



# 1Q-25 Earnings Presentation

May 12, 2025



# Forward-Looking / Cautionary Statements

This presentation, including any oral statements made regarding the contents of this presentation, contains forward-looking statements as defined under Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, that address activities that Vital Energy, Inc. (together with its subsidiaries, the “Company”, “Vital Energy” or “VTLE”) assumes, plans, expects, believes, intends, projects, indicates, enables, transforms, estimates or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements are based on management’s current belief, based on currently available information, as to the outcome and timing of future events. Such statements are not guarantees of future performance and involve risks, assumptions and uncertainties.

General risks relating to Vital Energy include, but are not limited to: the volatility of oil, NGL and natural gas prices, including the Company’s area of operation in the Permian Basin; changes, uncertainty and instability in domestic and global production, supply and demand for oil, NGL and natural gas, and actions by the Organization of the Petroleum Exporting Countries members and other oil exporting nations (“OPEC+”); changes in general economic, business or industry conditions and market volatility, including as a result of slowing growth, inflationary pressures, monetary policy, tariffs, trade barriers, price and exchange controls and other regulatory requirements, including such changes that may be implemented by the United States (“U.S.”) and foreign governments; the Company’s ability to execute its strategies, including its ability to successfully identify and consummate strategic acquisitions at purchase prices that are accretive to its financial results and to successfully integrate acquired businesses, assets and properties; the Company’s ability to optimize spacing, drilling and completions techniques in order to maximize its rate of return, cash flows from operations and stockholder value; the ongoing instability and uncertainty in the U.S. and international energy, financial and consumer markets that could adversely affect the liquidity available to the Company and its customers and the demand for commodities, including oil, NGL and natural gas; competition in the oil and gas industry; the Company’s ability to discover, estimate, develop and replace oil, NGL and natural gas reserves and inventory; insufficient transportation capacity in the Permian Basin and challenges associated with such constraint, and the availability and costs of sufficient gathering, processing, storage and export capacity; a decrease in production levels which may impair the Company’s ability to meet its contractual obligations and ability to retain its leases; risks associated with the uncertainty of potential drilling locations and plans to drill in the future; the inability of significant customers to meet their obligations; revisions to the Company’s reserve estimates as a result of changes in commodity prices, decline curves and other uncertainties; the availability and costs of drilling and production equipment, supplies, labor and oil and natural gas processing and other services; ongoing war and political instability in Ukraine, Israel and the Middle East and the effects of such conflicts on the global hydrocarbon market and supply chains; risks related to the geographic concentration of the Company’s assets; the Company’s ability to hedge commercial risk, including commodity price volatility, and regulations that affect the Company’s ability to hedge such risks; the Company’s ability to continue to maintain the borrowing capacity under its Senior Secured Credit Facility or access other means of obtaining capital and liquidity, especially during periods of sustained low commodity prices; the Company’s ability to comply with restrictions contained in its debt agreements, including its Senior Secured Credit Facility and the indentures governing its senior unsecured notes, as well as debt that could be incurred in the future; the Company’s ability to generate sufficient cash to service its indebtedness, fund its capital requirements and generate future profits; drilling and operating risks, including but not limited to, risks related to hydraulic fracturing, securing sufficient electricity to produce its wells without limitation, natural disasters and other matters beyond the Company’s control; U.S. and international economic conditions and legal, tax, political and administrative developments, including the effects of energy, trade and environmental policies and existing and future laws and government regulations; the Company’s ability to comply with federal, state and local regulatory requirements; the impact of repurchases, if any, of securities from time to time; the Company’s ability to maintain the health and safety of, as well as recruit and retain, qualified personnel, including senior management or other key personnel, necessary to operate its business; evolving cybersecurity risks such as those involving unauthorized access, denial-of-service attacks, third-party service provider failures, malicious software, data privacy breaches by employees, insiders or others with authorized access, cyber or phishing attacks, ransomware, social engineering, physical breaches or other actions; and the Company’s belief that the outcome of any current legal proceedings will not materially affect its financial results and operations

Any forward-looking statement speaks only as of the date on which such statement is made. Vital Energy does not intend to, and disclaims any obligation to, correct, update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

This presentation includes financial measures that are not in accordance with generally accepted accounting principles (“GAAP”), such as Adjusted Free Cash Flow, Net Debt, PV-10 and Consolidated EBITDAX. While management believes that such measures are useful for investors, they should not be used as a replacement for financial measures that are in accordance with GAAP. For definitions of such non-GAAP financial measures and their reconciliations to the most comparable GAAP measures, please see the Appendix. This presentation also includes certain forward-looking non-GAAP measures. Due to the forward-looking nature of such measures, no reconciliations of these non-GAAP measures to their respective most directly comparable GAAP measures are available without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing or amount of various reconciling items that would impact the most directly comparable forward-looking GAAP financial measure, that have not yet occurred, are out of the Company’s control and/or cannot be reasonably predicted. Accordingly, such reconciliations are excluded from this presentation. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary from the corresponding GAAP financial measures.

Unless otherwise specified, references to “average sales price” refer to average sales price excluding the effects of the Company’s derivative transactions. All amounts, dollars and percentages presented in this presentation are rounded and therefore approximate.

# Executing on Core Strategic Priorities



**OPTIMIZE**  
COST STRUCTURE



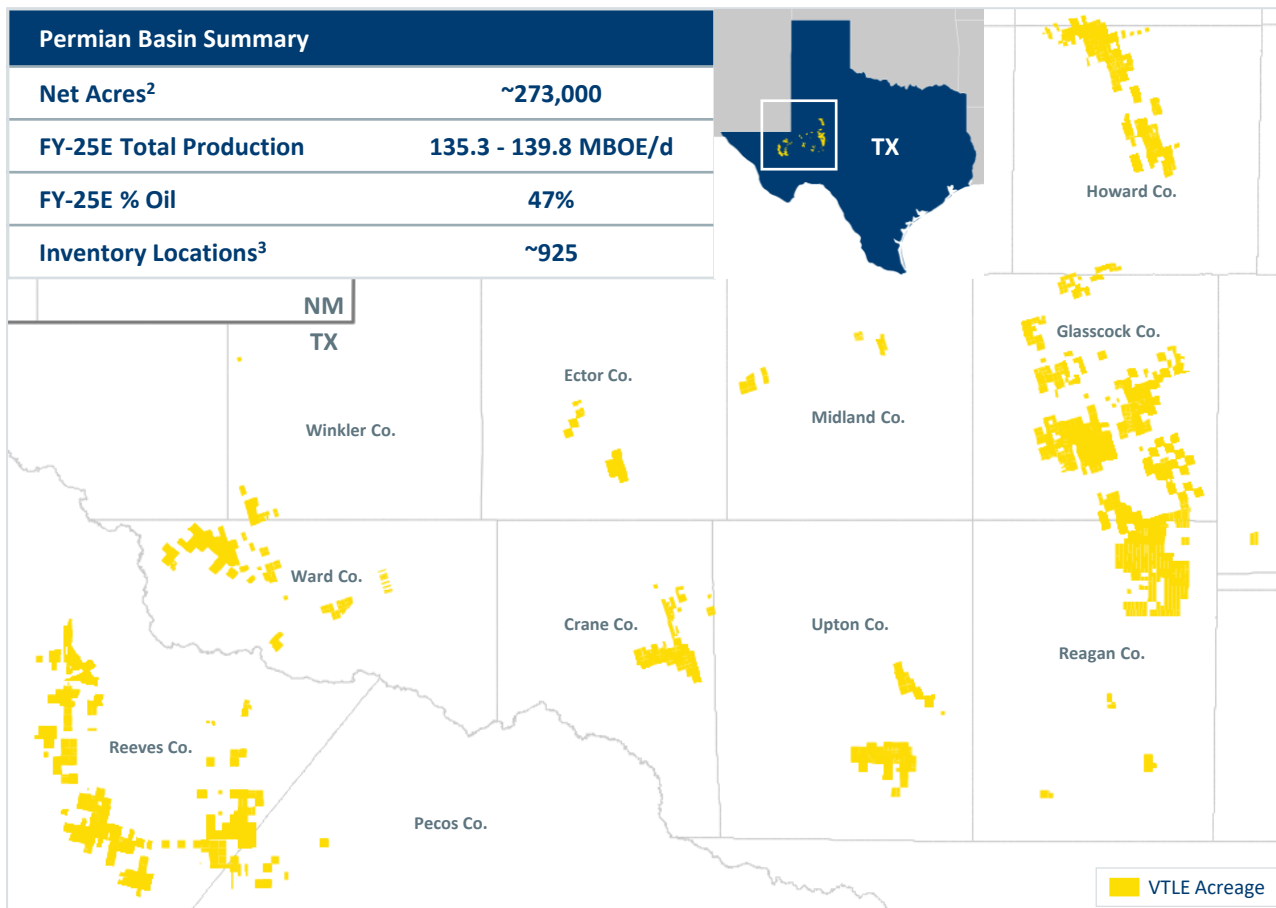
**IMPROVE**  
WTI BREAKEVEN



**MAXIMIZE**  
ADJUSTED FCF<sup>1</sup>



**REDUCE**  
ABSOLUTE DEBT



# Strong Execution Drives Adjusted Free Cash Flow Generation

## 1Q-25 Highlights

**\$351 MM**

Cash Flows from  
Operating Activities

**\$360 MM**

Consolidated  
EBITDAX<sup>1</sup>

**\$64 MM**

Adjusted  
Free Cash Flow<sup>1</sup>

**1**

### Total and Oil Production Above Midpoint of Guidance

- Production from recently acquired assets continues to exceed expectations
- TIL acceleration in the quarter driven by completions efficiencies

