

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): November 5, 2024

GULFPORT ENERGY CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-19514
(Commission File Number)

86-3684669
(I.R.S. Employer
Identification Number)

713 Market Drive
Oklahoma City, Oklahoma
(Address of principal
executive offices)

73114
(Zip code)

(405) 252-4600
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

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

Title of each class	Name of each exchange on which registered	Trading Symbol
Common stock, par value \$0.0001 per share	The New York Stock Exchange	GPOR

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 2.02. Results of Operations and Financial Condition.

On November 5, 2024, Gulfport Energy Corporation ("Gulfport") issued a press release reporting its financial and operating results for the three months ended September 30, 2024, and provided an update on its 2024 development plan and financial guidance. A copy of the press release and supplemental financial information are attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K.

Item 7.01. Regulation FD Disclosure.

Also on November 5, 2024, Gulfport posted an updated investor presentation on its website. The presentation may be found on Gulfport's website at <http://www.gulfportenergy.com> by selecting "Investors," "Company Information" and then "Presentations."

The information in the press release and updated investor presentation is being furnished, not filed, pursuant to Item 2.02 and Item 7.01. Accordingly, the information in the press release and updated investor presentation will not be incorporated by reference into any registration statement filed by Gulfport under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Number	Exhibit
99.1	Press release dated November 5, 2024 entitled "Gulfport Energy Reports Third Quarter 2024 Financial and Operating Results and Expands Common Stock Repurchase Authorization by 54% to \$1.0 Billion."
99.2	Supplemental Financial Information.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURE

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.

Date: November 5, 2024

GULFPORT ENERGY CORPORATION

By: /s/ Michael Hodges
Michael Hodges
Chief Financial Officer



Gulfport Energy Reports Third Quarter 2024 Financial and Operating Results and Expands Common Stock Repurchase Authorization by 54% to \$1.0 Billion

OKLAHOMA CITY (November 5, 2024) Gulfport Energy Corporation (NYSE: GPOR) (“Gulfport” or the “Company”) today reported financial and operating results for the three months ended September 30, 2024 and provided an update on its 2024 development plan and financial guidance.

Third Quarter 2024 and Recent Highlights

- Delivered total net production of 1.06 Bcfe per day comprised of approximately 91% natural gas, 6% natural gas liquids and 3% oil and condensate
- Produced total net oil production of 4.6 MBbl per day, an increase of 68% over second quarter 2024
- Incurred capital expenditures of \$82.5 million, below analyst consensus expectations
- Reported \$14.0 million of net loss, \$61.8 million of adjusted net income⁽¹⁾ and \$178.1 million of adjusted EBITDA⁽¹⁾, above analyst consensus expectations
- Generated \$189.7 million of net cash provided by operating activities and \$72.6 million of adjusted free cash flow⁽¹⁾, above analyst consensus expectations
- Completed opportunistic discretionary acreage acquisitions totaling \$19.8 million
- Repurchased approximately 341 thousand shares for approximately \$49.9 million during the third quarter of 2024
- Repurchased approximately 5.2 million shares for approximately \$518.7 million⁽²⁾ since the inception of the repurchase program
- Expanded common stock repurchase authorization by 54% percent to \$1.0 billion
- Extended the weighted average maturity of the Company’s long-term senior notes by 3.2 years and lowered the Company’s weighted average interest rate on its long-term senior notes by approximately 1.2%
- Completed fall borrowing base redetermination of revolving credit facility, which resulted in (1) increase in elected commitments to \$1.0 billion, (2) borrowing base reaffirmed at \$1.1 billion and (3) extension of the maturity to September 2028
- Issued Annual Corporate Sustainability Report and remain committed to delivering cleaner, lower-carbon energy in a safe, environmentally responsible manner

Updated Full Year 2024 Outlook

- Reducing guidance for drilling and completion capital expenditures to \$325 million – \$335 million, a decrease of 4% based upon the midpoint of the Company’s previously issued guidance range
- Planning to allocate approximately \$45 million to targeted discretionary acreage acquisitions, of which \$38.8 million was deployed by the end of the third quarter of 2024
- Reiterating plans to allocate substantially all 2024 adjusted free cash flow⁽¹⁾ towards common share repurchases after discretionary acreage acquisitions

John Reinhart, President and CEO, commented, “Gulfport’s third quarter results continued to benefit from the operating momentum that we have built throughout this year and as we announced in August, the Company expects to realize over \$25 million in capital savings on our drilling and completion activities during 2024. Based on the current commodity price environment, we have elected to allocate the majority of these savings to incremental shareholder returns through our recently expanded common share repurchase program. As a result, we are lowering our full year 2024 capital guidance.”

Reinhart continued, “We continued to add to our attractive acreage portfolio and, through September 30, we invested \$38.8 million in discretionary acreage acquisition opportunities during 2024, extending our high-quality, liquids-rich inventory by approximately one year. In addition, production and cash flows for the third quarter benefited from the turn-in-line of our four-well Utica condensate pad in Harrison County, Ohio, increasing our average daily oil production by 68% quarter-over-quarter. The wells have exhibited attractive production rates in combination with minimal pressure drawdown during the initial 90-day period. Increased production rates are now being tested to determine the optimal production profile aimed at maximizing long-term well performance. The Company also completed drilling on four additional Utica condensate wells during the third quarter and look forward to further development of our Marcellus acreage in early 2025, highlighting the liquids optionality and flexibility of our asset base as well as the continuous optimization of our development program targeting improved returns.”

“As we close out 2024 and expect an improving 2025 natural gas macro environment, we forecast accelerating adjusted free cash flow generation for our business, highlighting our disciplined approach to capital allocation and our focus on enhancing margins and optimizing efficiencies. Based entirely on the capital efficiency gains achieved over the past two years, we expect 2025 total base capital requirements to be in line with our updated 2024 capital guidance provided today. This capital program will continue to focus on liquids-rich development, improving margins and supporting our robust expected adjusted free cash flow generation. We will continue to focus on increasing shareholder value and believe our stock remains undervalued. As a result, we are pleased to announce a significant increase in our common stock repurchase authorization by 54% to \$1.0 billion, which highlights our commitment to the return of capital to our shareholders. We plan to remain consistent in our free cash flow allocation framework and will continue to return substantially all of our adjusted free cash flow, excluding discretionary acreage acquisitions, through common stock repurchases. We believe the consistency of our committed approach to share repurchases over the past few years has delivered tremendous value to our shareholders and changes to our capital allocation framework, or other potential strategic considerations, would need to be accretive to our fundamental value and compare favorably to repurchasing our undervalued stock,” Reinhart concluded.

