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DELTA REPORT

10-Q

CHRD - CHORD ENERGY CORP

10-Q - SEPTEMBER 30, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1832
CHANGES	369
DELETIONS	547
ADDITIONS	916

REFINITIV

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024 September 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________to ________

Commission file number: 1-34776

Chord Energy Logo_H_RGB.jpg

Chord Energy Corporation

(Exact name of registrant as specified in its charter)

Delaware	80-0554627
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1001 Fannin Street, Suite 1500 Houston, Texas	77002
(Address of principal executive offices)	(Zip Code)

(281) 404-9500

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CHRD	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ý No ¨

Number of shares of the registrant's common stock outstanding at August 1, 2024 October 31, 2024: 61,879,575 61,130,474 shares.

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GLOSSARY OF TERMS

The terms defined in this section are used throughout this Quarterly Report on Form 10-Q:

"*ABR*." Alternate base rate.

"*ARO*." Asset retirement obligations.

"*ASC*." Accounting Standards Codification.

"*ASU*." Accounting Standards Update.

"*Basin*." A large natural depression on the earth's surface in which sediments generally brought by water accumulate.

"*Bbl*." One stock tank barrel, of 42 U.S. gallons liquid volume, used herein in reference to crude oil, condensate, natural gas liquids or fresh water.

"*Boe*." Barrels of oil equivalent, with 6,000 cubic feet of natural gas being equivalent to one barrel of crude oil.

"Boepd." Barrels of oil equivalent per day.

"Bopd." Barrels of oil per day.

"*British thermal unit*." The heat required to raise the temperature of a one-pound mass of water from 58.5 to 59.5 degrees Fahrenheit.

"*Completion*." The process of treating a drilled well followed by the installation of permanent equipment for the production of natural gas or oil, or in the case of a dry hole, the reporting of abandonment to the appropriate agency.

"*DD&A*." Depreciation, depletion and amortization.

"*Dry hole*." A well found to be incapable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of such production exceed production expenses and taxes.

"*Economically producible*." A resource that generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation.

"*ESG*." Environmental, social and governance.

"*FASB*." Financial Accounting Standards Board.

"*Field*." An area consisting of a single reservoir or multiple reservoirs all grouped on, or related to, the same individual geological structural feature or stratigraphic condition. The field name refers to the surface area, although it may refer to both the surface and the underground productive formations.

"*Formation*." A layer of rock which has distinct characteristics that differ from nearby rock.

"*G&A.*" General and administrative.

"*GAAP.*" Generally accepted accounting principles in the United States.

"*GPT*." Gathering, processing and transportation.

"*MBbl*." One thousand barrels of crude oil, condensate, natural gas liquids or fresh water.

"*MBoe*." One thousand barrels of oil equivalent.

"*Mcf*." One thousand cubic feet of natural gas.

"*MMBtu*." One million British thermal units.

"*MMcf*." One million cubic feet of natural gas.

"*Net acres*." The percentage of total acres an owner has out of a particular number of acres, or a specified tract. An owner who has 50% interest in 100 acres owns 50 net acres.

"NGL." Natural gas liquids.

"*NYMEX*." The New York Mercantile Exchange.

"*NYMEX WTI*." The New York Mercantile Exchange West Texas Intermediate crude oil price index.

"*OPEC+*." The Organization of Petroleum Exporting Countries and other oil exporting nations.

“Plug.” A down-hole packer assembly used in a well to seal off or isolate a particular formation for testing, acidizing, cementing, etc.; also a type of plug used to seal off a well temporarily while the wellhead is removed.

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“*Productive well*.” A well that is found to be capable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of the production exceed production expenses and taxes.

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“*Proved reserves*.” Those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible — from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations — prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. The area of the reservoir considered as proved includes (i) the area identified by drilling and limited by fluid contacts, if any, and (ii) adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible crude oil or gas on the basis of available geoscience and engineering data. In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons, as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty. Where direct observation from well penetrations has defined a highest known oil, elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty. Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when (i) successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and (ii) the project has been approved for development by all necessary parties and entities, including governmental entities. Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

“*Reasonable certainty*.” If deterministic methods are used, reasonable certainty means a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimate. A high degree of confidence exists if the quantity is much more likely to be achieved than not, and, as changes due to increased availability of geoscience (geological, geophysical and geochemical) engineering, and economic data are made to estimated ultimate recovery with time, reasonably certain estimated ultimate recovery is much more likely to increase or remain constant than to decrease.

“*Reserves*.” Estimated remaining quantities of crude oil and natural gas and related substances anticipated to be economically producible as of a given date by application of development prospects to known accumulations.

“*Reservoir*.” A porous and permeable underground formation containing a natural accumulation of producible natural gas and/or crude oil that is confined by impermeable rock or water barriers and is separate from other reservoirs.

“SEC.” The U.S. Securities and Exchange Commission.

"*SOFR.*" Secured overnight financing rate as administered by the Federal Reserve Bank of New York.

"*Unit*." The joining of all or substantially all interests in a reservoir or field, rather than a single tract, to provide for development and operation without regard to separate property interests. Also, the area covered by a unitization agreement.

"*Wellbore*." The hole drilled by the bit that is equipped for crude oil or gas production on a completed well. Also called well or borehole.

"Workover." The repair or stimulation of an existing productive well for the purpose of restoring, prolonging or enhancing the production of hydrocarbons.

EXPLANATORY NOTE

On May 31, 2024, Chord Energy Corporation ("Chord" or the "Company") completed the previously announced arrangement agreement with Enerplus Corporation, a corporation existing under the laws of the Province of Alberta, Canada ("Enerplus") and Spark Acquisition ULC, an unlimited liability company organized and existing under the laws of the Province of Alberta, Canada and a wholly-owned subsidiary of the Company, pursuant to which, among other things, the Company acquired Enerplus in a stock-and-cash transaction. The business combination was accounted for as of May 31, 2024 under the acquisition method of accounting in accordance with FASB ASC 805, *Business Combinations*. Accordingly, unless otherwise specifically noted herein, the periods prior to May 31, 2024 report the financial results of Chord excluding the impacts from the business combination with Enerplus, while the periods as of and subsequent to May 31, 2024 report the financial results including the impacts from the business combination.

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PART I — FINANCIAL INFORMATION

Item 1. — Financial Statements (Unaudited)

Chord Energy Corporation

Condensed Consolidated Balance Sheets (Unaudited)

	June 30, 2024	December 31, 2023
	September 30, 2024	December 31, 2023
	(In thousands, except share data)	(In thousands, except share data)
ASSETS		
Current assets		
Current assets		
Current assets		
Cash and cash equivalents		
Cash and cash equivalents		
Cash and cash equivalents		
Accounts receivable, net		
Inventory		
Prepaid expenses		
Derivative instruments		
Other current assets		
Total current assets		
Total current assets		

Current assets held for sale
Total current assets
Property, plant and equipment
Oil and gas properties (successful efforts method)
Oil and gas properties (successful efforts method)
Oil and gas properties (successful efforts method)
Other property and equipment
Less: accumulated depreciation, depletion and amortization
Total property, plant and equipment, net
Derivative instruments
Investment in unconsolidated affiliate
Long-term inventory
Operating right-of-use assets
Goodwill
Goodwill
Goodwill
Other assets
Total assets
LIABILITIES AND STOCKHOLDERS' EQUITY
LIABILITIES AND STOCKHOLDERS' EQUITY
LIABILITIES AND STOCKHOLDERS' EQUITY
Current liabilities
Current liabilities
Current liabilities
Accounts payable
Accounts payable
Accounts payable
Revenues and production taxes payable
Accrued liabilities
Current portion of long-term debt, net
Accrued interest payable
Accrued interest payable
Accrued interest payable
Derivative instruments
Advances from joint interest partners
Current operating lease liabilities
Other current liabilities
Total current liabilities
Total current liabilities

Current liabilities held for sale	
Total current liabilities	
Long-term debt	
Deferred tax liabilities	
Asset retirement obligations	
Derivative instruments	
Operating lease liabilities	
Other liabilities	
Total liabilities	

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		June 30, 2024	December 31, 2023
		September 30, 2024	December 31, 2023
		(In thousands, except share data)	(In thousands, except share data)
Commitments and contingencies (Note 17)	Commitments and contingencies (Note 17)		Commitments and contingencies (Note 17)
Stockholders' equity			
Common stock, $0.01 par value: 240,000,000 shares authorized, 66,572,527 shares issued and 62,231,069 shares outstanding at June 30, 2024; and 120,000,000 shares authorized, 45,032,537 shares issued and 41,249,658 shares outstanding at December 31, 2023			
Common stock, $0.01 par value: 240,000,000 shares authorized, 66,572,527 shares issued and 62,231,069 shares outstanding at June 30, 2024; and 120,000,000 shares authorized, 45,032,537 shares issued and 41,249,658 shares outstanding at December 31, 2023			
Common stock, $0.01 par value: 240,000,000 shares authorized, 66,572,527 shares issued and 62,231,069 shares outstanding at June 30, 2024; and 120,000,000 shares authorized, 45,032,537 shares issued and 41,249,658 shares outstanding at December 31, 2023			
Treasury stock, at cost: 4,341,458 shares at June 30, 2024 and 3,782,879 shares at December 31, 2023			
Common stock, $0.01 par value: 240,000,000 shares authorized, 66,772,383 shares issued and 61,479,508 shares outstanding at September 30, 2024; and 120,000,000 shares authorized, 45,032,537 shares issued and 41,249,658 shares outstanding at December 31, 2023			
Common stock, $0.01 par value: 240,000,000 shares authorized, 66,772,383 shares issued and 61,479,508 shares outstanding at September 30, 2024; and 120,000,000 shares authorized, 45,032,537 shares issued and 41,249,658 shares outstanding at December 31, 2023			

Common stock, $0.01 par value: 240,000,000 shares authorized, 66,772,383 shares issued and 61,479,508 shares outstanding at September 30, 2024; and 120,000,000 shares authorized, 45,032,537 shares issued and 41,249,658 shares outstanding at December 31, 2023	
Treasury stock, at cost: 5,292,875 shares at September 30, 2024 and 3,782,879 shares at December 31, 2023	
Additional paid-in capital	
Retained earnings	
Total stockholders’ equity	
Total liabilities and stockholders’ equity	

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Chord Energy Corporation

Condensed Consolidated Statements of Operations (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,					
	Three Months Ended September 30,		Nine Months Ended September 30,					
	2024	2023	2024		2023	2024	2023	2024	2023
	(In thousands, except per share data)			(In thousands, except per share data)				
Revenues								
Oil, NGL and gas revenues								
Oil, NGL and gas revenues								
Oil, NGL and gas revenues								
Purchased oil and gas sales								
Total revenues								
Total revenues								
Total revenues								
Operating expenses								
Lease operating expenses								
Lease operating expenses								
Lease operating expenses								
Gathering, processing and transportation expenses								
Purchased oil and gas expenses								
Production taxes								

Depreciation, depletion and amortization
General and administrative expenses
Exploration and impairment
Total operating expenses
Total operating expenses
Total operating expenses
Gain on sale of assets, net
Gain (loss) on sale of assets, net
Operating income
Other income (expense)
Net gain (loss) on derivative instruments
Net gain (loss) on derivative instruments
Net gain (loss) on derivative instruments
Net gain from investment in unconsolidated affiliate
Interest expense, net of capitalized interest
Other income
Other income (expense)
Total other income (expense), net
Income before income taxes
Income tax expense
Net income
Net income
Net income
Earnings per share:
Basic (Note 16)
Basic (Note 16)
Basic (Note 16)
Diluted (Note 16)
Diluted (Note 16)
Diluted (Note 16)
Weighted average shares outstanding:
Weighted average shares outstanding:
Weighted average shares outstanding:
Basic (Note 16)
Basic (Note 16)

Basic (Note 16)	
Diluted (Note 16)	

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Chord Energy Corporation

Condensed Consolidated Statements of Changes in Stockholders’ Equity (Unaudited)

	Shares	
	Shares	
		(In thousands)
		(In thousands)
		(In thousands)
Balance as of December 31, 2023		
Balance as of December 31, 2023		
Balance as of December 31, 2023		
Equity-based compensation and vestings		
Equity-based compensation and vestings		
Equity-based compensation and vestings		
Tax withholdings on settlement of equity-based awards		
Tax withholdings on settlement of equity-based awards		
Tax withholdings on settlement of equity-based awards		
Dividends		
Dividends		
Dividends		
Share repurchases		
Share repurchases		
Share repurchases		
Warrants exercised		
Warrants exercised		
Warrants exercised		
Net income		
Net income		
Net income		
Balance as of March 31, 2024		
Balance as of March 31, 2024		
Balance as of March 31, 2024		
Shares issued in Arrangement		

Shares issued in Arrangement
Shares issued in Arrangement
Equity-based compensation and vestings
Equity-based compensation and vestings
Equity-based compensation and vestings
Tax withholdings on settlement of equity-based awards
Tax withholdings on settlement of equity-based awards
Tax withholdings on settlement of equity-based awards
Dividends
Dividends
Dividends
Share repurchases
Share repurchases
Share repurchases
Warrants exercised
Warrants exercised
Warrants exercised
Net income
Net income
Net income
Balance as of June 30, 2024
Balance as of June 30, 2024
Balance as of June 30, 2024
Equity-based compensation and vestings
Equity-based compensation and vestings
Equity-based compensation and vestings
Tax withholdings on settlement of equity-based awards
Tax withholdings on settlement of equity-based awards
Tax withholdings on settlement of equity-based awards
Dividends
Dividends
Dividends
Share repurchases
Share repurchases
Share repurchases
Warrants exercised
Warrants exercised
Warrants exercised
Net income

Net income

Net income

Balance as of September 30, 2024

Balance as of September 30, 2024

Balance as of September 30, 2024

	Common Stock		Treasury Stock		Additional	Retained	Total Stockholders’
	Shares	Amount	Shares	Amount	Paid-in Capital	Earnings	Equity
			(In thousands)				
Balance as of December 31, 2022	41,477	$ 438	2,249	$ (251,950)	$ 3,485,819	$ 1,445,491	$ 4,679,798
Equity-based compensation and vestings	210	2	—	—	11,852	—	11,854
Tax withholdings on settlement of equity-based awards	(77)	(1)	—	—	(10,299)	—	(10,300)
Dividends	—	—	—	—	—	(204,884)	(204,884)
Share repurchases	(111)	—	111	(15,003)	—	—	(15,003)
Warrants exercised	39	—	—	—	276	—	276
Net income	—	—	—	—	—	296,999	296,999
Balance as of March 31, 2023	41,538	439	2,360	(266,953)	3,487,648	1,537,606	4,758,740
Equity-based compensation and vestings	64	2	—	—	15,325	—	15,327
Tax withholdings on settlement of equity-based awards	(22)	—	—	—	(3,331)	—	(3,331)
Dividends	—	—	—	—	—	(137,507)	(137,507)
Share repurchases	(209)	—	209	(30,815)	—	—	(30,815)
Warrants exercised	19	—	—	—	1,085	—	1,085
Net income	—	—	—	—	—	216,071	216,071
Balance as of June 30, 2023	41,390	$ 441	2,569	$ (297,768)	$ 3,500,727	$ 1,616,170	$ 4,819,570

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	Common Stock		Treasury Stock		Additional	Retained	Total Stockholders’
	Shares	Amount	Shares	Amount	Paid-in Capital	Earnings	Equity
			(In thousands)				
Balance as of December 31, 2022	41,477	$ 438	2,249	$ (251,950)	$ 3,485,819	$ 1,445,491	$ 4,679,798
Equity-based compensation and vestings	210	2	—	—	11,852	—	11,854
Tax withholdings on settlement of equity-based awards	(77)	(1)	—	—	(10,299)	—	(10,300)
Dividends	—	—	—	—	—	(204,884)	(204,884)
Share repurchases	(111)	—	111	(15,003)	—	—	(15,003)

Warrants exercised	39	—	—	—	276	—	276
Net income	—	—	—	—	—	296,999	296,999
Balance as of March 31, 2023	41,538	439	2,360	(266,953)	3,487,648	1,537,606	4,758,740
Equity-based compensation and vestings	64	2	—	—	15,325	—	15,327
Tax withholdings on settlement of equity-based awards	(22)	—	—	—	(3,331)	—	(3,331)
Dividends	—	—	—	—	—	(137,507)	(137,507)
Share repurchases	(209)	—	209	(30,815)	—	—	(30,815)
Warrants exercised	19	—	—	—	1,085	—	1,085
Net income	—	—	—	—	—	216,071	216,071
Balance as of June 30, 2023	41,390	441	2,569	(297,768)	3,500,727	1,616,170	4,819,570
Equity-based compensation and vestings	12	—	—	—	10,081	—	10,081
Tax withholdings on settlement of equity-based awards	(1)	—	—	—	(192)	—	(192)
Dividends	—	—	—	—	—	(58,374)	(58,374)
Share repurchases	(703)	—	703	(112,504)	—	—	(112,504)
Warrants exercised	675	7	—	—	73,350	—	73,357
Net income	—	—	—	—	—	209,076	209,076
Balance as of September 30, 2023	41,373	$ 448	3,272	$ (410,272)	$ 3,583,966	$ 1,766,872	$ 4,941,014

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Chord Energy Corporation

Condensed Consolidated Statements of Cash Flows (Unaudited)

	Six Months Ended June 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
	(In thousands)	**(In thousands)**		
Cash flows from operating activities:				
Net income				
Net income				
Net income				
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation, depletion and amortization				
Depreciation, depletion and amortization				
Depreciation, depletion and amortization				

Gain on sale of assets
Gain on sale of assets
Gain on sale of assets
Impairment
Deferred income taxes
Net (gain) loss on derivative instruments
Net gain on derivative instruments
Net gain from investment in unconsolidated affiliate
Equity-based compensation expenses
Deferred financing costs amortization and other
Deferred financing costs amortization and other
Deferred financing costs amortization and other
Working capital and other changes:
Change in accounts receivable, net
Change in accounts receivable, net
Change in accounts receivable, net
Change in inventory
Change in prepaid expenses
Change in accounts payable, interest payable and accrued liabilities
Change in other assets and liabilities, net
Net cash provided by operating activities
Cash flows from investing activities:
Capital expenditures
Capital expenditures
Capital expenditures
Acquisitions, net of cash acquired
Proceeds from divestitures, net of cash divested
Proceeds from divestitures
Derivative settlements
Derivative settlements
Derivative settlements
Contingent consideration received
Contingent consideration received
Proceeds from sale of investment in unconsolidated affiliate
Proceeds from sale of investment in unconsolidated affiliate
Proceeds from sale of investment in unconsolidated affiliate
Contingent consideration received
Distributions from investment in unconsolidated affiliate

Net cash used in investing activities
Cash flows from financing activities:
Proceeds from revolving credit facilities
Proceeds from revolving credit facilities
Proceeds from revolving credit facilities
Principal payments on revolving credit facilities
Cash paid to settle Enerplus senior notes
Cash paid to settle Enerplus senior notes
Cash paid to settle Enerplus senior notes
Deferred financing costs
Repurchases of common stock
Repurchases of common stock
Repurchases of common stock
Tax withholding on vesting of equity-based awards
Chord dividends paid
Payments on finance lease liabilities
Payments on finance lease liabilities
Payments on finance lease liabilities
Proceeds from warrants exercised
Net cash provided by (used in) financing activities
Net cash provided by (used in) financing activities
Net cash provided by (used in) financing activities
Net cash used in financing activities
Net cash used in financing activities
Net cash used in financing activities
Decrease in cash and cash equivalents
Cash and cash equivalents:
Beginning of period
Beginning of period
Beginning of period
End of period

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	Six Months Ended June 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
	(In thousands)	**(In thousands)**		
Supplemental non-cash transactions(1):				
Change in accrued capital expenditures				

Change in accrued capital expenditures
Change in accrued capital expenditures
Change in asset retirement obligations
Dividends payable
Dividends payable
Dividends payable

(1) Amounts exclude non-cash consideration transferred and balances acquired on May 31, 2024 in respect of the Arrangement. Arrangement (as defined in Note 1—Organization and Summary of Significant Accounting Policies). Refer to Note 8—Acquisitions for additional information.

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Chord Energy Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Organization and Summary of Significant Accounting Policies

Chord Energy Corporation (together with its consolidated subsidiaries, the "Company" or "Chord") is an independent exploration and production company with quality and sustainable long-lived assets primarily located in the Williston Basin.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have not been audited by the Company's independent registered public accounting firm, except that the Condensed Consolidated Balance Sheet at December 31, 2023 is derived from audited financial statements. In the opinion of management, all adjustments, consisting of normal recurring adjustments necessary for the fair statement of the Company's financial position, have been included. Management has made certain estimates and assumptions that affect reported amounts in the unaudited condensed consolidated financial statements and disclosures of contingencies. Actual results may differ from those estimates. The results for interim periods are not necessarily indicative of annual results.

These interim financial statements have been prepared pursuant to the rules and regulations of the SEC regarding interim financial reporting. Certain disclosures have been condensed or omitted from these financial statements. Accordingly, they do not include all of the information and notes required by GAAP for complete consolidated financial statements and should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 ("2023 Annual Report").