**2**

### Capital Investments Within Guidance

- TIL'd two more wells than expected
- Reduced cycle times pulled additional drilling activity into the quarter

**3**

### Operating Costs Below Guidance

- Operating expenses for Point Energy assets consistently beating expectations
- Reduced workover activity in the period

#### Total Production, MBOE/d

135.0 - 141.0

140.2

1Q-25  
Guidance

1Q-25  
Reported

#### Oil Production, MBO/d

62.0 - 66.0

64.9

1Q-25  
Guidance

1Q-25  
Reported

#### Capital Investments, \$MM

\$230 - \$260

\$253

1Q-25  
Guidance

1Q-25  
Reported

#### Lease Operating Expense, \$MM

\$115 - \$120

\$103

1Q-25  
Guidance

1Q-25  
Reported

# Resilient 2025 Development Program with WTI Breakeven<sup>1</sup> of ~\$50 per Barrel

## 1H-25 Program

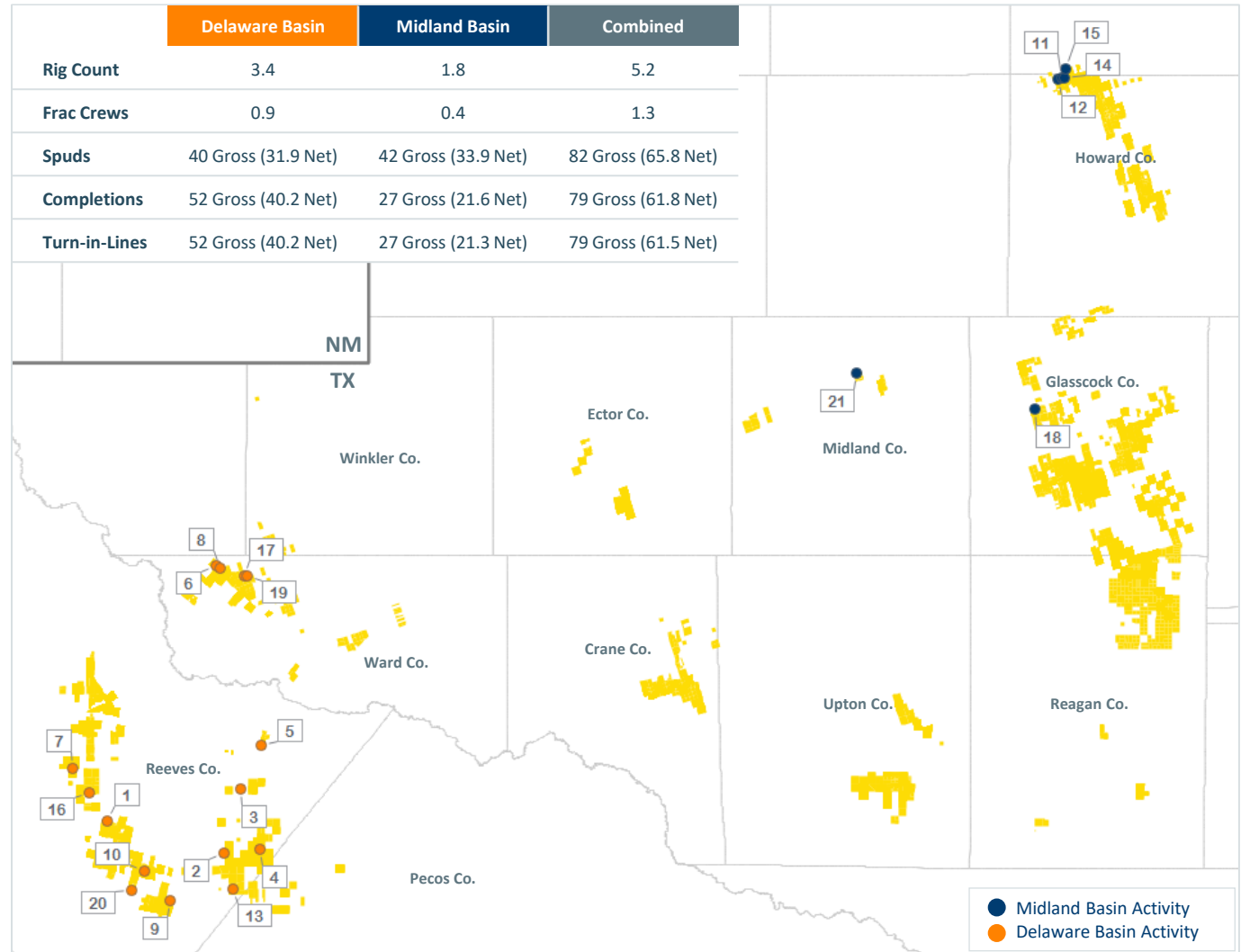
~\$57 WTI Breakeven<sup>1</sup>

|    |               |                |         |       |
|----|---------------|----------------|---------|-------|
| 1  | D-Day         | Delaware Basin | 2 Wells | 1Q-25 |
| 2  | Grissom White | Delaware Basin | 2 Wells | 1Q-25 |
| 3  | Mosaic State  | Delaware Basin | 6 Wells | 1Q-25 |
| 4  | Duiker Lynx   | Delaware Basin | 6 Wells | 1Q-25 |
| 5  | Emily Boss    | Delaware Basin | 3 Wells | 1Q-25 |
| 6  | Scrat         | Delaware Basin | 2 Wells | 1Q-25 |
| 7  | Pinto         | Delaware Basin | 2 Wells | 1Q-25 |
| 8  | Dire Wolf     | Delaware Basin | 3 Wells | 2Q-25 |
| 9  | Durlene       | Delaware Basin | 4 Wells | 2Q-25 |
| 10 | Aloha State   | Delaware Basin | 2 Wells | 2Q-25 |
| 11 | The Colonel   | Midland Basin  | 2 Wells | 2Q-25 |
| 12 | Tiger         | Midland Basin  | 1 Well  | 2Q-25 |
| 13 | Agate         | Delaware Basin | 1 Well  | 2Q-25 |
| 14 | Getlo         | Midland Basin  | 2 Wells | 2Q-25 |
| 15 | Lil EL        | Midland Basin  | 2 Wells | 2Q-25 |

## 2H-25 Program

~\$46 WTI Breakeven<sup>1</sup>

|    |             |                |          |       |
|----|-------------|----------------|----------|-------|
| 16 | Fat Chance  | Delaware Basin | 2 Wells  | 3Q-25 |
| 17 | Army South  | Delaware Basin | 6 Wells  | 3Q-25 |
| 18 | Cox         | Midland Basin  | 8 Wells  | 3Q-25 |
| 19 | Navy South  | Delaware Basin | 8 Wells  | 3Q-25 |
| 20 | Rambo State | Delaware Basin | 3 Wells  | 3Q-25 |
| 21 | 8 Mile      | Midland Basin  | 12 Wells | 4Q-25 |

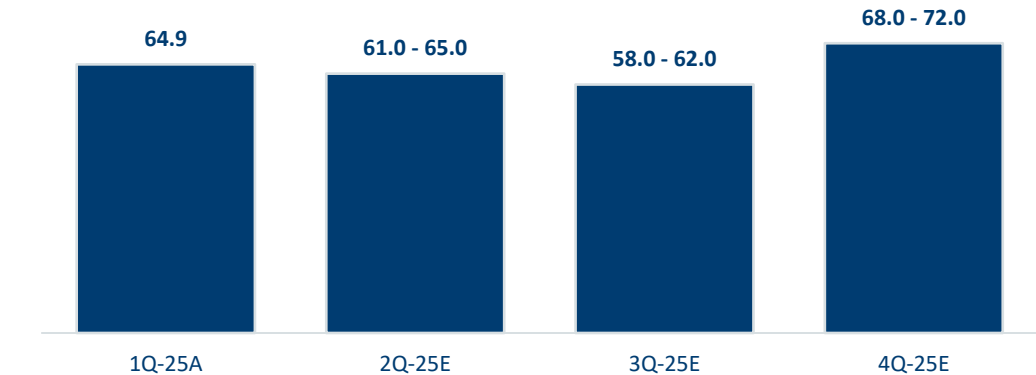


# 2025 Capital Program Supports Adjusted Free Cash Flow<sup>1</sup> Generation

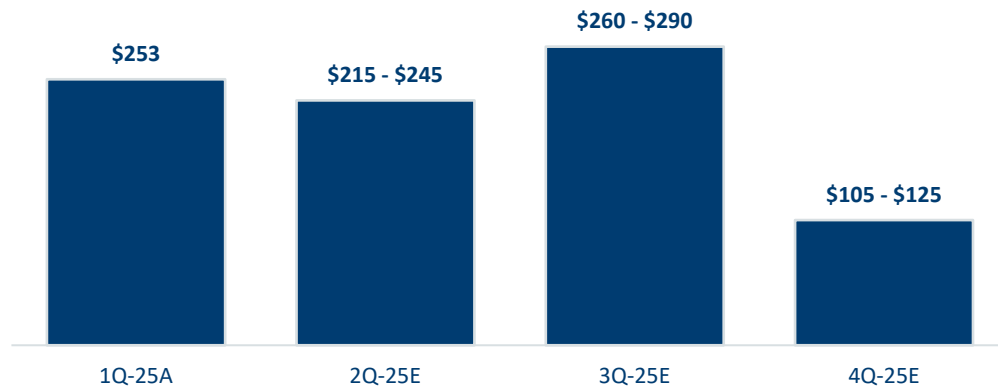
## Reaffirming 2025 Outlook

|  |  |
|--|--|
| <b>63.0 - 66.0</b><br>Oil Production (MBO/d)   | <b>135.3 - 139.8</b><br>Total Production (MBOE/d)          |
| <b>\$835 - \$915 MM</b><br>Capital Investments | <b>~\$265 MM</b><br>Adjusted Free Cash Flow <sup>1,2</sup> |

