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DELTA REPORT

10-Q

CNX RESOURCES CORP

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1108
CHANGES	345
DELETIONS	313
ADDITIONS	450

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2024 June 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: 001-14901

CNX Resources Corporation

(Exact name of registrant as specified in its charter)

Delaware	**51-0337383**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

CNX Center
1000 Horizon Vue Drive
Canonsburg, PA 15317-6506
(724) 485-4000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock ($.01 par value)	CNX	New York Stock Exchange
Preferred Share Purchase Rights	--	New York Stock Exchange

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. (Check one):

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 the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Shares outstanding as of April 11, 2024 July 12, 2024
Common stock, $0.01 par value	153,245,448 151,226,872

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GLOSSARY OF CERTAIN OIL AND GAS TERMS

The following are certain terms and abbreviations commonly used in the oil and gas industry and included within this Form 10-Q:

Bbl - one stock tank barrel, or 42 U.S. gallons liquid volume, used in reference to oil or other liquid hydrocarbons.
BBtu - one billion British Thermal Units.
Bcf - one billion cubic feet of natural gas.
Bcfe - one billion cubic feet of natural gas equivalents, with one barrel of oil being equivalent to 6,000 cubic feet of gas.
Btu - one British Thermal Unit.
Mbbls - one thousand barrels of oil or other liquid hydrocarbons.
Mcf - one thousand cubic feet of natural gas.
Mcfe - one thousand cubic feet of natural gas equivalents, with one barrel of oil being equivalent to 6,000 cubic feet of gas.
MMBtu - one million British Thermal Units.
MMcfe - one million cubic feet of natural gas equivalents, with one barrel of oil being equivalent to 6,000 cubic feet of gas.
NGL - natural gas liquids - those hydrocarbons in natural gas that are separated from the gas as liquids through the process of absorption, condensation or other methods in gas processing plants.
Tcfe - one trillion cubic feet of natural gas equivalents, with one barrel of oil being equivalent to 6,000 cubic feet of gas.

Basis – when referring to commodity pricing, the difference between the price for a commodity at a primary trading hub and the corresponding sales price at various regional sales points. The differential commonly is related to factors such as product quality, location, transportation capacity availability and contract pricing.
Blending - process of mixing dry and damp gas in order to meet downstream pipeline specifications.

Condensate - a mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature.

Conventional play - a term used in the oil and natural gas industry to refer to an area believed to be capable of producing crude oil and natural gas occurring in discrete accumulations in structural and stratigraphic traps utilizing conventional recovery methods.

Coalbed methane (CBM) - an unconventional form of natural gas found in coal deposits or coal seams.

Coal mine methane (CMM) - any gaseous hydrocarbon that is extracted or released through wells, degasification boreholes, ventilation or bleeder shafts for the purposes of degasifying underground coal mining operations. Coal Mine Methane mine methane may be extracted or released within or above mining activities and produced during, before, or after mining activity occurs or had occurred in connection with the degasification activities.

Developed reserves - developed reserves are reserves that can be expected to be recovered: (i) through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and (ii) through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Development well - a well drilled within the proved area of an oil or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

Dry gas - natural gas that contains little to no liquid hydrocarbons.

Environmental attributes - items such as (but not limited to): carbon credits, air quality credits, renewable or alternative energy credits, methane capture credits, methane performance certificates, emission reductions, offsets and/or allowances.

Exploratory well - a well drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil or natural gas in another reservoir. Generally, an exploratory well is any well that is not a development well, an extension well, a service well or a stratigraphic test well.

Exploration costs - costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and natural gas reserves, including costs of drilling exploratory wells and exploratory-type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as prospecting costs) and after acquiring the property. Principal types of exploration costs, which include depreciation and applicable operating costs of support equipment and facilities and other costs of exploration activities, are: (i) costs of topographical, geographical and geophysical studies and the rights to access the properties in order to conduct those studies, (ii) costs of carrying and retaining undeveloped properties, such as delay rentals and the maintenance of land and lease records, (iii) dry hole contributions (iv) costs of drilling and equipping exploratory wells, and (v) costs of drilling exploratory-type stratigraphic test wells.

Gob well - a well drilled or vent hole converted to a well which produces or is capable of producing coalbed methane or other natural gas from a distressed zone created above and below a mined-out coal seam by any prior full seam extraction of the coal.

Gross acres - the total acres in which a working interest is owned.

Gross wells - the total wells in which a working interest is owned.

Lease operating expense - costs of operating wells and equipment on a producing lease, many of which are recurring. Includes items such as water disposals, repairs and maintenance, equipment rental and operating supplies, among others.

Net - “net” natural gas or “net” acres are determined by adding the fractional ownership working interests the Company has in gross wells or acres.

Net acres - the number of acres an owner has out of a particular number of gross acres.

Net wells - the percentage ownership interest in a well that an owner has based on the working interest.

New Technologies - currently represents what CNX views as a unique set of market opportunities in the areas of environmental attributes, proprietary technology and derivative product development. See Item 2 - Management's Discussion and Analysis of this Form 10-Q for a discussion of CNX’s New Technology efforts.

NYMEX - New York Mercantile Exchange.

Physical sales - the buying and selling of natural gas through contracts between buyers and sellers. The parties agree to the physical delivery of a specific volume of natural gas over a particular period at a given price.

Play - a proven geological formation that contains commercial amounts of hydrocarbons.

Production costs - costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities, which become part of the cost of oil and natural gas produced.

Proved reserves - quantities of oil, natural gas, and natural gas liquids (NGLs) which, by analysis of geological 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.

Proved developed reserves (PDPs) - proved reserves which can be expected to be recovered through existing wells with existing equipment and operating methods.

Proved undeveloped reserves (PUDs) - proved reserves that can be estimated with reasonable certainty to be recovered from new wells on undrilled proved acreage or from existing wells where a relatively major expenditure is required for completion.

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

Royalty interest - an interest in an oil and natural gas lease that gives the owner of the interest the right to receive a portion of the production from the leased acreage (or of the proceeds of the sale thereof), but generally does not require the owner to pay any portion of the costs of drilling or operating the wells on the leased acreage. Royalties may be either landowners' royalties, which are reserved by the owner of the leased acreage at the time the lease is granted, or overriding royalties, which are usually reserved by an owner of the leasehold in connection with a transfer to a subsequent owner.

Throughput - the volume of natural gas transported or passing through a pipeline, plant, terminal, or other facility during a particular period.

TIL - turn-in-line; a well turned to sales.

Transportation, gathering and compression - cost incurred related to transporting natural gas to the ultimate point of sale. These costs also include costs related to physically preparing natural gas, natural gas liquids and condensate for ultimate sale which include costs related to processing, compressing, dehydrating and fractionating, among others.
Service well - a well drilled or completed for the purpose of supporting production in an existing field. Specific purposes of service wells include, among other things, gas injection, water injection and salt-water disposal.
Shale gas - an unconventional natural gas that is found trapped within shale formations.
Unconventional formations - a term used in the oil and gas industry to refer to a play in which the targeted reservoirs generally fall into one of three categories: (1) tight sands, (2) coal beds or (3) shales. The reservoirs tend to cover large areas and lack the readily apparent traps, seals and discrete hydrocarbon-water boundaries that typically define conventional reservoirs. These reservoirs generally require fracture stimulation treatments or other special recovery processes in order to achieve economic flow rates.
Undeveloped reserves - undeveloped reserves are reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required. Reserves on undrilled acreage are limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence exists that establishes reasonable certainty of economic producibility at greater distances. Undrilled locations can be classified as having proved undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances justify a longer time. Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, or by other evidence using reliable technology establishing reasonable certainty.
Unproved properties - properties with no proved reserves.
Wet gas - natural gas that contains significant heavy hydrocarbons, such as propane, butane and other liquid hydrocarbons.
Working interest - an interest that gives the owner the right to drill, produce and conduct operating activities on a property and receive a share of any production.

PART I : FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CNX RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except per share data)								
(Dollars in thousands, except per share data)								
(Dollars in thousands, except per share data)		**Three Months Ended**	**(Dollars in thousands, except per share data)**	**Three Months Ended**			**Six Months Ended**	
(Unaudited)	**(Unaudited)**	**March 31,**	**(Unaudited)**	**June 30,**			**June 30,**	
Revenue and Other Operating Income:	**Revenue and Other Operating Income:**	**2024**	**2023**	**Revenue and Other Operating Income:**	**2024**	**2023**	**2024**	**2023**
Natural Gas, NGLs and Oil Revenue								
Gain on Commodity Derivative Instruments								
Purchased Gas Revenue								
Other Revenue and Operating Income								
Other Revenue and Operating Income								
Other Revenue and Operating Income								
Total Revenue and Other Operating Income								
Costs and Expenses:								
Operating Expense								
Operating Expense								
Operating Expense								
Lease Operating Expense								
Lease Operating Expense								

Lease Operating Expense
Production, Ad Valorem and Other Fees
Transportation, Gathering and Compression
Depreciation, Depletion and Amortization
Exploration and Production Related Other Costs
Purchased Gas Costs
Selling, General, and Administrative Costs
Selling, General, and Administrative Costs
Selling, General, and Administrative Costs
Other Operating Expense
Total Operating Expense
Other Expense
Other Expense (Income)
Other (Income) Expense
Other (Income) Expense
Other (Income) Expense
Loss (Gain) on Asset Sales and Abandonments, net
(Gain) Loss on Asset Sales and Abandonments, net
Loss on Debt Extinguishment
Loss on Debt Extinguishment
Loss on Debt Extinguishment
(Gain) Loss on Debt Extinguishment
(Gain) Loss on Debt Extinguishment
(Gain) Loss on Debt Extinguishment
Interest Expense
Total Other Expense
Total Other Expense (Income)
Total Costs and Expenses
Income Before Income Tax
Income Tax (Benefit) Expense
(Loss) Income Before Income Tax
Income Tax Expense
Net Income
Net (Loss) Income
Net Income
Net (Loss) Income
Net Income
Net (Loss) Income
Earnings per Share
(Loss) Earnings per Share
Earnings per Share
(Loss) Earnings per Share
Earnings per Share
(Loss) Earnings per Share
Basic
Basic
Basic

Diluted

Dividends Declared

Dividends Declared

Dividends Declared

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended		Six Months Ended	
(Dollars in thousands)	June 30,		June 30,	
(Unaudited)	**2024**	**2023**	**2024**	**2023**
Net (Loss) Income				
Other Comprehensive Income:				
Actuarially Determined Long-Term Liability Adjustments (Net of tax: $(30), $(27), $(60), $(54))				
Actuarially Determined Long-Term Liability Adjustments (Net of tax: $(30), $(27), $(60), $(54))				
Actuarially Determined Long-Term Liability Adjustments (Net of tax: $(30), $(27), $(60), $(54))				
Comprehensive (Loss) Income				
Comprehensive (Loss) Income				
Comprehensive (Loss) Income				

	Three Months Ended	
(Dollars in thousands)	March 31,	
(Unaudited)	**2024**	**2023**
Net Income		
Other Comprehensive Income:		
Actuarially Determined Long-Term Liability Adjustments (Net of tax: $(30), $(27))		
Actuarially Determined Long-Term Liability Adjustments (Net of tax: $(30), $(27))		
Actuarially Determined Long-Term Liability Adjustments (Net of tax: $(30), $(27))		
Comprehensive Income		
Comprehensive Income		
Comprehensive Income		

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	(Unaudited)			
(Dollars in thousands)				
(Dollars in thousands)				
(Dollars in thousands)	**March 31, 2024**	**December 31, 2023**	**June 30, 2024**	**December 31, 2023**
ASSETS				
Current Assets:				

Current Assets:
Current Assets:
Cash and Cash Equivalents
Cash and Cash Equivalents
Cash and Cash Equivalents
Accounts and Notes Receivable:
Accounts and Notes Receivable:
Accounts and Notes Receivable:
Trade, net
Trade, net
Trade, net
Other Receivables, net
Supplies Inventories
Derivative Instruments
Derivative Instruments
Derivative Instruments
Prepaid Expenses
Total Current Assets
Total Current Assets
Total Current Assets
Property, Plant and Equipment:
Property, Plant and Equipment
Property, Plant and Equipment
Property, Plant and Equipment
Less—Accumulated Depreciation, Depletion and Amortization
Total Property, Plant and Equipment—Net
Total Property, Plant and Equipment—Net
Total Property, Plant and Equipment—Net
Other Non-Current Assets:
Operating Lease Right-of-Use Assets
Operating Lease Right-of-Use Assets
Operating Lease Right-of-Use Assets
Derivative Instruments
Derivative Instruments
Derivative Instruments
Goodwill
Other Intangible Assets
Other
Other
Other
Total Other Non-Current Assets
Total Other Non-Current Assets
Total Other Non-Current Assets
TOTAL ASSETS

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	(Unaudited)			
(Dollars in thousands, except per share data)				
(Dollars in thousands, except per share data)				
(Dollars in thousands, except per share data)	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
LIABILITIES AND EQUITY				
Current Liabilities:				
Current Liabilities:				
Current Liabilities:				
Accounts Payable				
Accounts Payable				
Accounts Payable				
Derivative Instruments				
Current Portion of Finance Lease Obligations				
Current Portion of Long-Term Debt				
Current Portion of Operating Lease Obligations				
Current Portion of Operating Lease Obligations				
Current Portion of Operating Lease Obligations				
Other Accrued Liabilities				
Total Current Liabilities				
Total Current Liabilities				
Total Current Liabilities				
Non-Current Liabilities:				
Long-Term Debt				
Long-Term Debt				
Long-Term Debt				
Finance Lease Obligations				
Operating Lease Obligations				
Derivative Instruments				
Deferred Income Taxes				
Asset Retirement Obligations				
Other				
Other				
Other				
Total Non-Current Liabilities				
Total Non-Current Liabilities				
Total Non-Current Liabilities				
TOTAL LIABILITIES				
Stockholders' Equity:				
Common Stock, $.01 Par Value; 500,000,000 Shares Authorized, 153,275,909 Issued and Outstanding at March 31, 2024; 154,382,880 Issued and Outstanding at December 31, 2023				
Common Stock, $.01 Par Value; 500,000,000 Shares Authorized, 153,275,909 Issued and Outstanding at March 31, 2024; 154,382,880 Issued and Outstanding at December 31, 2023				
Common Stock, $.01 Par Value; 500,000,000 Shares Authorized, 153,275,909 Issued and Outstanding at March 31, 2024; 154,382,880 Issued and Outstanding at December 31, 2023				
Common Stock, $.01 Par Value; 500,000,000 Shares Authorized, 151,545,126 Issued and Outstanding at June 30, 2024; 154,382,880 Issued and Outstanding at December 31, 2023				
Common Stock, $.01 Par Value; 500,000,000 Shares Authorized, 151,545,126 Issued and Outstanding at June 30, 2024; 154,382,880 Issued and Outstanding at December 31, 2023				
Common Stock, $.01 Par Value; 500,000,000 Shares Authorized, 151,545,126 Issued and Outstanding at June 30, 2024; 154,382,880 Issued and Outstanding at December 31, 2023				

Capital in Excess of Par Value
Preferred Stock, 15,000,000 shares authorized, None issued and outstanding
Retained Earnings
Accumulated Other Comprehensive Loss
TOTAL STOCKHOLDERS' EQUITY
TOTAL STOCKHOLDERS' EQUITY
TOTAL STOCKHOLDERS' EQUITY
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Dollars in thousands)					
(Dollars in thousands)					
(Dollars in thousands)	**Common Stock**	**Capital in Excess of Par Value**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Total Equity**
December 31, 2023					
(Unaudited)					
Net Income					
Net Income					

(Dollars in thousands)					
(Unaudited)					
(Dollars in thousands)					
(Unaudited)					
(Dollars in thousands) **(Unaudited)**	**Common Stock**	**Capital in Excess of Par Value**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Total Equity**
March 31, 2024					
Net Loss					
Issuance of Common Stock					
Purchase and Retirement of Common Stock					
Shares Withheld for Taxes					
Amortization of Stock-Based Compensation Awards					
Other Comprehensive Income					
Other Comprehensive Income					
Other Comprehensive Income					
June 30, 2024					
June 30, 2024					
June 30, 2024					
(Dollars in thousands)					
(Unaudited)					
March 31, 2023					
March 31, 2023					
March 31, 2023					
Net Income					
Issuance of Common Stock					

Purchase and Retirement of Common Stock
Shares Withheld for Taxes
Amortization of Stock-Based Compensation Awards
Other Comprehensive Income
Other Comprehensive Income
Other Comprehensive Income
March 31, 2024
June 30, 2023
March 31, 2024
June 30, 2023
March 31, 2024
(Dollars in thousands)
December 31, 2022
December 31, 2022
December 31, 2022
(Unaudited)
Net Income
Net Income
Net Income
Issuance of Common Stock
Purchase and Retirement of Common Stock
Shares Withheld for Taxes
Amortization of Stock-Based Compensation Awards
Other Comprehensive Income
March 31, 2023
March 31, 2023
March 31, 2023
June 30, 2023

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Dollars in thousands)	**Common Stock**	**Capital in Excess of Par Value**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Total Equity**
December 31, 2023	$ 1,548	$ 2,384,910	$ 1,981,860	$ (7,301)	$ 4,361,017
(Unaudited)					
Net Loss	—	—	(11,410)	—	(11,410)
Issuance of Common Stock	1	1,037	—	—	1,038
Purchase and Retirement of Common Stock	(43)	(34,437)	(59,358)	—	(93,838)
Shares Withheld for Taxes	—	—	(17,877)	—	(17,877)
Amortization of Stock-Based Compensation Awards	10	11,543	—	—	11,553
Other Comprehensive Income	—	—	—	162	162
June 30, 2024	$ 1,516	$ 2,363,053	$ 1,893,215	$ (7,139)	$ 4,250,645
(Dollars in thousands)					
December 31, 2022	$ 1,712	$ 2,506,269	$ 448,993	$ (6,513)	$ 2,950,461

(Unaudited)					
Net Income	—	—	1,185,350	—	1,185,350
Issuance of Common Stock	1	737	—	—	738
Purchase and Retirement of Common Stock	(97)	(79,282)	(77,923)	—	(157,302)
Shares Withheld for Taxes	—	—	(9,384)	—	(9,384)
Amortization of Stock-Based Compensation Awards	9	13,171	—	—	13,180
Other Comprehensive Income	—	—	—	144	144
June 30, 2023	$ 1,625	$ 2,440,895	$ 1,547,036	$ (6,369)	$ 3,983,187

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)	**(Unaudited)**	**Three Months Ended**	**(Unaudited)**	**Six Months Ended**		
Dollars in Thousands	**Dollars in Thousands**	**March 31,**	**Dollars in Thousands**	**June 30,**		
Cash Flows from Operating Activities:	*Cash Flows from Operating Activities:*	**2024**	**2023**	*Cash Flows from Operating Activities:*	**2024**	**2023**
Net Income						
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:						
Net (Loss) Income						
Adjustments to Reconcile Net (Loss) Income to Net Cash Provided by Operating Activities:						
Depreciation, Depletion and Amortization						
Depreciation, Depletion and Amortization						
Depreciation, Depletion and Amortization						
Amortization of Deferred Financing Costs						
Stock-Based Compensation						
Stock-Based Compensation						
Stock-Based Compensation						
Loss (Gain) on Asset Sales and Abandonments, net						
Loss on Debt Extinguishment						
Loss on Debt Extinguishment						
Loss on Debt Extinguishment						
Gain on Commodity Derivative Instruments						
Loss on Other Derivative Instruments						
Net Cash Received (Paid) in Settlement of Commodity Derivative Instruments						
Deferred Income Taxes						
Other						
Changes in Operating Assets:						
Changes in Operating Assets:						
Changes in Operating Assets:						
Accounts and Notes Receivable						
Accounts and Notes Receivable						
Accounts and Notes Receivable						
Supplies Inventories						

Supplies Inventories
Supplies Inventories
Prepaid Expenses
Changes in Other Assets
Changes in Operating Liabilities:
Accounts Payable
Accounts Payable
Accounts Payable
Accrued Interest
Other Operating Liabilities
Changes in Other Liabilities
Net Cash Provided by Operating Activities
Net Cash Provided by Operating Activities
Net Cash Provided by Operating Activities
Cash Flows from Investing Activities:
Capital Expenditures
Capital Expenditures
Capital Expenditures
Proceeds from Asset Sales
Proceeds from Asset Sales
Proceeds from Asset Sales
Investments in Equity Affiliates
Net Cash Used in Investing Activities
Net Cash Used in Investing Activities
Net Cash Used in Investing Activities
Cash Flows from Financing Activities:
Payments on Long-Term Notes
Payments on Long-Term Notes
Payments on Long-Term Notes
Proceeds from CNXM Revolving Credit Facility Borrowings
Repayments of CNXM Revolving Credit Facility Borrowings
Proceeds from CNX Revolving Credit Facility Borrowings
Repayments of CNX Revolving Credit Facility Borrowings
Proceeds from Issuance of CNX Senior Notes
Payments on Other Debt
Payments on Other Debt
Payments on Other Debt
Proceeds from Issuance of Common Stock
Proceeds from Issuance of Common Stock
Proceeds from Issuance of Common Stock
Shares Withheld for Taxes
Purchases of Common Stock
Debt Issuance and Financing Fees
Net Cash Used in Financing Activities
Net Cash Used in Financing Activities
Net Cash Used in Financing Activities
Net Increase (Decrease) in Cash and Cash Equivalents
Net Increase in Cash and Cash Equivalents
Cash and Cash Equivalents at Beginning of Period
Cash and Cash Equivalents at End of Period

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

CNX RESOURCES CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except per share data)

NOTE 1—BASIS OF PRESENTATION:

The accompanying Unaudited Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six months ended March 31, 2024 June 30, 2024 are not necessarily indicative of the results that may be expected for future periods.

The Consolidated Balance Sheet at December 31, 2023 has been derived from the Audited Consolidated Financial Statements at that date but does not include all the notes required by generally accepted accounting principles for complete financial statements. For further information, refer to the Consolidated Financial Statements and related notes for the year ended December 31, 2023 included in CNX Resources Corporation's ("CNX," "CNX Resources," the "Company," "we," "us," or "our") Annual Report on Form 10-K as filed with the Securities and Exchange Commission (SEC) ("SEC") on February 8, 2024 (the "2023 Form 10-K").

Certain amounts in prior periods have been reclassified to conform to the current period presentation.

Cash & Cash Equivalents

Cash and cash equivalents include cash on hand and on deposit at banking institutions as well as all highly liquid short-term securities with original maturities of three months or less.

Receivables

As of March 31, 2024, June 30, 2024 and December 31, 2023, Accounts Receivable - Trade were $91,093 $108,091 and $116,119, respectively, and Other Receivables were $43,604 $38,404 and $17,872, respectively.

The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. Management records an allowance for credit losses related to the collectability of third-party customers' receivables using the historical aging of the customer receivable balance. The collectability is determined based on past events, including historical experience, customer credit rating, as well as current market conditions. CNX monitors customer ratings and collectability on an on-going basis. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

The following represents activity related to the allowance for credit losses for the three six months ended:

		March 31,		June 30,	
	2024	2024	2023	2024	2023
Allowance for Credit Losses - Trade, Beginning of Year					
Provision for Expected Credit Losses					
Allowance for Credit Losses - Trade, End of Period					
Allowance for Credit Losses - Other Receivables, Beginning of Year					
Allowance for Credit Losses - Other Receivables, Beginning of Year					
Allowance for Credit Losses - Other Receivables, Beginning of Year					
Recoveries Collected					
Provision for Expected Credit Losses					
Write-off of Uncollectible Accounts					
Allowance for Credit Losses - Other Receivables, End of Period					
Allowance for Credit Losses - Other Receivables, End of Period					
Allowance for Credit Losses - Other Receivables, End of Period					

NOTE 2—EARNINGS PER SHARE:

Basic earnings per share is computed by dividing net income or net loss by the weighted average shares outstanding during the reporting period. Diluted earnings per share is computed similarly to basic earnings per share, except that the weighted average shares outstanding are increased to include, if dilutive, additional shares from stock options, restricted stock units, performance share units and shares issuable upon conversion of CNX's outstanding 2.25% convertible senior notes due May 2026 (the "Convertible Notes") (See Note 10 – Long-Term Debt). The number of additional shares is calculated by assuming that outstanding stock options were exercised, that outstanding restricted stock units and performance share units were released, that the shares that are issuable from the conversion of the Convertible Notes are issued (subject to the considerations discussed further in the paragraph below), and that the proceeds from such activities were used to acquire shares of common stock at the average market price during the reporting period. In periods when CNX recognizes a net loss, the impact of outstanding stock awards and the potential share settlement impact related to CNX's Convertible Notes are excluded from the diluted loss per share calculation as their inclusion would have an anti-dilutive effect.