A company presentation to accompany the Gulfport earnings conference call can be accessed by clicking here.

1. A non-GAAP financial measure. Reconciliations of these non-GAAP measures and other disclosures are provided with the supplemental financial tables available on our website at www.gulfportenergy.com.
2. As of October 28, 2024.

Operational Update

The table below summarizes Gulfport's operated drilling and completion activity for the third quarter of 2024:

	Quarter Ended September 30, 2024		
	Gross	Net	Lateral Length
Spud			
Utica	3	3.0	18,800
SCOOP	—	—	—
Drilled			
Utica	5	5.0	13,100
SCOOP	—	—	—
Completed			
Utica	3	3.0	14,300
SCOOP	3	2.4	12,400
Turned-to-Sales			
Utica	7	6.6	16,000
SCOOP	3	2.4	12,400

Gulfport's net daily production for the third quarter of 2024 averaged 1,057.2 MMcfe per day, primarily consisting of 861.6 MMcfe per day in the Utica/Marcellus and 195.6 MMcfe per day in the SCOOP. For the third quarter of 2024, Gulfport's net daily production mix was comprised of approximately 91% natural gas, 6% natural gas liquids ("NGL") and 3% oil and condensate.

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Production		
Natural gas (Mcf/day)	966,522	971,352
Oil and condensate (Bbl/day)	4,618	3,195
NGL (Bbl/day)	10,489	11,061
Total (Mcf/day)	1,057,164	1,056,887
Average Prices		
Natural Gas:		
Average price without the impact of derivatives (\$/Mcf)	\$ 1.80	\$ 1.99
Impact from settled derivatives (\$/Mcf)	\$ 0.95	\$ 0.54
Average price, including settled derivatives (\$/Mcf)	\$ 2.75	\$ 2.53
Oil and condensate:		
Average price without the impact of derivatives (\$/Bbl)	\$ 69.35	\$ 77.90
Impact from settled derivatives (\$/Bbl)	\$ 0.22	\$ (7.25)
Average price, including settled derivatives (\$/Bbl)	\$ 69.57	\$ 70.65
NGL:		
Average price without the impact of derivatives (\$/Bbl)	\$ 27.58	\$ 26.49
Impact from settled derivatives (\$/Bbl)	\$ (0.16)	\$ 2.62
Average price, including settled derivatives (\$/Bbl)	\$ 27.42	\$ 29.11
Total:		
Average price without the impact of derivatives (\$/Mcf)	\$ 2.22	\$ 2.34
Impact from settled derivatives (\$/Mcf)	\$ 0.87	\$ 0.50
Average price, including settled derivatives (\$/Mcf)	\$ 3.09	\$ 2.84
Selected operating metrics		
Lease operating expenses (\$/Mcf)	\$ 0.19	\$ 0.16
Taxes other than income (\$/Mcf)	\$ 0.07	\$ 0.07
Transportation, gathering, processing and compression expense (\$/Mcf)	\$ 0.92	\$ 0.89
Recurring cash general and administrative expenses (\$/Mcf) (non-GAAP)	\$ 0.13	\$ 0.12
Interest expenses (\$/Mcf)	\$ 0.16	\$ 0.15

Capital Investment

Capital investment was \$82.5 million (on an incurred basis) for the third quarter of 2024, of which \$64.9 million related to drilling and completion ("D&C") activity and \$17.6 million related to maintenance leasehold and land investment. In addition, Gulfport invested approximately \$19.8 million in discretionary acreage acquisitions.

For the nine-month period ended September 30, 2024, capital investment was \$329.0 million (on an incurred basis), of which \$277.4 million related to D&C activity and \$51.6 million to maintenance leasehold and land investment. In addition, Gulfport invested approximately \$38.8 million in discretionary acreage acquisitions.

Expanded Common Stock Repurchase Program

Gulfport's board of directors recently expanded the Company's previously announced common stock repurchase program and Gulfport is now authorized to repurchase up to \$1.0 billion of its outstanding shares of common stock through December 31, 2025.

Gulfport repurchased approximately 341 thousand shares of common stock at a weighted-average price of \$146.17 during the third quarter of 2024, totaling approximately \$49.9 million. As of October 28, 2024, the Company had repurchased approximately 5.2 million shares of common stock at a weighted-average share price of \$100.17 since the program initiated in March 2022, totaling approximately \$518.7 million in aggregate. The Company currently has approximately \$481.3 million of remaining capacity under the expanded share repurchase program.

Financial Position and Liquidity

As of September 30, 2024, Gulfport had approximately \$3.2 million of cash and cash equivalents, \$30.0 million of borrowings under its revolving credit facility, \$63.8 million of letters of credit outstanding, \$25.7 million of outstanding 2026 senior notes and \$650.0 million of outstanding 2029 senior notes.

Gulfport's liquidity at September 30, 2024, totaled approximately \$909.4 million, comprised of the \$3.2 million of cash and cash equivalents and approximately \$906.2 million of available borrowing capacity under its credit facility.

Derivatives

Gulfport enters into commodity derivative contracts on a portion of its expected future production volumes to mitigate the Company's exposure to commodity price fluctuations. For details, please refer to the "Derivatives" section provided with the supplemental financial tables available on our website at ir.gulfportenergy.com.

Third Quarter 2024 Conference Call

Gulfport will host a teleconference and webcast to discuss its third quarter of 2024 results beginning at 9:00 a.m. ET (8:00 a.m. CT) on Wednesday, November 6, 2024.

5

The conference call can be heard live through a link on the Gulfport website, www.gulfportenergy.com. In addition, you may participate in the conference call by dialing 866-373-3408 domestically or 412-902-1039 internationally. A replay of the conference call will be available on the Gulfport website and a telephone audio replay will be available from November 6, 2024 to November 20, 2024, by calling 877-660-6853 domestically or 201-612-7415 internationally and then entering the replay passcode 13749355.

Financial Statements and Guidance Documents

Third quarter of 2024 earnings results and supplemental information regarding quarterly data such as production volumes, pricing, financial statements and non-GAAP reconciliations are available on our website at ir.gulfportenergy.com.

Non-GAAP Disclosures

This news release includes non-GAAP financial measures. Such non-GAAP measures should be not considered as an alternative to GAAP measures. Reconciliations of these non-GAAP measures and other disclosures are provided with the supplemental financial tables available on our website at ir.gulfportenergy.com.

