ASCENT RESOURCES UTICA HOLDINGS, LLC

Condensed Consolidated Financial Statements (Unaudited)

As of September 30, 2026 and December 31, 2025

and for the Three and Nine Months Ended September 30, 2026 and 2025

ASCENT RESOURCES UTICA HOLDINGS, LLC
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GLOSSARY OF COMMONLY USED TERMS

The following are abbreviations and definitions of certain terms used in this document:

"2027 Notes" means our 9.00% senior unsecured notes due November 2027, which were redeemed in full in November 2026.

"2028 Notes" means our 8.25% senior unsecured notes due December 2028, which were redeemed in full in June 2025.

"2029 Notes" means our 5.875% senior unsecured notes due June 2029.

"2032 Notes" means our 6.625% senior unsecured notes due October 2032.

"2033 Notes" means our 6.625% senior unsecured notes due July 2033.

"bbl(s)" means barrel(s) as used in reference to crude oil, condensate or NGL. One stock tank barrel equals 42 U.S. gallons liquid volume.

"bbls/d" means barrels of crude oil, condensate or NGL per day.

"Btu" means British thermal units, a measure of heating value.

"C3+ NGL" means natural gas liquids excluding ethane, consisting primarily of propane, isobutane, normal butane and natural gasoline.

"Credit Facility" means our senior secured revolving credit facility entered into on April 5, 2017, as amended, restated, supplemented or otherwise modified from time to time, due June 30, 2029, which will accelerate to 91 days prior to the earliest date that any single series of our senior unsecured notes mature if such outstanding principal amount is greater than or equal to $350.0 million.

"DD&A" means depreciation, depletion and amortization.

"GAAP" means U.S. generally accepted accounting principles.

"gross acres" or "gross wells" means the total acres or wells, as the case may be, in which a working interest is owned.

"LNG" means liquefied natural gas.

"Mbbls" means thousand barrels of crude oil, condensate or NGL.

"Mbbls/d" means thousand barrels of crude oil, condensate or NGL per day.

"Mcf" means thousand cubic feet of natural gas.

"Mcfe" means thousand cubic feet of natural gas equivalent with one barrel of oil, condensate or NGL converted to six thousand cubic feet of natural gas.

"MMBtu" means million British thermal units.

"MMBtu/d" means million British thermal units per day.

"MMcf" means million cubic feet of natural gas.

"MMcf/d" means million cubic feet of natural gas per day.

"MMcfe" means million cubic feet of natural gas equivalent with one barrel of oil, condensate or NGL converted to six thousand cubic feet of natural gas.

"MMcfe/d" means million cubic feet of natural gas equivalent per day.

"net acres" or "net wells" means the sum of the fractional working interests owned in gross acres or gross wells.

"NGL" means natural gas liquids.

"NYMEX" means the New York Mercantile Exchange.

"OPEC" means the Organization of the Petroleum Exporting Countries.

"operator" means the individual or company responsible for the exploration, development and/or production of an oil or gas well or lease.

"proved reserves" means, as defined by the Securities and Exchange Commission ("SEC"), the quantities of natural gas, oil and NGL, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs and under existing economic conditions, operating methods and government regulations.

"reserves" means estimated remaining quantities of natural gas and oil and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and natural gas or related substances to market, and all permits and financing required to implement the project.

"royalty interest" means an interest in a natural gas and oil lease that gives the owner of the interest the right to receive a portion of the production from the leased acreage (or 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.

"Senior Notes" means our 2027 Notes, 2028 Notes, 2029 Notes, 2032 Notes and 2033 Notes.

"SOFR" means Secured Overnight Financing Rate.

"unproved properties" means properties with no proved reserves.

"working interest" means an interest in a natural gas and oil lease that gives the owners of the interest the right to drill for and produce natural gas, oil and NGL on the leased acreage and requires the owners of the interest to pay their share of the costs of drilling, completions and production operations.

"WTI" means West Texas Intermediate.

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

($ in thousands)	September 30, 2026	December 31, 2025
Current Assets:		
Cash and cash equivalents	$ 9,250	$ 3,551
Accounts receivable – natural gas, oil and NGL sales[(a)]	306,405	401,713
Accounts receivable – joint interest and other	97,792	23,816
Short-term derivative assets	266,969	122,604
Other current assets	8,127	11,951
Total Current Assets	688,543	563,635
Property and Equipment:		
Natural gas and oil properties, based on successful efforts accounting	14,000,905	13,188,184
Other property and equipment	49,162	46,190
Less: accumulated depreciation, depletion and amortization	(6,629,828)	(6,094,028)
Property and Equipment, net	7,420,239	7,140,346
Other Assets:		
Long-term derivative assets	14,073	18,394
Other long-term assets	68,071	57,271
Total Assets	$ 8,190,926	$ 7,779,646
Current Liabilities:		
Accounts payable	$ 179,250	$ 182,003
Accrued interest	43,230	47,451
Short-term derivative liabilities	1,054	2,251
Other current liabilities[(b)]	730,305	613,157
Total Current Liabilities	953,839	844,862
Long-Term Liabilities:		
Long-term debt, net	2,246,902	2,084,794
Long-term derivative liabilities	6,669	8,916
Other long-term liabilities	95,886	111,046
Total Long-Term Liabilities	2,349,457	2,204,756
Commitments and contingencies (Note 10)		
Member's Equity	4,887,630	4,730,028
Total Liabilities and Member's Equity	$ 8,190,926	$ 7,779,646

(a) Including related party amounts of $15.3 million and $12.2 million as of September 30, 2026 and December 31, 2025, respectively.

(b) Including related party amounts of $89.7 million and $129.9 million as of September 30, 2026 and December 31, 2025, respectively.

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

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

($ in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenues:				
Natural gas	$ 446,031	$ 476,142	$ 1,689,169	$ 1,526,687
Oil	88,287	83,013	250,443	227,199
NGL[(a)]	88,951	87,113	273,063	276,800
Commodity derivative gain	59,473	262,248	189,528	121,313
Total Revenues	682,742	908,516	2,402,203	2,151,999
Operating Expenses:				
Lease operating expenses	30,890	27,728	96,347	86,020
Gathering, processing and transportation expenses[(b)]	236,202	280,714	794,287	798,528
Taxes other than income	12,318	10,874	37,490	32,062
Exploration expenses	1,548	1,874	4,963	5,644
General and administrative expenses	32,000	29,689	96,712	95,257
Depreciation, depletion and amortization	183,157	194,130	538,998	540,587
Contract termination expenses	185,192	—	185,192	—
Total Operating Expenses	681,307	545,009	1,753,989	1,558,098
Income from Operations	1,435	363,507	648,214	593,901
Other Income (Expense):				
Interest expense, net	(40,207)	(42,831)	(119,698)	(134,107)
Change in fair value of contingent payment right	14,616	7,117	35,944	3,903
Losses on purchases or exchanges of debt	—	—	—	(33,094)
Other income	1,339	96	1,910	1,674
Total Other Expense	(24,252)	(35,618)	(81,844)	(161,624)
Net Income (Loss)	$ (22,817)	$ 327,889	$ 566,370	$ 432,277

(a) Including related party amounts of $21.8 million and $28.8 million for the three months ended September 30, 2026 and 2025, respectively, and $82.2 million and $74.3 million for the nine months ended September 30, 2026 and 2025, respectively.

(b) Including related party amounts of $117.7 million and $203.6 million for the three months ended September 30, 2026 and 2025, respectively, and $496.9 million and $572.4 million for the nine months ended September 30, 2026 and 2025, respectively.

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

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY
(Unaudited)

($ in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Balance, Beginning of Period	$ 5,037,863	$ 4,351,035	$ 4,730,028	$ 4,509,626
Distributions	(141,867)	(138,954)	(456,456)	(443,274)
Contributions	14,451	13,552	47,688	54,893
Net income (loss)	(22,817)	327,889	566,370	432,277
Balance, End of Period	$ 4,887,630	$ 4,553,522	$ 4,887,630	$ 4,553,522

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

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

($ in thousands)	Nine Months Ended September 30, 2026	2025
Cash Flows from Operating Activities:		
Net income	$ 566,370	$ 432,277
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	538,998	540,587
Gain on commodity derivatives	(189,528)	(121,313)
Settlements received for commodity derivatives	46,114	218,418
Impairment of unproved natural gas and oil properties	3,261	3,139
Non-cash interest expense	15,326	15,821
Long-term incentive compensation	39,525	39,893
Change in fair value of contingent payment right	(35,944)	(3,903)
Losses on purchases or exchanges of debt	—	33,094
Other	17	8
Changes in operating assets and liabilities	110,646	87,055
Net Cash Provided by Operating Activities	1,094,785	1,245,076
Cash Flows from Investing Activities:		
Natural gas and oil capital expenditures	(732,330)	(626,086)
Additions to other property and equipment	(1,901)	(2,173)
Cash paid for acquisitions of natural gas and oil properties	(54,678)	(33,644)
Proceeds from divestiture of natural gas and oil properties	—	32,465
Net Cash Used in Investing Activities	(788,909)	(629,438)
Cash Flows from Financing Activities:		
Proceeds from Credit Facility borrowings	2,045,000	2,060,000
Repayment of Credit Facility borrowings	(1,895,000)	(2,215,000)
Proceeds from issuance of long-term debt	—	500,000
Cash paid for debt issuance costs	—	(8,748)
Repayment of long-term debt	—	(514,592)
Cash paid for debt prepayment costs	—	(10,576)
Cash paid for settlements of commodity derivatives	(74)	—
Cash paid for distributions to Parent	(456,456)	(443,274)
Other	6,353	13,377
Net Cash Used in Financing Activities	(300,177)	(618,813)
Net Increase (Decrease) in Cash and Cash Equivalents	5,699	(3,175)
Cash and Cash Equivalents, Beginning of Period	3,551	8,066
Cash and Cash Equivalents, End of Period	$ 9,250	$ 4,891
Supplemental disclosures of cash flow information:		
Interest paid, net of capitalized interest	$ 107,534	$ 120,508
Supplemental disclosures of significant non-cash investing and financing activities:		
Increase in accrued capital expenditures	$ 2,526	$ 18,938
Contributions from Parent	$ 39,525	$ 39,893

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

1. Basis of Presentation

Basis of Presentation and Principles of Consolidation

Ascent Resources Utica Holdings, LLC ("ARUH"), together with its wholly-owned subsidiaries (collectively, "we," "our" or "us"), is engaged in the acquisition, exploration, development, production and operation of natural gas and oil properties located in the Utica Shale in Ohio (the "Utica Shale"). ARUH is an indirect, wholly-owned subsidiary of Ascent Resources, LLC (our "Parent"). Together, The Energy & Minerals Group ("EMG") and First Reserve Corporation ("First Reserve") own a majority interest in our Parent.

Our accompanying unaudited condensed consolidated financial statements and notes were prepared in accordance with GAAP for interim financial information, and intercompany balances and transactions have been eliminated. Accordingly, certain information and disclosures normally included in complete consolidated financial statements prepared in accordance with GAAP have been omitted. The unaudited condensed consolidated financial statements and notes should be read in conjunction with our audited consolidated financial statements and notes for the year ended December 31, 2025.

The unaudited condensed consolidated financial statements furnished in this report reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the results for interim periods. All such adjustments are of a normal recurring nature. The results for any interim period are not necessarily indicative of the expected results for the entire year.

Reclassifications

Certain immaterial reclassifications have been made to our prior year condensed consolidated financial statements to conform to the presentation used for the current year condensed consolidated financial statements.

Recently Issued Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-03, "Income Statement —Reporting Comprehensive Income—Expense Disaggregation Disclosures" ("ASU 2024-03"). This ASU requires public entities to disclose additional information about certain operating expenses in the notes to the annual and interim financial statements. ASU 2024-03 can be applied either prospectively or retrospectively and is effective for fiscal years beginning after December 15, 2026 and for interim periods beginning after December 15, 2027. Early adoption is permitted. We are currently evaluating the impact of this standard on our disclosures.

