

Management

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EPG Commentary by Dan Steffens

Civitas Resources, Inc. (NYSE: CIVI) is a large-cap company in our *High Yield Income Portfolio*. It is an independent exploration and production company focused on the acquisition, development, and production of oil and associated liquids-rich natural gas primarily in the Denver-Julesburg (DJ) Basin in Colorado and Permian Basin in Texas and New Mexico.

The Company has a “Base + Variable” dividend policy. The Base dividend is \$0.50/quarter and the Variable dividend is ~50% of the previous quarter’s free cash flow per share after Base dividends. They paid combined dividends of \$6.28 per share in 2022 and \$7.60 per share in 2023 with the 4th quarter dividend of \$1.59 payable on December 29th. The next dividend of \$1.45 per share will be paid on March 29th. Based on my forecast, total dividends paid during 2024 should be approximately \$7.60 per share for annualized yield of approximately 10.3%, based on the share price as of the date of this report.

In March 2024 Civitas repurchased 876,000 shares from NGP Tap Rock Holdings, LLC

On February 27, 2024, Civitas announced the execution of a definitive agreement to repurchase approximately 876,000 shares of its common stock at a price of \$64.54 per share from NGP Tap Rock Holdings, LLC and certain of its affiliates. Following the transaction, NGP will no longer own any shares of Civitas. NGP’s original ownership in Civitas was established through Civitas’ mid-2023 acquisition of Tap Rock Resources, LLC.

Over the past two years, Civitas has returned over \$1.5 billion to its owners, representing approximately a quarter of Company’s current market cap, through share repurchases and dividends. Civitas’ current share price represents a compelling valuation, and this transaction efficiently facilitates NGP’s exit from the stock.

Civitas’ remaining share repurchase authorization is approximately \$425 million through the end of 2024.

During a six month period August 2023 to January 2024 Civitas closed three transformative Permian Basin transactions that have increased their oil-weighting to ~48%, from ~44% in 2022.

The first two transactions were closed on August 2nd for total consideration of \$4.7 billion. Combined, the acquisitions added about 800 gross development drilling locations with approximately two-thirds having an estimated IRR of more than 40% at \$70/Bbl WTI and \$3.50/MMBtu Henry Hub NYMEX pricing.

Civitas has purchased a portion of Tap Rock’s Delaware Basin assets for \$2.45 billion, which includes \$1.5 billion in cash and approximately 13.5 million shares of Civitas common stock valued at approximately \$950 million, subject to customary anti-dilution and purchase price adjustments. The assets include approximately 30,000 net acres, primarily located in Eddy and Lea counties, New Mexico, an area widely considered to be the core of the Delaware Basin.

Civitas has purchased Hibernia’s Midland Basin assets for \$2.25 billion in cash, subject to customary purchase price adjustments. The assets include approximately 38,000 net acres in Upton and Reagan counties, Texas – an active and well delineated area in the Midland Basin.

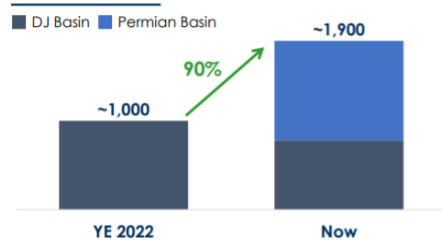
Primarily the result of the first two Permian Basin acquisitions, the Company’s production increased from 173,491 Boepd in Q2 2023 to 278,788 Boepd in Q4 2023.

On January 2, 2024, Civitas Resources acquired oil producing assets in the Midland basin in Texas from Vencer Energy LLC, the upstream arm of trader Vitol, in a cash and stock deal valued at \$2.15 billion. The deal increased its Permian basin scale and balanced the portfolio between premium Permian basin and Denver-Julesburg (DJ) basin positions. The deal with Vencer added about 44,000 net acres in the Midland basin across five counties with current production of about 62,000 boe/d (50% oil).

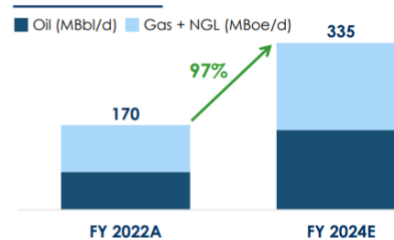
With the deal, Civitas gained an estimated 400 gross development drilling locations primarily in the Spraberry and Wolfcamp formations. Some 40% of the new locations have an estimated IRR of more than 40% at \$70/bbl WTI, according to the operator. Civitas now holds more than 1,200 high-quality oil development locations in the Permian basin. In 2024, Civitas expects to run four rigs in the Midland basin, two in the Delaware basin, and two in the DJ basin. With the added assets, Civitas expects its 2024 total company production will be 325,000–345,000 boe/d and total capital expenditures will be \$1.95–2.25 billion.

Substantial Transformation in 2023

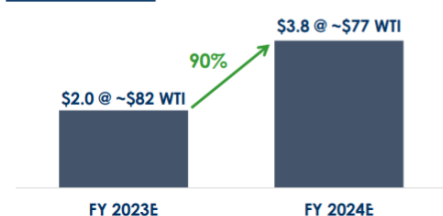
Gross Development Locations



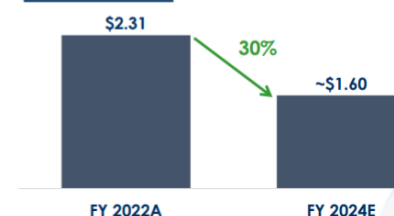
Production



Annual EBITDAX (\$B)



Total G&A / Boe



My Fair Value Estimate for CIVI is \$108.00/share

Compare to TipRank’s Price Target of \$96.80

Disclosure: I have a long position in CIVI. I do not intend on buying or selling any shares in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.

