share repurchase under the program.

First Quarter 2020 Activity – Upstream Assets

The Company performed in line with expectations in the first quarter with respect to its upstream assets. Production for the first quarter averaged approximately 72 MMcfe/d, in line with our guidance range. Upstream capital expenditures were approximately $0.7 million, operating expenses were approximately $7.7 million and adjusted general and administrative expenses were approximately $8.5 million, all in line with our guidance for the quarter.

Blue Mountain Business Update

First Quarter 2020 Activity

In the first quarter of 2020, natural gas throughput on Blue Mountain's system averaged 118 MMcf/d, relatively flat compared to the fourth quarter of 2019. Blue Mountain continued tying in new wells and turned 14 wells to sales throughout the quarter.

With respect to its water business, Blue Mountain continues to make considerable progress on the buildout of its water gathering system. During the first quarter, Blue Mountain managed 3.7 million barrels of water in total, or approximately 40,600 barrels per day. Of that total, the Company moved over 23,300 barrels per day on pipe (up 102% from fourth quarter 2019). With 57% of managed water on Blue Mountain pipe, Blue Mountain exceeded its guidance range. Furthermore, Blue Mountain completed construction of its third wholly owned and operated salt water disposal well ("SWD")

Blue Mountain began construction of its crude oil gathering system in October 2019. The initial segments on its South system were placed in service on February 1, 2020 and the initial segments on its North system were placed in service on March 2, 2020.

Capital expenditures were $13 million for the first quarter of 2020, with the majority of capital being spent on water and crude oil gathering pipelines. First quarter capital expenditures exceeded guidance due to the acceleration of certain projects. Full year 2020 Blue Mountain capital is expected to be approximately $25 million, which is 11% lower than prior guidance estimate.

Cost Reduction Initiatives

In the first quarter of 2020, Blue Mountain Midstream's general and administrative expenses, excluding share-based compensation expenses and severance expenses, were approximately $2.9 million. The Company recently consolidated the management of Blue Mountain within its existing executive management team, while continuing to maintain a separate capital structure for Blue Mountain. With consolidation of Blue Mountain's management team with the existing Riviera management team, and other cost reduction initiatives, the Company expects by fourth quarter 2020, Blue Mountain's general and administrative expenses, excluding share-based compensation and severance expenses, will be approximately $2.1 million. This represents a 28% decrease from the first quarter 2020.

Recent Throughput

Starting in April, due to consistently low commodity prices, certain producers have elected to shut-in portions of their production. As a result, Blue Mountain expects to see lower second quarter throughput at its processing plant versus prior quarter, with throughput of approximately 80 MMcf/d at the end of April, approximately 32% lower than average throughput in the first quarter of 2020. Given the dynamic environment, the Company has chosen not to provide second quarter guidance for Blue Mountain.

Balance Sheet and Liquidity

Riviera and Blue Mountain have established separate credit facilities. As of March 31, 2020, Riviera held approximately $155 million of cash, and there were no borrowings outstanding on Riviera's revolving credit facility (the "Riviera Credit Facility"). Riviera had borrowing commitments of up to $90 million with available borrowing capacity of approximately $89 million, inclusive of outstanding letters of credit. Redetermination of the borrowing base under the Riviera Credit Facility occurs semi-annually, in April and October. The Riviera Credit Facility borrowing base is expected to be reduced as a result of the spring redetermination.

As of March 31, 2020, Blue Mountain held approximately $10 million of cash, and had approximately $73 million drawn on its revolving credit facility. Blue Mountain had borrowing commitments of up to $200 million with available borrowing capacity of approximately $115 million, including outstanding letters of credit, subject to covenant restrictions in the Blue Mountain Credit Facility.

As of April 30, 2020, there were no borrowings on the Riviera Credit Facility, and $75 million drawn on the Blue Mountain Credit Facility.

First Quarter Actuals

Below is a summary of the Company's consolidated first quarter results.

	Q1 2020 Actuals Upstream	Q1 2020 Actuals Blue Mountain	Q1 2020 Actuals Consolidated
Net Production (MMcfe/d)	**72**		**72**
Natural gas (MMcf/d)	60		60
Oil (Bbls/d)	1,052		1,052
NGL (Bbls/d)	927		927
Other revenues, net (in thousands) (1)	**$ 1,833** (2)	**$ 10,676** (3)	**$ 12,509** (4)
Blue Mountain		$ 10,676 (3)	$ 10,676 (3)
Costs (in thousands)	**$ 7,749**	**$ 591**	**$ 8,340**
Lease operating expenses	$ 4,951		$ 4,951
Transportation expenses	$ 2,174		$ 2,174
Taxes, other than income taxes	$ 624	$ 591	$ 1,215
Adjusted general and administrative expenses (Non-GAAP) (5)	$ 8,496 (6)	$ 2,859 (7)	$ 11,355 (8)
General and administrative- severance expenses	$ 1,279	$ 170	$ 1,449
(in thousands)			
Adjusted EBITDAX (Non-GAAP)	$ 2,547	$ 6,959	$ 9,506
Cash interest expense (Non-GAAP) (9)	$ —	$ 673	$ 673
Oil and natural gas capital	$ 570		$ 570
Total capital	$ 720	$ 13,462	$ 14,182

(1) *Includes other revenues and margin on marketing activities*

(2) *Includes other revenues of less than $0.1 million, plus marketing revenues of approximately $1.9 million, less marketing expenses of less than $0.1 million*

(3) *Includes marketing revenues of approximately $32.1 million, less adjusted marketing expenses of approximately $21.4 million. Adjusted marketing expenses is a non-GAAP measure that excludes a credit to share-based compensation expenses of approximately ($0.1) million*

