

## Civitas Resources Reports Strong Third Quarter 2025 Financial and Operating Results

**DENVER — November 6, 2025** - Civitas Resources, Inc. (NYSE: CIVI) (the "Company" or "Civitas") today reported its third quarter 2025 financial and operating results. Civitas' third quarter 2025 earnings webcast and conference call scheduled for Friday, November 7, 2025, has been cancelled as a result of the merger announcement with SM Energy Company (NYSE: SM) ("SM Energy").

### Key Highlights

- Third quarter results exceeded expectations, with higher production and lower cash operating expenses contributing to net income of \$177 million, operating cash flow of \$860 million, Adjusted EBITDAX<sup>(1)</sup> of \$855 million and Adjusted Free Cash Flow<sup>(1)</sup> of \$254 million.
- Oil and total production were up six percent from the second quarter to more than 158 thousand barrels of oil per day ("MBbl/d") and 336 thousand barrels of oil equivalent per day ("MBoe/d"), and cash operating expenses<sup>(2)</sup> were lower by five percent to \$9.67 per barrel of oil equivalent ("BOE").
- Closed on the divestment of two previously-announced non-core DJ Basin assets on August 29 and October 1, as planned.
- Reduced net debt<sup>(1)</sup> by \$237 million, while also repurchasing \$250 million of Civitas' stock (approximately 8% of outstanding shares) in the third quarter; year-to-date repurchases total nearly 10% of outstanding shares.

### Key Third Quarter 2025 Results

|                                               | Three Months Ended<br>September 30, 2025 | Nine Months Ended<br>September 30, 2025 |
|-----------------------------------------------|------------------------------------------|-----------------------------------------|
| Net income (\$MM)                             | \$177                                    | \$487                                   |
| Adjusted Net Income (\$MM) <sup>(1)</sup>     | \$172                                    | \$429                                   |
| Operating cash flow (\$MM)                    | \$860                                    | \$1,877                                 |
| Adjusted EBITDAX (\$MM) <sup>(1)</sup>        | \$855                                    | \$2,389                                 |
| Sales volumes (MBoe/d)                        | 336                                      | 321                                     |
| Oil volumes (MBbl/d)                          | 158                                      | 150                                     |
| Capital expenditures (\$MM)                   | \$491                                    | \$1,492                                 |
| Adjusted Free Cash Flow (\$MM) <sup>(1)</sup> | \$254                                    | \$548                                   |

<sup>(1)</sup> Non-GAAP financial measure; see attached schedules at the end of this release for reconciliations to the most directly comparable GAAP financial measures.

<sup>(2)</sup> Cash operating expenses include lease operating expense ("LOE"), midstream, gathering, transportation and processing, and cash general and administrative ("G&A"). Cash G&A is a non-GAAP financial measure; see attached schedules at the end of this release for reconciliations to the most directly comparable GAAP financial measures.

### Third Quarter 2025 Operational Update

- Permian Basin production increased six percent from the second quarter to 181 MBoe/d, with oil volumes growing to 86 MBbl/d, up four percent. Midland Basin production represented two-thirds of total Permian Basin volumes, with the Delaware Basin accounting for the remaining one-third.

- Activity for the quarter included 29, 30, and 27 net operated wells drilled, completed, and turned to sales, respectively. The Company's average lateral length completed was 2.2 miles.
- Approximately 45% of the wells drilled, 40% of the wells completed, and 70% of the wells turned to sales were in the Delaware Basin.
- Production from the Double Stamp pad (nine wells, two-mile laterals in Lea County, NM) and the Brother Nature pad (four wells, two-mile laterals in Reeves County, TX) in the Delaware Basin delivered an average peak 30-day rate of 1,200 Boe/d (80% oil) per well, higher than average offset results by up to 20%.
- After more than 120 days online, a two-mile Wolfcamp B well in western Upton County, TX, in the Midland Basin, has confirmed strong productivity, extended the economic boundary of the play, and de-risked future development. Peak 30-day production from the well was 1,495 Boe/d (74% oil).
- DJ Basin production increased six percent from the second quarter to 155 MBoe/d, with oil volumes growing to 72 MBbl/d, up nine percent. With the first of two non-core asset sales closing on August 29, third quarter average production was reduced by 2 MBoe/d (50% oil).
  - Activity for the quarter included 31, 28, and 40 net operated wells drilled, completed, and turned to sales, respectively. The Company's average lateral length completed was nearly two miles.
  - Civitas drilled a two-mile lateral well to total depth in 1.3 days (a Company record), excluding surface drilling.
  - The Invicta development in Watkins surpassed more than one million barrels of oil equivalent (approximately 80% oil) after 105 days of production. The pad includes eight wells, each drilled over four miles and completed over three miles.

