

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2022

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission File Number: 001-32886



CONTINENTAL RESOURCES, INC.
(Exact name of registrant as specified in its charter)

Oklahoma
(State or other jurisdiction)

73-0767549
(I.R.S. Employer Identification No.)

20 N. Broadway, Oklahoma City, Oklahoma 73102
(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code: (405) 234-9000

Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2022 was approximately \$4.1 billion, based upon the closing price of \$65.35 per share as reported by the New York Stock Exchange on such date.

Effective November 22, 2022, Continental Resources, Inc. became a privately held corporation and has no publicly available common shares outstanding at the time of this filing.

DOCUMENTS INCORPORATED BY REFERENCE

Part III (Items 10, 11, 12, 13 and 14) of this Annual Report on Form 10-K is incorporated by reference from the registrant's amendment to this Form 10-K to be filed on Form 10-K/A with the Securities and Exchange Commission no later than 120 days after the end of the registrant's fiscal year covered by this report.

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Glossary of Crude Oil and Natural Gas Terms

The terms defined in this section may be used throughout this report:

“*basin*” A large natural depression on the earth’s surface in which sediments generally brought by water accumulate.

“*Bbl*” One stock tank barrel, of 42 U.S. gallons liquid volume, used herein in reference to crude oil, condensate or natural gas liquids.

“*Bcf*” One billion cubic feet of natural gas.

“*Boe*” Barrels of crude oil equivalent, with six thousand cubic feet of natural gas being equivalent to one barrel of crude oil based on the average equivalent energy content of the two commodities.

“*Btu*” British thermal unit, which represents the amount of energy needed to heat one pound of water by one degree Fahrenheit and can be used to describe the energy content of fuels.

“*completion*” The process of treating a drilled well followed by the installation of permanent equipment for the production of crude oil and/or natural gas.

“*conventional play*” An area believed to be capable of producing crude oil and natural gas occurring in discrete accumulations in structural and stratigraphic traps.

“*DD&A*” Depreciation, depletion, amortization and accretion.

“*de-risked*” Refers to acreage and locations in which the Company believes the geological risks and uncertainties related to recovery of crude oil and natural gas have been reduced as a result of drilling operations to date. However, only a portion of such acreage and locations have been assigned proved undeveloped reserves and ultimate recovery of hydrocarbons from such acreage and locations remains subject to all risks of recovery applicable to other acreage.

“*developed acreage*” The number of acres allocated or assignable to productive wells or wells capable of production.

“*development well*” A well drilled within the proved area of a crude oil or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

“*dry hole*” Exploratory or development well that does not produce crude oil and/or natural gas in economically producible quantities.

“*enhanced recovery*” The recovery of crude oil and natural gas through the injection of liquids or gases into the reservoir, supplementing its natural energy. Enhanced recovery methods are sometimes applied when production slows due to depletion of the natural pressure.

“*exploratory well*” A well drilled to find crude oil or natural gas in an unproved area, to find a new reservoir in an existing field previously found to be productive of crude oil or natural gas in another reservoir, or to extend a known reservoir beyond the proved area.

“*field*” An area consisting of a single reservoir or multiple reservoirs all grouped on, or related to, the same individual geological structural feature or stratigraphic condition. The field name refers to the surface area, although it may refer to both the surface and the underground productive formations.

“*formation*” A layer of rock which has distinct characteristics that differs from nearby rock.

“*fracture stimulation*” A process involving the high pressure injection of water, sand and additives into rock formations to stimulate crude oil and natural gas production. Also may be referred to as hydraulic fracturing.

“*gross acres*” or “*gross wells*” Refers to the total acres or wells in which a working interest is owned.

“*held by production*” or “*HBP*” Refers to an oil and gas lease continued into effect into its secondary term for so long as a producing oil and/or gas well is located on any portion of the leased premises or lands pooled therewith.

“*horizontal drilling*” A drilling technique used in certain formations where a well is drilled vertically to a certain depth and then drilled horizontally within a specified interval.

“*MBbl*” One thousand barrels of crude oil, condensate or natural gas liquids.

“*MBoe*” One thousand Boe.

“*Mcf*” One thousand cubic feet of natural gas.

“*MMBo*” One million barrels of crude oil.

“*MMBoe*” One million Boe.

“*MMBtu*” One million British thermal units.

“*MMcf*” One million cubic feet of natural gas.

“*net acres*” or “*net wells*” Refers to the sum of the fractional working interests owned in gross acres or gross wells.

“*Net crude oil and natural gas sales*” Represents total crude oil, natural gas, and natural gas liquids sales less total transportation expenses. Net crude oil, natural gas, and natural gas liquids sales presented herein is a non-GAAP measure. See *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures* for a discussion and calculation of this measure.

“*Net sales price*” Represents the average net wellhead sales price received by the Company for sales after deducting transportation expenses. Net sales price is calculated by taking revenues less transportation expenses divided by sales volumes for a period. Net sales prices presented herein are non-GAAP measures. See *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures* for a discussion and calculation of this measure.

“*NGL*” or “*NGLs*” Refers to natural gas liquids, which are hydrocarbon products that are separated during natural gas processing and include ethane, propane, isobutane, normal butane, and natural gasoline.

“*NYMEX*” The New York Mercantile Exchange.

“*pad drilling*” or “*pad development*” Describes a well site layout which allows for drilling multiple wells from a single pad resulting in less environmental impact and lower per-well drilling and completion costs.

“*play*” A portion of the exploration and production cycle following the identification by geologists and geophysicists of areas with potential crude oil and natural gas reserves.

“*productive well*” A well found to be capable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of the production exceed production expenses and taxes.

“*prospect*” A potential geological feature or formation which geologists and geophysicists believe may contain hydrocarbons. A prospect can be in various stages of evaluation, ranging from a prospect that has been fully evaluated and is ready to drill to a prospect that will require substantial additional seismic data processing and interpretation.

“*proved reserves*” The quantities of crude oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs and under existing economic conditions, operating methods, and government regulations prior to the time at which contracts providing the right to operate expire, unless evidence indicates renewal is reasonably certain.

“*proved developed reserves*” Reserves expected to be recovered through existing wells with existing equipment and operating methods.

“*proved undeveloped reserves*” or “*PUD*” Proved reserves expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required for completion.

“*PV-10*” When used with respect to crude oil and natural gas reserves, PV-10 represents the estimated future gross revenues to be generated from the production of proved reserves using a 12-month unweighted arithmetic average of the first-day-of-the-month commodity prices for the period of January to December, net of estimated production and future development and abandonment costs based on costs in effect at the determination date, before income taxes, and without giving effect to non-property-related expenses, discounted to a present value using an annual discount rate of 10% in accordance with the guidelines of the Securities and Exchange Commission (“SEC”). PV-10 is not a financial measure calculated in accordance with generally accepted accounting principles (“GAAP”) and generally differs from Standardized Measure, the most directly comparable GAAP financial measure, because it does not include the effects of income taxes on future net revenues. Neither PV-10 nor Standardized Measure represents an estimate of the fair market value of the Company’s crude oil and natural gas properties. The Company and others in the industry use PV-10 as a

measure to compare the relative size and value of proved reserves held by companies without regard to the specific tax characteristics of such entities.

“*reservoir*” A porous and permeable underground formation containing a natural accumulation of producible crude oil and/or natural gas that is confined by impermeable rock or water barriers and is separate from other reservoirs.

“*residue gas*” Refers to gas that has been processed to remove natural gas liquids.

“*resource play*” Refers to an expansive contiguous geographical area with prospective crude oil and/or natural gas reserves that has the potential to be developed uniformly with repeatable commercial success due to advancements in horizontal drilling and completion technologies.

“*royalty interest*” Refers to the ownership of a percentage of the resources or revenues produced from a crude oil or natural gas property. A royalty interest owner does not bear exploration, development, or operating expenses associated with drilling and producing a crude oil or natural gas property.

“*SCOOP*” Refers to the South Central Oklahoma Oil Province, a term used to describe properties located in the Anadarko basin of Oklahoma in which we operate. Our SCOOP acreage extends across portions of Garvin, Grady, Stephens, Carter, McClain and Love counties of Oklahoma and has the potential to contain hydrocarbons from a variety of conventional and unconventional reservoirs overlying and underlying the Woodford formation.

“*STACK*” Refers to Sooner Trend Anadarko Canadian Kingfisher, a term used to describe a resource play located in the Anadarko Basin of Oklahoma characterized by stacked geologic formations with major targets in the Meramec, Osage and Woodford formations.

“*spacing*” The distance between wells producing from the same reservoir. Spacing is often expressed in terms of acres (e.g., 640-acre spacing) and is often established by regulatory agencies.

“*Standardized Measure*” Discounted future net cash flows estimated by applying the 12-month unweighted arithmetic average of the first-day-of-the-month commodity prices for the period of January to December to the estimated future production of year-end proved reserves. Future cash inflows are reduced by estimated future production and development costs based on period-end costs to determine pre-tax net cash inflows. Future income taxes, if applicable, are computed by applying the statutory tax rate to the excess of pre-tax cash inflows over the tax basis in the crude oil and natural gas properties. Future net cash inflows after income taxes are discounted using a 10% annual discount rate.

“*unconventional play*” An area believed to be capable of producing crude oil and natural gas occurring in accumulations that are regionally extensive, but may lack readily apparent traps, seals and discrete hydrocarbon-water boundaries that typically define conventional reservoirs. These areas tend to have low permeability and may be closely associated with source rock, as is the case with oil and gas shale, tight oil and gas sands and coalbed methane, and generally require horizontal drilling, fracture stimulation treatments or other special recovery processes in order to achieve economic production.

“*undeveloped acreage*” Lease acreage on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of crude oil and/or natural gas.

“*unit*” The joining of all or substantially all interests in a reservoir or field, rather than a single tract, to provide for development and operation without regard to separate property interests. Also, the area covered by a unitization agreement.

“*well bore*” The hole drilled by the bit that is equipped for crude oil or natural gas production on a completed well. Also called a well or borehole.

“*working interest*” The right granted to the lessee of a property to explore for and to produce and own crude oil, natural gas, or other minerals. The working interest owners bear the exploration, development, and operating costs on either a cash, penalty, or carried basis.

Cautionary Statement for the Purpose of the “Safe Harbor” Provisions of the Private Securities Litigation Reform Act of 1995

This report and information incorporated by reference in this report include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact, including, but not limited to, forecasts or expectations regarding the Company’s business and statements or information concerning the Company’s future operations, performance, financial condition, production and reserves, schedules, plans, timing of development, rates of return, budgets, costs, business strategy, objectives, and cash flows, included in this report are forward-looking statements. The words “could,” “may,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project,” “budget,” “target,” “plan,” “continue,” “potential,” “guidance,” “strategy” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Forward-looking statements may include, but are not limited to, statements about:

- our strategy;
- our business and financial plans;
- our future operations;
- our proved reserves and related development plans;
- technology;
- future crude oil, natural gas liquids, and natural gas prices and differentials;
- the timing and amount of future production of crude oil, natural gas liquids, and natural gas and flaring activities;
- the amount, nature and timing of capital expenditures;
- estimated revenues, expenses and results of operations;
- drilling and completing of wells;
- shutting in of production and the resumption of production activities;
- competition;
- marketing of crude oil, natural gas, and natural gas liquids;
- transportation of crude oil, natural gas, and natural gas liquids to markets;
- property exploitation, property acquisitions and dispositions, strategic investments, or joint development opportunities;
- costs of exploiting and developing our properties and conducting other operations, including any impacts from inflation;
- our financial position;
- the timing and amount of debt borrowings or repayments;
- the timing and amount of income tax payments;
- current and potential litigation matters;
- geopolitical events and conditions in, or affecting other, crude oil-producing or natural gas-producing nations;
- credit markets;
- our liquidity and access to capital;
- the impact of governmental policies, laws and regulations, as well as regulatory and legal proceedings involving us and of scheduled or potential regulatory or legal changes;
- our future operating and financial results;
- our future commodity or other hedging arrangements; and
- the ability and willingness of current or potential lenders, hedging contract counterparties, customers, and working interest owners to fulfill their obligations to us or to enter into transactions with us in the future on terms that are acceptable to us.

Forward-looking statements are based on the Company’s current expectations and assumptions about future events and currently available information as to the outcome and timing of future events. Although the Company believes these assumptions and expectations are reasonable, they are inherently subject to numerous business, economic, competitive, regulatory and other risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company’s control. No assurance can be given that such expectations will be correct or achieved or that the assumptions are accurate or will not change over time. The risks and

uncertainties that may affect the operations, performance and results of the business and forward-looking statements include, but are not limited to, those risk factors and other cautionary statements described under *Part I, Item 1A. Risk Factors* and elsewhere in this report and other disclosures or announcements we make from time to time.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which such statement is made. Additionally, new factors emerge from time to time, and it is not possible for us to predict all such factors. Should one or more of the risks or uncertainties described in this report occur, or should underlying assumptions prove incorrect, the Company's actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Except as expressly stated above or otherwise required by applicable law, the Company undertakes no obligation to publicly correct or update any forward-looking statement whether as a result of new information, future events or circumstances after the date of this report, or otherwise.

Part I

You should read this entire report carefully, including the risks described under Part I, Item 1A. Risk Factors and our consolidated financial statements and the notes to those consolidated financial statements included elsewhere in this report. Unless the context otherwise requires, references in this report to “Continental Resources,” “Continental,” “we,” “us,” “our,” “ours” or “the Company” refer to Continental Resources, Inc. and its subsidiaries.

Item 1. Business

Take-private transaction

On October 16, 2022, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Omega Acquisition, Inc. (“Merger Sub”), an entity owned by the Company’s founder, Harold G. Hamm. Pursuant to the Merger Agreement, on November 22, 2022 Merger Sub completed a tender offer to purchase any and all of the outstanding shares of the Company’s common stock for \$74.28 per share in cash, other than: (i) shares of common stock owned by Mr. Hamm, certain of his family members and their affiliated entities (collectively, the “Hamm Family”) and (ii) shares of common stock underlying unvested equity awards issued pursuant to the Company’s long-term incentive plans. Immediately prior to the consummation of the Offer, Mr. Hamm contributed 100% of the capital stock of Merger Sub to the Company, as a result of which Merger Sub became a wholly owned subsidiary of the Company. Following consummation of the Offer, Merger Sub merged with and into the Company, with the Company continuing as the surviving corporation wholly owned by the Hamm Family.

Following the completion of the transaction: (i) our common stock ceased to be listed on the New York Stock Exchange effective November 23, 2022, (ii) our common stock was deregistered under Section 12(b) of the Securities Exchange Act of 1934 as amended (the “Exchange Act”), and (iii) we suspended our reporting obligations under Section 15(d) of the Exchange Act. As a result, certain of the corporate governance, disclosure, and other provisions applicable to a company with listed equity securities and reporting obligations under the Exchange Act no longer apply to us. We will continue to furnish Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K with the SEC as required by our senior note indentures.

See *Part II. Item 8. Notes to Consolidated Financial Statements—Note 1. Organization and Summary of Significant Accounting Policies—Take-Private Transaction* for additional information.

Nature of business

We are an independent crude oil and natural gas company formed in 1967 engaged in the exploration, development, management, and production of crude oil and natural gas and associated products with properties primarily located in four leading basins in the United States – the Bakken field of North Dakota and Montana, the Anadarko Basin of Oklahoma, the Permian Basin of Texas, and the Powder River Basin of Wyoming. Additionally, we pursue the acquisition and management of perpetually owned minerals located in certain of our key operating areas.

We focus our activities in large crude oil and natural gas plays that provide us the opportunity to acquire undeveloped acreage positions and apply our geologic and operational expertise to drill and develop properties at attractive rates of return. We have been successful in targeting large repeatable resource plays where three dimensional seismic, horizontal drilling, geosteering technologies, advanced completion technologies (e.g., fracture stimulation), pad/row development, and enhanced recovery technologies allow us to develop and produce crude oil and natural gas reserves from unconventional formations. As a result of these efforts, we have grown substantially through the drill bit. Additionally, our operations have also grown in recent years from strategic acquisitions.

As of December 31, 2022, our proved reserves were 1,864 MMBoe, with proved developed reserves representing 1,035 MMBoe, or 56%, of our total proved reserves. The standardized measure of our discounted future net cash flows totaled \$31.91 billion at December 31, 2022. For 2022, we generated crude oil, natural gas, and natural gas liquids revenues of \$10.1 billion and operating cash flows of \$7.0 billion. Crude oil accounted for 50% of our total production and 69% of our crude oil, natural gas, and natural gas liquids revenues for 2022. Our total production averaged 401,800 Boe per day for 2022, an increase of 22% compared to 2021.

The table below summarizes our total proved reserves, PV-10 (non-GAAP) and net producing wells as of December 31, 2022 and our average daily production for the quarter ended December 31, 2022 for our principal operating areas. The PV-10 values shown below are not intended to represent the fair market value of our crude oil and natural gas properties. There are numerous uncertainties inherent in estimating quantities of crude oil and natural gas reserves. See *Part I, Item 1A. Risk Factors* and “Critical Accounting Policies and Estimates” in *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations* of this report for further discussion of uncertainties inherent in the reserve estimates.

	December 31, 2022					
	Proved reserves (MBoe)	Percent of total	PV-10 (1) (In millions)	Net producing wells	4Q 2022 Daily Production (Boe per day)	Percent of total
Bakken	733,875	39.4 %	\$ 17,802	2,098	174,397	41.7 %
Anadarko Basin	697,219	37.4 %	\$ 12,060	845	165,225	39.5 %
Powder River Basin	103,941	5.6 %	\$ 2,106	433	28,057	6.7 %
Permian Basin	303,799	16.3 %	\$ 7,367	364	44,925	10.7 %
All other	24,930	1.3 %	\$ 626	257	5,552	1.4 %
Total	1,863,764	100.0 %	\$ 39,961	3,997	418,156	100.0 %

- (1) PV-10 is a non-GAAP financial measure and generally differs from Standardized Measure, the most directly comparable GAAP financial measure, because it does not include the effects of income taxes on future net revenues of approximately \$8.05 billion. Neither PV-10 nor Standardized Measure represents an estimate of the fair market value of our crude oil and natural gas properties. We and others in the crude oil and natural gas industry use PV-10 as a measure to compare the relative size and value of proved reserves held by companies without regard to the specific income tax characteristics of such entities. See *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures* for further discussion.

Our Business Strategies

Our business strategies continue to be focused on increasing enterprise value by finding and developing crude oil and natural gas reserves at low costs and attractive rates of return. For 2023, our primary business strategies will include:

- Continuing to exercise capital and operational discipline to maximize cash flow generation and competitive returns on capital employed;
- Reducing outstanding debt and maintaining a strong balance sheet to enhance financial flexibility;
- Maintaining low-cost, capital efficient operations; and
- Driving continued improvement in our health, safety, and environmental performance and governance programs.

Our Business Strengths

We have a number of strengths to allow us to successfully execute our business strategies, including the following:

Large acreage inventory with access to both crude oil and natural gas resources. We held 605,179 net undeveloped acres and 1.52 million net developed acres under lease as of December 31, 2022 concentrated in core areas of premier U.S. resource plays that provide optionality and access to crude oil, natural gas, and natural gas liquids.

Expertise with pad and row development, horizontal drilling, and optimized completion methods. We have substantial experience with horizontal drilling and optimized completion methods and continue to be among industry leaders in the use of new drilling and completion technologies. We continue to improve drilling and completion efficiencies through the use of multi-well pad and row development strategies. Further, we are among industry leaders in drilling long lateral lengths. We have also been among industry leaders in testing and utilizing optimized completion technologies involving various combinations of fluid types, proppant types and volumes, and stimulation stage spacing to determine optimal methods for improving recoveries and rates of return. We continually refine our drilling and completion techniques in an effort to deliver improved results across our properties.

Control operations over a substantial portion of our assets and investments. As of December 31, 2022, we operated properties comprising 88% of our total proved reserves. By controlling a significant portion of our operations, we are able to more effectively manage the cost and timing of exploration and development of our properties, including the drilling and completion methods used. Additionally, we capitalize on our geologic knowledge and land expertise to strategically acquire minerals in areas of future growth, thereby allowing us to enhance cash flows and project economics through the alignment of mineral ownership with our drilling schedule. Further, we continue to grow our significant portfolio of water gathering, recycling, and disposal infrastructure assets which

allow for uninterrupted flow back and recycling capabilities, supports timely completion activities, and generates additional service revenues and cash flows.

Experienced Management Team. Our senior management team has extensive expertise in the oil and gas industry and with operating in challenging commodity price environments. Our Executive Chairman, Harold G. Hamm, began his career in the oil and gas industry in 1967. Our 7 executive officers have an average of 40 years of oil and gas industry experience.

Financial Position and Liquidity. We have a credit facility with lender commitments totaling \$2.255 billion that matures in October 2026. We had approximately \$1.12 billion of borrowing availability on our credit facility at February 1, 2023 after considering outstanding borrowings and letters of credit. Our credit facility is unsecured and does not have a borrowing base requirement that is subject to periodic redetermination based on changes in commodity prices and proved reserves. Additionally, downgrades or other negative rating actions with respect to our credit rating do not trigger a reduction in our current credit facility commitments, nor do such actions trigger a security requirement or change in covenants.

Crude Oil and Natural Gas Operations

Proved Reserves

Proved reserves are those quantities of crude oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations prior to the time at which contracts providing the right to operate expire, unless evidence indicates renewal is reasonably certain. In connection with the estimation of proved reserves, the term “reasonable certainty” implies a high degree of confidence the quantities of crude oil and/or natural gas actually recovered will equal or exceed the estimate. To achieve reasonable certainty, our internal reserve engineers and Ryder Scott Company, L.P. (“Ryder Scott”), our independent reserve engineers, employed technologies demonstrated to yield results with consistency and repeatability. The technologies and economic data used in the estimation of our proved reserves include, but are not limited to, well logs, geologic maps including isopach and structure maps, analogy and statistical analysis, and available downhole, production, seismic, and well test data.

The table below sets forth estimated proved crude oil and natural gas reserves information by reserve category as of December 31, 2022. Proved reserves attributable to noncontrolling interests are not material relative to our consolidated reserves and are not separately presented herein. The standardized measure of our discounted future net cash flows totaled approximately \$31.91 billion at December 31, 2022. Our reserve estimates as of December 31, 2022 are based primarily on a reserve report prepared by Ryder Scott. In preparing its report, Ryder Scott evaluated properties representing approximately 98% of our PV-10 and 98% of our total proved reserves as of December 31, 2022. Our internal technical staff evaluated the remaining properties. A copy of Ryder Scott’s summary report is included as an exhibit to this Annual Report on Form 10-K.

Our estimated proved reserves and related future net revenues, Standardized Measure and PV-10 at December 31, 2022 were determined using the 12-month unweighted arithmetic average of the first-day-of-the-month commodity prices for the period of January 2022 through December 2022, without giving effect to derivative transactions, and were held constant throughout the lives of the properties. These prices were \$93.67 per Bbl for crude oil and \$6.36 per MMBtu for natural gas (\$89.47 per Bbl for crude oil and \$6.12 per Mcf for natural gas adjusted for location and quality differentials).

The following table summarizes our estimated proved reserves by commodity and reserve classification as of December 31, 2022.

	Crude Oil (MBbls)	Natural Gas (MMcf)	Total (MBoe)	PV-10 (1) (in millions)
Proved developed producing	439,497	3,417,413	1,009,066	\$ 23,468.8
Proved developed non-producing	14,802	69,361	26,362	580.0
Proved undeveloped	435,240	2,358,578	828,336	15,912.6
Total proved reserves	889,539	5,845,352	1,863,764	\$ 39,961.4
Standardized Measure (1)				\$ 31,907.6

- (1) PV-10 is a non-GAAP financial measure and generally differs from Standardized Measure, the most directly comparable GAAP financial measure, because it does not include the effects of income taxes on future net revenues of approximately \$8.05 billion. See *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures* for further discussion.

The following table provides additional information regarding our estimated proved crude oil and natural gas reserves by region as of December 31, 2022.

	Proved Developed			Proved Undeveloped		
	Crude Oil (MBbls)	Natural Gas (MMcf)	Total (MBoe)	Crude Oil (MBbls)	Natural Gas (MMcf)	Total (MBoe)
Bakken	221,714	1,047,607	396,315	220,634	701,555	337,560
Anadarko Basin	77,781	2,072,290	423,163	57,863	1,297,162	274,056
Powder River Basin	34,382	154,902	60,199	27,782	95,760	43,742
Permian Basin	95,707	210,681	130,821	128,961	264,101	172,978
All other	24,715	1,294	24,930	—	—	—
Total	454,299	3,486,774	1,035,428	435,240	2,358,578	828,336

The following table provides information regarding changes in total estimated proved reserves for the periods presented.

MBoe	Year Ended December 31,		
	2022	2021	2020
Proved reserves at beginning of year	1,645,310	1,103,762	1,619,265
Revisions of previous estimates	(133,061)	53,569	(504,874)
Extensions, discoveries and other additions	395,490	371,105	91,387
Production	(146,657)	(120,321)	(109,833)
Sales of minerals in place	(144)	(148)	—
Purchases of minerals in place	102,826	237,343	7,817
Proved reserves at end of year	1,863,764	1,645,310	1,103,762

Revisions of previous estimates. Revisions for 2022 are comprised of (i) upward price revisions of 29 MMBo and 105 Bcf (totaling 46 MMBoe) due to an increase in average crude oil and natural gas prices in 2022 compared to 2021, (ii) the removal of 35 MMBo and 225 Bcf (totaling 72 MMBoe) of PUD reserves no longer scheduled to be drilled within five years of initial booking due to continual refinement of our drilling and development programs and reallocation of capital to areas providing the best opportunities to improve efficiencies, recoveries, and rates of return, (iii) downward revisions of 71 MMBo and 401 Bcf (totaling 137 MMBoe) from the removal of PUD reserves due to changes in anticipated well densities, economics, performance, and other factors, and (iv) downward revisions for oil reserves of 9 MMBo and upward revisions for natural gas reserves of 236 Bcf (netting to 31 MMBoe of upward revisions) due to changes in ownership interests, operating costs, anticipated production, and other factors.

Extensions, discoveries and other additions. Extensions, discoveries and other additions for each of the three years reflected in the table above were due to successful drilling and completion activities and continual refinement of our drilling programs. For 2022, proved reserve additions totaled 109 MMBoe in the Bakken, 154 MMBoe in the Anadarko Basin, 18 MMBoe in the Powder River Basin, and 114 MMBoe in the Permian Basin. See the subsequent section titled *Summary of Crude Oil and Natural Gas Properties and Projects* for a discussion of our 2022 drilling activities.

Sales of minerals in place. We had no individually significant dispositions of proved reserves in the past three years.

Purchases of minerals in place. Purchases in 2022 and 2021 were primarily attributable to our acquisitions of properties in the Permian Basin and Powder River Basin as discussed in *Part II. Item 8. Notes to Consolidated Financial Statements—Note 2. Property Acquisitions*. We had no individually significant acquisitions of proved reserves in 2020.

Proved Undeveloped Reserves

All of our PUD reserves at December 31, 2022 are located in our most active development areas. The following table provides information regarding changes in our PUD reserves for the year ended December 31, 2022. Our PUD reserves at December 31, 2022 include 84 MMBoe of reserves associated with wells where drilling has occurred but the wells have not been completed or are completed but not producing ("DUC wells"). Our DUC wells are classified as PUD reserves when relatively major expenditures are required to complete and produce from the wells.

	Crude Oil (MBbls)	Natural Gas (MMcf)	Total (MMBoe)
Proved undeveloped reserves at December 31, 2021	369,377	2,209,532	737,632
Revisions of previous estimates	(95,108)	(570,693)	(190,223)
Extensions, discoveries and other additions	173,738	1,033,726	346,025
Sales of minerals in place	—	—	—
Purchases of minerals in place	42,165	129,872	63,810
Conversion to proved developed reserves	(54,932)	(443,859)	(128,908)
Proved undeveloped reserves at December 31, 2022	435,240	2,358,578	828,336

Revisions of previous estimates. As previously discussed, in 2022 we removed 35 MMBo and 225 Bcf (totaling 72 MMBoe) of PUD reserves no longer scheduled to be drilled within five years of initial booking due to continual refinement of our drilling and development programs and reallocation of capital to areas providing the best opportunities to improve efficiencies, recoveries, and rates of return. Additionally, changes in anticipated well densities, economics, performance, and other factors resulted in downward PUD reserve revisions of 71 MMBo and 401 Bcf (totaling 137 MMBoe) in 2022. The increases in average crude oil and natural gas prices in 2022 resulted in upward price revisions of 6 MMBoe and 24 Bcf (totaling 10 MMBoe). Finally, changes in ownership interests, operating costs, anticipated production, and other factors resulted in upward revisions for PUD reserves of 4 MMBo and 31 Bcf (totaling 9 MMBoe) in 2022.

Extensions, discoveries and other additions. Extensions, discoveries and other additions were due to successful drilling activities and continual refinement of our drilling and development programs. For 2022, PUD reserve additions totaled 68 MMBo and 227 Bcf in the Bakken, 27 MMBo and 643 Bcf in the Anadarko Basin, 7 MMBo and 14 Bcf in the Powder River Basin, and 72 MMBo and 149 Bcf in the Permian Basin.

Sales of minerals in place. We had no individually significant dispositions of PUD reserves in 2022.

Purchases of minerals in place. Purchases in 2022 were primarily attributable to our acquisitions of properties in the Permian Basin and Powder River Basin as discussed in *Part II, Item 8. Notes to Consolidated Financial Statements—Note 2. Property Acquisitions*.

Conversion to proved developed reserves. In 2022, we developed approximately 21% of our PUD locations and 17% of our PUD reserves booked as of December 31, 2021 through the drilling and completion of 383 gross (150 net) development wells at an aggregate capital cost of approximately \$892 million incurred in 2022.

Development plans. We have acquired substantial leasehold positions in our key operating areas. Our drilling programs to date in our historical operating areas have focused on proving our undeveloped leasehold acreage through strategic drilling, thereby increasing the amount of leasehold acreage in the secondary term of the lease with no further drilling obligations (i.e., categorized as held by production) and resulting in a reduced amount of leasehold acreage in the primary term of the lease. While we may opportunistically drill strategic exploratory wells, a substantial portion of our future capital expenditures will be focused on developing our PUD locations, including our drilled but not completed locations. Our inventory of DUC wells classified as PUDs total 317 gross (118 net) operated and non-operated locations at December 31, 2022 and represent 10% of our PUD reserves at that date. The costs to drill our uncompleted wells were incurred prior to December 31, 2022 and only the remaining completion costs are included in future development plans.

Estimated future development costs relating to the development of PUD reserves at December 31, 2022 are projected to be approximately \$1.5 billion in 2023, \$1.7 billion in 2024, \$2.6 billion in 2025, \$2.1 billion in 2026, and \$1.7 billion in 2027. These capital expenditure projections have been established based on an expectation of drilling and completion costs, available cash flows, borrowing capacity, and the commodity price environment in effect at the time of preparing our reserve estimates and may be adjusted as market conditions evolve. Development of our existing PUD reserves at December 31, 2022 is expected to occur within five years of the date of initial booking of the PUDs. PUD reserves not expected to be drilled within five years of initial booking because of changes in business strategy or for other reasons have been removed from our reserves at December 31, 2022. We had no PUD reserves at December 31, 2022 that remain undrilled beyond five years from the date of initial booking.

Qualifications of Technical Persons and Internal Controls Over Reserves Estimation Process

Ryder Scott, our independent reserves evaluation consulting firm, estimated, in accordance with generally accepted petroleum engineering and evaluation principles and definitions and guidelines established by the SEC, 98% of our PV-10 and 98% of our total proved reserves as of December 31, 2022 included in this Form 10-K. The Ryder Scott technical personnel responsible for preparing the reserve estimates presented herein meet the requirements regarding qualifications, independence, objectivity and confidentiality set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers. Refer to Exhibit 99 included with this Form 10-K for further discussion of the qualifications of Ryder Scott personnel.

We maintain an internal staff of petroleum engineers and geoscience professionals who work closely with our independent reserves engineers to ensure the integrity, accuracy and timeliness of data furnished to Ryder Scott in their reserves estimation process. Our technical team is in contact regularly with representatives of Ryder Scott to review properties and discuss methods and assumptions used in Ryder Scott's preparation of the year-end reserves estimates. Proved reserves information is reviewed by certain members of senior management before the information is filed with the SEC on Form 10-K. Additionally, certain members of our senior management review and approve the Ryder Scott reserves report and on a semi-annual basis review any internal proved reserves estimates.

Our Manager of Corporate Reserves is the technical person primarily responsible for overseeing the preparation of our reserve estimates. He has a Bachelor of Science degree in Petroleum Engineering, an MBA in Finance and 38 years of industry experience with positions of increasing responsibility in operations, acquisitions, engineering and evaluations. He has worked in the area of reserves and reservoir engineering most of his career and is a member of the Society of Petroleum Engineers. The Manager of Corporate Reserves reports to our Vice President of Resource and Business Development. The reserves estimates are reviewed and approved by certain members of the Company's senior management.

Developed and Undeveloped Acreage

The following table presents our total gross and net developed and undeveloped acres by region as of December 31, 2022:

	Developed acres		Undeveloped acres		Total	
	Gross	Net	Gross	Net	Gross	Net
Bakken	1,127,004	703,277	78,098	43,582	1,205,102	746,859
Anadarko Basin	604,876	350,084	236,552	123,201	841,428	473,285
Powder River Basin	242,000	179,069	288,525	198,747	530,525	377,816
Permian Basin	111,880	102,366	127,710	85,382	239,590	187,748
All other	243,269	189,259	216,135	154,267	459,404	343,526
Total	2,329,029	1,524,055	947,020	605,179	3,276,049	2,129,234

The following table sets forth the number of gross and net undeveloped acres as of December 31, 2022 scheduled to expire over the next three years by region unless production is established within the spacing units covering the acreage prior to the expiration dates or the leases are renewed.

	2023		2024		2025	
	Gross	Net	Gross	Net	Gross	Net
Bakken	11,207	7,639	14,290	9,363	2,760	1,498
Anadarko Basin	39,321	15,348	33,771	16,314	66,712	45,523
Powder River Basin	3,938	1,712	7,593	3,021	2,701	2,504
Permian Basin	845	639	56,798	47,839	41,781	12,523
All other	57,243	55,212	32,989	15,545	13,489	10,466
Total	112,554	80,550	145,441	92,082	127,443	72,514

Drilling Activity

During the three years ended December 31, 2022, we participated in the drilling and completion of exploratory and development wells as set forth in the table below.

	2022		2021		2020	
	Gross	Net	Gross	Net	Gross	Net
Exploratory wells:						
Crude oil	17	12.1	11	8.0	1	—
Natural gas	2	—	2	1.9	1	—
Dry holes	1	1	—	—	1	0.9
Total exploratory wells	20	13.1	13	9.9	3	0.9
Development wells:						
Crude oil	407	153.6	376	144.6	300	115.5
Natural gas	65	28.8	38	20.3	31	15.9
Dry holes	—	—	—	—	—	—
Total development wells	472	182.4	414	164.9	331	131.4
Total wells	492	195.5	427	174.8	334	132.3

As of December 31, 2022, there were 427 gross (178 net) operated and non-operated wells that have been spud and are in the process of drilling, completing or waiting on completion.

Summary of Crude Oil and Natural Gas Properties and Projects

Following is a discussion of 2022 activities in our key operating areas.

Bakken Field

The Bakken field of North Dakota and Montana is one of the largest crude oil resource plays in the United States. We are the largest producer and leasehold owner in the Bakken. As of December 31, 2022, we held approximately 1.2 million gross (746,900 net) acres under lease in the Bakken field.

Our total Bakken production averaged 174,397 Boe per day for the fourth quarter of 2022, down 1% from the 2021 fourth quarter. For the year ended December 31, 2022, our average daily Bakken production increased 1% compared to 2021. In 2022, we participated in the drilling and completion of 266 gross (93 net) wells in the Bakken compared to 252 gross (102 net) wells in 2021.

Our Bakken properties represented 39% of our total proved reserves at December 31, 2022 and 42% of our average daily Boe production for the 2022 fourth quarter. Our total proved Bakken field reserves as of December 31, 2022 were 734 MMBoe, an increase of 4% compared to December 31, 2021. Our inventory of proved undeveloped drilling locations in the Bakken totaled 1,173 gross (596 net) wells as of December 31, 2022.

Anadarko Basin

We are a leading producer, leasehold owner and operator in the Anadarko Basin of Oklahoma, which includes the SCOOP and STACK areas of the play. As of December 31, 2022, we controlled one of the largest leasehold positions in the Anadarko Basin with approximately 841,400 gross (473,300 net) acres under lease.

Our properties in the Anadarko Basin represented 37% of our total proved reserves as of December 31, 2022 and 40% of our average daily Boe production for the fourth quarter of 2022. Production in the Anadarko Basin averaged 165,225 Boe per day during the fourth quarter of 2022, up 13% compared to the 2021 fourth quarter. For the year ended December 31, 2022, average daily production in the Anadarko Basin increased 7% compared to 2021. We participated in the drilling and completion of 155 gross (44 net) wells in the Anadarko Basin during 2022 compared to 161 gross (63 net) wells in 2021.

Our proved reserves in the Anadarko Basin as of December 31, 2022 totaled 697 MMBoe, an increase of 3% compared to December 31, 2021. Our inventory of proved undeveloped drilling locations in the Anadarko Basin totaled 312 gross (159 net) wells as of December 31, 2022.

Powder River Basin

In 2021, we executed strategic acquisitions to expand our operations into the Powder River Basin of Wyoming and subsequently completed additional acquisitions in the play in 2022. As of December 31, 2022, we held approximately 530,500 gross (377,800 net) acres under lease in the play.

Our Powder River properties represented 6% of our total proved reserves at December 31, 2022 and 7% of our average daily Boe production for the 2022 fourth quarter. Our production in the Powder River Basin averaged 28,057 Boe per day for the fourth quarter of 2022, an increase of 290% compared to the 2021 fourth quarter. For the year ended December 31, 2022, our average daily Powder River production increased 377% compared to 2021, reflecting new acquisitions and additional drilling and completion activities in 2022. During 2022, we participated in the drilling and completion of 31 gross (23 net) wells in the play compared to 10 gross (8 net) wells in 2021.

Our proved reserves in the Powder River Basin totaled 104 MMBoe as of December 31, 2022 compared to 32 MMBoe at December 31, 2021, and our inventory of proved undeveloped drilling locations in the play totaled 96 gross (57 net) wells at year-end 2022.

Permian Basin

On December 21, 2021, we executed a strategic acquisition to expand our operations into the Permian Basin of Texas. As of December 31, 2022, we held approximately 239,600 gross (187,700 net) acres under lease in the play.

Our Permian properties represented 16% of our total proved reserves at December 31, 2022 and 11% of our average daily Boe production for the 2022 fourth quarter. Our production in the Permian Basin averaged 44,925 Boe per day for the fourth quarter of 2022. For the year ended December 31, 2022, our average daily Permian production totaled 41,917 Boe per day. During 2022, we participated in the drilling and completion of 39 gross (35 net) wells in the play.

Our proved reserves in the Permian Basin totaled 304 MMBoe as of December 31, 2022 compared to 203 MMBoe at December 31, 2021, and our inventory of proved undeveloped drilling locations in the play totaled 261 gross (237 net) wells at year-end 2022.

Production and Price History

The following table sets forth information concerning our production results, average sales prices and production costs for the years ended December 31, 2022, 2021 and 2020 in total and for each field containing 15 percent or more of our total proved reserves as of December 31, 2022.

	Year ended December 31,		
	2022	2021	2020
Net production volumes:			
Crude oil (MBbls)			
North Dakota Bakken	39,917	40,121	40,052
SCOOP	10,051	11,318	12,585
Permian Basin	11,832	—	—
Total Company	72,827	58,636	58,745
Natural gas (MMcf)			
North Dakota Bakken	124,411	120,517	97,532
SCOOP	185,755	179,553	136,410
Permian Basin	20,804	—	—
Total Company	442,980	370,110	306,528
Crude oil equivalents (MBoe)			
North Dakota Bakken	60,652	60,207	56,308
SCOOP	41,010	41,244	35,320
Permian Basin	15,300	—	—
Total Company	146,657	120,321	109,833
Average net sales prices (1):			
Crude oil (\$/Bbl)			
North Dakota Bakken	\$ 89.91	\$ 63.24	\$ 33.53
SCOOP	94.28	66.46	37.88
Permian Basin	92.73	—	—
Total Company	91.46	64.06	34.71
Natural gas (\$/Mcf)			
North Dakota Bakken	\$ 8.18	\$ 4.52	\$ 0.23
SCOOP	6.87	5.33	1.64
Permian Basin	6.95	—	—
Total Company	7.01	4.88	1.04
Crude oil equivalents (\$/Boe)			
North Dakota Bakken	\$ 75.94	\$ 51.21	\$ 24.24
SCOOP	54.25	41.44	19.90
Permian Basin	81.13	—	—
Total Company	66.58	46.24	21.47
Average costs per Boe:			
Production expenses (\$/Boe)			
North Dakota Bakken	\$ 5.05	\$ 4.27	\$ 4.35
SCOOP	1.44	1.24	1.06
Permian Basin	7.27	—	—
Total Company	4.24	3.38	3.27
Production taxes (\$/Boe)	\$ 4.98	\$ 3.36	\$ 1.75
General and administrative expenses (\$/Boe)	\$ 2.74	\$ 1.94	\$ 1.79
DD&A expense (\$/Boe)	\$ 12.86	\$ 15.76	\$ 17.12

(1) See Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures for a discussion and calculation of net sales prices, which are non-GAAP measures.

The following table sets forth information regarding our average daily production by region for the fourth quarter of 2022:

	Fourth Quarter 2022 Daily Production		
	Crude Oil (Bbls per day)	Natural Gas (Mcf per day)	Total (Boe per day)
Bakken	114,594	358,820	174,397
Anadarko Basin	31,403	802,930	165,225
Powder River Basin	17,740	61,898	28,057
Permian Basin	35,194	58,387	44,925
All other	5,513	234	5,552
Total	204,444	1,282,269	418,156

Productive Wells

Gross wells represent the number of wells in which we own a working interest and net wells represent the total of our fractional working interests owned in gross wells. The following table presents the total gross and net productive wells by region and by crude oil or natural gas completion as of December 31, 2022. One or more completions in the same well bore are counted as one well.

	Crude Oil Wells		Natural Gas Wells		Total Wells	
	Gross	Net	Gross	Net	Gross	Net
Bakken	5,925	2,098	—	—	5,925	2,098
Anadarko Basin	1,287	517	1,003	328	2,290	845
Powder River Basin	553	424	12	9	565	433
Permian Basin	395	356	9	8	404	364
All other	270	252	29	5	299	257
Total	8,430	3,647	1,053	350	9,483	3,997

Title to Properties

As is customary in the crude oil and natural gas industry, upon initiation of acquiring oil and gas leases covering fee mineral interests on undeveloped lands which do not have associated proved reserves, contract landmen conduct a title examination of courthouse records and production databases to determine fee mineral ownership and availability. Title, lease forms and terms are reviewed and approved by Company landmen prior to consummation.

For acquisitions from third parties, whether lands are producing crude oil and natural gas or non-producing, Company and contract landmen perform title examinations at applicable courthouses, obtain physical well site inspections, and examine the seller's internal records (land, legal, operational, production, environmental, well, marketing and accounting) upon execution of a mutually acceptable purchase and sale agreement. Company landmen may also procure an acquisition title opinion from outside legal counsel on higher value properties.

Prior to the commencement of drilling operations, Company landmen procure an original title opinion, or supplement an existing title opinion, from outside legal counsel and perform curative work to satisfy requirements pertaining to material title issues, if any. Company landmen will not approve commencement of drilling operations until material title defects pertaining to the Company's interest are cured.

The Company has cured material title opinion issues as to Company interests on substantially all of its producing properties and believes it holds at least defensible title to its producing properties in accordance with standards generally accepted in the crude oil and natural gas industry. The Company's crude oil and natural gas properties are subject to customary royalty and leasehold burdens which do not materially interfere with the Company's interest in the properties or affect the Company's carrying value of such properties.

Marketing

We sell most of our operated crude oil production to crude oil refining companies or midstream marketing companies at major market centers. In the Bakken, Powder River, Permian, SCOOP, and STACK areas we have significant volumes of production directly connected to pipeline gathering systems, with the remaining production primarily transported by truck to a point on a pipeline system for further delivery. We do not transport any of our oil production prior to sale by rail, but several purchasers of our Bakken production are connected to rail delivery systems and may choose those methods to transport the oil they have purchased from us. We sell some operated crude oil production at the lease. Our share of crude oil production from non-operated properties is marketed at the discretion of the operators.

We sell most of our operated natural gas and natural gas liquids production to midstream customers at our lease locations based on market prices in the field where the sales occur, with the remaining production sold at centrally gathered locations or natural gas processing plants. These contracts include multi-year term agreements, many with acreage dedications. Under certain arrangements, we have the right to take a volume of processed residue gas and/or natural gas liquids ("NGLs") in-kind at the tailgate of the midstream customer's processing plant in lieu of a monetary settlement for the sale of our operated natural gas production. When we do take volumes in kind, we pay third parties to transport the volumes taken in kind to downstream delivery points, where we then sell to customers at prices applicable to those downstream markets. Sales at the downstream markets are mostly under daily and monthly packaged volumes deals, shorter term seasonal packages, and long term multi-year contracts. We continue to develop relationships and have the potential to enter into additional contracts with end-use customers, including utilities, industrial users, and liquefied natural gas exporters, for sale of products we elect to take in-kind in lieu of monetary settlement for our leasehold sales. Our share of natural gas and NGL production from non-operated properties is generally marketed at the discretion of the operators.

Competition

We operate in a highly competitive environment for acquiring properties, marketing crude oil and natural gas, and securing trained personnel. Also, there is substantial competition for capital available for investment in the crude oil and natural gas industry. Our competitors vary within the regions in which we operate, and some of our competitors may possess and employ financial, technical and personnel resources greater than ours. Those companies may be able to pay more for crude oil and natural gas properties, minerals, and exploratory prospects and to evaluate, bid for and purchase a greater number of properties and prospects than our financial or personnel resources permit. Our ability to acquire additional prospects and to find and develop reserves in the future will depend on our ability to evaluate and select suitable properties and to consummate transactions economically in a highly competitive environment. In addition, supply chain disruptions in recent years have led to shortages of certain materials and equipment and increased costs. As a result, the likelihood of experiencing competition and shortages of materials and services may be further increased. Finally, the emerging impact of climate change activism, fuel conservation measures, governmental requirements for renewable energy resources, increasing demand for alternative forms of energy, and technological advances in energy generation devices may result in reduced demand for the crude oil and natural gas we produce.

Regulation of the Crude Oil and Natural Gas Industry

All of our operations are conducted onshore in the United States. The crude oil and natural gas industry in the United States is subject to various types of regulation at the federal, state and local levels. Laws, rules, regulations, policies, and interpretations affecting our industry have been and are pervasive with the frequent imposition of new or increased requirements. These laws, regulations and other requirements often carry substantial penalties for failure to comply and may have a significant effect on our operations and may increase the cost of doing business and reduce our profitability. In addition, because public policy changes affecting the crude oil and natural gas industry are commonplace and because laws, rules and regulations may be enacted, amended or reinterpreted, we are unable to predict the future cost or impact of complying with such laws, rules and regulations. We do not expect future legislative or regulatory initiatives will affect us materially different than they will affect our similarly situated competitors.

The following is a discussion of certain significant laws, rules and regulations, as amended from time to time, that may affect us in the areas in which we operate.

Regulation of sales and transportation of crude oil and natural gas liquids

Our physical sales of crude oil and any derivative instruments relating to crude oil are subject to anti-market manipulation laws and related regulations enforced by the Federal Trade Commission ("FTC") and the Commodity Futures Trading Commission ("CFTC"). These laws, among other things, prohibit fraudulent or deceptive conduct in connection with wholesale purchases or sales of crude oil and price manipulation in the commodity and futures markets. If we violate the anti-market manipulation laws and regulations, we can be subject to substantial penalties and related third-party damage claims by, among others, sellers, royalty owners and taxing authorities.

We transport most of our operated crude oil production to market centers using a combination of trucks and pipeline transportation facilities owned and operated by third parties. The U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration establishes safety regulations relating to transportation of crude oil by pipeline. Further, our sales of crude oil are affected by the availability, terms and costs of transportation. The transportation of crude oil and natural gas liquids ("NGLs") is subject to rate and access regulation. The Federal Energy Regulatory Commission ("FERC") regulates interstate crude oil and NGL pipeline transportation rates under the Interstate Commerce Act and the Energy Policy Act of 1992, and intrastate crude oil and NGL pipeline transportation rates may be subject to regulation by state regulatory commissions. As the interstate and intrastate transportation rates we pay are generally applicable to all comparable shippers, the regulation of such transportation rates will not affect us in a way that materially differs from the effect on our similarly situated competitors.

Further, interstate pipelines and intrastate common carrier pipelines must provide service on an equitable basis and offer service to all similarly situated shippers requesting service on the same terms and under the same rates. When such pipelines operate at full capacity we are subject to proration provisions, which are described in the pipelines' published tariffs. We generally will have access to crude oil pipeline transportation services to the same extent as our similarly situated competitors.

From time to time we may sell our operated crude oil production at market centers in the United States to third parties who then subsequently export and sell the crude oil in international markets. The International Maritime Organization ("IMO"), an agency of the United Nations, has issued regulations requiring the maritime shipping industry to gradually reduce its carbon emissions over time by mandating a 1% improvement in the efficiency of fleets each year between 2015 and 2025. In conjunction with this initiative, the IMO issued regulations requiring ship owners to lower the concentration of the sulfur content used in their fuels from 3.5% to 0.5% beginning on January 1, 2020. To achieve and maintain compliance with the new regulations, it is expected ship owners will either have to switch to more expensive higher quality marine fuel, install and utilize emissions-cleaning systems, or switch to alternative fuels such as liquefied natural gas. Failure to comply with the regulations may result in fines or shipping vessels being detained, thereby resulting in exportation capacity constraints that inhibit a third party's ability to transport and sell domestic crude oil production overseas, which may have a material impact on the markets and prices for various grades of domestic and international crude oil. The ultimate long-term impact of the IMO regulations is uncertain.

We do not own or operate pipeline or rail transportation facilities, rail cars, or infrastructure used to facilitate the exportation of crude oil. However, regulations that impact the domestic transportation of crude oil could increase our costs of doing business and limit our ability to transport and sell our crude oil at market centers throughout the United States. We do not expect such regulations will affect us in a materially different way than similarly situated competitors.

Regulation of sales and transportation of natural gas

We are also required to observe the aforementioned anti-market manipulation laws and related regulations enforced by the FERC and CFTC in connection with physical sales of natural gas and any derivative instruments relating to natural gas. Additionally, the FERC regulates interstate natural gas transportation rates and service conditions under the Natural Gas Act and the Natural Gas Policy Act of 1978, which affects the marketing of natural gas we produce, as well as revenues we receive for sales of our natural gas. The FERC has endeavored to increase competition and make natural gas transportation more accessible to natural gas buyers and sellers on an open and non-discriminatory basis and has issued a series of orders to implement its open access policies. We cannot provide any assurance the pro-competitive regulatory approach established by the FERC will continue. However, we do not believe any action taken by the FERC will affect us in a materially different way than similarly situated natural gas producers.

The gathering of natural gas, which occurs upstream of jurisdictional transmission services, is generally regulated by the states. Although its policies on gathering systems have varied in the past, the FERC has reclassified certain jurisdictional transmission facilities as non-jurisdictional gathering facilities, which has the potential to increase costs for our purchasers and reduce the revenues we receive for our natural gas stream. State regulation of natural gas gathering facilities generally includes various safety, environmental, and in some circumstances, equitable take requirements. We do not believe such regulations will affect us in a materially different way than our similarly situated competitors.

Intrastate natural gas transportation service is also subject to regulation by state regulatory agencies. Like the regulation of interstate transportation rates, the regulation of intrastate transportation rates affects the marketing of natural gas we produce, as well as the revenues we receive for sales of our natural gas. The basis for intrastate regulation of natural gas transportation and the degree of regulatory oversight and scrutiny given to intrastate natural gas pipeline rates and services varies from state to state. Insofar as such regulation within a particular state will generally affect all intrastate natural gas shippers on a comparable basis, the regulation of intrastate natural gas transportation in states in which we operate will not affect us in a way that materially differs from our similarly situated competitors.

The U.S. Department of Energy ("U.S. DOE") regulates the terms and conditions for the exportation and importation of natural gas (including liquefied natural gas or "LNG"). U.S. law provides for very limited regulation of exports to and imports from any country that has entered into a Free Trade Agreement ("FTA") with the United States providing for national treatment of trade in natural gas; however, the U.S. DOE's regulation of imports and exports from and to countries without an FTA is more comprehensive. The FERC also regulates the construction and operation of import and export facilities, including LNG terminals. Regulation of imports and exports and related facilities may materially affect natural gas markets and sales prices and could inhibit the development of LNG infrastructure.

Regulation of production

The production of crude oil and natural gas is regulated by a wide range of federal, state, and local laws, rules, and regulations, which require, among other matters, permits for drilling operations, drilling bonds, and reports concerning operations. Each of the states

where we own and operate properties have laws and regulations governing conservation, including provisions for the unitization or pooling of crude oil and natural gas properties, the establishment of maximum allowable rates of production from crude oil and natural gas wells, the regulation of well spacing, the plugging and abandonment of wells, the regulation of greenhouse gas emissions, and limitations or prohibitions on the venting or flaring of natural gas. These laws and regulations directly and indirectly limit the amount of crude oil and natural gas we can produce from our wells and the number of wells and locations we can drill, although we can and do apply for exceptions to such laws and regulations or to have reductions in well spacing. Moreover, each state generally imposes a production, severance or excise tax on the production and sale of crude oil, natural gas and natural gas liquids within its jurisdiction.

The failure to comply with the above laws, rules, and regulations can result in substantial penalties. Our similarly situated competitors are generally subject to the same laws, rules, and regulations as we are.

Environmental regulation

General. We are subject to stringent, complex, and overlapping federal, state, and local laws, rules and regulations governing environmental compliance, including the discharge of materials into the environment. These laws, rules and regulations may, among other things:

- require the acquisition of various permits to conduct exploration, drilling and production operations;
- restrict the types, quantities and concentration of various substances that can be released into the environment in connection with drilling, production and transportation activities;
- limit or prohibit drilling activities on certain lands lying within wilderness, wetlands and other protected areas including areas containing endangered species of plants and animals;
- require remedial measures to mitigate pollution from former and ongoing operations, such as requirements to close pits and plug abandoned wells; and
- impose substantial liabilities for pollution resulting from drilling and production operations.

These laws, rules and regulations may restrict the level of substances generated by our operations that may be emitted into the air, discharged to surface water, and disposed or otherwise released to surface and below-ground soils and groundwater, and may also restrict the rate of crude oil and natural gas production to a rate that is economically infeasible for continued production. The regulatory burden on the crude oil and natural gas industry increases the cost of doing business and affects profitability. Additionally, in the name of combatting climate change, President Biden has issued, and may continue to issue, executive orders that result in more stringent and costly requirements for the domestic crude oil and natural gas industry, or which restrict, delay or ban oil and gas permitting or leasing on federal lands. Any regulatory or executive changes that impose further requirements on domestic producers for emissions control, waste handling, disposal, cleanup and remediation could have a significant impact on our operating costs and production of oil and gas. Failure to comply with these and other laws, rules and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of corrective or remedial obligations or the incurrence of capital expenditures, the occurrence of restrictions, delays or cancellations in the permitting, development or expansion of projects, the issuance of orders enjoining performance of some or all of our operations, and potential litigation in a particular area. Additionally, certain of these environmental laws may result in imposition of joint and several or strict liability, which could cause us to become liable for the conduct of others or for consequences of our own actions. For instance, an accidental release from one of our wells could subject us to substantial liabilities arising from environmental cleanup and restoration costs, claims made by neighboring landowners or other third parties for personal injury and property damage and fines or penalties for related violations of environmental laws or regulations. Certain environmental laws also provide for certain citizen suits, which allow persons or organizations to act in place of the government and sue operators for alleged violations of environmental laws. We have incurred and will continue to incur operating and capital expenditures, some of which may be material, to comply with environmental laws and regulations. The following is a description of some of the environmental laws, rules and regulations, as amended from time to time, that apply to our operations.

Air emissions. Federal, state, and local laws, rules, and regulations have been and, in the future, will likely be enacted to address concerns about emissions of regulated air pollutants. These laws and regulations may require us to obtain pre-approval for the construction or modification of certain projects or facilities expected to produce or significantly increase air emissions, obtain and strictly comply with stringent air permit standards or utilize specific equipment or technologies to control emissions of certain pollutants. For example, in October 2021, the U.S. Environmental Protection Agency (“EPA”) announced its intention to initiate a rule-making to reassess and lower, by the end of 2023, the current National Ambient Air Quality Standard (“NAAQS”) for ground-level ozone, which was last set by the EPA under the Obama Administration in 2015. State implementation of a revised NAAQS for ground-level ozone could result in stricter permitting requirements, delay or prohibit our ability to obtain such permits, or result in increased expenditures for pollution control equipment, the costs of which could be significant.

Regulation of greenhouse gas emissions. The threat of climate change continues to attract considerable attention in the United States and in foreign countries and, as a result, numerous proposals have been made and are likely to continue to be made at the international, national, regional and state levels of government to monitor and limit existing emissions of greenhouse gases as well as to reduce, restrict, or eliminate such future emissions. As a result, our operations as well as the operations of the oil and gas industry in general are subject to a series of regulatory, political, litigation and financial risks associated with the production of fossil fuels and emission of greenhouse gases.