The table below sets forth the share-based awards that have been excluded from the computation of diluted earnings per share because their effect would be anti-dilutive:

	For the Three Months Ended March 31,		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Anti-Dilutive Options						
Anti-Dilutive Restricted Stock Units						
Anti-Dilutive Performance Share Units						
	402,929					
	402,929					
	402,929					
	4,303,750					
	4,303,750					
	4,303,750					

The Convertible Notes, if converted by the holder, may be settled in cash, shares of the Company's common stock or a combination thereof, at the Company's election. The Company expects to settle the principal amount of the Convertible Notes in cash. Accounting Standards Update ("ASU") 2020-06 - Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06") amended the diluted earnings per share calculation for convertible instruments by requiring the use of the if-converted method (See Note 10 – Long-Term Debt for more information). The if-converted method assumes the conversion of convertible instruments occurs at the beginning of the reporting period and diluted weighted average shares outstanding includes the common shares issuable upon conversion of the convertible instruments. In periods where CNX recognizes net income, the conversion spread has a dilutive impact on diluted earnings per share when the average market price of the Company's common stock for a given period exceeds the initial conversion price of $12.84 per share for the Convertible Notes. In connection with the Convertible Notes' issuance, the Company entered into privately negotiated capped call transactions with certain counterparties (the "Capped Calls" and "Capped Call Transactions"), which were not included in calculating the number of diluted shares outstanding, as their effect would have been anti-dilutive.

The Convertible Notes have been excluded from the computation of diluted earnings per share in the three months ended March 31, 2024 as the effect of including these shares in the calculation would have been anti-dilutive. In the three months ended March 31, 2023 the Convertible Notes were included in the computation of diluted income per share as the effect of including these shares in the calculation is dilutive. When the convertible notes are dilutive, interest on Convertible Notes, net of tax, is added back to net income in order to calculate diluted earnings available to shareholders.

The table below sets forth the potential common shares issuable upon conversion of the Convertible Notes that were excluded from the calculation of diluted earnings per share because their effect would be anti-dilutive:

	For the Three Months Ended March 31,	
	2024	2023
Convertible Notes	25,751,869	—

The table below sets forth the share-based awards that have been exercised or released:

	For the Three Months Ended March 31,	For the Three Months Ended June 30,	For the Six Months Ended June 30,

		2024	2023	2024	2023	2024	2023
Options							
Restricted Stock Units							
Performance Share Units							
	2,392,886						
	116,435						

The computations for basic and diluted earnings per share are as follows:

	For the Three Months Ended March 31,						
	For the Three Months Ended March 31,						
	For the Three Months Ended March 31,						
		For the Three Months Ended June 30,		For the Six Months Ended June 30,			
	2024	2023	2024	2023		2024	2023
Net Income							
Net (Loss) Income							
Basic Earnings Available to Shareholders							
Basic (Loss) Earnings Available to Shareholders							
Basic Earnings Available to Shareholders							
Basic (Loss) Earnings Available to Shareholders							
Basic Earnings Available to Shareholders							
Basic (Loss) Earnings Available to Shareholders							
Effect of Dilutive Securities:							
Effect of Dilutive Securities:							
Effect of Dilutive Securities:							
Add Back Interest on Convertible Notes (Net of Tax)							
Add Back Interest on Convertible Notes (Net of Tax)							
Add Back Interest on Convertible Notes (Net of Tax)							
Diluted Earnings Available to Shareholders							
Diluted (Loss) Earnings Available to Shareholders							
Weighted-Average Shares of Common Stock Outstanding							
Weighted-Average Shares of Common Stock Outstanding							
Weighted-Average Shares of Common Stock Outstanding							
Effect of Diluted Shares:							

Effect of Diluted Shares:*
Options
Options
Options
Restricted Stock Units
Performance Share Units
Convertible Notes
Weighted-Average Diluted Shares of Common Stock Outstanding
Earnings per Share:
Earnings per Share:
Earnings per Share:
(Loss) Earnings per Share:
(Loss) Earnings per Share:
(Loss) Earnings per Share:
Basic
Basic
Basic
Diluted
Diluted
Diluted

*During periods in which the Company incurs a net loss, diluted weighted average shares outstanding are equal to basic weighted average shares outstanding because the effect of all equity awards and the potential share settlement impact related to CNX's Convertible Notes are antidilutive.

NOTE 3—REVENUE FROM CONTRACTS WITH CUSTOMERS:

Revenues are recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. The Company has elected to exclude all taxes from the measurement of transaction price.

For natural gas, NGL and oil, and purchased gas revenue, the Company generally considers the delivery of each unit (MMBtu or Bbl) to be a separate performance obligation that is satisfied upon delivery. Payment terms for these contracts typically require payment within 25 days of the end of the calendar month in which the hydrocarbons are delivered. A significant number of these contracts contain variable consideration because the payment terms refer to market prices at future delivery dates. In these situations, the Company has not identified a standalone selling price because the terms of the variable payments relate specifically to the Company's efforts to satisfy the performance obligations. A portion of the contracts contain fixed consideration (i.e., fixed price contracts or contracts with a fixed differential to NYMEX or index prices). The fixed consideration is allocated to each performance obligation on a relative standalone selling price basis. For these contracts, the Company generally concludes that the fixed price or fixed differentials in the contracts are representative of the standalone selling price. Revenue associated with natural gas, NGL and oil as presented on the accompanying Consolidated Statements of Income represent the Company's share of revenues net of royalties and excluding revenue interests owned by others. When selling natural gas, NGL and oil on behalf of royalty owners or working interest owners, the Company is acting as an agent and thus reports the revenue on a net basis.

Included in Other Revenue and Operating Income in the Consolidated Statements of Income and in the below table are revenues generated from natural gas gathering services provided to third parties and sales of environmental attributes. The gas gathering services are interruptible in nature and include charges for the volume of gas actually gathered and do not guarantee access to the system. Volumetric based fees are based on actual volumes gathered. The Company generally considers the interruptible gathering of each unit (MMBtu) of natural gas as a separate performance obligation. Payment terms for these contracts typically require payment within 25 days of the end of the calendar month in which the hydrocarbons are gathered. All sales of environmental attributes (which includes items such as (but are not limited to): carbon credits, air quality credits,

renewable or alternative energy credits, methane capture credits, methane performance certificates, emission reductions, offsets and/or allowances) are under short-term contracts, and revenue is recognized when the environmental attribute is transferred to a third party.

Disaggregation of Revenue

The following table is a disaggregation of revenue by major source:

	For the Three Months Ended March 31,			
	For the Three Months Ended March 31,			
	2024	**2023**		
	For the Three Months Ended June 30,		**For the Six Months Ended June 30,**	
	2024	**2023**	**2024**	**2023**
Revenue from Contracts with Customers:				
Natural Gas Revenue				
Natural Gas Revenue				
Natural Gas Revenue				
NGL Revenue				
Oil/Condensate Revenue				
Total Natural Gas, NGL and Oil Revenue				
Purchased Gas Revenue				
Purchased Gas Revenue				
Purchased Gas Revenue				
Other Sources of Revenue and Other Operating Income:				
Other Sources of Revenue and Other Operating Income:				
Other Sources of Revenue and Other Operating Income:				
Gain on Commodity Derivative Instruments				
Gain on Commodity Derivative Instruments				
Gain on Commodity Derivative Instruments				
Other Revenue and Operating Income				
Total Revenue and Other Operating Income				

The disaggregated revenue information corresponds with the Company's segment reporting found in Note 14 – Segment Information.

Contract Balances

CNX invoices its customers once a performance obligation has been satisfied, at which point payment is unconditional. Accordingly, CNX's contracts with customers do not give rise to material contract assets or liabilities under ASC 606. The Company has no contract assets recognized from the costs to obtain or fulfill a contract with a customer.

Transaction Price Allocated to Remaining Performance Obligations

ASC 606 requires that the Company disclose the aggregate amount of transaction price that is allocated to performance obligations that have not yet been satisfied. However, the guidance provides certain practical expedients that limit this requirement, including when variable consideration is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a series.

A significant portion of CNX's natural gas, NGL and oil and purchased gas revenue is short-term in nature with a contract term of one year or less. For those contracts, CNX has utilized the practical expedient in ASC 606-10-50-14 exempting the Company from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

For revenue associated with contract terms greater than one year, a significant portion of the consideration in those contracts is variable in nature and the Company allocates the variable consideration in its contract entirely to each specific performance obligation to which it relates. Therefore, any remaining variable consideration in the transaction price is allocated entirely to wholly unsatisfied performance obligations. As such, the Company has not disclosed the value of unsatisfied performance obligations pursuant to the practical expedient.

For natural gas, NGL and oil revenue associated with contract terms greater than one year with a fixed price component, the aggregate amount of the transaction price allocated to remaining performance obligations was $24,247 $35,661 as of March 31, 2024 June 30, 2024. The Company expects to recognize net revenue of $16,089 $17,523 in the next 12 months and $5,532 $13,685 over the following 12 months, with the remainder recognized thereafter.

For revenue associated with CNX's midstream contracts, which also have terms greater than one year, the interruptible gathering of each unit of natural gas represents a separate performance obligation; therefore, future volumes are wholly unsatisfied, and disclosure of the transaction price allocated to remaining performance obligations is not required.

Prior-Period Performance Obligations

CNX records revenue in the month production is delivered to the purchaser. However, settlement statements for certain natural gas, NGL and oil revenue may not be received for 30 to 90 days after the date production is delivered, and as a result, the Company is required to estimate the amount of production delivered to the purchaser and the price that will be received for the sale of the product. CNX records the differences between the estimate and the actual amounts received in the month that payment is received from the purchaser. The Company has existing internal controls for its revenue estimation process and the related accruals, and any identified differences between its revenue estimates and the actual revenue received historically have not been significant. For each of the three and six months ended March 31, 2024 June 30, 2024 and 2023, revenue recognized in the current reporting period related to performance obligations satisfied in a prior reporting period was not material.

NOTE 4—ACQUISITIONS AND DISPOSITIONS:

During the six months ended June 30, 2024, CNX closed on the sale of a non-core pipeline to a third party. The net cash proceeds of $2,017 are included in Proceeds from Asset Sales in the Consolidated Statements of Cash Flows and the net loss on the transaction of $26,150 is included in the (Gain) Loss on Asset Sales and Abandonments, net in the Consolidated Statements of Income.

During the three and six months ended June 30, 2023, CNX closed on the sale of various non-operated producing oil and gas assets primarily located in the Appalachian Basin to a third party. The net cash proceeds of $119,918 are included in Proceeds from Asset Sales in the Consolidated Statements of Cash Flows and the net gain on the transaction of $102,420 is included in the (Gain) Loss on Asset Sales and Abandonments, net in the Consolidated Statements of Income.

Additionally, (Gain) Loss on Asset Sales and Abandonments, net in the Consolidated Statements of Income for the three and six months ended March 31, 2024 June 30, 2024 and 2023 and Proceeds from Asset Sales in the Consolidated Statements of Cash Flows for the three six months ended March 31, 2024 June 30, 2024 and 2023 include the sale of various non-core assets (rights-of-way, surface acreage and other non-core oil and gas interests and assets). Included in Loss on Assets Sales and Abandonments for the three months ended March 31, 2024 was the sale, none of a non-core pipeline to a third-party for a loss of $26,265. Net Cash proceeds of $2,001 related to the sale are included in Proceeds from Asset Sales. which were individually material.

NOTE 5—INCOME TAXES:

The effective tax rates for the three and six months ended March 31, 2024 and 2023 June 30, 2024 were (8.4) (19.8)% and 23.4% (27.9)%, respectively. The effective tax rates for the three and six months ended June 30, 2023 were 25.4% and 24.2%, respectively. The effective tax rate for the three and six months ended March 31, 2024 and 2023 June 30, 2024 differs from the U.S. federal statutory rate of 21.0% primarily due to the impact of equity compensation, federal tax credits and state taxes. The effective tax rate for the three and six months ended June 30, 2023 differs from the U.S. federal statutory rate of 21.0% primarily due to the impact of equity compensation, federal tax credits and state taxes primarily due to a West Virginia tax law change.

The total amount of uncertain tax positions at March 31, 2024 June 30, 2024 and December 31, 2023 was $105,250 $104,396 and $99,918, respectively. If these uncertain tax positions were recognized, approximately $105,250 $104,396 and $99,918 would affect CNX's effective tax rate at March 31, 2024 June 30, 2024 and December 31, 2023, respectively. For the three months ended March 31, 2024, In 2024, CNX recognized an increase in unrecognized tax benefits of $5,332 $4,478 for tax benefits resulting from tax positions related anticipated to federal tax credits that the Company anticipates taking be taken on its our 2024 federal tax return. return for additional federal tax credits.

CNX recognizes accrued interest and penalties related to uncertain tax positions in interest expense and income tax expense, respectively. As of March 31, 2024 June 30, 2024 and December 31, 2023, CNX had no accrued liabilities for interest and penalties related to uncertain tax positions.

CNX and its subsidiaries file federal income tax returns with the United States and tax returns within various states. With few exceptions, the Company is no longer subject to United States federal, state, local, or non-U.S. income tax examinations by tax authorities for the years before 2020.

West Virginia enacted legislation in March 2023 for public companies which allows for a deduction for the deferred tax adjustment as of January 1, 2022 resulting from the change in state apportionment methodology from three factor to single sales factor and elimination of the throw-out rule if the change results in an aggregate increase in net deferred tax liabilities, decrease in net deferred tax assets, or change from a net deferred tax asset to a net deferred tax liability. The deduction is available over a

ten-year period beginning with the first tax year on or after January 1, 2033. For the six months ended June 30, 2023, the Company has recorded a discrete income tax benefit of approximately $15,983 in the Consolidated Statements of Income to reflect the recent legislative change resulting in a decrease to deferred tax liabilities in the Consolidated Balance Sheets.

NOTE 6—PROPERTY, PLANT AND EQUIPMENT:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Intangible Drilling Cost		
Gas Gathering Equipment		
Gas Wells and Related Equipment		
Proved Gas Properties		
Unproved Gas Properties		
Surface Land and Other Equipment		
Other		
Total Property, Plant and Equipment		
Less: Accumulated Depreciation, Depletion and Amortization		
Total Property, Plant and Equipment - Net		
Total Property, Plant and Equipment - Net		
Total Property, Plant and Equipment - Net		

NOTE 7—GOODWILL AND OTHER INTANGIBLE ASSETS:

Goodwill:

All goodwill is attributed to the Midstream reporting unit within the Shale segment. Goodwill is evaluated for impairment at least annually and whenever events or changes in circumstance indicate that the fair value of a reporting unit is less than its carrying amount.

The accumulated impairment loss on goodwill is $473,045, resulting in a carrying value of $323,314 at both March 31, 2024 June 30, 2024 and December 31, 2023.

Other Intangible Assets:

The carrying amount and accumulated amortization of other intangible assets consist of the following:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Other Intangible Assets:		
Gross Amortizable Asset - Customer Relationships		
Gross Amortizable Asset - Customer Relationships		
Gross Amortizable Asset - Customer Relationships		
Less: Accumulated Amortization - Customer Relationships		
Total Other Intangible Assets, net		

The customer relationship intangible asset is being amortized on a straight-line basis over approximately 17 years. Amortization expense related to other intangible assets was $1,638 for both the three and six months ended March 31, 2024 June 30, 2024 and 2023. 2023 was $1,638 and 3,276, respectively. The estimated annual amortization expense is expected to approximate $6,552 per year for each of the next five years.

NOTE 8—REVOLVING CREDIT FACILITIES:

CNX:

On each of May 10, 2023 and May 5, 2022, CNX amended its Third Amended and Restated Credit Agreement dated October 6, 2021 (as amended, the "CNX Credit Agreement"), which provides for a senior secured revolving credit facility (the "CNX Credit Facility"). In 2022, revisions were made to replace LIBOR as a benchmark interest rate with SOFR, or the secured overnight financing rate. In 2023, the elected commitments of the CNX Credit Agreement were increased from $1,300,000 to $1,350,000. Following the amendments, CNX remains the borrower and certain of its subsidiaries (not including CNX Midstream Partners LP (CNXM), its subsidiaries or general partner)) as guarantor loan parties on the CNX Credit Agreement. The CNX entered into a new Fourth Amended and Restated Credit Agreement replaced the prior CNX for a senior secured revolving credit facility (the "CNX Credit Facility"), dated as of May 17, 2024 and remains subject to semi-annual redetermination. maturing on May 17, 2029. The CNX Credit Agreement new senior secured revolving credit facility has a $2,250,000 borrowing base and $1,350,000 in $1,400,000 of elected commitments including borrowings and letters of credit. The replaces the Company's existing senior secured revolving credit facility (the "prior CNX Credit Agreement matures on Facility") which had a $2,250,000 borrowing base and $1,350,000 of elected commitments, had been entered into as of October 6, 2021, and had a maturity of October 6, 2026, provided that if at any time on or after January 30, 2026.

The availability under the CNX Credit Agreement minus Facility, including availability for letters of credit, is generally limited to a borrowing base, which is determined by the aggregate principal amount required number of any and all such outstanding Convertible Notes is less than 20% lenders in good faith by calculating a loan value of the aggregate commitments under the CNX Credit Agreement (the first such date, the "Springing Maturity Date"), then the CNX Credit Agreement will mature on the Springing Maturity Date. Company's proved reserves.

In addition to refinancing all outstanding amounts under the prior CNX revolving credit facility, borrowings under the CNX Credit Agreement Facility may be used by CNX for general corporate purposes.

Under the terms of Interest on outstanding indebtedness under the CNX Credit Agreement, borrowings will bear interest Facility currently accrues, at CNX's the Company's option, at a rate based on either:

- the highest of (i) PNC Bank, National Association's prime rate, (ii) the federal funds open rate plus 0.50%, and (iii) the one-month SOFR rate plus 1.0%, in each case, plus a margin ranging from 0.75% to 1.75%; or
- the one-month SOFR rate plus a margin ranging from 1.85% to 2.85%.

The CNX Credit Facility matures on May 17, 2029, provided that if at any time on or after (1) January 30, 2026 (or October 31, 2025, if any debt (as defined in the CNX Credit Facility) is outstanding with a springing maturity date), if any of the Company's 2.25% Convertible Senior Notes due 2026 are outstanding and (a) availability under the CNX Credit Agreement, including availability for letters Facility minus (b) the aggregate principal amount of credit, all such outstanding Convertible Senior Notes is generally limited to less than 20% of the aggregate commitments under the CNX Credit Facility, or (2) October 16, 2028 (or July 17, 2028, if any debt (as defined in the CNX Credit Facility) is outstanding with a borrowing base, which is determined by the required number of lenders in good faith by calculating a loan value springing maturity date), if any of the Company's proved reserves.

6.0% Senior Notes due 2029 are outstanding and (a) availability under the CNX Credit Facility minus (b) the aggregate principal amount of all such outstanding Senior Notes is less than 20% of the aggregate commitments under the CNX Credit Facility (the first such date, the "Springing Maturity Date'), then the CNX Credit Facility will mature on the Springing Maturity Date.

The CNX Credit Agreement Facility also requires that CNX maintain a maximum net leverage ratio of no greater than 3.50 to 1.00, which is calculated as the ratio of debt less cash on hand to consolidated EBITDA, measured quarterly. CNX must also maintain a minimum current ratio of no less than 1.00 to 1.00, which is calculated as the ratio of current assets, plus revolver availability, to current liabilities, excluding derivative asset/liability position, and convertible note liability until one year prior to maturity, and borrowings under the revolver, measured quarterly. The calculation of all of the ratios excludes CNXM, its subsidiaries, and its general partner. CNX was in compliance with all financial covenants as of March 31, 2024 June 30, 2024.

At March 31, 2024 June 30, 2024, the CNX Credit Agreement Facility had $75,000 $132,000 of borrowings outstanding, with a weighted average interest rate of 7.18% and $43,603 $43,457 of letters of credit outstanding, leaving $1,231,397 $1,224,543 of unused capacity. At December 31, 2023, the prior CNX Credit Agreement Facility had $52,050 borrowings outstanding, with a weighted average interest rate of 7.64% and $43,684 of letters of credit outstanding, leaving $1,254,266 of unused capacity.

CNXM:

On May 5, 2022, CNXM amended as borrower and certain of its subsidiaries as guarantor loan parties entered into a new Second Amended and Restated Credit Agreement dated October 6, 2021 (as amended, the "CNXM for a senior secured revolving credit facility (the "CNXM Credit Agreement" Facility"), which provides for a dated as of May 17, 2024 and maturing on May 17, 2029. The new $600,000 senior secured revolving credit facility (" replaced the Company's existing $600,000 senior secured revolving credit facility (the "prior CNXM Credit Facility") that matures on which had been entered into as of October 6, 2021 and had a maturity of October 6, 2026. Revisions were made to replace LIBOR as a benchmark interest rate with SOFR. CNXM remains the borrower and certain of its subsidiaries remain as guarantor loan parties on the CNXM Credit Agreement. The CNXM Credit Agreement replaced the prior CNXM revolving credit facility and Facility is not subject to semi-annual redetermination. redetermination and CNX is not a guarantor under the CNXM Credit Agreement. Facility.

In addition to refinancing all outstanding amounts under the prior CNXM revolving credit facility, Credit Facility, borrowings under the CNXM Credit Agreement Facility may be used by CNXM for general corporate purposes.

Interest on outstanding indebtedness under the CNXM Credit Agreement Facility currently accrues, at CNXM's option, at a rate based on either:

- the highest of (i) PNC Bank, National Association's prime rate, (ii) the federal funds open rate plus 0.50%, and (iii) the one-month SOFR rate plus 1.0%, in each case, plus a margin ranging from 1.00% 0.75% to 2.00%; or
- the one-month SOFR rate plus a margin ranging from 2.10% 1.85% to 3.10%.

In addition, CNXM is obligated to maintain at the end of each fiscal quarter (x) a maximum net leverage ratio of no greater than between 5.00 to 1.00 (ranging to no greater than 5.25 to 1.00 in certain circumstances); (y) a maximum secured leverage ratio of no greater than 3.25 to 1.00; and (z) a minimum interest coverage ratio of no less than 2.50 to 1.00; in each case as calculated in accordance with the terms and definitions determining such ratios contained in the CNXM Credit Agreement. Facility. CNXM was in compliance with all financial covenants as of March 31, 2024 June 30, 2024.

At March 31, 2024 June 30, 2024, the CNXM Credit Agreement Facility had $91,350 $46,650 of borrowings outstanding, with a weighted average interest rate of 7.46% 7.30% and no letters of credit outstanding, leaving $508,650 $553,350 of unused capacity. At December 31, 2023, the prior CNXM Credit Agreement Facility had $105,150 of borrowings outstanding, with a weighted average interest rate of 7.50%, and no letters of credit outstanding, leaving $494,850 of unused capacity.

NOTE 9—OTHER ACCRUED LIABILITIES:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Royalties		
Accrued Interest		
Transportation Charges		
Deferred Revenue		
Accrued Other Taxes		
Short-Term Incentive Compensation		
Accrued Payroll & Benefits		
Short-Term Incentive Compensation		
Purchased Gas Payable		
Other		
Current Portion of Long-Term Liabilities:		
Asset Retirement Obligations		
Asset Retirement Obligations		
Asset Retirement Obligations		
Salary Retirement		
Total Other Accrued Liabilities		

NOTE 10—LONG-TERM DEBT:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Senior Notes due January 2029 at 6.00%, Issued at Par Value		
Senior Notes due January 2031 at 7.375% (Principal of $500,000 less Unamortized Discount of $5,119 and $5,308, respectively)		
CNX Midstream Partners LP Senior Notes due April 2030 at 4.75% (Principal of $400,000 less Unamortized Discount of $3,510 and $3,654, respectively)*		
Senior Notes due March 2032 at 7.25% (Principal of $400,000 less Unamortized Discount of $4,948)		
Convertible Senior Notes due May 2026 at 2.25% (Principal of $330,654 less Unamortized Discount and Issuance Costs of $4,109 and $4,586, respectively)		
Senior Notes due January 2031 at 7.375% (Principal of $500,000 less Unamortized Discount of $4,931 and $5,308, respectively)		

CNX Midstream Partners LP Senior Notes due April 2030 at 4.75% (Principal of $400,000 less Unamortized Discount of $3,365 and $3,654, respectively)*	
Senior Notes due March 2032 at 7.25% (Principal of 400,000 less Unamortized Discount of $4,792)	
Convertible Senior Notes due May 2026 at 2.25% (Principal of $330,654 less Unamortized Discount and Issuance Costs of $3,629 and $4,586, respectively)	
CNX Revolving Credit Facility	
CNX Midstream Partners LP Revolving Credit Facility*	
CNX Revolving Credit Facility	
Senior Notes due March 2027 at 7.25% (Principal of $350,000 plus Unamortized Premium of $1,728)	
Less: Unamortized Debt Issuance Costs	
	2,268,695
	2,282,143
Less: Current Portion	
Long-Term Debt	

*CNX is not a guarantor of CNXM's 4.75% Senior Notes due April 2030 or CNXM's the CNXM Credit Facility.

