



Delivering Value

2Q 2024 Results

August 2024

Forward-Looking Statements and Disclosures



Forward-Looking Statements and Cautionary Statements

Certain statements in this presentation concerning future opportunities for Civitas, future financial performance and condition, guidance, and any other statements regarding Civitas' future expectations, beliefs, plans, objectives, financial conditions, returns to stockholders, assumptions, or future events or performance that are not historical facts are "forward-looking" statements based on assumptions currently believed to be valid. Forward-looking statements are all statements other than statements of historical facts. The words "anticipate," "believe," "ensure," "expect," "if," "intend," "estimate," "probable," "project," "forecasts," "predict," "outlook," "aim," "will," "could," "should," "would," "potential," "may," "might," "anticipate," "likely," "plan," "positioned," "strategy," and similar expressions or other words of similar meaning, and the negatives thereof, are intended to identify forward-looking statements. Specific forward-looking statements include statements regarding Civitas' plans and expectations with respect to its future drilling and development operations, production, capital expenditures, divestitures, dividend payments, and share repurchases and the effects of such on Civitas' results of operations, financial position, growth opportunities, reserve estimates and competitive position. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995.

These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those anticipated, including, but not limited to, Civitas' future financial condition, results of operations, strategy, and plans; the ability of Civitas to realize anticipated synergies or other benefits from Civitas' recent acquisitions in the timeframe expected or at all; changes in capital markets and the ability of Civitas to finance operations in the manner expected; the effects of commodity prices; the risks of oil and gas activities; and the fact that operating costs and business disruption may be greater than expected. Additionally, risks and uncertainties that could cause actual results to differ materially from those anticipated also include: declines or volatility in the prices we receive for our oil, natural gas, and natural gas liquids; general economic conditions, whether internationally, nationally, or in the regional and local market areas in which we do business, including any future economic downturn, the impact of continued or further inflation, disruption in the financial markets, and the availability of credit on acceptable terms; Civitas' ability to identify and select possible additional acquisition and disposition opportunities; the effects of disruption of our operations or excess supply of oil and natural gas due to world health events, and the actions by certain oil and natural gas producing countries, including Russia; the ability of our customers to meet their obligations to us; our access to capital on acceptable terms; our ability to generate sufficient cash flow from operations, borrowings, or other sources to enable us to fully develop our undeveloped acreage positions; our ability to continue to pay dividends at their current level or at all; the presence or recoverability of estimated oil and natural gas reserves and the actual future sales volume rates and associated costs; uncertainties associated with estimates of proved oil and gas reserves; the possibility that the industry may be subject to future local, state, and federal regulatory or legislative actions (including additional taxes and changes in environmental, health and safety regulation and regulations addressing climate change); environmental, health and safety risks; seasonal weather conditions, as well as severe weather and other natural events caused by climate change; lease stipulations; drilling and operating risks, including the risks associated with the employment of horizontal drilling and completion techniques; our ability to acquire adequate supplies of water for drilling and completion operations; the availability of oilfield equipment, services, and personnel; exploration and development risks; operational interruption of centralized oil and natural gas processing facilities; competition in the oil and natural gas industry; management's ability to execute our plans to meet our goals; unforeseen difficulties encountered in operating in new geographic areas; our ability to attract and retain key members of our senior management and key technical employees; our ability to maintain effective internal controls; access to adequate gathering systems and pipeline take-away capacity; our ability to secure adequate processing capacity for natural gas we produce, to secure adequate transportation for oil, natural gas, and natural gas liquids we produce, and to sell the oil, natural gas, and natural gas liquids at market prices; costs and other risks associated with perfecting title for mineral rights in some of our properties; potential impacts following the result of the upcoming presidential election in the United States, including volatility in the political, legal, and regulatory environments; political conditions in or affecting other producing countries, including conflicts or hostilities in or relating to the Middle East (including the current events related to the Israel-Palestine conflict), South America, Russia (including the current events involving Russia and Ukraine), and the Red Sea, and other sustained military campaigns or acts of terrorism or sabotage and the effects therefrom; the effects of any pandemic or other global health epidemic; other economic, competitive, governmental, legislative, regulatory, geopolitical, and technological factors that may negatively impact our businesses, operations, or pricing; and disruptions to our business due to acquisitions and other significant transactions. Expectations regarding business outlook, including changes in revenue, pricing, capital expenditures, cash flow generation, strategies for our operations, oil and natural gas market conditions, legal, economic, and regulatory conditions, and environmental matters are only forecasts regarding these matters.

Additional information concerning other factors that could cause results to differ materially from those described above can be found under Item 1A, "Risk Factors" and "Management's Discussion and Analysis" sections in Civitas' Annual Report on Form 10-K for the year ended December 31, 2023, subsequently filed Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other filings made with the Securities and Exchange Commission. All forward-looking statements speak only as of the date they are made and are based on information available at the time they were made. Civitas assumes no obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

Disclaimer

The common stock repurchase authorization referenced in this presentation permits Civitas to make repurchases on a discretionary basis as determined by management, subject to market conditions, applicable legal requirements, available liquidity, compliance with the company's debt agreements and other appropriate factors. Acquisitions under this repurchase authorization are to be made through open market or privately negotiated transactions and may be made pursuant to plans entered into in accordance with Rule 10b5-1 and/or Rule 10b-18 of the Exchange Act. This repurchase authorization does not have a termination date, does not obligate Civitas to acquire any particular amount of common stock, and may be modified, extended, suspended or discontinued at any time without prior notice. No assurance can be given that any particular amount of common stock will be repurchased.

The decision to pay any future dividends referenced in this presentation lies solely within the discretion of, and subject to approval by, the board of directors of Civitas (the "Board"). The Board's determination with respect to any such dividends, including the record date, the payment date, and the actual amount of the dividend, will depend upon Civitas' profitability and financial condition, contractual restrictions, restrictions imposed by applicable law, and other factors that the Board deems relevant at the time of such determination. Additionally, covenants contained in Civitas' credit facility and the indentures governing its senior notes restrict the payment of cash dividends on shares of Civitas' common stock. No assurances can be given that any or any particular amount of dividends will be paid with respect to shares of Civitas' common stock.

Non-GAAP Financial Measures

To provide investors with additional information in connection with our results as determined in accordance with generally accepted accounting principles in the United States ("GAAP"), we disclose certain non-GAAP financial measures. The non-GAAP financial measures include Adjusted EBITDAX, Free Cash Flow (FCF), Cash G&A, Net Debt and related calculations. We believe the non-GAAP financial measures provide users of our financial information with additional meaningful comparisons between the current results and results of prior periods, as well as comparisons with peer companies. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative or superior to GAAP measures. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies. Reconciliations of each non-GAAP financial measure to the applicable most comparable GAAP measure can be found in the Appendix section of this presentation.

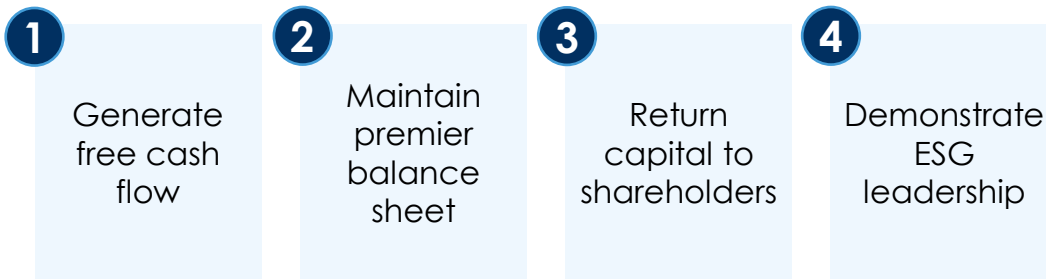
Civitas – Disrupting Energy for Good



Company history

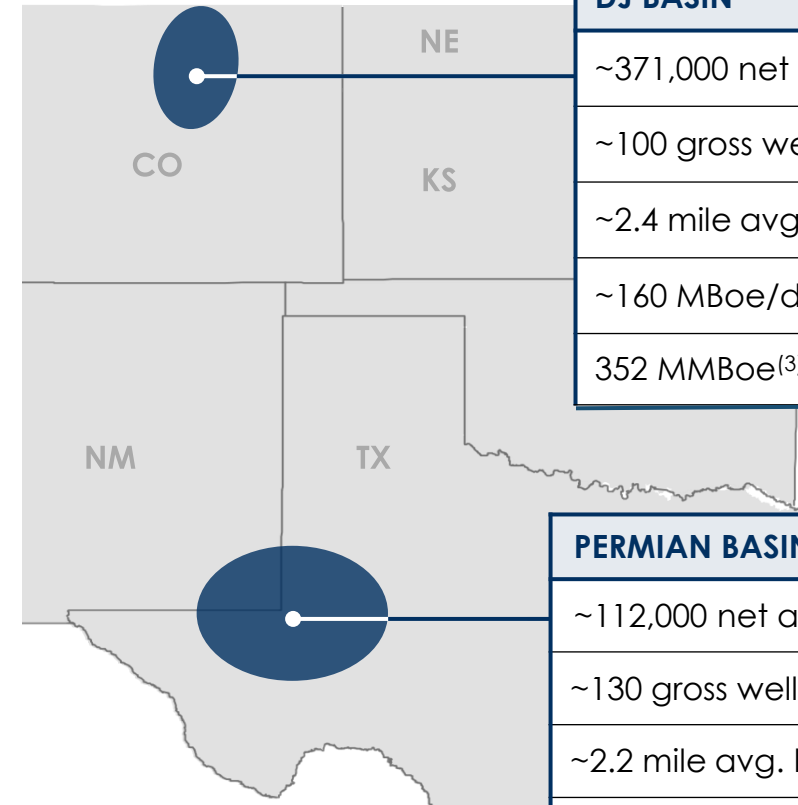
- Formed in November 2021 as a combination of multiple DJ Basin E&P companies
- Enhanced the scale, quality, and diversity of the portfolio with transformative Permian Basin acquisitions in 2023