Federal regulatory initiatives have focused on establishing construction and operating permit reviews for greenhouse gas emissions from certain large stationary sources, requiring the monitoring and annual reporting of greenhouse gas emissions from certain petroleum and natural gas system sources, and reducing methane emissions from oil and gas production and natural gas processing and transmission operations through limitations on venting and flaring and the implementation of enhanced emission leak detection and repair requirements. In recent years, there has been considerable uncertainty surrounding regulation of methane emissions. Following attempts from the Trump Administration to revise standards related to the emission of methane from the oil and gas sectors, the Biden Administration has taken several steps to impose more stringent controls on methane emissions. For example, in November 2021 the EPA issued a proposed rule that, if finalized, would establish new source (“Quad Ob”) and first-time existing source (“Quad Oc”) standards of performance for methane and volatile organic compound (“VOC”) emissions in the crude oil and natural gas source category. This proposed rule would apply to upstream and midstream facilities at oil and natural gas well sites, natural gas gathering and boosting compressor stations, natural gas processing plants, and transmission and storage facilities. Owners or operators of affected emission units or processes would have to comply with specific standards of performance that may include leak detection using optical gas imaging and subsequent repair requirements, reduction of emissions by 95% through capture and control systems, zero-emission requirements, operation and maintenance requirements, and so-called green well completion requirements. The EPA issued a supplemental proposal to this proposed rulemaking in November 2022 that, among other items, sets forth specific revisions strengthening the first nationwide emission guidelines for states to limit methane emissions from existing crude oil and natural gas facilities. The proposal also revises requirements for fugitive emissions monitoring and repair as well as equipment leaks and the frequency of monitoring surveys, establishes a “super-emitter” response program to timely mitigate emissions events as detected by governmental agencies or qualified third parties. Additionally, in August 2022, the Inflation Reduction Act of 2022 (“IRA 2022”) was signed into law. This law, among other provisions, amends the federal Clean Air Act to establish the first ever federal fee on methane emissions from sources required to report their greenhouse gas emissions to the EPA, including certain oil and gas operations. The methane emissions charge will start in calendar year 2024 at \$900 per ton of methane, increase to \$1,200 in 2025, and be set at \$1,500 for 2026 and subsequent years. Calculation of the methane fee is based on certain thresholds established in the IRA 2022. The IRA 2022 additionally appropriates significant federal funding for renewable energy initiatives. The methane emissions fee could increase our operating costs, and the funding and incentives established for renewable energy sources could accelerate the transition away from fossil fuels, which could in turn reduce demand for our products and adversely affect our business and results of operations.

Additionally, various states and groups of states have adopted or are considering adopting legislation, regulations or other regulatory initiatives that are focused on such areas as greenhouse gas cap and trade programs, carbon taxes, reporting and tracking programs, and restriction of emissions. At the international level, there exists the United Nations-sponsored “Paris Agreement,” which is a non-binding agreement among participating nations to limit their greenhouse gas emissions through individually-determined reduction goals every five years after 2020. As part of the U.S.’s obligations under the Paris Agreement, the Biden Administration has announced a goal of reducing economy-wide net GHG emissions 50%-52% by 2030. Moreover, in November 2021 at the 26th Conference of the Parties (“COP26”), multiple announcements (not having the effect of law) were made, including a call for parties to eliminate certain measures perceived to subsidize fossil fuel production and consumption, and to pursue further action on non-CO2 GHGs. Relatedly, the United States and European Union jointly announced at COP26 the launch of a Global Methane Pledge, an initiative which over 100 countries joined, committing to a collective goal of reducing global methane emissions by at least 30 percent from 2020 levels by 2030, including “all feasible reductions” in the energy sector. The impacts of these orders, pledges, agreements and any legislation or regulation promulgated to fulfill the United States’ commitments under the Paris Agreement, COP26, or other international conventions cannot be predicted at this time.

Governmental, scientific and public concern over the threat of climate change arising from greenhouse gas emissions has given rise to increasing federal political risk for the domestic crude oil and natural gas industry. In the United States, President Biden has issued several executive orders calling for more expansive action to address climate change and suspend new oil and gas operations on federal lands and waters. The suspension of the federal leasing activities prompted legal action by several states against the Biden Administration, resulting in issuance of a nationwide permanent injunction by a federal district judge in Louisiana in August 2022, effectively halting implementation of the leasing suspension. Litigation risks are also increasing, as a number of states, municipalities and other parties have sought to bring suit against the largest oil and natural gas exploration and production companies in state or federal court, alleging, among other things, that such companies created public nuisances by producing fuels that contributed to global warming effects, such as rising sea levels, and therefore are responsible for roadway and infrastructure damages, or that the companies have been aware of the adverse effects of climate change for some time but failed to adequately disclose those impacts.

Moreover, our access to capital may be impacted by climate change policies. Stockholders and bondholders currently invested in energy companies but concerned about the potential effects of climate change may elect to shift some or all of their investments into non-energy related sectors. Institutional investors who provide financing to energy companies have also focused on sustainability lending practices that favor alternative power sources perceived to be more clean (despite their negative impacts on the environment), such as wind and solar. Some of these investors may elect not to provide traditional funding for energy companies. Many of the largest U.S. banks have made “net zero” carbon emission commitments and have announced that they will be assessing financed emissions across their portfolios and taking steps to quantify and reduce those emissions. These and other developments in the financial sector could lead to some lenders restricting or eliminating access to capital for or divesting from certain industries or companies, including the oil and natural gas sector, or requiring that borrowers take additional steps to reduce their GHG emissions. Additionally, there is the possibility that financial institutions will be required to adopt policies that limit funding to the fossil fuel sector. In late 2020, the Federal Reserve announced that it had joined the Network for Greening the Financial System (“NGFS”), a consortium of financial regulators focused on addressing climate-related risks in the financial sector. In November 2021, the Federal Reserve issued a statement in support of the efforts of the NGFS to identify key issues and potential solutions for the climate-related challenges most relevant to central banks and supervisory authorities. Subsequently, in September 2022, the Federal Reserve announced that six of the largest banks in the U.S. will participate in a pilot climate scenario analysis exercise, expected to be launched in early 2023, to enhance the ability of firms and supervisors to measure and manage climate-related financial risk. While we cannot predict what policies may result from this, a material reduction in the capital available to the fossil fuel industry could make it more difficult to secure funding for exploration, development, production, transportation, and processing activities, which could reduce demand for our products.

Environmental protection and natural gas flaring. One of our environmental initiatives is the reduction of air emissions produced from our operations, including the flaring of natural gas from our operated well sites in the Bakken field of North Dakota. North Dakota law permits flaring of natural gas from a well that has not been connected to a gas gathering line for a period of one year from the date of a well’s first production. After one year, a producer is required to cap the well, connect it to a gas gathering line, find acceptable alternative uses for a percentage of the flared gas, or apply to the North Dakota Industrial Commission (“NDIC”) for a written exemption for any future flaring; otherwise, the producer is required to pay royalties and production taxes based on the volume and value of the gas flared from the unconnected well.

In addition, NDIC rules for new drilling permit applications also require the submission of gas capture plans setting forth plans taken by operators to capture and not flare produced gas, regardless of whether it has been or will be connected within the first year of production. The NDIC currently requires us to capture 91% of the natural gas produced from a field. We capture in excess of the NDIC requirement. If an operator is unable to attain the applicable gas capture percentage goal at maximum efficient rate, wells will be restricted in production to 200 barrels of crude oil per day if at least 60% of the monthly volume of associated natural gas produced from the well is captured, or otherwise crude oil production from such wells is not permitted to exceed 100 barrels of crude oil per day. However, the NDIC will consider temporary exemptions from the foregoing restrictions or for other types of extenuating circumstances after notice and hearing if the effect is a significant net increase in gas capture within one year of the date such relief is granted. Monetary penalty provisions also apply under this regulation if an operator fails to timely file for a hearing with the NDIC upon being unable to meet such percentage goals or if the operator fails to timely implement production restrictions once below the applicable percentage goals. Ongoing compliance with the NDIC’s flaring requirements or the imposition of any additional limitations on flaring could result in increased costs and have an adverse effect on our operations.

We seek to reduce or eliminate natural gas flaring, but our efforts may not always be successful or cost-effective. Our levels of flaring are impacted by external factors such as investment from third parties in the development and continued operation of gas gathering and processing facilities and the granting of reasonable right-of-way access by land owners. Increased emissions from our facilities due to flaring could subject our facilities to more stringent air emission permitting requirements, resulting in increased compliance costs and potential construction delays.

Hydraulic fracturing. Hydraulic fracturing involves the injection of water, sand or other proppant and additives under pressure into rock formations to stimulate crude oil and natural gas production. In recent years there has been public concern regarding an alleged potential for hydraulic fracturing to adversely affect drinking water supplies or to induce seismic events. As a result, several federal and state agencies have studied the environmental risks with respect to hydraulic fracturing, and proposals have been made to enact separate federal, state and local legislation that would potentially increase the regulatory burden imposed on hydraulic fracturing.

At the federal level, the EPA has asserted federal regulatory authority pursuant to the federal Safe Drinking Water Act (“SDWA”) over certain hydraulic fracturing activities involving the use of diesel fuels and published permitting guidance related to such activities. Also, the EPA has issued a final regulation under the Clean Water Act prohibiting discharges to publicly owned treatment works of wastewater from onshore unconventional oil and gas extraction facilities. We do not discharge wastewater to publicly owned treatment works, so the impact of this regulation on us is not currently, and is not expected to be, material.

In late 2016 the EPA published a final study of the potential impacts of hydraulic fracturing activities on water resources in which the EPA indicated it found evidence that such activities can impact drinking water resources under some circumstances. In its final report, the EPA indicated it was not able to calculate or estimate the national frequency of impacts on drinking water resources from hydraulic fracturing activities or fully characterize the severity of impacts. Nonetheless, the results of the EPA's study or similar governmental reviews could spur initiatives to regulate hydraulic fracturing under the SDWA or otherwise.

In 2016, the BLM under the Obama Administration published final rules related to the regulation of hydraulic fracturing activities on federal lands, including requirements for chemical disclosure, well bore integrity, and handling of flowback water. However, the BLM under the Trump Administration published a final rule rescinding the 2016 final rule in November 2018. Litigation challenging the BLM's 2016 final rule as well as its 2018 final rule rescinding the 2016 rule has been pursued by various states and industry and environmental groups. While a California federal court vacated the 2018 final rule in July 2020, a Wyoming federal court subsequently vacated the 2016 final rule in October 2020 and, accordingly, the 2016 final rule is no longer in effect. However, appeals to those decisions are ongoing. Additionally, in 2022 the BLM proposed rules that would limit flaring from well sites on federal lands, as well as allow for the delay or denial of permits if the BLM finds that an operator's methane waste minimization plan is insufficient. This rule is currently receiving public comments and, if finalized, may also be subject to legal challenge. Notwithstanding these recent legal developments, further administrative and regulatory restrictions may be adopted by the Biden Administration that could restrict hydraulic fracturing activities on federal lands and waters.

In addition, regulators in states in which we operate have adopted additional requirements related to seismicity and its potential association with hydraulic fracturing. For example, the Oklahoma Corporation Commission (the "OCC") has promulgated guidance for operators of crude oil and natural gas wells in certain seismically-active areas of the SCOOP and STACK plays in Oklahoma. The OCC's guidance provides for seismic monitoring and for implementation of mitigation procedures, which may include curtailment or even suspension of operations in the event of concurrent seismic events within a particular radius of operations of a magnitude exceeding 2.5 on the Richter scale. If seismic events exceeding the OCC guidance thresholds were to occur near our active stimulation operations on a frequent basis, they could have an adverse effect on our operations.

Waste water disposal. Underground injection wells are a predominant method for disposing of waste water from oil and gas activities. In response to seismic events near underground injection wells used for the disposal of oil and gas-related waste waters, federal and some state agencies have investigated whether such wells have caused increased seismic activity. To address concerns regarding seismicity, some states, including states in which we operate, have pursued remedies that included delaying permit approvals, mandating a reduction in injection volumes, or shutting down or imposing moratoria on the use of injection wells. Moreover, regulators in states in which we operate have implemented additional requirements related to seismicity. For example, the OCC has adopted rules for operators of saltwater disposal wells in certain seismically-active areas in the Arbuckle formation of Oklahoma. These rules require, among other things, that disposal well operators conduct mechanical integrity testing or make certain demonstrations of such wells' respective depths that, depending on the depth, could require plugging the well and/or the reduction of volumes disposed in such wells. Oklahoma utilizes a "traffic light" system wherein the OCC reviews new or existing disposal wells for proximity to faults, seismicity in the area and other factors in determining whether such wells should be permitted, permitted only with special restrictions, or not permitted. At the federal level, the EPA's current regulatory requirements for such wells do not require the consideration of seismic impacts when issuing permits. We cannot predict the EPA's future actions in this regard.

The introduction of new environmental laws and regulations related to the disposal of wastes associated with the exploration, development or production of hydrocarbons could limit or prohibit our ability to utilize underground injection wells. A lack of waste water disposal sites could cause us to delay, curtail or discontinue our exploration and development plans. Additionally, increased costs associated with the transportation and disposal of produced water, including the cost of complying with regulations concerning produced water disposal, may reduce our profitability. These costs are commonly incurred by oil and gas producers and we do not expect the costs associated with the disposal of produced water will have a material adverse effect on our operations to any greater degree than other similarly situated competitors. In recent years, we have increased our operation and use of water recycling and distribution facilities that economically reuse stimulation water for both operational efficiencies and environmental benefits.

We have incurred in the past, and expect to incur in the future, capital and other expenditures related to environmental compliance. Such expenditures are included within our overall capital and operating budgets and are not separately itemized. Historically, our environmental compliance costs have not had a material adverse impact on our financial condition and results of operations; however, there can be no assurance that such costs will not be material in the future or that such future compliance will not have a material impact on our business, financial condition, results of operations or cash flows.

Employee Health and Safety. We are also subject to the requirements of the federal Occupational Safety and Health Act and comparable state laws that regulate the protection of the health and safety of workers. In addition, the U.S. Occupational Safety and Health Administration hazard communication standard, the EPA community right-to-know regulation under Title III of the federal superfund Amendment and Reauthorization Act and similar state laws and regulations require information be maintained about hazardous materials used or produced in operations and this information be provided to employees, state and local governmental authorities and citizens.

Human Capital

Employees and Labor Relations

As of December 31, 2022, we employed 1,404 people, all of which were employed in the United States, with 790 employees being located at our corporate headquarters in Oklahoma City, Oklahoma and 614 employees located in our field offices located in Oklahoma, North Dakota, South Dakota, Montana, Wyoming, and Texas. None of our employees are subject to collective bargaining agreements. We believe our overall relations with our workforce are good.

Compensation

Because we operate in a highly competitive environment, we have designed our compensation program to attract, retain and motivate experienced, talented individuals. Our program is also designed to align employee's interests with those of our owners and to reward them for achieving the business and strategic objectives determined to be important to help the Company create and maintain advantage in a competitive environment. We align our employee's interests with those of our owners by making annual long-term incentive awards to virtually all of our salaried employees. We reward our employees for their performance in helping the Company achieve its annual business and strategic objectives through our bonus program, which is also available to virtually all of our employees. In order to ensure our compensation package remains competitive and fulfills our goal of recruiting and retaining talented employees, we consider competitive market compensation paid by other companies comparable to the Company in size, geographic location, and operations.

Safety

Safety is our highest priority and one of our core values. We promote safety with a robust health and safety program that includes employee orientation and training, contractor management, risk assessments, hazard identification and mitigation, audits, incident reporting and investigation, and corrective/preventative action development.

Through our "Brother's Keeper" program, we encourage each of our employees to be a proactive participant in ensuring the safety of all of the Company's personnel. We developed this program to leverage and continuously improve our ability to identify and prevent reoccurrence of unsafe behaviors and conditions. This program recognizes and rewards Company employees and contractors who observe and report outstanding safety and environmental behavior such as utilizing stop work authority, looking out for a co-worker, reporting incidents and near misses, or following proper safety procedures. This program positively impacts safety culture and performance and has contributed to a substantial increase in our reporting rates and to decreases in recordable incident and lost time incident rates.

Training and Development

We are committed to the training and development of our employees. We believe that supporting our employees in achieving their career and development goals is a key element of our approach to attracting and retaining top talent. We have invested in a variety of resources to support employees in achieving their career and development goals, including developing learning paths for individual contributors and leaders, operating the Continental Leadership Learning Center which offers numerous instructor-led programs designed to foster employee development and maintaining a learning management system which provides access to numerous technical and soft skills online courses. We also invest time and resources in supporting the creation of individual development plans for our employees.

Health and Wellness

We offer various benefit programs designed to promote the health and well-being of our employees and their families. These benefits include medical, dental, and vision insurance plans; disability and life insurance plans; paid time off for holidays, vacation, sick leave, and other personal leave; and healthcare flexible spending accounts, among other things. In addition to these programs, we have a number of other programs designed to further promote the health and wellness of our employees. For instance, employees at our corporate headquarters have access to our fitness center. Additionally, we have an employee assistance program that offers counseling and referral services for a broad range of personal and family situations. We also offer a wellness plan that includes annual biometric screenings, flu shots, smoking cessation programs, and healthy snack options in our break rooms to encourage total body wellness.

Diversity and Inclusion

We are committed to providing a diverse and inclusive workplace and career development opportunities to attract and retain talented employees. We prohibit discrimination and harassment of any type and afford equal employment opportunities to employees and applicants without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, political affiliation, age, disability, genetic information, veteran status, or any other basis protected by local, state, or federal law. We also maintain a robust compliance program rooted in our Code of Business Conduct, which provides policies and guidance on non-discrimination, anti-harassment, and equal employment opportunities.

We believe embracing diversity and inclusion is more than a matter of compliance. We recognize and appreciate the importance of creating an environment in which all employees feel valued, included, and empowered to do their best work and bring great ideas to the table. We believe a diverse and inclusive workforce provides the best opportunity to obtain unique perspectives, experiences, ideas, and solutions to help sustain our business success; a diverse and inclusive culture is the high-performance fuel that enhances our ability to innovate, execute and grow. To that end, we have implemented a long-term initiative for enhancing awareness of, and continuously improving our approach to, building and sustaining a diverse and inclusive culture. We have chartered a Diversity and Inclusion Committee comprised of employees across all company functions. We have engaged external training resources for our entire workforce, including interview training for hiring managers focused on ensuring a fair and systematic approach for recruiting and selecting individuals from diverse backgrounds for competitive job openings. We are intentional about proactively conducting outreach and recruitment at job fairs and other events hosted by diverse organizations. Through our Diversity and Inclusion Committee we provide new opportunities for our leadership and all employees to hold targeted discussions on issues related to diversity and inclusion, such as unconscious bias, disability inclusion, and equality through inclusive interaction. We are committed to continuous improvement in this critical area, evaluating more ways to sustain and strengthen our diverse and inclusive workforce.

Company Contact Information

Our corporate internet website is www.clr.com. Through the "Stakeholders" section of our website, we make available free of charge reports filed with or furnished to the SEC. Information contained on our website is not incorporated by reference into this report and you should not consider information contained on our website as part of this report.

We electronically file periodic reports with the SEC. The SEC maintains an internet website that contains reports and other information registrants file with the SEC. The address of the SEC's website is www.sec.gov.

Our principal executive offices are located at 20 N. Broadway, Oklahoma City, Oklahoma 73102, and our telephone number at that address is (405) 234-9000.

Item 1A. Risk Factors

You should carefully consider each of the risks described below, together with all other information contained in this report in connection with an investment in our debt securities. If any of the following risks develop into actual events, our business, financial condition, results of operations, or cash flows could be materially adversely affected.

Business and Operating Risks

Substantial declines in commodity prices or extended periods of low commodity prices adversely affect our business, financial condition, results of operations and cash flows and our ability to meet our capital expenditure needs and financial commitments.

The prices we receive for sales of our crude oil and natural gas production impact our revenue, profitability, cash flows, access to capital, capital budget, rate of growth, and carrying value of our properties. Crude oil and natural gas are commodities and prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. Historically, the markets for crude oil and natural gas have been volatile and unpredictable and commodity prices will likely remain volatile in the future.

The prices we receive for sales of our production depend on numerous factors beyond our control. These factors include, but are not limited to, the following:

- worldwide, domestic, and regional economic conditions impacting the supply of, and demand for, crude oil, natural gas, and natural gas liquids;
- the actions of the Organization of Petroleum Exporting Countries (“OPEC”) and other petroleum producing nations;
- the nature, extent, and impact of domestic and foreign governmental laws, regulations, and taxation, including environmental laws and regulations governing the imposition of trade restrictions and tariffs;
- executive, regulatory or legislative actions by Congress, the Biden Administration, or states in which we operate;
- geopolitical events and conditions, including domestic political uncertainty or foreign regime changes that impact government energy policies;
- the level of global, national, and regional crude oil and natural gas exploration and production activities;
- the level of global, national, and regional crude oil and natural gas inventories, which may be impacted by economic sanctions applied to certain producing nations;
- the level and effect of speculative trading in commodity futures markets;
- the relative strength of the United States dollar compared to foreign currencies;
- the price and quantity of imports of foreign crude oil;
- the price and quantity of exports of crude oil or liquefied natural gas from the United States;
- military and political conditions in, or affecting other, crude oil-producing and natural gas-producing nations, including the continuation of, or any increase in the severity of, the conflict between Russia and Ukraine;
- localized supply and demand fundamentals;
- the cost and availability, proximity and capacity of transportation, processing, storage and refining facilities for various quantities and grades of crude oil, natural gas, and natural gas liquids;
- adverse climatic conditions, natural disasters, and national and global health epidemics and concerns, including the COVID-19 pandemic;
- technological advances affecting energy production and consumption;
- the effect of worldwide energy conservation and greenhouse gas emission limitations or other environmental protection efforts;
- the impact arising from increasing attention to environmental, social, and governance (“ESG”) matters; and
- the price and availability of alternative fuels or other energy sources.

Sustained material declines in commodity prices reduce cash flows available for capital expenditures, repayment of indebtedness and other corporate purposes; may limit our ability to borrow money or raise additional capital; and may reduce our proved reserves and the amount of crude oil and natural gas we can economically produce.

In addition to reducing our revenue, cash flows and earnings, depressed prices for crude oil and/or natural gas may adversely affect us in a variety of other ways. If commodity prices decrease substantially, some of our exploration and development projects could become uneconomic, and we may also have to make significant downward adjustments to our estimated proved reserves and our

estimates of the present value of those reserves. If these price effects occur, or if our estimates of production or economic factors change, accounting rules may require us to write down the carrying value of our crude oil and/or natural gas properties.

Lower commodity prices may also lead to reductions in our drilling and completion programs, which may result in insufficient production to satisfy our transportation and processing commitments. If production is not sufficient to meet our commitments we would incur deficiency fees that would need to be paid absent any cash inflows generated from the sale of production.

Lower commodity prices may also reduce our access to capital and lead to a downgrade or other negative rating action with respect to our credit rating. A downgrade of our credit rating could negatively impact our cost of capital, increase borrowing costs under our revolving credit facility and term loan, and limit our ability to access capital markets and execute aspects of our business plans. As a result, substantial declines in commodity prices or extended periods of low commodity prices may materially and adversely affect our future business, financial condition, results of operations, cash flows, liquidity and ability to meet our capital expenditure needs and commitments.

The ability or willingness of Saudi Arabia and other members of OPEC, and other oil exporting nations, including Russia, to set and maintain production levels has a significant impact on crude oil prices.

OPEC is an intergovernmental organization that seeks to manage the price and supply of crude oil on the global energy market. Actions taken by OPEC members, including those taken alongside other oil exporting nations such as Russia, may have a significant impact on global oil supply and pricing. There can be no assurance that OPEC members and other oil exporting nations will comply with agreed-upon production targets, agree to further production targets in the future, or utilize other actions to support and stabilize oil prices, nor can there be any assurance they will not increase production or deploy other actions aimed at reducing oil prices. Uncertainty regarding future actions to be taken by OPEC members or other oil exporting countries could lead to increased volatility in the price of oil, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Drilling for and producing crude oil and natural gas are high risk activities with many uncertainties that could adversely affect our business, financial condition or results of operations. We may not be insured for, or our insurance may be inadequate to protect us against, these risks.

Our future financial condition and results of operations depend on the success of our exploration, development and production activities. Our crude oil and natural gas exploration and production activities are subject to numerous risks, including the risk that drilling will not result in commercially viable crude oil or natural gas production. Our decisions to purchase, explore, or develop prospects or properties will depend in part on the evaluation of data obtained through geophysical and geological analyses, production data, and engineering studies, the results of which are often inconclusive or subject to varying interpretations. Our cost of drilling, completing and operating wells may be uncertain before drilling commences.

In this report, we describe our current prospects and key operating areas. Our management has specifically identified prospects and scheduled drilling locations as an estimation of our future multi-year drilling activities on our existing acreage. Our ability to drill and develop these locations is subject to a number of risks and uncertainties as described herein. If future drilling results do not establish sufficient reserves to achieve an economic return, we may curtail our drilling and completion activities. Prospects we decide to drill that do not produce crude oil or natural gas in expected quantities may adversely affect our results of operations, financial condition, and rates of return on capital employed. The use of seismic data and other technologies and the study of producing fields in the same area will not enable us to know conclusively prior to drilling whether crude oil or natural gas will be present in expected or economically producible quantities. We cannot assure you the wells we drill will be as productive as anticipated or whether the analogies we draw from other wells, more fully explored prospects, or producing fields will be applicable to our drilling prospects. Because of these uncertainties, we do not know if our potential drilling locations will ever be drilled or if we will be able to produce crude oil or natural gas from these or any other potential drilling locations in sufficient quantities to achieve an economic return.

Risks we face while drilling include, but are not limited to, failing to place our well bore in the desired target producing zone; not staying in the desired drilling zone while drilling horizontally through the formation; failing to run our casing the entire length of the well bore; and not being able to run tools and other equipment consistently through the horizontal well bore. Risks we face while completing our wells include, but are not limited to, not being able to fracture stimulate the planned number of stages; failing to run tools the entire length of the well bore during completion operations; not successfully cleaning out the well bore after completion of the final fracture stimulation stage; increased seismicity in areas near our completion activities; unintended interference of completion activities performed by us or by third parties with nearby operated or non-operated wells being drilled, completed, or producing; and failure of our optimized completion techniques to yield expected levels of production.

Further, many factors may occur that cause us to curtail, delay or cancel scheduled drilling and completion projects, including but not limited to:

- abnormal pressure or irregularities in geological formations;
- shortages of or delays in obtaining equipment or qualified personnel;
- shortages of or delays in obtaining components used in fracture stimulation processes such as water and proppants;
- delays associated with suspending our operations to accommodate nearby drilling or completion operations being conducted by other operators;
- mechanical difficulties, fires, explosions, equipment failures or accidents, including ruptures of pipelines or storage facilities, or train derailments;
- restrictions on the use of underground injection wells for disposing of waste water from oil and gas activities;
- political events, public protests, civil disturbances, terrorist acts or cyber attacks;
- decreases in, or extended periods of low, crude oil and natural gas prices;
- title problems;
- environmental hazards, such as uncontrollable flows of crude oil, natural gas, brine, well fluids, hydraulic fracturing fluids, toxic gas or other pollutants into the environment, including groundwater and shoreline contamination;
- adverse climatic conditions and natural disasters;
- spillage or mishandling of crude oil, natural gas, brine, well fluids, hydraulic fracturing fluids, toxic gas or other pollutants by us or by third party service providers;
- limitations in infrastructure, including transportation, processing, refining and exportation capacity, or markets for crude oil and natural gas; and
- delays imposed by or resulting from compliance with regulatory requirements including permitting.

Any of the above risks could adversely affect our ability to conduct operations or result in substantial losses to us as a result of:

- injury or loss of life;
- damage to or destruction of property, natural resources and equipment;
- pollution and other environmental damage;
- regulatory investigations and penalties;
- suspension of our operations;
- repair and remediation costs; and
- litigation.

We are not insured against all risks associated with our business. We may elect to not obtain insurance if we believe the cost of available insurance is excessive relative to the risks presented or for other reasons. In addition, pollution and environmental risks are generally not fully insurable.

Losses and liabilities arising from any of the above events could hinder our ability to conduct normal operations and could adversely affect our business, financial condition, results of operations and cash flows.

Reserve estimates depend on many assumptions that may turn out to be inaccurate. The present value of future net revenues from our proved reserves will not necessarily be the same as the current market value of our estimated crude oil and natural gas reserves. Any material inaccuracies in our reserve estimates or underlying assumptions will materially affect the quantities and present value of our reserves. The Company's current estimates of reserves could change, potentially in material amounts, in the future due to changes in commodity prices, business strategies, and other factors. Additionally, unless we replace our crude oil and natural gas reserves, our total reserves and production will decline, which could adversely affect our cash flows and results of operations.

The process of estimating crude oil and natural gas reserves is complex and inherently imprecise. It requires interpretation of available technical data and many assumptions, including assumptions relating to current and future economic conditions, production rates, drilling and operating expenses, and commodity prices. Any significant inaccuracy in these interpretations or assumptions could

materially affect our estimated quantities and present value of our reserves. See *Part I, Item 1. Business—Crude Oil and Natural Gas Operations—Proved Reserves* for information about our estimated crude oil and natural gas reserves, standardized measure of discounted future net cash flows, and PV-10 as of December 31, 2022.

In order to prepare reserve estimates, we must project production rates and the amount and timing of development expenditures. We must also analyze available geological, geophysical, production and engineering data in preparing reserve estimates. The extent, quality and reliability of this data can vary which in turn can affect our ability to model the porosity, permeability and pressure relationships in unconventional resources. The process also requires economic assumptions, based on historical data projected into the future, about crude oil and natural gas prices, drilling and operating expenses, capital expenditures, taxes, and availability of funds.

Actual future production, crude oil and natural gas sales prices, revenues, taxes, development expenditures, operating expenses and quantities of recoverable crude oil and natural gas reserves will vary and could vary significantly from our estimates. Any significant variance could materially affect the estimated quantities and present value of our reserves, which in turn could have an adverse effect on the value of our assets. In addition, we may remove or adjust estimates of proved reserves, potentially in material amounts, to reflect production history, results of exploration and development activities, changes in business strategies, prevailing crude oil and natural gas prices and other factors, some of which are beyond our control.

You should not assume the present value of future net revenues from our proved reserves is the current market value of our estimated crude oil and natural gas reserves. We base the estimated discounted future net revenues from proved reserves on the 12-month unweighted arithmetic average of the first-day-of-the-month commodity prices for the preceding twelve months. Actual future prices may be materially higher or lower than the average prices used in the calculations. In addition, the use of a 10% discount factor, which is required by the SEC to be used to calculate discounted future net revenues for reporting purposes, may not be the most appropriate discount factor based on interest rates in effect from time to time and risks associated with our reserves or the crude oil and natural gas industry.

In addition, the development of our proved undeveloped reserves may take longer than anticipated and may not be ultimately developed or produced. At December 31, 2022, approximately 44% of our total estimated proved reserves (by volume) were undeveloped. Recovery of undeveloped reserves requires significant capital expenditures and successful drilling operations. Our reserve estimates assume we can and will make these expenditures and conduct these operations successfully. These assumptions may not prove to be accurate. Our reserve report at December 31, 2022 includes estimates of total future development costs over the next five years associated with our proved undeveloped reserves of approximately \$9.6 billion. We cannot be certain the estimated costs of the development of these reserves are accurate, development will occur as scheduled, or the results of such development will be as estimated. If we choose not to spend the capital to develop these reserves, or if we are not otherwise able to successfully develop these reserves as a result of our inability to fund necessary capital expenditures or otherwise, we may be required to remove the associated volumes from our reported proved reserves. Proved undeveloped reserves generally must be drilled within five years from the date of initial booking under SEC reserve rules. Changes in the timing of development plans that impact our ability to develop such reserves in the required time frame have resulted, and may in the future result, in fluctuations in reserves between periods as reserves booked in one period may need to be removed in a subsequent period. In 2022, 72 MMBoe of proved undeveloped reserves were removed from our year-end reserve estimates associated with locations no longer scheduled to be drilled within five years from the date of initial booking due to the continual refinement of our drilling and development programs and reallocation of capital to areas providing the best opportunities to improve efficiencies, recoveries, and rates of return.

Additionally, unless production is established within the spacing units covering the undeveloped acres on which some of the locations are identified, the leases for such acreage will expire. If we are not able to renew leases before they expire, any proved undeveloped reserves associated with such leases will be removed from our proved reserves. The combined net acreage expiring in the next three years represents 41% of our total net undeveloped acreage at December 31, 2022. At that date, we had leases representing 80,550 net acres expiring in 2023, 92,082 net acres expiring in 2024, and 72,514 net acres expiring in 2025.

Furthermore, unless we conduct successful exploration, development and exploitation activities or acquire properties containing proved reserves, our proved reserves will decline as those reserves are produced. Producing crude oil and natural gas reservoirs are generally characterized by declining production rates that vary depending upon reservoir characteristics and other factors. Our future crude oil and natural gas reserves and production, and therefore our cash flows and results of operations, are highly dependent on our success in efficiently developing our current reserves and economically finding or acquiring additional recoverable reserves. We may not be able to develop, find or acquire sufficient additional reserves to replace our current and future production. If we are unable to replace our current and future production, the value of our reserves will decrease, and our business, financial condition and results of operations could be materially adversely affected.

Our business depends on crude oil and natural gas transportation, processing, refining, and export facilities, most of which are owned by third parties.

The value we receive for our crude oil and natural gas production depends in part on the availability, proximity and capacity of gathering, pipeline and rail systems and processing, refining, and export facilities owned by third parties. The inadequacy or unavailability of capacity on these systems and facilities could result in the shut-in of producing wells, the delay or discontinuance of development plans for properties, or higher operational costs associated with air quality compliance controls. Although we have some contractual control over the transportation of our products, changes in these business relationships or failure to obtain such services on acceptable terms could adversely affect our operations. If our production becomes shut-in for any of these or other reasons, we will be unable to realize revenue from those wells until other arrangements are made for the sale or delivery of our products and acreage lease terminations could result if production is shut-in for a prolonged period.

The disruption of transportation, processing, refining, or export facilities due to contractual disputes or litigation, labor disputes, maintenance, civil disturbances, international trade disputes, public protests, terrorist attacks, cyber attacks, adverse climatic events, natural disasters, seismic events, health epidemics and concerns, changes in tax and energy policies, federal, state and international regulatory developments, changes in supply and demand, equipment failures or accidents, including pipeline and gathering system ruptures or train derailments, and general economic conditions could negatively impact our ability to achieve the most favorable prices for our crude oil and natural gas production. We have no control over when or if access to such facilities would be restored or the impact on prices in the areas we operate. A significant shut-in of production in connection with any of the aforementioned items could materially affect our cash flows, and if a substantial portion of the impacted production fulfills transportation or processing commitments or is hedged at lower than market prices, those commitments or financial hedges would have to be paid from borrowings in the absence of sufficient operating cash flows.

Our operated crude oil and natural gas production is ultimately transported to downstream market centers in the United States primarily using transportation facilities and equipment owned and operated by third parties. See *Part I, Item 1. Business—Regulation of the Crude Oil and Natural Gas Industry* for a discussion of regulations impacting the transportation of crude oil and natural gas. From time to time we may sell our operated crude oil production at market centers in the United States to third parties who then subsequently export and sell the crude oil in international markets. We do not currently own or operate infrastructure used to facilitate the transportation and exportation of crude oil; however, third party compliance with regulations that impact the transportation or exportation of our production may increase our costs of doing business and inhibit a third party's ability to transport and sell our production, whether domestically or internationally, the consequences of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In response to a July 2020 U.S. District Court decision vacating the U.S. Army Corps of Engineers ("Corps") grant of an easement to the Dakota Access Pipeline ("DAPL") and issuance of an order requiring the Corps to conduct an Environmental Impact Statement ("EIS") for the pipeline, the Corps is currently conducting the court-ordered environmental review to determine whether DAPL poses a threat to the drinking water supply of the Standing Rock Sioux Reservation. DAPL currently remains in operation and, while the owners of DAPL appealed the District Court decision to the U.S. Supreme Court in September 2021, the Corps continues to conduct the review, which is estimated to be completed in the spring of 2023, following a pause on its work in 2022. Once the review is completed, the Corps will determine whether DAPL is safe to operate or must be shut down. There has not been any decision on whether the U.S. Supreme Court will hear the appeal and we are unable to determine the outcome or the impact on DAPL in the future.

We utilize DAPL to transport a portion of our Bakken crude oil production to ultimate markets on the U.S. gulf coast. Our transportation commitment on the pipeline totals 30,000 barrels per day which will continue through February 2026 at which time the commitment decreases to 26,450 barrels per day through July 2028.

If transportation capacity on DAPL becomes restricted or unavailable, we have the ability to utilize other third party pipelines or rail facilities to transport our Bakken crude oil production to market, although such alternatives may be more costly. A restriction of DAPL's takeaway capacity may have an impact on prices for Bakken-produced barrels and result in wider differentials relative to WTI benchmark prices in the future, the amount of which is uncertain.

Our exploration, development and exploitation projects require substantial capital expenditures. We may be unable to obtain needed capital or financing on acceptable terms, which could lead to a decline in our crude oil and natural gas reserves, production and revenues.

The crude oil and natural gas industry is capital intensive. We make and expect to continue to make substantial capital expenditures in our business for the exploration, development, exploitation, production and acquisition of crude oil and natural gas reserves. We monitor and adjust our capital spending plans upward or downward depending on market conditions. Our 2023 capital budget, based on our current expectations of commodity prices and costs, is expected to be funded from operating cash flows. However, the sufficiency of our cash flows from operations is subject to a number of variables, including but not limited to:

- the prices at which crude oil and natural gas are sold;

- the volume of our proved reserves;
- the volume of crude oil and natural gas we are able to produce and sell from existing wells; and
- our ability to acquire, locate and produce new reserves;

If oil and gas industry conditions weaken as a result of low commodity prices or other factors, we may not be able to generate sufficient cash flows and may have limited ability to obtain the capital necessary to sustain our operations at current or planned levels. A decline in cash flows from operations may require us to revise our capital program or seek financing in banking or capital markets to fund our operations.

We have a revolving credit facility with lender commitments totaling \$2.255 billion that matures in October 2026. In the future, we may not be able to access adequate funding under our revolving credit facility if our lenders are unwilling or unable to meet their funding obligations or increase their commitments under the credit facility. Our lenders could decline to increase their commitments based on our financial condition, the financial condition of our industry or the economy as a whole or for other reasons beyond our control. Due to these and other factors, we cannot be certain that funding, if needed, will be available to the extent required or on terms we find acceptable. If operating cash flows are insufficient and we are unable to access funding or execute capital transactions when needed on acceptable terms, we may not be able to fully implement our business plans, fund our capital program and commitments, complete new property acquisitions to replace reserves, take advantage of business opportunities, respond to competitive pressures, or refinance debt obligations as they come due. Should any of the above risks occur, they could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The unavailability or high cost of drilling rigs, well completion crews, water, equipment, supplies, personnel and field services could adversely affect our ability to execute our exploration and development plans within budget and on a timely basis.

In the regions in which we operate, there have been shortages of drilling rigs, well completion crews, equipment, personnel, field services, and supplies, including key components used in fracture stimulation processes such as water and proppants, as well as high costs associated with these critical components of our operations. With current technology, water is an essential component of drilling and hydraulic fracturing processes. The availability of water sources and disposal facilities is becoming increasingly competitive, constrained, subject to social and regulatory scrutiny, and impacted by third-party supply chains over which we may have limited control. Limitations or restrictions on our ability to secure, transport, and use sufficient amounts of water, including limitations resulting from natural causes such as drought, could adversely impact our operations. In some cases, water may need to be obtained from new sources and transported to drilling or completion sites, resulting in increased costs.

The demand for qualified and experienced field service providers and associated equipment, supplies, and materials can fluctuate significantly, often in correlation with commodity prices or supply chain disruptions, causing periodic shortages and/or higher costs. For instance, recent supply chain disruptions stemming from the COVID-19 pandemic have led to shortages of certain materials and equipment and increased costs. While we have not yet experienced material shortages in supply as a result of these disruptions, if they become prolonged or expand in scope the resulting shortages or higher costs could delay the execution of our drilling and development plans or cause us to incur expenditures not provided for in our capital budget or to not achieve the rates of return we are targeting for our development program, all of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have been an early entrant into new or emerging plays. As a result, our drilling results in these areas are uncertain, and the value of our undeveloped acreage will decline if drilling results are unsuccessful.

While our costs to acquire undeveloped acreage in new or emerging plays have generally been less than those of later entrants into a developing play, our drilling results in new or emerging areas are more uncertain than drilling results in developed and producing areas. Since new or emerging plays have limited or no production history, we are unable to use past drilling results in those areas to help predict our future drilling results. As a result, our cost of drilling, completing and operating wells in these areas may be higher than initially expected, and the value of our undeveloped acreage in the emerging areas may decline if drilling results are unsuccessful.

Our business operations, financial position, results of operations, and cash flows have been and may in the future be materially and adversely affected by the COVID-19 pandemic.

The initial outbreak of COVID-19 negatively impacted the global economy and led to, among other things, reduced global demand for crude oil, disruption of global supply chains, and significant volatility and disruption of financial and commodity markets. In response to the initial outbreak of COVID-19, many state and local jurisdictions imposed quarantines and restrictions on their residents to control the spread of COVID-19. Such quarantines and restrictions resulted in business closures, work stoppages, slowdowns and delays, work-from-home policies, travel restrictions and cancellation of events, among other effects. During 2021 and 2022, the distribution of

COVID-19 vaccines progressed and many government-imposed restrictions were relaxed or rescinded. While the prices of and demand for crude oil have recovered, further outbreaks, or the emergence of new strains of the COVID-19 virus, could result in the reimposition of domestic and international regulations directing individuals to stay at home, limiting travel, requiring facility closures and imposing quarantines. Widespread implementation of these or similar restrictions could result in commodity price volatility and reduced demand for crude oil and natural gas, which could materially and adversely affect our financial position and results of operations.

We have limited control over the activities on properties we do not operate.

Some of the properties in which we have an ownership interest are operated by other companies and involve third-party working interest owners. As of December 31, 2022, non-operated properties represented 14% of our estimated proved developed reserves, 9% of our estimated proved undeveloped reserves, and 12% of our estimated total proved reserves. We have limited ability to influence or control the operations or future development of non-operated properties, including the marketing of oil and gas production, compliance with environmental, occupational safety and health and other regulations, or the amount of expenditures required to fund the development and operation of such properties. Moreover, we are dependent on other working interest owners on these projects to fund their contractual share of capital and operating expenditures. These limitations and our dependence on the operators and other working interest owners for these projects could cause us to incur unexpected future costs and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may be subject to risks in connection with acquisitions, divestitures, and joint development arrangements.

As part of our business strategy, we have made and expect to continue making acquisitions of oil and gas properties, divest assets, and enter into joint development arrangements. The successful acquisition of oil and gas properties requires an assessment of several factors, including but not limited to:

- reservoir modeling and evaluation of recoverable reserves;
- future crude oil and natural gas prices and location and quality differentials;
- the quality of the title to acquired properties;
- the ability to access future drilling locations;
- availability and cost of gathering, processing, and transportation facilities;
- availability and cost of drilling and completion equipment and of skilled personnel;
- future development and operating costs and potential environmental and other liabilities; and
- regulatory, permitting and similar matters.

The accuracy of these acquisition assessments is inherently uncertain. In connection with these assessments, we perform a review, which we believe to be generally consistent with industry practices, of the subject properties. Our review will not reveal all existing or potential problems nor will it permit us to become sufficiently familiar with the properties to fully assess their deficiencies and capabilities prior to acquisition. Inspections may not always be performed on every property, and environmental problems are not necessarily observable even when an inspection is undertaken. Even when problems are identified, the seller of the subject properties may be unwilling or unable to provide effective contractual protection against all or part of the problems. We sometimes are not entitled to contractual indemnification for environmental liabilities and acquire properties on an “as is” basis. Significant acquisitions and other strategic transactions may involve other risks that may impact our business, including:

- diversion of our management's attention to evaluating, negotiating and integrating significant acquisitions and strategic transactions;
- the challenge and cost of integrating acquired assets and operations with our preexisting assets and operations while carrying on our ongoing business; and
- the failure to realize the full benefit that we expect in estimated proved reserves, production volume, cost savings from operating synergies or other benefits anticipated from an acquisition, or to realize these benefits within the expected time frame.

As a result of our strategy of assessing and executing on accretive acquisitions, the size and geographic footprint of our business has increased and may continue to do so, including into new jurisdictions. Our future success will depend, in part, on our ability to manage our expanded business, which may pose challenges including those related to the management and monitoring of new operations and basins and associated increased costs and complexity. We believe our acquisitions will complement our business strategies by delivering enhanced free cash flows and corporate returns, among other things. However, the anticipated benefits of the transactions may be less significant than expected or may take longer to achieve than anticipated. If we are not able to achieve these objectives and

realize the anticipated benefits within anticipated timing or at all, our business, financial condition and operating results may be adversely affected.

In addition, from time to time we may sell or otherwise dispose of certain assets as a result of an evaluation of our asset portfolio or to provide cash flow for use in reducing debt and enhancing liquidity. Such divestitures have inherent risks, including possible delays in closing, the risk of lower-than-expected sales proceeds for the disposed assets, and potential post-closing adjustments and claims for indemnification. Additionally, volatility and unpredictability in commodity prices may result in fewer potential bidders, unsuccessful sales efforts, and a higher risk that buyers may seek to terminate a transaction prior to closing. The occurrence of any of the matters described above could have an adverse impact on our business, financial condition, results of operations and cash flows.

Volatility in the financial markets or in global economic conditions, including consequences resulting from domestic political uncertainty, geopolitical events, international trade disputes and tariffs, and health epidemics could adversely impact our business.

United States and global economies may experience periods of volatility and uncertainty from time to time, resulting in unstable consumer confidence, diminished consumer demand and spending, diminished liquidity and credit availability, and inability to access capital markets. In recent years, certain global economies have experienced periods of political uncertainty, slowing economic growth, rising interest rates, inflation, changing economic sanctions, health-related concerns, and currency volatility. These global macroeconomic conditions may have a negative impact on commodity prices and the availability and cost of materials used in our industry, which in turn could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In recent years, the United States government has initiated new tariffs on certain imported goods and has imposed increases to certain existing tariffs on imported goods. In response, certain foreign governments, most notably China, imposed retaliatory tariffs on certain goods their countries import from the United States. These and other events, including the United Kingdom's withdrawal from the European Union and the COVID-19 pandemic, have contributed to increased uncertainty for domestic and global economies. Additionally, growing trends toward populism and political polarization globally and in the U.S. have resulted in uncertainty regarding potential changes in regulations, fiscal policy, social programs, domestic and foreign relations, and government energy policies, which could pose a potential threat to domestic and global economic growth.

Trade restrictions or other governmental actions related to tariffs or trade policies have impacted, and have the potential to further impact, our business and industry by increasing the cost of materials used in various aspects of upstream, midstream, and downstream oil and gas activities. Furthermore, tariffs and any quantitative import restrictions, particularly those impacting the cost and availability of steel and aluminum, may cause disruption in the energy industry's supply chain, resulting in the delay or cessation of drilling and completion efforts or the postponement or cancellation of new pipeline transportation projects the U.S. industry is relying on to transport its onshore production to market, as well as endangering U.S. liquefied natural gas export projects resulting in negative impacts on natural gas production. Additionally, trade and/or tariff disputes have impacted, and have the potential to further impact, domestic and global economies overall, which could result in reduced demand for crude oil and natural gas. Any of the above consequences could have a material adverse effect on our business, financial condition, results of operations and cash flows.

A cyber incident could result in information theft, data corruption, operational disruption, and/or financial loss.

Our business and industry has become increasingly dependent on digital technologies to conduct day-to-day operations including certain exploration, development and production activities. We rely heavily on digital technologies, including information systems and related infrastructure as well as cloud applications and services, to process and record financial and operating data; analyze seismic, drilling, completion and production information; manage production equipment; conduct reservoir modeling and reserves estimation; communicate with employees and business associates; perform compliance reporting and many other activities. The availability and integrity of these systems are essential for us to conduct our operations. Our business associates, including employees, vendors, service providers, financial institutions, and transporters, processors, and purchasers of our production are also heavily dependent on digital technology.

As dependence on digital technologies has increased, cyber incidents, including deliberate attacks or unintentional events, have also increased. Our technologies, systems, networks, and those of our business associates have been and continue to be the target of cyber attacks or information security breaches, which could lead to disruptions in critical systems, unauthorized release or theft of confidential or protected information, corruption of data or other disruptions of our business operations. For example, there have been well-publicized cases in recent years involving cyber attacks on software vendors utilized by the Company. In response to those incidents, we deployed our cybersecurity incidence response protocols and promptly took steps to contain and remediate potential vulnerabilities. We believe there have been no compromises to our operations as a result of the attacks; however, other similar attacks in the future could have a significant negative impact on our systems and operations.

A cyber attack involving our information systems and related infrastructure, and/or that of our business associates and customers, could disrupt our business and negatively impact our operations in a variety of ways, including but not limited to unauthorized access

to, or theft of, sensitive or proprietary information and data corruption or operational disruption that adversely affects our ability to carry on our business. Any such event could damage our reputation and lead to financial losses from remedial actions, loss of business, or potential liability, which could have a material adverse effect on our business, financial condition, results of operations or cash flows. In addition, certain cyber incidents such as reconnaissance of our systems and those of our business associates, may remain undetected for an extended period, which could result in significant consequences. We do not maintain specialized insurance for possible liability resulting from cyber attacks due to lack of coverage for what we consider sensitive and proprietary data.

While the Company has well-established cyber security systems and controls, disclosure controls and procedures and incident response protocols, these systems, controls, procedures and protocols may not identify all risks and threats we face, or may fail to protect data or mitigate the adverse effects of data loss.

To our knowledge we have not experienced any material losses relating to cyber attacks; however, there can be no assurance that we will not suffer material losses in the future either as a result of a breach of our systems or those of our business associates. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. Additionally, the growth of cyber attacks has resulted in evolving legal and compliance matters which may impose significant costs that are likely to increase over time.

Competition in the crude oil and natural gas industry is intense, making it more difficult for us to acquire properties, market crude oil and natural gas and secure trained personnel.

Our ability to acquire additional prospects and find and develop reserves in the future will depend on our ability to evaluate and select suitable properties and to consummate transactions in a highly competitive environment for acquiring properties, securing long-term transportation and processing capacity, marketing crude oil and natural gas, and securing trained personnel. Also, there is substantial competition for capital available for investment in the crude oil and natural gas industry. Our competitors may possess and employ financial, technical and personnel resources greater than ours. Those companies may be able to pay more for productive crude oil and natural gas properties and exploratory prospects and to evaluate, bid for and purchase a greater number of properties and prospects than our financial or personnel resources permit. Our inability to effectively compete in this environment could have a material adverse effect on our financial condition, results of operations and cash flows.

Severe weather events and natural disasters could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Severe weather events and natural disasters such as hurricanes, tornadoes, seismic events, floods, blizzards, extreme cold, drought, and ice storms affecting the areas in which we operate, including our corporate headquarters, could cause disruptions and in some cases suspension of our or our third party service providers' operations, which could have a material adverse effect on our business. Our planning for normal climatic variation, natural disasters, insurance programs and emergency recovery plans may inadequately mitigate the effects of such climatic conditions, and not all such effects can be predicted, eliminated or insured against. Longer term changes in temperature and precipitation patterns may result in changes to the amount, timing, or location of demand for energy or our production. While we consider these factors in our disaster preparedness and response and business continuity planning, we may not consider or prepare for every eventuality in such planning.

Financial Risks

Our revolving credit facility, term loan, and indentures for our senior notes contain certain covenants and restrictions, the violation of which could adversely affect our business, financial condition and results of operations.

Our revolving credit facility and term loan contain restrictive covenants with which we must comply, including covenants that limit our ability to, among other things, incur additional indebtedness, incur liens, engage in sale and leaseback transactions, and merge, consolidate or sell all or substantially all of our assets. Our revolving credit facility and term loan also contain a requirement that we maintain a consolidated net debt to total capitalization ratio of no greater than 0.65 to 1.00. This ratio represents the ratio of net debt (calculated as total face value of debt plus outstanding letters of credit less cash and cash equivalents) divided by the sum of net debt plus total shareholders' equity plus, to the extent resulting in a reduction of total shareholders' equity, the amount of any non-cash impairment charges incurred, net of any tax effect, after June 30, 2014. At December 31, 2022, we had \$1.16 billion of outstanding borrowings on our credit facility and our consolidated net debt to total capitalization ratio, as defined, was 0.50.

The indentures governing our senior notes contain covenants that, among other things, limit our ability to create liens securing certain indebtedness, enter into certain sale and leaseback transactions, and consolidate, merge or transfer certain assets.

Our ability to comply with the provisions of our revolving credit facility, term loan or senior note indentures may be impacted by changes in economic or business conditions, results of operations, or events beyond our control. The breach of any covenant could result in a default under our revolving credit facility, term loan or senior note indentures, in which case, depending on the actions taken by the lenders or trustees thereunder or their successors or assignees, could result in all amounts outstanding thereunder, together with accrued interest, to be due and payable. If our indebtedness is accelerated, our assets may not be sufficient to repay in full such indebtedness, which would have a material adverse effect on our business, financial condition, results of operations, and cash flows.

The inability of joint interest owners, significant customers, and service providers to meet their obligations to us may adversely affect our financial results.

Our principal exposure to credit risk is through the sale of our crude oil and natural gas production, which we market to energy marketing companies, crude oil refining companies, and natural gas gathering and processing companies (\$1.3 billion in receivables at December 31, 2022) and our joint interest and other receivables (\$458 million at December 31, 2022). These counterparties may experience insolvency or liquidity issues and may not be able to meet their obligations and liabilities owed to us, particularly during a period of depressed commodity prices. Defaults by these counterparties could adversely impact our financial condition and results of operations.

Additionally, we rely on field service companies and midstream companies for services associated with the drilling and completion of wells and for certain midstream services. A worsening of the commodity price environment may result in a material adverse impact on the liquidity and financial position of the parties with whom we do business, resulting in delays in payment of, or non-payment of, amounts owed to us, delays in operations, loss of access to equipment and facilities and similar impacts. These events could have an adverse impact on our business, financial condition, results of operations and cash flows.

Legal and Regulatory Risks

Laws, regulations, guidance, executive actions or other regulatory initiatives regarding environmental protection and occupational safety and health could increase our costs of doing business and result in operating restrictions, delays, or cancellations in the drilling and completion of crude oil and natural gas wells, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our crude oil and natural gas exploration and production operations are subject to stringent federal, state and local legal requirements governing environmental protection and occupational safety and health. These requirements may take the form of laws, regulations, executive actions and various other legal initiatives. See *Part I, Item 1. Business—Regulation of the Crude Oil and Natural Gas Industry* for a discussion of certain environmental and occupational safety and health legal requirements that govern us, including with respect to air emissions, including natural gas flaring limitations and ozone standards; climate change, including restriction of methane or other greenhouse gas emissions and suspensions of, or more stringent limitations upon, new leasing and permitting on federal lands and waters; hydraulic fracturing; waste water disposal regulatory developments; occupational safety standards, and other risks or regulations relating to environmental protection. One or more of these legal requirements could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

We are subject to certain complex federal, state and local laws and regulations in areas other than environmental protection and occupational safety and health that could result in increased costs, operating restrictions or delays, limitations or prohibitions on our ability to develop and produce reserves, or expose us to significant liabilities.

Our crude oil and natural gas exploration and production operations are subject to complex and stringent federal, state and local laws and regulations in areas other than environmental protection and occupational safety and health, including with respect to production, sales and transport of crude oil, NGLs and natural gas, employees and labor relations, and taxation. For instance, President Biden's administration has pursued, and may continue to pursue, legislative changes to eliminate or defer certain key U.S. federal income tax deductions historically available to oil and gas exploration and production companies, including: (i) the elimination of deductions for intangible drilling and exploration and development costs; (ii) a repeal of the percentage depletion allowance for crude oil and natural gas properties; (iii) the elimination of the deduction for certain production activities; and (iv) an extension of the amortization period for certain geological and geophysical expenditures. It is uncertain whether these or other changes being pursued will be enacted or, if enacted, how soon any such changes would become effective.

Additionally, in August 2022 President Biden signed the Inflation Reduction Act of 2022 ("IRA") into law, which provides various new tax provisions, incentives, and tax credits aimed at curbing inflation by lowering prescription drug costs, health care costs, and energy costs. The IRA introduces, among other things, (i) a 15% corporate alternative minimum tax on profits for corporations whose average annual adjusted financial statement income for any consecutive three-year period ending after December 31, 2021 exceeds \$1

billion and (ii) a methane emissions charge, effective January 1, 2024, on specific types of oil and gas production facilities that report emissions in excess of applicable thresholds.

Failure to comply with the above and other laws and regulations, including those described in *Part I, Item 1. Business—Regulation of the Crude Oil and Natural Gas Industry*, may trigger a variety of administrative, civil and criminal enforcement investigations or actions, including investigatory actions, the assessment of monetary penalties, the imposition of remedial requirements, the issuance of orders or judgments limiting or enjoining future operations, criminal sanctions, or litigation. Moreover, changes to existing laws or regulations or changes in interpretations of laws and regulations may unfavorably impact us or the infrastructure used for transporting our products. Similarly, changes in regulatory policies and priorities could result in the imposition of new laws or regulations that adversely impact us or our industry. Any such changes could increase our operating costs, delay our operations or otherwise alter the way we conduct our business, which could have a material adverse effect on our financial condition, results of operations and cash flows.

Our operations and the operations of our customers are subject to a number of risks arising out of the threat of climate change, energy conservation measures, or initiatives that stimulate demand for alternative forms of energy that could result in increased operating costs, limit the areas in which oil and natural gas production may occur, and reduce the demand for the crude oil and natural gas we produce.

Risks arising out of the threat of climate change, fuel conservation measures, governmental requirements for renewable energy resources, increasing consumer demand for alternative forms of energy, and technological advances in fuel economy and energy generation devices may create new competitive conditions that result in reduced demand for the crude oil and natural gas we produce. The potential impact of changing demand for crude oil and natural gas services and products may have a material adverse effect on our business, financial condition, results of operations and cash flows. Additionally, variability in power generation output from alternative energy facilities that are dependent on weather conditions, such as wind and solar, may result in intermittent changes in demand for the commodities we produce which could lead to increased volatility in commodity prices. See *Part I, Item 1. Business—Regulation of the Crude Oil and Natural Gas Industry* for further discussion relating to risks arising out of the threat of climate change and emission of greenhouse gases, climate change activism, energy conservation measures, initiatives that stimulate demand for alternative forms of energy, and physical effects of climate change. One or more of these developments could have an adverse effect on our assets and operations.

Increasing scrutiny on environmental, social, and corporate governance matters may impact our business.

Companies across all industries are facing increasing scrutiny from a wide array of stakeholders related to their ESG practices. ESG standards are evolving and if we are perceived to have not responded appropriately to certain standards, regardless of whether there is a legal requirement to do so, we may suffer from reputational damage and our business or financial condition, could be materially and adversely affected. Increasing attention to climate change, increasing societal expectations on companies to address climate change, and potential consumer use of alternative forms of energy may result in increased costs, reduced demand for hydrocarbon products, reduced profits, increased investigations and litigation, and negative impacts on our ability to recruit necessary talent, and our access to capital markets.

Institutional lenders who provide financing for fossil fuel energy companies also have become more attentive to sustainable lending practices that favor “clean” power sources such as wind and solar, making those sources more attractive for investment, and some of them may elect not to provide funding for fossil fuel energy companies or impose certain ESG-related targets or goals as a condition to funding. While we cannot predict what policies may result from these developments, such efforts could make it more difficult for fossil fuel companies to secure funding as well as negatively affect the cost of, and terms for, financings to fund growth projects or other aspects of our business.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The information required by Item 2 is contained in *Part I, Item 1. Business—Crude Oil and Natural Gas Operations* and *Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Delivery Commitments* and is incorporated herein by reference.