About Gulfport

Gulfport is an independent natural gas-weighted exploration and production company focused on the exploration, acquisition and production of natural gas, crude oil and NGL in the United States with primary focus in the Appalachia and Anadarko basins. Our principal properties are located in eastern Ohio targeting the Utica and Marcellus formations and in central Oklahoma targeting the SCOOP Woodford and SCOOP Springer formations.

Forward Looking Statements

This press release includes "forward-looking statements" for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements other than statements of historical fact. They include statements regarding Gulfport's current expectations, management's outlook guidance or forecasts of future events, projected cash flow and liquidity, inflation, share repurchases and other return of capital plans, its ability to enhance cash flow and financial flexibility, future production and commodity mix, plans and objectives for future operations, the ability of our employees, portfolio strength and operational leadership to create long-term value and the assumptions on which such statements are based. Gulfport believes the expectations and forecasts reflected in the forward-looking statements are reasonable, Gulfport can give no assurance they will prove to have been correct. They can be affected by inaccurate or changed assumptions or by known or unknown risks and uncertainties. Important risks, assumptions and other important factors that could cause future results to differ materially from those expressed in the forward-looking statements are described under "Risk Factors" in Item 1A of Gulfport's annual report on Form 10-K for the year ended December 31, 2023 and any updates to those factors set forth in Gulfport's subsequent quarterly reports on Form 10-Q or current reports on Form 8-K (available at <https://www.gulfportenergy.com/investors/sec-filings>). Gulfport undertakes no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events.

Investors should note that Gulfport announces financial information in SEC filings, press releases and public conference calls. Gulfport may use the Investors section of its website (www.gulfportenergy.com) to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. The information on Gulfport's website is not part of this filing.

Investor Contact:

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6



Three months and nine months ended September 30, 2024
Supplemental Information of Gulfport Energy

Table of Contents:	Page:
Production Volumes by Asset Area	2
Production and Pricing	4
Consolidated Statements of Income	6
Consolidated Balance Sheets	8
Consolidated Statement of Cash Flows	10
Updated 2024E Guidance	12
Derivatives	13
Non-GAAP Reconciliations	14
Definitions	15
Adjusted Net Income	16
Adjusted EBITDA	18
Adjusted Free Cash Flow	20
Recurring General and Administrative Expenses	22



Production Volumes by Asset Area: Three months ended September 30, 2024

Production Volumes

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Natural gas (Mcf/day)		
Utica & Marcellus	822,015	795,191
SCOOP	144,507	176,161
Total	966,522	971,352
Oil and condensate (Bbl/day)		
Utica & Marcellus	3,105	528
SCOOP	1,513	2,667
Total	4,618	3,195
NGL (Bbl/day)		
Utica & Marcellus	3,491	2,271
SCOOP	6,998	8,790
Total	10,489	11,061
Combined (Mcf/day)		
Utica & Marcellus	861,592	811,985
SCOOP	195,572	244,902
Total	1,057,164	1,056,887

Totals may not sum or recalculate due to rounding.



Production Volumes by Asset Area: Nine months ended September 30, 2024

Production Volumes

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Natural gas (Mcf/day)		
Utica & Marcellus	816,788	755,372
SCOOP	154,054	198,616

Total	970,842	953,989
Oil and condensate (Bbl/day)		
Utica & Marcellus	1,815	558
SCOOP	1,754	3,256
Total	3,569	3,813
NGL (Bbl/day)		
Utica & Marcellus	2,610	2,466
SCOOP	7,629	9,921
Total	10,239	12,387
Combined (Mcf/day)		
Utica & Marcellus	843,339	773,512
SCOOP	210,348	277,676
Total	1,053,687	1,051,188

Totals may not sum or recalculate due to rounding.



Production and Pricing: Three months ended September 30, 2024

The following table summarizes production and related pricing for the three months ended September 30, 2024, as compared to such data for the three months ended September 30, 2023. Some totals below may not sum or recalculate due to rounding.

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Natural gas sales		
Natural gas production volumes (MMcf)	88,920	89,364
Natural gas production volumes (MMcf) per day	967	971
Total sales	\$ 159,862	\$ 177,401
Average price without the impact of derivatives (\$/Mcf)	\$ 1.80	\$ 1.99
Impact from settled derivatives (\$/Mcf)	\$ 0.95	\$ 0.54
Average price, including settled derivatives (\$/Mcf)	\$ 2.75	\$ 2.53
Oil and condensate sales		
Oil and condensate production volumes (MBbl)	425	294
Oil and condensate production volumes (MBbl) per day	5	3
Total sales	\$ 29,467	\$ 22,896
Average price without the impact of derivatives (\$/Bbl)	\$ 69.35	\$ 77.90
Impact from settled derivatives (\$/Bbl)	\$ 0.22	\$ (7.25)
Average price, including settled derivatives (\$/Bbl)	\$ 69.57	\$ 70.65
NGL sales		
NGL production volumes (MBbl)	965	1,018
NGL production volumes (MBbl) per day	10	11
Total sales	\$ 26,617	\$ 26,953
Average price without the impact of derivatives (\$/Bbl)	\$ 27.58	\$ 26.49
Impact from settled derivatives (\$/Bbl)	\$ (0.16)	\$ 2.62
Average price, including settled derivatives (\$/Bbl)	\$ 27.42	\$ 29.11
Natural gas, oil and condensate and NGL sales		
Natural gas equivalents (MMcfe)	97,259	97,234
Natural gas equivalents (MMcfe) per day	1,057	1,057
Total sales	\$ 215,946	\$ 227,250
Average price without the impact of derivatives (\$/Mcf)	\$ 2.22	\$ 2.34
Impact from settled derivatives (\$/Mcf)	\$ 0.87	\$ 0.50
Average price, including settled derivatives (\$/Mcf)	\$ 3.09	\$ 2.84
Production Costs:		
Average lease operating expenses (\$/Mcf)	\$ 0.19	\$ 0.16
Average taxes other than income (\$/Mcf)	\$ 0.07	\$ 0.07
Average transportation, gathering, processing and compression (\$/Mcf)	\$ 0.92	\$ 0.89
Total lease operating expenses, midstream costs and production taxes (\$/Mcf)	\$ 1.18	\$ 1.12



Production and Pricing: Nine months ended September 30, 2024

The following table summarizes production and related pricing for the nine months ended September 30, 2024, as compared to such data for the nine months ended September 30, 2023. Some totals below may not sum or recalculate due to rounding.