Enerplus Arrangement

On February 21, 2024, the Company entered into an arrangement agreement (the "Arrangement Agreement") with Enerplus Corporation, a corporation existing under the laws of the Province of Alberta, Canada ("Enerplus"), and Spark Acquisition ULC, an unlimited liability company organized and existing under the laws of the Province of Alberta, Canada and a wholly-owned subsidiary of the Company, pursuant to which, among other things, the Company agreed to acquire Enerplus in a stock-and-cash transaction (such transaction, the "Arrangement"). Enerplus was an independent North American oil and gas exploration and production company domiciled in Canada with substantially all of its producing assets in the Williston Basin of North Dakota, with limited non-operated interests in the Marcellus Shale. The transaction was effected by way of a plan of arrangement under the *Business Corporations Act (Alberta)*. The Arrangement was completed on May 31, 2024.

In connection with the Arrangement, the Board of Directors of Chord unanimously (i) determined the issuance of the shares of common stock, par value $0.01 per share, of Chord (the “Chord Stock Issuance”), and the amendment of Chord’s restated certificate of incorporation to increase the number of authorized shares of common stock from 120,000,000 to 240,000,000 shares of common stock (the “Chord Charter Amendment”) are fair to, and in the best interests of, Chord and the holders of common stock, (ii) approved and declared advisable the Chord Stock Issuance and Chord Charter Amendment and (iii) recommended that the holders of common stock approve the Chord Stock Issuance and Chord Charter Amendment.

Under the terms of the Arrangement Agreement, Enerplus shareholders received 0.10125 shares of Chord common stock (the “Share Consideration”) and $1.84 per share in cash (the “Cash Consideration” and together with the Share Consideration, the “Arrangement Consideration”) in exchange for each share of Enerplus they owned at closing.

The Arrangement has been accounted for under the acquisition method of accounting in accordance with the FASB ASC 805, *Business Combinations* (“ASC 805”). Chord was treated as the acquirer for accounting purposes. Under the acquisition method of accounting, the assets and liabilities of Enerplus have been recorded at their respective fair values as of the acquisition date on May 31, 2024. As provided under ASC 805, the purchase price allocation may be subject to change for up to one year after May 31, 2024. See Note 8—Acquisitions for additional information.

Risks and Uncertainties

As a producer of crude oil, NGLs and natural gas, the Company’s revenue, profitability and future growth are substantially dependent upon the prevailing and future prices for crude oil, NGLs and natural gas, which are dependent upon numerous factors beyond its the Company’s control such as economic, geopolitical, political and regulatory developments and competition from other energy sources. The energy markets have historically been very volatile, and there can be no assurance that the prices for crude oil, NGLs or natural gas will not may be subject to wide fluctuations in the future. A substantial or extended decline in prices for crude oil and, to a lesser extent, NGLs and natural gas, could have a material adverse effect on the Company’s financial position, results of operations, cash flows, the quantities of crude oil, NGL and natural gas reserves that may be economically produced, the assessment of goodwill impairment, and the Company’s access to capital.

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Significant Accounting Policies

Goodwill. In accordance with FASB ASC 350, *Intangibles - Goodwill and Other*, goodwill represents the excess of the purchase price over the estimated fair value of the net assets acquired in a business combination. Goodwill has an indefinite useful life and is not amortized, but rather is tested by the Company for impairment annually in the fourth quarter on October 1 or whenever events or changes in circumstances indicate that the fair value of the reporting unit may have been reduced below its carrying value. If the Company’s qualitative analysis indicates that it is more likely than not that the fair value of the reporting unit is less than its carrying value, the Company then performs a quantitative impairment test. If the carrying amount exceeds the fair value, an impairment loss is recognized for that excess amount. Circumstances that could indicate impairment and require the Company to assess for impairment include, but are not limited to, declines in the Company’s share performance coupled with adverse commodity prices. Unfavorable changes to these factors, or others, could result in goodwill impairment in future periods. Any such charge will not affect the Company’s cash flow from operating activities or liquidity.

Other than the item disclosed above, there have been no material changes to the Company’s significant accounting policies and estimates from those disclosed in the 2023 Annual Report.

Recent Accounting Pronouncements

In November 2023, the FASB issued ASU No. 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” (“ASU 2023-07”). This standard clarifies that single reportable segment entities are subject to the disclosure requirements under Topic 280 in its entirety. This ASU is effective for fiscal years beginning after December 15, 2023 and interim periods within those fiscal years beginning after December 15, 2024. The Company is currently evaluating this ASU to determine its impact on the Company's annual financial statement disclosures.

In December 2023, the FASB issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" to expand the disclosure requirements for income taxes, specifically relating to the effective tax rate reconciliation and additional disclosures on income taxes paid. The Company expects to adopt this ASU effective January 1, 2025, and the adoption is not expected to affect the Company's financial position or results of operations, but will result in additional disclosures.

In March 2024, the SEC released its final rule on climate-related disclosures, requiring the disclosure of certain climate-related risks, management and governance practices, and financial impacts, as well as greenhouse gas emissions. Large accelerated filers will be required to incorporate the applicable climate-related disclosures into their filings for annual reporting periods beginning in fiscal year 2025, with additional requirements relating to greenhouse gas emissions effective for annual reporting periods beginning in fiscal year 2026. In April 2024, the SEC paused implementation of the final rule pending the resolution of consolidated legal challenges that are currently proceeding before the U.S. Court of Appeals for the Eighth Circuit. The Company is currently evaluating the impact of this rule on its financial statements and related disclosures.

2. Revenue Recognition

Revenues from contracts with customers were as follows for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,					
	Three Months Ended September 30,		Nine Months Ended September 30,					
	2024	2023	2024	2023	2024	2023	2024	2023
	(In thousands)				(In thousands)			
Crude oil revenues								
Purchased crude oil sales								
NGL and natural gas revenues								
Purchased NGL and natural gas sales								
Total revenues								
Total revenues								
Total revenues								

The Company records revenue when the performance obligations under the terms of its customer contracts are satisfied. For sales of commodities, the Company records revenue in the month the production or purchased product is delivered to the purchaser. However, settlement statements and payments are typically not received for 20 to 90 days after the date production is delivered, and as a result, the Company is required to estimate the amount of production that was delivered to the purchaser and the price that will be received for the sale of the product. The Company uses knowledge of its properties, its properties' historical performance, spot market prices and other factors as the basis for these estimates. The Company records the differences between estimates and the actual amounts received for product sales once payment is received from the purchaser. In certain cases, the Company is required to estimate these volumes during a reporting period and record any differences between the estimated volumes and actual volumes in the following reporting period. Differences between estimated and actual revenues have historically not been significant. For the three and six nine months ended June 30, 2024 September 30, 2024 and 2023, revenue recognized related to performance obligations satisfied in prior reporting periods was not material.

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3. Inventory

The following table sets forth the Company's inventory balances for the periods presented:

	June 30, 2024	December 31, 2023
	September 30, 2024	December 31, 2023
	(In thousands)	(In thousands)
Inventory		
Equipment and materials		
Equipment and materials		
Equipment and materials		
Crude oil inventory		
Total inventory		
Long-term inventory		
Linefill in third-party pipelines		
Linefill in third-party pipelines		
Linefill in third-party pipelines		
Total long-term inventory		
Total		

4. Additional Balance Sheet Information

The following table sets forth certain balance sheet amounts comprised of the following:

	June 30, 2024	December 31, 2023
	September 30, 2024	December 31, 2023
	(In thousands)	(In thousands)
Accounts receivable, net		
Trade and other accounts		
Trade and other accounts		
Trade and other accounts		
Joint interest accounts		
Total accounts receivable		
Total accounts receivable		
Total accounts receivable		
Less: allowance for credit losses		
Total accounts receivable, net		
Revenues and production taxes payable		
Revenues and production taxes payable		
Revenues and production taxes payable		
Royalties payable		
Royalties payable		
Royalties payable		
Revenue suspense		
Production taxes payable		

Total revenue and production taxes payable	
Accrued liabilities	
Accrued liabilities	
Accrued liabilities	
Accrued oil and gas marketing	
Accrued oil and gas marketing	
Accrued oil and gas marketing	
Accrued capital costs	
Accrued lease operating expenses	
Accrued general and administrative expenses	
Current portion of asset retirement obligations	
Current portion of asset retirement obligations	
Current portion of asset retirement obligations	
Accrued dividends	
Other accrued liabilities	
Total accrued liabilities	

5. Fair Value Measurements

In accordance with the FASB's authoritative guidance on fair value measurements, certain of the Company's financial assets and liabilities are measured at fair value on a recurring basis. The Company's financial instruments, including certain cash and cash equivalents, accounts receivable, accounts payable and other payables, are carried at cost, which approximates their respective fair market values due to their short-term maturities. The Company recognizes its non-financial assets and liabilities, such as ARO and properties acquired in a business combination or upon impairment, at fair value on a non-recurring basis.

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Financial Assets and Liabilities

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

The following tables set forth by level, within the fair value hierarchy, the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis:

	Fair value at June 30, 2024				Fair value at September 30, 2024				
	Level 1	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		(In thousands)							
		(In thousands)							
		(In thousands)							
Assets:									
Commodity derivative contracts (see Note 6)									
Commodity derivative contracts (see Note 6)									

Commodity derivative contracts (see Note 6)				
Contingent consideration (see Note 6)				
Investment in unconsolidated affiliate (see Note 10)				
Total assets				
Liabilities:				
Commodity derivative contracts (see Note 6)				
Commodity derivative contracts (see Note 6)				
Commodity derivative contracts (see Note 6)				
Total liabilities				

	Fair value at December 31, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	(In thousands)			
Assets:				
Commodity derivative contracts (see Note 6)	$ —	$ 11,312	$ 5,877	$ 17,189
Contingent consideration (see Note 6)	—	42,706	—	42,706
Investment in unconsolidated affiliate (see Note 10)	100,172	—	—	100,172
Total assets	$ 100,172	$ 54,018	$ 5,877	$ 160,067
Liabilities:				
Commodity derivative contracts (see Note 6)	$ —	$ 14,926	$ —	$ 14,926
Total liabilities	$ —	$ 14,926	$ —	$ 14,926

Commodity derivative contracts. The Company enters into commodity derivative contracts to manage risks related to changes in crude oil, NGL and natural gas prices. The Company's swaps collars and basis swaps collars are valued by a third-party preparer based on an income approach. The significant inputs used are commodity prices, discount rate and the contract terms of the derivative instruments. These assumptions are observable in the marketplace throughout the full term of the contract, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace and are therefore designated as Level 2 within the fair value hierarchy. The Company recorded a credit risk adjustment to reduce the fair value of its net derivative asset for these contracts by $0.6 million at September 30, 2024 and to increase its net derivative liability for these contracts by $0.4 million and $0.5 million at June 30, 2024 and December 31, 2023, respectively. . See Note 6—Derivative Instruments for additional information.

Transportation derivative contracts. The Company had a buy/sell transportation contracts contract as of December 31, 2023 that were was a derivative contracts contract for which the Company had not elected the "normal purchase normal sale" exclusion under FASB ASC 815, *Derivatives and Hedging*. These This transportation derivative contracts were contract was valued by a third-party preparer based on an income approach. The significant inputs used were quoted forward prices for commodities, market differentials for crude oil and either the Company's or the counterparty's nonperformance risk, as appropriate. The assumptions used in the valuation of these contracts this contract included certain market differential metrics that were unobservable during the term of the contracts. contract. Such unobservable inputs were significant to the contract valuation methodology, and the contracts' contract's fair values were value was therefore designated as Level 3 within the fair value hierarchy as of December 31, 2023. As of June 30, 2024, the terms term of these contracts this contract had expired. See Note 6—Derivative Instruments for additional information.

Contingent consideration. In June connection with the 2021 the Company completed the divestiture of certain oil and gas properties, in the Texas region of the Permian Basin. In connection with the divestiture, the Company is entitled to receive up to three earn-out payments of $25.0 million per year for each of 2023, 2024 and 2025 if the average daily settlement price of NYMEX WTI exceeds $60 per barrel for such year (the “Permian Basin Sale Contingent “Contingent Consideration”). If NYMEX WTI for calendar year 2023 or 2024 is less than $45 per barrel, then each calendar year thereafter the buyer’s obligation to make any remaining earn-out payments is terminated. The fair value of the Permian Basin Sale Contingent Consideration is determined by a third-party preparer using a Monte Carlo simulation model and Ornstein-Uhlenbeck pricing process. The significant inputs used are NYMEX WTI forward price curve, volatility, mean reversion rate and counterparty credit risk adjustment. The Company determined these were Level 2 fair value inputs that are substantially observable in active markets or can be derived from observable data. During the six nine months ended June 30, 2024 September 30, 2024, the Company received $25.0 million related to the 2023 earn-out payment. See Note 6—Derivative Instruments for additional information.

Investment in unconsolidated affiliate. The Company owns common units in Energy Transfer LP (“Energy Transfer”) which are accounted for using the fair value option under FASB ASC 825-10, *Financial Instruments*. The fair value of the Company’s investment in Energy Transfer was determined using Level 1 inputs based upon the quoted market price of Energy Transfer’s publicly traded common units at June 30, 2024 September 30, 2024 and December 31, 2023. See Note 10—Investment in Unconsolidated Affiliate for additional information.

Non-Financial Assets and Liabilities

The fair value of the Company’s non-financial assets and liabilities measured on a non-recurring basis are determined using valuation techniques that include Level 3 inputs.

Asset retirement obligations. The initial measurement of ARO at fair value is recorded in the period in which the liability is incurred. Fair value is determined by calculating the present value of estimated future cash flows related to the liability. Estimating the future ARO requires management to make estimates and judgments regarding the timing and existence of a liability, as well as what constitutes adequate restoration when considering current regulatory requirements. Inherent in the fair value calculation are numerous assumptions and judgments, including the ultimate costs, inflation factors, credit-adjusted discount rates, timing of settlement and changes in the legal, environmental and regulatory environments.

Oil and gas and other properties. The Company records its properties at fair value when acquired in a business combination or upon impairment for proved oil and gas properties and other properties. Fair value is determined using a discounted cash flow model. The inputs used are subject to management’s judgment and expertise and include, but are not limited to, future production volumes based upon estimates of proved reserves, future commodity prices (adjusted for basis differentials), estimates of future operating and development costs and a risk-adjusted discount rate.

Enerplus Arrangement. On May 31, 2024, the Company completed the Arrangement with Enerplus. The assets acquired and liabilities assumed were recorded at fair value as of May 31, 2024. The fair value of Enerplus’ oil and gas properties was calculated using an income approach based on the net discounted future cash flows from the producing properties and related assets. The inputs utilized in the valuation of the oil and gas properties and related assets acquired included mostly unobservable inputs which fall within Level 3 of the fair value hierarchy. Such inputs included estimates of future oil and gas production from the properties’ reserve reports, forecasted commodity prices (adjusted for basis differentials), operating and development costs, expected future development plans for the properties and the utilization of a discount rate based on a market-based weighted-average cost of capital. The Company also recorded ARO assumed from Enerplus at fair value. The inputs utilized in valuing the assumed ARO were mostly Level 3 unobservable inputs, including estimated economic lives of oil and natural gas wells as of May 31, 2024, anticipated future plugging and abandonment costs and an appropriate credit-adjusted risk-free rate to discount such costs. In addition, the Company recorded goodwill as a result of the

Enerplus Arrangement. Goodwill is subject to ongoing impairment evaluation as described in Note 1—Organization and Summary of Significant Accounting Policies—Goodwill. See Note 8—Acquisitions for additional information.

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2023 Williston Basin Acquisition. On June 30, 2023, the Company completed the 2023 Williston Basin Acquisition (defined in Note 8—Acquisitions). The assets acquired and liabilities assumed were recorded at fair value as of June 30, 2023. The fair value of the oil and gas properties acquired was calculated using an income approach based on the net discounted future cash flows from the oil and gas properties. The inputs utilized in the valuation of the oil and gas properties acquired included mostly unobservable inputs which fall within Level 3 of the fair value hierarchy. Such inputs included estimates of future oil and gas production from the properties' reserve reports, commodity prices based on forward strip price curves (adjusted for basis differentials), operating and development costs, expected future development plans for the properties and the utilization of a discount rate based on a market-based weighted-average cost of capital. The Company also recorded the ARO assumed from the 2023 Williston Basin Acquisition at fair value. The inputs utilized in valuing the ARO were mostly Level 3 unobservable inputs, including estimated economic lives of oil and natural gas wells as of June 30, 2023, anticipated future plugging and abandonment costs and an appropriate credit-adjusted risk-free rate to discount such costs. See Note 8—Acquisitions for additional information.

6. Derivative Instruments

Commodity derivative contracts. The Company utilizes derivative financial instruments to manage risks related to changes in commodity prices. The Company's crude oil contracts settle monthly based on the average NYMEX WTI crude index price and its natural gas contracts settle monthly based on the average NYMEX Henry Hub natural gas index price.

The Company utilizes derivative financial instruments including fixed-price swaps and two-way and three-way collars to manage risks related to changes in commodity prices. The Company's fixed-price swaps are designed to establish a fixed price for the volumes under contract. Two-way collars are designed to establish a minimum price (floor) and a maximum price (ceiling) for the volumes under contract. Three-way collars are designed to establish a minimum price (floor), unless the market price falls below the sold put (sub-floor), at which point the minimum price would be the index price plus the difference between the purchased put and the sold put strike price. The sold call establishes a maximum price (ceiling) for the volumes under contract. The Company may, from time to time, restructure existing derivative contracts or enter into new transactions to effectively modify the terms of current contracts in order to improve the pricing parameters in existing contracts.

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At June 30, 2024 September 30, 2024, the Company had the following outstanding commodity derivative contracts:

Commodity	Fixed-Price Swaps
Commodity	Fixed-Price Swaps
Crude oil	
Crude oil	
Crude oil	
Crude oil	
Crude oil	

Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Crude oil
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas
Natural gas

Subsequent to June 30, 2024 September 30, 2024, the Company entered into the following commodity derivative contracts:

					Weighted Average Prices		
Commodity	Settlement Period	Derivative Instrument	Volumes		Sub-Floor	Floor	Ceiling
Crude oil	2024	Two-way collars	276,000	Bbls		$ 75.00	$ 79.05
Crude oil	2025	Two-way collars	1,372,000	Bbls		$ 65.98	$ 76.99
Crude oil	2026	Three-way collars	1,365,000	Bbls	$ 50.00	$ 65.00	$ 79.62

					Weighted Average Prices		

Commodity	Settlement Period	Derivative Instrument	Volumes		Fixed-Price Swaps	Floor	Ceiling
Crude oil	2025	Two-way collars	730,000	Bbls		$ 65.00	$ 76.62
Crude oil	2025	Fixed-price swaps	730,000	Bbls	$ 71.87		
Crude oil	2026	Two-way collars	730,000	Bbls		$ 65.00	$ 71.83

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Transportation derivative contracts. The Company had contracts that provided for the transportation of crude oil through a buy/sell structure from North Dakota to either Cushing, Oklahoma or Guernsey, Wyoming. The contracts had required the purchase and sale of fixed volumes of crude oil through July 2024 as specified in the agreements. The Company determined that these contracts qualified as derivatives and did not elect the “normal purchase normal sale” exclusion. As of June 30, 2024, the terms of both of these contracts expired. As of December 31, 2023, the estimated fair value of the remaining contract was a $5.9 million asset, , which was classified as a current derivative asset on the Company’s Condensed Consolidated Balance Sheet. The Company recorded the changes in fair value of these contracts to GPT expenses on the Company’s Condensed Consolidated Statements of Operations. Settlements on these contracts are reflected as operating activities on the Company’s Condensed Consolidated Statements of Cash Flows and represent cash payments to the counterparties for transportation of crude oil or the net settlement of contract liabilities if the transportation was not utilized, as applicable. See Note 5—Fair Value Measurements for additional information.

Contingent consideration. The Company bifurcated the Permian Basin Sale Contingent Consideration from the host contract and accounted for it separately at fair value. The Permian Basin Sale Contingent Consideration is marked-to-market each reporting period, with changes in fair value recorded in the other income (expense) section of the Company’s Condensed Consolidated Statements of Operations as a net gain or loss on derivative instruments. As of June 30, 2024 September 30, 2024, the estimated fair value of the Permian Basin Sale Contingent Consideration was $46.7 million $45.3 million, of which $24.2 million $24.6 million was classified as a current derivative asset, and $22.5 million $20.7 million was classified as a non-current derivative asset on the Condensed Consolidated Balance Sheet. As of December 31, 2023, the estimated fair value of the Permian Basin Sale Contingent Consideration was $42.7 million, of which $22.6 million was classified as a current derivative asset and $20.1 million was classified as a non-current derivative asset on the Condensed Consolidated Balance Sheet. See Note 5—Fair Value Measurements for additional information.

