SM ENERGY

NYSE: SM
SM-Energy.com

First Quarter 2025
Financial & Operating Results

May 1, 2025

Disclaimers

Forward-looking Statements

This presentation contains forward-looking statements within the meaning of securities laws. The words “believes,” “demonstrate,” “estimate,” “expect,” “intends,” “plan,” “preliminary,” “target,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements in this release include, among other things: certain projections for the full year and second quarter 2025 regarding the Company’s 2025 strategic objectives including operational execution, returning capital to stockholders and reducing debt, and maintaining and expanding portfolio quality and depth; inventory quality, duration and expected returns; full year and second quarter 2025 guidance for capital expenditures, net production, oil percentage, operating costs, G&A, DD&A, exploration expense and cash taxes; the number of wells we plan to drill and complete and the associated activity in each of our operating areas; percentage of expected future net production that is hedged; and plan to process ethane for 2025. These statements involve known and unknown risks, which may cause SM Energy's actual results to differ materially from results expressed or implied by the forward-looking statements. Future results may be impacted by the risks discussed in the Risk Factors section of SM Energy's most recent Annual Report on Form 10-K, and such risk factors may be updated from time to time in the Company's other periodic reports filed with the Securities and Exchange Commission. The forward-looking statements contained herein speak as of the date of this release. Although SM Energy may from time to time voluntarily update its prior forward-looking statements, it disclaims any commitment to do so, except as required by securities laws.

Non-GAAP Financial Measures and Metrics

This presentation references non-GAAP financial measures and metrics. Please see the “First Quarter 2025 Non-GAAP Definitions, Reconciliations and Disclosures” section of the Appendix, which includes definitions of non-GAAP measures and metrics used in this presentation and reconciliations of non-GAAP measures to the most directly comparable GAAP measure.

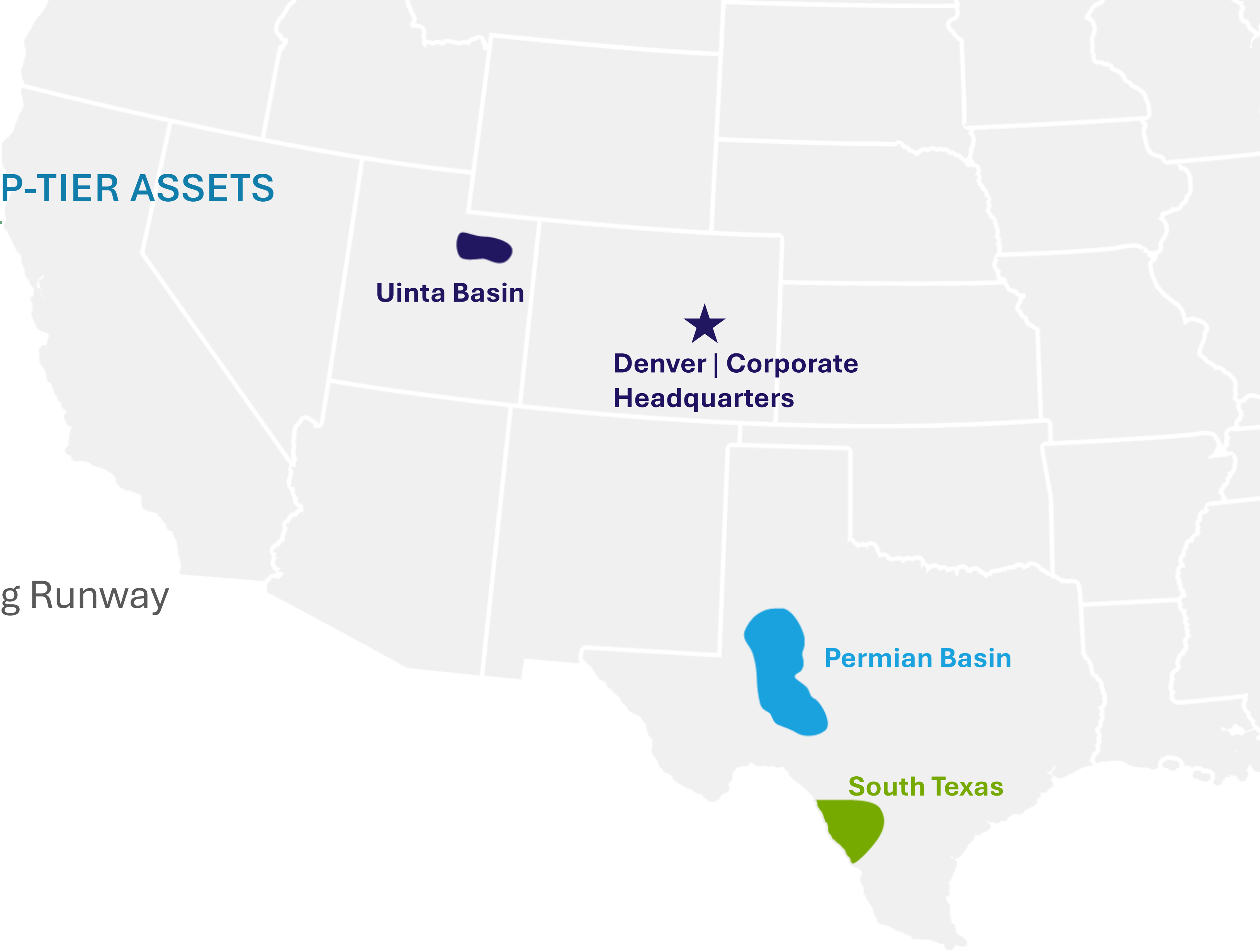
SM Energy is...

A PREMIER OPERATOR OF TOP-TIER ASSETS

A PREMIER OPERATOR:
Capital Efficiency

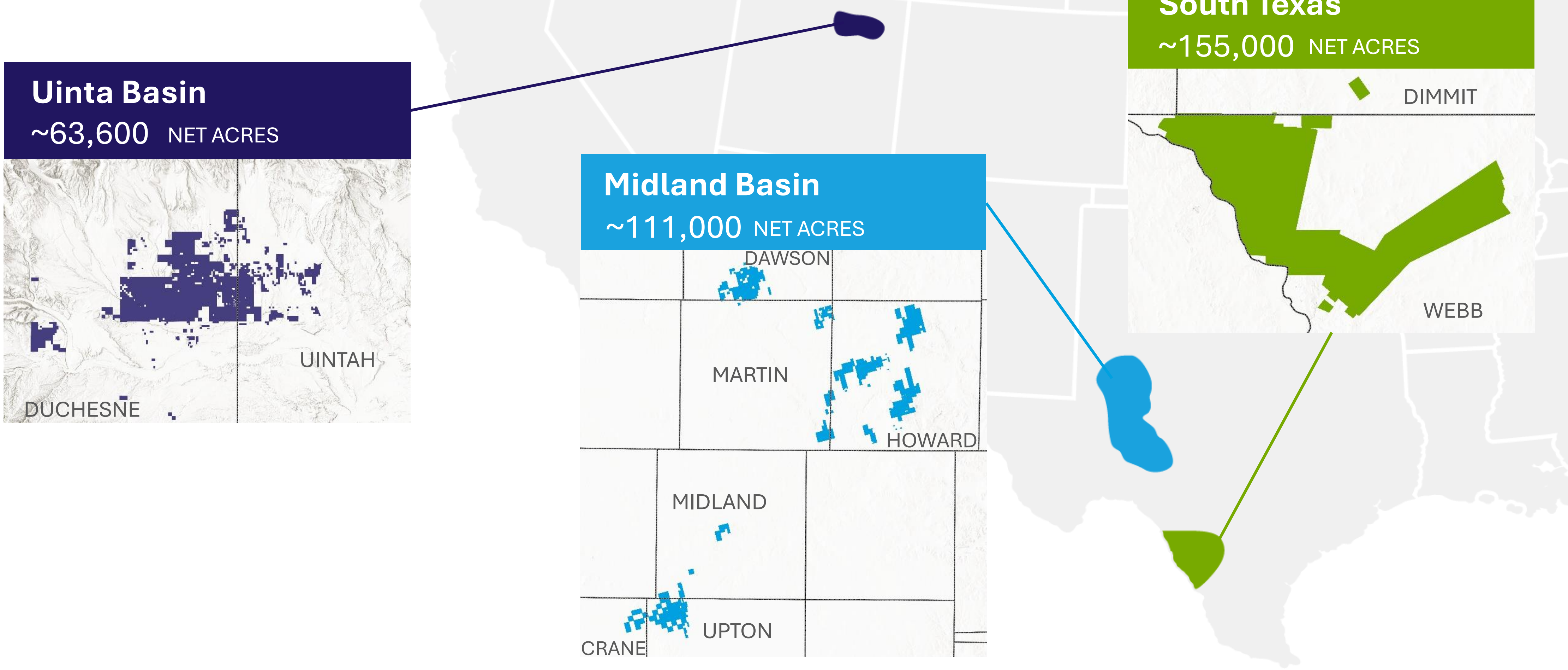
OWNER OF TOP-TIER ASSETS:
High-Quality Inventory with Long Runway