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Natural gas sales		
Natural gas production volumes (MMcf)	266,011	260,439
Natural gas production volumes (MMcf) per day	971	954
Total sales	\$ 492,606	\$ 619,181
Average price without the impact of derivatives (\$/Mcf)	\$ 1.85	\$ 2.38
Impact from settled derivatives (\$/Mcf)	\$ 0.91	\$ 0.37
Average price, including settled derivatives (\$/Mcf)	\$ 2.76	\$ 2.75
Oil and condensate sales		
Oil and condensate production volumes (MBbl)	978	1,041
Oil and condensate production volumes (MBbl) per day	4	4
Total sales	\$ 70,295	\$ 76,212
Average price without the impact of derivatives (\$/Bbl)	\$ 71.89	\$ 73.21
Impact from settled derivatives (\$/Bbl)	\$ (0.17)	\$ (2.29)
Average price, including settled derivatives (\$/Bbl)	\$ 71.72	\$ 70.92
NGL sales		
NGL production volumes (MBbl)	2,805	3,382
NGL production volumes (MBbl) per day	10	12
Total sales	\$ 80,870	\$ 92,935
Average price without the impact of derivatives (\$/Bbl)	\$ 28.83	\$ 27.48
Impact from settled derivatives (\$/Bbl)	\$ (0.55)	\$ 1.88
Average price, including settled derivatives (\$/Bbl)	\$ 28.28	\$ 29.36
Natural gas, oil and condensate and NGL sales		
Natural gas equivalents (MMcfe)	288,710	286,974
Natural gas equivalents (MMcfe) per day	1,054	1,051
Total sales	\$ 643,771	\$ 788,328
Average price without the impact of derivatives (\$/Mcf)	\$ 2.23	\$ 2.75
Impact from settled derivatives (\$/Mcf)	\$ 0.83	\$ 0.35
Average price, including settled derivatives (\$/Mcf)	\$ 3.06	\$ 3.10
Production Costs:		
Average lease operating expenses (\$/Mcf)	\$ 0.18	\$ 0.18
Average taxes other than income (\$/Mcf)	\$ 0.08	\$ 0.09
Average transportation, gathering, processing and compression (\$/Mcf)	\$ 0.91	\$ 0.91
Total lease operating expenses, midstream costs and production taxes (\$/Mcf)	\$ 1.16	\$ 1.18



Consolidated Statements of Income: Three months ended September 30, 2024

(In thousands, except per share data)
(Unaudited)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
REVENUES:		
Natural gas sales	\$ 159,862	\$ 177,401
Oil and condensate sales	29,467	22,896
Natural gas liquid sales	26,617	26,953
Net gain on natural gas, oil and NGL derivatives	37,966	39,417
Total revenues	<u>253,912</u>	<u>266,667</u>
OPERATING EXPENSES:		
Lease operating expenses	18,218	15,627
Taxes other than income	6,833	7,216

Transportation, gathering, processing and compression	89,900	86,602
Depreciation, depletion and amortization	82,825	79,505
Impairment of oil and natural gas properties	30,487	—
General and administrative expenses	10,479	9,894
Accretion expense	583	639
Total operating expenses	239,325	199,483
INCOME FROM OPERATIONS	14,587	67,184
OTHER EXPENSE (INCOME):		
Interest expense	15,866	14,919
Loss on debt extinguishment	13,388	—
Other, net	3,133	(1,438)
Total other expense	32,387	13,481
(LOSS) INCOME BEFORE INCOME TAXES	(17,800)	53,703
INCOME TAX BENEFIT:		
Current	—	—
Deferred	(3,833)	(554,741)
Total income tax benefit	(3,833)	(554,741)
NET (LOSS) INCOME	\$ (13,967)	\$ 608,444
Dividends on preferred stock	(1,093)	(1,133)
Participating securities - preferred stock	—	(89,756)
NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ (15,060)	\$ 517,555
NET (LOSS) INCOME PER COMMON SHARE:		
Basic	\$ (0.83)	\$ 27.72
Diluted	\$ (0.83)	\$ 27.37
Weighted average common shares outstanding—Basic	18,062	18,670
Weighted average common shares outstanding—Diluted	18,062	18,954

Page 6



Consolidated Statements of Income: Nine months ended September 30, 2024

(In thousands, except per share data)
(Unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
REVENUES:		
Natural gas sales	\$ 492,606	\$ 619,181
Oil and condensate sales	70,295	76,212
Natural gas liquid sales	80,870	92,935
Net gain on natural gas, oil and NGL derivatives	74,487	514,266
Total revenues	718,258	1,302,594
OPERATING EXPENSES:		
Lease operating expenses	50,843	51,644
Taxes other than income	22,111	25,849
Transportation, gathering, processing and compression	263,048	259,883
Depreciation, depletion and amortization	241,401	238,747
Impairment of oil and natural gas properties	30,487	—
General and administrative expenses	30,429	27,238
Restructuring costs	—	4,762
Accretion expense	1,705	2,117
Total operating expenses	640,024	610,240
INCOME FROM OPERATIONS	78,234	692,354
OTHER EXPENSE (INCOME):		
Interest expense	46,027	42,402
Loss on debt extinguishment	13,388	—
Other, net	3,530	(20,492)
Total other expense	62,945	21,910
INCOME BEFORE INCOME TAXES	15,289	670,444
INCOME TAX EXPENSE (BENEFIT):		
Current	—	—
Deferred	3,433	(554,741)
Total income tax expense (benefit)	3,433	(554,741)
NET INCOME	\$ 11,856	\$ 1,225,185
Dividends on preferred stock	(3,293)	(3,718)
Participating securities - preferred stock	(1,259)	(180,394)
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 7,304	\$ 1,041,073
NET INCOME PER COMMON SHARE:		
Basic	\$ 0.40	\$ 55.72
Diluted	\$ 0.40	\$ 55.08

Weighted average common shares outstanding—Basic	18,133	18,686
Weighted average common shares outstanding—Diluted	18,463	18,937



Consolidated Balance Sheets

(In thousands)

