MERCER CAPITAL

# 2025 Energy Purchase Price Allocation Study

**October 2025**

MERCER CAPITAL

BUSINESS VALUATION & FINANCIAL ADVISORY SERVICES

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## Mercer Capital is a national business valuation and financial advisory firm.

Founded in 1982, Mercer Capital offers a broad range of services including financial reporting valuation, corporate valuation, litigation and expert testimony consulting, family business advisory services, gift and estate tax valuation, M&A advisory, fairness opinions, and ESOP and ERISA valuation services.

We have provided thousands of valuation opinions for corporations of all sizes in a wide variety of industries. Our valuation opinions are well-reasoned and thoroughly documented, providing critical support for any potential engagement. In addition, our work has been reviewed and accepted by the major agencies of the federal government charged with regulating business transactions, as well as the largest accounting and law firms in the nation in connection with engagements involving their clients.

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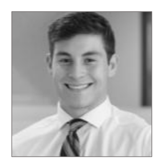

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- Transaction advisory services for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and shareholder disputes

## Industry Segments

- Exploration & Production
- Oilfield Services
- Midstream
- Refining & Marketing

## OIL AND GAS TEAM


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# Oil and Gas Industry Resources

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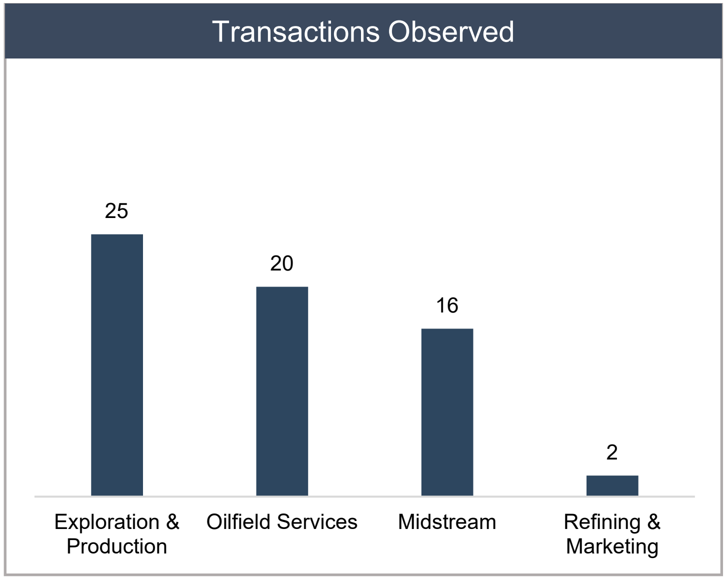
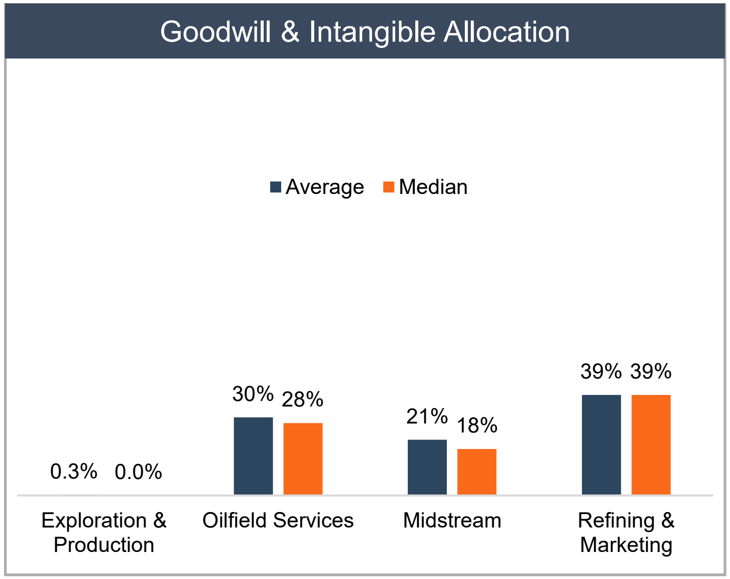
# Summary

Intangibles comprise around 90% of S&P's total market value according to a 2020 study by Ocean Tomo. Prior analysis has suggested intangible concentration for the energy sector is generally under half of that, and this year's study corroborates this.

Across the four subsectors analyzed, 63 transactions were observed in 2024, consisting of 25 Exploration & Production, 20 Oilfield Services, 16 Midstream, and 2 downstream transactions. Reported allocations to goodwill and intangible assets varied by subsector. The average allocation to goodwill and intangible assets was 39% for Refining and Marketing, 30% for Oilfield Services, 21% for Midstream, and 0.3% for Exploration & Production.



# Exploration & Production

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# Key Themes

## Exploration & Production

Consistent with historical trends, over 90% of Fair Value was encapsulated in PP&E – specifically dominated by oil & gas reserve values (Level 3 Inputs)(1)

- All 25 transactions reported reserve values
- 21 of 25 transactions reported proved (PDP, PDNP, & PUD) reserves
- 14 of the 21 transactions reporting proved reserves also reported a split between proved (PDP, PDNP, & PUD) and unproved (Probable, Possible)
- Wherein a split was recorded, more reserves were proved vs. unproved - the average was 60% of purchase consideration for proved vs. 34% unproved

- 12 transactions recorded PP&E other than reserves

- Only one of the 25 E&P transactions reported intangible assets (none in 2023) – Enerplus' acquisition of Chord Energy recording $531 million of goodwill(2)

(1): *Fair Value* and *Level 3 Input* are valuation and accounting terms, as defined under U.S. GAAP in ASC 820.
(2): As of the date of this publication, Chord has written-off the entirety of the goodwill following a decline in Chord's market capitalization during the second quarter of 2025, which the company attributed to a decline in oil and gas prices.