Strategic pillars



Key stats

Market capitalization	\$7.1 billion ⁽¹⁾
Enterprise value	~\$12.5 billion ⁽¹⁾
2024E production	335 – 345 MBoe/d (~47% oil)
2024E EBITDAX	\$3.9 billion ⁽²⁾
2024E capex	\$1.85 – \$1.95 billion



DJ BASIN

~371,000 net acres
~100 gross wells in 2024 (81% WI)
~2.4 mile avg. lateral length
~160 MBoe/d production
352 MMBoe ⁽³⁾ proved reserves

PERMIAN BASIN

~112,000 net acres
~130 gross wells in 2024 (88% WI)
~2.2 mile avg. lateral length
~180 MBoe/d production
346 MMBoe ⁽³⁾ proved reserves

(1) Based on share price as of July 26, 2024. Enterprise value calculated as market capitalization plus net debt (see slide 26 for net debt calculation).

(2) FactSet 2024 EBITDAX consensus as of July 26, 2024

(3) Reserves as of year-end 2023. Excludes reserves associated with Vencer acquisition (transaction closed January 2024).

Key Takeaways From 2Q



1

Continued **strong performance**; Raising full-year sales volume outlook by **1.5%** and reducing capital expectations by **2.5% (\$50 MM)**

2

D&C efficiencies driving **well cost reductions** across portfolio, led by **10% Midland Basin decrease** to-date

3

Variable capital return to shareholders enhanced to include **buybacks and dividends**, repurchase authorization increased to \$500 MM

4

Recent DJ Basin **four-mile wells online** at Watkins; Multi-party **agreement achieved**, reducing Colorado regulatory risk

Strategy Delivering Value



Pillar	2Q Highlights	2024 Outlook
Generate Free Cash Flow	\$918 MM Adjusted EBITDAX ⁽¹⁾ 343 MBoe/d; 155 MBbl/d oil \$8.97 Cash costs ⁽²⁾ per Boe	~\$1.3 B FCF ⁽¹⁾ at \$75/Bbl and \$2.75/Mcf Capital expenditures reduced \$50 MM (2.5%) 2024 reinvestment rate ~50% ⁽³⁾
Maintain Premier Balance Sheet	\$1.4 B financial liquidity; Credit facility bank commitments increased \$350 MM	~50% of FCF ⁽¹⁾ (after base dividend) prioritized to balance sheet Net leverage of 1.3x ⁽⁴⁾ by YE24 at \$75 WTI
Return Capital to Shareholders	\$149 MM dividends paid; \$125 MM share repurchases	>\$800 MM targeted total return ⁽⁵⁾ Share buyback authorization increased to \$500 MM
Demonstrate ESG Leadership	Peer-leading spill prevention performance in DJ Basin	Targeting 50% DJ emissions reduction by '27; Committed to achieving carbon neutrality on Permian assets by YE25 ⁽⁶⁾

(1) Adjusted EBITDAX is a non-GAAP financial measure. See slide 23 for a reconciliation to the most directly comparable GAAP financial measure. Free Cash Flow is a non-GAAP financial measure. Due to the forward-looking nature of the 2024 Free Cash Flow projection and the unavailability of the specific quantifications of the amounts that would be required to reconcile such projections to the most directly comparable GAAP financial measure, Civitas believes it to be infeasible to provide accurate reconciliations.

(2) Includes LOE, GT&P Expense, Midstream Expense, and Cash G&A. Cash G&A is a non-GAAP financial measure. See slide 25 for a reconciliation to the most directly comparable GAAP financial measure.

(3) Reinvestment rate calculated as midpoint of 2024 capex guidance / consensus 2024 EBITDAX.

(4) Net leverage defined as Net Debt / last 12 months Adjusted EBITDAX. Due to the forward-looking nature of this Net Debt projection and the unavailability of the specific quantifications of the amounts that would be required to reconcile such projections to the most directly comparable GAAP measure, Civitas believes it to be infeasible to provide accurate reconciliations.

(5) At \$75/Bbl oil and \$2.75/Mcf natural gas prices. The decision to pay dividends is subject to the discretion and approval of the Board and certain restrictive covenants contained in Civitas' credit facility and the indentures governing its senior notes. See Slide 2 for additional information on the limitations of Civitas' ability to pay future dividends.

(6) Carbon neutrality refers to the purchase of verified carbon credits and renewable energy certificates in an amount that offsets emissions.

Improved 2024 Capital Plan



Full-year capital expectations \$1.85 - \$1.95 Bn; down \$50 MM (2.5%) from well cost efficiencies

- Permian - accelerated D&C efficiencies, scale purchasing, and design changes reduce Midland costs 10% and Delaware costs 3% (to \$765 and \$970 DC&E per lateral foot, respectively)
 - Targeting cumulative 15%+ reduction for Midland Basin and 5%+ in the Delaware Basin
- DJ - 3% cost reductions (to \$680 DC&E per lateral foot) driven by consumables deflation and continued D&C efficiencies
 - Targeting cumulative 5%+ reduction for DJ Basin

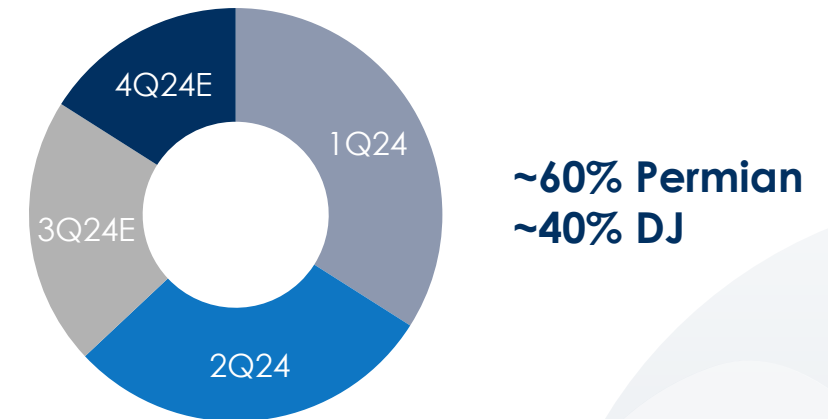
1H24 capital represented 64% of FY24 expectation

- Full year plan ~130 gross wells in the Permian Basin and ~100 gross wells in the DJ Basin
- Currently running four drilling rigs in the Permian Basin and one in the DJ Basin

Well cost reductions achieved



2024E capex by quarter



2024 Sales Volume Outlook Raised 1.5%



Updated guidance represents 3% increase, adjusted for 1H24 non-core DJ asset sales

