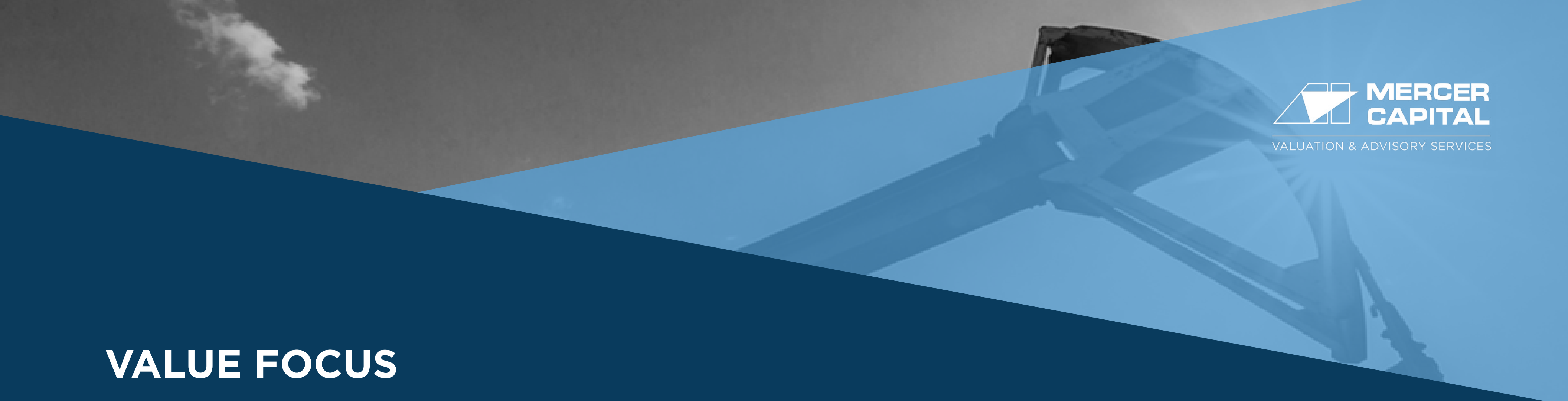


MERCER CAPITAL
VALUATION & ADVISORY SERVICES

VALUE FOCUS

Exploration & Production

First Quarter 2026 // Region Focus: Eagle Ford

EXECUTIVE SUMMARY

The Eagle Ford exhibited modest production growth over the past year, broadly in line with other major basins, as output remained within a relatively narrow range. This stability reflects the basin's maturity, with limited variability in production despite declining rig counts and continued capital discipline among operators.

Commodity price movements provided a more constructive backdrop entering 2026, with crude prices rebounding sharply during the first quarter and driving a corresponding increase in the stock prices of the Eagle Ford public comp group. While this rally, supported in part by geopolitical developments involving the U.S., Israel, and Iran, contributed to strong equity performance, it may prove transitory when Mid-East supply concerns ease. Overall, the basin enters 2Q 2026 with stable production despite reduced rig count levels, with future growth dependent in part on the durability of recent oil price strength.

Oil and Gas Industry Services

Mercer Capital provides business valuation and financial advisory services to companies in the energy industry.

Services Provided

- Valuation of oil & gas companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

Industry Segments

Mercer Capital serves the following industry segments:

- Exploration & Production
- Oil Field Services
- Midstream Operations
- Alternative Energy
- Downstream
- Retail

Contact Us

Bryce Erickson, ASA, MRICS
214.468.8400
ericksonb@mercercapital.com
Dallas Office

Don Erickson, ASA
214.468.8400
ericksond@mercercapital.com
Dallas Office

J. David Smith, ASA, CFA
713.239.1005
smithd@mercercapital.com
Houston Office

Andrew B. Frew, ASA, ABV
832.966.0345
frewa@mercercapital.com
Houston Office

Sebastian S. Elzein
214.468.8400
elzeins@mercercapital.com
Dallas Office

Derek P. Smith
832.966.0307
derek.smith@mercercapital.com
Houston Office

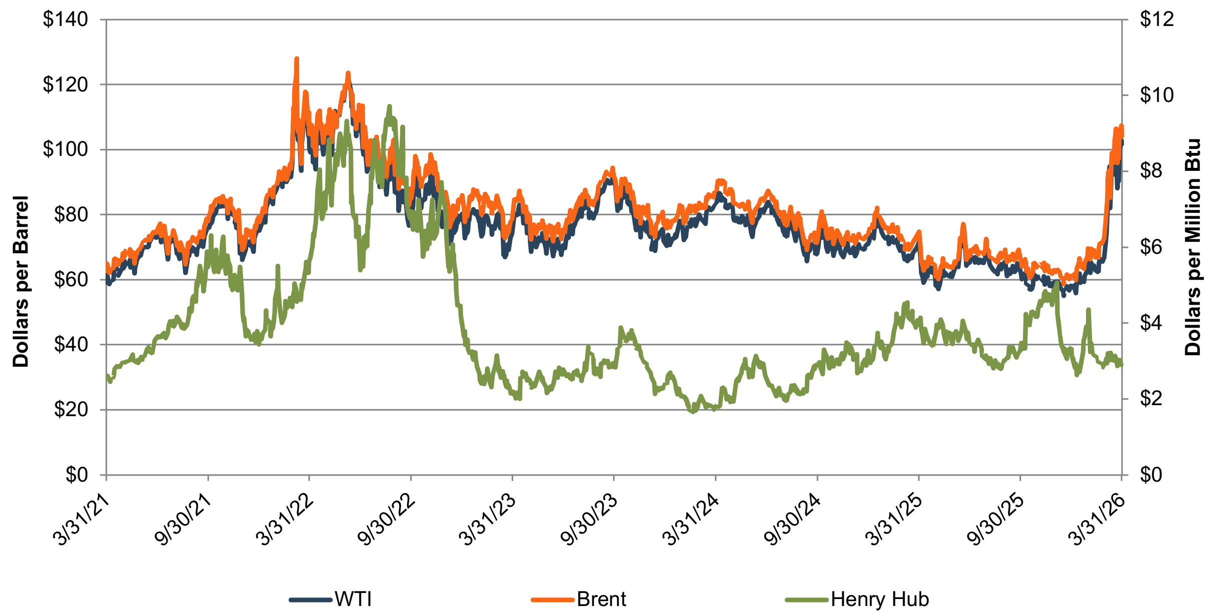
McKay Harman
901.322.9722
harmanm@mercercapital.com
Dallas Office

Learn More about Mercer Capital & our Oil and Gas Industry Services at **mer.cr/oilgas**

Oil and Gas Commodity Prices

Oil prices, as benchmarked by West Texas Intermediate and Brent crude front-month futures contracts, experienced greater than usual volatility in the twelve-month period through Q1 2026 – particularly, in early 2026. Prices began the period at $71.48 (WTI) and $74.77 (Brent) in late March 2025 before declining into early May, reaching lows of $57.13 and $60.23, respectively. The early period decline was driven by a combination of **increasing** global supply, including higher OPEC+ output, and softer demand expectations tied to macroeconomic uncertainty and weaker international consumption trends. Prices rebounded through June, supported in part by improving macroeconomic sentiment and geopolitical developments, including coordinated U.S. and Israeli military attacks targeting Iranian nuclear facilities, which introduced a temporary supply risk premium.

