

## Management

**Bobby D. Riley**, President & CEO  
**Philip Riley**, CFO  
**John Suter**, COO  
**Corey Riley**, EVP - Business Intelligence  
**Jeffrey Gutman**, CAO

[www.rileypermian.com](http://www.rileypermian.com)

## EPG Commentary by Dan Steffens

**Riley Exploration Permian, Inc. (REPX)** is in our Small-Cap Growth Portfolio. The share price was up 28.8% year-to-date based on the November 29th closing price of \$35.10.

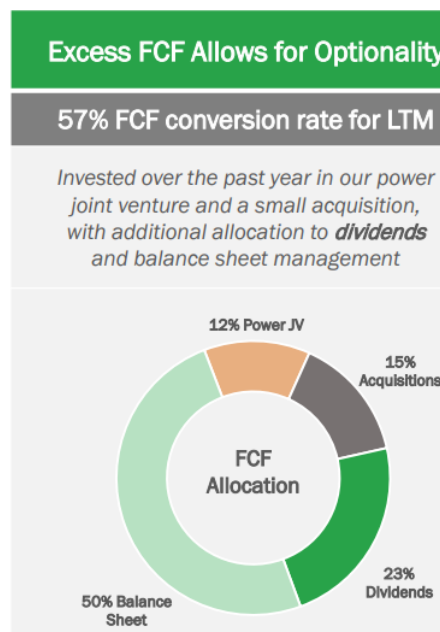
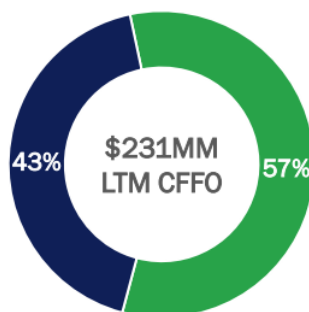
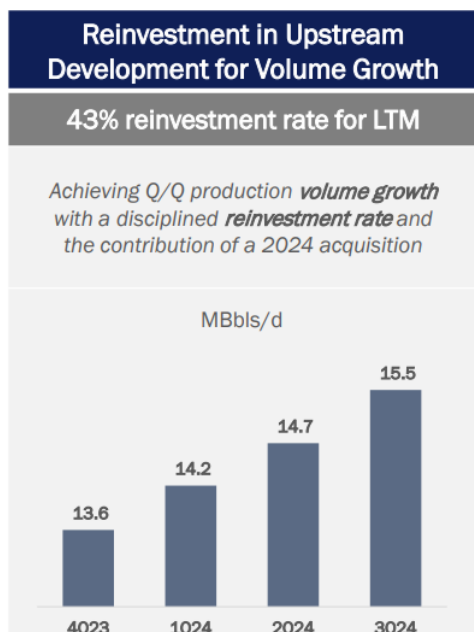
**REPX is an “Aggressive Growth” company that pays nice dividends. The Company’s 2023 production increased by 61.5% year-over-year.**

The Company’s production is primarily from horizontal wells completed in Permian Basin conventional reservoirs that have produced oil for decades. The Company is building a second core area of operations in Eddy County, New Mexico. **Riley is on pace for ~20% YOY production growth in 2024.**

**Lots of Running Room:** Riley closed the Pecos New Mexico Acquisition on April 4, 2023 adding approximately 7,200 Boepd of current production (compared to Riley’s Q1 2023 production of 13,169 Boepd). In addition to adding current production, the Pecos Acquisition added a lot of high-quality development drilling locations.

**Steady Production Growth:** The Company’s production increased from 21.3 Mboe/d in Q2 2024 to 23.4 MBoe/d in Q3 2024 (66.1% oil, 15.0% natural gas & 18.9% NGLs), beating my production forecast. **I now expect Riley’s full-year 2024 production to come in near the top of their initial production guidance of 21,000 to 22,500 Boepd.** The Company’s 2024 exit rate should be ~24,500 Boepd, compared to ~20,000 Boepd at the end of 2023.

## Balanced Capital Allocation

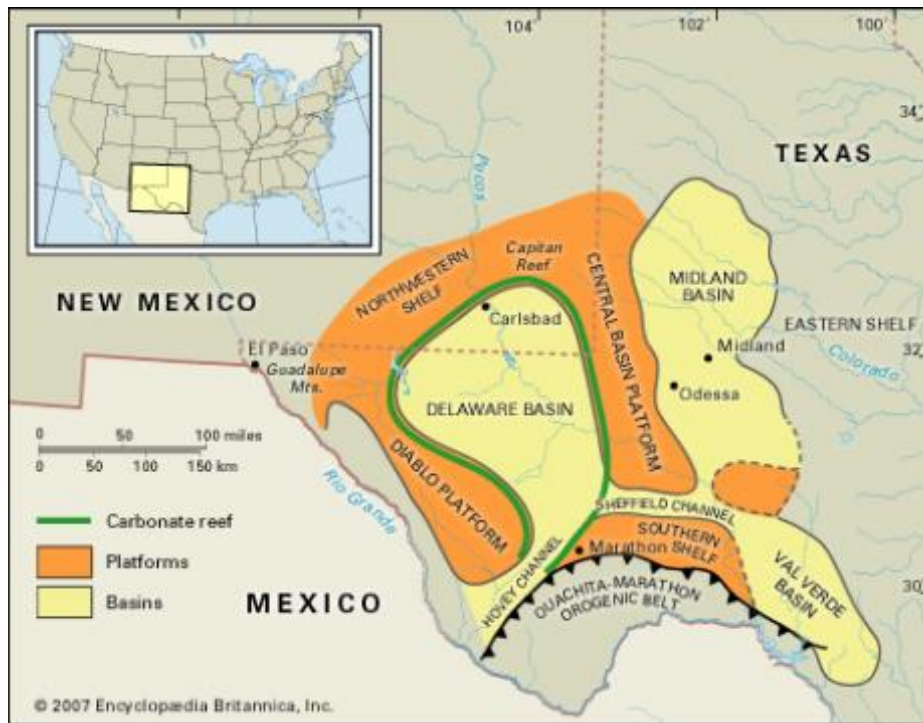


## Eddy County, New Mexico is now a second “Core Area” for the Company

- The Eddy County, New Mexico "Bolt-On Acquisition" closed on April 3, several weeks earlier than expected: raising full-year production estimates.
- Another Eddy County leasehold acquisition closed on May 7, 2024 adding 20 to 25 additional horizontal drilling locations. Most of this new acreage is held-by-production.
- Riley is continuing to add leasehold in the area. **An increased amount of high-quality "Running Room" is the #1 reason that REPX deserves a higher valuation multiple.**

Riley’s investment in **RRC Power LLC** should lower the Company's operating expenses and significantly lower their exposure to power outages in West Texas. Eventually, I expect Riley to spin-out RRC Power into a separate public company. REPX holds 50% of the equity on RRC Power LLC. (See page 12 for an update on RRC Power LLC)

There is a surplus of “associated natural gas” in West Texas and not enough pipeline takeaway capacity. Instead of selling gas at depressed prices, several of our Permian Basin companies, including **Diamondback Energy (FANG)** are looking at building their own power generation facilities. In the **Central Basin Platform (CBP)** and **Delaware Basin** weather related power outages are also a problem. Using cheap natural gas to generate reliable electricity makes sense.



