

# Remaining Disciplined

## *1Q25 Results*

**May 2025**

# 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 shareholders, 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 included in this presentation include statements regarding the Company's plans and expectations with respect to future production, sales volumes, capital expenditures, cash operating expenses, drilling and completion activity, and achievement of the Company's net debt and divestiture targets and the effects of such on the Company's 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, 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: future financial condition, results of operations, strategy and plans; declines or volatility in the prices we receive for our crude oil, natural gas, and NGLs; 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, the imposition of tariffs or trade or other economic sanctions, political instability, and the availability of credit on acceptable terms; our ability to identify, select, and consummate possible additional acquisition and disposition opportunities; the effects of disruption of our operations or excess supply of crude oil and natural gas and other effects of world events, and actions taken by OPEC+ as it pertains to global supply and demand of, and prices for, crude oil, natural gas, and NGLs; 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 and to meet our capital allocation initiatives; the presence or recoverability of estimated crude oil and natural gas reserves and the actual future sales volume rates and associated costs; uncertainties associated with estimates of proved crude oil and natural gas reserves; changes in local, state, and federal laws, regulations or policies that may affect our business or our industry (such as the effects of tax law changes, and changes in environmental, health, and safety regulation and regulations addressing climate change, and trade policy and tariffs); 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; availability of oilfield equipment, services, and personnel; exploration and development risks; operational interruption of centralized crude oil and natural gas processing facilities; competition in the crude oil and natural gas industry; management's ability to execute our plans to meet our goals; 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 crude oil, natural gas, and NGL we produce, and to sell the crude oil, natural gas, and NGL at market prices; costs and other risks associated with perfecting title for mineral rights in some of our properties; pandemics and other public health epidemics; political conditions in or affecting other producing countries, including conflicts or hostilities in or relating to the Middle East, South America, and Russia (including the current events involving Russia and Ukraine), and other sustained military campaigns or acts of terrorism or sabotage and the effects therefrom; and other economic, competitive, governmental, legislative, regulatory, geopolitical, and technological factors that may negatively impact our businesses, operations, or pricing.

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 the Company's Annual Report on Form 10-K for the year ended December 31, 2024, 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. The Company 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 the board of directors of Civitas (the "Board") and 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. In addition, we may, at any time and from time to time, seek to repurchase and retire our outstanding senior notes through cash purchases and/or exchanges for debt in the open market, in privately negotiated transactions, or otherwise. Such repurchases or exchanges, if any, would be made upon the terms and at the prices as our Board and management may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions, and other factors.

The decision to pay any future dividends referenced in this presentation lies solely within the discretion of, and subject to approval by, 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.

# Near-term Actions Positioning for Long-term Success

- 1 Low breakeven assets; 2025 FCF positive<sup>(1)</sup> at \$40 WTI**  
*Focused on execution; asset acquisitions are off the table*
- 2 \$100+ million cost optimization and efficiency initiative**  
*Annualized savings; ~\$40 million expected to impact FY25*
- 3 \$1.5 billion in financial liquidity at end of 1Q25**  
*No material near-term maturities, robust hedge book*
- 4 Prioritizing Net Debt reduction in volatile market**  
*Targeting \$4.5 billion Net Debt<sup>(2)</sup> and \$300 million in divestments by YE25*
- 5 Long-term commitment to shareholder returns**  
*Strong base dividend; opportunity for share repurchases once near-term leverage goal achieved*

(1) Before paying base dividend. FCF positive after paying base dividend at ~\$45 WTI.

(2) Represents an \$800 MM reduction from YE24 (pro-forma for the February 2025 \$300 MM Permian bolt-on transaction and the Vencer deferred consideration). Net Debt is a non-GAAP financial measure. Due to the forward-looking nature of the 2025 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 financial measure, Civitas believes it to be infeasible to provide accurate reconciliations.

# Cost Optimization Efforts to Strengthen Civitas



## Production & midstream optimization

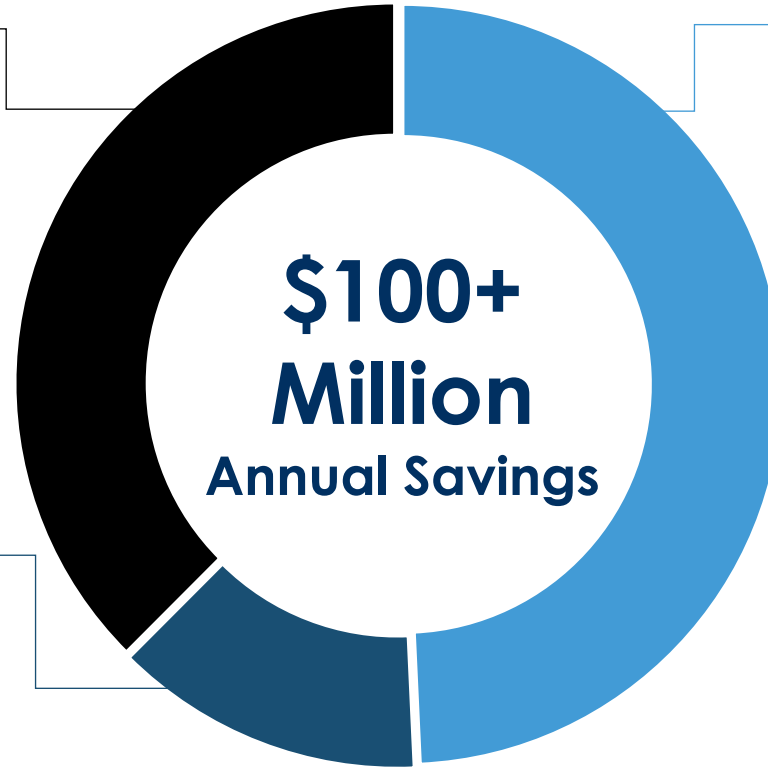
- Compression, power, and chemical program optimization
- Workover management
- Midstream rate renegotiation
- Gathering & facility optimization