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The following table summarizes the location and amounts of gains and losses from the Company’s derivative instruments recorded in the Company’s Condensed Consolidated Statements of Operations for the periods presented:

			Three Months Ended June 30,		Six Months Ended June 30,							
			Three Months Ended September 30,		Nine Months Ended September 30,							
Derivative Instrument	Derivative Instrument	Statements of Operations Location	2024	2023	2024	2023	Derivative Instrument	Statements of Operations Location	2024	2023	2024	2023
			(In thousands)				(In thousands)					
Commodity derivatives												

Commodity derivatives (buy/sell transportation contracts)

Contingent consideration

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(1) The change in the fair value of the transportation derivative contracts was recorded in GPT expenses as a loss for the three and six nine months ended June 30, 2024 September 30, 2024 and the three months ended September 30, 2023 and as a gain for the three and six nine months ended June 30, 2023 September 30, 2023.

In accordance with the FASB's authoritative guidance on disclosures about offsetting assets and liabilities, the Company is required to disclose both gross and net information about instruments and transactions eligible for offset in the statement of financial position as well as instruments and transactions subject to an agreement similar to a master netting agreement. The Company's derivative instruments are presented as assets and liabilities on a net basis by counterparty, as all counterparty contracts provide for net settlement. No margin or collateral balances are deposited with counterparties, and as such, gross amounts are offset to determine the net amounts presented in the Company's Condensed Consolidated Balance Sheets.

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The following table summarizes the location and fair value of all outstanding derivative instruments recorded in the Company's Condensed Consolidated Balance Sheets:

			June 30, 2024					September 30, 2024		
Derivative Instrument	Derivative Instrument	Balance Sheet Location	Gross Amount	Gross Amount Offset	Net Amount	Derivative Instrument	Balance Sheet Location	Gross Amount	Gross Amount Offset	Net Amount
			(In thousands)							
			(In thousands)							
			(In thousands)							
Derivatives assets:										
Commodity derivatives										
Commodity derivatives										
Commodity derivatives										
Contingent consideration										
Commodity derivatives										
Commodity derivatives										
Commodity derivatives										
Contingent consideration										
Total derivatives assets										

Derivatives liabilities:

Derivatives liabilities:

Derivatives liabilities:

Commodity derivatives

Commodity derivatives

Commodity derivatives

Commodity derivatives

Commodity derivatives

Commodity derivatives

Total derivatives liabilities

Total derivatives liabilities

Total derivatives liabilities

December 31, 2023

December 31, 2023

December 31, 2023

Derivative Instrument	Derivative Instrument	Balance Sheet Location	Gross Amount	Gross Amount Offset	Net Amount	Derivative Instrument	Balance Sheet Location	Gross Amount	Gross Amount Offset	Net Amount

(In thousands)

(In thousands)

(In thousands)

Derivatives assets:

Commodity derivatives

Commodity derivatives

Commodity derivatives

Contingent consideration

Commodity derivatives (buy/sell transportation contracts)

Commodity derivatives

Commodity contracts

Contingent consideration
Total derivatives assets
Derivatives liabilities:
Derivatives liabilities:
Derivatives liabilities:
Commodity derivatives
Commodity derivatives
Commodity derivatives
Commodity derivatives
Total derivatives liabilities
Total derivatives liabilities
Total derivatives liabilities

7. Property, Plant and Equipment

The following table sets forth the Company's property, plant and equipment:

	June 30, 2024	December 31, 2023
	September 30, 2024	December 31, 2023
	(In thousands)	(In thousands)
Proved oil and gas properties		
Less: Accumulated depletion		
Proved oil and gas properties, net		
Unproved oil and gas properties		
Other property and equipment		
Less: Accumulated depreciation		
Other property and equipment, net		
Total property, plant and equipment, net		

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8. Acquisitions

2024 Acquisition

On May 31, 2024, the Company completed the Arrangement with Enerplus and issued 20,680,097 shares of common stock and paid $375.8 million of cash to Enerplus shareholders. Also on May 31, 2024, and pursuant to the Arrangement Agreement, the Company (i) paid cash to settle Enerplus equity-based compensation awards, (ii) paid cash to satisfy and discharge in full the Enerplus credit facility and (iii) paid a cash retention bonus to Enerplus employees.

Preliminary purchase price allocation. The Company recorded the assets acquired and liabilities assumed in the Arrangement at their estimated fair value on May 31, 2024 of $4.1 billion. Goodwill recognized as a result of the Arrangement totaled $539.8 million, none of which is deductible for income tax purposes. The assignment of goodwill to reporting units was not complete as of June 30, 2024. Goodwill is primarily attributable to additional operational and financial synergies expected to be realized from the combined operations. Determining the fair value of the assets and liabilities of Enerplus requires judgement and certain assumptions to be made. See Note 5—Fair Value Measurements for additional information.

The tables below present the total consideration transferred and its preliminary allocation to the estimated fair value of identifiable assets acquired and liabilities assumed, and the resulting goodwill as of the acquisition date of May 31, 2024. As provided under ASC 805, the purchase price allocation may be subject to change for up to one year after May 31, 2024, which may result in a different allocation than that presented in the tables below. Certain estimated values for the acquisition, including oil and natural gas properties, intangibles and inventory, are not yet finalized and are subject to revision as additional information becomes available and more detailed analyses are completed.

	Purchase Price Consideration	
	(In thousands)	
Common stock issued to Enerplus shareholders(1)	$	3,732,137
Cash paid to Enerplus shareholders(1)		375,813
Cash paid to settle Enerplus equity-based compensation awards(2)		102,393
Cash paid to settle Enerplus credit facility(3)		395,000
Cash paid for retention bonus to Enerplus employees(4)		5,920
Total consideration transferred	$	4,611,263

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(1) The Company issued 20,680,097 shares of common stock and paid $375.8 million of cash to Enerplus shareholders as Arrangement Consideration. Enerplus shareholders received, for each Enerplus common share issued and outstanding, 0.10125 shares of common stock as Share Consideration and $1.84 per share of cash as Cash Consideration. The fair value of the common stock issued was based on the opening price of the Company's common stock on May 31, 2024 of $180.47. See Note 15—Stockholders' Equity for additional information.

(2) Each Enerplus outstanding equity-based compensation award became fully vested upon completion of the Arrangement on May 31, 2024. See Note 15—Stockholders' Equity for additional information.

(3) On May 31, 2024, the Company fully satisfied all obligations under the Enerplus credit facility, and the Enerplus credit facility was concurrently terminated. See Note 11— Long-Term Debt for additional information.

(4) In connection with the Arrangement, employees of Enerplus were paid a retention bonus upon the closing of the Arrangement totaling $5.9 million.

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		Preliminary Purchase Price Allocation (In thousands)
Assets acquired:		
Cash and cash equivalents	$	239,921
Accounts receivable, net		281,492
Inventory		5,701
Prepaid expenses		16,323
Oil and gas properties (successful efforts method)		5,253,860
Other property and equipment		6,812
Long-term inventory		8,636
Operating right-of-use assets		42,954
Other assets		1,049
Total assets acquired	$	5,856,748
Liabilities assumed:		
Accounts payable	$	1,965
Revenues and production taxes payable		199,706
Accrued liabilities		186,334
Current portion of long-term debt		60,063
Current operating lease liabilities		27,420
Deferred tax liabilities		1,179,200
Asset retirement obligations		115,056
Operating lease liabilities		15,534
Total liabilities assumed	$	1,785,278
Net assets acquired	$	4,071,470
Goodwill acquired		539,793
Purchase price consideration	$	4,611,263

Post-arrangement operating results. The results of operations of Enerplus have been included in the Company's unaudited condensed consolidated financial statements since the closing of the Arrangement on May 31, 2024. The following table summarizes the total revenues and income before income taxes attributable to Enerplus that were recorded in the Company's Condensed Consolidated Statement of Operations for the periods presented.

		Three and Six Months Ended June 30, 2024 (In thousands)
Revenues	$	132,036
Income before income taxes		15,131

	Three Months Ended September 30, 2024		Nine Months Ended September 30, 2024	
	(In thousands)			
Revenues	$	389,127	$	521,163
Income before income taxes		75,855		90,986

Unaudited pro forma financial information. Summarized below are the condensed consolidated results of operations for the periods presented, on an unaudited pro forma basis, as if the Arrangement had occurred on January 1, 2023. The information presented below reflects pro forma adjustments based on available information and certain assumptions that the Company believes are factual and supportable. The pro forma financial information includes certain non-recurring pro forma adjustments that were directly attributable to the Arrangement, including transaction costs incurred by the Company. In connection with the Arrangement, the Company incurred merger-related costs of $17.5 million and $80.3 million for the three and nine months ended September 30, 2024, respectively, which were recorded to general and administrative expenses on the Condensed Consolidated Statements of Operations. The unaudited pro forma financial information does not purport to be indicative of results of operations that would have occurred had the Arrangement occurred on the basis assumed above, nor is such information indicative of the Company's expected future results. The pro forma results of operations do not include any future cost savings or other synergies that may result from the Arrangement or any estimated costs that have not yet been incurred by the Company to integrate the Enerplus assets.

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(In thousands)			
	Three Months Ended September 30,	Nine Months Ended September 30,		
	2023	2024	2023	
	(In thousands, except per share data)			
	(In thousands, except per share data)			
	(In thousands, except per share data)			
Revenues				
Net income				
Net income per share:				
Net income per share:				
Net income per share:				
Basic				
Basic				
Basic				
Diluted				

2023 Acquisition

On May 22, 2023, a wholly-owned subsidiary 9. Divestitures and Assets Held for Sale

2024 Divestitures and Assets Held for Sale

Assets held for sale. During the third quarter of 2024, the Company entered into a definitive an agreement to acquire approximately 62,000 net acres in divest certain of its non-core properties located outside of the Williston Basin from XTO Energy Inc. and affiliates, each a subsidiary of Exxon Mobil Corporation (collectively “XTO”), Basin. The transaction closed on October 25, 2024 for total estimated net cash consideration of $375.0 million, subject to customary proceeds (including purchase price adjustments (the “2023 Williston Basin Acquisition”). The effective date adjustments) of the 2023 Williston Basin Acquisition was April 1, 2023.

On June 30, 2023 $36.1 million. As of September 30, 2024, the Company completed the 2023 Williston Basin Acquisition for total cash consideration of $361.6 million, including a deposit of $37.5 million paid to XTO upon execution of the purchase and sale agreement and $324.1 million paid to XTO at closing (including customary purchase price adjustments). The Company funded the 2023 Williston Basin Acquisition with cash on hand. The 2023 Williston Basin Acquisition was accounted for as a business combination and was recorded under the acquisition method of accounting in accordance with ASC 805. The post-acquisition operating results and pro forma revenue and earnings for the 2023 Williston Basin Acquisition were not material to the Company’s condensed consolidated financial statements and have therefore not been presented.

Purchase price allocation. The Company recorded the assets acquired and liabilities assumed in the 2023 Williston Basin Acquisition at their estimated fair value on June 30, 2023 of $361.6 million. The allocation of the fair value to the identifiable assets acquired and liabilities assumed resulted in no goodwill or bargain purchase gain being recognized. Determining the fair value of classified the assets and liabilities of the 2023 Williston Basin Acquisition required judgement and certain assumptions to be made. See Note 5—Fair Value Measurements associated with these properties as held for additional information. sale on its Condensed Consolidated Balance Sheet.

The following table below presents the total consideration transferred and its allocation balance sheet data related to the identifiable assets acquired and liabilities assumed as of the acquisition date on June 30, 2023. As provided under ASC 805, the purchase price allocation may be subject to change held for up to one year after June 30, 2023. As of December 31, 2023, the purchase price was finalized with an immaterial adjustment to the preliminary purchase price allocation presented below. sale:

	Purchase Price Consideration September 30, 2024
	(In thousands)
Cash consideration transferred Assets:	361,609

	Purchase Price Allocation
	(In thousands)
Assets acquired:	
Oil and gas properties	$367,672 39,367
Less: accumulated depreciation, depletion and amortization	(1,169)
Total property, plant and equipment, net	38,198
Inventory	1,844 357
Prepaid expenses	43
Total current assets acquired held for sale	$369,516 38,598
Liabilities:	
Liabilities assumed:	
Asset Assets retirement obligations	$ 6,771 1,587
Revenue Revenues and production taxes payable	1,136 1,158
Total current liabilities assumed held for sale	$ 7,907 2,745
Net assets acquired	$361,609 35,853

[Table of Contents](#)*Other divestitures.*

9. Divestitures

2024 Divestitures

During the three and six nine months ended June 30, 2024 September 30, 2024, the Company completed certain non-operated wellbore divestitures in the Williston Basin for total net cash proceeds of $18.2 $0.9 million and $20.4 $21.3 million, respectively.

2023 Divestitures

Non-core properties. During the year ended December 31, 2023, the Company entered into separate agreements with multiple buyers to sell a vast majority certain of its non-core properties located outside of the Williston Basin (the "Non-core Asset Sales"). As of December 31, 2023, the Company had completed these Non-core Asset Sales and received total net cash proceeds (including purchase price adjustments) of $39.1 million, subject to customary post-closing adjustments. As of December 31, 2023, the Company recorded a pre-tax net loss on sale of assets of $8.4 million for the Non-core Asset Sales and an impairment loss of $5.6 million to adjust the carrying value of the assets held for sale to their estimated fair value less costs to sell. The impairment loss was recorded within exploration and impairment expenses on the Condensed Consolidated Statements of Operations.

Other divestitures. During the year ended December 31, 2023, the Company completed certain non-operated wellbore divestitures in the Williston Basin for total net cash proceeds of $12.1 million.

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10. Investment in Unconsolidated Affiliate

As of June 30, 2024 September 30, 2024 and December 31, 2023, the fair value of the Company's investment in Energy Transfer was $117.7 $116.5 million and $100.2 million, respectively, which represented less than 5% of Energy Transfer's issued and outstanding common units. The carrying amount of the Company's investment in Energy Transfer is recorded to investment in unconsolidated affiliate on the Condensed Consolidated Balance Sheet.

During the three and six nine months ended June 30, 2024 September 30, 2024, the Company recorded a net gain of $5.9 million $1.1 million and $22.2 million $23.2 million, respectively, on its investment in Energy Transfer, comprised of an unrealized loss for the change in fair value of the investment of $1.2 million and an unrealized gain for the change in fair value of the investment of $3.6 million and $17.6 $16.3 million, respectively, and a realized gain for cash distributions received of $2.3 million and $4.6 $6.9 million, respectively. During the three and six nine months ended June 30, 2023 September 30, 2023, the Company recorded a net gain of $10.1 $13.5 million and $7.9 $21.4 million, respectively, on its investment in Energy Transfer, primarily comprised of an unrealized gain for the change in the fair value of its investment of $6.8 $9.7 million and $1.1 $10.8 million, respectively, and a realized gain for cash distributions received of $3.0 $2.5 million and $6.0 $8.5 million, respectively.

11. Long-Term Debt

The Company's long-term debt including the current portion, consists of the following:

	June 30, 2024	December 31, 2023
	(In thousands)	
Senior secured revolving line of credit	$ 575,000	$ —
Chord senior unsecured notes	400,000	400,000
Enerplus senior unsecured notes	60,063	—
Less: unamortized deferred financing costs	(3,254)	(4,098)
Total debt, net	1,031,809	395,902
Less: current portion of long-term debt, net	(60,063)	—
Total long-term debt, net	$ 971,746	$ 395,902

	September 30, 2024	December 31, 2023
	(In thousands)	
Senior secured revolving line of credit	$ 470,000	$ —
Senior unsecured notes	400,000	400,000
Less: unamortized deferred financing costs	(2,827)	(4,098)
Total long-term debt, net	$ 867,173	$ 395,902

Senior secured revolving line of credit. The Company has a senior secured revolving credit facility (the "Credit Facility") among Oasis Petroleum North America LLC, the Company, Chord Energy LLC, Enerplus, the other guarantors party thereto, each of the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent and issuing bank. The Credit Facility matures on July 1, 2027.

On May 31, 2024, the Company entered into the Fifth Amendment to Amended and Restated Credit Agreement (the "Fifth Amendment"). The Fifth Amendment, among other things, increases increased the borrowing base to $3.0 billion and increases increased the aggregate amount of elected commitments to $1.5 billion. On November 4, 2024, the Company (i) completed its semi-annual borrowing base redetermination, which affirmed the current borrowing base of $3.0 billion and the aggregate elected revolving commitment amounts of

$1.5 billion and (ii) entered into the Sixth Amendment to Amended and Restated Credit Agreement (the "Sixth Amendment"). The foregoing description of the Fifth Amendment and Sixth Amendment does not purport to be complete and is qualified in its entirety by reference to the text of the Fifth Amendment a copy and Sixth Amendment, copies of which is are filed as Exhibit 10.1 and Exhibit 10.2, respectively, to this Quarterly Report on Form 10-Q. The next scheduled redetermination is expected to occur in or around October 2024.

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April 2025.

At June 30, 2024 September 30, 2024, the Company had $575.0 million $470.0 million borrowings outstanding and $30.2 million $30.7 million of outstanding letters of credit issued under the Credit Facility, resulting in an unused borrowing capacity of $894.8 million $999.3 million. At December 31, 2023, the Company had no borrowings outstanding and $8.9 million of outstanding letters of credit issued under the Credit Facility, resulting in an unused borrowing capacity of $991.1 million.

During the three and six nine months ended June 30, 2024 September 30, 2024, the weighted average interest rate incurred on borrowings on the Credit Facility was 7.53% 7.51% for both periods. During the three and six nine months ended June 30, 2023 September 30, 2023, the Company weighted average interest rate incurred no on borrowings on the Credit Facility resulting in a weighted average interest rate of 0.00%. was 7.09% for both periods. The Company was in compliance with the financial covenants under the Credit Facility at June 30, 2024 September 30, 2024. The fair value of the Credit Facility approximates its carrying value since borrowings under the Credit Facility bear interest at variable rates, which are tied to current market rates.

Borrowings are subject to varying rates of interest based on (i) the total outstanding borrowings (including the value of all outstanding letters of credit) in relation to the borrowing base and (ii) whether the loan is a Term SOFR Loan or an ABR Loan (each as defined in the Credit Facility). The Company incurs interest on outstanding loans at their respective interest rate plus a margin rate ranging between 1.75% to 2.75% for Term SOFR Loans and 0.75% to 1.75% for ABR Loans. In addition, Term SOFR Loans are also subject to a 0.1% credit spread adjustment. The unused borrowing base is subject to a commitment fee ranging between 0.375% to 0.500%.

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Senior unsecured notes. At June 30, 2024 September 30, 2024, the Company had $400.0 million of 6.375% senior unsecured notes outstanding due June 1, 2026 (the "Senior Notes"). Interest on the Senior Notes is payable semi-annually on June 1 and December 1 of each year. As of June 30, 2024 September 30, 2024 and December 31, 2023, the fair value of the Senior Notes, which are publicly traded among qualified institutional investors and represent a Level 1 fair value measurement, was $399.9 million $400.8 million and $400.0 million, respectively.

Enerplus credit facility. Upon consummation of the Arrangement on May 31, 2024, the Enerplus credit facility was terminated, and the Company paid the remaining outstanding amount of $395.0 million to fully satisfy all such outstanding obligations that were owed under the Enerplus credit facility.

Enerplus senior unsecured notes. Upon consummation of the Arrangement on May 31, 2024, the Company assumed $63.0 million of 3.79% senior unsecured notes from Enerplus (the "Enerplus Senior Notes"). The Enerplus Senior Notes are were recorded in the Condensed Consolidated Balance Sheet at their fair value acquired of $60.1 million. as of the acquisition date. The fair value of the Enerplus Senior Notes, which represent represented a Level 2 fair value measurement, was $60.3 million at June 30, 2024, and was estimated based on the amount that the Company would have to pay a third party to assume the debt, including the credit spread for the difference between the issue rate and the period end May 31, 2024 market rate. The period end May 31, 2024 market rate is was estimated by comparing the debt to new issuances (secured or unsecured) and secondary trades of similar size and credit statistics for both public and private debt. On July 2, 2024, the Company repaid all of the remaining outstanding Enerplus Senior Notes of $63.0 million and the remaining accrued interest on such notes of $0.8 million.

12. Asset Retirement Obligations

The following table reflects the changes in the Company's ARO during the six nine months ended June 30, 2024 September 30, 2024 (in thousands):

Balance at December 31, 2023	$	165,546
Liabilities assumed in Arrangement		138,489
Liabilities incurred during period		1,888 2,721
Liabilities settled during period		(891) (7,550)
Liabilities settled through divestitures		(244) (269)
Accretion expense during period		6,451 11,307
Revisions to estimates		1,594
Liabilities held for sale		(1,587)
Balance at June 30, 2024 September 30, 2024	$	312,833 310,251

The Company's ARO includes plugging and abandonment liabilities for its oil and gas properties in the United States and Canada. Accretion expense is included in depreciation, depletion and amortization on the Company's Condensed Consolidated Statements of Operations. At June 30, 2024 September 30, 2024, the current portion of the total ARO balance was $37.0 million $30.4 million and is included in accrued liabilities on the Company's Condensed Consolidated Balance Sheet.

13. Income Taxes

The Company's effective tax rate was 26.8% 26.1% and 24.7% 25.2% of pre-tax income, respectively, for the three and six nine months ended June 30, 2024 September 30, 2024 as compared to an effective tax rate of 24.4% and 23.9% for the three and six nine months ended June 30, 2023, respectively.

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September 30, 2023.