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Company Overview

Civitas Resources, Inc. is focused on developing and producing crude oil, natural gas and natural gas liquids in Colorado's Denver-Julesburg (DJ Basin) and Permian Basin.

The Company operates on about 566,000 net acres with a production base of roughly 320,000 barrels of oil equivalent per day (~48% crude oil and ~72% liquids) as of the date of this report. Civitas is committed to pursuing compelling economic returns and cash flow while delivering best-in-class cost leadership and capital efficiency. Civitas employs leading ESG practices and is Colorado's first carbon neutral oil and gas producer. The Company is dedicated to safety, environmental responsibility, and implementing industry leading practices to create a positive local impact.

Production guidance for 2024 is 325,000 to 345,000 Boepd with 155,000 to 165,000 barrels of oil per day.

DJ Basin Overview

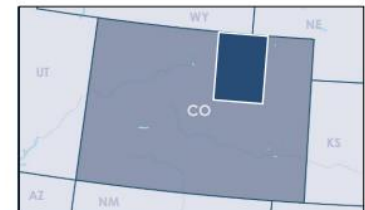
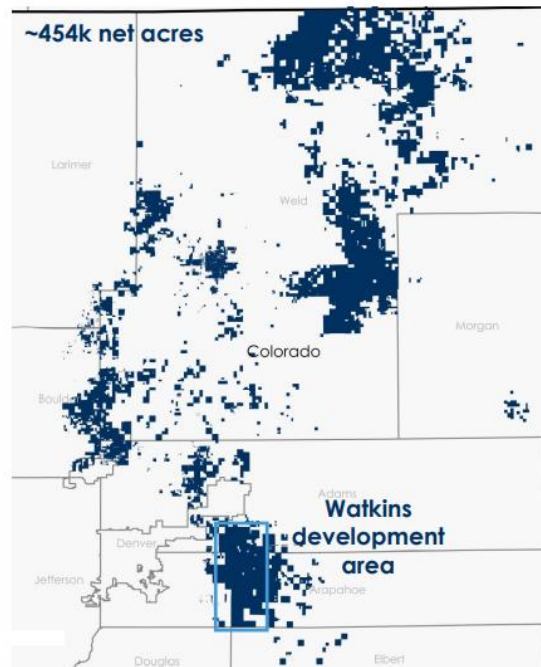


One of the lowest breakeven oil basins in the U.S.

Track record of continuous improvement

2024 development focused in highly-prolific Watkins area

100% of 2024 program is permitted or in process



Asset Highlights

4Q23 Production:
173 MBoe/d, 46% oil

2024 Activity: 90 – 110 gross wells (81% WI)

~780 Gross Development Locations

2024 Avg. Lateral Length:
~2.4 miles

2024 Well Costs:
\$700 DC&E per foot

Permian Basin Overview



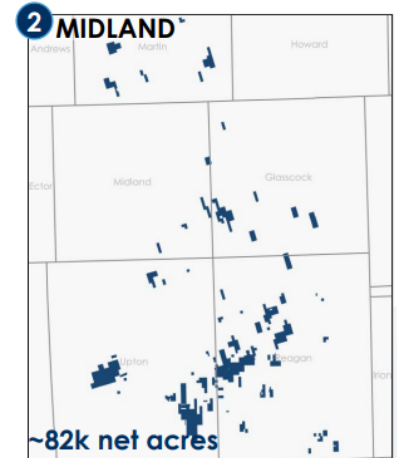
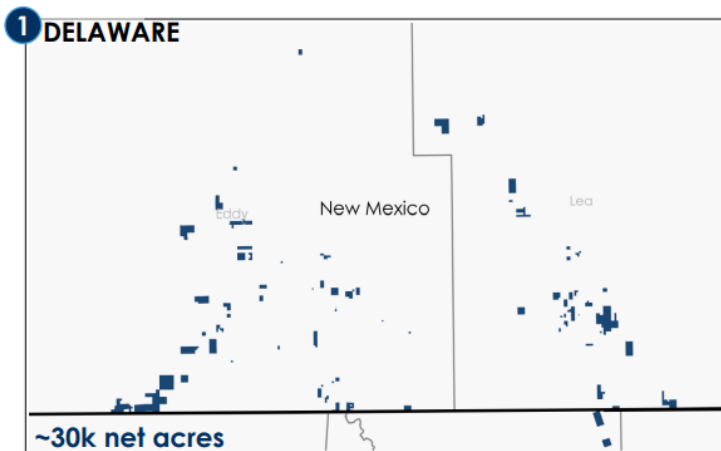
Premier rock in Lower 48 with multiple proven targets