During the three six months ended March 31, 2024 June 30, 2024, CNX completed a private offering of $400,000 aggregate principal amount of 7.25% CNX Senior Notes due March 2032 (the "CNX Senior Notes due March 2032") less an unamortized discount of $5,000. The CNX Senior Notes due March 2032, along with the related guarantees, were issued pursuant to an indenture dated February 23, 2024 and accrue interest from February 23, 2024 at a rate of 7.25% per year. Interest is payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2024. The CNX Senior Notes due March 2032 mature on March 1, 2032. Payment of the principal and interest on the notes is guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).

During the three six months ended March 31, 2024 June 30, 2024, CNX purchased and retired $350,000 of its outstanding 7.25% Senior Notes due March 2027. As part of the transaction, a loss of $7,045 $7,043 was included in Loss on Debt Extinguishment in the Consolidated Statements of Income during the three six months ended March 31, 2024 June 30, 2024.

In April 2020, CNX issued $345,000 in aggregate principal amount of Convertible Notes due May 2026 ("the Convertible Notes") in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended, including $45,000 aggregate principal amount of Convertible Notes issued pursuant to the exercise in full of the

initial purchasers' option to purchase additional Convertible Notes. The Convertible Notes are senior, unsecured obligations of the Company. The Convertible Notes bear interest at a fixed rate of 2.25% per annum, payable semi-annually in arrears on May 1 and November 1 of each year, commencing on November 1, 2020. Proceeds from the issuance of the Convertible Notes totaled $334,650, net of initial purchaser discounts and issuance costs. The Convertible Notes are guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).

The initial conversion rate is 77.8816 shares of CNX's common stock per $1,000 principal amount of Convertible Notes, which represents an initial conversion price of approximately $12.84 per share, subject to adjustment upon the occurrence of specified events.

The Convertible Notes will mature on May 1, 2026, unless earlier repurchased, redeemed or converted. Before February 1, 2026, note holders noteholders will have the right to convert their Convertible Notes only upon the occurrence of the following events:

- during any calendar quarter (and only during such calendar quarter) commencing after June 30, 2020, if the Last Reported Sale Price per share of Common Stock exceeds one hundred and thirty percent (130%) of the Conversion Price for each of at least twenty (20) Trading Days (whether or not consecutive) during the thirty (30) consecutive Trading Days ending on, and including, the last Trading Day of the immediately preceding calendar quarter;
- during the five (5) consecutive Business Days immediately after any ten (10) consecutive trading day period (such ten (10) consecutive Trading Day period, the "Measurement Period") if the trading Price per $1,000 principal amount of Notes, as determined following a request by a Holder in accordance with the procedures set forth in the indenture, for each trading day of the Measurement Period was less than ninety eight percent (98%) of the product of the last reported sale price per share of common stock on such trading day and the conversion rate on such trading day;
- if CNX calls any or all of the Convertible Notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or

- upon the occurrence of certain specified corporate events as set forth in the indenture governing the Convertible Notes.

From and after February 1, 2026, note holders noteholders may convert their Convertible Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date.

Upon conversion, the Company may satisfy its conversion obligation by paying and/or delivering, as the case may be, cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, at the Company's election, in the manner and subject to the terms and conditions provided in the indenture governing the Convertible Notes. The conversion rate is subject to adjustment under certain circumstances in accordance with the terms of the indenture governing the Convertible Notes. In addition, following certain corporate events, as described in the indenture governing the Convertible Notes, that occur prior to the maturity date, the Company will increase the conversion rate, in certain circumstances, for a holder who elects to convert its Convertible Notes in connection with such a corporate event.

The Company's current intent is to settle the principal amount of the Convertible Notes in cash upon conversion.
If certain corporate events that constitute a "Fundamental Change" (as defined in the indenture governing the Convertible Notes) occur, then noteholders may require the Company to repurchase their Convertible Notes at a cash repurchase price equal to the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date. The definition of Fundamental Change includes certain business combination transactions involving the Company and certain de-listing events with respect to the Company's common stock.

Pursuant to the terms of the Convertible Notes indenture, the Sale Price per share of Common Stock condition for conversion of the Convertible Notes was satisfied as of March 31, 2024 June 30, 2024, and, accordingly, holders of Convertible Notes are permitted to convert any of their Convertible Notes, at their option, at any time during the quarter beginning on April 1, 2024 July 1, 2024 and ending on June 30, 2024 September 30, 2024, subject to all terms and conditions set forth in the Convertible Notes indenture. The Convertible Notes are therefore classified as short-term debt at March 31, 2024 June 30, 2024.

The reported interest expense for the Convertible Notes is equal to the 2.25% cash coupon rate. Also, the Company uses the if-converted method for the assumed conversion of the Convertible Notes when calculating diluted earnings per share.

In accounting for the debt issuance costs of $10,350, the Company allocated the total amount incurred to the liability and equity components using the same proportions as the proceeds of the Convertible Notes. Issuance costs attributable to the liability component were $7,024 and were being amortized to interest expense using the effective interest method over the contractual term of the Convertible Notes. Issuance costs attributable to the equity component were $3,326 and were netted with the equity component in Capital in Excess of Par Value in the Consolidated Statement of Stockholders Equity.

The net carrying amount of the liability and equity components of the Convertible Notes was as follows:

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Liability Component:		
Principal		
Principal		
Principal		
Unamortized Issuance Costs		
Unamortized Issuance Costs		
Unamortized Issuance Costs		
Net Carrying Amount		
Fair Value		
Fair Value		
Fair Value		
Fair Value Hierarchy	Fair Value Hierarchy Level 2	Level 2 Fair Value Hierarchy Level 2 Level 2

Interest expense related to the Convertible Notes is as follows:

	For the Three Months Ended March 31,

	For the Three Months Ended March 31,				
	For the Three Months Ended March 31,				
		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2024	2023	2024	2023
	2024				
	2024				
Contractual Interest Expense					
Contractual Interest Expense					
Contractual Interest Expense					
Amortization of Issuance Costs					
Amortization of Issuance Costs					
Amortization of Issuance Costs					
Total Interest Expense					
Total Interest Expense					
Total Interest Expense					

In connection with the offering of the Convertible Notes, the Company entered into privately negotiated capped call transactions with certain counterparties (the "Capped Calls"). The Capped Calls each have an initial strike price of $12.84 per share, subject to certain adjustments, which correspond to the initial conversion price of the Convertible Notes. The Capped Calls have an initial cap price of $18.19 per share, subject to certain adjustments. The Capped Calls cover, subject to anti-dilution adjustments, the aggregate number of shares of the Company's common stock that initially underlie the Convertible Notes, and are expected generally to reduce potential dilution to the Company's common stock upon any conversion of Convertible Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of converted Convertible Notes, as the case may be, with such reduction and/or offset subject to a cap, based on the cap price of the Capped Call Transactions. The conditions that cause adjustments to the initial strike price of the Capped Calls mirror the conditions that result in corresponding adjustments for the Convertible Notes. For accounting purposes, the Capped Calls are separate transactions, and not part of the terms of the Convertible Notes. As these transactions meet certain accounting criteria, the Capped Calls are recorded in stockholders' equity and are not accounted for as derivatives. The cost of $35,673 incurred in connection with the Capped Calls was recorded as a reduction to Capital in Excess of Par Value.

NOTE 11—COMMITMENTS AND CONTINGENT LIABILITIES:

CNX and its subsidiaries are subject to various lawsuits and claims with respect to such matters as personal injury, royalty accounting, damage to property, climate change, governmental regulations including environmental violations and remediation, employment and contract disputes and other claims and actions arising out of the normal course of business. CNX accrues the estimated loss for these lawsuits and claims when the loss is probable and can be estimated. The Company's current estimated accruals related to these pending claims, individually and in the aggregate, are immaterial to the financial position, results of operations or cash flows of CNX. It is possible that the aggregate loss in the future with respect to these lawsuits and claims could ultimately be material to the financial position, results of operations or cash flows of CNX; however, such amounts cannot be reasonably estimated.

The 1992 Coal Industry Retiree Health Benefit Act ("Coal Act"), in Section 9711, requires coal companies that were providing health benefits to United Mine Workers of America ("UMWA") retirees as of February 1993 to continue providing health benefits to such individuals, in substantially the same coverages, for as long as the last signatory operator remains in business. Section 9711 also requires any "related person" to be joint and severally liable for the provision of these health benefits. On May 1, 2020, the court in the Murray Energy Corporation ("Murray") bankruptcy proceedings approved a settlement agreement between Murray and the UMWA that transferred to the UMWA 1992 Benefit Plan the Coal Act liabilities for retirees in Murray's Section 9711 plan. The retirees transferred by Murray to the 1992 Benefit Plan include approximately 2,159 retirees allegedly traced to the December 2013 sale by CONSOL Energy Inc. to Murray Energy of the following possible last signatory operators: Consolidation Coal Company, McElroy Coal Company, Southern Ohio Coal Company, Central Ohio Coal Company, Keystone Coal Mining Corp., and Eighty-Four Mining Company (the "Sold Subsidiaries"). On May 2, 2020, the Trustees of the UMWA 1992 Benefit Plan sued CNX and CONSOL Energy Inc. ("CONSOL"') in federal court contending that the Sold Subsidiaries were last signatory operators and that CNX and CONSOL are related persons to the Sold Subsidiaries

and, as such, CNX and CONSOL are jointly and severally liable for the Coal Act health benefits allegedly owed to the eligible retirees traced to the Sold Subsidiaries. The 1992 Benefit Plan seeks, among other relief, a declaration that CNX and CONSOL are obligated to enroll the eligible retirees attributed to the Sold Subsidiaries in a Section 9711 plan; that CNX and CONSOL are liable to post the security required by Section 9712; and, that CNX and CONSOL are liable to pay per beneficiary premiums until the eligible retirees are enrolled in a Section 9711 plan, and other fees, costs and disbursements under the Coal Act. On March 29, 2022, the Court denied the Defendants' Motions to Dismiss CNX and we CONSOL are now defending this action on the merits. Further, under the Separation and Distribution Agreement ("SDA") that was entered into at the time we CNX spun-out our its coal business in 2017, CONSOL agreed to indemnify CNX for all coal-related liabilities, including this lawsuit. With respect to this matter, although a loss is possible, it is not probable, and accordingly no accrual has been recognized.

On July 22, 2021, CNX received a letter from the UMWA 1974 Pension Plan ("1974 Plan") requesting information related to the facts and circumstances surrounding the 2013 sale of certain of its coal subsidiaries to Murray Energy. The letter indicated that litigation related to potential withdrawal liabilities from the plan created by the 2019 bankruptcy of Murray Energy was reasonably foreseeable and at that time, no liability had been assessed. The 1974 Plan never issued an assessment to CNX. Following a period of discovery, CNX and the 1974 Plan mediated the claim in February 2024. By Agreement dated March 4, 2024, CNX settled the 1974 Plan claim for $75,000 which is payable over five-years. Under the Separation and Distribution Agreement (“SDA”) that was entered into at the time we spun-out our coal business in 2017, SDA, CONSOL Energy (“CONSOL”) became successor-in-interest to the “Coal Business” and accepted and agreed to assume and be responsible for all “Coal Liabilities.” The assumed “Coal Liabilities” are defined broadly in the SDA and specifically include claims, like the 1974 Plan claim, arising under ERISA; involving contributions or other obligations pursuant to any Benefits Plan; and any withdraw liabilities. CONSOL also unequivocally agreed to defend and indemnify CNX for all liabilities relating to, arising out of or resulting from any “Coal Liabilities.” CNX timely tendered the 1974 Plan claim to CONSOL for defense and indemnity in July 2021, which it denied. CNX continued to demand indemnity from CONSOL including prior to, during and after the March 2024 mediation. After CONSOL repudiated its contractual obligations to CNX, and after having timely fulfilled all SDA prerequisites for bringing the action, on March 7, 2024, CNX sued CONSOL for breach of contract seeking an order requiring CONSOL to indemnify CNX for the 1974 Plan claim settlement. CNX has determined that a loss is probable and that the amount of loss can be reasonably estimated. CNX also concluded that it is probable under the terms of the SDA and under the relevant law as it currently exists, it is fully entitled to be indemnified and seek recovery from CONSOL. As a result, the present value of the $75,000 settlement was recognized in Other Liabilities in the Consolidated Balance Sheets as of March 31, 2024 June 30, 2024, with the current portion recognized in Other Accrued Liabilities. A corresponding receivable was recognized in Other Non-Current assets in the Consolidated Balance Sheets as of March 31, 2024 June 30, 2024, with the current portion recognized in Other Receivables. These balances may be adjusted from time to time, as appropriate, to reflect changes in circumstances.

At March 31, 2024 June 30, 2024, CNX has provided the following financial guarantees, unconditional purchase obligations, and letters of credit to certain third parties as described by major category in the following tables. These amounts represent the maximum potential of total future payments that the Company could be required to make under these instruments. These amounts have not been reduced for potential recoveries under recourse or collateralization provisions. Generally, recoveries under reclamation bonds would be limited to the extent of the work performed at the time of the default. No amounts related to these unconditional purchase obligations and letters of credit are recorded as liabilities in the financial statements. CNX management believes that the commitments in the following table will expire without being funded, and therefore will not have a material adverse effect on CNX's financial condition.

	Amount of Commitment Expiration Per Period				
	Total Amounts Committed	Less Than 1 Year	1-3 Years	3-5 Years	Beyond 5 Years
Letters of Credit:	21 22				
Firm Transportation	$ 40,331	$ 40,331	$ —	$ —	$ —
Other	3,272	3,272	—	—	—
Total Letters of Credit	43,603	43,603	—	—	—
Surety Bonds:					
Employee-Related	2,250	2,250	—	—	—
Environmental	11,449	11,349	100	—	—
Firm Transportation	126,336	126,336	—	—	—
Financial Guarantees	72,720	72,720	—	—	—
Other	8,818	8,314	504	—	—
Total Surety Bonds	221,573	220,969	604	—	—
Total Commitments	$ 265,176	$ 264,572	$ 604	$ —	$ —

	Amount of Commitment Expiration Per Period				
	Total Amounts Committed	Less Than 1 Year	1-3 Years	3-5 Years	Beyond 5 Years
Letters of Credit:					
Firm Transportation	$ 40,331	$ 40,331	$ —	$ —	$ —
Other	3,126	3,126	—	—	—
Total Letters of Credit	43,457	43,457	—	—	—
Surety Bonds:					
Employee-Related	2,250	2,250	—	—	—
Environmental	11,199	10,891	308	—	—
Firm Transportation	126,336	126,336	—	—	—
Financial Guarantees	72,720	72,720	—	—	—
Other	9,453	7,851	1,602	—	—
Total Surety Bonds	221,958	220,048	1,910	—	—
Total Commitments	$ 265,415	$ 263,505	$ 1,910	$ —	$ —

Excluded from the above table are commitments and guarantees entered into in conjunction with the spin-off of the Company's coal business in November 2017. Although CONSOL has agreed to indemnify CNX to the extent that CNX would be called upon to pay any of these liabilities, there is no assurance that CONSOL will satisfy its obligations to indemnify CNX in the event that CNX is so called upon (See "Item 1A. Risk Factors" in CNX's 2023 Annual Report on Form 10-K as filed with the SEC on February 8, 2024 ("2023 Form 10-K") 10-K for additional information).

CNX enters into long-term unconditional purchase obligations to procure major equipment purchases, natural gas firm transportation, gas drilling services and other operating goods and services. These purchase obligations are not recorded in the Consolidated Balance Sheets. As of March 31, 2024 June 30, 2024, the purchase obligations for each of the next five years and beyond are as follows:

Obligations Due	Amount
Less than 1 year	$ 239,479 239,278
1 - 3 years	434,905 438,209
3 - 5 years	351,324 340,402
More than 5 years	551,023 543,623
Total Purchase Obligations	$ 1,576,731 1,561,512

NOTE 12—DERIVATIVE INSTRUMENTS:

CNX enters into interest rate swap agreements to manage its exposure to interest rate volatility. These swaps change the variable-rate cash flow exposure on the debt obligations to fixed cash flows. The change in fair value of the interest rate swap agreements is accounted for on a mark-to-market basis with the changes in fair value recorded in current period earnings.

In March 2020, CNX entered into an interest rate swap agreement, inclusive of a put option at zero basis points, related to $160,000 of borrowings under the CNX Credit Facility which has had the economic effect of modifying the variable-interest obligation into a fixed-interest obligation over a four-year period. This agreement expired in March 2024.

In March 2020, CNX entered into a four-year interest rate swap related to an additional $250,000 of borrowings under the CNX Credit Facility, inclusive of a put option at zero basis points, effective April 3, 2020. points. In December 2020, CNX executed an offsetting $250,000 interest rate swap, effective immediately, which expires in April 2024. swap. Consistent with the previous interest rate swap agreements, the $250,000 interest rate swaps were entered into to manage CNX's exposure to interest rate volatility. This agreement expired in April 2024.

CNX enters into financial derivative instruments (over-the-counter swaps) to manage its exposure to natural gas and NGL price fluctuations. Commodity hedges are accounted for on a mark-to-market basis with changes in fair value recorded in current period earnings.

CNX is exposed to credit risk in the event of non-performance by counterparties. The creditworthiness of counterparties is subject to continuing review. The Company has not experienced any issues of non-performance by derivative counterparties.

None of the Company's counterparty master agreements currently require CNX to post collateral for any of its positions. However, as stated in the applicable counterparty master agreements, if CNX's obligations with one of its counterparties cease to be secured on the same basis as similar obligations with the other lenders under the credit facility, CNX Credit Facility, CNX would have to post collateral for instruments in a liability position in excess of defined thresholds. All of the Company's derivative instruments are subject to master netting arrangements with our counterparties. CNX recognizes all financial derivative instruments as either assets or liabilities at fair value in the Consolidated Balance Sheets on a gross basis.

Each of the Company's counterparty master agreements allows, in the event of default, the ability to elect early termination of outstanding contracts. If early termination is elected, CNX and the applicable counterparty would net settle all open hedge positions.

The total notional amounts of CNX's derivative instruments were as follows:

		March 31, 2024		December 31, 2023		Forecasted to Settle Through		
		June 30, 2024		December 31, 2023		Forecasted to Settle Through		
Natural Gas Commodity Swaps (Bcf)	Natural Gas Commodity Swaps (Bcf)	1,245.6	1,349.2	1,349.2	2027	2027	Natural Gas Commodity Swaps (Bcf)	1,174.3

Natural Gas Basis Swaps (Bcf)	Natural Gas Basis Swaps (Bcf)	710.6	760.3	760.3	2027	2027	Natural Gas Basis Swaps (Bcf)	669.2
NGL Commodity Swaps (Mbbls)	NGL Commodity Swaps (Mbbls)	1,131.5		81.0		2025	NGL Commodity Swaps (Mbbls)	849.4
Interest Rate Swaps	Interest Rate Swaps	$ 410,000	$	$ 410,000	2024	2024	Interest Rate Swaps	$ —

The gross fair value of CNX's derivative instruments was as follows:

	March 31, 2024	December 31, 2023
Current Assets:		
Commodity Derivative Instruments:		
Natural Gas Commodity Swaps	$ 252,205	$ 168,532
NGL Commodity Swaps	192	1,003
Natural Gas Basis Swaps	36,800	77,540
Interest Rate Swaps	974	5,449
Total Current Assets	$ 290,171	$ 252,524
Other Non-Current Assets:		
Commodity Derivative Instruments:		
Natural Gas Commodity Swaps	$ 145,589	$ 166,701
Natural Gas Basis Swaps	78,352	113,829
Interest Rate Swaps	—	—
Total Other Non-Current Assets	$ 223,941	$ 280,530
Current Liabilities:		
Commodity Derivative Instruments:		
Natural Gas Commodity Swaps	$ 84,663	$ 47,279
NGL Commodity Swaps	1,075	—
Natural Gas Basis Swaps	30,577	9,473
Interest Rate Swaps	1,085	4,350
Total Current Liabilities	$ 117,400	$ 61,102
Non-Current Liabilities:		
Commodity Derivative Instruments:		
Natural Gas Commodity Swaps	$ 429,198	$ 484,357
Natural Gas Basis Swaps	46,391	42,197
Interest Rate Swaps	—	—
Total Non-Current Liabilities	$ 475,589	$ 526,554

	June 30, 2024	December 31, 2023
Current Assets:		
Commodity Derivative Instruments:		
Natural Gas Commodity Swaps	$ 115,821	$ 168,532
NGL Commodity Swaps	138	1,003
Natural Gas Basis Swaps	70,470	77,540
Interest Rate Swaps	—	5,449
Total Current Assets	$ 186,429	$ 252,524

Other Non-Current Assets:				
Commodity Derivative Instruments:				
Natural Gas Commodity Swaps	$	143,368	$	166,701
Natural Gas Basis Swaps		98,016		113,829
Total Other Non-Current Assets	$	241,384	$	280,530
Current Liabilities:				
Commodity Derivative Instruments:				
Natural Gas Commodity Swaps	$	132,336	$	47,279
NGL Commodity Swaps		1,697		—
Natural Gas Basis Swaps		22,508		9,473
Interest Rate Swaps		—		4,350
Total Current Liabilities	$	156,541	$	61,102
Non-Current Liabilities:				
Commodity Derivative Instruments:				
Natural Gas Commodity Swaps	$	410,289	$	484,357
Natural Gas Basis Swaps		41,454		42,197
Total Non-Current Liabilities	$	451,743	$	526,554

The effect of commodity derivative instruments on the Company's Consolidated Statements of Income was as follows:

		For the Three Months Ended
		For the Three Months Ended
		For the Three Months Ended
		March 31,
		March 31,
		March 31,
		June 30,
		June 30,
		June 30,
	2024	
	2024	
	2024	
Realized Gain (Loss) on Commodity Derivative Instruments:		
Realized Gain (Loss) on Commodity Derivative Instruments:		
Realized Gain (Loss) on Commodity Derivative Instruments:		
Natural Gas Commodity Swaps		
Natural Gas Commodity Swaps		
Natural Gas Commodity Swaps		
Natural Gas Basis Swaps		
Natural Gas Basis Swaps		
Natural Gas Basis Swaps		
NGL Commodity Swaps		
NGL Commodity Swaps		
NGL Commodity Swaps		

Total Realized Gain (Loss) on Commodity Derivative Instruments									
Total Realized Gain (Loss) on Commodity Derivative Instruments									
Total Realized Gain (Loss) on Commodity Derivative Instruments	54,653	*	(61,032)	**					
Total Realized Gain on Commodity Derivative Instruments									
Total Realized Gain on Commodity Derivative Instruments									
Total Realized Gain on Commodity Derivative Instruments		110,082			79,559	164,734	*	18,527	**
Unrealized Gain (Loss) on Commodity Derivative Instruments:									
Unrealized Gain (Loss) on Commodity Derivative Instruments:									
Unrealized Gain (Loss) on Commodity Derivative Instruments:									
Unrealized (Loss) Gain on Commodity Derivative Instruments:									
Unrealized (Loss) Gain on Commodity Derivative Instruments:									
Unrealized (Loss) Gain on Commodity Derivative Instruments:									
Natural Gas Commodity Swaps									
Natural Gas Commodity Swaps									
Natural Gas Commodity Swaps									
Natural Gas Basis Swaps									
Natural Gas Basis Swaps									
Natural Gas Basis Swaps									
NGL Commodity Swaps									
NGL Commodity Swaps									
NGL Commodity Swaps									
Total Unrealized (Loss) Gain on Commodity Derivative Instruments									
Total Unrealized (Loss) Gain on Commodity Derivative Instruments									
Total Unrealized (Loss) Gain on Commodity Derivative Instruments									
Gain on Commodity Derivative Instruments:									
(Loss) Gain on Commodity Derivative Instruments:									
Gain on Commodity Derivative Instruments:									
(Loss) Gain on Commodity Derivative Instruments:									
Gain on Commodity Derivative Instruments:									
(Loss) Gain on Commodity Derivative Instruments:									
Natural Gas Commodity Swaps									
Natural Gas Commodity Swaps									
Natural Gas Commodity Swaps									
Natural Gas Basis Swaps									
Natural Gas Basis Swaps									
Natural Gas Basis Swaps									
NGL Commodity Swaps									
NGL Commodity Swaps									
NGL Commodity Swaps									
Total Gain on Commodity Derivative Instruments									
Total Gain on Commodity Derivative Instruments									
Total Gain on Commodity Derivative Instruments									

***Includes $30,170 $24,183 of commodity derivatives that have been settled but not received and $270 that have been settled but not paid at March 31, 2024 June 30, 2024, and excludes $6,741 of commodity derivatives that were settled but not received and $900 that were settled but not paid at December 31, 2023.**

****Includes $1,311 $16,913 of commodity derivatives that have been settled but not received at March 31, 2023 June 30, 2023 and excludes $77,662 of commodity derivatives that were settled but not paid at December 31, 2022.**

The effect of interest rate swaps on Interest Expense in the Company's Consolidated Statements of Income was as follows:

	For the Three Months Ended March 31,			
	2024		2023	
Cash Received in Settlement of Interest Rate Swaps	$	1,215	$	799

Unrealized Loss on Interest Rate Swaps	(1,211)	(960)
Gain (Loss) on Interest Rate Swaps	$ 4	$ (161)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Cash (Paid) Received in Settlement of Interest Rate Swaps	$ (112)	$ 1,016	$ 1,103	$ 1,816
Unrealized Gain (Loss) on Interest Rate Swaps	112	(176)	(1,099)	(1,137)
Gain on Interest Rate Swaps	$ —	$ 840	$ 4	$ 679

The Company also enters into fixed price natural gas sales agreements that are satisfied by physical delivery. These physical commodity contracts qualify for the normal purchases and normal sales exception and are not subject to derivative instrument accounting.