The effective tax rate for the three months ended June 30, 2024 September 30, 2024 was higher than the statutory federal rate of 21% primarily as a result of the impact of state income taxes and Canadian losses for which no benefit is recognized. The effective tax rate for the three months ended June 30, 2023 was higher than the statutory federal rate of 21% primarily as a result of state income taxes.

deferred taxes on unremitted earnings. The effective tax rates for the six nine months ended June 30, 2024 September 30, 2024 and June 30, 2023 the three and nine months ended September 30, 2023 were higher than the statutory federal rate of 21% primarily as a result of state income taxes.

On May 31, 2024, the Company completed the Arrangement, and as a result recognized a net deferred tax liability of $1.2 billion in its purchase price allocation as of the acquisition date primarily to reflect the difference between the tax basis and the fair value of Enerplus' assets acquired and liabilities assumed. The Company did not record a Canadian deferred tax asset due to the lack of continued operations in Canada going forward.

14. Equity-Based Compensation

The Company has previously granted RSUs, PSUs and LSUs (each as defined below), as well as phantom unit awards under its equity compensation plans.

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Equity-based compensation expenses are recognized in general and administrative expenses on the Company's Condensed Consolidated Statements of Operations. During the three and six nine months ended June 30, 2024 September 30, 2024, the Company recognized $5.4 million $5.9 million and $10.1 million $16.1 million, respectively, in equity-based compensation expenses related to equity-classified awards. During the three and six nine months ended June 30, 2023 September 30, 2023, the Company recognized $15.3 $10.1 million and $27.2 $37.3 million, respectively, in equity-based compensation expenses related to equity-classified awards. Equity-based compensation expenses related to liability-classified awards were not material for the three and six nine months ended June 30, 2024 September 30, 2024 and 2023.

Pursuant to the Arrangement Agreement, at the effective time of the Arrangement, all Enerplus equity-based compensation awards became fully vested and paid in cash. The fair value of the equity-classified awards that vested on May 31, 2024 was $102.4 million.

Restricted stock units. Restricted stock units ("RSUs") are contingent shares that generally vest on either a cliff or graded basis over a one-year, three-year or four-year period (as applicable) and are subject to a service condition. During the six nine months ended June 30, 2024 September 30, 2024, the Company granted 139,578 148,325 RSUs to employees and non-employee directors of the Company with a weighted average grant date fair value of $165.85 $165.59 per share.

Performance share units. Performance share units ("PSUs") that were granted prior to 2024 are contingent shares that vest on a graded basis over a three-year and four-year period and are subject to a service condition.

2024 Performance share units. During the six nine months ended June 30, 2024 September 30, 2024, the Company issued granted PSUs that include (i) total stockholder return ("TSR") PSUs ("Absolute TSR PSUs") and (ii) relative TSR PSUs ("Relative TSR PSUs" and collectively with the Absolute TSR PSUs, the "2024 PSUs"), which are eligible to vest and become earned at the end of the applicable performance period on December 31, 2026, subject to the level of achievement with respect to certain performance goals.

The Absolute TSR PSUs are subject to time-based service requirements and market conditions based on the TSR achieved by the Company during the performance period. Depending on the Company's TSR, award recipients may earn between 0% and 300% of the target number of Absolute TSR PSUs originally granted.

The Relative TSR PSUs are subject to time-based service requirements and market conditions based on a comparison of the TSR achieved by the Company against the TSR achieved by the members of a defined peer group at the end of the performance period. Depending on the Company's TSR performance relative to the TSR performance of the members of the defined peer group, award recipients may earn between 0% and 200% of the target number of Relative TSR PSUs originally granted.

Any earned 2024 PSUs will be settled in shares of the Company's common stock for up to 100% of the target number of PSUs subject to each applicable award, with any remaining earned PSUs that exceed the target number of PSUs subject to the award being settled in cash based on the fair market value of a share of the Company's common stock on the applicable payment date. The 2024 PSUs are bifurcated and classified as equity-based and liability-based awards based on the probability of achieving various target performance thresholds.

During the six nine months ended June 30, 2024 September 30, 2024, the Company granted (i) 14,677 15,808 Absolute TSR PSUs to employees of the Company with a weighted average grant date fair value of $233.19 $233.01 per share and (ii) 44,033 47,428 Relative TSR PSUs to employees of the Company with a weighted average grant date fair value of $198.73 $201.02 per share.

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Fair value assumptions. The aggregate grant date fair value of the 2024 PSUs was determined by a third-party valuation specialist using a Monte Carlo simulation model which uses a probabilistic approach for estimating the fair value of the awards. The key valuation inputs were: (i) the forecast period, (ii) risk-free interest rate, (iii) the yield curve associated with the Company's credit rating, (iv) implied equity volatility, (v) stock price on the date of grant and, solely for Relative TSR PSUs, (vi) correlation coefficient. The risk-free interest rates are the U.S. Treasury bond rates on the date of grant that correspond to the performance period. Implied equity volatility is derived by solving for an asset volatility and equity volatility based on the leverage of the Company and each of its peers. For the Relative TSR PSUs, the correlation coefficient measures the strength of the linear relationship between and amongst the Company and its peers based on historical stock price data.

The following table summarizes the assumptions used in the Monte Carlo simulation model to determine the grant date fair value and associated equity-based compensation expenses by grant date for the 2024 PSUs: PSUs granted during the periods presented:

		Absolute TSR		Relative TSR				
Grant date		February 20, 2024	March 4, 2024	February 20, 2024			March 4, 2024	
		Absolute and Relative TSR PSUs						
		Absolute and Relative TSR PSUs						
		Absolute and Relative TSR PSUs						
		Three Months Ended March 31, 2024		Three Months Ended September 30, 2024				
Forecast period (years)								
Forecast period (years)								
Forecast period (years)	Forecast period (years)	3			3		3	3
Risk-free interest rates	Risk-free interest rates	4.4%			4.4%	Risk-free interest rates	4.4%	3.8% — 4.7%
Implied equity volatility	Implied equity volatility	35%			35%	Implied equity volatility	35%	35%
Stock price on date of grant								
Stock price on date of grant								
Stock price on date of grant		$163.75	$160.23	$163.75			$160.23	
Range of stock price on date of grant								
Range of stock price on date of grant								
Range of stock price on date of grant		$160.23	— $163.75	$141.41 —	$169.66			

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Leveraged stock units. Leveraged stock units ("LSUs") are contingent shares granted to certain employees that cliff vest over a three-year and four-year period and are subject to a service condition. No LSUs were granted during the six nine months ended June 30, 2024 September 30, 2024.

Phantom unit awards. Phantom unit awards represent the right to receive a cash payment equal to the fair market value of one share of common stock upon vesting and vest on a graded basis over a three-year period and are subject to a service condition. During the six nine months ended June 30, 2024 September 30, 2024, the Company granted 10,531 10,664 phantom unit awards to employees with a weighted average grant date fair value of $163.75 $163.82 per share.

15. Stockholders' Equity

Authorized Shares of Common Stock

On May 14, 2024, Chord stockholders approved an amendment to the Amended and Restated Certificate of Incorporation on May 14, 2024 to increase the number of authorized shares of common stock from 120,000,000 to 240,000,000 in connection with the

Arrangement. The This amendment became effective on May 31, 2024.

Issuance of Common Stock

Pursuant to the Arrangement Agreement, each Enerplus common share issued and outstanding immediately prior to the effective time of the Arrangement was converted into the right to receive 0.10125 shares of Chord common stock, par value $0.01 per share. As a result of the completion of the Arrangement on May 31, 2024, the Company issued 20,680,097 shares of common stock to Enerplus shareholders.

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Dividends

The following table summarizes the Company's fixed and variable dividends declared for the six nine months ended June 30, 2024 September 30, 2024 and 2023:

	Rate per Share						
	Rate per Share						
	Rate per Share						
	Base						
	Base						
	Base	Variable	Total	Total Dividends Declared	Variable	Total	Total Dividends Declared
			(In thousands)				
			(In thousands)				
			(In thousands)				
Q2 2024							
Q2 2024							
Q3 2024							
Q3 2024							
Q3 2024							
Q2 2024							
Q1 2024							
Total							
Q3 2023							
Q2 2023							
Q3 2023							
Q2 2023							
Q3 2023							
Q2 2023							
Q1 2023							
Total							

Total dividends declared in the table above includes $1.9 $1.6 million and $4.3 $5.9 million associated with dividend equivalent rights on unvested equity-based compensation awards for the three and six nine months ended June 30, 2024 September 30, 2024, respectively, and $3.8 $1.4 million and $8.8 $10.2 million for the three and six nine months ended June 30, 2023 September 30, 2023, respectively.

On August 7, 2024 November 6, 2024, the Company declared a base-plus-variable cash dividend of $2.52 $1.44 per share of common stock. The dividend will be payable on September 5, 2024 December 12, 2024 to shareholders of record as of August 21, 2024 November 27, 2024.

Share Repurchase Program

During the six nine months ended June 30, 2024 September 30, 2024, the Company repurchased 558,579 1,509,996 shares of common stock at a weighted average price of $164.23 $157.47 per common share for a total cost of $91.7 $237.8 million, excluding accrued excise tax of $1.2 million. As of June 30, 2024 September 30, 2024, there was $591.3 $445.2 million of capacity remaining under the Company's $750.0 million share repurchase program.

During the six nine months ended June 30, 2023 September 30, 2023, the Company repurchased 319,458 1,023,320 shares of common stock at a weighted average price of $143.41 $154.52 per common share for a total cost of $45.8 $158.1 million, excluding accrued excise tax of $0.2 million, under its previous repurchase program, which was replaced by its current $750.0 million share repurchase program.

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In October 2024, the Board of Directors authorized a new share repurchase program of $750.0 million of the Company's common stock, which replaces the existing $750.0 million share repurchase program. The Company has repurchased, and may repurchase in the future, shares pursuant to a Rule 10b5-1 trading plan under the Securities Exchange Act of 1934, as amended, which permits the Company to repurchase shares at times that may otherwise be prohibited under its insider trading policy. The share repurchase program does not require the Company to make purchases within a particular time frame.

Warrants

As of June 30, 2024 September 30, 2024, the Company had 2,161,803 1,294,610 warrants outstanding, comprised of (i) 432,558 404,058 warrants with an exercise price of $75.57 per share that expire on November 19, 2024, and (ii) 774,327 warrants with an exercise price of $116.37 per share that expire on September 1, 2024 and (iii) 954,918 890,552 warrants with an exercise price of $133.70 per share that expire on September 1, 2025. The Company had 395,809 warrants expire on September 1, 2024.

During the three and six nine months ended June 30, 2024 September 30, 2024, there were 650,695 922,475 and 1,070,851 1,993,326 warrants exercised, respectively, and during the three and six nine months ended June 30, 2023 September 30, 2023, there were 26,488 707,227 and 109,402 816,630 warrants exercised, respectively.

16. Earnings Per Share

The Company calculates earnings per share under the two-class method. The Company has granted RSUs to non-employee directors which include non-forfeitable rights to dividends and are therefore considered "participating securities." Accordingly, the Company computes earnings per share under the two-class earnings allocation method, which computes earnings per share for each class of common stock and participating security according to dividends declared (or accumulated) and participation rights in undistributed earnings.

Basic earnings per share amounts have been computed as (i) net income (ii) less distributed and undistributed earnings allocated to participating securities (iii) divided by the weighted average number of basic shares outstanding for the periods presented. Diluted earnings per share amounts have been computed as (i) basic net income attributable to common stockholders (ii) plus the reallocation of distributed and undistributed earnings allocated to participating securities (iii) divided by the weighted average number of diluted shares outstanding for the periods presented. The Company calculates diluted earnings per share under both the two-class method and treasury stock method and reports the more dilutive of the two calculations.

The following table summarizes the basic and diluted earnings per share for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,					
	Three Months Ended September 30,		Nine Months Ended September 30,					
	2024	2023	2024	2023	2024	2023	2024	2023
	(In thousands, except per share data)				(In thousands, except per share data)			
Net income								
Net income								
Net income								
Distributed and undistributed earnings allocated to participating securities								
Net income attributable to common stockholders (basic)								
Reallocation of distributed and undistributed earnings allocated to participating securities								
Net income attributable to common stockholders (diluted)								
Weighted average common shares outstanding:								
Weighted average common shares outstanding:								
Weighted average common shares outstanding:								
Basic weighted average common shares outstanding								
Basic weighted average common shares outstanding								
Basic weighted average common shares outstanding								
Dilutive effect of share-based awards								
Dilutive effect of warrants								
Diluted weighted average common shares outstanding								
Basic earnings per share								
Basic earnings per share								
Basic earnings per share								
Diluted earnings per share								
Anti-dilutive weighted average common shares:								
Anti-dilutive weighted average common shares:								
Anti-dilutive weighted average common shares:								
Potential common shares								
Potential common shares								
Potential common shares								

For the three and six nine months ended June 30, 2024 September 30, 2024 and 2023, the diluted earnings per share calculation excludes the impact of unvested share-based awards and outstanding warrants that were anti-dilutive.

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17. Commitments and Contingencies

As of June 30, 2024 September 30, 2024, the Company's material off-balance sheet arrangements and transactions include $30.2 million $30.7 million in outstanding letters of credit under the Credit Facility and $73.9 million $74.9 million in net surety bond exposure issued as financial assurance on certain agreements.

As of June 30, 2024 September 30, 2024, there have been no material changes to the Company's commitments and contingencies disclosed in Note 21 — Commitments and Contingencies in the 2023 Annual Report. Report, other than those assumed in connection with the Arrangement.

Volume commitment agreements. As of September 30, 2024, the Company had certain agreements with an aggregate requirement to deliver, transport or purchase a minimum quantity of approximately 49.7 MMBbl of crude oil, 8.6 MMBbl of NGLs, 492.4 Bcf of natural gas and 0.3 MMBbl of water, prior to any applicable volume credits and within specified timeframes. The commitments under these arrangements are not recorded in the accompanying Consolidated Balance Sheets. The amounts disclosed below represent undiscounted cash flows on a gross basis and no inflation elements have been applied.

As of September 30, 2024, the estimable future commitments of the Company's commitment agreements, including those assumed in connection with the Arrangement, are as follows:

	(In thousands)
Year 1	$ 148,397
Year 2	158,177
Year 3	121,161
Year 4	70,441
Year 5	49,671
Thereafter	81,285
	$ 629,132

The Company enters into these long-term contracts to provide production flow assurance in oversupplied areas with limited infrastructure, which provides for optimization of transportation and processing costs. As properties are undergoing development activities, the Company may experience temporary delivery or transportation shortfalls until production volumes grow to meet or exceed the minimum volume commitments. The Company recognizes any monthly deficiency payments in the period in which the under delivery takes place and the related liability has been incurred. The table above does not include any such deficiency payments that may be incurred under the Company's physical delivery contracts, since the amount and timing of any such penalties incurred cannot be predicted with accuracy. For the three and nine months ended September 30, 2024, the Company did not incur any deficiency payments related to these contracts.

The future commitments under certain agreements cannot be estimated and are therefore excluded from the table above as they are based on fixed differentials relative to a commodity index price under the agreements as compared to the differential relative to a commodity index price for the production month.

18. Leases

During the three months ended September 30, 2024, the Company recorded a $2.5 million impairment charge related to the Denver office and its related fixed assets acquired in the Arrangement as a result of the current sublease market conditions. There were no lease impairment charges recorded during the six months ended June 30, 2023 June 30, 2024. During the nine months ended September 30, 2023, the Company recorded a right-of-use asset impairment charge of $17.5 million related to a portion of one of its corporate offices. The right-of-use asset impairment charges are recorded within exploration and impairment on the Condensed Consolidated Statements of Operations related to a portion of one of its Denver corporate offices. There were no lease impairment charges recorded during the three and six months ended June 30, 2024, nor during the three months ended June 30, 2023. Operations.

In connection with the Arrangement, the Company assumed approximately $29.0 million of operating lease liabilities for operating equipment with lease terms through 2027, $7.5 million of operating lease liabilities for office space, primarily in Denver and Calgary, with lease terms through 2029, and approximately $6.5 million of finance lease liabilities for vehicles with lease terms through 2027.

Other than the items disclosed above, no other material changes have occurred to the Company's lease portfolio for the periods presented. Refer to the 2023 Annual Report for more information on the Company's leases.

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Item 2. — Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in our Annual Report on Form 10-K for the year ended December 31, 2023 ("2023 Annual Report"), as well as the unaudited condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control. All statements, other than statements of historical fact included in this Quarterly Report on Form 10-Q, regarding our strategic tactics, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this Quarterly Report on Form 10-Q, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "may," "continue," "predict," "potential," "project," "plans" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. In particular, the factors discussed below and detailed under "Part II, Item 1A. Risk Factors" in this Quarterly Report on Form 10-Q could affect our actual results and cause our actual results to differ materially from expectations, estimates, or assumptions expressed in, forecasted in, or implied in such forward-looking statements.

These forward-looking statements are based on management's current belief, based on currently available information, as to the outcome and timing of future events. Without limiting the generality of the foregoing, certain statements incorporated by reference or included in this Quarterly Report on Form 10-Q constitute forward-looking statements.

Forward-looking statements may include statements about:

- crude oil, NGLs and natural gas realized prices;
- uncertainty regarding the future actions of foreign oil producers and the related impacts such actions have on the balance between the supply of and demand for crude oil, NGLs and natural gas;
- the actions taken by OPEC+ with respect to oil production levels and announcements of potential changes in such levels, including the ability of the OPEC+ countries to agree on and comply with supply limitations;
- war between Russia and Ukraine as well as war between Hamas and Israel, with the potential for escalation of hostilities across the surrounding countries in the Middle East, and their effect on commodity prices;
- changes in general economic and geopolitical conditions, including as a result of the 2024 U.S. presidential election;
- inflation rates and the impact of associated monetary policy responses, including increased interest rates;

- logistical challenges and supply chain disruptions;
- our business strategy;
- the geographic concentration of our operations;
- estimated future net reserves and present value thereof;
- timing and amount of future production of crude oil, NGLs and natural gas;
- drilling and completion of wells;
- estimated inventory of wells remaining to be drilled and completed;
- costs of exploiting and developing our properties and conducting other operations;
- availability of drilling, completion and production equipment and materials;
- availability of qualified personnel;
- infrastructure for produced and flowback water gathering and disposal;
- gathering, transportation and marketing of crude oil, NGLs and natural gas in the Williston Basin and other regions in the United States;
- the possible shutdown of the Dakota Access Pipeline;
- incurring significant transaction and other costs in connection with the Arrangement (as defined in the "Recent Developments" section of Item 2 below) in excess of those anticipated;

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- the ultimate timing, outcome and results of integrating the operations of Chord and Enerplus;
- failure to realize the anticipated benefits or synergies from the Arrangement in the timeframe expected or at all;
- property acquisitions, including the Arrangement, and divestitures;
- integration and benefits of property acquisitions or the effects of such acquisitions on our cash position and levels of indebtedness, including the Arrangement;
- any litigation relating to the Arrangement;
- the amount, nature and timing of capital expenditures;
- availability and terms of capital;
- our financial strategic tactics, budget, projections, execution of business plan and operating results;
- cash flows and liquidity;
- our ability to return capital to shareholders;
- our ability to utilize net operating loss carryforwards or other tax attributes in future periods;
- our ability to comply with the covenants under our Credit Agreement and other indebtedness;
- operating hazards, natural disasters, weather-related delays, casualty losses and other matters beyond our control;
- interruptions in service and fluctuations in tariff provisions of third-party connecting pipelines;
- potential effects arising from cybersecurity threats, terrorist attacks and any consequential or other hostilities;

- compliance with, and changes in, environmental, safety and other laws and regulations, including the Inflation Reduction Act of 2022;
- execution of our ESG initiatives;
- effectiveness of risk management activities;
- competition in the oil and gas industry;
- counterparty credit risk;
- incurring environmental liabilities;
- developments in the global economy as well as any public health crisis similar to or caused by a recurrence of the novel COVID-19 pandemic and resulting demand and supply for crude oil, NGLs and natural gas;
- governmental regulation and the taxation of the oil and gas industry;
- developments in crude oil-producing and natural gas-producing countries;
- technology;
- consumer demand and preferences for, and governmental policies encouraging, fossil fuel alternatives;
- the effects of accounting pronouncements issued periodically during the periods covered by forward-looking statements;
- uncertainty regarding future operating results;
- our ability to successfully forecast future operating results and manage activity levels with ongoing macroeconomic uncertainty;
- the impact of disruptions in the financial markets, including any bank failures and the interest rate environment;
- plans, objectives, expectations and intentions contained in this Quarterly Report on Form 10-Q that are not historical; and
- certain factors discussed elsewhere in this Quarterly Report on Form 10-Q, in our 2023 Annual Report and in our other filings with the SEC.