For more on this topic, read our recent profile on **Solaris Energy Infrastructure (SEI)**.

Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

**My Fair Value Estimate for REPX is \$53.00/share**

Compares to First Call's price target of \$51.50

**Disclosure:** I have a long position in REPX. I do not intend on buying or selling any shales 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.



## Corporate Overview and Strategy

*Riley Permian is a growth-oriented energy company with operations in Texas and New Mexico*

Our oil-focused and capital efficient asset base enables optionality on our corporate investment allocation:

1. Reinvesting close to **half of our corporate cash** flow during 2024 into our upstream business while still achieving **production growth**
2. Investing in infrastructure projects such as **electric power** that we believe can optimize our business, provide a hedge for gas prices and offer attractive rates of return on investment
3. Returning **excess capital to shareholders** through base dividends, and to our balance sheet for liquidity management

3Q24 Production	23.4 Mboe/d
Equity Market Cap	~\$570MM
Enterprise Value	~\$860MM
Last Twelve Months Free Cash Flow	~\$133MM
Debt Leverage	~1.07x
Dividend Yield	5.7%
Insider Ownership	25%

**Riley Exploration Permian, Inc. (NYSE American: REPX)** is headquartered in Oklahoma City. It is focused on capital efficiency and the steady growth of its reserves, production and cash flow through the acquisition, exploration, development and production of crude oil, natural gas and NGLs primarily within the Permian Basin that strategically fit the Company's corporate objectives of:

- Building a well-balanced, transparent, and sustainable company
- Favorable reservoir and geological characteristics primarily for oil development
- Large contiguous acreage positions with significant untapped potential in terms of ultimate recoverable reserves

Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

- A high degree of operational control, which allows REPX to execute its development plan based on projected well performance and commodity price forecasts to grow cash flow and generate significant equity returns from REPX's capital program

REPX believes these characteristics enhance its production capabilities, recoveries and commercial outcomes, which enables REPX to meet its objective to maximize shareholder returns by generating stable free cash flow through steady oil-weighted production growth and industry-leading operating margins. Free cash flow will be allocated towards capital return to shareholders in the form of a quarterly cash dividend and/or capital spend to maximize production growth.

REPX's acreage is primarily located on large, contiguous blocks in Yoakum County, Texas and Eddy County, New Mexico.

## Oil-Focused, Permian Asset Base

1. **Business focus:** applying modern horizontal drilling and completions techniques to oil-saturated and liquids-rich formations

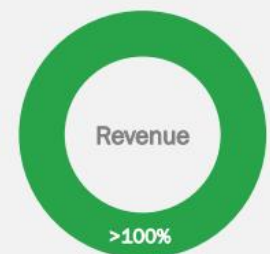
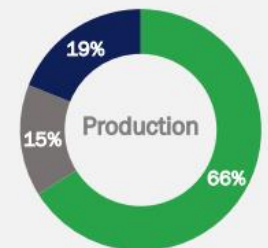
2. **Regional focus:** Northwest Shelf of the Permian Basin

- Two core assets in West Texas and Southeast New Mexico correspond with a similar geologic setting