A LEADER:
Sustainability and Stewardship



Top-Tier Assets

UINTA BASIN | MIDLAND BASIN | SOUTH TEXAS



2025 Core Strategic Objectives

1ST QUARTER RESULTS SUPPORT 2025 CORE OBJECTIVES

1 Focus on operational execution

- Successful **Uinta Basin integration** results in **cash production margin nearly equal to** Midland Basin
- Production at high end of guidance | 197.3 MBoe/d, at **53% oil**
- Recognized by Rystad as **leader in sustainability** among peers

2 Return capital to stockholders

- **$0.20 per share cash dividend** paid in Q125 | Annualized dividend yield of 3.5%(1)
- **Reduced debt** by $31MM | Progressing toward 1x leverage
- **Borrowing Base and Lender Commitments reaffirmed** at $3.0 billion and $2.0 billion

3 Expand our portfolio of top-tier economic drilling inventory

- Uinta Basin Upper Cube Douglas Creek formations | **Enverus added 57, sub-$50 breakeven locations, a 28% increase** to their prior inventory count
- Woodford-Barnett | Continuing to expand understanding of position through the drill bit

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(1) Assumes quarterly dividend of $0.20 per share and stock price at close of business on April 23, 2025.

Why invest in SM Energy?

WHAT DIFFERENTIATES US FROM PEERS

1. **Premier operator with track record of capital efficiency and innovation**
2. **10+ years of high-quality, low breakeven, resilient inventory(1) with > 65% average projected return(1)**
3. **Strong balance sheet**
4. **Sustainable return of capital program | Demonstrated commitment to increasing fixed dividends and the share repurchase program(2)**
5. **A leader in stewardship**

(1) 2024 YE Inventory assessment as of January 1, 2025 | Based on flat long-term pricing of $70/Bbl oil, $3.50/MMBtu gas, and $26.60/Bbl NGLs and long-term average cost assumptions | Inventory life assumes 120-130 gross wells per year. | Expected average return based on average well spacing of ~1,400' per zone for Midland Basin and South Texas. Uinta Basin inventory is normalized to 10k foot laterals as the Company evaluates long-term development plan options.

(2) At the time of the return of capital program announcement on September 7, 2022, the fixed semi-annual dividend of $0.01 was changed to a quarterly dividend of $0.15 per share and was subsequently increased to a quarterly dividend of $0.18 per share in 2023. In June 2024, the Board approved an increase in SM Energy's fixed quarterly dividend policy to $0.20 per share, which commenced in the 4th quarter of 2024. After completing ~$369 million in stock repurchases from 3Q22 through 2Q24, the Board reloaded the existing stock repurchase program in the amount of $500 million and extended the program through December 31, 2027.

Focus on Operational Execution

SUCCESSFUL UINTA BASIN INTEGRATION | ENVERUS ADDS 57 SUB-$50/BBL BREAKEVEN LOCATIONS

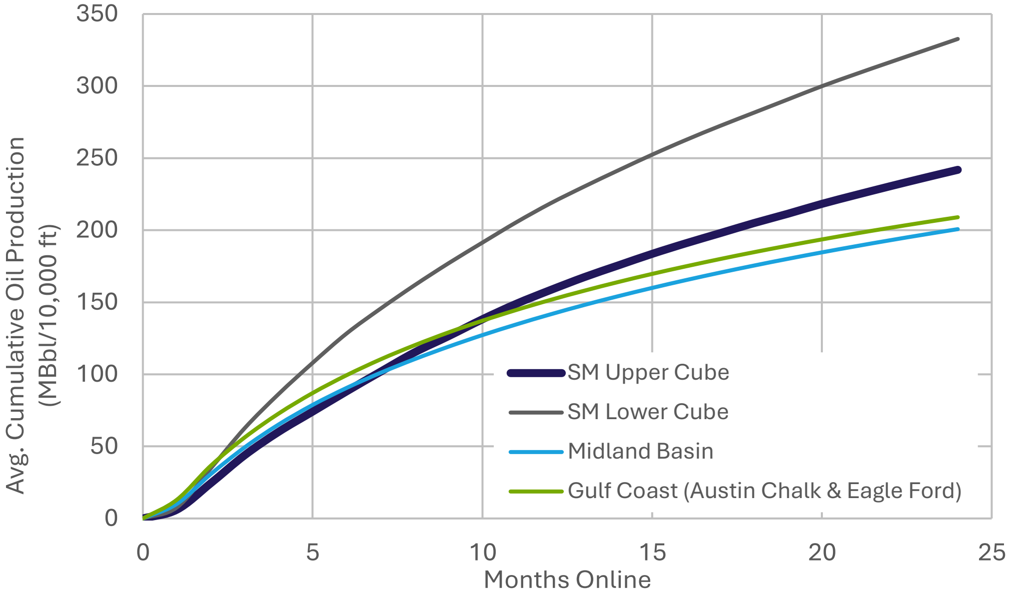
Douglas Creek

"SM … holds the most at 57 (locations) … which is a ***material shift*** in remaining Uinta inventory for SM at 28% higher … we view the Douglas Creek as geologically viable across much of the basin…

Those recent buyers may be on to something."[1]

Enverus

Uinta Upper Cube Oil Production Competitive with Other Basins[2]

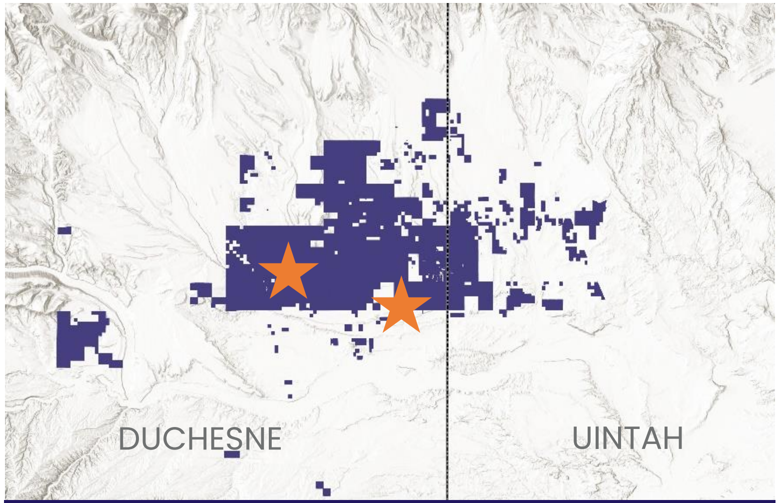


(1) *Enverus Intelligence Research | Morning Energy: I'll Take the Heavy | Andrew Gillick | April 16, 2025. Locations added are sub-$50/bbl breakeven.*

(2) *Enverus data as of April 16, 2025. | Horizontal wells completed post 2010 for XCL Lower Cube and XCL Upper Cube wells, and for the Midland and Western Gulf of Mexico Basins.*

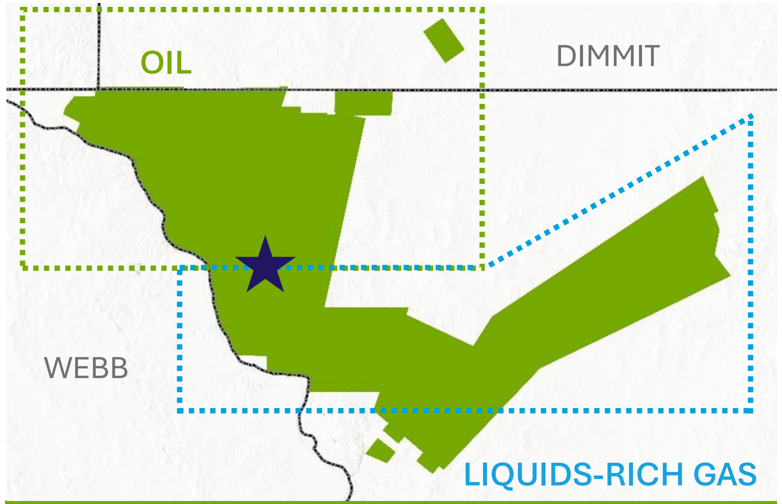
Focus on Operational Execution

NEW WELLS REACH IP30 IN UINTA BASIN AND SOUTH TEXAS



New Wells that Reached IP30

- 6 Lower Cube wells
- 1,193 Avg. Boe/d per well
- 91% Oil
- 12,089' Avg. lateral length