Crude Oil and Natural Gas Prices



Source: Capital IQ

Oil and Gas Commodity Prices

(cont.)

For the remainder of 2025, oil prices generally trended downward, reaching lows of $55.13 (WTI) and $58.67 (Brent) in mid-December. However, a reversal in prices began in January and accelerated markedly in March, as the U.S. and Israel launched large-scale military action against Iran to cripple its military and prevent its development of long-range nuclear weapons. The U.S./Israeli attacks heightened concerns around potential supply disruptions and led to Iran's threatening transportation through the Strait of Hormuz. From March 1 to month-end, WTI jumped 51% from $67.02 to $101.38 while Brent jumped 43% from $72.87 to $103.97.

Natural gas prices, as benchmarked by Henry Hub natural gas front-month futures prices, exhibited a period of price stability during the first half of the 12-month period through Q1 2026, but marked volatility toward the end of the period. Henry Hub was at $4.12 per mmbtu at the end of March 2025 and declined through the spring and summer months, reaching a low of $2.80 in August 2025. As seasonal demand strengthened and storage levels tightened, prices rebounded into the winter months, peaking at $5.06 in early December.

Following this peak, natural gas prices declined through mid-January reaching $2.72 as milder weather reduced heating demand and storage concerns eased after the winter peak. **Prices** then experienced a sharp but short-lived spike in late January driven by extreme winter weather associated with Winter Storm Fern, which temporarily disrupted production and accelerated storage withdrawals.

Macro Update

"He's Not Done Yet!" Oil Company Valuations Rise As Scale And Scarcity Drive Consolidation

Reprint of Bryce Erickson's ***Forbes.com column.*** *Originally published Apr. 24, 2026*

The Iran conflict has certainly changed short-term oil prices, amongst a whole lot of other things, in the past two months. Before that, however, oil prices did not send a particularly strong signal heading into 2026. Futures curves suggested relatively flat pricing, and operator expectations remained anchored in the high-$50s to low-$60s range. On the surface, that would not typically support a valuation expansion for oil-focused exploration and production companies.

Yet equity values for independent, oil-weighted E&Ps, especially those focused in the Permian and Eagle Ford, showed increases that were not visible at the end of 2025.

Increasingly, valuations are being driven less by near-term commodity prices and more by structural factors: inventory depth, capital discipline, and the growing importance of scale. The recently announced **Devon Energy and Coterra Energy merger** provides a clear example of that trend.

This trend became more apparent shortly before the merger announcement, as the same group of companies Bryce Erickson, Managing Director at Mercer Capital, discussed in his **November article** had posted significant stock price gains since early November: Diamondback Energy (FANG), Permian Resources (PR), Devon Energy (DVN), and APA Corporation (APA), excluding Vital Energy, which merged with Crescent Energy (CRGY) in December.

Permian Independents	November 2025	April 2026
Median EV/EBITDAX	3.76x	5.17x
Median EBITDAX Margin	68.1%	66.0%
Median 1 yr Stock Change (as of 11/10/2025 & 4/22/2026)	-12.0%	61.2%

Enterprise values have risen around $30 billion for these four companies since early November. After observing this, talking to clients and industry friends, and reading up on some recent developments, the key takeaway was that valuations are not rising because of a particularly bullish commodity price outlook, regardless of what is happening in the Strait of Hormuz. In fact, recent public mergers are being priced on more bearishly conservative commodity price decks that are below NYMEX strip prices and survey expectations. Simply put, valuations are rising because scarcity is becoming more visible.

Macro Update

"He's Not Done Yet!" Oil Company Valuations Rise As Scale And Scarcity Drive Consolidation

(cont.)

This is propelled by three straightforward trends. First, high-quality drilling inventory is becoming more finite. Second, capital discipline limits supply growth. Finally, scale is increasingly required to compete effectively. These factors combine to create a more supportive valuation environment for the "haves" of these three things, even amid the absence of recent upticks in near-term commodity price signals.

Public markets have sometimes appeared to be slower to fully reflect this shift, often focusing on near-term price uncertainty, which does have an impact on value. However, strategic transactions and private market activity suggest a perspective that places greater weight on long-term asset quality and durability.

Devon-Coterra Merger: What Matters Now

The Devon-Coterra merger seems to be less about size for its own sake and more about positioning for a maturing shale landscape. Yes, management teams touted synergies, but they were relatively small, $1 billion of synergies on a merger over $50 billion. There also wasn't a meaningful premium in the pricing (less than 1%). Instead, the focus of the combination was centered on perceived complementary asset bases across the Permian, Eagle Ford, and even Marcellus as well as creating a deeper and more flexible inventory portfolio in both natural gas and oil.

The valuation implication is straightforward. The market is tilting towards companies that can demonstrate durable inventory and capital allocation flexibility, rather than simply growth potential. The Devon-Coterra transaction reflects that shift.

That flexibility is significant for a larger energy company. As drilling locations become more heterogeneous, operators are placing greater value on optionality, the ability to allocate capital across basins, benches, and development timelines. Scale, in this context, is not just about production. It is also about maintaining a multi-year runway of economically viable drilling locations. This task is not as easy as it used to be. It will be getting harder going forward. The latest **Dallas Fed Survey** suggests that break-even prices for typical undeveloped wells in the Permian need to be around $67 per barrel. Devon's and Coterra's merger projections were assuming a lower price than that - closer to $60 per barrel. At first glance, that comparison suggests that undeveloped wells won't be economical. However, not all undeveloped wells are "typical". Enverus just **released** analysis suggesting that there are around 55,000 locations in the Permian with sub-$50 per barrel breakeven prices. This is more than double any other basin in North America. Devon and Coterra's boards appear to be betting that their acreage has its fair share of those locations in their portfolio so that they can churn out profitable wells for years to come.