Scaled position with premium, low-breakeven inventory

Provides significant flexibility in capital allocation

Focus on enhancing capital efficiencies and returns

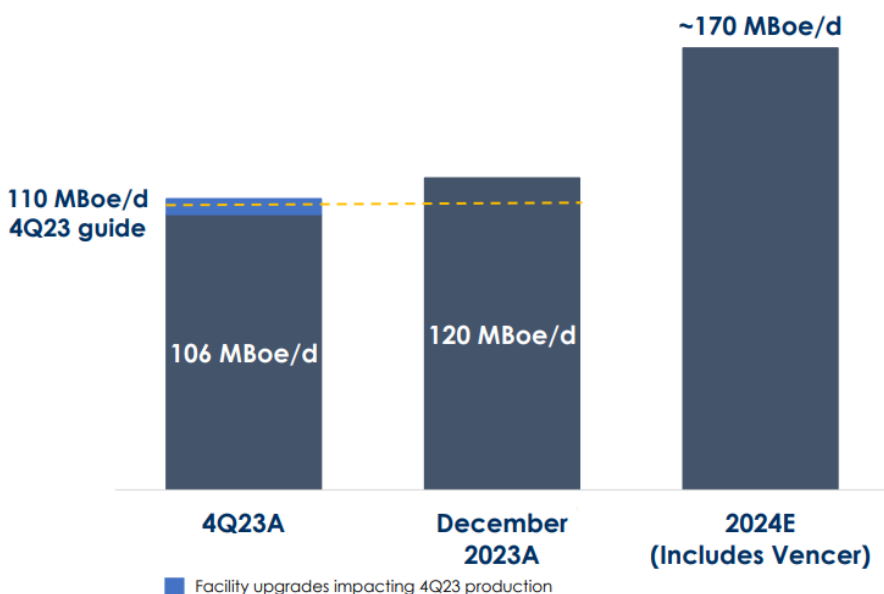
Asset Highlights	
4Q23 Production: 106 MBoe/d, 49% oil	1,120 Gross Development Locations
2024 Activity: 130 – 150 gross wells (88% WI)	2024 Avg. Lateral Length: ~2 miles
Well Costs: \$1,000 Delaware / \$850 Midland (DC&E per foot)	



Strong Permian Performance Exiting 2023



Permian Basin Production



New Wells Performing In-line with Acquisition Assumptions

December 2023 Permian Avg. 120 MBoe/d (50% oil)

- 4Q23 production impacted due to temporary downtime in Delaware – primarily facility upgrades

Capital Efficient Retrofit to Delaware Production Facility Enhancing Through-put

- No downtime (versus 2-week downtime under prior operator) and half the cost
- 1-2 MBoe/d volume impact in 1Q24

Fourth Quarter 2023 Highlights

- Net income of \$303 million and Adjusted EBITDAX of \$763 million
- Net cash provided by operating activities of \$843 million and free cash flow of \$215 million
- Fixed-plus-variable dividend, to be paid in March 2024, of \$1.45 per share
- Average sales of 279 thousand barrels of crude oil equivalent per day (“MBoe/d”), of which 47% was crude oil. DJ Basin production averaged 173 MBoe/d and Permian Basin production averaged 106 MBoe/d
- Divested \$85 million of non-core DJ Basin acreage, primarily non-operated with minimal production; remain on-track to achieve \$300 million divestment target by mid-year 2024
- Cash on hand at the end of the year of \$1.1 billion includes proceeds from the Company's \$1 billion senior notes issued in support of its financing for the Vencer Energy acquisition, which closed in January 2024

Strategy Delivering Value



	Pillar	Key Ingredients	2024 Outlook
1	Generate Free Cash Flow	Capital efficient asset base Low operating costs Minimizing reinvestment rates	~\$1.3 B FCF at \$75/Bbl and \$2.75/Mcf \$5 change in WTI is ~\$275 MM impact 2024 reinvestment rate ~52%
2	Maintain Premier Balance Sheet	0.75x net leverage target Minimal midstream commitments Deep liquidity	~50% of FCF to balance sheet / buybacks ~\$300 MM in non-core asset sales by mid-24
3	Return Cash to Shareholders	Established framework Base and variable dividend Opportunistic buybacks	~\$600 MM of expected dividends ~\$480 MM remaining buyback authorization
4	Demonstrate ESG Leadership	Committed to sustainability 1 st carbon neutral E&P in CO	Targeting 50% DJ emissions reduction by '27 Committed to achieving carbon neutrality on Permian assets by YE24

Fourth Quarter 2023 Highlights

- Added significant scale and diversified the Company's asset base by acquiring approximately \$7 billion in Permian Basin assets
 - Combined, the transactions added approximately 160 MBoe/d of production, 112,000 net acres and 1,200 high-value development locations through the acquisitions of Tap Rock Resources, LLC, Hibernia Energy III, LLC and Vencer

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- Met all key deliverables under the Company's 2023 business plan, delivering full-year production and capital investments within guidance
- Returned approximately \$1 billion to shareholders through base and variable dividends, along with share repurchases, representing more than 16% of the Company's current market capitalization
- Reduced Civitas' total recordable incident rate in the DJ Basin by 4% as compared to 2022, while decreasing the occurrence of operated spills by 43%

2023 Accomplishments



<p>Returned ~\$1 B to shareholders; ~16% of Market capitalization</p> <p>~\$660 MM Dividends & ~\$320 MM Share repurchases</p>	<p>Sales volumes of 212 MBoe/d Top end of guidance</p>	<p>~\$2.4 B Adjusted EBITDAX⁽¹⁾</p>
	<p>Credit Rating upgraded</p> <p>Currently in BB range across all agencies</p>	<p>~\$7 B in accretive Permian acquisitions</p> <p>~100% increase in CIVI scale</p>
<p>Eliminated 420,000 mT-CO₂e through pneumatic retrofits</p>	<p>Recent Watkins (DJ Basin) performance driving EUR higher by ~10%</p>	<p>Reduced DJ Basin spill count by 43%</p>

“Civitas is a remarkably different company today. As our DJ Basin asset continues to outperform, we were successful in strategically expanding our portfolio over the last year by capturing accretive acquisitions that provide us with important scale and diversification in another world-class unconventional basin, the Permian. With a lengthened runway of high-return development opportunities, we are better positioned today to create sustainable, long-term value for our shareholders. Our 2024 outlook builds on the momentum we created over the last year as our premier asset base provides us with more flexibility in our capital allocation and higher certainty in our outcomes. Our focus in 2024 is clear: maximize free cash flow, return cash to owners, and maintain our strong balance sheet,” – Chris Doyle, CEO.