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All forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise. You should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this Quarterly Report on Form 10-Q are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved. Some of the key factors which could cause actual results to vary from our expectations include changes in crude oil, NGL and natural gas prices, climatic and environmental conditions, the timing of planned capital expenditures, availability of acquisitions, uncertainties in estimating proved reserves and forecasting production results, operational factors affecting the commencement or maintenance of producing wells, the condition of the capital markets generally, as well as our ability to access them, inflation, the proximity to and capacity of transportation facilities and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting our business, as well as those factors discussed below and elsewhere in this Quarterly Report on Form 10-Q, all of which are difficult to predict. In light of these risks, uncertainties and assumptions, the forward-looking events discussed may not occur. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

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Overview

Chord Energy Corporation (together with its consolidated subsidiaries, the “Company”, “Chord”, “we”, “us,” or “our”) is an independent exploration and production (“E&P”) company engaged in the acquisition, exploration, development and production of crude oil, NGL and natural gas primarily in the Williston Basin. Our mission is to responsibly produce hydrocarbons while exercising capital discipline, operating efficiently, improving continuously and providing a rewarding environment for our employees. We are ideally positioned to enhance return of capital and generate strong free cash flow, while being responsible stewards of the communities and environment where we operate.

Market Conditions and Commodity Prices

Our revenue, profitability and ability to return cash to shareholders depend substantially on factors beyond our control, such as economic, political and regulatory developments as well as competition from other sources of energy. Prices for crude oil, NGLs and natural gas have experienced significant fluctuations in recent years and may continue to fluctuate widely in the future due to a combination of macro-economic factors that impact the supply and demand for crude oil, NGLs and natural gas.

While we are unable to predict future commodity prices, we do not believe that an impairment of our oil and gas properties is reasonably likely to occur in the near future at current price levels; however, we would evaluate the recoverability of the carrying value of our oil and gas properties as a result of a future material or extended decline in the price of crude oil, NGLs or natural gas or a material increase in the costs of labor, materials or services.

In an effort to improve price realizations from the sale of our crude oil, NGLs and natural gas, we manage our commodities marketing activities in-house, which enables us to market and sell our crude oil, NGLs and natural gas to a broader array of potential purchasers. We enter into crude oil, NGL and natural gas sales contracts with purchasers who have access to transportation capacity, utilize derivative financial instruments to manage our commodity price risk and enter into physical delivery contracts to manage our price differentials. Due to the availability of other markets and pipeline connections, we do not believe that the loss of any single customer would have a material adverse effect on our results of operations or cash flows.

Additionally, we sell a significant amount of our crude oil production through gathering systems connected to multiple pipeline and rail facilities. These gathering systems, which originate at the wellhead, reduce the need to transport barrels by truck from the wellhead, helping remove trucks from local highways and reduce greenhouse gas emissions. As of June 30, 2024 September 30, 2024, substantially all of our gross operated crude oil and natural gas production were connected to gathering systems.

Recent Developments

Enerplus Arrangement

On February 21, 2024, we entered into an arrangement agreement (the “Arrangement Agreement ”) with Enerplus Corporation, a corporation existing under the laws of the Province of Alberta, Canada (“Enerplus”), and Spark Acquisition ULC, an unlimited liability company organized and existing under the laws of the Province of Alberta, Canada and a wholly-owned subsidiary of the Company, pursuant to which, among other things, we agreed to acquire Enerplus in a stock-and-cash transaction (such transaction, the “Arrangement”). Enerplus was an independent North American oil and gas E&P company domiciled in Canada with substantially all of its producing assets in the Williston Basin of North Dakota, with limited non-operated interests in the Marcellus Shale. The Arrangement was completed on May 31, 2024.

Upon completion of the Arrangement on May 31, 2024, we issued 20,680,097 shares of common stock and paid $375.8 million in cash to Enerplus shareholders. Under the terms of the Arrangement Agreement, Enerplus shareholders received 0.10125 shares of Chord common stock, par value $0.01 per share, and $1.84 per share in cash in exchange for each share of Enerplus they owned at closing.

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Results of Operations

Comparability of Financial Statements

The results of operations presented below relate to the periods ended June 30, 2024 September 30, 2024 and 2023. The results reported for the three and six nine months ended June 30, 2024 September 30, 2024 reflect the consolidated results of Chord, including combined operations with Enerplus beginning on May 31, 2024, while the results reported for the three and six months ended June 30, 2023 reflect the consolidated results of Chord, excluding the impact from the business combination with Enerplus and the 2023 acquisition of acreage in the Williston Basin, while the results reported for the three and nine months ended September 30, 2023 reflect the consolidated results of Chord, including the 2023 acquisition of acreage in the Williston Basin beginning on June 30, 2023 and excluding the impact from the business combination with Enerplus, unless otherwise noted.

Operational and Financial Highlights

- Production volumes averaged 207,187 280,815 Boepd (57% oil), including crude oil volumes of 118,143 158,793 Bopd in the second third quarter of 2024.
- E&P and other capital expenditures (excluding capitalized interest) were $314.3 million $329.2 million in the second third quarter of 2024.
- Lease operating expenses ("LOE") were $9.37 $9.56 per Boe in the second third quarter of 2024.
- Net cash provided by operating activities was $460.9 million $663.2 million and net income was $213.4 million $225.3 million in the second third quarter of 2024.

Shareholder Return Highlights

- Paid $2.94 $2.52 per share base-plus-variable cash dividend on June 5, 2024 August 21, 2024.
- Repurchased $61.7 $146.0 million of common stock in the second third quarter of 2024 with $591.3 $445.2 million remaining under our $750 million share repurchase program.
- In October 2024, the Board of Directors authorized a new $750.0 million share repurchase program.
- Declared a base-plus-variable cash dividend of $2.52 $1.44 per share of common stock. The dividend will be payable on September 5, 2024 December 12, 2024 to shareholders of record as of August 21, 2024 November 27, 2024.

Revenues

Our crude oil, NGL and natural gas revenues are derived from the sale of crude oil, NGL and natural gas production. These revenues do not include the effects of derivative instruments and may vary significantly from period to period as a result of changes in volumes of production sold and/or changes in commodity prices. Our revenues for the three and six nine months ended June 30, 2024 September 30, 2024 increased due to the Arrangement, which expanded our operations primarily in the Williston Basin. Our purchased oil and gas sales are derived from the sale of crude oil, NGLs and natural gas purchased through our marketing activities primarily to optimize transportation costs, for blending to meet pipeline specifications or to cover production shortfalls. Revenues and expenses from crude oil, NGL and natural gas sales and purchases are generally recorded on a gross basis, as we act as a principal in these transactions by assuming control of the purchased crude oil or natural gas before it is transferred to the counterparty. In certain cases, we enter into sales and purchases with the same counterparty in contemplation of one another, and these transactions are recorded on a net basis.

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The following table summarizes our revenues, production and average realized prices for the periods presented:

	Three Months Ended June 30, 2024	Three Months Ended March 31, 2024	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
	Three Months Ended September 30, 2024	Three Months Ended June 30, 2024	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Revenues (in thousands)				

Crude oil revenues
Crude oil revenues
Crude oil revenues
NGL revenues
Natural gas revenues
Purchased oil and gas sales
Total revenues
Total revenues
Total revenues
Production data
Crude oil (MBbls)
Crude oil (MBbls)
Crude oil (MBbls)
NGLs (MBbls)
Natural gas (MMcf)(1)
Oil equivalents (MBoe)
Average daily production (Boepd)
Average daily crude oil production (Bopd)
Average sales prices
Crude oil (per Bbl)
Crude oil (per Bbl)
Crude oil (per Bbl)
Average sales price
Average sales price
Average sales price
Effect of derivative settlements(2)
Average realized price after the effect of derivative settlements(2)
NGLs (per Bbl)
Average sales price
Average sales price
Average sales price
Effect of derivative settlements(2)
Average realized price after the effect of derivative settlements(2)
Natural gas (per Mcf)
Average sales price(1)
Average sales price(1)
Average sales price(1)
Effect of derivative settlements(2)

Average realized price after the effect of derivative settlements(1)(2)

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(1) Natural For the three and nine months ended September 30, 2024, natural gas production volumes volume from the Marcellus Shale were 3,764 was 10,508 MMcf for both the three and six months ended June 30, 2024, and the 14,272 MMcf, respectively. The realized natural gas price related to this production, was $1.66 per Mcf (prior prior to the effect of derivative settlements). settlements, was $1.32 per Mcf and $1.41 per Mcf, for the three and nine months ended September 30, 2024, respectively.

(2) The effect of derivative settlements includes the gains or losses on commodity derivatives for contracts ending in the periods presented. Our commodity derivatives do not qualify for or were not designated as hedging instruments for accounting purposes.

Three months ended June 30, 2024 September 30, 2024 as compared to three months ended March 31, 2024 June 30, 2024

Crude oil revenues. Our crude oil revenues revenues increased $169.3 million $225.8 million to $848.1 million $1,073.9 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. Our expanded operations after the Arrangement contributed $127.0 million of additional crude oil revenues quarter over quarter. Excluding the impacts of the Arrangement, our crude oil revenues increased $42.3 million$283.6 million due to an higher total crude oil production volumes sold, primarily due to a full quarter of results from the Arrangement. The increase was partially offset by a decreaseof $38.7 million driven by higher $57.8 million due to lower crude oil realized prices quarter over quarter, coupled with an increase of $3.6 million due to higher crude oil production volumes sold. quarter. Average crude oil sales prices, without derivative settlements, increased decreased by $3.57 $5.38 per barrel quarter over quarter to an average of $78.89 $73.51 per barrel for the three months ended June 30, 2024 September 30, 2024 primarily due to an increase a decrease in NYMEX WTI.

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NGL revenues. Our NGL revenues revenues decreased $10.5 million $6.7 million to $36.8 million for $30.0 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. Our expanded operations after the Arrangement were not material to NGL revenues quarter over quarter. The decrease was primarily driven by a $16.0 million decrease due to lower NGL realized prices quarter over quarter resulting in a $13.5 million decrease, partially offset by a $5.5 million an increase of $6.8 million due to higher NGL production volumes sold quarter over quarter. quarter due to a full quarter of results from the Arrangement. Average NGL sales prices, without derivative settlements, decreased by $5.10 $3.68 per barrel quarter over quarter to an average of $9.99 $6.31 per barrel for the three months ended June 30, 2024 September 30, 2024 primarily due to lower index prices at a decrease in the Conway hub in Kansas as well as widening differentials. corresponding NGL product benchmark prices.

Natural gas revenues. Our natural gas revenues decreased $4.3 million $0.8 million to $17.8 million $17.0 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. Our expanded operations after the Arrangement contributed $6.5 million of additional natural gas revenues quarter over quarter. Excluding the impacts of the Arrangement, our natural gas revenues decreased $10.8 million The decrease was primarily due to lower natural gas realized prices quarter over quarter. quarter of $6.2 million, offset by an increase in total natural gas production volumes sold of $5.4 million, primarily due to a full quarter of results from the Arrangement. Average natural gas sales prices, without derivative settlements, settlements, decreased by $0.49 $0.23 per Mcf quarter over quarter to $0.67 $0.44 per Mcf for the three months ended June 30, 2024 September 30, 2024 primarily due to lower index prices. widening differentials.

Purchased oil and gas sales. Purchased oil and gas sales increased $20.9 decreased $28.6 million to $358.0 $329.5 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. This increase decrease was primarily due to an increase lower crude oil prices and a decrease in the price volume of crude oil purchased and subsequently sold quarter over quarter.

Six Nine months ended June 30, 2024 September 30, 2024 as compared to six nine months ended June 30, 2023 September 30, 2023

Crude oil revenues. Our crude oil revenues revenues increased $228.2 million $526.1 million to $1,527.0 million for $2,600.9 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the six nine months ended June 30, 2023 September 30, 2023. Our crude oil revenues increased $584.1 million due to higher total crude oil production volumes sold, primarily due to our expanded operations after the Arrangement contributed $127.0 million Arrangement. The increase was partially offset by a decrease of additional crude oil revenues period over period. Excluding the impacts of the Arrangement, our crude oil revenues increased $101.2 million $57.8 million due to higher production volumes sold of $57.5 million coupled with higher lower crude oil realized prices of $43.7 million. Production volumes period over period increased in part due to the 2023 acquisition of acreage in the Williston Basin.. Average crude oil sales prices, without derivative settlements, increased decreased by $2.31 $2.17 per barrel period over period to an average of $77.26 $75.67 per barrel for the six nine months ended June 30, 2024 September 30, 2024 primarily due to an increase in NYMEX WTI. widening in-basin differentials period over period.

NGL revenues. Our NGL revenues decreased $6.8 million $17.8 million to $84.0 million $114.1 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the six nine months ended June 30, 2023 September 30, 2023. Our expanded operations after the Arrangement were not material to NGL revenues period over period. The decrease was primarily due to lower NGL realized prices of $14.0 million, period over period resulting in a $37.8 million decrease, partially offset by an increase of $20.0 million due to higher NGL production volumes sold of $7.2 million period over period. Average NGL sales prices, without derivative settlements, decreased by $2.25 $3.96 per barrel period over period to an average of $12.33 $9.86 per barrel for the six nine months ended June 30, 2024 September 30, 2024 primarily due to wider differentials on incremental volumes from the impact of incurring a fixed fee for the majority of our NGL marketing contracts beginning in the second quarter of 2023, partially offset by higher index prices. Arrangement period over period.

Natural gas revenues. Our natural gas gas revenues decreased $32.2 million $38.8 million to $39.9 million for $56.9 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the six nine months ended June 30, 2023 September 30, 2023. Our expanded operations after the Arrangement contributed $6.5 million of additional natural gas revenues period over period. Excluding the impacts of the Arrangement, our natural gas revenues decreased $38.7 million The decrease was primarily due to lower natural gas realized prices period over period. period of $54.5 million, offset by an increase in total natural gas production volumes sold of $15.6 million, primarily due to our expanded operations after the Arrangement. Average natural gas sales prices, without derivative settlements, settlements, decreased by $0.94 $0.89 per Mcf period over period to $0.87 to $0.67 per Mcf for the six nine months ended June 30, 2024 September 30, 2024 primarily due to the impact of incurring a fixed fee for the majority of our natural gas marketing contracts beginning in the second quarter of 2023, coupled with lower index prices. 2023.

Purchased oil and gas sales. Purchased oil and gas sales sales increased $348.1 $394.9 million to $695.1 $1,024.6 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the six nine months ended June 30, 2023 September 30, 2023. This increase was primarily due to an increase in the volume of crude oil purchased and subsequently sold, partially offset by lower crude oil and gas prices period over period.

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Expenses and other income (expense)

The following table summarizes our operating expenses and other income (expense) for the periods presented:

	Three Months Ended June	Three Months Ended March	Six Months Ended June	Six Months Ended June

	30, 2024	Three Months Ended September 30, 2024	31, 2024	Three Months Ended June 30, 2024	30, 2024	Nine Months Ended September 30, 2024	30, 2023	Nine Months Ended September 30, 2023
	(In thousands, except per Boe of production data)							
	(In thousands, except per Boe of production data)							
	(In thousands, except per Boe of production data)							
Operating expenses								
Lease operating expenses								
Lease operating expenses								
Lease operating expenses								
Gathering, processing and transportation expenses								
Purchased oil and gas expenses								
Production taxes								
Depreciation, depletion and amortization								
General and administrative expenses								
Exploration and impairment								
Total operating expenses								
Total operating expenses								
Total operating expenses								
Gain on sale of assets, net								
Gain (loss) on sale of assets, net								
Operating income								
Other income (expense)								

Net gain (loss) on derivative instruments
Net gain (loss) on derivative instruments
Net gain (loss) on derivative instruments
Net gain on derivative instruments
Net gain on derivative instruments
Net gain on derivative instruments
Net gain from investment in unconsolidated affiliate
Interest expense, net of capitalized interest
Other income
Other income (expense)
Total other income (expense), net
Income before income taxes
Income tax expense
Net income
Costs and expenses (per Boe of production)
Costs and expenses (per Boe of production)
Costs and expenses (per Boe of production)

Lease operating expenses

Lease operating expenses

Lease operating expenses

Gathering, processing and transportation expenses

Production taxes

Three months ended June 30, 2024 September 30, 2024 as compared to three months ended March 31, 2024 June 30, 2024

Lease operating expenses. LOE increased $17.4 $70.4 million to $176.6 $247.1 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024. Our expanded operations after the Arrangement contributed $22.9 million of additional LOE quarter over quarter. Excluding the impacts of the Arrangement, LOE decreased $5.5 million primarily due to lower workover costs quarter over quarter. LOE per Boe decreased $1.02 per Boe quarter over quarter to $9.37 per Boe for the three months ended June 30, 2024 primarily due to lower workover increased costs coupled with higher production volumes resulting from the Arrangement of $59.7 million and increased fixed costs quarter over quarter. quarter of $10.8 million. LOE per Boe increased $0.19 per Boe quarter over quarter to $9.56 per Boe for the three months ended September 30, 2024 primarily due to higher fixed costs.

Gathering, processing and transportation expenses. GPT expenses increased $9.1 $14.2 million to $63.1 $77.4 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024. Our expanded operations after June 30, 2024 primarily due to increased costs resulting from the Arrangement contributed $10.7 million of additional GPT $24.4 million, partially offset by lower transportation expenses due to a fixed-cost oil transportation contract that terminated during the second quarter over quarter. Excluding the impacts of the Arrangement, GPT remained relatively consistent quarter over quarter. 2024. GPT expenses per Boe decreased $0.17 $0.36 per Boe to $3.35 $2.99 per Boe for the three months ended June 30, 2024. September 30, 2024 primarily due to the termination of the fixed-cost oil transportation contract during the second quarter of 2024.

Purchased oil and gas expenses. Purchased oil and gas expenses increased $20.6 decreased $26.7 million to $356.4 $329.6 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 driven by an increase June 30, 2024 primarily due to lower crude oil prices and a decrease in the price volume of crude oil purchased and subsequently sold quarter over quarter.

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Production taxes. Production taxes increased $15.6 $21.5 million to $79.5 $101.0 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. Our The increase was primarily due to a $26.0 million increase in production taxes attributable to our expanded operations after the Arrangement, contributed $11.1 million partially offset by the impact of additional production taxes quarter over quarter. Excluding the impacts of the Arrangement, production taxes increased $4.5 million primarily due to higher crude lower oil sales prices quarter over quarter. The production tax rate as a percentage of crude oil, NGL and natural gas sales of 9.0% for the three months ended September 30, 2024 was in line with the production tax rate of 8.8% for the three months ended June 30, 2024 as compared to 8.5% for the three months ended March 31, 2024. This rate increase quarter over quarter was primarily due to a decrease in natural gas and NGL sales revenues as a result

Depreciation, depletion and amortization. DD&A expense increased $59.0 $132.3 million to $227.9 $360.2 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. Our The increase was primarily due to an $86.1 million increase in DD&A expenses attributable to our expanded operations after the Arrangement, contributed $40.4 million an increase of additional DD&A quarter over quarter. Excluding the impacts of the Arrangement, DD&A expense increased $18.6 million primarily $40.1 million due to a higher depletion rate quarter over quarter and an increase of $5.6 million due to higher production volumes quarter over quarter. The depletion rate increased $1.21 $1.82 per Boe quarter over quarter to $11.83 $13.65 per Boe for the three months ended June 30, 2024 September 30, 2024 primarily due to the addition of higher costs attributable to the oil and gas properties acquired in the Arrangement.

General and administrative expenses. G&A expenses increased $56.4 decreased $30.0 million to $82.1 $52.1 million for the three months ended June 30, 2024 September 30, 2024 as compared to the three months ended March 31, 2024 June 30, 2024. Our expanded operations The decrease was primarily attributable to a decrease in merger-related costs of $37.2 million, partially offset by an increase in compensation and other costs associated with a larger organization after the Arrangement contributed $50.7 million of additional G&A expenses quarter over quarter, including merger-related costs of $46.6 million and other G&A expenses of $4.1 $7.2 million.

Exploration and impairment. Exploration and impairment expenses increased $5.8 million to $7.3 million for the three months ended September 30, 2024 as compared to the three months ended June 30, 2024. The increase is primarily due to a $3.5 million lower of cost or net realizable value write-down of oil-in-tank inventory and a $2.5 million write-down of our Denver office lease acquired in connection with the Arrangement.

Gain (loss) on sale of assets, net. During the three months ended June 30, 2024 September 30, 2024 and March 31, 2024 June 30, 2024, we recorded a net loss on sale of assets of $3.0 million and a net gain on sale of assets of $15.5 million and $1.3 million, respectively, primarily related to the divestitures of certain non-operated properties within each quarter.

Derivative instruments. We recorded a $52.7 million net gain on derivative instruments for the three months ended September 30, 2024, which was comprised of a net gain of $54.1 million associated with our commodity derivative contracts, offset by an unrealized loss of $1.4 million associated with a contract that includes contingent consideration. The net gain of $54.1 million on commodity derivative contracts included an unrealized gain of $53.2 million related to the change in fair value of our commodity derivative contracts primarily driven by a downward shift in the futures curve for forecasted commodity prices and a realized gain of $1.0 million on settled commodity derivative contracts. During the three months ended June 30, 2024, we recorded a $4.6 million net gain on derivative instruments, for the three months ended June 30, 2024, which was comprised of a net gain of $4.0 million associated with our contracts to manage commodity price risk derivative contracts and an unrealized gain of $0.6 million associated with a contract that includes contingent consideration. The net gain of $4.0 million on commodity derivative contracts included an unrealized gain of $7.9 million related to the change in fair value of our commodity derivative contracts primarily driven by a downward shift in the futures curve for forecasted commodity prices, partially offset by a realized loss of $3.9 million on settled commodity derivative contracts. During the three months ended March 31, 2024, we recorded a $27.6 million net loss on derivative instruments, which was comprised of a net loss of $31.0 million associated with our contracts to manage commodity price risk, partially offset by an unrealized gain of $3.4 million associated with a contract that includes contingent consideration. The net loss of $31.0 million on commodity derivative contracts included an unrealized loss of $29.6 million related to the change in fair value of our commodity derivative contracts and a realized loss of $1.4 million on settled commodity derivative contracts.