(4) *Includes other revenues of less than $0.1 million, plus marketing revenues of approximately $33.9 million, less adjusted marketing expenses of approximately $21.4 million. Adjusted marketing expenses is a non-GAAP measure that excludes a credit to share-based compensation expenses of approximately ($0.1) million*

(5) *Adjusted general and administrative expenses is a non-GAAP measure that excludes share-based compensation expenses and severance expenses presented for the purpose of comparing to guidance*

(6) *Represents general and administrative expenses of approximately $10.1 million, excluding share-based compensation expenses of approximately $0.3 million, and severance expenses of approximately $1.3 million*

(7) *Represents general and administrative expenses of approximately ($0.2) million, excluding a credit to share-based compensation expenses of approximately ($3.2) million, and severance expenses of approximately $0.2 million*

(8) *Represents general and administrative expenses of approximately $9.9 million, excluding a credit to share-based compensation expenses of approximately ($2.9) million, and severance expenses of approximately $1.5 million*

(9) *Excludes non-cash amortization*

Upstream Segment - First Quarter Actuals versus Guidance

The comparison to guidance below is for the upstream assets only.

	Q1 2020 Actuals	Q1 2020 Guidance
Net Production (MMcfe/d)	**72**	**67 – 75**
Natural gas (MMcf/d)	60	55 – 61
Oil (Bbls/d)	1,052	950 – 1,200
NGL (Bbls/d)	927	950 – 1,150
Other revenues, net (in thousands) (1)	**$ 1,833** (2)	**$ 900 - $ 1,000**
Costs (in thousands)	**$ 7,749**	**$ 7,500 – $ 10,000**
Lease operating expenses	$ 4,951	$ 6,000 – $7,000
Transportation expenses	$ 2,174	$ 1,000 – $ 2,000
Taxes, other than income taxes	$ 624	$ 500 – $ 1,000
Adjusted general and administrative expenses (Non-GAAP) (3)	$ 8,496 (4)	$ 7,000 – $ 9,000
General and administrative- severance expenses	$ 1,279	$ 2,500 - $ 3,500
Targets (Mid-Point) (in thousands)		
Adjusted EBITDAX (Non-GAAP)	$ 2,547	$—
Capital expenditures	$ 720	$ 1,000

(1) *Includes other revenues and margin on marketing activities*

(2) *Includes other revenues of less than $0.1 million, plus marketing revenues of approximately $1.9 million, less marketing expenses of less than $0.1 million*

(3) *Adjusted general and administrative expenses is a non-GAAP measure that excludes share-based compensation expenses and severance expenses presented for the purpose of comparing to guidance*

(4) *For the three months ended March 31, 2020 represents general and administrative expenses of approximately $10.1 million, excluding share-based compensation expenses of approximately $0.3 million, and severance expenses of approximately $1.3 million*

Blue Mountain Midstream Segment - First Quarter Actuals versus Guidance

The comparison to guidance below is for the Blue Mountain business only for the first quarter of 2020.

	Q1 2020 Actuals	Q1 2020 Guidance		
Midstream Volumes				
Natural Gas Throughput (MMcf/d)	118	110	-	125
Water Managed (Bbl/d)	40,641	35,000	-	42,000
% Piped	57%	40%	-	50%
% Trucked	43%	60%	-	50%
Crude Throughput (Bbl /d)	1,105	2,500	-	3,000
Operating Margin ($ in thousands) (1)				
Gas	$ 9,552	$ 8,500	-	$ 10,500
Other	$ 1,136	$ 1,500	-	$ 2,000
Total Operating Margin	$ 10,688	$ 10,000	-	$ 12,500
Adjusted EBITDA ($ in thousands) (Non-GAAP) (2) (3)	$ 6,959	$ 7,000	-	$ 8,500
Capital Expenditures ($ in thousands)	$ 13,462	$10,000	-	$11,000

(1) Includes margin on marketing activities (marketing revenues less marketing expenses), and direct operating expenses for Blue Mountain Midstream assets, only

(2) Includes severance expense of approximately $0.2 million

(3) The Company does not provide a reconciliation of such non-GAAP financial measures to the most directly comparable GAAP financial measures on a forward-looking basis as it is unable to forecast certain items that we have defined as "Selected Items Impacting Comparability", which items are set forth later in this press release under the heading "Non-GAAP Financial Measures and Selected Items Impacting Comparability," without unreasonable effort, due to the uncertainty and inherent difficulty of predicting the occurrence and financial impact of and the periods in which such items may be recognized. Thus, a reconciliation of such non-GAAP financial measures to the most directly comparable GAAP financial measures could result in disclosure that could be imprecise or potentially misleading. These items could be material to and have a significant impact on the Company's results computed in accordance with GAAP.

Upstream Segment - Second Quarter and Full Year 2020 Guidance

The guidance below is for the Upstream assets only. Guidance estimates have been adjusted for asset sales closed in the first quarter of 2020.

The Company expects to have negative Adjusted EBITDAX in the second quarter largely due to on-going general and administrative costs associated with managing recently divested assets during the transition period. Additionally, the Company expects to incur severance expenses in the first half of the year. In the second half of 2020, the Company expects to generate positive Adjusted EBITDAX as the cost structure aligns with the on-going asset base.