### 3Q24 Commodity Splits

■ Oil ■ Natural Gas ■ NGL

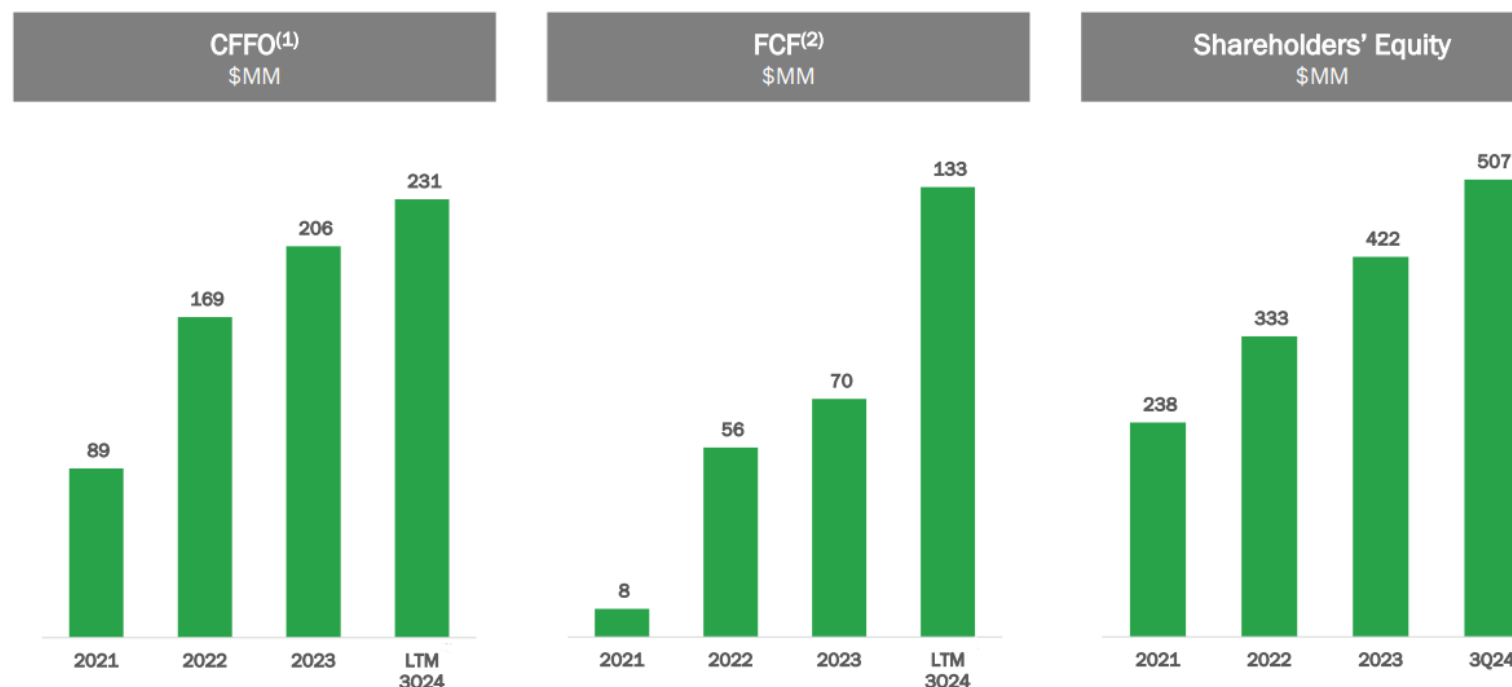




## Growth Strategy:

- Developmental and operational aspects** – The company’s core strategy to date has been to access underdeveloped and/or unexploited crude oil potential, enabled by drilling and completions that use up-to-date technology, in its flagship Yoakum County field. REPX’s general acquisition philosophy has been to locate assets at a modest valuation, such as those in conventional reservoirs that have been relatively neglected by the E&P industry in recent years, but which have the potential for scaling up.
- Consolidation / broadening of cash return** – REPX has been signaling its expectation that it can grow production going forward while trending toward the reinvesting of a slimmer percentage of cash flow into the drill bit (88% in 2021, 66% in 2022, and likely less this year before acquisitions), thereby increasing the portion that can be returned to equity holders and/or be used to repay debt, or be otherwise dedicated to attractive, accretive acquisition opportunities, should they arise.
- Mindful of the industry’s trend, well under way in the years prior to REPX’s going public, of prioritizing returning cash to shareholders, the company has paid a quarterly dividend consistently since completing its first full quarter as a public company.

## Track Record of Growth



Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

## Third Quarter 2024 Highlights

- Averaged 23.4 MBoe/d of total equivalent production (oil production of 15.5 MBbls/d)
- Generated \$72.1 million of operating cash flow or \$60.5 million before changes in working capital
- Incurred total accrual (activity-based) capital expenditures before acquisitions of \$30.0 million and cash capital expenditures before acquisitions of \$22.7 million
- Generated Free Cash Flow of \$37.8 million
- Paid dividends of \$0.36 per share for a total of \$8.1 million < *Raised dividend to \$0.38 in Q4 2024*
- Reduced the principal value of debt outstanding by \$35.0 million
- Completed the installation of remaining electrical generation equipment used to power a portion of field operations in West Texas, with a total of 20 MW of installed capacity

## Highlights from 3Q24 Earnings Release

<b>1 Production</b>	<b>2 Cash Flow</b>	<b>3 Reinvestment</b>	<b>4 FCF Conversion</b>
Increased oil production by <b>5% Q/Q</b> to 15.5MBbls/d with total production of 23.4MBoe/d	Generated \$61MM of <b>CFFO</b> and \$72MM of <b>Adjusted EBITDAX</b> (70% margin)	<b>Reinvested 50%</b> of CFFO into capital expenditures on an accrual basis and 38% on a cash basis	<b>Converted 62%</b> of CFFO to FCF for \$38MM in 3Q24 (based on cash capital expenditures)
<b>5 FCF Yield</b>	<b>6 Shareholder Return</b>	<b>7 Debt Reduction</b>	<b>8 Investment</b>
Generated \$133MM of <b>LTM FCF</b> for <b>23% yield</b> on equity market capitalization	<b>Allocated 22%</b> of FCF to direct shareholder return through dividends ( <b>5.7% annualized yield</b> )	Reduced debt by \$35MM ( <b>1.07x</b> principal value of debt to <b>LTM Adjusted EBITDAX</b> )	Progressing on power generation activity both for self-use and sales to the grid

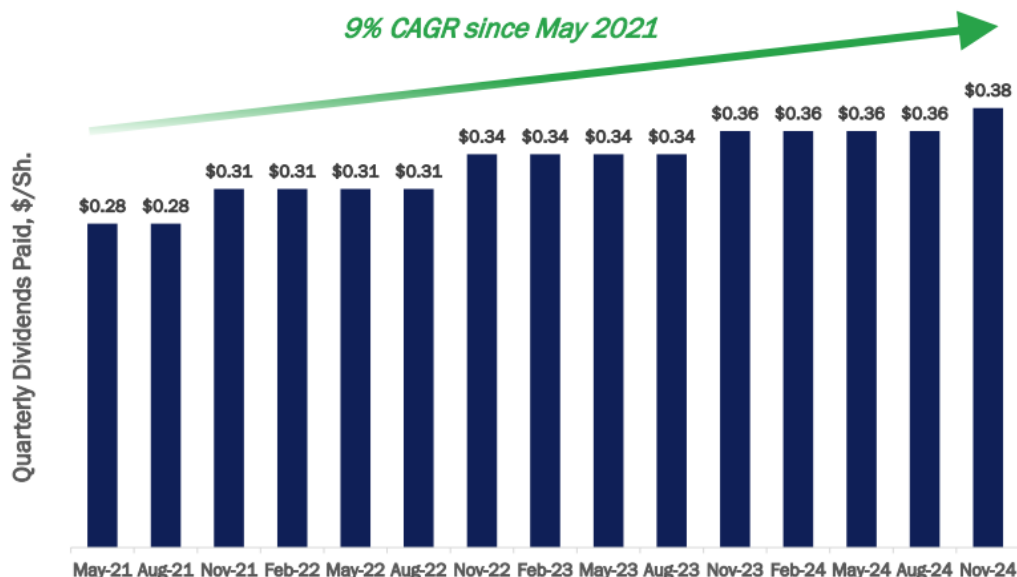
*“Riley Permian delivered another quarter of strong results as we continued to execute our annual plan. Operating cash flow improved quarter-over-quarter despite lower commodity prices, driven by higher production and improved commodity hedge settlements. We've generated \$99 million of Free Cash Flow year-to-date, which has contributed to \$70 million of principal debt reduction and \$23 million of dividends paid. Our electric power projects continue advancing, which we believe will be increasingly valuable to our operations and the Company.*

*“Additionally, during the third quarter, we opted to discontinue our EOR Project, which was begun in 2021, and which follows an approximate two-year period of water and CO<sub>2</sub> injection applied to three horizontal producing wells. Technical achievements were delivered from the pilot program, showing that our oil can be successfully mobilized with CO<sub>2</sub>. However, given the relatively early life stage of our assets, we believe that we can currently generate higher production levels with lower operating costs using primary production methods, and that secondary EOR may be more applicable for our assets later in their useful life, after the completion of the primary phase of production,” – Bobby Riley, Chairman and CEO.*