Investment in unconsolidated affiliate. We recorded recorded a $5.9 $1.1 million gain related related to our investment in Energy Transfer LP ("Energy Transfer") for the three months ended September 30, 2024 due to a gain of $2.3 million for a cash distribution received from Energy Transfer, offset by an unrealized loss of $1.2 million as a result of a decrease in the fair value of the investment during the quarter. During the three months ended June 30, 2024, we recorded a $5.9 million gain related to our investment in Energy Transfer due to an unrealized gain of $3.6 million as a result of an increase in the fair value of the investment during the period, quarter, coupled with a gain of $2.3 million for a cash distribution received from Energy Transfer during the period. During quarter.

Interest expense, net of capitalized interest. Interest expense increased $6.9 million to $19.1 million for the three months ended March 31, 2024 September 30, 2024 as compared to the three months ended June 30, 2024. The increase was primarily due to higher borrowings on our revolving Credit Facility during the quarter. For the three months ended September 30, 2024, the weighted average borrowings outstanding under the Credit Facility were $567.6 million, and the weighted average interest rate incurred on the outstanding borrowings was 7.51%. For the three months ended June 30, 2024, the weighted average borrowings outstanding under the Credit Facility were $230.0 million, and the weighted average interest rate incurred on the outstanding borrowings was 7.53%. Interest capitalized during the three months ended September 30, 2024 and June 30, 2024 was $1.8 million and $1.2 million, respectively.

Nine months ended September 30, 2024 as compared to nine months ended September 30, 2023

Lease operating expenses. LOE increased $93.8 million to $582.9 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023. The increase was primarily driven by our expanded operations after the Arrangement contributing $105.5 million of additional LOE period over period, increased variable costs of $16.0 million, and increased fixed costs of $5.9 million. These costs were partially offset by a decrease in workover activity of $33.6 million period over period. LOE per Boe decreased $0.83 per Boe period over period to $9.71 per Boe for the nine months ended September 30, 2024 primarily due to higher production volumes and lower workover costs.

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Gathering, processing and transportation expenses. GPT expenses increased $61.8 million to $194.5 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023. The increase was primarily due to our expanded operations after the Arrangement contributing $45.8 million of additional GPT and lower fair value gains of $22.7 million attributable to the completion of certain derivative transportation contracts during the nine months ended September 30, 2024. These increases resulted in an increase in GPT expenses of $0.38 per Boe period over period to $3.24 per Boe for the nine months ended September 30, 2024.

Purchased oil and gas expenses. Purchased oil and gas expenses increased $394.3 million to $1,021.7 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023 primarily due to an increase in the volume of crude oil purchased and subsequently sold, partially offset by lower crude oil and gas prices period over period.

Production taxes. Production taxes increased $52.9 million to $244.4 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023. The increase was primarily due to an overall increase in oil production volumes period over period and included a $48.2 million increase in production taxes attributable to our expanded operations after the Arrangement. The production tax rate as a percentage of crude oil, NGL and natural gas sales increased to 8.8% for the nine months ended September 30, 2024 as compared to 8.3% for the nine months ended September 30, 2023. This rate increase period over period was primarily due to decreased natural gas and NGL revenues as a result of lower realized prices.

Depreciation, depletion and amortization. DD&A expense increased $325.9 million to $757.0 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023. The increase was primarily due to our expanded operations after the Arrangement contributing $167.0 million of additional DD&A expense period over period, an increase of $151.2 million due to a higher depletion rate period over period and an increase of $9.1 million due to higher production volumes period over period. The depletion rate increased $3.28 per Boe period over period to $12.30 per Boe for the nine months ended September 30, 2024 primarily due to the higher costs attributable to the oil and gas properties acquired in the Arrangement.

General and administrative expenses. G&A expenses increased $59.1 million to $159.9 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023 primarily due to increased merger-related costs of $70.6 million and an increase in costs associated with a larger organization after the Arrangement of $15.8 million. These increases were partially offset by a decrease in stock-based compensation costs of $21.2 million due to the vesting of certain equity-based compensation awards period over period.

Exploration and impairment. Exploration and impairment expenses decreased $18.3 million to $14.9 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023. During the nine months ended September 30, 2024, we recorded an impairment expense of $9.8 million, which primarily included a $7.4 million lower of cost or net realizable value write-down of oil-in-tank inventory and a $2.5 million impairment expense related to the Denver office lease and related fixed assets acquired in connection with the Arrangement. During the nine months ended September 30, 2023, exploration and impairment expenses totaled $33.3 million, which was primarily due to impairment expenses of $29.0 million, including $17.5 million associated with the write-down of our Denver office lease acquired in 2022, $5.8 million associated with a lower of cost or net realizable value write-down of oil-in-tank inventory and $5.6 million to adjust the carrying value of certain non-core properties held for sale to their estimated fair value less costs to sell.

Gain (loss) on sale of assets, net. During the nine months ended September 30, 2024 and 2023, we recorded a net gain on sale of assets of $13.8 million and $3.7 million, respectively, primarily related to the divestitures of certain non-operated properties within each period.

Derivative instruments. During the nine months ended September 30, 2024, we recorded a $29.8 million net gain on derivative instruments, which was comprised of a net gain of $27.1 million associated with our commodity derivative contracts and an unrealized gain of $2.6 million associated with a contract that includes contingent consideration. The net gain of $27.1 millionon commodity derivative contracts included an unrealized gain of $31.5 million related to the change in fair value of our commodity derivative contracts primarily driven by a downward shift in the futures curve for forecasted commodity prices and a realized loss of $4.3 million on settled commodity derivative contracts. During the nine months ended September 30, 2023, we recorded an $11.2 million net gain on derivative instruments, which was primarily comprised of a net gain of $7.2 million associated with a contract that includes contingent consideration and a net gain of $4.1 million associated with commodity derivative contracts. The net gain of $4.1 million on commodity derivative contracts included an unrealized gain of $210.3 million related to the change in fair value of our commodity derivative contracts primarily driven by a downward shift in the futures curve for forecasted commodity prices, partially offset by a realized loss of $206.2 million on settled commodity derivative contracts.

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Investment in unconsolidated affiliate. We recorded a $23.2 million gain related to our investment in Energy Transfer for the nine months ended September 30, 2024, which included an unrealized gain of $16.3 million as a result of an increase in the fair value of the investment during the period, coupled with a gain of $6.9 million for cash distributions received from Energy Transfer during the period. During the nine months ended September 30, 2023, we recorded a $16.3 gain of $21.4 million gain related to our investment in Energy Transfer, due to which primarily included an unrealized gain of $14.0 $10.8 million as a result of an increase in the fair value of the investment during the period, coupled with a gain of $2.3 $8.5 million for a cash distribution distributions received from Energy Transfer during the period.

Interest expense, net of capitalized interest. Interest expense increased $16.7 million to $38.9 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023. The increase is primarily due to higher borrowings outstanding on our revolving Credit Facility during the period. For the nine months ended September 30, 2024, the weighted average borrowings outstanding under the Credit Facility were $267.0 million, and the weighted average interest rate incurred on the outstanding borrowings was 7.51%. For the nine months ended September 30, 2023, the weighted average borrowings outstanding under the Credit Facility were $3.3 million, and the weighted average interest rate incurred on the outstanding borrowings was 7.09%. Interest capitalized during the nine months ended September 30, 2024 and September 30, 2023 was $3.7 million and $3.6 million, respectively.

Income tax expense expense.. Our income effective tax expense rate was recorded at 26.8% 25.2% and 22.4% 23.9% of pre-tax income for the three nine months ended June 30, 2024 September 30, 2024 and March 31, 2024 September 30, 2023, respectively. Our effective tax rate for the three months ended June 30, 2024 was higher than the effective tax rate for the three months ended March 31, 2024 primarily period over period due to Canadian losses for which no benefit is recognized coupled with the impacts of equity-based compensation windfalls. and deferred taxes on unremitted earnings.

Six months ended June 30, 2024 as compared to six months ended June 30, 2023

Lease operating expenses. LOE increased $23.9 million to $335.9 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. Our expanded operations after the Arrangement contributed $22.9 million of additional LOE period over period. Excluding the impacts of the Arrangement, LOE was relatively consistent period over period. LOE per Boe decreased $0.50 per Boe period over period to $9.83 per Boe for the six months ended June 30, 2024 primarily due to higher production volumes.

Gathering, processing and transportation expenses. GPT expenses increased $36.7 million to $117.1 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. Our expanded operations after the Arrangement contributed $10.7 million of additional GPT period over period. Excluding the impacts of the Arrangement, GPT increased $26.0 million primarily due to an increased loss attributable to the change in fair value of certain derivative transportation contracts period over period of $24.2 million. GPT expenses per Boe increased $0.77 per Boe period over period to $3.43 per Boe for the six months ended June 30, 2024 due to the increases described above.

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Purchased oil and gas expenses. Purchased oil and gas expenses increased $346.3 million to $692.1 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023 primarily due to an increase in the volume of crude oil purchased and subsequently sold period over period.

Production taxes. Production taxes increased $24.4 million to $143.4 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. Our expanded operations after the Arrangement contributed $11.0 million of additional production taxes period over period. Excluding the impacts of the Arrangement, production taxes increased $13.4 million primarily due to an increase in crude oil revenues period over period. The production tax rate as a percentage of crude oil, NGL and natural gas sales increased to 8.7% for the six months ended June 30, 2024 as compared to 8.1% for the six months ended June 30, 2023. This rate increase period over period was primarily due to a decrease in natural gas revenue as a result of lower realized prices.

Depreciation, depletion and amortization. DD&A expense increased $126.0 million to $396.8 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. Our expanded operations after the Arrangement contributed $40.4 million of additional DD&A period over period. Excluding the impacts of the Arrangement, DD&A expense increased $77.6 million primarily due to an increased depletion rate period over period driven by the addition of oil and gas properties acquired in the Arrangement and the 2023 acquisition of acreage in the Williston Basin coupled with a decrease in reserves as a result of lower commodity prices. DD&A expense increased an additional $8.0 million due to higher production volumes. The depletion rate increased $2.61 per Boe period over period to $11.29 per Boe for the six months ended June 30, 2024.

General and administrative expenses. G&A expenses increased $33.1 million to $107.8 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. Our expanded operations after the Arrangement contributed $66.9 million of additional G&A expense period over period, including merger-related costs of $62.8 million and other G&A expenses of $4.1 million. Excluding the impacts of the Arrangement, G&A expenses decreased $33.8 million primarily due to a decrease in stock-based compensation costs of $17.0 million due to the vesting of certain equity-based compensation awards in the first half of 2024 as well as higher credits related to billable overhead of $12.7 million.

Exploration and impairment. Exploration and impairment expenses decreased $24.0 million to $7.6 million for the six months ended June 30, 2024 as compared to the six months ended June 30, 2023. During the six months ended June 30, 2024, we recorded an impairment charge of $3.9 million associated with a lower of cost or net realizable value write down of oil-in-tank inventory, coupled with $3.7 million of exploration expenses. During the six months ended June 30, 2023, exploration and impairment expenses totaled $31.6 million, which was primarily due to impairment expenses of $29.0 million, including $17.5 million associated with the write-down of the right-of-use asset for our Denver office lease acquired in 2022, $5.8 million associated with a lower of cost or net realizable value write down of oil-in-tank inventory and $5.6 million to adjust the carrying value of non-core properties held for sale to their estimated fair value less costs to sell.

Gain on sale of assets, net. During the six months ended June 30, 2024 and 2023, we recorded a net gain on sale of assets of $16.8 million and $2.8 million, respectively, primarily related to the divestitures of certain non-operated properties within each period.

Derivative instruments. We recorded a $23.0 million net loss on derivative instruments for the six months ended June 30, 2024, which was comprised of a net loss of $27.0 million associated with our contracts to manage commodity price risk, partially offset by an unrealized gain of $4.0 million associated with a contract that includes contingent consideration. The net loss of $27.0 million on commodity derivative contracts included an unrealized loss of $21.7 million related to the change in fair value of our commodity derivative contracts and a realized loss of $5.3 million on settled commodity derivative contracts. During the six months ended June 30, 2023, we recorded a $96.5 million net gain on derivative instruments, which was primarily due to a net gain of $95.6 million associated with our contracts to manage commodity price risk. This net gain of $95.6 million on commodity derivative contracts included an unrealized gain of $238.7 million related to the change in fair value of our commodity derivative contracts, partially offset by a realized loss of $143.1 million on settled commodity derivative contracts.

Investment in unconsolidated affiliate. We recorded a $22.2 million gain related to our investment in Energy Transfer for the six months ended June 30, 2024, which included an unrealized gain of $17.6 million as a result of an increase in the fair value of the investment during the period, coupled with a gain of $4.6 million for cash distributions received from Energy Transfer during the period. During the six months ended June 30, 2023, we recorded a gain of $7.9 million related to our investment in Energy Transfer, which included a gain of $6.0 million for cash distributions received from Energy Transfer during the period, coupled with an unrealized gain of $1.1 million as a result of an increase in the fair value of the investment during the period.

Income tax expense. Our effective tax rate for the six months ended June 30, 2024 was recorded at 24.7% of pre-tax income which was materially unchanged compared to 23.9% of pre-tax income for the six months ended June 30, 2023.

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Liquidity and Capital Resources

As of June 30, 2024 September 30, 2024, we had $1.1 billion of liquidity available, including $197.4 million $52.1 million in cash and cash equivalents and $894.8 million $999.3 million of aggregate unused borrowing capacity available under our Credit Facility (defined below). Our primary sources of liquidity were from cash on hand, cash flows from operations and available borrowing capacity under our Credit Facility. Our primary liquidity requirements were capital expenditures for the development of oil and gas properties, dividend payments, debt repayments, share repurchases, cash consideration and transaction costs associated with the Arrangement, and working capital requirements.

Capital availability will be affected by prevailing conditions in our industry, the global economy, the global banking and financial markets, stakeholder scrutiny of ESG matters and other factors, many of which are beyond our control. The U.S. Federal Reserve's increases in Reserve recently decreased interest rates, and however the potential for such rates to increase decrease further or to remain elevated for an extended period of time have has created additional economic uncertainty. Although we are unable to predict future interest rates, this disruption to the broader economy and financial markets may reduce our ability to access capital or result in such capital being available on less favorable terms, which could in the future negatively affect our liquidity. We believe, however, we have adequate liquidity to fund our capital expenditures and meet our contractual obligations during the next 12 months and the foreseeable future.

Enerplus Arrangement. In connection with the consummation of the Arrangement on May 31, 2024, we paid $375.8 million, or $1.84 per Enerplus common share, to Enerplus shareholders. In addition, we paid $395.0 million to settle Enerplus' revolving bank credit facility balance and $102.4 million to settle all outstanding Enerplus equity-based compensation awards.

Also in connection with the Arrangement, we incurred certain costs for advisory, legal and other third-party fees which were recorded to G&A expenses on the Condensed Consolidated Statements of Operations. During the three and nine months ended September 30, 2024, we incurred merger-related costs of $17.5 million and $80.3 million, respectively, primarily related to legal and advisory services and severance costs.

Our cash flows depend on many factors, including the price of crude oil, NGLs and natural gas and the success of our development and exploration activities as well as future acquisitions. We actively manage our exposure to commodity price fluctuations by executing derivative transactions to mitigate the impact of changes in crude oil, NGL and natural gas prices on our production, which mitigates our exposure to crude oil, NGL and natural gas price declines; however, these transactions may also limit our cash flow in periods of rising crude oil, NGL and natural gas prices.

Enerplus Arrangement. In connection with the consummation of the Arrangement on May 31, 2024, we paid $375.8 million, or $1.84 per Enerplus common share, to Enerplus shareholders. In addition, we paid $395.0 million to settle Enerplus' revolving bank credit facility balance and $102.4 million to settle all outstanding Enerplus equity-based compensation awards.

In connection with the Arrangement, we incurred certain costs for advisory, legal and other third-party fees which were recorded to G&A expenses on the Condensed Consolidated Statements of Operations. During the three and six months ended June 30, 2024, we incurred merger-related costs of $54.7 million and $62.8 million, respectively, primarily related to legal and advisory services and severance costs.

Commodity derivative contracts. As of June 30, 2024 September 30, 2024, our commodity derivative contracts cover 4,692 2,668 MBbls of our crude oil production for 2024, 5,377 7,111 MBbls of our crude oil production and 4,301,600 5,681,600 MMBtu of our natural gas production for 2025 and 1,175 2,540 MBbls of our crude oil production and 2,262,500 MMBtu of our natural gas production for 2026. See "Item 3. Quantitative and Qualitative Disclosures about Market Risk" for additional information.

In July October 2024, we entered into new commodity derivative contracts to manage risks related to changes in crude oil prices. The following table summarizes these commodity derivative contracts:

			Volumes (Bbl)		Weighted Average Prices		
Commodity	Settlement Period	Derivative Instrument	Total	Daily	Sub-Floor	Floor	Ceiling
Crude oil	2024	Two-way collars	276,000	1,500		$ 75.00	$ 79.05
Crude oil	2025	Two-way collars	1,372,000	3,759		$ 65.98	$ 76.99
Crude oil	2026	Three-way collars	1,365,000	3,740	$ 50.00	$ 65.00	$ 79.62

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			Volumes (Bbl)		Weighted Average Prices		
Commodity	Settlement Period	Derivative Instrument	Total	Daily	Fixed-price Swaps	Floor	Ceiling
Crude oil	2025	Two-way collars	730,000	2,000		$ 65.00	$ 76.62
Crude oil	2025	Fixed-price swaps	730,000	2,000	$ 71.87		
Crude oil	2026	Two-way collars	730,000	2,000		$ 65.00	$ 71.83

We also have contracts which include provisions for the delivery, transport or purchase of a minimum volume of crude oil, NGLs, natural gas and water within specified time frames, the majority of which are five years or less. frames. Under the terms of these contracts, if we fail to deliver, transport or purchase the committed volumes we will be required to pay a deficiency payment for the volumes not tendered over the duration of the contract. We believe that for the substantial majority of these agreements our future production will be adequate to meet our delivery commitments or that we will be able to purchase sufficient volumes of crude oil, NGLs and natural gas from third parties to satisfy our minimum volume commitments. For the three and nine months ended September 30, 2023, we did not incur any deficiency payments related to these contracts. See "Item 1. Financial Statements (Unaudited)—Note 17—Commitments and Contingencies" for additional information on our volume delivery commitments.

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Our material cash requirements from known obligations include repayment of outstanding borrowings and interest payment obligations related to our long-term debt, obligations to plug, abandon and remediate our oil and gas properties at the end of their productive lives, payment of income taxes, obligations associated with outstanding commodity derivative contracts that settle in a loss position, obligations to pay dividends on vested equity awards that include dividend equivalent rights and obligations associated with our leases. In addition, we have announced a return of capital plan pursuant to which we intend to return capital to stockholders through a mix of base and variable dividend payouts, supplemented by opportunistic share repurchases. On a quarterly basis, we pay a commitment fee on the average amount of borrowing base capacity not utilized during the quarter and fees calculated on the average amount of letter of credit balances outstanding during the quarter.

Revolving credit facility. We have a senior secured revolving credit facility (the “Credit Facility”) with a borrowing base of $3.0 billion and elected commitments of $1.5 billion that is due July 1, 2027. As of June 30, 2024 September 30, 2024, we had $575.0 $470.0 million borrowings outstanding and $30.2 $30.7 million of outstanding letters of credit, resulting in an unused borrowing capacity of $894.8 $999.3 million. Additionally, we are permitted to incur term loans in addition to the revolving loans provided under the Credit Facility. We were in compliance with the financial covenants under the Credit Facility as of June 30, 2024 September 30, 2024. See “Item 1. Financial Statements (Unaudited)—Note 11—Long-Term Debt” for additional information.

Senior unsecured notes. As of June 30, 2024 September 30, 2024, we had $400.0 million of 6.375% senior unsecured notes outstanding (the “Senior Notes”) that mature on June 1, 2026. Interest on the Senior Notes is payable semi-annually on June 1 and December 1 of each year. See “Item 1. Financial Statements (Unaudited)—Note 11—Long-Term Debt” for additional information.

Enerplus senior unsecured notes. In connection with the Arrangement on May 31, 2024, we assumed $63.0 million of 3.79% senior unsecured notes from Enerplus with a fair value of $60.1 million (the “Enerplus Senior Notes”). On July 2, 2024, we repaid all of the remaining outstanding Enerplus Senior Notes and $0.8 million of accrued interest on such notes.