	September 30, 2024 (Unaudited)	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,220	\$ 1,929
Accounts receivable—oil, natural gas, and natural gas liquids sales	88,931	122,479
Accounts receivable—joint interest and other	14,274	22,221
Prepaid expenses and other current assets	5,944	16,951
Short-term derivative instruments	111,076	233,226
Total current assets	<u>223,445</u>	<u>396,806</u>
Property and equipment:		
Oil and natural gas properties, full-cost method		
Proved oil and natural gas properties	3,276,165	2,904,519
Unproved properties	224,370	204,233
Other property and equipment	11,314	9,165
Total property and equipment	3,511,849	3,117,917
Less: accumulated depletion, depreciation, amortization and impairment	(1,137,464)	(865,618)
Total property and equipment, net	<u>2,374,385</u>	<u>2,252,299</u>
Other assets:		
Long-term derivative instruments	23,073	47,566
Deferred tax asset	521,723	525,156
Operating lease assets	8,666	14,299
Other assets	26,864	31,487
Total other assets	<u>580,326</u>	<u>618,508</u>
Total assets	<u>\$ 3,178,156</u>	<u>\$ 3,267,613</u>



Consolidated Balance Sheets

(In thousands, except share data)

	September 30, 2024 (Unaudited)	December 31, 2023
Liabilities, Mezzanine Equity and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 282,413	\$ 309,532
Short-term derivative instruments	36,758	21,963
Current portion of operating lease liabilities	7,906	12,959
Total current liabilities	<u>327,077</u>	<u>344,454</u>
Non-current liabilities:		
Long-term derivative instruments	23,618	18,602
Asset retirement obligation	32,327	29,941
Non-current operating lease liabilities	760	1,340
Long-term debt	694,389	667,382
Total non-current liabilities	<u>751,094</u>	<u>717,265</u>
Total liabilities	<u>\$ 1,078,171</u>	<u>\$ 1,061,719</u>
Commitments and contingencies (Note 9)		
Mezzanine equity:		
Preferred stock - \$0.0001 par value, 110.0 thousand shares authorized, 43.7 thousand issued and outstanding at September 30, 2024, and 44.2 thousand issued and outstanding at December 31, 2023	43,745	44,214
Stockholders' equity:		
Common stock - \$0.0001 par value, 42.0 million shares authorized, 17.8 million issued and outstanding at September 30, 2024, and 18.3 million issued and outstanding at December 31, 2023	2	2

Additional paid-in capital	200,196	315,726
Common stock held in reserve, 0 shares at September 30, 2024 and 62.0 thousand shares at December 31, 2023	—	(1,996)
Retained earnings	1,856,511	1,847,948
Treasury stock, at cost - 3.1 thousand shares at September 30, 2024 and 0 shares at December 31, 2023	(469)	—
Total stockholders' equity	\$ 2,056,240	\$ 2,161,680
Total liabilities, mezzanine equity and stockholders' equity	\$ 3,178,156	\$ 3,267,613

Page 9



Consolidated Statement of Cash Flows: Three months ended September 30, 2024

(In thousands)
(Unaudited)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Cash flows from operating activities:		
Net (loss) income	\$ (13,967)	\$ 608,444
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depletion, depreciation and amortization	82,825	79,505
Impairment of oil and natural gas properties	30,487	—
Loss on debt extinguishment	13,388	—
Net gain on derivative instruments	(37,965)	(39,417)
Net cash receipts on settled derivative instruments	84,876	49,061
Deferred income tax benefit	(3,833)	(554,741)
Stock-based compensation expense	2,664	2,360
Other, net	1,485	1,683
Changes in operating assets and liabilities, net	29,738	9,379
Net cash provided by operating activities	<u>189,698</u>	<u>156,274</u>
Cash flows from investing activities:		
Additions to oil and natural gas properties	(132,059)	(137,726)
Proceeds from sale of oil and natural gas properties	—	(1)
Other, net	(494)	(661)
Net cash used in investing activities	<u>(132,553)</u>	<u>(138,388)</u>
Cash flows from financing activities:		
Principal payments on Credit Facility	(314,000)	(230,000)
Borrowings on Credit Facility	214,000	226,000
Issuance of 2029 Senior Notes	650,000	—
Early retirement of 2026 Senior Notes	(524,298)	—
Premium paid on 2026 Senior Notes	(12,941)	—
Debt issuance costs and loan commitment fees	(14,714)	(45)
Dividends on preferred stock	(1,093)	(1,131)
Repurchase of common stock under Repurchase Program	(25,228)	(8,241)
Repurchase of common stock under Repurchase Program - related party	(24,862)	—
Shares exchanged for tax withholdings	(2,022)	(1,411)
Other	—	(2)
Net cash used in financing activities	<u>(55,158)</u>	<u>(14,830)</u>
Net change in cash and cash equivalents	<u>1,987</u>	<u>3,056</u>
Cash and cash equivalents at beginning of period	<u>1,233</u>	<u>5,269</u>
Cash and cash equivalents at end of period	<u>\$ 3,220</u>	<u>\$ 8,325</u>

Page 10



Consolidated Statement of Cash Flows: Nine months ended September 30, 2024

(In thousands)
(Unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Cash flows from operating activities:		
Net income	\$ 11,856	\$ 1,225,185

Adjustments to reconcile net income to net cash provided by operating activities:		
Depletion, depreciation and amortization	241,401	238,747
Impairment of oil and natural gas properties	30,487	—
Loss on debt extinguishment	13,388	—
Net gain on derivative instruments	(74,487)	(514,266)
Net cash receipts on settled derivative instruments	240,941	101,947
Deferred income tax expense (benefit)	3,433	(554,741)
Stock-based compensation expense	8,410	7,403
Other, net	4,509	5,867
Changes in operating assets and liabilities, net	21,247	57,538
Net cash provided by operating activities	501,185	567,680
Cash flows from investing activities:		
Additions to oil and natural gas properties	(376,910)	(421,132)
Proceeds from sale of oil and natural gas properties	—	2,647
Other, net	(2,141)	(1,496)
Net cash used in investing activities	(379,051)	(419,981)
Cash flows from financing activities:		
Principal payments on Credit Facility	(825,000)	(748,000)
Borrowings on Credit Facility	737,000	698,000
Issuance of 2029 Senior Notes	650,000	—
Early retirement of 2026 Senior Notes	(524,298)	—
Premium paid on 2026 Senior Notes	(12,941)	—
Debt issuance costs and loan commitment fees	(14,820)	(6,965)
Dividends on preferred stock	(3,293)	(3,718)
Repurchase of common stock under Repurchase Program	(64,021)	(62,326)
Repurchase of common stock under Repurchase Program - related party	(39,864)	(20,431)
Shares exchanged for tax withholdings	(23,606)	(3,191)
Other	—	(2)
Net cash used in financing activities	(120,843)	(146,633)
Net change in cash and cash equivalents	1,291	1,066
Cash and cash equivalents at beginning of period	1,929	7,259
Cash and cash equivalents at end of period	\$ 3,220	\$ 8,325



Updated 2024E Guidance

Gulfport's 2024 guidance assumes commodity strip prices as of October 18, 2024, adjusted for applicable commodity and location differentials, and no property acquisitions or divestitures.