**Riley’s free cash flow yield of 23% is at the top of its peer group.**

## Track Record of Direct Return of Capital

- 1** History of paying fixed dividends every quarter as a public company
- 2** History of raising dividends annually
- 3** 5.7% current dividend yield as of November 4, 2024
- 4** 4x dividend coverage from FCF



## Third Quarter 2024 Operational & Financial Results

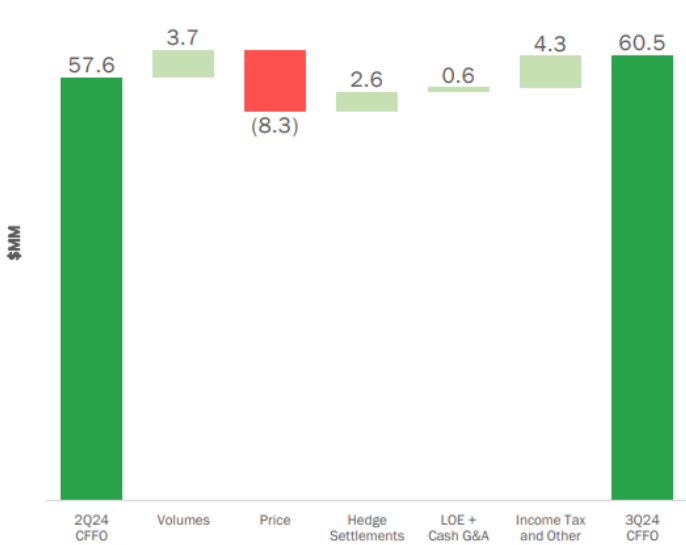
- For the quarter ended September 30, 2024, the Company's revenues totaled \$102.3 million, net cash provided by operating activities was \$72.1 million and net income was \$25.7 million, or \$1.21 per diluted share.
- On a non-GAAP basis, Adjusted EBITDAX was \$71.7 million, cash flow from operations before changes in working capital was \$60.5 million, Free Cash Flow was \$37.8 million and Adjusted Net Income was \$31.5 million, or \$1.49 per diluted share.
- Average oil production was 15.5 MBbls/d and average total equivalent production was 23.4 MBoe/d (66% oil and 85% liquids). Oil volumes increased by 6% quarter-over-quarter while natural gas and NGL volumes increased by 21% and 24%, respectively. The increased natural gas and NGL volumes were driven by additional processing capacity that came on-line in July at our primary third-party midstream gas processor in Texas, relieving prior gas processing constraints.
- Average realized prices were \$73.95 per barrel of oil, \$(0.60) per Mcf of natural gas and \$(4.40) per barrel of natural gas liquids. The Company's oil, natural gas and NGL sales are presented net of gathering, processing and transportation costs. These costs, related to natural gas and NGLs, at times exceeded the price received and resulted in negative average realized prices. *< The new Matterhorn Express Pipeline is expected to raise natural gas prices in West Texas.*
- The Company recorded a \$24.2 million gain due to commodity derivatives, including a \$23.4 million non-cash, unrealized gain and a \$0.8 million realized gain.
- Lease operating expense ("LOE") was \$18.5 million, or \$8.60 per Boe, cash G&A expense was \$5.9 million, or \$2.73 per Boe, and production and ad valorem taxes were \$7.0 million or \$3.25 per Boe.
- Total accrued capital expenditures before acquisitions were \$30.0 million and \$22.7 million on a cash basis. The Company drilled 11.5 net operated horizontal wells, completed 3 net operated horizontal wells, and brought online to production 6 net operated horizontal wells.
- The Company recorded a \$30.2 million impairment related to the discontinuation of our EOR Project, including a \$28.9 million non-cash impairment and \$1.3 million cash impairment related to the termination of the Kinder Morgan CO<sub>2</sub> contract. Select equipment from the EOR Project was salvaged for use in the Company's conventional vertical and horizontal development programs.
- The Company reduced total debt by \$35.0 million, including a principal reduction of \$30.0 million on its Credit Facility and \$5.0 million on its Senior Notes. Interest expense was \$8.8 million.
- The Company had \$288.6 million of total debt, or \$300.0 million principal balance, as of September 30, 2024, with approximately \$245.0 million available for future borrowing under its Credit Facility.
- Shareholders' equity was \$507.4 million as of September 30, 2024, and the number of common shares outstanding was 21.5 million.



## Drivers of Quarter-over-Quarter Growth

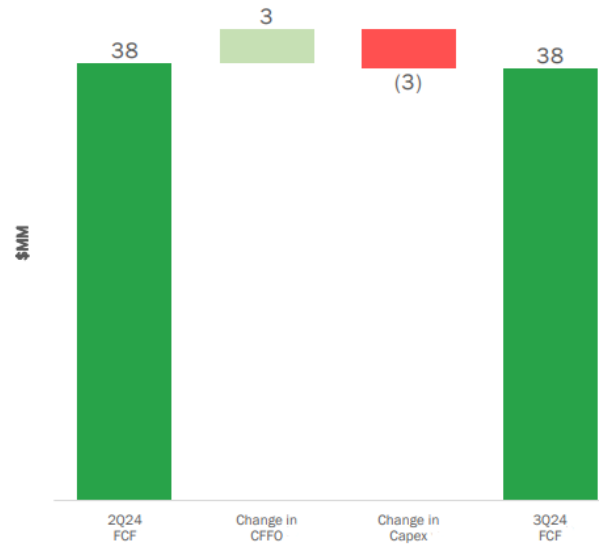
**Cash Flow From Operations (CFFO)<sup>(1)</sup>**  
Q/Q: 3 Months Ending 9/30/24 vs 6/30/24

*5% increase Q/Q despite lower pricing*



**Free Cash Flow (FCF)<sup>(2)</sup>**  
Q/Q: 3 Months Ending 9/30/24 vs 6/30/24

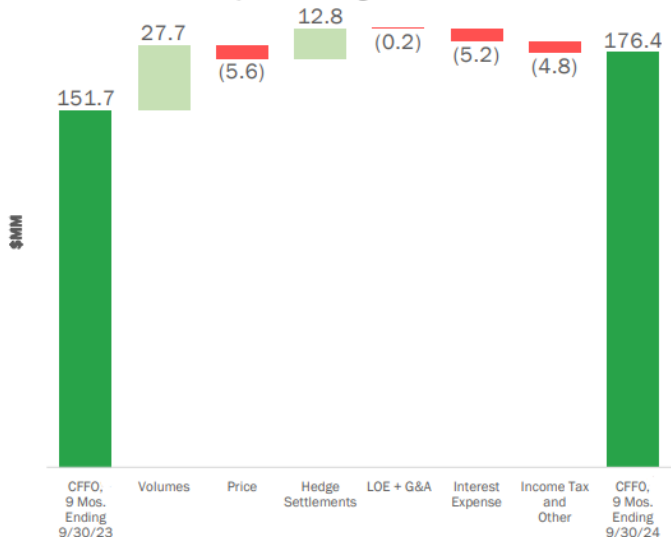
*Flat Q/Q despite increased development activity and corresponding capex*