Subsequent Events

As of November 4, 2026, the date the condensed consolidated financial statements were issued, we completed our evaluation of material subsequent events for disclosure, and such items are disclosed in Note 4, *Credit Facility* and *Senior Notes, 2027 Notes*, Note 6, *Contingent Payment Right* and Note 8, *Related Party Transactions, Long-Term Debt*.

2. Revenue from Contracts with Customers

Our revenues are derived from the sale of natural gas, oil and NGL and are each presented separately on our condensed consolidated statements of operations. Revenues are recognized when production is sold to a customer at a fixed or determinable price, delivery has occurred, control has transferred and collection of the revenue is probable. We typically receive payment for natural gas, oil and NGL sales within 30 days of the month of delivery. Under our natural gas, oil and NGL sales contracts, we generally consider the delivery of each MMBtu or bbl to be a separate performance obligation that is satisfied upon delivery. A significant number of our sales contracts are short-term in nature, generally structured as evergreen contracts with terms of one year or less, and our sales contracts with a term greater than one year have no material long-term fixed consideration.

Under our natural gas sales contracts, we deliver natural gas to the customer at a delivery point specified under the sales contracts, utilizing third parties to gather, compress, process and transport our natural gas. Our sales contracts provide that we generally receive revenue for the sale of our natural gas based on a specific index price adjusted for

pricing differentials. We transfer control of the natural gas at the delivery point and recognize revenue based on the contract price. The costs incurred to gather, compress, process and transport the natural gas prior to the point when control is transferred to the customer are recorded on the condensed consolidated statements of operations as gathering, processing and transportation expenses.

NGL, which are extracted from natural gas through processing, are either sold by us directly or to the processor under processing contracts. For NGL sold by us directly, the sales contracts provide that the product is delivered to the customer at an agreed upon delivery point and that we generally receive revenue for the sale of our NGL based on a specific index price adjusted for pricing differentials. We transfer control of the product to the customer at the delivery point and recognize revenue based on the contract price. The costs to process and transport NGL to the delivery points are recorded on the condensed consolidated statements of operations as gathering, processing and transportation expenses. For NGL sold to the processor, we transfer control to the processor at the tailgate of the processing plant, and revenue is recognized based on the price received from the processor.

Under our oil sales contracts, oil is generally sold to the customer from storage tanks near the wellhead, and we receive revenue for the sale of our oil based on a specific index price adjusted for pricing differentials. We typically transfer control of the product to the customer at the storage tanks and recognize revenue based on the contract price.

Under our sales contracts, customers are invoiced after our performance obligations have been satisfied, generally when control of the product has been transferred to the customer, at which point payment is unconditional. Accordingly, we have no contract assets or contract liabilities associated with our revenues from contracts with customers. As of September 30, 2026 and December 31, 2025, receivables from contracts with customers were $306.4 million and $401.7 million, respectively, and were reported in accounts receivable – natural gas, oil and NGL sales on the condensed consolidated balance sheets.

3. Property and Equipment

Net property and equipment included the following as of the dates indicated:

($ in thousands)	September 30, 2026	December 31, 2025
Proved natural gas and oil properties	$ 13,439,238	$ 12,750,415
Unproved natural gas and oil properties	561,667	437,769
Other property and equipment	49,162	46,190
Total Property and Equipment	14,050,067	13,234,374
Accumulated depreciation, depletion and amortization	(6,629,828)	(6,094,028)
Property and Equipment, net	$ 7,420,239	$ 7,140,346

In a series of transactions during the nine months ended September 30, 2026, we acquired approximately 5,800 net undeveloped leasehold acres within our existing operating area for aggregate consideration of approximately $54.7 million, including acreage acquired through the Ohio state land lease sale. The acquisitions were accounted for as asset acquisitions and are subject to customary closing adjustments.

4. Debt

Our long-term debt consisted of the following as of the dates indicated:

($ in thousands)	September 30, 2026	December 31, 2025
Credit Facility[(a)]	$ 335,000	$ 185,000
9.00% senior notes due November 2027	348,294	348,294
5.875% senior notes due June 2029	500,000	500,000
6.625% senior notes due October 2032	599,000	599,000
6.625% senior notes due July 2033	500,000	500,000
Unamortized debt discounts and issuance costs	(35,392)	(47,500)
Total Long-Term Debt, net	$ 2,246,902	$ 2,084,794

(a) The interest rate was 5.49% and 5.57% as of September 30, 2026 and December 31, 2025, respectively.

Credit Facility

Our $3.0 billion Credit Facility matures on June 30, 2029, and as of September 30, 2026, it had elected commitments of $2.0 billion, of which $250.0 million was authorized for letters of credit. The maturity date will accelerate to 91 days prior to the earliest date that any single series of our senior unsecured notes mature if such outstanding principal amount is greater than or equal to $350.0 million. Our Credit Facility is secured by liens on substantially all of our assets, including our natural gas and oil properties. The borrowing base under our Credit Facility is subject to a semiannual redetermination on or about April 1 and October 1 of each year primarily based on the estimated value and future net cash flows of our proved natural gas, oil and NGL reserves and the value of our commodity hedge positions as determined by lenders under our Credit Facility at their discretion. Additionally, we may request an interim redetermination of the borrowing base in certain circumstances, including acquisitions of proved reserves in excess of certain thresholds. As of September 30, 2026, we had $335.0 million of borrowings outstanding and $13.7 million of letters of credit issued under our Credit Facility. In October 2026, we reaffirmed the current borrowing base of $3.0 billion and the elected commitments of $2.0 billion under our Credit Facility.

Under our Credit Facility, we may borrow either term benchmark loans or alternate base rate loans, and as of September 30, 2026, all of the borrowings under our Credit Facility were term benchmark loans. Term benchmark loans bear interest at a rate per annum equal to SOFR plus an applicable margin ranging from 1.75% to 2.75% per annum based on Credit Facility utilization. Prior to our April 2026 borrowing base reaffirmation, we were subject to a 0.10% incremental adjustment to the term benchmark rates. Principal amounts borrowed are payable on the maturity date and may be repaid prior to the maturity date without any premium or penalty. Interest is payable at the end of the applicable interest period. We were subject to an interest rate of 5.49% per annum as of September 30, 2026.

Under our Credit Facility, we are subject to commitment fees payable to the administrative agent for the unutilized portion of our available elected commitment, the rate of which ranges from 0.375% to 0.50% based on Credit Facility utilization. Additionally, we are subject to letter of credit participation fees payable to the administrative agent which escalate based on applicable margins, ranging from 1.75% to 2.75% per annum, in accordance with our Credit Facility utilization. We are also subject to a letter of credit fronting fee that is payable to the issuing bank at a rate of 0.125% per annum of the balance of outstanding letters of credit issued.

We had $11.8 million and $15.0 million in unamortized debt issuance and amendment costs associated with our Credit Facility as of September 30, 2026 and December 31, 2025, respectively, which are presented as part of other long-term assets on the condensed consolidated balance sheets.

Senior Notes

2027 Notes. In November 2026, we redeemed the $348.3 million aggregate principal amount of our outstanding 2027 Notes at a redemption price equal to 100.000% of the principal amount thereof, plus accrued and unpaid interest to,

but excluding, the November 1, 2026 redemption date. The redemption was funded with borrowings under our Credit Facility. In connection with the redemption, we expect to recognize a loss on extinguishment of debt in the fourth quarter of 2026 of approximately $15.0 million primarily related to the write off of the unamortized discount and issuance costs.

The 2027 Notes contained a contingent payment right which entitled the holders to receive a fixed amount of cash or equity equal to 45% of the then-outstanding aggregate principal amount of 2027 Notes, upon the occurrence of certain triggering events (each a "Triggering Event"). Triggering Events include a qualified public offering, a qualified merger or consolidation that would result in our Parent's equity holders receiving an equity interest that would be listed or quoted on any national securities exchange, or a change of control. The contingent payment right was required to be bifurcated and accounted for at fair value, and the estimated fair value was $22.9 million and $58.9 million as of September 30, 2026 and December 31, 2025, respectively, and is presented as part of other long-term liabilities on the condensed consolidated balance sheets. See Note 6, *Contingent Payment Right*, for further discussion of the contingent payment right valuation.

In connection with the redemption and pursuant to a contingent value rights agreement, on October 30, 2026, we issued contingent value rights (the "CVRs") to holders of the 2027 Notes, which replaced the contingent payment right associated with the 2027 Notes. The CVRs provide for the same aggregate fixed payment of $156.7 million upon a Triggering Event, which such payment is payable in cash or equity. No interest or dividends accrue on any amounts that may become payable under the CVRs. Absent a Triggering Event, the CVRs will automatically expire on November 1, 2027.

2028 Notes. In June 2025, we redeemed the $512.6 million aggregate principal amount of our outstanding 2028 Notes at a redemption price of 102.063% of the principal amount thereof, plus accrued and unpaid interest, and recorded a $33.1 million loss associated with the redemption premium, transaction fees, and the write-off of unamortized discounts and deferred debt issuance costs. See *2033 Notes* below for additional discussion.

2029 Notes. Our 2029 Notes mature on June 30, 2029, and interest is payable on March 1 and September 1 of each year. We may redeem at any point some or all of the 2029 Notes at a redemption price equal to 100.00%, plus accrued and unpaid interest up to, but excluding, the redemption date. Upon the occurrence of a change of control (as defined in the indenture that governs the 2029 Notes), we are required to offer to repurchase all or any part of the 2029 Notes at a price of 101.00%, plus accrued and unpaid interest.

2032 Notes. Our 2032 Notes mature on October 15, 2032, and interest is payable on April 15 and October 15 of each year. At any time prior to October 15, 2027, we may redeem some or all of the 2032 Notes at a price of 100.00% plus a make-whole premium (as defined in the indenture that governs the 2032 Notes), and we may redeem up to 40% of the aggregate principal amount of 2032 Notes at a price of 106.625% with an amount of cash not greater than the net cash proceeds of one or more equity offerings, subject to certain conditions. At any time on or after October 15, 2027, we may redeem some or all of the 2032 Notes at redemption prices ranging from 103.313% to 100.00%. Upon the occurrence of a change of control (as defined in the indenture that governs the 2032 Notes), we are required to offer to repurchase all or any part of the 2032 Notes at a price of 101.00%, plus accrued and unpaid interest.

2033 Notes. In June 2025, we issued $500.0 million in aggregate principal amount of 2033 Notes at par in a private placement to eligible purchasers under Rule 144A and Regulation S of the Securities Act of 1933, as amended. The 2033 Notes mature on July 15, 2033, and interest is payable at an annual rate of 6.625% on January 15 and July 15 of each year, beginning with January 15, 2026. At any time prior to July 15, 2028, we may redeem some or all of the 2033 Notes at a price of 100.00% plus a make-whole premium (as defined in the indenture that governs the 2033 Notes), and we may redeem up to 40% of the aggregate principal amount of 2033 Notes at a price of 106.625% with an amount of cash not greater than the net cash proceeds of one or more equity offerings, subject to certain conditions. At any time on or after July 15, 2028, we may redeem some or all of the 2033 Notes at redemption prices ranging from 103.313% to 100.00%. Upon the occurrence of a change of control (as defined in the indenture that governs the 2033 Notes), we are required to offer to repurchase all or any part of the 2033 Notes at a price of 101.00%, plus accrued and unpaid interest. We used the net proceeds from the issuance of the 2033 Notes, together with cash on hand and borrowings under our Credit Facility, to redeem in full the $512.6 million aggregate principal amount of our outstanding 2028 Notes at a redemption price of 102.063% of the principal amount thereof, plus accrued and unpaid interest.

The outstanding Senior Notes are senior unsecured obligations and rank equally in right of payment with all of our existing and future senior unsecured debt, and the outstanding Senior Notes will rank senior in right of payment to all of our future subordinated debt. The outstanding Senior Notes are effectively subordinated to all of our existing and future secured debt to the extent of the value of the collateral securing such indebtedness. Our obligations under the outstanding Senior Notes are fully and unconditionally guaranteed, jointly and severally, by our current material subsidiaries and will be so guaranteed by any of our future material subsidiaries.