	Year Ending December 31, 2024	
	Low	High
Production		
Average daily gas equivalent (MMcfe/day)	1,055	1,070
% Gas	~92%	
Realizations (before hedges)		
Natural gas (differential to NYMEX settled price) (\$/Mcf)	\$ (0.20)	\$ (0.35)
NGL (% of WTI)	35%	40%
Oil (differential to NYMEX WTI) (\$/Bbl)	\$ (5.50)	\$ (6.50)
Expenses		
Lease operating expense (\$/Mcf)	\$ 0.17	\$ 0.19
Taxes other than income (\$/Mcf)	\$ 0.08	\$ 0.10
Transportation, gathering, processing and compression (\$/Mcf)	\$ 0.90	\$ 0.94
Recurring cash general and administrative ^(1,2) (\$/Mcf)	\$ 0.11	\$ 0.13
	Total	
	(in millions)	
Capital expenditures (incurred)		
D&C	\$ 325	\$ 335
Maintenance leasehold and land	\$ 50	\$ 60
Total base capital expenditures	\$ 375	\$ 395
Discretionary acreage acquisitions	~\$45	

(1) Recurring cash G&A includes capitalization. It excludes non-cash stock compensation and expenses related to the continued administration of our prior Chapter 11 filing.

(2) This is a non-GAAP measure. Reconciliations of these non-GAAP measures and other disclosures are provided with the supplemental financial tables available on our website at www.gulfportenergy.com.



Derivatives

The below details Gulfport's hedging positions as of October 28, 2024:

	<u>4Q2024</u>	<u>Full Year 2025</u>	<u>Full Year 2026</u>
Natural Gas Contract Summary (NYMEX):			
Fixed Price Swaps			
Volume (BBtupd)	400	250	160
Weighted Average Price (\$/MMBtu)	\$ 3.77	\$ 3.82	\$ 3.59
Fixed Price Collars			
Volume (BBtupd)	225	220	70
Weighted Average Floor Price (\$/MMBtu)	\$ 3.36	\$ 3.37	\$ 3.31
Weighted Average Ceiling Price (\$/MMBtu)	\$ 5.14	\$ 4.23	\$ 4.06
Fixed Price Calls Sold			
Volume (BBtupd)	202	193	—
Weighted Average Price (\$/MMBtu)	\$ 3.33	\$ 5.80	\$ —
Rex Zone 3 Basis			
Volume (BBtupd)	150	110	40
Differential (\$/MMBtu)	\$ (0.15)	\$ (0.20)	\$ (0.19)
Tetco M2 Basis			
Volume (BBtupd)	230	230	130
Differential (\$/MMBtu)	\$ (0.94)	\$ (0.96)	\$ (0.98)
NGPL TX OK Basis			
Volume (BBtupd)	70	40	—
Differential (\$/MMBtu)	\$ (0.31)	\$ (0.29)	\$ —
TGP 500 Basis			
Volume (BBtupd)	—	10	10
Differential (\$/MMBtu)	\$ —	\$ 0.31	\$ 0.54
Transco Station 85 Basis			
Volume (BBtupd)	—	5	5
Differential (\$/MMBtu)	\$ —	\$ 0.38	\$ 0.52
Oil Contract Summary (WTI):			
Fixed Price Swaps			
Volume (Bblpd)	500	2,000	—
Weighted Average Price (\$/Bbl)	\$ 77.50	\$ 74.50	\$ —
Fixed Price Collars			
Volume (Bblpd)	1,000	—	—
Weighted Average Floor Price (\$/Bbl)	\$ 62.00	\$ —	\$ —
Weighted Average Ceiling Price (\$/Bbl)	\$ 80.00	\$ —	\$ —
NGL Contract Summary:			
C3 Propane Fixed Price Swaps			
Volume (Bblpd)	2,500	2,000	—
Weighted Average Price (\$/Bbl)	\$ 30.25	\$ 30.09	\$ —



Non-GAAP Reconciliations

Gulfport's management uses certain non-GAAP financial measures for planning, forecasting and evaluating business and financial performance, and believes that they are useful tools to assess Gulfport's operating results. 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 Gulfport because (i) analysts utilize these metrics when evaluating company performance and have requested this information as of a recent practicable date, (ii) these metrics are widely used to evaluate a company's operating performance, and (iii) we want to provide updated information to investors. Investors should not view these metrics 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.

These non-GAAP financial measures include adjusted net income, adjusted EBITDA, adjusted free cash flow, and recurring general and administrative expense. A reconciliation of each financial measure to its most directly comparable GAAP financial measure is included in the tables below. These non-GAAP measure should be considered in addition to, but not instead of, the financial statements prepared in accordance with GAAP.



Definitions

Adjusted net income is a non-GAAP financial measure equal to net income (loss) less non-cash derivative loss (gain), impairment of oil and natural gas properties, non-recurring general and administrative expenses comprised of expenses related to the continued administration of our prior Chapter 11 filing, stock-based compensation expenses, restructuring costs, loss on debt extinguishment, other items which include items related to our Chapter 11 filing and other non-material expenses and the tax effect of the adjustments to net income.

Adjusted EBITDA is a non-GAAP financial measure equal to net income (loss), the most directly comparable GAAP financial measure, plus interest expense, deferred income tax expense (benefit), depreciation, depletion, amortization, impairment and accretion, non-cash derivative loss (gain), non-recurring general and administrative expenses comprised of expenses related to the continued administration of our prior Chapter 11 filing, stock-based compensation, restructuring costs, loss on debt extinguishment and other items which include items related to our Chapter 11 filing and other non-material expenses.