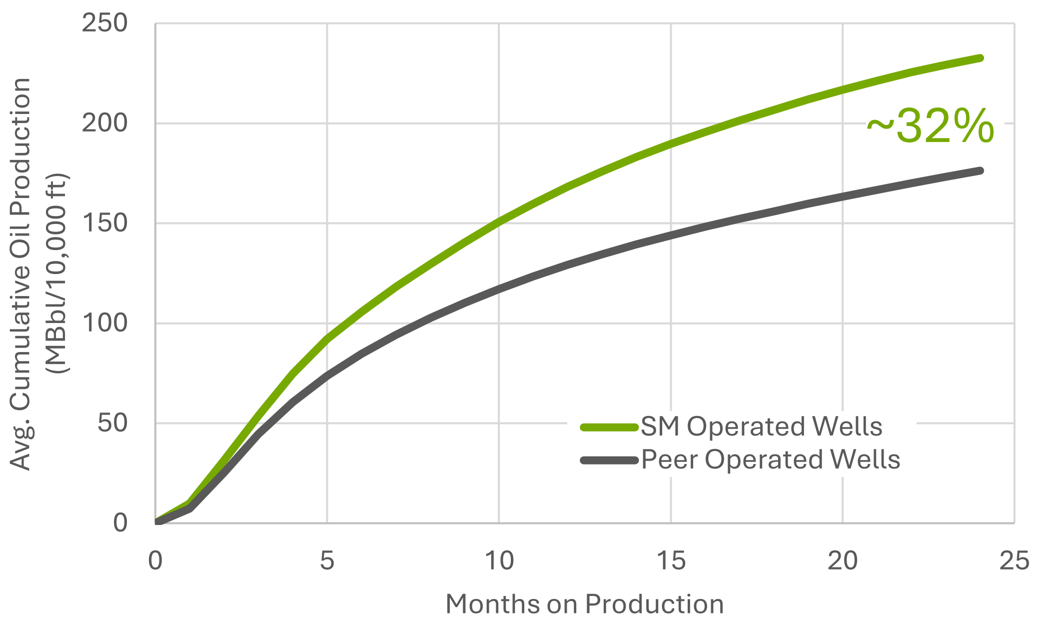
New Wells that Reached IP30

- 4 Austin Chalk wells
- 1,061 Avg. Boe/d per well
- 55% Oil | 78% Liquids
- 11,935' Avg. lateral length

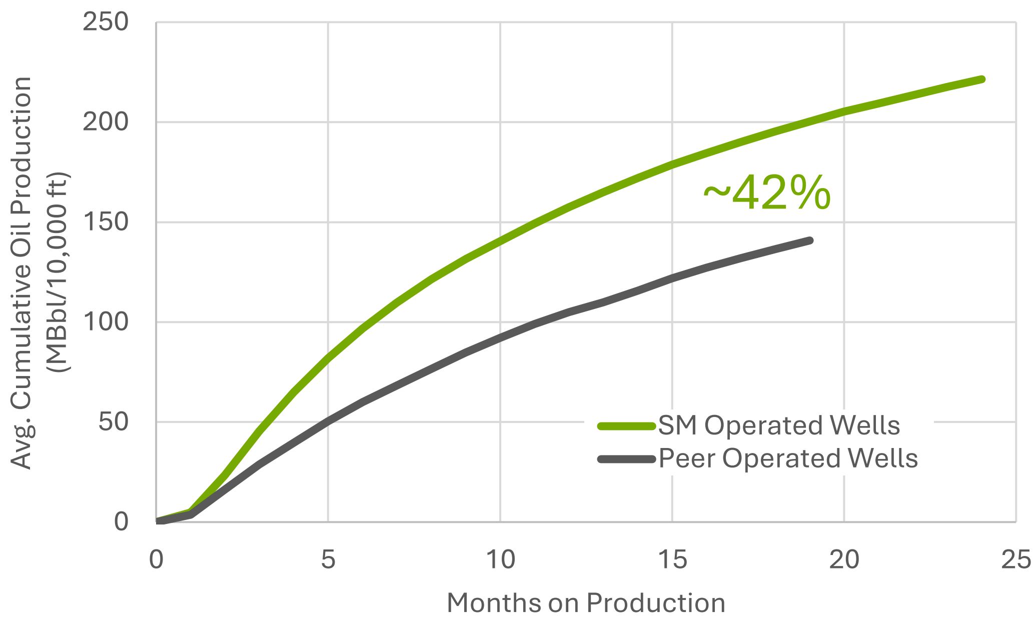
Focus on Operational Execution

CONTINUED SIGNIFICANT OIL PRODUCTION OUTPERFORMANCE COMPARED TO PEERS

SM Energy Wells v. Howard County Peers(1)



SM Energy Wells v. Austin Chalk Peers(2)



(1) *Enverus data as of April 4, 2025. | Horizontal wells completed in Howard County, January 1, 2021 through March 1, 2025. | Peers include APA, Bayswater, Birch Operations, CVX, Double Eagle, FANG, HighPeak Energy, HOG Resources, Langford & Brigham, OVV, OXY, Paladin Petroleum, SGY, Spirit O&G Operating, SOGC, VTLE and XOM.*

(2) *Enverus data as of April 4, 2025. | Oil production in the West Condensate area of the Austin Chalk. | Horizontal wells completed January 2018 through March 2025. | Peers include CRGY, CVX, Endeavor Natural Gas, and Grit Oil & Gas.*

Focus on Operational Execution

DRIVING CAPITAL EFFICIENCIES ACROSS ALL THREE CORE BASINS

UINTA INTEGRATION

- Success in drilling **3-mile laterals**
- **Record footage** completed in March
- **Record oil takeaway**

PERMIAN DESIGN OPTIMIZATION

- **Cost savings** with design changes focused on treating pressures
- **Enhanced production** with changes to fluid system
- Success in drilling **4-mile laterals**

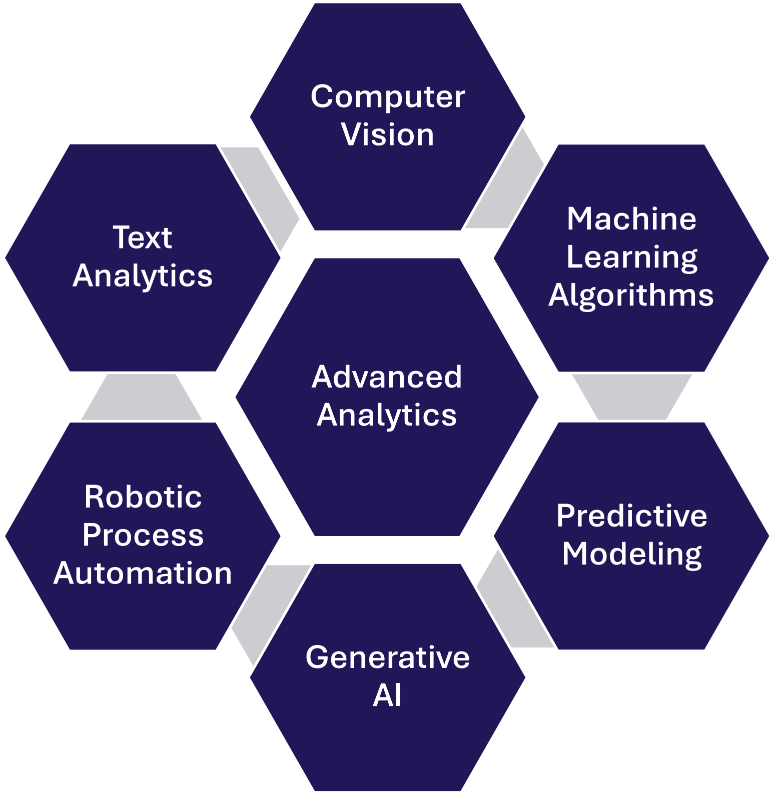
SOUTH TEXAS COST & CAPITAL EFFICIENCY

- Cost savings in using **lease gas to fuel completions**
- Completed **$ per foot decreased over 30%** since 2022
- Record drilling feet per day and **lowest drill out cost** per foot