## Corporate cost reductions

- Organizational streamlining
- Corporate initiative high-grading

## Capital efficiency improvements

- Well design and BHA optimization
- Drilling efficiency improvements
- Expanded use of local sand in completions
- Supply chain management / contract renegotiations



Timeline of savings realization:

~\$40 MM

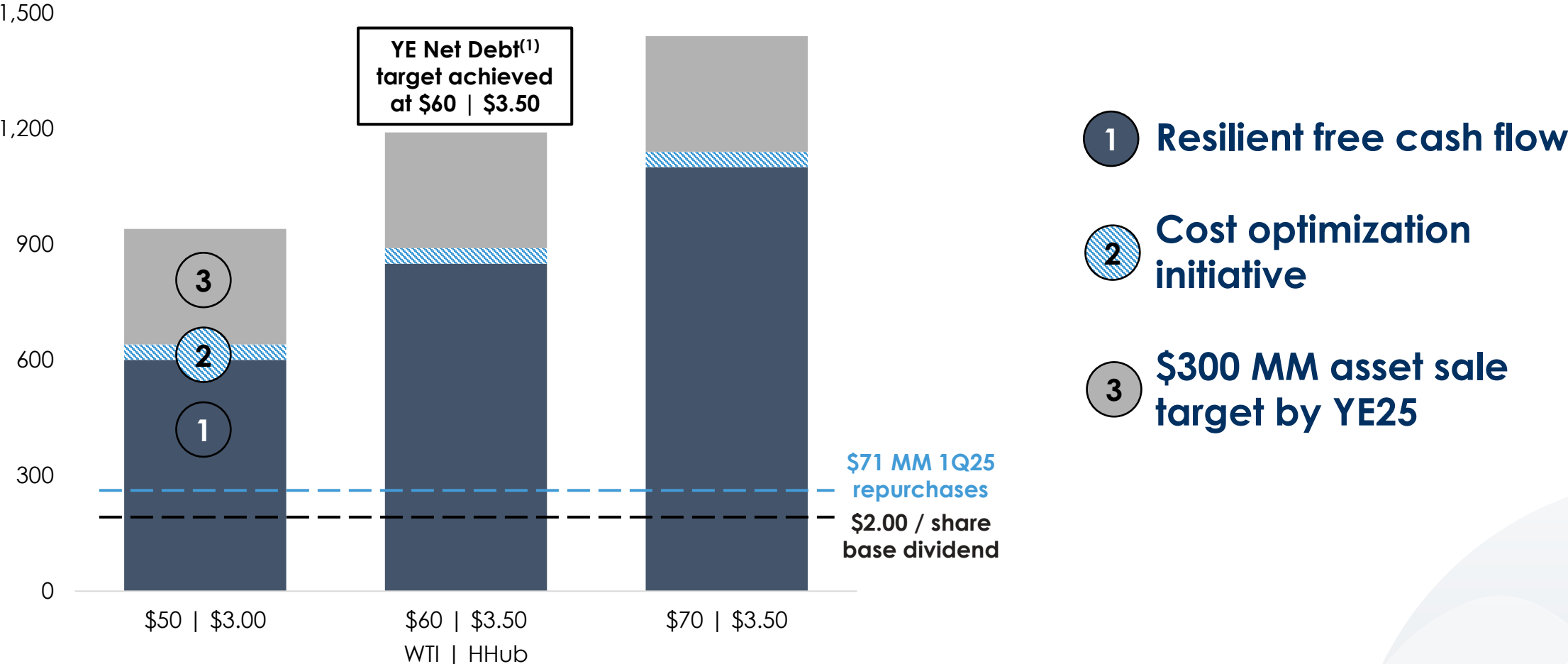
FY25

\$100+ MM

FY26

# Resilient Free Cash Flow Prioritized to Debt Reduction

## 2025 FCF sensitivity to WTI (\$ MM)



Note: updated 2025 FCF sensitivities include impact of hedges and 1Q actuals: Each \$5 WTI ~\$125 MM FCF, each \$0.25 HH ~\$20 MM FCF for the remainder of 2025; does not assume changes in cost structure or activity levels at different commodity prices.  
(1) Net Debt is a non-GAAP financial measure. Due to the forward-looking nature of the 2025 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 financial measure, Civitas believes it to be infeasible to provide accurate reconciliations.