## Drivers of Year-over-Year Growth

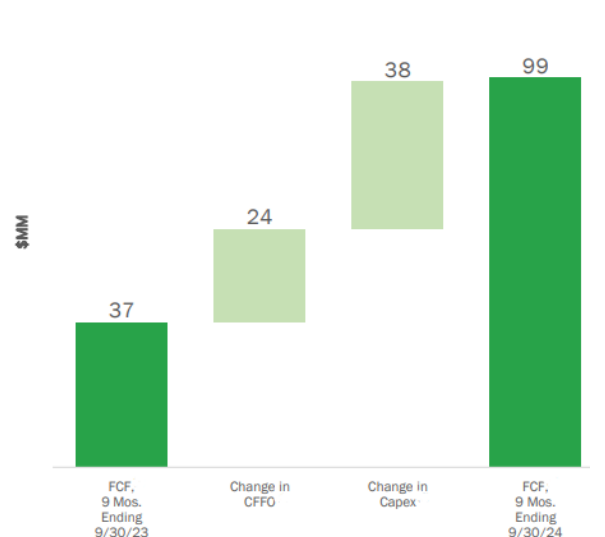
**Cash Flow From Operations (CFFO)<sup>(1)</sup>**  
Y/Y: 9 Months Ending 9/30/24 vs 9/30/23

*16% increase driven primarily by production and improved hedge settlements*



**Free Cash Flow (FCF)<sup>(2)</sup>**  
Y/Y: 9 Months Ending 9/30/24 vs 9/30/23

*169% growth Y/Y*



Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

**Selected Operating and Financial Data**

(Unaudited)

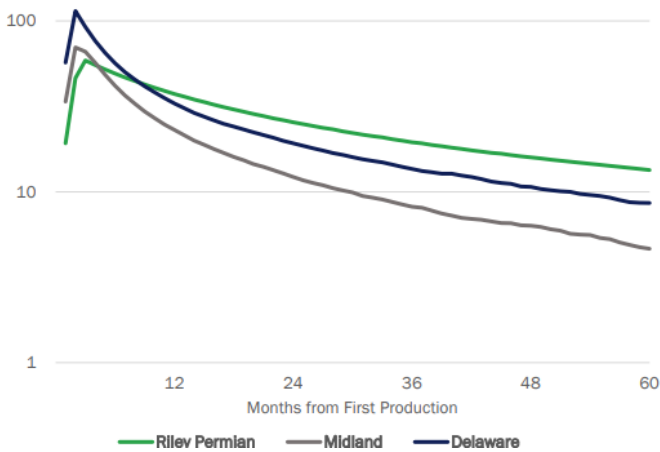
	Three Months Ended			Nine Months Ended	
	September 30,		September 30,	September 30,	September 30,
	2024	June 30, 2024	2023	2024	2023
<b>Select Financial Data (in thousands):</b>					
Oil and natural gas sales, net	\$ 102,339	\$ 105,343	\$ 107,694	\$ 307,106	\$ 273,418
Income from Operations	\$ 17,478	\$ 53,612	\$ 58,229	\$ 121,657	\$ 139,273
Adjusted EBITDAX	\$ 71,741	\$ 73,264	\$ 72,227	\$ 215,151	\$ 182,000
Cash Flow from Operations	\$ 72,130	\$ 51,641	\$ 52,652	\$ 179,896	\$ 141,372
Free Cash Flow	\$ 37,809	\$ 38,263	\$ 31,280	\$ 99,380	\$ 36,897
<b>Production Data, net:</b>					
Oil (MBbls)	1,424	1,342	1,292	4,055	3,555
Natural gas (MMcf)	1,940	1,608	1,616	5,179	4,242
NGLs (MBbls)	408	330	274	1,031	691
Total (MBoe)	2,155	1,940	1,835	5,949	4,953
Daily combined volumes (Boe/d)	23,424	21,319	19,949	21,712	18,143
Daily oil volumes (Bbls/d)	15,478	14,747	14,043	14,799	13,022
<b>Average Realized Prices:</b>					
Oil (\$ per Bbl)	\$ 73.95	\$ 79.25	\$ 80.87	\$ 76.12	\$ 75.19
Natural gas (\$ per Mcf)	\$ (0.60)	\$ (0.61)	\$ 0.61	\$ (0.28)	\$ 0.36
NGLs (\$ per Bbl)	\$ (4.40)	\$ (0.10)	\$ 8.11	\$ (0.08)	\$ 6.63
<b>Average Realized Prices, including the effects of derivative settlements:</b>					
Oil (\$ per Bbl)	\$ 73.84	\$ 76.96	\$ 76.00	\$ 75.03	\$ 71.23
Natural gas (\$ per Mcf)	\$ (0.10)	\$ 0.16	\$ 0.63	\$ 0.39	\$ 0.46
NGLs (\$ per Bbl)	\$ (4.40)	\$ (0.10)	\$ 8.11	\$ (0.08)	\$ 6.63
<b>Weighted Average Common Shares</b>					
<b>Outstanding (in thousands):</b>					
Basic	20,992	20,866	19,680	20,584	19,667
Diluted	21,209	21,087	19,989	20,764	19,964

Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

## Riley's Assets Compete with Core Permian on Productivity

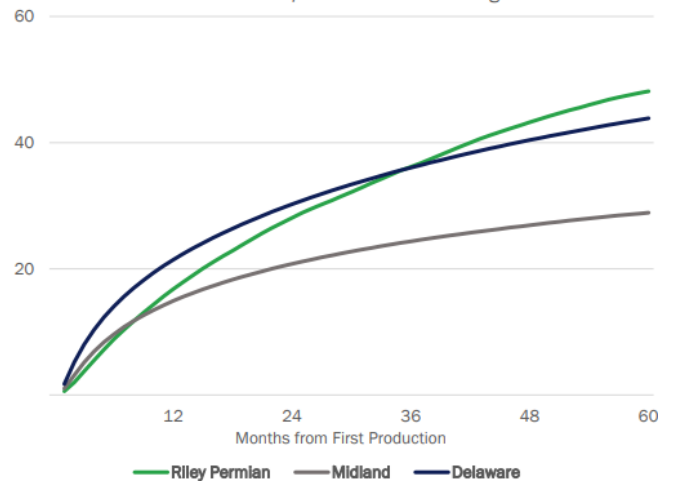
*Riley's wells to date have experienced lower relative declines versus Delaware and Midland basin wells*