### **Third Quarter 2025 Financial Update**

- Crude oil, natural gas, and NGL revenues totaled \$1.2 billion, benefiting from strong volumes and realizations.
  - Realized oil prices, excluding hedging impacts, represented a \$0.31 per barrel premium to the average West Texas Intermediate ("WTI") oil price. The strong differential resulted from crude quality and forward pricing impacts in both basins, along with improved long-haul transportation in the DJ Basin.
  - Natural gas realizations were impacted by continued weak Waha pricing, and natural gas liquids realizations averaged 28% of WTI for the period, consistent with expected summer demand trends.
- Realized hedging gains totaled \$65 million, with 60% coming from crude oil.
- LOE per BOE was seven percent lower than the second quarter, largely driven by production increases and lower fuel and power usage.
- Cash G&A<sup>(3)</sup> of \$41 million includes \$3 million of non-recurring severance charges. Excluding these amounts, cash G&A was lower than the second quarter by seven percent.
- Capital expenditures of \$491 million reflect continued drilling and completion efficiencies and accelerated activity in both basins.
- Financial liquidity at the end of the third quarter 2025 totaled \$2.2 billion, representing cash on hand and borrowings available under the Company's revolving credit facility. During the third quarter, the Company reduced its revolving credit facility balance by \$250 million.
- The Company completed a \$250 million accelerated share repurchase program in the third quarter, repurchasing 7.4 million shares of Civitas' stock.
- During the third quarter, the Company added more than two million barrels of oil hedges covering the next 12 months.

<sup>(3)</sup> Cash G&A is a non-GAAP financial measure; see attached schedules at the end of this release for reconciliations to the most directly comparable GAAP financial measures.

## **Dividend Declared**

The Company's Board of Directors approved a quarterly dividend of \$0.50 per share, payable on December 29, 2025, to shareholders of record as of December 15, 2025.

## **Guidance**

Due to the pending merger with SM Energy, Civitas has discontinued providing quarterly and annual guidance. Accordingly, investors should not rely on any previously disclosed financial and operating guidance and are cautioned not to rely on historical forward-looking statements as those forward-looking statements were the estimates of management only as of the date provided and were subject to the specific risks and uncertainties that accompanied such forward-looking statements.

## **About Civitas Resources, Inc.**

Civitas Resources, Inc. is an independent exploration and production company focused on the acquisition, development and production of crude oil and liquids-rich natural gas from its premier assets in the Permian Basin in Texas and New Mexico and the DJ Basin in Colorado. Civitas' proven business model to maximize shareholder returns is focused on four key strategic pillars: generating significant free cash flow, maintaining a premier balance sheet, returning capital to shareholders, and demonstrating ESG leadership. For more information about Civitas, please visit [www.civitasresources.com](http://www.civitasresources.com).

## **Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included in this press release that address events or developments SM Energy and Civitas expect, believe, or anticipate will or may occur in the future are forward-looking statements. The words "intend," "expect," and similar expressions are intended to identify forward-looking statements. Forward-looking statements in this press release include, but are not limited to, statements regarding the transactions contemplated by the Agreement and Plan of Merger, dated November 2, 2025 (the "Merger Agreement"), among SM Energy, Civitas and Cars Merger Sub, Inc. (the "Transaction"). There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this press release. These include the expected timing and likelihood of completion of the Transaction, including the timing, receipt and terms and conditions of any required governmental and regulatory approvals of the Transaction that could reduce anticipated benefits or cause the parties to abandon the Transaction, the ability to successfully integrate the businesses, the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement, the possibility that stockholders of SM Energy or Civitas may not approve the Transaction, the risk that the parties may not be able to satisfy the conditions to the Transaction in a timely manner or at all, risks related to disruption of management time from ongoing business operations due to the Transaction, the risk that any announcements relating to the Transaction could have adverse effects on the market price of SM Energy's common stock or Civitas' common stock, the risk that the Transaction and its announcement could have an adverse effect on the ability of SM Energy and Civitas to retain customers and retain and hire key personnel and maintain relationships with their suppliers and customers and on their operating results and businesses generally, the risk the pending Transaction could distract management of both entities and they will incur substantial costs, the risk that problems may arise in successfully integrating the businesses of the companies, which may result in the combined company not operating as effectively and efficiently as expected, the risk that the combined company may be unable to achieve synergies or it may take longer than expected to achieve those synergies and other important factors that could cause actual results to differ materially from those projected. All such factors are difficult to predict and are beyond SM Energy's or Civitas' control, including those detailed in SM Energy's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are available on its website at [sm-energy.com/investors](http://sm-energy.com/investors) and on the

SEC's website at <http://www.sec.gov>, and those detailed in Civitas' annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K that are available on Civitas' website at [ir.civitasresources.com/investor-relations](http://ir.civitasresources.com/investor-relations) and on the SEC's website at <http://www.sec.gov>. All forward-looking statements are based on assumptions that SM Energy and Civitas believe to be reasonable but that may not prove to be accurate. Such forward-looking statements are based on assumptions and analyses made by SM Energy and Civitas in light of their perceptions of current conditions, expected future developments, and other factors that SM Energy and Civitas believe are appropriate under the circumstances. These statements are subject to a number of known and unknown risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual events may be materially different from those expressed or implied in the forward-looking statements. The forward-looking statements in this communication speak as of the date of this communication.