NOTE 13—FAIR VALUE OF FINANCIAL INSTRUMENTS:

CNX determines the fair value of assets and liabilities based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. The fair values are based on assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and the risks inherent in valuation techniques and the inputs to valuations. The fair value hierarchy is based on whether the inputs to valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources (including NYMEX forward curves, LIBOR and SOFR-based discount rates and basis forward curves), while unobservable inputs reflect the Company's own assumptions of what market participants would use.

The fair value hierarchy includes three levels of inputs that may be used to measure fair value as described below:

Level 1 - Quoted prices for identical instruments in active markets.

Level 2 - The fair value of the assets and liabilities included in Level 2 are based on standard industry income approach models that use significant observable inputs, including NYMEX forward curves, LIBOR and SOFR-based discount rates and basis forward curves.

Level 3 - Unobservable inputs significant to the fair value measurement supported by little or no market activity.

In those cases when the inputs used to measure fair value meet the definition of more than one level of the fair value hierarchy, the lowest level input that is significant to the fair value measurement in its totality determines the applicable level in the fair value hierarchy.

The financial instruments measured at fair value on a recurring basis are summarized below:

		Fair Value Measurements at March 31, 2024			Fair Value Measurements at December 31, 2023			Fair Value Measurements at June 30, 2024				Fair Value Measurements at December 31, 2023		
Description	**Description**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	**Description**	Level 1	Level 2	Level 3	Level 1	Level 2	Le 3
Commodity Derivatives														
Interest Rate Swaps														

***Includes $30,170 $24,183 of commodity derivatives that have been settled but not received and $270 that have been settled but not paid at March 31, 2024 June 30, 2024.**
****Includes $6,741 of commodity derivatives that have been settled but not received and $900 that have been settled but not paid at December 31, 2023.**

The carrying amounts and fair values of financial instruments for which the fair value option was not elected are as follows:

	March 31, 2024		December 31, 2023		June 30, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and Cash Equivalents								
Long-Term Debt (Excluding Debt Issuance Costs)								
Long-Term Debt (Excluding Debt Issuance Costs)								
Long-Term Debt (Excluding Debt Issuance Costs)								

Cash and cash equivalents represent highly-liquid instruments and constitute Level 1 fair value measurements. Certain of the Company's debt is actively traded on a public market and, as a result, constitute Level 1 fair value measurements. The portion of the Company's debt obligations that is not actively traded is valued through reference to the applicable underlying benchmark rate and, as a result, constitute Level 2 fair value measurements.

NOTE 14—SEGMENT INFORMATION:

The Company reports segment information based on the "management" approach. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of the Company's reportable segments.

The Company evaluates the performance of its reportable segments based on total revenue and other operating income and operating expenses directly attributable to that segment. Certain expenses are managed outside the reportable segments and therefore are not allocated. These expenses include, but are not limited to, interest expense and other corporate expenses such as selling, general and administrative costs.

CNX's principal activity is to produce pipeline quality natural gas for sale primarily to gas wholesalers and the Company has two reportable segments that conduct those operations: Shale and Coalbed Methane. The Other Segment includes nominal shallow oil and gas production which is not significant to the Company. It also includes the Company's purchased gas activities, unrealized gain or loss on commodity derivative instruments, exploration and production related other costs, New Technologies, as well as various other expenses that are managed outside the reportable segments as discussed above. Operating profit for each segment is based on sales less identifiable operating and non-operating expenses.

Industry segment results for the three months ended March 31, 2024 June 30, 2024 are:

	Shale												
	Shale												
	Shale												
Natural Gas, NGLs and Oil Revenue													
Natural Gas, NGLs and Oil Revenue													
Natural Gas, NGLs and Oil Revenue	$ 292,762	$	$ 32,863	$	$ 347	$	$ 325,972 (A)	(A)	$ 215,598	$	$ 20,485	$	$ 150 $
Purchased Gas Revenue	Purchased Gas Revenue —	—	—	14,277	14,277	14,277	14,277		Purchased Gas Revenue	—	—	—	11,029 11,029
Gain (Loss) on Commodity Derivative Instruments													
Other Revenue and Operating Income													
Other Revenue and Operating Income													
Other Revenue and Operating Income	15,894	—	—	20,882	20,882	36,776	36,776 (B)	(B)	16,441	—	—	43,645	43,645

Total Revenue and Other Operating Income (Loss)	Total Revenue and Other Operating Income (Loss)	$ 359,435	$ 36,709	$	$ (11,591)	$	$ 384,553	Total Revenue and Other Operating Income (Loss)	$ 333,958	$	$ 28,600	$	$ (41,115)	$
Total Operating Expense														
Earnings (Loss) Before Income Tax														
Earnings (Loss) Before Income Tax														
Earnings (Loss) Before Income Tax														
Segment Assets														
Segment Assets														
Segment Assets		$ 6,667,562	$ 939,781	$	$ 1,049,299	$	$ 8,656,642 (C)	(C)	$ 6,676,756	$	$ 939,831	$	$ 986,367	$
Depreciation, Depletion and Amortization	Depreciation, Depletion and Amortization	$ 99,476	$ 14,273	$	$ 4,901	$	$ 118,650	Depreciation, Depletion and Amortization	$ 97,909	$	$ 14,587	$	$ 5,045	$
Capital Expenditures	Capital Expenditures	$ 152,874	$ 8,668	$	$ 6,642	$	$ 168,184	Capital Expenditures	$ 138,917	$	$ 7,760	$	$ 5,239	$

(A) Included in Natural Gas, NGLs and Oil Revenue are sales of $42,909 $28,684 to Citadel Energy Marketing LLC, which comprises over 10% of revenue from contracts with external customers for the period.
(B) Includes midstream revenue of $16,441 and equity in loss of unconsolidated affiliates of $227 for Shale and Other, respectively. Other also includes sales of environmental attributes of $32,877.
(C) Other includes investments in unconsolidated equity affiliates of $15,394.

Industry segment results for the three months ended June 30, 2023 are:

	Shale	Coalbed Methane	Other	Consolidated	
Natural Gas, NGLs and Oil Revenue	$ 234,192	$ 22,634	$ 235	$ 257,061	(D)
Purchased Gas Revenue	—	—	9,355	9,355	
Gain on Commodity Derivative Instruments	73,522	6,002	462,948	542,472	
Other Revenue and Operating Income	17,027	—	13,785	30,812	(E)
Total Revenue and Other Operating Income	$ 324,741	$ 28,636	$ 486,323	$ 839,700	
Total Operating Expense	$ 171,501	$ 34,020	$ 66,113	$ 271,634	
Earnings (Loss) Before Income Tax	$ 153,240	$ (5,384)	$ 488,866	$ 636,722	
Segment Assets	$ 6,589,145	$ 949,438	$ 993,272	$ 8,531,855	(F)
Depreciation, Depletion and Amortization	$ 86,816	$ 12,586	$ 4,280	$ 103,682	
Capital Expenditures	$ 186,285	$ 7,630	$ 2,070	$ 195,985	

(D) Included in Natural Gas, NGLs and Oil Revenue are sales of $36,511 to Citadel Energy Marketing LLC, and $31,648 to Direct Energy Business Marketing LLC, each of which comprises over 10% of revenue from contracts with external customers for the period.
(E) Includes midstream revenue of $17,027 and equity in earnings of unconsolidated affiliates of $1,334 for Shale and Other, respectively. Other also includes sales of environmental attributes of $7,986.
(F) Other includes investments in unconsolidated equity affiliates of $13,162.

Industry segment results for the six months ended June 30, 2024 are:

	Shale	Coalbed Methane	Other	Consolidated	
Natural Gas, NGLs and Oil Revenue	$ 508,360	$ 53,348	$ 497	$ 562,205	(G)
Purchased Gas Revenue	—	—	25,306	25,306	
Gain (Loss) on Commodity Derivative Instruments	152,698	11,961	(143,036)	21,623	
Other Revenue and Operating Income	32,335	—	64,526	96,861	(H)
Total Revenue and Other Operating Income (Loss)	$ 693,393	$ 65,309	$ (52,707)	$ 705,995	
Total Operating Expense	$ 389,221	$ 74,147	$ 155,025	$ 618,393	
Earnings (Loss) Before Income Tax	$ 304,172	$ (8,838)	$ (304,258)	$ (8,924)	

Segment Assets	$	6,676,756	$	939,831	$	986,367	$	8,602,954	(I)
Depreciation, Depletion and Amortization	$	197,385	$	28,860	$	9,946	$	236,191	
Capital Expenditures	$	291,791	$	16,428	$	11,881	$	320,100	

(G) Included in Natural Gas, NGLs and Oil Revenue are sales of $67,854 to NRG Business Marketing LLC (formerly Direct Energy Business Marketing LLC), which comprises over 10% of revenue from contracts with external customers for the period.

(B) (H) Includes midstream revenue of $15,894 $32,335 and equity in loss of unconsolidated affiliates of $250 $477 for Shale and Other, respectively. Other also includes sales of environmental attributes of $12,769. $45,646.

(C) (I) Other includes investments in unconsolidated equity affiliates of $13,631. $15,394.

Industry segment results for the three six months ended March 31, 2023 June 30, 2023 are:

Shale

Shale

Shale

Natural Gas, NGLs and Oil Revenue Natural Gas, NGLs and Oil Revenue Natural Gas, NGLs and Oil Revenue	$ 407,198	$	$ 48,036	$	$ 405	$	$ 455,639	(D)	(D) $ 641,390	$	$ 70,670	$	$ 640	$	$ 712,70
Purchased Gas Revenue Purchased Gas Revenue Purchased Gas Revenue	—	—	—	36,812	36,812	36,812	36,812		—	—	—	46,167	46,167	46,16
(Loss) Gain on Commodity Derivative Instruments Gain on Commodity Derivative Instruments (Loss) Gain on Commodity Derivative Instruments Gain on Commodity Derivative Instruments (Loss) Gain on Commodity Derivative Instruments Gain on Commodity Derivative Instruments														
Other Revenue and Operating Income Other Revenue and Operating Income Other Revenue and Operating Income	16,754	—	—	4,605	4,605	21,359	21,359	(E)	(E) 33,780	—	—	18,390	18,390	52,17
Total Revenue and Other Operating Income Total Revenue and Other Operating Income	$ 367,616	$	$ 43,364	$	$ 864,997	$	$ 1,275,977		Total Revenue and Other Operating Income $ 692,356	$	$ 72,001	$	$ 1,351,319	$	
Total Operating Expense														
Earnings Before Income Tax														

Earnings Before Income Tax

Earnings Before Income Tax

Segment Assets

Segment Assets

Segment Assets		$6,536,697	$ $955,280	$	$848,168	$	$8,340,145 (F)	(F) $ 6,589,145	$	$949,438	$ $ 993,272	$	$8,531,85
Depreciation, Depletion and Amortization	Depreciation, Depletion and Amortization	$ 88,110	$ $ 12,447	$	$ 4,665	$	$ 105,222	Depreciation, Depletion and Amortization $174,927	$	$25,032	$ $ 8,945	$	
Capital Expenditures	Capital Expenditures	$ 159,349	$ $ 9,459	$	$ 1,220	$	$ 170,028	Capital Expenditures $345,634	$	$17,089	$ $ 3,290	$	

(D) (J) Included in Natural Gas, NGLs and Oil Revenue are sales of $55,101 $86,749 to Direct Energy Business Marketing LLC, and $81,429 to Citadel Energy Marketing LLC, each of which comprises over 10% of revenue from contracts with external customers for the period.

(E) (K) Includes midstream revenue of $16,754 $33,780 and equity in earnings of unconsolidated affiliates of $114 $1,448 for Shale and Other, respectively. Other also includes sales of environmental attributes of $7,986.

(F) (L) Other includes investments in unconsolidated equity affiliates of $11,828. $13,162.

Reconciliation of Segment Information to Consolidated Amounts:

Revenue and Other Operating Income

	For the Three Months Ended March 31,			
	For the Three Months Ended March 31,			
	2024	2023		
	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2024	2023	2024	2023
Total Segment Revenue from Contracts with External Customers				
Gain on Commodity Derivative Instruments				
Other Operating Income				
Total Consolidated Revenue and Other Operating Income				

NOTE 15—STOCK REPURCHASE:

On each of January 26, 2021, October 25, 2021 and July 25, 2023, the Company's Board of Directors approved increases in the aggregate amount of the Company's previously approved $750,000 stock repurchase program plan to $900,000, $1,900,000, and $2,900,000, respectively. As of March 31, 2024 June 30, 2024, the amount available under the stock repurchase program is $1,080,086 $1,034,972 and is not subject to an expiration date. The repurchases may be effected from time-to-time through open market purchases, privately negotiated transactions, Rule 10b5-1 plans, accelerated stock repurchases, block trades, derivative contracts or otherwise in compliance with Rule 10b-18. The timing of any repurchases will be based on a number of factors, including available liquidity, the Company's stock price, the Company's financial outlook, and alternative investment options. The stock

repurchase program does not obligate the Company to repurchase any dollar amount or number of shares and the Board may modify, suspend, or discontinue its authorization of the program at any time. The Company's Board of Directors will continue to evaluate the size of the stock repurchase program based on CNX's free cash flow position, leverage ratio, and capital plans.

During the three six months ended March 31, 2024 June 30, 2024, 2,384,994 4,230,348 shares were repurchased and retired at an average price of $20.14 $22.02 per share for a total cost of $48,282. $93,838. During the three six months ended March 31, 2023 June 30, 2023, 5,838,635 9,747,408 shares were repurchased and retired at an average price of $15.88 $15.98 per share for a total cost of $93,536. $157,302. The one-percent excise tax under the Inflation Reduction Act of 2022 is included in total costs for both periods.

NOTE 16—SUPPLEMENTAL CASH FLOW INFORMATION:

The following are non-cash transactions that impact the investing and financing activities of CNX.

As of March 31, 2024 June 30, 2024 and December 31, 2023, CNX purchased goods and services related to capital projects in the amount of $44,581 $35,519 and $28,198, respectively, which are included in accounts payable.

The following table shows cash paid:

	For the Three Months Ended March 31,		For the Six Months Ended June 30,	
	2024	2024	2023	2024	2023
Interest (Net of Amounts Capitalized)					
Income Taxes					

NOTE 17—RECENT ACCOUNTING PRONOUNCEMENTS:

CNX has reviewed all recent accounting pronouncements In December 2023, the FASB issued Accounting Standards Update (ASU) 2023-09 - Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which enhances the transparency and does not believe there is any new accounting guidance issued, but not yet effective, that would have a material impact decision usefulness of income tax disclosures. The amendments address more transparency about income tax information through improvements to income tax disclosures primarily related to the Company's current financial statements. rate reconciliation and income taxes paid information. The ASU also includes certain other amendments to improve the effectiveness of income tax disclosures. The amendments in this ASU are effective for public business entities for annual periods beginning after December 15, 2024 on a prospective basis. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of this guidance.

In November 2023, the FASB issued ASU 2023-07 - Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This ASU updates reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses and information used to assess segment performance. The amendments in this ASU are effective for public entities for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is still evaluating the effect of the adoption of this guidance.

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 the Consolidated Financial Statements and related notes included elsewhere in this Form 10-Q. The information provided below supplements, but does not form part of, CNX's financial statements. This discussion contains forward-looking statements that are based on the current views and beliefs of management, as well as assumptions and estimates made by management. Actual results could differ materially from any such forward-looking statements as a result of various risk factors, including those that may not be in the control of management. For further information on items that could impact future operating performance or financial condition, please see "Part I. Item 1A. Risk Factors" and the section entitled "Forward-Looking Statements" contained in our Annual Report on Form 10-K for the year ended December 31, 2023, which we filed with the SEC on February 8, 2024 (the "2023 Form 10-K"). CNX does not undertake any obligation to publicly update any forward-looking statements except as otherwise required by applicable law.

General

CNX continually monitors factors that could cause actual results of operations to differ from historical results or current expectations. Examples include global events such as the conflict between Russia and Ukraine and the announcement by the Organization of the Petroleum Exporting Countries (OPEC) to extend cuts in production through the second quarter end of 2024 and into 2025, both of which have had an impact on global commodity prices. These and other factors could affect the Company's operations, earnings and cash flows for any period and could cause such results to not be comparable to those of the same period in previous years. The results presented in this Form 10-Q are not necessarily indicative of future operating results.

Natural Gas, NGL, and Oil Pricing

Prices for natural gas, NGLs and oil that CNX produces significantly impact revenue and cash flows. In the current economic environment, CNX expects that commodity prices for some or all of the commodities we produce will remain volatile. In order to manage the market risk exposure of volatile natural gas prices in the future, CNX enters into various physical natural gas supply transactions with both gas marketers and end users for terms varying in length as well as financial hedges. However, this market volatility is beyond our control and may adversely impact our business, financial condition, results of operations and future cash flows.

Inflation

Heightened levels of inflation, The inflationary environment over the last few years, primarily related to steel, diesel fuel and labor, continue continues to present a risk for CNX and the broader natural gas industry. If inflation increases were to increase materially for any extended period of time, and CNX is unable to successfully mitigate the impact, our costs could increase further, thus having a greater impact on our financial position. Rising Higher interest rates increased our costs on borrowings under our the CNX Credit Facility in 2023, the first half of 2024, but it is currently anticipated that the Federal Reserve will make cuts to relevant interest rates later in 2024. CNX remains committed to our ongoing efforts to increase the efficiency of our operations and improve costs, which may, in part, offset any additional cost increases from inflation.

Hedging Update

Total hedged natural gas production for the second third quarter of 2024 is 109.7 108.4 Bcf. CNX's annual gas hedge position is shown in the table below:

	2024	2024	2025	2024	2025
Volumes Hedged (Bcf), as of 4/4/24					
Volumes Hedged (Bcf), as of 7/5/24					

1Includes actual settlements of 101.1 178.5 Bcf.

CNX's hedged gas volumes include a combination of NYMEX financial hedges, index (NYMEX and basis) financial hedges, and physical fixed price sales. In addition, to protect the NYMEX hedge volumes from basis exposure, CNX enters into basis-only financial hedges and physical sales with fixed basis at certain sales points. CNX has also entered into a nominal quantity of NGL hedges. See Quantitative and Qualitative Disclosures About Market Risk in Item 3 of this Form 10-Q for additional information.

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New Technologies Update

For the three and six months ended March 31, 2024 June 30, 2024, CNX recognized $33 million and $13 million $46 million, respectively of sales of environmental attributes which includes items such as (but is not limited to): carbon credits, air quality credits, renewable or alternative energy credits, methane capture credits, methane performance certificates, emission reductions, offsets and/or allowances. These sales are included as part of Other Revenue and Operating Income in the Other Segment. For the three and six months ended March 31, June 30, 2024, CNX incurred $2 million $5 million and $7 million, respectively of environmental attribute fees which represent costs related to the sale of environmental attributes and are included in Other Operating Expense in the Other Segment.

As previously disclosed, CNX continues to devote resources to the development of unique, proprietary technologies to further enable vertical and horizontal business growth. This includes the development and use of proprietary technology to enhance and alter manufacturing processes for the extraction and delivery of natural gas through the development and commercialization of emerging technologies, as well as the development and sale of environmental attributes from our operations. CNX is also focusing on forging strategic partnerships for the use of low carbon intensity feedstocks and creation of derivative products.

At the beginning of the second quarter, CNX recently announced two new strategic efforts initiatives related to our New Technologies group. group:

- On April 22, 2024, CNX announced a collaboration with NuBlu Energy to deploy compressed natural gas (CNG) and liquified natural gas (LNG) technology solutions that represent advancements in the scale and efficiency in which CNG and micro-scale LNG can be produced, while lowering costs and carbon emissions. By leveraging advanced processes and proprietary technologies, NuBlu and CNX aim to drive a transition in the CNG and LNG market to displace conventional, foreign-sourced liquid fuels with a locally sourced, cleaner-burning, more cost-effective option. CNX believes these technologies will help catalyze the company's entry into downstream energy markets that are currently priced at a significant premium to traditional pipeline natural gas on an energy equivalent basis.

- On April 24, 2024, CNX announced a joint venture with Deep Well Services (DWS) to launch AutoSep Technologies, a new oilfield service company providing a first-of-its-kind alternative to conventional flowback operations. As a standalone company operated by DWS, AutoSep Technologies will have the flexibility and autonomy to provide automated flowback solutions to the oil and gas industry. As the first product offering, the partnership joint venture brings an automated flowback system for modern, high rate, and erosive unconventional shale wells. The new, highly compact system can be deployed in a fraction of the time and requires less labor, while reducing overall costs, improving safety, and lowering the environmental impact associated with conventional flowback operations. The We believe the market potential for this product solution across domestic and international oil and gas basins is can be significant. Each year 20,000 wells are flowed back in the United States, and 60,000 wells are flowed back globally. As such,

CNX believes that this joint venture company has these initiatives will help catalyze the potential to grow to be a Company's entry into new markets and generate meaningful free cash flow contributor over the next several years as producers fully adopt years. As these initiatives were just announced at the beginning of the second quarter, there was no material impact to the financial results for the three and implement this groundbreaking technology. six months ended June 30, 2024.

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Results of Operations - ***Three Months Ended March 31, 2024 June 30, 2024 Compared with Three Months Ended March 31, 2023 June 30, 2023***

Net (Loss) Income

CNX reported a net loss of $18 million, or a loss per diluted share of $0.12, for the three months ended June 30, 2024, compared to a net income of $7 million $475 million, or earnings per diluted share of $0.04, $2.47, for the three months ended March 31, 2024, compared to net income of $710 million, or earnings per diluted share of $3.61, for the three months ended March 31, 2023 June 30, 2023.

Included in the earnings net loss for the three months ended March 31, 2024 June 30, 2024 was an unrealized loss on commodity derivative instruments of $47 million and a net loss on asset sales and abandonments of $20 million. Included in the earnings for the three months ended March 31, 2023 was an unrealized gain on commodity derivative instruments of $823 million $96 million and a net gain on asset sales and abandonments of $9 million $1 million. Included in net income for the three months ended June 30, 2023 was an unrealized gain on commodity derivative instruments of $463 million and a net gain on asset sales and abandonments of $106 million. See Note 4 – Acquisitions and Dispositions in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information related to the loss (gain) gain on asset sales and abandonments.

Non-GAAP Financial Measures

CNX's management uses certain non-GAAP financial measures for planning, forecasting and evaluating business and financial performance, and believes that they are useful for investors in analyzing the Company. Although these are not measures of performance calculated in accordance with generally accepted accounting principles (GAAP), management believes that these financial measures are useful to an investor in evaluating CNX because these metrics are widely used to evaluate a natural gas company's operating performance. Sales of Natural Gas, NGL and Oil, including cash settlements is a non-GAAP measure that excludes the impacts of changes in the fair value of commodity derivative instruments prior to settlement, which are often volatile, and only includes the impact of settled commodity derivative instruments. Sales of Natural Gas, NGL and Oil, including cash settlements also excludes purchased gas revenue and other revenue and operating income, which are not directly related to CNX's natural gas producing activities. Natural Gas, NGL and Oil Production Costs is a non-GAAP measure that excludes certain expenses that are not directly related to CNX's natural gas producing activities and are managed outside our production operations (See Note 14 – Segment Information in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information). These expenses include, but are not limited to, interest expense, other operating expense and other corporate expenses such as selling, general and administrative costs. We believe that Sales of Natural Gas, NGL and Oil, including cash settlements, Natural Gas, NGL and Oil Production Costs and Natural Gas, NGL and Oil Production Margin (which is derived by subtracting Natural Gas, NGL and Oil Production Costs from Sales of Natural Gas, NGL and Oil, including cash settlements) provide useful information to investors for evaluating period-to-period comparisons of earnings trends. These metrics should not be viewed as a substitute for measures of performance that are calculated in accordance with GAAP. In addition, because all companies do not calculate these measures identically, these measures may not be comparable to similarly titled measures of other companies.