# Transactions

## Exploration & Production

| Target | Acquirer | Announce Date | Basin / Play | Purchase Consideration | Identifiable Intangibles: Developed Technology | In Process Research & Development | Trademarks & Trade Names | Customer-Related Assets | Other Intangible Assets | Goodwill |
|---|---|---|---|---|---|---|---|---|---|---|
| **Dollar Allocation ($000s)** | | | | | | | | | | |
| Southwestern Energy Corporation | Expand Energy (formerly Chesapeake) | 1/11/2024 | Multiple | $15,850,000 | - | - | - | - | - | - |
| Point Energy Partners | Vital Energy, INC | 7/28/2024 | Permian | 846,800 | - | - | - | - | - | - |
| Aera Energy | California Resources Corporation | 2/7/2024 | San Joaquin and Ventura basins | 3,629,000 | - | - | - | - | - | - |
| QuarterNorth Energy Inc. | Talos Energy Inc. | 1/15/2024 | Offshore GoA | 2,140,265 | - | - | - | - | - | - |
| Endeavor Energy Resources, LP | Diamondback Energy Inc. | 2/12/2024 | Permian | 36,553,000 | - | - | - | - | - | - |
| Certain Delaware Basin Assets of TRP Energy, LLC | Diamondback Energy Inc. | 11/4/2024 | Permian | 1,354,000 | - | - | - | - | - | - |
| Enerplus | Chord Energy | 2/21/2024 | Williston | 6,396,541 | - | - | - | - | - | $530,616 |
| Svenska Petroleum Exploration | Vaalco Energy | 2/29/24 | Baobab Field and Offshore Africa | 185,171 | - | - | - | - | - | - |
| Portfolio of Mineral Interests | Crescent Energy | February 2024 | Eagle Ford | 25,000 | - | - | - | - | - | - |
| SilverBow Resources, Inc | Crescent Energy | 5/16/24 | Eagle Ford | 2,508,319 | - | - | - | - | - | - |
| Eagle Ford Assets from Undisclosed Seller | Crescent Energy | 9/4/2024 | Eagle Ford | 161,933 | - | - | - | - | - | - |
| Marathon Oil | ConocoPhillips | 5/29/2024 | Various | 26,643,000 | - | - | - | - | - | - |
| Ameredev Stateline II, LLC | Matador Resources | 5/30/2024 | Permian | 1,916,919 | - | - | - | - | - | - |
| Producing Assets from Eagle Mountain Energy Partners | TXO Partners, LP | 6/25/2024 | Williston Basin | 317,800 | - | - | - | - | - | - |
| Producing Assets from Kaiser Francis Oil | TXO Partners, LP | 6/25/2024 | Williston | 19,100 | - | - | - | - | - | - |
| Uinta Assets from XCL Resources | SM Energy Company | 6/27/2024 | Uinta Basin | 2,111,500 | - | - | - | - | - | - |
| Cherokee Play Oil and Gas Properties | SandRidge Energy Inc | 7/29/2024 | Anadarko Basin | 129,825 | - | - | - | - | - | - |
| Ardmore Basin Properties | Mach Natural Resources LP | 8/26/2024 | Ardmore Basin | 85,676 | - | - | - | - | - | - |
| Oil and Gas Properties in Kansas and Oklahoma | Mach Natural Resources LP | 8/9/2024 | Western Kansas and Oklahoma | 46,975 | - | - | - | - | - | - |
| 4,106 Net Royalty Acres in Culberson County, TX | Texas Pacific Land Corporation | 8/27/2024 | Delaware Basin | 120,300 | - | - | - | - | - | - |
| 7,490 Net Royalty Acres in the Midland Basin | Texas Pacific Land Corporation | 10/2/2024 | Midland Basin | 275,200 | - | - | - | - | - | - |
| Certain Assets of Avant Natural Resources, LLC | Coterra Energy | 11/13/2024 | Delaware Basin | 1,544,000 | - | - | - | - | - | - |
| Franklin Mountain Energy, LLC | Coterra Energy | 11/13/2024 | Delaware Basin | 2,763,000 | - | - | - | - | - | - |
| Lucero Energy Corporation | Vitesse Energy, Inc. | 12/15/2024 | Bakken | 206,594 | - | - | - | - | - | - |
| Williston Basin business of Grayson Mill | Devon Energy Corporation | 7/8/2024 | Bakken | 5,485,000 | - | - | - | - | - | - |
| **Count** | | | | **25** | **-** | **-** | **-** | **-** | **-** | **1** |
| **Percentage** | | | | **na** | **-** | **-** | **-** | **-** | **-** | **4%** |
| **Average** | | | | **$4,452,597** | **-** | **-** | **-** | **-** | **-** | **$21,225** |
| **Median** | | | | **$1,354,000** | **-** | **-** | **-** | **-** | **-** | **-** |