# Strong Hedge Position Securing Cash Flows



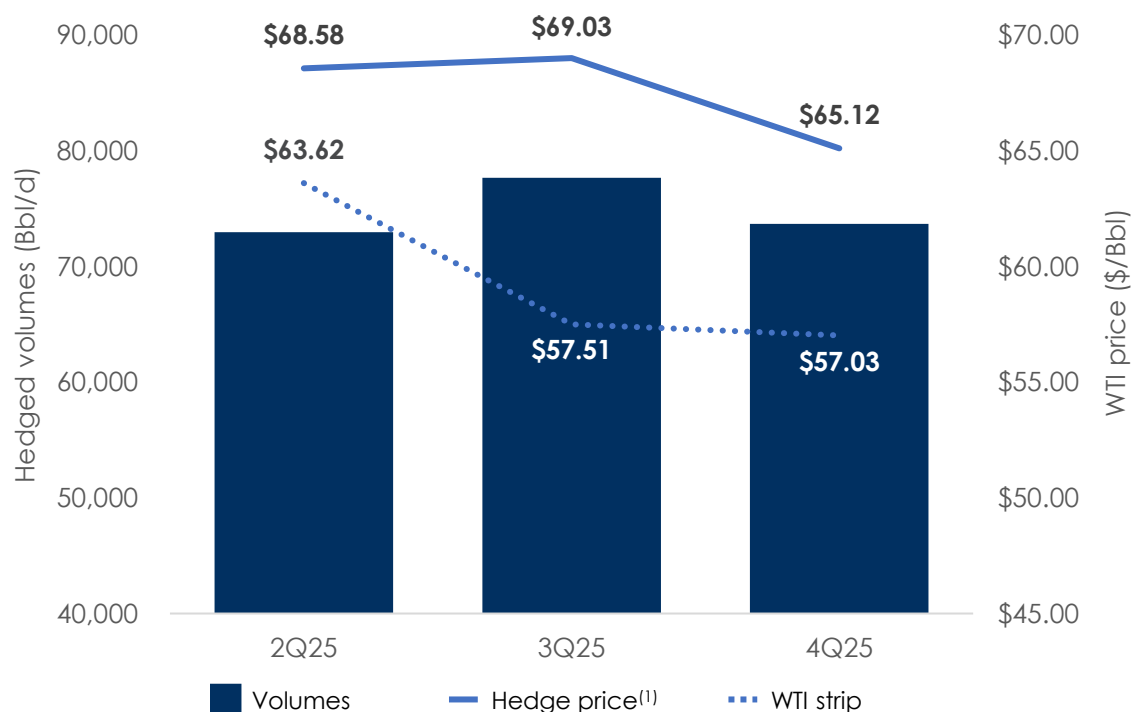
## Increased oil hedging to nearly 50% of 2025 production

- Added ~8 MMBbls of 2Q25 – 1Q26 oil hedges with average floors of ~\$68/Bbl

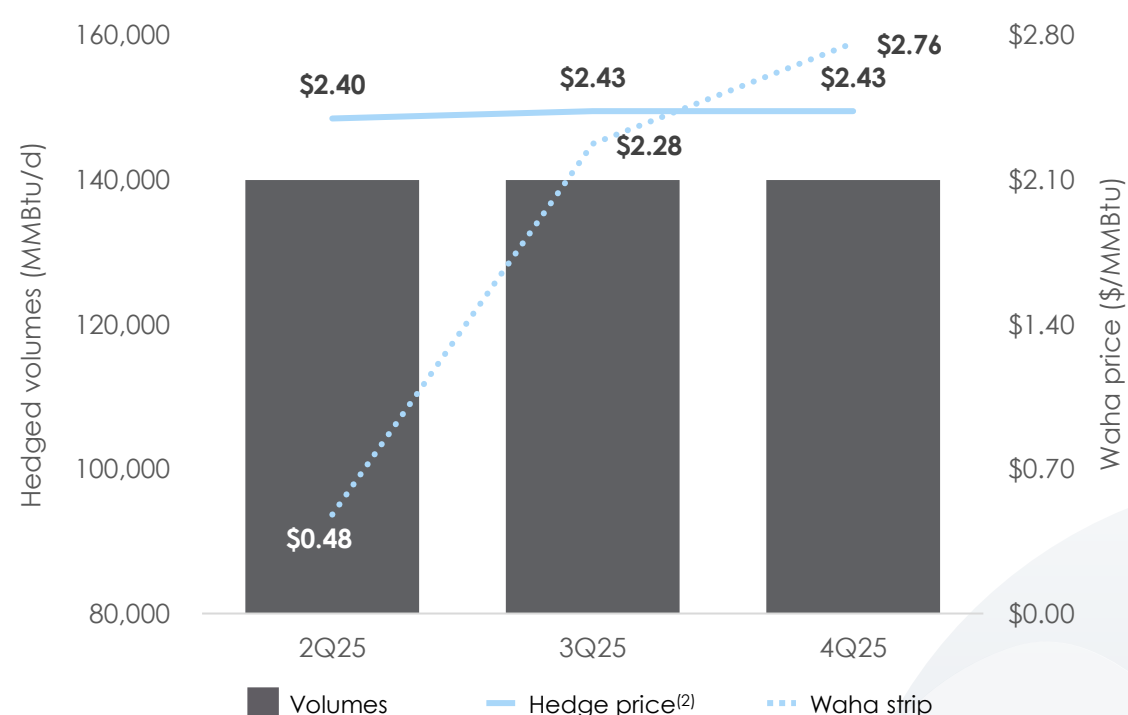
## Managing basis exposure by expanding Waha and CIG coverage

- Opportunistically adding to gas hedging position (both index and basis) for balance of 2025

### 2025 WTI hedges



### 2025 Waha hedges



Note: Hedge positions as of 05/02/25. Strip pricing as of 05/05/25.

(1) Weighted average swap and collar floor prices for the quarter.

(2) Weighted average swap and collar floor prices for the quarter of HHUB hedges plus weighted average swap prices of Waha basis hedges for the quarter.