Non-GAAP Financial Measures Reconciliation

		For the Three Months Ended March 31,			For the Three Months Ended June 30,	
(Dollars in millions)	*(Dollars in millions)*	**2024**	**2023**	*(Dollars in millions)*	**2024**	**2023**
Total Revenue and Other Operating Income						
Add (Deduct):						
Purchased Gas Revenue						
Purchased Gas Revenue						
Purchased Gas Revenue						
Unrealized Loss (Gain) on Commodity Derivative Instruments						
Other Revenue and Operating Income						
Sales of Natural Gas, NGL and Oil, including Cash Settlements, a Non-GAAP Financial Measure						
Total Operating Expense						
Total Operating Expense						
Total Operating Expense						
Add (Deduct):						
Depreciation, Depletion and Amortization (DD&A) - Corporate						
Depreciation, Depletion and Amortization (DD&A) - Corporate						
Depreciation, Depletion and Amortization (DD&A) - Corporate						
Exploration and Production Related Other Costs						
Purchased Gas Costs						
Selling, General and Administrative Costs						
Selling, General and Administrative Costs						
Selling, General and Administrative Costs						
Other Operating Expense						
Natural Gas, NGL and Oil Production Costs, a Non-GAAP Financial Measure[1]						

[1] Natural Gas, NGL and Oil production costs consists primarily of lease operating expense, production ad valorem and other fees, transportation, gathering and compression and production related depreciation, depletion and amortization.

Selected Natural Gas, NGL and Oil Production Financial Data

The following table presents a summary of our total sales volumes, sales of natural gas, NGL and oil including cash settlements, natural gas, NGL and oil production costs and natural gas, NGL and oil production margin related to our production operations on a total company basis (See Non-GAAP Financial Measures Reconciliation above for the reconciliation to the most directly comparable financial measures calculated and presented in accordance with GAAP):

	For the Three Months Ended March 31,							For the Three Months Ended June 30,					
	2024		2024		2023	Variance		2024		2023	Variance		
	in Millions	in Millions	Per Mcfe	in Millions	Per Mcfe	in Millions	Per Mcfe	in Millions	Per Mcfe	in Millions	Per Mcfe	in Millions	Per Mcfe
Total Sales Volumes (Bcfe)*													
Natural Gas, NGL and Oil Revenue													
Natural Gas, NGL and Oil Revenue													
Natural Gas, NGL and Oil Revenue													
Gain (Loss) on Commodity Derivative Instruments - Cash Settlement													
Gain on Commodity Derivative Instruments - Cash Settlement													
Sales of Natural Gas, NGL and Oil, including Cash Settlements, a Non-GAAP Financial Measure													
Lease Operating Expense													
Production, Ad Valorem, and Other Fees													
Transportation, Gathering and Compression													
Depreciation, Depletion and Amortization (DD&A)													
Natural Gas, NGL and Oil Production Costs, a Non-GAAP Financial Measure													
Natural Gas, NGL and Oil Production Margin, a Non-GAAP Financial Measure													

***NGLs and Oil/Condensate are converted to Mcfe at the rate of one barrel equals six Mcf based upon the approximate relative energy content of oil and natural gas, which is not indicative of the relationship of NGL, condensate, and natural gas prices.**

The 4.5 0.2 Bcfe increase decrease in total sales volumes in the period-to-period comparison was primarily due to normal production declines and the timing of when new wells were turned-in-line throughout after the 2023 and the first quarter of 2024 and period offset, in part, by an increase in NGL volumes primarily due to an increase in ethane recoveries. The increase was offset, in part, by normal production declines.

Changes in the average costs per Mcfe were primarily related to the following items:

- Production, ad valorem and other fees decreased Lease operating expense increased on a per unit basis primarily due to decreased realized prices on natural gas. an increase in water disposal costs as more water was taken to disposal instead of being reused in well completions.
- Transportation, gathering and compression expense decreased increased on a per unit basis primarily due to the three months ended June 30, 2023 containing a decrease transportation refund that was received in production connection with an interstate pipeline rate case settlement. No such refund occurred in areas that are subject the current period. The increase was also due to higher gathering rates, a decrease in repairs and maintenance expense and an increase in volumes. The decrease was offset, in part, by an increase in processing costs due related to rate escalations and the overall increase higher NGL sales volumes in NGL volumes. the current period.
- Depreciation, depletion and amortization expense increased on a per unit basis primarily due to a higher annual depletion rate for 2024. The increase in rate is primarily attributable to downward reserve revisions due to adjustments to the five-year development plan that lowered proved undeveloped reserves, price changes, and the sale of various non-operated producing oil and gas assets.

Average Realized Price Reconciliation

The following table presents a breakout of liquids and natural gas sales information and settled derivative information to assist in the understanding of the Company's natural gas production and sales portfolio and information regarding settled commodity derivatives:

		For the Three Months Ended March 31,								For the Three	
in thousands (unless noted)	*in thousands (unless noted)*	**2024**		**2023**		**Variance**	**Percent Change**		*in thousands (unless noted)*	**2024**	
LIQUIDS											
NGL:											
NGL:											
NGL:											
Sales Volume (MMcfe)											
Sales Volume (MMcfe)											
Sales Volume (MMcfe)		11,239	10,061	10,061	1,178	1,178	11.7	11.7 %		12,440	9,659
Sales Volume (Mbbls)	Sales Volume (Mbbls)	1,873	1,677	1,677	196	196	11.7	11.7 %	Sales Volume (Mbbls)	2,073	[illegible]
Gross Price ($/Bbl)	Gross Price ($/Bbl)	$ 23.94	$	$ 27.48	$	$ (3.54)	(12.9)	(12.9) %	Gross Price ($/Bbl)	$ 19.68	$
Gross NGL Revenue	Gross NGL Revenue	$ 44,865	$	$ 46,056	$	$ (1,191)	(2.6)	(2.6) %	Gross NGL Revenue	$ 40,751	$
Oil/Condensate:											
Oil/Condensate:											
Oil/Condensate:											
Sales Volume (MMcfe)											
Sales Volume (MMcfe)											
Sales Volume (MMcfe)		175	515	515	(340)	(340)	(66.0)	(66.0) %		108	291
Sales Volume (Mbbls)	Sales Volume (Mbbls)	29	86	86	(57)	(57)	(66.3)	(66.3) %	Sales Volume (Mbbls)	18	
Gross Price ($/Bbl)	Gross Price ($/Bbl)	$ 64.08	$	$ 67.32	$	$ (3.24)	(4.8)	(4.8) %	Gross Price ($/Bbl)	$ 66.00	$
Gross Oil/Condensate Revenue	Gross Oil/Condensate Revenue	$ 1,870	$	$ 5,773	$	$ (3,903)	(67.6)	(67.6) %	Gross Oil/Condensate Revenue	$ 1,192	$
NATURAL GAS											
NATURAL GAS											
NATURAL GAS											
Sales Volume (MMcf)											
Sales Volume (MMcf)											
Sales Volume (MMcf)		128,942	125,290	125,290	3,652	3,652	2.9	2.9 %		121,451	124,207
Sales Price ($/Mcf)	Sales Price ($/Mcf)	$ 2.17	$	$ 3.22	$	$ (1.05)	(32.6)	(32.6) %	Sales Price ($/Mcf)	$ 1.60	$
Gross Natural Gas Revenue	Gross Natural Gas Revenue	$279,237	$	$403,810	$	$(124,573)	(30.8)	(30.8) %	Gross Natural Gas Revenue	$194,290	$
Hedging Impact ($/Mcf)											
Hedging Impact ($/Mcf)											

Hedging Impact ($/Mcf)	$ 0.42	$ (0.49)	$ 0.91	185.7	185.7 %	$0.91	$
Gain (Loss) on Commodity Derivative Instruments - Cash Settlement	$ 54,652	$ (61,032)	$ 115,684	189.5 %			
Gain on Commodity Derivative Instruments - Cash Settlement	$110,082	$ 79,559	$ 30,523	38.4 %			

The decrease increase in natural gas, NGLs Sales of Natural Gas, NGL and oil revenue Oil, including Cash Settlements, a Non-GAAP Financial Measure was primarily the result of the $1.05 2.8 Bcfe increase in NGL sales volumes, the $0.60 per Bbl increase in NGL prices, and the impact of the change in the realized gain on commodity derivative instruments - cash settlement related to the Company's hedging program. The increase was offset, in part, by the $0.20 per Mcf decrease in natural gas prices, when excluding the impact of hedging and the $3.54 per Bbl 2.8 Bcfe decrease in NGL prices. These decreases were offset, in-part, by natural gas sales volumes.

SEGMENT ANALYSIS for the impact three months ended June 30, 2024 compared to the three months ended June 30, 2023:

	For the Three Months Ended June 30, 2024				Difference to Three Months Ended June 30, 2023			
(in millions)	Shale	CBM	Other	Total	Shale	CBM	Other	Total
Natural Gas, NGLs and Oil Revenue	$ 216	$ 20	$ —	$ 236	$ (18)	$ (3)	$ —	$ (21)
Gain (Loss) on Commodity Derivative Instruments	102	8	(96)	14	28	2	(559)	(529)
Purchased Gas Revenue	—	—	11	11	—	—	2	2
Other Revenue and Operating Income	16	—	44	60	(1)	—	30	29
Total Revenue and Other Operating Income	334	28	(41)	321	9	(1)	(527)	(519)
Lease Operating Expense	12	6	—	18	3	2	—	5
Production, Ad Valorem, and Other Fees	5	1	—	6	—	1	—	1
Transportation, Gathering and Compression	76	16	—	92	5	(1)	—	4
Depreciation, Depletion and Amortization	98	14	6	118	11	1	2	14
Exploration and Production Related Other Costs	—	—	2	2	—	—	—	—
Purchased Gas Costs	—	—	10	10	—	—	1	1
Selling, General and Administrative Costs	—	—	32	32	—	—	2	2
Other Operating Expense	—	—	21	21	—	—	—	—
Total Operating Expense	191	37	71	299	19	3	5	27
Other Income	—	—	(1)	(1)	—	—	(3)	(3)
Gain on Asset Sales and Abandonments, net	—	—	(1)	(1)	—	—	105	105
Interest Expense	—	—	39	39	—	—	4	4
Total Other Expense	—	—	37	37	—	—	106	106
Total Costs and Expenses	191	37	108	336	19	3	111	133
Earnings (Loss) Before Income Tax	$ 143	$ (9)	$ (149)	$ (15)	$ (10)	$ (4)	$ (638)	$ (652)

SHALE SEGMENT

The Shale segment had earnings before income tax of $143 million for the three months ended June 30, 2024 compared to earnings before income tax of $153 million for the three months ended June 30, 2023.

	For the Three Months Ended June 30,

	2024	2023	Variance	Percent Change
Shale Gas Sales Volumes (Bcf)	111.7	114.0	(2.3)	(2.0)%
NGLs Sales Volumes (Bcfe)*	12.4	9.7	2.7	27.8 %
Oil/Condensate Sales Volumes (Bcfe)*	0.1	0.3	(0.2)	(66.7)%
Total Shale Sales Volumes (Bcfe)*	124.2	124.0	0.2	0.2 %
Average Sales Price - Natural Gas (per Mcf)	$ 1.55	$ 1.76	$ (0.21)	(11.9)%
Gain on Commodity Derivative Instruments - Cash Settlement (per Mcf)	$ 0.91	$ 0.64	$ 0.27	42.2 %
Average Sales Price - NGLs (per Mcfe)*	$ 3.28	$ 3.18	$ 0.10	3.1 %
Average Sales Price - Oil/Condensate (per Mcfe)*	$ 10.94	$ 10.54	$ 0.40	3.8 %
Total Average Shale Sales Price (per Mcfe)	$ 2.56	$ 2.48	$ 0.08	3.2 %
Average Shale Lease Operating Expenses (per Mcfe)	0.10	0.07	0.03	42.9 %
Average Shale Production, Ad Valorem and Other Fees (per Mcfe)	0.05	0.04	0.01	25.0 %
Average Shale Transportation, Gathering and Compression Costs (per Mcfe)	0.61	0.57	0.04	7.0 %
Average Shale Depreciation, Depletion and Amortization Costs (per Mcfe)	0.78	0.70	0.08	11.4 %
Total Average Shale Production Costs (per Mcfe)	$ 1.54	$ 1.38	$ 0.16	11.6 %
Total Average Shale Production Margin (per Mcfe)	$ 1.02	$ 1.10	$ (0.08)	(7.3)%

*** NGLs and Oil/Condensate are converted to Mcfe at the rate of one barrel equals six Mcf based upon the approximate relative energy content of oil and natural gas, which is not indicative of the relationship of oil, NGL, condensate, and natural gas prices.**

The Shale segment had natural gas, NGLs and oil/condensate revenue of $216 million for the three months ended June 30, 2024 compared to $234 million for the three months ended June 30, 2023. The $18 million decrease was primarily due to a 11.9% decrease in the average sales price for natural gas offset, in part, by a 3.1% increase in the average sales price of NGLs and a 0.2% increase in total Shale sales volumes. The increase in total Shale sales volumes was primarily due an increase in NGL sales volumes due to an increase in ethane recoveries offset, in part, by normal production declines and the timing of when new wells were turned-in-line.

The increase in total average Shale sales price was primarily due to a $0.27 per Mcf change in the realized gain (loss) on commodity derivative instruments - cash settlement and a $0.10 per Mcfe increase in the average NGL sales price. These increases were offset in part by a $0.21 per Mcf decrease in average natural gas sales price. The notional amounts associated with these financial hedges represented approximately 97.4 Bcf of the Company's produced Shale gas sales volumes for the three months ended June 30, 2024 at an average gain of $1.04 per Mcf hedged. For the three months ended June 30, 2023, these financial hedges represented approximately 103.9 Bcf at an average gain of $0.70 per Mcf hedged.

Total operating costs and expenses for the Shale segment were $191 million for the three months ended June 30, 2024 compared to $172 million for the three months ended June 30, 2023. The increases in total dollars and unit costs for the Shale segment were due to the following items:

- Shale lease operating expenses were $12 million for the three months ended June 30, 2024 compared to $9 million for the three months ended June 30, 2023. The increase in total dollars was primarily due to an increase in water disposal costs as more water was taken to disposal instead of being reused in well completions and an increase in repair and maintenance expense.

- Shale transportation, gathering and compression costs were $76 million for the three months ended June 30, 2024 compared to $71 million for the three months ended June 30, 2023. The increase in total dollars and unit costs was primarily due to the 2023 period containing a transportation refund that was received in connection with an interstate pipeline rate case

settlement. No such transactions occurred in the current period. The increase was also due to an increase in processing costs due to the increase in NGL sales volumes.

- Depreciation, depletion and amortization costs attributable to the Shale segment were $98 million for the three months ended June 30, 2024 compared to $87 million for the three months ended June 30, 2023. These amounts included depletion on a units of production basis of $0.67 per Mcfe and $0.59 per Mcfe, respectively. The increase in the units of production depreciation, depletion and amortization rate in the current period is primarily due to a higher annual depletion rate for 2024. The increase in rate is primarily attributable to downward reserve revisions due to adjustments to the five-year development plan that lowered proved undeveloped reserves, price changes, and the sale of various non-operated producing oil and gas assets. The remaining depreciation, depletion and amortization costs were either recorded on a straight-line basis or related to asset retirement obligations.

Total Shale other revenue and operating income relates to natural gas gathering services provided to third parties. The Shale segment had other revenue and operating income of $16 million for the three months ended June 30, 2024 compared to $17 million for the three months June 30, 2023.

COALBED METHANE (CBM) SEGMENT

The CBM segment had a loss before income tax of $9 million for the three months ended June 30, 2024 compared to a loss before income tax of $5 million for the three months ended June 30, 2023.

	For the Three Months Ended June 30,			
	2024	2023	Variance	Percent Change
CBM Gas Sales Volumes (Bcf)	9.7	10.1	(0.4)	(4.0)%
Average Sales Price - Gas (per Mcf)	$ 2.12	$ 2.24	$ (0.12)	(5.4)%
Gain on Commodity Derivative Instruments - Cash Settlement (per Mcf)	$ 0.84	$ 0.59	$ 0.25	42.4 %
Total Average CBM Sales Price (per Mcf)	$ 2.95	$ 2.84	$ 0.11	3.9 %
Average CBM Lease Operating Expenses (per Mcf)	0.55	0.44	0.11	25.0 %
Average CBM Production, Ad Valorem and Other Fees (per Mcf)	0.12	0.05	0.07	140.0 %
Average CBM Transportation, Gathering and Compression Costs (per Mcf)	1.65	1.64	0.01	0.6 %
Average CBM Depreciation, Depletion and Amortization Costs (per Mcf)	1.51	1.24	0.27	21.8 %
Total Average CBM Production Costs (per Mcf)	$ 3.83	$ 3.37	$ 0.46	13.6 %
Total Average CBM Production Margin (per Mcf)	$ (0.88)	$ (0.53)	$ (0.35)	(66.0)%

The CBM segment had natural gas revenue of $20 million for the three months ended June 30, 2024 compared to $23 million for the three months ended June 30, 2023. The decrease was due to a 5.4% decrease in the average sales price for natural gas in the current period and a 4.0% decrease in CBM sales volumes due to normal production declines.

The total average CBM sales price increased $0.11 per Mcf due to a $0.25 per Mcf change in the realized gain on commodity derivative instruments resulting from the Company's hedging program, offset in part by a $0.12 per Mcf decrease in average gas sales price. The notional amounts associated with these financial hedges represented approximately 7.8 Bcf of the Company's produced CBM sales volumes for the three months ended June 30, 2024 at an average gain of $1.05 per Mcf hedged. For the three months ended June 30, 2023, these financial hedges represented approximately 8.3 Bcf at an average gain of $0.72 per Mcf hedged.

Total operating costs and expenses for the 4.5 Bcfe CBM segment were $37 million for the three months ended June 30, 2024 compared to $34 million for the three months ended June 30, 2023. The increases in total dollars and unit costs for the CBM segment were due to the following items:

- CBM lease operating expenses were $6 million for the three months ended June 30, 2024 compared to $4 million for the three months ended June 30, 2023. The increase in total dollars and unit costs was primarily due to an increase in well tending costs.

- CBM transportation, gathering and compression costs were $16 million for the three months ended June 30, 2024 compared to $17 million for the three months ended June 30, 2023. The decrease in total dollars and unit costs was primarily due to a decrease in repairs and maintenance expense offset, in part, by an increase in electrical compression expense.

- Depreciation, depletion and amortization costs attributable to the CBM segment were $14 million for the three months ended June 30, 2024 compared to $13 million for the three months ended June 30, 2023. These amounts included depletion on a units of production basis of $0.85 per Mcfe and $0.64 per Mcfe, respectively. The increase in the units of production depreciation, depletion and amortization rate in the current period is primarily the result of a higher 2024 annual depletion rate. The increase in rate is primarily attributable to downward reserve revisions due to higher operating costs and price changes. The remaining depreciation, depletion and amortization costs were either recorded on a straight-line basis or related to asset retirement obligations.

OTHER SEGMENT

The Other Segment includes nominal shallow oil and gas production which is not significant to the Company. It also includes the Company's purchased gas activities, unrealized gain or loss on commodity derivative instruments, New Technologies, exploration and production related other costs, as well as various other expenses that are managed outside the Shale and CBM segments such as selling, general and administrative ("SG&A"), interest expense and income taxes.

The Other Segment had a loss before income tax of $149 million for the three months ended June 30, 2024 compared to earnings before income tax of $489 million for the three months ended June 30, 2023. The decrease in total dollars is discussed below.

	For the Three Months Ended June 30,			
	2024	2023	Variance	Percent Change
Other Gas Sales Volumes (Bcf)	0.1	0.1	—	— %

Unrealized (Loss) Gain on Commodity Derivative Instruments

For the three months ended June 30, 2024, the Other Segment recognized an unrealized loss on commodity derivative instruments of $96 million. For the three months ended June 30, 2023, the Other Segment recognized an unrealized gain on commodity derivative instruments of $463 million. The unrealized loss or gain on commodity derivative instruments represents changes in the fair value of all the Company's existing commodity hedges on a mark-to-market basis.

Purchased Gas Revenue and Costs

Purchased gas volumes represent volumes of natural gas purchased at market prices from third parties and then resold in order to fulfill contracts with certain customers and to balance supply. Purchased gas revenue was $11 million for the three months ended June 30, 2024 compared to $9 million for the three months ended June 30, 2023. Purchased gas costs were $10 million for the three months ended June 30, 2024 compared to $9 million for the three months ended June 30, 2023. The period-to-period increase in purchased gas revenue was due to an increase in purchased gas sales volumes. volumes, offset in part by a decrease in average sales price.

	For the Three Months Ended June 30,			
	2024	2023	Variance	Percent Change
Purchased Gas Sales Volumes (in Bcf)	6.3	4.9	1.4	28.6 %
Average Sales Price (per Mcf)	$ 1.75	$ 1.89	$ (0.14)	(7.4)%
Purchased Gas Average Cost (per Mcf)	$ 1.65	$ 1.78	$ (0.13)	(7.3)%

Other Operating Income

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Sales of Environmental Attributes	$ 33	$ 8	$ 25	312.5 %
Water Income	6	1	5	500.0 %
Excess Firm Transportation Income	5	4	1	25.0 %
Equity Income from Affiliates	—	1	(1)	(100.0)%
Total Other Operating Income	$ 44	$ 14	$ 30	214.3 %

- Sales of environmental attributes includes items such as (but are not limited to): carbon credits, air quality credits, renewable energy credits, methane capture credits, methane performance certificates, emission reductions, offsets and/or allowances. The quantities and types of environmental attributes we sell and the associated revenue can vary depending on a number of factors, including the market for these credits, changes to the various voluntary or compliance programs under which the credits are generated and sold, and our ability to strictly comply with the programs under which the attributes can be sold. The increase in the period-to-period comparison was due to an increase in the amount of environmental attributes sold.
- Water income increased in the period-to-period comparison due to higher third-party sales in the current period.
- Excess firm transportation income represents revenue from the sale of excess firm transportation capacity to third parties. The Company obtains firm pipeline transportation capacity to enable gas production to flow uninterrupted as sales volumes increase. In order to minimize this unutilized firm transportation expense, CNX is able to release (sell) unutilized firm transportation capacity to other parties when possible and when beneficial. The revenue from released capacity helps offset the unutilized firm transportation and processing fees in total other operating expense.
- Equity income from affiliates primarily represents CNX's share of earnings from a 50% interest in a power plant located within CNX's CBM field. Power generated from the facility is sold into wholesale electricity markets during times of peak energy consumption. Due to the plant consuming low carbon intensity coal mine methane gas, the plant qualifies for Pennsylvania Tier I Renewable Energy Credits.

Exploration and Production Related Other Costs

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Lease Expiration Costs	$ 1	$ 1	$ —	— %

Land Rentals	1	1	—	— %
Total Exploration and Production Related Other Costs	$ 2	$ 2	$ —	— %

Selling, General and Administrative

SG&A costs include costs such as overhead, including employee labor and benefit costs, short-term incentive compensation, costs of maintaining our headquarters, audit and other professional fees, charitable contributions and legal compliance expenses. SG&A costs also include non-cash long-term equity-based compensation expense.

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Salaries, Wages and Employee Benefits	$ 7	$ 6	$ 1	16.7 %
Short-Term Incentive Compensation	3	3	—	— %
Contributions and Advertising	—	1	(1)	(100.0)%
Long-Term Equity-Based Compensation (Non-Cash)	4	5	(1)	(20.0)%
Other	18	15	3	20.0 %
Total SG&A	$ 32	$ 30	$ 2	6.7 %

- Other increased in the period-to-period comparison primarily due to an increase in professional services and consulting fees related to cyber security, legal matters and regulatory reporting.

Other Operating Expense

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Environmental Attribute Fees	$ 5	$ 2	$ 3	150.0 %
Unutilized Firm Transportation and Processing Fees	15	14	1	7.1 %
Insurance Expense	1	1	—	— %
Virginia Flood Expense	(1)	1	(2)	(200.0)%
Other	1	3	(2)	(66.7)%
Total Other Operating Expense	$ 21	$ 21	$ —	— %

- Environmental attribute fees represent costs related to the sale of environmental attributes that are included in Other Operating Income. The increase in fees in the period-to-period comparison relates to the increase in sales above.
- Unutilized firm transportation and processing fees represent pipeline transportation capacity obtained to enable gas production to flow uninterrupted as sales volumes increase, as well as additional processing capacity for NGLs. In some instances, the Company may have the opportunity to realize more favorable net pricing by strategically choosing to sell natural gas into a market or to a customer that does not require the use of the Company's own firm transportation capacity. Such sales would result in an increase in unutilized firm transportation expense. The Company attempts to minimize this expense by releasing (selling) unutilized firm transportation capacity to other parties when possible and when beneficial. The revenue received when this capacity is released (sold) is included in Excess Firm Transportation Income in Other Operating Income.
- Virginia flood expense includes costs to cleanup and repair areas that were impacted by flooding that occurred in Buchanan County, Virginia in July 2022. The income in the current period relates to an insurance reimbursement for prior expenses incurred.
- Other decreased in the period-to-period comparison due to various one-time items, none of which were individually material.