Item 3. Legal Proceedings

We are involved in various legal proceedings including, but not limited to, commercial disputes, claims from royalty and surface owners, property damage claims, personal injury claims, regulatory compliance matters, disputes with tax authorities and other matters. While the outcome of these legal matters cannot be predicted with certainty, we do not expect them to have a material effect on our financial condition, results of operations or cash flows.

Item 4. Mine Safety Disclosures

Not applicable.

Part II**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Our common stock previously traded on the New York Stock Exchange (“NYSE”) under the symbol “CLR.” As a result of the take-private transaction described in *Part II. Item 8. Notes to Consolidated Financial Statements—Note 1. Organization and Summary of Significant Accounting Policies—Take-Private Transaction*, our common stock ceased to be listed on the NYSE effective November 23, 2022 and there is no longer an established trading market for our common stock.

The following table provides information about purchases of our common stock during the quarter ended December 31, 2022 leading up to, and including, the take-private transaction:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs (1)	Maximum dollar value of shares that may yet be purchased under the plans or programs (in millions) (1)
October 1, 2022 to October 31, 2022				
Repurchases for tax withholdings (1)	20,081	\$ 68.22	—	\$ —
November 1, 2022 to November 30, 2022				
Repurchases for tax withholdings (1)	2,499	\$ 74.07	—	\$ —
Take-private transaction (2)	58,059,259	\$ 74.28	—	\$ —
Total for the quarter	58,081,839	\$ 74.28		

- (1) Amounts represent shares surrendered by employees to cover tax liabilities in connection with the vesting of restricted stock granted under the Company’s 2013 Long-Term Incentive Plan. We paid the associated taxes to the applicable taxing authorities. The price paid per share was the closing price of our common stock on the date the restrictions lapsed on such shares.
- (2) Represents shares purchased in conjunction with the Hamm Family’s take-private transaction, inclusive of payments issued to holders who demanded appraisal rights for their untendered shares in accordance with Oklahoma law.

Item 6. Reserved

ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with our consolidated financial statements and notes included elsewhere in this report. Results attributable to noncontrolling interests are not material relative to consolidated results and are not separately presented or discussed below.

The following discussion and analysis includes forward-looking statements and should be read in conjunction with *Part I, Item 1A. Risk Factors* in this report, along with *Cautionary Statement for the Purpose of the “Safe Harbor” Provisions of the Private Securities Litigation Reform Act of 1995* at the beginning of this report, for information about the risks and uncertainties that could cause our actual results to be materially different than our forward-looking statements.

Overview

We are an independent crude oil and natural gas company engaged in the exploration, development, management, and production of crude oil and natural gas and associated products with properties primarily located in four leading basins in the United States – the Bakken field of North Dakota and Montana, the Anadarko Basin of Oklahoma, the Permian Basin of Texas, and the Powder River Basin of Wyoming. Additionally, we pursue the acquisition and management of perpetually owned minerals located in certain of our key operating areas. We derive the majority of our operating income and cash flows from the sale of crude oil, natural gas, and natural gas liquids and expect this to continue in the future. Our corporate internet website is www.clr.com.

Take-private transaction

On October 16, 2022, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Omega Acquisition, Inc. (“Merger Sub”), an entity owned by the Company’s founder, Harold G. Hamm. Pursuant to the Merger Agreement, on November 22, 2022 Merger Sub completed a tender offer to purchase any and all of the outstanding shares of the Company’s common stock for \$74.28 per share in cash, other than: (i) shares of common stock owned by Mr. Hamm, certain of his family members and their affiliated entities (collectively, the “Hamm Family”) and (ii) shares of common stock underlying unvested equity awards issued pursuant to the Company’s long-term incentive plans. Immediately prior to the consummation of the Offer, Mr. Hamm contributed 100% of the capital stock of Merger Sub to the Company, as a result of which Merger Sub became a wholly owned subsidiary of the Company. Following consummation of the Offer, Merger Sub merged with and into the Company, with the Company continuing as the surviving corporation wholly owned by the Hamm Family.

Following the completion of the transaction: (i) our common stock ceased to be listed on the New York Stock Exchange effective November 23, 2022, (ii) our common stock was deregistered under Section 12(b) of the Securities Exchange Act of 1934 as amended (the “Exchange Act”), and (iii) we suspended our reporting obligations under Section 15(d) of the Exchange Act. As a result, certain of the corporate governance, disclosure, and other provisions applicable to a company with listed equity securities and reporting obligations under the Exchange Act no longer apply to us. We will continue to furnish Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K with the SEC as required by our senior note indentures.

See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 1. Organization and Summary of Significant Accounting Policies—Take-Private Transaction* for additional information.

Financial and Operating Metrics

Commodity prices increased significantly in 2022 compared to 2021 levels resulting from the ongoing rebalancing of crude oil and natural gas supply and demand fundamentals coupled with the disruption of global hydrocarbon markets prompted by the outbreak of military conflict between Russia and Ukraine. The increase in commodity prices contributed to improved operating results and cash flows in 2022 compared to 2021. Additionally, our property acquisitions in the Permian Basin and Powder River Basin over the past year contributed to increased production, revenues, and cash flows in 2022 compared to 2021. Commodity prices remain volatile and unpredictable and our operating results for the year ended December 31, 2022 may not be indicative of future results. Given the uncertainty surrounding the Russia/Ukraine conflict and ongoing volatility in commodity prices, we are unable to predict the extent to which the conflict or other factors will have on the Company’s future performance.

The following table contains financial and operating highlights for the periods presented. Average net sales prices exclude any effect of derivative transactions. Per-unit expenses have been calculated using sales volumes.

	Year ended December 31,		
	2022	2021	2020
Average daily production:			
Crude oil (Bbl per day)	199,526	160,647	160,505
Natural gas (Mcf per day) (1)	1,213,643	1,014,000	837,509
Crude oil equivalents (Boe per day)	401,800	329,647	300,090
Average net sales prices (2):			
Crude oil (\$/Bbl)	\$ 91.46	\$ 64.06	\$ 34.71
Natural gas (\$/Mcf) (1)	\$ 7.01	\$ 4.88	\$ 1.04
Crude oil equivalents (\$/Boe)	\$ 66.58	\$ 46.24	\$ 21.47
Crude oil net sales price discount to NYMEX (\$/Bbl)	\$ (2.71)	\$ (4.00)	\$ (5.80)
Natural gas net sales price premium (discount) to NYMEX (\$/Mcf)	\$ 0.29	\$ 1.00	\$ (1.10)
Production expenses (\$/Boe)	\$ 4.24	\$ 3.38	\$ 3.27
Production taxes (% of net crude oil and natural gas sales)	7.5 %	7.3 %	8.2 %
DD&A (\$/Boe)	\$ 12.86	\$ 15.76	\$ 17.12
Total general and administrative expenses (\$/Boe)	\$ 2.74	\$ 1.94	\$ 1.79

- (1) Natural gas production volumes, sales volumes, and net sales price presented throughout management's discussion and analysis reflect the combined value for natural gas and natural gas liquids.
- (2) See the subsequent section titled *Non-GAAP Financial Measures* for a discussion and calculation of net sales prices, which are non-GAAP measures.

Results of Operations

The following table presents selected financial and operating information for the periods presented.

<i>In thousands</i>	Year Ended December 31,		
	2022	2021	2020
Crude oil, natural gas, and natural gas liquids sales	\$ 10,074,675	\$ 5,793,741	\$ 2,555,434
Loss on derivative instruments, net	(671,095)	(128,864)	(14,658)
Crude oil and natural gas service operations	70,128	54,441	45,694
Total revenues	9,473,708	5,719,318	2,586,470
Operating costs and expenses	(4,120,028)	(3,257,638)	(3,140,362)
Other expenses, net	(285,267)	(275,542)	(220,859)
Income (loss) before income taxes	5,068,413	2,186,138	(774,751)
(Provision) benefit for income taxes	(1,020,804)	(519,730)	169,190
Income (loss) before equity in net loss of affiliate	4,047,609	1,666,408	(605,561)
Equity in net loss of affiliate	(1,489)	—	—
Net income (loss)	4,046,120	1,666,408	(605,561)
Net income (loss) attributable to noncontrolling interests	21,562	5,440	(8,692)
Net income (loss) attributable to Continental Resources	\$ 4,024,558	\$ 1,660,968	\$ (596,869)
Production volumes:			
Crude oil (MBbl)	72,827	58,636	58,745
Natural gas (MMcf)	442,980	370,110	306,528
Crude oil equivalents (MBoe)	146,657	120,321	109,833
Sales volumes:			
Crude oil (MBbl)	72,732	58,757	58,793
Natural gas (MMcf)	442,980	370,110	306,528
Crude oil equivalents (MBoe)	146,562	120,442	109,881

Year ended December 31, 2022 compared to the year ended December 31, 2021

Below is a discussion of changes in our results of operations for 2022 compared to 2021. A discussion of changes in our results of operations for 2021 compared to 2020 has been omitted from this Form 10-K, but may be found in *Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* of our Form 10-K for the year ended December 31, 2021 as filed with the SEC on February 14, 2022.

Production

The following table summarizes the changes in our average daily Boe production by major operating area for the periods presented.

Boe production per day	Fourth Quarter			Year Ended December 31,		
	2022	2021	% Change	2022	2021	% Change
Bakken	174,397	175,585	(1)%	171,025	169,636	1%
Anadarko Basin	165,225	146,131	13%	158,221	147,249	7%
Powder River Basin	28,057	7,189	290%	24,602	5,161	377%
Permian Basin (1)	44,925	4,997	-	41,917	1,260	-
All other	5,552	6,266	(11)%	6,035	6,341	(5)%
Total	418,156	340,168	23%	401,800	329,647	22%

(1) Production figures for the Permian Basin for the 2021 periods represent production during the period from the closing of our acquisition of Permian properties on December 21, 2021 through December 31, 2021 averaged over the respective fourth quarter and full year periods.

The following tables reflect our production by product and region for the periods presented.

	Year Ended December 31,				Volume increase	Volume percent increase
	2022		2021			
	Volume	Percent	Volume	Percent		
Crude oil (MBbl)	72,827	50 %	58,636	49 %	14,191	24 %
Natural gas (MMcf)	442,980	50 %	370,110	51 %	72,870	20 %
Total (MBoe)	146,657	100 %	120,321	100 %	26,336	22 %

The 24% increase in crude oil production in 2022 compared to 2021 was primarily driven by our property acquisitions in the Permian Basin and Powder River Basin over the past year and in late 2021, which contributed to an increase in our 2022 production by 11,474 MBbls and 4,360 MBbls, respectively, compared to 2021. These increases were partially offset by a 1,373 MBbls, or 10%, decrease in Anadarko Basin crude oil production due to a change in allocation of capital from oil-weighted projects to gas-weighted projects in the play over the past year and the timing of well completions.

The 20% increase in natural gas production in 2022 compared to 2021 was due in part to the previously described property acquisitions over the past year. Properties acquired in the Permian Basin and new well completions increased our 2022 production by 20,191 MMcf while properties acquired in the Powder River Basin and new well completions increased our production by 16,415 MMcf compared to 2021. Additionally, our natural gas production in the Anadarko Basin increased 32,264 MMcf, or 13%, in 2022 compared to 2021 due to new well completions over the past year.

Revenues

Our revenues consist of sales of crude oil, natural gas, and natural gas liquids, gains and losses resulting from changes in the fair value of our derivative instruments, and revenues associated with crude oil and natural gas service operations.

Net crude oil, natural gas, and natural gas liquids sales and related net sales prices presented below are non-GAAP measures. See the subsequent section titled *Non-GAAP Financial Measures* for discussion and calculation of these measures.

Net crude oil, natural gas, and natural gas liquids sales. Net sales for 2022 totaled \$9.76 billion, a 75% increase compared to net sales of \$5.57 billion for 2021 due to significant increases in net sales prices and sales volumes as discussed below.

Total sales volumes for 2022 increased 26,120 MBoe, or 22%, compared to 2021, primarily due to new wells added from our property acquisitions over the past year. For 2022, our crude oil sales volumes increased 24% compared to 2021 and our natural gas sales volumes increased 20% compared to 2021.

Our crude oil net sales prices averaged \$91.46 per barrel for 2022, an increase of 43% compared to \$64.06 per barrel for 2021 due to the previously described increase in market prices along with improved price differentials. The discount between NYMEX West Texas Intermediate calendar month crude oil prices and our realized crude oil net sales prices improved to an average of \$2.71 per barrel in 2022 compared to a discount of \$4.00 per barrel in 2021, reflecting strong price realizations across our assets.

Our natural gas net sales prices averaged \$7.01 per Mcf for 2022 compared to \$4.88 per Mcf for 2021 due to the previously described increase in market prices. The difference between our net sales prices and NYMEX Henry Hub calendar month natural gas prices was a premium of \$0.29 per Mcf for 2022 compared to a premium of \$1.00 per Mcf for 2021. The decrease in premium was driven by price volatility, wider basis differentials between prices received in our sales markets and NYMEX settlement prices, and significant improvement in Henry Hub prices as compared to increases in NGL prices, causing the uplift in price realizations for our full gas stream relative to benchmark prices to be less significant in the current year.

Derivatives. The significant improvement in commodity prices in 2022 had an overall unfavorable impact on the fair value of our derivatives, which resulted in negative revenue adjustments of \$671.1 million for the year, representing \$458.1 million of cash losses and \$213.0 million of unsettled non-cash losses, compared to negative revenue adjustments totaling \$128.9 million for cash and non-cash losses for 2021.

Crude oil and natural gas service operations. Our crude oil and natural gas service operations consist primarily of revenues associated with water gathering, recycling, and disposal activities, which are impacted by our production volumes and the timing and extent of our drilling and completion projects. Revenues associated with such activities increased \$15.7 million, or 29%, from \$54.4 million for 2021 to \$70.1 million for 2022 due to increased water handling activities resulting from increases in completion activities and production volumes compared to 2021, which also contributed to an increase in service-related operating expenses in the current year.

Operating Costs and Expenses

Production expenses. Production expenses increased \$215.0 million, or 53%, to \$621.9 million for 2022 compared to \$406.9 million for 2021 due to an increase in the number of producing wells from drilling activities and property acquisitions, cost inflation for services and materials, and higher workover-related activities aimed at enhancing production from producing properties prompted by the favorable commodity price environment. Production expenses on a per-Boe basis averaged \$4.24 per Boe for 2022 compared to \$3.38 per Boe for 2021, the increase of which reflects higher workover-related activities, cost inflation, and the addition of oil-weighted production acquired in the Permian and Powder River basins over the past year which typically have higher per-unit operating costs compared to gas-weighted properties in the Anadarko Basin.

Production and ad valorem taxes. Production and ad valorem taxes increased \$325.8 million, or 81%, to \$730.1 million for 2022 compared to \$404.4 million for 2021 due to the previously described increase in sales. Our production taxes as a percentage of net sales averaged 7.5% for 2022 compared to 7.3% for 2021.

Depreciation, depletion, amortization and accretion (“DD&A”). Total DD&A amounted to \$1.89 billion for 2022, consistent with \$1.90 billion for 2021, reflecting a 22% increase in total sales volumes the impact of which was nearly offset by a decrease in our DD&A rate per Boe as further discussed below. The following table shows the components of our DD&A on a unit of sales basis for the periods presented.

<i>\$/Boe</i>	Year ended December 31,	
	2022	2021
Crude oil and natural gas properties	\$ 12.57	\$ 15.45
Other equipment	0.20	0.22
Asset retirement obligation accretion	0.09	0.09
Depreciation, depletion, amortization and accretion	\$ 12.86	\$ 15.76

Estimated proved reserves are a key component in our computation of DD&A expense. Proved reserves are determined using the unweighted arithmetic average of the first-day-of-the-month commodity prices for the preceding twelve months as required by SEC rules. Holding all other factors constant, if proved reserves are revised downward due to commodity price declines or other reasons, the rate at which we record DD&A expense increases. Conversely, if proved reserves are revised upward, the rate at which we record DD&A expense decreases.

Our proved reserves have been revised upward over the past year prompted by significant increases in first-day-of-the-month commodity prices and other factors, which, when coupled with improvements in capital efficiency and strong well productivity, resulted in a decrease in our DD&A rate for crude oil and natural gas properties in 2022 compared to 2021 and helped offset the additional DD&A recognized in 2022 from increased sales volumes.

Property impairments. Property impairments increased \$32.0 million to \$70.4 million for 2022 compared to \$38.4 million for 2021 due in part to \$17.5 million of proved property impairments recognized in 2022 with no proved property impairments being recognized in the prior year. Additionally, impairments of unproved properties increased \$14.5 million in 2022 compared to 2021 reflecting an increase in the amortization of undeveloped leasehold costs driven by an increase in our balance of unproved properties resulting from property acquisitions over the past year.

General and administrative ("G&A") expenses. G&A expenses increased \$167.9 million, or 72%, to \$401.6 million for 2022 compared to \$233.6 million for 2021.

Total G&A expenses include non-cash charges for equity/incentive compensation of \$217.8 million and \$63.2 million for 2022 and 2021, respectively. This increase was primarily driven by the remeasurement of cumulative compensation expense on unvested restricted stock awards that were replaced with new liability-classified awards in conjunction with the Hamm Family's take-private transaction. This remeasurement resulted in the recognition of additional non-cash equity/incentive compensation expense totaling \$136 million (\$0.93 per Boe), reflecting the increase in the value of the awards from the original grant date to the November 2022 modification date.

G&A expenses other than equity compensation totaled \$183.8 million for 2022, an increase of \$13.4 million, or 8%, compared to \$170.4 million for 2021 primarily due to the growth of our operations and increases in payroll costs and employee benefits, partially offset by higher overhead recoveries from joint interest owners driven by increased drilling, completion, and production activities compared to 2021.

The following table shows the components of G&A expenses on a unit of sales basis for the periods presented.

\$/Boe	Year ended December 31,	
	2022	2021
General and administrative expenses	\$ 1.25	\$ 1.42
Non-cash equity/incentive compensation	1.49	0.52
Total general and administrative expenses	\$ 2.74	\$ 1.94

Transaction costs. We incurred \$32 million of legal and advisory fees related to the Hamm Family's take-private transaction, which are included in the caption "Transaction costs" in the consolidated statements of income (loss) for 2022. In 2021, we incurred \$14 million of transaction-related fees in connection with our December 2021 acquisition of properties in the Permian Basin.

Interest expense. Interest expense increased \$49.1 million, or 20%, to \$300.7 million for 2022 compared to \$251.6 million for 2021 due to an increase in our annual weighted average outstanding debt balance from \$5.6 billion in 2021 to \$6.8 billion in 2022. Our outstanding debt totaled \$8.2 billion at December 31, 2022, reflecting an increase of \$1.9 billion in the 2022 fourth quarter due to credit facility and term loan borrowings incurred to fund a portion of the November 2022 take-private transaction.

Gain (loss) on extinguishment of debt. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 8. Long-Term Debt* for discussion of gains and losses recognized on debt extinguishments in 2022 and 2021.

Income Taxes. We provided for income taxes at a combined federal and state tax rate of 23.5% for 2022 and 24.5% for 2021. We recorded income tax provisions of \$1.02 billion and \$519.7 million for 2022 and 2021, respectively, which resulted in effective tax rates of 20.1% and 23.8%, respectively, after taking into account the application of statutory tax rates, permanent taxable differences, tax credits, tax effects from equity/incentive compensation, changes in valuation allowances, and other items. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 11. Income Taxes* for a summary of the sources and tax effects of items comprising our income tax provision and resulting effective tax rates for 2022 and 2021.

Liquidity and Capital Resources

Our primary sources of liquidity have historically been cash flows generated from operating activities, financing provided by our credit facility and the issuance of debt securities. Additionally, asset dispositions and joint development arrangements have provided a source of cash flow for use in reducing debt and enhancing liquidity.

As previously described, on November 22, 2022 the Hamm Family completed a tender offer to purchase any and all of the outstanding shares of the Company's common stock for \$74.28 per share in cash, other than: (i) shares of common stock owned by the Hamm Family and (ii) shares of common stock underlying unvested equity awards issued pursuant to the Company's long-term incentive plans. A total of approximately 58.1 million shares of Continental's common stock were purchased pursuant to the take-private transaction for total cash consideration of approximately \$4.31 billion, inclusive of payments issued to holders who demanded appraisal rights for their untendered shares in accordance with Oklahoma law.

The purchase of outstanding shares was funded by Continental through the use of approximately \$2.2 billion of cash on hand, \$1.3 billion of credit facility borrowings, and the execution of a \$750 million three-year term loan. As a result of the transaction, the Company's leverage has increased and its liquidity has decreased. We remain committed to operating in a responsible manner to preserve financial flexibility, liquidity, and the strength of our balance sheet.

At February 1, 2023, we had approximately \$1.12 billion of borrowing availability under our credit facility after considering outstanding borrowings and letters of credit. Our credit facility, which is unsecured and has no borrowing base subject to redetermination, does not mature until October 2026.

Based on our planned capital spending, our forecasted cash flows, and projected levels of indebtedness, we expect to maintain compliance with the covenants under our credit facility, term loan, and senior note indentures. Further, based on current market indications, we expect to meet our contractual cash commitments to third parties subsequently described under the heading *Future Capital Requirements*, recognizing we may be required to meet such commitments even if our business plan assumptions were to change. We monitor our capital spending closely based on actual and projected cash flows and have the ability to reduce spending or dispose of assets if needed to preserve liquidity and financial flexibility to fund our operations.

Cash Flows

Cash flows from operating activities

Net cash provided by operating activities increased \$3.1 billion, or 77%, to \$7.04 billion for 2022 compared to \$3.97 billion for 2021 primarily due to a \$4.28 billion increase in crude oil, natural gas, and NGL revenues due to the previously described increases in commodity prices and sales volumes in the current year. This increase was partially offset by a \$308 million increase in realized cash losses on matured commodity derivatives, a \$470 million increase in cash payments for U.S. federal income taxes, a \$326 million increase in production and ad valorem taxes associated with higher revenues, and increases in certain other cash operating expenses primarily due to an increase in sales volumes and growth of our Company over the past year. Increased cash operating expenses included a \$215 million increase in production expenses and a \$91 million increase in transportation, gathering, processing, and compression expenses.

Cash flows used in investing activities

Net cash used in investing activities totaled \$3.53 billion and \$4.99 billion for 2022 and 2021, respectively, the decrease of which reflects a reduction in the magnitude of property acquisitions between periods as discussed in *Part II, Item 8. Notes to Consolidated Financial Statements—Note 2. Property Acquisitions*. Cash capital expenditures excluding acquisitions totaled \$2.6 billion and \$1.4 billion for 2022 and 2021, respectively, the increase of which reflects our planned increase in budgeted spending in 2022. Additionally, investing cash flows for 2022 include \$210 million paid for our new strategic investment in an affiliate of Summit Carbon Solutions described in *Note 18. Equity Investment* with no similar contributions in 2021.

Cash flows from financing activities

Net cash used in financing activities for 2022 totaled \$3.39 billion, primarily consisting of \$4.3 billion of cash used to fund the Hamm Family's take-private transaction, \$284 million of cash dividends paid on common stock, \$100 million of cash used to repurchase shares of our common stock prior to the take-private transaction, and \$32 million of cash used to repurchase senior notes. These cash outflows were partially offset by \$660 million of net borrowings on our credit facility and \$750 million of proceeds from the issuance of a new term loan to fund a portion of the take-private transaction.

Net cash provided by financing activities for 2021 totaled \$989.1 million, primarily resulting from \$1.59 billion of net proceeds received from our November 2021 issuance of senior notes and \$340 million of net credit facility borrowings incurred to fund a portion of our December 2021 Permian Basin acquisition. These increases were partially offset by \$631 million of senior note redemptions during 2021, \$124 million of cash used to repurchase shares of our common stock, and \$166 million of cash dividends paid on common stock.

Future Sources of Financing

Although we cannot provide any assurance, we believe funds from operating cash flows, our cash balance, and availability under our credit facility should be sufficient to meet our normal operating needs, debt service obligations, budgeted capital expenditures, and cash payments for income taxes for at least the next 12 months and to meet our contractual cash commitments to third parties described under the heading *Future Capital Requirements* beyond 12 months.

Based on current market indications, our budgeted capital spending plans for 2023 are expected to be funded from operating cash flows. Any deficiencies in operating cash flows relative to budgeted spending are expected to be funded by borrowings under our

credit facility. If cash flows are materially impacted by declines in commodity prices, we have the ability to reduce our capital expenditures or utilize the availability of our credit facility if needed to fund our operations and business plans.

We may choose to access banking or capital markets for additional financing or capital to fund our operations or take advantage of business opportunities that may arise. Further, we may sell assets or enter into strategic joint development opportunities in order to obtain funding if such transactions can be executed on satisfactory terms. However, no assurance can be given that such transactions will occur.

Credit facility

We have an unsecured credit facility, maturing in October 2026, with aggregate lender commitments totaling \$2.255 billion. The commitments are from a syndicate of 13 banks and financial institutions. We believe each member of the current syndicate has the capability to fund its commitment. As of February 1, 2023, we had \$1.12 billion of borrowing availability on our credit facility after considering outstanding borrowings and letters of credit.

The commitments under our credit facility are not dependent on a borrowing base calculation subject to periodic redetermination based on changes in commodity prices and proved reserves. Additionally, downgrades or other negative rating actions with respect to our credit rating do not trigger a reduction in our current credit facility commitments, nor do such actions trigger a security requirement or change in covenants. Downgrades of our credit rating will, however, trigger increases in our credit facility's interest rates and commitment fees paid on unused borrowing availability under certain circumstances.

Our credit facility contains restrictive covenants that may limit our ability to, among other things, incur additional indebtedness, incur liens, engage in sale and leaseback transactions, or merge, consolidate or sell all or substantially all of our assets. Our credit facility also contains a requirement that we maintain a consolidated net debt to total capitalization ratio of no greater than 0.65 to 1.00. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 8. Long-Term Debt* for a discussion of how this ratio is calculated pursuant to our credit agreement.

We were in compliance with our credit facility covenants at December 31, 2022 and expect to maintain compliance. At December 31, 2022, our consolidated net debt to total capitalization ratio was 0.50. We do not believe the credit facility covenants are reasonably likely to limit our ability to undertake additional debt financing if needed to support our business.

Future Capital Requirements

Our material future cash requirements are summarized below. Based on current market indications, we expect to meet our contractual cash commitments to third parties as of December 31, 2022, recognizing we may be required to meet such commitments even if our business plan assumptions were to change.

Senior notes

Our debt includes outstanding senior note obligations totaling \$6.3 billion at December 31, 2022, exclusive of interest payment obligations thereon. Our senior notes are not subject to any mandatory redemption or sinking fund requirements. The earliest scheduled senior note maturity is our \$636 million of 2023 Notes due in April 2023, which is reflected as a current liability in the caption "Current portion of long-term debt" in the consolidated balance sheets as of December 31, 2022. We expect to be able to generate or obtain sufficient funds necessary to fully redeem our 2023 Notes by the maturity date. For further information on the face values, maturity dates, semi-annual interest payment dates, optional redemption periods and covenant restrictions related to our senior notes, refer to *Note 8. Long-Term Debt* in *Part II, Item 8. Notes to Consolidated Financial Statements*.

We were in compliance with our senior note covenants at December 31, 2022 and expect to maintain compliance. We do not believe the senior note covenants will materially limit our ability to undertake additional debt financing. Downgrades or other negative rating actions with respect to the credit ratings assigned to our senior unsecured debt do not trigger additional senior note covenants.

Credit facility borrowings

As of February 1, 2023, we had \$1.14 billion of outstanding borrowings on our credit facility. Our credit facility matures in October 2026.

Term loan

In November 2022, we borrowed \$750 million under a three-year term loan agreement, the proceeds of which were used to fund a portion of the Hamm Family's November 2022 take-private transaction. The term loan matures in November 2025 and bears interest at

market-based interest rates plus a margin based on the terms of the borrowing and the credit ratings assigned to the Company's senior, unsecured, long-term indebtedness.

The covenant requirements in the term loan are consistent with the covenants in our revolving credit facility, including the requirement that we maintain a consolidated net debt to total capitalization ratio of no greater than 0.65 to 1.0. We were in compliance with the term loan covenants at December 31, 2022 and expect to maintain compliance. Downgrades or other negative rating actions with respect to the credit ratings assigned to our senior unsecured debt do not trigger a security requirement or change in covenants for the term loan. Downgrades of our credit rating will, however, trigger an increase in our term loan's interest rate.

Transportation, gathering, and processing commitments

We have entered into transportation, gathering, and processing commitments to guarantee capacity on crude oil and natural gas pipelines and natural gas processing facilities that require us to pay per-unit charges regardless of the amount of capacity used. Future commitments remaining as of December 31, 2022 under the arrangements amount to approximately \$1.14 billion. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 13. Commitments and Contingencies* for additional information.

Capital Expenditures

2022 Capital Spending

For the year ended December 31, 2022, we invested \$2.70 billion in our capital program excluding \$716.6 million of unbudgeted acquisitions, excluding \$12.0 million of mineral acquisitions attributable to Franco-Nevada, and including \$102.1 million of capital costs associated with increased accruals for capital expenditures as compared to December 31, 2021. Our 2022 capital expenditures were allocated as follows by quarter. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 2. Property Acquisitions* for discussion of our notable property acquisitions executed in 2022.

<i>In millions</i>	1Q 2022	2Q 2022	3Q 2022	4Q 2022	Total 2022
Exploration and development drilling	\$ 426.2	\$ 504.7	\$ 686.0	\$ 576.6	\$ 2,193.5
Land costs	24.3	31.2	30.6	55.5	141.6
Mineral acquisitions attributable to Continental	0.5	0.4	1.0	1.0	2.9
Capital facilities, workovers, water infrastructure, and other corporate assets	72.3	110.9	97.4	81.2	361.8
Seismic	0.6	1.3	0.9	0.4	3.2
Capital expenditures attributable to Continental, excluding unbudgeted acquisitions	\$ 523.9	\$ 648.5	\$ 815.9	\$ 714.7	\$ 2,703.0
Unbudgeted acquisitions	443.1	219.2	43.1	11.2	716.6
Total capital expenditures attributable to Continental	\$ 967.0	\$ 867.7	\$ 859.0	\$ 725.9	\$ 3,419.6
Mineral acquisitions attributable to Franco-Nevada	1.9	1.8	4.2	4.1	12.0
Total capital expenditures	\$ 968.9	\$ 869.5	\$ 863.2	\$ 730.0	\$ 3,431.6

2023 Capital Expenditures Budget

For 2023, our capital expenditures budget attributable to us is expected to be \$3.25 billion. Costs of acquisitions and investments, such as those described in *Note 18. Equity Investment* in *Part II, Item 8. Notes to Consolidated Financial Statements*, are not included in our 2023 capital budget, with the exception of planned levels of spending for mineral acquisitions.

Our drilling and completion activities and the actual amount and timing of our capital expenditures may differ materially from our budget as a result of, among other things, available cash flows, unbudgeted acquisitions, actual drilling and completion results, operational process improvements, the availability of drilling and completion rigs and other services and equipment, cost inflation, the availability of transportation, gathering and processing capacity, changes in commodity prices, and regulatory, technological and competitive developments. We monitor our capital spending closely based on actual and projected cash flows and may adjust our spending should commodity prices materially change from current levels.

Strategic Investment

See *Note 18. Equity Investment* in *Part II, Item 8. Notes to Consolidated Financial Statements* for discussion of future spending commitments associated with a strategic investment made by the Company with Summit Carbon Solutions beginning in 2022.

Cash Payments for Income Taxes

For the year ended December 31, 2022, we made estimated quarterly payments for 2022 U.S. federal income taxes totaling \$470 million based on an estimate of federal taxable income for the year. Significant judgment is involved in estimating future taxable income as we are required to make assumptions about future commodity prices, projected production, development activities, capital spending, profitability, and general economic conditions, all of which are subject to material revision in future periods as better information becomes available. If commodity prices remain at current levels, we expect to continue generating significant taxable income through at least year-end 2023, which would result in us continuing to make estimated tax payments on a quarterly basis in 2023 that could approximate the payments made in 2022. Because of the significant uncertainty inherent in numerous factors utilized in projecting taxable income, we cannot predict the amount of future income tax payments with certainty.

Delivery Commitments

We have various natural gas volume delivery commitments that are related to our key operating areas. We expect to primarily fulfill our contractual natural gas obligations with production from our proved reserves. However, we may purchase third-party volumes to satisfy our commitments. Additionally, in the Permian Basin certain of our firm sales contracts for crude oil include delivery commitments that specify the delivery of a fixed and determinable quantity. We expect to primarily fulfill our contractual crude oil obligations with production from our proved reserves. As of December 31, 2022, we were committed to deliver the following fixed quantities of natural gas and crude oil production. The volumes disclosed herein represent gross production associated with properties operated by us and do not reflect our net proportionate share of such amounts.

Year Ending December 31,	Natural Gas Bcf	Crude Oil MMBo
2023	167	13
2024	119	3
2025	70	—
2026	38	—
2027	4	—

Derivative Instruments

See Note 6. *Derivative Instruments* in Part II, Item 8. *Notes to Consolidated Financial Statements* for discussion of our hedging activities, including a summary of derivative contracts in place as of December 31, 2022. Between January 1, 2023 and February 17, 2023 we entered into additional derivative instruments as summarized in the tables below.

Natural gas derivatives

Period and Type of Contract	Average Volumes Hedged		Weighted Average Hedge Price (\$/MMBtu)	
April 2023 - December 2023				
Swaps - Henry Hub	210,000	MMBtus/day	\$	3.89
July 2023 - September 2024				
Swaps - WAHA	22,000	MMBtus/day	\$	2.64
January 2024 - December 2024				
Swaps - Henry Hub	172,400	MMBtus/day	\$	3.71
January 2025 - December 2025				
Swaps - Henry Hub	180,000	MMBtus/day	\$	3.99
January 2026 - December 2026				
Swaps - Henry Hub	150,000	MMBtus/day	\$	4.03

Crude oil derivatives

Period and Type of Contract	Average Volumes Hedged		Weighted Average Hedge Price (\$/Bbl)	
April 2023 - March 2024				
Swaps - WTI	52,000	Bbls/day	\$	77.92

Senior note repurchases and redemptions

In recent periods we have redeemed or repurchased a portion of our outstanding senior notes. From time to time, we may execute additional redemptions or repurchases of our senior notes for cash in open market transactions, privately negotiated transactions, or otherwise. The timing and amount of any such redemptions or repurchases will depend on prevailing market conditions, our liquidity and prospects for future access to capital, and other factors. The amounts involved in any such transactions, individually or in the

aggregate, may be material. Our \$636 million of 2023 Notes is due in April 2023. We expect to be able to generate or obtain sufficient funds necessary to fully redeem our 2023 Notes by the maturity date.

Critical Accounting Policies and Estimates

Our consolidated financial statements and related footnotes contain information that is pertinent to our management's discussion and analysis of financial condition and results of operations. The preparation of financial statements in conformity with generally accepted accounting principles requires management to select appropriate accounting policies and to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and the disclosure and estimation of contingent assets and liabilities. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 1. Organization and Summary of Significant Accounting Policies* and *Note 9. Revenues* for descriptions of our major accounting policies. Certain of these accounting policies involve judgments and uncertainties to such an extent that there is a reasonable likelihood that materially different amounts could have been reported under different conditions or if different assumptions had been used.

In management's opinion, the most significant reporting areas impacted by management's judgments and estimates are crude oil and natural gas reserve estimations, revenue recognition, the choice of accounting method for crude oil and natural gas activities and derivatives, impairment of assets, income taxes and contingent liabilities. These areas are discussed below. Management's judgments and estimates in these areas are based on information available from both internal and external sources, including engineers, geologists and historical experience in similar matters and are believed to be reasonable under the circumstances. We evaluate our estimates and assumptions on a regular basis. Actual results could differ from the estimates as additional information becomes known.

Crude Oil and Natural Gas Reserves Estimation and Standardized Measure of Future Cash Flows

Our external independent reserve engineers, Ryder Scott, and internal technical staff prepare the estimates of our crude oil and natural gas reserves and associated future net cash flows. Even though Ryder Scott and our internal technical staff are knowledgeable and follow authoritative guidelines for estimating reserves, they must make a number of subjective assumptions based on professional judgments in developing the reserve estimates. Estimates of reserves and their values, future production rates, and future costs and expenses are inherently uncertain for various reasons, including many factors beyond the Company's control. Reserve estimates are updated by us at least semi-annually and take into account recent production levels and other technical information about each of our properties.

Crude oil and natural gas reserve engineering is a subjective process of estimating underground accumulations of crude oil and natural gas that cannot be precisely measured. The accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Periodic revisions or removals of estimated reserves and future cash flows may be necessary as a result of a number of factors, including reservoir performance, new drilling, crude oil and natural gas prices, changes in costs, technological advances, new geological or geophysical data, changes in business strategies, or other economic factors. Accordingly, reserve estimates may differ significantly from the quantities of crude oil and natural gas ultimately recovered. For the years ended December 31, 2022, 2021, and 2020, net upward (downward) revisions of our proved reserves totaled approximately (133) MMBoe, 54 MMBoe, and (505) MMBoe, respectively. We cannot predict the amounts or timing of future reserve revisions or removals.

Estimates of proved reserves are key components of the Company's most significant financial estimates including the computation of depreciation, depletion, amortization and impairment of proved crude oil and natural gas properties. Holding all other factors constant, if proved reserves are revised downward, the rate at which we record DD&A expense would increase, reducing net income. Conversely, if proved reserves are revised upward, the rate at which we record DD&A expense would decrease. Future revisions of reserves may be material and could significantly alter future depreciation, depletion, and amortization expense and may result in material impairments of assets.

Our DD&A calculations for oil and gas properties are performed on a field basis and revisions to proved reserves will not necessarily be applied ratably across all fields and may not be applied to some fields at all. Further, reserve revisions in significant fields may individually affect our DD&A rate. As a result, the impact on DD&A expense from revisions in reserves cannot be predicted with certainty and may result in changes in expense that are greater or less than the underlying changes in reserves.

Revenue Recognition

We derive substantially all of our revenues from the sale of crude oil, natural gas, and NGLs. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 9. Revenues* for discussion of our accounting policies governing the recognition and presentation of revenues.

Operated crude oil, natural gas, and NGL revenues are recognized during the month in which control transfers to the customer and it is probable the Company will collect the consideration it is entitled to receive. For non-operated properties, the Company's proportionate share of production is generally marketed at the discretion of the operators. Non-operated revenues are recognized by the Company during the month in which production occurs and it is probable the Company will collect the consideration it is entitled to receive.

At the end of each month, to record revenues we estimate the amount of production delivered and sold to customers and the prices at which they were sold. Variances between estimated revenues and actual amounts received for all prior months are recorded in the month payment is received and are reflected in our financial statements as crude oil and natural gas sales. These variances have historically not been material.

For the sale of crude oil, natural gas, and NGLs we evaluate whether we are the principal, and report revenues on a gross basis (revenues presented separately from associated expenses), or an agent, and report revenues on a net basis. In this assessment, we consider if we obtain control of the products before they are transferred to the customer as well as other indicators. Judgment may be required in determining the point in time when control of products transfers to customers.

Successful Efforts Method of Accounting

Our business is subject to accounting rules that are unique to the crude oil and natural gas industry. Two generally accepted methods of accounting for oil and gas activities are available—the successful efforts method and the full cost method. The most significant differences between these two methods are the treatment of exploration costs and the manner in which the carrying value of oil and gas properties are amortized and evaluated for impairment. We use the successful efforts method of accounting for our oil and gas properties. See *Part II, Item 8. Notes to Consolidated Financial Statements—Note 1.*

Organization and Summary of Significant Accounting Policies for further discussion of the accounting policies applicable to the successful efforts method of accounting.

Derivative Activities

From time to time we utilize derivative contracts to hedge against the variability in cash flows associated with the forecasted sale of future production and for other purposes. We have elected not to designate any of our price risk management activities as cash flow hedges. As a result, we mark our derivative instruments to fair value and recognize the changes in fair value in current earnings.

In determining the amounts to be recorded for outstanding derivative contracts, we are required to estimate the fair value of the derivatives. We use an independent third party to provide our derivative valuations. The third party's valuation models for derivative contracts are industry-standard models that consider various inputs including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. The fair value calculations for collars requires the use of an option-pricing model. The estimated future prices are compared to the prices fixed by the derivative agreements and the resulting estimated future cash inflows or outflows over the lives of the derivatives are discounted to calculate the fair value of the derivative contracts. These pricing and discounting variables are sensitive to market volatility as well as changes in future price forecasts and interest rates.

We validate our derivative valuations through management review and by comparison to our counterparties' valuations for reasonableness. Differences between our fair value calculations and counterparty valuations have historically not been material.

Impairment of Assets

All of our long-lived assets are monitored for potential impairment when circumstances indicate the carrying value of an asset may be greater than its future net cash flows, including cash flows from risk-adjusted proved reserves. Risk-adjusted probable and possible reserves may be taken into consideration when determining estimated future net cash flows and fair value when such reserves exist and are economically recoverable.

Proved crude oil and natural gas properties are reviewed for impairment on a field-by-field basis. If the carrying amount of a field exceeds its estimated undiscounted future cash flows, the carrying amount of the field is reduced to its estimated fair value using a discounted cash flow model. For producing properties, the impairment evaluations involve a significant amount of judgment since the results are based on estimated future events, such as future sales prices for crude oil and natural gas, future costs to produce those products, estimates of future crude oil and natural gas reserves to be recovered and the timing thereof, the economic and regulatory climates and other factors. The need to test a field for impairment may result from significant declines in sales prices or downward revisions or removals of crude oil and natural gas reserves. Estimates of anticipated sales prices and recoverable reserves are highly judgmental and are subject to material revision in future periods.

Impairment provisions for proved properties totaled \$17.5 million for the year ended December 31, 2022. Commodity price assumptions used for the year-end December 31, 2022 impairment calculations were based on publicly available average annual

forward commodity strip prices through year-end 2027 and were then escalated at 3% per year thereafter. Holding all other factors constant, as forward commodity prices decrease, our probability for recognizing producing property impairments may increase, or the magnitude of impairments to be recognized may increase. Conversely, as forward commodity prices increase, our probability for recognizing producing property impairments may decrease, or the magnitude of impairments to be recognized may decrease or be eliminated. As of December 31, 2022, the publicly available forward commodity strip prices for the year 2027 used in our fourth quarter impairment calculations averaged \$63.87 per barrel for crude oil and \$4.50 per Mcf for natural gas. If forward commodity prices materially decrease from current levels for an extended period, impairments of producing properties may be recognized in the future. Because of the uncertainty inherent in the numerous factors utilized in determining the fair value of producing properties, we cannot predict the timing and amount of future impairment charges, if any.

Impairment losses for unproved properties are generally recognized by amortizing the portion of the properties' costs which management estimates will not be transferred to proved properties over the lives of the leases based on drilling plans, experience of successful drilling, and the average holding period. The impairment assessments are affected by economic factors such as the results of exploration activities, commodity price outlooks, anticipated drilling programs, remaining lease terms, and potential shifts in business strategy employed by management. The estimated timing and rate of successful drilling is highly judgmental and is subject to material revision in future periods as better information becomes available.

Income Taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

In assessing the realizability of deferred tax assets, management must consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. We apply judgment to determine the weight of both positive and negative evidence in order to conclude whether a valuation allowance is necessary for our deferred tax assets. In determining whether a valuation allowance is required, we consider, among other factors, our financial position, results of operations, projected future taxable income, reversal of existing deferred tax liabilities against deferred tax assets, and tax planning strategies. Significant judgment is involved in this determination as we are required to make assumptions about future commodity prices, projected production, development activities, profitability of future business strategies and forecasted economics in the oil and gas industry. Additionally, changes in the effective tax rate resulting from changes in tax law and our level of earnings may limit utilization of deferred tax assets and may affect the valuation of deferred tax balances in the future. Changes in judgment regarding future realization of deferred tax assets may result in a reversal of all or a portion of the valuation allowance. We believe our deferred tax assets at December 31, 2022 will ultimately be realized. We will continue to evaluate both the positive and negative evidence on a quarterly basis in determining the need for a valuation allowance with respect to our deferred tax assets.

We make certain estimates and judgments in determining our income tax expense for financial reporting purposes. Our federal and state income tax returns are generally not prepared or filed before our consolidated financial statements are prepared; therefore, we estimate the tax basis of our assets and liabilities at the end of each period as well as the effects of tax rate changes, tax credits, and net operating loss carryforwards, among other things. Adjustments related to these estimates are recorded in our tax provision in the period in which we file our income tax returns. Accordingly, our effective tax rate is subject to variability from period to period as a result of factors other than changes in federal and state tax rates and/or changes in tax laws which can affect tax-paying companies. For instance, our effective tax rate is affected by, among other things, permanent taxable differences, tax credits, valuation allowances, and changes in the apportionment of property, revenues, and payroll between states in which we own property as rates vary from state to state, all of which could have a material effect on current period earnings.

Contingent Liabilities

A provision for legal, environmental and other contingencies is charged to expense when a loss is probable and the loss or range of loss can be reasonably estimated. Determining when liabilities and expenses should be recorded for these contingencies and the appropriate amounts of accruals is subject to an estimation process that requires subjective judgment of management. In certain cases, management's judgment is based on the advice and opinions of legal counsel and other advisers, the interpretation of laws and regulations which can be interpreted differently by regulators and/or courts of law, the experience of the Company and other companies dealing with similar matters, and management's decision on how it intends to respond to a particular matter; for example, a decision to contest it vigorously or a decision to seek a negotiated settlement. Actual losses can differ from estimates for various reasons, including differing interpretations of laws and opinions and assessments on the amount of damages. We closely monitor known and potential legal, environmental and other contingencies and make our best estimate of when or if to record liabilities and losses for matters based on available information.

Legislative and Regulatory Developments

The crude oil and natural gas industry in the United States is subject to various types of regulation at the federal, state and local levels. President Biden, in pursuit of his regulatory agenda, has issued, and may continue to issue, executive orders that result in more stringent and costly requirements for the domestic crude oil and natural gas industry and there is the potential for the revision of existing laws and regulations or the adoption of new legislation that could adversely affect the oil and gas industry. Such changes, if enacted, could have a material adverse effect on our results of operations and cash flows. See *Part I, Item 1. Business—Regulation of the Crude Oil and Natural Gas Industry* for a discussion of significant laws and regulations that have been enacted or are currently being considered by regulatory bodies that may affect us in the areas in which we operate.

Inflation Reduction Act

In August 2022, President Biden signed the Inflation Reduction Act of 2022 (“IRA”) into law, which provides various new tax provisions, incentives, and tax credits aimed at curbing inflation by lowering prescription drug costs, health care costs, and energy costs. The IRA introduces, among other things, (i) a 15% corporate alternative minimum tax on profits for corporations whose average annual adjusted financial statement income for any consecutive three-year period ending after December 31, 2021 exceeds \$1 billion, (ii) a methane emissions charge, effective January 1, 2024, on specific types of oil and gas production facilities that report emissions in excess of applicable thresholds, and (iii) various updates to Section 45Q of the Internal Revenue Code to incentivize development of carbon sequestration projects such as our investment in the carbon capture project being developed by Summit Carbon Solutions, including increasing the value of Section 45Q tax credits, expanding eligibility for Section 45Q tax credits by extending project construction deadlines, and allowing taxpayers to elect for direct payment of Section 45Q tax credits.

We are in the process of evaluating the new IRA legislation and are unable to estimate its future impact on our business at this time. Based on current expectations, we expect our average annual adjusted financial statement income over the three-year period including 2020, 2021, and 2022 will exceed the IRA's \$1 billion threshold and, therefore, we expect to be subject to the 15% alternative minimum tax regime for the 2023 tax year. Because of the significant uncertainty inherent in numerous factors utilized in projecting financial statement income and taxable income, including those pertaining to future commodity prices, production, capital spending, profitability, and general economic conditions, we cannot predict what impact the minimum tax will have, if any, on our future operating results and cash flows with certainty.

Inflation

The general rate of inflation has increased in conjunction with overall imbalances in supply and demand recoveries from the COVID-19 pandemic. Some of the underlying factors impacting inflation may include, but are not limited to, global supply chain disruptions, shipping bottlenecks, labor market constraints, and side effects from monetary and fiscal expansions. Inflationary pressures are expected to continue in 2023. If these inflationary pressures persist or worsen, and commodity prices continue to remain at attractive levels that stimulate increased industry activity, we may face shortages of service providers, equipment, and materials. Such shortages could result in increased competition which may lead to further increases in costs. Our budgeted expenditures include an estimate for the impact of cost inflation and, despite inflationary pressures, we expect to continue generating significant amounts of free cash flow at current commodity price levels.

Non-GAAP Financial Measures

Net crude oil and natural gas sales and net sales prices

Revenues and transportation expenses associated with production from our operated properties are reported separately as discussed in *Part II, Item 8. Notes to Consolidated Financial Statements—Note 9. Revenues*. For non-operated properties, we receive a net payment from the operator for our share of sales proceeds which is net of costs incurred by the operator, if any. Such non-operated revenues are recognized at the net amount of proceeds received. As a result, the separate presentation of revenues and transportation expenses from our operated properties differs from the net presentation from non-operated properties. This impacts the comparability of certain operating metrics, such as per-unit sales prices, when such metrics are prepared in accordance with U.S. GAAP using gross presentation for some revenues and net presentation for others.

In order to provide metrics prepared in a manner consistent with how management assesses the Company's operating results and to achieve comparability between operated and non-operated revenues, we have presented crude oil, natural gas, and NGL sales net of transportation expenses in *Management's Discussion and Analysis of Financial Condition and Results of Operations*, which we refer to as "net crude oil, natural gas, and natural gas liquids sales," a non-GAAP measure. Average sales prices calculated using net sales are referred to as "net sales prices," a non-GAAP measure, and are calculated by taking revenues less transportation expenses divided by sales volumes. Management believes presenting our revenues and sales prices net of transportation expenses is useful because it normalizes the presentation differences between operated and non-operated revenues and allows for a useful comparison of net realized prices to NYMEX benchmark prices on a Company-wide basis.

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The following table presents a reconciliation of total Company crude oil, natural gas, and natural gas liquids sales (GAAP) to net crude oil, natural gas, and natural gas liquids sales and related net sales prices (non-GAAP) for 2022, 2021, and 2020.

Total Company	Year Ended December 31, 2022			Year Ended December 31, 2021			Year Ended December 31, 2020		
<i>In thousands</i>	Crude oil	Natural gas and NGLs	Total	Crude oil	Natural gas and NGLs	Total	Crude oil	Natural gas and NGLs	Total
Crude oil, natural gas, and NGL sales (GAAP)	\$ 6,906,003	\$ 3,168,672	\$ 10,074,675	\$ 3,949,294	\$ 1,844,447	\$ 5,793,741	\$ 2,199,976	\$ 355,458	\$ 2,555,434
Less: Transportation expenses	(253,981)	(62,433)	(316,414)	(185,130)	(39,859)	(224,989)	(158,989)	(37,703)	(196,692)
Net crude oil, natural gas, and NGL sales (non-GAAP)	\$ 6,652,022	\$ 3,106,239	\$ 9,758,261	\$ 3,764,164	\$ 1,804,588	\$ 5,568,752	\$ 2,040,987	\$ 317,755	\$ 2,358,742
Sales volumes (MBbl/MMcf/MBoe)	72,732	442,980	146,562	58,757	370,110	120,442	58,793	306,528	109,881
Net sales price (non-GAAP)	\$ 91.46	\$ 7.01	\$ 66.58	\$ 64.06	\$ 4.88	\$ 46.24	\$ 34.71	\$ 1.04	\$ 21.47

The following tables present reconciliations of crude oil, natural gas, and natural gas liquids sales (GAAP) to net crude oil, natural gas, and natural gas liquids sales and related net sales prices (non-GAAP) for North Dakota Bakken, SCOOP, and the Permian Basin for 2022, 2021, and 2020 as presented in *Part I, Item 1. Business—Crude Oil and Natural Gas Operations—Production and Price History*.

North Dakota Bakken	Year Ended December 31, 2022			Year Ended December 31, 2021			Year Ended December 31, 2020		
<i>In thousands</i>	Crude oil	Natural gas and NGLs	Total	Crude oil	Natural gas and NGLs	Total	Crude oil	Natural gas and NGLs	Total
Crude oil, natural gas, and NGL sales (GAAP)	\$ 3,768,200	\$ 1,033,098	\$ 4,801,298	\$ 2,695,738	\$ 549,932	\$ 3,245,670	\$ 1,469,450	\$ 24,714	\$ 1,494,164
Less: Transportation expenses	(183,471)	(15,573)	(199,044)	(154,359)	(4,831)	(159,190)	(127,036)	(2,580)	(129,616)
Net crude oil, natural gas, and NGL sales (non-GAAP)	\$ 3,584,729	\$ 1,017,525	\$ 4,602,254	\$ 2,541,379	\$ 545,101	\$ 3,086,480	\$ 1,342,414	\$ 22,134	\$ 1,364,548
Sales volumes (MBbl/MMcf/MBoe)	39,871	124,411	60,606	40,186	120,517	60,272	40,040	97,532	56,295
Net sales price (non-GAAP)	\$ 89.91	\$ 8.18	\$ 75.94	\$ 63.24	\$ 4.52	\$ 51.21	\$ 33.53	\$ 0.23	\$ 24.24

SCOOP	Year Ended December 31, 2022			Year Ended December 31, 2021			Year Ended December 31, 2020		
<i>In thousands</i>	Crude oil	Natural gas and NGLs	Total	Crude oil	Natural gas and NGLs	Total	Crude oil	Natural gas and NGLs	Total
Crude oil, natural gas, and NGL sales (GAAP)	\$ 951,754	\$ 1,300,731	\$ 2,252,485	\$ 756,596	\$ 980,323	\$ 1,736,919	\$ 486,076	\$ 246,125	\$ 732,201
Less: Transportation expenses	(3,027)	(23,915)	(26,942)	(2,854)	(23,808)	(26,662)	(5,275)	(21,909)	(27,184)
Net crude oil, natural gas, and NGL sales (non-GAAP)	\$ 948,727	\$ 1,276,816	\$ 2,225,543	\$ 753,742	\$ 956,515	\$ 1,710,257	\$ 480,801	\$ 224,216	\$ 705,017
Sales volumes (MBbl/MMcf/MBoe)	10,063	185,755	41,022	11,341	179,553	41,267	12,694	136,410	35,429
Net sales price (non-GAAP)	\$ 94.28	\$ 6.87	\$ 54.25	\$ 66.46	\$ 5.33	\$ 41.44	\$ 37.88	\$ 1.64	\$ 19.90

Permian Basin	Year Ended December 31, 2022		
<i>In thousands</i>	Crude oil	Natural gas and NGLs	Total
Crude oil, natural gas, and NGL sales (GAAP)	\$ 1,122,290	\$ 151,217	\$ 1,273,507
Less: Transportation expenses	(28,499)	(6,594)	(35,093)
Net crude oil, natural gas, and NGL sales (non-GAAP)	\$ 1,093,791	\$ 144,623	\$ 1,238,414
Sales volumes (MBbl/MMcf/MBoe)	11,796	20,804	15,264
Net sales price (non-GAAP)	\$ 92.73	\$ 6.95	\$ 81.13

PV-10

Our PV-10 value, a non-GAAP financial measure, is derived from the standardized measure of discounted future net cash flows, which is the most directly comparable financial measure computed using U.S. GAAP. PV-10 generally differs from Standardized Measure because it does not include the effects of income taxes on future net revenues. At December 31, 2022, our PV-10 totaled approximately \$39.96 billion. The standardized measure of our discounted future net cash flows was approximately \$31.91 billion at December 31, 2022, representing an \$8.05 billion difference from PV-10 due to the effect of deducting estimated future income taxes in arriving at Standardized Measure. We believe the presentation of PV-10 is relevant and useful to investors because it presents the discounted future net cash flows attributable to proved reserves held by companies without regard to the specific income tax characteristics of such entities and is a useful measure of evaluating the relative monetary significance of our crude oil and natural gas properties. Investors may utilize PV-10 as a basis for comparing the relative size and value of our proved reserves to other companies. PV-10 should not be considered as a substitute for, or more meaningful than, the Standardized Measure as determined in accordance with U.S. GAAP. Neither PV-10 nor Standardized Measure represents an estimate of the fair market value of our crude oil and natural gas properties.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

General. We are exposed to a variety of market risks including commodity price risk, credit risk, and interest rate risk. We seek to address these risks through a program of risk management which may include the use of derivative instruments.

Commodity Price Risk. Our primary market risk exposure is in the prices we receive from sales of our crude oil, natural gas, and natural gas liquids. Realized pricing is primarily driven by the prevailing worldwide price for crude oil and spot market prices applicable to our natural gas and natural gas liquids production. Commodity prices have been volatile and unpredictable for several years, and we expect this volatility to continue in the future. The prices we receive for production depend on many factors outside of our control, including volatility in the differences between product prices at sales points and the applicable index prices. Based on our average daily production for the quarter ended December 31, 2022, and excluding any effect of our derivative instruments in place, our annual revenue would increase or decrease by approximately \$746 million for each \$10.00 per barrel change in crude oil prices at December 31, 2022 and \$468 million for each \$1.00 per Mcf change in natural gas prices at December 31, 2022.

To reduce price risk caused by market fluctuations in commodity prices, from time to time we economically hedge a portion of our anticipated production as part of our risk management program. In addition, we may utilize basis contracts to hedge the differential between derivative contract index prices and those of our physical pricing points. Reducing our exposure to price volatility helps secure funds to be used for our capital program and for general corporate purposes. Our decision on the quantity and price at which we choose to hedge our production is based in part on our view of current and future market conditions. We may choose not to hedge future production if the price environment for certain time periods is deemed to be unfavorable. Additionally, we may choose to settle existing derivative positions prior to the expiration of their contractual maturities. While hedging, if utilized, may limit the downside risk of adverse price movements, it also may limit future revenues from upward price movements.

The fair value of our derivative instruments at December 31, 2022 was a net liability of \$178.7 million, which is comprised of a \$193.2 million net liability associated with our natural gas derivatives partially offset by a \$14.5 million net asset associated with our crude oil derivatives. The following table shows how a hypothetical +/- 10% change in the underlying forward prices used to calculate the fair value of our derivatives would impact the fair value estimates as of December 31, 2022.

In thousands	Change in Forward Price	Hypothetical Fair Value	
		Asset (Liability)	
Crude Oil	-10%	\$	37,210
Crude Oil	+10%	\$	(8,146)
Natural Gas	-10%	\$	(63,363)
Natural Gas	+10%	\$	(323,396)

Changes in the fair value of our derivatives from the above price sensitivities would produce a corresponding change in our total revenues.

Credit Risk. We monitor our risk of loss due to non-performance by counterparties of their contractual obligations. Our principal exposure to credit risk is through the sale of our crude oil and natural gas production, which we market to energy marketing companies, crude oil refining companies, and natural gas gathering and processing companies (\$1.3 billion in receivables at December 31, 2022) and our joint interest and other receivables (\$458 million at December 31, 2022).