# 1Q25 Results



Returned **\$121 MM** to  
shareholders

**~\$50 MM dividends &  
~\$71 MM share  
repurchases**  
(1.5 MM o/s shares)

Delivered  
**\$786 MM** Adj. EBITDAX<sup>(1)</sup>  
and  
**\$171 MM** Adj. FCF<sup>(2)</sup>

**Added ~8 MMBbbls**  
of new oil hedges  
2Q25 – 1Q26  
(avg floor price of \$68)

Delaware Basin drilling  
represented  
**42% of 1Q25**  
Permian drills

Permian Basin simulfrac  
operations averaged  
**~160 MBbbls/day**  
(per crew)

Strong EHSR performance with  
**TRIR rate of 0.13**

DJ Basin completion efficiencies  
**up 10% from plan**

Local sand usage in DJ Basin  
**increased to >90%**  
**from ~50%**

(1) Adjusted EBITDAX is a non-GAAP financial measure. See slide 16 for a reconciliation to the most directly comparable GAAP financial measure.

(2) Adjusted Free Cash Flow is a non-GAAP financial measure. See slide 17 for a reconciliation to the most directly comparable GAAP financial measure.

# Permian Basin Overview

## 1Q25 highlights

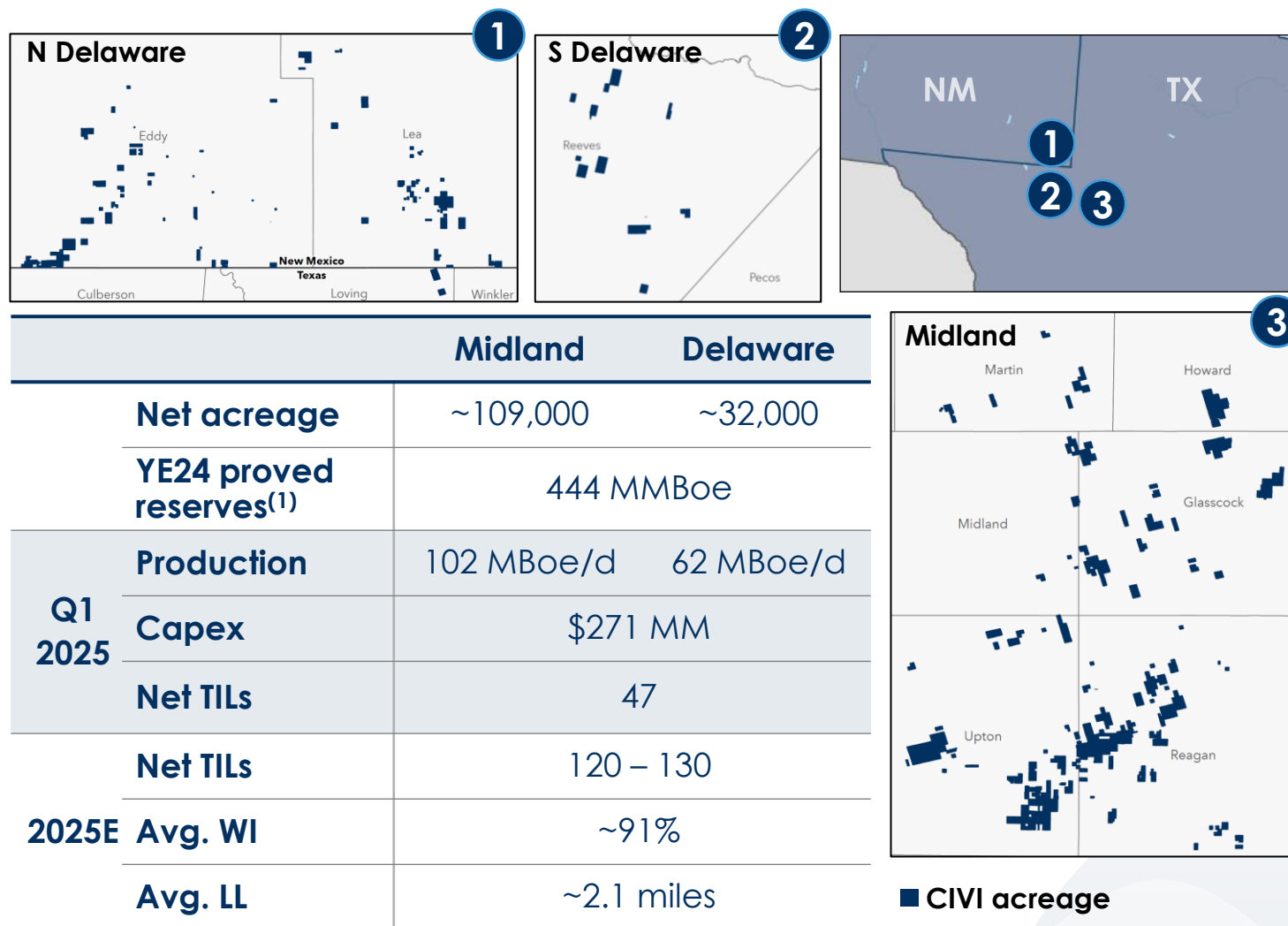
- **2025 average TIL production in-line** with type curve expectations to-date
- 2Q25E production growth driven by Permian, expected to be **up ~10% quarter over quarter**

### Midland Basin

- Continuing to optimize and expand **operational efficiencies from Simulfrac** completions, with 5% quarter-over-quarter throughput improvement
- **WCD strong performance**, with 1Q25 wells outperforming type curve by >5% in early-time

### Delaware Basin

- 42% of wells drilled in 1Q Permian Basin program
- Initial **drilling cycle times ~10% faster** than forecasted



(1) Excludes reserves associated with Midland bolt-on acquisition (transaction closed February 2025).