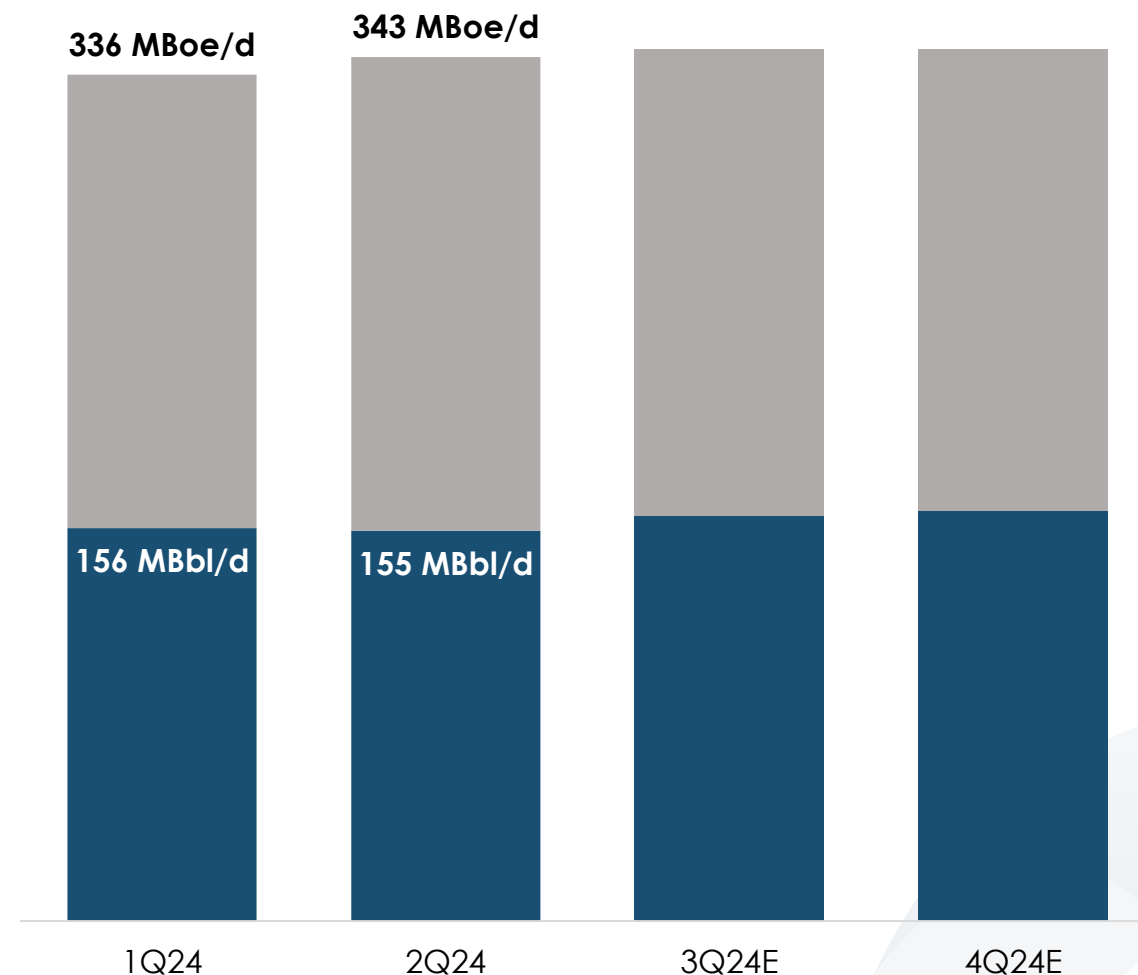
Strong 2Q24 production (2% higher than expectation) led by Permian Basin increase

- Permian sales volumes up nearly 12%; DJ lower by 7% (impacted by non-core asset sales of 5 MBoe/d and temporary third-party facility downtime)
- Oil on target; outperformance in NGLs and natural gas

2H24E total and oil growth driven by activity cadence

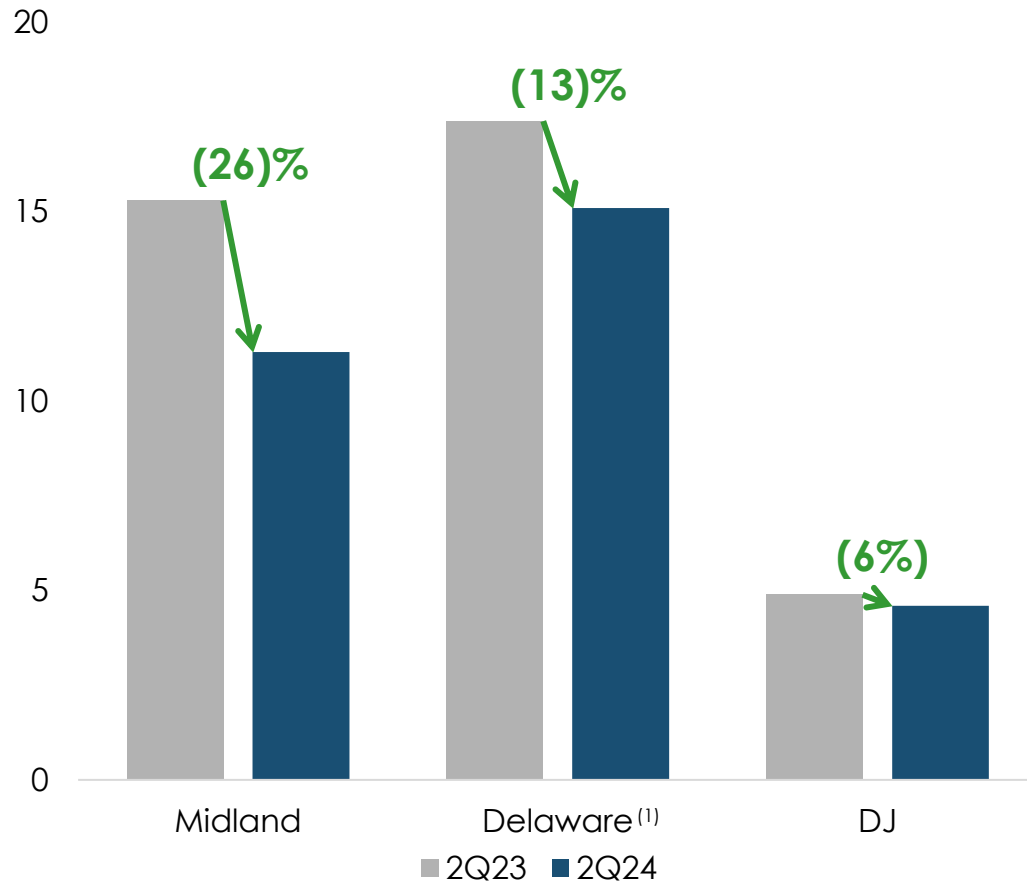
- ~65% of full year 2024 TILs expected in 2Q and 3Q
- DJ Basin oil growth led by Watkins TILs (four-milers online late June)
- 4Q expected higher than 3Q due to impact of hotter than anticipated summer temperatures in the DJ Basin

2024E total sales volume 335 – 345 MBoe/d

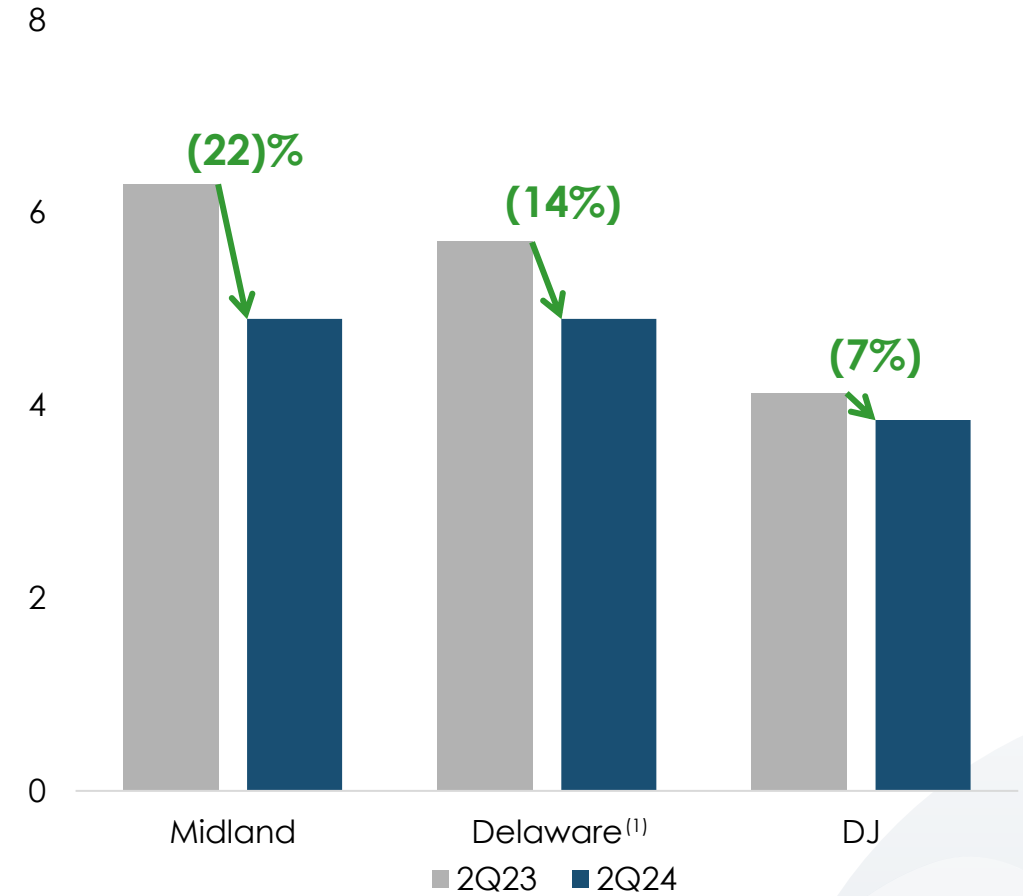


Efficiency-Driven Cycle Time Improvements

Drilling cycle times (days)



Completions cycle times (days)



Note: Drilling and completion cycle times represent average spud to rig release days per well and average start frac to end frac days per well, respectively, normalized to 10,000 ft lateral wells.