We monitor our exposure to counterparties on crude oil and natural gas sales primarily by reviewing credit ratings, financial statements and payment history. We extend credit terms based on our evaluation of each counterparty's credit worthiness. We have not generally required our counterparties to provide collateral to secure crude oil and natural gas sales receivables owed to us. Historically, our credit losses on crude oil and natural gas sales receivables have been immaterial.

Joint interest receivables arise from billing the individuals and entities who own a partial interest in the wells we operate. These individuals and entities participate in our wells primarily based on their ownership in leases included in units on which we wish to drill. We can do very little to choose who participates in our wells. In order to minimize our exposure to this credit risk we generally request prepayment of drilling costs where it is allowed by contract or state law. For such prepayments, a liability is recorded and subsequently reduced as the associated work is performed. This liability was \$16 million at December 31, 2022, which will be used to offset future capital costs when billed. In this manner, we reduce credit risk. We may have the right to place a lien on a co-owner's interest in the well, to net production proceeds against amounts owed in order to secure payment or, if necessary, foreclose on the interest. Historically, our credit losses on joint interest receivables have been immaterial.

Interest Rate Risk. Our exposure to changes in interest rates relates to variable-rate borrowings we have outstanding under our credit facility and our \$750 million term loan. Such borrowings bear interest at market-based interest rates plus a margin based on the terms

of the borrowing and the credit ratings assigned to our senior, unsecured, long-term indebtedness. All of our other long-term indebtedness is fixed rate and does not expose us to the risk of cash flow loss due to changes in market interest rates.

We had \$1.14 billion of variable rate borrowings outstanding on our credit facility and \$750 million of variable rate borrowings on our term loan at February 1, 2023. The impact of a 0.25% increase in interest rates on this amount of debt would result in increased interest expense and reduced income before income taxes of approximately \$4.7 million per year.

We manage our interest rate exposure by monitoring both the effects of market changes in interest rates and the proportion of our debt portfolio that is variable-rate versus fixed-rate debt. We may utilize interest rate derivatives to alter interest rate exposure in an attempt to reduce interest rate expense related to existing debt issues. Interest rate derivatives may be used solely to modify interest rate exposure and not to modify the overall leverage of the debt portfolio. We currently have no interest rate derivatives.

The following table presents our debt maturities and the weighted average interest rates by expected maturity date as of December 31, 2022:

<i>In thousands</i>	2023	2024	2025	2026	2027	Thereafter	Total
Fixed rate debt:							
Senior Notes:							
Principal amount (1)	\$ 636,000	\$ 893,126	\$ —	\$ 800,000	\$ —	\$ 4,000,000	\$ 6,329,126
Weighted-average interest rate	4.5 %	3.8 %	—	2.3 %	—	4.7 %	4.2 %
Notes payable:							
Principal amount (1)	\$ 2,410	\$ 2,495	\$ 2,587	\$ 2,681	\$ 2,777	\$ 7,175	\$ 20,125
Interest rate	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %
Variable rate debt:							
Credit facility:							
Principal amount	\$ —	\$ —	\$ —	\$ 1,160,000	\$ —	\$ —	\$ 1,160,000
Weighted-average interest rate	—	—	—	5.9 %	—	—	5.9 %
Term loan:							
Principal amount	\$ —	\$ —	\$ 750,000	\$ —	\$ —	\$ —	\$ 750,000
Interest rate	—	—	6.1 %	—	—	—	6.1 %

(1) Amounts represent scheduled maturities and do not reflect any discount or premium at which the notes were issued or any debt issuance costs.

Item 8. Financial Statements and Supplementary Data

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Continental Resources, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Continental Resources, Inc. (an Oklahoma corporation) and subsidiaries (the “Company”) as of December 31, 2022 and 2021, the related consolidated statements of income (loss), equity, and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Estimation of proved crude oil and natural gas reserves as it relates to the recognition of depletion expense, proved and unproved crude oil and natural gas reserves used in the assessment and measurement of impairment, and the valuation of crude oil and natural gas properties in the 2022 Powder River Basin Acquisition (herein referred to as "the crude oil and natural gas reserves")

As described in Note 1 to the consolidated financial statements, the Company accounts for its crude oil and natural gas properties using the successful efforts method of accounting, which requires management to make estimates of proved crude oil and natural gas reserve volumes and future cash flows to record depletion expense and proved and unproved crude oil and natural gas reserves to assess its crude oil and natural gas properties for impairment. Additionally, as described in Note 2 to the consolidated financial statements, the Company acquired significant oil and natural gas properties through asset acquisitions. Crude oil and natural gas reserves are a significant input to the determination of the acquisition date fair value of crude oil and natural gas properties acquired by the Company in asset acquisitions. To estimate the crude oil and natural gas reserves and future cash flows, management makes significant estimates and assumptions including forecasting the production decline rate of producing crude oil and natural gas properties and forecasting the timing and volume of production associated with the Company's development plan for proved undeveloped properties and unproved properties. In addition, the estimation of the crude oil and natural gas reserves is also impacted by management's judgments and estimates regarding the financial performance of wells associated with the crude oil and natural gas reserves to determine if wells are expected with reasonable certainty to be economical under the appropriate pricing assumptions required in the estimation of depletion expense and impairment assessments/measurements. We identified the estimation of proved crude oil and natural gas reserves as it relates to the recognition of depletion expense and the recording of fair values of properties

acquired in the 2022 Powder River Basin Acquisition, and proved and unproved crude oil and natural gas reserves for the assessment/measurement of impairment of crude oil and natural gas properties as a critical audit matter.

The principal consideration for our determination that the estimation of proved crude oil and natural gas reserves as it relates to the recognition of depletion expense and proved and unproved crude oil and natural gas reserves for the assessment / measurement of impairment of crude oil and natural gas properties and the recording of oil and natural gas property values in the 2022 Powder River Basin Acquisition is a critical audit matter is that relatively minor changes in certain highly subjective inputs and assumptions that are necessary to estimate the volume and future cash flows of the Company's crude oil and natural gas reserves could have a significant impact on the measurement of depletion expense or assessment / measurement of impairment expense and the acquisition date values of crude oil and natural gas properties.

Our audit procedures related to the estimation of proved crude oil and natural gas reserves as it relates to the recognition of depletion expense and proved and unproved crude oil and natural gas reserves for the assessment and measurement of impairment and the amount of crude oil and natural gas properties recorded from acquisitions included the following, among others:

- We tested the design and operating effectiveness of controls relating to management's estimation of proved crude oil and natural gas reserves for the purpose of estimating depletion expense and proved and unproved crude oil and natural gas reserves for assessing / measuring the Company's proved crude oil and gas properties for impairment and acquisitions.
- We assessed the independence, objectivity, and professional qualifications of the Company's reservoir engineer specialists, made inquiries of these specialists (internal and external) regarding the process followed and judgments used to make significant estimates, including but not limited to crude oil and natural gas reserve volumes, decline rates, and economically recoverable crude oil and natural gas reserves and reviewed the reserve estimates prepared by the Company's specialists.
- To the extent key inputs and assumptions used to determine crude oil and natural gas reserve volumes and other cash flow inputs and assumptions are derived from the Company's accounting records, including, but not limited to: historical pricing differentials, operating costs, estimated capital costs, discount rates, and ownership interests, we tested management's process for determining the assumptions, including examining underlying support on a sample basis. Specifically, our audit procedures related to testing management's assumptions included the following:
 - We compared the estimated pricing differentials used in the reserve report to realized prices related to revenue transactions recorded in the current year and examined contractual support for the pricing differentials
 - We evaluated the models used to estimate the operating costs at year-end and compared to historical operating costs
 - We compared the estimates of future capital expenditures in the reserve reports to management's forecasts and amounts expended for recently drilled and completed wells
 - We evaluated the working and net revenue interests used in the reserve report by inspecting land and division order records
 - We evaluated the Company's evidence supporting the amount of proved undeveloped properties reflected in the reserve report by examining historical conversion rates and support for the Company's ability to fund and intent to develop the proved undeveloped properties
 - We applied analytical procedures to the reserve report by comparing to historical actual results and to the prior year reserve report
 - We evaluated the reasonableness of the Company's classification of reserves as proved or unproved
 - We evaluated the reasonableness of risk-adjustment factors applied to unproved crude oil and natural gas reserves that were taken into consideration to determine estimated future net cash flows used to evaluate proved property impairment and for asset acquisitions
 - As it relates to the recording of the acquisition date values of crude oil and natural gas properties in asset acquisitions, we utilized internal valuation specialists to assist with evaluating certain assumptions, such as risk-adjustment factors and the valuation of unproved oil and gas properties on per net acre basis, as compared to industry surveys and publicly available market data

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2004.

Oklahoma City, Oklahoma
February 22, 2023

Continental Resources, Inc. and Subsidiaries
Consolidated Balance Sheets

<i>In thousands, except par values and share data</i>	December 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 137,788	\$ 20,868
Receivables:		
Crude oil, natural gas, and natural gas liquids sales	1,313,538	1,122,415
Joint interest and other	458,391	278,753
Allowance for credit losses	(5,514)	(2,814)
Receivables, net	1,766,415	1,398,354
Derivative assets	39,280	22,334
Inventories	173,264	105,568
Prepaid expenses and other	27,508	17,266
Total current assets	2,144,255	1,564,390
Net property and equipment, based on successful efforts method of accounting	18,471,914	16,975,465
Investment in unconsolidated affiliates	210,805	—
Operating lease right-of-use assets	25,158	16,370
Derivative assets, noncurrent	3,548	13,188
Other noncurrent assets	22,670	21,698
Total assets	\$ 20,878,350	\$ 18,591,111
Liabilities and equity		
Current liabilities:		
Accounts payable trade	\$ 850,547	\$ 582,317
Revenues and royalties payable	882,256	627,171
Accrued liabilities and other	343,777	285,740
Current portion of incentive compensation liability	125,653	—
Current portion of income tax liabilities	152,149	—
Derivative liabilities	88,136	899
Current portion of operating lease liabilities	4,086	1,674
Current portion of long-term debt	638,058	2,326
Total current liabilities	3,084,662	1,500,127
Long-term debt, net of current portion	7,571,582	6,826,566
Other noncurrent liabilities:		
Deferred income tax liabilities, net	2,538,312	2,139,884
Incentive compensation liability, net of current portion	100,066	—
Asset retirement obligations, net of current portion	257,152	215,701
Derivative liabilities, noncurrent	133,363	318
Operating lease liabilities, net of current portion	20,055	13,800
Other noncurrent liabilities	43,550	38,390
Total other noncurrent liabilities	3,092,498	2,408,093
Commitments and contingencies (Note 13)		
Equity:		
Preferred stock, \$0.01 par value; 25,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$0.01 par value; 1,000,000,000 shares authorized;		
299,610,267 shares issued and outstanding at December 31, 2022;		
364,297,520 shares issued and outstanding at December 31, 2021;	2,996	3,643
Additional paid-in capital	—	1,131,602
Retained earnings	6,754,174	6,340,211
Total shareholders' equity attributable to Continental Resources	6,757,170	7,475,456
Noncontrolling interests	372,438	380,869
Total equity	7,129,608	7,856,325
Total liabilities and equity	\$ 20,878,350	\$ 18,591,111

The accompanying notes are an integral part of these consolidated financial statements.

Continental Resources, Inc. and Subsidiaries
Consolidated Statements of Income (Loss)

<i>In thousands, except per share data</i>	Year Ended December 31,		
	2022	2021	2020
Revenues:			
Crude oil, natural gas, and natural gas liquids sales	\$ 10,074,675	\$ 5,793,741	\$ 2,555,434
Loss on derivative instruments, net	(671,095)	(128,864)	(14,658)
Crude oil and natural gas service operations	70,128	54,441	45,694
Total revenues	9,473,708	5,719,318	2,586,470
Operating costs and expenses:			
Production expenses	621,921	406,906	359,267
Production and ad valorem taxes	730,132	404,362	192,718
Transportation, gathering, processing, and compression	316,414	224,989	196,692
Exploration expenses	23,068	21,047	17,732
Crude oil and natural gas service operations	37,002	21,480	18,294
Depreciation, depletion, amortization and accretion	1,885,465	1,898,082	1,880,959
Property impairments	70,417	38,370	277,941
Transaction costs	33,796	13,920	—
General and administrative expenses	401,551	233,628	196,572
Net (gain) loss on sale of assets and other	262	(5,146)	187
Total operating costs and expenses	4,120,028	3,257,638	3,140,362
Income (loss) from operations	5,353,680	2,461,680	(553,892)
Other income (expense):			
Interest expense	(300,662)	(251,598)	(258,240)
Gain (loss) on extinguishment of debt	(403)	(290)	35,719
Other	15,798	(23,654)	1,662
	(285,267)	(275,542)	(220,859)
Income (loss) before income taxes	5,068,413	2,186,138	(774,751)
(Provision) benefit for income taxes	(1,020,804)	(519,730)	169,190
Income (loss) before equity in net loss of affiliate	4,047,609	1,666,408	(605,561)
Equity in net loss of affiliate	(1,489)	—	—
Net income (loss)	4,046,120	1,666,408	(605,561)
Net income (loss) attributable to noncontrolling interests	21,562	5,440	(8,692)
Net income (loss) attributable to Continental Resources	\$ 4,024,558	\$ 1,660,968	\$ (596,869)
Net income (loss) per share attributable to Continental Resources:			
Basic	\$ 11.45	\$ 4.61	\$ (1.65)
Diluted	\$ 11.45	\$ 4.56	\$ (1.65)

The accompanying notes are an integral part of these consolidated financial statements.

Continental Resources, Inc. and Subsidiaries

Consolidated Statements of Equity

	Shareholders' equity attributable to Continental Resources							
	Shares outstanding	Common stock	Additional paid-in capital	Treasury stock	Retained earnings	Total shareholders' equity of Continental Resources	Noncontrolling interests	Total equity
<i>In thousands, except share data</i>								
Balance at December 31, 2019	371,074,036	\$ 3,711	\$ 1,274,732	\$ —	\$ 5,463,224	\$ 6,741,667	\$ 366,684	\$ 7,108,351
Net loss	—	—	—	—	(596,869)	(596,869)	(8,692)	(605,561)
Cumulative effect adjustment from adoption of ASU 2016-13	—	—	—	—	(137)	(137)	—	(137)
Cash dividends declared	—	—	—	—	(18,580)	(18,580)	—	(18,580)
Change in dividends payable	—	—	—	—	8	8	—	8
Common stock repurchased	—	—	—	(126,906)	—	(126,906)	—	(126,906)
Common stock retired	(8,122,104)	(81)	(126,825)	126,906	—	—	—	—
Stock-based compensation	—	—	64,585	—	—	64,585	—	64,585
Restricted stock:								
Granted	2,738,625	27	—	—	—	27	—	27
Repurchased and canceled	(306,845)	(3)	(7,344)	—	—	(7,347)	—	(7,347)
Forfeited	(163,277)	(2)	—	—	—	(2)	—	(2)
Contributions from noncontrolling interests	—	—	—	—	—	—	21,557	21,557
Distributions to noncontrolling interests	—	—	—	—	—	—	(13,270)	(13,270)
Balance at December 31, 2020	365,220,435	\$ 3,652	\$ 1,205,148	\$ —	\$ 4,847,646	\$ 6,056,446	\$ 366,279	\$ 6,422,725
Net income	—	—	—	—	1,660,968	1,660,968	5,440	1,666,408
Cash dividends declared	—	—	—	—	(168,536)	(168,536)	—	(168,536)
Change in dividends payable	—	—	—	—	133	133	—	133
Common stock repurchased	—	—	—	(123,924)	—	(123,924)	—	(123,924)
Common stock retired	(3,198,571)	(32)	(123,892)	123,924	—	—	—	—
Stock-based compensation	—	—	63,145	—	—	63,145	—	63,145
Restricted stock:								
Granted	3,050,491	31	—	—	—	31	—	31
Repurchased and canceled	(478,697)	(5)	(12,799)	—	—	(12,804)	—	(12,804)
Forfeited	(296,138)	(3)	—	—	—	(3)	—	(3)
Contributions from noncontrolling interests	—	—	—	—	—	—	33,086	33,086
Distributions to noncontrolling interests	—	—	—	—	—	—	(23,936)	(23,936)
Balance at December 31, 2021	364,297,520	\$ 3,643	\$ 1,131,602	\$ —	\$ 6,340,211	\$ 7,475,456	\$ 380,869	\$ 7,856,325
Net income	—	—	—	—	4,024,558	4,024,558	21,562	4,046,120
Cash dividends declared	—	—	—	—	(287,035)	(287,035)	—	(287,035)
Change in dividends payable	—	—	—	—	205	205	—	205
Common stock repurchased prior to take-private transaction	—	—	—	(99,855)	—	(99,855)	—	(99,855)
Common stock retired prior to take-private transaction	(1,842,422)	(18)	(99,837)	99,855	—	—	—	—
Stock-based compensation	—	—	(8,085)	—	—	(8,085)	—	(8,085)
Restricted stock:								
Granted	1,575,847	16	—	—	—	16	—	16
Repurchased and canceled	(627,742)	(7)	(35,438)	—	—	(35,445)	—	(35,445)
Forfeited	(384,536)	(4)	—	—	—	(4)	—	(4)
Restricted stock canceled from take-private transaction (see Note 15)	(5,349,141)	(53)	—	—	—	(53)	—	(53)
Take-private transaction (see Note 1)	(58,059,259)	(581)	(988,242)	—	(3,323,765)	(4,312,588)	—	(4,312,588)
Contributions from noncontrolling interests	—	—	—	—	—	—	12,498	12,498
Distributions to noncontrolling interests	—	—	—	—	—	—	(42,491)	(42,491)
Balance at December 31, 2022	299,610,267	\$ 2,996	\$ —	\$ —	\$ 6,754,174	\$ 6,757,170	\$ 372,438	\$ 7,129,608

The accompanying notes are an integral part of these consolidated financial statements.

Continental Resources, Inc. and Subsidiaries
Consolidated Statements of Cash Flows

<i>In thousands</i>	Year Ended December 31,		
	2022	2021	2020
Cash flows from operating activities:			
Net income (loss)	\$ 4,046,120	\$ 1,666,408	\$ (605,561)
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Depreciation, depletion, amortization and accretion	1,886,491	1,893,106	1,882,458
Property impairments	70,417	38,370	277,941
Non-cash (gain) loss on derivatives, net	212,976	(20,814)	(13,492)
Stock/incentive-based compensation	217,650	63,173	64,613
Provision (benefit) for deferred income taxes	398,429	519,730	(166,971)
Equity in net loss of affiliate	1,489	—	—
Dry hole costs	12,305	—	—
Net (gain) loss on sale of assets and other	262	(5,146)	187
(Gain) loss on extinguishment of debt	403	290	(35,719)
Other, net	27,294	35,614	16,970
Changes in assets and liabilities:			
Accounts receivable	(372,529)	(694,981)	332,128
Inventories	(67,478)	(33,411)	12,859
Other current assets	(10,242)	(2,144)	1,471
Accounts payable trade	164,071	106,367	(133,977)
Revenues and royalties payable	253,286	298,552	(143,260)
Accrued liabilities and other	51,222	109,540	(66,071)
Current income taxes liability	152,149	—	—
Other noncurrent assets and liabilities	(4,625)	(803)	(1,272)
Net cash provided by operating activities	7,039,690	3,973,851	1,422,304
Cash flows from investing activities:			
Exploration and development	(2,838,075)	(2,382,413)	(1,408,149)
Purchase of producing crude oil and natural gas properties	(421,850)	(2,548,575)	(81,994)
Purchase of other property and equipment	(68,189)	(66,598)	(23,994)
Proceeds from sale of assets	5,740	8,041	2,779
Contributions to unconsolidated affiliates	(212,294)	—	—
Net cash used in investing activities	(3,534,668)	(4,989,545)	(1,511,358)
Cash flows from financing activities:			
Credit facility borrowings	3,886,000	1,663,000	2,052,000
Repayment of credit facility	(3,226,000)	(1,323,000)	(1,947,000)
Proceeds from issuance of Senior Notes	—	1,587,776	1,485,000
Redemption and repurchase of Senior Notes	(31,829)	(630,782)	(1,343,250)
Premium and costs on redemption of Senior Notes	—	—	(25,173)
Proceeds from other debt	750,000	—	26,000
Repayment of other debt	(2,326)	(2,243)	(6,679)
Debt issuance costs	(5,148)	(12,082)	(4,368)
Contributions from noncontrolling interests	13,665	31,493	27,116
Distributions to noncontrolling interests	(40,685)	(22,447)	(13,809)
Repurchase of common stock prior to take-private transaction	(99,855)	(123,924)	(126,906)
Take-private transaction (see Note 1)	(4,312,642)	—	—
Repurchase of restricted stock for tax withholdings	(35,444)	(12,804)	(7,347)
Dividends paid on common stock	(283,838)	(165,895)	(18,460)
Net cash provided by (used in) financing activities	(3,388,102)	989,092	97,124
Net change in cash and cash equivalents	116,920	(26,602)	8,070
Cash and cash equivalents at beginning of period	20,868	47,470	39,400
Cash and cash equivalents at end of period	\$ 137,788	\$ 20,868	\$ 47,470

The accompanying notes are an integral part of these consolidated financial statements.

Continental Resources, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Note 1. Organization and Summary of Significant Accounting Policies

Description of the Company

Continental Resources, Inc. (the “Company”) was formed in 1967 and is incorporated under the laws of the State of Oklahoma. The Company’s principal business is the exploration, development, management, and production of crude oil and natural gas and associated products with properties primarily located in four leading basins in the United States – the Bakken field of North Dakota and Montana, the Anadarko Basin of Oklahoma, the Permian Basin of Texas, and the Powder River Basin of Wyoming. Additionally, the Company pursues the acquisition and management of perpetually owned minerals located in certain of its key operating areas.

Take-Private Transaction

On October 16, 2022, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Omega Acquisition, Inc. (“Merger Sub”), an entity owned by the Company’s founder, Harold G. Hamm. Pursuant to the Merger Agreement, on October 24, 2022 Merger Sub commenced a tender offer (the “Offer”) to purchase any and all of the outstanding shares of the Company’s common stock for \$74.28 per share in cash (the “Offer Price”), other than: (i) shares of common stock owned by Mr. Hamm, certain of his family members and their affiliated entities (collectively, the “Hamm Family”) and (ii) shares of common stock underlying unvested equity awards issued pursuant to the Company’s long-term incentive plans (collectively, the “Rollover Shares”).

The Offer expired at one minute after 11:59 p.m., New York City time, on November 21, 2022. As of the expiration of the Offer, a total of approximately 36.3 million shares were validly tendered and not validly withdrawn pursuant to the Offer. In addition, notices of guaranteed delivery were delivered for approximately 3.4 million shares. Each condition to the Offer was satisfied and, on November 22, 2022, Merger Sub irrevocably accepted for payment all shares that were validly tendered and not withdrawn.

On November 22, 2022, immediately prior to the acceptance of shares for payment, Mr. Hamm contributed 100% of the capital stock of Merger Sub to the Company. In addition, following consummation of the Offer, Merger Sub merged with and into the Company, with the Company continuing as the surviving corporation wholly-owned by the Hamm Family (the “Merger”). At the effective time of the Merger, each remaining share of the Company not purchased in the Offer (other than (i) the Rollover Shares; (ii) shares owned by the Company as treasury stock or owned by any wholly owned subsidiary of the Company, including shares irrevocably accepted by Merger Sub pursuant to the Offer; and (iii) shares held by a holder who properly demanded appraisal rights for such shares in accordance with Oklahoma law), was converted into the right to receive an amount in cash equal to the Offer Price, without interest and subject to any required tax withholding.

At the effective time of the Merger: (i) each share of the Company held by a member of the Hamm Family was converted into an identical number of newly issued shares of the Company, as the surviving corporation, having identical rights to the previously existing shares held by such holder, and such converted shares of the surviving corporation are the only capital stock of the surviving corporation outstanding following the Merger; and (ii) the Rollover Shares underlying each unvested restricted stock award issued under the Company’s long-term incentive plans that was outstanding immediately prior to the effective time were replaced with a restricted stock unit award issued by the Company that provides the holder of such previous award with the right to receive, on the date that such restricted stock award otherwise would have been settled, and at the Company’s sole discretion, either a share of the Company, a cash award designed to provide substantially equivalent value, or any combination of the two, in each case, together with any unpaid dividends accrued on such restricted stock award.

A total of approximately 58.1 million shares of Continental’s common stock were purchased pursuant to the take-private transaction for total cash consideration of approximately \$4.31 billion, inclusive of payments issued to holders who demanded appraisal rights for their untendered shares in accordance with Oklahoma law. The purchase of outstanding shares was funded by Continental through the use of approximately \$2.2 billion of cash on hand, \$1.3 billion of credit facility borrowings, and the execution of a \$750 million three-year term loan as further described in *Note 8. Long-Term Debt*. See the Consolidated Statements of Equity for the year ended December 31, 2022 for the impact on the components of Shareholders’ Equity resulting from the take-private transaction. As of December 31, 2022, the Hamm Family holds approximately 299.6 million shares of capital stock of the Company, as the surviving corporation, and there remains approximately 5.3 million Rollover Shares. See *Note 15. Stock-Based Compensation* for a discussion of the Company’s accounting for the Rollover Shares. The Company incurred \$32 million of legal and advisory fees in connection with the take-private transaction which are included in the caption “Transaction costs” in the consolidated statements of income (loss) for the year ended December 31, 2022.

Continental Resources, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Following the completion of the take-private transaction: (i) our common stock ceased to be listed on the New York Stock Exchange effective November 23, 2022, (ii) our common stock was deregistered under Section 12(b) of the Securities Exchange Act of 1934 as amended (the “Exchange Act”), and (iii) we suspended our reporting obligations under Section 15(d) of the Exchange Act. As a result, certain of the corporate governance, disclosure, and other provisions applicable to a company with listed equity securities and reporting obligations under the Exchange Act no longer apply to us. We will continue to furnish Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K with the SEC as required by our senior note indentures.

Basis of presentation of consolidated financial statements

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, and entities in which the Company has a controlling financial interest. Intercompany accounts and transactions have been eliminated upon consolidation. Noncontrolling interests reflected herein represent third party ownership in the net assets of consolidated subsidiaries. The portions of consolidated net income (loss) and equity attributable to the noncontrolling interests are presented separately in the Company’s financial statements. For financial reporting purposes, the Company has one reportable segment due to the similar nature of its business, which is the exploration, development, and production of crude oil, natural gas, and natural gas liquids in the United States.

Investments in entities in which the Company has the ability to exercise significant influence, but does not control, are accounted for using the equity method of accounting. In applying the equity method, the investments are initially recognized at cost and are subsequently adjusted for the Company’s proportionate share of earnings, losses, contributions, and distributions as applicable. See *Note 18. Equity Investment* for discussion of a strategic investment made by the Company in 2022 that is accounted for under the equity method.

The Company evaluated its December 31, 2022 financial statements for subsequent events through February 22, 2023, the date the financial statements were available to be issued.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure and estimation of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results may differ from those estimates. The most significant estimates and assumptions impacting reported results are estimates of the Company’s crude oil and natural gas reserves, which are used to compute depreciation, depletion, amortization and impairment of proved crude oil and natural gas properties.

Cash and cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Company maintains its cash and cash equivalents in accounts that may not be federally insured. As of December 31, 2022, the Company had cash deposits in excess of federally insured amounts of approximately \$136.4 million. The Company has not experienced any losses in such accounts and believes it is not exposed to significant credit risk in this area.

Accounts receivable

Receivables arising from crude oil and natural gas sales and joint interest receivables are generally unsecured. Accounts receivable are due within 30 days and are considered delinquent after 60 days. The Company writes off specific receivables when they become noncollectable and any payments subsequently received on those receivables are credited to the allowance for credit losses. Write-offs of noncollectable receivables have historically not been material. The Company’s allowance for credit losses totaled \$5.5 million and \$2.8 million as of December 31, 2022 and 2021, respectively. See *Note 10. Allowance for Credit Losses* for additional information.

Concentration of credit risk

The Company is subject to credit risk resulting from the concentration of its crude oil and natural gas receivables with significant purchasers. For the year ended December 31, 2022, no purchaser accounted for more than 10% of the Company’s total crude oil, natural gas, and natural gas liquids sales for 2022. The Company generally does not require collateral and does not believe the loss of any single purchaser would materially impact its operating results, as crude oil and natural gas are fungible products with well-established markets and numerous purchasers in various regions.

Inventories

Continental Resources, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Inventory is comprised of crude oil held in storage or as line fill in pipelines, pipeline imbalances, and tubular goods and equipment to be used in the Company's exploration and development activities. Crude oil inventories are valued at the lower of cost or net realizable value primarily using the first-in, first-out inventory method. Tubular goods and equipment are valued primarily using a weighted average cost method applied to specific classes of inventory items.

The components of inventory as of December 31, 2022 and 2021 consisted of the following:

<i>In thousands</i>	December 31,	
	2022	2021
Tubular goods and equipment	\$ 38,636	\$ 12,506
Crude oil	130,192	93,062
Natural gas	4,436	—
Total	\$ 173,264	\$ 105,568

Crude oil and natural gas properties

The Company uses the successful efforts method of accounting for crude oil and natural gas properties whereby costs incurred to acquire interests in crude oil and natural gas properties, to drill and equip exploratory wells that find proved reserves, to drill and equip development wells, and expenditures for enhanced recovery operations are capitalized. Geological and geophysical costs, seismic costs incurred for exploratory projects, lease rentals and costs associated with unsuccessful exploratory wells or projects are expensed as incurred. Costs of seismic studies that are utilized in development drilling within an area of proved reserves are capitalized as development costs. To the extent a seismic project covers areas of both developmental and exploratory drilling, those seismic costs are proportionately allocated between capitalized development costs and exploration expense. Maintenance and repairs are expensed as incurred.

Under the successful efforts method of accounting, the Company capitalizes exploratory drilling costs on the balance sheet pending determination of whether the well has found proved reserves in economically producible quantities. The Company capitalizes costs associated with the acquisition or construction of support equipment and facilities with the drilling and development costs to which they relate. If proved reserves are found by an exploratory well, the associated capitalized costs become part of well equipment and facilities. However, if proved reserves are not found, the capitalized costs associated with the well are expensed, net of any salvage value.

Production expenses are those costs incurred by the Company to operate and maintain its crude oil and natural gas properties and associated equipment and facilities. Production expenses include but are not limited to labor costs to operate the Company's properties, repairs and maintenance, certain waste water disposal costs, utility costs, certain workover-related costs, and materials and supplies utilized in the Company's operations.

Service property and equipment

Service property and equipment consist primarily of automobiles and aircraft; machinery and equipment; gathering and recycling systems; storage tanks; office and computer equipment, software, furniture and fixtures; and buildings and improvements. Major renewals and replacements are capitalized and stated at cost, while maintenance and repairs are expensed as incurred.

Depreciation and amortization of service property and equipment are provided in amounts sufficient to expense the cost of depreciable assets to operations over their estimated useful lives using the straight-line method. The estimated useful lives of service property and equipment are as follows:

<i>Service property and equipment</i>	Useful Lives In Years
Automobiles and aircraft	5-10
Machinery and equipment	6-30
Gathering and recycling systems	15-30
Storage tanks	10-30
Office and computer equipment, software, furniture and fixtures	3-25
Buildings and improvements	4-40

Depreciation, depletion and amortization

Depreciation, depletion and amortization of capitalized drilling and development costs of producing crude oil and natural gas properties, including related support equipment and facilities, are computed using the unit-of-production method on a field basis based

Continental Resources, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

on total estimated proved developed reserves. Amortization of producing leaseholds is based on the unit-of-production method using total estimated proved reserves. In arriving at rates under the unit-of-production method, the quantities of recoverable crude oil and natural gas reserves are established based on estimates made by the Company's internal geologists and engineers and external independent reserve engineers. Upon sale or retirement of properties, the cost and related accumulated depreciation, depletion and amortization are eliminated from the accounts and the resulting gain or loss, if any, is recognized. Sales of proved properties constituting a part of an amortization base are accounted for as normal retirements with no gain or loss recognized if doing so does not significantly affect the unit-of-production amortization rate. Unit-of-production rates are revised whenever there is an indication of a need, but at least in conjunction with semi-annual reserve reports. Revisions are accounted for prospectively as changes in accounting estimates.

Asset retirement obligations

The Company accounts for its asset retirement obligations by recording the fair value of a liability for an asset retirement obligation in the period in which a legal obligation is incurred and a corresponding increase in the carrying amount of the related long-lived asset. Subsequently, the capitalized asset retirement costs are charged to expense through the depreciation, depletion and amortization of crude oil and natural gas properties and the liability is accreted to the expected future abandonment cost ratably over the related asset's life.

The Company's primary asset retirement obligations relate to future plugging and abandonment costs and related disposal of facilities on its crude oil and natural gas properties. The following table summarizes the changes in the Company's future abandonment liabilities from January 1, 2020 through December 31, 2022:

<i>In thousands</i>	2022	2021	2020
Asset retirement obligations at January 1	\$ 219,824	\$ 179,676	\$ 153,673
Accretion expense	12,857	11,125	9,393
Revisions (1)	(6,672)	(1,291)	10,743
Plus: Additions for new assets	37,413	32,351	7,048
Less: Plugging costs and sold assets	(2,335)	(2,037)	(1,181)
Total asset retirement obligations at December 31	\$ 261,087	\$ 219,824	\$ 179,676
Less: Current portion of asset retirement obligations at December 31 (2)	3,935	4,123	2,482
Non-current portion of asset retirement obligations at December 31	\$ 257,152	\$ 215,701	\$ 177,194

- (1) Revisions primarily represent changes in the present value of liabilities resulting from changes in estimated costs and economic lives of producing properties.
- (2) Balance is included in the caption "Accrued liabilities and other" in the consolidated balance sheets.

As of December 31, 2022 and 2021, net property and equipment on the consolidated balance sheets included \$96.5 million and \$72.8 million, respectively, of net asset retirement costs.

Asset impairment

Proved crude oil and natural gas properties are reviewed for impairment on a field-by-field basis each quarter. The estimated future cash flows expected in connection with the field are compared to the carrying amount of the field to determine if the carrying amount is recoverable. If the carrying amount of the field exceeds its estimated undiscounted future cash flows, the carrying amount of the field is reduced to its estimated fair value.

Impairment losses for unproved properties are generally recognized by amortizing the portion of the properties' costs which management estimates will not be transferred to proved properties over the lives of the leases based on drilling plans, experience of successful drilling, and the average holding period. The Company's impairment assessments are affected by economic factors such as the results of exploration activities, commodity price outlooks, anticipated drilling programs, remaining lease terms, and potential shifts in business strategy employed by management.

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Debt issuance costs

Costs incurred in connection with the execution of the Company's notes payable, revolving credit facility, term loan and any amendments thereto are capitalized and amortized over the terms of the arrangements on a straight-line basis, the use of which approximates the effective interest method. Costs incurred upon the issuances of the Company's various senior notes (collectively, the "Notes") were capitalized and are being amortized over the terms of the Notes using the effective interest method.

The Company had aggregate capitalized costs of \$56.3 million and \$60.6 million (net of accumulated amortization of \$46.3 million and \$36.9 million) relating to its long-term debt at December 31, 2022 and 2021, respectively.

Unamortized capitalized costs associated with the Company's Notes, note payable, and term loan totaled \$46.8 million and \$50.9 million at December 31, 2022 and 2021, respectively, and are reflected as a reduction of "Long-term debt, net of current portion" on the consolidated balance sheets.

Unamortized capitalized costs associated with the Company's revolving credit facility totaled \$9.4 million and \$9.7 million at December 31, 2022 and 2021, respectively, and are reflected in "Other noncurrent assets" on the consolidated balance sheets.

For the years ended December 31, 2022, 2021 and 2020, the Company recognized amortization expense associated with capitalized debt issuance costs of \$9.3 million, \$7.2 million, and \$7.8 million, respectively, which are reflected in "Interest expense" on the consolidated statements of income (loss).

Derivative instruments

The Company recognizes its derivative instruments on the balance sheet as either assets or liabilities measured at fair value with such amounts classified as current or long-term based on contractual settlement dates. The accounting for the changes in fair value of a derivative depends on the intended use of the derivative and resulting designation. The Company has not designated its derivative instruments as hedges for accounting purposes and, as a result, marks its derivative instruments to fair value and recognizes the changes in fair value in the consolidated statements of income (loss) under the caption "Loss on derivative instruments, net." See *Note 6. Derivative Instruments* for additional information.

Fair value of financial instruments

The Company's financial instruments consist primarily of cash, trade receivables, trade payables, derivative instruments and long-term debt. See *Note 7. Fair Value Measurements* for a discussion of the methods used to determine fair value for the Company's financial instruments and the quantification of fair value for its derivatives and long-term debt obligations at December 31, 2022 and 2021.

Income taxes

Income taxes are accounted for using the asset and liability method under which deferred income taxes are recognized for the future tax effects of temporary differences between financial statement carrying amounts and the tax basis of existing assets and liabilities using the enacted statutory tax rates in effect at period-end. The effect on deferred taxes for a change in tax rates is recognized in income in the period that includes the enactment date. The Company's policy is to recognize penalties and interest related to unrecognized tax benefits, if any, in income tax expense.

The Company establishes a valuation allowance if it believes it is more likely than not that some or all of its deferred tax assets will not be realized. Significant judgment is applied in evaluating the need for and the magnitude of appropriate valuation allowances against deferred tax assets. See *Note 11. Income Taxes* for additional information.

Continental Resources, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Earnings per share attributable to Continental Resources

Basic net income (loss) per share is computed by dividing net income (loss) attributable to the Company by the weighted-average number of shares outstanding for the period. Prior to the Hamm Family's take-private transaction, in periods where the Company had net income, diluted earnings per share reflected the potential dilution of non-vested restricted stock awards, which was calculated using the treasury stock method. The following table presents the calculation of basic and diluted weighted average shares outstanding and net income (loss) per share attributable to the Company for the years ended December 31, 2022, 2021, and 2020.

<i>In thousands, except per share data</i>	Year ended December 31,		
	2022	2021	2020
Net income (loss) attributable to Continental Resources (numerator)	\$ 4,024,558	\$ 1,660,968	\$ (596,869)
Weighted average shares (denominator):			
Weighted average shares - basic	351,392	360,434	361,538
Non-vested restricted stock and restricted stock units (1)	—	4,019	—
Weighted average shares - diluted	351,392	364,453	361,538
Net income (loss) per share attributable to Continental Resources:			
Basic	\$ 11.45	\$ 4.61	\$ (1.65)
Diluted	\$ 11.45	\$ 4.56	\$ (1.65)

- (1) For the year ended December 31, 2020, the Company had a net loss and therefore the potential dilutive effect of approximately 934,000 weighted average non-vested restricted shares were not included in the calculation of diluted net loss per share because to do so would have been anti-dilutive to the computation. At December 31, 2022, the Company's outstanding Rollover Shares are expected to be paid in cash, not common stock, upon vesting and are classified as liability awards pursuant to ASC Topic 718, Compensation—Stock Compensation. As a result, no potential dilutive effect for the Rollover Shares is presented for the year ended December 31, 2022.

Note 2. Property Acquisitions

2022

In March 2022, the Company acquired oil and gas properties in the Powder River Basin for cash consideration of \$403 million, representing a \$450 million purchase price less customary closing adjustments made pursuant to the acquisition agreement. The acquisition was accounted for as an asset acquisition under ASC Topic 805—Business Combinations and included approximately 172,000 net leasehold acres and producing properties with production totaling approximately 18,000 net barrels of oil equivalent per day at the time of closing. Of the purchase price, \$381.3 million was allocated to proved properties and \$21.7 million was allocated to unproved properties. The Company recognized approximately \$15.3 million of asset retirement obligations, \$31.3 million of assumed production and ad valorem tax payment obligations, and \$10.1 million of right-of-use assets and corresponding lease liabilities associated with the acquired properties.

In April 2022, the Company acquired oil and gas properties in the Permian Basin for cash consideration of \$197.0 million, representing a \$200 million purchase price less customary closing adjustments made pursuant to the acquisition agreement. The acquisition was accounted for as an asset acquisition under ASC Topic 805 and was comprised primarily of undeveloped leasehold acreage with an immaterial amount of production. Nearly all of the purchase price was allocated to unproved properties.

2021

Permian Basin Acquisition

In December 2021, the Company acquired oil and gas assets and properties from certain subsidiaries of Pioneer Natural Resources Company pursuant to a purchase and sale agreement in which the Company purchased: (a) 100% of the issued and outstanding limited liability company interests of Jagged Peak Energy LLC, which in turn owned 100% of the issued and outstanding limited liability company interests of Parsley SoDe Water LLC; and (b) certain oil and gas assets and properties in the Permian Basin (collectively, the “Pioneer Acquisition”). The properties included approximately 92,000 net leasehold acres, approximately 50,000 net royalty acres in the same area normalized to a 1/8th royalty, production totaling approximately 42,000 net barrels of oil equivalent per day at the time of closing, and extensive water infrastructure.

The purchase price paid to the sellers was approximately \$3.06 billion in cash, representing a \$3.25 billion purchase price less customary closing adjustments made pursuant to the agreement. The Company funded the purchase price through a combination of cash on hand, utilization of credit facility borrowing capacity, and the issuance of senior notes.

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The Pioneer Acquisition was accounted for using the acquisition method under ASC Topic 805, which required all assets acquired and liabilities assumed to be recorded at fair value at the acquisition date. Of the purchase price, \$2.4 billion was allocated to proved properties and \$0.7 billion was allocated to unproved properties. The Company recognized approximately \$16 million of asset retirement obligations and \$2 million of right-of-use assets and corresponding lease liabilities associated with the acquired properties.

The Pioneer Acquisition contributed \$29.4 million of revenues and \$14.1 million (\$0.04 per basic and diluted share) of net income to the Company's consolidated results during the period of ownership from December 21, 2021 to December 31, 2021, excluding transaction expenses. The Company incurred \$13.9 million of expenses in connection with the transaction which are reflected in the caption "Transaction costs" in the consolidated statements of income (loss) for the year ended December 31, 2021.

The table below summarizes the Company's pro forma results as if the Pioneer Acquisition and associated increase in debt described in *Note 8. Long-Term Debt* had been completed on January 1, 2020 and were combined with the Company's historical results. The following pro forma information is unaudited, is provided for informational purposes only, and does not represent actual results that would have occurred if the Pioneer Acquisition was completed on January 1, 2020, nor are they indicative of future results.

<i>In millions</i>	Year Ended December 31,	
	2021	2020
Pro forma combined total revenues	\$ 6,657	\$ 3,174
Pro forma combined net income (loss) attributable to Continental	\$ 2,097	\$ (481)

Powder River Basin Acquisitions

In March 2021, the Company acquired oil and gas properties in the Powder River Basin for cash consideration of \$206.6 million, consisting of a \$21.5 million escrow deposit paid in December 2020 upon execution of the definitive purchase agreement and a \$185.1 million payment made at closing in March 2021. The acquisition was accounted for as an asset acquisition under ASC Topic 805 and included approximately 130,000 net acres and producing properties with production totaling approximately 7,200 net barrels of oil equivalent per day at the time of closing. Of the purchase price, \$183 million was allocated to proved properties and \$24 million was allocated to unproved properties. The Company recognized approximately \$4.9 million of asset retirement obligations and \$8.2 million of right-of-use assets and corresponding lease liabilities associated with the acquired properties.

In November 2021, the Company acquired oil and gas properties in the Powder River Basin for cash consideration of \$246.8 million. The acquisition was accounted for as an asset acquisition under ASC Topic 805 and included approximately 72,000 net acres and immaterial amounts of production. Of the purchase price, \$27 million was allocated to proved properties and \$220 million was allocated to unproved properties. The Company recognized approximately \$0.5 million of asset retirement obligations and an immaterial amount of right-of-use assets and corresponding lease liabilities associated with the acquired properties.

2020

In October 2020, the Company acquired oil and gas properties in the SCOOP play in the Anadarko Basin for cash consideration of \$162.8 million. The acquisition included approximately 19,500 net acres and immaterial amounts of production. Of the purchase price, \$15.3 million was allocated to proved properties and \$147.5 million was allocated to unproved properties.

Note 3. Supplemental Cash Flow Information

The following table discloses supplemental cash flow information about cash paid for interest and income tax payments and refunds. Also disclosed is information about investing activities that affects recognized assets and liabilities but does not result in cash receipts or payments.

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Supplemental cash flow information:			
Cash paid for interest	\$ 279,571	\$ 214,727	\$ 256,633
Cash paid for income taxes (1)	470,147	3	4
Cash received for income tax refunds	16	58	9,600
Non-cash investing activities:			
Asset retirement obligation additions and revisions, net	30,741	31,060	17,791

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(1) Amount for 2022 represents estimated quarterly payments for 2022 U.S. federal income taxes based on an estimate of federal taxable income for the year.

As of December 31, 2022 and 2021, the Company had \$344.9 million and \$242.9 million, respectively, of accrued capital expenditures included in “Net property and equipment” with an offsetting amount in “Accounts payable trade” in the consolidated balance sheets.

As of December 31, 2022 and 2021, the Company had \$0.5 million and \$1.7 million, respectively, of accrued contributions from noncontrolling interests included in “Receivables–Joint interest and other” with an offsetting amount in “Equity–Noncontrolling interests” in the consolidated balance sheets.

As of December 31, 2022 and 2021, the Company had \$4.3 million and \$2.5 million, respectively, of accrued distributions to noncontrolling interests included in “Revenues and royalties payable” with an offsetting amount in “Equity–Noncontrolling interests” in the consolidated balance sheets.

Note 4. Net Property and Equipment

Net property and equipment includes the following at December 31, 2022 and 2021.

<i>In thousands</i>	December 31,	
	2022	2021
Proved crude oil and natural gas properties	\$ 34,741,054	\$ 31,613,656
Unproved crude oil and natural gas properties	1,513,627	1,358,673
Service properties, equipment and other	549,528	484,989
Total property and equipment	36,804,209	33,457,318
Accumulated depreciation, depletion and amortization	(18,332,295)	(16,481,853)
Net property and equipment	\$ 18,471,914	\$ 16,975,465

Note 5. Accrued Liabilities and Other

Accrued liabilities and other includes the following at December 31, 2022 and 2021:

<i>In thousands</i>	December 31,	
	2022	2021
Prepaid advances from joint interest owners	\$ 15,575	\$ 18,964
Accrued compensation	81,646	82,844
Accrued production taxes, ad valorem taxes and other non-income taxes	145,436	90,597
Accrued interest	83,724	75,983
Current portion of asset retirement obligations	3,935	4,123
Other	13,461	13,229
Accrued liabilities and other	\$ 343,777	\$ 285,740

Note 6. Derivative Instruments

From time to time the Company enters into derivative contracts to economically hedge against the variability in cash flows associated with future sales of production. The Company recognizes its derivative instruments on the balance sheet as either assets or liabilities measured at fair value. The estimated fair value is based upon various factors, including commodity exchange prices, over-the-counter quotations, and, in the case of collars, volatility, the risk-free interest rate, and the time to expiration. The calculation of the fair value of collars requires the use of an option-pricing model. See *Note 7. Fair Value Measurements*.

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At December 31, 2022 the Company had outstanding derivative contracts as set forth in the tables below.

Natural gas derivatives

Natural gas derivatives			Weighted Average Hedge Price (\$/MMBtu)				
			Basis Swaps	Swaps	Sold Put	Floor	Ceiling
Period and Type of Contract	Average Volumes Hedged						
January 2023 - December 2023							
Basis Swaps - NGPL TXOK	75,000	MMBtus/day	\$	(0.17)			
January 2023 - March 2023							
Collars - Henry Hub	360,000	MMBtus/day				\$ 3.91	\$ 5.45
Three-way collars - Henry Hub	50,000	MMBtus/day			\$ 3.00	\$ 4.32	\$ 5.00
Swaps - Henry Hub	210,000	MMBtus/day		\$ 4.26			
Swaps - WAHA	55,000	MMBtus/day		\$ 2.81			
April 2023 - September 2023							
Swaps - Henry Hub	405,000	MMBtus/day		\$ 3.28			
Swaps - WAHA	55,000	MMBtus/day		\$ 2.81			
October 2023 - December 2023							
Collars - Henry Hub	200,000	MMBtus/day				\$ 3.12	\$ 4.09
Swaps - Henry Hub	210,000	MMBtus/day		\$ 3.51			
Swaps - WAHA	55,000	MMBtus/day		\$ 2.81			
January 2024 - December 2024							
Collars - Henry Hub	50,000	MMBtus/day				\$ 3.12	\$ 4.09
Swaps - Henry Hub	325,000	MMBtus/day		\$ 3.31			
Swaps - WAHA	25,000	MMBtus/day		\$ 3.43			
January 2025 - December 2025							
Swaps - Henry Hub	60,000	MMBtus/day		\$ 3.75			
January 2026 - December 2026							
Swaps - Henry Hub	50,000	MMBtus/day		\$ 4.42			

Crude oil derivatives

<i>Crude oil derivatives</i>	Weighted Average Hedge Price (\$/Bbl)			
Period and Type of Contract	Average Volumes Hedged		Roll Swaps	Fixed Swaps
January 2023 - December 2023				
Roll Swaps - NYMEX	12,000	Bbbls/day	\$ 1.07	
Fixed Swaps - WTI	8,000	Bbbls/day		\$ 83.19

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Derivative gains and losses

Cash receipts and payments in the following table reflect the gains or losses on derivative contracts which matured during the applicable period, calculated as the difference between the contract price and the market settlement price of matured contracts. The Company's derivative contracts are settled based upon reported settlement prices on commodity exchanges, with crude oil derivative settlements based on NYMEX West Texas Intermediate ("WTI") pricing and natural gas derivative settlements based primarily on NYMEX Henry Hub pricing. Non-cash gains and losses below represent the change in fair value of derivative instruments which continued to be held at period end and the reversal of previously recognized non-cash gains or losses on derivative contracts that matured during the period.

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Cash received (paid) on derivatives:			
Crude oil fixed price swaps	\$ —	\$ (44,463)	\$ (31,179)
Crude oil collars	—	(9,365)	—
Crude oil NYMEX roll swaps	(9,234)	(163)	—
Natural gas basis swaps	9,674	—	—
Natural gas WAHA swaps	(16,350)	—	—
Natural gas fixed price swaps	(353,326)	(84,141)	1,071
Natural gas collars	(66,596)	(11,546)	1,958
Natural gas three-way collars	(22,287)	—	—
Cash received (paid) on derivatives, net	(458,119)	(149,678)	(28,150)
Non-cash gain (loss) on derivatives:			
Crude oil collars	—	227	(227)
Crude oil fixed price swaps	11,696	—	—
Crude oil NYMEX roll swaps	1,879	957	—
Natural gas basis swaps	9,088	(177)	—
Natural gas WAHA swaps	19,386	—	—
Natural gas fixed price swaps	(219,388)	25,565	2,043
Natural gas collars	(34,303)	(7,690)	11,676
Natural gas three-way collars	(1,334)	1,932	—
Non-cash gain (loss) on derivatives, net	(212,976)	20,814	13,492
Loss on derivative instruments, net	\$ (671,095)	\$ (128,864)	\$ (14,658)

Balance sheet offsetting of derivative assets and liabilities

The Company's derivative contracts are recorded at fair value in the consolidated balance sheets under the captions "Derivative assets," "Derivative assets, noncurrent," "Derivative liabilities," and "Derivative liabilities, noncurrent," as applicable. Derivative assets and liabilities with the same counterparty that are subject to contractual terms which provide for net settlement are reported on a net basis in the consolidated balance sheets.

The following table presents the gross amounts of recognized derivative assets and liabilities, the amounts offset under netting arrangements with counterparties, and the resulting net amounts presented in the consolidated balance sheets at December 31, 2022, all at fair value.

<i>In thousands</i>	December 31,	
	2022	2021
Commodity derivative assets:		
Gross amounts of recognized assets	\$ 50,559	\$ 42,903
Gross amounts offset on balance sheet	(7,731)	(7,381)
Net amounts of assets on balance sheet	42,828	35,522
Commodity derivative liabilities:		
Gross amounts of recognized liabilities	(229,230)	(8,598)
Gross amounts offset on balance sheet	7,731	7,381
Net amounts of liabilities on balance sheet	\$ (221,499)	\$ (1,217)

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The following table reconciles the net amounts disclosed above to the individual financial statement line items in the consolidated balance sheets.

<i>In thousands</i>	December 31,	
	2022	2021
Derivative assets	\$ 39,280	\$ 22,334
Derivative assets, noncurrent	3,548	13,188
Net amounts of assets on balance sheet	42,828	35,522
Derivative liabilities	(88,136)	(899)
Derivative liabilities, noncurrent	(133,363)	(318)
Net amounts of liabilities on balance sheet	(221,499)	(1,217)
Total derivative assets (liabilities), net	\$ (178,671)	\$ 34,305

Note 7. Fair Value Measurements

The Company follows a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy categorizes assets and liabilities measured at fair value into one of three different levels depending on the observability of the inputs employed in the measurement. The three levels are defined as follows:

- Level 1: Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in active markets as of the reporting date.
- Level 2: Observable market-based inputs or unobservable inputs corroborated by market data. These are inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
- Level 3: Unobservable inputs not corroborated by market data and may be used with internally developed methodologies that result in management's best estimate of fair value.

A financial instrument's categorization within the hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Level 1 inputs are given the highest priority in the fair value hierarchy while Level 3 inputs are given the lowest priority. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement of assets and liabilities within the levels of the hierarchy. As Level 1 inputs generally provide the most reliable evidence of fair value, the Company uses Level 1 inputs when available.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The Company's derivative instruments are reported at fair value on a recurring basis. In determining the fair values of swap contracts, a discounted cash flow method is used due to the unavailability of relevant comparable market data for the Company's exact contracts. The discounted cash flow method estimates future cash flows based on quoted market prices for forward commodity prices and a risk-adjusted discount rate. The fair values of swap contracts are calculated mainly using significant observable inputs (Level 2). Calculation of the fair values of collars requires the use of an industry-standard option pricing model that considers various inputs including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. These assumptions are observable in the marketplace or can be corroborated by active markets or broker quotes and are therefore designated as Level 2 within the valuation hierarchy. The Company's calculation of fair value for each of its derivative positions is compared to the counterparty valuation for reasonableness.

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The following tables summarize the valuation of derivative instruments by pricing levels that were accounted for at fair value on a recurring basis as of December 31, 2022 and 2021.

<i>In thousands</i>	Fair value measurements at December 31, 2022 using:			Total
	Level 1	Level 2	Level 3	
Derivative assets (liabilities):				
Crude oil fixed price swaps	\$ —	\$ 11,696	\$ —	\$ 11,696
Crude oil NYMEX roll swaps	—	2,836	—	2,836
Natural gas basis swaps	—	8,910	—	8,910
Natural gas WAHA swaps	—	19,386	—	19,386
Natural gas fixed price swaps	—	(191,779)	—	(191,779)
Natural gas collars	—	(30,318)	—	(30,318)
Natural gas three-way collars	—	598	—	598
Total	\$ —	\$ (178,671)	\$ —	\$ (178,671)

<i>In thousands</i>	Fair value measurements at December 31, 2021 using:			Total
	Level 1	Level 2	Level 3	
Derivative assets (liabilities):				
Natural gas fixed price swaps	\$ —	\$ 27,608	\$ —	\$ 27,608
Natural gas basis swaps	—	(177)	—	(177)
Natural gas collars	—	3,986	—	3,986
Natural gas three-way collars	—	1,931	—	1,931
Crude oil NYMEX roll swaps	—	957	—	957
Total	\$ —	\$ 34,305	\$ —	\$ 34,305

Assets Measured at Fair Value on a Nonrecurring Basis

Certain assets are reported at fair value on a nonrecurring basis in the consolidated financial statements. The following methods and assumptions were used to estimate the fair values for those assets.

Asset impairments – Proved crude oil and natural gas properties are reviewed for impairment on a field-by-field basis each quarter. The estimated future cash flows expected in connection with the field are compared to the carrying amount of the field to determine if the carrying amount is recoverable. If the carrying amount of the field exceeds its estimated undiscounted future cash flows, the carrying amount of the field is reduced to its estimated fair value. Risk-adjusted probable and possible reserves may be taken into consideration when determining estimated future net cash flows and fair value when such reserves exist and are economically recoverable. Due to the unavailability of relevant comparable market data, a discounted cash flow method is used to determine the fair value of proved properties. Significant unobservable inputs (Level 3) utilized in the determination of discounted future net cash flows include future commodity prices adjusted for differentials, forecasted production based on decline curve analysis, estimated future operating and development costs, property ownership interests, and a 10% discount rate. At December 31, 2022, the Company's commodity price assumptions were based on forward NYMEX strip prices through year-end 2027 and were then escalated at 3% per year thereafter. Operating cost assumptions were based on current costs escalated at 3% per year beginning in 2024.

Unobservable inputs to the Company's fair value assessments are reviewed and revised as warranted based on a number of factors, including reservoir performance, new drilling, crude oil and natural gas prices, changes in costs, technological advances, new geological or geophysical data, or other economic factors. Fair value measurements of proved properties are reviewed and approved by certain members of the Company's management.

For the year ended December 31, 2022, the Company determined the carrying amounts of certain proved properties were not recoverable from future cash flows, and therefore, were impaired. Such impairments totaled \$17.5 million, which primarily reflected fair value adjustments on a property in an emerging play and on legacy properties in the Red River Units. The impaired properties were written down to their estimated fair value at the time of impairment of \$2.1 million.

For the year ended December 31, 2021, estimated future net cash flows were determined to be in excess of cost basis, and therefore no impairment was recorded for the Company's proved crude oil and natural gas properties in 2021.

For the year ended December 31, 2020, the Company determined the carrying amounts of certain proved properties were not recoverable from future cash flows, and therefore, were impaired. Such impairments totaled \$207.1 million, which reflected fair value

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adjustments on legacy properties in the Red River Units totaling \$168.1 million and various non-core properties in the North and South regions totaling \$14.5 million. The impaired properties were written down to their estimated fair value at the time of impairment of \$145.7 million. Impairments for 2020 also include a \$24.5 million impairment recognized in the first quarter of 2020 to reduce the Company's crude oil inventory to estimated net realizable value at the time of impairment.

Certain unproved crude oil and natural gas properties were impaired during the years ended December 31, 2022, 2021, and 2020, reflecting recurring amortization of undeveloped leasehold costs on properties the Company expects will not be transferred to proved properties over the lives of the leases based on drilling plans, experience of successful drilling, and the average holding period.

The following table sets forth the non-cash impairments of both proved and unproved properties for the indicated periods. Proved and unproved property impairments are recorded under the caption "Property impairments" in the consolidated statements of income (loss).