	Q2 2020E	FY 2020E
Net Production (MMcfe/d)	**41 – 46**	**46 – 50**
Natural gas (MMcf/d)	33 – 36	37 – 40
Oil (Bbls/d)	725 – 825	750 – 850
NGL (Bbls/d)	725 – 850	725 – 825
Other revenues, net (in thousands) (1)	**$ 150 - $ 250**	**$ 2,000 – $ 3,000**
Costs (in thousands)	**$ 3,750 – $ 5,500**	**$ 19,000 – $ 23,500**
Lease operating expenses	$ 3,000 – $4,000	$ 14,000 – $ 16,000
Transportation expenses	$ 500 – $ 1,000	$ 4,000 – $ 5,000
Taxes, other than income taxes	$ 250 – $ 500	$ 1,000 – $ 2,500
Adjusted general and administrative expenses (Non-GAAP) (2), (5)	$ 5,000 – $ 6,500	$ 22,000 – $ 24,000
General and administrative- severance expenses	$ 1,000 - $ 2,000	$ 2,000 - $ 4,000
Costs per Mcfe (Mid-Point)	**$ 1.15**	**$ 1.21**
Lease operating expenses	$ 0.87	$ 0.85
Transportation expenses	$ 0.19	$ 0.26
Taxes, other than income taxes	$ 0.09	$ 0.10
Targets (Mid-Point in thousands)		
Adjusted EBITDAX (Non-GAAP) (5)	($ 1,250) (3)	$ 4,000 (4)
Capital expenditures	$ 1,000	$ 3,000
Weighted Average NYMEX Differentials		
Natural gas (MMBtu)	($ 0.50) – ($ 0.30)	($ 0.55) – ($ 0.30)
Oil (Bbl)	($ 6.25) – ($ 5.75)	($ 1.75) – ($ 1.25)
NGL price as a % of crude oil price	18% – 24%	20% – 28%

Unhedged Commodity Price Assumptions	Apr 20	May 20	Jun 20	2020E
Natural gas (MMBtu)	$ 1.63	$ 1.82	$ 1.92	$ 2.16
Oil (Bbl)	$23.08	$14.55	$12.78	$27.56
NGL (Bbl)	$ 4.92	$ 3.10	$ 2.73	$ 6.66

(1) *Includes other revenues and margin on marketing activities for Upstream assets, only*
(2) *Excludes share-based compensation expenses and severance expenses*
(3) *Includes severance expenses of approximately $1.5 million*
(4) *Includes severance expenses of approximately $3.0 million*
(5) *The Company does not provide a reconciliation of such non-GAAP financial measures to the most directly comparable GAAP financial measures on a forward-looking basis as it is unable to forecast certain items that we have defined as "Selected Items Impacting Comparability", which items are set forth later in this press release under the heading "Non-GAAP Financial Measures and Selected Items Impacting Comparability,"* *without unreasonable effort, due to the uncertainty and inherent difficulty of predicting the occurrence and financial impact of and the periods in which such*

items may be recognized. Thus, a reconciliation of such non-GAAP financial measures to the most directly comparable GAAP financial measures could result in disclosure that could be imprecise or potentially misleading. These items could be material to and have a significant impact on the Company's results computed in accordance with GAAP.

Hedging Update

Riviera Upstream Hedges

	2020		2021	
Natural Gas	**Volume (MMMBtu/d)**	**Average Price (per MMBtu)**	**Volume (MMMBtu/d)**	**Average Price (per MMBtu)**
Swaps	30	$ 2.82	10	$ 2.44
Oil	**Volume (Bbls/d)**	**Average Price (per Bbl)**	**Volume (Bbls/d)**	**Average Price (per Bbl)**
Swaps	500	$64.63	—	$—
Natural Gas Basis Differential positions	**Volume (MMMBtu/d)**	**Average Price (per MMBtu)**	**Volume (MMMBtu/d)**	**Average Price (per MMBtu)**
PEPL Basis Swaps	20	($ 0.45)	—	$—

Earnings Call / Form 10-Q

The Company will host a conference call Thursday, May 7, 2020 at 10:00 a.m. (Central) to discuss the Company's first quarter 2020 results and expects to file its first quarter Form 10-Q for the three months ended March 31, 2020 with the U.S. Securities and Exchange Commission on or around that date. There will be prepared remarks by executive management followed by a question and answer session.

Investors and analysts are invited to participate in the call by dialing (866) 416-7462, or (409) 217-8223 for international calls using Conference ID: 5944979. Interested parties may also listen over the internet at www.rivieraresourcesinc.com. A replay of the call will be available on the Company's website.

Supplemental information can be found at the following link on our website: http://ir.rivieraresourcesinc.com/events-and-presentations

ABOUT RIVIERA RESOURCES

Riviera Resources, Inc. is an independent oil and natural gas company with a strategic focus on efficiently operating and developing its assets, and returning capital to its shareholders. Riviera's properties are primarily located in North Louisiana, and the Mid-Continent regions. Additionally, the Company owns Blue Mountain Midstream LLC, a midstream company centered in the core of the Merge play in the Anadarko Basin.

Non-GAAP Financial Measures and Selected Items Impacting Comparability

To supplement our financial information presented in accordance with GAAP, management uses additional measures known as "non-GAAP financial measures" in its evaluation of past performance and prospects for the future. The primary additional measures used by management are earnings before interest, taxes, depreciation and amortization, exploration costs, noncash gains and losses on commodity derivatives, accrued settlements on commodity derivative contracts related to current production period, share-based compensation expenses, gains and losses on asset sales and other, reorganization items, and asset impairments ("Adjusted EBITDAX") and earnings before interest, taxes, depreciation and amortization, noncash gains and losses on commodity derivatives, accrued settlements on commodity derivative contracts related to current production period, share-based compensation expenses, gains and losses on asset sales and other, and asset impairments ("Adjusted EBITDA"). Management believes these non-GAAP financial measures provide useful information to investors because these non-GAAP measures, when viewed with the Company's GAAP results and accompanying reconciliations, provide a more complete understanding of the Company's performance than GAAP results alone.