Macro Update

"He's Not Done Yet!" Oil Company Valuations Rise As Scale And Scarcity Drive Consolidation

(cont.)

Short-Term Price Expectations Are Creating Friction, Not Stopping Deals

While consolidation remains a clear trend, near-term price expectations are influencing how transactions are negotiated. According to the Dallas Fed Energy Survey, large operators (meaning companies with over 10,000 barrels per day of production) continue to plan around conservative oil price assumptions, generally in the $60 range. This is below even longer term 2030 strip prices which are closer to $65 per barrel.

One consequence of this dynamic has widened bid/ask spreads in the M&A market. Buyers are underwriting deals based on disciplined price decks, while sellers are reluctant to transact at what may appear to be cyclical lows.

The result tends towards slower deal execution but not reduced interest. Strategic transactions continue to move forward when asset quality, particularly inventory depth and location, justifies the valuation. In that sense, price volatility is shaping timing, but not direction.

Shale Maturity Is Reshaping Growth Stories

Underlying these valuation aspects is a more fundamental reality: U.S. shale is maturing. **The EIA's *Short-Term Energy Outlook*** indicates that production growth is slowing, even as efficiency gains continue. This reflects the natural progression of a resource base that has been extensively developed over the past decade.

The Permian remains the centerpiece of U.S. oil production, but even there, operators are increasingly developing secondary benches and managing parent-child well interactions. The Eagle Ford, meanwhile, represents a more mature, stable production base, with lower growth but strong cash flow characteristics. These are not signals of abundance, but of scarcity.

As noted earlier, there are tens of thousands of valuable locations left, chiefly in the Permian Basin. However, the distribution of that inventory matters. Not all locations are equal, and the highest-quality drilling opportunities are increasingly concentrated among larger operators with contiguous acreage positions which feeds the valuation story toward an inventory quality and sustainability narrative.

Macro Update

"He's Not Done Yet!" Oil Company Valuations Rise As Scale And Scarcity Drive Consolidation

(cont.)

"He's Not Done Yet!" – More Deal Activity To Come?

Taken together, these trends point toward continued consolidation. As shale plays age, the number of high-quality drilling locations per company declines. At the same time, the operational benefits of scale become more pronounced.

The result is an industry that is structurally inclined toward fewer, larger operators. The Devon-Coterra merger is one example, but it is unlikely to be the last. Mid-cap and large-cap independents with overlapping or complementary assets remain logical candidates for further consolidation. The latest Dallas Fed survey agrees, which asked participants about consolidation among the thirty or so remaining publicly traded E&P independents. Most respondents thought there was a market appetite for several more mergers and acquisitions amongst this group to take place before 2030.

Eagle Ford

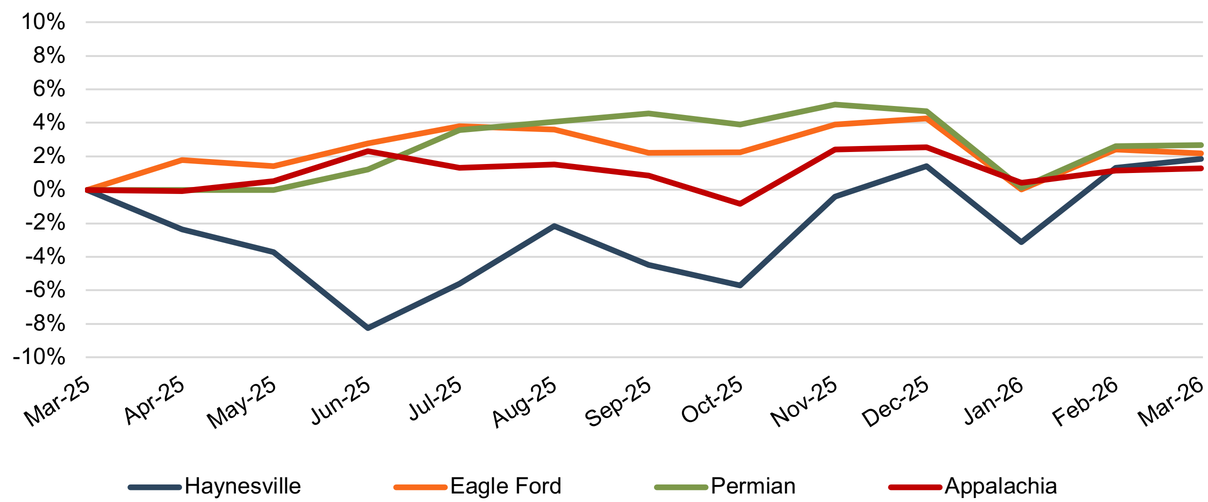
Production and Activity Levels

The economics of oil and gas production varies by region. Mercer Capital focuses on trends in the Eagle Ford, Permian, Haynesville, and Appalachia plays. The cost of producing oil and gas depends on the geological makeup of the reserve, depth of reserve, and cost to transport the raw crude to market. We can observe different costs in different regions depending on these factors. This quarter we take a closer look at the Eagle Ford.

Eagle Ford production increased 2.2% year-over-year (YoY) on a barrels of oil equivalent (boe) basis for the twelve-month period ending March 2026. The basin's growth was closely aligned with the other major basins, with YoY production increases ranging from 1.3% to 2.7% across the Eagle Ford, Permian, Haynesville and Appalachia. Eagle Ford production remained within a relatively narrow range over the twelve-month span, varying between 2.36 and 2.46 million barrels of oil equivalent per day (mboe/d).

The Haynesville exhibited a markedly different pattern, with production changes from March 2025 declining into negative territory (as low as -8.3%) through mid-2025 before recovering through the second half of the year and turning modestly positive in December 2025 and in February and March of 2026. Eagle Ford production generally increased through November 2025 before dipping to its review period starting point in January 2026. Production partially recovered over the following two months to reach its period-end 2.2% YoY change.