(1) Delaware data for 2Q24 includes 1Q performance due to low activity levels in 2Q24.

Permian Basin Quarterly Overview

2Q Highlights

Continued efficiency improvements have driven well cost decreases of 10% in the Midland and 3% in Delaware

Permian lease operating expense continues to improve due to cost savings initiatives across the field

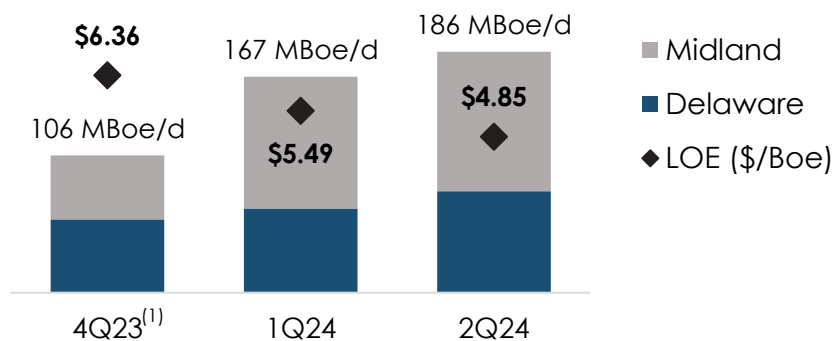
Well productivity remains strong; first CIVI designed, drilled, and completed wells to come online in 3Q24

Ground game enhancing inventory through asset trades, acreage exchanges, and small acquisitions

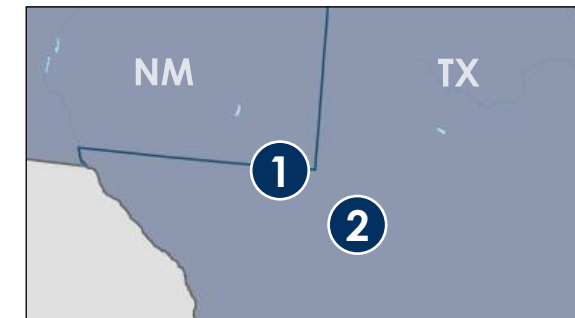
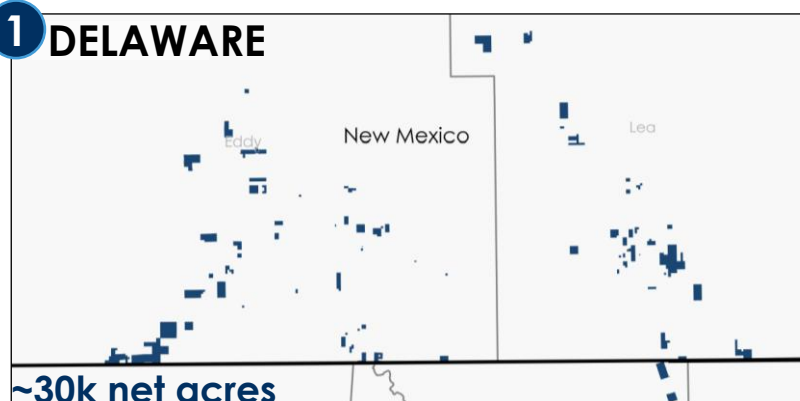
2Q Operational Results

Capex: \$303 MM (32 spuds, 30 fracs, net)

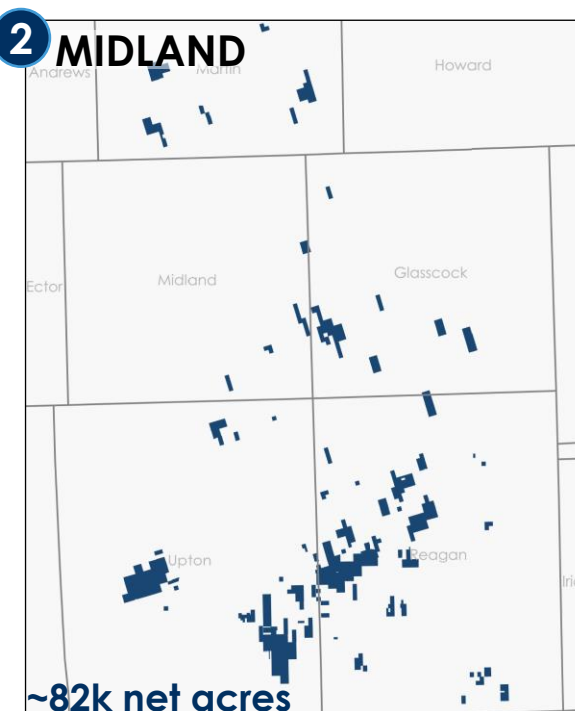
Production: 186 MBoe/d, 47% oil



1 DELAWARE



2 MIDLAND



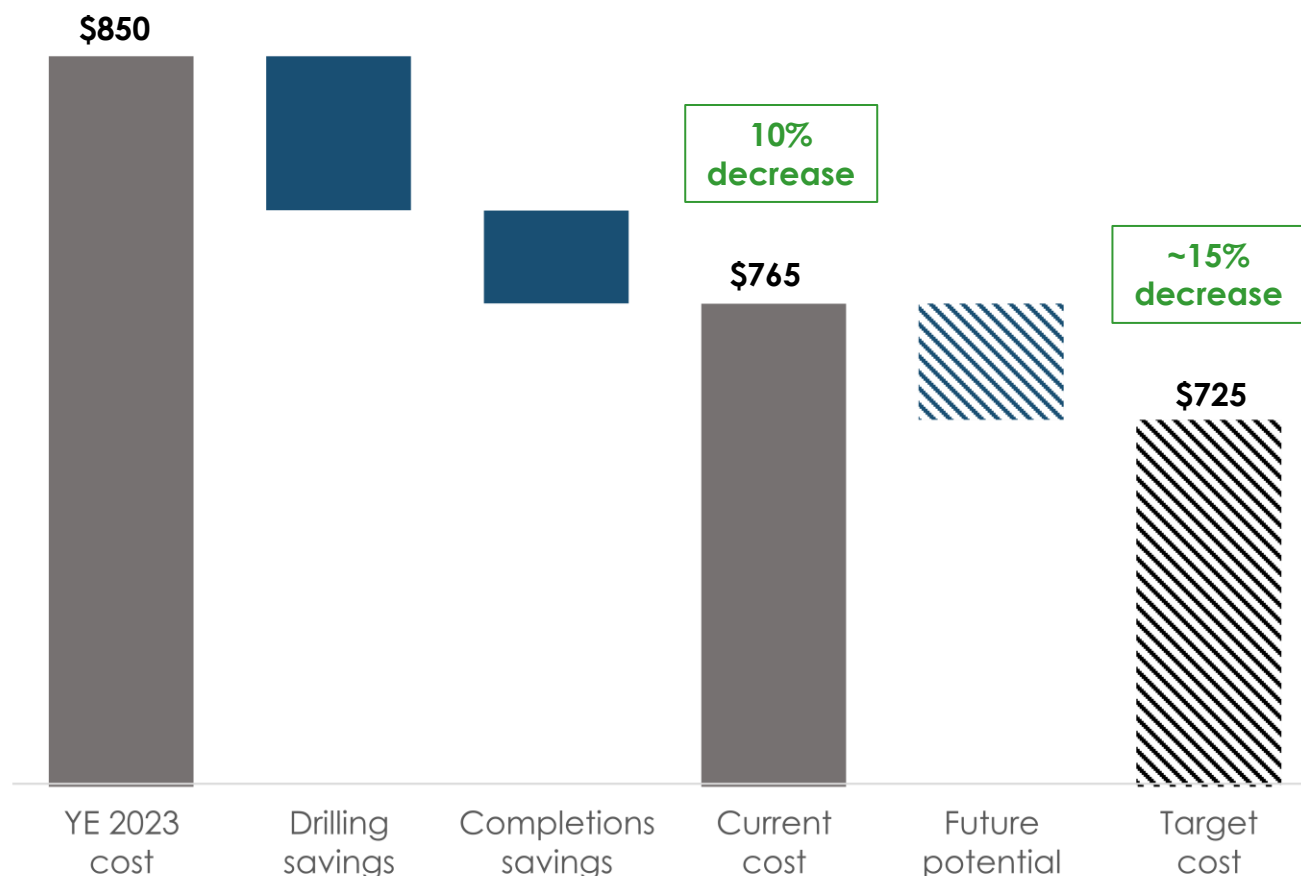
Note: Acreage as of year-end 2023.