Debt Covenants

The agreements governing our debt contain restrictive covenants including, but not limited to, restrictions on our ability to incur additional indebtedness, create certain liens on assets, make certain investments or restricted payments, make loans to others, make certain payments, consolidate or merge, hedge hydrocarbons, enter into transactions with affiliates, dispose of assets or engage in certain other transactions without the prior consent of the lenders. Our Credit Facility also requires us to maintain the following two financial ratios: (i) a consolidated leverage ratio, which requires us to maintain a consolidated funded indebtedness to consolidated EBITDAX ratio for the aggregate of the last four consecutive quarters (as defined by the Credit Facility) of not more than 3.50 to 1.00 for each fiscal quarter and (ii) a modified current ratio (as defined by the Credit Facility), which requires us to maintain consolidated current assets to consolidated current liabilities of not less than 1.00 to 1.00 as of the end of each fiscal quarter. We were in compliance with all applicable debt covenants as of September 30, 2026.

5. Derivative Instruments

We use derivative instruments to mitigate our exposure to fluctuations in future commodity prices in order to protect our anticipated operating cash flow against significant market movements or volatility. We do not use derivative instruments for speculative or trading purposes. We utilize the following types of derivative instruments:

- *Swaps*. We receive a fixed price and pay a floating market price to the counterparty for the hedged commodity.
- *Call Options*. We sell call options in exchange for a premium, which establish the maximum price we will receive for contracted commodity volumes. At the time of settlement, if the market price exceeds the fixed price of the call option, we pay the difference to the counterparty. From time to time, we may sell future call options to obtain more favorable strike prices on swap or collar contracts.
- *Collars*. These instruments contain a fixed floor price ("put") and ceiling price ("call"). If the market price exceeds the call strike price, we pay the difference between the market price and the strike price of the sold call to the counterparty. If the market price falls below the put strike price, we receive the difference between the market price and the strike price of the purchased put from the counterparty. If the market price is between the put and the call strike prices, no payments are due to or from either party.
- *Three-Way Collars*. Three-way collars consist of a traditional collar and our sale of an additional put option in exchange for more favorable strike prices on purchased put or sold call options.
- *Swaptions.* Swaptions are option contracts under which we have sold to the counterparty the right, but not the obligation, to enter into a fixed-price swap agreement for a specified commodity at predetermined terms. If exercised, the resulting swap is accounted for consistently with our other fixed-price swap contracts.
- *Basis Swaps*. Our natural gas production is sold at various delivery points that at times may have material spreads or volatility relative to NYMEX. Therefore, we use basis swaps to fix the differential between product prices at the following market locations relative to NYMEX: Chicago (Citygate), Dawn (Ontario), MichCon, Rex Zone 3, Eastern Gas South, TCO, Tetco M-2, Trunkline Zone 1A and Tenn Z4-200. Under these instruments, we receive the fixed price differential and pay the floating market price differential to the counterparty for the contracted volumes.

All derivative instruments are recognized at their current fair value as either assets or liabilities on the condensed consolidated balance sheets. Changes in the fair value are recorded in earnings as we have not elected hedge accounting for any of our derivative instruments. Cash settlements of our derivative instruments are generally classified as operating cash flows unless the derivatives are deemed to contain, for accounting purposes, a significant financing element at contract inception, in which case these cash settlements are classified as financing cash flows on the accompanying condensed consolidated statements of cash flows.

The following table sets forth the average volumes per day associated with our outstanding natural gas derivative instruments as of September 30, 2026, the contracted weighted average natural gas prices, the contracted weighted average basis swap spreads and the estimated fair values:

		Weighted Average Prices ($/MMBtu)				
	Average Volume (MMBtu/d)	Swap Strike Price	Sold Call Strike Price	Purchased Put Strike Price	Sold Put Strike Price	Fair Value ($ in thousands)
Natural gas:						
Swaps:						$ 293,223
Remaining in 2026	1,145,000	$ 3.84				
2027	908,000	$ 3.90				
2028	368,000	$ 3.72				
Collars:						77,178
Remaining in 2026	420,000		$ 4.79	$ 3.57		
2027	385,000		$ 4.41	$ 3.45		
2028	80,000		$ 4.44	$ 3.38		
Three-way collars:						21,733
Remaining in 2026	120,000		$ 5.11	$ 3.81	$ 2.75	
2027	100,000		$ 5.13	$ 3.55	$ 2.65	
2028	30,000		$ 4.85	$ 3.50	$ 2.58	
Swaptions:						(143)
2027	30,000	$ 4.07				
Basis swaps:						(30,903)
Remaining in 2026	978,000	$ (0.50)				
2027	1,004,000	$ (0.45)				
2028	438,000	$ (0.44)				
2029	62,000	$ (0.42)				
Total Estimated Fair Value						$ 361,088

The following table sets forth the average volumes per day associated with our outstanding oil derivative instruments as of September 30, 2026, the contracted weighted average oil prices and the estimated fair values:

		Weighted Average Prices ($/bbl)			
	Average Volume (bbls/d)	Swap Strike Price	Sold Call Strike Price	Purchased Put Strike Price	Fair Value ($ in thousands)
Oil:					
Swaps:					$ (53,439)
Remaining in 2026	11,000	$ 65.25			
2027	7,000	$ 67.33			
2028	9,000	$ 71.20			
Collars:					(6,042)
Remaining in 2026	1,000		$ 70.00	$ 55.00	
2027	1,000		$ 70.00	$ 55.00	
Swaptions:					(14,372)
2027	3,000	$ 68.85			
2028	1,000	$ 66.35			
Total Estimated Fair Value					$ (73,853)

The following table sets forth the average volumes per day associated with our outstanding NGL derivative instruments as of September 30, 2026, the contracted weighted average NGL prices and the estimated fair values:

		Weighted Average Prices ($/bbl)	
	Average Volume (bbls/d)	Swap Strike Price	Fair Value ($ in thousands)
NGL:			
Swaps - Propane:			$ (12,173)
Remaining in 2026	8,000	$ 29.29	
2027	8,000	$ 30.34	
Swaptions - Propane:			(1,743)
2027	1,000	$ 28.14	
Total Estimated Fair Value			$ (13,916)

The following tables summarize the fair value of our derivative instruments on a gross basis, the effects of netting assets and liabilities for which the right of offset exists based on master netting agreements and the net amount presented on our condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025:

	September 30, 2026		
($ in thousands) **Condensed Consolidated Balance Sheet Presentation**	Fair Value, Gross	Amounts Netted on Balance Sheet	Fair Value, Net
Short-term derivative assets:			
Commodity derivatives	$ 417,830	$ (150,861)	$ 266,969
Long-term derivative assets:			
Commodity derivatives	$ 102,178	$ (88,105)	$ 14,073
Short-term derivative liabilities:			
Commodity derivatives	$ 151,915	$ (150,861)	$ 1,054
Long-term derivative liabilities:			
Commodity derivatives	$ 94,774	$ (88,105)	$ 6,669

($ in thousands) Condensed Consolidated Balance Sheet Presentation	December 31, 2025 Fair Value, Gross	Amounts Netted on Balance Sheet	Fair Value, Net
Short-term derivative assets:			
Commodity derivatives	$ 254,283	$ (131,679)	$ 122,604
Long-term derivative assets:			
Commodity derivatives	$ 142,488	$ (124,094)	$ 18,394
Short-term derivative liabilities:			
Commodity derivatives	$ 133,930	$ (131,679)	$ 2,251
Long-term derivative liabilities:			
Commodity derivatives	$ 133,010	$ (124,094)	$ 8,916

The following table summarizes the effects of derivative instruments on the condensed consolidated statements of operations for the periods indicated:

($ in thousands)	Condensed Consolidated Statements of Operations Presentation	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Commodity derivatives	Commodity derivative gain	$ 59,473	$ 262,248	$ 189,528	$ 121,313

Credit Risk

By using derivative instruments, we are also exposed to credit risk associated with our derivative counterparties. To minimize such risk, we enter into derivative contracts with multiple counterparties, reducing our exposure to any individual counterparty. In addition, we only enter into derivative contracts with counterparties that we determine are creditworthy, and such creditworthiness is subject to periodic review. Any non-performance risk is considered in the valuation of our derivative instruments, but to date it has not had a material impact on the values of our derivatives.

6. Fair Value Measurements

We use a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose inputs or significant value drivers are observable, either directly or indirectly.

Level 3 – Unobservable inputs that reflect our own assumptions.

Fair Value on a Recurring Basis

The following tables summarize the valuation of financial instruments by pricing levels that were accounted for at fair value on a recurring basis as of September 30, 2026 and December 31, 2025. There were no transfers in or out of our Level 3 fair value measurements.

	Fair Value Measurements as of September 30, 2026:			
($ in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Commodity derivatives	$ —	$ 281,042	$ —	$ 281,042
Total	$ —	$ 281,042	$ —	$ 281,042
Liabilities:				
Commodity derivatives	$ —	$ 7,723	$ —	$ 7,723
Contingent payment right	—	—	22,932	22,932
Total	$ —	$ 7,723	$ 22,932	$ 30,655

	Fair Value Measurements as of December 31, 2025:			
($ in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Commodity derivatives	$ —	$ 140,998	$ —	$ 140,998
Total	$ —	$ 140,998	$ —	$ 140,998
Liabilities:				
Commodity derivatives	$ —	$ 11,167	$ —	$ 11,167
Contingent payment right	—	—	58,876	58,876
Total	$ —	$ 11,167	$ 58,876	$ 70,043

Derivatives. We estimate the fair value of our commodity derivatives using models that utilize market-based parameters and are therefore classified as Level 2 fair value measurements. The fair values of our commodity swaps, collars and options are based on standard industry income approach models that use significant observable inputs including, but not limited to, forward curves, discount rates, nonperformance risk and volatilities. See Note 5 for further information regarding our derivative instruments.

Contingent Payment Right. The 2027 Notes contained a contingent payment right that was required to be bifurcated and accounted for as a liability at fair value. See Note 4, *Senior Notes, 2027 Notes*, for further information regarding the contingent payment right. The fair value of the contingent payment right was based on unobservable inputs and was therefore classified as Level 3.

The fair value of the contingent payment right was determined using a “with” and “without” analysis, which estimates the value attributable to the contingent payment right using observable market information and certain significant unobservable inputs. The significant unobservable inputs used to estimate the fair value of the contingent payment right include the probability of a Triggering Event occurring prior to November 1, 2027 and the discount rate used in the discounted cash flow analysis. Changes in these inputs impact the fair value measurement of the contingent payment right. For example, an increase or decrease in the probability of a Triggering Event occurring prior to November 1, 2027 would increase or decrease, respectively, the fair value of the contingent payment right. Additionally, an increase or decrease in the discount rate would decrease or increase, respectively, the fair value of the contingent payment right.

The following table presents quantitative information about Level 3 inputs used in the fair value measurement of the contingent payment right:

	September 30, 2026	December 31, 2025
Probability of a Triggering Event occurring prior to November 1, 2027	15%	40%
Discount rate	8.1%	7.3%

The contingent payment right is presented as part of other long-term liabilities on the condensed consolidated balance sheets. Changes in its fair value are presented as a change in fair value of the contingent payment right on the condensed consolidated statements of operations. The following table presents a reconciliation of changes in the fair value of the contingent payment right:

($ in thousands)	September 30, 2026	December 31, 2025
Balance, beginning of period	$ 58,876	$ 68,641
Change in fair value	(35,944)	(9,765)
Balance, end of period	$ 22,932	$ 58,876

During the nine months ended September 30, 2026 and the year ended December 31, 2025, we recognized decreases of $35.9 million and $9.8 million, respectively, in the fair value of the contingent payment right primarily due to decreases in the assumed probability of a Triggering Event occurring prior to November 1, 2027.

In connection with the redemption of the 2027 Notes, on October 30, 2026, we issued the CVRs to holders of the 2027 Notes, which replaced the associated contingent payment right and provide for the same fixed payment upon a Triggering Event. Absent a Triggering Event, the CVRs will automatically expire on November 1, 2027. See Note 4, *Senior Notes*, *2027 Notes*, for further discussion of the CVRs. Following their issuance, the CVRs will continue to be accounted for as a liability at fair value, with changes in fair value recognized on the condensed consolidated statement of operations.