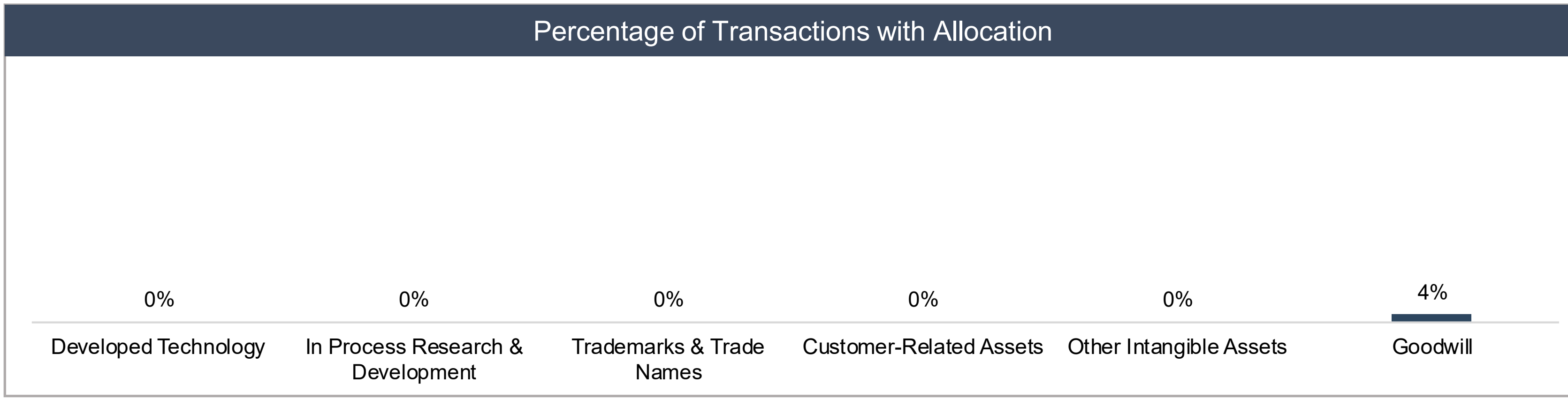
# Transactions *(Continued)*

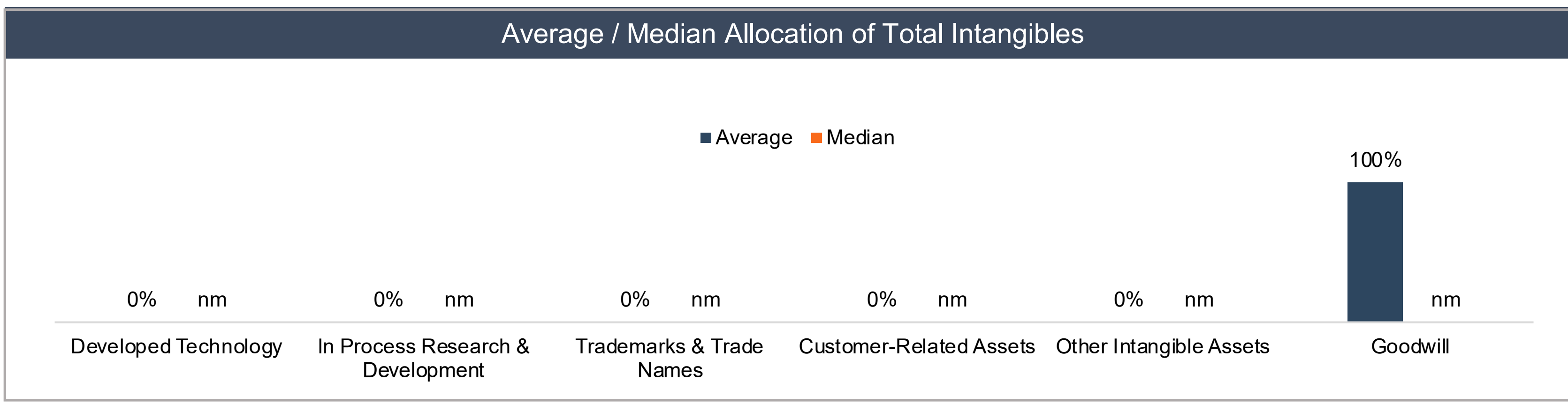
## Exploration & Production

| | | | | | Identifiable Intangibles | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Target** | **Acquirer** | **Announce Date** | **Basin / Play** | **Purchase Consideration** | **Developed Technology** | **In Process Research & Development** | **Trademarks & Trade Names** | **Customer-Related Assets** | **Other Intangible Assets** | **Goodwill** | **Goodwill & Intangible Allocation** |
| **Percentage Allocation** | | | | | | | | | | | |
| Southwestern Energy Corporation | Expand Energy (formerly Chesapeake) | 1/11/2024 | Multiple | $15,850,000 | - | - | - | - | - | - | - |
| Point Energy Partners | Vital Energy, INC | 7/28/2024 | Permian | 846,800 | - | - | - | - | - | - | - |
| Aera Energy | California Resources Corporation | 2/7/2024 | San Joaquin and Ventura basins | 3,629,000 | - | - | - | - | - | - | - |
| QuarterNorth Energy Inc. | Talos Energy Inc. | 1/15/2024 | Offshore GoA | 2,140,265 | - | - | - | - | - | - | - |
| Endeavor Energy Resources, LP | Diamondback Energy Inc. | 2/12/2024 | Permian | 36,553,000 | - | - | - | - | - | - | - |
| Certain Delaware Basin Assets of TRP Energy, LLC | Diamondback Energy Inc. | 11/4/2024 | Permian | 1,354,000 | - | - | - | - | - | - | - |
| Enerplus | Chord Energy | 2/21/2024 | Williston | 6,396,541 | - | - | - | - | - | 8% | 8% |
| Svenska Petroleum Exploration | Vaalco Energy | 2/29/24 | Baobab Field and Offshore Africa | 185,171 | - | - | - | - | - | - | - |
| Portfolio of Mineral Interests | Crescent Energy | February 2024 | Eagle Ford | 25,000 | - | - | - | - | - | - | - |
| SilverBow Resources, Inc | Crescent Energy | 5/16/24 | Eagle Ford | 2,508,319 | - | - | - | - | - | - | - |
| Eagle Ford Assets from Undisclosed Seller | Crescent Energy | 9/4/2024 | Eagle Ford | 161,933 | - | - | - | - | - | - | - |
| Marathon Oil | ConocoPhillips | 5/29/2024 | Various | 26,643,000 | - | - | - | - | - | - | - |
| Ameredev Stateline II, LLC | Matador Resources | 5/30/2024 | Permian | 1,916,919 | - | - | - | - | - | - | - |
| Producing Assets from Eagle Mountain Energy Partners | TXO Partners, LP | 6/25/2024 | Williston Basin | 317,800 | - | - | - | - | - | - | - |
| Producing Assets from Kaiser Francis Oil | TXO Partners, LP | 6/25/2024 | Williston | 19,100 | - | - | - | - | - | - | - |
| Uinta Assets from XCL Resources | SM Energy Company | 6/27/2024 | Uinta Basin | 2,111,500 | - | - | - | - | - | - | - |
| Cherokee Play Oil and Gas Properties | SandRidge Energy Inc | 7/29/2024 | Anadarko Basin | 129,825 | - | - | - | - | - | - | - |
| Ardmore Basin Properties | Mach Natural Resources LP | 8/26/2024 | Ardmore Basin | 85,676 | - | - | - | - | - | - | - |
| Oil and Gas Properties in Kansas and Oklahoma | Mach Natural Resources LP | 8/9/2024 | Western Kansas and Oklahoma | 46,975 | - | - | - | - | - | - | - |
| 4,106 Net Royalty Acres in Culberson County, TX | Texas Pacific Land Corporation | 8/27/2024 | Delaware Basin | 120,300 | - | - | - | - | - | - | - |
| 7,490 Net Royalty Acres in the Midland Basin | Texas Pacific Land Corporation | 10/2/2024 | Midland Basin | 275,200 | - | - | - | - | - | - | - |
| Certain Assets of Avant Natural Resources, LLC | Coterra Energy | 11/13/2024 | Delaware Basin | 1,544,000 | - | - | - | - | - | - | - |
| Franklin Mountain Energy, LLC | Coterra Energy | 11/13/2024 | Delaware Basin | 2,763,000 | - | - | - | - | - | - | - |
| Lucero Energy Corporation | Vitesse Energy, Inc. | 12/15/2024 | Bakken | 206,594 | - | - | - | - | - | - | - |
| Williston Basin business of Grayson Mill | Devon Energy Corporation | 7/8/2024 | Bakken | 5,485,000 | - | - | - | - | - | - | - |
| **Average** | | | | | - | - | - | - | - | 0% | 0% |
| **Median** | | | | | - | - | - | - | - | - | - |

# Intangible Allocations

## Exploration & Production



# PP&E and Reserves Detail

## Exploration & Production

| Target | Acquirer | Basin / Play | Purchase Consideration | Proved Reserves | Unproved Reserves | Other Reserves | Total Reserves | Other PP&E |
|---|---|---|---|---|---|---|---|---|
| **Dollar Allocation ($000s)** | | | | | | | | |
| Southwestern Energy Corporation | Expand Energy (formerly Chesapeake) | Multiple | $15,850,000 | $10,002,000 | $4,270,000 | - | $14,272,000 | $624,000 |
| Point Energy Partners | Vital Energy, INC | Permian | 846,800 | 793,900 | 52,900 | - | 846,800 | - |
| Aera Energy | California Resources Corporation | San Joaquin and Ventura basins | 3,629,000 | 3,048,000 | - | - | 3,048,000 | - |
| QuarterNorth Energy Inc. | Talos Energy Inc. | Offshore GoA | 2,140,265 | - | - | 1,622,414 | 1,622,414 | - |
| Endeavor Energy Resources, LP | Diamondback Energy Inc. | Permian | 36,553,000 | 20,600,000 | 14,200,000 | 24,000 | 34,824,000 | 849,000 |
| Certain Delaware Basin Assets of TRP Energy, LLC | Diamondback Energy Inc. | Permian | 1,354,000 | 853,000 | 501,000 | - | 1,354,000 | - |
| Enerplus | Chord Energy | Williston | 6,396,541 | - | - | 5,253,860 | 5,253,860 | 6,812 |
| Svenska Petroleum Exploration | Vaalco Energy | Baobab Field and Offshore Africa | 185,171 | - | - | 99,200 | 99,200 | 988 |
| Portfolio of Mineral Interests | Crescent Energy | Eagle Ford | 25,000 | 12,865 | 12,135 | - | 25,000 | - |
| SilverBow Resources, Inc | Crescent Energy | Eagle Ford | 2,508,319 | 1,980,500 | 207,191 | - | 2,187,691 | 4,586 |
| Eagle Ford Assets from Undisclosed Seller | Crescent Energy | Eagle Ford | 161,933 | 144,085 | - | - | 144,085 | 17,848 |
| Marathon Oil | ConocoPhillips | Various | 26,643,000 | 13,200,000 | 10,800,000 | - | 24,000,000 | 178,000 |
| Ameredev Stateline II, LLC | Matador Resources | Permian | 1,916,919 | 1,316,532 | 312,904 | - | 1,629,436 | 117,762 |
| Producing Assets from Eagle Mountain Energy Partners | TXO Partners, LP | Williston Basin | 317,800 | 315,900 | - | 600 | 316,500 | - |
| Producing Assets from Kaiser Francis Oil | TXO Partners, LP | Williston | 19,100 | 19,100 | - | - | 19,100 | - |
| Uinta Assets from XCL Resources | SM Energy Company | Uinta Basin | 2,111,500 | 1,600,000 | 495,200 | - | 2,095,200 | - |
| Cherokee Play Oil and Gas Properties | SandRidge Energy Inc | Anadarko Basin | 129,825 | - | - | 129,825 | 129,825 | - |
| Ardmore Basin Properties | Mach Natural Resources LP | Ardmore Basin | 85,676 | 85,663 | - | - | 85,663 | - |
| Oil and Gas Properties in Kansas and Oklahoma | Mach Natural Resources LP | Western Kansas and Oklahoma | 46,975 | 46,452 | - | - | 46,452 | 400 |
| 4,106 Net Royalty Acres in Culberson County, TX | Texas Pacific Land Corporation | Delaware Basin | 120,300 | 63,500 | 56,800 | - | 120,300 | - |
| 7,490 Net Royalty Acres in the Midland Basin | Texas Pacific Land Corporation | Midland Basin | 275,200 | 57,400 | 217,800 | - | 275,200 | - |
| Certain Assets of Avant Natural Resources, LLC | Coterra Energy | Delaware Basin | 1,544,000 | 668,000 | 670,000 | - | 1,338,000 | 161,000 |
| Franklin Mountain Energy, LLC | Coterra Energy | Delaware Basin | 2,763,000 | 1,842,000 | 583,000 | - | 2,425,000 | 172,000 |
| Lucero Energy Corporation | Vitesse Energy, Inc. | Bakken | 206,594 | 150,395 | - | - | 150,395 | - |
| Williston Basin business of Grayson Mill | Devon Energy Corporation | Bakken | 5,485,000 | 3,056,000 | 1,771,000 | - | 4,827,000 | 210,000 |
| **Count** | | | **25** | **21** | **14** | **6** | **25** | **12** |
| **Percentage** | | | **na** | **84%** | **56%** | **24%** | **100%** | **48%** |
| **Average** | | | **$4,452,597** | **$2,394,212** | **$1,365,997** | **$285,196** | **$4,045,405** | **$93,696** |
| **Median** | | | **$1,354,000** | **$315,900** | **$52,900** | **-** | **$1,338,000** | **-** |

Note: Not all transactions included a breakout of reserves and other PP&E. If only PP&E was listed, we have assumed 100% of this value is attributable to reserves.