(1) 4Q23 data does not include production from assets acquired from Vencer, which closed on January 2, 2024.

Accelerating Permian Well Cost Reductions



Midland Basin average 2-mile well cost (DC&E, \$ per foot)



Drilling and completions savings driven by:

- Utilization of higher-spec drilling rigs
- Optimized drilling bottom-hole assembly design
- Casing and open hole design
- Increased horsepower and pump rates
- Utilization of local sand
- Facility standardization and off-location build
- Additional purchasing power and scale-based pricing initiatives

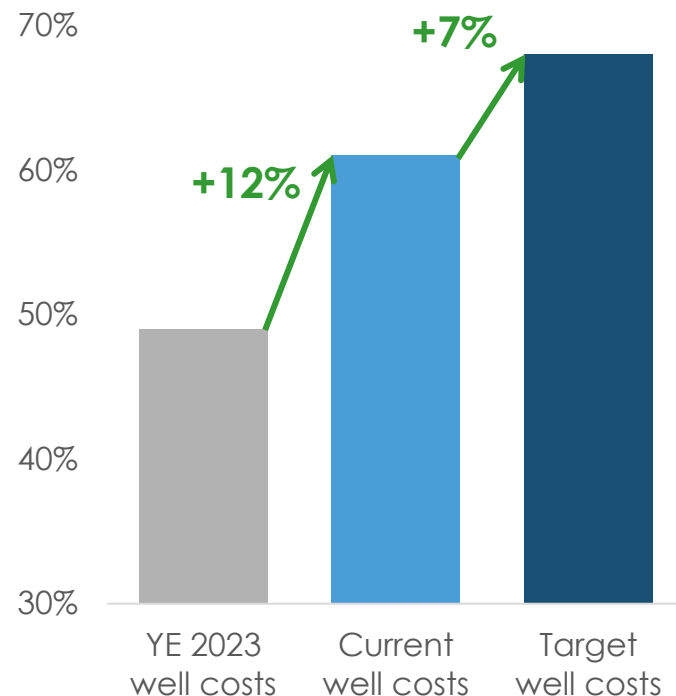
Targeting cumulative reductions of 15% in the Midland and 5% in the Delaware

Reduced Costs Uplifting Permian Returns

	YE 2023 well costs	Current well costs	Target well costs
Midland 2-mile lateral \$ / lateral ft.	\$850	\$765	\$725

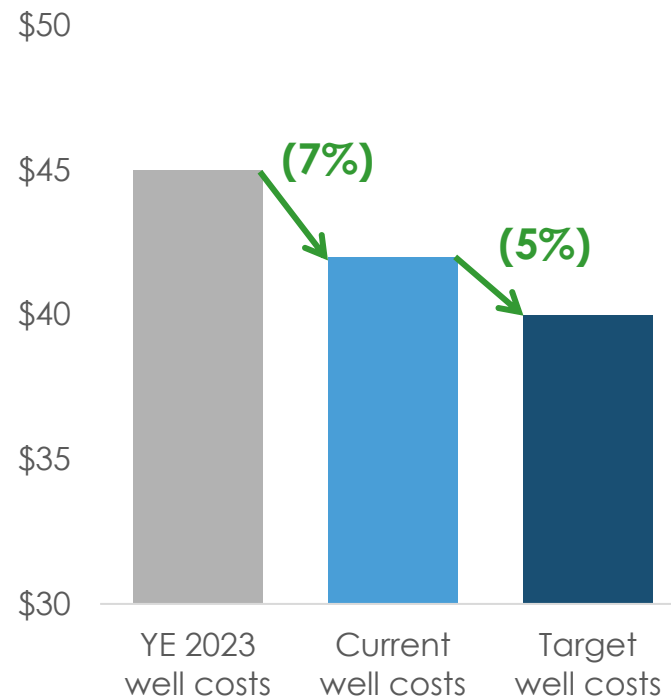
Midland program avg. IRR⁽¹⁾

Illustrative



Midland program avg. PV10 breakeven

Illustrative



Improved Permian cost structure enhances well-level returns and broader Permian inventory

1-2 additional years
of Permian locations
with >40% IRR

20-30%
increase in Permian
locations with <\$50 WTI
breakeven

(1) Based on flat pricing of \$70/Bbl WTI and \$3.50/MMBtu Henry Hub

DJ Basin Quarterly Overview

2Q Highlights

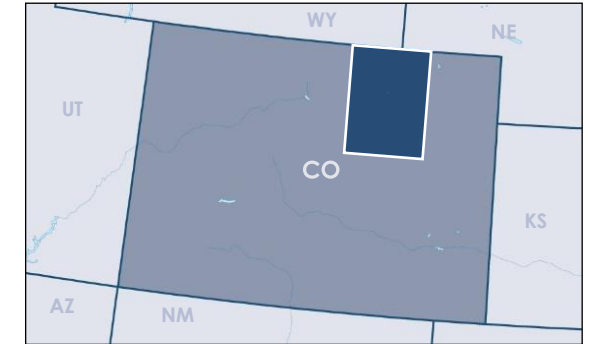
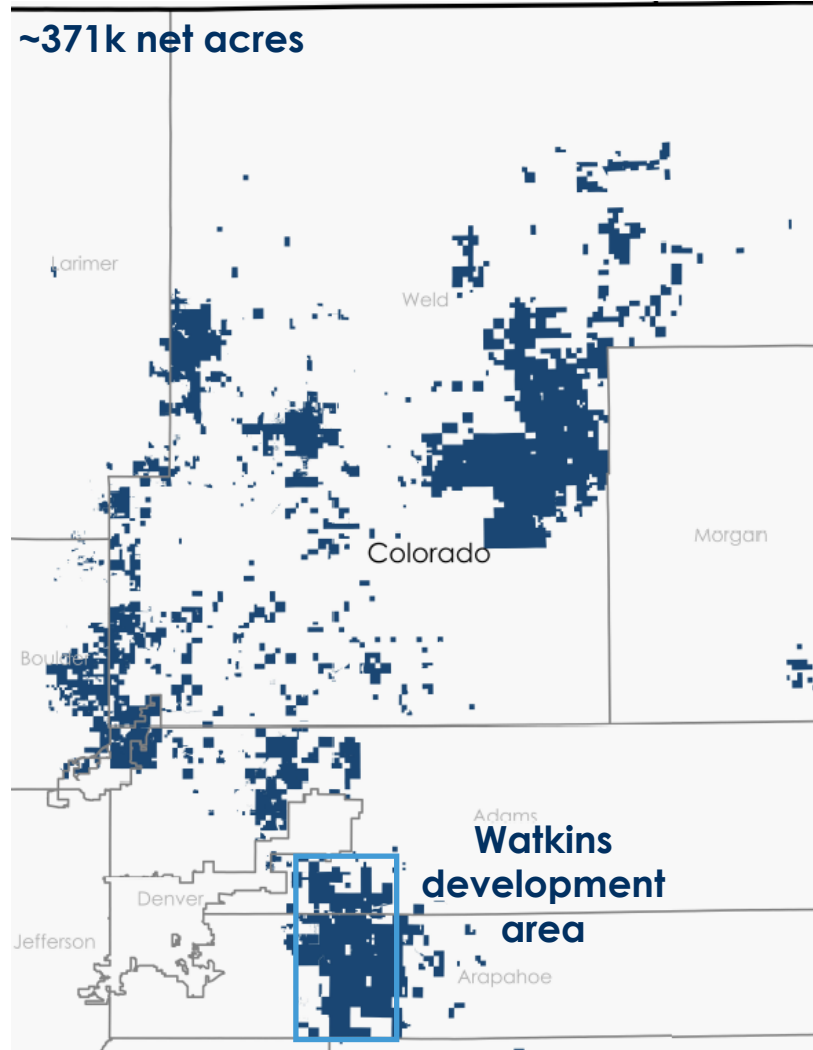
TIL'd 13 four-mile laterals in Watkins late June, increasing accessible acreage for resource recovery by 25%

Multi-party agreement achieved, reducing Colorado regulatory risk

Continued efficiency improvements have driven 3% decreases in well cost to-date

Organically replenishing inventory through acreage trades, data science, advanced reservoir engineering