Fair Value of Debt

The carrying amounts and estimated fair values of our debt instruments as of September 30, 2026 and December 31, 2025 are shown in the table below. The fair values were estimated using Level 2 market data inputs. See Note 4 for further information regarding our debt.

	September 30, 2026		December 31, 2025	
($ in thousands)	Carrying Value[(a)]	Fair Value	Carrying Value[(a)]	Fair Value
Credit Facility[(b)]	$ 335,000	$ 335,000	$ 185,000	$ 185,000
2027 Notes	332,179	357,524	322,330	444,005
2029 Notes	496,709	492,850	495,903	502,800
2032 Notes	590,653	588,577	589,845	621,762
2033 Notes	492,361	492,250	491,716	519,350
Total	$ 2,246,902	$ 2,266,201	$ 2,084,794	$ 2,272,917

(a) Carrying values for our outstanding Senior Notes are presented net of unamortized debt issuance costs and debt discounts or premiums.

(b) The carrying value of borrowings under our Credit Facility approximates fair value as the interest rate is based on prevailing market rates.

7. Long-Term Incentive Compensation

In March 2024, our Parent amended and restated its long-term incentive plan established in 2020 (the "Plan"). Under the Plan, the compensation committee of the Board of Managers of our Parent has granted restricted stock units ("RSUs") and rights to receive annual cash award payments ("Cash Awards") to certain of our employees and certain members of the Board of Managers. The compensation committee may grant additional time-vested RSUs in the future. Our Parent reserved approximately 7.2 million common units for issuance under the Plan, and as of September 30, 2026, approximately 3.8 million common units remained available for future grants. Subject to certain conditions precedent, restrictions, and annual limitations, the Plan provides a liquidity option (the "Liquidity Option") for eligible participants to periodically sell their common units previously earned through the Plan back to our Parent.

Our long-term incentive compensation expense is presented as part of general and administrative expenses on the condensed consolidated statements of operations and for the three and nine months ended September 30, 2026 and 2025 is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	2026	2025	2026	2025
Time-Vested RSUs	$ 5,316	$ 4,209	$ 17,002	$ 12,163
Performance-Vested RSUs[(a)]	1,439	1,491	4,376	3,337
Cash Awards	7,533	7,852	18,147	24,393
Total Long-Term Incentive Compensation Expense	$ 14,288	$ 13,552	$ 39,525	$ 39,893

(a) Represents distributions made by our Parent to holders of certain unvested RSUs pursuant to their distribution equivalent rights. See below for further discussion of such RSUs ("Performance-Vested RSUs").

Time-Vested Awards

Time-Vested Restricted Stock Units. The Plan provides for the potential issuance of three-year and five-year RSUs (together the "Time-Vested RSUs") which are accounted for as equity awards, and vesting is subject to a service condition that is generally satisfied in one-year tranches.

Long-term incentive compensation related to the Time-Vested RSUs is measured based on the fair value on the date of grant using appropriate valuation techniques and is recognized on a straight-line basis over the requisite service period. Time-Vested RSUs are subject to an accelerated vesting schedule dependent upon certain events which are generally outside of the control of the participant, or upon retirement if certain conditions are met. We account for forfeitures during the period in which they occur by reversing the expense previously recognized for such awards.

During the nine months ended September 30, 2026, our Parent granted 707,000 Time-Vested RSUs. During the same period, 465,000 Time-Vested RSUs vested and 144,000 were forfeited. As of September 30, 2026, 523,000 Time-Vested RSUs remain unvested, and the related unrecognized compensation cost of $20.7 million is expected to be recognized over a weighted average period of approximately 1.7 years.

Performance-Vested Awards

Performance-Vested Restricted Stock Units. Performance-Vested RSUs are accounted for as liability awards, and vesting is subject to a performance condition which is generally satisfied upon the occurrence of a qualifying liquidity event ("QLE") as defined in the Plan. Upon each QLE, participants are generally entitled to cash payments from our Parent, or upon a QLE by which our Parent becomes a publicly held corporation, common stock in such public entity.

We will measure the Performance-Vested RSUs at fair value using appropriate valuation techniques and recognize long-term incentive compensation expense on such date it becomes probable that a performance condition will be achieved, and will remeasure the fair value each period through the date of settlement. Performance-Vested RSUs are subject to an accelerated vesting schedule dependent upon certain events which are generally outside the control of the participant and are also subject to expiration. As of September 30, 2026, it was not probable that a performance condition

had been, or would be, achieved. The ultimate settlement of Performance-Vested RSUs will be partially or completely reduced by Cash Awards previously paid by our Parent as part of the Plan (the "Cash Award Offset Payments"), and such Performance-Vested RSUs for which any Cash Award Offset Payments were applied will be forfeited.

As of September 30, 2026, approximately 1.5 million Performance-Vested RSUs remained unvested.

Cash Awards. Cash Awards are triggered and paid by our Parent upon achieving certain leverage ratios, as defined in the Plan, and are determined based on annual free cash flows, also defined in the Plan. If the leverage ratio for a calendar year is between 2.0 times to 1.75 times, or below 1.75 times, the result would be a cash payment from our Parent to participants based on 2.5% or 5.0%, respectively, of annual free cash flows. Following equity distributions from us, the Cash Awards are funded by our Parent. Cash Awards are limited to a total of five annual payments, after which the opportunity for future Cash Awards is terminated. There have been three Cash Award payments to date. We account for Cash Awards in accordance with ASC 710, *Compensation*, and long-term incentive compensation expense is accrued when determined probable and reasonably estimable.

8. Related Party Transactions

Natural Gas Gathering, Processing and Commodity Sales Agreements

In the normal course of our business, we have entered into certain business relationships with entities in which EMG or First Reserve have control or significant influence through their equity investments. These relationships include agreements for the sale of our NGL production and the gathering and processing of our natural gas and NGL production. These amounts are disclosed as footnotes on the face of our condensed consolidated balance sheets and statements of operations. In July 2026, certain counterparties to our gathering and transportation agreements ceased to be related parties following a change in their ownership, resulting in a decrease in the related party amounts disclosed for such agreements beginning in the third quarter of 2026.

Long-Term Debt

Long-term debt held by certain related parties included the following as of the dates indicated:

($ in thousands)	September 30, 2026	December 31, 2025
2033 Notes	$ 20,000	$ 20,000
2032 Notes	20,000	20,000
2027 Notes[(a)]	258	258
Total Related Party Long-Term Debt	$ 40,258	$ 40,258

(a) In November 2026, we redeemed the $348.3 million aggregate principal amount of our outstanding 2027 Notes, of which $0.3 million was held by certain related parties, who consequently received the associated CVRs. See Note 4, *Senior Notes*, *2027 Notes*, for further discussion.

Divestiture

During the nine months ended September 30, 2025, we sold our working interest in 177 gross (17 net) non-operated wells for $32.5 million after closing purchase price adjustments to a related party.

9. Leases

We enter into certain agreements for tangible assets, real estate and easements to support our operations. To the extent that we determine an arrangement represents a lease in accordance with ASC 842, *Leases*, we classify that lease as an operating or financing lease. The following table summarizes our right-of-use (ROU) assets and lease liabilities on the condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025:

($ in thousands)	Condensed Consolidated Balance Sheet Presentation	September 30, 2026	December 31, 2025
Operating leases:			
ROU assets, net	Other long-term assets	$ 55,388	$ 41,462
Short-term lease liabilities	Other current liabilities	$ 37,042	$ 25,990
Long-term lease liabilities	Other long-term liabilities	18,935	15,595
Total operating lease liabilities		$ 55,977	$ 41,585
Financing leases:			
ROU assets, net	Property and equipment, net	$ 2,853	$ 2,273
Short-term lease liabilities	Other current liabilities	$ 1,021	$ 1,265
Long-term lease liabilities	Other long-term liabilities	1,135	438
Total financing lease liabilities		$ 2,156	$ 1,703

The following table sets forth our remaining lease terms and weighted average discount rates:

	September 30, 2026		December 31, 2025	
	Operating	Financing	Operating	Financing
Weighted average remaining lease term (in years)	1.6	2.2	1.8	1.4
Weighted average discount rate	5.8 %	5.9 %	6.6 %	7.0 %

The following table summarizes our total lease costs before amounts are recovered from our joint interest partners, where applicable, for the periods presented:

($ in thousands)	Condensed Consolidated Financial Statement Presentation	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Operating lease cost:					
Operating lease cost	General and administrative expense	$ 509	$ 312	$ 1,527	$ 1,406
Operating lease cost	Gathering, processing and transportation[(a)]	11,405	9,917	32,131	26,672
Operating lease cost	Lease operating expense	25	25	75	75
Operating lease cost	Natural gas and oil properties[(b)]	6,540	6,625	30,024	25,159
Total operating lease cost		$ 18,479	$ 16,879	$ 63,757	$ 53,312
Financing lease cost:					
Amortization of ROU assets	DD&A	$ 552	$ 595	$ 1,676	$ 1,774
Interest on lease liabilities	Interest expense	30	43	95	135
Total financing lease cost		$ 582	$ 638	$ 1,771	$ 1,909

(a) Includes short-term lease costs of $4.2 million and $3.8 million for the three months ended September 30, 2026 and 2025, respectively, and $12.1 million and $8.1 million for the nine months ended September 30, 2026 and 2025, respectively.

(b) Includes short-term and variable lease costs of $2.2 million and $2.2 million for the three months ended September 30, 2026 and 2025, respectively, and $16.9 million and $9.6 million for the nine months ended September 30, 2026 and 2025, respectively.

The following table summarizes supplemental information for our operating and financing leases:

($ in thousands)	Nine Months Ended September 30, 2026 Operating	Nine Months Ended September 30, 2026 Financing	Nine Months Ended September 30, 2025 Operating	Nine Months Ended September 30, 2025 Financing
Cash outflows for lease liabilities:				
Operating cash flows	$ 20,971	$ 96	$ 19,840	$ 135
Investing cash flows	$ 13,104	$ —	$ 15,686	$ —
Financing cash flows	$ —	$ 1,810	$ —	$ 1,623
Non-cash activities:				
ROU assets obtained in exchange for lease liabilities	$ 47,349	$ 2,290	$ 37,664	$ 1,253

The following table presents our maturity analysis as of September 30, 2026 for future lease expirations. We do not have any lease maturities after 2029.

	September 30, 2026	
($ in thousands)	Operating	Financing
Remaining in 2026	$ 11,618	$ 392
2027	32,634	951
2028	12,174	704
2029	2,427	254
Total lease payments	58,853	2,301
Less: imputed interest	(2,876)	(145)
Present value of lease liabilities	$ 55,977	$ 2,156

10. Commitments and Contingencies

Litigation Matters

Due to the nature of our business, we are periodically involved in litigation, arbitration, regulatory proceedings, investigations and disputes, as well as threatened or potential actions or claims concerning matters which are incidental to our business operations, such as matters relating to commercial transactions, personal injury claims, property damage claims, and contract actions. Examples of such actions include alleged damages based on breach of contract, landowner disputes, title disputes, midstream counterparty disputes, and claims for improper deductions from royalties. We are currently defending against certain of these types of matters and have resolved or prevailed in several others.

The outcome of claims, disputes, litigation or other matters described above and the timing of ultimate resolution of each are inherently difficult to predict. The following factors, among others, contribute to this lack of predictability: (i) plaintiff claims often include significant legal uncertainties; (ii) damages alleged by plaintiffs are often unspecified or overstated; (iii) discovery may not have started or may not be complete; and (iv) material facts may be disputed or unsubstantiated. As a result of these factors, we are not always able to provide an estimate of the range of reasonably possible outcomes for each claim, dispute, litigation or other such matter. We continually assess the likelihood of adverse outcomes in these matters, as well as potential ranges of possible losses, based on a careful analysis of each matter with the assistance of outside legal counsel and other experts. Based on information currently available and the advice of counsel, we believe the eventual outcome of any pending or threatened claim or dispute of the type described above relating to our business operations is not likely, individually or in the aggregate, to have a material adverse effect on our condensed consolidated financial position or cash flows. However, in the event of unfavorable future developments, it is possible that the ultimate resolution of such matters may be material to our results of operations for any particular period. We will continue to monitor, evaluate and adjust our outlook to reflect changes in the law, regulations, circumstances or newly obtained information.