Adjusted free cash flow is a non-GAAP measure defined as adjusted EBITDA plus certain non-cash items that are included in net cash provided by operating activities but excluded from adjusted EBITDA less interest expense, capitalized expenses incurred and capital expenditures incurred excluding discretionary acreage acquisitions. Gulfport includes an adjusted free cash flow estimate for 2024. We are unable, however, to provide a quantitative reconciliation of the forward-looking non-GAAP measure to its most directly comparable forward-looking GAAP measure because management cannot reliably quantify certain of the necessary components of such forward-looking GAAP measure. Accordingly, Gulfport is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K to exclude such reconciliation. Items excluded in net cash provided by (used in) operating activities to arrive at adjusted free cash flow include interest expense, income taxes, capitalized expenses as well as one-time items or items whose timing or amount cannot be reasonably estimated.

Recurring general and administrative expense is a non-GAAP financial measure equal to general and administrative expense (GAAP) plus capitalized general and administrative expense, less non-recurring general and administrative expenses comprised of expenses related to the continued administration of our prior Chapter 11 filing. Gulfport includes a recurring general and administrative expense estimate for 2024. We are unable, however, to provide a quantitative reconciliation of the forward-looking non-GAAP measure to its most directly comparable forward-looking GAAP measure because management cannot reliably quantify certain of the necessary components of such forward-looking GAAP measure. Accordingly, Gulfport is relying on the exception provided by Item 10(e)(1)(i)(B) of Regulation S-K to exclude such reconciliation. Items excluded in general and administrative expense to arrive at recurring general and administrative expense include capitalized expenses as well as one-time items or items whose timing or amount cannot be reasonably estimated. The non-GAAP measure recurring general and administrative expenses allows investors to compare Gulfport's total general and administrative expenses, including capitalization, to peer companies that account for their oil and gas operations using the successful efforts method.



Adjusted Net Income: Three months ended September 30, 2024

(In thousands)
(Unaudited)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Net (Loss) Income (GAAP)	\$ (13,967)	\$ 608,444
Adjustments:		
Non-cash derivative loss	46,911	9,644
Impairment of oil and natural gas properties	30,487	—
Non-recurring general and administrative expense	33	700
Stock-based compensation expense	2,664	2,360
Loss on debt extinguishment	13,388	—
Other, net ⁽¹⁾	3,133	(1,438)
Tax effect of adjustments ⁽²⁾	(20,801)	(554,741)
Adjusted Net Income (Non-GAAP)	\$ 61,848	\$ 64,969

(1) For the three months ended September 30, 2024, "Other, net" included approximately \$3.0 million related to changes in the Company's legal reserves for certain litigation and regulatory proceedings.

(2) Deferred income taxes were approximately 22% for the three months ended September 30, 2024. For the three months ended September 30, 2023, the Company released a significant portion of its valuation allowance during the period. As a result, the Company adjusted the total impact of the deferred income tax benefit from its adjusted net income during the period.



Adjusted Net Income: Nine months ended September 30, 2024

(In thousands)
(Unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net Income (GAAP)	\$ 11,856	\$ 1,225,185
Adjustments:		
Non-cash derivative loss (gain)	166,454	(412,319)
Impairment of oil and natural gas properties	30,487	—
Non-recurring general and administrative expense	1,561	2,435
Stock-based compensation expense	8,410	6,138
Restructuring costs	—	4,762
Loss on debt extinguishment	13,388	—
Other, net ^(1,2)	3,530	(20,492)
Tax effect of adjustments ⁽³⁾	(50,272)	(554,741)
Adjusted Net Income (Non-GAAP)	<u>\$ 185,414</u>	<u>\$ 250,968</u>

- (1) For the nine months ended September 30, 2024, “Other, net” included approximately \$3.0 million related to changes in the Company’s legal reserves for certain litigation and regulatory proceedings.
- (2) For the nine months ended September 30, 2023, “Other, net” included a \$17.8 million receipt of funds related to our interim claim distribution from our Chapter 11 Plan of Reorganization and a \$1 million administrative payment to Rover as part of the executed settlement. For more discussion, refer to Note 1 of our consolidated financial statements included in our Quarterly Report on Form 10-Q for the nine months ended September 30, 2024. Additionally, “Other, net” included a \$5.0 million recoupment of previously placed collateral for certain firm transportation commitments during our Chapter 11 filing.
- (3) Deferred income taxes were approximately 22% for the nine months ended September 30, 2024. For the nine months ended September 30, 2023, the Company’s effective tax rate was significantly impacted by the partial release of its valuation allowance during the third quarter of 2023. As a result, the Company adjusted the total impact of the deferred income tax benefit from its adjusted net income during the period.



Adjusted EBITDA: Three months ended September 30, 2024

(In thousands)
(Unaudited)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Net (Loss) Income (GAAP)	\$ (13,967)	\$ 608,444
Adjustments:		
Interest expense	15,866	14,919
Deferred income tax benefit	(3,833)	(554,741)
DD&A, impairment and accretion	113,895	80,144
Non-cash derivative loss	46,911	9,644
Non-recurring general and administrative expenses	33	700
Stock-based compensation expense	2,664	2,360
Loss on debt extinguishment	13,388	—
Other, net ⁽¹⁾	3,133	(1,438)
Adjusted EBITDA (Non-GAAP)	<u>\$ 178,090</u>	<u>\$ 160,032</u>

- (1) For the three months ended September 30, 2024, “Other, net” included approximately \$3.0 million related to changes in the Company’s legal reserves for certain litigation and regulatory proceedings.



Adjusted EBITDA: Nine months ended September 30, 2024

(In thousands)

(Unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net Income (GAAP)	\$ 11,856	\$ 1,225,185
Adjustments:		
Interest expense	46,027	42,402
Deferred income tax expense (benefit)	3,433	(554,741)
DD&A, impairment and accretion	273,593	240,864
Non-cash derivative loss (gain)	166,454	(412,319)
Non-recurring general and administrative expenses	1,561	2,435
Stock-based compensation expense	8,410	6,138
Restructuring costs	—	4,762
Loss on debt extinguishment	13,388	—
Other, net ^(1,2)	3,530	(20,492)
Adjusted EBITDA (Non-GAAP)	\$ 528,252	\$ 534,234

- (1) For the nine months ended September 30, 2024, “Other, net” included approximately \$3.0 million related to changes in the Company’s legal reserves for certain litigation and regulatory proceedings.
- (2) For the nine months ended September 30, 2023, “Other, net” included a \$17.8 million receipt of funds related to our interim claim distribution from our Chapter 11 Plan of Reorganization and a \$1 million administrative payment to Rover as part of the executed settlement. For more discussion, refer to Note 1 of our consolidated financial statements included in our Quarterly Report on Form 10-Q for the nine months ended September 30, 2024. Additionally, “Other, net” included a \$5.0 million recoupment of previously placed collateral for certain firm transportation commitments during our Chapter 11 filing.