~371k net acres

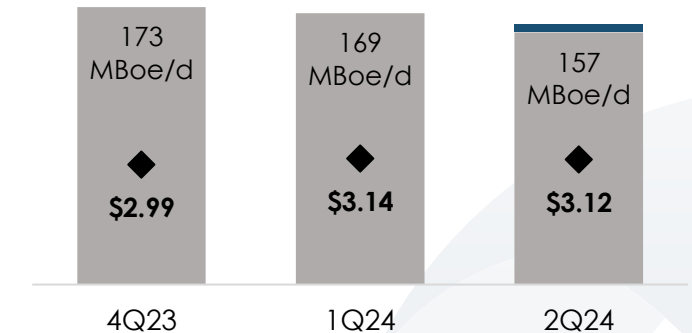


2Q Operational Results

Capex: \$264 MM (22 spuds, 33 fracs, net)

Production: 157 MBoe/d, 43% oil

■ Non-core divestments ◆ LOE (\$/Boe)



Note: Acreage as of year-end 2023 (adjusted for non-core assets divested in March and May 2024)

Watkins Longer Laterals, Better Returns



Successfully executed first 4-mile wells in CO with improved efficiencies

- 13 four-mile laterals turned in line June 2024
- ~5% decrease in DC&E per foot vs. 3-mile wells
- Ability to pump higher rates/volumes of fluid and sand per day compared to shorter lateral designs
- Accessing an incremental ~65,000 lateral feet previously stranded due to surface limitations

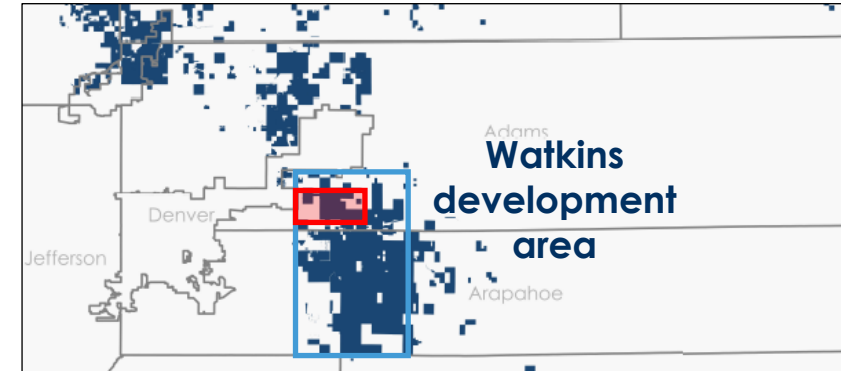
Encouraging productivity from 4-mile lateral early-time performance

- Successful drill-out and TIL of all wells with early indications of contribution from fourth-mile stages

65-70% of 2024E DJ Basin activity planned in Watkins development area

- High-quality oil (higher API) combined with high oil contribution

Four-mile wells online in Watkins



Simultaneous operations on four-mile lateral pad in Watkins

Enhanced Capital Return Framework



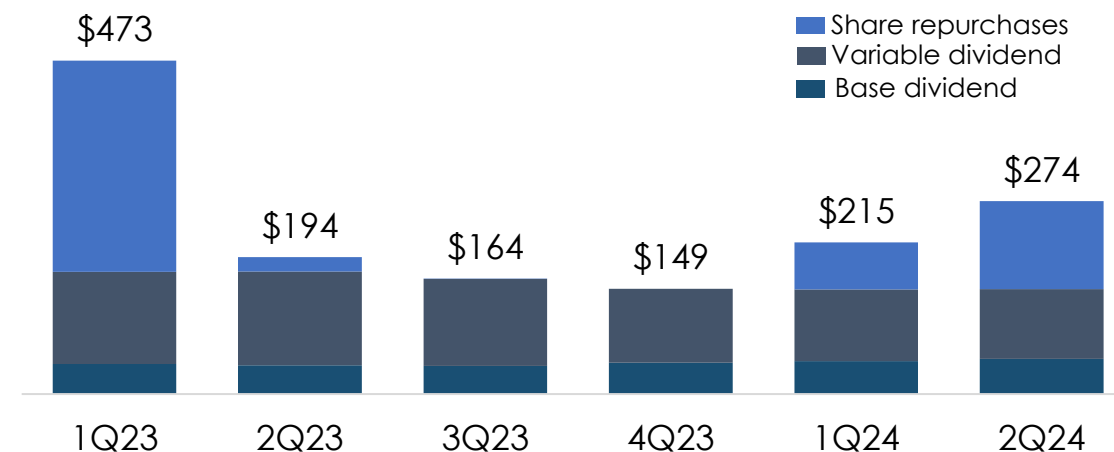
Nearly \$1.5 billion returned to shareholders since beginning of 2023

- Represents >20% of current market cap in 1.5 years
- 18% base dividend, 47% variable dividend, 35% share buybacks
- Avg. share buyback price since beginning of 2023 – \$63.80

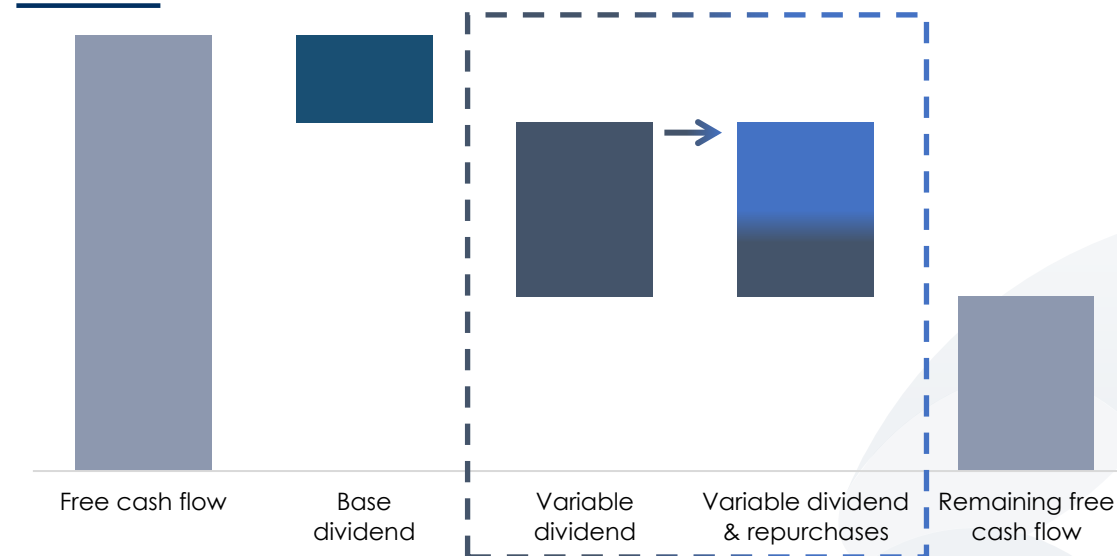
Capital return framework adding flexibility for share repurchases

- Buyback authorization increased to \$500 MM
- Variable return – 50% of LTM FCF (after base dividend) now includes buybacks and/or variable dividends
- Remaining 50% of FCF supporting balance sheet initiatives
- Enhanced framework effective in the third quarter

Historical return of capital (\$MM)



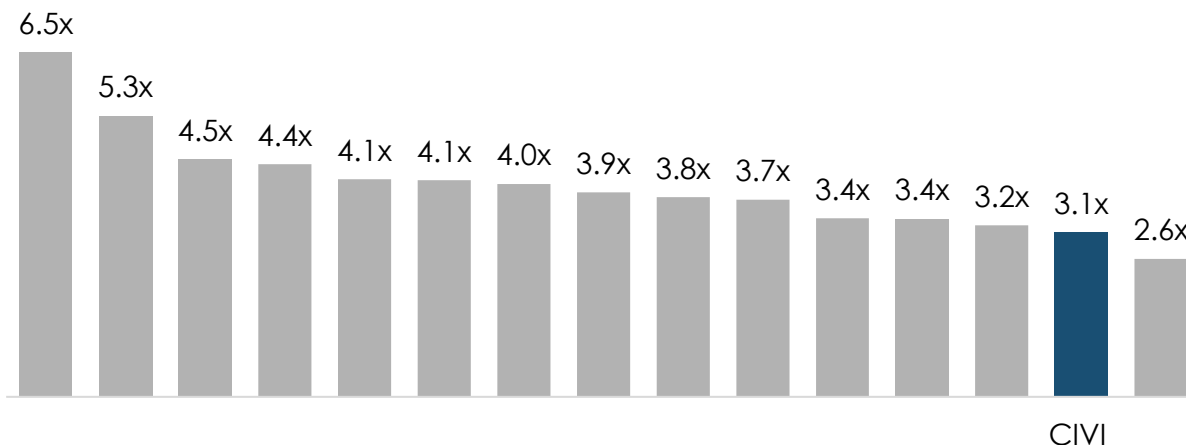
Illustrative updated return of capital framework