Forward-Looking Statements

Statements made in this press release that are not historical facts are "forward-looking statements." These statements are based on certain assumptions and expectations made by the Company which reflect management's experience, estimates and perception of historical trends, current conditions, and anticipated future developments. These statements include, among others, statements regarding our 2020 guidance, planned capital expenditures, increases in oil and gas production, the number of anticipated wells to be drilled or completed after the date hereof, future cash flows and borrowings, our strategic objectives with respect to Blue Mountain Midstream, our engagement of financial advisors with respect to strategic alternatives, our financial position, business strategy and other plans and objectives for future operations. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or anticipated in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, volatility of oil, natural gas and natural gas liquid prices or a prolonged period of low oil, natural gas or natural gas liquid prices and the effects of actions by, or disputes among or between, members of the Organization of Petroleum Exporting Countries and other oil producing nations, such as Saudi Arabia, and other oil and natural gas producing countries, such as Russia, with respect to production levels or other matters related to the price of oil, the effects of excess supply of oil and natural gas resulting from the reduced demand caused by the novel coronavirus disease global pandemic and the actions by certain oil and natural gas producing countries, market prices for oil, natural gas and NGLs, production volumes, estimates of proved reserves, capital expenditures, the capacity and utilization of midstream facilities, economic and competitive conditions, credit and capital market conditions, regulatory changes and other uncertainties. These and other important factors could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. Please read "Risk Factors" in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other public filings. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information or future events.

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CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

	March 31, 2020	December 31, 2019
	(in thousands, except share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 165,223	$ 116,237
Accounts receivable – trade, net	28,474	51,355
Derivative instruments	12,075	7,283
Restricted cash	29,090	32,932
Other current assets	14,549	12,853
Assets held for sale	1,195	104,773
Total current assets	250,606	325,433
Noncurrent assets:		
Oil and natural gas properties (successful efforts method)	178,738	180,307
Less accumulated depletion and amortization	(128,041)	(35,603)
	50,697	144,704
Other property and equipment	399,905	388,851
Less accumulated depreciation	(70,272)	(50,381)
	329,633	338,470
Other noncurrent assets	6,675	7,652
	6,675	7,652
Total noncurrent assets	387,005	490,826
Total assets	$ 637,611	$ 816,259
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 55,743	$ 80,579
Derivative instruments	14	1,087
Other accrued liabilities	14,758	26,728
Distributions payable	57,908	—
Liabilities held for sale	809	35,177
Total current liabilities	129,232	143,571
Noncurrent liabilities:		
Credit facilities	72,800	69,800
Asset retirement obligations and other noncurrent liabilities	22,684	29,337
Total noncurrent liabilities	95,484	99,137
Commitments and contingencies (Note 10)		
Equity:		
Preferred Stock ($0.01 par value, 30,000,000 shares authorized; no shares issued at March 31, 2020, or December 31, 2019)	—	—
Common Stock ($0.01 par value, 270,000,000 shares authorized; 57,907,609 shares and 58,168,756 shares issued at March 31, 2020, and December 31, 2019, respectively)	579	581
Additional paid-in capital	802,616	861,764
Retained (deficit) earnings	(390,300)	(288,794)
Total equity	412,895	573,551
Total liabilities and equity	$ 637,611	$ 816,259

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended March 31, 2020	2019
	(in thousands, except per share amounts)	
Revenues and other:		
Oil, natural gas and natural gas liquids sales	$ 14,798	$ 76,345
Gains (losses) on commodity derivatives	8,079	(13,241)
Marketing revenues	33,922	67,347
Other revenues	31	6,003
	56,830	136,454
Expenses:		
Lease operating expenses	4,951	24,052
Transportation expenses	2,174	19,150
Marketing expenses	21,319	53,389
General and administrative expenses	9,904	19,039
Exploration costs	—	1,238
Depreciation, depletion and amortization	10,319	21,772
Impairment of assets held for sale and long-lived assets	106,784	—
Taxes, other than income taxes	1,215	6,300
(Gains) losses on sale of assets and other, net	460	(27,265)
	157,126	117,675
Other income and (expenses):		
Interest expense, net of amounts capitalized	(929)	(971)
Other, net	(60)	(589)
	(989)	(1,560)
Reorganization items, net	(221)	—
(Loss) income before income taxes	(101,506)	17,219
Income tax expense	—	4,493
Net (loss) income	$ (101,506)	$ 12,726
(Loss) income per share:		
Basic	$ (1.75)	$ 0.18
Diluted	$ (1.75)	$ 0.18
Weighted average shares outstanding – basic	58,162	68,817
Weighted average shares outstanding – diluted	58,162	69,000
Distributions declared per share	$ 1.00	$ —

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Three Months Ended March 31, 2020	2019
	(in thousands)	
Cash flow from operating activities:		
Net (loss) income	$ (101,506)	$ 12,726
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:		
Depreciation, depletion and amortization	10,319	21,772
Impairment of assets held for sale and long-lived assets	106,784	—
Deferred income taxes	—	4,493
Total (gains) losses on derivatives, net	(8,079)	15,421
Cash settlements on derivatives	2,173	(5,085)
Share-based compensation expenses	(3,575)	4,236
(Gains) losses on sale of assets and other, net	181	(28,564)
Other	980	1,583
Changes in assets and liabilities:		
Decrease in accounts receivable – trade, net	19,835	26,536
(Increase) decrease in other assets	(1,358)	9,257
Decrease in accounts payable and accrued expenses	(22,095)	(15,840)
Decrease in other liabilities	(7,715)	(8,857)
Net cash provided by (used in) operating activities	(4,056)	37,678
Cash flow from investing activities:		
Development of oil and natural gas properties	(1,337)	(30,512)
Purchases of other property and equipment	(16,322)	(23,183)
Proceeds from sale of properties and equipment and other	66,512	60,141
Net cash provided by investing activities	48,853	6,446
Cash flow from financing activities:		
Repurchases of shares	(2,653)	(34,130)
Proceeds from borrowings	3,000	96,225
Repayments of debt	—	(24,300)
Debt issuance costs paid	—	(2,715)
Net cash provided by financing activities	347	35,080
Net increase in cash, cash equivalents and restricted cash	45,144	79,204
Cash, cash equivalents and restricted cash:		
Beginning	149,169	49,777
Ending	$ 194,313	$ 128,981