Other (Income) Expense

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Other Income				
Litigation Recoveries	$ 4	$ —	$ 4	100.0 %
Right-of-Way Sales	—	2	(2)	(100.0)%
Other	1	1	—	— %

Total Other Income	$ 5	$ 3	$ 2	66.7 %
Other Expense				
Professional Services	$ 1	$ 1	$ —	— %
Bank Fees	3	3	—	— %
Other Corporate Expense	—	1	(1)	(100.0)%
Total Other Expense	$ 4	$ 5	$ (1)	(20.0)%
Total Other (Income) Expense	$ (1)	$ 2	$ (3)	(150.0)%

- CNX pursues legal recoveries when certain circumstances arise. The increase in litigation recovery in the period-to-period comparison was the result of various recoveries that occurred in the current period. No such transactions occurred in the prior period.

Gain on Asset Sales and Abandonments, net

A net gain on asset sales and abandonments of $1 million was recognized in the three months ended June 30, 2024 compared to a net gain of $106 million in the three months ended June 30, 2023. The net gain recognized during the three months ended June 30, 2024 primarily relates to the sale of various non-core assets (rights-of-way, surface acreage and other non-core oil and gas interests). The net gain recognized during the three months ended June 30, 2023 primarily relates to the sale of various non-operated oil and gas assets (See Note 4 – Acquisitions and Dispositions in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information).

Interest Expense

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Total Interest Expense	$ 39	$ 35	$ 4	11.4 %

The $4 million increase in total interest expense was primarily due to higher borrowings on the CNX Credit Facility at higher interest rates and higher principal balances related to the long-term debt that was issued in February 2024. The increase was offset, in part, by lowering borrowings on the CNXM Credit Facility. See Note 8 – Revolving Credit Facilities and Note 10 – Long-Term Debt in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.

Income Taxes

	For the Three Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change
Total Company (Loss) Earnings Before Income Tax	$ (15)	$ 637	$ (652)	(102.4)%
Income Tax Expense	$ 3	$ 162	$ (159)	(98.1)%
Effective Income Tax Rate	(19.8)%	25.4 %	(45.2)%	

The effective income tax rates for the three months ended June 30, 2024 and 2023 were (19.8)% and 25.4%, respectively. The effective rate for the three months ended June 30, 2024 differs from the U.S. federal statutory rate of 21% primarily due to the impact of equity compensation, federal tax credits and state taxes. The effective rate for the three months ended June 30, 2023 differs from the U.S. federal statutory rate of 21% primarily due to the impact equity compensation, federal tax credits and state taxes primarily due to a West Virginia tax law change. See Note 5 – Income Taxes in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.

SEGMENT ANALYSIS**Results of Operations - *Six Months Ended June 30, 2024 Compared with Six Months Ended June 30, 2023***

Net (Loss) Income

CNX reported a net loss of $11 million, or a loss per diluted share of $0.07, for the three six months ended March 31, 2024 June 30, 2024, compared to net income of $1,185 million, or earnings per diluted share of $6.09, for the three six months ended March 31, 2023 June 30, 2023.

Included in the net loss for the six months ended June 30, 2024 was an unrealized loss on commodity derivative instruments of $143 million and a net loss on asset sales and abandonments of $20 million. Included in the net income for the six months ended June 30, 2023 was an unrealized gain on commodity derivative instruments of $1,287 million and a net gain on asset sales and abandonments of $115 million. See Note 4 – Acquisitions and Dispositions in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information related to the loss (gain) on asset sales and abandonments.

Non-GAAP Financial Measures

CNX's management uses certain non-GAAP financial measures for planning, forecasting and evaluating business and financial performance, and believes that they are useful for investors in analyzing the Company. Although these are not measures of performance calculated in accordance with GAAP, management believes that these financial measures are useful to an investor in evaluating CNX because these metrics are widely used to evaluate a natural gas company's operating performance. Sales of Natural Gas, NGL and Oil, including cash settlements is a non-GAAP measure that excludes the impacts of changes in the fair value of commodity derivative instruments prior to settlement, which are often volatile, and only includes the impact of settled commodity derivative instruments. Sales of Natural Gas, NGL and Oil, including cash settlements also excludes purchased gas revenue and other revenue and operating income, which are not directly related to CNX's natural gas producing activities. Natural Gas, NGL and Oil Production Costs is a non-GAAP measure that excludes certain expenses that are not directly related to CNX's natural gas producing activities and are managed outside our production operations (See Note 14 – Segment Information in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information). These expenses include, but are not limited to, interest expense, other operating expense and other corporate expenses such as selling, general and administrative costs. We believe that Sales of Natural Gas, NGL and Oil, including cash settlements, Natural Gas, NGL and Oil Production Costs and Natural Gas, NGL and Oil Production Margin (which is derived by subtracting Natural Gas, NGL and Oil Production Costs from Sales of Natural Gas, NGL and Oil, including cash settlements) provide useful information to investors for evaluating period-to-period comparisons of earnings trends. These metrics should not be viewed as a substitute for measures of performance that are calculated in accordance with GAAP. In addition, because all companies do not calculate these measures identically, these measures may not be comparable to similarly titled measures of other companies.

Non-GAAP Financial Measures Reconciliation

	For the Six Months Ended June 30,	
(Dollars in millions)	**2024**	**2023**
Total Revenue and Other Operating Income	$ 706	$ 2,116
Add (Deduct):		
Purchased Gas Revenue	(25)	(46)
Unrealized Loss (Gain) on Commodity Derivative Instruments	143	(1,287)
Other Revenue and Operating Income	(97)	(52)
Sales of Natural Gas, NGL and Oil, including Cash Settlements, a Non-GAAP Financial Measure	$ 727	$ 731
Total Operating Expense	$ 618	$ 592
Add (Deduct):		
Depreciation, Depletion and Amortization (DD&A) - Corporate	(6)	(7)
Exploration and Production Related Other Costs	(5)	(7)
Purchased Gas Costs	(24)	(43)
Selling, General and Administrative Costs	(70)	(66)
Other Operating Expense	(46)	(36)
Natural Gas, NGL and Oil Production Costs, a Non-GAAP Financial Measure[1]	$ 467	$ 433

[1] Natural Gas, NGL and Oil production costs consists primarily of lease operating expense, production ad valorem and other fees, transportation, gathering and compression and production related depreciation, depletion and amortization.

Selected Natural Gas, NGL and Oil Production Financial Data

The following table presents a summary of our total sales volumes, sales of natural gas, NGL and oil including cash settlements, natural gas, NGL and oil production costs and natural gas, NGL and oil production margin related to our production operations on a total company basis (See Non-GAAP Financial Measures Reconciliation above for the reconciliation to the most directly comparable financial measures calculated and presented in accordance with GAAP):

	For the Three Months Ended March 31, 2024				Difference to Three Months Ended March 31, 2023			
(in millions)	**Shale**	**CBM**	**Other**	**Total**	**Shale**	**CBM**	**Other**	**Total**
Natural Gas, NGLs and Oil Revenue	$ 292	$ 33	$ 1	$ 326	$ (115)	$ (15)	$ —	$ (130)
Gain (Loss) on Commodity Derivative Instruments	51	4	(47)	8	107	9	(870)	(754)
Purchased Gas Revenue	—	—	14	14	—	—	(23)	(23)

Other Revenue and Operating Income	16	—	20	36	(1)	—	16	15
Total Revenue and Other Operating Income	359	37	(12)	384	(9)	(6)	(877)	(892)
Lease Operating Expense	12	5	1	18	1	—	1	2
Production, Ad Valorem, and Other Fees	6	2	—	8	(1)	(1)	—	(2)
Transportation, Gathering and Compression	81	16	—	97	(1)	—	—	(1)
Depreciation, Depletion and Amortization	99	14	6	119	11	2	1	14
Exploration and Production Related Other Costs	—	—	2	2	—	—	(3)	(3)
Purchased Gas Costs	—	—	13	13	—	—	(21)	(21)
Selling, General and Administrative Costs	—	—	38	38	—	—	1	1
Other Operating Expense	—	—	24	24	—	—	9	9
Total Operating Expense	198	37	84	319	10	1	(12)	(1)
Other Expense	—	—	(5)	(5)	—	—	(6)	(6)
Loss (Gain) on Asset Sales and Abandonments, net	—	—	20	20	—	—	29	29
Loss on Debt Extinguishment	—	—	7	7	—	—	7	7
Interest Expense	—	—	37	37	—	—	1	1
Total Other Expense	—	—	59	59	—	—	31	31
Total Costs and Expenses	198	37	143	378	10	1	19	30
Earnings Before Income Tax	$ 161	$ —	$ (155)	$ 6	$ (19)	$ (7)	$ (896)	$ (922)

	For the Six Months Ended June 30,					
	2024		2023		Variance	
	in Millions	*Per Mcfe*	*in Millions*	*Per Mcfe*	*in Millions*	*Per Mcfe*
Total Sales Volumes (Bcfe)*		274.4		270.0		4.4
Natural Gas, NGL and Oil Revenue	$ 562	$ 1.99	$ 713	$ 2.64	$ (151)	$ (0.65)
Gain on Commodity Derivative Instruments - Cash Settlement	165	0.66	18	0.07	147	0.59
Sales of Natural Gas, NGL and Oil, including Cash Settlements, a Non-GAAP Financial Measure	727	2.65	731	2.71	(4)	(0.06)
Lease Operating Expense	35	0.13	30	0.11	5	0.02
Production, Ad Valorem, and Other Fees	14	0.05	15	0.05	(1)	—
Transportation, Gathering and Compression	188	0.69	186	0.69	2	—
Depreciation, Depletion and Amortization (DD&A)	230	0.83	202	0.75	28	0.08
Natural Gas, NGL and Oil Production Costs, a Non-GAAP Financial Measure	467	1.70	433	1.60	34	0.10
Natural Gas, NGL and Oil Production Margin, a Non-GAAP Financial Measure	$ 260	$ 0.95	$ 298	$ 1.11	$ (38)	$ (0.16)

***NGLs and Oil/Condensate are converted to Mcfe at the rate of one barrel equals six Mcf based upon the approximate relative energy content of oil and natural gas, which is not indicative of the relationship of NGL, condensate, and natural gas prices.**

The 4.4 Bcfe increase in volumes in the period-to-period comparison was primarily due to an increase in ethane recoveries and new wells turned-in-line throughout 2023 and the first half of 2024. The increase was offset, in part, by normal production declines.

Changes in the average costs per Mcfe were primarily related to the following items:

- Lease operating expense increased on a per unit basis primarily due to an increase in water disposal costs as more water was taken to disposal instead of being reused in well completions.
- Depreciation, depletion and amortization expense increased on a per unit basis primarily due to a higher annual depletion rate for 2024. The increase in rate is primarily attributable to downward reserve revisions due to adjustments to the five-year development plan that lowered proved undeveloped reserves, price changes, and the sale of various non-operated producing oil and gas assets.

Average Realized Price Reconciliation

The following table presents a breakout of liquids and natural gas sales information and settled derivative information to assist in the understanding of the Company's natural gas production and sales portfolio and information regarding settled commodity derivatives:

	For the Six Months Ended June 30,			
in thousands (unless noted)	2024	2023	Variance	Percent Change
LIQUIDS				
NGL:				
Sales Volume (MMcfe)	23,680	19,719	3,961	20.1 %
Sales Volume (Mbbls)	3,947	3,287	660	20.1 %
Gross Price ($/Bbl)	$ 21.72	$ 23.40	$ (1.68)	(7.2)%
Gross NGL Revenue	$ 85,616	$ 76,819	$ 8,797	11.5 %
Oil/Condensate:				
Sales Volume (MMcfe)	284	806	(522)	(64.8)%
Sales Volume (Mbbls)	47	134	(87)	(64.9)%
Gross Price ($/Bbl)	$ 64.80	$ 65.88	$ (1.08)	(1.6)%
Gross Oil/Condensate Revenue	$ 3,062	$ 8,849	$ (5,787)	(65.4)%
NATURAL GAS				
Sales Volume (MMcf)	250,392	249,498	894	0.4 %
Sales Price ($/Mcf)	$ 1.89	$ 2.51	$ (0.62)	(24.7)%
Gross Natural Gas Revenue	$ 473,527	$ 627,032	$ (153,505)	(24.5)%
Hedging Impact ($/Mcf)	$ 0.66	$ 0.07	$ 0.59	842.9 %
Gain on Commodity Derivative Instruments - Cash Settlement	$ 164,734	$ 18,527	$ 146,207	789.2 %

The decrease in Sales of Natural Gas, NGL and Oil, including Cash Settlements, a Non-GAAP Financial Measure was primarily due to the $0.62 per Mcf decrease in natural gas prices, when excluding the impact of hedging and the $1.68 per barrel decrease in NGL prices. These decreases were offset, in-part, by the impact of the change in the gain on commodity derivative instruments - cash settlement related to the Company's hedging program and the 4.4 Bcfe increase in total sales volumes.

SEGMENT ANALYSIS for the six months ended June 30, 2024 compared to the six months ended June 30, 2023:

	For the Six Months Ended June 30, 2024				Difference to Six Months Ended June 30, 2023			
(in millions)	Shale	CBM	Other	Total	Shale	CBM	Other	Total
Natural Gas, NGLs and Oil Revenue	$ 508	$ 53	$ 1	$ 562	$ (133)	$ (18)	$ —	$ (151)
Gain (Loss) on Commodity Derivative Instruments	153	12	(143)	22	136	11	(1,430)	(1,283)
Purchased Gas Revenue	—	—	25	25	—	—	(21)	(21)
Other Revenue and Operating Income	32	—	65	97	(2)	—	47	45
Total Revenue and Other Operating Income	693	65	(52)	706	1	(7)	(1,404)	(1,410)
Lease Operating Expense	24	11	—	35	4	1	—	5
Production, Ad Valorem, and Other Fees	12	2	—	14	—	(1)	—	(1)
Transportation, Gathering and Compression	156	32	—	188	3	—	(1)	2
Depreciation, Depletion and Amortization	197	29	10	236	23	4	—	27
Exploration and Production Related Other Costs	—	—	5	5	—	—	(2)	(2)
Purchased Gas Costs	—	—	24	24	—	—	(19)	(19)
Selling, General and Administrative Costs	—	—	70	70	—	—	4	4
Other Operating Expense	—	—	46	46	—	—	10	10

Total Operating Expense	389	74	155	618	30	4	(8)	26
Other Income	—	—	(6)	(6)	—	—	(9)	(9)
Loss on Asset Sales and Abandonments, net	—	—	20	20	—	—	135	135
Loss on Debt Extinguishment	—	—	7	7	—	—	7	7
Interest Expense	—	—	76	76	—	—	5	5
Total Other Expense	—	—	97	97	—	—	138	138
Total Costs and Expenses	389	74	252	715	30	4	130	164
Earnings (Loss) Before Income Tax	$ 304	$ (9)	$ (304)	$ (9)	$ (29)	$ (11)	$ (1,534)	$ (1,574)

SHALE SEGMENT

The Shale segment had earnings before income tax of $161 million $304 million for the three six months ended March 31, 2024 June 30, 2024 compared to earnings before income tax of $180 million $333 million for the three six months ended March 31, 2023 June 30, 2023.

		For the Three Months Ended March 31,								For the Six Months Ended June 30,					
		2024		2023		Variance		Percent Change		2024			2023		Va
Shale Gas Sales Volumes (Bcf)	Shale Gas Sales Volumes (Bcf)	119.4	114.8	114.8	4.6	4.6	4.0	4.0	%	Shale Gas Sales Volumes (Bcf)	231.1	228.9		228.9	2.
NGLs Sales Volumes (Bcfe)*	NGLs Sales Volumes (Bcfe)*	11.2	10.1	10.1	1.1	1.1	10.9	10.9	%	NGLs Sales Volumes (Bcfe)*	23.7	19.7		19.7	4.
Oil/Condensate Sales Volumes (Bcfe)*	Oil/Condensate Sales Volumes (Bcfe)*	0.2	0.5	0.5	(0.3)	(0.3)	(60.0)	(60.0)	%	Oil/Condensate Sales Volumes (Bcfe)*	0.2	0.8		0.8	(0.
Total Shale Sales Volumes (Bcfe)*	Total Shale Sales Volumes (Bcfe)*	130.8	125.4	125.4	5.4	5.4	4.3	4.3	%	Total Shale Sales Volumes (Bcfe)*	255.0	249.4		249.4	5.
Average Shale Gas Sales Price (per Mcf)															
Average Shale Gas Sales Price (per Mcf)															
Average Shale Gas Sales Price (per Mcf)		$ 2.06	$	$ 3.10	$	$(1.04)	(33.5)	(33.5)	%	$ 1.82	$	$ 2.43		$	$(0.6
Gain (Loss) on Commodity Derivative Instruments - Cash Settlement (per Mcf)		$ 0.43		$ (0.49)		$ 0.92		187.8	%						
Gain on Commodity Derivative Instruments - Cash Settlement (per Mcf)		$ 0.66		$ 0.08		$ 0.58		725.0	%						
Average Sales Price - NGLs (per Mcfe)*	Average Sales Price - NGLs (per Mcfe)*	$ 3.99	$	$ 4.58	$	$(0.59)	(12.9)	(12.9)	%	Average Sales Price - NGLs (per Mcfe)*	$ 3.62	$	$ 3.90	$	
Average Sales Price - Oil/Condensate (per Mcfe)*	Average Sales Price - Oil/Condensate (per Mcfe)*	$10.65	$	$11.20	$	$(0.55)	(4.9)	(4.9)	%	Average Sales Price - Oil/Condensate (per Mcfe)*	$ 10.76	$	$10.96	$	
Total Average Shale Sales Price (per Mcfe)															

Total Average Shale Sales Price (per Mcfe)														
Total Average Shale Sales Price (per Mcfe)		$ 2.63	$	$ 2.80	$	$(0.17)	(6.1)	(6.1)%		$ 2.59	$	$ 2.64	$	$(0.05
Average Shale Lease Operating Expenses (per Mcfe)	Average Shale Lease Operating Expenses (per Mcfe)	0.09	0.09	0.09	—	—	—	— %	Average Shale Lease Operating Expenses (per Mcfe)	0.10	0.08		0.08	0.0
Average Shale Production, Ad Valorem and Other Fees (per Mcfe)	Average Shale Production, Ad Valorem and Other Fees (per Mcfe)	0.04	0.06	0.06	(0.02)	(0.02)	(33.3)	(33.3) %	Average Shale Production, Ad Valorem and Other Fees (per Mcfe)	0.04	0.05		0.05	(0.0
Average Shale Transportation, Gathering and Compression Costs (per Mcfe)	Average Shale Transportation, Gathering and Compression Costs (per Mcfe)	0.62	0.66	0.66	(0.04)	(0.04)	(6.1)	(6.1) %	Average Shale Transportation, Gathering and Compression Costs (per Mcfe)	0.61	0.62		0.62	(0.0
Average Shale Depreciation, Depletion and Amortization Costs (per Mcfe)	Average Shale Depreciation, Depletion and Amortization Costs (per Mcfe)	0.77	0.69	0.69	0.08	0.08	11.6	11.6 %	Average Shale Depreciation, Depletion and Amortization Costs (per Mcfe)	0.77	0.69		0.69	0.0
Total Average Shale Production Costs (per Mcfe)	Total Average Shale Production Costs (per Mcfe)	$ 1.52	$	$ 1.50	$	$ 0.02	1.3	1.3 %	Total Average Shale Production Costs (per Mcfe)	$ 1.52	$	$ 1.44	$	
Total Average Shale Production Margin (per Mcfe)	Total Average Shale Production Margin (per Mcfe)	$ 1.11	$	$ 1.30	$	$(0.19)	(14.6)	(14.6)%	Total Average Shale Production Margin (per Mcfe)	$ 1.07	$	$ 1.20	$	

*** NGLs and Oil/Condensate are converted to Mcfe at the rate of one barrel equals six Mcf based upon the approximate relative energy content of oil and natural gas, which is not indicative of the relationship of oil, NGL, condensate, and natural gas prices.**

The Shale segment had natural gas, NGLs and oil/condensate revenue of $292 million $508 million for the three six months ended March 31, 2024 June 30, 2024 compared to $407 million $641 million for the three six months ended March 31, 2023 June 30, 2023. The $115 million $133 million decrease was due primarily to a 33.5% 25.1% decrease in the average sales price for natural gas and a 12.9% 7.2% decrease in the average sales price of NGLs. The decrease was partially offset by the 4.3% 2.2% increase in total Shale sales volumes. The increase in total Shale sales volumes was primarily due to an increase in ethane recoveries and new wells turned-in-line throughout 2023 and the first quarter half of 2024 and an 2024. The increase in ethane recoveries was offset, in part, by normal production declines.

The decrease in total average Shale sales price was primarily due to a $1.04 $0.61 per Mcf decrease in average natural gas sales price and a $0.59 $0.28 per Mcfe decrease in the average NGL sales price. These decreases were offset in part by a $0.92 $0.58 per Mcf change in the realized gain (loss) on commodity derivative instruments. The notional amounts associated with these financial hedges represented approximately 92.2 189.6 Bcf of the Company's produced Shale gas sales volumes for the three six months ended March 31, 2024 June 30, 2024 at an average gain of $0.55 $0.80 per Mcf hedged. For the three six months ended March 31, 2023 June 30, 2023, these financial hedges represented approximately 84.3 188.3 Bcf at an average loss gain of $0.67 $0.09 per Mcf hedged.

Total operating costs and expenses for the Shale segment were $198 million $389 million for the three six months ended March 31, 2024 June 30, 2024 compared to $188 million $359 million for the three six months ended March 31, 2023 June 30, 2023. The increase in total dollars and unit costs for the Shale segment were due to the following items:

- Shale lease operating expenses were $12 million $24 million for the three six months ended March 31, 2024 June 30, 2024 compared to $11 million $20 million for the three six months ended March 31, 2023 June 30, 2023. The increase in total dollars was primarily related due to an increase in water disposal costs as more water was taken to disposal instead of being reused in well completions.

- Shale production, ad valorem and other fees were $6 million for the three months ended March 31, 2024 compared to $7 million for the three months ended March 31, 2023. The decrease in total dollars was primarily due to decreased realized prices on natural gas.

• Shale transportation, gathering and compression costs were $81 million $156 million for the three six months ended March 31, 2024 June 30, 2024 compared to $82 million $153 million for the three six months ended March 31, 2023 June 30, 2023. The decrease increase in total dollars was primarily related to a

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decrease in production in areas that are subject to higher third-party gathering rates and a decrease in repairs and maintenance expense. The decrease was offset, in part, by an increase in processing costs due to normal rate escalations, an increase in ethane recoveries and an increase in ethane recoveries. electrical compression expense. The increase was offset, in part, by lower repairs in maintenance and expense. The decrease in unit costs was primarily due to the increase in total Shale sales volumes.

• Depreciation, depletion and amortization costs attributable to the Shale segment were $99 million $197 million for the three six months ended March 31, 2024 June 30, 2024 compared to $88 million $174 million for the three six months ended March 31, 2023 June 30, 2023. These amounts included depletion on a unit of production basis of $0.65 $0.66 per Mcfe and $0.59 per Mcfe, respectively. The increase in the units of production depreciation, depletion and amortization rate in the current period is primarily due to a higher annual depletion rate for 2024. The increase in rate is primarily attributable to downward reserve revisions due to adjustments to the five-year development plan that lowered proved undeveloped reserves, price changes, and the sale of various non-operated producing oil and gas assets The remaining depreciation, depletion and amortization costs were either recorded on a straight-line basis or related to asset retirement obligations.

Total Shale other revenue and operating income relates to natural gas gathering services provided to third parties. The Shale segment had other revenue and operating income of $16 million $32 million for the three six months ended March 31, 2024 June 30, 2024 compared to $17 million $34 million for the three six months ended March 31, 2023 June 30, 2023. The decrease in the period-to-period comparison was primarily due to lower third-party gathering volumes due to normal production declines.

<u>COALBED METHANE (CBM) SEGMENT</u>

The CBM segment had a nominal loss before income tax of $9 million for the three six months ended March 31, 2024 June 30, 2024 compared to earnings before income tax of $7 million $2 million for the three six months ended March 31, 2023 June 30, 2023.