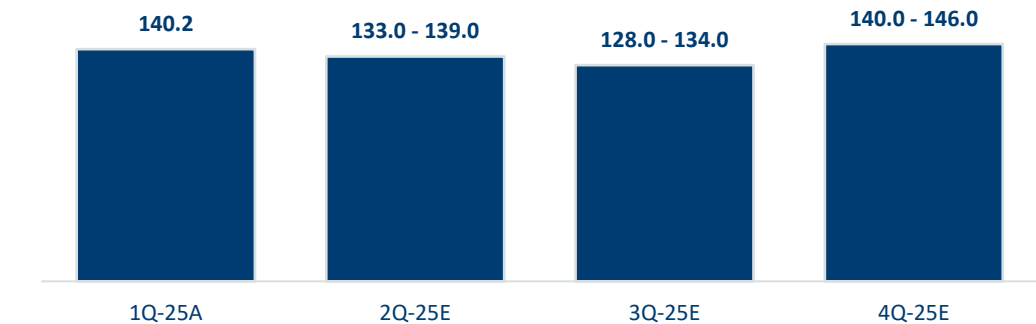
## Oil Production, MBO/d



## Capital Investments, \$MM



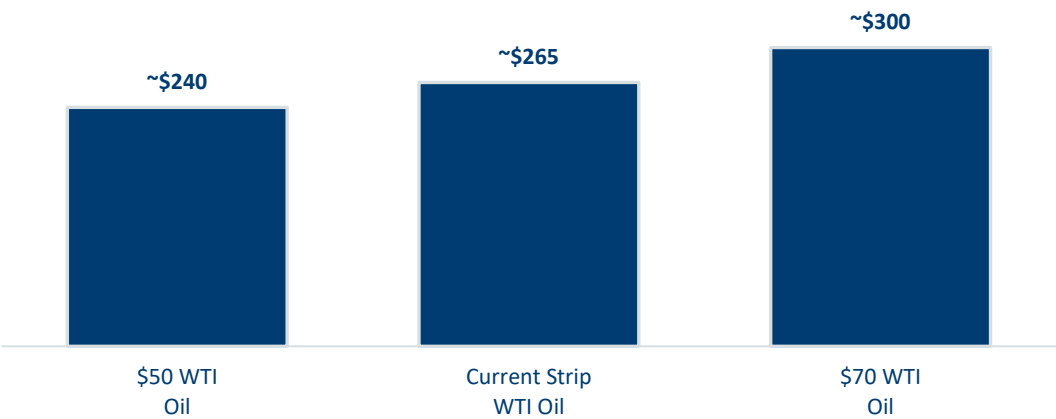
## Total Production, MBOE/d



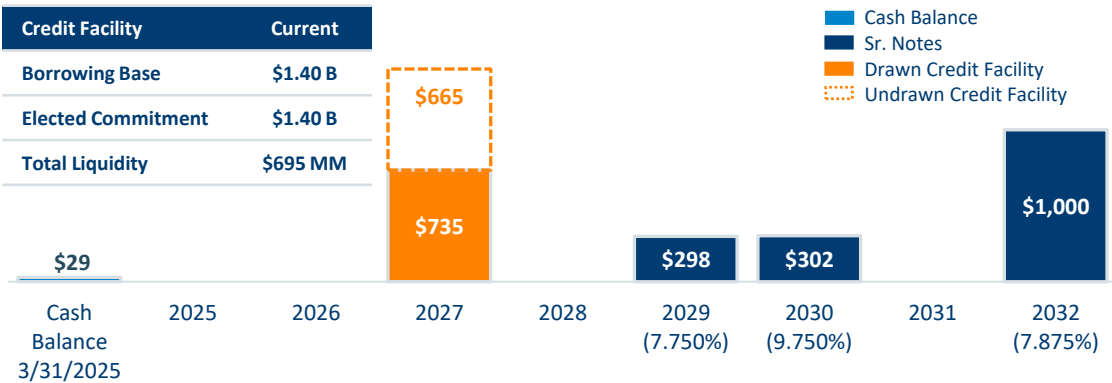
# Prioritizing Balance Sheet Improvement Through Debt Repayment

- Targeting ~\$300 MM<sup>1</sup> of debt repayment for FY-25
- Ample liquidity with no term-debt maturities until 2029
- Reduced credit facility balance through \$20.5 MM in non-core asset sales

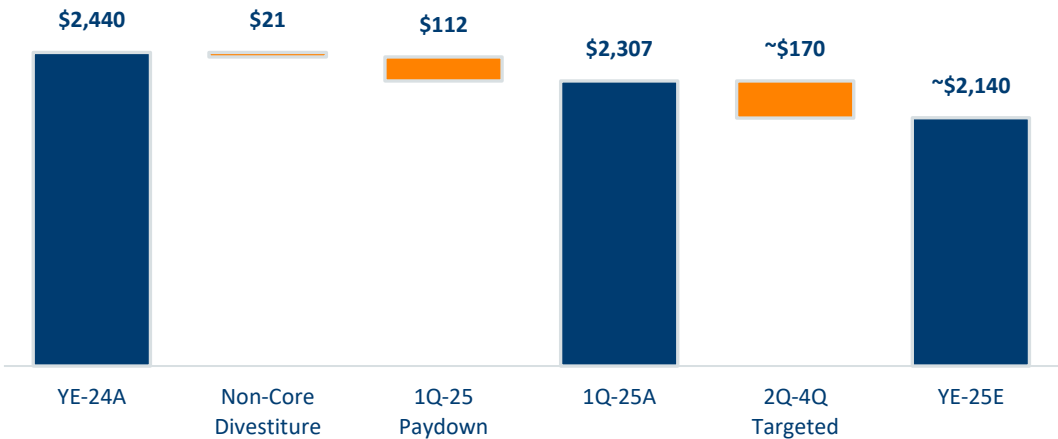
2025E Adjusted Free Cash Flow<sup>1,2</sup> Sensitivity, \$MM