### **No Offer or Solicitation**

This communication is for informational purposes only and is not intended to, and shall not, constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

### **Additional Information and Where to Find It**

In connection with the proposed transaction, SM Energy intends to file with the SEC a registration statement on Form S-4 (the "Registration Statement") that will include a joint proxy statement of SM Energy and Civitas and a prospectus of SM Energy (the "Joint Proxy Statement/Prospectus"). Each of SM Energy and Civitas may also file other relevant documents with the SEC regarding the proposed transaction. This communication is not a substitute for the Joint Proxy Statement/Prospectus or Registration Statement or any other document that SM Energy or Civitas, as applicable, may file with the SEC in connection with the proposed transaction. After the Registration Statement has been declared effective by the SEC, a definitive Joint Proxy Statement/Prospectus will be mailed to the stockholders of each of SM Energy and Civitas. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS OF SM ENERGY AND CIVITAS ARE URGED TO READ THE REGISTRATION STATEMENT, THE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT SM ENERGY, CIVITAS, THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and security holders will be able to obtain free copies of the Registration Statement and the Joint Proxy Statement/Prospectus, as well as other filings containing important information about SM Energy, Civitas and the proposed transaction, once such documents are filed with the SEC through the website maintained by the SEC at <https://www.sec.gov>. Copies of the documents filed with the SEC by SM Energy will be available free of charge on SM Energy's website at <https://www.sm-energy.com/investors>. Copies of the documents filed with the SEC by Civitas will be available free of charge on Civitas' website at <https://ir.civitasresources.com/investorrelations/Overview/default.aspx>. The information included on, or accessible through, SM Energy's or Civitas' website is not incorporated by reference into this communication.

### **Participants in the Solicitation**

SM Energy, Civitas and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about the directors and executive officers of SM Energy, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in SM Energy's proxy statement for its 2025 Annual Meeting of Stockholders, which was filed with the SEC on April 7, 2025 (and which is available at <https://www.sec.gov/Archives/edgar/data/893538/000089353825000032/sm-20250404.htm>) and a Form 8-K filed by SM Energy on September 8, 2025 (and which is available at <https://www.sec.gov/Archives/edgar/data/893538/000089353825000116/sm-20250904.htm>). Information about the

directors and executive officers of Civitas, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in a Form 8-K filed by Civitas on August 6, 2025 (and which is available at [https://www.sec.gov/Archives/edgar/data/1509589/000110465925074774/tm2522747d1\\_8k.htm](https://www.sec.gov/Archives/edgar/data/1509589/000110465925074774/tm2522747d1_8k.htm)), a Form 8-K filed by Civitas on May 7, 2025 (and which is available at [https://www.sec.gov/Archives/edgar/data/1509589/000110465925045550/tm2514090d1\\_8k.htm](https://www.sec.gov/Archives/edgar/data/1509589/000110465925045550/tm2514090d1_8k.htm)), and Civitas' proxy statement for its 2025 Annual Meeting of Stockholders, which was filed with the SEC on April 21, 2025 (and which is available at <https://www.sec.gov/Archives/edgar/data/1509589/000155837025005077/civi-20241231xdef14a.htm>). Other information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Joint Proxy Statement/Prospectus and other relevant materials to be filed with the SEC regarding the proposed transaction when such materials become available. Investors should read the Joint Proxy Statement/Prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from SM Energy and Civitas using the sources indicated above.

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# Schedule 1: Condensed Consolidated Statements of Operations

(in millions, except share and per share amounts, unaudited)

|                                             | Three Months Ended September 30, |            | Nine Months Ended September 30, |            |
|---------------------------------------------|----------------------------------|------------|---------------------------------|------------|
|                                             | 2025                             | 2024       | 2025                            | 2024       |
| Operating net revenues:                     |                                  |            |                                 |            |
| Crude oil, natural gas, and NGL sales       | \$ 1,160                         | \$ 1,272   | \$ 3,406                        | \$ 3,911   |
| Other operating income                      | 8                                | —          | 13                              | 3          |
| Total operating net revenues                | 1,168                            | 1,272      | 3,419                           | 3,914      |
| Operating expenses:                         |                                  |            |                                 |            |
| Lease operating expense                     | 159                              | 147        | 491                             | 405        |
| Midstream operating expense                 | 12                               | 11         | 38                              | 37         |
| Gathering, transportation, and processing   | 88                               | 97         | 258                             | 280        |
| Severance and ad valorem taxes              | 81                               | 87         | 245                             | 291        |
| Exploration                                 | 1                                | 1          | 7                               | 14         |
| Depreciation, depletion, and amortization   | 497                              | 524        | 1,443                           | 1,512      |
| General and administrative expense          | 52                               | 57         | 162                             | 174        |
| Transaction costs                           | 2                                | —          | 8                               | 31         |
| Other operating expense                     | 3                                | 2          | 9                               | 10         |
| Total operating expenses                    | 895                              | 926        | 2,661                           | 2,754      |
| Other income (expense):                     |                                  |            |                                 |            |
| Derivative gain, net                        | 79                               | 151        | 235                             | 49         |
| Interest expense                            | (120)                            | (117)      | (341)                           | (342)      |
| Other, net                                  | 2                                | 9          | (9)                             | 16         |
| Total other income (expense)                | (39)                             | 43         | (115)                           | (277)      |
| Income from operations before income taxes  | 234                              | 389        | 643                             | 883        |
| Income tax expense                          | (57)                             | (93)       | (156)                           | (195)      |
| Net income                                  | \$ 177                           | \$ 296     | \$ 487                          | \$ 688     |
| Earnings per common share:                  |                                  |            |                                 |            |
| Basic                                       | \$ 1.99                          | \$ 3.02    | \$ 5.32                         | \$ 6.91    |
| Diluted                                     | \$ 1.99                          | \$ 3.01    | \$ 5.31                         | \$ 6.88    |
| Weighted-average common shares outstanding: |                                  |            |                                 |            |
| Basic                                       | 88,864,529                       | 97,905,077 | 91,644,288                      | 99,539,882 |
| Diluted                                     | 88,962,984                       | 98,223,909 | 91,762,602                      | 99,951,073 |