A liability is recognized for any contingency when information indicates that a loss is both probable and the amount is reasonably estimable or a settlement has been reached. For all such claims, disputes, threatened or pending litigation, and settlements, we have accrued an aggregate of $5.6 million and $6.1 million, respectively, as of September 30, 2026 and December 31, 2025, which is presented as part of other current liabilities on the condensed consolidated balance sheets. The final resolution of such matters could differ materially from management’s estimates. Legal defense costs are accounted for in the period the costs are incurred.

Environmental Matters

We are subject to existing federal, state and local laws and regulations governing environmental matters, such as the Comprehensive Environmental Response, Compensation and Liability Act and similar statutes. From time to time, we are party to various environmental and regulatory proceedings in the ordinary course of business. Management does not believe the results of these environmental proceedings, individually or in the aggregate, will have a material adverse effect on us.

Pipeline Commitments

We have entered into certain pipeline capacity commitments with various counterparties to facilitate the delivery of our natural gas production to market and reduce the likelihood of possible production curtailments that may arise due to limited capacity. Through these contracts, we are committed to transport minimum daily natural gas volumes at negotiated rates or pay for any deficiencies.

The table below presents our undiscounted pipeline commitments that have initial or remaining non-cancelable terms in excess of one year as of September 30, 2026 and represents the gross amounts we are committed to pay; however, working interest owners and royalty interest owners, where appropriate, will be responsible for their proportionate share of these costs.

($ in thousands)	Pipeline Commitments
Remaining in 2026	$ 177,295
2027	687,011
2028	645,766
2029	608,703
2030	592,231
Thereafter	2,625,265
Total	$ 5,336,271

To satisfy credit support requirements for our pipeline commitments, $13.7 million in letters of credit and $405.1 million in surety bonds were issued by us or on our behalf to certain transportation providers as of September 30, 2026.

11. Contract Restructuring and Termination Costs

While executing our strategic priorities, we may incur costs associated with the restructuring of certain contracts with third parties. In July 2026, we optimized our transportation portfolio through the restructuring of certain long-term firm transportation agreements which reduced our capacity for future periods on certain pipelines by 250,000 MMBtu/d beginning in 2031, resulting in a reduction to our future commitments of approximately $689.0 million. As a result, during the three and nine months ended September 30, 2026 we recognized $185.2 million of contract termination expenses on the condensed consolidated statements of operations.

The following table summarizes activity related to the associated contract termination liability:

($ in thousands)	September 30, 2026
Contract termination liability, beginning of period	$ —
Contract termination costs incurred	185,192
Cash payments[(a)]	(61,325)
Contract termination liability, end of period	$ 123,867
Less current portion	(113,803)
Contract termination liability, long-term	$ 10,064

(a) The cash payments are presented within cash flows from operating activities on the condensed consolidated statements of cash flows.

The liability of $123.9 million is expected to be paid incrementally through the first quarter of 2028.

12. Other Current Liabilities

Our other current liabilities consisted of the following as of the dates indicated:

($ in thousands)	September 30, 2026	December 31, 2025
Revenues and royalties due others	$ 237,532	$ 246,853
Gathering, processing and transportation expense accrual	164,866	170,277
Contract termination liability	113,803	—
Drilling and completion cost accrual	104,862	73,555
Operating and financing leases	38,063	27,255
Taxes other than income accrual	30,249	30,785
General and administrative expense accrual	22,436	27,998
Lease operating expense accrual	7,631	10,690
Other	10,863	25,744
Total Other Current Liabilities	$ 730,305	$ 613,157

Management's Discussion and Analysis of Financial Condition and Results of Operations

Our Management's Discussion and Analysis of our Financial Condition and Results of Operations ("MD&A") should be read in conjunction with our audited consolidated financial statements, the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for the year ended December 31, 2025, in addition to the unaudited condensed consolidated financial statements and related notes included within this quarterly report. The following discussion and analysis contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance, all of which involve known and unknown risks, uncertainties and assumptions. These risks and uncertainties include, but are not limited to, volatility in commodity markets, uncertainties in estimating proved reserves and forecasting production results, the costs and results of our development program, the condition of capital markets and our ability to access them, rising inflation, fluctuating interest rates, the imposition of trade or other economic sanctions, tariffs, political instability and armed conflicts, governmental policies aimed at transitioning towards lower carbon energy, and other factors that are outside of our control. While we cannot be certain as to the full magnitude these and other factors may have on our future financial condition, liquidity, results of operations or cash flows, we actively monitor them as they may cause actual results to differ from our historical results or current expectations. Considering these risks, uncertainties and assumptions, the forward-looking events discussed herein may not occur. We do not undertake any obligation to publicly update any forward-looking statements except as otherwise required by applicable law.

Unless otherwise indicated or the context otherwise requires, references to "we," "our" and "us" refer to Ascent Resources Utica Holdings, LLC together with its wholly-owned subsidiaries.

Business Overview

We are one of the largest private producers of natural gas and oil in the United States and are focused on acquiring, developing, producing and operating natural gas and oil properties located in the Utica Shale, one of the premier North American shale plays. We are an indirect wholly-owned subsidiary of Ascent Resources, LLC (our "Parent"). Formed in 2013 by our private equity sponsors, primarily The Energy & Minerals Group and First Reserve Corporation, we utilize our technical expertise to acquire and exploit assets predominantly within the Point Pleasant interval in the core of the southern Utica Shale in Ohio. Our largely contiguous development footprint encompasses approximately 412,600 net leasehold acres, including approximately 75,400 mineral acres which, as supported by our highly consistent, successful and repeatable drilling results and those of offset operators, offers development opportunities with predictable production profiles, low breakeven costs and industry-leading rates of return. We also own royalty interests in approximately 5,800 mineral acres that are being developed by other operators, which provide enhanced value without additional capital costs or operating expenses.

We are focused on generating stakeholder value through the efficient and responsible operation and development of our assets, while upholding our position as a prominent producer of affordable and reliable energy. We achieve this by continuously striving to enhance our drilling and completion techniques, minimize our operating and capital costs and maximize recovery from our assets, with the goal of generating strong corporate-level returns and sustainable free cash flow in a capital efficient, financially disciplined, and environmentally responsible manner.

Recent Developments

As part of our ongoing efforts to enhance financial flexibility and eliminate near-term debt maturities, in November 2026, we redeemed the $348.3 million aggregate principal amount of our outstanding 2027 Notes at a redemption price equal to 100.000% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the November 1, 2026 redemption date. The redemption was funded with borrowings under our Credit Facility. In connection with the redemption, on October 30, 2026, we issued contingent value rights (the "CVRs") to the holders of the 2027 Notes, which replaced the contingent payment right associated with the 2027 Notes. See Note 4, *Senior Notes*, *2027 Notes*, Note 6, *Contingent Payment Right* and Note 8, *Related Party Transactions, Long-Term Debt* of the notes to our condensed consolidated financial statements included in this report for further information.

Operational Update

Our drilling and completion capital program remains focused on maintaining production levels while preserving financial flexibility and generating cash flow from operations in excess of our capital investment needs. While our land and leasehold investments continue to support our current development plans, we have also taken advantage of strategic leasehold opportunities throughout 2026 to increase our inventory of future drilling locations within our core operating areas. Below is a summary of our operational activity for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	**2026**	**2025**	**2026**	**2025**
Wells spud	12	12	53	45
Wells fractured	18	10	54	51
Wells brought to first production	17	18	49	53
Drilling and completion costs incurred[(a)]	$ 189,902	$ 147,208	$ 583,332	$ 547,582
Land and leasehold costs incurred	39,883	29,199	152,770	78,831
Capitalized interest incurred	7,501	5,850	20,624	20,675
Total Capital Expenditures Incurred[(b)]	$ 237,286	$ 182,257	$ 756,726	$ 647,088

(a) Excludes asset retirement obligations of $2.9 million and $4.1 million for the three months ended September 30, 2026 and 2025, respectively, and $4.6 million and $4.5 million for the nine months ended September 30, 2026 and 2025, respectively.

(b) Excludes acquisitions of $50.0 million for the three months ended September 30, 2026 and $54.7 million and $33.5 million for the nine months ended September 30, 2026 and 2025, respectively, and divestitures of $32.5 million for the nine months ended September 30, 2025.

Market Conditions, Trends and Uncertainties

Our financial performance is closely tied to the prices of natural gas, oil and NGL, which remain subject to significant volatility. Commodity prices have continued to fluctuate in response to geopolitical conflicts, trade tensions and economic sanctions, all of which have disrupted supply chains, contributed to inflationary pressures and influenced energy demand and market sentiment.

In particular, ongoing military conflict in the Middle East has disrupted the transportation of global LNG, oil and refined products, and contributed to increased volatility in energy markets. The potential for broader regional conflict remains elevated, and volatility is expected to persist in the near term. Other external factors continue to add complexity to the commodity pricing environment, including OPEC production decisions and shifts in global LNG market conditions. These forces are beyond our control and may adversely affect our business, financial condition, results of operations and future cash flows. We actively monitor these conditions and continue to use derivative instruments to manage exposure to commodity price fluctuations. See Note 5 of the notes to our condensed consolidated financial statements included in this report for further information regarding our derivative instruments.

Inflationary pressures, driven by supply chain disruptions, labor shortages and tariff-related cost increases, continue to affect the cost of goods and services we rely on. Tariffs on foreign imports may further increase input costs, while retaliatory tariffs on U.S. exports could affect the demand and pricing of our commodities. Certain of our long-term midstream contracts, which include Consumer Price Index or Producer Price Index adjustments, have already been impacted and may continue to be affected. We remain focused on improving operational efficiencies to help offset these potential cost increases and maintain financial resilience.

Results of Operations

Comparison of the Three Months Ended September 30, 2026 and 2025

The following table sets forth certain information for the periods indicated regarding our revenues, average sales prices received and net production volumes:

	Three Months Ended September 30,		Variance	
	2026	2025	Amount	Percent
Revenues ($ in thousands):				
Natural gas	$ 446,031	$ 476,142	$ (30,111)	(6)%
Oil	88,287	83,013	5,274	6 %
C3+ NGL	80,288	78,012	2,276	3 %
C2 Ethane	8,663	9,101	(438)	(5)%
Total Revenues, before effects of commodity derivatives	$ 623,269	$ 646,268	$ (22,999)	(4)%
Average Sales Prices:				
Natural gas ($/Mcf)	$ 2.57	$ 2.72	$ (0.15)	(6)%
Oil ($/bbl)	$ 78.06	$ 55.94	$ 22.12	40 %
C3+ NGL ($/bbl)	$ 37.61	$ 29.92	$ 7.69	26 %
C2 Ethane ($/bbl)	$ 6.34	$ 7.43	$ (1.09)	(15)%
Natural Gas Equivalent ($/Mcfe)	$ 3.09	$ 3.13	$ (0.04)	(1)%
Settlements of commodity derivatives ($/Mcfe)	0.55	0.64	(0.09)	(14)%
Average sales price, after effects of settled derivatives ($/Mcfe)	$ 3.64	$ 3.77	$ (0.13)	(3)%
Net Production Volumes:				
Natural gas (MMcf)	173,658	174,794	(1,136)	(1)%
Oil (Mbbls)	1,131	1,484	(353)	(24)%
C3+ NGL (Mbbls)	2,135	2,607	(472)	(18)%
C2 Ethane (Mbbls)	1,367	1,225	142	12 %
Natural Gas Equivalent (MMcfe)	201,461	206,689	(5,228)	(3)%
Average Daily Net Production Volumes:				
Natural gas (MMcf/d)	1,888	1,900	(12)	(1)%
Oil (Mbbls/d)	12	16	(4)	(25)%
C3+ NGL (Mbbls/d)	23	29	(6)	(21)%
C2 Ethane (Mbbls/d)	15	13	2	15 %
Natural Gas Equivalent (MMcfe/d)	2,190	2,247	(57)	(3)%

Revenues. Natural gas, oil and NGL revenues (excluding the effects of derivatives) decreased $23.0 million during the three months ended September 30, 2026 compared to the same period in 2025, of which $35.9 million was attributable to a 3% decrease in our total production volumes, partially offset by higher realized oil and NGL prices.