1-Year Change in Production



Source: Energy Information Administration

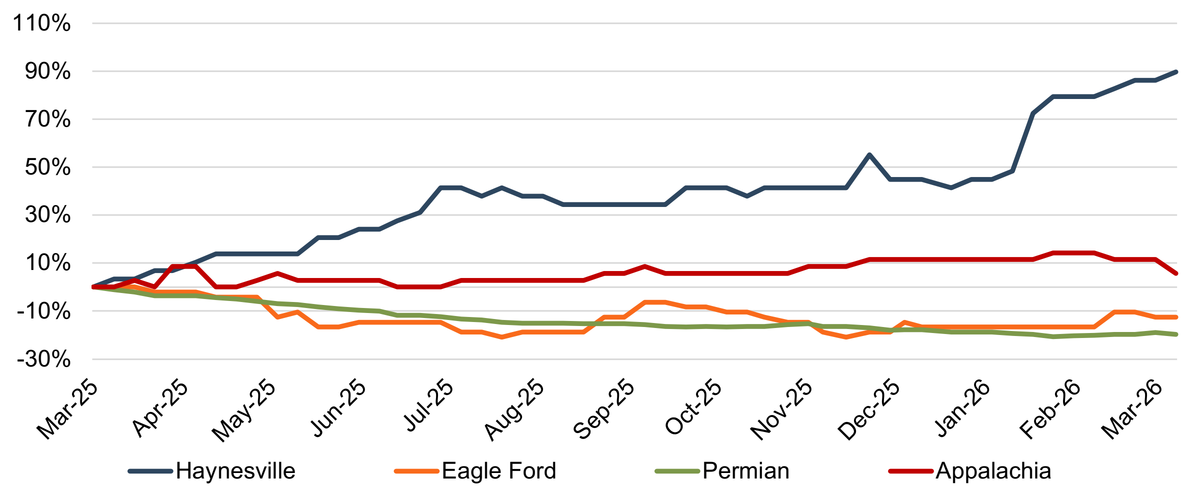
Eagle Ford

Production and Activity Levels

(cont.)

The divergence between the Haynesville and Appalachia production growth patterns, despite both being natural gas weighted basins, was driven in part by differences in regional demand exposure and infrastructure dynamics. The Haynesville is more directly tied to Gulf Coast LNG export markets, where timing of facility demand and delays in LNG project development, including **the Golden Pass LNG project,** have contributed to more pronounced short-term fluctuations in production activity. In contrast, Appalachia production tends to be more stable due to its access to a broader mix of end markets, including domestic consumption and storage, as well as more constrained takeaway capacity that moderates rapid changes in output.

1-Year Change in Rig Count



Source: Baker Hughes

Rig count trends in the Eagle Ford reflect a sustained reduction in drilling activity over the past year. The basin's rig count declined 13% YoY, falling from 48 rigs in March 2025 to 42 rigs in March 2026. The 48 rigs in March 2025 was the review period high point with the lows at 38 rigs reached in both August and December. The basin posted a brief recovery to 45 rigs in late September and early October, but the count slid back to 38 rigs over the next two months. By early 2026, the rig count stabilized at 40 to 42 rigs.

Eagle Ford

Production and Activity Levels

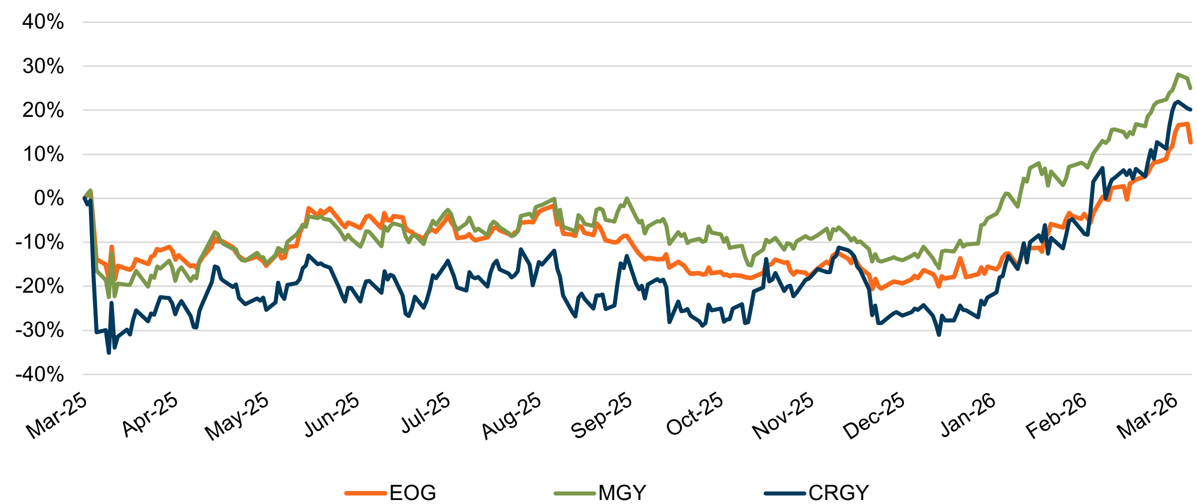
(cont.)

The Eagle Ford's decline in rig count was consistent with the Permian which also experienced a bit higher YoY reduction in rig count at 20%. In contrast, the Haynesville and Appalachia gas weighted basins posted rig count increases reflecting improved natural gas economics. Appalachia posted a modest 6% increase while the Haynesville rig count surged 90% to rig count levels it has not seen since 2022. The Haynesville **surge** was largely attributable to its proximity to Gulf Coast LNG export markets, where growing and anticipated demand provided a more immediate incentive for drilling.

Overall, the combination of modest production growth and declining rig counts highlights the capital discipline and maturity of the Eagle Ford basin. While production levels have remained relatively resilient, the reduction in drilling activity suggests limited near-term growth absent a sustained improvement in oil prices and corresponding increase in operator investment.

Financial Performance

1-Year Change in Stock Price



Source: Capital IQ

Eagle Ford

Financial Performance
(cont.)

The Eagle Ford public comp group, EOG Resources, Magnolia Oil & Gas, and Crescent Energy, posted positive YoY stock price performance through March 31, 2026. EOG increased 13%, Crescent advanced 20%, and Magnolia rose 25%.