Debt Maturity Profile, \$MM<sup>3,4</sup>

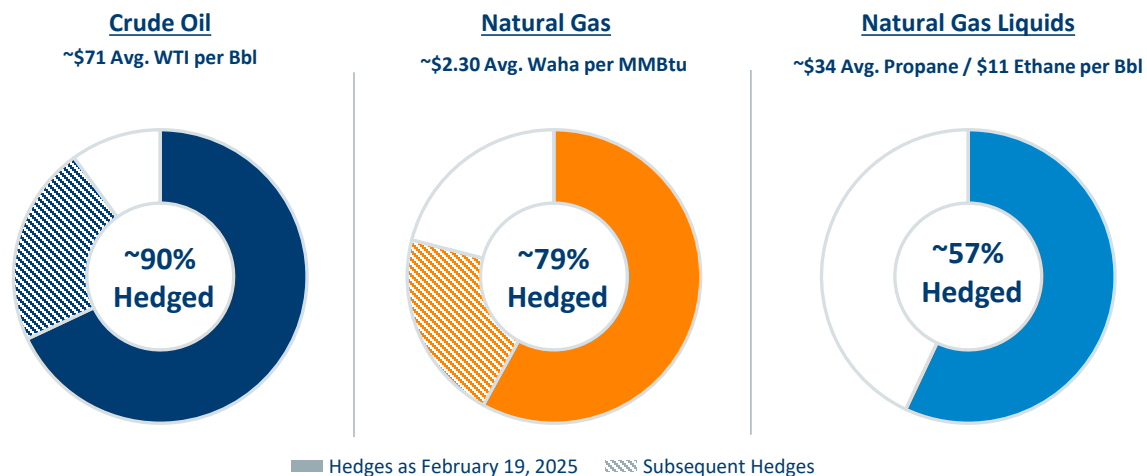


2025E Net Debt Reduction, \$MM<sup>1</sup>



# Peer-Leading Hedge Position Supports 2025 Development Program

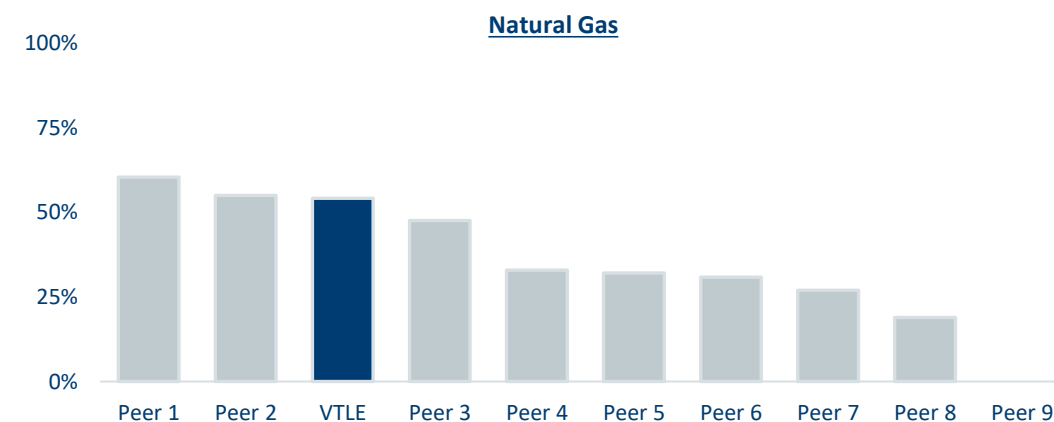
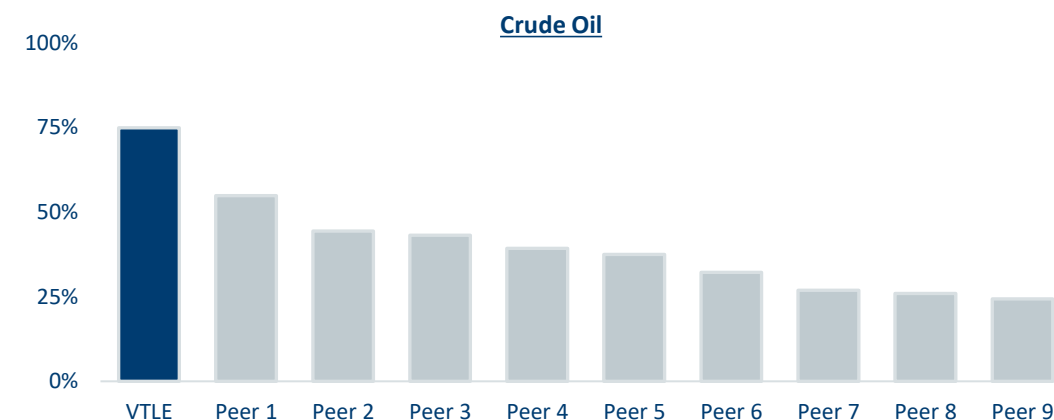
Bal-25 Hedge Position as of May 9, 2025<sup>1</sup>



Bal-25 Hedge Position MTM Sensitivity as of May 9, 2025 | \$MM

|               |        | NYMEX WTI \$/Bbl |       |       |
|---------------|--------|------------------|-------|-------|
|               |        | \$50             | \$60  | \$70  |
| Waha \$/MMBtu | \$0.50 | \$405            | \$260 | \$120 |
|               | \$1.50 | \$365            | \$220 | \$80  |
|               | \$2.50 | \$330            | \$185 | \$40  |

FY-25 VTLE Hedge Position vs. Peers<sup>2</sup>



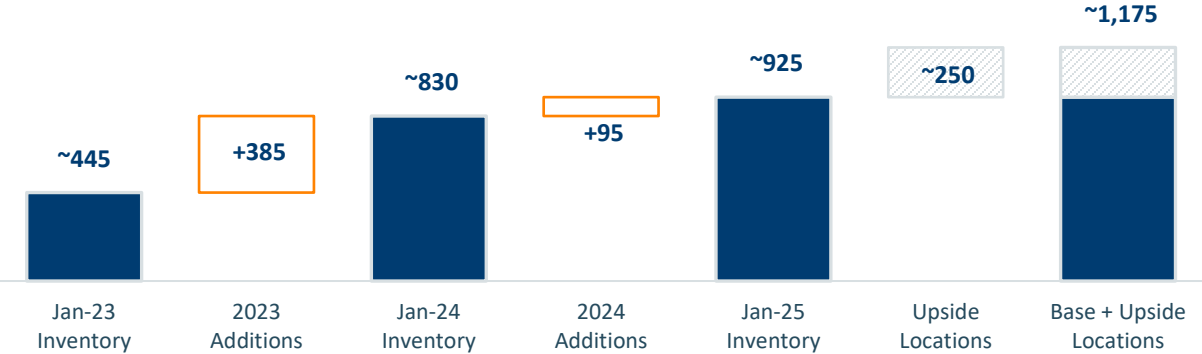
# 11 Years of High-Quality Permian Basin Inventory

**~925 Locations**

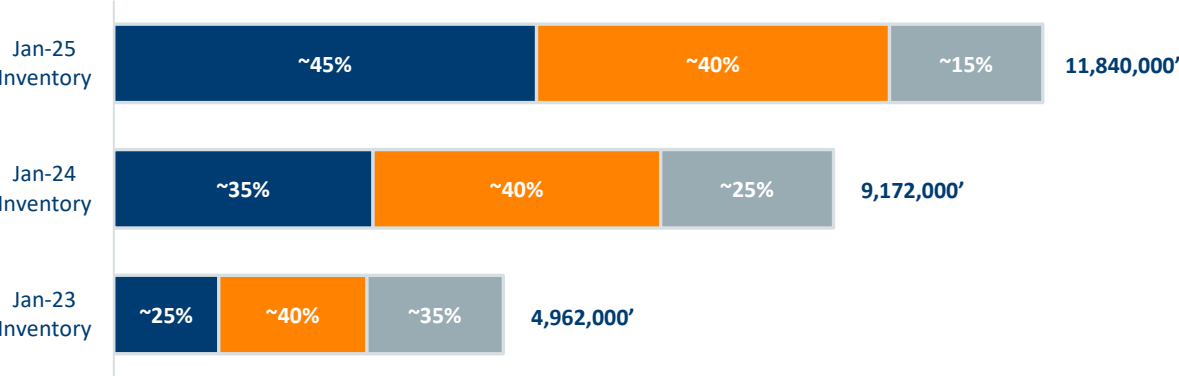
>11 Years of Inventory<sup>1</sup>  
~\$53 Avg. WTI Breakeven Oil Price

**~250 Upside**

~3 Years of Incremental Inventory  
Economically Viable; Future Evaluation Required



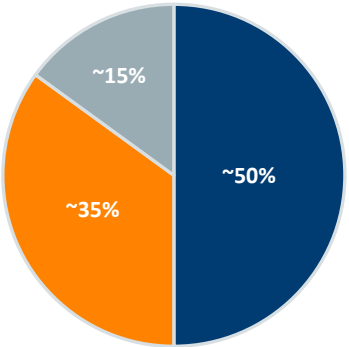
**~300% Increase in Sub-\$50 WTI Breakeven Total Completable Lateral Feet vs. 2023**



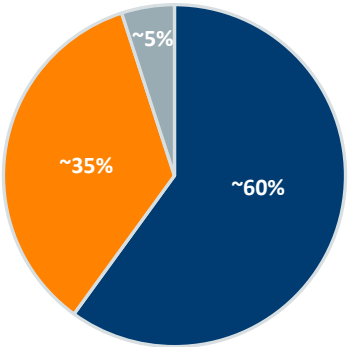
■ Sub-\$50 WTI Breakeven ■ \$50-\$60 WTI Breakeven ■ \$60-\$75 WTI Breakeven

**Midland Basin Completable Lateral Feet ~8,292,000'**

**Jan-25 Inventory**

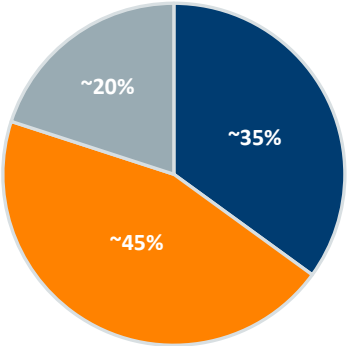


**Illustrative 5% DC&E Savings**

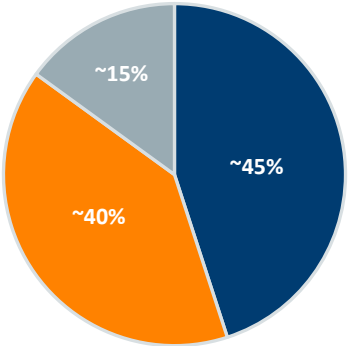


**Delaware Basin Completable Lateral Feet ~3,548,000'**

**Jan-25 Inventory**



**Illustrative 5% DC&E Savings**



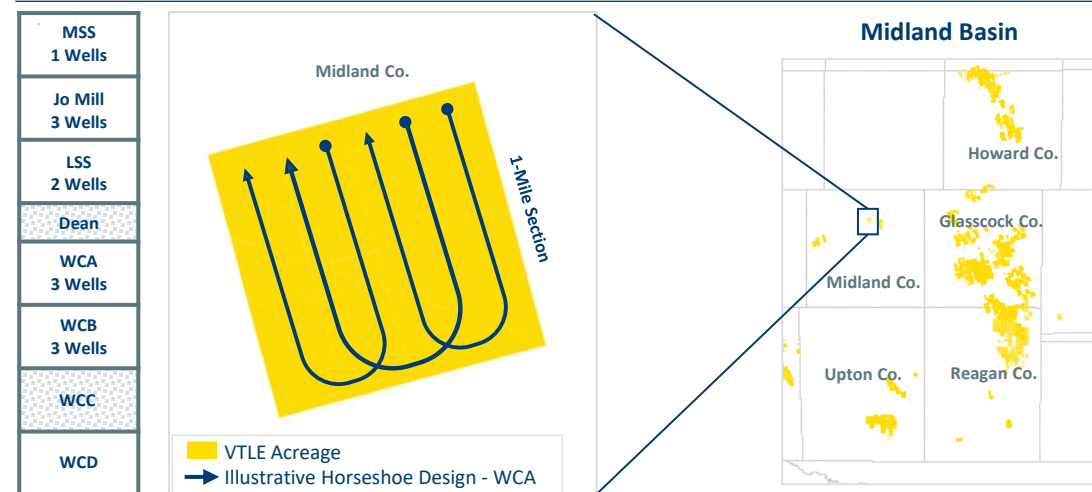
# Optimizing Well Design to Enhance Capital Efficiency