# PP&E and Reserves Detail *(Continued)*

## Exploration & Production

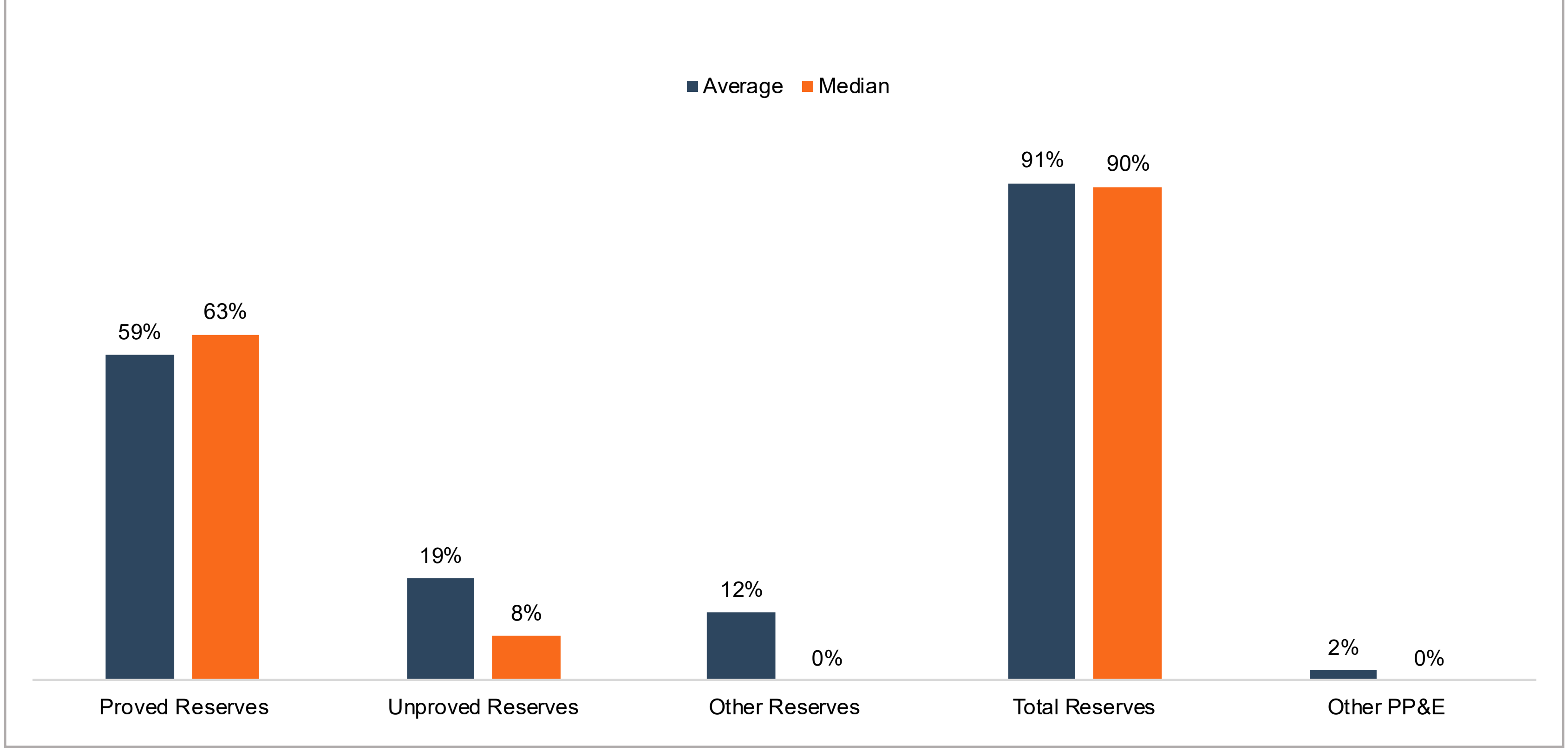
| Target | Acquirer | Basin / Play | Purchase Consideration | Proved Reserves | Unproved Reserves | Other Reserves | Total Reserves | Other PP&E |
|---|---|---|---|---|---|---|---|---|
| **Percentage Allocation** | | | | | | | | |
| Southwestern Energy Corporation | Expand Energy (formerly Chesapeake) | Multiple | $15,850,000 | 63% | 27% | - | 90% | 4% |
| Point Energy Partners | Vital Energy, INC | Permian | 846,800 | 94% | 6% | - | 100% | - |
| Aera Energy | California Resources Corporation | San Joaquin and Ventura basins | 3,629,000 | 84% | - | - | 84% | - |
| QuarterNorth Energy Inc. | Talos Energy Inc. | Offshore GoA | 2,140,265 | - | - | 76% | 76% | - |
| Endeavor Energy Resources, LP | Diamondback Energy Inc. | Permian | 36,553,000 | 56% | 39% | 0% | 95% | 2% |
| Certain Delaware Basin Assets of TRP Energy, LLC | Diamondback Energy Inc. | Permian | 1,354,000 | 63% | 37% | - | 100% | - |
| Enerplus | Chord Energy | Williston | 6,396,541 | - | - | 82% | 82% | 0% |
| Svenska Petroleum Exploration | Vaalco Energy | Baobab Field and Offshore Africa | 185,171 | - | - | 54% | 54% | 1% |
| Portfolio of Mineral Interests | Crescent Energy | Eagle Ford | 25,000 | 51% | 49% | - | 100% | - |
| SilverBow Resources, Inc | Crescent Energy | Eagle Ford | 2,508,319 | 79% | 8% | - | 87% | 0% |
| Eagle Ford Assets from Undisclosed Seller | Crescent Energy | Eagle Ford | 161,933 | 89% | - | - | 89% | 11% |
| Marathon Oil | ConocoPhillips | Various | 26,643,000 | 50% | 41% | - | 90% | 1% |
| Ameredev Stateline II, LLC | Matador Resources | Permian | 1,916,919 | 69% | 16% | - | 85% | 6% |
| Producing Assets from Eagle Mountain Energy Partners | TXO Partners, LP | Williston Basin | 317,800 | 99% | - | 0% | 100% | - |
| Producing Assets from Kaiser Francis Oil | TXO Partners, LP | Williston | 19,100 | 100% | - | - | 100% | - |
| Uinta Assets from XCL Resources | SM Energy Company | Uinta Basin | 2,111,500 | 76% | 23% | - | 99% | - |
| Cherokee Play Oil and Gas Properties | SandRidge Energy Inc | Anadarko Basin | 129,825 | - | - | 100% | 100% | - |
| Ardmore Basin Properties | Mach Natural Resources LP | Ardmore Basin | 85,676 | 100% | - | - | 100% | - |
| Oil and Gas Properties in Kansas and Oklahoma | Mach Natural Resources LP | Western Kansas and Oklahoma | 46,975 | 99% | - | - | 99% | 1% |
| 4,106 Net Royalty Acres in Culberson County, TX | Texas Pacific Land Corporation | Delaware Basin | 120,300 | 53% | 47% | - | 100% | - |
| 7,490 Net Royalty Acres in the Midland Basin | Texas Pacific Land Corporation | Midland Basin | 275,200 | 21% | 79% | - | 100% | - |
| Certain Assets of Avant Natural Resources, LLC | Coterra Energy | Delaware Basin | 1,544,000 | 43% | 43% | - | 87% | 10% |
| Franklin Mountain Energy, LLC | Coterra Energy | Delaware Basin | 2,763,000 | 67% | 21% | - | 88% | 6% |
| Lucero Energy Corporation | Vitesse Energy, Inc. | Bakken | 206,594 | 73% | - | - | 73% | - |
| Williston Basin business of Grayson Mill | Devon Energy Corporation | Bakken | 5,485,000 | 56% | 32% | - | 88% | 4% |
| **Average** | | | | **59%** | **19%** | **12%** | **91%** | **2%** |
| **Median** | | | | **63%** | **8%** | **-** | **90%** | **-** |