Focus on Operational Execution

TECHNOLOGY IS PART OF OUR DNA

Employee empowerment and innovation drives differential performance



Machine Learning Algorithms

- Scale for acquisitions and exploration
- Completion design and well spacing optimization

Computer Vision

- Identification of geophysical attributes

Robotic Process Automation

- Reduces risk and increases efficiency of land and accounting processes

Generative AI

- Enterprise-wide enablement with new custom solutions in development

1Q25 Performance

SUCCESSFUL UINTA BASIN INTEGRATION DRIVES STRONG 1Q RESULTS

Key Metrics

	1Q25
Net Production and Pricing	
Total Net Production (MMBoe)	17.8
Total Net Production (MBoe/d)	197.3
Oil / Liquids Percentage	53% / 66%
Pre-Hedge Realized Price ($/Boe)	$47.29
Post-Hedge Realized Price[1] ($/Boe)	$47.73
Costs (per Boe)	
LOE	$6.13
Transportation	$3.92
Production & Ad Valorem Taxes	$2.62
Total Production Expenses	$12.67
Cash Production Margin (Pre-Hedge)	**$34.62**
G&A (Cash)	$1.90
G&A (Non-Cash)	$0.32
DD&A	$15.20
Earnings	
GAAP Earnings (Per Diluted Share)	$1.59
Adjusted Net Income[1] (Per Diluted Share)	$1.76
Adjusted EBITDAX[1] ($MM)	$588.9
Adjusted free cash flow[1] ($MM)	
Net cash provided by operating activities (GAAP)	$483.0
Net change in working capital	$31.6
Net cash provided by operating activities before net change in working capital[1]	$514.6
Capital expenditures (GAAP)	$413.9
Changes in capital expenditure accruals	$26.9
Capital expenditures before change in capital expenditure accruals[1]	$440.8
Adjusted free cash flow[1]	**$73.8**
Return of Capital ($MM)	
Share Repurchase	$ -
Dividends Paid	$22.9
Return of Capital ($MM)	**$22.9**

1Q25 NET PRODUCTION **197.3 MBoe/d**

1Q25 ADJ. EBITDAX[1] **$588.9 million**

1Q25 ADJ. EPS[1] **$1.76**

1Q25 ADJ. FREE CASH FLOW[1] **$73.8 million**

Note: *Amounts may not calculate due to rounding.*

(1) Indicates a non-GAAP measure or metric. Please refer to the "First Quarter 2025 Non-GAAP Definitions, Reconciliations and Disclosures" sections in the Appendix.

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Empowered by a Strong Balance Sheet

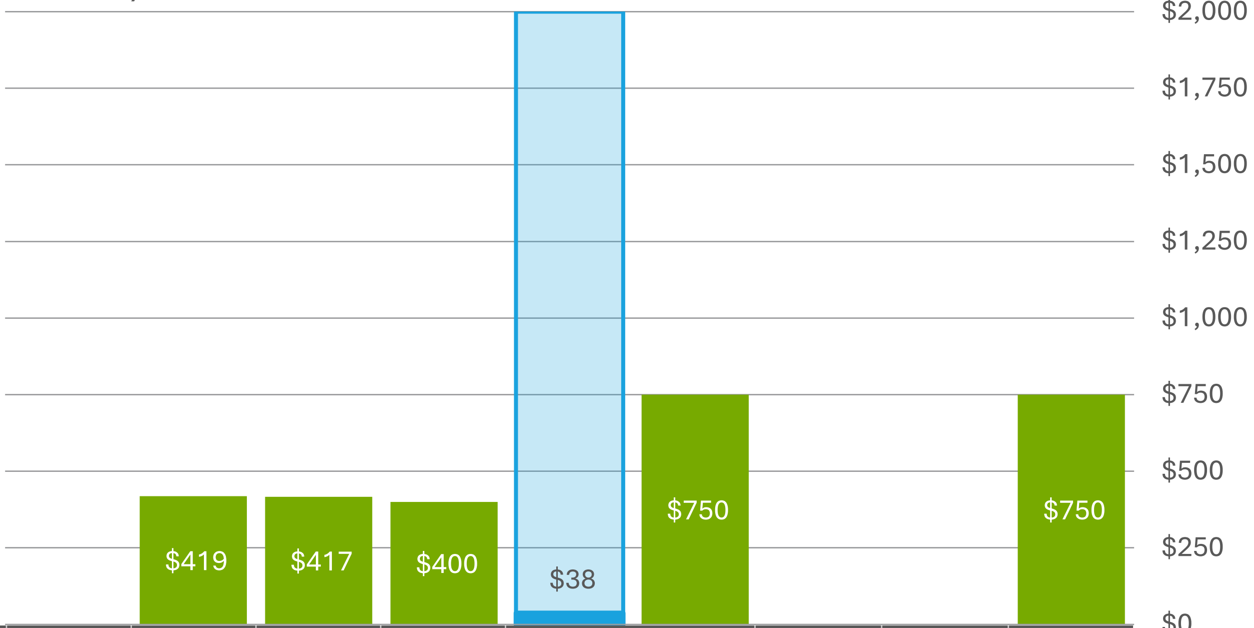
REDUCED DEBT $31MM | PROGRESSING TOWARDS 1X LEVERAGE

Debt Maturities (millions) as of March 31, 2025:

$3.0B
Borrowing Base

$2.0B
Aggregate Revolving Lender Commitments

Revolving Credit Facility
Senior Notes



	2025	2026	2027	2028	2029	2030	2031	2032
Coupon		6.750%	6.625%	6.500%	6.750%			7.000%
Initial Call Date		9/2021	1/2022	7/2024	8/2026			8/2027
Current Call Price		100.000%	100.000%	103.250%	N/A			N/A
Maturity Date		9/2026	1/2027	7/2028	8/2029			8/2032

As of March 31, 2025:

1.3x NET DEBT-TO-ADJUSTED EBITDAX(1)

LIQUIDITY: $2.0 billion

NET DEBT(1): $2.8 billion

Credit rating agency senior unsecured debt ratings

S&P:	**BB-**	Outlook: Stable
Fitch:	**BB**	Outlook: Stable
Moody's:	**B1**	Outlook: Stable

Note: Data as of March 31, 2025.

(1) *Indicates a non-GAAP measure or metric. Please refer to the Please refer to the "First Quarter 2025 Non-GAAP Definitions, Reconciliations and Disclosures" sections in the Appendix. Note, Net Debt-to-Adjusted EBITDAX would be lower on a pro forma basis as the Uinta Basin Acquisition closed October 1, 2024, resulting in only two quarters of Adjusted EBITDAX contributing to the trailing twelve-month Adjusted EBITDAX used in the metric as of March 31, 2025.*

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Hedging Summary

STRATEGY IS TO ALIGN HEDGING WITH LEVERAGE

2Q25 – 4Q25 SWAPS AND COLLARS:(1)

Oil volumes hedged(2)

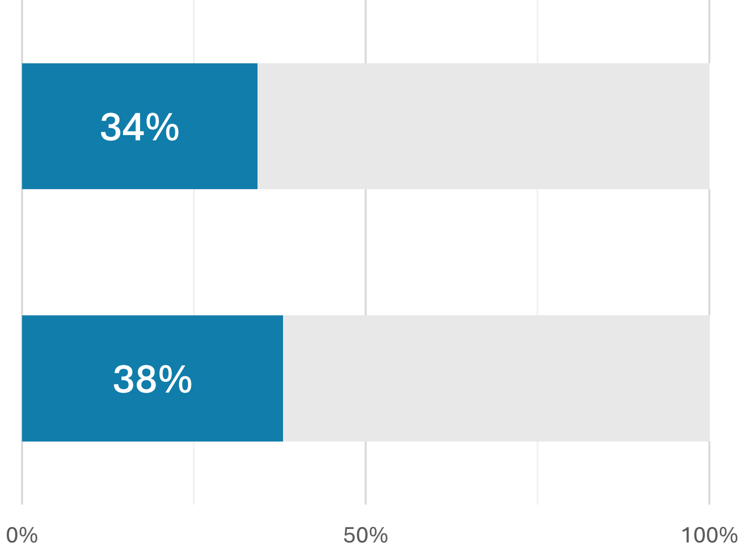
~10,200 MBbls of expected 2Q25-4Q25 net oil production(1) is hedged at a weighted-average price of

$66.76/Bbl to $72.51/Bbl

Gas volumes hedged(3)

~44,800 BBtu of expected 2Q25-4Q25 net natural gas production(1) is hedged at a weighted-average price of

$3.71/MMBtu to $4.26/MMBtu



2Q25 – 4Q25 BASIS SWAPS:

Basis Swaps	Volumes	Price
Oil	**MBbls**	**$/Bbl**
Midland Basin differential	~3,400	$1.18
MEH differential	~1,600	$1.86
Gas	**BBtu**	**$/MMBtu**
WAHA differential	~15,400	$(0.72)

Note: *Includes derivative contracts for settlement at any time during the second quarter of 2025, entered into through April 24, 2025.*

(1) Percent of net production hedged based on 2Q25-4Q25 net production and oil percentage guidance.