- Utilizing advanced drilling techniques to expand long-lateral development across the leasehold
- Horseshoe wells comprise 14% of total inventory
- Successfully drilled and completed Company's first J-Hook wells
- Opportunity to convert 135 straight 10,000' wells to 90 J-hook 15,000' laterals, lowering expected WTI breakeven by ~\$5/bbl

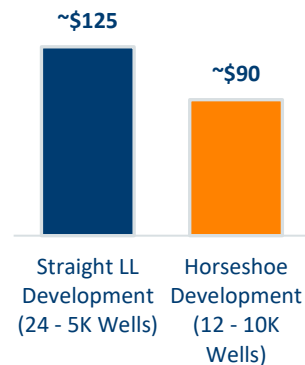
## 2025 Delaware Basin J-Hook Well Development



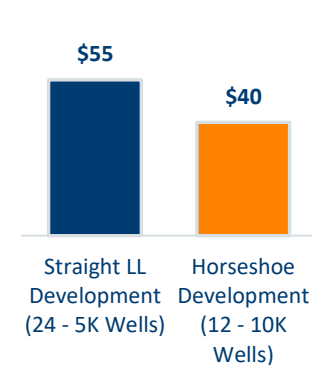
## 2025 Midland Basin Horseshoe Well Development Improves Capital Efficiency ~30%



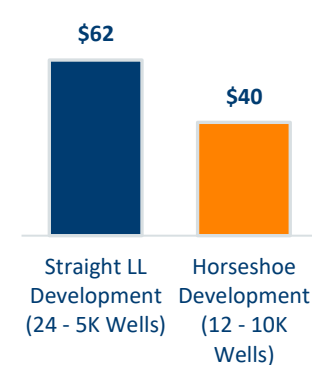
### Capital Savings<sup>1</sup> (\$MM)



### Capital Efficiency (\$/1-yr BOE)

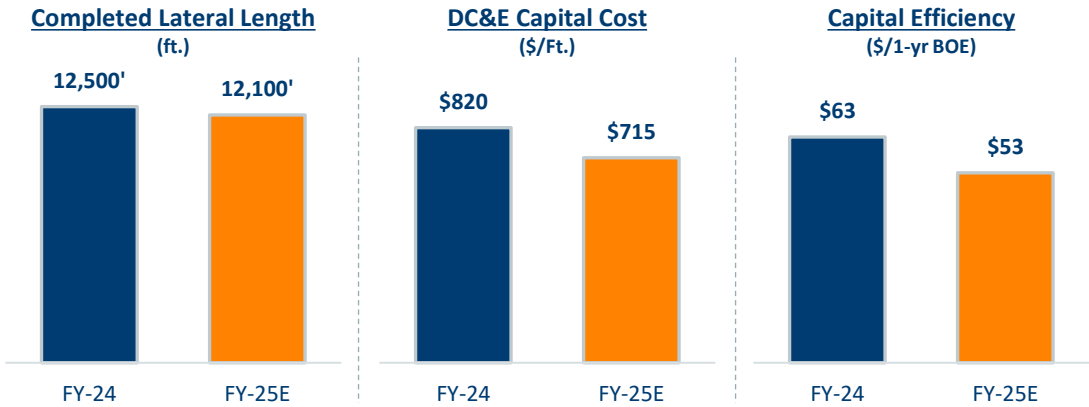
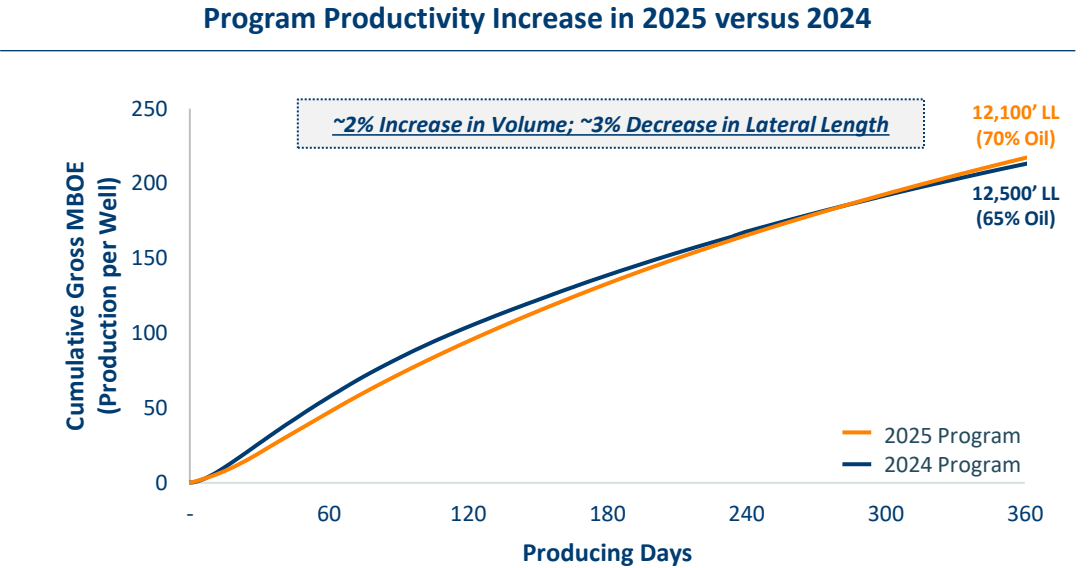
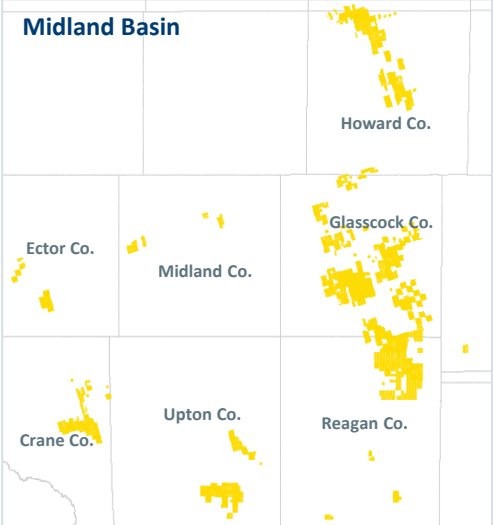


### Avg. WTI Breakeven (Oil \$/Bbl)

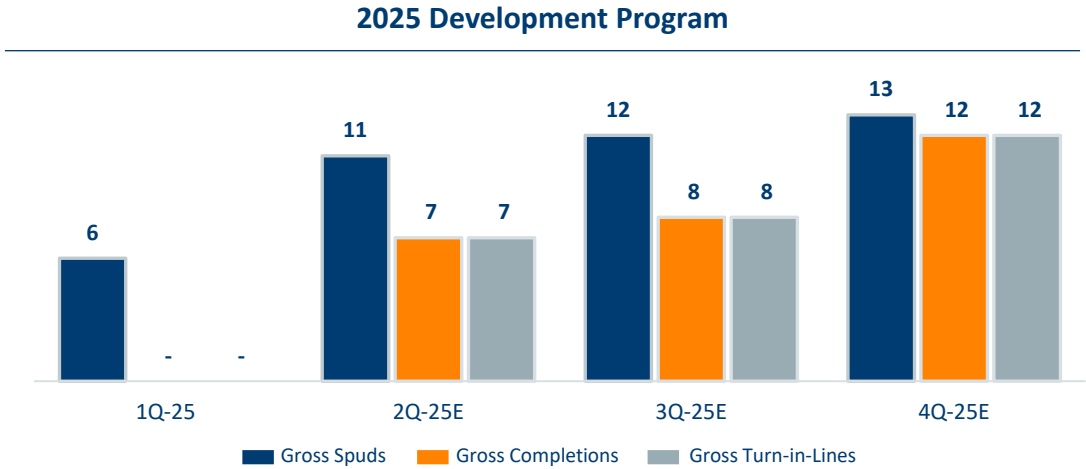


# Midland Basin Overview

| Key Stats                        |                  |
|----------------------------------|------------------|
| Net Acres <sup>1</sup>           | ~191,500         |
| Inventory Locations <sup>2</sup> | ~620 Gross       |
| Lateral Length                   | ~13,400'         |
| Completable Lateral Feet         | 8,292,000'       |
| Avg. WTI Breakeven Oil Price     | ~\$52            |
| Inventory Ownership              | 86% WI   65% NRI |
| % of FY-25E Capital Program      | ~35%             |