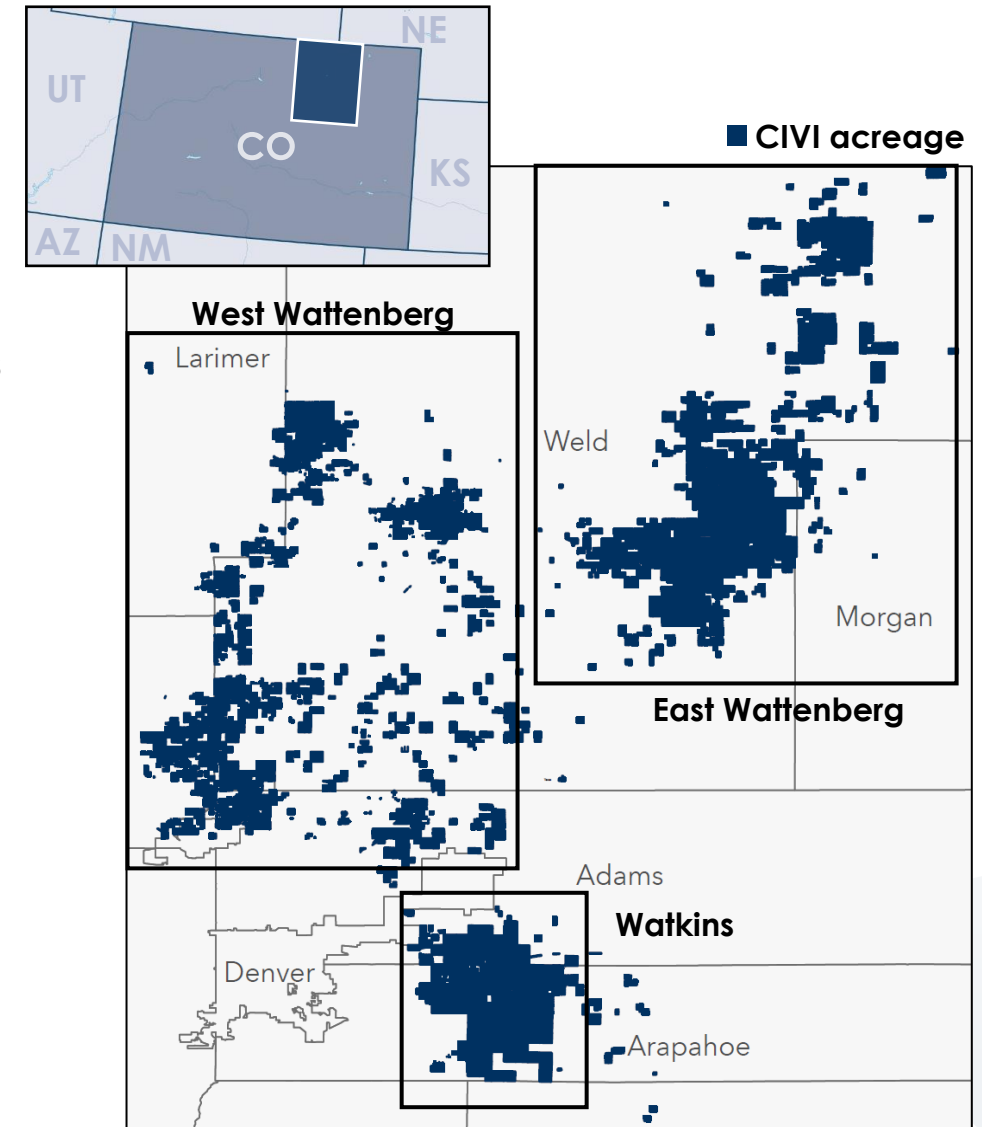


# DJ Basin Overview

## 1Q25 highlights

- **Completions cycle times** ~10% faster than plan
- Executed first pad with 100% local sand utilization, **driving savings of ~\$80k/well**
- Achieved regulatory approval for **two new Oil & Gas Development Plans (OGDPs)**; third OGDP approved in April

Key Stats		
Q1 2025	Net acreage	~357,000
	YE24 proved reserves	354 MMBoe
	Production	147 MBoe/d
	Capex	\$223 MM
	Net TILs	3
2025E	Net TILs	80 – 90
	Avg. WI	~86%
	Avg. LL	~2.2 miles