Fourth Quarter 2023 Financial and Operating Results

- Crude oil, natural gas, and natural gas liquids ("NGL") sales for the fourth quarter of 2023 were \$1.1 billion, up 9% from the third quarter of 2023. The increase was primarily related to 18% higher sales volumes, partially offset by 8% lower realized commodity pricing. Crude oil accounted for 83% of total revenue for the fourth quarter 2023.
- As compared to the third quarter of 2023, DJ Basin sales volumes were up nearly 3% and Permian Basin volumes were higher by 58%. Fourth quarter 2023 Permian Basin sales volumes included a full quarter of production from the Tap Rock and Hibernia assets as compared to only two months included in the third quarter of 2023. Fourth quarter 2023 Permian Basin production was impacted by downtime primarily associated with facility upgrades in the Delaware, a higher oil-cut area of production for Civitas. Excluding this downtime, fourth quarter Permian Basin volumes would have been approximately 112 MBoe/d. The upgrades have been completed and the Company's Permian Basin December 2023 production averaged 120 MBoe/d, 50% of which was crude oil (does not include volumes from the Vencer transaction which closed in January 2024).
- In the fourth quarter of 2023, differentials for the Company's crude oil and natural gas sales volumes averaged negative \$0.98 per barrel and negative \$0.92 per Mcf, respectively. As compared to the third quarter of 2023, the Company's crude oil differential improved and its natural gas differential weakened primarily as a result of increased Civitas Resources, Inc. 3 exposure to Midland oil pricing and Waha natural gas pricing. NGL realizations per barrel represented 23% of West Texas Intermediate crude oil in the fourth quarter 2023 and were impacted by, amongst other factors, certain Permian Basin gathering, transportation, and processing ("GTP") costs recorded as a reduction to revenues instead of as operating expenses, based on contractual sales point.

Leading FCF & Shareholder Returns

Asset Quality and Low Reinvestment Rate Driving Best-in-Class Free Cash Flow

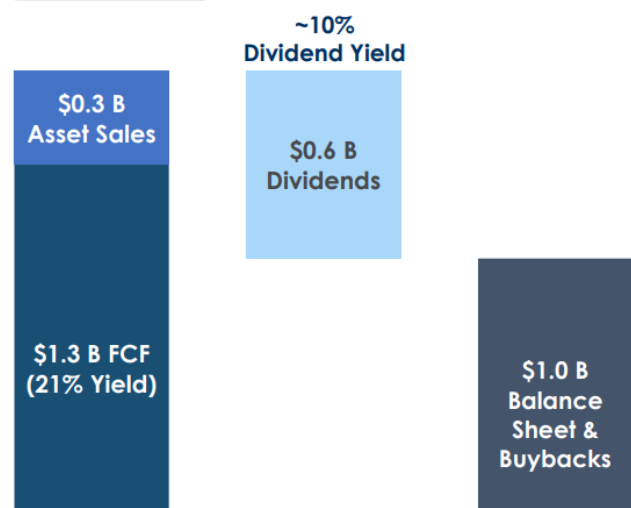
- 2024 reinvestment rate estimated at ~52%
- Free cash flow yield of ~21% @ \$75 WTI
 - Every \$5/Bbl WTI is ~\$275 MM and \$0.25 HH is ~\$45 MM in additional FCF
- Protecting cash flows with oil hedging (~34% for 2024)

Peer-Leading Dividends to Shareholders

- 2024 estimated payout of ~\$6.00 per share; ~10% yield

Long-term Net Leverage Target of 0.75x; \$480 MM Share Repurchase Authorization Outstanding

Illustrative FCF Allocation at \$75 WTI and \$2.75 HH



The following table presents crude oil, natural gas, and NGL sales volumes by operating region as well as consolidated average sales prices for the periods presented:

	Three Months Ended		Twelve Months Ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Average sales volumes per day				
Crude oil (Bbls/d)				
DJ Basin	79,855	75,912	79,247	75,752
Permian Basin	51,813	—	21,373	—
Total	131,668	75,912	100,620	75,752
Natural gas (Mcf/d)				
DJ Basin	315,112	299,952	302,298	308,161
Permian Basin	154,304	—	64,335	—
Total	469,416	299,952	366,633	308,161
Natural gas liquids (Bbls/d)				
DJ Basin	40,410	43,539	38,902	42,923
Permian Basin	28,474	—	11,508	—
Total	68,884	43,539	50,410	42,923
Average sales volumes per day (Boe/d)				
DJ Basin	172,784	169,443	168,532	170,035
Permian Basin	106,004	—	43,604	—
Total	278,788	169,443	212,136	170,035
Average sales prices (before derivatives):				
Crude oil (per Bbl)	\$ 77.04	\$ 79.39	\$ 75.57	\$ 91.70
Natural gas (per Mcf)	\$ 1.83	\$ 5.74	\$ 2.28	\$ 6.15
Natural gas liquids (per Bbl)	\$ 17.94	\$ 25.04	\$ 21.35	\$ 35.76
Total (per Boe)	\$ 43.89	\$ 52.16	\$ 44.86	\$ 61.03