Page 19



Adjusted Free Cash Flow: Three months ended September 30, 2024

(In thousands)
(Unaudited)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Net cash provided by operating activity (GAAP)	\$ 189,698	\$ 156,274
Adjustments:		
Interest expense	15,866	14,919
Non-recurring general and administrative expenses	33	700
Other, net ⁽¹⁾	2,231	(2,482)
Changes in operating assets and liabilities, net:		
Accounts receivable - oil, natural gas, and natural gas liquids sales	(5,415)	14,627
Accounts receivable - joint interest and other	(6,936)	(5,519)
Accounts payable and accrued liabilities	(15,900)	(17,175)
Prepaid expenses	(1,499)	(1,329)
Other assets	12	17
Total changes in operating assets and liabilities, net	\$ (29,738)	\$ (9,379)
Adjusted EBITDA (Non-GAAP)	\$ 178,090	\$ 160,032
Interest expense	(15,866)	(14,919)
Capitalized expenses incurred ⁽²⁾	(6,413)	(5,611)
Capital expenditures incurred ^(3,4,5)	(83,254)	(90,584)
Adjusted free cash flow (Non-GAAP)	\$ 72,557	\$ 48,918

- (1) For the three months ended September 30, 2024, “Other, net” included approximately \$3.0 million related to changes in the Company’s legal reserves for certain litigation and regulatory proceedings.
- (2) Includes cash capitalized general and administrative expense and incurred capitalized interest expenses.
- (3) Incurred capital expenditures and cash capital expenditures may vary from period to period due to the cash payment cycle.
- (4) For the three months ended September 30, 2024, includes \$0.8 million of non-D&C capital and excludes targeted discretionary acreage acquisitions of \$19.8 million that the Company has guided to an anticipated total of approximately \$45 million of discretionary acreage acquisitions in 2024.
- (5) For the three months ended September 30, 2023, includes \$0.7 million of non-D&C capital and excludes targeted discretionary acreage acquisitions of \$19.4 million.

Page 20



Adjusted Free Cash Flow: Nine months ended September 30, 2024

(In thousands)
(Unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net cash provided by operating activity (GAAP)	\$ 501,185	\$ 567,680
Adjustments:		
Interest expense	46,027	42,402
Non-recurring general and administrative expenses	1,561	2,435
Restructuring costs	—	4,762
Other, net ^(1,2)	726	(25,507)
Changes in operating assets and liabilities, net:		
Accounts receivable - oil, natural gas, and natural gas liquids sales	(33,548)	(171,673)
Accounts receivable - joint interest and other	(7,947)	(9,114)
Accounts payable and accrued liabilities	21,117	123,657
Prepaid expenses	(850)	(356)
Other assets	(19)	(52)
Total changes in operating assets and liabilities, net	<u>\$ (21,247)</u>	<u>\$ (57,538)</u>
Adjusted EBITDA (Non-GAAP)	<u>\$ 528,252</u>	<u>\$ 534,234</u>
Interest expense	(46,027)	(42,402)
Capitalized expenses incurred ⁽³⁾	(17,991)	(16,117)
Capital expenditures incurred ^(4,5,6)	(332,633)	(362,298)
Adjusted free cash flow (Non-GAAP)	<u>\$ 131,601</u>	<u>\$ 113,417</u>

- (1) For the nine months ended September 30, 2024, "Other, net" included approximately \$3.0 million related to changes in the Company's legal reserves for certain litigation and regulatory proceedings.
- (2) For the nine months ended September 30, 2023, "Other, net" included a \$17.8 million receipt of funds related to our interim claim distribution from our Chapter 11 Plan of Reorganization and a \$1 million administrative payment to Rover as part of the executed settlement. For more discussion, refer to Note 1 of our consolidated financial statements included in our Quarterly Report on Form 10-Q for the nine months ended September 30, 2024. Additionally, "Other, net" included a \$5.0 million recoupment of previously placed collateral for certain firm transportation commitments during our Chapter 11 filing.
- (3) Includes cash capitalized general and administrative expense and incurred capitalized interest expenses.
- (4) Incurred capital expenditures and cash capital expenditures may vary from period to period due to the cash payment cycle.
- (5) For the nine months ended September 30, 2024, includes \$3.7 million of non-D&C capital and excludes targeted discretionary acreage acquisitions of \$38.8 million that the Company has guided to an anticipated total of approximately \$45 million of discretionary acreage acquisitions in 2024.
- (6) For the nine months ended September 30, 2023, includes \$1.7 million of non-D&C capital and excludes targeted discretionary acreage acquisitions of \$24.9 million.



Recurring General and Administrative Expenses:

Three months ended September 30, 2024

(In thousands)
(Unaudited)

	Three Months Ended September 30, 2024			Three Months Ended September 30, 2023		
	Cash	Non-Cash	Total	Cash	Non-Cash	Total
General and administrative expense (GAAP)	\$ 7,815	\$ 2,664	\$ 10,479	\$ 7,534	\$ 2,360	\$ 9,894
Capitalized general and administrative expense	5,183	1,312	6,495	4,496	1,162	5,658
Non-recurring general and administrative expense	(33)	—	(33)	(700)	—	(700)
Recurring general and administrative before capitalization (Non-GAAP)	<u>\$ 12,965</u>	<u>\$ 3,976</u>	<u>\$ 16,941</u>	<u>\$ 11,330</u>	<u>\$ 3,522</u>	<u>\$ 14,852</u>



Recurring General and Administrative Expenses:

Nine months ended September 30, 2024

*(In thousands)
(Unaudited)*

	Nine Months Ended September 30, 2024			Nine Months Ended September 30, 2023		
	Cash	Non-Cash	Total	Cash	Non-Cash	Total
General and administrative expense (GAAP)	\$ 22,019	\$ 8,410	\$ 30,429	\$ 21,100	\$ 6,138	\$ 27,238
Capitalized general and administrative expense	14,388	4,142	18,530	13,163	3,023	16,186
Non-recurring general and administrative expense	(1,561)	—	(1,561)	(2,435)	—	(2,435)
Recurring general and administrative before capitalization (Non-GAAP)	\$ 34,846	\$ 12,552	\$ 47,398	\$ 31,828	\$ 9,161	\$ 40,989