Note: Not all transactions included a breakout of reserves and other PP&E. If only PP&E was listed, we have assumed 100% of this value is attributable to reserves.

# PP&E and Reserves Detail *(Continued)*

## Exploration & Production

Average / Median Allocation




Note: Not all transactions included a breakout of reserves and other PP&E. If only PP&E was listed, we have assumed 100% of this value is attributable to reserves.

# Oilfield Services

# Key Themes

## Oilfield Services

Oilfield Services (OFS) purchase price allocations are typically much more heavily weighted toward goodwill and other intangible assets, as compared to the tangible asset-intensive E&P and Midstream industries. Intangible assets averaged 30% of total purchase prices in this 2025 study, compared to 44% in last year's study.

- Goodwill was recorded in 70% of OFS transactions, compared to 82% in last year's study. Customer-related assets were recorded in 55% of transactions
- Both trademarks/tradenames and other intangible assets (non-specified) were recorded in 35% of transactions
- Developed technology was recorded in 25% of transactions
- On average, goodwill comprised 34% of the average purchase price allocated to intangible assets, compared to 57% in last year's study

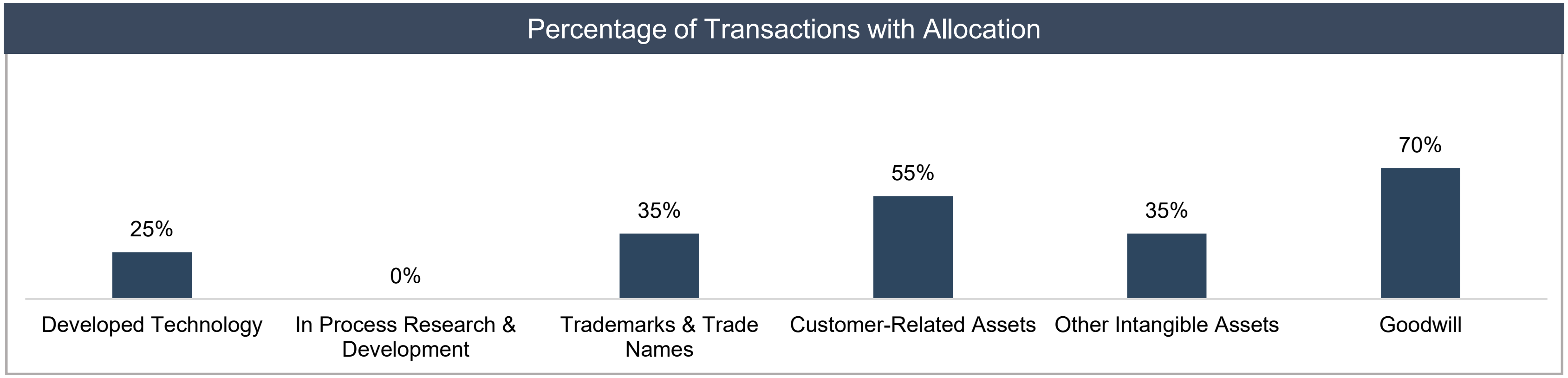
# Transactions

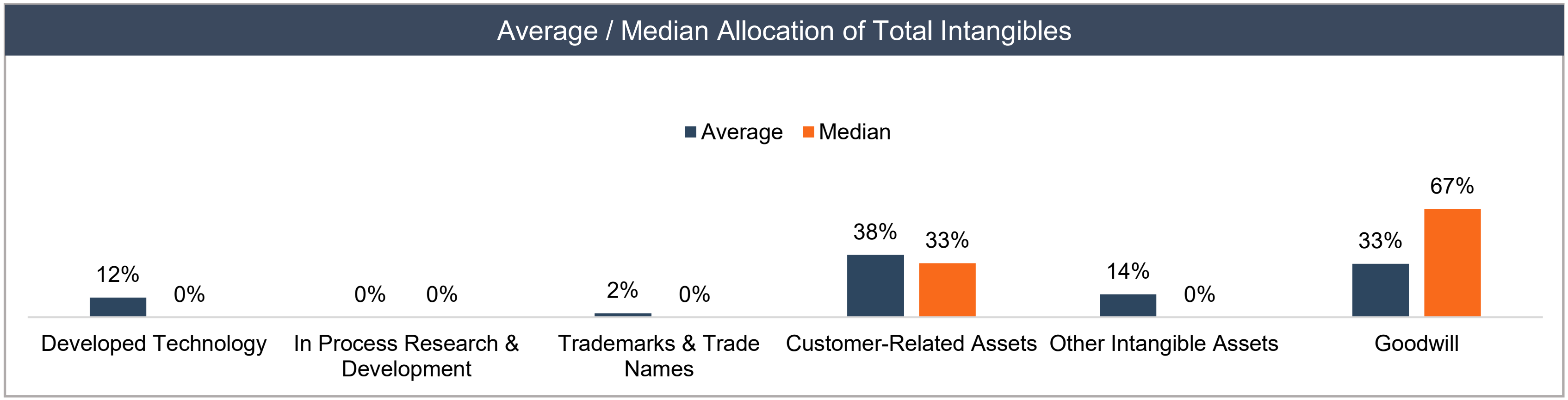
## Oilfield Services

| Target | Acquirer | Announce Date | Target Subsector Focus | Purchase Consideration | Identifiable Intangibles: Developed Technology | In Process Research & Development | Trademarks & Trade Names | Customer-Related Assets | Other Intangible Assets | Goodwill |
|---|---|---|---|---|---|---|---|---|---|---|
| **Dollar Allocation ($000s)** | | | | | | | | | | |
| CSI Compressco | Kodiak Gas Services, Inc. | 12/19/2023 | Compression and Treating Contract Services | $1,108,070 | - | - | $6,400 | $41,103 | - | $109,889 |
| Total Operations and Production Services, LLC | Archrock Inc. | 7/22/24 | Compression System Services | 1,066,792 | 0 | 0 | 0 | 0 | 76,228 | 52,155 |
| Parker Drilling Co. | Nabors Industries Ltd | 10/14/2024 | Drilling Services | 630,057 | 0 | 0 | 0 | 0 | 0 | 0 |
| Coretrax Technology Ltd | Expro Group Holdings N.V. | 2/12/2024 | Drilling Services and Equipment | 293,858 | 50,516 | 0 | 5,251 | 45,883 | 0 | 100,315 |
| RMSpumptools Ltd. | ChampionX Corporation | 3/22/2024 | Artificial Lift Systems | 135,074 | 0 | 0 | 0 | 0 | 53,000 | 45,005 |
| Diamond Offshore Drilling, Inc | Noble Corporation | 6/10/2024 | Offshore Drilling Services | 2,479,764 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bobcat SWIW Holdings, LLC | Select Water Solutions Inc. | January 2024 | Water Disposal Services | 8,826 | 0 | 0 | 0 | 535 | 0 | 0 |
| Trinity Environmental Services | Select Water Solutions Inc. | 4/1/2024 | Water Disposal Services | 41,888 | 0 | 0 | 0 | 0 | 0 | 0 |
| Buckhorn Waste Services and Buckhorn Disposal | Select Water Solutions Inc. | 3/1/2024 | Solid Waste Management and Landfill | 27,320 | 0 | 0 | 0 | 4,100 | 0 | 3,555 |
| Iron Mountain Energy LLC | Select water Solutions Inc. | 1/8/2024 | Fluids and Solids Treatment and Disposal Assets | 21,876 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tri-State Water Logistics, LLC | Select Water Solutions Inc. | January 3, 2024 | Fluids and Solids Treatment and Disposal Assets | 63,283 | 0 | 0 | 0 | 10,240 | 0 | 7,402 |
| Disposal Assets from Undisclosed Seller | Select Water Solutions Inc. | January 1, 2024 | Water Disposal Services | 19,071 | 0 | 0 | 0 | 8,230 | 0 | 2,575 |
| Noble Oil Services, Inc. | Safety-Kleen Systems, Inc. | 3/1/2024 | Waste Disposal Services | 92,940 | 0 | 0 | 0 | 0 | 14,500 | 6,257 |
| Superior Drilling Products, Inc | Drilling Tools International Inc. | 3/6/2024 | Drilling and Completion Technology Solutions | 55,405 | 8,600 | 0 | 800 | 13,400 | 50 | 7,718 |
| Deep Casing Tools Ltd | Drilling Tools International Inc. | 3/15/2024 | Well Construction, Completion, and Casing | 23,571 | 3,269 | 0 | 819 | 3,977 | 0 | 2,618 |
| European Drilling Products | Drilling Tools International Inc. | 9/30/2024 | Drilling and Completion | 15,669 | 3,721 | 0 | 341 | 4,135 | 0 | 1,516 |
| Titan Tools Services Ltd | Drilling Tools International Inc. | 10/30/2024 | Wellbore Construction Equipment Rental | 14,818 | 0 | 0 | 0 | 0 | 2,657 | 2,335 |