- Capital expenditures for the fourth quarter totaled \$470 million, bringing full-year 2023 capital expenditures to \$1,365 million. DJ Basin capital expenditures represented 40% of fourth quarter capital expenditures, with the Permian Basin accounting for the remaining 60%. In the Permian Basin, the Company drilled, completed, and turned to sales 27 gross (19.9 net), 25 gross (21.8 net), and 48 gross (41.7 net) operated wells, respectively, during the fourth quarter of 2023. In the DJ Basin, the Company drilled, completed, and turned to sales 22 gross (18.3 net), 21 gross (20.0 net), and 38 gross (30.4 net) operated wells, respectively, during the fourth quarter of 2023.

- Total cash operating expense per Boe, including lease operating expense, GTP, midstream operating expense, as well as cash general and administrative (a non-GAAP measure), for the fourth quarter of 2023 was \$9.58, lower than anticipated based on certain Permian Basin GTP costs being recorded as a reduction to revenues instead of as an operating expense.
- During the fourth quarter of 2023, the Company recorded a \$30 million current tax benefit as the result of elections made and additional tax benefits recognized on the 2022 income tax returns. The majority of the benefit was received as cash in the fourth quarter, with the remainder received in early 2024.
- As a result of the multiple Permian Basin transactions executed in 2023, the Company recorded \$24 million of transaction costs in the fourth quarter of 2023.

Dividend to be Paid in March

- The Company's Board of Directors approved a quarterly dividend of \$1.45 per share, payable on March 28, 2024 to shareholders of record as of March 15, 2024. The amount reflects the combination of the base dividend of \$0.50 per share and a variable dividend of \$0.95 per share.

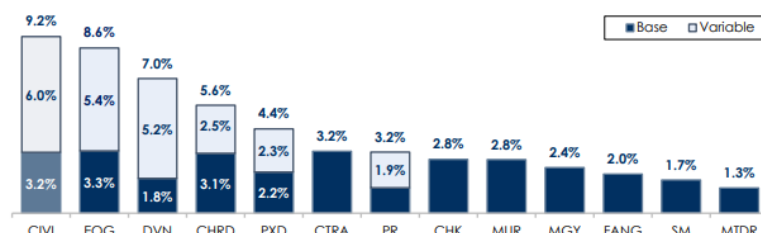
Track Record of Robust Dividend Payout



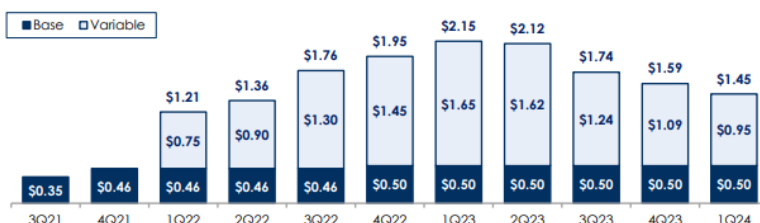
Shareholder Return Highlights

- \$660 MM in base and variable dividends paid to shareholders in 2023 (\$7.60 per share)
- Civitas repurchased \$320 MM of its outstanding common stock in 2023:
 - Total of 5.2 MM shares repurchased at an average price of \$61.21
- \$1.5 billion returned to shareholders over prior 2 years
 - Represents 25% of current market capitalization
- 1Q24 dividend of \$1.45 per share to be paid on March 28th to shareholders of record on March 15th

Dividend Yield



Dividend History



1Q24 Dividend Calculation



Quarterly Variable Dividend Framework

- 50% of Free Cash Flow (before changes in working capital and after base dividend)
- Based on average quarterly FCF over prior 12 months
- To be paid in combination with base dividend
- Total First Quarter 2024 dividend of \$1.45/share
 - To be paid on March 28th to shareholders of record as of March 15th

1Q' 24 Total Dividend Calculation (\$MM) ⁽¹⁾	
Average Quarterly Free Cash Flow Over Prior 12 Months	\$199
Plus: Hibernia and Tap Rock Pro Forma Free Cash Flow Contribution	25
Less: Quarterly Base Dividend	(47)
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Average Quarterly Free Cash Flow After Base Dividend	\$178
Variable Dividend: 50% Payout	89
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Variable Dividend / Share	\$0.95
(+) Base Dividend / Share	0.50
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(=) Total Dividend / Share	\$1.45

2023 Proved Reserves and Costs Incurred

- At December 31, 2023, the Company had proved reserves of 698 million Boe, a 68% increase from year-end 2022 reserves. The increase from 2022 was primarily driven by the addition of Permian Basin reserves associated with the Tap Rock and Hibernia acquisitions. Proved reserves at year-end 2023 do not include volumes from the Vencer acquisition that closed in January 2024.
- The Company's year-end 2023 proved reserves were comprised of 273 million barrels of crude oil, 1,320 billion cubic feet of natural gas, and 205 million barrels of NGL. 78% of the total proved reserves are proved developed. The Company's proved reserves PV-10, utilizing Securities and Exchange Commission ("SEC") pricing, was \$9.4 billion.
- Civitas' independent reserve engineering firm, Ryder Scott Company, LP., completed its estimate of the Company's year-end 2023 proved reserves in accordance with SEC guidelines using pricing of \$78.22 per barrel for crude oil and \$2.64 per million British Thermal Units for natural gas, which is down 16% and 58%, respectively from the prices used to determine year-end 2022 proved reserves. Please see Schedule 8 at the end of this release for information on SEC pricing and a reconciliation of PV-10 to the GAAP figure "Standardized Measure of Oil and Gas."