Adjusted EBITDAX (Non-GAAP Measure)

The non-GAAP financial measure of Adjusted EBITDAX, as defined by the Company, may not be comparable to similarly titled measures used by other companies. Therefore, this non-GAAP measure should be considered in conjunction with net income (loss) and other performance measures prepared in accordance with GAAP. Adjusted EBITDAX should not be considered in isolation or as a substitute for GAAP.

Adjusted EBITDAX is a measure used by Company management to evaluate the Company's operational performance and for comparisons to the Company's industry peers. Management also believes this information may be useful to investors and analysts to gain a better understanding of the Company's financial results.

The following presents a reconciliation of net income (loss) to Adjusted EBITDAX:

	Three Months Ended March 31,	
	2020	2019
	(in thousands)	
Net (loss) income	$ (101,506)	$ 12,726
Plus (less):		
Income from discontinued operations	—	—
Interest expense, net of amounts capitalized	929	971
Income tax expense (benefit)	—	4,493
Depreciation, depletion and amortization	10,319	21,772
Exploration costs	—	1,238
EBITDAX	**(90,258)**	**41,200**
Plus (less):		
Noncash losses (gains) on commodity derivatives	(4,525)	10,336
Accrued settlements on commodity derivative contracts related to current production period (1)	(288)	(365)
Share-based compensation expenses	(3,024)	6,307
(Gains) losses on sale of assets and other, net (2)	596	(28,625)
Reorganization items, net (3)	221	48
Impairment of assets held for sale and long-lived assets	106,784	—
Adjusted EBITDAX	**$ 9,506**	**$ 28,901**

(1) Represent amounts related to commodity derivative contracts that settled during the respective period (contract terms had expired) but cash had not been received as of the end of the period.

(2) Primarily represent gains or losses on the sale of assets, earnings from equity method investments, gains or losses on inventory valuation, and write-off of deferred financing fees.

(3) Represent costs and income directly associated with the predecessor's filing for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code since the petition date, and also include adjustments to reflect the carrying value of certain liabilities subject to compromise at their estimated allowed claim amounts, as such adjustments were determined.

Adjusted EBITDAX and Adjusted EBITDA (Non-GAAP Measures)

The non-GAAP financial measures of Adjusted EBITDAX and Adjusted EBITDA, as defined by the Company, may not be comparable to similarly titled measures used by other companies. Therefore, these non-GAAP measures should be considered in conjunction with net income (loss) and other performance measures prepared in accordance with GAAP. Adjusted EBITDAX and Adjusted EBITDA should not be considered in isolation or as a substitute for GAAP.

Adjusted EBITDAX and Adjusted EBITDA are measures used by Company management to evaluate the Company's operational performance and for comparisons to the Company's industry peers. Management also believes this information may be useful to investors and analysts to gain a better understanding of the Company's financial results.

The following presents a reconciliation of net income (loss) to Adjusted EBITDAX and Adjusted EBITDA:

	Three Months Ended March 31, 2020 (in thousands)		
	Consolidated	**Upstream**	**Blue Mountain**
Net (loss) income	$ (101,506)	$(91,214)	$(10,292)
Plus (less):			
Interest expense, net of amounts capitalized	929	149	780
Income tax expense	—	—	—
Depreciation, depletion and amortization	10,319	7,501	2,818
EBITDA	**(90,258)**	**(83,564)**	**(6,694)**
Exploration costs	—	—	—
EBITDAX	**(90,258)**	**(83,564)**	**(6,694)**
Plus (less):			
Noncash losses (gains) on commodity derivatives	(4,525)	(4,780)	255
Accrued settlements on commodity derivative contracts related to current production period (1)	(288)	390	(678)
Share-based compensation expenses	(3,024)	318	(3,342)
(Gains) losses on sale of assets and other, net (2)	596	(22)	618
Reorganization items, net (3)	221	221	—
Impairment of assets held for sale and long-lived assets	106,784	89,984	16,800
Adjusted EBITDAX / Adjusted EBITDA	**$ 9,506**	**$ 2,547**	**$ 6,959**

(1) Represent amounts related to commodity derivative contracts that settled during the respective period (contract terms had expired) but cash had not been received as of the end of the period.

(2) Primarily represent gains or losses on the sale of assets, earnings from equity method investments, gains or losses on inventory valuation, and write-off of deferred financing fees.

(3) Represent costs and income directly associated with the predecessor's filing for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code since the petition date, and also include adjustments to reflect the carrying value of certain liabilities subject to compromise at their estimated allowed claim amounts, as such adjustments were determined.