| AquaProp | ProPetro Holding Corp | May 31, 2024 | Fracking Sand services | 47,227 | 0 | 0 | 1,300 | 18,600 | 2,210 | 920 |
| 45,000 Surface Acres (McNeill Ranch) | Aris Water Solutions, Inc | November 2024 | Water Disposal | 46,100 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profire Energy, Inc | CECO Environmental Corp | 10/29/2024 | Combustion Management Systems | 140,092 | 3,600 | 0 | 3,700 | 34,500 | 10 | 25,656 |
| **Count** | | | | **20** | **5** | **-** | **7** | **11** | **7** | **14** |
| **Percentage** | | | | **na** | **25%** | **-** | **35%** | **55%** | **35%** | **70%** |
| **Average** | | | | **$316,585** | **$3,485** | **-** | **$931** | **$9,235** | **$7,433** | **$18,396** |
| **Median** | | | | **$51,316** | **-** | **-** | **-** | **$2,256** | **-** | **$2,597** |
| **Percentage Allocation** | | | | | | | | | | |
| CSI Compressco | Kodiak Gas Services, Inc. | 12/19/2023 | Compression and Treating Contract Services | $1,108,070 | - | - | 1% | 4% | - | 10% |
| Total Operations and Production Services, LLC | Archrock Inc. | 7/22/24 | Compression System Services | 1,066,792 | - | - | - | - | 7% | 5% |
| Parker Drilling Co. | Nabors Industries Ltd | 10/14/2024 | Drilling Services | 630,057 | - | - | - | - | - | - |
| Coretrax Technology Ltd | Expro Group Holdings N.V. | 2/12/2024 | Drilling Services and Equipment | 293,858 | 17% | - | 2% | 16% | - | 34% |
| RMSpumptools Ltd. | ChampionX Corporation | 3/22/2024 | Artificial Lift Systems | 135,074 | - | - | - | - | 39% | 33% |
| Diamond Offshore Drilling, Inc | Noble Corporation | 6/10/2024 | Offshore Drilling Services | 2,479,764 | - | - | - | - | - | - |
| Bobcat SWIW Holdings, LLC | Select Water Solutions Inc. | January 2024 | Water Disposal Services | 8,826 | - | - | - | 6% | - | - |
| Trinity Environmental Services | Select Water Solutions Inc. | 4/1/2024 | Water Disposal Services | 41,888 | - | - | - | - | - | - |
| Buckhorn Waste Services and Buckhorn Disposal | Select Water Solutions Inc. | 3/1/2024 | Solid Waste Management and Landfill | 27,320 | - | - | - | 15% | - | 13% |
| Iron Mountain Energy LLC | Select water Solutions Inc. | 1/8/2024 | Fluids and Solids Treatment and Disposal Assets | 21,876 | - | - | - | - | - | - |
| Tri-State Water Logistics, LLC | Select Water Solutions Inc. | January 3, 2024 | Fluids and Solids Treatment and Disposal Assets | 63,283 | - | - | - | 16% | - | 12% |
| Disposal Assets from Undisclosed Seller | Select Water Solutions Inc. | January 1, 2024 | Water Disposal Services | 19,071 | - | - | - | 43% | - | 14% |
| Noble Oil Services, Inc. | Safety-Kleen Systems, Inc. | 3/1/2024 | Waste Disposal Services | 92,940 | - | - | - | - | 16% | 7% |
| Superior Drilling Products, Inc | Drilling Tools International Inc. | 3/6/2024 | Drilling and Completion Technology Solutions | 55,405 | 16% | - | 1% | 24% | 0% | 14% |
| Deep Casing Tools Ltd | Drilling Tools International Inc. | 3/15/2024 | Well Construction, Completion, and Casing | 23,571 | 14% | - | 3% | 17% | - | 11% |
| European Drilling Products | Drilling Tools International Inc. | 9/30/2024 | Drilling and Completion | 15,669 | 24% | - | 2% | 26% | - | 10% |
| Titan Tools Services Ltd | Drilling Tools International Inc. | 10/30/2024 | Wellbore Construction Equipment Rental | 14,818 | - | - | - | - | 18% | 16% |
| AquaProp | ProPetro Holding Corp | May 31, 2024 | Fracking Sand services | 47,227 | - | - | 3% | 39% | 5% | 2% |
| 45,000 Surface Acres (McNeill Ranch) | Aris Water Solutions, Inc | November 2024 | Water Disposal | 46,100 | - | - | - | - | - | - |
| Profire Energy, Inc | CECO Environmental Corp | 10/29/2024 | Combustion Management Systems | 140,092 | 3% | - | 3% | 25% | 0% | 18% |
| **Average** | | | | | **4%** | **-** | **1%** | **12%** | **4%** | **10%** |
| **Median** | | | | | **-** | **-** | **-** | **5%** | **-** | **10%** |

# Intangible Allocations

## Oilfield Services



# Midstream

# Key Themes

## Midstream

Midstream transactions in 2024 primarily focused on strengthening transportation, storage, and processing capabilities across natural gas and liquids value chains. This included Energy Transfer's acquisition of WTG Midstream with a fair value of assets reported of approximately $3.5 billion, which added roughly 6,000 miles of gathering pipelines and expanded natural gas processing capacity.