**Oil Production Rates over Time**  
Bbls/d per 1,000' of Lateral Length



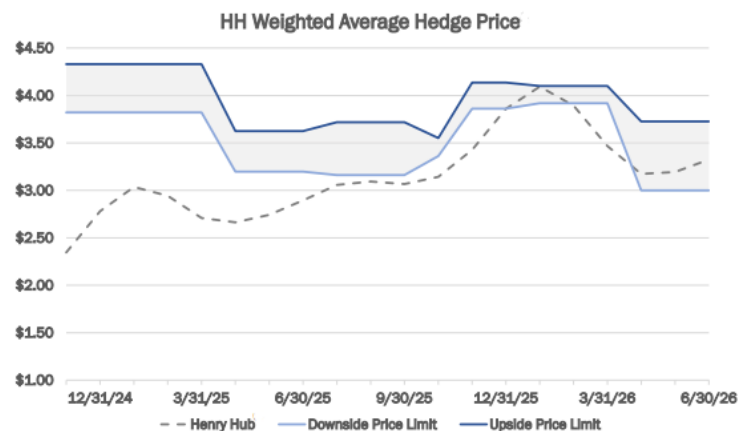
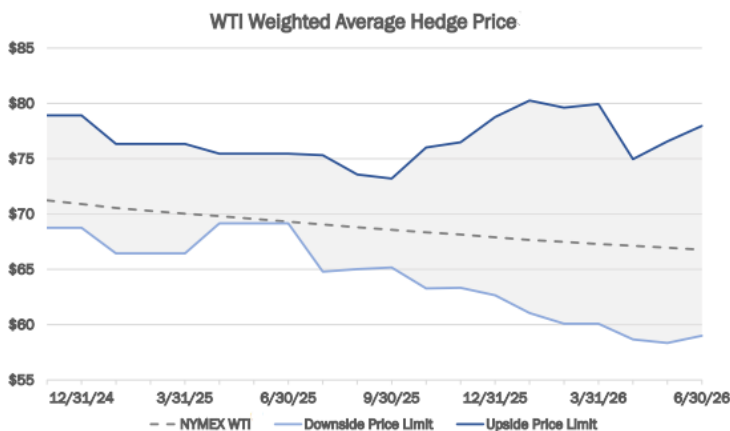
*Riley's wells to date have outperformed Midland and Delaware basin wells on a 5-year basis*

**Cumulative Oil Production over Time**  
Bbls Produced per Foot of Lateral Length



## Hedging Summary Positions

Metric	Oil (WTI)	Natural Gas (HH)
Hedge % - Forward 12 Months	45%	44%
% Mix of Swaps vs Collars - Forward 12 Months	36% Swaps   64% Collars	54% Swaps   46% Collars
Weighted Average Floor x Ceiling Price	\$67 x \$76	\$3.47 x \$3.94



Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

## Power Activity Update

- RPC Power LLC ("RPC Power"), the Company's power-focused joint venture, completed the installation of the remaining electrical generation equipment used to power a portion of Riley Permian's field operations in Texas, with a total of 20 MW of installed capacity as of September 30, 2024.
- RPC Power advanced its larger, ERCOT-focused project during the third quarter with progress on siting, permitting and generation equipment procurement.
- During the third quarter 2024, Riley Permian made an additional capital contribution of \$1.5 million to RPC Power. The Company has invested a total of \$22.5 million to date and has 50% ownership.

## Power Generation Initiatives

	Self-Consume for REPX Operations	Sell to the Grid
REPX Objectives	<ul style="list-style-type: none"> <li>• Utilize in-basin, lower-cost natural gas for thermal power generation</li> <li>• Improve reliability for operations</li> <li>• Stabilize cost of power</li> <li>• Earn attractive returns on investment capital</li> </ul>	<ul style="list-style-type: none"> <li>• Capitalize on market dynamics including abundant, associated natural gas production, gas midstream egress limitations and shortfalls of dispatchable, reliable power</li> <li>• Achieve value uplift for our natural gas sold</li> <li>• Diversify revenue mix and invest in power markets with attractive fundamentals</li> <li>• Earn attractive returns on investment capital</li> </ul>
Generation Capacity	<ul style="list-style-type: none"> <li>• 20MW of installed, nameplate capacity</li> <li>• Primarily thermal generation with potential for battery storage backup</li> </ul>	<ul style="list-style-type: none"> <li>• 100MW planned</li> <li>• Mix of thermal generation and battery storage</li> </ul>
Status	<ul style="list-style-type: none"> <li>• Completed official installation during 3Q24</li> <li>• Continuing to transfer portions of Riley Permian load to RPC during 4Q24</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting siting, permitting, interconnection agreements and equipment procurement</li> <li>• The facilities are targeted for commercial operations beginning in the second half of 2025</li> </ul>