A breakout of the Company's costs incurred are provided in the table below:

(in thousands)	Year Ended December 31, 2023	
Acquisition	\$	5,039,610
Development		1,386,371
Exploration		2,178
Total	\$	6,428,159

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2023 Proved Reserves and Costs Incurred

(in MBoe)	Net Proved Reserves
Balance as of December 31, 2022	416,019
Production	(77,430)
Acquisition of reserves	372,377
Extensions, discoveries, and other additions	21,513
Divestiture of reserves	(1,940)
Removed from capital program	(4,758)
Revisions to previous estimates	(27,982)
Balance as of December 31, 2023	697,799

2024 Outlook Optimized

- The Company maintained its previously-provided 2024 production guidance and decreased its estimated 2024 capital expenditures by \$150 million. The improvement in capital efficiency is primarily driven by optimized activity levels, enhanced well productivity, and reduced cycle times. Approximately 60% of total investments are planned to be allocated to the Permian Basin, with the remainder to the DJ Basin.
- The Company expects to drill and complete 130 to 150 gross wells in the Permian Basin and 90 to 110 gross wells in the DJ Basin. The majority of activity in the DJ Basin will be focused in the Watkins area, which is benefiting from higher well productivity.
- Capital expenditures and activity levels will be more weighted to the first half of the year, and production volumes are expected to increase modestly through the year.

The following table provides guidance for key items in 2024:

2024 Summary Guidance	Prior 2024 Outlook	Updated 2024 Outlook
Total Production (MBoe/d)	325 – 345	325 – 345
Oil Production (MBbl/d)	155 – 165	155 – 165
% Liquids	71 – 74%	71 – 74%
Cash Operating Costs (\$/Boe)		\$9.00 - \$10.00
Capital Expenditures (\$ in millions)	\$1,950 – \$2,250	\$1,800 – \$2,100

2024 Guidance at \$75 WTI and \$2.75 HH



	2023 Actuals	Previous 2024 Outlook	New 2024 Guidance	Comment
Total Production (MBoe/d)	212	325 – 345	325 – 345	Modest increase throughout year
Oil Production (MBbl/d)	101	155 – 165	155 – 165	1Q pipeline linefill
% Liquids	71%	71% – 74%	71% – 74%	
Oil Differential to NYMEX WTI (\$/Bbl)	(\$2.58)		(\$1.25 – \$2.25)	Improved vs. 2023 due to Permian contribution
Gas Differential to NYMEX HHUB (\$/Mcf)	(\$0.29)		(\$0.70 – \$1.00)	Widened vs. 2023 due to Permian contribution
NGL Realization as % of NYMEX WTI	27%		26% – 32%	
Production Taxes (% of Revenue)	7.9%		8%	
Total Cash Opex (\$/Boe)	\$9.85		\$9.00 – \$10.00	
Interest Expense (\$MM)	\$183		\$380 – \$400	
Cash Income Taxes (\$MM)	(\$30)		\$0 – \$50	
Capital Expenditures (\$MM)	\$1,365	\$1,950 – \$2,250	\$1,800 – \$2,100	~60% in first half of the year, ~40% in second half

2024 Plan Highlights

Maintaining Production Outlook on \$150 MM Less Capex (7% Reduction)

- 325 – 345 MBoe/d FY 2024E (~48% oil)
- \$1.8 – 2.1 B capital program
 - ~95% D&C, 5% leasehold/midstream
 - Optimized activity levels and improved cycle times across business, enhanced productivity in DJ Basin

Capital Weighted to 1H24; Production Increasing Modestly Through the Year

- ~60% of capital spending in 1H24

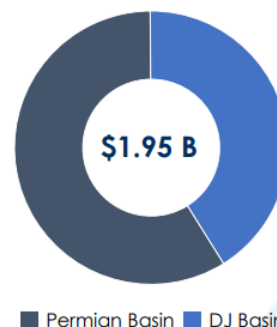
Continue Rockies Execution; Deliver Permian Efficiencies

- ~70% of DJ Basin TILs are in highly-prolific Watkins area
- Drilling Permian Basin wells ~20% faster