- Intangible assets were recognized in three-quarters of transactions
- Customer-Related Assets and Goodwill were the most common intangible assets recorded, each appearing in half of all deals
- The catch-all "Other Intangible Assets" were identified in four transactions
- Developed Technology was observed in only one acquisition, accounting for 48% of purchase consideration

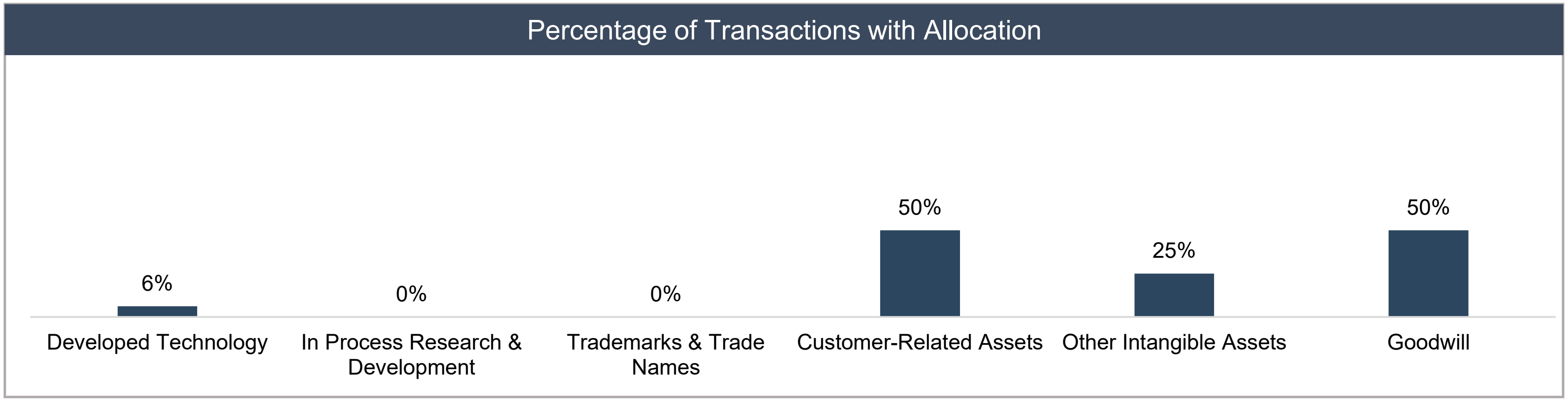
# Transactions

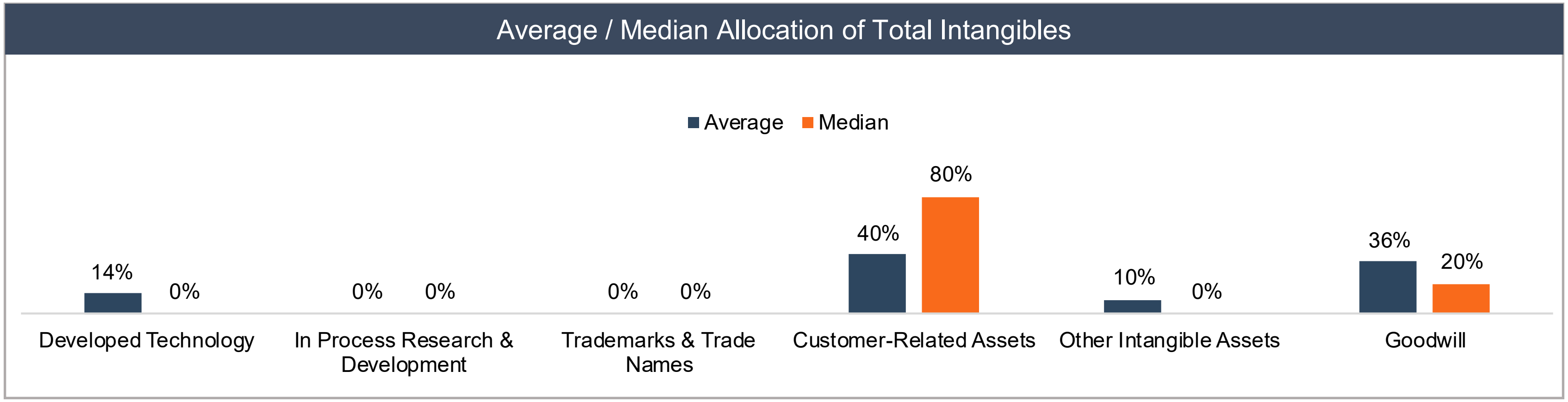
## Midstream

| | Acquirer | Announce Date | Target Subsector | Purchase Consideration | Identifiable Intangibles: Developed Technology | Identifiable Intangibles: In Process Research & Development | Identifiable Intangibles: Trademarks & Trade Names | Identifiable Intangibles: Customer-Related Assets | Identifiable Intangibles: Other Intangible Assets | Goodwill |
|---|---|---|---|---|---|---|---|---|---|---|
| **Dollar Allocation ($000s)** | | | | | | | | | | |
| Zenith European Terminals | Sunoco LP | 2/14/2024 | Terminal & Storage | $252,000 | $0 | $0 | $0 | $0 | $0 | $0 |
| NuStar Energy L.P. | Sunoco LP | 1/22/2024 | Pipeline and Storage | 7,618,000 | 0 | 0 | 0 | 195,000 | 0 | 16,000 |
| Piñon Midstream | Enterprise Products Partners | 8/21/2024 | Gathering and Processing | 953,000 | 0 | 0 | 0 | 435,000 | 0 | 104,000 |
| Equitrans Midstream | EQT Corporation | 3/11/2024 | Gathering and Processing | 15,274,341 | 0 | 0 | 0 | 0 | 200,000 | 2,079,481 |
| Durango Permian LLC | Kinetik Holdings Inc. | 5/9/2024 | Gas Processing Complex | 875,244 | 0 | 0 | 0 | 0 | 183,000 | 0 |
| EnLink Midstream | ONEOK, Inc. | 8/28/2024 | Various | 16,756,000 | 0 | 0 | 0 | 1,051,000 | 0 | 2,717,000 |
| Medallion Midstream, LLC | ONEOK, Inc. | 8/28/2024 | Pipelines and Storage | 2,765,000 | 0 | 0 | 0 | 730,000 | 0 | 259,000 |
| Pinnacle Midstream | Phillips 66 | 5/20/2024 | Gathering and Processing | 602,000 | 0 | 0 | 0 | 256,000 | 0 | 21,000 |
| WTG Midstream | Energy Transfer | 5/28/2024 | Gathering and Processing | 3,471,000 | 0 | 0 | 0 | 0 | 20,000 | 0 |
| Midstream Assets from ONEOK, Inc. | DT Midstream | 11/19/2024 | Pipelines | 1,318,000 | 0 | 0 | 0 | 11,000 | 0 | 303,000 |
| Hartree Partners LP | The Williams Companies, Inc. | 12/27/23 | Natural Gas Storage Facilities | 2,101,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| H2O Midstream | Delek US Holdings | 8/6/24 | Water Disposal and Recycling | 244,100 | 0 | 0 | 0 | 29,000 | 28,500 | 0 |
| North McElroy Unit from AVAD Energy Partners | Kinder Morgan Inc. | June 2024 | CO2 Waterflood | 103,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gulf Oil LLC | Global Partners LP | 2/23/24 | Terminals and Storage | 258,129 | 0 | 0 | 0 | 6,240 | 0 | 0 |
| Discovery Producer Services LLC | The Williams Companies | 8/1/2024 | Gathering and Processing | 1,021,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Air Products and Chemicals, Inc. | Honeywell International, Inc. | 7/10/2024 | LNG process technology and assets | 1,939,000 | 931,000 | 0 | 0 | 0 | 0 | 876,000 |
| **Count** | | | | **16** | **1** | **-** | **-** | **8** | **4** | **8** |
| **Percentage** | | | | **na** | **6%** | **-** | **-** | **50%** | **25%** | **50%** |
| **Average** | | | | **$3,471,926** | **$58,188** | **-** | **-** | **$169,578** | **$26,969** | **$398,468** |
| **Median** | | | | **$1,169,500** | **-** | **-** | **-** | **$3,120** | **-** | **$8,000** |
| **Percentage Allocation** | | | | | | | | | | |
| Zenith European Terminals | Sunoco LP | 2/14/2024 | Terminal & Storage | $252,000 | - | - | - | - | - | - |
| NuStar Energy L.P. | Sunoco LP | 1/22/2024 | Pipeline and Storage | 7,618,000 | - | - | - | 3% | - | 0% |
| Piñon Midstream | Enterprise Products Partners | 8/21/2024 | Gathering and Processing | 953,000 | - | - | - | 46% | - | 11% |
| Equitrans Midstream | EQT Corporation | 3/11/2024 | Gathering and Processing | 15,274,341 | - | - | - | - | 1% | 14% |
| Durango Permian LLC | Kinetik Holdings Inc. | 5/9/2024 | Gas Processing Complex | 875,244 | - | - | - | - | 21% | - |
| EnLink Midstream | ONEOK, Inc. | 8/28/2024 | Various | 16,756,000 | - | - | - | 6% | - | 16% |
| Medallion Midstream, LLC | ONEOK, Inc. | 8/28/2024 | Pipelines and Storage | 2,765,000 | - | - | - | 26% | - | 9% |
| Pinnacle Midstream | Phillips 66 | 5/20/2024 | Gathering and Processing | 602,000 | - | - | - | 43% | - | 3% |
| WTG Midstream | Energy Transfer | 5/28/2024 | Gathering and Processing | 3,471,000 | - | - | - | - | 1% | - |
| Midstream Assets from ONEOK, Inc. | DT Midstream | 11/19/2024 | Pipelines | 1,318,000 | - | - | - | 1% | - | 23% |
| Hartree Partners LP | The Williams Companies, Inc. | 12/27/23 | Natural Gas Storage Facilities | 2,101,000 | - | - | - | - | - | - |
| H2O Midstream | Delek US Holdings | 8/6/24 | Water Disposal and Recycling | 244,100 | - | - | - | 12% | 12% | - |
| North McElroy Unit from AVAD Energy Partners | Kinder Morgan Inc. | June 2024 | CO2 Waterflood | 103,000 | - | - | - | - | - | - |
| Gulf Oil LLC | Global Partners LP | 2/23/24 | Terminals and Storage | 258,129 | - | - | - | 2% | - | - |
| Discovery Producer Services LLC | The Williams Companies | 8/1/2024 | Gathering and Processing | 1,021,000 | - | - | - | - | - | - |
| Air Products and Chemicals, Inc. | Honeywell International, Inc. | 7/10/2024 | LNG process technology and assets | 1,939,000 | 48% | - | - | - | - | 45% |
| **Average** | | | | | **3%** | **-** | **-** | **9%** | **2%** | **8%** |
| **Median** | | | | | **-** | **-** | **-** | **0%** | **-** | **0%** |