## Schedule 2: Condensed Consolidated Statements of Cash Flows

(in millions, unaudited)

|                                                                                    | Three Months Ended<br>September 30, |        | Nine Months Ended<br>September 30, |         |
|------------------------------------------------------------------------------------|-------------------------------------|--------|------------------------------------|---------|
|                                                                                    | 2025                                | 2024   | 2025                               | 2024    |
| Cash flows from operating activities:                                              |                                     |        |                                    |         |
| Net income                                                                         | \$ 177                              | \$ 296 | \$ 487                             | \$ 688  |
| Adjustments to reconcile net income to net cash provided by operating activities:  |                                     |        |                                    |         |
| Depreciation, depletion, and amortization                                          | 497                                 | 524    | 1,443                              | 1,512   |
| Stock-based compensation                                                           | 11                                  | 13     | 37                                 | 36      |
| Derivative gain, net                                                               | (79)                                | (151)  | (235)                              | (49)    |
| Derivative cash settlement gain (loss), net                                        | 65                                  | 18     | 138                                | (6)     |
| Amortization of deferred financing costs and deferred acquisition consideration    | 4                                   | 14     | 13                                 | 39      |
| Deferred income tax expense                                                        | 65                                  | 94     | 155                                | 187     |
| Other, net                                                                         | 5                                   | (2)    | 2                                  | (2)     |
| Changes in operating assets and liabilities, net                                   |                                     |        |                                    |         |
| Accounts receivable, net                                                           | 93                                  | 32     | 140                                | 35      |
| Prepaid expenses and other                                                         | (10)                                | (12)   | (26)                               | (5)     |
| Accounts payable, accrued expenses, and other liabilities                          | 32                                  | 9      | (277)                              | (428)   |
| Net cash provided by operating activities                                          | 860                                 | 835    | 1,877                              | 2,007   |
| Cash flows from investing activities:                                              |                                     |        |                                    |         |
| Acquisitions of businesses, net of cash acquired                                   | (5)                                 | (37)   | (761)                              | (905)   |
| Acquisitions of crude oil and natural gas properties                               | (34)                                | (10)   | (54)                               | (24)    |
| Capital expenditures for drilling and completion activities and other fixed assets | (471)                               | (541)  | (1,432)                            | (1,632) |
| Proceeds from property transactions                                                | 185                                 | (9)    | 188                                | 163     |
| Purchases of carbon credits and renewable energy credits                           | —                                   | (2)    | —                                  | (4)     |
| Other, net                                                                         | 1                                   | 2      | 1                                  | 2       |
| Net cash used in investing activities                                              | (324)                               | (597)  | (2,058)                            | (2,400) |
| Cash flows from financing activities:                                              |                                     |        |                                    |         |
| Proceeds from credit facility                                                      | 550                                 | 350    | 2,100                              | 1,650   |
| Payments to credit facility                                                        | (800)                               | (400)  | (2,200)                            | (1,600) |
| Proceeds from issuance of senior notes                                             | —                                   | —      | 743                                | —       |
| Dividends paid                                                                     | (44)                                | (149)  | (141)                              | (446)   |
| Common stock repurchased and retired                                               | (250)                               | (78)   | (322)                              | (270)   |
| Payment of employee tax withholdings in exchange for the return of common stock    | (2)                                 | (3)    | (7)                                | (12)    |
| Other, net                                                                         | (3)                                 | (3)    | (12)                               | (9)     |
| Net cash provided by (used in) financing activities                                | (549)                               | (283)  | 161                                | (687)   |
| Net change in cash, cash equivalents, and restricted cash                          | (13)                                | (45)   | (20)                               | (1,080) |
| Cash, cash equivalents, and restricted cash:                                       |                                     |        |                                    |         |
| Beginning of period                                                                | 69                                  | 92     | 76                                 | 1,127   |
| End of period                                                                      | \$ 56                               | \$ 47  | \$ 56                              | \$ 47   |