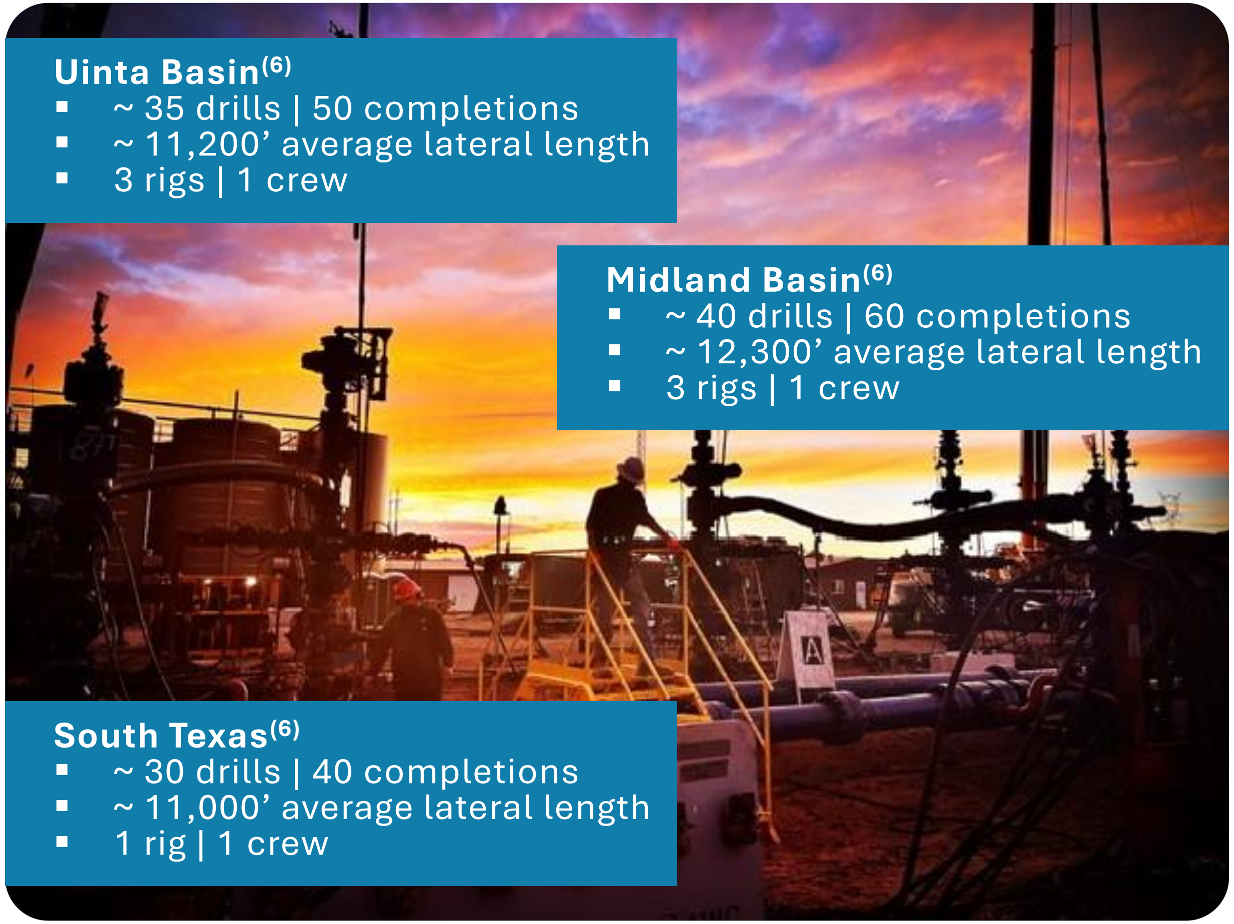
(2) Hedges include oil swaps and collars hedged to NYMEX WTI, excludes basis swaps, at a weighted-average price of $66.76/Bbl (collar floors and swaps) to $72.51/Bbl (collar ceiling and swaps).

(3) Hedges include natural gas swaps and collars hedged to NYMEX Henry Hub, excludes basis swaps, hedged to benchmark prices at a weighted-average price of $3.71/MMBtu (collar floors and swaps) to $4.26/MMBtu (collar ceilings and swaps). Percent hedged based on dry gas volumes.

2025 Plan Guidance

2Q25 GUIDANCE AND REGIONAL DETAILS

Key Metrics	Guidance 2Q25	Guidance FY25
Capital Expenditures[1][2]	$375 – $385 million	$1.3 billion
Drills (net wells)	25	105
Completions (net wells)[3]	50	150
Total Net Production (MBoe/d)	197 – 203	200 – 215
Oil Percentage	54% – 55%	51% – 52%
LOE (per Boe)	~$6.10	~ $5.90
Transportation (per Boe)		$4.10 – $4.40
Production & Ad Valorem Taxes (per Boe)[4]		$2.50 – $2.70
DD&A (per Boe)		$15
Exploration Expense ($MM)		$75
G&A ($MM)[5]		$160
Cash Taxes ($MM)		$75 – $95



(1) Indicates a non-GAAP measure or metric. Please refer to the "First Quarter 2025 Non-GAAP Definitions, Reconciliations and Disclosures" sections in the Appendix.
(2) Capital expenditures before change in capital expenditure accruals; inclusive of ~$10 million 2Q non-operated activity already approved; excludes acquisitions and any additional non-operated activity to be evaluated later in the year.
(3) 2Q net completions could be impacted by three large pads that straddle the end of the second quarter.
(4) Production taxes estimated at ~4.4% of pre-hedge revenue and Ad Valorem taxes estimated at ~$0.52/Boe for FY 2025.
(5) Full year G&A guidance includes ~$25 million non-cash costs. Included in FY25 G&A are one-time estimated expenses associated with the Uinta Basin integration of ~$7 million.
(6) Net drills, completions and average lateral length based on operated wells expected to be completed in 2025. Average rig and completion crew activity planned for 2Q.

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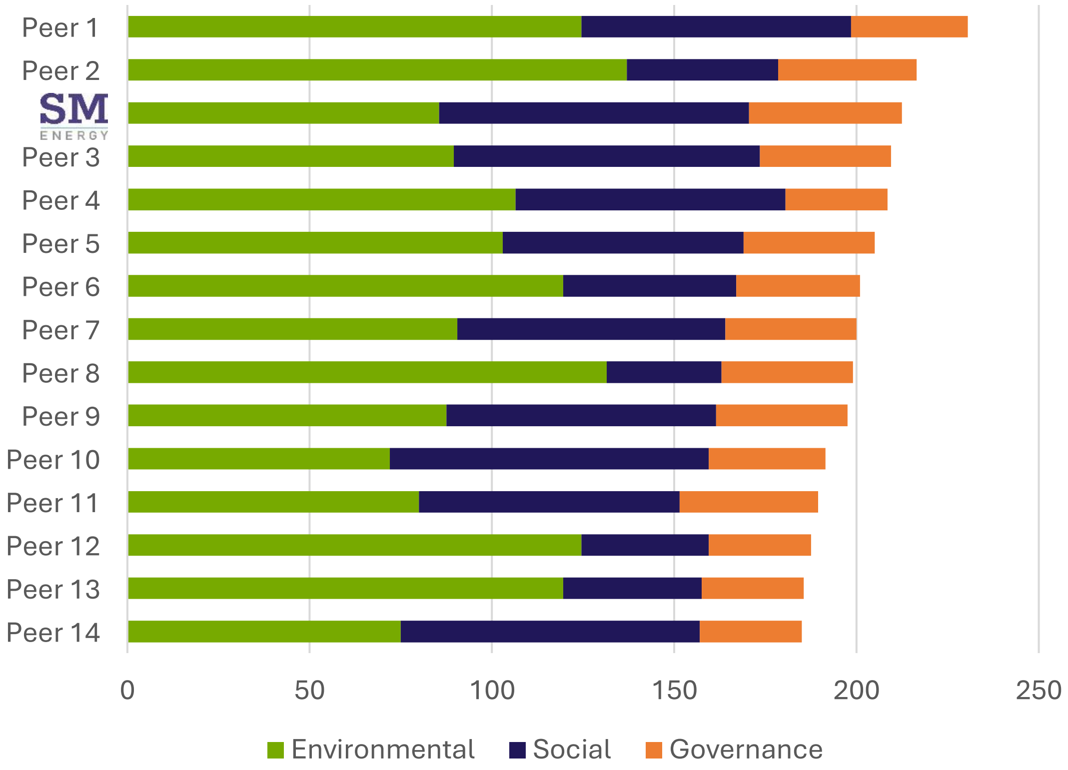
Operational Excellence

RECOGNIZED BY RYSTAD AS A LEADER IN SUSTAINABILITY AMONG PEERS

Overall ESG Scores for Top 15 Operators(1)



(1) *Data sourced from Rystad Energy | ESG Rankings for 2023: Which US operators excelled in sustainability | April 8, 2025.*
Peers selected for Rystad analysis include APA, AR, BKV, BP, CHRD, CIVI, CLR, CNX, COP, CRK, CTRA, CVX, DVN, EOG, EQT, EXE, FANG, GPOR, HES, MGY, MTDR, MUR, NFG, OVV, OXY, PR, RRC, VTLE, XOM.