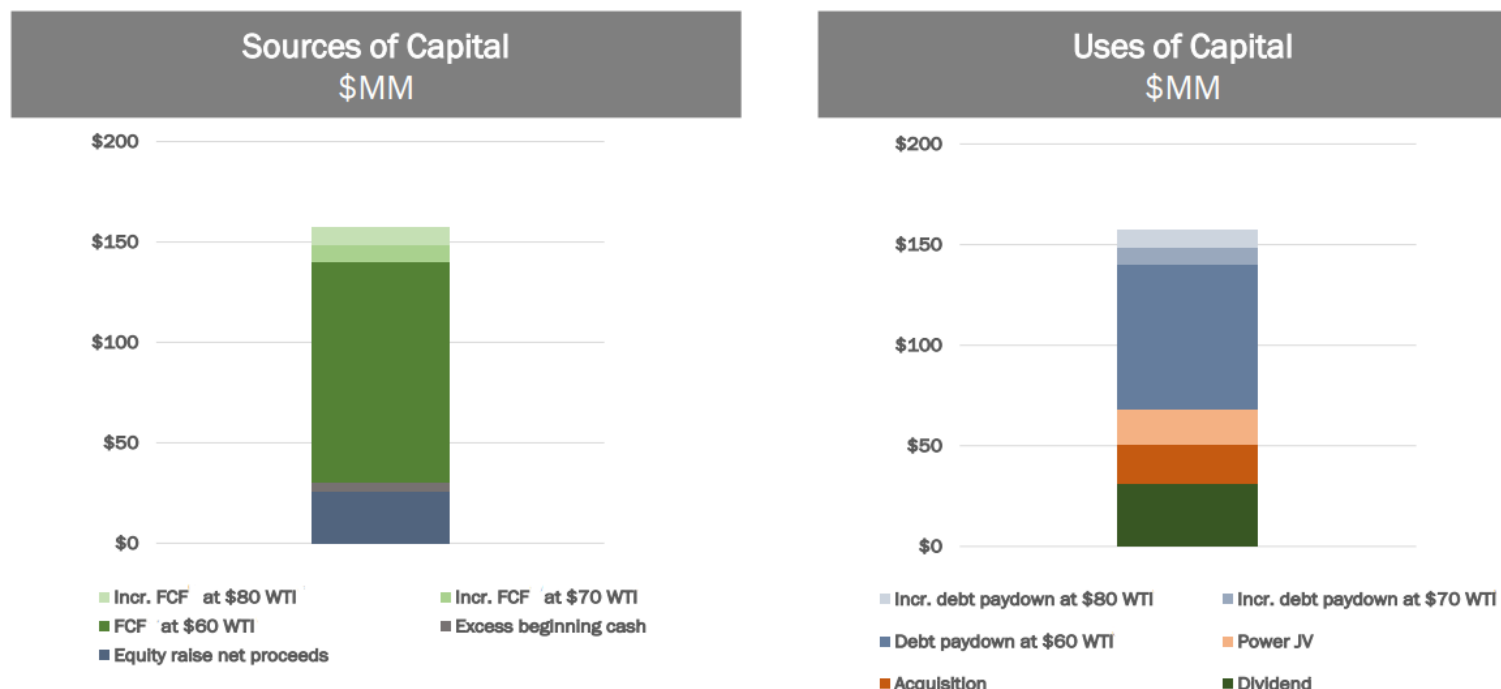
## 2024 Guidance

### 4Q24 Guidance

Forecasting ~15% Y/Y oil volume growth while reducing Y/Y capex by ~16%, based on midpoint 4Q24 Guidance

Activity, Production, and Investing Guidance			Quarterly Detail for Estimated Realizations and Cost Guidance		
		4Q24			4Q24
<b>Gross Operated Well Activity</b>			<b>Operating and Corporate Costs</b>		
Drilled	#	7 - 9	LOE & Workover Expense	\$/Boe	8.00 - 9.00
Completed	#	3 - 5	Severance & Ad Valorem Tax	% of revenue	6% - 8%
Turned to Sales	#	4 - 6	Cash G&A	\$/Boe	2.50 - 3.00
<b>Net Production</b>			Interest Expense <sup>1</sup>	\$MM	7.5 - 8.5
Total	MBoe/d	23.5 - 24.5	Income Tax Cash Payment	\$MM	1.5 - 2.5
Oil	MBbls/d	15.5 - 16.1			
<b>Investing Expenditures by Category (Accrual)</b>					
Drilling, Completion & Capitalized Workovers	\$MM	18 - 21			
Infrastructure and Other	\$MM	14 - 21			
Total E&P Capex	\$MM	32 - 42			
Power JV Investment	\$MM	0 - 1			
Total Investments	\$MM	32 - 43			

## 2024 Forecasted Sources and Uses of Capital

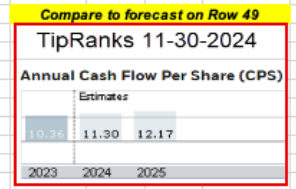


Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.