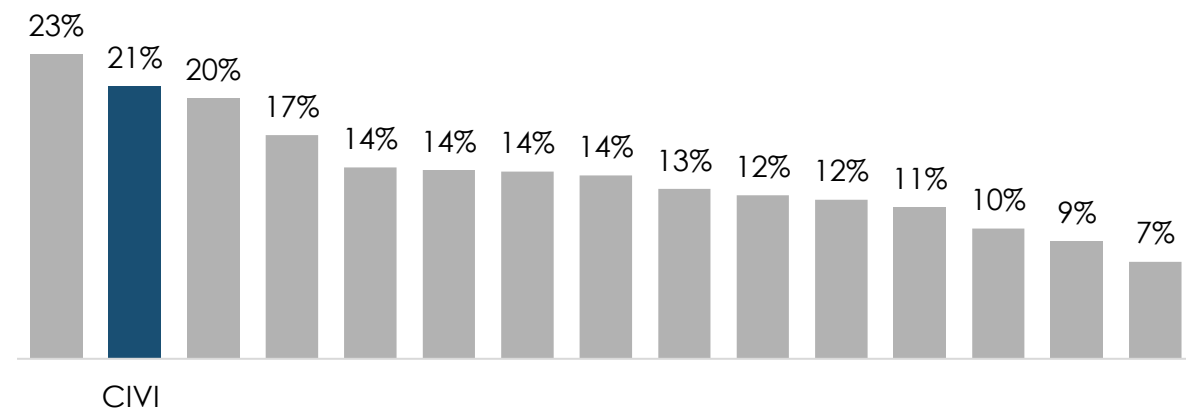
Compelling Upside to Civitas Valuation



Peer EV / 2025E EBITDA multiples⁽¹⁾



Peer 2025E FCF yields⁽¹⁾



- ✓ Positioned with operating scale in 2 of the lowest-cost breakeven basins in U.S.
- ✓ Leading track record of shareholder returns, with management incentives highly aligned with shareholders
- ✓ Significant ongoing rate of change in Permian capital efficiency
- ✓ Differentiated debt-adjusted, per-share cash flow growth
- ✓ Removal of recent selling shareholder overhang
- ✓ Reduction of Colorado regulatory risk with recent agreement
- ✓ Recent asset transactions at higher multiples than where CIVI trades

(1) Source: FactSet data as of 7/26/24; peers include APA, CHRD, CRGY, DVN, FANG, HPK, MGY, MRO, MTDR, MUR, OVV, PR, SM, and VTLE.

2024 Updated Guidance



	Original Outlook	Updated Plan	Change	Commentary
Total Production (MBoe/d)	325 – 345	335 – 345	UP 5	Strong YTD performance; 2H expected higher than 1H
Oil Production (MBbl/d)	155 – 165	157 – 163	FLAT	4Q oil anticipated highest (3Q moderated by high summer temps in DJ)
% Liquids	71% – 74%	71% – 73%	FLAT	
Oil Differential to NYMEX WTI (\$/Bbl)	(\$1.25 – \$2.25)	(\$1.05 – \$1.65)	DOWN \$0.40	Niobrara quality crude providing uplift
Gas Differential to NYMEX HHUB (\$/Mcf)	(\$0.70 – \$1.00)	(\$1.00 – \$1.40)	UP \$0.35	Weak Permian gas pricing
NGL Realization as % of NYMEX WTI	26% – 32%	26% – 30%	DOWN 1%	
Production Taxes (% of Revenue)	8%	8%	FLAT	
Total Cash Opex⁽¹⁾ (\$/Boe)	\$9.00 – \$10.00	\$9.00 – \$9.40	DOWN \$0.30	Benefitted by non-core DJ sales and Permian performance
Exploration Expense (\$MM)	\$15 – \$20	\$15 – \$20	FLAT	
Interest Expense (\$MM)	\$380 – \$400	\$380 – \$400	FLAT	Excluding accretion on deferred Vencer payment
Current Income Taxes (\$MM)	\$0 – \$50	\$0 – \$25	DOWN \$12	
Capital Expenditures (\$MM)	\$1,800 – \$2,100	\$1,850 – \$1,950	DOWN \$50	Lower well costs

(1) Includes LOE, GT&P Expense, Midstream Expense, and Cash G&A. Cash G&A is a non-GAAP financial measure. See slide 25 for a reconciliation to the most directly comparable GAAP financial measure.

Demonstrating ESG Leadership



Environmental

Reducing our environmental footprint is not only the right thing to do, but also a market advantage as we transition into a lower carbon future.

We believe we can be both profitable and purposeful, sustainably developing the energy needed to maintain and improve quality of life.



41% reduction in Scope 1 GHG emissions intensity

(2019 – 2023; Rockies BU)



Awarded **Gold Standard** for OGMP 2.0 reporting pathway



~10,000 pneumatic devices retrofitted on 125 pad sites

Social

We believe a diverse, inclusive, and agile workforce is a value differentiator and key to growing a sustainable company.

We are committed to protecting and nurturing our people and positively transforming our operating areas for the betterment of our communities.



0.23 combined TRIR in 2023

(~12% reduction vs. 2022)



Donated >\$1 million in 2023 towards philanthropic and social investment causes



19 orphan wells voluntarily plugged + reclaimed in 2023

Governance

Our commitment to strong governance is demonstrated through oversight, accountability, and incentive alignment across the business, layered with transparency and accessibility to our various stakeholders.



44% Board diversity

22% racially diverse; 33% female



Executive **compensation highly aligned with shareholders** to promote long-term value creation



Formed new **multidisciplinary ESG Steering Group** within management team in 2024

Appendix

3Q24 Dividend



3Q24 Total Dividend Calculation (\$MM)

Average Quarterly Free Cash Flow Over Prior 12 Months ⁽¹⁾	\$200
Plus: Permian Acquisition Free Cash Flow Contribution ⁽²⁾	49
Less: Quarterly Base Dividend	(49)
Average Quarterly Free Cash Flow After Base Dividend	\$200
Variable Dividend: 50% Payout	100
Variable Dividend / Share	\$1.02
(+) Base Dividend / Share	0.50
(=) Total Dividend / Share	\$1.52

(1) Free cash flow is a non-GAAP financial measure and is calculated as operating cash flow before working capital changes, less capital expenditures. See slide 24 for a reconciliation to the most directly comparable GAAP financial measure.

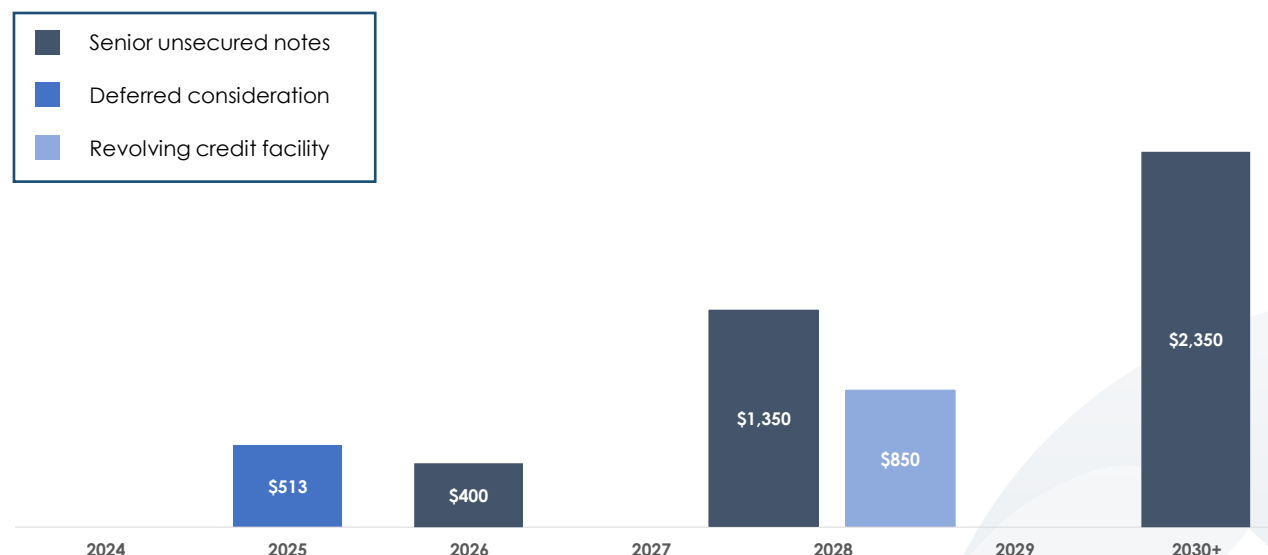
(2) Permian Acquisition FCF contribution adds pre-acquisition closing asset specific revenues, asset specific cash opex, and asset specific capex. Includes FCF from Hibernia / Tap Rock assets from July 2023 to closing in early August 2023 and Vencer assets from July 2023 to closing in early January 2024.