2025 Core Strategic Objectives

CORE OBJECTIVES SUPPORT LONG-TERM PROFITABILITY AND VALUE CREATION

1 Focus on operational execution

To realize a step change in scale through the successful integration of our Uinta Basin assets; **delivering low breakeven, high return wells** across the portfolio by optimizing capital efficiency, demonstrating innovation and remaining **a leader in stewardship.**

2 Return capital to stockholders

By generating free cash flow to support our increased **$0.80 per share annual fixed dividend,** transferring enterprise value to equity holders by **pursuing reduced debt to a target of 1 times** leverage and resuming our **share buyback program.**

3 Expand our portfolio of top-tier economic drilling inventory

Through acquisition and exploration, and the application of advanced analytics, new technologies and development optimization.

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Appendix

1Q25 Realizations by Region

THREE TOP TIER AREAS OF OPERATION

	Uinta Basin	Midland Basin	South Texas	Total
Net Production Volumes				
Oil (MBbls)	2,997	4,664	1,670	9,332
Gas (MMcf)	2,751	15,992	17,634	36,376
NGL (MBbls)	—	5	2,356	2,361
Total (MBoe)	3,456	7,335	6,965	17,756
% Oil	87%	64%	24%	53%
Revenue (in thousands)				
Oil	$204,630	$336,427	$117,414	$658,471
Gas	$9,462	$56,213	$54,419	$120,094
NGL	—	$153	$60,902	$61,055
Total	$214,092	$392,793	$232,735	$839,620
Expenses (in thousands)				
Lease operating expense	$27,038	$59,375	$22,450	$108,863
Ad valorem tax expense	$750	$5,911	$3,152	$9,813
Transportation costs	$37,755	$119	$31,681	$69,555
Production taxes	$7,106	$19,814	$9,922	$36,842
Per Unit Metrics				
Realized sales price | Oil Per Bbl	$68.27	$72.13	$70.30	$70.56
% of benchmark – WTI	96%	101%	98%	99%
Realized sales price | Gas per Mcf	$3.44	$3.52	$3.09	$3.30
% of benchmark - NYMEX Henry Hub	94%	96%	85%	90%
Realized sales price | NGL per Bbl	Nm	Nm	$25.85	$25.86
% of benchmark – OPIS	Nm	Nm	83%	83%
Realized price per Boe	$61.95	$53.55	$33.41	$47.29
Lease operating expense per Boe	$7.82	$8.10	$3.22	$6.13
Ad Valorem tax expense per Boe	$0.22	$0.81	$0.45	$0.55
Transportation cost per Boe	$10.92	$0.02	$4.55	$3.92
Production tax per Boe	$2.06	$2.70	$1.42	$2.07
Production tax as % of pre-hedge revenue	3.3%	5.0%	4.3%	4.4%
Cash production margin per Boe(1)	$40.93	$41.92	$23.77	$34.62

Benchmark Pricing	
NYMEX WTI Oil ($/Bbl)	$ 71.42
NYMEX Henry Hub Gas ($/MMBtu)	$ 3.65
OPIS Composite NGL ($/Bbl)	$ 31.29

Note: *Amounts may not calculate due to rounding.*

(1) Cash production margin is calculated as oil, gas, and NGL revenues (before the effects of commodity derivative settlements), less operating expenses (specifically, LOE, transportation, production taxes, and ad valorem taxes). This calculation excludes derivative settlements, G&A, exploration expense, and DD&A and is reflected on a per BOE basis using net equivalent production for the period presented. Cash production margin provides management and the investment community with an understanding of the Company's recurring production margin before G&A, exploration expense, and DD&A , which is helpful to compare period-to-period and across peers.

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Activity by Region

WELLS DRILLED, FLOWING COMPLETIONS & DUC COUNT

	Wells Drilled		Flowing Completions		DUC Count	
	1Q25		1Q25		As of March 31, 2025	
	Gross	Net	Gross	Net	Gross	Net
Uinta Basin						
Uinta Basin total	14	10	30	24	32	24
Midland Basin						
RockStar	16	14	5	3	30	24
Sweetie Peck	9	7	15	9	20	16
Midland Basin total	25	21	20	12	50	40
South Texas (1)						
Austin Chalk	7	7	5	5	25	25
Eagle Ford & Other	3	3	-	-	15	15
South Texas total	10	10	5	5	40	40
Total	49	41	55	41	122	104

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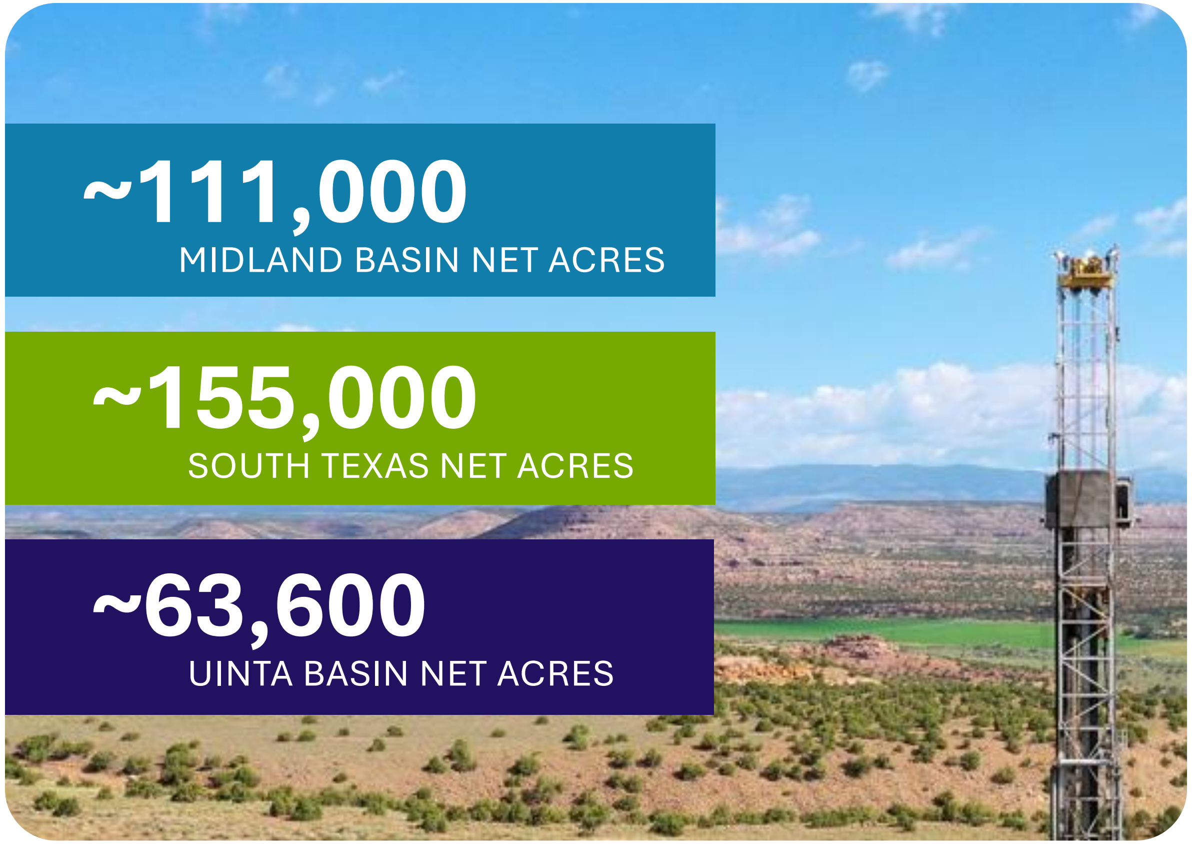
(1) The drilled but not completed well count includes 9 gross (9 net) wells that were not included in the Company's five-year development plan as of December 31, 2024, 8 of which were in the Eagle Ford shale.