## Net Income and Cash Flow Forecast Model

November 30, 2024

Riley Exploration Permian (REPX) Net Income and Cash Flow FYE's 2022 - 2025 (last updated 11/30/2024) (\$Thousands)	Pecos Acquisition was closed on April 4, 2023 Adding ~7,200 Boepd 58% oil, 23% NGLs						3rd Party Midstream Facility improvement mid-Q2 Eddy Co. Bolt-on Acq closed April 3, 2024 adds ~1,100 Boepd (400 boepd) Another small Eddy Co. acq. closed May 7						Forecast 2025		
	Actual 2022	Actual Qtr1 2023	Actual Qtr2 2023	Actual Qtr3 2023	Actual Qtr4 2023	Actual 2023	Actual Qtr1 2024	Actual Qtr2 2024	Actual Qtr3 2024	Forecast Qtr4 2024	Forecast 2024				
<b>REVENUES:</b>															
Oil and Gas Revneus	\$319,343	\$66,412	\$99,312	\$107,694	\$99,229	\$372,647	\$99,424	\$105,343	\$102,339	\$103,598	\$410,704	\$456,423	< Revenue forecasts include the impact of hedges, which are broken out below on row 31 when actual results are reported.		
Contract Services	2,400	600	600	600	600	2,400	320	60	-	-	380	0			
<b>Total Revenues</b>	<b>321,743</b>	<b>67,012</b>	<b>99,912</b>	<b>108,294</b>	<b>99,829</b>	<b>375,047</b>	<b>99,744</b>	<b>105,403</b>	<b>102,339</b>	<b>103,598</b>	<b>411,084</b>	<b>456,423</b>			
<b>EXPENSES:</b>															
Lease operating expenses	32,458	8,875	17,514	16,898	15,530	58,817	16,769	16,492	18,532	18,768	70,561	77,563	See Guidance Update on 11/6/2024 >>>>>>		
Production taxes	19,273	4,110	7,221	7,242	6,986	25,559	7,231	7,174	7,002	7,252	28,659	31,950	< \$8.50/boe		
Exploration expenses	2,032	332	80	231	3,522	4,165	4	60	375	250	689	1,000	< 7% X row 9		
DD&A	32,113	9,083	18,601	18,706	18,665	65,055	17,779	17,470	20,722	20,976	76,947	86,688	< Primarily lease expirations		
G&A	18,221	5,467	6,500	5,530	9,072	26,569	5,339	6,644	5,879	6,500	24,362	26,000	< \$9.50/boe		
Stock based compensation	3,714	1,114	1,225	1,109	3,385	6,833	1,692	3,281	1,720	2,000	8,693	8,000			
Impairment	7,325	0	0	0	9,760	9,760	0	0	30,158	0	30,158	0			
Contract Services	450	110	109	128	232	579	363	0	0	0	363	0			
Transaction costs	2,638	1,887	3,652	221	57	5,817	0	670	473	0	1,143	0			
<b>TOTAL EXPENSES</b>	<b>118,224</b>	<b>30,978</b>	<b>54,902</b>	<b>50,065</b>	<b>67,209</b>	<b>203,154</b>	<b>49,177</b>	<b>51,791</b>	<b>84,861</b>	<b>55,746</b>	<b>241,575</b>	<b>231,200</b>			
<b>OPERATING EARNING</b>	<b>203,519</b>	<b>36,034</b>	<b>45,010</b>	<b>58,229</b>	<b>32,620</b>	<b>171,893</b>	<b>50,567</b>	<b>53,612</b>	<b>17,478</b>	<b>47,852</b>	<b>169,509</b>	<b>225,224</b>			
Net Interest expense net of income	(359)	(1,016)	(8,880)	(9,149)	(8,610)	(27,655)	(7,752)	(7,540)	(7,446)	(7,800)	(30,538)	(26,000)	< Acquisitions in Eddy Co raising debt level in 2H 2024		
Amortization of loan fees	(731)	0	(1,281)	(1,189)	(1,691)	(4,161)	(1,315)	(1,317)	(1,343)	(1,350)	(5,325)	(5,400)	8/13 CC: "Now paying down debt each month"		
Gain (loss) on derivatives - realized	(75,257)	(5,088)	(2,303)	(6,269)	(3,561)	(17,221)	104	(1,829)	815	0	(910)	0	< Cash Settlements on hedges		
Gain (loss) on derivatives - un-realized	23,683	10,843	10,968	(29,076)	30,679	23,414	(17,181)	1,470	23,402	0	7,691	0	< Non-cash MTM adjustment on hedges		
Gain (loss) on equity investments	0	(232)	(4)	23	(5)	(218)	167	(192)	(210)	0	(235)	0			
Loss from discontinued operations (net)	0	0	0	0	0	0	0	0	0	0	0	0			
<b>NET INCOME BEFORE TAXES</b>	<b>150,855</b>	<b>40,541</b>	<b>43,510</b>	<b>12,569</b>	<b>49,432</b>	<b>146,052</b>	<b>24,590</b>	<b>44,204</b>	<b>32,696</b>	<b>38,702</b>	<b>140,192</b>	<b>193,824</b>			
<b>INCOME TAXES</b>															
Current	4,472	3,407	1,988	57	1,420	6,872	3,946	7,469	3,374	2,709	17,498	13,568	< 07%		
Deferred	28,372	5,283	8,454	3,865	9,987	27,589	1,886	3,187	3,659	5,805	14,537	29,074	< 15%		
<b>NET INCOME</b>	<b>\$118,011</b>	<b>\$31,851</b>	<b>\$33,068</b>	<b>\$8,647</b>	<b>\$38,025</b>	<b>\$111,591</b>	<b>\$18,758</b>	<b>\$33,548</b>	<b>\$25,663</b>	<b>\$30,188</b>	<b>\$108,157</b>	<b>\$151,183</b>			
Common Stock outstanding (thousand shares)	20,161	20,405	20,405	20,405	20,405	20,405	21,541	21,541	21,541	21,541	21,541	22,000	< 2023 is shares outstanding as of 9-30-2024		
Earnings per share	\$5.85	\$1.56	\$1.62	\$0.42	\$1.86	\$5.47	\$0.87	\$1.56	\$1.19	\$1.40	\$5.02	\$6.87			
<b>NOTE: Current First Call Estimated EPS</b>															
Operating cash flow	\$168,768	\$37,388	\$51,529	\$62,777	\$54,362	\$206,056	\$58,361	\$57,566	\$60,519	\$60,569	\$237,015	\$275,544	< TipRanks' EPS Forecast		
Cashflow per share (before CapEx)	\$8.37	\$1.83	\$2.53	\$3.08	\$2.66	\$10.10	\$2.71	\$2.67	\$2.81	\$2.81	\$11.00	\$12.52	< 2024 Total E&P guidance is \$100 to \$110 million		
									\$2.91	\$11.30	\$12.17	\$12.17	< Fair Value estimate of 4.75 X 2023 to 2025 CFPS = \$ 53.00		
													< TipRanks' CFPS Forecast		
<b>PRODUCTION</b>															
Natural Gas (mcf/d)	8,842	10,544	18,429	17,565	17,641	16,045	17,923	17,673	21,080	21,600	19,569	22,500	Mix Q4 2024		
Oil (bbls/d)	8,806	9,920	15,055	14,043	13,554	13,143	14,165	14,747	15,476	15,768	15,039	16,425	< 15.0%		
NGLs (bbls/d)	1,216	1,492	3,109	2,978	3,430	2,752	3,220	3,626	4,435	4,632	3,978	4,825	< 65.7%		
	boepd	11,496	13,169	21,236	19,949	19,924	20,372	21,319	23,424	24,000	22,279	25,000	< 19.3%		
<b>PRODUCT PRICES</b>															
Natural Gas (\$/mcf)	1.50	0.55	0.24	0.63	0.73	0.54	1.20	0.16	(0.09)	0.63	0.48	1.00	Q4 2024 guidance is 23,500 to 24,500 Boepd		
Oil (\$/bbl)	71.10	67.06	69.46	76.00	73.90	71.81	74.33	76.96	73.84	69.97	73.78	73.00	< Year-over-year production growth		
NGLs (\$/bbl)	24.16	6.87	5.10	8.11	7.40	6.87	5.97	(0.10)	(4.40)	2.00	0.87	6.00	< Gas & NGL prices are net of GT&P and diff. of \$2.50 in 2024		
													< See hedges below less diff. of \$1.50		
													< NGLs are not hedged and net of GT&P		
Gross Revenue check (prod * ave price)	244,093	61,323	97,009	101,425	95,671	355,428	99,528	103,514	103,154	103,598	409,794	456,423			
													< TipRanks' Revenue Forecast		
													< Adjusted Net Income		



Our newsletters, company profiles and the information contained herein are strictly the opinion of the publishers (Energy Prospectus Group, a Division of DMS Publishing, LLC) and is intended for informational purposes only. Readers are encouraged to do their own research and due diligence before making any investment decisions. The publishers will not be held liable for any actions taken by the reader. Although the information in the newsletters and company profiles has been obtained from resources that the publishers believe to be reliable, DMS Publishing, LLC dba Energy Prospectus Group does not guarantee its accuracy. Please note that the publishers may take positions in companies profiled.