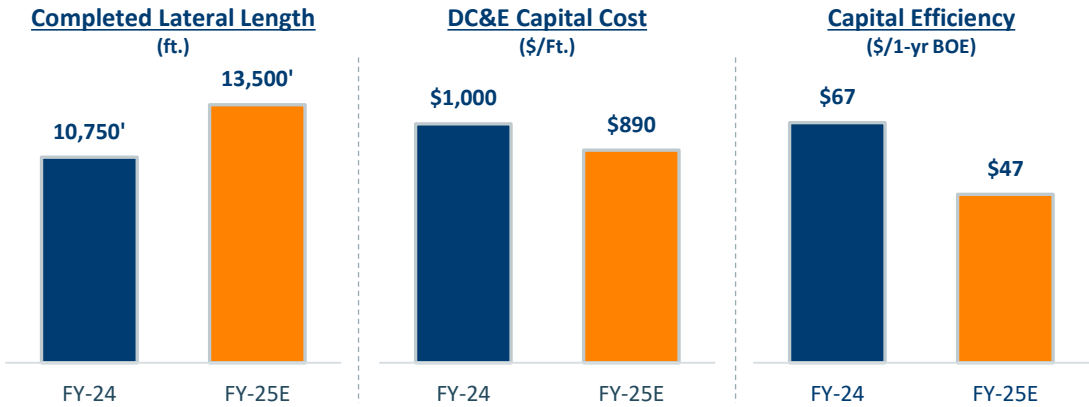
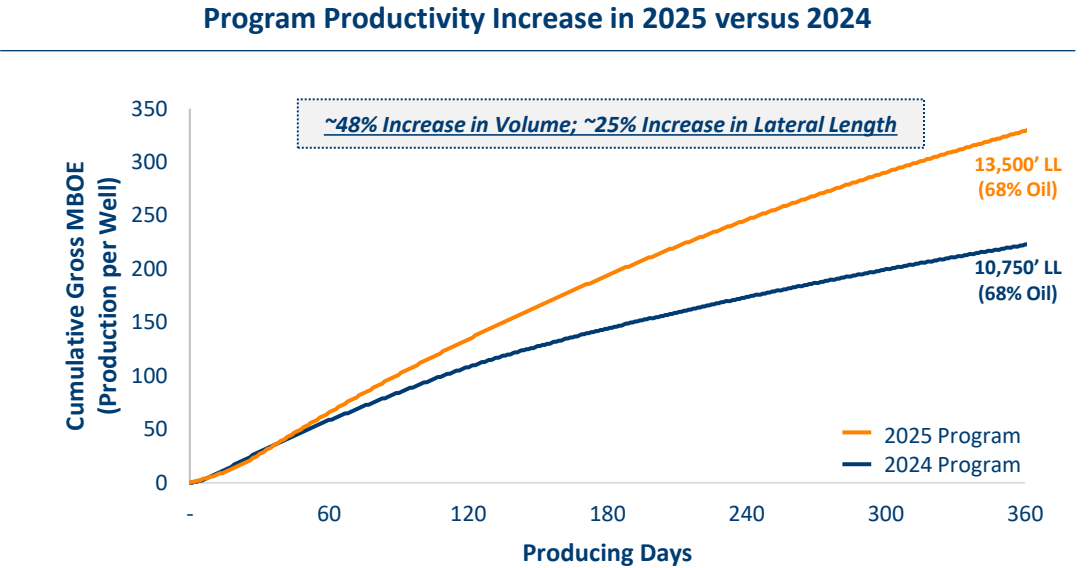
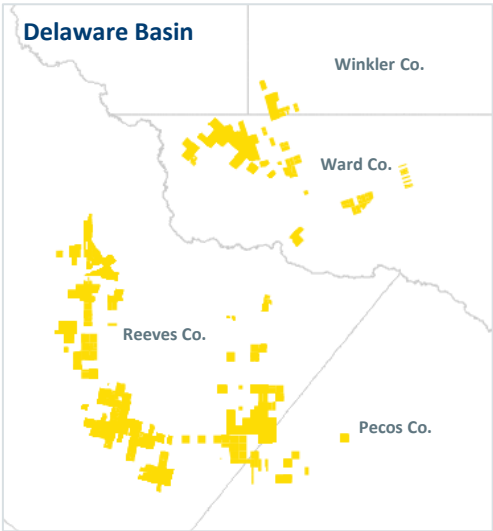
Note: All figures are approximate.



<sup>1</sup>As of March 31, 2025. <sup>2</sup>Gross operated locations as of January 2025 at current activity pace and spacing and excludes upside inventory.  
Note: Barnett leasehold and inventory included in Midland Basin totals.

# Delaware Basin Overview

| Key Stats                        |                  |
|----------------------------------|------------------|
| Net Acres <sup>1</sup>           | ~81,500          |
| Inventory Locations <sup>2</sup> | ~305 Gross       |
| Lateral Length                   | ~11,600'         |
| Completable Lateral Feet         | 3,548,000'       |
| Avg. WTI Breakeven Oil Price     | ~\$55            |
| Inventory Ownership              | 72% WI   55% NRI |
| % of FY-25E Capital Program      | ~65%             |



Note: All figures are approximate.

<sup>1</sup>As of March 31, 2025. <sup>2</sup>Gross operated locations as of January 2025 at current activity pace and spacing and excludes upside inventory.  
 Note: All figures are approximate.

# Optimized 2025 Development Drives Adjusted FCF Generation and Debt Reduction

- 1 Enhancing capital efficiency through increased productivity and lateral lengths
- 2 Targeting Net Debt<sup>1</sup> reduction of ~\$300 MM<sup>2</sup> by YE-25 at current commodity prices
- 3 ~90% of expected Bal-25 oil production hedged at ~\$71 per barrel WTI
- 4 2025 development plan has estimated ~\$50 per barrel<sup>3</sup> WTI breakeven



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## Appendix

# 2Q-25 & FY-25 Guidance

## Guidance

|  | 2Q-25           | FY-25         |
|--|-----------------|---------------|
| <b>Production:</b>   |                 |               |
| Total Production (MBOE/D)  | 133.0 - 139.0   | 135.3 - 139.8 |
| Crude Oil Production (MBO/D)   | 61.0 - 65.0     | 63.0 - 66.0   |
| <b>Capital Expenditures (\$MM):</b>  | \$215 - \$245   | \$835 - \$915 |
| <b>Average Sales Price Realizations (excluding derivatives):</b>                 |                 |               |
| Crude Oil (% of WTI)   | 101%            | —             |
| Natural Gas Liquids (% of WTI)   | 24%             | —             |
| Natural Gas (% of Henry Hub)   | 14%             | —             |
| <b>Net Settlements Received (Paid) for Matured Commodity Derivatives (\$MM):</b> |                 |               |
| Crude Oil (\$MM)   | \$69            | —             |
| Natural Gas Liquids (\$MM)   | \$3             | —             |
| Natural Gas (\$MM)   | \$21            | —             |
| <b>Operating Costs and Expenses (\$MM):</b>                                      |                 |               |
| Lease Operating Expenses   | \$112 - \$118   | —             |
| Production and Ad Valorem Taxes (% of Oil, NGL & Natural Gas Revenues)           | 6.60%           | —             |
| Oil Transportation and Marketing Expenses  | \$10.7 - \$11.7 | —             |
| Gas Gathering, Processing and Transportation Expenses                            | \$6.7 - \$7.7   | —             |
| General and Administrative Expenses (excluding LTIP & Transaction Expense)       | \$21.0 - \$22.5 | —             |
| General and Administrative Expenses (LTIP Cash)                                  | \$0.6 - \$0.7   | —             |
| General and Administrative Expenses (LTIP Non-Cash)                              | \$3.0 - \$3.5   | —             |
| Depletion, Depreciation and Amortization   | \$180 - \$190   | —             |