### Schedule 3: Condensed Consolidated Balance Sheets

(in millions, except share and per share amounts, unaudited)

|                                                                                                                                                                             | September 30, 2025 | December 31, 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
| <b>ASSETS</b>                                                                                                                                                               |                    |                   |
| Current assets:                                                                                                                                                             |                    |                   |
| Cash and cash equivalents                                                                                                                                                   | \$ 56              | \$ 76             |
| Accounts receivable, net:                                                                                                                                                   |                    |                   |
| Crude oil, natural gas, and NGL sales                                                                                                                                       | 523                | 646               |
| Joint interest and other                                                                                                                                                    | 113                | 125               |
| Derivative assets                                                                                                                                                           | 169                | 67                |
| Prepaid expenses and other                                                                                                                                                  | 84                 | 74                |
| Total current assets                                                                                                                                                        | 945                | 988               |
| Property and equipment (successful efforts method):                                                                                                                         |                    |                   |
| Proved properties                                                                                                                                                           | 18,924             | 16,897            |
| Less: accumulated depreciation, depletion, and amortization                                                                                                                 | (5,663)            | (4,288)           |
| Total proved properties, net                                                                                                                                                | 13,261             | 12,609            |
| Unproved properties                                                                                                                                                         | 318                | 631               |
| Wells in progress                                                                                                                                                           | 375                | 506               |
| Other property and equipment, net of accumulated depreciation of \$10 million in 2025 and \$9 million in 2024                                                               | 55                 | 48                |
| Total property and equipment, net                                                                                                                                           | 14,009             | 13,794            |
| Derivative assets                                                                                                                                                           | 2                  | 17                |
| Other noncurrent assets                                                                                                                                                     | 155                | 145               |
| <b>Total assets</b>                                                                                                                                                         | <b>\$ 15,111</b>   | <b>\$ 14,944</b>  |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                                 |                    |                   |
| Current liabilities:                                                                                                                                                        |                    |                   |
| Accounts payable and accrued expenses                                                                                                                                       | \$ 623             | \$ 561            |
| Severance and ad valorem taxes payable                                                                                                                                      | 291                | 323               |
| Crude oil, natural gas, and NGL revenue distribution payable                                                                                                                | 646                | 702               |
| Deferred acquisition consideration                                                                                                                                          | —                  | 479               |
| Derivative liability                                                                                                                                                        | 17                 | 22                |
| Other liabilities                                                                                                                                                           | 118                | 118               |
| Total current liabilities                                                                                                                                                   | 1,695              | 2,205             |
| Long-term liabilities:                                                                                                                                                      |                    |                   |
| Debt, net                                                                                                                                                                   | 5,139              | 4,494             |
| Ad valorem taxes                                                                                                                                                            | 149                | 294               |
| Deferred income tax liabilities, net                                                                                                                                        | 955                | 801               |
| Asset retirement obligations                                                                                                                                                | 365                | 399               |
| Derivative liability                                                                                                                                                        | 8                  | 13                |
| Other long-term liabilities                                                                                                                                                 | 115                | 109               |
| Total liabilities                                                                                                                                                           | 8,426              | 8,315             |
| Commitments and contingencies                                                                                                                                               |                    |                   |
| Stockholders' equity:                                                                                                                                                       |                    |                   |
| Preferred stock, \$.01 par value, 25,000,000 shares authorized, none outstanding                                                                                            | —                  | —                 |
| Common stock, \$.01 par value, 225,000,000 shares authorized, 85,293,095 and 93,933,857 issued and outstanding as of September 30, 2025 and December 31, 2024, respectively | 5                  | 5                 |
| Additional paid-in capital                                                                                                                                                  | 4,639              | 5,095             |
| Retained earnings                                                                                                                                                           | 2,041              | 1,529             |
| Total stockholders' equity                                                                                                                                                  | 6,685              | 6,629             |
| <b>Total liabilities and stockholders' equity</b>                                                                                                                           | <b>\$ 15,111</b>   | <b>\$ 14,944</b>  |

#### Schedule 4: Average Sales Volumes and Prices

The following table presents crude oil, natural gas, and NGL sales volumes by operating region as well as consolidated average sales prices before and after derivatives.

Average sales price, after derivatives is a non-GAAP financial measure that incorporates the net effect of derivative cash receipts from or payments on commodity derivatives that are presented in our accompanying statements of cash flows, netted into the average sales price, before derivatives, the most directly comparable GAAP financial measure. We believe that the presentation of average sales price, after derivatives is a useful means to reflect the actual cash performance of our commodity derivatives for the respective periods and is useful to management and our stockholders in determining the effectiveness of our price risk management program. The following table provides a reconciliation of the GAAP financial measure of average sales price, before derivatives to the non-GAAP financial measure of average sales prices, after derivatives for the periods presented:

|                                                      | Three Months Ended    |                  | Nine Months Ended     |                       |
|------------------------------------------------------|-----------------------|------------------|-----------------------|-----------------------|
|                                                      | September 30,<br>2025 | June 30,<br>2025 | September 30,<br>2025 | September 30,<br>2024 |
| <b>Average sales volumes per day<sup>(1)</sup></b>   |                       |                  |                       |                       |
| Crude oil (MBbl/d)                                   |                       |                  |                       |                       |
| Permian Basin                                        | 86                    | 83               | 82                    | 86                    |
| DJ Basin                                             | 72                    | 66               | 68                    | 71                    |
| Total                                                | 158                   | 149              | 150                   | 157                   |
| Natural gas (MMcf/d)                                 |                       |                  |                       |                       |
| Permian Basin                                        | 272                   | 255              | 266                   | 276                   |
| DJ Basin                                             | 274                   | 269              | 277                   | 323                   |
| Total                                                | 546                   | 524              | 543                   | 599                   |
| Natural gas liquids (MBbl/d)                         |                       |                  |                       |                       |
| Permian Basin                                        | 50                    | 45               | 46                    | 48                    |
| DJ Basin                                             | 37                    | 35               | 35                    | 37                    |
| Total                                                | 87                    | 80               | 81                    | 85                    |
| Average sales volumes per day (MBoe/d)               |                       |                  |                       |                       |
| Permian Basin                                        | 181                   | 171              | 172                   | 180                   |
| DJ Basin                                             | 155                   | 146              | 149                   | 162                   |
| Total                                                | 336                   | 317              | 321                   | 342                   |
| <b>Average sales prices</b>                          |                       |                  |                       |                       |
| Crude oil (per Bbl)                                  | \$ 65.24              | \$ 63.87         | \$ 66.54              | \$ 77.12              |
| Effects of derivatives, net (per Bbl) <sup>(2)</sup> | 2.63                  | 2.68             | 1.85                  | (0.96)                |
| Crude oil (after derivatives) (per Bbl)              | \$ 67.87              | \$ 66.55         | \$ 68.39              | \$ 76.16              |
| Natural gas (per Mcf)                                | \$ 1.29               | \$ 1.00          | \$ 1.61               | \$ 0.64               |
| Effects of derivatives, net (per Mcf) <sup>(2)</sup> | 0.52                  | 0.69             | 0.41                  | 0.22                  |
| Natural gas (after derivatives) (per Mcf)            | \$ 1.81               | \$ 1.69          | \$ 2.02               | \$ 0.86               |
| Natural gas liquids (per Bbl)                        | \$ 18.21              | \$ 18.99         | \$ 20.29              | \$ 20.95              |
| Effects of derivatives, net (per Bbl) <sup>(2)</sup> | —                     | —                | —                     | —                     |
| Natural gas liquids (after derivatives) (per Bbl)    | \$ 18.21              | \$ 18.99         | \$ 20.29              | \$ 20.95              |

<sup>(1)</sup> Items may not recalculate due to rounding.

<sup>(2)</sup> Derivatives economically hedge the price we receive for crude oil, natural gas, and NGL. For the three months ended September 30, 2025, the derivative cash settlement gain for crude oil and natural gas was \$39 million and \$26 million, respectively. For the three months ended June 30, 2025, the derivative cash settlement gain for crude oil and natural gas was \$36 million and \$33 million respectively. For the nine months ended September 30, 2025, the derivative cash settlement gain for crude oil and natural gas was \$76 million and \$62 million, respectively. For the nine months ended September 30, 2024, the derivative cash settlement loss for crude oil was \$42 million, and the derivative cash settlement gain for natural gas was \$36 million. We did not hedge the price we received for NGL during the periods presented.

## Schedule 5: Adjusted Net Income

(in millions, except shares and per share amounts, unaudited)

Adjusted Net Income is a supplemental non-GAAP financial measure that is used by management to present a more comparable, recurring profitability between periods. We believe that Adjusted Net Income provides external users of our consolidated financial statements with additional information to assist in their analysis of the Company. Adjusted Net Income represents net income after adjusting for (1) the impact of certain non-cash items and/or non-recurring charges and correspondingly (2) the related tax effect in each period. Adjusted Net Income is not a measure of net income as determined by GAAP and should not be considered in isolation or as a substitute for net income, net cash provided by operating activities, or other profitability or liquidity measures prepared under GAAP.

The following table presents a reconciliation of the GAAP financial measure of net income to the non-GAAP financial measure of Adjusted Net Income.