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Proved property and inventory impairments	\$ 17,520	\$ —	\$ 207,119
Unproved property impairments	52,897	38,370	70,822
Total	\$ 70,417	\$ 38,370	\$ 277,941

Financial Instruments Not Recorded at Fair Value

The following table sets forth the estimated fair values of financial instruments that are not recorded at fair value in the consolidated financial statements. See *Note 8. Long-Term Debt* for discussion of the changes in the Company's outstanding debt in 2022 and 2021.

<i>In thousands</i>	December 31, 2022		December 31, 2021	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Debt:				
Credit facility	\$ 1,160,000	\$ 1,160,000	\$ 500,000	\$ 500,000
Term Loan	747,073	747,073	—	—
Notes payable	20,041	18,300	22,356	22,000
4.5% Senior Notes due 2023	635,648	633,600	648,078	670,200
3.8% Senior Notes due 2024	891,404	867,400	908,061	950,000
2.268% Senior Notes due 2026	794,062	693,100	792,621	795,200
4.375% Senior Notes due 2028	993,076	917,200	991,880	1,082,100
5.75% Senior Notes due 2031	1,483,843	1,412,300	1,482,319	1,769,600
2.875% Senior Notes due 2032	792,238	600,900	791,521	780,500
4.9% Senior Notes due 2044	692,255	527,900	692,056	781,500
Total debt	\$ 8,209,640	\$ 7,577,773	\$ 6,828,892	\$ 7,351,100

The fair value of credit facility and term loan borrowings approximate carrying value based on borrowing rates available to the Company for bank loans with similar terms and maturities and are classified as Level 2 in the fair value hierarchy.

The fair value of notes payable is determined using a discounted cash flow approach based on the interest rate and payment terms of the notes payable and an assumed discount rate. The fair value of notes payable is significantly influenced by the discount rate assumption, which is derived by the Company and is unobservable. Accordingly, the fair value of notes payable is classified as Level 3 in the fair value hierarchy.

The fair values of the Company's senior notes are based on quoted market prices and, accordingly, are classified as Level 1 in the fair value hierarchy.

The carrying values of all classes of cash and cash equivalents, trade receivables, and trade payables are considered to be representative of their respective fair values due to the short term maturities of those instruments.

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Note 8. Long-Term Debt

Long-term debt, net of unamortized discounts, premiums, and debt issuance costs totaling \$49.6 million and \$54.2 million at December 31, 2022 and 2021, respectively, consists of the following.

<i>In thousands</i>	December 31,	
	2022	2021
Credit facility	\$ 1,160,000	\$ 500,000
Term loan	747,073	—
Notes payable	20,041	22,356
4.5% Senior Notes due 2023 (1)	635,648	648,078
3.8% Senior Notes due 2024	891,404	908,061
2.268% Senior Notes due 2026	794,062	792,621
4.375% Senior Notes due 2028	993,076	991,880
5.75% Senior Notes due 2031	1,483,843	1,482,319
2.875% Senior Notes due 2032	792,238	791,521
4.9% Senior Notes due 2044	692,255	692,056
Total debt	8,209,640	6,828,892
Less: Current portion of long-term debt	638,058	2,326
Long-term debt, net of current portion	\$ 7,571,582	\$ 6,826,566

(1) The Company's 2023 Notes, which have a face value of \$636.0 million at December 31, 2022, are scheduled to mature on April 15, 2023 and, accordingly, are included as a current liability in the caption "Current portion of long-term debt" in the consolidated balance sheets as of December 31, 2022 along with the current portion of the Company's notes payable.

Credit Facility

On August 24, 2022, the Company amended its credit facility to increase the amount of aggregate commitments by \$255 million from \$2.0 billion to \$2.255 billion and to replace LIBOR as a benchmark reference rate with Term SOFR, with all other terms, conditions, and covenants remaining substantially unchanged. The Company's credit facility, which matures in October 2026, is unsecured and has no borrowing base requirement subject to redetermination.

The Company had \$1.16 billion of outstanding borrowings on its credit facility at December 31, 2022, which were incurred to fund a portion of the Hamm Family's November 2022 take-private transaction. Credit facility borrowings bear interest at market-based interest rates plus a margin based on the terms of the borrowing and the credit ratings assigned to the Company's senior, unsecured, long-term indebtedness. The weighted-average interest rate on outstanding credit facility borrowings at December 31, 2022 was 5.9%.

The Company had approximately \$1.09 billion of borrowing availability on its credit facility at December 31, 2022 after considering outstanding borrowings and letters of credit. The Company incurs commitment fees based on currently assigned credit ratings of 0.20% per annum on the daily average amount of unused borrowing availability.

The credit facility contains certain restrictive covenants including a requirement that the Company maintain a consolidated net debt to total capitalization ratio of no greater than 0.65 to 1.00. This ratio represents the ratio of net debt (calculated as total face value of debt plus outstanding letters of credit less cash and cash equivalents) divided by the sum of net debt plus total shareholders' equity plus, to the extent resulting in a reduction of total shareholders' equity, the amount of any non-cash impairment charges incurred, net of any tax effect, after June 30, 2014. The Company was in compliance with the credit facility covenants at December 31, 2022.

Senior Notes

The following table summarizes the face values, maturity dates, semi-annual interest payment dates, and optional redemption periods related to the Company's outstanding senior note obligations at December 31, 2022.

	2023 Notes	2024 Notes	2026 Notes	2028 Notes	2031 Notes	2032 Notes	2044 Notes
Face value (in thousands)	\$ 636,000	\$ 893,126	\$ 800,000	\$ 1,000,000	\$ 1,500,000	\$ 800,000	\$ 700,000
Maturity date	April 15, 2023	June 1, 2024	November 15, 2026	January 15, 2028	January 15, 2031	April 1, 2032	June 1, 2044
Interest payment dates	April 15, Oct 15	June 1, Dec 1	May 15, Nov 15	Jan 15, July 15	Jan 15, Jul 15	April 1, Oct 1	June 1, Dec 1
Make-whole redemption period (1)	Jan 15, 2023	Mar 1, 2024	Nov 15, 2023	Oct 15, 2027	Jul 15, 2030	January 1, 2032	Dec 1, 2043

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- (1) At any time prior to the indicated dates, the Company has the option to redeem all or a portion of its senior notes of the applicable series at the “make-whole” redemption amounts specified in the respective senior note indentures plus any accrued and unpaid interest to the date of redemption. On or after the indicated dates, the Company may redeem all or a portion of its senior notes at a redemption amount equal to 100% of the principal amount of the senior notes being redeemed plus any accrued and unpaid interest to the date of redemption.

The Company’s senior notes are not subject to any mandatory redemption or sinking fund requirements.

The indentures governing the Company’s senior notes contain covenants that, among other things, limit the Company’s ability to create liens securing certain indebtedness, enter into certain sale-leaseback transactions, or consolidate, merge or transfer certain assets. These covenants are subject to a number of important exceptions and qualifications. The Company was in compliance with these covenants at December 31, 2022.

The senior notes are obligations of Continental Resources, Inc. Additionally, certain of the Company’s wholly-owned consolidated subsidiaries (Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC, The Mineral Resources Company, SCS1 Holdings LLC, Continental Innovations LLC, Jagged Peak Energy LLC, and Parsley SoDe Water LLC) fully and unconditionally guarantee the senior notes on a joint and several basis. The financial information of the guarantor group is not materially different from the consolidated financial statements of the Company. The Company’s other subsidiaries, whose assets, equity, and results of operations attributable to the Company are not material, do not guarantee the senior notes.

Issuance of Senior Notes

2021

In November 2021, the Company issued \$800 million of 2.268% Senior Notes due 2026 and \$800 million of 2.875% Senior Notes due 2032 and received combined total net proceeds from the offerings of \$1.59 billion after deducting the initial purchasers' fees and original issuance discount. The Company used the net proceeds from the offerings to finance a portion of its December 2021 acquisition of properties in the Permian Basin as discussed in *Note 2. Property Acquisitions*.

2020

In November 2020, the Company issued \$1.5 billion of 5.75% Senior Notes due 2031 and received total net proceeds of \$1.49 billion after deducting the initial purchasers' fees. The Company used the net proceeds from the offering to finance the partial repurchases of its 2022 Notes and 2023 Notes in November 2020 as further discussed below, to repay a portion of the borrowings then-outstanding on its credit facility, and for general corporate purposes.

Retirement of Senior Notes

2022

In the second quarter of 2022, the Company repurchased a portion of its 2023 Notes and 2024 Notes in open market transactions, including \$13.6 million face value of its 2023 Notes at an aggregate cost of \$13.9 million and \$17.9 million face value of its 2024 Notes at an aggregate cost of \$18.3 million, in each case, including accrued and unpaid interest to the repurchase dates. The Company recognized pre-tax losses on extinguishment of debt totaling \$0.4 million related to the repurchases. The losses are reflected in the caption “Gain (loss) on extinguishment of debt” in the consolidated statements of income (loss).

2021

In January 2021, the Company redeemed \$400.0 million principal amount of its outstanding 2022 Notes and subsequently redeemed the remaining \$230.8 million principal amount of its 2022 Notes in April 2021. The Company recognized pre-tax losses on extinguishment of debt totaling \$0.3 million related to the redemptions.

2020

In March and April 2020, the Company repurchased a portion of its 2023 Notes and 2024 Notes in open market transactions at a substantial discount to the face value of the notes, including \$50.4 million face value of its 2023 Notes at an aggregate cost of \$29.3 million and \$89.0 million face value of its 2024 Notes at an aggregate cost of \$46.9 million, in each case, including accrued and unpaid interest to the repurchase dates. The Company recognized pre-tax gains on extinguishment of debt totaling \$64.6 million related to the repurchases.

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In November 2020, the Company repurchased \$469.2 million of its 2022 Notes and \$800.0 million of its 2023 Notes using proceeds from its November 2020 issuance of \$1.5 billion of 5.75% Senior Notes due 2031. The aggregate of the principal amount, premium, and accrued interest paid upon repurchase of the 2022 Notes and 2023 Notes was \$475.0 million and \$828.0 million, respectively. The Company recorded pre-tax losses on extinguishment of debt totaling \$28.9 million related to these repurchases.

Term Loan

In November 2022, the Company borrowed \$750 million under a three-year term loan agreement, the proceeds of which were used to fund a portion of the Hamm Family's November 2022 take-private transaction. The term loan matures in November 2025 and bears interest at market-based interest rates plus a margin based on the terms of the borrowing and the credit ratings assigned to the Company's senior, unsecured, long-term indebtedness. The interest rate on the term loan was 6.1% at December 31, 2022.

The term loan contains certain restrictive covenants including a requirement that the Company maintain a consolidated net debt to total capitalization ratio of no greater than 0.65 to 1.0, consistent with the covenant requirement in the Company's revolving credit facility. The Company was in compliance with the term loan covenants at December 31, 2022.

Notes Payable

In June 2020, the Company borrowed an aggregate of \$26.0 million under two 10-year amortizing term loans secured by the Company's corporate office building and its interest in parking facilities in Oklahoma City, Oklahoma. The loans mature in May 2030 and bear interest at a fixed rate of 3.50% per annum through June 9, 2025, at which time the interest rate will be reset and fixed through the maturity date. Principal and interest are payable monthly through the maturity date and, accordingly, \$2.4 million is included as a current liability in the caption "Current portion of long-term debt" in the consolidated balance sheets as of December 31, 2022 associated with the loans.

Note 9. Revenues

Below is a discussion of the nature, timing, and presentation of revenues arising from the Company's major revenue-generating arrangements.

Operated crude oil revenues – The Company pays third parties to transport the majority of its operated crude oil production from lease locations to downstream market centers, at which time the Company's customers take title and custody of the product in exchange for prices based on the particular market where the product was delivered. Operated crude oil revenues are recognized during the month in which control transfers to the customer and it is probable the Company will collect the consideration it is entitled to receive. Crude oil sales proceeds from operated properties are generally received by the Company within one month after the month in which a sale has occurred. Operated crude oil revenues are presented separately from transportation expenses, as the Company controls the operated production prior to its transfer to customers. Transportation expenses associated with the Company's operated crude oil production totaled \$254.0 million, \$185.1 million, and \$159.0 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Operated natural gas revenues – The Company sells a substantial majority of its operated natural gas production to midstream customers at its lease locations based on market prices in the field where the sales occur. Under these arrangements, the midstream customers obtain control of the unprocessed gas stream inclusive of natural gas liquids ("NGLs") at the lease location and the Company's revenues from each sale are determined using contractually agreed pricing formulas which contain multiple components, including the volume and Btu content of the natural gas sold, the midstream customer's proceeds from the sale of residue gas and NGLs at secondary downstream markets, and contractual pricing adjustments reflecting the midstream customer's estimated recoupment of its investment over time. Such revenues are recognized net of pricing adjustments applied by the midstream customer during the month in which control transfers to the customer at the delivery point and it is probable the Company will collect the consideration it is entitled to receive. Natural gas and NGL sales proceeds from operated properties are generally received by the Company within one month after the month in which a sale has occurred.

Under certain arrangements, the Company may elect to take a volume of processed residue gas and/or NGLs in-kind at the tailgate of the midstream customer's processing plant in lieu of a monetary settlement for the sale of the Company's operated production. When the Company elects to take volumes in kind, it takes possession of the processed products at the tailgate of the processing facility and either sells them at the tailgate or pays third parties to transport the products to downstream delivery points, where it then sells to customers at prices applicable to those downstream markets. In such situations, operated revenues are recognized during the month in which control transfers to the customer at the delivery point and it is probable the Company will collect the consideration it is entitled

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to receive. Operated sales proceeds are generally received by the Company within one month after the month in which a sale has occurred. In these scenarios, the Company's revenues include the pricing adjustments applied by the midstream processing entity according to the applicable contractual pricing formula, but exclude the transportation expenses the Company incurs to transport the processed products to downstream customers. Transportation expenses associated with these arrangements totaled \$62.4 million, \$39.9 million, and \$37.7 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Non-operated crude oil, natural gas, and NGL revenues – The Company's proportionate share of production from non-operated properties is generally marketed at the discretion of the operators. For non-operated properties, the Company receives a net payment from the operator representing its proportionate share of sales proceeds which is net of costs incurred by the operator, if any. Such non-operated revenues are recognized at the net amount of proceeds to be received by the Company during the month in which production occurs and it is probable the Company will collect the consideration it is entitled to receive. Proceeds are generally received by the Company within two to three months after the month in which production occurs.

Revenues from derivative instruments – See Note 6. *Derivative Instruments* for discussion of the Company's accounting for its derivative instruments.

Revenues from service operations – Revenues from the Company's crude oil and natural gas service operations consist primarily of revenues associated with water gathering, recycling, and disposal activities and the treatment and sale of crude oil reclaimed from waste products. Revenues associated with such activities, which are derived using market-based rates or rates commensurate with industry guidelines, are recognized during the month in which services are performed, the Company has an unconditional right to receive payment, and collectability is probable. Payment is generally received by the Company within one month after the month in which services are provided.

Disaggregation of revenues

The following table presents the disaggregation of the Company's crude oil and natural gas revenues for the periods presented. Sales of natural gas and NGLs are combined, as a substantial majority of the Company's natural gas sales contracts represent wellhead sales of unprocessed gas.

<i>In thousands</i>	Year ended December 31,								
	2022			2021			2020		
	Crude Oil	Natural Gas and NGLs	Total	Crude Oil	Natural Gas and NGLs	Total	Crude Oil	Natural Gas and NGLs	Total
Bakken	\$ 3,899,749	\$ 1,051,870	\$ 4,951,619	\$ 2,786,320	\$ 562,695	\$ 3,349,015	\$ 1,523,348	\$ 28,858	\$ 1,552,206
Anadarko Basin	1,109,405	1,839,473	2,948,878	874,752	1,264,069	2,138,821	572,653	326,626	899,279
Powder River Basin	557,943	125,065	683,008	101,705	13,110	114,815	—	—	—
Permian Basin	1,122,290	151,217	1,273,507	24,857	4,499	29,356	—	—	—
All other	216,616	1,047	217,663	161,660	74	161,734	103,975	(26)	103,949
Crude oil, natural gas, and natural gas liquids sales	<u>\$ 6,906,003</u>	<u>\$ 3,168,672</u>	<u>\$ 10,074,675</u>	<u>\$ 3,949,294</u>	<u>\$ 1,844,447</u>	<u>\$ 5,793,741</u>	<u>\$ 2,199,976</u>	<u>\$ 355,458</u>	<u>\$ 2,555,434</u>

Performance obligations

The Company satisfies the performance obligations under its commodity sales contracts upon delivery of its production and related transfer of control to customers. Judgment may be required in determining the point in time when control transfers to customers. Upon delivery of production, the Company has a right to receive consideration from its customers in amounts determined by the sales contracts.

The Company's outstanding crude oil sales contracts at December 31, 2022 are primarily short-term in nature with contract terms of less than one year. For such contracts, the Company has utilized the practical expedient in Accounting Standards Codification ("ASC") 606-10-50-14 exempting the Company from disclosure of the transaction price allocated to remaining performance obligations, if any, if the performance obligation is part of a contract that has an original expected duration of one year or less.

The substantial majority of the Company's operated natural gas production is sold at lease locations to midstream customers under multi-year term contracts. For such contracts having a term greater than one year, the Company has utilized the practical expedient in ASC 606-10-50-14A which indicates an entity is not required to disclose the transaction price allocated to remaining performance obligations, if any, if variable consideration is allocated entirely to a wholly unsatisfied performance obligation. Under the Company's

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commodity sales contracts, each unit of production delivered to a customer represents a separate performance obligation; therefore, future volumes to be delivered are wholly unsatisfied at period-end and disclosure of the transaction price allocated to remaining performance obligations is not applicable.

Contract balances

Under the Company's commodity sales contracts or activities that give rise to service revenues, the Company recognizes revenue after its performance obligations have been satisfied, at which point the Company has an unconditional right to receive payment. Accordingly, the Company's commodity sales contracts and service activities generally do not give rise to contract assets or contract liabilities under ASC Topic 606. Instead, the Company's unconditional rights to receive consideration are presented as a receivable within "Receivables—Crude oil, natural gas, and natural gas liquids sales" or "Receivables—Joint interest and other," as applicable, in its consolidated balance sheets.

Revenues from previously satisfied performance obligations

To record revenues for commodity sales, at the end of each month the Company estimates the amount of production delivered and sold to customers and the prices to be received for such sales. Differences between estimated revenues and actual amounts received for all prior months are recorded in the month payment is received from the customer and are reflected in the financial statements within the caption "Crude oil, natural gas, and natural gas liquids sales". Revenues recognized during the years ended December 31, 2022, 2021, and 2020 related to performance obligations satisfied in prior reporting periods were not material.

Note 10. Allowance for Credit Losses

The Company's principal exposure to credit risk is through the sale of its crude oil, natural gas, and NGL production and its receivables associated with billings to joint interest owners. Accordingly, the Company classifies its receivables into two portfolio segments as depicted on the consolidated balance sheets as "Receivables—Crude oil, natural gas, and natural gas liquids sales" and "Receivables—Joint interest and other."

Historically, the Company's credit losses on receivables have been immaterial. The Company's aggregate allowance for credit losses totaled \$5.5 million and \$2.8 million at December 31, 2022 and 2021, respectively, which is reported as "Allowance for credit losses" in the consolidated balance sheets. Aggregate credit loss expenses totaled \$3.3 million, \$0.8 million, and \$1.8 million for the years ended December 31, 2022, 2021, and 2020, respectively, which are included in "General and administrative expenses" in the consolidated statements of income (loss).

Receivables—Crude oil, natural gas, and natural gas liquids sales

The Company's crude oil, natural gas, and NGL production from operated properties is generally sold to energy marketing companies, crude oil refining companies, and natural gas gathering and processing companies. The Company monitors its credit loss exposure to these counterparties primarily by reviewing credit ratings, financial statements, and payment history. Credit terms are extended based on an evaluation of each counterparty's credit worthiness. The Company has not generally required its counterparties to provide collateral to secure its crude oil, natural gas, and NGL sales receivables.

Receivables associated with crude oil, natural gas, and NGL sales are short term in nature. Receivables from the sale of crude oil, natural gas, and NGLs from operated properties are generally collected within one month after the month in which a sale has occurred, while receivables associated with non-operated properties are generally collected within two to three months after the month in which production occurs.

The Company's allowance for credit losses on crude oil, natural gas, and NGL sales was negligible at both December 31, 2022 and December 31, 2021. The allowance was determined by considering a number of factors, primarily including the Company's history of credit losses with adjustment as needed to reflect current conditions, the length of time accounts are past due, whether amounts relate to operated properties or non-operated properties, and the counterparty's ability to pay. There were no significant write-offs, recoveries, or changes in the provision for credit losses on this portfolio segment during the years ended December 31, 2022, 2021, and 2020.

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Receivables—Joint interest and other

Joint interest and other receivables primarily arise from billing the individuals and entities who own a partial interest in the wells we operate. Joint interest receivables are due within 30 days and are considered delinquent after 60 days. In order to minimize our exposure to credit risk with these counterparties we generally request prepayment of drilling costs where it is allowed by contract or state law. Such prepayments are used to offset future capital costs when billed, thereby reducing the Company's credit risk. We may have the right to place a lien on a co-owner's interest in the well, to net production proceeds against amounts owed in order to secure payment or, if necessary, foreclose on the co-owner's interest.

The Company's allowance for credit losses on joint interest receivables totaled \$5.5 million and \$2.8 million at December 31, 2022 and 2021, respectively. The allowance was determined by considering a number of factors, primarily including the Company's history of credit losses with adjustment as needed to reflect current conditions, the length of time accounts are past due, the ability to recoup amounts owed through netting of production proceeds, the balance of co-owner prepayments if any, and the co-owner's ability to pay. There were no significant write-offs, recoveries, or changes in the provision for credit losses on this portfolio segment during the years ended December 31, 2022, 2021, and 2020.

Note 11. Income Taxes

The items comprising the Company's provision (benefit) for income taxes are as follows for the periods presented:

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Current income tax provision (benefit):			
United States federal	\$ 538,704	\$ —	\$ (2,248)
Various states	83,671	—	29
Total current income tax provision (benefit)	622,375	—	(2,219)
Deferred income tax provision (benefit):			
United States federal	374,802	467,051	(148,828)
Various states	23,627	52,679	(18,143)
Total deferred income tax provision (benefit)	398,429	519,730	(166,971)
Provision (benefit) for income taxes	\$ 1,020,804	\$ 519,730	\$ (169,190)
Effective tax rate	20.1 %	23.8 %	21.8 %

The Company's effective tax rate differs from the United States federal statutory tax rate due to the effect of state income taxes, equity compensation, tax credits, changes in valuation allowances, and other tax items as reflected in the table below.

<i>In thousands, except tax rates</i>	Year ended December 31,		
	2022	2021	2020
Income (loss) before income taxes	\$ 5,068,413	\$ 2,186,138	\$ (774,751)
U.S. federal statutory tax rate	21.0 %	21.0 %	21.0 %
Expected income tax provision (benefit) based on U.S. federal statutory tax rate	1,064,367	459,089	(162,698)
Items impacting the effective tax rate:			
State and local income taxes, net of federal benefit	126,932	77,979	(24,808)
Tax (benefit) deficiency from stock-based compensation	(5,282)	5,869	4,927
Change in valuation allowance	—	(14,474)	14,474
Federal tax credit for increasing research activities (1)	(151,913)	—	—
Other, net	(13,300)	(8,733)	(1,085)
Provision (benefit) for income taxes	\$ 1,020,804	\$ 519,730	\$ (169,190)
Effective tax rate	20.1 %	23.8 %	21.8 %

- (1) In 2022, the Company commenced a study to determine the amount of its qualified research activities performed during the tax years of 2018 to 2022 that qualify for a research and development income tax credit under the Internal Revenue Code. A \$152 million decrease in the Company's income tax provision was recognized in 2022 to account for eligible tax credits identified as a result of the study.

In assessing the realizability of deferred tax assets the Company must consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company applies judgment to determine the weight of both positive and

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negative evidence in order to conclude whether a valuation allowance is necessary for its deferred tax assets. In determining whether a valuation allowance is required, the Company considers, among other factors, the Company's financial position, results of operations, projected future taxable income, reversal of existing deferred tax liabilities against deferred tax assets, and tax planning strategies. During 2020, a \$14.5 million valuation allowance was established for the deferred tax asset associated with a portion of the Company's Oklahoma state net operating loss carryforwards. In 2021, the Company reassessed the realizability of the deferred tax asset related to Oklahoma state net operating loss carryforwards and determined it was more likely than not that such assets would be realized. Therefore, it was determined that the previously recorded valuation allowance in 2020 should be released in 2021. No valuation allowances were recognized during the year ended December 31, 2022.

The Company will continue to evaluate both the positive and negative evidence on a quarterly basis in determining the need for a valuation allowance with respect to its deferred tax assets. Changes in positive and negative evidence, including differences between estimated and actual results, could result in changes in the valuation of our deferred tax assets that could have a material impact on our consolidated financial statements. Changes in existing tax laws could also affect actual tax results and the realization of deferred tax assets over time.

The components of the Company's deferred tax assets and deferred tax liabilities as of December 31, 2022 and 2021 are reflected in the table below.

<i>In thousands</i>	December 31,	
	2022	2021
Deferred tax assets		
United States net operating loss carryforwards	\$ 63,128	\$ 365,602
Incentive/equity compensation	34,987	12,751
Net deferred hedge losses	42,898	—
Other	31,324	29,421
Total deferred tax assets	172,337	407,774
Valuation allowance	—	—
Total deferred tax assets, net of valuation allowance	172,337	407,774
Deferred tax liabilities		
Property and equipment	(2,708,641)	(2,536,938)
Other	(2,008)	(10,720)
Total deferred tax liabilities	(2,710,649)	(2,547,658)
Deferred income tax liabilities, net	\$ (2,538,312)	\$ (2,139,884)

As of December 31, 2022, the Company had net operating loss ("NOL") carryforwards in Oklahoma totaling \$1.99 billion, of which \$881 million expires between 2034 and 2037, and the remaining \$1.11 billion has an indefinite life. In 2022, the Company utilized all of its previously generated federal NOL carryforwards to offset a portion of its 2022 federal taxable income and no federal NOL or tax credit carryforwards remain at December 31, 2022. Additionally, in 2022 the Company utilized all of its previously generated NOL carryforwards in North Dakota to offset a portion of its 2022 taxable income in that state and no North Dakota NOL carryforwards remain at December 31, 2022. Any available statutory depletion carryforwards will be recognized when realized. The Company files income tax returns in U.S. federal and state jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal or state income tax examinations by tax authorities for years prior to 2019.

Note 12. Leases

The Company's lease liabilities recognized on the balance sheet as a lessee totaled \$24.1 million and \$15.5 million as of December 31, 2022 and 2021, respectively, at discounted present value, which is comprised of the asset classes reflected in the table below. All leases recognized on the Company's balance sheet are classified as operating leases. The amounts disclosed herein primarily represent costs associated with properties operated by the Company that are presented on a gross basis and do not represent the Company's net proportionate share of such amounts. A portion of these costs have been or will be billed to other working interest owners. Once paid, the Company's share of these costs are included in property and equipment, production expenses, or general and administrative expenses, as applicable.

The Company accounts for lease and non-lease components in its contracts as a single lease component for all asset classes. Additionally, the Company does not apply the recognition requirements of ASC Topic 842 to leases with durations of twelve months or less and uses hindsight in determining the lease term for all leases. The Company's leasing activities as a lessor are negligible.

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<i>In thousands</i>	December 31,	
	2022	2021
Surface use agreements	\$ 18,136	\$ 12,354
Field equipment	5,224	2,095
Other	781	1,025
Total	\$ 24,141	\$ 15,474

Minimum future commitments by year for the Company's operating leases as of December 31, 2022 are presented in the table below. Such commitments are reflected at undiscounted values and are reconciled to the discounted present value recognized on the balance sheet.

<i>In thousands</i>	Amount
2023	\$ 5,180
2024	4,172
2025	1,885
2026	1,848
2027	1,827
Thereafter	18,351
Total operating lease liabilities, at undiscounted value	\$ 33,263
Less: Imputed interest	(9,122)
Total operating lease liabilities, at discounted present value	\$ 24,141
Less: Current portion of operating lease liabilities	(4,086)
Operating lease liabilities, net of current portion	\$ 20,055

Additional information for the Company's operating leases is presented below. Lease costs primarily represent costs incurred for drilling rigs, most of which are short term contracts that are not recognized as right-of-use assets and lease liabilities on the balance sheet. Variable lease costs primarily represent differences between minimum payment obligations and actual operating day-rate charges incurred by the Company for its long term drilling rig contracts. Short-term lease costs primarily represent operating day-rate charges for drilling rig contracts with durations of one year or less and month-to-month field equipment rentals. A portion of such lease costs are borne by other interest owners.

<i>In thousands, except weighted average data</i>	Year ended December 31,		
	2022	2021	2020
Lease costs:			
Operating lease costs	\$ 3,484	\$ 6,653	\$ 6,444
Variable lease costs	650	3,271	4,956
Short-term lease costs	124,535	77,551	107,984
Total lease costs	\$ 128,669	\$ 87,475	\$ 119,384
Other information:			
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 19,944	\$ 10,481	\$ 7,377
Operating cash flows from operating leases included in lease liabilities	4,370	1,731	890
Weighted average remaining lease term as of December 31 (in years)	12.0	14.4	13.2
Weighted average discount rate as of December 31	4.8 %	5.0 %	4.8 %

Note 13. Commitments and Contingencies

Transportation, gathering, and processing commitments – The Company has entered into transportation, gathering, and processing commitments to guarantee capacity on crude oil and natural gas pipelines and natural gas processing facilities. The commitments, which have varying terms extending as far as 2031, require the Company to pay per-unit transportation, gathering, or processing charges regardless of the amount of capacity used. Future commitments remaining as of December 31, 2022 under the arrangements amount to approximately \$1.14 billion, of which \$328 million is expected to be incurred in 2023, \$291 million in 2024, \$164 million in 2025, \$139 million in 2026, \$136 million in 2027, and \$78 million thereafter. A portion of these future costs will be borne by other interest owners. The Company is not committed under the above contracts to deliver fixed and determinable quantities of crude oil or natural gas in the future. These commitments do not qualify as leases under ASC Topic 842 and are not recognized on the Company's balance sheet.

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Lease commitments – The Company has various lease commitments primarily associated with surface use agreements and field equipment. See *Note 12. Leases* for additional information.

Strategic investment – See *Note 18. Equity Investment* for discussion of future spending commitments associated with a strategic investment announced by the Company in the first quarter of 2022.

Litigation pertaining to the Company's routine operations

In March 2022, the Company was named as a defendant in a case filed in the U.S. District Court for the Northern District of California by gasoline consumer plaintiffs alleging that, beginning in March 2020, the Company and the other named defendants conspired with Russia, OPEC and others to raise the price of oil and gasoline by reducing the supply of these products. The plaintiffs are seeking unspecified damages and injunctive relief. On July 1, 2022, the Company, together with other named defendants, filed motions to dismiss. On January 9, 2023, the court granted the defendants' respective motions to dismiss without leave to amend.

The Company is involved in various other legal proceedings including, but not limited to, commercial disputes, claims from royalty and surface owners, property damage claims, personal injury claims, regulatory compliance matters, disputes with tax authorities and other matters. While the outcome of these legal matters cannot be predicted with certainty, the Company does not expect them to have a material adverse effect on its financial condition, results of operations or cash flows. As of December 31, 2022 and 2021, the Company had recognized a liability within "Other noncurrent liabilities" of \$20.2 million and \$7.9 million, respectively, for various matters, none of which are believed to be individually significant.

Litigation pertaining to take-private transaction

Transactions such as the Hamm Family's take-private transaction described in *Note 1. Organization and Summary of Significant Accounting Policies—Take-Private Transaction* often attract litigation and demands from minority shareholders.

On August 25, 2022, Walter T. Doggett, on behalf of himself and a class of all other similarly situated shareholders ("Doggett"), filed a class action petition in the District Court of Oklahoma County, Oklahoma, against Mr. Hamm, as the controlling shareholder of the Company, for alleged breaches of fiduciary duties in connection with the take-private transaction. On November 7, 2022, Doggett filed an amended class action petition adding as additional defendants the Company, certain trusts established for the benefit of Mr. Hamm and/or his family members (the "Hamm Family Trusts"), and the Company's other directors. Doggett alleges that the defendants breached their fiduciary duties in the connection with the take-private transaction and seeks: (i) monetary damages; (ii) the costs and expenses associated with the lawsuit; and (iii) other equitable relief.

On November 23, 2022, Ralph Donald Turlington, Alroc Real Estate Associates (Del.) LLC, and the Turlington Family Irrevocable Trust, on behalf of themselves and a class of all other similarly situated former shareholders ("Turlington"), filed a class action petition in the District Court of Oklahoma County, Oklahoma, against Mr. Hamm, the Hamm Family Trusts, and the Company's other directors. Turlington alleges the defendants breached their fiduciary duties in connection with the take-private transaction and seeks: (i) monetary damages; (ii) the costs and expenses associated with the lawsuit; and (iii) other equitable relief.

On November 30, 2022, Doggett and Turlington filed a motion to consolidate the Doggett and Turlington lawsuits and to appoint lead and liaison counsel.

On August 11, 2022, Pembroke Pines Firefighters & Police Officers Pension Fund ("Pembroke"), a shareholder, delivered a letter (the "Pembroke Request") to the Company requesting the inspection of certain books and records of the Company purportedly to investigate potential breaches of fiduciary duties by the Company's directors and senior management in connection with the take-private transaction. On August 18, 2022, the Company responded to the Pembroke Request. On October 20, 2022, Pembroke updated the Pembroke Request, and the Company again responded to the Pembroke Request on October 27, 2022. The Company has subsequently produced certain information to Pembroke identified in the Pembroke Request. On November 17, 2022, Pembroke filed a verified petition in the District Court of Pottawatomie County, Oklahoma, against the Company seeking: (i) the production of certain Company books and records identified in the Pembroke Request; (ii) the costs and expenses associated with the lawsuit; and (iii) other equitable relief.

On December 6, 2022, Pembroke filed a motion to intervene and stay the Doggett and Turlington lawsuits until Pembroke completes its inspection of the Company's books and records and prepares its own lawsuit.

On November 2, 2022, Kevin Barry ("Barry"), a shareholder, delivered a letter (the "Barry Request") to the Company requesting the inspection of certain books and records of the Company purportedly to investigate potential breaches of fiduciary duties by the

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Company's directors and senior management in connection with the take-private transaction. On November 9, 2022, the Company responded to the Barry Request. The Company has subsequently produced certain information to Barry identified in the Barry Request. On November 18, 2022, Barry filed a verified petition in the District Court of Oklahoma County, Oklahoma, against the Company seeking: (i) the production of certain Company books and records identified in the Barry Request; (ii) the costs and expenses associated with the lawsuit; and (iii) other equitable relief.

On November 10, 2022, Kerry Panozzo ("Panozzo"), a shareholder, delivered a letter (the "Panozzo Request") to the Company requesting the inspection of certain books and records of the Company purportedly to investigate potential breaches of fiduciary duties by the Company's directors and senior management in connection with the take-private transaction. On November 17, 2022, the Company responded to the Panozzo Request. The Company has subsequently produced certain information to Panozzo identified in the Panozzo Request. On November 21, 2022, Panozzo filed a verified petition in the District Court of Oklahoma County, Oklahoma, against the Company seeking: (i) the production of certain Company books and records identified in the Panozzo Request; (ii) the costs and expenses associated the lawsuit; and (iii) other equitable relief.

In November 2022, the Company received letters demanding appraisal of their respective shares of the Company's common stock from FourWorld Deep Value Opportunities Fund I, LLC, FourWorld Event Opportunities, LP, FW Deep Value Opportunities I, LLC, FourWorld Global Opportunities Fund, Ltd., FourWorld Special Opportunities Fund, LLC, Corbin ERISA Opportunity Fund Ltd., and Quadre Investments, L.P. (collectively, "FourWorld"). On January 5, 2023, these parties filed a petition in the District Court of Oklahoma County, Oklahoma, seeking appraisal of their respective shares of the Company's common stock in connection with the take-private transaction.

On January 13, 2023, the Company, Mr. Hamm, the Hamm Family Trusts, and the Company's other directors filed a motion to consolidate the Doggett, Turlington, and FourWorld lawsuits. On January 26, 2023, the Company filed a motion to stay the FourWorld appraisal lawsuit pending adjudication of the Company's motion to consolidate the Doggett, Turlington, and FourWorld lawsuits.

On February 14, 2023, Pembroke and Panozzo, on behalf of themselves and a class of all other similarly situated former shareholders, filed a class action petition in the District Court of Oklahoma County, Oklahoma, against Mr. Hamm, the Hamm Family Trusts, and the Company's other directors. Pembroke and Panozzo allege the defendants breached their fiduciary duties in connection with the take-private transaction and seek: (i) monetary damages; (ii) the costs and expenses associated with the lawsuit; and (iii) other equitable relief.

The Company, Mr. Hamm, the Hamm Family Trusts, and the Company's other directors intend to vigorously defend themselves against the foregoing matters.

Environmental risk – Due to the nature of the crude oil and natural gas business, the Company is exposed to possible environmental risks. The Company is not aware of any material environmental issues or claims.

Note 14. Related Party Transactions

Certain officers of the Company own or control entities that own working and royalty interests in wells operated by the Company. The Company paid revenues to these affiliates, including royalties, of \$0.5 million, \$0.4 million, and \$0.2 million and received payments from these affiliates of \$0.2 million, \$0.1 million, and \$0.3 million during the years ended December 31, 2022, 2021, and 2020, respectively, relating to the operations of the respective properties. At December 31, 2022 and 2021, approximately \$6,000 and \$39,000, respectively, was due from these affiliates relating to these transactions, which is included in "Receivables—Joint interest and other" on the consolidated balance sheets. At December 31, 2022 and 2021, approximately \$36,000 and \$37,000, respectively, was due to these affiliates relating to these transactions, which is included in "Revenues and royalties payable" on the consolidated balance sheets.

The Company allows certain affiliates to use its corporate aircraft and crews and has used the aircraft of those same affiliates from time to time in order to facilitate efficient transportation of Company personnel. The rates charged between the parties vary by type of aircraft used. For usage during 2022, 2021, and 2020, the Company charged affiliates approximately \$16,400, \$11,300, and \$8,100, respectively, for use of its corporate aircraft crews, fuel, and reimbursement of expenses and received approximately \$13,000, \$5,000, and \$9,500 from affiliates in 2022, 2021, and 2020, respectively, in connection with such items. The Company was charged approximately \$235,000, \$117,000, and \$120,000, respectively, by affiliates for use of their aircraft and reimbursement of expenses during 2022, 2021, and 2020 and paid \$219,000, \$84,000, and \$158,000 to the affiliates in 2022, 2021, and 2020, respectively. At

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December 31, 2022 and 2021, approximately \$9,800 and \$6,300, respectively, was due from an affiliate relating to these transactions, which is included in “Receivables—Joint interest and other” on the consolidated balance sheets. At December 31, 2022 and 2021, approximately \$49,000 and \$33,000, respectively, was due to an affiliate relating to these transactions, which is included in “Accounts payable trade” on the consolidated balance sheets.

Note 15. Stock-Based Compensation

Prior to the Hamm Family’s take-private transaction described in *Note 1. Organization and Summary of Significant Accounting Policies—Take-Private Transaction*, the Company granted restricted stock to employees and directors pursuant to the Continental Resources, Inc. 2013 Long-Term Incentive Plan as amended (“2013 Plan”) and 2022 Long-Term Incentive Plan (“2022 Plan”). The Company’s compensation expense associated with such awards, which is included in the caption “General and administrative expenses” in the consolidated statements of income (loss), was \$217.8 million, \$63.2 million, and \$64.6 million for the years ended December 31, 2022, 2021, and 2020, respectively.

As of the November 22, 2022 effective time of the Hamm Family’s take-private transaction, each unvested restricted stock award previously issued under the Company’s 2013 Plan and 2022 Plan that was outstanding immediately prior to the effective time was replaced with a restricted stock unit award (the “Rollover Shares”) issued by the Company that provides the holder of such previous award with the right to receive, on the date that such restricted stock award otherwise would have been settled, and at the Company’s sole discretion, either a share of the Company, a cash award designed to provide substantially equivalent value, or any combination of the two. Upon this event, the Company remeasured the cumulative compensation expense recognized on the modified awards pursuant to ASC Topic 718, Compensation—Stock Compensation, which resulted in the recognition of additional non-cash compensation expense within “General and administrative expenses” totaling approximately \$136 million, reflecting the increase in the value of the awards from the original grant date to the subsequent modification date.

As of December 31, 2022, the Company had 5.3 million Rollover Shares, of which the Company currently intends to settle all awards vesting in 2023, 2024, and 2025 in cash. Thus, the Rollover Shares are classified as a liability award under ASC 718 and, as of December 31, 2022, the Company had recorded a current liability of \$125.7 million and a non-current liability of \$100.1 million in the captions “Current portion of incentive compensation liability” and “Incentive compensation liability, net of current portion,” respectively, in the consolidated balance sheets. Such amounts reflect the Company’s estimate of expected future cash payments multiplied by the percentage of requisite service periods that employees have completed as of December 31, 2022. The Company’s liability will be remeasured each reporting period to reflect additional services rendered by employees and to reflect changes in expected cash payments arising from underlying changes in the value of the Company. Changes in the liability will be recorded as increases or decreases to compensation expense. The Company has estimated the number of forfeitures expected to occur in determining the amount of liability and expense to recognize.

A summary of changes in non-vested restricted shares from December 31, 2019 to December 31, 2022 is presented below.

	Number of non-vested shares	Weighted average grant-date fair value
Non-vested restricted shares at December 31, 2019	3,461,908	\$ 46.82
Granted	2,738,625	26.93
Vested	(1,146,618)	45.78
Forfeited	(163,277)	36.69
Non-vested restricted shares at December 31, 2020	4,890,638	\$ 36.26
Granted	3,050,491	24.73
Vested	(1,750,483)	44.36
Forfeited	(296,138)	26.61
Non-vested restricted shares at December 31, 2021	5,894,508	\$ 28.38
Granted	1,575,847	56.52
Vested	(1,736,678)	36.04
Forfeited	(384,536)	27.82
Canceled shares due to take-private transaction	(5,349,141)	34.22
Non-vested restricted shares at December 31, 2022	—	\$ —

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The grant date fair value of restricted stock granted prior to the Hamm Family's take-private transaction represented the closing market price of the Company's common stock on the date of grant. Compensation expense for a restricted stock grant was determined at the grant date fair value and was recognized over the vesting period as services were rendered by employees and directors. The Company estimated the number of forfeitures expected to occur in determining the amount of stock-based compensation expense to recognize. There were no post-vesting restrictions related to the Company's restricted stock. The fair value at the vesting date of restricted stock that vested during 2022, 2021, and 2020 was approximately \$98.4 million, \$46.7 million, and \$27.5 million, respectively.

Note 16. Shareholders' Equity Attributable to Continental Resources

See the Consolidated Statements of Equity for the year ended December 31, 2022 for the impact on Shareholders' Equity resulting from the Hamm Family's take-private transaction consummated on November 22, 2022.

Share Repurchases

In May 2019 the Company's Board of Directors approved the initiation of a share repurchase program. Share repurchases made under the program prior to the Hamm Family's take-private transaction are reflected below for the years ended December 31, 2022, 2021, and 2020.

	Number of shares	Aggregate cost (in thousands)
2020 Share Repurchases	8,122,104	\$ 126,906
2021 Share Repurchases	3,198,571	123,924
2022 Share Repurchases	1,842,422	99,855
Total	13,163,097	\$ 350,685

As discussed in *Note 1. Organization and Summary of Significant Accounting Policies—Take-Private Transaction*, on November 22, 2022 Merger Sub completed the acquisition of all outstanding shares of the Company, other than shares already owned by the Hamm Family and Rollover Shares, at an aggregate cost of approximately \$4.31 billion, inclusive of payments issued to holders who demanded appraisal rights for their untendered shares in accordance with Oklahoma law. As of December 31, 2022, the Hamm Family holds approximately 299.6 million shares of capital stock, and such shares are the only remaining capital stock of the Company following the take-private transaction.

Dividend Payments

The following table summarizes the dividends paid by the Company on its then-outstanding common stock for the years ended December 31, 2022, 2021, and 2020.

	Amount (in thousands)	Dividend per share
Year Ended December 31, 2020		
First quarter	\$ 18,367	\$ 0.05
Total	\$ 18,367	
Year Ended December 31, 2021		
Second quarter	\$ 39,735	\$ 0.11
Third quarter	54,141	\$ 0.15
Fourth quarter	71,793	\$ 0.20
Total	\$ 165,669	
Year Ended December 31, 2022		
First quarter	\$ 82,529	\$ 0.23
Second quarter	100,123	\$ 0.28
Third quarter	100,131	\$ 0.28
Total	\$ 282,783	

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Note 17. Noncontrolling Interests*Strategic mineral relationship*

In October 2018, Continental entered into a strategic relationship with Franco-Nevada Corporation to acquire oil and gas mineral interests within an area of mutual interest through a minerals subsidiary named The Mineral Resources Company II, LLC ("TMRC II"). At closing in October 2018, Continental contributed most of its previously acquired mineral interests to TMRC II in exchange for a 50.1% ownership interest in the entity and Franco-Nevada paid \$214.8 million to Continental for a 49.9% ownership interest in TMRC II and for funding of its share of certain mineral acquisition costs. Under the arrangement, Continental funds 20% of mineral acquisitions and will be entitled to receive between 25% and 50% of total revenues generated by TMRC II based upon performance relative to certain predetermined production targets.

Continental holds a controlling financial interest in TMRC II and manages its operations. Accordingly, Continental consolidates the financial results of the entity and presents the portion of TMRC II's results attributable to Franco-Nevada as a noncontrolling interest in its consolidated financial statements. Periodically, Franco-Nevada makes capital contributions to, and receives revenue distributions from, TMRC II and the portion of Continental's consolidated net assets attributable to Franco-Nevada totaled \$361.4 million and \$369.8 million at December 31, 2022 and 2021, respectively.

Joint ownership arrangement

Continental maintains an arrangement with a third party to jointly own parking facilities adjacent to the companies' corporate office buildings. The activities of the parking facilities, which are immaterial to Continental, are managed through an entity named SFPG, LLC ("SFPG"). Continental holds a controlling financial interest in SFPG and manages its operations. Accordingly, Continental consolidates the financial results of the entity and includes the results attributable to the third party within noncontrolling interests in Continental's financial statements. The portion of Continental's consolidated net assets attributable to the third party's ownership interest in SFPG totaled \$11.0 million and \$11.1 million at December 31, 2022 and 2021, respectively.

Note 18. Equity Investment

In March 2022 the Company began investing in an affiliate of Summit Carbon Solutions ("Summit") to develop carbon capture and sequestration infrastructure. Summit was founded in 2020 with the goal of decarbonizing the biofuel and agriculture industries and seeks to lower greenhouse gas emissions by connecting industrial facilities via strategic infrastructure to capture, transport, and store carbon dioxide ("CO₂") safely and permanently in the Midwestern United States.

The Company has committed to invest a total of \$250 million with Summit over 2022 and 2023 to fund a portion of Summit's development and construction of capture, transportation, and sequestration infrastructure, while also leveraging the Company's operational and geologic expertise to facilitate the underground storage of CO₂. Summit intends to primarily capture CO₂ from ethanol plants and other industrial sources in Iowa, Nebraska, Minnesota, North Dakota, and South Dakota, and aggregate and transport the CO₂ to North Dakota via pipeline, where it will be sequestered in subsurface geologic formations. The project is expected to become operational in 2024.

During the year ended December 31, 2022, the Company contributed approximately \$210 million toward its \$250 million commitment to Summit, which is included in the caption "Investment in unconsolidated affiliates" in the consolidated balance sheet. Upon completion of Summit's ongoing equity raises, the Company expects to hold an approximate 22% non-controlling ownership interest in the equity of Summit Carbon Holdings, the parent company of Summit Carbon Solutions. The Company is not the primary beneficiary of Summit and accounts for its investment under the equity method of accounting. The Company's share of earnings/losses from its investment was immaterial for the year ended December 31, 2022.

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Note 19. Crude Oil and Natural Gas Property Information

The tables reflected below represent consolidated figures for the Company and its subsidiaries. Results attributable to noncontrolling interests are not material relative to the Company's consolidated results and are not separately presented below.

The following table sets forth the Company's consolidated results of operations from crude oil and natural gas producing activities for the years ended December 31, 2022, 2021, and 2020.

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Crude oil, natural gas, and natural gas liquids sales	\$ 10,074,675	\$ 5,793,741	\$ 2,555,434
Production expenses	(621,921)	(406,906)	(359,267)
Production and ad valorem taxes	(730,132)	(404,362)	(192,718)
Transportation, gathering, processing, and compression	(316,414)	(224,989)	(196,692)
Exploration expenses	(23,068)	(21,047)	(17,732)
Depreciation, depletion, amortization and accretion	(1,856,067)	(1,872,075)	(1,859,893)
Property impairments	(70,417)	(38,370)	(277,941)
Income tax (provision) benefit (1)	(1,512,132)	(690,902)	83,427
Results from crude oil and natural gas producing activities	\$ 4,944,524	\$ 2,135,090	\$ (265,382)

(1) Income taxes reflect the application of a combined federal and state tax rate of 23.5% for 2022 and 24.5% for both 2021 and 2020 on pre-tax income/loss generated by our operations.

Costs incurred in crude oil and natural gas activities

Costs incurred, both capitalized and expensed, in connection with the Company's consolidated crude oil and natural gas acquisition, exploration and development activities for the years ended December 31, 2022, 2021 and 2020 are presented below. See *Note 2. Property Acquisitions* for discussion of notable property acquisitions that gave rise to changes in acquisition costs incurred between periods.

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Property acquisition costs:			
Proved	\$ 458,762	\$ 2,580,271	\$ 60,494
Unproved	412,571	1,197,507	201,919
Total property acquisition costs	871,333	3,777,778	262,413
Exploration Costs	343,117	171,549	48,282
Development Costs	2,185,645	1,174,828	1,053,532
Total	\$ 3,400,095	\$ 5,124,155	\$ 1,364,227

Costs incurred above include asset retirement costs and revisions thereto of \$30.8 million, \$31.1 million and \$18.1 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Aggregate capitalized costs

Aggregate capitalized costs relating to the Company's consolidated crude oil and natural gas producing activities and related accumulated depreciation, depletion and amortization as of December 31, 2022 and 2021 are as follows:

<i>In thousands</i>	December 31,	
	2022	2021
Proved crude oil and natural gas properties	\$ 34,741,054	\$ 31,613,656
Unproved crude oil and natural gas properties	1,513,627	1,358,673
Total	36,254,681	32,972,329
Less accumulated depreciation, depletion and amortization	(18,134,473)	(16,310,054)
Net capitalized costs	\$ 18,120,208	\$ 16,662,275

Under the successful efforts method of accounting, the costs of drilling an exploratory well are capitalized pending determination of whether proved reserves can be attributed to the discovery. When initial drilling and completion operations are complete, management

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attempts to determine whether the well has discovered crude oil and natural gas reserves and, if so, whether those reserves can be classified as proved reserves. Often, the determination of whether proved reserves can be recorded under SEC guidelines cannot be made when drilling is completed. In those situations where management believes that economically producible hydrocarbons have not been discovered, the exploratory drilling costs are reflected on the consolidated statements of income (loss) as dry hole costs, a component of "Exploration expenses." Where sufficient hydrocarbons have been discovered to justify further exploration or appraisal activities, exploratory drilling costs are deferred under the caption "Net property and equipment" on the consolidated balance sheets pending the outcome of those activities.

On at least a quarterly basis, operating and financial management review the status of all deferred exploratory drilling costs in light of ongoing exploration activities—in particular, whether the Company is making sufficient progress in its ongoing exploration and appraisal efforts. If management determines that future appraisal drilling or development activities are not likely to occur, any associated exploratory well costs are expensed in that period of determination.

The following table presents the amount of capitalized exploratory well costs pending evaluation at December 31 for each of the last three years and changes in those amounts during the years then ended:

<i>In thousands</i>	Year ended December 31,		
	2022	2021	2020
Balance at January 1	\$ 37,673	\$ 32,737	\$ 6,257
Additions to capitalized exploratory well costs pending determination of proved reserves	286,059	122,068	32,880
Reclassification to proved crude oil and natural gas properties based on the determination of proved reserves	(229,348)	(117,131)	(72)
Capitalized exploratory well costs charged to expense	(9,562)	(1)	(6,328)
Balance at December 31	\$ 84,822	\$ 37,673	\$ 32,737
Number of gross wells	36	17	16

As of December 31, 2022, the Company had no significant exploratory well costs that were suspended one year beyond the completion of drilling.

Note 20. Supplemental Crude Oil and Natural Gas Information (Unaudited)

The table below shows estimates of proved reserves prepared by the Company's internal technical staff and independent external reserve engineers in accordance with SEC definitions. Ryder Scott Company, L.P. prepared reserve estimates for properties comprising approximately 98%, 98%, and 95% of the Company's total proved reserves as of December 31, 2022, 2021, and 2020, respectively. Remaining reserve estimates were prepared by the Company's internal technical staff. All proved reserves stated herein are located in the United States. Proved reserves attributable to noncontrolling interests are not material relative to the Company's consolidated reserves and are not separately presented in the tables below.

Proved reserves are estimated quantities of crude oil and natural gas which geological and engineering data demonstrate with reasonable certainty to be economically producible in future periods from known reservoirs under existing economic conditions, operating methods, and government regulations prior to the time at which contracts providing the right to operate expire, unless evidence indicates renewal is reasonably certain. There are numerous uncertainties inherent in estimating quantities of proved crude oil and natural gas reserves. Crude oil and natural gas reserve engineering is a subjective process of estimating underground accumulations of crude oil and natural gas that cannot be precisely measured, and estimates of engineers other than the Company's might differ materially from the estimates set forth herein. The accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Periodic revisions or removals of estimated reserves and future cash flows may be necessary as a result of a number of factors, including reservoir performance, new drilling, crude oil and natural gas prices, changes in costs, technological advances, new geological or geophysical data, changes in business strategies, or other economic factors. Accordingly, reserve estimates may differ significantly from the quantities of crude oil and natural gas ultimately recovered.

Reserves at December 31, 2022, 2021, and 2020 were computed using the 12-month unweighted average of the first-day-of-the-month commodity prices as required by SEC rules.

Natural gas imbalance receivables and payables for each of the three years ended December 31, 2022, 2021, and 2020 were not material and have not been included in the reserve estimates.

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Proved crude oil and natural gas reserves

Changes in proved reserves were as follows for the periods presented:

	Crude Oil (MMbbls)	Natural Gas (MMcf)	Total (MMBoe)
Proved reserves as of December 31, 2019	760,187	5,154,471	1,619,265
Revisions of previous estimates	(249,845)	(1,530,174)	(504,874)
Extensions, discoveries and other additions	42,106	295,686	91,387
Production	(58,745)	(306,528)	(109,833)
Sales of minerals in place	—	—	—
Purchases of minerals in place	3,272	27,269	7,817
Proved reserves as of December 31, 2020	496,975	3,640,724	1,103,762
Revisions of previous estimates	14,574	233,966	53,569
Extensions, discoveries and other additions	165,268	1,235,022	371,105
Production	(58,636)	(370,110)	(120,321)
Sales of minerals in place	(70)	(469)	(148)
Purchases of minerals in place	175,419	371,546	237,343
Proved reserves as of December 31, 2021	793,530	5,110,679	1,645,310
Revisions of previous estimates	(85,604)	(284,738)	(133,061)
Extensions, discoveries and other additions	194,848	1,203,850	395,490
Production	(72,827)	(442,980)	(146,657)
Sales of minerals in place	(25)	(712)	(144)
Purchases of minerals in place	59,617	259,253	102,826
Proved reserves as of December 31, 2022	889,539	5,845,352	1,863,764

Revisions of previous estimates. Revisions for 2022 are comprised of (i) upward price revisions of 29 MMBo and 105 Bcf (totaling 46 MMBoe) due to an increase in average crude oil and natural gas prices in 2022 compared to 2021, (ii) the removal of 35 MMBo and 225 Bcf (totaling 72 MMBoe) of PUD reserves no longer scheduled to be drilled within five years of initial booking due to continual refinement of our drilling and development programs and reallocation of capital to areas providing the best opportunities to improve efficiencies, recoveries, and rates of return, (iii) downward revisions of 71 MMBo and 401 Bcf (totaling 137 MMBoe) from the removal of PUD reserves due to changes in anticipated well densities, economics, performance, and other factors, and (iv) downward revisions for oil reserves of 9 MMBo and upward revisions for natural gas reserves of 236 Bcf (netting to 31 MMBoe of upward revisions) due to changes in ownership interests, operating costs, anticipated production, and other factors.

Revisions for 2021 are comprised of (i) upward price revisions of 92 MMBo and 458 Bcf (totaling 168 MMBoe) due to the significant increase in average crude oil and natural gas prices in 2021 compared to 2020 resulting from the lifting of COVID-19 restrictions, the resumption of normal economic activity, and the resulting improvement in supply and demand fundamentals, (ii) the removal of 31 MMBo and 155 Bcf (totaling 57 MMBoe) of PUD reserves no longer scheduled to be drilled within five years of initial booking due to continual refinement of our drilling and development programs and reallocation of capital to areas providing the best opportunities to improve efficiencies, recoveries, and rates of return, (iii) downward revisions of 12 MMBo and 263 Bcf (totaling 56 MMBoe) from the removal of PUD reserves due to changes in anticipated well densities, economics, performance, and other factors, (iv) downward revisions for oil reserves of 35 MMBo and upward revisions for natural gas reserves of 195 Bcf (netting to 2 MMBoe of downward revisions) due to changes in ownership interests, operating costs, anticipated production, and other factors.

Revisions for 2020 are comprised of (i) the removal of 50 MMBo and 345 Bcf (totaling 107 MMBoe) of PUD reserves no longer scheduled to be drilled within five years of initial booking due to a reduction in the scope of future drilling programs based on adverse market conditions, reduced demand, and lower prices caused by the COVID-19 pandemic and our resulting allocation of capital to areas providing the best opportunities to improve efficiencies, recoveries, and rates of return, (ii) downward revisions of 29 MMBo and 172 Bcf (totaling 58 MMBoe) from the removal of PUD reserves due to changes in economics, performance, and other factors, (iii) downward price revisions of 214 MMBo and 1,043 Bcf (totaling 388 MMBoe) due to a significant decrease in average crude oil and natural gas prices in 2020 compared to 2019 resulting from the economic turmoil caused by the COVID-19 pandemic and other factors, and (iv) net upward revisions for oil reserves of 43 MMBo and 31 Bcf (totaling 48 MMBoe) due to changes in ownership interests, operating costs, anticipated production, and other factors.