# Intangible Allocations

## Midstream



# Refining & Marketing

# Key Themes

## Refining & Marketing

The two downstream transactions analyzed in 2024 were oriented toward retail and renewable fuel assets rather than conventional refining operations.

1. Casey's General Stores acquired Fikes Wholesale, owner of CEFCO Convenience Stores, and Group Petroleum Services. The transaction included 198 retail locations and a fuel terminal, commissary, and wholesale network, where the Company will manage fuel wholesale supply agreements to certain locations.
2. Gevo Inc. entered into a purchase agreement to acquire substantially all of the assets and assume certain liabilities of Red Trail Energy, which produces and sells fuel grade ethanol, distillers grains, and corn oil in the United States. Gevo characterized this as a strategic move to accelerate its production of renewable fuels, particularly, sustainable aviation fuel (SAF).

Both downstream transactions recorded intangible assets from goodwill and customer-related assets

- Casey's General Stores' acquisition of Fikes Wholesale reported 36% of purchase consideration to goodwill and 2% of purchase consideration to customer-related assets.
- Gevo's acquisition of Red Trail Energy reported 18% of purchase consideration to goodwill and 22% of purchase consideration to customer-related assets.

# Transactions

## Refining & Marketing

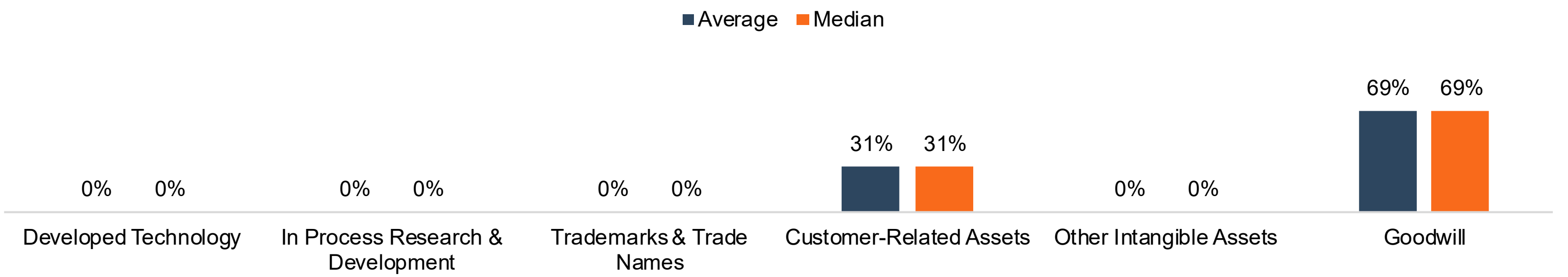
| Target | Acquirer | Announce Date | Target Subsector | Purchase Consideration | Identifiable Intangibles: Developed Technology | In Process Research & Development | Trademarks & Trade Names | Customer-Related Assets | Other Intangible Assets | Goodwill |
|---|---|---|---|---|---|---|---|---|---|---|
| **Dollar Allocation ($000s)** | | | | | | | | | | |
| Fikes Wholesale | Casey's General Stores Inc. | 7/26/2024 | Convenience Stores & Fuel Distribution | $1,609,425 | - | - | - | $38,000 | - | $574,207 |
| Red Trail Energy | Gevo Inc. | 9/10/2024 | Ethanol Plant and CCS Assets | $213,094 | - | - | - | $46,300 | - | $37,814 |
| **Count** | | | | **2** | **-** | **-** | **-** | **2** | **-** | **2** |
| **Percentage** | | | | **na** | **-** | **-** | **-** | **100%** | **-** | **100%** |
| **Average** | | | | **$911,260** | **-** | **-** | **-** | **$42,150** | **-** | **$306,011** |
| **Median** | | | | **$911,260** | **-** | **-** | **-** | **$42,150** | **-** | **$306,011** |
| **Percentage Allocation** | | | | | | | | | | |
| Fikes Wholesale | Casey's General Stores Inc. | 7/26/2024 | Convenience Stores & Fuel Distribution | $1,609,425 | - | - | - | 2% | - | 36% |
| Red Trail Energy | Gevo Inc. | 9/10/2024 | Ethanol Plant and CCS Assets | $213,094 | - | - | - | 22% | - | 18% |
| **Average** | | | | | **-** | **-** | **-** | **12%** | **-** | **27%** |
| **Median** | | | | | **-** | **-** | **-** | **12%** | **-** | **27%** |

# Intangible Allocations

## Refining & Marketing

Percentage of Transactions with Allocation


Average / Median Allocation of Total Intangibles



# Appendix

# Screening Criteria & Methodology

- Transaction universe based on transaction data from Capital IQ database with transaction or target industry classification in:
    - Oil and Gas Exploration and Production, or;
    - Oil and Gas Drilling, or;
    - Oil and Gas Storage or Transportation, or;
    - Oil and Gas Refining and Marketing
- Reviewed 2024 10-K filings of acquirer and/or target companies for disclosures regarding purchase price allocations
- Purchase consideration defined as total assets acquired (i.e., not net of liabilities assumed)

# Disclaimers



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