

Kimmeridge Texas Gas, LLC
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 2023

ASSETS

Current assets	
Cash and cash equivalents	\$ 2,680,215
Oil and gas sales receivable	17,420,473
Current derivative assets	68,161,036
Other current assets	39,300,780
Total current assets	<u>127,562,504</u>
Oil and gas properties (based on the successful efforts method of accounting)	
Unproved properties	122,873,667
Proved properties	1,453,207,227
Accumulated depreciation, depletion, and amortization	<u>(59,599,879)</u>
Net oil and gas properties	<u>1,516,481,015</u>
Other long-term assets	
Long-term derivative assets	15,193,897
Other long-term assets	9,821,702
Total other long-term assets	<u>25,015,599</u>
TOTAL ASSETS	\$ <u>1,669,059,118</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities	
Accounts Payable	\$ 19,584,855
Accrued expenses and other liabilities	107,158,576
Total current liabilities	<u>126,743,431</u>
Long-term liabilities	
Asset retirement obligation	2,634,496
Other long-term liabilities	37,089
Long-term debt	280,540,883
Total long-term liabilities	<u>283,212,468</u>
Total liabilities	<u>409,955,899</u>

COMMITMENTS AND CONTINGENCIES

Members' equity	<u>1,259,103,219</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ <u>1,669,059,118</u>

Kimmeridge Texas Gas, LLC
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Revenue	
Natural gas revenues	\$ 124,676,350
Liquids revenues	1,753,303
Oil revenues	8,560,143
Total revenues	<u>134,989,796</u>
Expenses	
General and administrative	16,302,838
Depreciation, depletion, amortization	52,876,234
Accretion expense	107,896
Lease operating expense	14,816,855
Transportation and gathering expense	26,256,538
Production taxes	5,113,506
Exploration expense	703,304
Total operating expenses	<u>116,177,171</u>
Income from operations	<u>18,812,625</u>
Other income (expense)	
Unrealized gain on commodity derivative instruments	106,623,538
Realized gain on commodity derivative instruments	22,491,000
Interest expense, net	(11,481,215)
Total other income	<u>117,633,323</u>
Net income	\$ <u>136,445,948</u>

Kimmeridge Texas Gas, LLC
CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	Total Members' Equity
Members' equity at January 1, 2023	\$ 769,566,523
Members' contributions	353,090,748
Net Income	<u>136,445,948</u>
Members' equity at December 31, 2023	<u>\$ 1,259,103,219</u>

Kimmeridge Texas Gas, LLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash flows from operating activities	
Net Income	\$ 136,445,948
Adjustments to reconcile net income to net cash provided by operating activities:	
Unrealized gain on commodity derivative instruments	(106,623,538)
Depreciation, depletion and amortization	52,876,234
Amortization of debt issuance cost	659,316
Accretion expense of asset retirement obligation	107,896
Change in operating assets and liabilities:	
Oil and gas sales receivable	16,134,346
Other current assets	4,355,462
Accrued expenses and other liabilities	304,004
Other liabilities	3,265,607
Net cash provided by operating activities	107,525,275
Cash flows from investing activities	
Acquisition of oil and gas properties	(345,879,715)
Development of oil and gas properties	(311,963,851)
Net cash provided by investing activities	(657,843,566)
Cash flows from financing activities	
Capital contributions	353,090,748
Principal payments under credit agreements	(47,400,000)
Deferred Financing Cost	(1,833,689)
Proceeds from credit facilities	240,900,000
Net cash provided by financing activities	544,757,059
Net change in cash and cash equivalents	(5,561,232)
Cash and cash equivalents, beginning of period	8,241,447
Cash and cash equivalents, end of period	<u>\$ 2,680,215</u>
Supplemental disclosure of non-cash transactions:	
Non-cash purchases of oil and gas properties included in accrued expenses and other liabilities	32,954,162
Supplemental disclosure of cash flow information:	
Interest paid	9,939,520