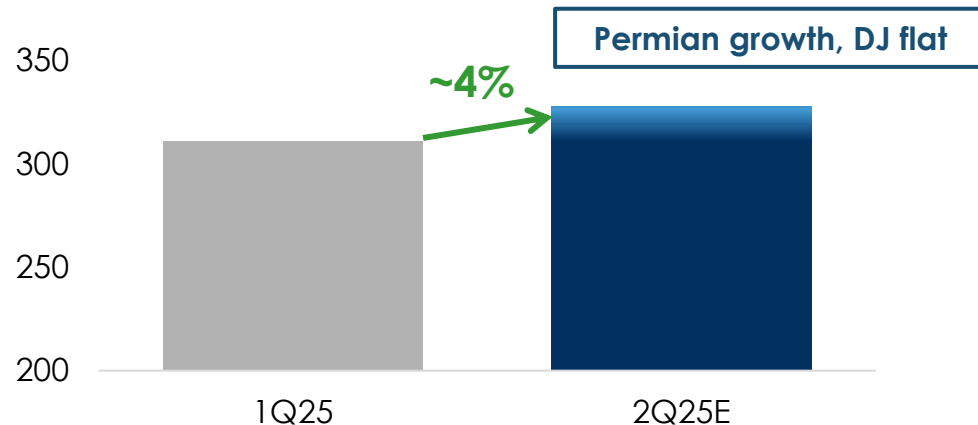


# Second Quarter Outlook



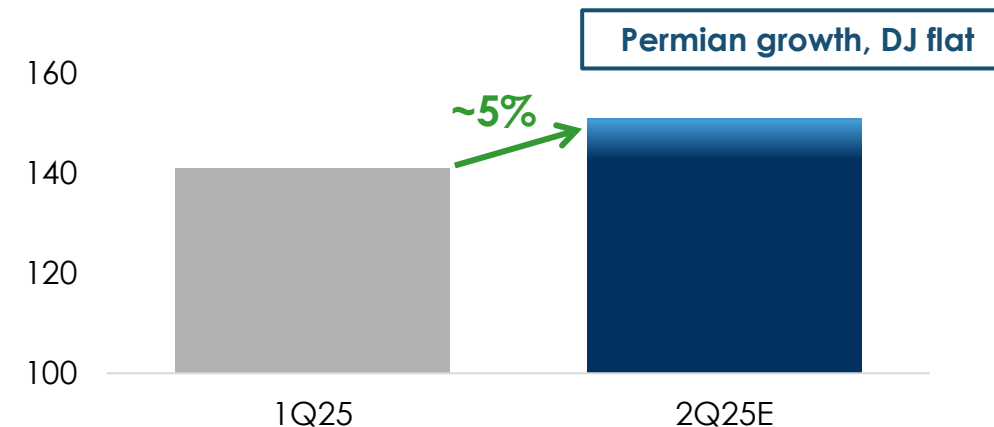
## Total volumes

MBoe per day



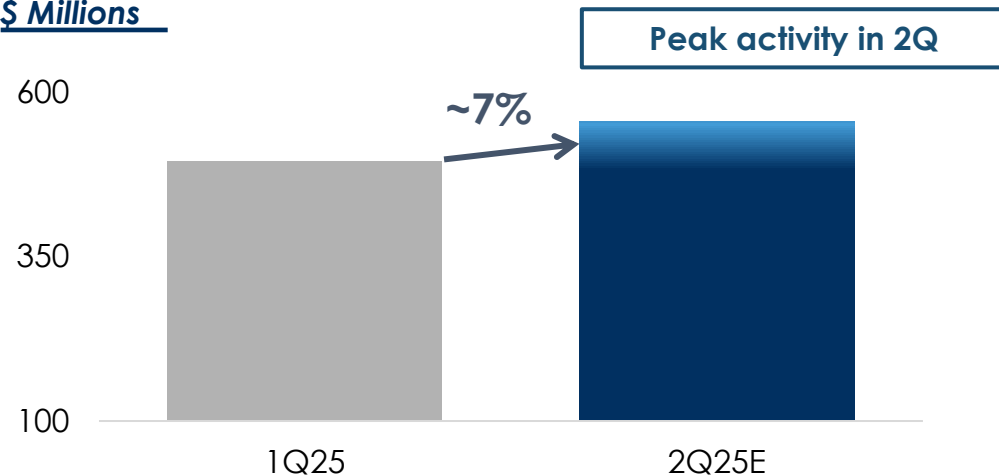
## Oil production

MBbl per day



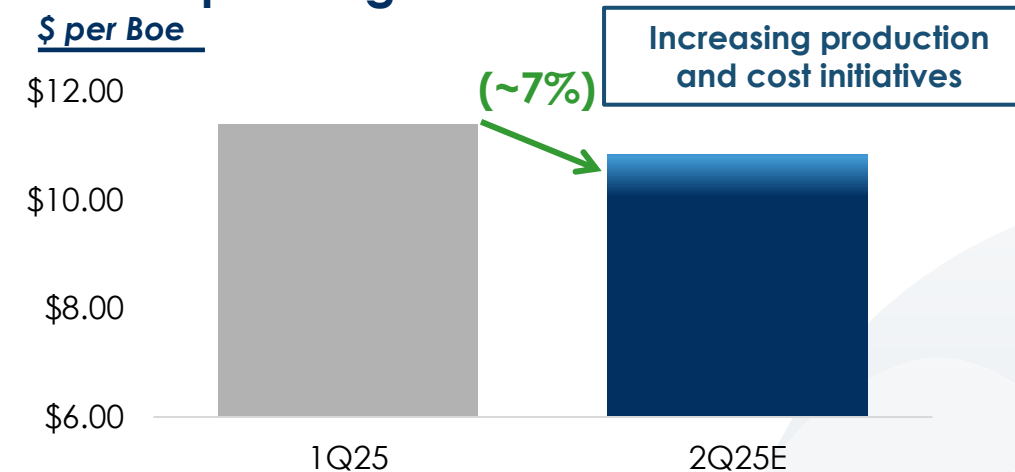
## Capital expenditures

\$ Millions



## Cash operating costs<sup>(1)</sup>

\$ per Boe



(1) Includes LOE, GT&P Expense, Midstream Expense, and Cash G&A. Cash G&A is a non-GAAP financial measure. See slide 19 for a reconciliation to the most directly comparable GAAP financial measure.

# 2Q Guidance



	1Q Actuals	2Q25 Guide	FY25 Guide
<b>Total production</b> (MBoe/d)	311	320 – 328	325 – 335
<b>Oil production</b> (MBbl/d)	141	146 – 151	150 – 155
<b>% liquids</b>	70%		71% – 73%
<b>Oil differential to NYMEX WTI</b> (\$/Bbl)	(\$0.52)		(\$0.50 – \$1.50)
<b>Gas differential to NYMEX HHUB</b> (\$/Mcf)	(\$1.17)		(\$1.50 – \$2.00)
<b>NGL realization as % of NYMEX WTI</b>	34%		28% – 32%
<b>Production taxes</b> (% of revenue)	7.5%		7 – 8%
<b>Total cash opex<sup>(1)</sup></b> (\$/Boe)	\$11.25 <sup>(2)</sup>	\$10.35 – \$10.85	\$9.60 – \$10.30
<b>Interest expense, cash</b> (\$MM)	\$101		\$390 – \$410
<b>Current income taxes</b> (\$MM)	\$5		\$10 – \$30
<b>Capital expenditures</b> (\$MM)	\$495	\$505 – \$555	\$1,800 – \$1,900

(1) Includes LOE, GT&P expense, Midstream expense, and Cash G&A. Cash G&A is a non-GAAP financial measure. See slide 19 for a reconciliation to the most directly comparable GAAP financial measure.