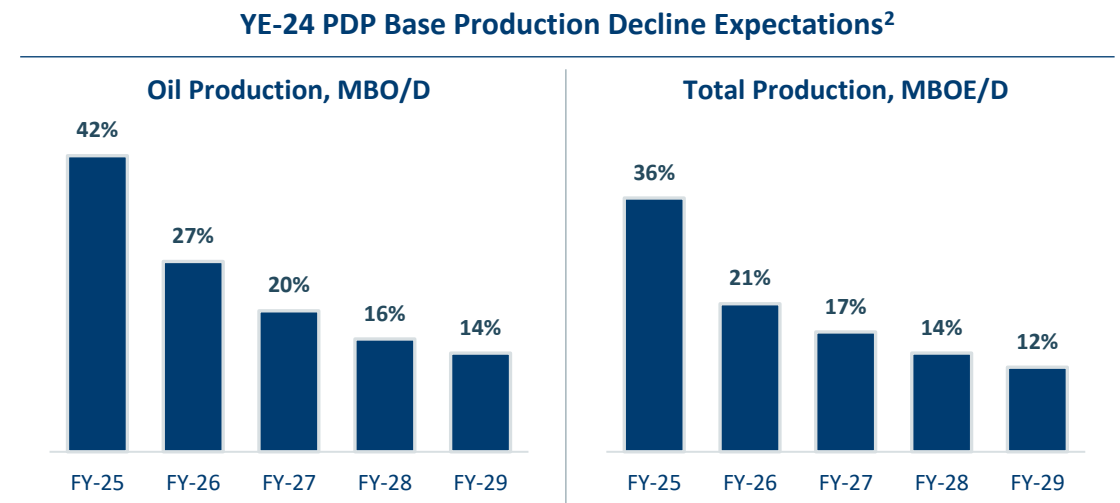
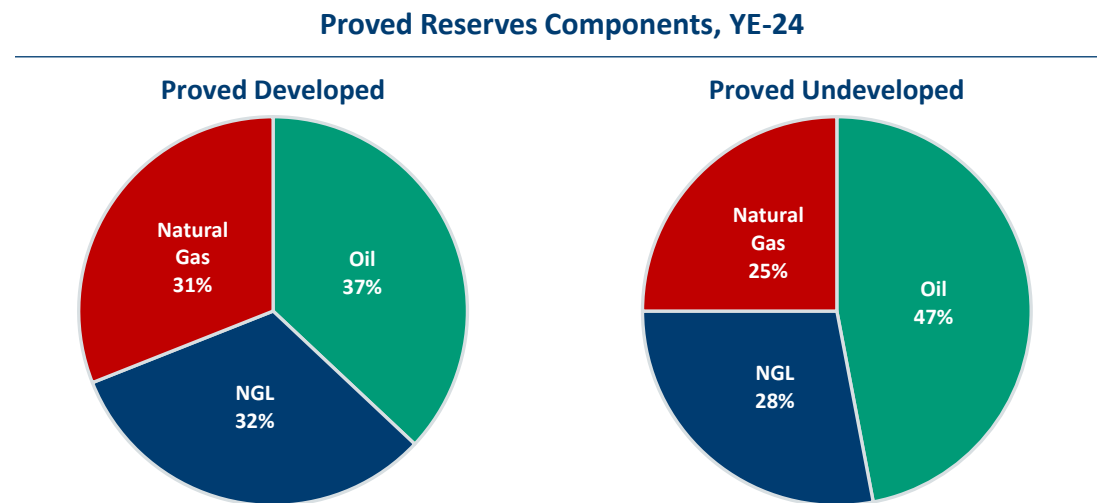
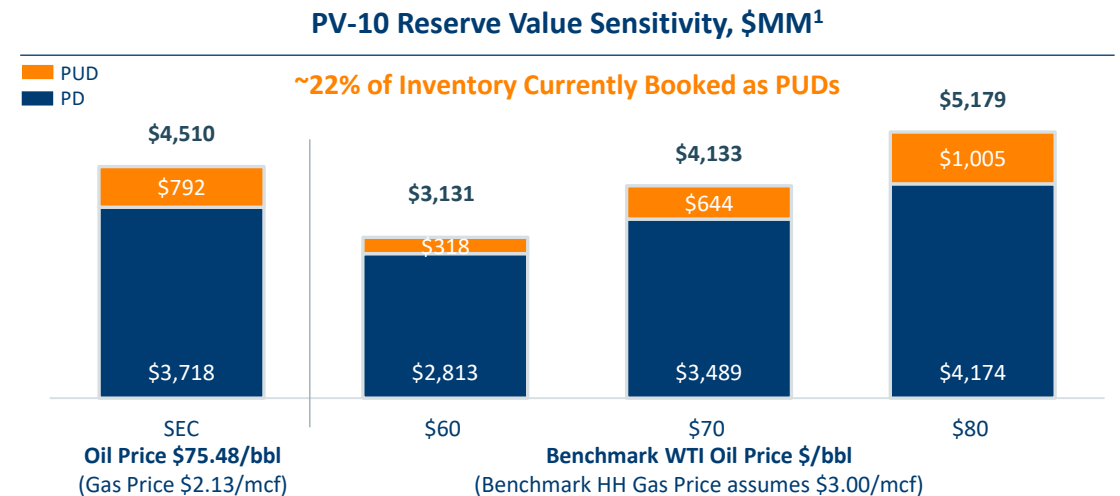
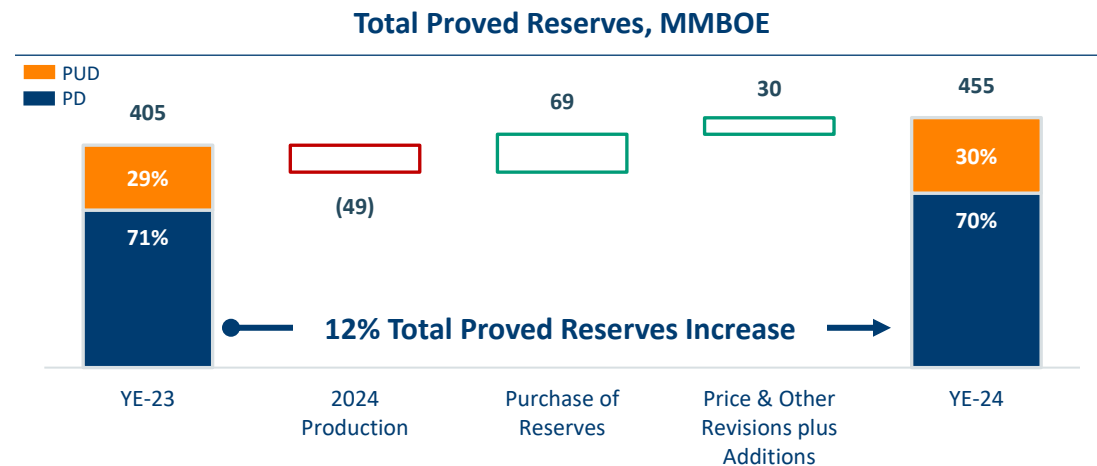
## Commodity Prices Used for 2Q-25

|                                 | Apr-25   | May-25  | Jun-25  | 2Q-25 Avg. |
|---------------------------------|----------|---------|---------|------------|
| <b>Crude Oil:</b>               |          |         |         |            |
| WTI NYMEX (\$/BBO)              | \$62.96  | \$58.83 | \$58.57 | \$60.10    |
| WTI Midland (\$/BBO)            | \$64.06  | \$59.78 | \$59.32 | \$61.03    |
| WTI Houston (\$/BBO)            | \$64.33  | \$60.12 | \$59.55 | \$61.31    |
| <b>Natural Gas:</b>             |          |         |         |            |
| Henry Hub (\$/MMBTU)            | \$3.95   | \$3.17  | \$3.46  | \$3.52     |
| Waha (\$/MMBTU)                 | (\$0.94) | \$0.62  | \$1.73  | \$0.47     |
| <b>Natural Gas Liquids:</b>     |          |         |         |            |
| C2 (\$/BBL)                     | \$10.68  | \$10.15 | \$10.45 | \$10.42    |
| C3 (\$/BBL)                     | \$35.82  | \$29.72 | \$29.61 | \$31.70    |
| IC4 (\$/BBL)                    | \$37.38  | \$38.47 | \$38.12 | \$37.99    |
| NC4 (\$/BBL)                    | \$36.97  | \$38.40 | \$36.65 | \$37.35    |
| C5+ (\$/BBL)                    | \$56.18  | \$54.10 | \$54.39 | \$54.88    |
| Composite (\$/BBL) <sup>1</sup> | \$27.68  | \$25.40 | \$25.32 | \$26.12    |

# Active Hedge Program Protecting Adjusted Free Cash Flow and Returns<sup>1</sup>




|  |                        | 2Q-25      | 3Q-25      | 4Q-25      | Bal-25            | 1Q-26      | 2Q-26      | 3Q-26      | 4Q-26      | FY-26             | FY-27             |
|--|------------------------|------------|------------|------------|-------------------|------------|------------|------------|------------|-------------------|-------------------|
| Crude Oil (MBO)<br>(Price \$/BBO)            | WTI Swaps              | 4,732      | 5,226      | 6,054      | <b>16,011</b>     | 1,530      | 819        | 828        | 828        | <b>4,005</b>      | -                 |
|  | Price                  | \$74.85    | \$70.06    | \$67.75    | <b>\$70.61</b>    | \$71.72    | \$71.24    | \$71.24    | \$71.24    | <b>\$71.42</b>    | -                 |
| Natural Gas (MMBTU)<br>(Price \$/MMBTU)      | Waha Inside FERC Swaps | 12,747,000 | 17,204,000 | 15,034,000 | <b>44,985,000</b> | 12,780,000 | 12,922,000 | 13,064,000 | 13,064,000 | <b>51,830,000</b> | <b>43,800,000</b> |
|  | Price                  | \$2.32     | \$2.32     | \$2.32     | <b>\$2.32</b>     | \$2.41     | \$2.41     | \$2.41     | \$2.41     | <b>\$2.41</b>     | <b>\$2.70</b>     |
| Natural Gas Liquids (MBBL)<br>(Price \$/BBL) | Propane Swaps          | 865        | 874        | 874        | <b>2,613</b>      | -          | -          | -          | -          | -                 | -                 |
|  | Price                  | \$34.16    | \$34.16    | \$34.16    | <b>\$34.16</b>    | -          | -          | -          | -          | -                 | -                 |
|  | Ethane Swaps           | 1,092      | 1,104      | 1,104      | <b>3,300</b>      | -          | -          | -          | -          | -                 | -                 |
|  | Price                  | \$11.04    | \$11.04    | \$11.04    | <b>\$11.04</b>    | -          | -          | -          | -          | -                 | -                 |