|                                              | Three Months Ended    |                  | Nine Months Ended     |                       |
|----------------------------------------------|-----------------------|------------------|-----------------------|-----------------------|
|                                              | September 30,<br>2025 | June 30,<br>2025 | September 30,<br>2025 | September 30,<br>2024 |
| Net income                                   | \$ 177                | \$ 124           | \$ 487                | \$ 688                |
| Adjustments to net income:                   |                       |                  |                       |                       |
| Derivative (gain) loss, net                  | (79)                  | (104)            | (235)                 | (49)                  |
| Derivative cash settlement gain (loss)       | 65                    | 69               | 138                   | (6)                   |
| Transaction costs                            | 2                     | —                | 8                     | 31                    |
| Non-recurring severance <sup>(1)</sup>       | 3                     | —                | 8                     | —                     |
| Other, net <sup>(2)</sup>                    | 2                     | (7)              | 5                     | 1                     |
| Total adjustments to net income before taxes | (7)                   | (42)             | (76)                  | (23)                  |
| Tax effect of adjustments                    | 2                     | 10               | 18                    | 5                     |
| Total adjustments to net income after taxes  | (5)                   | (32)             | (58)                  | (18)                  |
| Adjusted Net Income                          | \$ 172                | \$ 92            | \$ 429                | \$ 670                |
| Adjusted Net Income per diluted share        | \$ 1.93               | \$ 0.99          | \$ 4.68               | \$ 6.71               |

|                                                    |            |            |            |            |
|----------------------------------------------------|------------|------------|------------|------------|
| Diluted weighted-average common shares outstanding | 88,962,984 | 92,670,914 | 91,762,602 | 99,951,073 |
|----------------------------------------------------|------------|------------|------------|------------|

<sup>(1)</sup> The three months ended September 30, 2025 includes non-recurring cash severance charges incurred in connection with our CEO separation that is included in of general and administrative expense in the accompanying unaudited condensed consolidated statements of operations. The nine months ended September 30, 2025 includes non-recurring cash severance charges and non-recurring stock compensation expense incurred in connection with our announced reduction in force and our CEO separation that is included in of general and administrative expense in the accompanying unaudited condensed consolidated statements of operations.

<sup>(2)</sup> The activity relates to (i) non-recurring cash unused commitment fees that are included in other operating expense in the accompanying unaudited condensed consolidated statements of operations for each period presented and (ii) non-capitalized expenses incurred in connection with our ERP implementation that are included in general and administrative expense in the accompanying unaudited condensed consolidated statements of operations during the three months ended September 30, 2025. The three months ended June 30, 2025 includes (i) a \$9 million reduction related to the settlement of the unrealized loss on crude oil linefill contracts recorded during the three months ended March 31, 2025 that is included in other, net in the accompanying unaudited condensed consolidated statements of operations for the period.

## Schedule 6: Adjusted EBITDAX

(in millions, unaudited)

Adjusted EBITDAX is a supplemental non-GAAP financial measure that represents earnings before interest, income taxes, depreciation, depletion, and amortization, exploration expense, and other non-cash and/or non-recurring charges. Adjusted EBITDAX excludes certain items that we believe affect the comparability of operating results and can exclude items that are generally non-recurring in nature. We present Adjusted EBITDAX because we believe it provides useful additional information to investors and analysts, as a performance measure, for analysis of our ability to internally generate funds for exploration, development, acquisitions, and to service debt and return cash to stockholders. We are also subject to financial covenants under our revolving credit facility based on Adjusted EBITDAX ratios. In addition, Adjusted EBITDAX is widely used by professional research analysts and others in the valuation, comparison, and investment recommendations of companies in the crude oil and natural gas exploration and production industry. Adjusted EBITDAX should not be considered in isolation or as a substitute for net income, net cash provided by operating activities, or other profitability or liquidity measures prepared under GAAP. Because Adjusted EBITDAX excludes some, but not all items that affect net income and may vary among companies, the Adjusted EBITDAX amounts presented may not be comparable to similar metrics of other companies.

The following table presents a reconciliation of the GAAP financial measure of net income to the non-GAAP financial measure of Adjusted EBITDAX:

|                                                                | Three Months Ended    |                  | Nine Months Ended     |                       |
|----------------------------------------------------------------|-----------------------|------------------|-----------------------|-----------------------|
|                                                                | September 30,<br>2025 | June 30,<br>2025 | September 30,<br>2025 | September 30,<br>2024 |
| Net income                                                     | \$ 177                | \$ 124           | \$ 487                | \$ 688                |
| Total adjustments to net income before taxes (from schedule 5) | (7)                   | (42)             | (76)                  | (23)                  |
| Interest expense, net <sup>(1)</sup>                           | 119                   | 112              | 336                   | 334                   |
| Income tax expense                                             | 57                    | 38               | 156                   | 195                   |
| Depreciation, depletion, and amortization                      | 497                   | 501              | 1,443                 | 1,512                 |
| Exploration                                                    | 1                     | 3                | 7                     | 14                    |
| Stock-based compensation <sup>(2)</sup>                        | 11                    | 13               | 36                    | 36                    |
| Adjusted EBITDAX                                               | <u>\$ 855</u>         | <u>\$ 749</u>    | <u>\$ 2,389</u>       | <u>\$ 2,756</u>       |

<sup>(1)</sup> Includes interest income of \$1 million and \$2 million for the three months ended September 30, 2025 and June 30, 2025, respectively and \$5 million and \$8 million for the nine months ended September 30, 2025 and 2024, respectively. Interest income is included as a portion of other, net in the accompanying unaudited condensed consolidated statements of operations

<sup>(2)</sup> Included as a portion of general and administrative expense in the accompanying unaudited condensed consolidated statements of operations. The nine months ended September 30, 2025 excludes \$1 million of non-recurring stock compensation expense incurred in connection with our announced reduction in force that was added back within the total adjustments to net income before taxes (from schedule 5).