Stock prices declined sharply at the outset of the period, with share prices falling 16% to 31% during the first two weeks of April 2025, reflecting a rapid **deterioration** in oil prices driven by the increased global supply expectations and weakening demand outlook. Over the following nine months, stock prices varied within a broad range without a sustained directional trend, mirroring fluctuations in crude prices. That pattern shifted entering 2026, when all three companies rallied sharply alongside the rebound in oil prices, driven in part by the March U.S./Israel attacks on Iran. From December 31, 2025 to March 31, 2026, EOG rose 38%, Magnolia gained 44%, and Crescent advanced 61%, underscoring the market's improved sentiment toward Eagle Ford exposed names as the quarter ended.

Crescent Energy's stock price underperformance during much of 2025, particularly through October, reflects its higher leverage profile and greater sensitivity to commodity price volatility relative to its peers. As a smaller and more acquisition-driven operator, Crescent's equity performance exhibited greater downside during periods of oil price weakness, though it also participated more strongly in the early 2026 rebound.

Market Valuations & Transaction History

Overview

M&A activity in the Eagle Ford Shale during the January 2025 through March 2026 remained muted relative to other U.S. shale basins, continuing a multi-year trend of limited transaction volume. Our 2024-2025 analysis noted that **only two "pure-play" Eagle Ford transactions** closed in the prior twelve-month period.

While the basin remains a prolific hydrocarbon system with established infrastructure and proximity to Gulf Coast markets, transaction flow has been constrained by increasing scarcity in quality shale inventory, portfolio high-grading by operators, and competition from the Permian Basin. In addition, the increasing emphasis on capital discipline and shareholder returns across the upstream sector has further tempered acquisitive behavior, with operators prioritizing free cash flow generation, debt reduction, and share repurchases over large-scale expansion. This shift in corporate strategy has contributed to a more measured pace of consolidation within the Eagle Ford relative to earlier development cycles.

Announcement / Closing Date	Acquirer	Target / Seller	Transaction Value ($MM)	Asset Type	Eagle Ford Exposure
2/18/2026 (announced)	Caturus Energy LLC	SM Energy Company	~$950	Upstream	~61,000 net acres; 260 producing wells
1/26/2026 (process reported)	Undisclosed (marketing by ExxonMobil / XTO)	Eagle Ford asset package	~$1,000 (estimated)	Upstream	~168,000 acres; >1,000 wells
12/19/2025 (closing)	Undisclosed	Baytex Energy	~$2,300	Upstream	~Current production of 83 mboe/d; 277 mmboe of 1P reserves
4/4/2025	Undisclosed	Matador Resources	~$30	Upstream	Sale of remaining Eagle Ford Assets
1/31/2025 (closing)	Crescent Energy	Ridgemar Energy	~$905	Upstream	Core Eagle Ford assets

Market Valuations & Transaction History

Transaction Activity (January 2025 - March 2026)

Transaction activity over the review period was limited, with only one clearly identifiable pure-play Eagle Ford acquisition, supplemented by corporate-level transactions and asset marketing processes that include Eagle Ford exposure. As a result, observable transaction data remains sparse, limiting the availability of directly comparable valuation benchmarks and reinforcing the importance of asset-specific analysis in underwriting potential acquisitions.

Key Transactions

Crescent Energy – Ridgemar Energy

Crescent Energy **completed** the acquisition of Ridgemar Energy's Eagle Ford assets for approximately $905 million, expanding its oil-weighted production base and drilling inventory. This transaction represents the primary datapoint for Eagle Ford-specific valuation within the review period and reflects continued consolidation among mid-cap operators. The acquisition also highlights the strategic focus on contiguous acreage positions and operational synergies, as buyers seek to enhance capital efficiency through longer laterals, optimized development spacing, and reduced per-unit costs.

ExxonMobil (XTO Energy) - Eagle Ford Divestiture Process

In early 2026, ExxonMobil **initiated** a process to market a large Eagle Ford position, estimated at approximately $1 billion. Although not yet completed, this process is indicative of:

- Portfolio high-grading by major operators
- Increasing availability of mature Eagle Ford assets
- Potential for incremental deal flow in subsequent periods

Should the process result in a completed transaction, it may provide additional insight into current market-clearing valuation levels for mature, large-scale Eagle Ford positions.

Market Valuations & Transaction History

Baytex Energy - Eagle Ford Divestiture Process

In November 2025, Baytex Energy entered into a definitive agreement to sell its entire U.S. Eagle Ford asset base for approximately $2.305 billion in cash to an undisclosed buyer, with closing expected in December 2025. The transaction represents a full exit from the Eagle Ford and U.S. operations, reversing Baytex's prior expansion into the basin through the 2023 Ranger Oil acquisition. Strategically, the divestiture is framed as a portfolio high-grading initiative, with proceeds expected to materially strengthen the balance sheet, including repayment of outstanding debt and a transition to a net cash position, while supporting increased shareholder returns through buybacks and dividends.

Market Dynamics Impacting M&A

Transaction activity in the Eagle Ford over the review period reflects a convergence of structural and cyclical factors that continue to suppress deal flow. As a mature basin with a largely consolidated operator base, the Eagle Ford offers fewer scalable acquisition targets relative to earlier development phases. At the same time, macroeconomic pressures, including commodity price uncertainty and capital discipline among upstream operators, have contributed to wider bid-ask spreads and reduced transaction velocity. These dynamics, combined with competition for capital from higher-return basins, have resulted in a market environment characterized by selective, opportunistic transactions rather than broad-based M&A activity.

Limited Inventory of Scalable Assets

The Eagle Ford is a mature basin, and prior consolidation has reduced the number of sizable, high-quality acquisition opportunities. Remaining opportunities are often fragmented or require operational turnaround, limiting the pool of buyers with both the technical expertise and financial flexibility to execute acquisitions at scale.

Commodity Price Volatility

Lower and more volatile oil prices in 2025 contributed to wider bid-ask spreads, slowing transaction execution. Uncertainty around forward price expectations has further complicated underwriting assumptions, particularly for assets with higher decline rates or limited remaining inventory.

Market Valuations & Transaction History

Capital Allocation to Higher-Return Basins

The Permian Basin continues to attract the majority of upstream investment due to superior drilling economics and inventory depth, limiting capital directed toward the Eagle Ford. This relative capital disadvantage has contributed to fewer competitive bidding processes for Eagle Ford assets, particularly when compared to recent Permian transactions.

Strategic Portfolio Optimization

Major operators continue to divest non-core assets, as evidenced by ExxonMobil's marketing process, while reinvesting in higher-margin opportunities. This trend is expected to persist as companies refine portfolios to emphasize scale, operational efficiency, and returns on invested capital.