Cash Flows

Our cash flows for the six nine months ended June 30, 2024 September 30, 2024 and 2023 are presented below:

	Six Months Ended June 30,
	Six Months Ended June 30,
	Six Months Ended June 30,
	Nine Months Ended September 30,
	Nine Months Ended September 30,
	Nine Months Ended September 30,

Net cash provided by operating activities
Net cash provided by operating activities
Net cash provided by operating activities
Net cash used in investing activities
Net cash used in investing activities
Net cash used in investing activities
Net cash provided by (used in) financing activities
Net cash provided by (used in) financing activities
Net cash provided by (used in) financing activities
Net cash used in financing activities
Net cash used in financing activities

Net cash used in financing activities

Decrease in cash and cash equivalents

Decrease in cash and cash equivalents

Decrease in cash and cash equivalents

Cash flows provided by operating activities

Our net cash flows from operating activities are primarily impacted by commodity prices, production volumes and operating costs and G&A expenses. costs. Net cash provided by operating activities was $867.6 million $1,530.8 million for the six nine months ended June 30, 2024 September 30, 2024. The decrease increase in net cash provided by operating activities of $9.5 $254.3 million as compared to the six nine months ended June 30, 2023 September 30, 2023 was primarily due to an increase in oil revenues, offset by increases in LOE, merger-related costs, GPT costs and production taxes, and LOE as well as changes in our working capital, partially offset by an increase in oil revenues. capital. See "Results of Operations" above for additional information.

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Working Capital. Our working capital is primarily impacted by the factors discussed above, coupled with the timing of cash receipts and disbursements. Changes During the nine months ended September 30, 2024 and 2023, changes in working capital (as reflected in the Condensed Consolidated Statements of Cash Flows) increased net cash flows from operating activities by $23.3 million and decreased net cash flows from operating activities by $18.1 $84.3 million, and $2.4 million during the six months ended June 30, 2024 and 2023, respectively. Changes in working capital associated with our capital expenditure activities and settlement of outstanding commodity derivative instruments impact our cash flows from investing activities.

The Credit Facility includes a requirement that we maintain a Current Ratio (as defined in the Credit Facility) of no less than 1.0 to 1.0 as of the last day of any fiscal quarter. For purposes of the Current Ratio, the Credit Facility's definition of total current assets includes unused commitments under the Credit Facility, which were $894.8 were $999.3 million as of June 30, 2024 September 30, 2024, and excludes current hedge assets, which were $25.3 were $55.7 million as as of June 30, 2024 September 30, 2024. For purposes of the Current Ratio, the Credit Facility's definition of total current liabilities excludes current hedge liabilities, which were $13.9 millionimmaterial as of June 30, 2024 September 30, 2024.

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Cash flows used in investing activities

For the six nine months ended June 30, 2024 September 30, 2024, net cash used in investing activities of $1,494.1 million was primarily attributable to capital expenditures incurred to develop our oil and gas properties of $877.4 million and net cash paid for the Arrangement of $652.7 million. The net cash used in investing activities of $1,150.6 million was primarily attributable to the Arrangement including $395.0 million included $395.0 million paid to settle Enerplus' revolving bank credit facility balance, $375.8 million $375.8 million paid to Enerplus shareholders and $102.4 million $102.4 million paid to settle Enerplus' equity awards, partially offset by cash acquired in the Arrangement of $239.9 million.$239.9 million. Net cash used in investing activities during the six nine months ended June 30, 2024 September 30, 2024 also included capital expenditures of $538.7 million incurred to develop our oil and gas properties, partially offset by the receipt of the 2023 contingent consideration earn-out payment of $25.0 million and proceeds from divestitures of $20.9 million. Net $21.8 million. Net cash used in investing activities for the six nine months ended June 30, 2023 September 30, 2023 of $858.3 $1,112.3 million was primarily attributable to $642.6 million of capital expenditures of $407.8 million, $361.6 million $361.6 million paid for the 2023 acquisition of acreage in the Williston Basin and $154.1 $203.2 million associated with the settlement of derivative contracts. contract, partially offset by $46.0 million of proceeds from divestitures and $40.6 million of proceeds from the sale of Energy Transfer units.

Cash flows provided by (used in) used in financing activities

For the six nine months ended June 30, 2024 September 30, 2024, net cash provided byused in financing activities of $162.4$302.6 million was primarily attributable to borrowings under the credit facility of $575.0 million, net of repayments of $250.0 million, in connection with the Arrangement and proceeds of $21.0 million from the exercise of outstanding warrants, partially offset by dividends paid to shareholders of $281.7 of $437.7 million payments of $93.7 million, payments to repurchase our common stock and income tax withholding of $239.8 million, repayments on vested equity-based compensation awards our Enerplus Senior Notes of $57.4 million. Net cash used in financing activities for the six months ended June 30, 2023 of $397.1 $63.0 million was primarily attributable to dividends paid to shareholders of $337.7 million, payments of $45.8 million to repurchase our common stock and payments of $13.6 million for income tax withholdings on vested equity-based compensation awards. awards of $58.0 million. These uses of cash were partially offset by borrowings under the Credit Facility of $2.3 billion, partially offset by repayments of $1.8 billion, resulting in net borrowings under the Credit Facility of $0.5 billion, primarily made in connection with the Arrangement, and proceeds from the exercise of outstanding warrants of $30.5 million. Net cash used in financing activities for the nine months ended September 30, 2023 of $492.4 million was primarily attributable to dividends paid to shareholders of $394.7 million, payments to repurchase our common stock of $157.1 million and paymentsfor income tax withholdings on vested equity-based compensation awards of $13.8 million, partially offset by proceeds from the exercise of outstanding warrants of $74.6 million.

Capital Expenditures

Expenditures for the acquisition and development of oil and gas properties are the primary use of our capital resources. Our capital expenditures are summarized in the following table:

	Three Months Ended Three Months Ended Three Months Ended			Six Months Ended		Nine Months Ended		
	March 31, 2024	June 30, 2024		June 30, 2024	March 31, 2024	June 30, 2024	September 30, 2024	September 30, 2024
	(In thousands)			(In thousands)				
E&P								
Other capital expenditures(1) (5)								
Total E&P and other capital expenditures(2)								
Acquisitions(3)								
Total capital expenditures(2)(4)								

(1) Other capital expenditures include items such as infrastructure capital, administrative capital and capitalized interest. Capitalized interest totaled $1.2 $1.8 million and $1.9 $3.7 million for the three and six nine months ended June 30, 2024 September 30, 2024, respectively.

(2) Total capital expenditures for the three and six nine months ended June 30, 2024 September 30, 2024 include approximately $16.1 million and $20.0 million respectively, related to certain non-operated divested assets that are expected to be reimbursed.

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(3) Excludes amounts attributable to the Arrangement, including cash consideration of $375.8 million.

(4) Total capital expenditures reflected in the table above differs from the amounts shown in the statements of cash flows in our unaudited condensed consolidated financial statements because amounts reflected in the table include changes in accrued liabilities from the previous reporting period for capital expenditures, while the amounts presented in the statements of cash flows are presented on a cash basis.

(5) For the three and nine months ended September 30, 2024, capital expenditures related to the Marcellus Shale were $5.2 million and $7.3 million, respectively.

Dividends

On August 7, 2024 November 6, 2024, we declared a base-plus-variable cash dividend of $2.52 $1.44 per share of common stock. The dividend will be payable on September 5, 2024 December 12, 2024 to shareholders of record as of August 21, 2024 November 27, 2024. See "Item 1. Financial Statements (Unaudited)—Note 15—Stockholders' Equity" for additional information.

See "Part II. Item 7.—Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Return of Capital Plan" in our 2023 Annual Report for additional information regarding our strategy on future dividend payments. Future dividend payments will depend on the Company's earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends and other considerations that the Board of Directors deems relevant.

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Share Repurchase Program

During the six nine months ended June 30, 2024 September 30, 2024, we repurchased 558,579 1,509,996 shares of common stock at a weighted average price of $164.23 $157.47 per common share for a total cost of $91.7 $237.8 million, excluding accrued excise tax of $1.2 million, under our $750 million share repurchase program. In October 2024, our Board of Directors authorized a new share repurchase program of $750 million, which replaces the existing $750 million share repurchase program. As of June 30, 2024 September 30, 2024, there was $591.3 million $445.2 million of capacity remaining under our the previous $750 million share repurchase program.

We During the nine months ended September 30, 2023, we repurchased 319,458 1,023,320 shares of common stock during the six months ended June 30, 2023 under the our previous share repurchase program, which was replaced by our current $750 million share repurchase program.

Fair Value of Financial Instruments

See "Item 1. Financial Statements (Unaudited)—Note 5—Fair Value Measurements" for additional information on our derivative instruments and their related fair value measurements. See also "Item 3. Quantitative and Qualitative Disclosures about Market Risk" below.

Critical Accounting Policies and Estimates

There have been no material changes in our critical accounting policies and estimates from those disclosed in our 2023 Annual Report, except as follows.

Business combinations. We account for business combinations under the acquisition method of accounting. Accordingly, we recognize amounts for identifiable assets acquired and liabilities assumed equal to their estimated acquisition date fair values. Transaction and integration costs associated with business combinations are expensed as incurred.

We make various assumptions in estimating the fair values of assets acquired and liabilities assumed. As fair value is a market-based measurement, it is determined based on the assumptions that market participants would use. The most significant assumptions in the Arrangement relate to the estimated fair values of proved and unproved oil and natural gas properties. The fair values of these properties are measured using valuation techniques that convert future cash flows to a single discounted amount. Significant inputs to the valuation include estimates of reserves, future operating and development costs, future commodity prices and a market-based weighted average cost of capital rate. The market-based weighted average cost of capital rate is subjected to additional project-specific risking factors. In addition, when appropriate, we review comparable purchases and sales of crude oil, NGL and natural gas properties within the same regions, and use that data as a proxy for fair market value; for example, the amount a willing buyer and seller would enter into in exchange for such properties. Different techniques may be used to determine fair values, including market prices (where available), comparisons to transactions for similar assets and liabilities and present values of estimated future cash flows, among others. Since these estimates involve the use of significant judgment, they can change as new information becomes available.

Any excess of the acquisition price over the estimated fair value of net assets acquired is recorded as goodwill and is subject to ongoing impairment evaluation as described in Item 1. Financial Statements (Unaudited)—Note 1—Organization and Summary of Significant Accounting Policies—Goodwill. Any excess of the estimated fair value of net assets acquired over the acquisition price is recorded in current earnings as a gain on bargain purchase. Deferred taxes are recorded for any differences between the assigned values and the tax basis of assets and liabilities. Estimated deferred taxes are based on available information concerning the tax basis of assets acquired and liabilities assumed and loss carryforwards at the acquisition date, although such estimates may change in the future as additional information becomes known.

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Item 3. — Quantitative and Qualitative Disclosures about Market Risk

We are exposed to a variety of market risks, including commodity price risk, interest rate risk, counterparty and customer risk and inflation risk. We address these risks through a program of risk management, including the use of derivative instruments.

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about our potential exposure to market risk. The term “market risk” refers to the risk of loss arising from adverse changes in crude oil, NGL and natural gas prices and interest rates. The disclosures are not meant to be precise indicators of expected future losses, but rather indicators of reasonably possible losses. This forward-looking information provides indicators of how we view and manage our ongoing market risk exposures. All of our market risk derivative instruments were entered into for hedging purposes, rather than for speculative trading. The following market risk disclosures should be read in conjunction with the quantitative and qualitative disclosures about market risk contained in our 2023 Annual Report, as well as with the unaudited condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q.

Commodity price exposure risk. We are exposed to market risk as the prices of crude oil, NGLs and natural gas fluctuate as a result of a variety of factors, including changes in supply and demand and the macroeconomic environment, all of which are typically beyond our control. The markets for crude oil, NGLs and natural gas have been volatile, especially over the last several years, and these prices will likely continue to be volatile in the future. To partially reduce price risk caused by these market fluctuations, we have entered into derivative instruments in the past and expect to enter into derivative instruments in the future to cover a portion of our future production. In addition, entering into derivative instruments could limit the benefit we would receive from increases in the prices for crude oil, NGLs and natural gas. We recognize all derivative instruments at fair value. The credit standing of our counterparties is analyzed and factored into the fair value amounts recognized on our unaudited condensed consolidated balance sheets. Derivative assets and liabilities arising from our derivative contracts with the same counterparty are also reported on a net basis, as all counterparty contracts provide for net settlement. See “Item 1. Financial Statements (Unaudited)—Note 5—Fair Value Measurements” and “Note 6—Derivative Instruments” for additional information regarding our derivative instruments.

The fair value of our unrealized crude oil derivative positions at June 30, 2024 September 30, 2024 was a net liability asset position of $15.0 million $37.9 million. A 10% increase in crude oil prices would reduce the fair value of this unrealized derivative asset position by approximately $48.8 million, while a 10% decrease in crude oil prices would increase the fair value of this unrealized derivative liability asset position by approximately $53.2 million, while a 10% decrease in crude oil prices would decrease the fair value of this unrealized derivative liability position by approximately $45.4 million $49.5 million. The fair value of our unrealized natural gas derivative positions at June 30, 2024 September 30, 2024 was a net asset position of $1.2 million $1.5 million. A 10% increase in natural gas prices would decrease the fair value of this unrealized derivative asset position by approximately $1.4 million $2.2 million, while a 10% decrease in natural gas prices would increase the fair value of this unrealized derivative asset position by approximately $1.4 million $2.2 million.

See “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Market Conditions and Commodity Prices,” for further discussion on the commodity price environment. See “Item 1. Financial Statements (Unaudited)—Note 6—Derivative Instruments” for additional information regarding our derivative instruments.

In addition, in connection with the 2021 divestiture of certain oil and gas properties, in the Texas region of in the Permian Basin, we are entitled to receive up to three earn-out payments of $25.0 million per year for each of 2023, 2024 and 2025 if the average daily settlement price of NYMEX WTI crude oil exceeds $60 per barrel for such year. If the NYMEX WTI crude oil price for calendar year 2023 or 2024 is less than $45 per barrel, then each calendar year thereafter our right to receive any remaining earn-out payments is terminated. As of June 30, 2024 September 30, 2024, the fair value of this contingent consideration was $46.7 $45.3 million. During the six nine months ended June 30, 2024 September 30, 2024, we received $25.0 million related to the 2023 earn-out payment. See “Item 1. Financial Statements (Unaudited)—Note 6—Derivative Instruments” for additional information.

Interest rate risk. At June 30, 2024 September 30, 2024, we had $400.0 million of senior unsecured notes at a fixed interest rate of 6.375% per annum and $63.0 million of senior unsecured notes at a fixed interest rate of 3.79% per annum. At June 30, 2024 September 30, 2024, we had $575.0 million $470.0 million borrowings and $30.2 million $30.7 million of outstanding letters of credit issued under the Credit Facility. Borrowings under the Credit Facility are subject to varying rates of interest based on (i) the total outstanding borrowings (including the value of all outstanding letters of credit) in relation to the borrowing base and (ii) whether the loan is a Term SOFR Loan or an ABR Loan (each as defined in the Credit Facility). As of September 30, 2024, if interest rates were to increase by 100 basis points on the Credit Facility, the impact on our annual interest expense would not be material. See “Item 1. Financial Statements (Unaudited)—Note 11—Long-Term Debt” for additional information on the interest incurred on the Credit Facility.

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We do not currently, but may in the future, utilize interest rate derivatives to mitigate interest rate exposure in an attempt to reduce interest rate expense related to debt issued under the Credit Facility. Interest rate derivatives would be used solely to modify interest rate exposure and not to modify the overall leverage of the debt portfolio.

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Counterparty and customer credit risk. Joint interest receivables arise from billing entities which own partial interest in the wells we operate. These entities participate in our wells primarily based on their ownership in leases on which we choose to drill. We have limited ability to control participation in our wells. For the three and six nine months ended June 30, 2024 September 30, 2024, our credit losses on joint interest receivables were immaterial. We are also subject to credit risk due to the concentration of our crude oil, NGL and natural gas receivables with several significant customers. The inability or failure of our significant customers to meet their obligations to us, or their insolvency or liquidation, may adversely affect our financial position and related financial results.

We monitor our exposure to counterparties on crude oil, NGL and natural gas sales primarily by reviewing credit ratings, financial statements and payment history. We extend credit terms based on our evaluation of each counterparty’s credit worthiness. We have not generally required our counterparties to provide collateral to secure crude oil, NGL and natural gas sales receivables owed to us. Historically, our credit losses on crude oil, NGL and natural gas sales receivables have been immaterial.

In addition, our crude oil and natural gas derivative arrangements expose us to credit risk in the event of nonperformance by counterparties. However, in order to mitigate the risk of nonperformance, we only enter into derivative contracts with counterparties that are high credit-quality financial institutions. All of the counterparties on our derivative instruments currently in place are lenders under the Credit Facility with investment grade ratings. We are likely to enter into any future derivative instruments with these or other lenders under the Credit Facility, which also carry investment grade ratings. This risk is also managed by spreading our derivative exposure across several institutions and limiting the volumes placed under individual contracts. Furthermore, the agreements with each of the counterparties on our derivative instruments contain netting provisions. As a result of these netting provisions, our maximum amount of loss due to credit risk is limited to the net amounts due to and from the counterparties under the derivative contracts.

Item 4. — Controls and Procedures

Evaluation of disclosure controls and procedures

As required by Rule 13a-15(b) of the Exchange Act, management, under the supervision and with the participation of our Chief Executive Officer ("CEO"), our principal executive officer, and our Chief Financial Officer ("CFO"), our principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2024 September 30, 2024. Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our CEO and CFO as appropriate, to allow timely decisions regarding required disclosure. Based on the evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of June 30, 2024 September 30, 2024.

On May 31, 2024, we completed the Arrangement. Management's assessment and conclusion on the effectiveness of our internal control over financial reporting as of June 30, 2024 September 30, 2024 excludes an assessment of the internal control over financial reporting of Enerplus.

Changes in internal control over financial reporting

On May 31, 2024, we completed the Arrangement. As part of the ongoing integration, we are in the process of incorporating the controls and related procedures of Enerplus. Other than incorporating Enerplus' controls, there were no changes in internal control over financial reporting that occurred during the quarter ended June 30, 2024 September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. — Legal Proceedings

See "Part I, Item 1. — Financial Statements (Unaudited)—Note 17—Commitments and Contingencies," which is incorporated herein by reference, for a discussion of material legal proceedings.

Item 1A. — Risk Factors

Our business faces many risks. Any of the risks discussed elsewhere in this Quarterly Report on Form 10-Q and our other SEC filings could have a material impact on our business, financial position, results of operations or cash flows. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also impair our business operations.

For a discussion of our potential risks and uncertainties, see the information in "Part I. Item 1A. Risk Factors" in our 2023 Annual Report. There have been no material changes in our risk factors from those described in our 2023 Annual Report, except as described below.

The SEC's Final Rules on The Enhancement and Standardization of Climate-Related Disclosures could result in increased compliance risks and costs.

The SEC released its final rule on climate-related disclosures on March 6, 2024, requiring the disclosure of certain climate-related risks, management and governance practices, and financial impacts, as well as greenhouse gas emissions. Large accelerated filers will be required to incorporate the applicable climate-related disclosures into their filings beginning in fiscal year 2025, with additional requirements relating to the disclosure of Scope 1 and 2 greenhouse gas emissions, if material, and attestation reports for certain large accelerated filers subsequently phasing in. Refer to "Item 1. Business—Regulation—Environmental and occupational health and safety regulation" in our 2023 Annual Report for prior discussion of the SEC's then-proposed rule. While we are still assessing our obligations under the rule, complying with such obligations may result in increased costs and SEC or investor scrutiny of our disclosures. The SEC has paused implementation of the final rule pending the resolution of consolidated legal challenges that are currently proceeding before the U.S. Court of Appeals for the Eighth Circuit. The outcome of this litigation may reduce or expand our obligations under the final rule.

Item 2. — Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered sales of equity securities. There were no sales of unregistered equity securities during the period covered by this report.

Issuer purchases of equity securities. The following table contains information about our acquisition of equity securities during the three months ended June 30, 2024 September 30, 2024:

Period	Total Number of Shares Exchanged(1)(2)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(2)	Maximum Number (or Approximate Dollar Value) of Shares that May Be Purchased Under the Plans or Programs(2)(3)
April 1 – April 30, 2024	60,964	$ 185.46	—	$ 653,007,171
May 1 – May 31, 2024	—	—	—	653,007,171
June 1 – June 30, 2024	365,310	169.01	365,310	591,267,896
Total	426,274	$ 171.36	365,310	

Period	Total Number of Shares Exchanged(1)(2)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(2)	Maximum Number (or Approximate Dollar Value) of Shares that May Be Purchased Under the Plans or Programs(2)(3)
July 1 – July 31, 2024	361,587	$ 171.85	360,255	$ 529,353,310
August 1 – August 31, 2024	262,770	154.21	260,496	489,221,431
September 1 – September 30, 2024	330,666	133.04	330,666	445,228,280
Total	955,023	$ 153.56	951,417	

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(1) During the second third quarter of 2024, we withheld 60,964 3,606 shares of common stock to satisfy tax withholding obligations upon vesting of certain equity-based awards.

(2) During the second third quarter of 2024, we repurchased 365,310 951,417 shares of our common stock at a weighted average price of $169.01 $153.50 per common share for a total cost of $61.7 $146.0 million, excluding accrued excise tax of $1.2 million, under our publicly announced share repurchase program.