2024 Drill & Complete Counts

DJ Basin	90 – 110
Permian Basin	130 – 150

2024 Capex by Business Unit

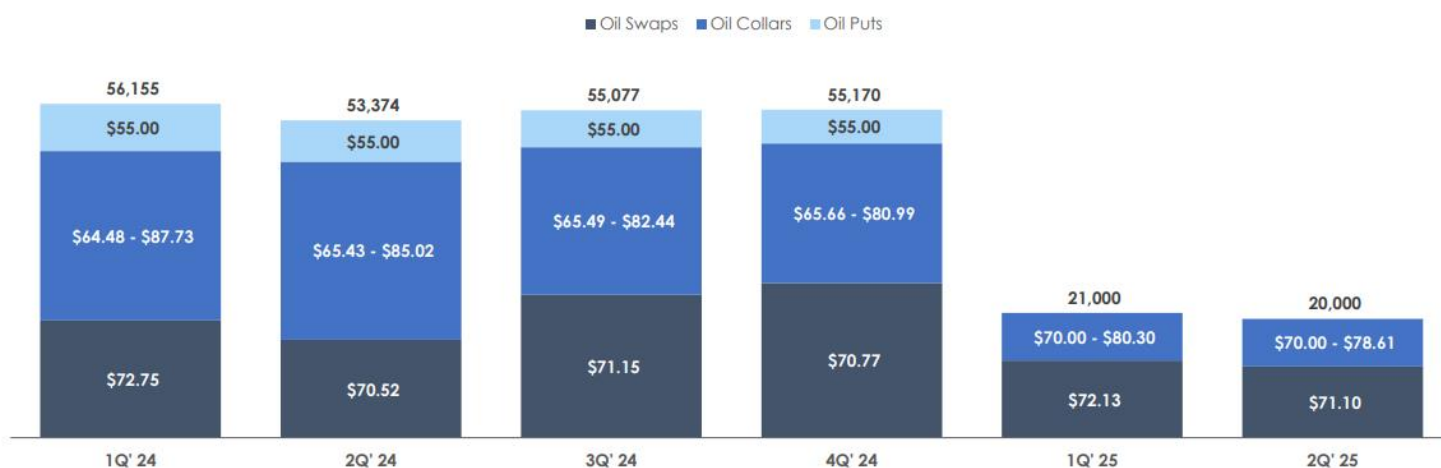


Hedging Position

Oil Hedge Position Summary



Oil Hedges (Bbl/d)

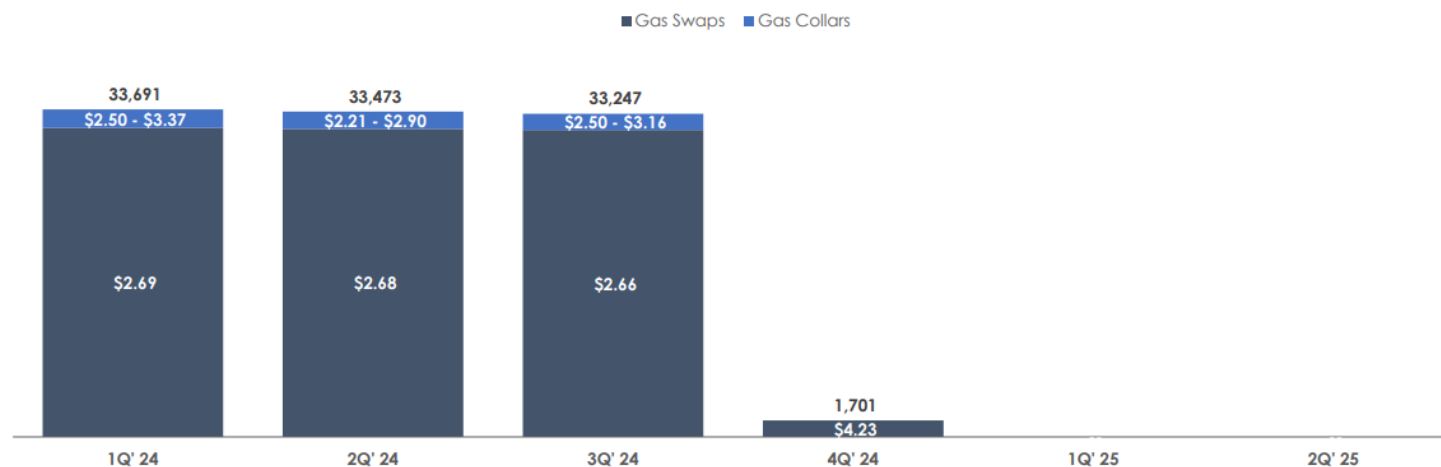


Natural Gas Hedge Position Summary



Natural Gas Hedges (MMBtu/d)

CIG Basis Swaps
2024: 25.1 MMBtu/d at (\$0.27)/MMBtu



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Net Income and Cash Flow Forecast Model