Exhibit 99.2

RIVIERA RESOURCES
FIRST QUARTER AND 2020 EARNINGS CALL SCRIPT
May 7th, 2020 - 10 a.m. Central Time

Management Participants:

- David Rottino - President and Chief Executive Officer of Riviera Resources
- Jim Frew - Executive Vice President and Chief Financial Officer of Riviera Resources
- Dan Furbee - Executive Vice President and Chief Operating Officer of Riviera Resources

MANAGEMENT DISCUSSION

Paula Melancon:

Good morning and welcome to Riviera Resources' first quarter 2020 earnings conference call. Today's call is being recorded. This is Paula Melancon, Director of Investor Relations, and in a moment I will introduce David Rottino, our President and Chief Executive Officer, but first I need to provide you with disclosure regarding forward-looking statements that will be made during this call. The statements describing our beliefs, goals, plans, strategies, expectations, projections, forecasts, and assumptions are forwardlooking statements. Please note that the Company's actual results may differ from those anticipated by such forward-looking statements for a variety of reasons, many of which are beyond our control. Additional information concerning risk factors relating to our business, prospects, and results are available in the Company's filings with the Securities and Exchange Commission, including the Company's Form 10-Q for the quarter ended March 31, 2020 which we plan to file later today, and any other public filings and press releases.

Additionally, to the extent we discuss non-GAAP measures such as adjusted EBITDAX and adjusted EBITDA, please see our earnings press release for the calculation of these measures and the GAAP reconciliations.

Additional information can be found on Riviera Resources' website at www.RivieraResourcesInc.com in the Investor section. I will now turn the call over to David Rottino, Riviera's President and CEO.

David Rottino

Introduction

Thanks Paula, and good morning everyone. We appreciate you taking time today to join us for the review of Riviera's first quarter 2020 results. Joining us today are Dan Furbee, Executive Vice President and Chief Operating Officer, and Jim Frew, Riviera's Executive Vice President and Chief Financial Officer. On our call today, I will provide an overview of Riviera's strategic initiatives, cost reductions, first quarter results, and Blue Mountain Midstream business. I will then turn the call over to Jim to discuss financial results.

Strategic

Riviera continues to deliver on our commitment to drive shareholder value through efficiently managing our assets, remaining focused on capital discipline and returning capital to shareholders. Since our last quarterly call, we closed four transactions generating proceeds of approximately $69 million. This is a great outcome, considering we were able to accomplish this with little to no adjustment to the original contract prices, especially in light of the difficult market environment we experienced in the first quarter.

As difficult as this environment has been we have actually been able to continue to return capital to shareholders as a result of our strong balance sheet. We have returned or announced approximately $107 million of capital to investors through a $1.00 per share cash distribution paid in April, a $0.75 per share cash distribution payable in May, and open market share repurchases. In addition, we paid a $4.25 per share cash distribution to shareholders in December 2019, returning another approximately $250 million.

Riviera also remains committed to reducing costs to optimally manage the business during this market downturn. To that end, we announced the consolidation of management of Blue Mountain within the Company's existing executive management team, while continuing to maintain separate capital structures for each entity. This action combined with other cost cutting initiatives will lower expected general and administrative costs by approximately 43% on a run rate basis. By fourth quarter we expect annualized G&A costs to be approximately $26MM for Blue Mountain and Riviera Upstream combined.

With our continued focus on reducing costs, the Company has also decided to suspend its North Louisiana operated drilling program, reducing 2020 capital by $21 million. However, as natural gas prices continue to improve, we retain the option to re-initiate a drilling program later this year.

Finally, the operating team has been extremely focused on lowering lease operating expenses. The Company has taken several proactive steps to significantly reduce these costs, including a reduction in workforce, optimizing compression, reducing workover projects, and negotiating lower overall service costs. As a result, the company expects Riviera Upstream's LOE to be 25% lower this year versus our prior guidance.

First Quarter Update

Turning now to our first quarter performance, with respect to our upstream assets, we have met or exceeded production and adjusted EBITDAX guidance every quarter since our formation in 2018. We have focused on lowering operating expenses and we have significantly reduced G&A. We have judiciously managed capital expenditures in 2020 by suspending the North Louisiana operated drilling program, with minimal impact to full year adjusted EBITDAX. Because the acreage is held by production, the Company has the flexibility to drill at a later date without the risk of losing its current leases. However, we remain encouraged by the reliability and results of development locations in the Ruston field, that are expected to generate over 100% IRR's at a $2.75/MMbtu gas price, and if prices do improve throughout the year, we will maintain the option to re-initiate the drilling program.

Blue Mountain

Turning to the Blue Mountain business, in the first quarter natural gas throughput on Blue Mountain's gas system averaged 118 MMcf/d, relatively flat compared to the fourth quarter. During the first quarter, Blue Mountain continued tying in new wells and turned 14 wells to sales throughout the quarter.

With respect to the water business, we continue to make considerable progress on the buildout of the water gathering system. During the first quarter, Blue Mountain managed 3.7 million barrels of water in total, or approximately 40,600 barrels per day, up 39% from the fourth quarter. Of that total, the company gathered over 23,300 barrels per day on pipe (up 102% from fourth quarter 2019). With 57% of managed water on Blue Mountain's pipe, Blue Mountain exceeded its guidance range. Furthermore, Blue Mountain completed construction of its third wholly owned and operated salt water disposal well.

Blue Mountain began construction of its crude oil gathering system in October 2019. The initial segments on the South system were placed in service on February 1,2020 and the initial segments on the North system were placed in service on March 2, 2020.

Starting in April, due to consistently low commodity prices, certain producers have elected to curtail production. As a result, Blue Mountain expects to see lower second quarter throughput at its gas processing plant versus the prior quarter. At the end of April, natural gas throughput was approximately 80 mmcf/d. Given the dynamic environment, the Company has chosen not to provide second quarter guidance for Blue Mountain.

Finally, I would like to take a moment to thank all our employees for their tremendous efforts over the last couple of months as we have found productive ways to implement social distancing including in many cases working remotely. In the face of all the distractions and challenges we have confronted during the quarter we continue to find ways to meet or exceed expectations. So, Thank you!