Outlook

Looking ahead, Eagle Ford M&A activity is likely to remain selective, with transaction volume dependent on the pace of asset divestitures by larger operators and the willingness of mid-cap buyers to pursue bolt-on acquisitions. While the basin's maturity constrains large-scale consolidation opportunities, its established infrastructure, favorable market access, and predictable production profiles continue to support its relevance within diversified upstream portfolios. As such, incremental transaction activity is expected to be driven by strategic repositioning rather than broad-based market expansion.

Appendix A

Selected Public Company Information

Mercer Capital tracks the performance of Exploration and Production companies across different mineral reserves in order to understand how the current pricing environment affects operators in each region. We created an index of six groups to better understand performance trends across reserves and the industry. The current pricing multiples of each company in the index are summarized below.

					as of 3/31/2026		
Company Name	Ticker	3/31/2026 Enterprise Value	YoY % Change in Stock Price	EBITDAX Margin	Daily Oil Equiv. Production (mboe/d)	EV/ EBITDAX	Price per Flowing Barrel*
Global Integrated							
Exxon Mobil Corp	XOM	$753,979	42.7%	21.8%	4,362	9.8x	$172,868
Shell PLC	SHEL	312,297	29.6%	20.9%	2,456	5.2	127,183
Chevron Corp	CVX	459,017	23.7%	25.9%	3,974	8.8	115,520
BP PLC	BP	178,821	42.1%	19.4%	2,248	4.6	79,556
Equinor ASA	EQNR	119,829	63.0%	35.0%	2,204	2.9	54,375
Group Median			**42.1%**	**21.8%**	**2,456**	**5.2x**	**$115,520**
Global E&P							
ConocoPhillips	COP	$178,302	25.7%	46.7%	2,230	6.4	$79,961
Occidental Petroleum Corporation	OXY	94,694	31.7%	59.9%	1,448	6.5	65,380
Murphy Oil Corporation	MUR	7,856	45.2%	67.3%	167	4.2	47,001
Group Median			**31.7%**	**59.9%**	**1,448**	**6.4x**	**$65,380**

Source: Capital IQ

- *Price per Flowing Barrel is EV/ daily production ($/boe/d). Price per Daily MCFE is EV/ daily production ($/mcfe/d). Market data per Capital IQ. EBITDAX and daily production based on consensus estimates per Capital IQ*
- *Companies included in the Guideline Group are not meant to be an exhaustive list. The selected companies' market caps exceed $1 billion and/or revenues exceed $500 million.*
- *We review 10-Ks and annual reports from guideline companies to ensure companies continue to operate in the regions and groups we have identified.*

Appendix A

Selected Public Company Information

					as of 3/31/2026		
Company Name	**Ticker**	**3/31/2026 Enterprise Value**	**YoY % Change in Stock Price**	**EBITDAX Margin**	**Daily Oil Equiv. Production (mboe/d)**	**EV/ EBITDAX**	**Price per Flowing Barrel***
Permian Basin							
Diamondback Energy, Inc.	FANG	$76,046	23.7%	72.2%	953	6.9x	$79,815
Permian Resources Corporation	PR	22,627	53.9%	73.7%	415	5.4	54,573
Devon Energy Corporation	DVN	38,575	34.5%	54.1%	1,144	3.8	33,713
APA Corporation	APA	20,196	101.9%	68.9%	436	3.5	46,345
Group Median			**44.2%**	**70.6%**	**694**	**4.6x**	**$50,459**
Eagle Ford							
EOG Resources, Inc.	EOG	$83,187	12.7%	58.1%	1,399	5.9x	$59,482
Magnolia Oil & Gas Corporation	MGY	6,073	25.0%	73.8%	105	5.7	57,795
Crescent Energy Company	CRGY	9,956	20.1%	57.0%	328	3.8	30,330
Group Median			**20.1%**	**58.1%**	**328**	**5.7x**	**$57,795**

Source: Capital IQ

- *Price per Flowing Barrel is EV/ daily production ($/boe/d). Price per Daily MCFE is EV/ daily production ($/mcfe/d). Market data per Capital IQ. EBITDAX and daily production based on consensus estimates per Capital IQ*
- *Companies included in the Guideline Group are not meant to be an exhaustive list. The selected companies' market caps exceed $1 billion and/or revenues exceed $500 million.*
- *We review 10-Ks and annual reports from guideline companies to ensure companies continue to operate in the regions and groups we have identified.*

Appendix A

Selected Public Company Information

					as of 3/31/2026		
Company Name	**Ticker**	**3/31/2026 Enterprise Value**	**YoY % Change in Stock Price**	**EBITDAX Margin**	**Daily Gas Equiv. Production (mmcfe/d)**	**EV/ EBITDAX**	**Price per Daily MCFE***
Haynesville							
Expand Energy Corporation	EXE	$30,883	-1.4%	62.3%	7,458	5.0x	$4,141
Comstock Resources, Inc.	CRK	9,394	3.6%	64.2%	1,259	7.1	7,464
Group Median			**1.1%**	**63.2%**	**4,358**	**6.1x**	**$5,803**
Appalachia							
Range Resources Corporation	RRC	$12,012	13.1%	49.2%	2,290	7.1x	$5,245
EQT Corporation	EQT	51,179	19.1%	69.7%	6,578	7.4	7,781
Coterra Energy Inc.	CTRA	30,581	21.6%	70.5%	4,767	5.6	6,415
Antero Resources Corporation	AR	16,785	4.9%	42.0%	4,129	6.2	4,065
Group Median			**16.1%**	**59.5%**	**4,448**	**6.6x**	**$5,830**
OVERALL MEDIAN			**25.0%**	**58.1%**	**N/A**	**5.7x**	**N/A**