Civitas Resources, Inc. (CIVI)							Midland Basin Acq from Vencer Energy closed January 2, 2024					< adds 62,000 Boepd (50% oil)
Net Income and Cash Flow 2022 - 2025 (last updated 3/26/2024)							Two Permian Basin Acquisitions closed August 2, 2023					
	Actual 2022	Actual Qtr1 2023	Actual Qtr2 2023	Actual Qtr3 2023	Actual Qtr4 2023	Actual Year 2023	Forecast Qtr1 2024	Forecast Qtr2 2024	Forecast Qtr3 2024	Forecast Qtr4 2024	Forecast Year 2024	Forecast 2025
REVENUES:												
Oil, NGL and natural gas sales	\$3,791,398	\$656,022	\$660,526	\$1,035,917	\$1,126,775	\$3,479,240	\$1,236,822	\$1,334,136	\$1,436,330	\$1,471,657	\$5,478,945	\$6,033,298
Total Revenues	3,791,398	656,022	660,526	1,035,917	1,126,775	3,479,240	1,236,822	1,334,136	1,436,330	1,471,657	5,478,945	6,033,298
EXPENSES:												
Lease operating expenses	169,986	45,838	51,230	94,660	109,560	301,288	148,330	152,425	155,940	156,860	613,555	638,750
Midstream operating expenses	31,944	10,061	13,319	11,661	10,039	45,080	22,250	22,864	23,391	23,529	92,033	95,813
Gathering, processing & transportation	287,474	87,352	84,873	77,540	80,880	290,645	111,248	114,319	116,955	117,645	460,166	479,063
Severance and ad valorem taxes	305,701	52,362	52,443	83,437	88,293	276,535	98,946	106,731	114,906	117,733	438,316	482,664
Exploration expense	6,981	571	546	429	632	2,178	2,000	2,000	2,000	2,000	8,000	10,000
DD&A	816,446	201,303	232,786	320,469	416,634	1,171,192	444,990	457,275	467,820	470,580	1,840,665	1,916,250
Impairment & abandonment	17,975	0	0	0	0	0	0	0	0	0	0	0
Unused commitments	3,641	391	363	3,942	2,182	6,878	0	0	0	0	0	0
Bad debt expense (recovery)	(950)	(253)	836	(24)	0	559	0	0	0	0	0	0
Merger and integration expense	24,683	482	31,145	28,450	24,251	84,328	20,000	10,000	0	0	30,000	0
G&A	112,110	29,478	23,646	27,852	45,170	126,146	33,000	33,000	35,000	40,000	141,000	146,000
Stock based compensation	31,367	7,380	9,895	8,302	9,354	34,931	10,000	10,000	10,000	10,000	40,000	44,000
TOTAL EXPENSES	1,807,358	414,965	481,082	656,718	786,995	2,339,760	890,763	908,613	926,012	938,347	3,663,735	3,812,539
OPERATING EARNING	1,984,040	241,057	179,444	379,199	339,780	1,139,480	346,060	425,523	510,318	533,310	1,815,210	2,220,759
Other income (expenses)												
Derivatives - cash settlements	(576,802)	(10,550)	(1,335)	(33,022)	(23,339)	(68,246)	0	0	0	0	0	0
Derivatives - non-cash mark-to-market	241,642	35,710	6,262	(117,639)	153,220	77,553	0	0	0	0	0	0
Interest expense	(27,735)	(6,299)	(7,598)	(73,066)	(86,484)	(173,447)	(100,000)	(99,000)	(97,000)	(94,000)	(390,000)	(380,000)
Non-cash interest	(4,464)	(1,150)	(1,155)	(3,401)	(3,587)	(9,293)	(3,500)	(3,500)	(3,500)	(3,500)	(14,000)	(8,000)
Gain (loss) on property transactions, net	15,880	(241)	(13)	0	0	(254)	0	0	0	0	0	0
Other income (expense)	21,217	9,023	8,045	17,288	(695)	33,661	0	0	0	0	0	0
NET INCOME BEFORE TAXES	1,653,778	267,550	183,650	169,359	378,895	999,454	242,560	323,023	409,818	435,810	1,411,210	1,832,759
INCOME TAXES												
Current	68,196	19,136	341	(19,311)	(30,163)	(29,997)	9,702	12,921	16,393	17,432	56,448	73,310
Deferred	337,502	45,953	44,022	48,997	106,191	245,163	48,512	64,605	81,964	87,162	282,242	366,552
NET INCOME	\$1,248,080	\$202,461	\$139,287	\$139,673	\$302,867	\$784,288	\$184,345	\$245,497	\$311,461	\$331,216	\$1,072,520	\$1,392,897
Common Stock outstanding	85,005	86,240	86,240	86,240	86,240	86,240	100,000	100,000	100,000	100,000	100,000	100,000
Earnings per share	\$14.68	\$2.35	\$1.62	\$1.62	\$3.51	\$9.09	\$1.84	\$2.45	\$3.11	\$3.31	\$10.73	\$13.93
NOTE: Current First Call Estimated EPS							\$2.59	\$2.70	\$3.04	\$3.10	\$11.43	\$13.43
Cashflow per share (before CapEx)	\$25.89	\$4.90	\$4.88	\$7.40	\$7.94	\$25.13	\$6.91	\$7.79	\$8.53	\$8.72	\$31.96	\$34.38
PRODUCTION												
Natural Gas (mcfpd)	308,160	298,957	289,547	406,302	469,416	366,056	547,680	562,800	569,520	572,880	563,220	588,000
Oil (bbls/d)	75,754	71,791	84,369	113,849	131,668	100,419	155,665	159,963	161,873	162,828	160,082	168,000
NGLs (bbls/d)	42,922	37,812	40,864	53,702	68,884	50,316	79,055	81,238	82,208	82,693	81,298	84,000
Boepd	170,035	159,429	173,491	235,268	278,788	211,744	326,000	335,000	339,000	341,000	335,250	350,000
PRODUCT PRICES	203.6%					24.5%					58.3%	4.4%
Natural Gas (\$/mcf)	4.50	3.82	2.06	2.14	1.95	2.49	1.54	1.54	2.01	2.25	1.84	\$ 2.25
Oil (\$/bbl)	79.17	71.21	69.14	77.33	74.75	73.11	70.71	75.06	77.45	77.61	75.21	\$ 78.00
NGLs (\$/bbl)	33.14	27.06	19.93	22.85	17.94	21.95	22.00	22.00	23.50	25.00	23.13	\$ 25.00
Gross Revenue check (prod * ave price)	3,214,596	654,970	659,191	1,002,894	1,103,437	3,425,062	1,236,822	1,334,136	1,436,330	1,471,657	5,473,072	6,033,298
Adjusted Net Inc	1,024,413	166,751	133,025	257,312	149,647	706,735	184,345	245,497	311,461	331,216	1,072,520	1,392,897

TipRanks 3-26-2024

Annual Cash Flow Per Share (CPS)

Estimates

2023	25.74	33.23	34.89	33.85
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