With that, I will turn the call over to Jim to discuss the financials in more detail.

Jim Frew

Thanks, Dave. Before opening the call up for Q&A, I'd like to discuss the following items: 1) first quarter performance, 2) balance sheet and liquidity, 3) return of capital to shareholders, and 4) 2020 upstream guidance.

First Quarter Performance

We had another solid quarter with production averaging 72 MMcfe/d. This was above the midpoint of our guidance range. Operating costs came in at the lower range of our guidance, driven by much lower lease operating expenses partially offset by higher transportation costs. For the quarter, adjusted EBITDAX came in above guidance while capital expenditures were in-line with guidance.

In the first quarter of 2020, total oil, natural gas and NGL revenues were approximately $15 million. Of that approximately 64% of the revenue was from natural gas sales, 29% was from the oil sales, and the remaining 7% was from the sales of NGLs.

With respect to costs, operating expenses for the first quarter were approximately $8 million, which was at the lower end of the guidance range. General and administrative costs, excluding share-based compensation and severance costs, were approximately $11.4 million in the first quarter. Of that approximately $8.5 million was incurred by the Upstream business, and the remaining $2.9 million was incurred by Blue Mountain. With consolidation of Blue Mountain's management team with the existing Riviera management team, and other cost reduction initiatives, the company expects by fourth quarter 2020, General and Administrative expenses, excluding share-based compensation and severance expenses, will be approximately $6.5 million. This represents a 43% decrease from the first quarter 2020.

In the first quarter, Riviera's capital investment was approximately $14 million. Riviera Upstream capital was approximately $1 million while Blue Mountain invested approximately $13 million. The majority of Blue Mountain's capital was invested on water and crude oil gathering pipelines. Capital expenditures were above prior guidance due to the acceleration of certain projects. Full year Blue Mountain capital is expected to be approximately $25 million, which is 11 % lower than prior guidance estimate.

Balance Sheet and Liquidity

With respect to the balance sheet and liquidity, Riviera and Blue Mountain have established separate credit facilities. As of March 31, 2020, there were no borrowings outstanding on Riviera's revolving credit facility. Redetermination of the borrowing base under the Riviera Credit Facility occurs semi-annually. The Company expects the borrowing base will be reduced as a result of the spring redetermination. Currently, there are no borrowings under the Riviera Credit Facility.

Blue Mountain has established a separate credit facility with total borrowing commitments of up to $200 million. As of March 31, 2020, Blue Mountain had approximately $73 million drawn on its credit facility, and approximately $115 million of available borrowing capacity, inclusive of outstanding letters of credit, subject to covenant restrictions in the Blue Mountain Credit Facility.

As of March 31, 2020, Riviera's ending consolidated cash balance was approximately $165 million. Of that, approximately $155 million was attributable to the Upstream business, and approximately $10 million was held by Blue Mountain.

As of April 30, 2020, there were no borrowings outstanding on Riviera's revolving credit facility and approximately $75 million drawn on Blue Mountain's revolving credit facility.

Return of Capital to Shareholders

Thus far in 2020, the Company has returned or announced approximately $107 million of capital to shareholders including a $1.00 per share cash distribution paid in April 2020 totaling approximately $60 million, a $0.75 per share cash distribution payable on May 12, 2020, totaling approximately $45 million, and share repurchases. In 2019 the Company's Board of Directors authorized an increase to the repurchase program up to a total of $150 million. As of April 30, 2020, the Company had approximately $22 million available for repurchase under its share repurchase authorization. As of April 30, 2020, Riviera had approximately 57.9 million shares outstanding.

Guidance

Looking ahead we have provided Upstream only guidance for the remainder of 2020. In our supplemental presentation posted to our website today, we highlight the full year 2020 upstream guidance taking into consideration the recent cost reduction initiatives that have been taken to lower general and administrative, operating, and capital expenditures.

In 2020, the upstream business expects production will average 46 to 50 MMcfe/d. Based on the plan, the business will generate $4 million of adjusted EBITDA, including expected severance costs of $2 to $4 million. Of note, second quarter adjusted EBITDA is expected to be negative. This reflects depressed commodity prices for the quarter, higher G&A due to costs associated with managing assets that we are transitioning to buyers and anticipated severance costs. In the second half of the year, we expect the upstream business to generate positive cash flow as we continue to focus on reducing costs to better fit the remaining upstream assets owned.

With respect to capital, the combined upstream and midstream businesses expect to invest $28 million in 2020. Approximately $3 million will be applied to upstream activity while Blue Mountain expects to invest $25 million throughout the year. Taken together, the Company has reduced its capital program by $25MM, or 47%, versus prior guidance.

In closing, our assets performed well in the first quarter and our balance sheet allows us flexibility. Moving forward, we continue to look for opportunities to maximize shareholder value, and we are committed to finding ways to return capital to shareholders. With that, I will hand it over to the operator to open this call up for questions.

Exhibit 99.3

RIVIERA RESOURCES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On November 22, 2019, Riviera Resources, Inc., ("Riviera" or the "Company") completed the sale of its interests in remaining properties located in the Hugoton Basin (the "Hugoton Basin Assets Sale") to Scout Energy Group V, LP (the "Buyer") under a Purchase and Sale Agreement dated August 28, 2019, for a purchase price of approximately $286 million. During the year ended December 31, 2019, the Company recorded a noncash impairment charge of approximately $100 million to reduce the carrying value of these assets to fair value.