Commodity prices fluctuate in response to changes in supply and demand, market uncertainty and a variety of other factors beyond our control. A change in commodity prices has a direct impact on our sales and cash flows. The following table illustrates the effects of an increase or decrease in commodity prices on our sales and cash flows, before the effects of derivatives, assuming our production levels for the three months ended September 30, 2026 remained constant:

($ in thousands)	Volumes	Price Fluctuation per Unit	Effect on Sales and Cash Flows
Commodity:			
Natural Gas (MMcf)	173,658	$ 0.10	$ 17,366
Oil (Mbbls)	1,131	$ 1.00	$ 1,131
C3+ NGL (Mbbls)	2,135	$ 1.00	$ 2,135
C2 Ethane (Mbbls)	1,367	$ 1.00	$ 1,367

Impact of Commodity Derivative Instruments. We use commodity derivative instruments to mitigate our exposure to fluctuations in future commodity prices in order to protect our anticipated cash flows against significant market movements or volatility. For the three months ended September 30, 2026 and 2025, we recorded gains related to our commodity derivatives of $59.5 million and $262.2 million, respectively, including settlement gains on our derivative instruments of $110.1 million and $132.3 million for the same periods. The following table sets forth the settlements of our derivative instruments by commodity for the periods indicated:

	Three Months Ended September 30,	
($ in thousands)	2026	2025
Net Settlements of Commodity Derivatives:		
Natural Gas	$ 133,381	$ 124,419
Oil	(22,117)	5,549
NGL	(1,148)	2,377
Total Net Settlements of Commodity Derivatives	$ 110,116	$ 132,345

Changes in the fair value of commodity derivatives vary based on future commodity prices and have no impact on our cash flows until derivative contracts are either settled or monetized prior to settlement. As commodity prices increase or decrease, such changes will have an opposite effect on the fair value and ultimate settlement of our derivatives. See Quantitative and Qualitative Disclosures About Market Risk, *Commodity Demand and Price Risk,* and Note 5 of the notes to our condensed consolidated financial statements included in this report for further information regarding our derivative instruments.

Operating Expenses. The following table sets forth our operating expenses and costs per Mcfe:

	Three Months Ended September 30,		Variance	
	2026	2025	Amount	Percent
Operating Expenses ($ in thousands):				
Lease operating expenses	$ 30,890	$ 27,728	$ 3,162	11 %
Gathering, processing and transportation expenses	$ 236,202	$ 280,714	$ (44,512)	(16)%
Taxes other than income	$ 12,318	$ 10,874	$ 1,444	13 %
Exploration expenses	$ 1,548	$ 1,874	$ (326)	(17)%
General and administrative expenses	$ 32,000	$ 29,689	$ 2,311	8 %
Depreciation, depletion and amortization	$ 183,157	$ 194,130	$ (10,973)	(6)%
Contract termination expenses	$ 185,192	$ —	$ 185,192	**
Operating Expenses ($/Mcfe):				
Lease operating expenses	$ 0.15	$ 0.13	$ 0.02	15 %
Gathering, processing and transportation expenses	$ 1.17	$ 1.36	$ (0.19)	(14)%
Taxes other than income	$ 0.06	$ 0.05	$ 0.01	20 %
General and administrative expenses	$ 0.16	$ 0.14	$ 0.02	14 %
Depreciation, depletion and amortization	$ 0.91	$ 0.94	$ (0.03)	(3)%

** Percent not meaningful.

Lease Operating Expenses. Lease operating expenses increased $3.2 million during the three months ended September 30, 2026 compared to the same period in 2025 primarily due to increased workover expenses.

Gathering, Processing and Transportation Expenses. Gathering, processing and transportation expenses decreased $44.5 million, or $0.19 per Mcfe, for the three months ended September 30, 2026 compared to the same period in 2025 primarily due to a $36.9 million refund of excess transportation rates previously incurred under one of our firm transportation contracts. The refund was received as a result of the settlement of a related rate proceeding.

Taxes Other Than Income. Taxes other than income primarily consists of production taxes and ad valorem taxes. The $1.4 million increase for the three months ended September 30, 2026 compared to the same period in 2025 was primarily due to an increase in ad valorem tax rates.

Exploration Expenses. Exploration expenses were relatively consistent for the three months ended September 30, 2026 compared to the same period in 2025 and primarily consisted of geological and geophysical expenses, delay rentals for undeveloped leases, and costs associated with actual and expected lease expirations.

General and Administrative Expenses. General and administrative expenses increased $2.3 million for the three months ended September 30, 2026 compared to the same period in 2025 primarily due to an increase in general corporate expenses.

Depreciation, Depletion and Amortization. DD&A decreased $11.0 million for the three months ended September 30, 2026 compared to the same period in 2025 due to a 3% decrease in our total production volumes and a $0.03 decrease in our per Mcfe DD&A rate. The decrease in our per Mcfe DD&A rate was primarily the result of changes in reserve estimates.

Contract Termination Expenses. During July 2026, we restructured certain firm transportation agreements which reduced our future capacity on certain pipelines by 250,000 MMBtu/d beginning in 2031, resulting in a reduction to our future commitments of approximately $689.0 million. As a result, we recognized $185.2 million of contract termination expenses for the three months ended September 30, 2026. See Note 11 of the notes to our condensed consolidated financial statements included in this report for further discussion of the contract terminations.

Interest Expense. Interest expense was $40.2 million and $42.8 million for the three months ended September 30, 2026 and 2025, respectively, detailed as follows along with our weighted average debt outstanding:

($ in thousands)	Three Months Ended September 30, 2026	2025	Variance Amount	Variance Percent
Credit Facility	$ 7,791	$ 11,024	$ (3,233)	(29)%
Outstanding Senior Notes	33,389	31,905	1,484	5 %
Amortization of debt discounts, premium and issuance costs	5,235	4,694	541	12 %
Other	1,293	1,058	235	22 %
Interest Expense, before capitalized interest	47,708	48,681	(973)	(2)%
Capitalized interest	(7,501)	(5,850)	(1,651)	28 %
Total Interest Expense, net	$ 40,207	$ 42,831	$ (2,624)	(6)%
Weighted Average Debt Outstanding:				
Credit Facility	$ 439,402	$ 574,674	$ (135,272)	(24)%
Senior Notes	1,947,294	1,846,294	101,000	5 %
Weighted Average Debt Outstanding	$ 2,386,696	$ 2,420,968	$ (34,272)	(1)%

Change in Fair Value of Contingent Payment Right. The change in fair value of contingent payment right was a gain of $14.6 million and $7.1 million for the three months ended September 30, 2026 and 2025, respectively. The fluctuations in the values for the three months ended September 30, 2026 and 2025 were primarily due to decreases in the assumed probabilities of triggering events occurring prior to November 1, 2027. See Note 4, *Senior Notes, 2027 Notes* and Note 6, *Contingent Payment Right*, of the notes to our condensed consolidated financial statements included in this report for further information.

Results of Operations

Comparison of the Nine Months Ended September 30, 2026 and 2025

The following table sets forth certain information for the periods indicated regarding our revenues, average sales prices received and net production volumes:

	Nine Months Ended September 30,		Variance	
	2026	2025	Amount	Percent
Revenues ($ in thousands):				
Natural gas	$ 1,689,169	$ 1,526,687	$ 162,482	11 %
Oil	250,443	227,199	23,244	10 %
C3+ NGL	241,203	244,428	(3,225)	(1)%
C2 Ethane	31,860	32,372	(512)	(2)%
Total Revenues, before effects of commodity derivatives	$ 2,212,675	$ 2,030,686	$ 181,989	9 %
Average Sales Prices:				
Natural gas ($/Mcf)	$ 3.31	$ 3.15	$ 0.16	5 %
Oil ($/bbl)	$ 75.46	$ 58.05	$ 17.41	30 %
C3+ NGL ($/bbl)	$ 38.30	$ 34.85	$ 3.45	10 %
C2 Ethane ($/bbl)	$ 7.52	$ 8.72	$ (1.20)	(14)%
Natural Gas Equivalent ($/Mcfe)	$ 3.73	$ 3.55	$ 0.18	5 %
Settlements of commodity derivatives ($/Mcfe)	0.08	0.38	(0.30)	(79)%
Average sales price, after effects of settled derivatives ($/Mcfe)	$ 3.81	$ 3.93	$ (0.12)	(3)%
Net Production Volumes:				
Natural gas (MMcf)	509,849	484,144	25,705	5 %
Oil (Mbbls)	3,319	3,914	(595)	(15)%
C3+ NGL (Mbbls)	6,298	7,013	(715)	(10)%
C2 Ethane (Mbbls)	4,238	3,711	527	14 %
Natural Gas Equivalent (MMcfe)	592,981	571,974	21,007	4 %
Average Daily Net Production Volumes:				
Natural gas (MMcf/d)	1,868	1,773	95	5 %
Oil (Mbbls/d)	12	14	(2)	(14)%
C3+ NGL (Mbbls/d)	23	26	(3)	(12)%
C2 Ethane (Mbbls/d)	16	13	3	23 %
Natural Gas Equivalent (MMcfe/d)	2,172	2,095	77	4 %

Revenues. Total revenues (excluding the effects of derivatives) increased $182.0 million during the nine months ended September 30, 2026 compared to the same period in 2025, of which $155.8 million was attributable to a 5% increase in our average sales price before the effects of derivatives and $26.2 million was attributable to a 4% increase in our total production volumes.

Commodity prices fluctuate in response to changes in supply and demand, market uncertainty and a variety of other factors beyond our control. A change in commodity prices has a direct impact on our sales and cash flows. The following table illustrates the effects of an increase or decrease in commodity prices on our sales and cash flows, before the effects of derivatives, assuming our production levels for the nine months ended September 30, 2026 remained constant:

($ in thousands)	Volumes	Price Fluctuation per Unit	Effect on Sales and Cash Flows
Commodity:			
Natural Gas (MMcf)	509,849	$ 0.10	$ 50,985
Oil (Mbbls)	3,319	$ 1.00	$ 3,319
C3+ NGL (Mbbls)	6,298	$ 1.00	$ 6,298
C2 Ethane (Mbbls)	4,238	$ 1.00	$ 4,238

Impact of Commodity Derivative Instruments. We use commodity derivative instruments to mitigate our exposure to fluctuations in future commodity prices in order to protect our anticipated cash flows against significant market movements or volatility. For the nine months ended September 30, 2026 and 2025, we recorded gains of $189.5 million and gains of $121.3 million, respectively, related to our commodity derivatives, including settlement gains on our derivative instruments of $46.0 million and gains of $218.4 million for the same periods. The following table sets forth the settlements of our derivative instruments by commodity for the periods indicated:

	Nine Months Ended September 30,	
($ in thousands)	2026	2025
Net Settlements of Commodity Derivatives:		
Natural Gas	$ 103,616	$ 206,811
Oil	(54,509)	12,190
NGL	(3,067)	(583)
Total Net Settlements of Commodity Derivatives	$ 46,040	$ 218,418

Changes in the fair value of commodity derivatives vary based on future commodity prices and have no impact on our cash flows until derivative contracts are either settled or monetized prior to settlement. As commodity prices increase or decrease, such changes will have an opposite effect on the fair value and ultimate settlement of our derivatives. See Quantitative and Qualitative Disclosures About Market Risk, *Commodity Demand and Price Risk,* and Note 5 of the notes to our condensed consolidated financial statements included in this report for further information regarding our derivative instruments.