Extensions, discoveries and other additions. Extensions, discoveries and other additions for each of the three years reflected in the table above were due to successful drilling and completion activities and continual refinement of our drilling programs. For 2022,

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proved reserve additions totaled 69 MMBo and 241 Bcf (totaling 109 MMBoe) in the Bakken, 29 MMBo and 751 Bcf (totaling 154 MMBoe) in the Anadarko Basin, 13 MMBo and 32 Bcf (totaling 18 MMBoe) in the Powder River Basin, and 84 MMBo and 178 Bcf (totaling 114 MMBoe) in the Permian Basin.

Sales of minerals in place. There were no individually significant dispositions of proved reserves in the three years reflected in the table above.

Purchases of minerals in place. See *Note 2. Property Acquisitions* for discussion of notable property acquisitions for the years ended December 31, 2022, 2021, and 2020.

The following reserve information sets forth the estimated quantities of proved developed and proved undeveloped crude oil and natural gas reserves of the Company as of December 31, 2022, 2021, and 2020:

	December 31,		
	2022	2021	2020
Proved Developed Reserves			
Crude oil (MBbl)	454,299	424,153	281,906
Natural Gas (MMcf)	3,486,774	2,901,147	2,073,011
Total (MBoe)	1,035,428	907,678	627,407
Proved Undeveloped Reserves			
Crude oil (MBbl)	435,240	369,377	215,069
Natural Gas (MMcf)	2,358,578	2,209,532	1,567,713
Total (MBoe)	828,336	737,632	476,355
Total Proved Reserves			
Crude oil (MBbl)	889,539	793,530	496,975
Natural Gas (MMcf)	5,845,352	5,110,679	3,640,724
Total (MBoe)	1,863,764	1,645,310	1,103,762

Proved developed reserves are reserves expected to be recovered through existing wells with existing equipment and operating methods. Proved undeveloped reserves are reserves expected to be recovered from new wells on undrilled acreage or from existing wells that require relatively major capital expenditures to recover, including most wells where drilling has occurred but the wells have not been completed. Natural gas is converted to barrels of crude oil equivalent using a conversion factor of six thousand cubic feet per barrel of crude oil based on the average equivalent energy content of natural gas compared to crude oil.

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Standardized measure of discounted future net cash flows relating to proved crude oil and natural gas reserves

The standardized measure of discounted future net cash flows presented in the following table was computed using the 12-month unweighted average of the first-day-of-the-month commodity prices, the costs in effect at December 31 of each year and a 10% discount factor. The Company cautions that actual future net cash flows may vary considerably from these estimates. Although the Company's estimates of total proved reserves, development costs and production rates were based on the best available information, the development and production of the crude oil and natural gas reserves may not occur in the periods assumed. Actual prices realized, costs incurred and production quantities may vary significantly from those used. Therefore, the estimated future net cash flow computations should not be considered to represent the Company's estimate of the expected revenues or the current value of existing proved reserves.

The following table sets forth the standardized measure of discounted future net cash flows attributable to proved crude oil and natural gas reserves as of December 31, 2022, 2021, and 2020. Discounted future net cash flows attributable to noncontrolling interests are not material relative to the Company's consolidated amounts and are not separately presented below.

<i>In thousands</i>	December 31,		
	2022	2021	2020
Future cash inflows	\$ 115,338,240	\$ 67,034,046	\$ 21,334,235
Future production costs	(26,570,673)	(18,837,000)	(7,750,834)
Future development and abandonment costs	(9,651,656)	(7,751,678)	(3,950,752)
Future income taxes (1)	(16,158,309)	(7,862,849)	(724,569)
Future net cash flows	62,957,602	32,582,519	8,908,080
10% annual discount for estimated timing of cash flows	(31,050,041)	(15,946,126)	(4,254,515)
Standardized measure of discounted future net cash flows	\$ 31,907,561	\$ 16,636,393	\$ 4,653,565

- (1) Estimated future income taxes were calculated by applying existing statutory tax rates, including any known future changes, to the estimated pre-tax net cash flows related to proved crude oil and natural gas reserves, giving effect to any permanent taxable differences and tax credits, less the tax basis of the properties involved. The U.S. federal statutory tax rate utilized in estimating future income taxes was 21% at December 31, 2022, 2021, and 2020.

The weighted average crude oil price (adjusted for location and quality differentials) utilized in the computation of future cash inflows was \$89.47, \$62.19, and \$34.34 per barrel at December 31, 2022, 2021, and 2020, respectively. The weighted average natural gas price (adjusted for location and quality differentials) utilized in the computation of future cash inflows was \$6.12, \$3.46, and \$1.17 per Mcf at December 31, 2022, 2021, and 2020, respectively. Future cash flows are reduced by estimated future costs to develop and produce the proved reserves, as well as certain abandonment costs, based on year-end cost estimates assuming continuation of existing economic conditions. The expected tax benefits to be realized from the utilization of net operating loss carryforwards and tax credits are used in the computation of future income tax cash flows.

The changes in the aggregate standardized measure of discounted future net cash flows attributable to proved crude oil and natural gas reserves are presented below for each of the past three years.

<i>In thousands</i>	December 31,		
	2022	2021	2020
Standardized measure of discounted future net cash flows at January 1	\$ 16,636,393	\$ 4,653,565	\$ 10,461,641
Extensions, discoveries and improved recoveries, less related costs	7,331,375	2,985,056	187,981
Revisions of previous quantity estimates	(3,096,189)	816,674	(2,952,489)
Changes in estimated future development and abandonment costs	1,283,405	706,168	4,760,286
Purchases (sales) of minerals in place, net	1,852,313	3,408,365	53,742
Net change in prices and production costs	15,251,976	9,396,945	(6,912,031)
Accretion of discount	2,049,284	489,273	1,183,993
Sales of crude oil and natural gas produced, net of production costs	(8,406,208)	(4,757,483)	(1,806,758)
Development costs incurred during the period	1,302,693	683,212	863,101
Change in timing of estimated future production and other	1,899,889	1,871,903	(2,325,024)
Change in income taxes	(4,197,370)	(3,617,285)	1,139,123
Net change	15,271,168	11,982,828	(5,808,076)
Standardized measure of discounted future net cash flows at December 31	\$ 31,907,561	\$ 16,636,393	\$ 4,653,565

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There have been no changes in accountants or any disagreements with accountants.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, an evaluation of the effectiveness of the design and operation of the Company’s disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) was performed under the supervision and with the participation of the Company’s management, including its Chief Executive Officer and Chief Financial Officer. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded the Company’s disclosure controls and procedures were effective as of December 31, 2022 to ensure information required to be disclosed in the reports it files and submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and information required to be disclosed under the Exchange Act is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of our internal control over financial reporting to determine whether any changes occurred during the fourth quarter of 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, there were no changes in our internal control over financial reporting or in other factors during the fourth quarter of 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with generally accepted accounting principles. Under the supervision and with the participation of our Company's management, including the Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Our internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of our consolidated financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on our evaluation under the framework in *Internal Control—Integrated Framework (2013)*, the management of our Company concluded that our internal control over financial reporting was effective as of December 31, 2022.

/s/ Doug Lawler
President and Chief Executive Officer

/s/ John D. Hart
Chief Financial Officer and Executive Vice President of Strategic Planning

February 22, 2023

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information as to Item 10 will be set forth in an amendment to this Form 10-K to be filed on Form 10-K/A with the Securities and Exchange Commission no later than 120 days after the end of our fiscal year covered by this report and is incorporated herein by reference.

Item 11. Executive Compensation

Information as to Item 11 will be set forth in an amendment to this Form 10-K to be filed on Form 10-K/A with the Securities and Exchange Commission no later than 120 days after the end of our fiscal year covered by this report and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information as to Item 12 will be set forth in an amendment to this Form 10-K to be filed on Form 10-K/A with the Securities and Exchange Commission no later than 120 days after the end of our fiscal year covered by this report and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information as to Item 13 will be set forth in an amendment to this Form 10-K to be filed on Form 10-K/A with the Securities and Exchange Commission no later than 120 days after the end of our fiscal year covered by this report and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

Information as to Item 14 will be set forth in an amendment to this Form 10-K to be filed on Form 10-K/A with the Securities and Exchange Commission no later than 120 days after the end of our fiscal year covered by this report and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules*(1) Financial Statements*

The consolidated financial statements of Continental Resources, Inc. and Subsidiaries and the Report of Independent Registered Public Accounting Firm are included in Part II, Item 8 of this report. Reference is made to the accompanying Index to Consolidated Financial Statements.

(2) Financial Statement Schedules

All financial statement schedules have been omitted because they are not applicable or the required information is presented in the financial statements or the notes thereto.

(3) Index to Exhibits

The exhibits required to be filed or furnished pursuant to Item 601 of Regulation S-K are set forth below.

- | | |
|--------|---|
| 3.1* | <u>Conformed version of Fifth Amended and Restated Certificate of Incorporation of Continental Resources, Inc.</u> |
| 3.2* | <u>Fifth Amended and Restated Bylaws of Continental Resources, Inc.</u> |
| 4.1 | <u>Indenture dated as of April 5, 2013 among Continental Resources, Inc., Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC and Wilmington Trust, National Association, as trustee, filed as Exhibit 4.1 to the Company's Form 10-Q for the quarter ended March 31, 2018 (Commission File No. 001-32886) filed May 2, 2018 and incorporated herein by reference.</u> |
| 4.2 | <u>Indenture dated as of May 19, 2014 among Continental Resources, Inc., Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC and Wilmington Trust, National Association, as trustee, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed May 22, 2014 and incorporated herein by reference.</u> |
| 4.3 | <u>Indenture dated as of December 8, 2017 among Continental Resources, Inc., Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC, The Mineral Resources Company and Wilmington Trust, National Association, as trustee, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed December 12, 2017 and incorporated herein by reference.</u> |
| 4.4 | <u>Indenture dated as of November 25, 2020 among Continental Resources, Inc., Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC, The Mineral Resources Company and Wilmington Trust, National Association, as trustee, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed November 25, 2020 and incorporated herein by reference.</u> |
| 4.5 | <u>Indenture dated as of November 22, 2021 among Continental Resources, Inc., Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC, The Mineral Resources Company and Wilmington Trust, National Association, as trustee, filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed November 22, 2021 and incorporated herein by reference.</u> |
| 10.1*† | <u>Form of Indemnification Agreement between Continental Resources, Inc. and each of the directors, executive officers and advisory board members.</u> |
| 10.2 | <u>Revolving Credit Agreement dated October 29, 2021 among Continental Resources, Inc., as borrower, and its subsidiaries Banner Pipeline Company L.L.C., CLR Asset Holdings, LLC and The Mineral Resources Company as guarantors, MUFG Union Bank, N.A., as Administrative Agent, MUFG Union Bank, N.A., BofA Securities, Inc., Mizuho Bank, Ltd., TD Securities (USA) LLC, U.S. Bank National Association, Royal Bank of Canada, Wells Fargo Securities, LLC, and Truist Securities, Inc. as Joint Lead Arrangers and Joint Bookrunners, and the other lenders named therein filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed November 3, 2021 and incorporated herein by reference.</u> |

10.3	<u>Amendment No. 1 and Agreement dated August 24, 2022 among Continental Resources, Inc., as borrower, and its subsidiaries Banner Pipeline Company L.L.C., CLR Asset Holdings, LLC, The Mineral Resources Company, Continental Innovations LLC, SCS1 Holdings LLC, Jagged Peak Energy LLC, and Parsley SoDe Water LLC, as guarantors, MUFG Bank, Ltd. (as successor to MUFG Union Bank, N.A.), as Administrative Agent, the lenders party thereto and the Issuing Banks, filed as Exhibit (d)(16) to the Schedule TO (Commission File No. 005-82887) filed October 24, 2022 and incorporated herein by reference.</u>
10.4	<u>Term Loan Agreement, dated as of November 10, 2022, by and among Continental Resources, Inc., as borrower, and MUFG Bank, LTD., as administrative agent, and the banks and other financial institutions party thereto as lenders filed as Exhibit 10.1 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed November 10, 2022 and incorporated herein by reference.</u>
10.5	<u>Amendment No. 2 to Revolving Credit Agreement, dated as of November 10, 2022, by and among (i) Continental Resources, Inc., as borrower, (ii) Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC, The Mineral Resources Company, Continental Innovations LLC, SCS1 Holdings LLC, Jagged Peak Energy LLC and Parsley SoDe Water LLC, as guarantors, (iii) MUFG Bank, LTD., as administrative agent, and (iv) the banks and other financial institutions party thereto as lenders filed as Exhibit 10.2 to the Company's Current Report on Form 8-K (Commission File No. 001-32886) filed November 10, 2022 and incorporated herein by reference.</u>
10.6†	<u>Continental Resources, Inc. Deferred Compensation Plan filed as Exhibit 10.2 to the Company's Form 10-Q for the quarter ended September 30, 2018 (Commission File No. 001-32886) filed October 29, 2018 and incorporated herein by reference.</u>
10.7†	<u>First Amendment to the Continental Resources, Inc. Deferred Compensation Plan filed as Exhibit 10.1 to the Company's Form 10-Q for the quarter ended March 31, 2014 (Commission File No. 001-32886) filed May 8, 2014 and incorporated herein by reference.</u>
10.8†	<u>Second Amendment to the Continental Resources, Inc. Deferred Compensation Plan adopted and effective as of May 23, 2014 filed as Exhibit 10.15 to the Company's Registration Statement on Form S-4 (Commission File No. 333-196944) filed June 20, 2014 and incorporated herein by reference.</u>
10.9*†	<u>Third Amended and Restated Continental Resources, Inc 2013 Long-Term Incentive Plan.</u>
10.10*†	<u>Continental Resources, Inc. Second Amended and Restated 2022 Long-Term Incentive Plan.</u>
10.11*†	<u>Replacement Restricted Stock Unit Agreement – Employee Agreement for Continental Resources, Inc. 2013 Long-Term Incentive Plan and 2022 Long-Term Incentive Plan.</u>
10.12*†	<u>Cash Award Agreement – Continental Resources, Inc. Second Amended and Restated 2022 Long-Term Incentive Plan.</u>
21*	<u>Subsidiaries of Continental Resources, Inc.</u>
31.1*	<u>Certification of the Company's Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. Section 7241).</u>
31.2*	<u>Certification of the Company's Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. Section 7241).</u>
32**	<u>Certification of the Company's Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).</u>
99*	<u>Report of Ryder Scott Company, L.P., Independent Petroleum Engineers and Geologists</u>

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101.INS*	Inline XBRL Instance Document - the Inline XBRL Instance Document does not appear in the Interactive Data file because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

** Furnished herewith

† Management contracts or compensatory plans or arrangements filed pursuant to Item 601(b)(10)(iii) of Regulation S-K.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Continental Resources, Inc. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CONTINENTAL RESOURCES, INC.

By: /S/ DOUG LAWLER

Name: Doug Lawler

Title: President and Chief Executive Officer

Date: February 22, 2023

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Continental Resources, Inc. and in the capacities and on the dates indicated.

Signature

Title

Date

/s/ HAROLD G. HAMM

Executive Chairman and Director

February 22, 2023

Harold G. Hamm

/s/ DOUG LAWLER

President, Chief Executive Officer, and Director
(principal executive officer)

February 22, 2023

Doug Lawler

Executive Vice President, Chief Culture and Administrative
Officer and Director

/s/ SHELLY LAMBERTZ

February 22, 2023

Shelly Lambertz

Chief Financial Officer and Executive Vice President of
Strategic Planning
(principal financial and accounting officer)

/s/ JOHN D. HART

February 22, 2023

John D. Hart

**AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION OF
CONTINENTAL RESOURCES, INC.**

The undersigned James R. Webb hereby certifies that:

A. He is the duly elected and acting Senior Vice President, General Counsel and Secretary of Continental Resources, Inc. (the “*Corporation*”).

B. The Corporation was originally incorporated as Shelly Dean Oil Company, and the original Certificate of Incorporation was filed with the Secretary of State of Oklahoma on November 16, 1967, with amendments filed on September 23, 1976, June 30, 1980, January 30, 1987, June 25, 1987, June 21, 1991, October 1, 1991, and May 6, 1993 (as amended, the “*Original Certificate*”).

C. The Original Certificate was amended and restated by the Amended and Restated Certificate of Incorporation filed with the Secretary of State of Oklahoma on July 16, 1998 (the “*Restated Certificate*”).

D. The Restated Certificate was amended and restated by the Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Oklahoma on January 8, 2001, with amendments filed on July 20, 2001, and December 22, 2004 (as amended, the “*Second Restated Certificate*”).

E. The Second Restated Certificate was amended and restated by the Third Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Oklahoma on May 17, 2007, with amendments filed on June 15, 2015, and May 21, 2020 (as amended, the “*Third Amended and Restated Certificate*”).

F. The Third Amended and Restated Certificate was amended and restated by the Fourth Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Oklahoma on November 22, 2022 (as amended, the “*Fourth Amended and Restated Certificate*”).

G. This Fifth Amended and Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Sections 1077 and 1080 of the Oklahoma General Corporation Act (the “*Act*”) by resolution of the Board of Directors of the Corporation (the “*Board*”) and by written consent of the holders of not less than a majority of the outstanding stock of the Corporation entitled to vote thereon, and written notice of the corporate action has been given to the shareholders of the Corporation, if any, who have not so consented in writing, all in accordance with the provisions of the Act (the “*Fifth Amended and Restated Certificate*”).

H. The text of the Fifth Amended and Restated Certificate is hereby amended and restated to read in its entirety as follows:

SECTION 1. *Name.* The name of the corporation (“*Corporation*”) is:

Continental Resources, Inc.

SECTION 2. *Registered Office and Agent.* The address of the registered office of the Corporation in the State of Oklahoma is 1833 South Morgan Road, Oklahoma City, Oklahoma County, Oklahoma 73128. The name of its registered agent at such address is CT Corporation.

SECTION 3. *Purposes.* The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the Act.

SECTION 4. *Existence.* The term of the Corporation is perpetual.

SECTION 5. *Authorized Capital Stock.*

5.1 *Authorized Shares.* The total number of shares of all classes of stock which the Corporation shall have authority to issue is 1,025,000,000 shares, consisting of 1,000,000,000 shares of Common Stock, par value one cent (\$.01) per share (the “*Common Stock*”), and 25,000,000 shares designated as Preferred Stock, par value one cent (\$.01) per share (the “*Preferred Stock*”). The holders of a majority of the stock entitled to vote may increase or decrease the number of authorized shares of Preferred Stock without a separate vote of holders of Preferred Stock as a class.

5.2 *Preferred Stock.* The Preferred Stock may be issued from time to time in one or more series. The Board of Directors and the Executive Committee (if any) are each authorized: (i) to provide by resolution or resolutions from time to time for the issuance of shares of Preferred Stock in one or more series; (ii) to establish from time to time the number of shares to be included in each such series; (iii) (to the extent not expressly provided for herein) to fix the designations, preferences and relative, participating, optional or other special rights of the shares of each such series and the qualifications, limitations or restrictions, if any, thereof, by filing one or more certificates pursuant to the Act (hereinafter, referred to as a “*Preferred Stock Designation*”); and (iv) to increase or decrease the number of shares of any such series to the extent permitted by the Act and the Preferred Stock Designation (but not below the number of shares thereof then outstanding). The Board of Directors and the Executive Committee shall each have the authority with respect to each series, including, but not be limited to, determination of the following:

(a) The designation of the series, which may be by distinguishing the number, letter or title of such series;

(b) The number of shares of the series;

(c) Whether dividends, if any, shall be paid in cash or in capital stock or other securities, whether such dividends shall be cumulative (and, if so, from which date or dates for each such series) or noncumulative, the preference or relation which such dividends, if any, shall bear to the dividends payable on any other class or classes or any other series of capital stock, and the dividend rate, if any, of the series;

(d) Conditions and dates upon which dividends, if any, shall be payable;

(e) The redemption rights and redemption price or prices, if any, for shares of the series;

(f) The terms and amount of any sinking fund provided for the purchase or redemption of shares of the series;

(g) The amounts payable on and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

(h) Whether the shares of the series shall be convertible into or exchangeable for shares of any other class or series of capital stock, or any other security, of the Corporation or any other corporation and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable, and all other terms and conditions upon which such conversion or exchange may be made;

(i) Restrictions on the issuance of shares of the same series or of any other class or series;

(j) The voting rights, if any, of the holders of shares of the series, whether as a class or otherwise, with respect to the election of Directors or otherwise;

(k) The price or other consideration for which shares of the series shall be issued and, if deemed desirable, the stated value or other valuation of the shares constituting such series; and

(l) Any other relative rights, preferences and limitations of that series.

5.3 *Common Stock.*

(a) The Corporation may issue Common Stock from time to time in one or more series, without further shareholder approval. The Board of Directors and the Executive Committee (if any) are each hereby authorized to fix or alter the rights, preferences, privileges and restrictions granted to or imposed upon each series of Common Stock, and the number of shares constituting any such series and the designation thereof, or of any of them. The rights, privileges, preferences and restrictions of any such additional series may be subordinated to, *pari passu* with (including provisions with respect to dividends, liquidation and acquisition preferences, redemption, conversion, approval of matters by vote or combination of the foregoing), or senior to any of those of any present or future class or series of Common Stock; provided that at least one series of Common Stock shall entitle its holders to one vote for each share held on all matters voted upon by the shareholders and shall not be subject to redemption. The Board of Directors and the Executive Committee are each also authorized to increase or decrease the number of shares of any series before or after the issue of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be so decreased, the shares constituting such decrease shall resume the status that they had before the adoption of the resolution originally fixing the number of shares of such series.

(b) Unless otherwise designated by the Board of Directors or the Executive Committee, the Common Stock shall have no preferences as to dividends or liquidation, shall not be subject to redemption, and shall entitle its holders to one vote for each share held on all matters voted upon by the shareholders.

SECTION 6. *Board of Directors; Executive Committee; Management of the Corporation.*

6.1 *Director Discretion.* In determining what he or she reasonably believes to be in the best interests of the Corporation in the performance of his or her duties as a Director (including a member of the Executive Committee, if any), a Director may consider, to the extent permitted by law, both in the consideration of tender and exchange offers, mergers, consolidations and sales of all or substantially all of the Corporation's assets and otherwise, such factors as the Board of Directors or the Executive Committee determines to be relevant, including, without limitation:

(a) The long-term and short-term interests of the Corporation and its shareholders, including the possibility that the interests may be best served by the continued independence of the Corporation;

(b) Whether the proposed transaction might violate state or federal laws;

(c) If applicable, not only the consideration being offered in a proposed transaction, the estimated price that might be achieved in a negotiated sale of the Corporation as a whole or in part through orderly liquidation, the premiums over market price for the securities of other corporations in similar transactions, current political, economic and other factors bearing on securities prices, and the Corporation's financial condition and future prospects; and

(d) The interests of the Corporation's employees, suppliers, creditors and customers, the economy of the state, region and nation, and community and societal considerations.

In connection with any such evaluation, the Board of Directors and the Executive Committee are each authorized to conduct such investigations and to engage in such legal proceedings as the Board of Directors may determine.

6.2 *Management of Business.* The following provisions are included for the management of the business and for the conduct of the affairs of the Corporation and for the purpose of creating, defining, limiting and regulating the powers of the Corporation and its Directors and shareholders.

(a) Subject to the rights of any holders of any series of Preferred Stock, if any, to elect additional Directors under specified circumstances, the holders of a majority of the combined voting power of the then outstanding stock of the Corporation entitled to vote generally in the election of Directors may remove any Director or the entire Board of Directors, with or without cause.

(b) The Bylaws may provide for the designation of one or more Directors to serve on an Executive Committee. As authorized under subsection A of Section 1027 of the Act, the Executive Committee and its members may exercise or perform any of the powers or duties otherwise conferred or imposed upon the Board of Directors or the Directors under the Act. The acts of the Executive Committee shall not take precedence over any conflicting act of the Board of Directors. Any reference to the Executive Committee in this Fifth Amended and Restated Certificate shall not be construed to require the existence of such a committee for purposes of this document, but are included to clarify the scope of authority available to such committee, if constituted.

(c) Vacancies in the Board of Directors or the Executive Committee resulting from death, resignation, retirement, disqualification, removal from office or other cause and newly created Directorships resulting from any increase in the authorized number of Directors shall be filled in the manner provided in the Bylaws of the Corporation.

(d) The election of Directors may be conducted in any manner approved by the Board of Directors at the time when the election is held and need not be by written ballot.

(e) All corporate powers and authority of the Corporation (except as at the time otherwise provided by law, by this Certificate of Incorporation or by the Bylaws) shall be jointly vested in and severally exercised by the Board of Directors and the Executive Committee.

(f) The Board of Directors and the Executive Committee shall each have the power without the assent or vote of the shareholders to adopt, amend, alter or repeal the Bylaws of the Corporation.

6.3 *Limitation of Director Liability.* No Director (including a Director serving as a member of the Executive Committee, if any) shall be personally liable to the Corporation or its shareholders for monetary damages for any breach of fiduciary duty by such Director as a Director (or member of the Executive Committee). Notwithstanding the foregoing sentence, a Director shall be liable to the extent provided by applicable law: (a) for breach of the Director's duty of loyalty to the Corporation or its shareholders; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) under Section 1053 of the Act; or (d) for any transaction from which the Director derived an improper personal benefit. No amendment to or repeal of this Section shall apply to or have any effect on the liability or alleged liability of any Director for or with respect to any acts or omissions of such Director occurring before such amendment.

SECTION 7. *Reservation of Right to Amend.* The Corporation reserves the right to amend, alter, change, or repeal any provisions of this Certificate of Incorporation in the manner now or later prescribed by statute. All rights, powers, privileges, and discretionary authority granted or conferred upon shareholders or Directors are granted subject to this reservation.

The foregoing Fifth Amended and Restated Certificate of Incorporation has been duly adopted by the Corporation's Board of Directors and shareholders in accordance with the applicable provisions of Sections 1077 and 1080 of the Act and is executed this February 9, 2023, by the Senior Vice President, General Counsel and Secretary of the Corporation.

CONTINENTAL RESOURCES, INC.

By: /s/ James R. Webb

James R. Webb, Senior Vice President,
General Counsel and Secretary

**FIFTH AMENDED AND RESTATED
BYLAWS
OF
CONTINENTAL RESOURCES, INC.**

An Oklahoma Corporation

Effective as of:

February 9, 2023

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FIFTH AMENDED AND RESTATED

BYLAWS

OF

CONTINENTAL RESOURCES, INC.

(an Oklahoma corporation)

Article 1

Definitions

1.1 *Definitions.* Unless the context clearly requires otherwise, in these Bylaws:

- (a) “Act” means the Oklahoma General Corporation Act;
- (b) “Board” means the Board of Directors of the Corporation;
- (c) “Bylaws” mean these Bylaws and includes amendments subsequently adopted by the Board, any Executive Committee, or the Shareholders;
- (d) “Certificate of Incorporation” means the Certificate of Incorporation of the Corporation as filed with the Secretary of State of the State of Oklahoma and includes all amendments subsequently filed;
- (e) “Corporation” means Continental Resources, Inc.;
- (f) “Shareholder” means a Shareholder of record of the Corporation; and
- (g) “Shareholder Agreement” refers to the Harold G. Hamm Family Shareholders’ Agreement dated February 7, 2022, as amended.

1.2 *Title of Office.* The title of an office refers to the person or persons who at any given time perform the duties of that particular office for the Corporation.

Article 2

Offices

2.1 *Principal Office.* The Corporation may locate its principal office within or without the state of incorporation as the Board or any Executive Committee may determine.

2.2 *Registered Office.* The registered office of the Corporation required by law to be maintained in the state of incorporation may be, but need not be, identical with the principal office of the Corporation. The Board or any Executive Committee may change the address of the registered office from time to time.

2.3 *Other Offices.* The Corporation may have offices at such other places, either within or without the state of incorporation, as the Board or any Executive Committee may designate or as the business of the Corporation may require from time to time.

Article 3
Meetings of Shareholders

3.1 *Annual Meetings.* The Shareholders of the Corporation shall hold their annual meetings for electing Directors and for the transaction of such other proper business as may come before the meetings at such time, date and place (if any) as the Board, Executive Committee, Executive Chairman, or the CEO shall determine by resolution.

3.2 *Special Meetings.* The Board, Executive Committee, Executive Chairman, or CEO duly designated and whose powers and authority include the power to call meetings may call special meetings of the Shareholders of the Corporation at any time for any purpose or purposes.

3.3 *Place of Meetings.* The Board, Executive Committee, Executive Chairman, or CEO shall specify in the notice or waiver of notice for a meeting the place, if any, where the Shareholders are to meet. A place may be within or without the State of Oklahoma. In lieu of or in addition to a place, the Board, Executive Committee, Executive Chairman, or CEO may direct that the meeting be held by means of remote communication if: (a) the Corporation has implemented reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a Shareholder or proxyholder; (b) the Corporation has implemented measures to provide the Shareholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Shareholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (c) if any Shareholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action shall be maintained by the Corporation.

3.4 *Notice of Meetings.* Unless waived by all Shareholders, the Board, Executive Committee, Executive Chairman, or CEO shall give written notice (which may be by electronic transmission) of each meeting of Shareholders, whether annual or special, not less than ten nor more than 60 days before the date of the meeting; provided, however, that if the purpose of the meeting is to vote on a merger, a consolidation, a share acquisition under Section 1090.1 of the Act, or the sale, lease or exchange of all or substantially all of the Corporation's property and assets, written notice shall be delivered not less than 20 nor more than 60 days before the date of the meeting. An affidavit of the Secretary or an Assistant Secretary that he or she has given notice shall constitute, in the absence of fraud, prima facie evidence of the facts stated in the affidavit.

Every notice of a meeting of the Shareholders shall state the place (if any), date and hour of the meeting, the means of remote communications (if any) by which Shareholders and proxyholders may be deemed to be present in person and vote at the meeting and, in the case of a special meeting, the purpose or purposes of the meeting.

3.5 *Waiver of Notice.* Whenever these Bylaws require written notice or an electronic transmission, a written waiver of notice, signed by the person entitled to notice, or an electronic transmission issued by the person entitled to notice, whether before or after the time stated in the notice, shall constitute the equivalent of notice. Attendance of a person at any meeting shall constitute a waiver of notice of the meeting, except when the person attends the meeting for the express purpose of objecting to the call of the meeting and makes an objection at the beginning of the meeting. A written waiver of notice need not specify either the business to be transacted at, or the purpose or purposes of any annual or special meeting of the Shareholders, Directors, members

of any Executive Committee, or members of a committee of the Board or any Executive Committee.

3.6 *Reconvened Meetings.* If the Shareholders adjourn a meeting intending to reconvene the meeting at another time or place (if any), notice need not be given of the meeting to be reconvened if the time and place (if any) thereof, and the means of remote communications (if any) by which Shareholders and proxyholders may be deemed to be present in person and vote at the adjourned meeting are announced before adjournment and the meeting is to be reconvened no more than 30 days after the adjourned meeting. At the reconvened meeting, the Shareholders may transact any business that they may have transacted at the original meeting. If the adjournment is for more than 30 days or, if after the adjournment, the Board, Executive Committee, Executive Chairman, or CEO fixes a new record date, or changes the time or place (if any) of, or the means of remote communication for the reconvened meeting, the Board, Executive Committee, Executive Chairman, or CEO shall give notice of the meeting to be reconvened to each Shareholder of record entitled to vote.

3.7 *Quorum.* The presence in person or by proxy of the holders of a majority of all the shares entitled to vote at the meeting shall constitute a quorum for the purpose of convening or reconvening any meeting of the Shareholders. Except as otherwise required by law, the Shareholders may continue to transact any and all business properly before the meeting despite the loss of a quorum, if a quorum was established and the meeting properly convened. In the absence of a quorum, the holders of a majority of the shares entitled to vote who are then present in person or by proxy or any officer entitled to preside at, or to act as secretary of, the meeting may adjourn the meeting to another place, date or time.

3.8 *Organization.* The Executive Chairman, or in the absence of such a person, the highest-ranking officer of the Corporation who is present shall call to order any meeting of the Shareholders, determine the presence of a quorum, and act as Chairman of the meeting. In the absence of the Secretary or an Assistant Secretary of the Corporation, the Chairman shall appoint the secretary of the meeting.

3.9 *Conduct of Business.* The Executive Chairman shall determine the order of business of any Shareholders meeting and the procedure at the meeting, including such regulations of the manner of voting and the conduct of discussion, as he or she deems appropriate for the good of the Shareholders present. The Managing Shareholder or his or her designee shall serve as Executive Chairman. If two individuals are serving as Managing Shareholder, then the role of Executive Chairman will be filled by the Managing Shareholder designated to act as Executive Chairman as contemplated by the Shareholders' Agreement. If the Managing Shareholders have not designated one of them to act as Executive Chairman, then the Managing Shareholders shall act together as Executive Chairman as contemplated under the Shareholders' Agreement. If two Managing Shareholders are serving as Executive Chairman, any reference herein to "Executive Chairman" shall be deemed a reference to both individuals.

3.10 *Fixing of the Record Date.* To determine Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, or Shareholders entitled to receive payment of any dividend, or to determine Shareholders for any other proper purpose, the Board or any Executive Committee may fix in advance a date as the record date for any such determination of Shareholders, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board or any Executive Committee. The Board or any Executive

Committee shall not fix the date more than 60 days before the date of the particular action and, when determining shareholders entitled to notice of a meeting or any adjournment, the record date shall not be less than ten days before the date of the meeting. When the Board or any Executive Committee fixes the record date for a meeting notice, it may determine that a later date on or before the date of the meeting shall be the record date for determining the shareholders entitled to vote at such meeting.

If the Board or any Executive Committee does not fix a record date for the determination of Shareholders entitled to notice of or to vote at a meeting of Shareholders, the date of the mailing of notice or the date on which the Board or any Executive Committee adopts the resolution declaring a dividend, as the case may be, shall be the record date for the determination of Shareholders. If the Board or any Executive Committee does not fix a record date and action is to be taken by the written consent of the Shareholders, the record date shall be the first date on which a signed written consent is delivered to the Corporation; provided, however, if prior action by the Board or any Executive Committee is required under the Act, the record date shall be at the close of business of the day on which the Board or any Executive Committee adopts the resolution taking such prior action.

3.11 *Voting of Shares.* Subject to the Certificate of Incorporation and to Article VI of the Shareholder Agreement, each Shareholder shall have one vote for every share of stock having voting rights registered in his or her name on the record date for the meeting. The Corporation shall not have the right to vote its treasury stock, nor shall another corporation have the right to vote its stock of the Corporation if the Corporation holds, directly or indirectly, a majority of the shares entitled to vote in the election of Directors of the other corporation. Nevertheless, persons holding stock of the Corporation in a fiduciary capacity (including the Corporation) shall have the right to vote the stock. Persons who have pledged their stock of the Corporation have the right to vote the stock unless in the transfer on the books of the Corporation the pledgor expressly empowered the pledgee to vote the stock. In that event, only the pledgee, or his or her proxy, may represent and vote the stock.

A plurality of the votes cast shall determine all elections and, except when the law or a resolution of the Board or any Executive Committee requires otherwise, a majority of the votes cast shall determine all other matters.

The Shareholders may vote by voice vote or electronic medium as determined by the Executive Chairman on all matters. Upon demand by a Shareholder entitled to vote, or his or her proxy, however, the Shareholders shall vote by ballot. In that event, each ballot shall state the name of the Shareholder or proxy voting, the number of shares voted and such other information as the Corporation may require under the procedure established for the meeting. If authorized by the Board or any Executive Committee, the ballot requirement may be satisfied by a ballot submitted by electronic transmission, if the electronic transmission sets forth or is submitted with information from which it can be determined that the electronic transmission was authorized by the shareholder or proxyholder.

3.12 *Inspectors.* At any meeting in which the Shareholders vote by ballot, the Board or any Executive Committee may appoint an inspector or inspectors. Each inspector shall subscribe an oath to execute the duties of an inspector at the meeting faithfully, with strict impartiality, and according to the best of his or her ability. The inspector or inspectors shall decide the qualification of the voters and shall report the number of shares represented at the meeting and entitled to vote

on any question, shall conduct and accept the votes, and, when the Shareholders have completed voting, ascertain and report the number of shares voted respectively for and against the question. The inspector or inspectors shall prepare a subscribed, written report and shall deliver the report to the Secretary of the Corporation. An inspector need not be a Shareholder of the Corporation, and any officer of the Corporation may act as an inspector on any question other than a vote for or against a proposal in which he or she has a material interest.

3.13 *Proxies.* A Shareholder may exercise any voting rights in person or by his or her proxy appointed by an instrument in writing or by electronic transmission, which the Shareholder or his or her authorized attorney-in-fact has subscribed and which the proxy has delivered to the secretary of the meeting.

A proxy is not valid after the expiration of three years after the date of its execution, unless the person executing it specifies thereon the length of time for which it is to continue in force (which length may exceed three years) or limits its use to a particular meeting.

The attendance at any meeting of a Shareholder who previously has given a proxy shall not revoke the proxy unless he or she notifies the Secretary in writing or by electronic transmission before the voting of the proxy.

3.14 *Consent of Shareholders in Lieu of Meeting.* The Shareholders may take any action that they could take at any annual or special meeting without a meeting, prior notice, or a vote if the holders of outstanding stock having the number of votes necessary to authorize or take the action at a meeting at which all shares entitled to vote were present and voted, sign a written consent or consents, setting forth the action taken, and deliver the consent or consents to the Corporation. To be effective, a consent or consents representing the required number of votes must be delivered to the Corporation within 60 days of the day that the first consent was delivered with respect to the action taken.

The Secretary or an Assistant Secretary shall note the delivery date on each written consent delivered to the Corporation and shall give prompt notice of the taking of any action by less than unanimous consent to the Shareholders who have not delivered written consents.

A Shareholder may act by an electronic transmission, if the electronic transmission sets forth or is delivered with information from which the Corporation can determine: (a) that the electronic transmission was transmitted by the Shareholder or proxyholder or by a person or persons authorized to act for the Shareholder or proxyholder; and (b) the date on which the Shareholder or proxyholder or authorized person or persons made the electronic transmission. Unless otherwise indicated, the date on which the electronic transmission is made shall be deemed to be the date on which the consent was signed. A consent given by electronic transmission is deemed to have been delivered when the consent is received by the Corporation at terminal used by the Secretary for the receipt of the transmissions. Any copy, electronic or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used.

Article 4

Board of Directors

4.1 *General Powers.* The Board, Executive Committee or either of them shall manage the property, business and affairs of the Corporation.

4.2 *Executive Committee.* The Corporation may have an Executive Committee composed of Directors appointed by the Board. As authorized in the Corporation's certificate of incorporation, any Executive Committee will have and may exercise all the powers and authority of the Board in the management of the property, business and affairs of the Corporation. Any references to the Executive Committee in these Bylaws shall not be construed to require the existence of an Executive Committee for purposes of this document, but are included to clarify the scope of authority available to an Executive Committee, if constituted.

4.3 *Number.* The number of Directors composing the Board shall equal not less than one or more than ten, as the Board may determine by resolution from time to time. Unless an election is contested, a Board resolution nominating persons for election shall suffice to evidence the fixing of the number of Directors constituting the Board.

4.3 *Election of Directors and Term of Office.* The Shareholders of the Corporation shall elect the Directors at the annual or adjourned annual meeting (except as otherwise provided for the filling of vacancies) or by written consent in lieu of a meeting. Each Director shall hold office until his or her death, resignation, retirement, removal, or disqualification, or until his or her successor shall have been elected and qualified.

4.4 *Resignations.* Any Director of the Corporation may resign at any time by giving written notice or an electronic transmission to the Board or to the Secretary of the Corporation. Any resignation shall take effect upon receipt or at the time specified in the notice. Unless the notice specifies otherwise, the effectiveness of the resignation shall not depend upon its acceptance.

4.5 *Removal.* Shareholders holding a majority of the outstanding shares entitled to vote at an election of Directors may remove any Director at any time with or without cause.

4.6 *Vacancies.* A majority of the remaining Directors, although less than a quorum, or the Executive Committee may fill any vacancy in the Board, whether because of death, resignation, disqualification, an increase in the number of Directors, or any other cause. Each Director so chosen shall hold office until his or her death, resignation, retirement, removal, or disqualification, or until his or her successor shall have been elected and qualified.

4.7 *Executive Chairman.* The Managing Shareholder(s) shall serve as Executive Chairman of the Board. If he or she is unable or unwilling to serve, the Directors may elect from their number a Chairman of the Board. The Executive Chairman shall preside at all meetings of the Board and shall perform such other duties as the Board may direct. The Board also may elect a Vice Chairman and other officers of the Board, with the powers and duties as the Board may designate from time to time.

4.8 *Compensation.* The Board may compensate Directors for their services and may provide for the payment of all expenses the Directors incur by attending meetings of the Board.

4.9 *Advisory Members of the Board and/or Executive Committee.* The Board or any Executive Committee may appoint from one to seven (as it may decide from time to time) Advisory Members of the Board and/or any Executive Committee ("Advisory Members"), who may meet with the Board, Executive Committee or any Board committees at such meetings to which they are invited by Board, Executive Committee or Executive Chairman, and give the Board, Executive Committee or Board committees the benefit of their advice and counsel. The Advisory Members may be elected at any regular or special meeting of the Board or the Executive Committee, serve

at the pleasure of the Board and/or any Executive Committee, have no right to voice or vote, and are not counted for quorum purposes. Advisory Members are not subject to any of the duties or obligations applicable to Directors under state or other applicable laws or regulations.

Article 5

Meetings of Directors

5.1 *Regular Meetings.* The Board may hold regular meetings at such places (if any), dates and times as the Board shall establish. The Board need not give notice of regular meetings.

5.2 *Place of Meetings.* The Board may hold its meetings wherever or however designated by the Board, the notice or waiver of notice of any meeting, or the persons calling the meeting.

5.3 *Meetings by Telecommunications.* The Board or any committee of the Board may hold meetings by means of conference telephone, video conferencing, web-casting or other telecommunications equipment that enable all persons participating in the meeting to hear and speak to each other. Such participation shall constitute presence in person at the meeting.

5.4 *Special Meetings.* The Executive Chairman, the CEO or a majority of the Directors then in office may call a special meeting of the Board. The person or persons authorized to call special meetings of the Board may fix any time during a business day as the time for the meeting and may fix a reasonable place (if any) as the place for the meeting.

5.5 *Notice of Special Meetings.* The person or persons calling a special meeting of the Board shall give written notice to each Director of the time, place (if any), date and purpose of the meeting. Such notice shall be given not less than three business days if by U.S. postal service, not less than two business days if by overnight delivery service, and not less than 24 hours if by e-mail or other electronic transmission, or in person. A Director may waive notice of any special meeting. Any meeting shall constitute a legal meeting without notice if all the Directors are present or if those not present sign either before or after the meeting a written waiver of notice, a consent to the meeting, or an approval of the minutes of the meeting. A notice or waiver of notice need not specify the purposes of the meeting or the business that the Board will transact at the meeting.

5.6 *Waiver by Presence.* Except when expressly for objecting to the legality of a meeting, a Director's presence at a meeting shall constitute a waiver of notice of the meeting.

5.7 *Quorum.* A majority of the Directors then in office shall constitute a quorum for all purposes at any meeting of the Board. In the absence of a quorum, a majority of Directors present at any meeting may adjourn the meeting to another place (if any), date or time without further notice.

5.8 *Conduct of Business.* The Board shall transact business in such order and manner as the Board may determine. Except as otherwise required, the Board shall determine all substantive, procedural, or other matters by the vote of a majority of the Directors present. Any Director may add to the Board's agenda any item germane to the Corporation's property, business, or affairs.

5.9 *Action by Consent.* The Board, Executive Committee, or a committee of the Board or any Executive Committee may take any required or permitted action without a meeting if all members of the Board, Executive Committee or committee sign a written consent and file the consent with the minutes of the proceedings of the Board, Executive Committee, or committee.

An electronic transmission will constitute a written consent if it sets forth or is delivered with information from which the Corporation can determine that the director sent the electronic transmission and the date on which he or she sent it.

5.10 *Emergency Bylaws.* In the event of any emergency, disaster or catastrophe, as referred to in Section 1014 of the Act, or other similar emergency condition, as a result of which a quorum of the Board, Executive Committee, or a standing committee cannot readily be convened for action, then the director or directors in attendance at the meeting shall constitute a quorum. Such director or directors in attendance may further take action to appoint one or more of themselves or other directors to membership on any standing or temporary committees of the Board or any Executive Committee as they deem necessary and appropriate.

5.11 *Rules for the Executive Committee.* If any Executive Committee has two or more members, the rules for its meetings shall be the same as the rules for the Board.

Article 6

Committees

6.1 *Committees of the Board.* The Board may designate one or more committees by a vote of a majority of the Directors then in office.

6.2 *Selection of Committee Members.* The committees shall be composed of a Director or Directors selected by a vote of a majority of the Directors then in office. By the same vote, the Board may designate other Directors as alternate members who may replace any absent or disqualified member at any meeting of a committee. In the absence or disqualification of any member of any committee and any alternate member in his or her place, the member or members of the committee present at the meeting and not disqualified from voting, regardless of whether those not disqualified constitute a quorum, may appoint by majority vote another Director to act at the meeting in the place of the absent or disqualified member.

6.3 *Conduct of Business.* Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as the law or these Bylaws require otherwise. Each committee shall make adequate provision for notice of all meetings to members. A majority of the members shall constitute a quorum, unless the committee consists of one or two members. In that event, one member shall constitute a quorum. A majority vote of the members present shall determine all matters. A committee may take action without a meeting if all the members of the Committee consent in writing and file the consent or consents with the minutes of the proceedings of the committee.

6.4 *Authority.* Subject to the limitations under the Act and to the extent the Board or any Executive Committee provides, any other committee shall have and may exercise the powers and authority of the Board or any Executive Committee in the management of the business and affairs of the Corporation; provided that no committee (other than any Executive Committee) shall have the power or authority that is expressly assigned to the Board under the Act. The committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board or any Executive Committee.

6.5 *Minutes.* Each committee shall keep regular minutes of its proceedings and report the same to the Board and/or any Executive Committee when required.

Article 7

Officers

7.1 *Officers of the Corporation.* The officers of the Corporation shall consist of those that the Board or any Executive Committee may designate and elect from time to time. The same person may hold any number of offices.

7.2 *Election and Term.* The Board or any Executive Committee shall elect the officers of the Corporation. Each officer shall hold office until his or her death, resignation, retirement, removal or disqualification, or until his or her successor shall have been elected and qualified.

7.3 *Compensation of Officers.* The Executive Chairman shall fix the compensation of all officers of the Corporation. No officer shall serve the Corporation in any other capacity and receive compensation unless the Board or any Executive Committee authorizes the additional compensation.

7.4 *Removal of Officers and Agents.* The Board, Executive Committee or Executive Chairman may remove any officer or agent it has elected or appointed at any time, with or without cause.

7.5 *Resignation of Officers and Agents.* Any officer or agent the Board or any Executive Committee has elected or appointed may resign at any time by giving written notice or an electronic transmission to the Board, Executive Committee, Executive Chairman, CEO or Secretary of the Corporation. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified. Unless otherwise specified in the notice, the Board or any Executive Committee need not accept the resignation to make it effective.

7.6 *Executive Chairman.* The Executive Chairman shall supervise and direct the business and affairs of the Corporation. When present, he or she shall sign (with or without the Secretary, an Assistant Secretary, or any other officer or agent of the Corporation which the Board or any Executive Committee has authorized) deeds, mortgages, bonds, contracts or other instruments for the Corporation. The Executive Chairman shall exercise and perform such powers and duties as are usually vested in a chief executive officer and such other powers and duties as the Board or any Executive Committee may prescribe from time to time.

7.7 *Chief Executive Officer.* Subject to the supervisory powers of the Executive Chairman, the Chief Executive Officer of the Corporation shall, subject to the control of the Board and/or any Executive Committee, have general supervision, direction, and control of the business and the officers of the Corporation and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board, Executive Committee, Executive Chairman or these Bylaws.

7.8 *Chief Operating Officer.* Subject to such supervisory powers of the Executive Chairman or the CEO, the Chief Operating Officer shall have supervision of the day-to-day business of the Corporation and shall direct the day-to-day affairs and policies of the Corporation. He or she shall have the general powers and duties of management usually vested in the office of chief operating officer of a corporation and such other powers and duties as may be prescribed by the Board, Executive Committee, Executive Chairman, CEO or these Bylaws.

7.9 *Secretary.* The Secretary shall: (a) keep the minutes of the meetings of the Shareholders and of the Board in one or more books for that purpose; (b) give all notices which

these Bylaws or the law requires; (c) serve as custodian of the records and seal of the Corporation; (d) affix the seal of the Corporation to all documents which the Board or any Executive Committee has authorized execution on behalf of the Corporation under seal; (e) maintain a register of the address of each Shareholder of the Corporation; (f) sign, with the Executive Chairman, the CEO, or any other officer or agent of the Corporation which the Board or any Executive Committee has authorized, certificates for shares of the Corporation; (g) have charge of the stock transfer books of the Corporation; and (h) perform all duties which the Board, Executive Committee, Executive Chairman or CEO may assign to him or her from time to time.

7.10 Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the Corporation in a thorough and proper manner and shall render statements of the financial affairs of the Corporation in such form and as often as required by the Board, Executive Committee, Executive Chairman or the CEO. The Chief Financial Officer, subject to the order of the Board, Executive Committee, Executive Chairman or CEO, shall have the custody of all funds and securities of the Corporation. The Chief Financial Officer shall perform other duties commonly incident to his or her office and shall also perform such other duties and have such other powers as the Board, Executive Committee, Executive Chairman or CEO may designate. The Executive Chairman or the CEO may direct the Treasurer or any Assistant Treasurer or the Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and the Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board, Executive Committee, Executive Chairman or CEO may designate.

7.11 Delegation of Authority. Notwithstanding any provision of these Bylaws to the contrary, the Board or any Executive Committee may delegate the powers or duties of any officer to any other officer or agent.

7.12 Action with Respect to Securities of Other Corporations. Unless the Board or any Executive Committee directs otherwise, the Executive Chairman or the CEO shall have the power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of Shareholders of or with respect to any action of Shareholders of any other corporation in which the Corporation holds securities. Furthermore, unless the Board or any Executive Committee directs otherwise, the Executive Chairman or the CEO shall exercise any and all rights and powers that the Corporation possesses by reason of its ownership of securities in another corporation.

7.13 Vacancies. The Board or any Executive Committee may fill any vacancy in any office because of death, resignation, removal, disqualification or any other cause in the manner that these Bylaws prescribe for the regular appointment to the office.

Article 8

Dividends, Contracts, Loans, Checks, Deposits and Accounts

8.1 Dividends.

(a) Subject to any applicable provisions of law and the Certificate of Incorporation, at any regular or special meeting, the Board or any Executive Committee may declare dividends upon the shares of the Corporation and may pay any such dividend in cash, property, or shares of the Corporation's capital stock.

(b) A member of the Board or any Executive Committee, or a member of any committee designated by the Board or any Executive Committee, shall be fully protected in relying in good faith upon the records of the Corporation and upon the information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board or any Executive Committee, or by any other person as to matters the Director or any Executive Committee member reasonably believes are within such person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation, as to the value and amount of the assets, liabilities and/or net profits of the Corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends, might properly be declared and paid.

8.2 *Contracts.* The Board or any Executive Committee may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. The Board or any Executive Committee may make such authorization general or special. This authorization does not limit the general authority of officers or agents to contract for the Corporation in the ordinary course of business.

8.3 *Loans.* The Board or any Executive Committee may authorize any officer or officers to contract for loans on behalf of the Corporation or to issue evidences of indebtedness in the Corporation's name. The Board or any Executive Committee may make such authorization general or special. This authorization is in addition to the general authority of officers or agents to borrow or incur indebtedness for the Corporation in the ordinary course of business.

8.4 *Checks.* The CEO, the CFO, the Treasurer, any Assistant Treasurer, the Controller, and such other persons as the Board or any Executive Committee shall determine shall issue all checks, drafts and other orders for the payment of money, notes and other evidences of indebtedness issued in the name of or payable by the Corporation.

8.5 *Deposits.* The CFO, the Treasurer, any Assistant Treasurer, or the Controller shall deposit all funds of the Corporation not otherwise employed in such banks, trust companies, or other depositories as the Board or any Executive Committee may select or as any officer, assistant, agent or attorney of the Corporation to whom the Board or any Executive Committee has delegated the power may select. For the purpose of deposit and collection for the account of the Corporation, the CEO, the Treasurer or the Controller (or any other officer, assistant, agent or attorney of the Corporation whom the Board or any Executive Committee has authorized) may endorse, assign and deliver checks, drafts and other orders for the payment of money payable to the order of the Corporation.

8.6 *General and Special Bank Accounts.* The Board, Executive Committee, Executive Chairman, Treasurer or Assistant Treasurer may authorize the opening and keeping of general and special bank accounts with such banks, trust companies, or other depositories and the Board, Executive Committee, Executive Chairman, Treasurer or Assistant Treasurer may select or as any officer, assistant, agent or attorney of the Corporation to whom the Board or any Executive Committee has delegated the power may select. The Board or any Executive Committee may make such special rules and regulations regarding bank accounts as it may deem expedient.

Article 9

Capital Stock and Transfers

9.1 *Presumption of Uncertificated Shares.* Subject to Section 9.2, the shares of the Corporation shall be uncertificated. The Secretary of the Corporation shall record each Shareholder's interest in the Corporation by book-entry, which shall include the Shareholder's name, address and tax identification number, the number, class and series of shares owned, the dates of acquisition and disposition, whether the interest was acquired from the Corporation by original issuance, transfer from treasury, reorganization, stock split, dividend or otherwise or by transfer from another Shareholder, and whether any liens, pledges, restrictions or other limitations or claims are registered against the shares. The book-entry system shall also record the payment of all dividends and distributions. Upon shareholder request, the Secretary shall issue a certified statement indicating the number of shares held of record by the shareholder.

9.2 *Certificates for Shares.* Each Shareholder of the Corporation shall be entitled, upon written or electronic transmission request, to have a certificate or certificates certifying to the number and class of shares of the stock of the Corporation that he or she owns. The Board or any Executive Committee shall determine the form of the certificates for the shares of stock of the Corporation. The Secretary shall number the certificates representing shares of the stock of the Corporation in the order in which the Corporation issues them. The Executive Chairman, CEO or any Vice President and the Secretary or any Assistant Secretary shall sign the certificates in the name of the Corporation, and the signatures may be electronic. If any officer who has signed a certificate, or whose electronic signature appears on a certificate, ceases to serve as the officer before the Corporation issues the certificate, the Corporation may issue the certificate with the same effect as though the person who signed the certificate, or whose electronic signature appears on the certificate, was the officer at the date of issue. The Secretary shall keep a record in the stock transfer books of the Corporation of the names of the persons, firms or corporations owning the stock represented by the certificates, the number and class of shares represented by the certificates and the dates thereof and, in the case of cancellation, the dates of cancellation. The Secretary shall cancel every certificate surrendered to the Corporation for exchange or transfer. Except in the case of a lost, destroyed or mutilated certificate, the Secretary shall not issue a new certificate in exchange for an existing certificate until he or she has canceled the existing certificate. The corporate seal may, but need not, be placed upon the certificates representing the Corporation's shares.

9.3 *Transfer of Shares.*

(a) The transfer of shares is subject to the Shareholder Agreement, which terms and conditions are incorporated into and made a part of these Bylaws. Transfers not covered by the Shareholder Agreement are subject to the prior written consent of the Board or any Executive Committee. Any purported transfer of any shares in violation of this Section is null and void. The granting or denial of a request for such written consent is within the absolute discretion of the Board or any Executive Committee. In these Bylaws, "*transfer*" means an assignment, conveyance, deed, bill of sale, lease, pledge, security interest, encumbrance, gift, grant of any interest, or transfer by operation of law.

(b) Each certificate or other instrument representing shares of the Corporation's stock shall have a legend stamped or typed across the face or on the reverse side substantially in the following form:

“A HOLDER MAY NOT TRANSFER THE SHARES EVIDENCED BY THIS CERTIFICATE OR GRANT ANY INTEREST IN THE SHARES WITHOUT THE CORPORATION’S PERMISSION. RESTRICTIONS ON TRANSFER ARE SET FORTH IN THE CORPORATION’S BYLAWS AND THE SHAREHOLDER AGREEMENT DATED AS OF FEBRUARY 7, 2022 (AS THE SAME MAY BE AMENDED FROM TIME TO TIME). TRANSFERS ARE ALSO RESTRICTED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS.”

(c) A transfer of shares of the Corporation’s stock shall be effective only when registered on the stock transfer books of the Corporation. In the case of uncertificated shares, an appropriate person (as defined in Article 8 of the UCC) shall furnish to the Secretary proper evidence of his or her authority to make the transfer and shall issue a proper instruction regarding the transfer. In the case of certificated shares, an appropriate person shall furnish to the Secretary proper evidence of his or her authority to make the transfer and shall properly endorse and surrender for cancellation his or her existing certificate or certificates for the shares.

(d) If a certificated share is presented to the Corporation with a request to register transfer or an instruction is presented to the Corporation with a request to register transfer (including pledges or releases), the Corporation shall register the transfer if: (i) the transfer complies with the provisions of these Bylaws and any shareholder agreement to which the Shareholders and the Corporation are a party; (ii) the certificate is endorsed or the instruction was originated by an appropriate person; (iii) reasonable assurance is given that those endorsements are genuine and effective; (iv) the Corporation has no duty as to adverse claims or has discharged the duty; (v) any applicable laws relating to the collection of taxes have been satisfied; (vi) any applicable laws relating to the offer and sale of securities have been satisfied; (vii) the transferee (or other assignee of any interest in the shares) has agreed to be bound by all the terms and conditions of these Bylaws and of any shareholder agreement to which the other Shareholders and Corporation are parties; (viii) the transferor or transferee have paid all of the Corporation’s reasonable expenses in connection with the transfer; and (ix) the transfer is in fact rightful and is to a bona fide purchaser.

9.4 *Lost, Stolen, Destroyed and Mutilated Certificates.* The Board or any Executive Committee may direct the Secretary to issue a new certificate, or an equivalent uncertificated share, to any holder of record of shares of the Corporation’s stock claiming that he or she has lost the certificate, or that someone has stolen, destroyed or mutilated the certificate, upon the receipt of an affidavit from the holder to such fact. When authorizing the issue of a new certificate or an equivalent uncertificated share, the Board or any Executive Committee may require as a condition precedent to the issuance that the owner of the certificate give the Corporation a bond of indemnity in such form and amount as the Board or any Executive Committee may direct.

9.5 *Regulations.* The Board or any Executive Committee may make such rules and regulations as it deems expedient concerning the issue, transfer and registration of uncertificated or certificated shares of the stock of the Corporation.

9.6 *Holder of Record.* The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the owner in fact to receive dividends, to vote, if entitled and for all other purposes and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, regardless of whether it shall

have express or other notice, except as expressly provided by law or unless, in the case of a fiduciary, the fiduciary furnishes proof of his or her appointment.