In connection with the Hugoton Basin Assets Sale, the Buyer also acquired the Company's interests in Mayzure, LLC ("Mayzure"), including a term overriding royalty interest in helium produced from certain oil and natural gas properties in the Hugoton Basin that Riviera contributed to Mayzure in March 2019 (the "VPP Interests"). On March 20, 2019, Mayzure issued 5.16% senior secured notes in the amount of approximately $82 million, due September 20, 2028, (the "Mayzure Notes"), which were secured by the VPP interests. Neither Riviera, nor any of its subsidiaries other than Mayzure, guaranteed the Mayzure Notes. In consideration for the distribution of the VPP Interests, Mayzure contributed the net proceeds from the issuance of the Mayzure Notes to Riviera. Financing fees and expenses of approximately $3 million were incurred in connection with the Mayzure Notes and the Company made repayments of approximately $7 million.

The unaudited pro forma condensed consolidated statement of operations for the year ended December 31 2019, gives effect to the Hugoton Basin Assets Sale as if it had been completed as of January 1, 2019.

The following unaudited pro forma condensed consolidated financial statement was derived from the historical consolidated financial statements of the Company. The unaudited pro forma condensed consolidated financial statement is presented for informational and illustrative purposes only and is not necessarily indicative of the financial results that would have occurred if the transactions reflected therein had occurred on the date indicated, nor is such financial statement necessarily indicative of the Company's results of operations in future periods. The pro forma condensed consolidated financial statement does not include realization of cost savings expected to result from such transaction. The assumptions and estimates underlying the adjustments to the unaudited pro forma condensed consolidated financial statement are described in the accompanying notes. The unaudited pro forma condensed consolidated financial information should also be read in conjunction with the Company's historical financial statements and the notes thereto included in its Annual Report on Form 10-K for the year ended December 31, 2019.

The preparation of the unaudited pro forma condensed consolidated financial information is based on financial statements prepared in accordance with accounting principles generally accepted in the United States of America. These principles require the use of estimates that effect the reported amounts of revenues and expenses. Actual results could differ from those estimates.

The unaudited pro forma condensed consolidated financial information does not purport to represent what the actual results of operations would have been had the transaction occurred on the date assumed, nor is it necessarily indicative of the Company's future operating results. However, the pro forma adjustments reflected in the accompanying unaudited pro forma condensed financial information reflect estimates and assumptions that Company management believes to be reasonable.

RIVIERA RESOURCES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019
(in thousands, except per share amounts)

	Riviera Resources, Inc. Historical	Pro Forma Adjustments		Riviera Resources, Inc. Pro-Forma
Revenues and other:				
Oil, natural gas and natural gas liquids sales	$ 236,053	$ (80,801)	*(a)*	$ 155,252
Gains on commodity derivatives	10,091	—		10,091
Marketing revenues	214,280	(49,639)	*(a) (b)*	164,641
Other revenues	19,355	(18,204)	*(a)*	1,151
	479,779	(148,644)		331,135
Expenses:				
Lease operating expenses	77,719	(21,976)	*(a)*	55,743
Transportation expenses	64,149	(45,461)	*(a)*	18,688
Marketing expenses	166,651	(37,786)	*(a)*	128,865
General and administrative expenses	61,671	—		61,671
Exploration costs	5,122	—		5,122
Depreciation, depletion and amortization	77,089	(22,020)	*(c)*	55,069
Impairment of assets held for sale and long-lived assets	208,376	(99,792)	*(d)*	108,584
Taxes, other than income taxes	15,374	(9,252)	*(a)*	6,122
Gains on sale of assets and other, net	(20,743)	—		(20,743)
	655,408	(236,287)		419,121
Other income and (expenses):				
Interest expense, net of amounts capitalized	(6,997)	3,166	*(e)*	(3,831)
Other, net	(444)	(19)	*(e)*	(463)
	(7,441)	3,147		(4,294)
Reorganization items, net	13,359	—		13,359
Loss from continuing operations before income taxes	(169,711)	90,790		(78,921)
Income tax expense	127,859	(10,633)	*(f)*	117,226
Loss from continuing operations	(297,570)	101,423		(196,147)
Income from discontinued operations, net of income taxes	3,824	—		3,824
Net loss	$ (293,746)	$ 101,423		$ (192,323)
Income (loss) per share:				
Loss from continuing operations per share – basic and diluted	$ (4.71)			$ (3.11)
Income from discontinued operations per share – basic and diluted	$ 0.06			$ 0.06
Net loss per share – basic and diluted	$ (4.65)			$ (3.05)
Weighted average shares outstanding – basic	63,118			63,118
Weighted average shares outstanding – diluted	63,118			63,118

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

RIVIERA RESOURCES, INC.

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Historical Riviera Resources, Inc.

These amounts represent the Company’s condensed consolidated historical statement of operations. Amounts for the year ended December 31, 2019, were derived from the Company’s Annual Report on Form 10-K for the year ended December 31, 2019.

The historical condensed consolidated statement of operations has been adjusted in the unaudited pro forma condensed consolidated statement of operations to give effect to pro forma events that are (i) directly attributable to the transaction, (ii) factually supportable and (iii) expected to have a continuing impact on results of operations.

Pro Forma Adjustments

(a) Reflects the elimination of revenues and direct operating expenses associated with the Hugoton Basin Assets Sale.

(b) Reflects the elimination of revenues, including helium revenues, from the VPP Interests.

(c) Reflects a reduction of depreciation, depletion and amortization expense as a result of the Hugoton Basin Assets Sale.

(d) Reflects the noncash impairment charge recorded to reduce the carrying value of the assets sold in the Hugoton Basin Assets Sale to fair value.

(e) Reflects the elimination of interest expense and interest income associated with the Mayzure Notes.

(f) Reflects the elimination of income tax expense associated with recording a full valuation allowance against deferred tax assets included in the Hugoton Basin Assets Sale.