(3) In October 2023, our Our Board of Directors had previously authorized a share repurchase program of up to $750 million of our common stock. In October 2024, the Board of Directors authorized a new share repurchase program covering up to $750 million of common stock, which replaces the existing $750 million share repurchase program.

Item 5. — Other Information

Rule 10b5-1 trading arrangements. During the fiscal quarter ended June 30, 2024 September 30, 2024, none of our directors or officers (as defined in Rule 16a-1 under the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. — Exhibits

Exhibit No.	Description of Exhibit
2.1	Arrangement Agreement, dated as of February 21, 2024, by and among Chord Energy Corporation, Spark Acquisition ULC and Enerplus Corporation (filed as Exhibit 2.1 to the Company’s Current Report on Form 8-K on February 26, 2024, and incorporated herein by reference).
3.1	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Chord Energy Corporation (filed as Exhibit 3.1 to the Company’s Current Report on Form 8-K on June 6, 2024, and incorporated herein by reference).
4.1	Third Supplemental Indenture to Indenture dated June 28, 2024, by and among Chord Energy Corporation, the Guarantors and Regions Bank, as trustee. trustee (filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q on August 8, 2024, and incorporated herein by reference).
4.2	First Amendment to the Chord Energy Corporation Long Term Incentive Plan (filed as Exhibit 4.3 to the Company's Registration Statement on Form S-8 on September 13, 2024, and incorporated herein by reference).
10.1	Fifth Amendment to the Amended and Restated Credit Agreement, dated as of May 31, 2024, by and among Chord Energy Corporation, Oasis Petroleum North America LLC, Wells Fargo Bank, N.A., and the other parties party thereto (filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K on June 6, 2024, and incorporated herein by reference).
10.2	Sixth Amendment to the Amended and Restated Credit Agreement, dated as of November 4, 2024, by and among Chord Energy Corporation, Oasis Petroleum North America LLC, Wells Fargo Bank, N.A., and the other parties party thereto.
31.1(a)	Sarbanes-Oxley Section 302 certification of Principal Executive Officer.
31.2(a)	Sarbanes-Oxley Section 302 certification of Principal Financial Officer.
32.1(b)	Sarbanes-Oxley Section 906 certification of Principal Executive Officer.
32.2(b)	Sarbanes-Oxley Section 906 certification of Principal Financial Officer.
101.INS(a)	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH(a)	XBRL Schema Document.
101.CAL(a)	XBRL Calculation Linkbase Document.
101.DEF(a)	XBRL Definition Linkbase Document.

101.LAB(a)	XBRL Label Linkbase Document.
101.PRE(a)	XBRL Presentation Linkbase Document.
104(a)	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

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(a) Filed herewith.
(b) Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CHORD ENERGY CORPORATION

Date: August 8, November 7, 2024

By: */s/ Daniel E. Brown*

Daniel E. Brown
President and Chief Executive Officer
(Principal Executive Officer)

By: */s/ Richard N. Robuck*

Richard N. Robuck
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Execution Version

Sixth Amendment

To

Amended and Restated Credit Agreement

Dated as of November 4, 2024

Among

Chord Energy Corporation,
as Parent,

Oasis Petroleum North America LLC,
As Borrower,

the other Credit Parties party hereto,

Wells Fargo Bank, National Association,
as Administrative Agent, Issuing Bank and Swingline Lender

and

The Lenders Party Hereto

THIRD SUPPLEMENTAL INDENTURESIXTH AMENDMENT TO
AMENDED AND RESTATED CREDIT AGREEMENT

THIRD SUPPLEMENTAL INDENTURETHIS SIXTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this “Supplemental IndentureSixth Amendment”), dated as of June 28, 2024November 4, 2024, among Enerplus Corporation, an Alberta corporation (“**Enerplus**”), Spark Acquisition ULC, an Alberta unlimited liability company (“**Spark Acquisition**”), Enerplusis among: Chord Energy Ltd., an Alberta corporation (“**Enerplus Energy**”), Enerplus Resources U.S. Inc., a Delaware corporation (“**Enerplus Resources U.S.**”), Enerplus Resources (USA) Corporation, a Delaware corporation (“(the “Enerplus Resources (USA)”, Enerplus USA 2006 Acquisition Inc., a Delaware corporation (“**Enerplus USA 2006Parent**”), Enerplus Williston I,; Chord Energy LLC, a Delaware limited liability company (f/k/a Oasis Petroleum LLC) (“Enerplus Williston IChord LLC”), Enerplus Williston II,Oasis Petroleum North America LLC, a Delaware limited liability company (“(the “Enerplus Williston IIBorrower”),; the other Guarantors listed on the signature pages hereto; each of the Lenders party hereto; and Spark Canadian Holdings Inc., a Delaware corporation (“**Spark Canadian Holdings**”, and,Wells Fargo Bank, National Association, as administrative agent for the Lenders (in such capacity, together with Enerplus, Spark Acquisition, Enerplus Energy, Enerplus Resources U.S., Enerplus Resources (USA), Enerplus USA 2006, Enerplus Williston I and Enerplus Williston II,its successors in such capacity, the “Guaranteeing SubsidiariesAdministrative Agent”), and as the other Guarantors (as defined inissuing bank (in such capacity, the Indenture referred to herein) and Regions Bank, as trustee under the Indenture referred to below (the “Trustee”). Each Guaranteeing Subsidiary is an indirect wholly owned subsidiary of Chord Energy Corporation (f/k/a Oasis Petroleum Inc.), a Delaware corporation (the “**CompanyIssuing Bank**”).

W R E C I T N E A L S S E T H:

WHEREAS,A. The Parent, Chord LLC, the Company has heretofore executedBorrower, the Administrative Agent and deliveredthe Lenders are parties to the Trustee an indenturethat certain Amended and Restated Credit Agreement dated as of July 1, 2022 (as amended, amended and restated, restated, supplemented or otherwise modified prior to the date hereof, the “IndentureCredit Agreement”), dated as of June 9, 2021 providing for the issuance of 6.375% Senior Notes due 2026 (the “**Notes**”);

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiaries shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiaries shall unconditionally guarantee allLenders have made certain extensions of credit available to and on behalf of the Company’s Obligations underBorrower.

B. The Parent, the NotesBorrower, the Administrative Agent, the Issuing Bank and the Indenture onLenders party hereto desire to amend certain provisions of the Credit Agreement as set forth herein effective as of the Sixth Amendment Effective Date (as defined below), subject to the terms and conditions set forth herein (the “hereof.**Note Guarantee**”); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoingpremises and the mutual covenants herein contained, for other good and valuable consideration, the receipt and sufficiency of which isare hereby acknowledged, the Guaranteeing Subsidiaries, the Trustee and the other parties hereto mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

Section 1. CAPITALIZED TERMS. Capitalized terms Defined Terms. Each capitalized term used herein without definitions shall have but not otherwise defined herein has the meanings assigned to them meaning given such term in the Indenture. Credit Agreement, as amended by this Sixth Amendment. Unless otherwise indicated, all section references in this Sixth Amendment refer to sections of the Credit Agreement.

Section 2. AGREEMENT TO GUARANTEE. Subject Amendments to Article 10 Credit Agreement. In reliance on the representations, warranties, covenants and agreements contained in this Sixth Amendment, and subject to the conditions precedent contained in Section 3 hereof, effective as of the Indenture, Sixth Amendment Effective Date, the Guaranteeing Subsidiaries, jointly Credit Agreement shall be amended as follows:

2.1 Amendments to Section 1.02.

(a) Each of the following definitions is hereby amended and severally with the other Guarantors, unconditionally guarantee restated in its entirety to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, that: (1) the principal of, premium on, if any, and interest, if any, read as follows:

on, "Agreement" means this Amended and Restated Credit Agreement, including any schedules and exhibits hereto, as amended by the Notes will First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, and the Sixth Amendment, and as the same may from time to time be promptly paid in full when due, whether at maturity, by acceleration, redemption further amended, restated, amended and restated, supplemented or otherwise, and interest on the overdue principal of, premium on, if any, and interest, if any, on, the Notes, if lawful, and all other obligations modified.

(b) Each of the Company following definitions is hereby added to Section 1.02 in its appropriate alphabetical order to read as follows:

"Sixth Amendment" means that certain Sixth Amendment to Amended and Restated Credit Agreement, dated as of November 4, 2024 among the Holders Parent, the Borrower, the other Guarantors, the Administrative Agent, the Issuing Bank and the Lenders party thereto.

2.2 Amendment to Section 9.02(c). Section 9.02(c) is hereby amended by replacing the phrase "incurred on or prior to December 1, 2024" contained therein with the Trustee under phrase "incurred on or prior to December 1, 2025".

Section 3. Conditions Precedent. This Sixth Amendment shall become effective as of the Indenture or date when each of the Notes will be promptly paid in full or performed, all following conditions is satisfied (or waived in accordance with Section 12.02 of the Credit Agreement) (the "Sixth Amendment Effective Date"):

3.1 Executed Counterparts of Sixth Amendment. The Administrative Agent shall have received from the Borrower, each Guarantor and the Majority Lenders (in such number as may be requested by the Administrative Agent) executed counterparts of this Sixth Amendment signed on behalf of such Person.

3.2 Fees and Expenses. The Administrative Agent shall have received all fees and other amounts due and payable by the Credit Parties on or prior to the Sixth Amendment Effective Date, including, to the extent invoiced at least two (2) Business Days prior to the Sixth Amendment Effective Date, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower pursuant to the Credit Agreement.

3.3 No Default. No Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing as of the Sixth Amendment Effective Date prior to and after giving effect to the terms of this Sixth Amendment.

The Administrative Agent is hereby authorized and directed to declare the Indenture Sixth Amendment Effective Date to have occurred when it has received documents confirming or certifying, to the satisfaction of the Administrative Agent, compliance with the conditions set forth in this Section 3 or the waiver of such conditions as permitted hereby. Such declaration shall be final, conclusive and binding upon all parties to the Notes; Credit Agreement for all purposes.

Section 4. Miscellaneous.

4.1 Confirmation and (2) Effect. The provisions of the Credit Agreement, as amended by this Sixth Amendment, shall remain in case full force and effect following the effectiveness of this Sixth Amendment. Each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or any other word or words of similar import shall mean and be a reference to the Credit Agreement as amended hereby, and each reference in any other Loan Document to the Credit Agreement or any word or words of similar import shall be and mean a reference to the Credit Agreement as amended hereby.

4.2 No Waiver. Neither the execution by the Administrative Agent or the Lenders of this Sixth Amendment, nor any other act or omission by the Administrative Agent or the Lenders or their officers in connection herewith, shall be deemed a waiver by the Administrative Agent or the Lenders of any extension Defaults or Events of Default which may exist, which may have occurred prior to the date of the effectiveness of this Sixth Amendment or which may occur in the future under the Credit Agreement and/or the other Loan Documents. Similarly, nothing contained in this Sixth Amendment shall directly or indirectly in any way whatsoever either: (a) impair, prejudice or otherwise adversely affect the Administrative Agent's or the Lenders' right at any time to exercise any right, privilege or remedy in connection with the Loan Documents with respect to any Default or Event of payment Default, (b) except to the extent expressly set forth herein, amend or renewal alter any provision of any Notes the Credit Agreement, the other Loan Documents, or any other contract or instrument, or (c) constitute any course of such dealing or other obligations, that basis for altering any obligation of the same will be promptly paid in full when due Borrower or performed in accordance with any right, privilege or remedy of the Administrative Agent or the Lenders under the Credit Agreement, the other Loan Documents, or any other contract or instrument.

4.3 Ratification and Affirmation; Representations and Warranties. Each Credit Party hereby: (a) acknowledges the terms of this Sixth Amendment, (b) ratifies and affirms its obligations under, and acknowledges its continued liability under, each Loan Document to which it is a party and agrees that each Loan Document to which it is a party remains in full force and effect as expressly amended hereby and (c) represents and warrants to the extension or renewal, whether at stated maturity, by acceleration or otherwise.

4. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder Lenders that as of the Company or any Guarantor, as such, will have any liability for any obligations date hereof, after giving effect to the execution of this Sixth Amendment: (i) all of the Company representations and warranties contained in each Loan Document to which it is a party are true and correct in all material respects (or, if already qualified by materiality, Material Adverse Effect or a similar qualification, true and correct in all respects), except to the Guarantors under the Notes, the Indenture, the Note Guarantees extent any such representations and warranties are expressly limited to an earlier date, in which case, such representations and warranties shall continue to be true and correct in all material respects (or, if already qualified by materiality, Material Adverse Effect or for any claim based on, a similar qualification, true and correct in respect of, or by reason all respects) as of such obligations specified earlier date and (ii) no Default or their creation. Each Holder Event of Notes Default has occurred and is continuing.

4.4 Counterparts. This Sixth Amendment may be executed by accepting a Note waives and releases all such liability. The waiver and release are part one or more of the consideration for issuance parties hereto in any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of this Sixth Amendment by facsimile or other electronic transmission (e.g., "pdf" or "tif"), including via DocuSign or other similar electronic signature technology shall be effective as delivery of a manually executed counterpart hereof.

4.5 No Oral Agreement. This Sixth Amendment, the Credit Agreement and the other Loan Documents executed in connection herewith and therewith represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or unwritten oral agreements of the Notes. parties. There are no subsequent oral agreements between the parties.

5. NEW YORK4.6 GOVERNING LAW TO GOVERN.. THIS SIXTH AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAW LAWS OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY. YORK.

6. COUNTERPARTS. The parties may sign any number4.7 Payment of copies Expenses. In accordance with Section 12.03 of this Supplemental Indenture. Each signed copy shall be an original, but the Credit Agreement, the Borrower agrees to pay or reimburse the Administrative Agent for all of them together represent the same agreement. The words "execution," "signed," "signature," "delivery," its reasonable out-of-pocket costs and words of like import in or relating to this Supplemental Indenture or any document to be signed reasonable expenses incurred in connection with this Supplemental Indenture Sixth Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, including, without limitation, the reasonable fees and disbursements of Simpson Thacher & Bartlett LLP, as counsel to the Administrative Agent.

4.8 Severability. Any provision of this Sixth Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

4.9 Successors and Assigns. This Sixth Amendment shall be deemed binding upon and inure to include electronic signatures, deliveries or the keeping benefit of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct and their respective successors and assigns.

4.10 Loan Document. This Sixth Amendment shall constitute a "Loan Document" under and as defined in Section 1.02 of the transactions contemplated hereunder by electronic means. Credit Agreement.

7. EFFECT OF HEADINGS.4.11 No Novation. The Section headings herein are for convenience only and shall parties hereto agree that this Sixth Amendment does not affect the construction hereof.

8. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect way constitute a novation of the validity or sufficiency of this Supplemental Indenture or for or in respect existing Credit

Agreement, but is an amendment of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiaries and the Company. Credit Agreement.

[***Signatures Begin Next Page***]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture Sixth Amendment to be duly executed and attested, all as of the date first above written. written above.

BORROWER:	OASIS PETROLEUM NORTH AMERICA LLC
	By: */s/ Richard Robuck*
	Name: Richard Robuck
	Title: Executive Vice President and Chief Financial Officer

GUARANTORS: CHORD ENERGY CORPORATION

CHORD ENERGY LLC

CHORD ENERGY MARKETING LLC

OASIS WELL SERVICES LLC

OMS HOLDINGS LLC

OASIS PETROLEUM PERMIAN LLC

OASIS INVESTMENT HOLDINGS LLC

WHITING HOLDINGS LLC

WHITING OIL AND GAS CORPORATION

SPARK CANADIAN HOLDINGS INC.

SPARK ACQUISITION ULC

ENERPLUS CORPORATION

ENERPLUS ENERGY LTD.

ENERPLUS RESOURCES U.S. INC.

ENERPLUS USA 2006 ACQUISITION INC.

ENERPLUS RESOURCES (USA) CORPORATION

ENERPLUS WILLISTON I, LLC

ENERPLUS WILLISTON II, LLC

By: */s/ Richard Robuck*

Name: Richard Robuck

Title: Executive Vice President and Chief Financial Officer

COMPANY:

CHORD ENERGY CORPORATION (F/K/A OASIS PETROLEUM INC.)

By: /s/ Richard N. Robuck

Name: Richard N. Robuck

Title: EVP and Chief Executive Officer

EXISTING GUARANTORS:

OASIS PETROLEUM LLC

OASIS PETROLEUM MARKETING LLC

OASIS PETROLEUM NORTH AMERICA LLC

OASIS WELL SERVICES LLC
OMS HOLDINGS LLC
OASIS INVESTMENT HOLDINGS LLC
WHITING HOLDINGS LLC
WHITING OIL AND GAS CORPORATION

By: /s/ Richard N. Robuck
Name: Richard N. Robuck
Title: EVP and Chief Executive Officer

GUARANTEEING SUBSIDIARIES:

ENERPLUS CORPORATION
SPARK ACQUISITION ULC
ENERPLUS ENERGY LTD.
ENERPLUS RESOURCES U.S. INC.
ENERPLUS RESOURCES (USA) CORPORATION
ENERPLUS USA 2006 ACQUISITION INC.
ENERPLUS WILLISTON I, LLC
ENERPLUS WILLISTON II, LLC
SPARK CANADIAN HOLDINGS INC.

By: /s/ Richard N. Robuck
Name: Richard N. Robuck
Title: EVP and Chief Executive Officer

Signature Page to Supplemental Indenture Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

ADMINISTRATIVE AGENT,
SWINGLINE LENDER,
ISSUING BANK AND LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, Issuing Bank, a Swingline Lender and a Lender

By: */s/ Michael Real*
Name: Michael Real
Title: Managing Director

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

CITIBANK, N.A., as a Lender

By: */s/ Cliff Vaz*
Name: Cliff Vaz
Title: Vice President

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

JPMORGAN CHASE BANK, N.A.,
as a Lender

By: */s/ Dalton Harris*
Name: Dalton Harris
Title: Authorized Officer

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

ROYAL BANK OF CANADA, as a Lender

By: */s/ Emilee Scott*
Name: Emilee Scott
Title: Authorized Signatory

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: */s/ David Lee Garza*
Name: David Lee Garza
Title: Vice President

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

CANADIAN IMPERIAL BANK OF
COMMERCE, NEW YORK BRANCH,
as a Lender

By: */s/ Kevin A. James*
Name: Kevin A. James
Title: Authorized Signatory

TRUSTEE:

By: */s/ Donovan C. Broussard*
Name: Donovan C. Broussard
Title: Authorized Signatory

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

REGIONS BANK,
as Trustee

By: /s/ Moses Ballenger
Name: Moses Ballenger

CITIZENS BANK, N.A., as a Lender

By: */s/ Parker U. Mears*
Name: Parker U. Mears
Title: Senior Vice President

Signature Page to Supplemental Indenture Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

ZIONS BANCORPORATION, N.A. DBA
AMEGY BANK, as a Lender

By: */s/ John Moffitt*
Name: John Moffitt
Title: Senior Vice President

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

BOKF, NA DBA BANK OF TEXAS, as a Lender

By:	*/s/ Mari Salazar*
Name:	Mari Salazar
Title:	SVP, Regional Manager

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

TRUIST BANK, as a Lender

By:	*/s/ Greg Krablin*
Name:	Greg Krablin
Title:	Director

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

COMERICA BANK, as a Lender

By:	*/s/ Britney P. Moore*
Name:	Britney P. Moore
Title:	Vice President

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

REGIONS BANK, as a Lender

By:	*/s/ Michael Kolosowsky*
Name:	Michael Kolosowsky
Title:	Managing Director

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

GOLDMAN SACHS BANK USA, as a Lender

By: */s/ Priyankush Goswami*
Name: Priyankush Goswami
Title: Authorized Signatory

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

MIZUHO BANK, LTD., as a Lender

By: */s/ Edward Sacks*
Name: Edward Sacks
Title: Managing Director

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: */s/ Thomas Magness*
Name: Thomas Magness
Title: Assistant Vice President

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: */s/ John C. Lozano*
Name: John C. Lozano
Title: Senior Vice President

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

BANK OF AMERICA, N.A., as a Lender

By: */s/ Alia Qaddumi*
Name: Alia Qaddumi
Title: Director

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as a Lender

By:	*/s/ Dan Condley*
Name:	Dan Condley
Title:	Managing Director

Signature Page to Sixth Amendment to Amended and Restated Credit Agreement
(Oasis Petroleum North America LLC)

EXHIBIT 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Daniel E. Brown, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Chord Energy Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 8, November 7, 2024

/s/ Daniel E. Brown

Daniel E. Brown
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Richard N. Robuck, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Chord Energy Corporation (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, November 7, 2024

/s/ Richard N. Robuck

Richard N. Robuck
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Chord Energy Corporation (the "Company") on Form 10-Q for the quarter ended June 30, 2024 September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel E. Brown, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, November 7, 2024

/s/ Daniel E. Brown

Daniel E. Brown
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Chord Energy Corporation (the "Company") on Form 10-Q for the quarter ended June 30, 2024 September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard N. Robuck, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, November 7, 2024	*/s/ Richard N. Robuck*
	Richard N. Robuck
	Executive Vice President and Chief Financial Officer
	(Principal Financial Officer and Principal Accounting Officer)

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.