(2) 1Q severance of \$4 MM removed as a non-recurring item.

# Current Actions Advance Strategic Pillars



Pillar	Action plan
Generate significant free cash flow	<ul style="list-style-type: none"><li>• <b>\$100+ MM</b> cost optimization initiative</li><li>• <b>Hedge program increased</b> to nearly 50% of oil volumes at avg. \$68 WTI floor</li></ul>
Maintain premier balance sheet	<ul style="list-style-type: none"><li>• Reaffirmed <b>YE25 Net Debt target of \$4.5 Bn</b><sup>(1)</sup></li><li>• Pursuing <b>asset divestments of \$300 MM</b> by YE25</li></ul>
Return capital to shareholders	<ul style="list-style-type: none"><li>• Maintain resilient <b>base dividend of \$2/share</b> annually</li><li>• 1Q25 repurchases of nearly <b>2% of shares outstanding</b></li></ul>
Demonstrate ESG leadership	<ul style="list-style-type: none"><li>• Committed to enterprise <b>Scope 1 &amp; 2 carbon neutrality</b> beginning 2026<sup>(2)</sup></li><li>• Scope 1 GHG emissions reduction <b>goal of 40% by 2030</b> (2023 baseline)</li></ul>

(1) Represents an \$800 MM reduction from YE24 (pro-forma for the February 2025 \$300 MM Permian bolt-on transaction and the Vencer deferred consideration). Net Debt is a non-GAAP financial measure. Due to the forward-looking nature of the 2025 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 financial measure, Civitas believes it to be infeasible to provide accurate reconciliations.

(2) Scope 1 & 2 neutrality refers to the effort to organically reduce emissions followed by the purchase of verified carbon credits and renewable energy certificates in an amount that offsets remaining emissions. Our commitment to achieving carbon neutrality is rooted in commonly accepted estimates of offset and emissions accounting, which is built on a foundation of emissions reporting, and in which we seek to further improve upon by transitioning to actual emissions measurements and other carbon projects that have a positive impact in the communities where we operate.

# Appendix

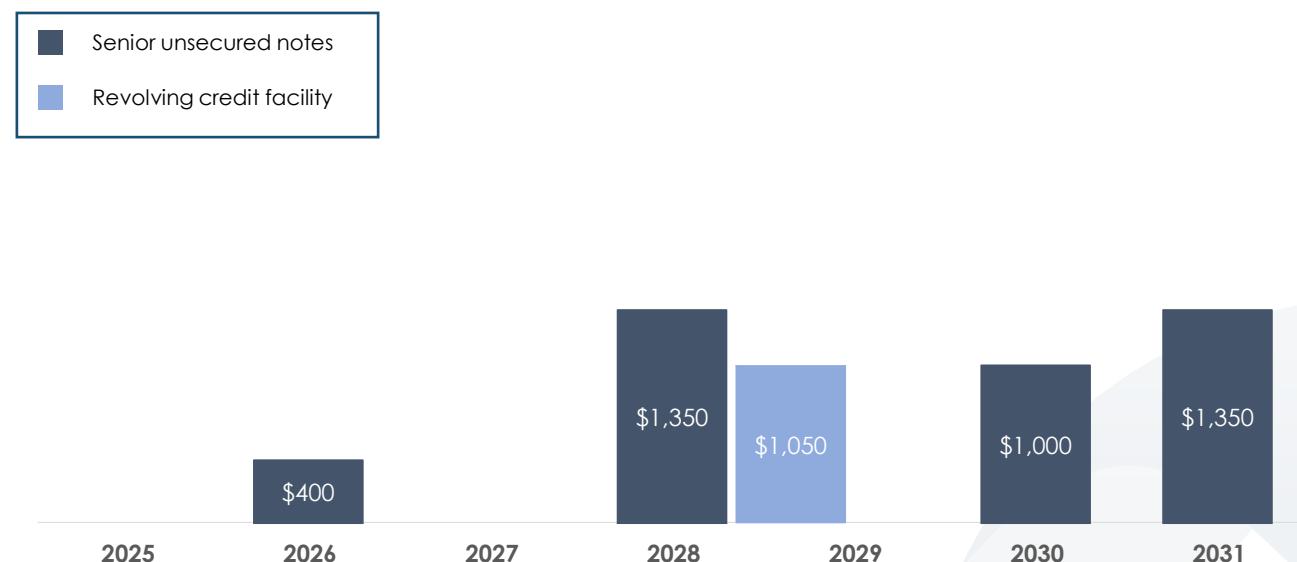
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# Capital Structure

Illustrative capitalization table:	
(\$MM)	As of 3/31/2025
Revolving credit facility due 2028	\$1,050
<b>Total secured debt</b>	<b>\$1,050</b>
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
<b>Total debt</b>	<b>\$5,150</b>
(-) Cash and cash equivalents	(20)
<b>Net debt<sup>(1)</sup></b>	<b>\$5,130</b>
<b>Liquidity</b>	
Revolving credit facility borrowing base	\$3,400
Revolving credit facility commitment amount	2,500
Revolving credit facility borrowings	(1,050)
Letters of credit issued	(2)
<b>Net RCF availability</b>	<b>\$1,448</b>
Cash and cash equivalents	20
<b>Total liquidity</b>	<b>\$1,467</b>
<i>Net utilization <sup>(2)</sup></i>	41%