9.7 *Treasury Shares.* Treasury shares of the Corporation shall consist of shares that the Corporation has issued and thereafter acquired but not canceled by resolution of the Board or any Executive Committee. Treasury shares shall not carry voting or dividend rights.

9.8 *Fractional Shares; Issuance of Units.* The Corporation may (a) issue fractional shares of stock, (b) eliminate a fractional interest by rounding off to a full share of stock, (c) arrange for the disposition of a fractional share by the person entitled to it, (d) pay cash for the fair value of a fractional share of stock as determined as of the time when the person entitled to receive it is determined, or (e) provide for the issuance of scrip, all on such terms and under such conditions as the Board or any Executive Committee may determine. Notwithstanding any other provision of the Certificate or these Bylaws, the Board or any Executive Committee may authorize the Corporation to issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board or any Executive Committee may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

Article 10

Indemnification

10.1 *Other Rights; Continuation of Right to Indemnification.* The indemnification provided by this Article shall not be deemed exclusive of any other rights to which any director, officer, Advisory Member, employee or agent seeking indemnification may be entitled under any law (common or statutory), agreement, vote of Shareholders, Board or any Executive Committee or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office or while employed by or acting as agent for the Corporation. The indemnification rights in this Article shall continue after a person has ceased to be director, officer, Advisory Member, employee or agent, and shall inure to the benefit of the estate, heirs, executors and administrators of such person. All rights to indemnification under this Article shall be deemed a contract between the Corporation and each director, officer, Advisory Member, employee or agent of the Corporation who serves or served in such capacity at any time while this Article is in effect. This Article is binding upon any successor corporation to this Corporation, whether by way of acquisition, merger, consolidation or otherwise.

10.2 *Indemnification of Directors, Executive Officers and Advisory Members.* The Corporation shall indemnify its directors, executive officers and Advisory Members to the fullest extent not prohibited by the Act or any other applicable law; provided, however, that the Corporation may modify the extent of such indemnification by individual contracts with its directors and executive officers; and, provided, further, that the Corporation shall not be required to indemnify any director or executive officer in connection with any proceeding (or part thereof) initiated by such person unless: (a) such indemnification is expressly required to be made by law, (b) the proceeding was authorized by the Board or any Executive Committee, (c) such indemnification is provided by the Corporation, in its sole discretion, under the powers vested in the Corporation under the Act or any other applicable law or (d) such indemnification is required to be made under Section 10.5.

10.3 *Indemnification of Other Officers, Employees and Other Agents.* The Corporation may indemnify its other officers, employees and other agents as set forth in the Act or any other applicable law. The Board or any Executive Committee shall have the power to delegate the determination of whether indemnification shall be given to any such person except executive officers to such officers or other persons as the Board or any Executive Committee determines.

10.4 *Advancement of Expenses.* If the Corporation is obligated to provide indemnification under Section 10.2 or 10.3, the Corporation shall advance expenses incurred by an indemnitee in defending any claim, demand, action, suit or proceeding, including any appeal (a “Proceeding”) before final disposition of such Proceeding if the Corporation determines that the indemnitee will more likely than not be able to demonstrate compliance with the standard of conduct set forth under the Act and receives an undertaking by the indemnitee to repay amounts advanced if such person is ultimately determined to be not entitled to indemnification. The determination referred to in the prior sentence shall be made by the disinterested members of the Board or Executive Committee, a committee appointed by the Board or Executive Committee, or special legal counsel specifically retained for the making of the determination.

10.5 *Procedure for Indemnification.* The Corporation shall promptly pay any indemnification authorized under Section 10.2 or 10.3, and in any event within 60 days after the written request of the indemnitee and the receipt of any required undertakings required by Section 10.4. An indemnitee may enforce his or her right to indemnification or advances if authorized by this Article in any court of competent jurisdiction or proper arbitral proceedings, if the Corporation denies such request, in whole or in part, or if no disposition is made within 60 days. If the indemnitee is successful in establishing his or her right to indemnification, in whole or in part, in any such Proceeding, the Corporation shall indemnify such person’s costs and expenses. It shall be a defense to any such Proceeding (other than a Proceeding brought to enforce a claim for the advance of costs, charges and expenses authorized under Section 10.2, 10.3 and 10.4 where a required undertaking, if any, has been received by the Corporation) that the claimant has not met a required standard of conduct, but the burden of proving the defense shall be on the Corporation. Neither the failure of the Corporation (including its Board, Executive Committee, independent legal counsel and Shareholders) to have made a determination before the claimant commences an action alleging that indemnification is proper because he or she has met the applicable standard of conduct set forth in the Act, nor an actual determination by the Corporation (including its Board, Executive Committee, independent legal counsel and Shareholders) that the claimant has not met an applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

10.6 *Settlement.* The Corporation shall not be liable to indemnify an indemnitee under Section 10.2 or 10.3 for any amounts paid in settlement of any Proceeding effected without the Corporation’s written consent. The Corporation shall not settle any Proceeding in any manner that would impose any penalty, other liability, or admission by the indemnitee without the indemnitee’s prior written consent. Neither the Corporation nor the indemnitee will unreasonably withhold their consent to any proposed settlement. If the indemnitee unreasonably fails to enter into a settlement, then, notwithstanding any other provision, the Corporation’s indemnification obligation to the indemnitee shall not exceed the total of the amount at which settlement could have been made and the expense incurred by the indemnitee before the time the settlement could have been made.

10.7 *Insurance.* The Corporation shall purchase and maintain insurance, if reasonably available, on behalf of any person who is or was or has agreed to become a director, executive

officer or Advisory Member, or any director, executive officer or Advisory Member who is or was serving at the request of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her or on his or her behalf in any such capacity, or arising out of his or her status as such, regardless of whether the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article. The Corporation may purchase and maintain insurance on behalf of any person who is or was or has agreed to become an officer (other than an executive officer), employee or agent of the Corporation, or is or was serving at the request of the Corporation as an officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her or on his or her behalf in any such capacity, or arising out of his or her status as such, regardless of whether the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

10.8 *Indemnification of Fiduciaries.* For the purposes of determining the rights to indemnification of employees who are determined by the Corporation or otherwise to be or to have been “fiduciaries” of any employee benefit plan of the Corporation which may exist from time to time, the indemnification provisions under the Act and under this Article shall be interpreted as follows: (a) an “other enterprise” shall be deemed to include such an employee benefit plan, including any plan of the Corporation which is governed by the Act of Congress entitled “Employee Retirement Income Security Act of 1974”, as amended from time to time; (b) the Corporation shall be deemed to have requested a person to serve an employee benefit plan where the performance by such person of his or her duties to the Corporation also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan; and (c) excise taxes assessed on a person with respect to an employee benefit plan under such Act of Congress shall be deemed “fines”.

10.9 *Savings Clause.* If this Article or any portion is invalidated on any ground by any court of competent jurisdiction or proper arbitral proceeding, then the Corporation may nevertheless indemnify each indemnitee, as to costs, charges and expenses (including attorneys’ fees), judgments, fine and amounts paid in settlement with respect to any Proceeding, whether civil, criminal, administrative or investigative, including a Proceeding by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article that has not been invalidated and to the full extent permitted by applicable law.

10.10 *Subsequent Amendment.* No amendment, termination or repeal of this Article shall affect or impair in any way the rights of any authorized indemnitee to indemnification with respect to any Proceeding arising out of, or relating to, any actions, transactions or facts occurring before the final adoption of the amendment, termination or appeal.

10.11 *Subsequent Legislation.* If the Act is amended to further expand the indemnification permitted to directors, officers, Advisory Members, employees or agents of the Corporation, then the Corporation shall indemnify such persons to the fullest extent permitted by the Act, as so amended.

Article 11

Notices

11.1 *General.* Unless these Bylaws expressly provide otherwise, the Corporation may give effective notice under these Bylaws by U.S. postal service, by overnight delivery service, or by electronic transmission, such as telephone, electronic transmission, e-mail, voice mail, or other similar medium. Effective notice may also be made in person. Receipt of effective notice must not be contingent upon the recipient's payment of any charges as a prerequisite to the notice's receipt. Effective notice must be posted or transmitted to recipient's address, telephone number, electronic number, or e-mail address as shown on the books of the Corporation in a manner normally used for the posting or transmission of information in the medium chosen. Effective notice to the Corporation shall be posted or transmitted to the CEO or Secretary at the Corporation's principal office. Notice to directors and shareholders may also be given by electronic transmission or by electronic mail if the director and/or shareholder to whom the notice is given has consented to the form of notice. Notice by e-mail or other electronic transmission shall be deemed given when directed to an address or number at which the director or shareholder has consented to receive notice. Notice to directors may also be given personally, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages.

11.2 *Waiver of Notice.* Whenever the law or these Bylaws require notice, the person entitled to notice may waive notice in writing or by electronic transmission, either before or after the time stated in the notice.

ARTICLE 12

Mediation and Arbitration

12.1 *Resolutions of Controversies and Claims.* In the event of any controversy or claim, whether based on contract, tort, statute, or other legal or equitable theory (including any claim of fraud, misrepresentation, or fraudulent inducement), arising out of or related to the corporate contract between and among the Corporation, its Shareholders, Directors, Officers, employees, or agents (as the contract is embodied under the Certificate of Incorporation, these Bylaws, resolutions, the Act, and the common law at the time of the acts giving rise to the controversy or claim) (a "*Dispute*"), the parties agree to resolve the Dispute as provided in this Article.

12.2 *Mediation.* If the Dispute cannot be resolved by negotiation, the parties agree to submit the Dispute to mediation by a mediator mutually selected by the parties. If the parties are unable to agree upon a mediator, the American Arbitration Association shall appoint the mediator. In any event, the mediation shall take place within 30 days of the date that a party gives the other party written notice or an electronic transmission of its desire to mediate the Dispute.

12.3 Arbitration.

(a) If not resolved by mediation, the parties shall resolve the Dispute by arbitration under this Article and the then-current rules and supervision of the American Arbitration Association. The arbitration shall be held in Oklahoma City, Oklahoma, before a single arbitrator who is knowledgeable about the laws relating to business entities. The arbitrator may order the parties to exchange copies of nonrebuttal exhibits and copies of witness lists in advance of the arbitration hearing. The arbitrator shall, however, have no other power to order discovery or depositions unless and then only to the extent that all parties otherwise agree in writing. The

arbitrator's decision and award shall be final and binding and may be entered in any court having jurisdiction. The arbitrator shall not have the power to award, and no one subject to this Article shall seek, an award of, punitive, exemplary, or consequential damages, or any damages excluded by or in excess of any damage limitations expressed in these Bylaws or any subsequent agreement between the parties. To prevent irreparable harm, the arbitrator may grant temporary or permanent injunctive or other equitable relief.

(b) Federal substantive and procedural laws relating to arbitration shall govern issues of arbitrability. All other aspects of the Agreement shall be interpreted in accordance with, and the arbitrator shall apply and be bound to follow, the substantive laws of the State of Oklahoma. Each party shall bear its own attorneys' fees associated with negotiation, mediation, and arbitration, and other costs and expenses shall be borne as provided by the rules of the American Arbitration Association. If court proceedings to stay litigation or compel arbitration are necessary, the party who unsuccessfully opposes such proceedings shall pay all associated costs, expenses, and attorneys' fees reasonably incurred by the other party.

12.4 *Confidentiality*. Neither a party, witness, or the arbitrator may disclose the facts of the underlying dispute or the contents or results of any negotiation, mediation, or arbitration without the prior written consent of all parties, except as necessary (and then only to the extent required) to enforce or challenge the settlement agreement or the arbitration award or to comply with legal, financial or tax reporting requirements.

12.5 *Limitations on Actions*. No party may bring a claim or action, regardless of form, arising out of or related to these Bylaws, including any claim of fraud, misrepresentation, or fraudulent inducement, more than one year after the cause of action accrues, unless the injured party could not have reasonably discovered, and did not discover, the basic facts supporting the claim within one year.

12.6 *Covered Parties*. The duties to mediate and arbitrate shall extend to any director, officer, employee, shareholder, principal agent, trustee in bankruptcy or otherwise, affiliate, subsidiary, third-party beneficiary, or guarantor of a party making or defending a claim that would otherwise be subject to this Section. Unless the context otherwise requires, references to party or parties within this Article shall include the foregoing persons, provided, however, that the specific provisions regarding the allocation of costs in Section 12.3(b) shall not preclude any rights to indemnification, reimbursement, contribution or other similar benefits held by the foregoing persons.

12.7 *Severability*. If any part of this Article is held to be unenforceable, it shall be severed and shall not affect either the duties to mediate and arbitrate or any other part of this Article.

ARTICLE 13

Miscellaneous

13.1 *Electronic Transmission*. The term "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by a recipient through an automated process. It includes e-mail, other Internet-based communications and electronic transmissions.

13.2 *Election Out.* The Corporation elects not to be governed by Section 1090.3 of the Act.

13.3 *Corporate Seal.* The Board or any Executive Committee may provide for a suitable seal containing the name of the Corporation, of which the Secretary shall be in charge. The Treasurer, any Assistant Secretary, or any Assistant Treasurer may keep and use the seal or duplicates of the seal if and when the Board, Executive Committee or a committee so directs. The absence of the corporate seal in the execution of any instrument by an authorized officer or officers of the Corporation shall not affect the validity of any such instrument. All documents, instruments, contracts, and writings of all kinds signed for the Corporation by any authorized officer or officers shall be as effective and binding on the Corporation without the corporate seal as if the execution had been evidenced by the corporate seal.

13.4 *Fiscal Year.* The Board or any Executive Committee shall have the authority to fix and change the fiscal year of the Corporation.

13.5 *Other Terms; Headings; Interpretations.* The captions of the articles and sections of these Bylaws are for convenience only and are not deemed part of the text of these Bylaws. All references to “*Articles*” and “*Sections*” contained in these Bylaws are, unless specifically indicated otherwise, references to articles, sections, subsections, and paragraphs of these Bylaws. Whenever in these Bylaws the singular number is used, the same includes the plural where appropriate (and vice versa), and words of any gender includes each other gender where appropriate. All pronouns and any variations refer to the masculine, feminine, neuter, singular or plural as required for the identification of the Person or Persons. Any day or deadline or time period that falls on a weekend or a national holiday refers to the first business day following such day. As used in these Bylaws, the following words or phrases have the meanings indicated: (a) “*or*” means “*and/or*”; (b) “*day*” means a calendar day; and (c) “*including*” or “*include*” means “*including, without limitation*”. Whenever any provision of these Bylaws requires or permits the Board or any Executive Committee to take or omit to take any action, or make or omit to make any decision, unless the context clearly requires otherwise, such provision is interpreted to authorize an action taken or omitted, or a decision made or omitted, by the Board or any Executive Committee acting alone and in good faith. Whenever a provision of these Bylaws provides that the Board or any Executive Committee is authorized to take or omit to take any action, or make or omit to make any decision, in its “*sole judgment*”, “*sole discretion*” or “*absolute discretion*” such authority supersedes any limiting or conflicting standard that might otherwise be applicable under these Bylaws, the Act or otherwise.

Article 14

Amendments

14.1 *Amendments.* Subject to the provisions of the Certificate of Incorporation, the Board or any Executive Committee may amend or repeal these Bylaws at any meeting or by written consent. The Secretary shall record all amendments or repeals of these Bylaws by making the required changes on the Corporation’s copy of the Bylaws and either noting the effective time of the change (and all other changes following the last restatement of the Bylaws) in a parenthetical following the amended or deleted Article or Section or restating and certifying an amended and restated version of the then effective Bylaws.

The undersigned hereby certifies that the foregoing constitutes a true and correct copy of the Bylaws of the Corporation, which were amended and restated by resolution adopted by the Board on February 6, 2023.

Executed as of February 9, 2023.

/s/ James R. Webb

James R. Webb

Senior Vice President, General Counsel,
and Secretary

INDEMNIFICATION AGREEMENT

THIS AGREEMENT is dated _____, between Continental Resources, Inc. (the "Corporation"), and the undersigned director, executive officer ("Officer") of the Corporation or member of an advisory board ("Advisory Member") to the Corporation's Board of Directors or any committee thereof (any of the above are referred to herein as the "Indemnitee").

WHEREAS, the Corporation has adopted the Fifth Amended and Restated Certificate of Incorporation (the "Charter") and the Fifth Amended and Restated Bylaws (the "Bylaws") providing for indemnification of the Corporation's directors, Officers and Advisory Members, to the maximum extent authorized by the Oklahoma General Corporation Law (the "State Statute"); and

WHEREAS, such Charter, Bylaws, and State Statute contemplate that contracts and insurance policies may be entered into with respect to indemnification of directors, Officers and/or Advisory Members; and

WHEREAS, there are potential concerns relating to the sufficiency and availability of Directors and Officers Liability Insurance ("D&O Insurance") that the Corporation has or intends to purchase to provide protection against any potential liabilities for directors, Officers and/or Advisory Members which might result from the performance of their services to the Corporation; and

WHEREAS, it is reasonable, prudent, and necessary for the Corporation to obligate itself contractually to indemnify Indemnitee so Indemnitee may serve free from undue concern regarding possible liability; and

WHEREAS, Indemnitee is willing to serve on the condition that Indemnitee is indemnified;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Corporation and Indemnitee covenant and agree as follows:

1. Definitions. As used in this Agreement:

(a) The term "Proceeding" shall include any threatened, pending, or completed action, suit, arbitration, investigation, deposition, inquiry, or any other proceeding, whether brought by or in the right of the Corporation or otherwise and whether of a civil, criminal, administrative, arbitrative, or investigative nature, in which Indemnitee is or will be involved as a party, as a witness, or otherwise, by reason of the fact that Indemnitee is or was a director, Officer, Advisory Member, employee, or agent of the Corporation, any action or inaction by Indemnitee while acting as a director, Officer, Advisory Member, employee, or agent, or that Indemnitee is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, limited liability company, or other enterprise; in each case whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification or reimbursement can be provided under this Agreement; provided that any such action, suit, arbitration, investigation, deposition, or other proceeding which is brought by Indemnitee against that Corporation or directors, Officers of the Corporation or Advisory Members, other than an action brought by Indemnitee to enforce Indemnitee's rights

under this Agreement, shall not be deemed a Proceeding without prior approval by a majority of the Board of Directors of the Corporation.

(b) The term “Expenses” shall include, without limitation, any judgments, liabilities, fines, and penalties against Indemnatee in connection with a Proceeding, amounts paid by Indemnatee in settlement of a Proceeding, amounts paid as contribution, and all attorneys’ fees and disbursements, accountants’ fees, private investigation fees and disbursements, retainers, court costs, transcript costs, fees of experts, fees and expenses of witnesses, travel expenses, expenses associated with document production, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements, or expenses reasonably incurred by or for Indemnatee in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in a Proceeding, or establishing Indemnatee’s right of entitlement to indemnification.

(c) References to “other enterprise” shall include employee benefit plans. References to “Fines” shall include any excise tax assessed with respect to any employee benefit plan. References to “serving at the request of the Corporation” shall include any service as a director, officer, employee, or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries. If Indemnatee acted in good faith and in a manner Indemnatee reasonably believed to be in the interests of the participants and beneficiaries of an employee benefit plan, Indemnatee shall be deemed to have acted in a manner “not opposed to the best interest of the Corporation” as referred to in this Agreement.

(d) The term “substantiating documentation” shall mean copies of bills or invoices for costs incurred by or for Indemnatee, or copies of court or agency decisions, orders, or decrees or settlement agreements, as the case may be, accompanied by a signed statement from Indemnatee that such bills, invoices, court or agency decisions, orders, or decrees, or settlement agreements, represent costs or liabilities meeting the definition of “Expenses” herein.

2. Indemnity of Director, Officer or Advisory Member. The Corporation agrees to hold harmless and indemnify Indemnatee against Expenses to the fullest extent authorized or permitted by law (including the applicable provisions of the State Statute). The phrase “to the fullest extent permitted by law” shall include, but not be limited to: (a) the fullest extent permitted by any provision of the State Statute that authorizes or permits additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the State Statute in effect on the date of this Agreement; and (b) the fullest extent authorized or permitted by any amendments to or replacements of the State Statute adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers, directors and/or Advisory Members. The rights of Indemnatee are vested rights, and any amendment, alteration or repeal of the State Statute that adversely affects any right of Indemnatee shall not limit or eliminate any such vested right.

3. Additional Indemnity. The Corporation further agrees to hold harmless and indemnify Indemnatee against Expenses incurred by reason of the fact that Indemnatee is or was a director, Advisory Member, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation,

partnership, joint venture, trust, limited liability company or other enterprise, including, without limitation, any predecessor, subsidiary or affiliated entity of the Corporation, but only if Indemnatee acted in good faith and in a manner Indemnatee reasonably believed to be in or not opposed to the best interests of the Corporation. Additionally, in the case of a criminal proceeding, Indemnatee must have had no reasonable cause to believe that Indemnatee's conduct was unlawful. The termination of any Proceeding by judgment, order of the court, settlement, conviction, or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that Indemnatee did not act in good faith and in a manner which Indemnatee reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal proceeding, that Indemnatee had reasonable cause to believe that Indemnatee's conduct was unlawful.

4. Choice of Counsel. If Indemnatee is not an officer, employee, or agent of the Corporation, Indemnatee, together with the other directors or Advisory Members who are not Officers, employees, or agents of the Corporation (the "Outside Indemnitees"), shall be entitled to employ, and be reimbursed for the fees and disbursements of, counsel separate from that chosen by Indemnitees who are Officers, employees, or agents of the Corporation. The principal counsel for Outside Indemnitees ("Principal Counsel") shall be determined by majority vote of the Outside Indemnitees, and counsel for the Indemnitees who are not Outside Indemnitees ("Separate Counsel") shall be determined by majority vote of such Indemnitees. The obligation of the Corporation to reimburse Indemnatee for the fees and disbursements of counsel shall not extend to the fees and disbursements of any counsel employed by Indemnatee other than Principal Counsel or Separate Counsel, as the case may be, unless, in the opinion of other counsel for Indemnatee, concurred in by Principal Counsel or Separate Counsel, as the case may be, Indemnatee may have defenses available to Indemnatee that are in addition to or different from those of the other Indemnitees such that there is a substantial possibility that Principal Counsel or Separate Counsel, as the case may be, will have a conflict of interest in representing Indemnatee.

5. Advances of Expenses; Undertaking by Indemnatee. Expenses (other than judgments, penalties, fines, and settlements) incurred by Indemnatee shall be paid by the Corporation, in advance of the final disposition of the Proceeding, within 10 days after receipt of Indemnatee's written request accompanied by substantiating documentation and Indemnatee's written affirmation that Indemnatee has met the standard of conduct for indemnification and a written undertaking to repay such amount if, and only if and to the extent that, it shall ultimately be determined by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal that Indemnatee is not entitled to be indemnified under the provisions of this Agreement, the Charter, Bylaws or State Statute, and no additional form of undertaking with respect to such obligation to repay shall be required. Indemnatee's undertaking to repay any Expenses advanced to Indemnatee shall be unsecured and shall not be subject to the accrual or payment of any interest thereon. If Indemnatee's request for the advancement of expenses is accompanied by an affidavit of counsel to Indemnatee to the effect that such counsel has reviewed the Expenses and that the Expenses are reasonable in such counsel's view, then such expenses shall be deemed reasonable in the absence of clear and convincing evidence to the contrary. An affidavit of counsel shall resolve any question whether such charges meet the definition of "Expenses," including any question regarding the reasonableness of such Expenses, and the Corporation shall not assert such questions as grounds for failure to advance to such Indemnatee, or to reimburse such Indemnatee for, the amount claimed within such 10-day period.

6. Right of Indemnitee to Indemnification Upon Application; Procedure Upon Application. Any indemnification under this Agreement, other than pursuant to Section 5, shall be made no later than 45 days after receipt by the Corporation of the written request of Indemnitee, accompanied by substantiating documentation, unless a determination is made within said 45-day period by independent legal counsel (unless Indemnitee requests, in his or her sole discretion, that such determination be made by the Board of Directors or the shareholders) in a written opinion that Indemnitee has not met the relevant standards for indemnification. As used in this Agreement, "independent legal counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (a) the Corporation, its controlling shareholder group, or Indemnitee in any matter material to any such party; or (b) any other party to the Proceeding giving rise to a claim for indemnification. Notwithstanding the foregoing, the term "independent legal counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Corporation or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

Indemnitee shall cooperate with the person, persons, or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons, or entity, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure, and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Corporation (irrespective of the determination as to Indemnitee's entitlement to indemnification), and the Corporation indemnifies and agrees to hold Indemnitee harmless therefrom.

The right to indemnification or advances as provided by this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction. The burden of proving that indemnification is not appropriate shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, committee thereof, independent legal counsel or shareholders) to have made a determination prior to the commencement of such action that indemnification is proper in the circumstances because Indemnitee has met the applicable standards of conduct, nor an actual determination by the Corporation (including its Board of Directors, committee thereof, independent legal counsel or shareholders) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

7. D&O Insurance. To the extent that the Corporation maintains D&O Insurance for directors, Officers, Advisory Members, employees, agents, or fiduciaries of the Corporation or of any other corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise which such person serves at the request of the Corporation, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, Advisory Member, Officer, employee, or agent under such policy or policies.

8. Indemnification Not Exclusive. The indemnification and advancement of expenses provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee

may be entitled under the Certificate, the Bylaws, the State Statute, D&O Insurance, any agreement, or otherwise, both as to action in Indemnatee's official capacity and as to action in another capacity while holding such office; provided, however, that this Agreement supersedes all prior written indemnification agreements between the Corporation (or any predecessor thereof) and Indemnatee with respect to the subject matter hereof. However, Indemnatee shall reimburse the Corporation for amounts paid to Indemnatee pursuant to such other rights to the extent such payments duplicate any payments received pursuant to this Agreement.

9. Continuation of Indemnity. All agreements and obligations of the Corporation contained herein commenced on the date on which Indemnatee's directorship, service as an Advisory Member or employment as an Officer with the Corporation commenced and shall continue during the period Indemnatee is a director, Officer or Advisory Member of the Corporation (or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, or other enterprise) and shall continue thereafter so long as Indemnatee shall be subject to any possible Proceeding.

10. Partial Indemnification. If Indemnatee is entitled under any provision of this Agreement to indemnification by the Corporation for some or a portion of Expenses, but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify Indemnatee for the portion of such Expenses to which Indemnatee is entitled.

11. Settlement of Claims. The Corporation shall not be liable to indemnify Indemnatee under this Agreement for any amounts paid in settlement of any Proceeding effected without the Corporation's written consent. The Corporation shall not settle any Proceeding in any manner which would impose any penalty, other liability, or admission by Indemnatee without Indemnatee's prior written consent. Neither the Corporation nor Indemnatee will unreasonably withhold their consent to any proposed settlement. The Corporation shall not be liable to indemnify Indemnatee under this Agreement regarding any judicial award if the Corporation was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action.

12. Enforcement. The Corporation expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on the Corporation in order to induce Indemnatee to serve as a director, Advisory Member or Officer of the Corporation and acknowledges that Indemnatee is relying upon this Agreement in continuing as a director, Advisory Member or Officer. If Indemnatee is required to bring any action or other proceeding to enforce rights or to collect moneys due under this Agreement and is successful in such action, the Corporation shall reimburse Indemnatee for all of Indemnatee's Expenses in bringing and pursuing such action.

13. Governing Law; Binding Effect; Amendment and Termination.

(a) This Agreement shall be interpreted and enforced in accordance with the laws of the State of Oklahoma.

(b) This Agreement shall be binding upon the Corporation, its successors, and assigns, and shall inure to the benefit of Indemnatee, Indemnatee's heirs, personal representatives and assigns and to the benefit of the Corporation, its successors, and assigns.

(c) No amendment, modification, termination, or cancellation of this Agreement shall be effective unless in writing signed by the Corporation and Indemnatee.

14. Severability. If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable: (a) the validity, legality, and enforceability of the remaining provisions of this Agreement shall not be in any way affected or impaired; and (b) to the fullest extent possible, the provisions of this Agreement shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal, or unenforceable. Each section of this Agreement is a separate and independent portion of this Agreement. If the indemnification to which Indemnatee is entitled as respects any aspect of any claim varies between two or more sections of this Agreement, that section providing the most comprehensive indemnification shall apply.

15. Notice. Notice to the Corporation shall be directed to the Corporation's General Counsel at the Corporation's then current headquarters. Notice to Indemnatee shall be directed to the address set forth under Indemnatee's signature below. These addresses may be changed from time to time by the addressee upon notice to the other parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first above written.

CORPORATION

By: _____
Name: Doug Lawler
Title: Chief Executive Officer

INDEMNITEE

By: _____
Name: _____
Address: _____

**THIRD AMENDED AND RESTATED CONTINENTAL RESOURCES, INC.
2013 LONG-TERM INCENTIVE PLAN**

**ARTICLE I
PURPOSE**

Section 1.1Purpose. This Third Amended and Restated Continental Resources, Inc. 2013 Long-Term Incentive Plan (the “Plan”) is established by Continental Resources, Inc., an Oklahoma corporation (the “Company”) to create incentives which are designed to motivate Participants to put forth maximum effort toward the success and growth of the Company and to enable the Company to attract and retain experienced individuals who by their position, ability and diligence are able to make important contributions to the Company’s success. Toward these objectives, the Plan provides for the grant of Options, Restricted Stock Awards, Bonus Stock Awards, SARs, RSUs, Performance Awards, Annual Incentive Awards, Cash Awards, Dividend Equivalents and Other Bonus Awards to Eligible Employees and the grant of Nonqualified Stock Options, Restricted Stock Awards, Bonus Stock Awards, SARs, RSUs, Performance Awards, Cash Awards, Dividend Equivalents and Other Bonus Awards to Consultants and Eligible Directors, subject to the conditions set forth in the Plan and as such capitalized terms are defined below.

Section 1.2History and Amendments to the Plan. The Plan was originally adopted by the Board to be effective on May 23, 2013, the date approved by the Company’s shareholders (the “Original Effective Date”), and was amended and restated as of March 26, 2019 (the “Amendment Effective Date”). As of the Amendment Effective Date, the number of shares of Common Stock that were available for issuance pursuant to this Plan was 12,983,543; however, in connection with the Company’s adoption of the Continental Resources, Inc. 2022 Long Term Incentive Plan on May 19, 2022 (the “2022 Plan”), all such shares of Common Stock reserved for issuance pursuant to this Plan became part of the approved share pool for the 2022 Plan.

The Company entered into that certain Agreement and Plan of Merger with Omega Acquisition, Inc., on October 16, 2022 (the “Merger”). On October 24, 2022, Harold Hamm, the Company’s founder, commenced a tender offer to acquire all outstanding shares of the Company’s stock, other than certain excluded rollover shares (the “Offer”). The Offer and the Merger resulted in the Company ceasing to be listed as a public company on the New York Stock Exchange, therefore effective November 22, 2022, the Company adopted a second amendment and restatement of the Plan in order to modify the terms and conditions of the Plan as applicable to a private company.

This third amendment and restatement of the Plan is intended to further update certain administrative provisions of the Plan, and shall become effective as of the Effective Date. As noted above, as of the Effective Date, there are zero (0) shares of Common Stock available for issuance pursuant to the Plan, and no Awards that may or must be settled in the form of Common Stock shall be granted following the Effective Date unless or until the Company amends this Plan to provide otherwise. All references to Awards that may or must be settled in Common Stock shall remain a part of this Plan in order to give context to applicable Awards granted prior to the Effective Date.

ARTICLE II DEFINITIONS

Section 2.1 “Affiliated Entity” means any corporation, partnership, limited liability company or other form of legal entity in which a majority of the partnership or other similar interest thereof is owned or controlled, directly or indirectly, by the Company or one or more of its Subsidiaries or Affiliated Entities or a combination thereof. For purposes hereof, the Company, a Subsidiary or an Affiliated Entity shall be deemed to have a majority ownership interest in a partnership or limited liability company if the Company, such Subsidiary or Affiliated Entity shall be allocated a majority of partnership or limited liability company gains or losses or shall be or control a managing director or a general partner of such partnership or limited liability company.

Section 2.2 “Annual Incentive Award” means a conditional right granted to an Eligible Employee under Article IX of this Plan.

Section 2.3 “Award” means, individually or collectively, any Option, Restricted Stock Award, Bonus Stock Award, SAR, RSU, Performance Award, Annual Incentive Award, Cash Award, Dividend Equivalent or Other Bonus Award granted under the Plan to an Eligible Employee or any Nonqualified Stock Option, Restricted Stock Award, Bonus Stock Award, SAR, RSU, Performance Award, Cash Award, Dividend Equivalent or Other Bonus Award granted under the Plan to a Consultant or an Eligible Director pursuant to such terms, conditions, restrictions, and/or limitations, if any, as the Committee may establish by the Award Agreement or otherwise.

Section 2.4 “Award Agreement” means any written instrument (including any employment, severance, or change in control agreement) that establishes the terms, conditions, restrictions, and/or limitations applicable to an Award in addition to those established by this Plan and by the Committee’s exercise of its administrative powers.

Section 2.5 “Board” means the Board of Directors of the Company.

Section 2.6 “Bonus Stock Award” means an Award of unrestricted shares of Common Stock granted under Section 6.3.

Section 2.7 “Cash Award” means an Award denominated in cash granted under Section 10.3.

Section 2.8 “Change of Control Event” means, except as otherwise provided in an Award Agreement, the failure of the Hamm Group to have the beneficial ownership of more than 50% of the Voting Stock of the Company or any Successor Parent of the Company (measured by voting power rather than the number of shares).

Notwithstanding the definition above, with respect to any award subject to the limitations and requirements of the Nonqualified Deferred Compensation Rules, a “Change of Control Event” for purposes of triggering the exercisability, settlement or other payment or distribution of such Award shall not occur unless a “change in the ownership or effective control of a corporation, or a change in the ownership of a substantial portion of the assets of a corporation”, as defined in section 1.409A-3(i)(5) of the Treasury Regulations, has also occurred.

Section 2.9“Change of Control Value” shall equal the amount determined in clause (a), (b) or (c), whichever is applicable, as follows: (a) the per share price offered to shareholders of the Company in any merger, consolidation, sale of assets or dissolution transaction, (b) the price per share offered to shareholders of the Company in any tender offer or exchange offer whereby a Change of Control Event takes place, or (c) if such Change of Control Event occurs other than pursuant to clause (a) or (b) of this Section 2.8, the fair market value per share of the shares that may otherwise be obtained with respect to applicable Grants or to which such Grants track, as determined by the Committee as of the date determined by the Committee to be the date of the cancellation and surrender of applicable Grants. In the event that the consideration offered to shareholders of the Company in any transaction described in Section 11.3 consists of anything other than cash, the Committee shall determine the fair cash equivalent of the portion of the consideration offered that is other than cash.

Section 2.10“Code” means the Internal Revenue Code of 1986, as amended. References in the Plan to any section of the Code shall be deemed to include any amendments or successor provisions to such section and any regulations under such section.

Section 2.11“Committee” means the person or persons designated by the Board to administer the Plan, provided, however, for purposes of this Plan, the term “Committee” shall also include the Board to the extent the Board elects to administer the Plan, and shall also include any individual that has received administrative delegation from the Committee pursuant to Section 3 of the Plan.

Section 2.12“Common Stock” means the common stock, par value \$.01 per share, of the Company, and after any substitution, such other stock as shall be substituted therefore as provided in Article XI.

Section 2.13“Company” means Continental Resources, Inc., an Oklahoma corporation.

Section 2.14“Consultant” means any person who is or was engaged by the Company, a Subsidiary or an Affiliated Entity to render consulting or advisory services.

Section 2.15“Date of Grant” means the date on which the grant of an Award is authorized by the Committee or such later date as may be specified by the Committee in such authorization.

Section 2.16“Disability” means the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months. For purposes of this Plan, the determination of Disability shall be made in the sole and absolute discretion of the Committee.

Section 2.17“Dividend Equivalent” means a right, granted to an Eligible Employee, a Consultant or an Eligible Director under Section 10.1, to receive cash, Common Stock, other Awards or other property equal in value to dividends paid with respect to a specified number of shares of Common Stock, or other periodic payments.

Section 2.18“EBITDA” means earnings before interest, taxes, depreciation and amortization.

Section 2.19“Effective Date” means February 6, 2023.

Section 2.20“Eligible Employee” means any individual who is or was an employee of the Company, a Subsidiary, or an Affiliated Entity; provided that no former employee may receive an Award intended to be qualified as an Incentive Stock Option. An employee on leave of absence may be considered as still in the employ of the Company, a Subsidiary or an Affiliated Entity for purposes of eligibility for participation in this Plan.

Section 2.21“Eligible Director” means any individual who is or was providing services as a member of the Board who is not also an employee of the Company, a Subsidiary or an Affiliated Entity.

Section 2.22“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest (other than any debt security which by its terms is convertible at the option of the holder into Equity Interests, to the extent such holder has not so converted such debt security).

Section 2.23“Exchange Act” means the Securities Exchange Act of 1934, as amended.

Section 2.24“Fair Market Value” means as of any specified date, the amount determined by the Committee in its discretion in such manner as it deems appropriate, taking into account all factors the Committee deems appropriate, including the Nonqualified Deferred Compensation Rules. Notwithstanding this definition of Fair Market Value, with respect to one or more Award types, or for any other purpose for which the Committee must determine the Fair Market Value under the Plan, the Committee may elect to choose a different measurement date or methodology for determining Fair Market Value so long as the determination is consistent with the Nonqualified Deferred Compensation Rules and all other applicable laws and regulations.

Section 2.25“Grants” means, collectively, outstanding Awards.

Section 2.26“Hamm Group” means (i) Harold G. Hamm (“Hamm”), (ii) any of Hamm’s lineal descendants, (iii) Hamm’s guardian or other legal representative of Hamm or Hamm’s estate, (iv) any trust of which at least one of the trustees is Hamm, or the principal beneficiaries of which are any one or more of the persons or entities described in clause (i) through (iv) above, (v) any person or entity that is controlled by any one or more of the persons or entities described in clause (i) through (iv) above, (vi) any group (within the meaning of the Exchange Act and the rules of the Securities and Exchange Commission thereunder) that includes one or more of the persons or entities described in clauses (i) through (v) above, provided that such persons and entities described in clauses (i) through (v) above control more than 50% of the voting power of such group.

Section 2.27“Immediate Family Members” means a Participant’s spouse, children or grandchildren.

Section 2.28“Incentive Stock Option” means an Option intended to be and designed as an incentive stock option within the meaning of section 422 of the Code.

Section 2.29“Nonqualified Deferred Compensation Rules” means section 409A of the Code, as amended, including the guidance and regulations promulgated thereunder and successor provisions, guidance and regulations thereto.

Section 2.30“Nonqualified Stock Option” means an Option which is not an Incentive Stock Option.

Section 2.31“Option” means an Award granted under Article V of the Plan and includes both Nonqualified Stock Options and Incentive Stock Options to purchase shares of Common Stock.

Section 2.32“Other Bonus Awards” means Awards granted to an Eligible Employee, a Consultant or an Eligible Director under Section 10.2 hereof that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Common Stock, including cash Awards.

Section 2.33“Participant” means an Eligible Employee, a Consultant or an Eligible Director to whom an Award has been granted under the Plan.

Section 2.34“Performance Award” means a right, granted to an Eligible Employee, a Consultant or an Eligible Director under Section 9.1 of the Plan, to receive Awards based upon performance criteria specified by the Committee.

Section 2.35“Plan” means this Third Amended and Restated Continental Resources, Inc. 2013 Long-Term Incentive Plan.

Section 2.36“Recapitalization” means the Company recapitalizes, reclassifies its capital stock, or otherwise changes its capital structure.

Section 2.37“Restricted Stock Award” means an Award of shares of Common Stock subject to a risk of forfeiture, restrictions on transferability and any other restrictions imposed by the Committee in its discretion granted to an Eligible Employee, a Consultant or an Eligible Director under Article VI of the Plan.

Section 2.38“Restriction Period” means the specified period during which a Restricted Stock Award is subject to restrictions, including continued employment and service conditions and/or performance conditions, imposed by the Committee in its discretion.

Section 2.39“Retirement” means the termination of an Eligible Employee’s employment with the Company, a Subsidiary or an Affiliated Entity on or after attaining age 62.

Section 2.40“RSU” means a right to receive Common Stock, cash, or a combination of both at the end of a specified period granted to an Eligible Employee, a Consultant or an Eligible Director under Article VIII of the Plan.

Section 2.41“SAR” means a stock appreciation right, which is the right to receive an amount equal to the excess of the Fair Market Value of one share of Common Stock on the date of exercise over the grant price of the SAR, granted to an Eligible Employee, a Consultant or an Eligible Director under Article VII of the Plan.

Section 2.42“SEC” means the Securities and Exchange Commission.

Section 2.43“Securities Act” means the Securities Act of 1933, as amended.

Section 2.44“Subsidiary” shall have the same meaning set forth in section 424 of the Code.

Section 2.45“Successor Parent” with respect to any person means any other person more than 50% of the total outstanding Voting Stock of which (measured by voting power rather than the number of shares) is, at the time the first person becomes a subsidiary of such other person, beneficially owned by one or more persons that beneficially owned more than 50% of the total outstanding Voting Stock of the first person (measured by voting power rather than the number of shares) immediately prior to the first person becoming a subsidiary of such other person.

Section 2.46“Voting Stock” of a person means Equity Interests of such person of the class or classes pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such person (irrespective of whether or not at the time Equity Interests of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

ARTICLE III ADMINISTRATION

Section 3.1Administration of the Plan. The Plan shall be administered by the Committee.

Subject to the express provisions of the Plan, and other applicable laws, the Committee shall have exclusive power to:

- (a)Select Eligible Employees, Eligible Directors and Consultants to participate in the Plan;
- (b)Determine the time or times when Awards will be made to Eligible Employees and Consultants;
- (c)Determine the form of an Award, whether an Incentive Stock Option, Nonqualified Stock Option, Restricted Stock Award, Bonus Stock Award, SAR, RSU, Performance Award, Annual Incentive Award, Cash Award, Dividend Equivalents or Other Bonus Award, the number of shares of Common Stock or Performance Awards subject to the Award, the amount and all the terms, conditions (including performance requirements), restrictions and/or limitations, if any, of an Award, including the time and conditions of exercise or vesting and any terms requiring forfeiture of Awards in the event of termination of the Participant’s employment or service relationship, and the terms of any Award Agreement, which may include the waiver or amendment of prior terms and conditions or acceleration or early vesting or payment of an Award under certain circumstances determined by the Committee;
- (d)Determine whether Awards will be granted singly or in combination;
- (e)Accelerate the vesting, exercise or payment of an Award or the performance period of an Award (provided, however, that the Committee shall not have any discretion to accelerate or modify any term or condition of any Award subject to the limitations and requirements of the

Nonqualified Deferred Compensation Rules if such acceleration or modification would subject a Participant to additional taxes under the Nonqualified Deferred Compensation Rules);

(f) Determine whether and to what extent an Annual Incentive Award may be deferred, either automatically or at the election of the Participant or the Committee;

(g) Construe the respective Award Agreements and the Plan;

(h) Delegate its duties under the Plan (including but not limited to the authority to grant Awards) to such agents as it may appoint from time to time, provided that the Committee may not delegate its duties where such delegation would violate state corporate law; and

(i) Take any and all other action it deems necessary or advisable for the proper operation or administration of the Plan.

The Committee may delegate any or all of its powers and duties under the Plan to a subcommittee of directors or to any officer of the Company, including the power to perform administrative functions and grant Awards; provided, that such delegation does not violate state or corporate law. Upon any such delegation, all references in the Plan to the "Committee" shall be deemed to include any subcommittee or officer of the Company to whom such powers have been delegated by the Committee, other than with respect to the definition of "Change of Control Value," "Fair Market Value," or any reference to the "Committee" within Article XI. Any such delegation shall not limit the right of such subcommittee members or such an officer to receive Awards. The Committee may also appoint agents who are not executive officers of the Company or members of the Board to assist in administering the Plan.

Section 3.2 Committee to Make Rules and Interpret Plan. The Committee in its sole discretion shall have the authority, subject to the provisions of the Plan, to establish, adopt, or revise such rules and regulations and to make all such determinations relating to the Plan, as it may deem necessary or advisable for the administration of the Plan. The Committee's interpretation of the Plan or any Awards and all decisions and determinations by the Board with respect to the Plan shall be final, binding, and conclusive on all parties.

Section 3.3 Limitation of Liability. The Committee and each member thereof shall be entitled to, in good faith, rely or act upon any report or other information furnished to him or her by any officer or employee of the Company or any of its Affiliate Entities, the Company's legal counsel, independent auditors, consultants or any other agents assisting in the administration of the Plan. Members of the Committee and any officer or employee of the Company or any of its Affiliate Entities acting at the direction or on behalf of the Committee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the fullest extent permitted by law, be indemnified and held harmless by the Company with respect to any such action or determination.

Section 3.4 Participants in Non-U.S. Jurisdictions. Notwithstanding any provision of the Plan to the contrary, to comply with applicable laws in countries other than the United States in which the Company or any of its Affiliate Entities operates or has employees, directors or other service providers from time to time, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which of the Company's Affiliate Entities shall be covered by the Plan;

(ii) determine which individuals outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to Eligible Employees, Eligible Directors or Consultants outside the United States to comply with applicable foreign laws or listing requirements of any foreign exchange; (iv) establish sub-plans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable (any such sub-plans and/or modifications shall be attached to the Plan as appendices), provided, however, that no such sub-plans and/or modifications shall increase the share limitations contained in Section 4.1(a); and (v) take any action, before or after an Award is granted, that it deems advisable to comply with any applicable governmental regulatory exemptions or approval or listing requirements of any such foreign securities exchange. For purposes of the Plan, all references to foreign laws, rules, regulations or taxes shall be references to the laws, rules, regulations and taxes of any applicable jurisdiction other than the United States or a political subdivision thereof.

ARTICLE IV SHARES SUBJECT TO THE PLAN

Section 4.1Shares Subject to the Plan.

(a)As of the Effective Date, there are zero (0) shares of Common Stock available for issuance pursuant to the Plan.

(b)Common Stock to be delivered under the Plan shall be made available from (i) authorized but unissued shares of Common Stock, (ii) shares of Common Stock held in the treasury of the Company, or (iii) previously issued shares of Common Stock reacquired by the Company.

(c)No Award may be granted if the number of shares of Common Stock to be delivered in connection with such Award exceeds the number of shares of Common Stock remaining available under this Plan minus the number of shares of Stock issuable in settlement of or relating to then-outstanding Awards. The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of tandem or substitute awards) and make adjustments if the number of shares of Common Stock actually delivered differs from the number of shares previously counted in connection with an Award.

Section 4.2Availability of Shares Not Issued under Awards. Shares of Common Stock subject to an Award under this Plan that expire or are canceled, forfeited, surrendered, exchanged, settled in cash or otherwise terminated, including (i) shares forfeited with respect to Restricted Stock Awards, and (ii) shares withheld by, or otherwise remitted to, the Company to satisfy a Participant's tax withholding obligations upon the lapse of restrictions on Restricted Stock Awards or the exercise of Options or SARs granted under the Plan or upon any other payment or issuance of shares under the Plan, will again be available for Awards under this Plan, except that if any such shares could not again be available for Awards to a particular Participant under any applicable law or regulation, such shares shall be available exclusively for Awards to Participants who are not subject to such limitation.

Section 4.3Miscellaneous.

(a)To the extent not already specified in the Plan, the Committee shall, in its sole discretion, determine the manner in which fractional shares arising under this Plan shall be treated.

(b) Separate certificates or a book-entry registration representing shares of Common Stock shall be delivered to a Participant upon the exercise of any Option.

(c) The maximum term of any Award shall be ten years.

ARTICLE V STOCK OPTIONS

Section 5.1 Grant of Options. The Committee may, from time to time, subject to the provisions of the Plan and such other terms and conditions as it may determine, grant Nonqualified Stock Options to Eligible Employees, Consultants and Eligible Directors. In addition, the Committee may, from time to time, subject to the provisions of the Plan and such other terms and conditions as it may determine, grant Incentive Stock Options to Eligible Employees. Each grant of an Option shall be evidenced by an Award Agreement executed by the Company and the Participant, and shall contain such terms and conditions and be in such form as the Committee may from time to time approve, subject to the requirements of Section 5.2.

Section 5.2 Conditions of Options. Each Option so granted shall be subject to the following conditions:

(a) **Exercise Price.** As limited by Section 5.2(e) below, each Option shall state the exercise price which shall be set by the Committee at the Date of Grant; provided, however, no Option shall be granted at an exercise price which is less than the Fair Market Value of the Common Stock on the Date of Grant.

(b) **Form of Payment.** The exercise price of an Option may be paid by any of the following methods as permitted by the Committee: (i) in cash or by check, bank draft or money order payable to the order of the Company; (ii) by delivering shares of Common Stock having a Fair Market Value on the date of payment equal to the amount of the exercise price; (iii) by net issue exercise, pursuant to which the Company will issue a number of shares of Common Stock as to which the Option is exercised, less a number of shares with a Fair Market Value as of the date of exercise equal to the exercise price; or (iv) a combination of the foregoing. In addition to the foregoing, the Committee may permit an Option granted under the Plan to be facilitated by a broker-dealer acting on behalf of a Participant through procedures approved by the Committee.

(c) **Exercise of Options.** Options granted under the Plan shall be exercisable, in whole or in such installments and at such times, and shall expire at such time, as shall be provided by the Committee in the Award Agreement. Exercise of an Option shall be by written notice to the Secretary of the Company at least two business days in advance of such exercise stating the election to exercise in the form and manner determined by the Committee. Every share of Common Stock acquired through the exercise of an Option shall be deemed to be fully paid at the time of exercise and payment of the exercise price and all applicable taxes.

(d) **Other Terms and Conditions.** Among other conditions that may be imposed by the Committee, if deemed appropriate, are those relating to (i) the period or periods and the conditions of exercisability of any Option; (ii) the minimum periods during which Participants must be employed by the Company, its Subsidiaries, or an Affiliated Entity, or must hold Options before they may be exercised; (iii) the minimum periods during which shares acquired upon exercise must

be held before sale or transfer shall be permitted; (iv) conditions under which such Options or shares may be subject to forfeiture; (v) the frequency of exercise or the minimum or maximum number of shares that may be acquired at any one time; (vi) the achievement by the Company of specified performance criteria; and (vii) non-compete and protection of business matters.

(e)Special Restrictions Relating to Incentive Stock Options. Options issued in the form of Incentive Stock Options shall only be granted to Eligible Employees who provide services to the Company or any parent or subsidiary corporation (as defined in section 424 of the Code). To the extent that the aggregate fair market value (determined at the time the respective Incentive Stock Option is granted) of stock with respect to which Incentive Stock Options are exercisable for the first time by an individual during any calendar year under all incentive stock option plans of the Company and its parent and subsidiary corporations exceeds \$100,000, such Incentive Stock Options shall be treated as Nonqualified Stock Options. The Committee shall determine, in accordance with applicable provisions of the Code, Treasury Regulations and other administrative pronouncements, which of a Participant's Incentive Stock Options will not constitute Incentive Stock Options because of such limitation and shall notify the Participant of such determination as soon as practicable after such determination. No Incentive Stock Option shall be granted to an individual if, at the time the Option is granted, such individual owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of its parent or subsidiary corporation, within the meaning of section 422(b)(6) of the Code, unless (i) at the time such Option is granted the option price is at least 110% of the Fair Market Value of the Common Stock subject to the Option and (ii) such Option by its terms is not exercisable after the expiration of five years from the date of grant. Except as otherwise provided in sections 421 or 422 of the Code, an Incentive Stock Option shall not be transferable otherwise than by will or the laws of descent and distribution, and shall be exercisable during the Participant's lifetime only by such Participant or the Participant's guardian or legal representative.

(f)Application of Funds. The proceeds received by the Company from the sale of Common Stock pursuant to Options will be used for general corporate purposes.

(g)Shareholder Rights. No Participant shall have a right as a shareholder with respect to any share of Common Stock subject to an Option prior to purchase of such shares of Common Stock by exercise of the Option.

(h)Options and Rights in Substitution for Options Granted by Other Employers. Options and SARs may be granted under the Plan from time to time in substitution for options and such rights held by individuals providing services to corporations or other entities who become Eligible Employees, Consultants, or Eligible Directors as a result of a merger or consolidation or other business transaction with the Company or any Affiliated Entity.

ARTICLE VI RESTRICTED STOCK AND BONUS STOCK AWARDS

Section 6.1Grant of Restricted Stock and Bonus Stock Awards. The Committee may, from time to time, subject to the provisions of the Plan and such other terms and conditions as it may determine, grant a Restricted Stock Award and/or Bonus Stock Awards to Eligible Employees, Consultants or Eligible Directors. Restricted Stock Awards and Bonus Stock Awards shall be

awarded in such number and at such times during the term of the Plan as the Committee shall determine. Each Restricted Stock Award and Bonus Stock Award shall be subject to an Award Agreement setting forth the terms of such Award and may be evidenced in such manner as the Committee deems appropriate, including, without limitation, a book-entry registration or issuance of a stock certificate or certificates. The purchase price, if any, for shares of Common Stock issued in connection with a Restricted Stock Award shall be determined by the Committee, in its sole discretion.

Section 6.2Conditions of Restricted Stock Awards. The grant of a Restricted Stock Award shall be subject to the following:

(a)Restriction Period. The Committee shall determine the Restriction Period or Periods that shall apply to the shares of Common Stock covered by each Restricted Stock Award or portion thereof, which shall require the Eligible Employee, Consultant or Eligible Director to remain in the employment of, or to provide continued services to, as applicable, the Company, a Subsidiary, or an Affiliated Entity for a prescribed period or which shall require the achievement by the Company of specified performance criteria, as may from time to time be specified by the Committee. At the end of the Restriction Period, assuming the fulfillment of any specified vesting conditions, such restrictions as have been imposed by the Committee shall lapse with respect to the shares of Common Stock covered by the Restricted Stock Award or portion thereof. In addition to acceleration of vesting upon the occurrence of a Change of Control Event as provided in Section 11.4, the Committee may, in its discretion, accelerate the vesting of a Restricted Stock Award in the case of the death, Disability or Retirement of the Participant who is an Eligible Employee or resignation of a Participant who is a Consultant or an Eligible Director.

(b)Restrictions. The holder of a Restricted Stock Award may not sell, transfer, pledge, exchange, hypothecate, or otherwise dispose of the shares of Common Stock represented by the Restricted Stock Award during the applicable Restriction Period. The Committee shall impose such other restrictions and conditions on any shares of Common Stock covered by a Restricted Stock Award as it may deem advisable including, without limitation, restrictions under applicable Federal or state securities laws, and may legend the certificates representing Restricted Stock to give appropriate notice of such restrictions.

(c)Rights as Shareholders. The Committee may, in its discretion, grant to the holder of a Restricted Stock Award all or any of the rights of a shareholder with respect to the shares, including, but not by way of limitation, the right to receive dividends. As a condition to the grant of a Restricted Stock Award, the Committee may require or permit a Participant to elect that any cash dividends paid on a share of Restricted Stock be automatically reinvested in additional shares of Restricted Stock, applied to the purchase of additional Awards under this Plan or deferred without interest to the date of vesting of the associated Restricted Stock Award. Unless otherwise determined by the Committee, if any dividends or other distributions are paid in shares of Common Stock, all such shares shall be subject to the same restrictions on transferability as the shares of Restricted Stock with respect to which they were paid.

Section 6.3Conditions of Bonus Stock Awards. Each Bonus Stock Award granted to a Participant shall constitute a transfer of unrestricted shares of Common Stock on such terms and conditions as the Committee shall determine. Bonus Stock Awards shall be made in shares of

Common Stock and need not be subject to performance criteria or objectives or to forfeiture. The purchase price, if any, for shares of Common Stock issued in connection with a Bonus Stock Award shall be determined by the Committee in its sole discretion.

ARTICLE VII STOCK APPRECIATION RIGHTS

Section 7.1Grant of SARs. The Committee may from time to time, in its sole discretion, subject to the provisions of the Plan and subject to other terms and conditions as the Committee may determine, grant an SAR to any Eligible Employee, Consultant or Eligible Director. SARs may be granted in tandem with an Option, in which event, the Participant has the right to elect to exercise either the SAR or the Option. Upon the Participant's election to exercise one of these Awards, the other tandem Award is automatically terminated. SARs may also be granted as an independent Award separate from an Option. Each grant of an SAR shall be evidenced by an Award Agreement executed by the Company and the Participant and shall contain such terms and conditions and be in such form as the Committee may from time to time approve, subject to the requirements of the Plan. The exercise price of the SAR shall not be less than the Fair Market Value of a share of Common Stock on the Date of Grant of the SAR.

Section 7.2Exercise and Payment. SARs granted under the Plan shall be exercisable in whole or in installments and at such times as shall be provided by the Committee in the Award Agreement. Exercise of a SAR shall be by written notice to the Secretary of the Company at least two business days in advance of such exercise stating the election to exercise in the form and manner determined by the Committee. The amount payable with respect to each SAR shall be equal in value to the excess, if any, of the Fair Market Value of a share of Common Stock on the exercise date over the grant price of the SAR. Payment of amounts attributable to a SAR shall be made in cash, in shares of Common Stock, or in a combination thereof, as determined by the Committee, and the timing of such payment shall be specified in the Award Agreement with respect to each SAR.

Section 7.3Restrictions. In the event a SAR is granted in tandem with an Incentive Stock Option, the Committee shall subject the SAR to restrictions necessary to ensure satisfaction of the requirements under section 422 of the Code. In the case of a SAR granted in tandem with an Incentive Stock Option to an Eligible Employee who owns more than 10% of the combined voting power of the Company or its Subsidiaries on the date of such grant, (i) the amount payable with respect to each SAR shall be equal in value to the applicable percentage of the excess, if any, of the Fair Market Value of a share of Common Stock on the exercise date over the exercise price of the SAR, which exercise price shall not be less than 110% of the Fair Market Value of a share of Common Stock on the date the SAR and (ii) the SAR shall not be exercisable after the five year anniversary of the date of grant.

ARTICLE VIII RESTRICTED STOCK UNITS

Section 8.1Grant of Restricted Stock Units. The Committee may from time to time, in its sole discretion, subject to the provisions of the Plan and subject to other terms and conditions as the Committee may determine, grant Restricted Stock Units, or RSUs, which are rights to receive

shares of Common Stock or cash (or a combination thereof) at the end of a specified deferral period (which may or may not be coterminous with the vesting schedule of the Award), to any Eligible Employee, Consultant, or Eligible Director, subject to the following terms and conditions.

Section 8.2Award and Restrictions. Settlement of an RSU shall occur upon expiration of the deferral period specified for such RSU by the Committee. In addition, RSUs shall be subject to such restrictions (which may include a risk of forfeiture) as the Committee may impose, if any, which restrictions may lapse at the expiration of the deferral period or at earlier specified times (including based on achievement of performance goals and/or future service requirements), separately or in combination, in installments or otherwise, as the Committee may determine. RSUs shall be satisfied by the delivery of shares of Common Stock or cash in the amount equal to the Fair Market Value of the specified number of shares of Common Stock covered by the RSUs, or a combination thereof, as determined by the Committee at the date of grant or thereafter.