Leasehold Summary

THREE CORE BASINS WITH SUBSTANTIAL ACREAGE POSITIONS

Net Acres[1]	At March 31, 2025
Midland Basin	
RockStar	83,200
Sweetie Peck[2]	27,500
Midland Basin total	110,700
South Texas	155,000
Uinta Basin	63,600
Rocky Mountain Other	47,400
Other Areas / Exploration	25,000
Total	**401,700**



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(1) *Includes developed and undeveloped oil and natural gas leasehold, fee properties, and mineral servitudes held as of March 31, 2025.*

(2) *Sweetie Peck acreage includes ~1,050 net drill-to-earn acreage.*

NGL Realizations

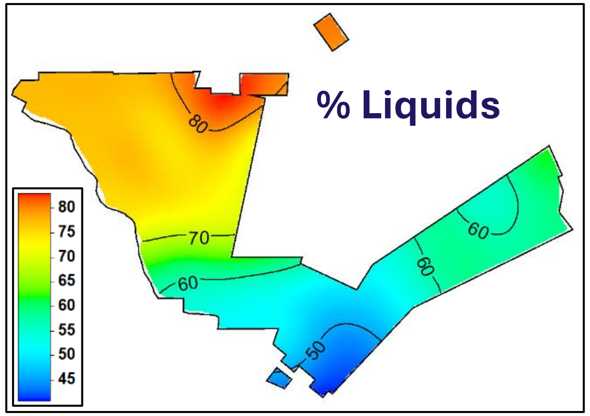
2025 PLAN ASSUMES ETHANE PROCESSING IN 2Q AND 3Q; REJECTING ETHANE IN 4Q

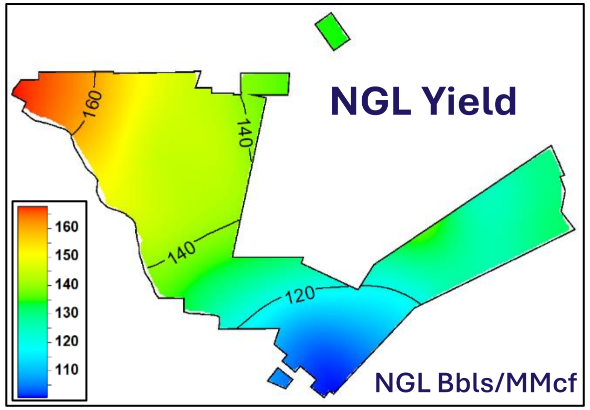
Realizations by Quarter	1Q 2025	4Q 2024	3Q 2024	2Q 2024	1Q 2024
OPIS Benchmark[(1)] Price ($/Bbl)	$31.29	$29.29	$26.68	$27.96	$29.28
SM Energy NGL Realization ($/Bbl)	$25.86	$24.49	$21.70	$22.86	$22.94
% Differential to OPIS Benchmark[(1)]	**83%**	**84%**	**81%**	**82%**	**78%**

NGL price realizations tied to OPIS, fixed fee-based contracts

- Differential reflects NGL composite barrel product mix as well as transportation and fractionation fees
- 1Q25 and 4Q24 realizations reflect the decision to reject ethane at certain gas processing plants due to better economics with strong natural gas prices; 1Q24 to 3Q24 realizations reflect the processing of ethane

AUSTIN CHALK: High Liquids Content





(1) The benchmark is the OPIS NGL composite (both Mont Belvieu Purity Ethane and Non-TET).

Helpful Hints for Modeling NGLs:

Note 1: *SM Energy recovered NGL Composition (assumes ethane processing): 49% Ethane, 24% Propane, 11% Natural Gasoline, 9% Normal Butane, and 7% Isobutane.*

Note 2: *SM Energy has completed 151 Austin Chalk wells that have reached IP30 as of April 21, 2025. Based on wells to date, average gas shrink by area is: Northern oily area ~21%, South/Eastern liquids-rich gas: ~19%.*

Oil Derivative Positions[1]

BY QUARTER

Oil	NYMEX WTI Oil Swaps		NYMEX WTI Oil Collars			Midland - Cushing Oil Basis Swaps		MEH – WTI Oil Basis Swaps		NYMEX WTI Roll Basis Swaps		Weighted-Average Price of Swaps and Collars	
Period	Volume (MBbls)	$/Bbl[2]	Volume (MBbls)	Ceiling $/Bbl[2]	Floor $/Bbl[2]	Volume (MBbls)	Price Differential $/Bbl[2]	Volume (MBbls)	Price Differential $/Bbl[2]	Volume (MBbls)	Price Differential $/Bbl[2]	Ceiling $/Bbl[3]	Floor $/Bbl[3]
Q2 2025	2,479	$70.55	1,178	$81.70	$66.25	1,118	$1.18	544	$1.86	2,410	$0.44	**$74.14**	**$69.17**
Q3 2025	2,166	$71.09	1,243	$75.39	$60.22	1,104	$1.18	544	$1.86	2,421	$0.44	**$72.66**	**$67.12**
Q4 2025	1,012	$69.99	2,160	$70.70	$60.61	1,178	$1.18	526	$1.86	2,420	$0.44	**$70.47**	**$63.61**
Q1 2026	-	-	1,365	$64.80	$56.70	1,076	$0.99	391	$2.02	-	-	**$64.80**	**$56.70**
Q2 2026	-	-	910	$64.14	$55.00	1,045	$0.99	400	$2.02	-	-	**$64.14**	**$55.00**
Q3 2026	-	-	-	-	-	975	$0.99	377	$2.01	-	-	**-**	**-**
Q4 2026	-	-	-	-	-	949	$0.99	378	$2.01	-	-	**-**	**-**

(1) *Includes derivative contracts for settlement at any time during the second quarter of 2025 and later periods, entered into through April 24, 2025.*
(2) *Weighted-average contract price.*
(3) *Volume weighted-average contract price for NYMEX WTI swaps and NYMEX WTI collars.*

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Gas and NGL Derivative Positions[1]

BY QUARTER

Gas

Gas	NYMEX Henry Hub Gas Swaps		IF WAHA Gas Swaps		IF WAHA Gas Basis Swaps		NYMEX Henry Hub Gas Collars			IF HSC Gas Swaps		Weighted-Average Price of Swaps and Collars	
Period	**Volume (BBtu)**	**$/MMBtu[2]**	**Volume (BBtu)**	**$/MMBtu[2]**	**Volume (BBtu)**	**$/MMBtu[2]**	**Volume (BBtu)**	**Ceiling $/MMBtu[2]**	**Floor $/MMBtu[2]**	**Volume (BBtu)**	**$/MMBtu[2]**	**Ceiling $/MMBtu[3]**	**Floor $/MMBtu[3]**
Q2 2025	7,028	$3.89	-	-	5,236	$(0.78)	5,893	$3.58	$3.25	-	-	**$3.75**	**$3.59**
Q3 2025	10,257	$4.17	-	-	5,117	$(0.72)	7,497	$4.12	$3.24	-	-	**$4.15**	**$3.78**
Q4 2025	6,175	$4.33	-	-	5,046	$(0.66)	7,982	$5.31	$3.25	-	-	**$4.89**	**$3.72**
Q1 2026	5,724	$4.41	2,314	$3.16	574	$(1.75)	4,943	$6.12	$3.52	957	$4.07	**$4.78**	**$3.86**
Q2 2026	6,988	$3.41	-	-	-	-	3,398	$3.55	$3.25	-	-	**$3.45**	**$3.36**
Q3 2026	6,021	$3.67	520	$2.86	-	-	3,505	$4.21	$3.25	-	-	**$3.82**	**$3.48**
Q4 2026	2,673	$3.97	514	$3.22	-	-	7,112	$5.43	$3.45	-	-	**$4.94**	**$3.57**
Q1 2027	6,992	$4.32	4,094	$3.63	509	$(0.67)	-	-	-	-	-	**$4.07**	**$4.07**
Q2 2027	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Q3 2027	-	-	-	-	499	$(0.75)	-	-	-	-	-	**-**	**-**