# Proved Reserves Growth in 2024



# 2024 Sustainability Report Highlights

## Continued Progress Toward Sustainability Targets

|            | CATEGORY  | TARGET   | 2023 PERFORMANCE <sup>3</sup>          | TARGET PROGRESS   |   |
|------------|---|--|--|---|---|
| by<br>2025 | Scope 1<br>GHG emissions intensity <sup>1</sup>   | Below 12.5 mtCO <sub>2</sub> e/MBOE<br>2019 baseline of 26.03 mtCO <sub>2</sub> e/MBOE                       | <b>9.14</b> mtCO <sub>2</sub> e / MBOE | <b>Achieved</b><br>65% reduction from baseline          |  |
|            | Methane Emissions <sup>2</sup>                    | Below 0.20%<br>2019 baseline of 0.87%  | <b>0.08%</b>                           | <b>Achieved</b><br>90% reduction from baseline          |  |
|            | Recycled water                                    | 50% used for completion operations<br>2019 baseline of 35% water recycling rate<br>(8 million bbls recycled) | <b>57%</b> water recycling rate        | <b>Achieved</b><br>More than 20.5 million bbls recycled |  |
|            | Routine flaring                                   | Zero<br>2019 baseline of 867 MMCF/year   | <b>366</b> MMCF/year                   | 58% reduction to date                                   |   |
| by<br>2030 | Combined Scope 1 and 2<br>GHG emissions intensity | Below 10 mtCO <sub>2</sub> e/MBOE<br>2019 baseline of 26.53 mtCO <sub>2</sub> e/MBOE                         | <b>11.94</b> mtCO <sub>2</sub> e/MBOE  | 55% reduction to date                                   |   |

# Supplemental Non-GAAP Financial Measures

## Adjusted Free Cash Flow

Free Cash Flow is a non-GAAP financial measure that the Company defines as net cash provided by (used in) operating activities (GAAP) before net changes in operating assets and liabilities and transaction expenses related to non-budgeted acquisitions, less capital investments, excluding non-budgeted acquisition costs. Management believes Adjusted Free Cash Flow is useful to management and investors in evaluating operating trends in its business that are affected by production, commodity prices, operating costs and other related factors. There are significant limitations to the use of Adjusted Free Cash Flow as a measure of performance, including the lack of comparability due to the different methods of calculating Adjusted Free Cash Flow reported by different companies.

This release also includes certain forward-looking non-GAAP measures. Due to the forward-looking nature of such measures, no reconciliations of these non-GAAP measures to their respective most directly comparable GAAP measure are available without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing or amount of various reconciling items that would impact the most directly comparable forward-looking GAAP financial measure, that have not yet occurred, are out of the Company's control and/or cannot be reasonably predicted. Accordingly, such reconciliations are excluded from this release. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

The following table presents a reconciliation of net cash provided by (used in) operating activities (GAAP) to Adjusted Free Cash Flow (non-GAAP) for the periods presented:

|   | Three months ended |
|---|--------------------|
| <i>(in thousands, unaudited)</i>  | March 31, 2025     |
| Net cash provided by (used in) operating activities   | \$350,985          |
| Less:   |                    |
| Net changes in operating assets and liabilities   | 33,821             |
| Cash flows from operating activities before net changes in operating assets and liabilities and transaction expenses related to non-budgeted acquisitions | 317,164            |
| Less capital investments, excluding non-budgeted acquisition costs:   |                    |
| Oil and natural gas properties <sup>1</sup>   | 251,264            |
| Midstream and other fixed assets <sup>1</sup>   | 1,407              |
| Total capital investments, excluding non-budgeted acquisition costs   | 252,671            |
| <b>Adjusted Free Cash Flow (non-GAAP)</b>   | <b>\$64,493</b>    |

# Supplemental Non-GAAP Financial Measures

## Consolidated EBITDAX

Consolidated EBITDAX is a non-GAAP financial measure defined in the Company's Senior Secured Credit Facility as net income or loss (GAAP) plus adjustments for share-settled equity-based compensation, depletion, depreciation and amortization, impairment expense, organizational restructuring expenses, gains or losses on disposal of assets, mark-to-market on derivatives, accretion expense, interest expense, income taxes and other non-recurring income and expenses. Consolidated EBITDAX provides no information regarding a company's capital structure, borrowings, interest costs, capital expenditures, working capital movement or tax position. Consolidated EBITDAX does not represent funds available for future discretionary use because it excludes funds required for debt service, capital expenditures, working capital, income taxes, franchise taxes and other commitments and obligations. However, management believes Consolidated EBITDAX is useful to an investor because this measure:

- is used by investors in the oil and natural gas industry to measure a company's operating performance without regard to items that can vary substantially from company to company depending upon accounting methods, the book value of assets, capital structure and the method by which assets were acquired, among other factors;
- helps investors to more meaningfully evaluate and compare the results of the Company's operations from period to period by removing the effect of the Company's capital structure from the Company's operating structure; and
- is used by management for various purposes, including (i) as a measure of operating performance, (ii) as a measure of compliance under the Senior Secured Credit Facility, (iii) in presentations to the board of directors and (iv) as a basis for strategic planning and forecasting.

There are significant limitations to the use of Consolidated EBITDAX as a measure of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect the Company's net income or loss and the lack of comparability of results of operations to different companies due to the different methods of calculating Consolidated EBITDAX, or similarly titled measures, reported by different companies. The Company is subject to financial covenants under the Senior Secured Credit Facility, one of which establishes a maximum permitted ratio of Net Debt, as defined in the Senior Secured Credit Facility, to Consolidated EBITDAX. See Note 7 in the 2024 Annual Report, to be filed with the SEC, for additional discussion of the financial covenants under the Senior Secured Credit Facility. Additional information on Consolidated EBITDAX can be found in the Company's Eleventh Amendment to the Senior Secured Credit Facility, as filed with the SEC on September 13, 2023.

# Supplemental Non-GAAP Financial Measures

## Consolidated EBITDAX

The following table presents a reconciliation of net income (loss) (GAAP) to Consolidated EBITDAX (non-GAAP) for the periods presented:

|  | Three months ended |
|--|--------------------|
| <i>(in thousands, unaudited)</i>                         | March 31, 2025     |
| Net income (loss)  | (\$18,837)         |
| Plus:  |                    |
| Share-settled equity-based compensation                  | 3,604              |
| Depletion, depreciation and amortization                 | 189,900            |
| Impairment expense                                       | 158,241            |
| (Gain) loss on disposal of assets, net                   | (110)              |
| Mark-to-market on derivatives:                           |                    |
| (Gain) loss on derivatives, net                          | (44,171)           |
| Settlements received (paid) for matured derivatives, net | 20,687             |
| Accretion expense  | 1,034              |
| Interest expense   | 50,380             |
| Income tax (benefit) expense                             | (1,049)            |
| <b>Consolidated EBITDAX (non-GAAP)</b>                   | <b>\$359,679</b>   |

# Supplemental Non-GAAP Financial Measures

## Consolidated EBITDAX

The following table presents a reconciliation of net cash provided by (used in) operating activities (GAAP) to Consolidated EBITDAX (non-GAAP) for the periods presented:

|   | Three months ended |
|---|--------------------|
| <i>(in thousands, unaudited)</i>                    | March 31,<br>2025  |
| Net cash provided by (used in) operating activities | \$350,985          |
| Plus:   |                    |
| Interest expense                                    | 50,380             |
| Current income tax (benefit) expense                | 762                |
| Net changes in operating assets and liabilities     | (33,821)           |
| Other, net  | (8,627)            |
| <b>Consolidated EBITDAX (non-GAAP)</b>              | <b>\$359,679</b>   |

# Supplemental Non-GAAP Financial Measures

## Net Debt

Net Debt is a non-GAAP financial measure defined in the Company's Senior Secured Credit Facility as the face value of long-term debt plus any outstanding letters of credit, less cash and cash equivalents, where cash and cash equivalents are capped at \$100 million when there are borrowings on the Senior Secured Credit Facility. Management believes Net Debt is useful to management and investors in determining the Company's leverage position since the Company has the ability, and may decide, to use a portion of its cash and cash equivalents to reduce debt.

| <i>(in thousands, unaudited)</i>  | March 31, 2025     | December 31, 2024  |
|-----------------------------------|--------------------|--------------------|
| Total senior unsecured notes      | \$1,600,578        | \$1,600,578        |
| Senior Secured Credit Facility    | 735,000            | 880,000            |
| Total long-term debt              | 2,335,578          | 2,480,578          |
| Less: cash and cash equivalents   | 28,649             | 40,179             |
| <b>Net Debt (<i>non-GAAP</i>)</b> | <b>\$2,306,929</b> | <b>\$2,440,399</b> |

# Supplemental Non-GAAP Financial Measures

## PV-10

PV-10 is a non-GAAP financial measure that is derived from the standardized measure of discounted future net cash flows, which is the most directly comparable GAAP financial measure. PV-10 is a computation of the standardized measure of discounted future net cash flows on a pre-tax basis. PV-10 is equal to the standardized measure of discounted future net cash flows at the applicable date, before deducting future income taxes, discounted at 10 percent. Management believes that the presentation of PV-10 is relevant and useful to investors because it presents the discounted future net cash flows attributable to the Company's estimated proved reserves prior to taking into account future corporate income taxes, and it is a useful measure for evaluating the relative monetary significance of the Company's proved oil, NGL and natural gas assets. Further, investors may utilize the measure as a basis for comparison of the relative size and value of proved reserves to other companies. The Company uses this measure when assessing the potential return on investment related to proved oil, NGL and natural gas assets. However, PV-10 is not a substitute for the standardized measure of discounted future net cash flows. The PV-10 measure and the standardized measure of discounted future net cash flows do not purport to present the fair value of the Company's oil, NGL and natural gas reserves of the property.

| <i>(in millions, unaudited)</i>                              | December 31, 2024 |
|--|-------------------|
| Standardized measure of discounted future net cash flows     | \$4,215           |
| Less: present value of future income taxes discounted at 10% | (295)             |
| <b>PV-10 (non-GAAP)</b>                                      | <b>\$4,510</b>    |