## Schedule 7: Adjusted Free Cash Flow

(in millions, unaudited)

Adjusted Free Cash Flow is a supplemental non-GAAP financial measure that is calculated as net cash provided by operating activities before changes in operating assets and liabilities and less exploration and development of crude oil and natural gas properties, changes in working capital related to capital expenditures, and purchases of carbon credits. We believe that Adjusted Free Cash Flow provides additional information that may be useful to investors and analysts in evaluating our ability to generate cash from our existing crude oil and natural gas assets to fund future exploration and development activities, service debt, and to return cash to stockholders. Adjusted Free Cash Flow is a supplemental measure of liquidity and should not be viewed as a substitute for cash flows from operations because it excludes certain required cash expenditures.

The following table presents a reconciliation of the GAAP financial measure of net cash provided by operating activities to the non-GAAP financial measure of Adjusted Free Cash Flow:

|                                                                                                        | Three Months Ended    |                  | Nine Months Ended     |                       |
|--------------------------------------------------------------------------------------------------------|-----------------------|------------------|-----------------------|-----------------------|
|                                                                                                        | September 30,<br>2025 | June 30,<br>2025 | September 30,<br>2025 | September 30,<br>2024 |
| Net cash provided by operating activities                                                              | \$ 860                | \$ 298           | \$ 1,877              | \$ 2,007              |
| Add back: Changes in operating assets and liabilities, net                                             | (115)                 | 331              | 163                   | 398                   |
| Cash flow from operations before changes in operating assets and liabilities                           | 745                   | 629              | 2,040                 | 2,405                 |
| Less: Cash paid for capital expenditures for drilling and completion activities and other fixed assets | (471)                 | (486)            | (1,432)               | (1,632)               |
| Less: Changes in working capital related to capital expenditures                                       | (20)                  | (20)             | (60)                  | (22)                  |
| Capital expenditures                                                                                   | (491)                 | (506)            | (1,492)               | (1,654)               |
| Less: Purchases of carbon credits and renewable energy credits                                         | —                     | —                | —                     | (4)                   |
| Adjusted Free Cash Flow                                                                                | \$ 254                | \$ 123           | \$ 548                | \$ 747                |

| Capital expenditures by operating region |        |        |          |          |
|------------------------------------------|--------|--------|----------|----------|
| Permian Basin                            | \$ 249 | \$ 271 | \$ 791   | \$ 918   |
| DJ Basin                                 | 238    | 226    | 687      | 736      |
| Other/Corporate                          | 4      | 9      | 14       | —        |
| Total                                    | \$ 491 | \$ 506 | \$ 1,492 | \$ 1,654 |

## Schedule 8: Cash General and Administrative

(in millions, unaudited)

Cash general and administrative is a supplemental non-GAAP financial measure that excludes stock-based compensation, that we believe affects the comparability of operating results as it is non-cash. Cash general and administrative is a non-GAAP financial measure that we include in our total cash operating expense per BOE. We believe it provides useful additional information to investors and analysts, as a performance measure, for analysis of our operations.

The following table presents a reconciliation of the GAAP financial measure of general and administrative expense to the non-GAAP financial measure of cash general and administrative:

|                                    | Three Months Ended    |                  | Nine Months Ended     |                       |
|------------------------------------|-----------------------|------------------|-----------------------|-----------------------|
|                                    | September 30,<br>2025 | June 30,<br>2025 | September 30,<br>2025 | September 30,<br>2024 |
| General and administrative expense | \$ 52                 | \$ 53            | \$ 162                | \$ 174                |
| Stock-based compensation           | (11)                  | (13)             | (37)                  | (36)                  |
| Cash general and administrative    | <u>\$ 41</u>          | <u>\$ 40</u>     | <u>\$ 125</u>         | <u>\$ 138</u>         |

## Schedule 9: Net Debt

(in millions, unaudited)

Net Debt is a supplemental non-GAAP financial measure that is used by management and external users of the Company's consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. The Company defines net debt as GAAP total debt, excluding any applicable unamortized deferred financing costs and discounts/premiums, less GAAP cash and cash equivalents. We believe Net Debt is an important element for assessing the Company's liquidity.

The following table presents a reconciliation of the GAAP financial measure of total debt to the non-GAAP financial measure of Net Debt (in millions):

|                                    | September 30, 2025 | June 30, 2025   | December 31, 2024 |
|------------------------------------|--------------------|-----------------|-------------------|
| Deferred acquisition consideration | \$ —               | \$ —            | \$ 475            |
| Credit facility                    | 350                | 600             | 450               |
| Senior notes                       | 4,850              | 4,850           | 4,100             |
| Total debt                         | 5,200              | 5,450           | 5,025             |
| Less: cash and cash equivalents    | (56)               | (69)            | (76)              |
| Net debt                           | <u>\$ 5,144</u>    | <u>\$ 5,381</u> | <u>\$ 4,949</u>   |