NGLs

NGLs	Propane Swaps		Purity Ethane Swaps	
Period	**Volume (MBbls)**	**$/Bbl[2]**	**Volume (MBbls)**	**$/Bbl[2]**
Q2 2025	151	$32.81	-	-
Q3 2025	-	-	-	-
Q4 2025	-	-	123	$13.07
Q1 2026	-	-	259	$12.57
Q2 2026	-	-	137	$11.71
Q3 2026	-	-	137	$11.71
Q4 2026	-	-	141	$11.71

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(1) *Includes derivative contracts for settlement at any time during the second quarter of 2025 and later periods, entered into through April 24, 2025.*
(2) *Weighted-average contract price.*
(3) *Volume weighted-average contract price for NYMEX Henry Hub swaps and collars, IF WAHA swaps and IF HSC swaps.*

First Quarter 2025 Non-GAAP Definitions, Reconciliations and Disclosures

Definitions of Non-GAAP Measures and Metrics as Calculated by the Company

To supplement the presentation of its financial results prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company provides certain non-GAAP measures and metrics, which are used by management and the investment community to assess the Company's financial condition, results of operations, and cash flows, as well as compare performance from period to period and across the Company's peer group. The Company believes these measures and metrics are widely used by the investment community, including investors, research analysts and others, to evaluate and compare recurring financial results among upstream oil and gas companies in making investment decisions or recommendations. These measures and metrics, as presented, may have differing calculations among companies and investment professionals and may not be directly comparable to the same measures and metrics provided by others. A non-GAAP measure should not be considered in isolation or as a substitute for the most directly comparable GAAP measure or any other measure of a company's financial or operating performance presented in accordance with GAAP. Reconciliations of the Company's non-GAAP measures to the most directly comparable GAAP measure is presented below. These measures may not be comparable to similarly titled measures of other companies.

Adjusted EBITDAX: Adjusted EBITDAX is calculated as net income before interest expense, interest income, income taxes, depletion, depreciation, amortization and asset retirement obligation liability accretion expense, exploration expense, property abandonment and impairment expense, non-cash stock-based compensation expense, derivative gains and losses net of settlements, gains and losses on divestitures, gains and losses on extinguishment of debt, and certain other items. Adjusted EBITDAX excludes certain items that the Company believes affect the comparability of operating results and can exclude items that are generally non-recurring in nature or whose timing and/or amount cannot be reasonably estimated. Adjusted EBITDAX is a non-GAAP measure that the Company believes provides useful additional information to investors and analysts, as a performance measure, for analysis of the Company's ability to internally generate funds for exploration, development, acquisitions, and to service debt. The Company is also subject to financial covenants under the Company's Credit Agreement, a material source of liquidity for the Company, based on Adjusted EBITDAX ratios. Please reference the Company's first quarter 2025 Form 10-Q and the most recent Annual Report on Form 10-K for discussion of the Credit Agreement and its covenants.

Adjusted free cash flow or FCF: Adjusted free cash flow is calculated as net cash provided by operating activities before net change in working capital less capital expenditures before changes in accruals. The Company uses this measure as representative of the cash from operations, in excess of capital expenditures that provides liquidity to fund discretionary obligations such as debt reduction, returning cash to stockholders or expanding the business.

Adjusted net income and Adjusted net income per diluted common share or Adjusted EPS: Adjusted net income and Adjusted net income per diluted common share excludes certain items that the Company believes affect the comparability of operating results, including items that are generally non-recurring in nature or whose timing and/or amount cannot be reasonably estimated. These items include non-cash and other adjustments, such as derivative gains and losses net of settlements, impairments, net (gain) loss on divestiture activity, gains and losses on extinguishment of debt, and accruals for non-recurring matters. The Company uses these measures to evaluate the comparability of the Company's ongoing operational results and trends and believes these measures provide useful information to investors for analysis of the Company's fundamental business on a recurring basis.

Net debt: Net debt is calculated as the total principal amount of outstanding senior notes plus amounts drawn on the revolving credit facility less cash and cash equivalents (also referred to as total funded debt). The Company uses net debt as a measure of financial position and believes this measure provides useful additional information to investors to evaluate the Company's capital structure and financial leverage.

Net debt-to-Adjusted EBITDAX: Net debt-to-Adjusted EBITDAX is calculated as Net Debt (defined above) divided by Adjusted EBITDAX (defined above) for the trailing twelve-month period (also referred to as leverage ratio). A variation of this calculation is a financial covenant under the Company's Credit Agreement. The Company and the investment community may use this metric in understanding the Company's ability to service its debt and identify trends in its leverage position. The Company reconciles the two non-GAAP measure components of this calculation.

Post-hedge: Post-hedge is calculated as the average realized price after the effects of commodity net derivative settlements. The Company believes this metric is useful to management and the investment community to understand the effects of commodity net derivative settlements on average realized price.

Non-GAAP Reconciliations

Adjusted EBITDAX[1]

(in thousands, except per share data)	Three Months Ended March 31, 2025	Trailing Twelve Months Ended March 31, 2025
Net income (GAAP)	$ 182,269	$ 821,363
Interest expense	44,373	163,159
Interest income	(113)	(25,246)
Income tax expense	49,732	213,593
Depletion, depreciation, and amortization	269,900	913,017
Exploration(2)	10,311	51,861
Stock-based compensation expense	7,089	27,092
Net derivative (gain) loss	17,216	(60,887)
Net derivative settlement gain	7,751	63,193
Other, net	391	(24)
Adjusted EBITDAX (non-GAAP)	$ 588,919	$ 2,167,121
Interest expense	(44,373)	(163,159)
Interest income	113	25,246
Income tax expense	(49,732)	(213,593)
Exploration(2)(3)	(10,311)	(50,661)
Amortization of deferred financing costs	2,550	8,635
Deferred income taxes	26,259	173,854
Other, net	1,124	(35,276)
Net change in working capital	(31,564)	77,332
Net cash provided by operating activities (GAAP)	$ 482,985	$ 1,989,499

Adjusted Net Income[1]

(in thousands, except per share data)	Three Months Ended March 31, 2025
Net income (GAAP)	$ 182,269
Net derivative loss	17,216
Net derivative settlement gain	7,751
Other, net	391
Tax effect of adjustments[4]	(5,604)
Adjusted net income (non-GAAP)	$ 202,023
Diluted net income per common share (GAAP)	$ 1.59
Net derivative loss	0.15
Net derivative settlement gain	0.07
Other, net	—
Tax effect of adjustments[4]	(0.05)
Adjusted net income per diluted common share (non-GAAP)	$ 1.76
Basic weighted-average common shares outstanding	114,515
Diluted weighted-average common shares outstanding	114,948

(1) *Indicates a non-GAAP measure. See above "Definitions of non-GAAP measures and metrics as Calculated by the Company."*
(2) *Stock-based compensation expense is a component of the exploration expense and general and administrative expense line items on the unaudited condensed consolidated statements of operations. Therefore, the exploration line items shown in the reconciliation above will vary from the amount shown on the unaudited condensed consolidated statements of operations for the component of stock-based compensation expense recorded to exploration expense.*
(3) *For the trailing twelve months ended March 31, 2025, amount excludes certain capital expenditures related to unsuccessful exploration activities.*
(4) *The tax effect of adjustments for the three months ended March 31, 2025, was calculated using a tax rate of 22.1% This rate approximates the Company's statutory tax rate adjusted for the period, as adjusted for ordinary permanent differences.*

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Non-GAAP Reconciliations, *continued*

Adjusted Free Cash Flow[1]

(in thousands)		Three Months Ended March 31, 2025
Net cash provided by operating activities (GAAP)	$	482,985
Net change in working capital		31,564
Cash flow from operations before net change in working capital (non-GAAP)	$	514,549
Capital expenditures (GAAP)	$	413,868
Changes in capital expenditure accruals		26,931
Capital expenditures before changes in accruals (non-GAAP)	$	440,799
Adjusted free cash flow (non-GAAP)	$	73,750

Adjusted Net Debt[1]

(in thousands, except per share data)		Three Months Ended March 31, 2025
Principal amount of Senior Notes[2]	$	2,736,026
Revolving credit facility[2]		37,500
Total principal amount of debt (GAAP)	$	2,773,526
Less: Cash and cash equivalents		54
Net Debt (non-GAAP)	$	2,773,472

(1) *Indicates a non-GAAP measure. See above "Definitions of non-GAAP measures and metrics as Calculated by the Company."*
(2) *Amounts as of March 31, 2025, are from Note 5 – Long-Term Debt in Part I, Item 1 of the Company's Form 10-Q.*

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