		For the Three Months Ended March 31,							For the Six Months Ended June 30,						
		2024		2023		Variance		Percent Change		2024			2023	Variance	
CBM Gas Sales Volumes (Bcf)	CBM Gas Sales Volumes (Bcf)	9.5	10.4	10.4	(0.9)	(0.9)	(8.7)	(8.7)	%	CBM Gas Sales Volumes (Bcf)	19.2	20.5	20.5	(1.3)	
Average CBM Gas Sales Price (per Mcf)															
Average CBM Gas Sales Price (per Mcf)															
Average CBM Gas Sales Price (per Mcf)		$ 3.46	$	$ 4.62	$	$(1.16)	(25.1)	(25.1)%	$ 2.78		$	$ 3.45	$	$(0.67)	(
Gain (Loss) on Commodity Derivative Instruments - Cash Settlement (per Mcf)		$ 0.41		$(0.45)		$ 0.86		191.1 %							
Gain on Commodity Derivative Instruments - Cash Settlement (per Mcf)		$ 0.62		$ 0.06		$ 0.56		933.3 %							
Total Average CBM Sales Price (per Mcf)															
Total Average CBM Sales Price (per Mcf)															
Total Average CBM Sales Price (per Mcf)		$ 3.87	$	$ 4.17	$	$(0.30)	(7.2)	(7.2)%	$ 3.41		$	$ 3.52	$	$(0.11)	

Average CBM Lease Operating Expenses (per Mcf)	Average CBM Lease Operating Expenses (per Mcf)	0.57	0.53	0.53	0.04	0.04	7.5	7.5	%	Average CBM Lease Operating Expenses (per Mcf)	0.56	0.49	0.49	0.07	
Average CBM Production, Ad Valorem and Other Fees (per Mcf)	Average CBM Production, Ad Valorem and Other Fees (per Mcf)	0.18	0.28	0.28	(0.10)	(0.10)	(35.7)	(35.7)	%	Average CBM Production, Ad Valorem and Other Fees (per Mcf)	0.15	0.17	0.17	(0.02)	
Average CBM Transportation, Gathering and Compression Costs (per Mcf)	Average CBM Transportation, Gathering and Compression Costs (per Mcf)	1.65	1.49	1.49	0.16	0.16	10.7	10.7	%	Average CBM Transportation, Gathering and Compression Costs (per Mcf)	1.65	1.56	1.56	0.09	
Average CBM Depreciation, Depletion and Amortization Costs (per Mcf)	Average CBM Depreciation, Depletion and Amortization Costs (per Mcf)	1.50	1.20	1.20	0.30	0.30	25.0	25.0	%	Average CBM Depreciation, Depletion and Amortization Costs (per Mcf)	1.51	1.22	1.22	0.29	
Total Average CBM Production Costs (per Mcf)	Total Average CBM Production Costs (per Mcf)	$ 3.90	$	$ 3.50	$	$ 0.40	11.4	11.4	%	Total Average CBM Production Costs (per Mcf)	$ 3.87	$	$3.44	$	$ 0.43
Total Average CBM Production Margin (per Mcf)	Total Average CBM Production Margin (per Mcf)	$(0.03)	$	$ 0.67	$	$(0.70)	(104.5)	(104.5)	%	Total Average CBM Production Margin (per Mcf)	$ (0.46)	$	$0.08	$	$(0.54)

The CBM segment had natural gas revenue of $33 million $53 million for the three six months ended March 31, 2024 June 30, 2024 compared to $48 million $71 million for the three six months ended March 31, 2023 June 30, 2023. The $15 million $18 million decrease was due to a 25.1% 19.4% decrease in the average sales price for natural gas in the current period and an 8.7% 6.3% decrease in CBM sales volumes due to normal production declines.

The total average CBM sales price decreased $0.30 $0.11 per Mcf due to a $1.16 $0.67 per Mcf decrease in average natural gas sales price, offset in part by a $0.86 $0.56 per Mcf change in the realized gain (loss) on commodity derivative instruments resulting from the Company's hedging program. The notional amounts associated with these financial hedges represented approximately 6.9 14.7 Bcf of the Company's produced CBM sales volumes for the three six months ended March 31, 2024 June 30, 2024 at an average gain of $0.55 $0.81 per Mcf hedged. For the three six months ended March 31, 2023 June 30, 2023, these financial hedges represented approximately 7.2 15.6 Bcf at an average loss gain of $0.65 $0.09 per Mcf hedged.

Total operating costs and expenses for the CBM segment were $37 million $74 million for the three six months ended March 31, 2024 June 30, 2024 compared to $36 million $70 million for the three six months ended March 31, 2023 June 30, 2023. The increase in total dollars and unit costs for the CBM segment were due to the following items:

- CBM lease operating expenses were $5 million $11 million for the three six months ended March 31, 2024 June 30, 2024 compared to $10 million for the six months ended June 30, 2023. The increase in total dollars and unit costs was primarily due to an increase in well tending and water disposal costs.

- CBM transportation, gathering and compression costs were $32 million for both the six months ended June 30, 2024 and 2023. The increase in unit cost was primarily due to the decrease in total CBM volumes.

- CBM production, ad valorem and other fees were $2 million for the three months ended March 31, 2024 compared to $3 million for the three months ended March 31, 2023. The decrease in total dollars and unit costs were primarily due to decreased realized prices on natural gas.

• CBM transportation, gathering and compression costs were $16 million for the three months ended March 31, 2024 and 2023. The increase in unit cost was primarily due to the decrease in total CBM volumes.

• Depreciation, depletion and amortization costs attributable to the CBM segment were $14 million $29 million for the three six months ended March 31, 2024 June 30, 2024 compared to $12 million $25 million for the three six months ended March 31, 2023 June 30, 2023. These amounts included depletion on a unit of production basis of $0.85 per Mcfe and $0.64 per Mcfe, respectively. The increase in the units of production depreciation, depletion and amortization rate in the current period is primarily the result of a higher 2024 annual depletion rate. The increase in rate is primarily attributable to downward reserve revisions due to higher operating costs and price changes. The remaining depreciation, depletion and amortization costs were either recorded on a straight-line basis or related to asset retirement obligations.

OTHER SEGMENT

The Other Segment includes nominal shallow oil and gas production which is not significant to the Company. It also includes the Company's purchased gas activities, unrealized gain or loss on commodity derivative instruments, New Technologies, exploration and production related other costs, as well as various other expenses that are managed outside the Shale and CBM segments such as selling, general and administrative ("SG&A"), &A, interest expense and income taxes.

The Other Segment had a loss before income tax of $155 million $304 million for the three six months ended March 31, 2024 June 30, 2024 compared to earnings before income tax of $741 million $1,230 million for the three six months ended March 31, 2023 June 30, 2023. The decrease in total dollars is discussed below.

	For the Three Months Ended March 31,			
	2024	2023	Variance	Percent Change
Other Gas Sales Volumes (Bcf)	0.1	0.1	—	— %

	For the Six Months Ended June 30,			
	2024	2023	Variance	Percent Change
Other Gas Sales Volumes (Bcf)	0.2	0.1	0.1	100.0 %

Unrealized (Loss) Gain on Commodity Derivative Instruments

For the three six months ended March 31, 2024 June 30, 2024, the Other Segment recognized an unrealized loss on commodity derivative instruments of $47 million $143 million. For the three six months ended March 31, 2023 June 30, 2023, the Other Segment recognized an unrealized gain on commodity derivative instruments of $823 million $1,287 million as well as cash settlements received of $1 million. The unrealized loss or gain on commodity derivative instruments represents changes in the fair value of all the Company's existing commodity hedges on a mark-to-market basis.

Purchased Gas Revenue and Costs

Purchased gas volumes represent volumes of natural gas purchased at market prices from third parties and then resold in order to fulfill contracts with certain customers and to balance supply. Purchased gas revenue was $14 million $25 million for the three six months ended March 31, 2024 June 30, 2024 compared to $37 million $46 million for the three six months ended March 31, 2023 June 30, 2023. Purchased gas costs were $13 million $24 million for the three six months ended March 31, 2024 June 30, 2024 compared to $34 million $43 million for the three six months ended March 31, 2023 June 30, 2023. The period-to-period decrease in purchased gas revenue was primarily due to a decrease in purchased gas sales volumes.

	For the Three Months Ended March 31,									For the Six Months Ended June 30,								
	2024		2024	2023		Variance		Percent Change			2024		2023		Variance		Per Cha	
Purchased Gas Sales Volumes (in Bcf)	Purchased Gas Sales Volumes (in Bcf)	5.2	12.8	12.8	(7.6)	(7.6)	(59.4)	(59.4)	%	Purchased Gas Sales Volumes (in Bcf)	11.5	17.8	17.8	(6.3)	(6.3)	(35.4)	(35.4	
Average Sales Price (per Mcf)	Average Sales Price (per Mcf)	$2.73	$	$2.86	$	$(0.13)	(4.5)	(4.5) %	Average Sales Price (per Mcf)	$	2.20	$	$2.59	$	$(0.39)	(15.1)	(15.1)%	
Purchased Gas Average Cost (per Mcf)	Purchased Gas Average Cost (per Mcf)	$2.60	$	$2.67	$	$(0.07)	(2.6)	(2.6) %	Purchased Gas Average Cost (per Mcf)	$	2.08	$	$2.42	$	$(0.34)	(14.0)	(14.0)%	

Other Operating Income

	For the Six Months Ended June 30,			
(in millions)	**2024**	**2023**	**Variance**	**Percent Change**
Sales of Environmental Attributes	$ 46	$ 8	$ 38	475.0 %
Water Income	9	2	7	350.0 %
Excess Firm Transportation Income	11	7	4	57.1 %
Equity (Loss) Income from Affiliates	(1)	1	(2)	(200.0)%
Total Other Operating Income	$ 65	$ 18	$ 47	261.1 %

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Other Operating Income

	For the Three Months Ended March 31,			
(in millions)	**2024**	**2023**	**Variance**	**Percent Change**
Sales of Environmental Attributes	$ 13	$ —	$ 13	100.0 %
Excess Firm Transportation Income	6	3	3	100.0 %
Water Income	2	1	1	100.0 %
Equity Income from Affiliates	(1)	—	(1)	100.0 %
Total Other Operating Income	$ 20	$ 4	$ 16	400.0 %

- Sales of environmental attributes includes items such as (but are not limited to): carbon credits, air quality credits, renewable or alternative energy credits, methane capture credits, methane performance certificates, emission reductions, offsets and/or allowances. The quantities and types of environmental attributes we sell and the associated revenue can vary depending on a number of factors, including the market for these credits, changes to the various voluntary or compliance programs under which the credits are generated and sold, and our ability to strictly comply with the programs under which the attributes can be sold. The increase in the period-to-period comparison was due to an increase in the amount of environmental attributes sold.
- Water income increased in the period-to-period comparison due to higher third-party sales in the current period.
- Excess firm transportation income represents revenue from the sale of excess firm transportation capacity to third parties. The Company obtains firm pipeline transportation capacity to enable gas production to flow uninterrupted as sales volumes increase. In order to minimize this unutilized firm transportation expense, CNX is able to release (sell) unutilized firm transportation capacity to other parties when possible and when beneficial. The revenue from released capacity helps offset the Unutilized Firm Transportation and Processing Fees in Total Other Operating Expense.
- Equity (loss) income from affiliates primarily represents CNX's share of earnings from a 50% interest in a power plant located within CNX's CBM field. Power generated from the facility is sold into wholesale electricity markets during times of peak energy consumption. Due to the plant consuming coal mine methane gas, the plant qualifies for Pennsylvania Tier I Renewable Energy Credits.

Exploration and Production Related Other Costs

		For the Three Months Ended March 31,					For the Six Months Ended June 30,			
(in millions)	*(in millions)*	**2024**	**2023**	**Variance**	**Percent Change**	*(in millions)*	**2024**	**2023**	**Variance**	**Percent Change**
Lease Expiration Costs	Lease Expiration Costs	$ 1	$ $ 4	$ $ (3)	(75.0) (75.0)%	Lease Expiration Costs	$ 2	$ $4	$ $ (2)	(50.0) (50.0)%
Land Rentals										
Land Rentals										
Permitting Expense		1	1	—	— %					
Land Rentals		1 1	1	— —	— —	%	Land Rentals 2 2	2	— —	— — %
Total Exploration and Production Related Other Costs										

(in millions)	2024	2023	Variance	Percent Change	2024	2023	Variance	Percent Change
Total Exploration and Production Related Other Costs	$ 2	$ 5	$ (3)	(60.0)%	$ 5	$ 7	$ (2)	(28.6)%

- Lease expiration costs relate to leases where the primary term expired or will expire within the next 12 months. The decrease in the three six months ended March 31, 2024 June 30, 2024 was primarily due to a decrease in the number of acres that were allowed to expire.

Selling, General and Administrative

SG&A costs include costs such as overhead, including employee labor and benefit costs, short-term incentive compensation, costs of maintaining our headquarters, audit and other professional fees, charitable contributions and legal compliance expenses. SG&A costs also include non-cash long-term equity-based compensation expense.

	For the Three Months Ended March 31,				For the Six Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change	2024	2023	Variance	Percent Change
Short-term Incentive Compensation	$ 4	$ 3	$ 1	33.3 %	$ 7	$ 6	$ 1	16.7 %
Long-term Equity-Based Compensation (Non-Cash)	7	9	(2)	(22.2)%	12	13	(1)	(7.7)%
Salaries, Wages and Employee Benefits	8	10	(2)	(20.0)%	15	16	(1)	(6.3)%
Contributions and Advertising	2	2	—	— %	3	3	—	— %
Other	17	13	4	30.8 %	33	28	5	17.9 %
Total SG&A	$38	$37	$ 1	2.7 %	$ 70	$66	$ 4	6.1 %

- Short-term compensation increased $1 million due higher projected payouts for the current period.
- Long-term equity-based compensation (non-cash) decreased in the period-to-period comparison due to a decrease in equity awards.

- Salaries, wages and employee benefits decreased in the period-to-period comparison primarily due to a decrease in corporate head-count related expenses.
- Other increased primarily due to an increase in professional services and consulting fees related to cyber security, legal matters and regulatory reporting.

Other Operating Expense

	For the Three Months Ended March 31,				For the Six Months Ended June 30,			
(in millions)	2024	2023	Variance	Percent Change	2024	2023	Variance	Percent Change
Environmental Attribute Fees	$ 2	$ —	$ 2	100.0 %	$ 7	$ 2	$ 5	250.0
Water Expense	1	—	1	100.0 %	1	—	1	100.0

Idle Equipment and Service Charges	3	2	1	50.0	%													
Unutilized Firm Transportation and Processing Fees	24	23	1	4.3	%													
Insurance Expense	2	2	—	—	%													
Inventory Adjustments	Inventory Adjustments	2	2	2	—	—	—	—	%	Inventory Adjustments 2	3	3	(1)	(1)	(33.3)			
Idle Equipment and Service Charges	2	2	—	—	%													
Insurance Expense	1	1	—	—	%													
Virginia Flood Expense	(2)	1	(3)	(300.0)	%													
Unutilized Firm Transportation and Processing Fees																		
Unutilized Firm Transportation and Processing Fees																		
Unutilized Firm Transportation and Processing Fees	9	9	—	—	%													
Other																		
Other																		
Other	Other	7	1	1	6	6	600.0	600.0	%	9	3	3	6	6	200.0	200		
Total Other Operating Expense	**Total Other Operating Expense**	$24	$	$15	$	$	9	60.0	60.0	%	**Total Other Operating Expense**	$ 46	$	$36	$	$ 10	27.8	27.8

- Environmental attribute fees represent costs related to the monetization of environmental attributes that are included in Other Operating Income.
- Inventory adjustments represent required adjustments made The increase in fees in the period-to-period comparison relates to record inventory at the lower of cost or net realizable value. increase in sales above.
- Idle equipment and service charges relate to the temporary idling of certain equipment and other services that may be needed in the natural gas drilling and completions process.
- Unutilized firm transportation and processing fees represent pipeline transportation capacity obtained to enable gas production to flow uninterrupted as sales volumes increase, as well as additional processing capacity for NGLs. In some instances, the Company may have the opportunity to realize more favorable net pricing by strategically choosing to sell natural gas into a market or to a customer that does not require the use of the Company's own firm transportation capacity. Such sales would result in an increase in unutilized firm transportation expense. The Company attempts to minimize this expense by releasing (selling) unutilized firm transportation capacity to other parties when possible and when beneficial. The revenue received when this capacity is released (sold) is included in Excess Firm Transportation Income in Other Operating Inc Income.
- ome. Inventory adjustments represent required adjustments made to record inventory at the lower of cost or net realizable value.
- Virginia flood expense includes costs to cleanup and repair areas that were impacted by flooding that occurred in Buchanan County, Virginia in July 2022. The income in the current period relates to an insurance reimbursement for prior expenses incurred.
- Other includes multiple one-time items in the period-to-period comparison. In the current period, these one-time items primarily include a $3 million charge related to a prior-year sales and use tax audit settlement and a $3 million charge related to a prior year prior-year pipeline tariff filing.

Other (Income) Expense

		For the Three Months Ended March 31,					For the Six Months Ended June 30,								
(in millions)	*(in millions)*	2024	2023		Variance	Percent Change	*(in millions)*	2024		2023		Variance		Percent Change	
Other Income															
Litigation Recovery															
Litigation Recovery															
Litigation Recovery	$ 7	$	$—	$	$ 7	100.0	100.0 %	$ 12	$	$ —	$	$12	100.0	100.0	%

	For the Three Months Ended March 31, 2024	2023	Variance	Percent Change		For the Six Months Ended June 30, 2024	2023	Variance	Percent Change
Right-of-Way Sales	1	2	(1)	(50.0)%	Right-of-Way Sales	1	4	(3)	(75.0)%
Other	2	1	1	100.0%	Other	2	2	—	—%
Total Other Income	$10	$3	$7	233.3%	**Total Other Income**	$15	$6	$9	150.0%
Other Expense									
Professional Services	$1	$—	$1	100.0%		$2	$2	$—	—%
Bank Fees	3	3	—	—%	Bank Fees	5	6	(1)	(16.7)%
Other Corporate Expense	1	1	—	—%		2	1	1	100.0%
Total Other Expense	$5	$4	$1	25.0%	**Total Other Expense**	$9	$9	$—	—%
Total Other (Income) Expense	$(5)	$1	$(6)	(600.0)%		$(6)	$3	$(9)	(300.0)%

- CNX pursues legal recoveries when certain circumstances arise. The increase in litigation recovery in the period-to-period comparison was the result of various recoveries that occurred in the current period. No such transactions occurred in the prior period.

(Loss) Gain Loss (Gain) on Asset Sales and Abandonments, net

A net loss on asset sales and abandonments of $20 million was recognized in the three six months ended March 31, 2024 June 30, 2024 compared to a net gain of $9 million $115 million in the three six months ended March 31, 2023 June 30, 2023. The net loss recognized in the three six months ended March 31, 2024 June 30, 2024 primarily relates to a $26 million loss on the sale of a non-core pipeline to a third party offset, in part, by the sale of various other non-core assets (primarily rights-of-way, surface acreage and other non-core oil and gas interests). The net gain recognized in the three six months ended March 31, 2023 June 30, 2023 primarily relates to the sale of various other non-core assets (primarily rights-of-way, surface acreage and other non-core non-operated oil and gas interests) assets (See Note 4 – Acquisitions and Dispositions in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information).

Loss on Debt Extinguishment

A loss on debt extinguishment of $7 million was recognized in the three six months ended March 31, 2024 June 30, 2024 in connection with CNX's purchase repurchase of $350 million of the 7.25% Senior Notes due March 2027 at an average price equal to 101.9% of the principal amount. See Note 10 – Long-Term Debt in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information. No such transactions occurred in the prior period.

Interest Expense

(in millions)	For the Three Months Ended March 31, 2024	2023	Variance	Percent Change	*(in millions)*	For the Six Months Ended June 30, 2024	2023	Variance	Percent Change
Total Interest Expense	$37	$36	$1	2.8%	**Total Interest Expense**	$76	$71	$5	7.0%

The $1 million $5 million increase in total interest expense was primarily due to higher borrowings on the CNX revolving credit facility Credit Facility at higher interest rates and higher principal balances related to the long-term debt that was issued in February 2024. The increase was offset, in part, by lowering borrowings on the CNXM Credit Facility. See Note 8 – Revolving Credit Facilities and Note 10 – Long-Term Debt in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.

Income Taxes

		For the Three Months Ended March 31,				For the Six Months Ended June 30,				
(in millions)	*(in millions)*	2024	2023	Variance	Percent Change	*(in millions)*	2024	2023	Variance	Percent Change
Total Company Earnings Before Income Tax		$ 6	$ 928	$ (922)	(99.4) %					
Income Tax (Benefit) Expense		$ (1)	$ 218	$ (219)	(100.5) %					
Total Company (Loss) Earnings Before Income Tax		$ (9)	$ 1,565	$ (1,574)	(100.6) %					
Income Tax Expense		$ 2	$ 379	$ (377)	(99.5) %					
Effective Income Tax Rate										

The effective income tax rates for the three six months ended March 31, 2024 June 30, 2024 and 2023 were (8.4) (27.9)% and 23.4% 24.2%, respectively. The effective tax rate for the three six months ended March 31, 2024 and 2023 June 30, 2024 differs from the U.S. federal statutory rate of 21% primarily due to the impact of equity compensation, federal tax credits, and state taxes.

The effective tax rate for the six months ended June 30, 2023 differs from the U.S. federal statutory rate of 21% primarily due to the impact of equity compensation, federal tax credits, and state taxes primarily due to a West Virginia tax law change. See Note 5 – Income Taxes in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.

Liquidity and Capital Resources

Overview, Sources and Uses

CNX generally has satisfied its working capital requirements and funded its capital expenditures and debt service obligations with cash generated from operations and proceeds from borrowings. CNX currently believes that cash generated from operations, asset sales and the Company's borrowing capacity will be sufficient to meet the Company's working capital requirements, anticipated capital expenditures (other than major acquisitions), scheduled debt payments, anticipated dividend payments, if any, and to provide required letters of credit for at least the current fiscal year. next twelve months and the foreseeable future thereafter. Nevertheless, the ability of CNX to satisfy its working capital requirements, to service its debt obligations, to fund planned capital expenditures, or to pay dividends will depend upon future operating performance, which will be affected by prevailing economic conditions in the natural gas industry and other financial and business factors, some of which are beyond CNX's control.

From time to time, CNX is required to post financial assurances to satisfy contractual and other requirements generated in the normal course of business. Some of these assurances are posted to comply with federal, state or other government agencies' statutes and regulations. CNX sometimes uses letters of credit to satisfy these requirements and these letters of credit reduce the Company's borrowing facility capacity.

CNX continuously reviews its liquidity and capital resources. If market conditions were to change, for instance due to a significant decline in commodity prices, and our revenue was reduced significantly or operating and capital costs were to increase significantly, our cash flows and liquidity could be reduced.

As of March 31, 2024 June 30, 2024, CNX was in compliance with all of its debt covenants. After considering the potential effect of a significant decline in commodity prices, CNX currently expects to remain in compliance with its debt covenants.

CNX frequently evaluates potential acquisitions. CNX has historically funded acquisitions with cash generated from operations and a variety of other sources, depending on the size of the transaction, including debt and equity financing. There can be no assurance that additional capital resources, including debt and equity financing, will be available to CNX on terms which CNX finds acceptable, or at all.

Factors that may Impact our Liquidity

- The Company's cash on hand and access to additional liquidity. Cash and cash equivalents were $2 million $4 million as of March 31, 2024 June 30, 2024 and nominal as of December 31, 2023.

- Accounts and notes receivable - trade as of March 31, 2024 June 30, 2024 and December 31, 2023 were $91 million $108 million and $116 million, respectively. Our accounts and notes receivable balance may fluctuate as of any balance sheet date depending on the prices we receive for our natural gas and NGLs and the volumes sold.
- Capital expenditures are expected to range between $525 million to $575 million for the year ended December 31, 2024. For the three six months ended March 31, 2024 June 30, 2024, CNX had capital expenditures of $168 million $320 million.
- Production volumes are expected to range between 540 545 Bcfe and 560 555 Bcfe for the year ended December 31, 2024. For the three six months ended March 31, 2024 June 30, 2024, CNX had production volumes of 140.4 274.4 Bcfe.
- Prices for natural gas and NGLs are volatile, and an extended decline in the prices we receive for our natural gas and NGLs will adversely affect our financial condition and cash flows.
- In order to manage the market risk exposure of volatile natural gas prices in the future, CNX enters into various physical natural gas supply transactions with both gas marketers and end users for terms varying in length. CNX also enters into various financial natural gas and NGL swap transactions to manage the market risk exposure to in-basin and out-of-basin pricing. The fair value of these contracts was a net liability of $79 million $180 million at March 31, 2024 June 30, 2024 and a net liability of $56 million at December 31, 2023. The Company has not experienced any issues of non-performance by derivative counterparties. See Item 3, "Quantitative and Qualitative Disclosures About Market Risk" of this Form 10-Q for further discussion of our commodity risk management.

Cash Flows (in millions)

	For the Three Months Ended March 31,			For the Six Months Ended June 30,		
	2024	2023	Change	2024	2023	Change
Cash Provided by Operating Activities						
Cash Used in Investing Activities						
Cash Used in Financing Activities						

Cash flows from operating activities changed in the period-to-period comparison primarily due to the following items:

- Net income decreased $704 million $1,197 million in the period-to-period comparison.
- Adjustments to reconcile net income to cash provided by operating activities primarily consisted of a $222 million $378 million net decrease in deferred income taxes, a $925 million $1,505 million net change in commodity derivative instruments, a $30 million $135 million decrease in loss (gain) on asset sales and abandonments, net and a $93 million $136 million net decrease for various other changes in working capital.

Cash flows from investing activities changed in the period-to-period comparison primarily due to the following items:

- Capital expenditures decreased $2 million $46 million primarily due to a decrease in drilling and completions activity.
- Proceeds from asset sales decreased $2 million $127 million primarily due to the timing of sales sale of various non-core non-operated producing oil and gas assets primarily located in the Appalachian Basin to a third party in the six months ended June 30, 2024 (See

Note 4 – Acquisitions and Dispositions in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information).