Source: Capital IQ

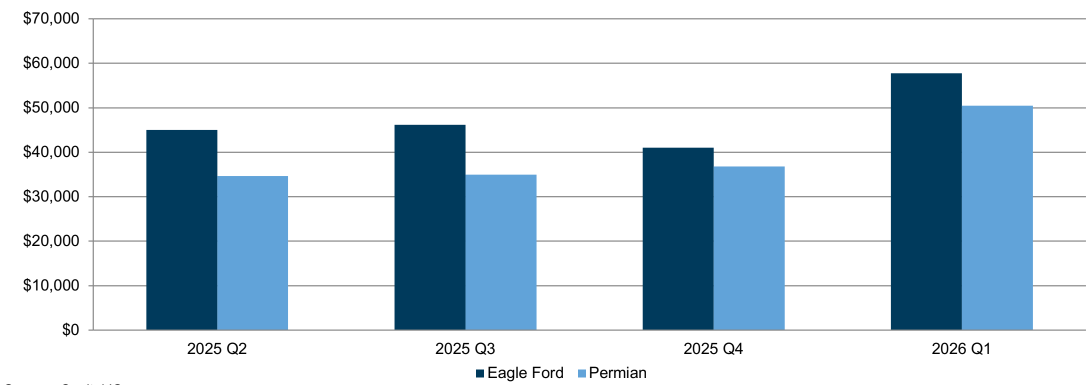
- *Price per Flowing Barrel is EV/ daily production ($/boe/d). Price per Daily MCFE is EV/ daily production ($/mcfe/d). Market data per Capital IQ. EBITDAX and daily production based on consensus estimates per Capital IQ*
- *Companies included in the Guideline Group are not meant to be an exhaustive list. The selected companies' market caps exceed $1 billion and/or revenues exceed $500 million.*
- *We review 10-Ks and annual reports from guideline companies to ensure companies continue to operate in the regions and groups we have identified.*

Appendix A

Selected Public Company Information

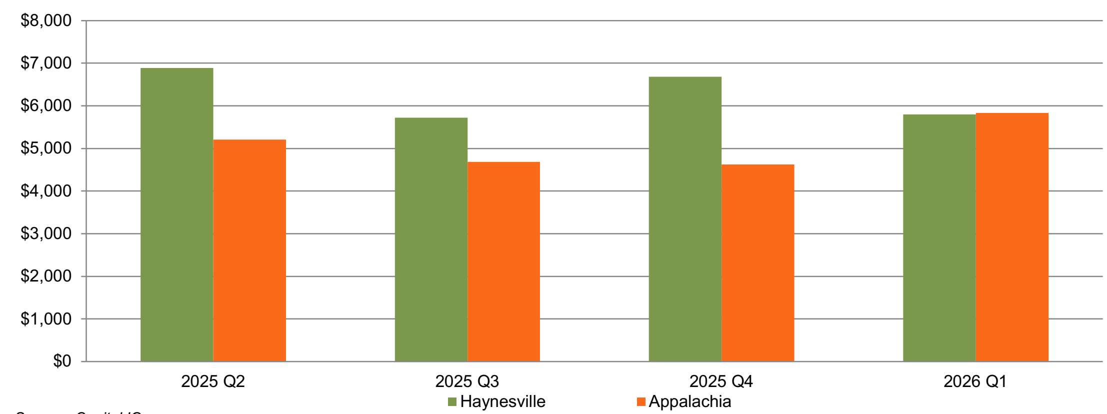
The following graphs depict the median of EV/production multiples from Q2 2025 through Q1 2026. The production multiples are segregated in the graphs by primarily oil-producing regions ($/boe/d) and primarily gas-producing regions ($/mcfe/d).

Price per Flowing Barrel



Source: Capital IQ

Price per Daily MCFE



Source: Capital IQ

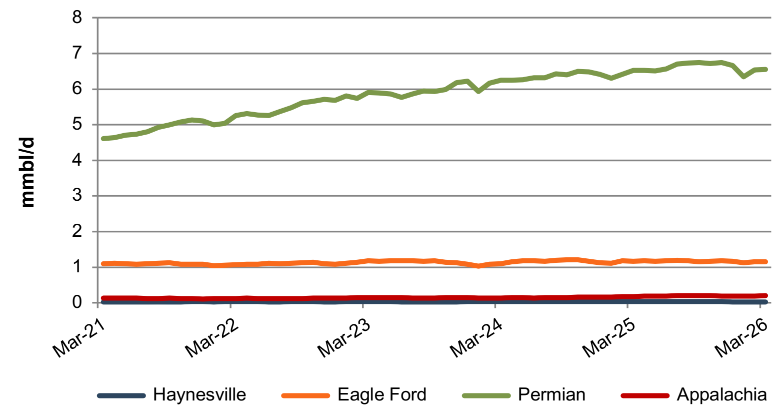
- *Price per Flowing Barrel is EV/ daily production ($/boe/d) Price per Daily MCFE is EV/ daily production ($/mcfe/d). EBITDAX and daily production based on consensus estimates per Capital IQ*
- *This is simply a graphic depiction of the median figures of our selected public companies for each region. This should be interpreted solely in the context of relative valuation between the various basins over time. Capital IQ aggregates this raw data, and Mercer Capital does not represent or warrant these figures as indicative of valuation multiples attributable to E&P companies or other interests.*

Appendix B

Production

Daily Production of Crude Oil

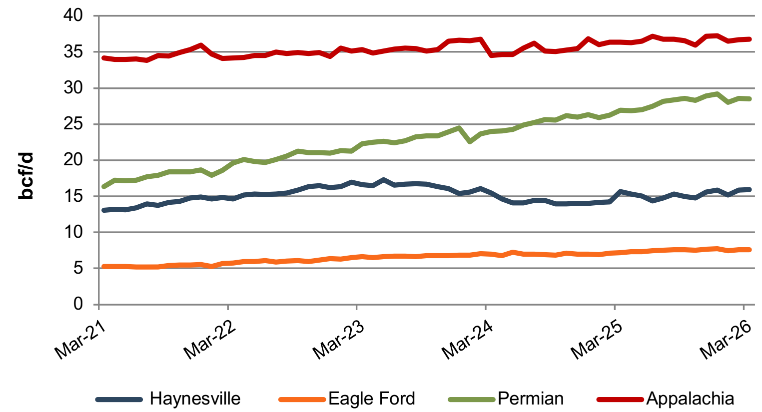
Oil production in the Permian and Eagle Ford was generally flat in the twelve months through March 2026, with Permian oil production rates increasing 0.4% and Eagle Ford rates decreasing 1.6%.



Source: EIA

Daily Production of Natural Gas

The Eagle Ford and Permian led the analyzed regions in natural gas production growth in the twelve months through Q1 2026, with both increasing 5.9%. Natural gas production in the Haynesville and Appalachian Basin were 2.0% and 1.0% higher than a year ago, respectively.



