

Our ability to bring our Southwest Appalachia production to market will depend on a number of factors including the construction of and/or the availability of capacity on gathering systems and pipelines that we do not own. We refer you to “Marketing” within [Item 1](#) of Part I of this Annual Report for a discussion of our gathering and transportation arrangements for Southwest Appalachia production.

#### Fayetteville Shale

On August 30, 2018, we entered into an agreement to effect the Fayetteville Shale sale for \$1,865 million, subject to customary adjustments. In early December 2018, we completed the Fayetteville Shale sale, resulting in net proceeds of \$1,650 million, following adjustments due primarily to the net cash flows from the economic effective date of July 1, 2018, to the closing date.

Production in the Fayetteville Shale totaled 243 Bcf for the year ended December 31, 2018, which represented 26% of our total 2018 net production. In 2018, we invested \$33 million in the Fayetteville Shale.

#### Other

Excluding 2,518,519 acres in New Brunswick, Canada, which have been subject to a government-imposed drilling moratorium since 2015, we held 27,334 net undeveloped acres for the potential development of new resources as of December 31, 2019 in areas outside of Appalachia. This compares to 153,159 net undeveloped acres held at year-end 2018 and 369,236 net undeveloped acres held at year-end 2017, excluding the New Brunswick acreage.

We limited our activities in areas beyond our assets in Appalachia during 2019, 2018 and 2017 as a result of the commodity price environment as we focused our capital allocation on these more economically competitive plays. There can be no assurance that any prospects outside of our development plays will result in viable projects or that we will not abandon our initial investments.

*New Brunswick, Canada.* We currently hold exclusive licenses to search and conduct an exploration program covering 2,518,519 net acres in New Brunswick. In 2015, the provincial government in New Brunswick imposed a moratorium on hydraulic fracturing until it is satisfied with a list of conditions. In response to this moratorium, the Company requested and was granted an extension of its licenses to March 2021. In May 2016, the provincial government announced that the moratorium would continue indefinitely. Unless and until the moratorium is lifted, we will not be able to develop these assets. Given this development, we fully impaired our investment in New Brunswick in 2016.

#### Acquisitions and Divestitures

On August 30, 2018, we entered into an agreement to effect the Fayetteville Shale sale for \$1,865 million, subject to customary adjustments. In early December 2018, we completed the Fayetteville Shale sale, receiving \$1,650 million in net proceeds after adjustments to the purchase price of \$215 million primarily due to the net cash flows from the economic effective date of July 1, 2018 to the closing date.

During 2019, we sold non-core acreage for \$38 million. There was no production or proved reserves associated with this acreage.