- **1Q25 Net Debt<sup>(1)</sup> of \$5.1 Bn; YE25 Net debt target of \$4.5 Bn or lower**
- **Robust financial liquidity of \$1.5 Bn at end of 1Q25 (cash and available RCF borrowings)**
- **Successfully increased elected commitment under RCF to \$2.5 Bn in February 2025**
- **Minimal maturities in next 3 years (~8% of total debt outstanding)**

## Debt maturity schedule as of 3/31/25 (\$MM)



(1) Net Debt is a non-GAAP financial measure. See slide 18 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.



# Hedge Position Summary



Contract period	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
<b>Crude oil derivatives (volumes in Bbl/day and prices in \$/Bbl)</b>							
<b>Swaps</b>							
NYMEX WTI volumes	29,000	37,700	61,700	33,000	9,000	--	--
Weighted-average contract price	\$70.71	\$71.69	\$66.12	\$68.28	\$60.67	--	--
<b>Two-way collars</b>							
NYMEX WTI volumes	44,000	40,000	12,000	10,000	--	--	--
Weighted-average ceiling price	\$76.73	\$76.54	\$73.95	\$77.13	--	--	--
Weighted-average floor price	\$67.18	\$66.52	\$60.00	\$60.00	--	--	--
Contract period	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
<b>Natural gas derivatives (volumes in MMBtu/day and prices in \$/MMBtu)</b>							
<b>Swaps</b>							
NYMEX HH volumes	193,297	210,000	210,000	50,000	50,000	50,000	50,000
Weighted-average contract price	\$3.77	\$3.80	\$3.80	\$4.41	\$4.41	\$4.41	\$4.41
<b>Two-Way Collars</b>							
NYMEX HH volumes	26,703	30,000	30,000	160,000	160,000	160,000	160,000
Weighted-average ceiling price	\$4.00	\$4.08	\$4.08	\$4.19	\$4.19	\$4.19	\$4.19
Weighted-average floor price	\$3.33	\$3.43	\$3.43	\$3.38	\$3.38	\$3.38	\$3.38
<b>Basis protection swaps</b>							
Waha basis volumes	140,000	140,000	140,000	130,000	130,000	130,000	130,000
Weighted-average contract price	(\$1.32)	(\$1.32)	(\$1.32)	(\$1.31)	(\$1.31)	(\$1.31)	(\$1.31)
CIG basis volumes	66,703	90,000	90,000	80,000	80,000	80,000	80,000
Weighted-average contract spread	(\$0.90)	(\$0.91)	(\$0.91)	(\$0.59)	(\$0.59)	(\$0.59)	(\$0.59)

Note: Hedge positions as of May 2, 2025.

# Adjusted EBITDAX Reconciliation



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. 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 (in millions):

	Three Months Ended	
	March 31, 2025	December 31, 2024
Net income	\$ 186	\$ 151
Interest expense, net <sup>(1)</sup>	105	111
Income tax expense	61	49
Depreciation, depletion, and amortization	445	545
Exploration	3	1
Transaction costs	6	1
Derivative (gain) loss, net	(52)	11
Derivative cash settlement gain (loss), net	4	12
Stock-based compensation <sup>(2)</sup>	13	12
Other, net <sup>(3)</sup>	15	2
Adjusted EBITDAX	<u>\$ 786</u>	<u>\$ 895</u>

(1) Includes interest income of \$2 million and \$3 million for the three months ended March 31, 2025 and December 31, 2024, respectively. Interest income is included as a portion of other, net in the accompanying statements of operations.

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

(3) The three months ended March 31, 2025 includes (i) \$9 million of non-recurring and non-cash loss on crude oil linefill contracts that is included in other, net, (ii) \$4 million of non-recurring cash severance charges incurred in connection with our announced reduction in force that are included in general and administrative expense, and (iii) \$2 million for non-recurring cash unused commitment fees that are included in other operating expense, all of which are in the accompanying statement of operations for the period. The three months ended December 31, 2024 includes non-recurring costs of \$1 million for unused commitment fees that are included in other operating expense and \$1 million for loss on property transactions, net that are included in other, net, all of which are in the accompanying statement of operations for the period.

# 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 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 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 millions):

	Three Months Ended	
	March 31, 2025	December 31, 2024
Net cash provided by operating activities	\$ 719	\$ 859
Add back: Changes in operating assets and liabilities, net	(53)	(59)
Cash flow from operations before changes in operating assets and liabilities	666	800
Less: Cash paid for capital expenditures for drilling and completion activities and other fixed assets	(475)	(292)
Less: Changes in working capital related to capital expenditures	(20)	14
Capital expenditures	(495)	(278)
Less: Purchases of carbon credits and renewable energy credits	—	(2)
Adjusted Free Cash Flow	\$ 171	\$ 520

# 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 millions).

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Deferred acquisition consideration	\$ —	\$ 475
Credit facility	1,050	450
Senior notes	4,100	4,100
Total debt	5,150	5,025
Less: cash and cash equivalents	(20)	(76)
Net debt	<u>\$ 5,130</u>	<u>\$ 4,949</u>

# 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 millions):

	Three Months Ended	
	March 31, 2025	December 31, 2024
General and administrative expense	\$ 57	\$ 53
Stock-based compensation	(13)	(12)
Cash general and administrative	\$ 44	\$ 41