Operating Expenses. The following table sets forth our operating expenses and costs per Mcfe:

	Nine Months Ended September 30,		Variance	
	2026	2025	Amount	Percent
Operating Expenses ($ in thousands):				
Lease operating expenses	$ 96,347	$ 86,020	$ 10,327	12 %
Gathering, processing and transportation expenses	$ 794,287	$ 798,528	$ (4,241)	(1)%
Taxes other than income	$ 37,490	$ 32,062	$ 5,428	17 %
Exploration expenses	$ 4,963	$ 5,644	$ (681)	(12)%
General and administrative expenses	$ 96,712	$ 95,257	$ 1,455	2 %
Depreciation, depletion and amortization	$ 538,998	$ 540,587	$ (1,589)	— %
Contract termination expenses	$ 185,192	$ —	$ 185,192	**
Operating Expenses ($/Mcfe):				
Lease operating expenses	$ 0.16	$ 0.15	$ 0.01	7 %
Gathering, processing and transportation expenses	$ 1.34	$ 1.40	$ (0.06)	(4)%
Taxes other than income	$ 0.06	$ 0.06	$ —	— %
General and administrative expenses	$ 0.16	$ 0.17	$ (0.01)	(6)%
Depreciation, depletion and amortization	$ 0.91	$ 0.95	$ (0.04)	(4)%

** Percent not meaningful.

Lease Operating Expenses. Lease operating expenses increased $10.3 million for the nine months ended September 30, 2026 compared to the same period in 2025 primarily due to increased trucking costs related to higher produced water volumes and increased workover expenses.

Gathering, Processing and Transportation Expenses. Gathering, processing and transportation expenses decreased $4.2 million for the nine months ended September 30, 2026 compared to the same period in 2025 primarily due to the following:

- Gathering expenses increased $22.7 million primarily due to a 5% increase in natural gas production and additional compression capacity.
- Transportation expenses decreased $20.2 million primarily due to a refund of excess transportation rates previously incurred under one of our firm transportation contracts. The refund was received as a result of the settlement of a related rate proceeding.
- Processing expenses decreased $6.8 million primarily due to a decrease in wet gas production.

Taxes Other Than Income. Taxes other than income primarily consists of production taxes and ad valorem taxes. The $5.4 million increase for the nine months ended September 30, 2026 compared to the same period in 2025 was primarily due to an increase in ad valorem tax rates.

Exploration Expenses. Exploration expenses were relatively consistent for the nine months ended September 30, 2026 compared to the same period in 2025 and primarily consisted of geological and geophysical expenses, delay rentals for undeveloped leases, and costs associated with actual and expected lease expirations.

General and Administrative Expenses. General and administrative expenses increased $1.5 million for the nine months ended September 30, 2026 compared to the same period in 2025 primarily due to an increase in general corporate expenses.

Depreciation, Depletion and Amortization. DD&A decreased $1.6 million for the nine months ended September 30, 2026 compared to the same period in 2025. The decrease was due to a $0.04 decrease in our per Mcfe DD&A rate, partially offset by a 4% increase in total production volumes. The decrease in our per Mcfe DD&A rate was primarily the result of changes in reserve estimates.

Contract Termination Expenses. During July 2026, we restructured certain firm transportation agreements which reduced our future capacity on certain pipelines by 250,000 MMBtu/d beginning in 2031, resulting in a reduction to our future commitments of approximately $689.0 million. As a result, we recognized $185.2 million of contract termination expenses for the nine months ended September 30, 2026. See Note 11 of the notes to our condensed consolidated financial statements included in this report for further discussion of the contract termination.

Interest Expense. Interest expense was $119.7 million and $134.1 million for the nine months ended September 30, 2026 and 2025, respectively, detailed as follows along with our weighted average debt outstanding:

	Nine Months Ended September 30,		Variance	
($ in thousands)	2026	2025	Amount	Percent
Credit Facility	$ 21,211	$ 34,633	$ (13,422)	(39)%
Senior Notes	100,164	101,120	(956)	(1)%
Amortization of debt discounts, premium and issuance costs	15,326	15,821	(495)	(3)%
Other	3,621	3,208	413	13 %
Interest Expense, before capitalized interest	140,322	154,782	(14,460)	(9)%
Capitalized interest	(20,624)	(20,675)	51	— %
Total Interest Expense, net	$ 119,698	$ 134,107	$ (14,409)	(11)%
Weighted Average Debt Outstanding:				
Credit Facility	$ 379,560	$ 612,198	$ (232,638)	(38)%
Senior Notes	1,947,294	1,876,818	70,476	4 %
Weighted Average Debt Outstanding	$ 2,326,854	$ 2,489,016	$ (162,162)	(7)%

Change in Fair Value of Contingent Payment Right. The change in the fair value of the contingent payment right resulted in a gain of $35.9 million and $3.9 million for the nine months ended September 30, 2026 and 2025, respectively. The fluctuation in the values for the nine months ended September 30, 2026 and 2025 were primarily due to decreases in the assumed probabilities of triggering events occurring prior to November 1, 2027. See Note 4, *Senior Notes, 2027 Notes* and Note 6, *Contingent Payment Right*, of the notes to our condensed consolidated financial statements included in this report for further information.

Losses on Purchases or Exchanges of Debt. In June 2025, we recognized a loss of $33.1 million related to the redemption of our 2028 Notes. See Note 4, *Senior Notes,* of the notes to our condensed consolidated financial statements included in this report for further discussion of this transaction.

Liquidity and Capital Resources

Overview

Our primary sources of funds are internally generated cash flows from operations and borrowings under our Credit Facility, and historically have included proceeds from the issuance of debt and equity contributions from our Parent. Our future success in maintaining our proved reserves and current levels of production will be highly dependent upon net cash provided by our operating activities and the capital resources available to us, and there can be no assurance that such resources will be available to us on favorable terms, or at all. Based on existing market conditions and our expected liquidity needs, among other factors, we intend to use a portion of our cash flows from operations to repay or redeem portions of our indebtedness and fund equity distribution payments made by our Parent to its unitholders. Additionally, we may use availability under our Credit Facility, securities offerings or other debt issuances to repay debt prior to scheduled maturities, and we may seek opportunities to refinance all or a portion of our indebtedness, including through cash purchases, exchanges, open market purchases or privately negotiated transactions. See Note 4 of the notes to our condensed consolidated financial statements included in this report for further discussion of our debt.

The drilling, completion and production of our natural gas and oil properties are capital intensive activities that require access to significant capital. We continually evaluate our capital needs and compare them to our capital resources. We establish a capital budget at the beginning of each calendar year and periodically review and may adjust our allocation for capital expenditures as business conditions warrant. Actual capital expenditures may vary due to many factors,

including drilling results, commodity prices, industry conditions, the prices and availability of goods and services, inflationary pressure and the extent to which properties are acquired or assets are sold.

As of September 30, 2026, we had a cash balance of $9.3 million and availability under our Credit Facility of $1.65 billion. Subsequent to September 30, 2026, we reaffirmed the current borrowing base under our Credit Facility of $3.0 billion and the elected commitments of $2.0 billion and utilized borrowings under our Credit Facility to redeem the $348.3 million aggregate principal amount of our outstanding 2027 Notes. See Note 4, *Credit Facility* and *Senior Notes*, *2027 Notes*, of the notes to our condensed consolidated financial statements included in this report for further discussion. We currently plan to fund our capital program through cash on hand, expected cash flows from our operations and borrowings under our Credit Facility. Based on current expectations, we anticipate being able to satisfy all of our financial obligations and liquidity needs for the next twelve months.

Long-term cash flows are subject to a number of variables including our level of production and commodity prices, as well as various economic conditions that have historically affected the natural gas and oil industry. Based on (i) the significant borrowing capacity under our Credit Facility which has a maturity date in 2029, (ii) commodity derivatives we have in place that cover a substantial portion of our expected annual production through 2027, and (iii) the absence of any significant maturities of Senior Notes until June 2029, we believe we will have adequate capital resources and liquidity for the foreseeable future.

Sources of Cash and Cash Equivalents

The following table presents our sources of cash and cash equivalents:

	Nine Months Ended September 30,	
($ in thousands)	**2026**	**2025**
Cash provided by operating activities	$ 1,094,785	$ 1,245,076
Cash paid for financing commodity derivative settlements	(74)	—
Proceeds from Credit Facility, net of repayments	150,000	—
Proceeds from issuance of long-term debt	—	500,000
Proceeds from divestiture of natural gas and oil properties	—	32,465
Other	6,353	13,377
Total Sources of Cash and Cash Equivalents	$ 1,251,064	$ 1,790,918

Our primary source of funds is net cash flow provided by operating activities, which is highly dependent upon our natural gas, oil and NGL production, the sales prices that we receive and our commodity derivative settlements. Commodity prices are subject to wide fluctuations and are driven by market supply and demand, which is impacted by many factors. To mitigate these fluctuations, we enter into various derivative contracts, which ensure a certain level of cash flow to fund our operations. Any payments made to our derivative counterparties are ultimately funded by proceeds received from the sale of our production. Although we are continually securing additional derivative positions for portions of our expected future production, there can be no assurance that we will be able to add additional derivative positions at favorable prices. See Quantitative and Qualitative Disclosures About Market Risk and Note 5 of the notes to our condensed consolidated financial statements included in this report for further details.

Cash provided by operating activities. We generated $1.09 billion and $1.25 billion in cash flows from our operations for the nine months ended September 30, 2026 and 2025, respectively. The decrease was primarily due to a $0.12 per Mcfe decrease in our average realized sales price after the effects of settled derivatives, partially offset by a 4% increase in our total production volumes and favorable changes in working capital. Changes in our working capital (as reflected in our condensed consolidated statements of cash flows) for the nine months ended September 30, 2026 were a positive $110.6 million compared to a positive $87.1 million for the nine months ended September 30, 2025.

Proceeds from issuance of long-term debt. In June 2025, we issued $500.0 million in aggregate principal amount of 2033 Notes and used the net proceeds, together with cash on hand and borrowings under our Credit Facility, to redeem in full the $512.6 million aggregate principal amount of our outstanding 2028 Notes at a redemption price of 102.063% of the principal amount thereof, plus accrued and unpaid interest. See Note 4, *Senior Notes* of the notes to our condensed consolidated financial statements included in this report for further discussion of the debt transaction.

Proceeds from divestiture of natural gas and oil properties. During the nine months ended September 30, 2025, we sold our working interest in 177 gross (17 net) non-operated wells for $32.5 million to a related party.

Uses of Cash and Cash Equivalents

The following table presents our uses of cash and cash equivalents:

	Nine Months Ended September 30,	
($ in thousands)	**2026**	**2025**
Natural Gas and Oil Capital Expenditures:		
Drilling and completion costs	$ 558,157	$ 524,080
Land and leasehold costs	153,549	81,331
Interest capitalized[(a)]	20,624	20,675
Total Natural Gas and Oil Capital Expenditures	732,330	626,086
Other Uses of Cash and Cash Equivalents:		
Repayment of Credit Facility, net of borrowings	—	155,000
Repayment of long-term debt	—	514,592
Cash paid for debt prepayment costs	—	10,576
Cash paid for debt issuance costs	—	8,748
Cash paid for distributions to Parent	456,456	443,274
Additions to other property and equipment	1,901	2,173
Cash paid for acquisitions of natural gas and oil properties	54,678	33,644
Total Other	513,035	1,168,007
Total Uses of Cash and Cash Equivalents	$ 1,245,365	$ 1,794,093

(a) Interest is capitalized on certain investments in unproved properties and wells in process.

Drilling and completion costs. Our cash drilling and completion costs were $558.2 million and $524.1 million during the nine months ended September 30, 2026 and 2025, respectively. The $34.1 million increase was primarily due to increased drilling activity.

Land and leasehold costs. Our cash land and leasehold costs are generally for securing leases arising in the ordinary course of business. The $72.2 million increase for the nine months ended September 30, 2026 compared to the same period in 2025 was primarily due to targeting strategic leasehold opportunities that further support our near-term development program and increase our inventory of future drilling locations within our core operating areas.

Repayment of long-term debt and prepayment costs. We spent cash of $523.2 million during the nine months ended September 30, 2025 to redeem the entire outstanding principal amount of our 2028 Notes at a price of 102.063%, excluding accrued and unpaid interest. We spent cash of approximately $2.0 million to purchase approximately $1.0 million outstanding principal amount of our 2029 Notes and approximately $1.0 million outstanding principal amount of our 2032 Notes. See Note 4, *Senior Notes*, of the notes to our condensed consolidated financial statements included in this report for further discussion of the transaction.