Source: EIA

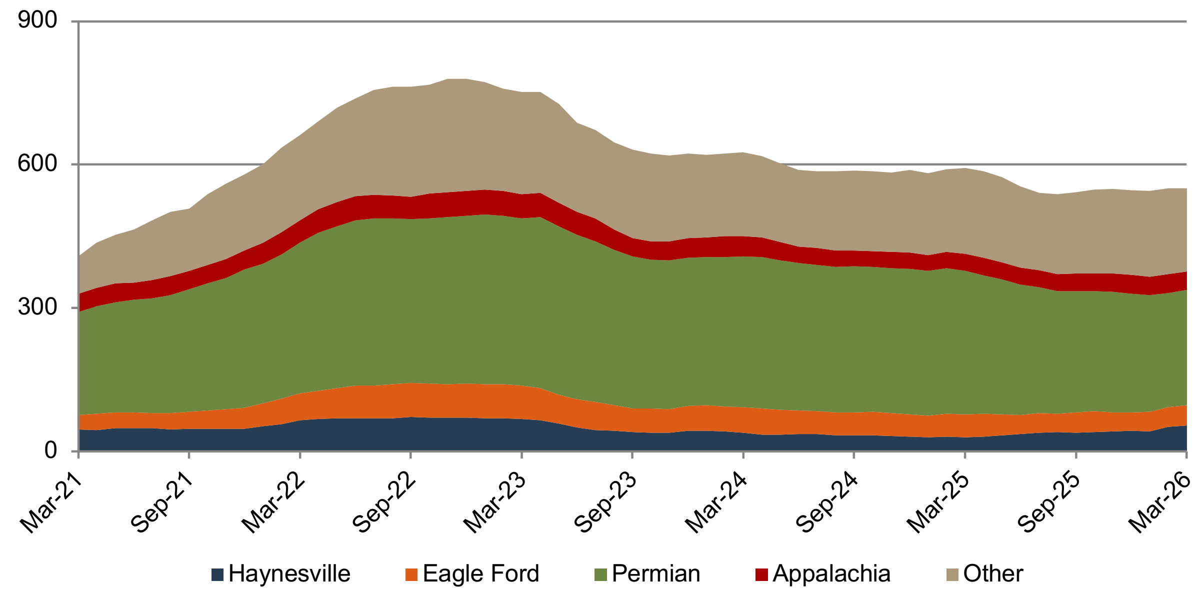
Appendix C

Rig Count

Baker Hughes collects and publishes information regarding active drilling rigs in the United States and internationally. The number of active rigs is a key indicator of demand for oilfield services & equipment. Factors influencing rig counts include energy prices, investment climate, technological changes, regulatory activity, weather, and seasonality.

The number of total active rigs in the U.S. at the end of March 2026 was 550, a 7.2% decrease from 592 in March 2025. Of the four regions covered, only the gas-focused Haynesville and Appalachia had higher rig counts from a year ago, with the average number of rigs in March 85% and 10% higher, respectively. The monthly average rig count in the Permian and Eagle Ford fell by about 20% and 12%, respectively, year-over-year.

Rig Count by Region

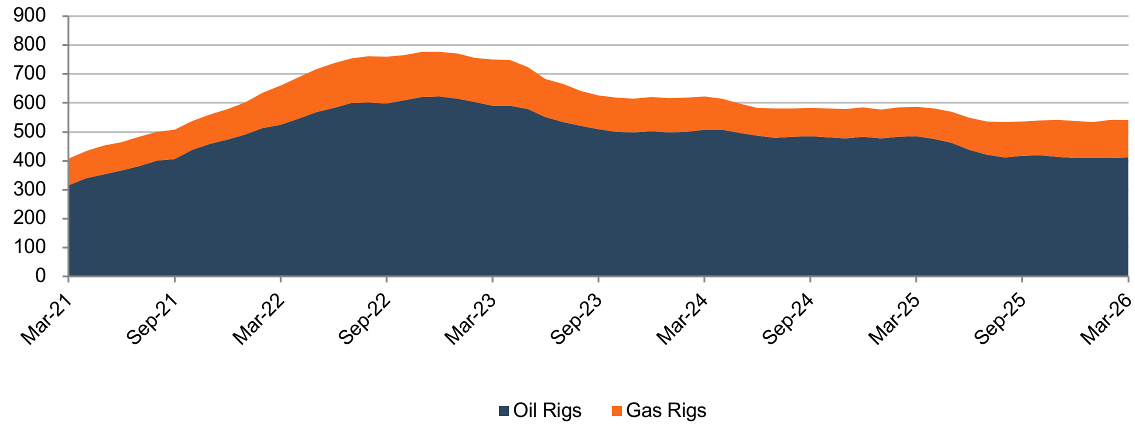


Source: Baker Hughes

Appendix C

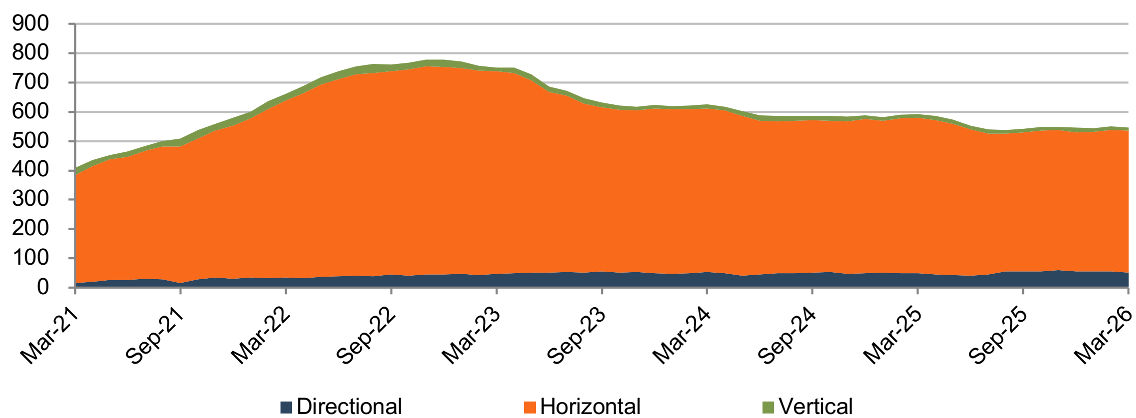
Rig Count

U.S. Rig Count by Oil vs. Natural Gas



Source: Baker Hughes

U.S. Rig Count by Trajectory



Source: Baker Hughes

Mercer Capital

www.mercercapital.com

MERCER CAPITAL