Cash flows from financing activities changed in the period-to-period comparison primarily due to the following items:

- Proceeds from borrowings under the CNXM Credit Facility decreased $1 million $11 million and repayments under the CNXM Credit Facility decreased $4 million $6 million.

- Proceeds from borrowings under the CNX Credit Facility decreased $119 million $274 million and repayments under the CNX Credit Facility decreased $128 million $354 million.
- During the three six months ended March 31, 2024 June 30, 2024, CNX paid $357 million to repurchase $350 million of CNX 7.25% Senior Notes due March 2027 at a price of 101.9% of the principal amount. See Note 10 – Long-Term Debt in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.
- During the three six months ended March 31, 2024 June 30, 2024, CNX closed on issued $400 million aggregate principal amount of CNX 7.25% Senior Notes due March 2032 at a price of 98.8% for cash proceeds of $395 million. See Note 10 – Long-Term Debt in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.
- In the three six months ended March 31, 2024 June 30, 2024, CNX repurchased $52 million $96 million of its common stock on the open market compared to $95 million $159 million during the three six months ended March 31, 2023 June 30, 2023.

- During the six months ended June 30, 2024, debt issuance and financing fees increased $15 million primarily due to amending both the CNX and CNXM Credit Facilities. See Note 8 – Revolving Credit Facilities in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional information.

Commitments and Significant Contractual and Other Material Cash Obligations

The following is a summary of the Company's significant contractual and other material cash obligations at March 31, 2024 June 30, 2024 (in thousands):

	Payments due by Year					Payments due by Year				
	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years	Total
Purchase Order Firm Commitments										
Purchase Order Firm Commitments										
Purchase Order Firm Commitments										
Gas Firm Transportation and Processing										
Long-Term Debt										
Interest on Long-Term Debt										
Finance Lease Obligations										
Interest on Finance Lease Obligations										
Operating Lease Obligations										
Interest on Operating Lease Obligations										
Long-Term Liabilities—Employee Related (a)										
Other Long-Term Liabilities (b)										
Total Contractual Obligations (c)										

(a) Employee related long-term liabilities include salaried retirement contributions and work-related injuries and illnesses.
(b) Other long-term liabilities include royalties and other long-term liability costs.
(c) The table above does not include obligations to taxing authorities due to the uncertainty surrounding the ultimate settlement of amounts and timing of these obligations.

Debt

At March 31, 2024 June 30, 2024, CNX had total long-term debt of $2,279 million $2,293 million, including the current portion of long-term debt of $326 million $327 million and excluding unamortized debt issuance costs. This long-term debt consisted of:

- An aggregate principal amount of $500 million of 6.00% Senior Notes due January 2029. Interest on the notes is payable January 15 and July 15 of each year. Payment of the principal and interest on the notes is guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).
- An aggregate principal amount of $500 million of 7.375% Senior Notes due January 2031, less $5 million of unamortized discount. Interest on the notes is payable January 15 and July 15 each year. Payment of the principal and interest on the notes is guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).

- An aggregate principal amount of $400 million of 4.75% Senior Notes due April 2030 issued by CNXM, less $4 million $3 million of unamortized discount. Interest on the notes is payable April 15 and October 15 of each year. Payment of the principal and interest on the notes is guaranteed by certain of CNXM's subsidiaries. CNX is not a guarantor of these notes.
- An aggregate principal amount of $400 million of 7.25% Senior Notes due March 2032 less $5 million of unamortized discount. Interest on the notes is payable March 1 and September 1 of each year. Payment on the principal and interest on the notes is guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).
- An aggregate principal amount of $331 million of 2.25% Convertible Senior Notes due May 2026, unless earlier redeemed, repurchased, or converted, less $4 million of unamortized discount and issuance costs. Interest on the notes

is payable May 1 and November 1 of each year. Payment of the principal and interest on the notes is guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).

- An aggregate principal amount of $91 million in outstanding borrowings under the CNXM Credit Facility. Payment of the principal and interest on the CNXM Credit Facility is guaranteed by certain of CNXM's subsidiaries. CNX is not a guarantor of the CNXM Facility.
- An aggregate principal amount of $75 million $132 million in outstanding borrowings under the CNX Credit Facility. Payment of the principal and interest on the CNX Credit Facility is guaranteed by most of CNX's subsidiaries but does not include CNXM (or its subsidiaries or general partner).
- An aggregate principal amount of $47 million in outstanding borrowings under the CNXM Credit Facility. Payment of the principal and interest on the CNXM Credit Facility is guaranteed by certain of CNXM's subsidiaries. CNX is not a guarantor of the CNXM Facility.

Total Equity and Dividends

CNX had total equity of $4,309 million $4,251 million at March 31, 2024 June 30, 2024 compared to $4,361 million at December 31, 2023. See the Consolidated Statements of Stockholders' Equity in Item 1 of this Form 10-Q for additional details.

The declaration and payment of dividends by CNX is subject to the discretion of CNX's Board of Directors, and no assurance can be given that CNX will pay dividends in the future. CNX has not paid dividends on its common stock since 2016. The determination to pay dividends in the future will depend upon, among other things, general business conditions, CNX's financial results, contractual and legal restrictions regarding the payment of dividends by CNX, planned investments by CNX, and such other factors as the CNX's Board of Directors deems relevant. In addition, CNX's Credit Facility limits its ability to pay dividends in excess of an annual rate of $0.10 per share when is limited by the Company's net leverage ratio exceeds 3.00 to 1.00 and is subject to availability under covenants governing the CNX Credit Facility of at least 20% of the aggregate commitments and there being no borrowing base deficiency. The Credit Facility does not permit such dividend payments when an event of default has occurred and is continuing. The indentures to the 6.00% Senior Notes due January 2029, the 7.375% Senior Notes due January 2031 and the 7.25% indentures governing certain of CNX's Senior Notes due March 2032 limit dividends to $0.50 per share annually unless several conditions are met. These conditions include no defaults, ability to incur additional debt and other payment limitations under the indentures. There were no defaults in the three months ended March 31, 2024. Notes.

Off-Balance Sheet Transactions

CNX does not maintain off-balance sheet transactions, arrangements, obligations or other relationships with unconsolidated entities or others that are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources which are not disclosed in the Notes to the Unaudited Consolidated Financial Statements. CNX uses a combination of surety bonds, corporate guarantees and letters of credit to secure the Company's financial obligations for employee-related, environmental, performance and various other items which are not reflected in the Consolidated Balance Sheet at March 31, 2024 June 30, 2024. Management believes these items will expire without being funded. See Note 11 – Commitments and Contingent Liabilities in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for additional details of the various financial guarantees that have been issued by CNX.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and related disclosure of contingent assets and liabilities in the Consolidated Financial Statements and at the date of the financial statements. Actual results could materially differ from those estimates. The preceding discussion and analysis of our consolidated results of operations and financial condition should be read in conjunction with our Consolidated Financial Statements included elsewhere in this Quarterly Report on Form 10-Q. The 2023 financial statements, as part of our Form 10-K filed with the SEC, include additional information about us, our operations, our financial condition, our critical accounting policies and accounting estimates, and should be read in conjunction with this Quarterly Report on Form 10-Q. Our significant accounting policies are described in Note 1—Significant Accounting Policies in the Notes to the Audited Consolidated Financial Statements in Item 8 of CNX's the 2023 Form 10-K.

Forward-Looking Statements

We are including the following cautionary statement in this Quarterly Report on Form 10-Q to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for any forward-looking statements made by, or on behalf of us. With the exception of historical matters, the matters discussed in this Quarterly Report on Form 10-Q are forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act) "Exchange Act")) that involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The forward-looking statements may include projections and estimates concerning the timing and success of specific projects and our future production, revenues, income and capital spending. When we use the words "believe," "intend," "expect," "may," "should," "anticipate," "could," "estimate," "plan," "predict," "project," "will," or their negatives, or other similar expressions, the statements which include those words are usually forward-looking statements. When we describe a strategy that involves risks or uncertainties, we are making forward-looking statements. The forward-looking statements in this Quarterly Report on Form 10-Q speak only as of the date of this Quarterly Report on Form 10-Q; we disclaim any obligation to update these statements unless required by securities law, and we caution you not to rely on them unduly. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks, contingencies and uncertainties relate to, among other matters, the following:

- Prices prices for natural gas and NGLs are volatile and can fluctuate widely based upon a number of factors beyond our control, including supply and demand for our products;
- unsuccessful operational efforts or continued natural gas price decreases requiring us to record write-downs of the quantity and value of our proved natural gas properties;

- competition and consolidation within the natural gas industry may adversely affect our ability to sell our products and midstream services or other parts of the business;
- deterioration in the economic conditions in any of the industries in which our customers or their customers operate, a domestic or worldwide financial downturn, or negative credit market conditions;
- hedging activities may prevent us from benefiting from price increases and may expose us to other risks;
- negative public perception regarding our Company or industry;
- events beyond our control, including a global or domestic health crisis or global instability and actual and threatened geopolitical conflict, may result in unexpected adverse operating and financial results;
- increasing attention to environmental, social and governance (ESG) matters may adversely impact our business;
- dependence on third party pipeline and processing systems could adversely affect our operations and limit sales of our natural gas and NGLs as a result of disruptions, capacity constraints, proximity issues or decreases in availability of pipelines or other midstream facilities;
- uncertainties in estimating our economically recoverable natural gas reserves;
- the high-risk nature of drilling, developing and operating natural gas wells;
- our identified development locations are scheduled over multiple future years, making them susceptible to uncertainties that could materially alter the occurrence or timing of their actual development;
- the substantial capital expenditures required for, and the regulatory, environmental, political, legal and economic risks associated with, our development and exploration projects, as well as midstream system development;
- our success depends on key members of our management and our ability to attract and retain experienced technical and other professional personnel;
- decreases in the availability of, or increases in the price of, required personnel, services, equipment, parts and raw materials in a timely manner, in sufficient quantities or at reasonable costs to support our operations;
- our ability to find adequate water sources for our use, or our ability to dispose of or recycle water produced from our operations at a reasonable cost and within applicable environmental rules, our ability to produce natural gas economically and in sufficient quantities could be impaired.
- failure to successfully replace our current natural gas reserves through economic development of our existing or acquired undeveloped assets or through acquisition of additional producing assets, would lead to a decline in our natural gas, NGL and oil production levels and reserves;
- losses incurred as a result of title defects in the properties in which we invest or the loss of certain leasehold or other rights related to our midstream activities;
- the impact of climate change legislation, litigation and regulation of greenhouse gas emissions at the federal or state level may increase our operating costs and reduce the value of our natural gas assets;
- environmental regulations can increase costs and introduce uncertainty that could adversely impact the market for natural gas with potential short and long-term liabilities;
- existing and future governmental laws, regulations, other legal requirements and judicial decisions that govern our

business may increase our costs of doing business and may restrict our operations;
- significant costs and liabilities may be incurred as a result of pipeline operations and/or increases in the regulation of natural gas pipelines and midstream facilities;
- changes in federal or state income tax laws or rates focused on natural gas exploration and development;
- future tax liabilities may be greater than expected if our net operating loss carryforwards are limited, CNX does not generate expected deductions, or tax authorities challenge certain of our tax positions;
- CNX may be unable to qualify for existing federal and state level environmental attribute credits and new markets for environmental attributes are currently volatile, and otherwise may not develop as quickly or efficiently as we anticipate or at all;
- the outcomes of various legal proceedings, including those which are more fully described in our reports filed under the Exchange Act;
- risks associated with our current long-term debt obligations;
- a decrease in our borrowing base, which could decrease for a variety of reasons including lower natural gas prices, declines in natural gas reserves, asset sales and lending requirements or regulations;
- the potential impact of the capped call transaction undertaken in tandem with the Convertible Notes issuance, including counterparty risk;
- risks associated with our Convertible Notes, including the potential impact that the Convertible Notes may have on our reported financial results, potential dilution, our ability to raise funds to repurchase the Convertible Notes, and that provisions of the Convertible Notes could delay or prevent a beneficial takeover of the Company;
- challenges associated with strategic determinations, including the allocation of capital and other resources to strategic opportunities;
- inability to control timing of divestitures, and to provide anticipated benefits of the transaction;
- there is no guarantee that we will continue to repurchase shares of our common stock under our current or any future share repurchase program at levels undertaken previously or at all;
- we may operate a portion of our business with one or more joint venture partners or in circumstances where CNX is not the operator, which may restrict our operational and corporate flexibility;
- CONSOL Energy may not be able to satisfy its indemnification obligations in the future and such indemnities may not be sufficient to hold us harmless from the full amount of liabilities for which CONSOL Energy may be allocated responsibility;
- cyber-incidents could have a material adverse effect on our business, financial condition or results of operations;
- terrorist activities could materially adversely affect our business and results of operations;
- certain other factors addressed in this report and in our the 2023 Form 10-K under "Risk Factors".

Although forward-looking statements reflect our good faith beliefs at the time they are made, they involve known and unknown risks, uncertainties and other factors. For more information concerning factors that could cause actual results to differ materially from those conveyed in the forward-looking statements, including, among others, that our business plans may change as circumstances warrant, please refer to the "Risk Factors" and "Forward-Looking Statements" sections of our the 2023 Form 10-K and subsequent Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In addition to the risks inherent in operations, CNX is exposed to certain financial, market, political and economic risks. The following discussion provides additional detail regarding CNX's exposure to the risks of changing commodity prices, interest rates and foreign exchange rates.

CNX is exposed to market price risk in the normal course of selling natural gas and liquids. CNX uses fixed-price contracts, options and derivative commodity instruments (over-the-counter swaps) to minimize exposure to market price volatility in the sale of natural gas and NGLs. Under our risk management policy, it is not our intent to engage in derivative activities for speculative purposes. Typically, CNX "sells" swaps under which it receives a fixed price from counterparties and pays a floating market price, but occasionally CNX may find it advantageous to purchase, rather than "sell", financial swaps.

CNX has established risk management policies and procedures to strengthen the internal control environment of the marketing of commodities produced from its asset base. All of the derivative instruments without other risk assessment procedures are held for purposes other than trading. They are used primarily to mitigate uncertainty and volatility and cover underlying exposures. The Company's market risk strategy incorporates fundamental risk management tools to assess market price risk and establish a framework in which management can maintain a portfolio of transactions within predefined risk parameters.

CNX believes that the use of derivative instruments, along with our risk assessment procedures and internal controls, mitigates our exposure to material pricing risks. The use of derivative instruments without other risk assessment procedures could materially affect the Company's results of operations depending on market prices; however, we believe that use of these instruments will not have a material adverse effect on our financial position or liquidity due to our risk assessment procedures and internal controls.

For a summary of accounting policies related to derivative instruments, see Note 1—Significant Accounting Policies in the Notes to the Audited Consolidated Financial Statements in Item 8 of CNX's the 2023 Form 10-K.

CNX's open derivative instruments can cause earnings volatility relative to changes in market prices until the derivative contracts are either settled or are monetized prior to settlement. At March 31, 2024 June 30, 2024 and December 31, 2023 our open derivative instruments were in net liability positions with fair values of $79 million $180 million and $56 million, respectively. A sensitivity analysis has been performed to determine the incremental effect on future earnings related to open derivative instruments at March 31, 2024 June 30, 2024 and December 31, 2023. A hypothetical 10 percent increase in future natural gas prices would have decreased the fair value by $498 million $503 million and $557 million at March 31, 2024 June 30, 2024 and December 31, 2023, respectively. A hypothetical 10 percent decrease in future natural gas prices would have increased the fair value by $498 million $503 million and $557 million at March 31, 2024 June 30, 2024 and December 31, 2023, respectively.

CNX's interest expense is sensitive to changes in the general level of interest rates in the United States. The Company uses has used derivative instruments in the past in order to manage risk related to interest rates. These instruments change rates, although there are currently no active agreements (see Note 12 – Derivative Instruments in the variable-rate cash flow exposure on Notes to the debt obligations to fixed cash flows. Unaudited Consolidated Financial Statements included in Item 1 of this Form 10-Q for more information). At March 31, 2024 June 30, 2024 and December 31, 2023, CNX had $2,110 million $2,117 million and $2,065 million, respectively, of aggregate principal amount of debt outstanding under fixed-rate instruments, including unamortized debt issuance costs of $11 million $10 million and $12 million, respectively. At March 31, 2024 June 30, 2024 and December 31, 2023, CNX had $166 million $179 million and $157 million, respectively, of debt outstanding under variable-rate instruments. CNX's primary exposure to market risk for changes in interest rates relates to CNX's revolving credit facility, the CNX Credit Facility, under which there were $75 million $132 million borrowings at March 31, 2024 June 30, 2024 and $52 million borrowings at December 31, 2023, and CNXM's revolving credit facility, the CNXM Credit Facility, under which there were $91 million $47 million of borrowings at March 31, 2024 June 30, 2024 and $105 million at December 31, 2023. A hypothetical 100 basis-point increase in the average rate for CNX's variable-rate instruments would decrease pre-tax future earnings as of March 31, 2024 June 30, 2024 and December 31, 2023 by $2 million on an annualized basis.

All of the Company's transactions are denominated in U.S. dollars and, as a result, it does not have material exposure to currency exchange-rate risks.

Natural Gas Hedging Volumes

As of April 4, 2024 July 5, 2024, the Company's hedged volumes for the periods indicated are as follows:

For the Three Months Ended	**For the Three Months Ended**

	March 31,		June 30,		September 30,		December 31,	Total Year	March 31,	
2024 Fixed Price Volumes										
Hedged Bcf										
Hedged Bcf										
Hedged Bcf										
Weighted Average Hedge Price per Mcf										
2025 Fixed Price Volumes										
Hedged Bcf										
Hedged Bcf										
Hedged Bcf	92.5	95.1	95.1	96.1	96.1	96.1	96.1	374.4 *	374.4 *	
Weighted Average Hedge Price per Mcf										
2026 Fixed Price Volumes										
Hedged Bcf										
Hedged Bcf										
Hedged Bcf	85.1	86.9	86.9	87.7	87.7	87.7	87.7	339.6*	339.6*	87.7
Weighted Average Hedge Price per Mcf										
2027 Fixed Price Volumes										
Hedged Bcf										
Hedged Bcf										
Hedged Bcf	54.2	53.9	53.9	54.5	54.5	54.5	54.5	216.2*	216.2*	61.4
Weighted Average Hedge Price per Mcf										
2028 Fixed Price Volumes										

Hedged Bcf				
Hedged Bcf				
Hedged Bcf	1.7	1.7	1.8	6.9
Weighted Average Hedge Price per Mcf				

*Quarterly volumes do not add to annual volumes inasmuch as a discrete condition in individual quarters, where basis hedge volumes exceed NYMEX hedge volumes, does not exist for the year taken as a whole.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure controls and procedures. CNX, under the supervision and with the participation of its management, including CNX's principal executive officer and principal financial officer, evaluated the effectiveness of the Company's "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) under the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, CNX's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures are effective as of March 31, 2024 June 30, 2024 to ensure that information required to be disclosed by CNX in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission SEC rules and forms, and includes controls and procedures designed to ensure that information required to be disclosed by CNX in such reports is accumulated and communicated to CNX's management, including CNX's principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in internal controls control over financial reporting. There were no changes in the Company's internal controls control over financial reporting that occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II: OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The first through the third paragraphs of Note 11 – Commitments and Contingent Liabilities in the Notes to the Unaudited Consolidated Financial Statements included in Item 1 of this Form 10-Q are incorporated herein by reference.

From time to time, CNX and federal, state, and local regulatory agencies that oversee CNX's activities enter into agreements regarding notices of noncompliance. CNX is currently not aware of any significant legal or governmental proceedings contemplated to be brought against us, under the various environmental protection statutes to which the Company is subject to, that would have a material effect on future financial results.

ITEM 1A. RISK FACTORS

The financial conditions and operating results of the Company can be affected by a number of factors, whether currently known or unknown, including but not limited to those described in "Item 1A. Risk Factors" in CNX's the 2023 Form 10-K. The risks described could materially and adversely affect CNX's business, financial condition, cash flows, and results of operations. CNX may experience additional risks and uncertainties not currently known; or, as a result of developments occurring in the future, conditions that are currently deemed to be immaterial may also materially and adversely affect CNX's business, financial condition, cash flows, and results of operations. There have been no material changes to the Company's risk factors since as set forth in the 2023 Form 10-K was filed. 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table sets forth repurchases of our common stock during the three months ended March 31, 2024 June 30, 2024:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Period	Total Number of Shares Purchased **(1)**	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (**2**)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (000's omitted)	Period	Total Number of Shares Purchased **(1)**	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (**2**)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (000's omitted)

January 1, 2024 - January 31, 2024
February 1, 2024 - February 29, 2024
March 1, 2024 - March 31, 2024
April 1, 2024 - April 30, 2024
May 1, 2024 - May 31, 2024
June 1, 2024 - June 30, 2024
Total

(1) Includes shares of common stock withheld from employees to satisfy minimum tax withholding obligations associated with the vesting of restricted stock during the period.

(2) Shares repurchased as part of the Company's current $2,900 million share repurchase program authorized by the CNX's Board of Directors, which is not subject to an expiration date. See Note 15 – Stock Repurchase in the Notes to the Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for more information.

ITEM 5. OTHER INFORMATION

Trading Arrangements

None of the Company's directors or "officers," as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, during the Company's fiscal quarter ended March 31, 2024 June 30, 2024.

ITEM 6. EXHIBITS

10.1	Purchase Fourth Amended and Restated Credit Agreement, dated as of February 12, 2024 May 17, 2024, by and among CNX Resources Corporation, the subsidiary guarantors party thereto from time to time, the lenders party thereto from time to time and J.P. Morgan Securities LLC, PNC Bank, National Association, as representative of the initial purchasers named therein, administrative agent and collateral agent, incorporated by reference to Exhibit 1.1 10.1 to Form 8-K (file no. 001-14901) filed on February 14, 2024 May 17, 2024.
10.2	Indenture, Second Amended and Restated Credit Agreement, dated as of February 23, 2024 May 17, 2024, by and among CNX Resources Corporation, Midstream Partners LP, the subsidiary guarantors party thereto from time to time, the lenders party thereto from time to time and UMB PNC Bank, N.A., National Association, as Trustee, administrative agent and collateral agent, incorporated by reference to Exhibit 4.1 10.2 to Form 8-K (file no. 001-14901), filed on February 14, 2024 May 17, 2024.
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline 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*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith

In accordance with SEC Release 33-8238, Exhibits 32.1 and 32.2 are being furnished and not filed.

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.

Dated: April 25, 2024 July 25, 2024

CNX RESOURCES CORPORATION

By:	/s/ NICHOLAS J. DEIULIIS
	Nicholas J. DeIuliis
	Director, Chief Executive Officer and President
	(Duly Authorized Officer and Principal Executive Officer)
By:	/s/ ALAN K. SHEPARD
	Alan K. Shepard
	Chief Financial Officer
	(Duly Authorized Officer and Principal Financial and Accounting Officer)
By:	/s/ JASON L. MUMFORD
	Jason L. Mumford
	Vice President and Controller

Exhibit 31.1

CERTIFICATIONS

I, Nicholas J. DeIuliis, certify that:

1. I have reviewed this report on Form 10-Q of CNX Resources Corporation;

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(s) 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(s) 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: April July 25, 2024

/s/ Nicholas J. DeIuliis

Nicholas J. DeIuliis
Chief Executive Officer and President and Director
(Duly Authorized Officer and Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Alan K. Shepard, certify that:

1. I have reviewed this report on Form 10-Q of CNX Resources Corporation;

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(s) 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(s) 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 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;

(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: April July 25, 2024

/s/ Alan K. Shepard

Alan K. Shepard
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002,
18 U.S.C. Section 1350

I, Nicholas J. DeIuliis, President and Chief Executive Officer (principal executive officer) of CNX Resources Corporation (the “Registrant”), certify that to my knowledge, based upon a review of the Quarterly Report on Form 10-Q for the period ended March 31, 2024 June 30, 2024, of the Registrant (the “Report”):

(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 Registrant.

Date: April July 25, 2024

/s/ Nicholas J. DeIuliis

Nicholas J. DeIuliis
Chief Executive Officer and President and Director
(Duly Authorized Officer and Principal Executive Officer)

Exhibit 32.2

CERTIFICATION
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002,
18 U.S.C. Section 1350

I, Alan K. Shepard, Chief Financial Officer (principal financial officer) of CNX Resources Corporation (the “Registrant”), certify that to my knowledge, based upon a review of the Quarterly Report on Form 10-Q for the period ended March 31, 2024 June 30, 2024, of the Registrant (the “Report”):

(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 Registrant.

Date: April July 25, 2024

/s/ Alan K. Shepard

Alan K. Shepard
Chief Financial Officer
(Principal Financial and Accounting Officer)

DISCLAIMER

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