Capital Structure

Illustrative Cap Table:	
(\$MM)	As of 06/30/2024
Revolving Credit Facility due 2028	\$850
Total Secured Debt	\$850
Vencer Deferred Consideration due Jan 2025	513
5.000% Senior Unsecured Notes due Oct 2026	400
8.375% Senior Unsecured Notes due Jul 2028	1,350
8.625% Senior Unsecured Notes due Nov 2030	1,000
8.750% Senior Unsecured Notes due Jul 2031	1,350
Total Debt	\$5,463
(-) Cash and Cash Equivalents	(92)
Net Debt⁽¹⁾	\$5,371
Liquidity	
Revolving Credit Facility Borrowing Base	\$3,400
Revolving Credit Facility Commitment Amount	2,200
Revolving Credit Facility Borrowings	(850)
Letters of Credit Issued	(2)
Net RCF Availability	\$1,348
Cash and Cash Equivalents	92
Total Liquidity	\$1,440
Net Utilization ⁽²⁾	34%
Financial Metrics	
Net Debt / 2024E EBITDAX ⁽³⁾	1.4x

- Total liquidity of \$1.4 B as of June 30, 2024 with Revolving Credit Facility commitments increasing to \$2,200 MM from \$1,850 MM
- \$1.4 B of \$5.5 B face value of Total Debt as of June 30, 2024 is currently prepayable without penalty
- CIVI prepaid \$37.5 MM of Vencer deferred consideration in 2Q24 and \$37.5 MM of Vencer deferred consideration in July

Debt maturity schedule (\$MM)



(1) Net Debt is a non-GAAP financial measure. See slide 27 for a reconciliation to the most directly comparable GAAP financial measure.

(2) Net Utilization = (Revolving Credit Facility Borrowings – Cash and Cash Equivalents) / Revolving Credit Facility Commitment Amount.

(3) 2024E EBITDAX sourced from FactSet Mean Consensus Estimates as of 07/24/24.

Oil Hedge Position Summary



Contract Period	3Q24	4Q24	1Q25	2Q25	3Q25
Crude Oil Derivatives (volumes in Bbl/day and prices in \$/Bbl)					
Swaps					
NYMEX WTI Volumes	24,036	25,997	19,000	19,000	22,000
Weighted-Average Contract Price	\$71.15	\$70.77	\$72.74	\$71.89	\$74.34
Two-Way Collars					
NYMEX WTI Volumes	24,824	23,504	28,000	32,000	28,000
Weighted-Average Ceiling Price	\$82.44	\$80.99	\$79.87	\$77.78	\$77.65
Weighted-Average Floor Price	\$65.49	\$65.66	\$70.00	\$69.88	\$69.31
Bought Puts					
NYMEX WTI Volumes	6,216	5,669	--	--	--
Weighted-Average Contract Price	\$55.00	\$55.00	--	--	--

Note: Hedge positions as of July 26, 2024.

Natural Gas Hedge Position Summary



Contract Period	3Q24	4Q24	FY2025
<u>Natural Gas Derivatives (volumes in MMBtu/day and prices in \$/MMBtu)</u>			
Swaps			
NYMEX HH Volumes	161,578	131,701	--
Weighted-Average Contract Price	\$2.68	\$2.71	--
Two-Way Collars			
NYMEX HH Volumes	1,668	--	--
Weighted-Average Ceiling Price	\$3.16	--	--
Weighted-Average Floor Price	\$2.50	--	--
Three-Way Collars			
NYMEX HH Volumes	--	--	--
Weighted-Average Ceiling Price	--	--	--
Weighted-Average Floor Price	--	--	--
Weighted-Average Sold Put Price	--	--	--
Basis Protection Swaps			
CIG Basis Volumes	33,246	--	--
Weighted-Average Contract Price	(\$0.27)	--	--
WAHA Basis Volumes	130,000	130,000	--
Weighted-Average Contract Price	(\$0.97)	(\$0.97)	--
WAHA Index Volumes	70,000	--	--
Weighted-Average Contract Spread	(\$0.05)	--	--

Note: Hedge positions as of July 26, 2024.

Adjusted EBITDAX Reconciliation



Adjusted EBITDAX is a non-GAAP measure that represents earnings before interest, income taxes, depreciation, depletion, and amortization, exploration expense, and other non-cash and 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 or whose timing and/or amount cannot be reasonably estimated. 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. 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 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 (in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Net Income	\$ 215,989	\$ 175,821	\$ 391,810	\$ 341,748
Total adjustments to net income before taxes (from schedule 4)	(11,845)	121,449	109,604	(9,337)
Exploration	1,340	11,534	12,874	1,117
Depreciation, depletion, and amortization	521,090	466,840	987,930	434,089
Stock-based compensation ⁽²⁾	12,262	11,199	23,461	17,275
Interest expense	114,897	109,786	224,683	16,202
Interest income ⁽¹⁾	(2,650)	(3,425)	(6,074)	(12,807)
Income tax expense	66,993	35,019	102,012	109,452
Adjusted EBITDAX	<u>\$ 918,076</u>	<u>\$ 928,223</u>	<u>\$ 1,846,300</u>	<u>\$ 897,739</u>

⁽¹⁾ Included as a portion of other income in the condensed consolidated statements of operations.

⁽²⁾ Included as a portion of general and administrative expense in the condensed consolidated statements of operations.

Adjusted Free Cash Flow Reconciliation



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 in evaluating our ability to generate cash from our existing crude oil and natural gas assets to fund future exploration and development activities 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 tables 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 (in thousands):

	3 Months Ended June 30, 2024
Net cash provided by operating activities	\$ 359,568
Add back: Changes in operating assets and liabilities, net	444,252
Cash flow from operations before changes in operating assets and liabilities	803,820
Less: Cash paid for capital expenditures	(519,120)
Less: Changes in working capital related to capital expenditures	(47,389)
Capital expenditures	(566,509)
Less: Purchases of carbon credits and renewable energy credits	(1,886)
Adjusted Free Cash Flow	\$ 235,425

	3 Months Ended December 31, 2023
Net cash provided by operating activities	\$ 843,188
Add back: Changes in operating assets and liabilities, net	(158,105)
Cash flow from operations before changes in operating assets and liabilities	685,083
Less: Exploration and development of crude oil and natural gas properties	(570,269)
Less: Changes in working capital related to capital expenditures	100,105
Capital expenditures incurred on the exploration and development of crude oil and natural gas properties	(470,164)
Less: Purchases of carbon credits and renewable energy credits	(287)
Free Cash Flow	\$ 214,632

	3 Months Ended March 31, 2024
Net cash provided by operating activities	\$ 812,552
Add back: Changes in operating assets and liabilities, net	(17,433)
Cash flow from operations before changes in operating assets and liabilities	795,119
Less: Cash paid for capital expenditures	(571,577)
Less: Changes in working capital related to capital expenditures	(77,955)
Capital expenditures	(649,532)
Less: Purchases of carbon credits and renewable energy credits	-
Adjusted Free Cash Flow	\$ 145,587

	3 Months Ended September 30, 2023
Net cash provided by operating activities	\$ 519,542
Add back: Changes in operating assets and liabilities, net	118,237
Cash flow from operations before changes in operating assets and liabilities	637,779
Less: Exploration and development of crude oil and natural gas properties	(263,170)
Less: Changes in working capital related to capital expenditures	(168,799)
Capital expenditures incurred on the exploration and development of crude oil and natural gas properties	(431,969)
Less: Purchases of carbon credits and renewable energy credits	(213)
Free Cash Flow	\$ 205,597

Cash General and Administrative Reconciliation



Cash general and administrative is a non-GAAP 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 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 (in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
General and administrative expense (as reported)	\$ 59,135	\$ 57,878	\$ 117,013	\$ 70,399
Less: Stock-based compensation	(12,262)	(11,199)	(23,461)	(17,275)
Cash general and administrative expense	<u>\$ 46,873</u>	<u>\$ 46,679</u>	<u>\$ 93,552</u>	<u>\$ 53,124</u>

Net Debt Reconciliation



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 GAAP financial measure of total debt to the non-GAAP financial measure of Net Debt (in thousands).

	June 30, 2024	December 31, 2023
Deferred acquisition consideration	\$ 512,500	\$ —
Credit facility	850,000	750,000
Senior notes	4,100,000	4,100,000
Total debt	5,462,500	4,850,000
Less: cash and cash equivalents	(91,884)	(1,124,797)
Net debt	<u>\$ 5,370,616</u>	<u>\$ 3,725,203</u>