Cash paid for distributions to Parent. We periodically make distributions to our Parent which fund certain of our Parent's activities, including but not limited to, equity distributions that are declared and paid by our Parent to its unitholders, certain payments made by our Parent under its long-term incentive plan, and repurchases by our Parent of outstanding equity from its unitholders. During the nine months ended September 30, 2026 and 2025, such distributions to our Parent totaled $456.5 million and $443.3 million, respectively. See Note 7 of the notes to our condensed consolidated financial statements included in this report for further discussion of our Parent's long-term incentive plan.

Cash paid for acquisitions of natural gas and oil properties. During the nine months ended September 30, 2026, and 2025, cash paid for acquisitions of natural gas and oil properties was $54.7 million and $33.6 million, respectively, primarily for our purchase of approximately 5,800 and 2,600 net undeveloped leasehold acres, respectively.

Certain Indebtedness

Credit Facility. Our Credit Facility matures on June 30, 2029, and as of September 30, 2026, it had elected commitments of $2.0 billion, of which $250.0 million was authorized for letters of credit. The maturity date will accelerate to 91 days prior to the earliest date that any single series of our senior unsecured notes mature if such outstanding principal amount is greater than or equal to $350.0 million. The amount available to be borrowed under our Credit Facility is subject to a borrowing base that is required to be redetermined semiannually on or about April 1 and October 1 of each year, primarily based on the estimated value and future net cash flows of our proved reserves and the value of our commodity derivative positions, as determined by lenders under our Credit Facility at their discretion. If the commodity price environment declines over an extended period, it may in the future lead to a reduction in the borrowing base of our Credit Facility. We do not believe that any such reductions would have a significant impact on our ability to service our debt or fund our drilling program and related operations. As of September 30, 2026, we had $335.0 million of borrowings outstanding and $13.7 million of letters of credit issued under our Credit Facility. In October 2026, we reaffirmed the current borrowing base of $3.0 billion and the elected commitments of $2.0 billion under our Credit Facility. See Note 4, *Credit Facility,* of the notes to our condensed consolidated financial statements included in this report for further discussion of the terms of our Credit Facility.

Senior Notes. The following table summarizes certain material terms of our outstanding Senior Notes as of September 30, 2026:

($ in thousands)	2027 Notes[(a)]	2029 Notes	2032 Notes	2033 Notes
Outstanding principal	$348,294	$500,000	$599,000	$500,000
Interest rate	9.00%	5.875%	6.625%	6.625%
Maturity date	November 1, 2027	June 30, 2029	October 15, 2032	July 15, 2033
Interest payment dates	May 1, Nov. 1	Mar. 1, Sept. 1	Apr. 15, Oct. 15	Jan. 15, July 15
Make-whole redemption date	Expired	Expired	October 15, 2027	July 15, 2028

(a) In November 2026, we redeemed the $348.3 million aggregate principal amount of our outstanding 2027 Notes using borrowings under our Credit Facility. In connection with the redemption, we issued CVRs to holders of the 2027 Notes, which replaced the associated contingent payment right. See Notes 4, *Senior Notes*, *2027 Notes*, and 6, *Contingent Payment Right*, of the notes to our condensed consolidated financial statements included in this report for further discussion.

Upon the occurrence of a change of control (as defined in the respective indenture), we are required to offer to repurchase all or any part of our outstanding Senior Notes at a price of 101.00%, plus accrued and unpaid interest. We are also required to offer to repurchase the outstanding Senior Notes at a price of 100.00%, plus accrued and unpaid interest, in the event of certain asset sales if we do not otherwise apply the net proceeds of such asset sales as permitted under the applicable indenture. The outstanding Senior Notes may be redeemed, at our option, prior to their maturity. Prior to the make-whole redemption date specified in the table above, each applicable series of outstanding Senior Notes may be redeemed at a make-whole premium based on the present value of the remaining principal and interest payments to the make-whole redemption date. After the applicable make-whole redemption date, the outstanding Senior Notes may be redeemed at prices set forth in the applicable indenture. See Note 4, *Senior Notes*, of the notes to our condensed consolidated financial statements included in this report for further discussion of the terms and early redemption dates and prices for the outstanding Senior Notes.

Debt Covenants. The agreements governing our debt contain certain restrictive and financial covenants. See Note 4, *Debt Covenants,* of the notes to our condensed consolidated financial statements included in this report for further discussion of the terms of our debt covenants. Our ability to comply with financial covenants in future periods depends, among other things, on the success of our development program and other factors beyond our control, such as market demand and prices for natural gas, oil and NGL. As of September 30, 2026, we were in compliance with all applicable debt covenants.

Contractual Obligations and Off-Balance Sheet Arrangements

As of September 30, 2026, our material contractual obligations included repayments of our outstanding borrowings and associated interest payment obligations, derivative obligations, asset retirement obligations, lease obligations, letters of credit, surety bonds, a contract termination liability and various other commitments we enter into in the ordinary course of business that could result in future cash obligations. In addition, we have entered into certain pipeline capacity commitments with various counterparties, some of which extend 19 years, in order to facilitate the delivery of our production to market and reduce the likelihood of possible production curtailments that may arise due to limited capacity. The estimated gross undiscounted future commitments under these pipeline agreements were approximately $5.34 billion as of September 30, 2026; however, third parties that own a working interest in the wells we operate, and certain royalty and overriding royalty interest owners, where applicable, will be responsible for their proportionate share of these costs. As discussed above, we believe our existing sources of liquidity will be sufficient to fund our near and long-term contractual obligations. See Notes 4, 5, 9, 10 and 11 of the notes to our condensed consolidated financial statements included in this report for further discussion. We do not maintain off-balance sheet transactions, arrangements, obligations or other relationships with unconsolidated entities.

Quantitative and Qualitative Disclosures About Market Risk

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about our potential exposure to market risk as well as how we view and manage our exposure to such risk. The term "market risk" refers to the risk of loss arising from adverse changes in natural gas, oil and NGL prices, counterparty credit, customer credit and interest rates. The disclosures are not meant to be precise indicators of expected future losses, but rather indicators of reasonably possible losses.

Commodity Demand and Price Risk

Our primary market risk exposure is in the prices we receive for our natural gas, oil and NGL production. Realized pricing is primarily driven by spot regional market prices applicable to our natural gas, oil and NGL production. Pricing for natural gas, oil and NGL production is volatile and unpredictable, and we expect this volatility to continue in the future. The prices we expect to receive for our natural gas, oil and NGL production will depend on many factors outside of our control, including the supply of, and demand for, natural gas, oil and NGL, the level of economic activity in the United States and globally, the performance of specific industries and the volatility of natural gas, oil and NGL prices at various delivery points. During the nine months ended September 30, 2026 and 2025, the average daily Henry Hub spot market price of natural gas was $3.56 per MMBtu and $3.48 per MMBtu, respectively, and the average daily WTI oil price was $83.76 per bbl and $66.65 per bbl, respectively. Approximately 86% of our September 30, 2026 proved reserves were natural gas; therefore, changes in realized natural gas pricing will affect us more than changes in realized oil or NGL pricing.

We use derivative instruments to reduce our exposure to fluctuations in future commodity prices and to protect our anticipated operating cash flows against significant market movements or volatility. These contracts are financial instruments and do not require or allow for physical delivery of the hedged commodity. We do not use derivative instruments for speculative or trading purposes. Under our Credit Facility, we are permitted to hedge up to 90% of our forecasted production for any month during the next 36 months. Additionally, we may enter into commodity derivative contracts with terms greater than 36 months, but no longer than 66 months, for up to 80% of the forecasted production from our proved reserves for any month.

As of September 30, 2026, we had hedged the following amounts of our projected natural gas and oil production at the indicated weighted average floor and ceiling prices:

	Volume	Average Floor Price	Average Ceiling Price
Natural Gas[(a)]	**(MMBtu/d)**	**($/MMBtu)**	
Remaining in 2026	1,685,000	$ 3.77	$ 4.17
2027	1,393,000	$ 3.75	$ 4.13
2028	478,000	$ 3.65	$ 3.91

	Volume	Average Floor Price	Average Ceiling Price
Oil[(a)]	**(bbls/d)**	**($/bbl)**	
Remaining in 2026	12,000	$ 64.40	$ 65.65
2027	8,000	$ 65.79	$ 67.66
2028	9,000	$ 71.20	$ 71.20

(a) Excludes swaptions and the sold puts on our three-way collars.

Our open commodity derivative positions as of September 30, 2026 had maturities extending through December 2029, including basis swaps used to mitigate portions of our natural gas basis exposure. Our market risk associated with commodity prices did not materially change from September 30, 2025 to September 30, 2026. See Note 5 of the notes to our condensed consolidated financial statements included in this report for a summary of our commodity derivative positions as of September 30, 2026.

The fair value of our commodity derivative instruments is largely influenced by the future prices of natural gas, oil and NGL. The following table sets forth the changes in the fair value of our commodity derivative instruments due to a hypothetical 10% change in future prices as of September 30, 2026. However, any realized derivative gain or loss would

be substantially offset by a decrease or increase, respectively, in the actual revenue received from the sale of our production associated with the derivative instrument.

($ in thousands)	Hypothetical 10% Increase in Future Prices	Hypothetical 10% Decrease in Future Prices
Natural gas	$ (201,372)	$ 202,815
Oil	$ (62,223)	$ 63,053
NGL	$ (12,985)	$ 12,815

All commodity derivative instruments, other than those that meet the normal purchase and normal sale scope exception, are recorded at fair market value in accordance with GAAP and are included on our condensed consolidated balance sheets as assets or liabilities. Because we do not designate these derivatives as accounting hedges, they do not receive hedge accounting treatment; therefore, all mark-to-market gains or losses, as well as cash receipts or payments on settled derivative instruments, are recognized on our condensed consolidated statements of operations within operating revenues as commodity derivative gain (loss).

We expect continued volatility in the fair value of our derivative instruments, and although mark-to-market adjustments of derivative instruments cause earnings volatility, our cash flows are only impacted when the associated derivative contracts are settled or are monetized prior to settlement by making or receiving payments to or from the counterparty. As of September 30, 2026, the estimated fair value of our commodity derivative positions was a net asset of $273.3 million comprised of current and long-term assets and liabilities.

By removing price volatility from a portion of our future expected production, we have mitigated, but not eliminated, the potential negative effects of changing prices on our operating cash flows for those periods. While mitigating the negative effects of falling commodity prices, these derivative contracts also limit the benefits we receive from increases in commodity prices above the fixed hedge ceiling prices.

Counterparty Credit Risk

Our derivative instruments expose us to counterparty credit risk, which arises due to the risk of loss from counterparties not performing under the terms of a derivative contract. Adverse moves within the financial or commodities markets could negatively impact our counterparties' ability to fulfill obligations to us. To minimize such risk, we only enter into derivative contracts with counterparties that we determine are creditworthy, which includes performing both quantitative and qualitative assessments of these counterparties, based on their credit ratings and credit default swap rates where applicable. Additionally, our derivative contracts are with multiple counterparties, reducing our exposure to any individual counterparty. See Note 5, *Credit Risk*, of the notes to our condensed consolidated financial statements included in this report for further discussion of our credit risk.

Customer Credit Risk

We are subject to credit risk resulting from the concentration of our natural gas, oil and NGL receivables; however, we do not believe the loss of any single customer would materially impact our operating results. We also have joint interest receivables, which arise from billings to entities that own working interests in the wells we operate, but historically we have not incurred any material losses.

Interest Rate Risk

Our Credit Facility bears interest at floating rates which exposes us to interest rate risk. As of September 30, 2026, borrowings under our Credit Facility bore interest at the applicable SOFR plus an applicable margin ranging from 1.75% to 2.75% per annum based on Credit Facility utilization. For the nine months ended September 30, 2026, our Credit Facility had a weighted average interest rate of 5.49%. A 1.00% increase in the interest rate on our Credit Facility during the nine months ended September 30, 2026 would have resulted in an estimated total increase of $2.9 million in interest on associated borrowings.