Section 8.3Dividend Equivalents. Unless otherwise determined by the Committee at the date of grant, a right to receive Dividend Equivalents paid with respect to the specified number of shares of Common Stock covered by an RSU shall be either (A) paid with respect to such RSU on the dividend payment date in cash or in shares of unrestricted shares of Common Stock having a Fair Market Value equal to the amount of such dividends, or (B) deferred with respect to such RSUs and the amount or value thereof automatically deemed reinvested in additional Restricted Stock Units.

ARTICLE IX PERFORMANCE AWARDS AND ANNUAL INCENTIVE AWARDS

Section 9.1Performance Awards. The right of an Eligible Employee, Consultant or Eligible Director to receive a grant, and the right of a Participant to exercise or receive a grant or settlement of any Award, and the timing thereof, may be subject to such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions, and may exercise its discretion to reduce or increase the amounts payable under any Award subject to performance conditions.

Section 9.2Annual Incentive Awards. The Committee is authorized to grant Annual Incentive Awards, which are conditional rights granted to an Eligible Employee to receive a cash payment, shares of Common Stock, or another Award, unless otherwise determined by the Committee, after the end of a specified year or other period.

ARTICLE X OTHER AWARDS

Section 10.1Dividend Equivalents. The Committee is authorized to grant Dividend Equivalents to an Eligible Employee, Eligible Director or Consultant, entitling the Participant to receive cash, Common Stock, other Awards, or other property equal in value to dividends paid with respect to a specified number of shares of Common Stock, or other periodic payments. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award. The Committee may provide that Dividend Equivalents shall be paid or distributed when accrued or shall be

deemed to have been reinvested in additional Common Stock, Awards, or other investment vehicles, and subject to such restrictions on transferability and risks of forfeiture, as the Committee may specify.

Section 10.2Other Bonus Awards. The Committee is authorized, subject to limitations under applicable law, to grant Other Bonus Awards to Participants, as deemed by the Committee to be consistent with the purposes of this Plan, including without limitation convertible or exchangeable debt securities, other rights convertible or exchangeable into Common Stock, purchase rights for Common Stock, Awards with value and payment contingent upon performance of the Company or any other factors designated by the Committee, and Awards valued by reference to the book value of Common Stock or the value of securities of or the performance of specified Subsidiaries of the Company. The Committee shall determine the terms and conditions of such Other Bonus Awards. Common Stock delivered pursuant to an Other Bonus Award in the nature of a purchase right granted under this Section 10.2 shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including, without limitation, cash, Common Stock, other Awards, or other property, as the Committee shall determine.

Section 10.3Cash Awards. The Committee is authorized to grant Cash Awards, on a free-standing basis or as an element of, a supplement to, or in lieu of any other Award under the Plan to any eligible person in such amounts and subject to such other terms as the Committee in its discretion determines to be appropriate.

ARTICLE XI RECAPITALIZATION OR REORGANIZATION

Section 11.1No Effect on Right or Power. The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, Recapitalization, reorganization or other change in the Company's or any Affiliated Entity's capital structure or its business, any merger or consolidation of the Company or any Affiliated Entity, any issue of debt or equity securities ahead of or affecting Common Stock or the rights thereof, the dissolution or liquidation of the Company or any Affiliated Entity or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding. In no event will any action taken by the Committee pursuant to this Article XI result in creation of deferred compensation within the meaning of the Nonqualified Deferred Compensation Rules.

Section 11.2Subdivision or Consolidation of Shares; Stock Dividends. The shares with respect to which Awards may be granted are shares of Common Stock as presently constituted, but if, and whenever, prior to the expiration of an Award theretofore granted, the Company shall effect a subdivision or consolidation of shares of Common Stock or the payment of a stock dividend on Common Stock without receipt of consideration by the Company, the number of shares of Common Stock with respect to which such Award may thereafter be exercised or satisfied and the number of shares of Common Stock authorized pursuant to Article IV of the Plan, as applicable (i) in the event of an increase in the number of outstanding shares, shall be proportionately increased, and the purchase price per share shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares, shall be proportionately reduced, and the purchase price per share shall be proportionately increased. Any fractional share resulting from

such adjustment shall be rounded up to the next whole share. Adjustments under this Section 11.2 shall be made by the Committee and its determination as to what adjustments shall be made and the extent thereof shall be final, binding and conclusive.

Section 11.3Recapitalizations and Change of Control Events. If the Company undergoes a Recapitalization without the occurrence of a Change of Control Event, the number and class of shares of Common Stock covered by an Award theretofore granted shall be adjusted so that such Award shall thereafter cover the number and class of shares of stock and securities to which the Participant would have been entitled pursuant to the terms of the Recapitalization if, immediately prior to the Recapitalization, the Participant had been the holder of record of the number of shares of Common Stock then covered by such Award and the share limitations provided in Article IV shall be adjusted in a manner consistent with the Recapitalization. Upon a Change of Control Event the Committee, acting in its sole discretion without the consent or approval of any Participant, shall effect one or more of the following alternatives, which alternatives may vary among individual Participants and which may vary among Grants held by any individual Participant: (1) accelerate the time at which Grants may be exercised so that such Grants may be exercised in full for a limited period of time on or before a specified date (before or after such Change of Control Event) fixed by the Committee, after which specified date all unexercised Grants and all rights of Participants thereunder shall terminate, (2) require the mandatory surrender to the Company by all or selected Participants of some or all of the outstanding Grants held by such Participants (irrespective of whether such Grants are then vested or exercisable under the provisions of the Plan) as of a date, before or after such Change of Control Event, specified by the Committee, in which event the Committee shall thereupon cancel such Grants and the Company shall pay (or cause to be paid) to each Participant an amount of cash per share equal to the excess, if any, of the Change of Control Value of the shares subject to such Grants over the exercise price(s), if any, under such Grants for such shares (except that to the extent an applicable exercise price under any such Grant is equal to or exceeds the Change of Control Value, in which case no amount shall be payable with respect to such Grant), or (3) make such adjustments to Grants then outstanding as the Committee deems appropriate to reflect such Change of Control Event (provided, however, that the Committee may determine in its sole discretion that no adjustment is necessary to Grants then outstanding), including, without limitation, adjusting a Grant to provide that the number and class of shares of Common Stock covered by such Grant shall be adjusted so that such Grant shall thereafter cover securities of the surviving or acquiring corporation or other property (including, without limitation, cash), as determined by the Committee in its sole discretion.

Section 11.4Vesting Upon Change of Control Event. Notwithstanding any other provision in this Plan to the contrary, unless expressly provided otherwise in the applicable Award Agreement, Awards granted under the Plan to any Eligible Employee, Consultant or Eligible Director shall be immediately vested, fully earned and exercisable upon the occurrence of a Change of Control Event.

Section 11.5Other Changes in the Common Stock. In the event of changes in the outstanding Common Stock by reason of Recapitalizations, reorganizations, mergers, consolidations, combinations, split-ups, split-offs, spin-offs, exchanges or other relevant changes in capitalization or distributions to the holders of Common Stock occurring after the Date of Grant of any Award and not otherwise provided for by this Article XI, such Award and any Award Agreement shall be subject to adjustment by the Committee at its sole discretion as to the number and price of shares

of Common Stock or other consideration subject to such Award. In the event of any such change in the outstanding Common Stock or distribution to the holders of Common Stock, or upon the occurrence of any other event described in this Article XI, the aggregate maximum number of shares available under the Plan, the aggregate maximum number of shares that may be issued under the Plan through Incentive Stock Options, Options generally, SARs, Restricted Stock Awards, RSUs and Performance Awards and the maximum number of shares that may be subject to Awards granted to any one individual may be appropriately adjusted to the extent, if any, determined by the Committee, whose determination shall be conclusive. Notwithstanding the foregoing, except as otherwise provided by the Committee, upon the occurrence of a Change of Control Event, the Committee, acting in its sole discretion without the consent or approval of any Participant, may require the mandatory surrender to the Company by all or selected Participants of some or all of the outstanding Annual Incentive Awards and Performance Awards as of a date, before or after such Change of Control Event, specified by the Committee, in which event the Committee shall thereupon cancel such Annual Incentive Awards and Performance Awards and the Company shall pay (or cause to be paid) to each Participant an amount of cash equal to the maximum value (which maximum value may be determined, if applicable and in the discretion of the Committee, based on the then Fair Market Value of the Common Stock) of such Annual Incentive Award or Performance Award which, in the event the applicable performance or vesting period set forth in such Annual Incentive Award or Performance Award has not been completed, shall be multiplied by a fraction, the numerator of which is the number of days during the period beginning on the first day of the applicable performance or vesting period and ending on the date of the surrender, and the denominator of which is the aggregate number of days in the applicable performance or vesting period.

Section 11.6Shareholder Action. Any adjustment provided for in the above Subparagraphs shall be subject to any required shareholder action, if applicable.

Section 11.7No Adjustments Unless Otherwise Provided. Except as hereinbefore expressly provided, the issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Common Stock subject to Awards theretofore granted or the purchase price per share, if applicable. No fractional shares of Common Stock or units of other securities shall be issued pursuant to any such adjustment, and any fractional share resulting from such adjustment shall be rounded up to the next whole share.

ARTICLE XII GENERAL

Section 12.1Changes to the Plan and Awards. The Board may amend, alter, suspend, discontinue or terminate this Plan or the Committee's authority to grant Awards under this Plan without the consent of shareholders or Participants, except that any amendment or alteration to this Plan, including any increase in any share limitation, shall be subject to the approval of the Company's shareholders if such shareholder approval is required by any federal or state law or regulation, and the Board may otherwise, in its discretion, determine to submit other such changes

to this Plan to shareholders for approval; provided, that, without the consent of an affected Participant, no such Board action may materially and adversely affect the rights of such Participant under any previously granted and outstanding Award. The Committee may waive any conditions or rights under, or amend, alter, suspend, discontinue or terminate any Award theretofore granted and any Award agreement relating thereto, except as otherwise provided in this Plan; provided, however, that, without the consent of an affected Participant, no such Committee action may materially and adversely affect the rights of such Participant under such Award. For purposes of clarity, any adjustments made to Awards pursuant to Article XI will be deemed not to materially and adversely affect the rights of any Participant under any previously granted and outstanding Award and therefore may be made without the consent of affected Participants.

Section 12.2 Termination of Employment; Termination of Service.

(a) Unless otherwise set forth within an Award Agreement, if an Eligible Employee's employment with the Company, a Subsidiary or an Affiliated Entity terminates as a result of death, Disability or Retirement, the Eligible Employee (or personal representative in the case of death) shall be entitled to purchase all or any part of the shares subject to any vested Option for a period of up to three months from such date of termination (one year in the case of death or a Disability that is also a "disability" within the meaning of section 22(e)(3) of the Code, in lieu of the three-month period). If an Eligible Employee's employment terminates for any other reason, the Eligible Employee shall be entitled to purchase all or any part of the shares subject to any vested Option for a period of up to three months from such date of termination. In no event shall any Option be exercisable past the term of the Option. The Committee may, in its sole discretion, accelerate the vesting of unvested Awards in the event of termination of employment of any Participant.

(b) Unless otherwise set forth within an Award Agreement, in the event a Consultant ceases to provide services to the Company or an Eligible Director terminates service as a director of the Company, the unvested portion of any Award shall be forfeited unless otherwise accelerated pursuant to the terms of the Eligible Director's or Consultant's Award Agreement or by the Committee. The Consultant or Eligible Director shall have a period of one year following the date he ceases to provide consulting services or ceases to be a director, as applicable, to exercise any Nonqualified Stock Options which are otherwise exercisable on his date of termination of service.

Section 12.3 Limited Transferability-Options. The Committee may, in its discretion, authorize all or a portion of the Nonqualified Stock Options granted under this Plan to be on terms which permit transfer by the Participant to (i) the ex-spouse of the Participant pursuant to the terms of a domestic relations order, (ii) the Immediate Family Members of the Participant, (iii) a trust or trusts for the exclusive benefit of such Immediate Family Members, or (iv) a partnership or limited liability company in which such Immediate Family Members are the only partners or members.. The Award Agreement pursuant to which such Nonqualified Stock Options are granted shall expressly provide for transferability in a manner consistent with this paragraph. Subsequent transfers of transferred Nonqualified Stock Options shall be prohibited except as set forth below in this Section 12.3. All terms of the Award Agreement, including all vesting provisions, shall continue to apply to the Nonqualified Stock Option. The events of termination of employment of Section 12.2 hereof shall continue to be applied with respect to the original Participant, following which the Nonqualified Stock Options shall be exercisable by the transferee only to the extent, and for the periods specified in Section 12.2 hereof. No transfer pursuant to this Section 12.3 shall be

effective to bind the Company unless the Company shall have been furnished with written notice of such transfer together with such other documents regarding the transfer as the Committee shall request. With the exception of a transfer in compliance with the foregoing provisions of this Section 12.3, all other types of Awards authorized under this Plan shall be transferable only by will or the laws of descent and distribution or with the Committee's advance approval, which may be given or withheld in the Committee's sole discretion; however, no such transfer shall be effective to bind the Company unless the Committee has been furnished with written notice of such transfer and an authenticated copy of the will and/or such other evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee of the terms and conditions of such Award.

Section 12.4 Withholding Taxes. Unless otherwise paid by the Participant, the Company, its Subsidiaries or any of its Affiliated Entities shall be entitled to deduct from any payment under the Plan, regardless of the form of such payment, the amount of all applicable income and employment taxes required by law to be withheld with respect to such payment or may require the Participant to pay to it such tax prior to and as a condition of the making of such payment. In accordance with any applicable administrative guidelines it establishes, the Committee may allow a Participant to pay the amount of taxes required by law to be withheld from an Award by (i) directing the Company to withhold from any payment of the Award a number of shares of Common Stock having a Fair Market Value on the date of payment equal to the amount of the required withholding taxes or (ii) delivering to the Company previously owned shares of Common Stock having a Fair Market Value on the date of payment equal to the amount of the required withholding taxes. However, any payment made by the Participant pursuant to either of the foregoing clauses (i) or (ii) shall not be permitted if it would result in an adverse accounting charge with respect to such shares used to pay such taxes unless otherwise approved by the Committee. If such tax withholding amounts are satisfied through net settlement or previously owned shares, the maximum number of shares of Stock that may be so withheld or surrendered shall be the number of shares of Stock that have an aggregate Fair Market Value on the date of withholding or surrender equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, foreign and/or local tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to such Award, as determined by the Committee.

Section 12.5 No Right to Continued Employment. Participation in the Plan shall not give any Eligible Employee, Eligible Director or Consultant any right to remain in the employ of, or the right to continue in a service relationship with, the Company, any Subsidiary, or any Affiliated Entity. The Company or, in the case of employment or a service relationship with a Subsidiary or an Affiliated Entity, the Subsidiary or Affiliated Entity reserves the right to terminate any Eligible Employee, Eligible Director or Consultant at any time. Further, the adoption of this Plan shall not be deemed to give any Eligible Employee or any other individual any right to be selected as a Participant or to be granted an Award.

Section 12.6 Reliance on Reports. Each member of the Board and each member of the Committee shall be fully justified in relying or acting in good faith upon any report made by the independent public accountants of the Company and its Subsidiaries and upon any other information furnished in connection with the Plan by any person or persons other than himself or herself. In no event shall any person who is or shall have been a member of the Board or the

Committee be liable for any determination made or other action taken or any omission to act in reliance upon any such report or information or for any action taken, including the furnishing of information, or failure to act, if in good faith.

Section 12.7Section 409A of the Code. It is the general intention, but not the obligation, of the Committee to design Awards to comply with or to be exempt from the Nonqualified Deferred Compensation Rules, and Awards will be operated and construed accordingly. Neither this Section 12.7 nor any other provision of the Plan is or contains a representation to any Participant regarding the tax consequences of the grant, vesting, exercise, settlement, or sale of any Award (or the Common Stock underlying such Award) granted hereunder, and should not be interpreted as such. In no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules. Notwithstanding any provision in the Plan or an Award Agreement to the contrary, in the event that a “specified employee” (as defined under the Nonqualified Deferred Compensation Rules) becomes entitled to a payment under an Award that would be subject to additional taxes and interest under the Nonqualified Deferred Compensation Rules if the Participant’s receipt of such payment or benefits is not delayed until the earlier of (i) the date of the Participant’s death, or (ii) the date that is six months after the Participant’s “separation from service,” as defined under the Nonqualified Deferred Compensation Rules (such date, the “Section 409A Payment Date”), then such payment or benefit shall not be provided to the Participant until the Section 409A Payment Date. Any amounts subject to the preceding sentence that would otherwise be payable prior to the Section 409A Payment Date will be aggregated and paid in a lump sum without interest on the Section 409A Payment Date. The applicable provisions of the Nonqualified Deferred Compensation Rules are hereby incorporated by reference and shall control over any Plan or Award Agreement provision in conflict therewith.

Section 12.8Additional Agreements. Each Eligible Employee, Eligible Director or Consultant to whom an Award is granted under the Plan may be required to agree in writing, as a condition to the grant of such Award or otherwise, to subject an Award that is exercised or settled following such individual’s termination of employment or service to a general release of claims and/or a noncompetition or other restricted covenant agreement in favor of the Company and its Affiliate Entities, with the terms and conditions of such agreement(s) to be determined in good faith by the Committee.

Section 12.9Construction. Masculine pronouns and other words of masculine gender shall refer to both men and women. The titles and headings of the Sections in the Plan are for the convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

Section 12.10Governing Law. The Plan shall be governed by and construed in accordance with the laws of the State of Oklahoma except as superseded by applicable Federal law. The obligation of the Company to sell and deliver Common Stock hereunder is subject to applicable federal and state laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Common Stock.

Section 12.11No Trust or Fund Created. The Plan is intended to constitute an “unfunded” plan for certain incentive awards. Neither the Plan nor any Award shall create or be construed to create

a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliated Entity and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company or any Affiliate Entity pursuant to an Award, such right shall be no greater than the right of any general unsecured creditor of the Company or such Affiliated Entity.

Section 12.12~~Severability and Reformation~~. If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable law or, if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, person or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

Section 12.13~~Nonexclusivity of the Plan~~. Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Company for approval, as required, shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements as it may deem desirable. Nothing contained in the Plan shall be construed to prevent the Company or any of its Affiliate Entities from taking any corporate action which is deemed by the Company or such Affiliated Entity to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any Award made under the Plan. No employee, beneficiary or other person shall have any claim against the Company or any of its Affiliate Entities as a result of any such action.

Section 12.14~~Clawback~~. Notwithstanding any other provisions in this Plan, any Award granted hereunder shall be subject to any written clawback policies of the Company (whether adopted prior to or following the Effective Date), and will also be subject to recovery, deduction or clawback as may be required under any applicable law, or government regulation (or any policy adopted by the Company pursuant to any such law, or government regulation requirement). Any such policy may subject a Participant's Awards and amounts paid or realized with respect to Awards to reduction, cancelation, forfeiture or recoupment if certain specified events or wrongful conduct occur, including an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy.

CONTINENTAL RESOURCES, INC.
SECOND AMENDED AND RESTATED 2022 LONG TERM INCENTIVE PLAN

1. **Purpose and History.** The purpose of the Continental Resources, Inc. Second Amended and Restated 2022 Long Term Incentive Plan (the “**Plan**”) is to provide a means through which (a) Continental Resources, Inc., an Oklahoma corporation (the “**Company**”), and the Affiliates may attract, retain and motivate qualified persons as employees, directors, consultants, and other individual service providers, thereby enhancing the profitable growth of the Company and the Affiliates and (b) persons upon whom the responsibilities of the successful administration and management of the Company and the Affiliates rest, and whose present and potential contributions to the Company and the Affiliates are of importance, can acquire and maintain stock ownership or awards the value of which is tied to the performance of the Company, thereby strengthening their concern for the Company and the Affiliates. Accordingly, the Plan provides for the grant of Options, SARs, Restricted Stock, Restricted Stock Units, Stock Awards, Dividend Equivalents, Other Stock-Based Awards, Cash Awards, Substitute Awards, or any combination of the foregoing, as determined by the Committee in its sole discretion.

The Plan was originally adopted to become effective May 19, 2022 (the “**Original Effective Date**”). The Company entered into that certain Agreement and Plan of Merger with Omega Acquisition, Inc., on October 16, 2022 (the “**Merger**”). On October 24, 2022, Harold Hamm, the Company’s founder, commenced a tender offer to acquire all of the outstanding shares of the Company’s Stock, other than certain excluded rollover shares (the “**Offer**”). The Offer and the Merger resulted in the Company ceasing to be listed as a public company on the New York Stock Exchange, therefore effective November 22, 2022, the Company adopted an amended and restated version of the Plan in order to modify the terms and conditions of the Plan as appropriate for a private company.

This second amendment and restatement of the Plan is intended to further update certain administrative provisions of the Plan, and shall become effective as of the Effective Date. Notwithstanding anything to the contrary within this Plan that may be set forth below or in any Award Agreement, no Awards that may or must be settled in the form of Stock shall be granted following the Effective Date unless or until the Company amends this Plan to provide otherwise; provided, however, that the Company will retain the approved pool of shares of Stock that may be available for issuance pursuant to this Plan under Section 4(a) below. All references to Awards that may or must be settled in Stock shall remain a part of this Plan in order to give context to applicable Awards granted prior to the Effective Date.

2. **Definitions.** For purposes of the Plan, the following terms shall be defined as set forth below:

(a) “**Affiliate**” means, with respect to any person or entity, any corporation, partnership, limited liability company, limited liability partnership, association, trust or other organization that, directly or indirectly, controls, is controlled by, or is under common control with, such person or entity. For purposes of the preceding sentence, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any entity or organization, shall mean the possession, directly or indirectly, of the power (i) to vote more than 50% of the securities having ordinary voting power for the election of

directors of the controlled entity or organization or (ii) to direct or cause the direction of the management and policies of the controlled entity or organization, whether through the ownership of voting securities, by contract, or otherwise.

(b) **“ASC Topic 718”** means the Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation – Stock Compensation, as amended or any successor accounting standard.

(c) **“Award”** means any Option, SAR, Restricted Stock, Restricted Stock Unit, Stock Award, Dividend Equivalent, Other Stock-Based Award, Cash Award, or Substitute Award, together with any other right or interest, granted under the Plan.

(d) **“Award Agreement”** means any written instrument (including any employment, severance or change in control agreement) that sets forth the terms, conditions, restrictions and/or limitations applicable to an Award, in addition to those set forth under the Plan and by the Committee’s exercise of its administrative powers.

(e) **“Board”** means the Board of Directors of the Company.

(f) **“Cash Award”** means an Award denominated in cash granted under Section 6(i).

(g) **“Change in Control”** means, except as otherwise provided in an Award Agreement, the failure of the Hamm Group to have the beneficial ownership of more than 50% of the Voting Stock of the Company or any Successor Parent of the Company (measured by voting power rather than the number of shares).

Notwithstanding any provision of this Section 2(g), for purposes of an Award that provides for a deferral of compensation under the Nonqualified Deferred Compensation Rules, to the extent the impact of a Change in Control on such Award would subject a Participant to additional taxes under the Nonqualified Deferred Compensation Rules, a Change in Control described above with respect to such Award will mean both a Change in Control and a “change in the ownership of a corporation,” “change in the effective control of a corporation,” or a “change in the ownership of a substantial portion of a corporation’s assets” within the meaning of the Nonqualified Deferred Compensation Rules as applied to the Company.

(h) **“Change in Control Price”** means the amount determined in the following clause or clauses, as determined by the Committee to most appropriately reflect the transaction(s) at issue: (i) the price per share offered to holders of Stock in any merger or consolidation, (ii) the per share Fair Market Value of the Stock immediately before the Change in Control or other event without regard to assets sold in the Change in Control or other event and assuming the Company has received the consideration paid for the assets in the case of a sale of the assets, (iii) the amount distributed per share of Stock in a dissolution transaction, (iv) the price per share offered to holders of Stock in any tender offer or exchange offer whereby a Change in Control or other event takes place, or (v) if such Change in Control or other event occurs other than pursuant to a transaction described in clauses (i), (ii), (iii), or (iv) of this Section 2(h), the value per share of the Stock that may otherwise be obtained with respect to such Awards or to which such Awards track, as determined by the Committee as of the date determined by the Committee to be the date of

cancellation and surrender of such Awards. In the event that the consideration offered to stockholders of the Company in any transaction described in this Section 2(h) or in Section 8(e) consists of anything other than cash, the Committee shall determine the fair cash equivalent of the portion of the consideration offered which is other than cash and such determination shall be binding on all affected Participants to the extent applicable to Awards held by such Participants.

(i) **“Code”** means the Internal Revenue Code of 1986, as amended from time to time, including the guidance and regulations promulgated thereunder and successor provisions, guidance and regulations thereto.

(j) **“Committee”** means the person or persons designated by the Board to administer the Plan; provided, however, for purposes of this Plan, the term “Committee” shall also include the Board to the extent the Board elects to administer the Plan, and shall also include any individual that has received administrative delegation from the Committee pursuant to Section 3 of this Plan.

(k) **“Disability”** means the Participant is unable to engage in any substantial gainful activity by reason of any medically verifiable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months. For purposes of this Plan, the determination of Disability shall be made in the sole and absolute discretion of the Committee.

(l) **“Dividend Equivalent”** means a right, granted to an Eligible Person under Section 6(g), to receive cash, Stock, other Awards or other property equal in value to dividends paid with respect to a specified number of shares of Stock, or other periodic payments.

(m) **“Effective Date”** means February 6, 2023.

(n) **“Eligible Person”** means any individual who is or was an officer or employee of the Company or of any Affiliate, and any other person who provides or provided services to the Company or any Affiliate, including directors of the Company; provided, however, that no former employee or service provider may receive Awards intended to be qualified as an ISO. An employee on leave of absence may be an Eligible Person.

(o) **“Equity Interests”** means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest (other than any debt security which by its terms is convertible at the option of the holder into Equity Interests, to the extent such holder has not so converted such debt security).

(p) **“Exchange Act”** means the Securities Exchange Act of 1934, as amended from time to time, including the guidance, rules and regulations promulgated thereunder and successor provisions, guidance, rules and regulations thereto.

(q) **“Fair Market Value”** of a share of Stock means, as of any specified date, the amount determined by the Committee in its discretion in such manner as it deems appropriate, taking into account all factors the Committee deems appropriate, including the Nonqualified

Deferred Compensation Rules. Notwithstanding this definition of Fair Market Value, with respect to one or more Award types, or for any other purpose for which the Committee must determine the Fair Market Value under the Plan, the Committee may elect to choose a different measurement date or methodology for determining Fair Market Value so long as the determination is consistent with the Nonqualified Deferred Compensation Rules and all other applicable laws and regulations.

(r) **“Hamm Group”** means (i) Harold G. Hamm (**“Hamm”**), (ii) any of Hamm’s lineal descendants, (iii) Hamm’s guardian or other legal representative of Hamm or Hamm’s estate, (iv) any trust of which at least one of the trustees is Hamm, or the principal beneficiaries of which are any one or more of the persons or entities described in clause (i) through (iv) above, (v) any person or entity that is controlled by any one or more of the persons or entities described in clause (i) through (iv) above, (vi) any group (within the meaning of the Exchange Act and the rules of the SEC thereunder) that includes one or more of the persons or entities described in clauses (i) through (v) above, provided that such persons and entities described in clauses (i) through (v) above control more than 50% of the voting power of such group.

(s) **“ISO”** means an Option intended to be and designated as an **“incentive stock option”** within the meaning of Section 422 of the Code.

(t) **“Nonqualified Deferred Compensation Rules”** means the limitations and requirements of Section 409A of the Code, as amended from time to time, including the guidance and regulations promulgated thereunder and successor provisions, guidance and regulations thereto.

(u) **“Nonstatutory Option”** means an Option that is not an ISO.

(v) **“Option”** means a right, granted to an Eligible Person under Section 6(b), to purchase Stock at a specified price during specified time periods, which may either be an ISO or a Nonstatutory Option.

(w) **“Other Stock-Based Award”** means an Award granted to an Eligible Person under Section 6(h).

(x) **“Participant”** means a person who has been granted an Award under the Plan that remains outstanding, including a person who is no longer an Eligible Person.

(y) **“Restricted Stock”** means Stock granted to an Eligible Person under Section 6(d) that is subject to certain restrictions and to a risk of forfeiture.

(z) **“Restricted Stock Unit”** means a right, granted to an Eligible Person under Section 6(e), to receive Stock, cash or a combination thereof at the end of a specified period (which may or may not be coterminous with the vesting schedule of the Award).

(aa) **“Retirement”** means, unless otherwise set forth within an Award Agreement, the termination of an Eligible Person’s employment with the Company or Affiliate on or after attaining age sixty two (62).

(bb) “**SAR**” means a stock appreciation right granted to an Eligible Person under Section 6(c).

(cc) “**SEC**” means the Securities and Exchange Commission.

(dd) “**Securities Act**” means the Securities Act of 1933, as amended from time to time, including the guidance, rules and regulations promulgated thereunder and successor provisions, guidance, rules and regulations thereto.

(ee) “**Stock**” means the Company’s common stock, par value \$0.01 per share, and such other securities as may be substituted (or re-substituted) for Stock pursuant to Section 8.

(ff) “**Stock Award**” means unrestricted shares of Stock granted to an Eligible Person under Section 6(f).

(gg) “**Substitute Award**” means an Award granted under Section 6(j).

(hh) “**Successor Parent**” with respect to any person means any other person more than 50% of the total outstanding Voting Stock of which (measured by voting power rather than the number of shares) is, at the time the first person becomes a subsidiary of such other person, beneficially owned by one or more persons that beneficially owned more than 50% of the total outstanding Voting Stock of the first person (measured by voting power rather than the number of shares) immediately prior to the first person becoming a subsidiary of such other person.

(ii) “**Voting Stock**” of a person means Equity Interests of such person of the class or classes pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such person (irrespective of whether or not at the time Equity Interests of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

3. **Administration.**

(a) Authority of the Committee. The Plan shall be administered by the Committee. Subject to the express provisions of the Plan, and other applicable laws, the Committee shall have the authority, in its sole and absolute discretion, to:

(i) designate Eligible Persons as Participants;

(ii) determine the type or types of Awards to be granted to an Eligible Person;

(iii) determine the number of shares of Stock or amount of cash to be covered by

Awards;

(iv) determine the terms and conditions of any Award, including whether, to what extent and under what circumstances Awards may be vested, settled, exercised, cancelled or forfeited (including conditions based on continued employment or service requirements or the achievement of one or more performance or other goals);

(v) modify, waive or adjust any term or condition of an Award that has been granted, which may include the acceleration of vesting, waiver of forfeiture restrictions, modification of the form of settlement of the Award (for example, from cash to Stock or vice versa), early termination of a performance period, or modification of any other condition or limitation regarding an Award;

(vi) determine the treatment of an Award upon a termination of employment or other service relationship;

(vii) impose a holding period with respect to an Award or the shares of Stock received in connection with an Award;

(viii) interpret and administer the Plan and any Award Agreement;

(ix) correct any defect, supply any omission or reconcile any inconsistency in the Plan, in any Award, or in any Award Agreement; and

(x) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. Any action of the Committee shall be final, conclusive and binding on all persons, including the Company, Affiliates, stockholders, Participants, beneficiaries, and permitted transferees under Section 7(a) or other persons claiming rights from or through a Participant. The Committee's determinations need not be uniform with respect to Participants, and need not apply consistently across Awards.

(b) Delegation of Authority. The Committee may delegate any or all of its powers and duties under the Plan to a subcommittee of directors or to any officer of the Company, including the power to perform administrative functions and grant Awards; provided, that such delegation does not violate state or corporate law. Upon any such delegation, all references in the Plan to the "Committee" shall be deemed to include any subcommittee or officer of the Company to whom such powers have been delegated by the Committee, other than with respect to the definition of "Change in Control Price," "Fair Market Value," or any reference to the "Committee" within Section 8. Any such delegation shall not limit the right of such subcommittee members or such an officer to receive Awards. The Committee may also appoint agents who are not executive officers of the Company or members of the Board to assist in administering the Plan.

(c) Limitation of Liability. The Committee and each member thereof shall be entitled to, in good faith, rely or act upon any report or other information furnished to him or her by any officer or employee of the Company or any Affiliate, the Company's legal counsel, independent auditors, consultants or any other agents assisting in the administration of the Plan. Members of the Committee and any officer or employee of the Company or any Affiliate acting at the direction or on behalf of the Committee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the fullest extent permitted by law, be indemnified and held harmless by the Company with respect to any such action or determination.

(d) Participants in Non-U.S. Jurisdictions. Notwithstanding any provision of the Plan to the contrary, to comply with applicable laws in countries other than the United States in which the Company or any Affiliate operates or has employees, directors or other service providers from time to time, or to ensure that the Company complies with any applicable requirements of foreign securities exchanges, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which of the Affiliates shall be covered by the Plan; (ii) determine which Eligible Persons outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to Eligible Persons outside the United States to comply with applicable foreign laws or listing requirements of any foreign exchange; (iv) establish sub-plans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable (any such sub-plans and/or modifications shall be attached to the Plan as appendices), provided, however, that no such sub-plans and/or modifications shall increase the share limitations contained in Section 4(a); and (v) take any action, before or after an Award is granted, that it deems advisable to comply with any applicable governmental regulatory exemptions or approval or listing requirements of any such foreign securities exchange. For purposes of the Plan, all references to foreign laws, rules, regulations or taxes shall be references to the laws, rules, regulations and taxes of any applicable jurisdiction other than the United States or a political subdivision thereof.

4. **Stock Subject to the Plan.**

(a) Number of Shares Available for Delivery. Subject to adjustment in a manner consistent with Section 8, (i) 8,000,000 shares of Stock plus (ii) any shares of Stock that are available for issuance under the Amended and Restated Continental Resources, Inc. 2013 Long-Term Incentive Plan as of the Original Effective Date are reserved and available for delivery with respect to Awards. The amount in clause (i) of the preceding sentence shall also be the total number of shares available for the issuance of shares upon the exercise of ISOs.

(b) Application of Limitation to Grants of Awards. Subject to Section 4(c), no Award may be granted if the number of shares of Stock that may be delivered in connection with such Award exceeds the number of shares of Stock remaining available under the Plan minus the number of shares of Stock issuable in settlement of or relating to then-outstanding Awards. The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of tandem or Substitute Awards) and make adjustments if the number of shares of Stock actually delivered differs from the number of shares previously counted in connection with an Award.

(c) Availability of Shares Not Delivered under Awards. If all or any portion of an Award expires or is cancelled, forfeited, exchanged, settled in cash or otherwise terminated, the shares of Stock subject to such Award (including (i) shares forfeited with respect to Restricted Stock, and (ii) the number of shares withheld or surrendered to the Company in payment of any exercise or purchase price of an Award or taxes relating to Awards) shall not be considered “**delivered shares**” under the Plan, shall be available for delivery with respect to Awards. If an Award may be settled only in cash, such Award need not be counted against any share limit under this Section 4.

(d) Shares Available Following Certain Transactions. Substitute Awards shall not reduce the shares authorized for issuance under the Plan or the limitations on grants to non-employee members of the Board under Section 5(b), nor shall shares subject to such Substitute Awards be added to the shares available for issuance under the Plan as provided above (whether or not such Substitute Awards are later cancelled, forfeited or otherwise terminated).

(e) Stock Offered. The shares of Stock to be delivered under the Plan shall be made available from (i) authorized but unissued shares of Stock, or (ii) Stock held in the treasury of the Company, including previously issued shares of Stock reacquired by the Company.

5. **Eligibility; Award Limitations for Non-Employee Members of the Board.** Awards may be granted under the Plan only to Eligible Persons.

6. **Specific Terms of Awards.**

(a) General. Awards may be granted on the terms and conditions set forth in this Section 6. Awards granted under the Plan may, in the discretion of the Committee, be granted either alone, in addition to, or in tandem with any other Award. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to Section 10), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including subjecting such awards to service- or performance-based vesting conditions. Without limiting the scope of the preceding sentence, with respect to any performance-based conditions, (i) the Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance goals applicable to an Award, and (ii) any such performance goals may relate to the performance of the Participant, the Company (on a consolidated basis), or to specified subsidiaries, business or geographical units or operating areas of the Company, (iii) the performance period or periods over which performance goals will be measured shall be established by the Committee, and (iv) any such performance goals and performance periods may differ among Awards granted to any one Participant or to different Participants. Except as otherwise provided in an Award Agreement, the Committee may exercise its discretion to reduce or increase the amounts payable under any Award.

(b) Options. The Committee is authorized to grant Options, which may be designated as either ISOs or Nonstatutory Options, to applicable Eligible Persons on the following terms and conditions:

(i) Exercise Price. Each Award Agreement evidencing an Option shall state the exercise price per share of Stock (the “**Exercise Price**”) established by the Committee; provided, however, that except as provided in Section 6(j) or in Section 8, the Exercise Price of an Option shall not be less than the greater of (A) the par value per share of the Stock or (B) 100% of the Fair Market Value per share of the Stock as of the date of grant of the Option (or in the case of an ISO granted to an individual who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or any of its subsidiaries, 110% of the Fair Market Value per share of the Stock on the date of grant).

(ii) Time and Method of Exercise; Other Terms. The Committee shall determine the methods by which the Exercise Price may be paid or deemed to be paid, the form of

such payment, including cash or cash equivalents, Stock (including previously owned shares or through a cashless exercise, i.e., “**net settlement**”, a broker-assisted exercise, or other reduction of the amount of shares otherwise issuable pursuant to the Option), other Awards or awards granted under other plans of the Company or any Affiliate, other property, or any other legal consideration the Committee deems appropriate (including notes or other contractual obligations of Participants to make payment on a deferred basis), the methods by or forms in which Stock will be delivered or deemed to be delivered to Participants, including the delivery of Restricted Stock subject to Section 6(d), and any other terms and conditions of any Option. In the case of an exercise whereby the Exercise Price is paid with Stock, such Stock shall be valued based on the Stock’s Fair Market Value as of the date of exercise. No Option may be exercisable for a period of more than ten years following the date of grant of the Option (or in the case of an ISO granted to an individual who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or any of its subsidiaries, for a period of more than five years following the date of grant of the ISO).

(iii) ISOs. The terms of any ISO granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code. ISOs may only be granted to Eligible Persons who are employees of the Company or employees of a parent or any subsidiary corporation of the Company. Except as otherwise provided in Section 8 below, no term of the Plan relating to ISOs (including any SAR in tandem therewith) shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be exercised, so as to disqualify either the Plan or any ISO under Section 422 of the Code, unless notice has been provided to the Participant that such change will result in such disqualification. ISOs shall not be granted more than ten years after the earlier of the adoption of the Plan or the approval of the Plan by the Company’s stockholders. Notwithstanding the foregoing, to the extent that the aggregate Fair Market Value of shares of Stock subject to an ISO and the aggregate Fair Market Value of shares of stock of any parent or subsidiary corporation (within the meaning of Sections 424(e) and (f) of the Code) subject to any other incentive stock options of the Company or a parent or subsidiary corporation (within the meaning of Sections 424(e) and (f) of the Code) that are exercisable for the first time by a Participant during any calendar year exceeds \$100,000, or such other amount as may be prescribed under Section 422 of the Code, such excess shall be treated as Nonstatutory Options in accordance with the Code. As used in the previous sentence, Fair Market Value shall be determined as of the date the ISO is granted. If a Participant shall make any disposition of shares of Stock issued pursuant to an ISO under the circumstances described in Section 421(b) of the Code (relating to disqualifying dispositions), the Participant shall notify the Company of such disposition within the time provided to do so in the applicable award agreement.

(c) SARs. The Committee is authorized to grant SARs to Eligible Persons on the following terms and conditions:

(i) Right to Payment. An SAR is a right to receive, upon exercise thereof, the excess of (A) the Fair Market Value of one share of Stock on the date of exercise over (B) the grant price of the SAR as determined by the Committee.

(ii) Grant Price. Each Award Agreement evidencing an SAR shall state the grant price per share of Stock established by the Committee; provided, however, that except as provided in Section 6(j) or in Section 8, the grant price per share of Stock subject to an SAR shall

not be less than the greater of (A) the par value per share of the Stock or (B) 100% of the Fair Market Value per share of the Stock as of the date of grant of the SAR.

(iii) Method of Exercise and Settlement; Other Terms. The Committee shall determine the form of consideration payable upon settlement, the method by or forms in which Stock (if any) will be delivered or deemed to be delivered to Participants, and any other terms and conditions of any SAR. SARs may be either free-standing or granted in tandem with other Awards. No SAR may be exercisable for a period of more than ten years following the date of grant of the SAR.

(iv) Rights Related to Options. An SAR granted in connection with an Option shall entitle a Participant, upon exercise, to surrender that Option or any portion thereof, to the extent unexercised, and to receive payment of an amount determined by multiplying (A) the difference obtained by subtracting the Exercise Price with respect to a share of Stock specified in the related Option from the Fair Market Value of a share of Stock on the date of exercise of the SAR, by (B) the number of shares as to which that SAR has been exercised. The Option shall then cease to be exercisable to the extent surrendered. SARs granted in connection with an Option shall be subject to the terms and conditions of the Award Agreement governing the Option, which shall provide that the SAR is exercisable only at such time or times and only to the extent that the related Option is exercisable and shall not be transferable except to the extent that the related Option is transferrable.

(d) Restricted Stock. The Committee is authorized to grant Restricted Stock to Eligible Persons on the following terms and conditions:

(i) Restrictions. Restricted Stock shall be subject to such restrictions on transferability, risk of forfeiture and other restrictions, if any, as the Committee may impose. Except as provided in Section 7(a)(iii) and Section 7(a)(iv), during the restricted period applicable to the Restricted Stock, the Restricted Stock may not be sold, transferred, pledged, hedged, hypothecated, margined or otherwise encumbered by the Participant.

(ii) Dividends and Splits. As a condition to the grant of an Award of Restricted Stock, the Committee may allow a Participant to elect, or may require, that any cash dividends paid on a share of Restricted Stock be automatically reinvested in additional shares of Restricted Stock, applied to the purchase of additional Awards or deferred without interest to the date of vesting of the associated Award of Restricted Stock. Unless otherwise determined by the Committee and specified in the applicable Award Agreement, cash dividends paid on a share of Restricted Stock, or Stock distributed in connection with a Stock split or Stock dividend, and other property (other than cash) distributed as a dividend, shall be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock with respect to which such Stock or other property has been distributed, and no interest shall be paid during any deferral period.

(e) Restricted Stock Units. The Committee is authorized to grant Restricted Stock Units to Eligible Persons on the following terms and conditions:

(i) Award and Restrictions. Restricted Stock Units shall be subject to such restrictions (which may include a risk of forfeiture) as the Committee may impose.

(ii) Settlement. Settlement of vested Restricted Stock Units shall occur upon vesting or upon expiration of the deferral period specified for such Restricted Stock Units by the Committee (or, if permitted by the Committee, as elected by the Participant). Restricted Stock Units shall be settled by delivery of (A) a number of shares of Stock equal to the number of Restricted Stock Units for which settlement is due, or (B) cash in an amount equal to the Fair Market Value of the specified number of shares of Stock equal to the number of Restricted Stock Units for which settlement is due, or a combination thereof, as determined by the Committee at the date of grant or thereafter.

(f) Stock Awards. The Committee is authorized to grant Stock Awards to Eligible Persons as a bonus, as additional compensation, or in lieu of cash compensation any such Eligible Person is otherwise entitled to receive, in such amounts and subject to such other terms as the Committee in its discretion determines to be appropriate.

(g) Dividend Equivalents. The Committee is authorized to grant Dividend Equivalents to Eligible Persons, entitling any such Eligible Person to receive cash, Stock, other Awards, or other property equal in value to dividends or other distributions paid with respect to a specified number of shares of Stock. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award (other than an Award of Restricted Stock or a Stock Award). The Committee may provide that Dividend Equivalents shall be paid or distributed when accrued or at a later specified date and, if distributed at a later date, may be deemed to have been reinvested in additional Stock, Awards, or other investment vehicles or accrued in a bookkeeping account without interest, and subject to such restrictions on transferability and risks of forfeiture, as the Committee may specify.

(h) Other Stock-Based Awards. The Committee is authorized, subject to limitations under applicable law, to grant to Eligible Persons such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Stock, purchase rights for Stock, Awards with value and payment contingent upon performance of the Company or any other factors designated by the Committee, and Awards valued by reference to the book value of Stock or the value of securities of, or the performance of, specified Affiliates. The Committee shall determine the terms and conditions of such Other Stock-Based Awards. Stock delivered pursuant to an Other Stock-Based Award in the nature of a purchase right granted under this Section 6(h) shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including cash, Stock, other Awards, or other property, as the Committee shall determine.

(i) Cash Awards. The Committee is authorized to grant Cash Awards, on a free-standing basis or as an element of, a supplement to, or in lieu of any other Award under the Plan to Eligible Persons in such amounts and subject to such other terms as the Committee in its discretion determines to be appropriate.

(j) Substitute Awards; No Repricing. Awards may be granted in substitution or exchange for any other Award granted under the Plan or under another plan of the Company or an Affiliate or any other right of an Eligible Person to receive payment from the Company or an

Affiliate. Awards may also be granted under the Plan in substitution for awards held by individuals who become Eligible Persons as a result of a merger, consolidation or acquisition of another entity or the assets of another entity by or with the Company or an Affiliate. Such Substitute Awards referred to in the immediately preceding sentence that are Options or SARs may have an exercise price that is less than the Fair Market Value of a share of Stock on the date of the substitution if such substitution complies with the Nonqualified Deferred Compensation Rules, Section 424 of the Code and the guidance and regulations promulgated thereunder, if applicable, and other applicable laws.

7. Certain Provisions Applicable to Awards.

(a) Limit on Transfer of Awards.

(i) Except as provided in Sections 7(a)(iii) and (iv), each Option and SAR shall be exercisable only by the Participant during the Participant's lifetime, or by the person to whom the Participant's rights shall pass by will or the laws of descent and distribution. Notwithstanding anything to the contrary in this Section 7(a), an ISO shall not be transferable other than by will or the laws of descent and distribution.

(ii) Except as provided in Sections 7(a)(i), (iii) and (iv), no Award, other than a Stock Award, and no right under any such Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate.

(iii) To the extent specifically provided by the Committee, an Award may be transferred by a Participant on such terms and conditions as the Committee may from time to time establish.

(iv) An Award may be transferred pursuant to a domestic relations order entered or approved by a court of competent jurisdiction upon delivery to the Company of a written request for such transfer and a certified copy of such order.

(b) Form and Timing of Payment under Awards; Deferrals. Subject to the terms of the Plan and any applicable Award Agreement, payments to be made by the Company or any Affiliates upon the exercise or settlement of an Award may be made in such forms as the Committee shall determine in its discretion, including cash, Stock, other Awards or other property, and may be made in a single payment or transfer, in installments, or on a deferred basis (which may be required by the Committee or permitted at the election of the Participant on terms and conditions established by the Committee); provided, however, that any such deferred or installment payments will be set forth in the Award Agreement. Payments may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of Dividend Equivalents or other amounts in respect of installment or deferred payments denominated in Stock.

(c) Evidencing Stock. The Stock or other securities of the Company delivered pursuant to an Award may be evidenced in any manner deemed appropriate by the Committee in its sole discretion, including in the form of a certificate issued in the name of the Participant or by

book entry, electronic or otherwise, and shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the Plan or any applicable federal, state or other laws, and the Committee may cause a legend or legends to be inscribed on any such certificates to make appropriate reference to such restrictions. Further, if certificates representing Restricted Stock are registered in the name of the Participant, the Company may retain physical possession of the certificates and may require that the Participant deliver a stock power to the Company, endorsed in blank, related to the Restricted Stock.

(d) Consideration for Grants. Awards may be granted for such consideration, including services, as the Committee shall determine, but shall not be granted for less than the minimum lawful consideration.

(e) Additional Agreements. Each Eligible Person to whom an Award is granted under the Plan may be required to agree in writing, as a condition to the grant of such Award or otherwise, to subject an Award that is exercised or settled following such Eligible Person's termination of employment or service to a general release of claims and/or a noncompetition or other restricted covenant agreement in favor of the Company and the Affiliates, with the terms and conditions of such agreement(s) to be determined in good faith by the Committee.

8. Subdivision or Consolidation; Recapitalization; Change in Control; Reorganization.

(a) Existence of Plans and Awards. The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Company, the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities ahead of or affecting Stock or the rights thereof, the dissolution or liquidation of the Company, issuance of a dividend or other distribution with respect to the Company's Stock, or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

(b) Additional Issuances. Except as expressly provided herein, the issuance by the Company of shares of stock of any class, including upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Stock subject to Awards theretofore granted or the purchase price per share of Stock, if applicable.

(c) Subdivision or Consolidation of Shares. The terms of an Award and the share limitations under the Plan shall be subject to adjustment by the Committee from time to time, in accordance with the following provisions:

(i) If at any time, or from time to time, the Company shall subdivide as a whole (by reclassification, by a Stock split, by the issuance of a distribution on Stock payable in Stock, or otherwise) the number of shares of Stock then outstanding into a greater number of shares of Stock or in the event the Company distributes an extraordinary cash dividend, then, as appropriate (A) the maximum number of shares of Stock available for delivery with respect to

Awards and applicable limitations with respect to Awards provided in Section 4 and Section 5 (other than cash limits) shall be increased proportionately, and the kind of shares or other securities available for the Plan shall be appropriately adjusted, (B) the number of shares of Stock (or other kind of shares or securities) that may be acquired under any then-outstanding Award shall be increased proportionately, and (C) the price (including the Exercise Price or grant price) for each share of Stock (or other kind of shares or securities) subject to then-outstanding Awards shall be reduced proportionately, without changing the aggregate purchase price or value as to which outstanding Awards remain exercisable or subject to restrictions; provided, however, that in the case of an extraordinary cash dividend that is not an Adjustment Event, the adjustment to the number of shares of Stock and the Exercise Price or grant price, as applicable, with respect to an outstanding Option or SAR may be made in such other manner as the Committee may determine that is permitted pursuant to applicable tax and other laws, rules and regulations. Notwithstanding the foregoing, Awards that already have a right to receive extraordinary cash dividends as a result of Dividend Equivalents or other dividend rights will not be adjusted as a result of an extraordinary cash dividend.

(ii) If at any time, or from time to time, the Company shall consolidate as a whole (by reclassification, by reverse Stock split, or otherwise) the number of shares of Stock then outstanding into a lesser number of shares of Stock, then, as appropriate (A) the maximum number of shares of Stock available for delivery with respect to Awards and applicable limitations with respect to Awards provided in Section 4 and Section 5 (other than cash limits) shall be decreased proportionately, and the kind of shares or other securities available for the Plan shall be appropriately adjusted, (B) the number of shares of Stock (or other kind of shares or securities) that may be acquired under any then-outstanding Award shall be decreased proportionately, and (C) the price (including the Exercise Price or grant price) for each share of Stock (or other kind of shares or securities) subject to then-outstanding Awards shall be increased proportionately, without changing the aggregate purchase price or value as to which outstanding Awards remain exercisable or subject to restrictions.

(d) Recapitalization. In the event of any change in the capital structure or business of the Company or other corporate transaction or event that would be considered an “equity restructuring” within the meaning of ASC Topic 718 and, in each case, that would result in an additional compensation expense to the Company pursuant to the provisions of ASC Topic 718, if adjustments to Awards with respect to such event were discretionary or otherwise not required (each such an event, an “**Adjustment Event**”), then the Committee shall equitably adjust (i) the aggregate number or kind of shares that thereafter may be delivered under the Plan, (ii) the number or kind of shares or other property (including cash) subject to an Award, (iii) the terms and conditions of Awards, including the purchase price or Exercise Price of Awards and performance goals, as applicable, and (iv) the applicable limitations with respect to Awards provided in Section 4 and Section 5 (other than cash limits) to equitably reflect such Adjustment Event (“**Equitable Adjustments**”). In the event of any change in the capital structure or business of the Company or other corporate transaction or event that would not be considered an Adjustment Event, and is not otherwise addressed in this Section 8, the Committee shall have complete discretion to make Equitable Adjustments (if any) in such manner as it deems appropriate with respect to such other event.

(e) Change in Control and Other Events. In the event of a Change in Control or other changes in the Company or the outstanding Stock by reason of a recapitalization, reorganization, merger, consolidation, combination, exchange or other relevant change occurring after the date of the grant of any Award, the Committee, acting in its sole discretion without the consent or approval of any holder, may exercise any power enumerated in Section 3 (including the power to accelerate vesting, waive any forfeiture conditions or otherwise modify or adjust any other condition or limitation regarding an Award) and may also effect one or more of the following alternatives, which may vary among individual holders and which may vary among Awards held by any individual holder:

(i) accelerate the time of exercisability of an Award so that such Award may be exercised in full or in part for a limited period of time on or before a date specified by the Committee, after which specified date all unexercised Awards and all rights of holders thereunder shall terminate;

(ii) redeem in whole or in part outstanding Awards by requiring the mandatory surrender to the Company by selected holders of some or all of the outstanding Awards held by such holders (irrespective of whether such Awards are then vested or exercisable) as of a date, specified by the Committee, in which event the Committee shall thereupon cancel such Awards and pay to each holder an amount of cash or other consideration per Award (other than a Dividend Equivalent or Cash Award, which the Committee may separately require to be surrendered in exchange for cash or other consideration determined by the Committee in its discretion) equal to the Change in Control Price, less the Exercise Price with respect to an Option and less the grant price with respect to an SAR, as applicable to such Awards; provided, however, that to the extent the Exercise Price of an Option or the grant price of an SAR exceeds the Change in Control Price, such Award may be cancelled for no consideration;

(iii) cancel, substitute or modify Awards that remain subject to a restricted period as of the date of a Change in Control or other such event in exchange for a cash payment, other property or consideration, a substitute Award, or a substitution of the form of settlement of that Award (including substituting a Stock-settled Award for a cash-settled Award), in each case, which is equivalent to the economic value of the cancelled, substituted or modified Award as of the date of the applicable event, with the Committee making valuation assumptions deemed appropriate to reflect the Change in Control or other such event giving rise to the cancellation; or

(iv) make such other adjustments to Awards then outstanding as the Committee deems appropriate to reflect such Change in Control or other such event (including the substitution, assumption, or continuation of Awards by the successor company or a parent or subsidiary thereof);

provided, however, that so long as the event is not an Adjustment Event, the Committee may determine in its sole discretion that no adjustment is necessary to Awards then outstanding. If an Adjustment Event occurs, this Section 8(e) shall only apply to the extent it is not in conflict with Section 8(d).

(f) Vesting Upon Change in Control. Notwithstanding any other provision in this Plan to the contrary, unless expressly provided otherwise in the applicable Award Agreement,

Awards granted under the Plan to any Eligible Person shall be immediately vested, fully earned and exercisable upon the occurrence of a Change in Control.

9. **General Provisions.**

(a) Termination of Employment; Termination of Service.

(i) If an Eligible Person's employment with the Company or Affiliate terminates a result of death, Disability or Retirement, the Eligible Person (or personal representative in the case of death) shall be entitled to purchase all or any part of the shares subject to any vested Option for a period of up to three (3) months from such date of termination (one year in the case of death or a Disability that is also a "**disability**" within the meaning of Section 22(e)(3) of the Code, in lieu of the three-month period). If an Eligible Person's employment terminates for any other reason, the Eligible Person shall be entitled to purchase all or any part of the shares subject to any vested Option for a period of up to three (3) months from such date of termination. In no event shall any Option be exercisable past the term of the Option. The Committee may, in its sole discretion, accelerate the vesting of unvested Awards in the event of termination of employment of any Participant.

(ii) If an Eligible Person's service relationship with the Company or Affiliate terminates, the unvested portion of any Award shall be forfeited unless otherwise accelerated pursuant to the terms of the Eligible Person's Award Agreement or by the Committee. The Eligible Person will have a period of one (1) year following the termination date of the service relationship to exercise any Nonstatutory Options which were otherwise exercisable on the termination date.

(iii) Notwithstanding the foregoing in clauses (i) and (ii) of this Section 9(a), the Committee may provide for alternative treatment of Awards in an Award Agreement.

(b) Tax Withholding. The Company and any Affiliate are authorized to withhold from any Award granted, or any payment relating to an Award, including from a distribution of Stock, taxes due or potentially payable in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Company, the Affiliates and Participants to satisfy the payment of withholding taxes and other tax obligations relating to any Award in such amounts as may be determined by the Committee. The Committee shall determine, in its sole discretion, the form of payment acceptable for such tax withholding obligations, including the delivery of cash or cash equivalents, Stock (including through delivery of previously owned shares, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to the Award), other property, or any other legal consideration the Committee deems appropriate. If such tax withholding amounts are satisfied through net settlement or previously owned shares, the maximum number of shares of Stock that may be so withheld or surrendered shall be the number of shares of Stock that have an aggregate Fair Market Value on the date of withholding or surrender equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, foreign and/or local tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to such Award, as determined by the Committee.

(c) Limitation on Rights Conferred under Plan. Neither the Plan nor any action taken hereunder shall be construed as: (i) giving any Eligible Person or Participant the right to continue as an Eligible Person or Participant or in the employ or service of the Company or any Affiliate, (ii) interfering in any way with the right of the Company or any Affiliate to terminate any Eligible Person's or Participant's employment or service relationship at any time, (iii) giving an Eligible Person or Participant any claim to be granted any Award under the Plan or to be treated uniformly with other Participants and/or employees and/or other service providers, or (iv) other than as associated with the rights of a holder of a Restricted Stock Award, conferring on a Participant any of the rights of a stockholder of the Company unless and until the Participant is duly issued or transferred shares of Stock in accordance with the terms of an Award.

(d) Governing Law; Submission to Jurisdiction. All questions arising with respect to the provisions of the Plan and Awards shall be determined by application of the laws of the State of Oklahoma, without giving effect to any conflict of law provisions thereof, except to the extent Oklahoma law is preempted by federal law. The obligation of the Company to sell and deliver Stock hereunder is subject to applicable federal and state laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Stock. With respect to any claim or dispute related to or arising under the Plan, the Company and each Participant who accepts an Award hereby consent to the exclusive jurisdiction, forum and venue of the state and federal courts located in Oklahoma, unless otherwise set forth in an Award Agreement.

(e) Severability and Reformation. If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable law or, if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, person or Award and the remainder of the Plan and any such Award shall remain in full force and effect. If any of the terms or provisions of the Plan or any Award Agreement conflict with Section 422 of the Code (with respect to ISOs), then those conflicting terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of Section 422 of the Code, only to the extent such sections of the Code are applicable. With respect to ISOs, if the Plan does not contain any provision required to be included herein under Section 422 of the Code, that provision shall be deemed to be incorporated herein with the same force and effect as if that provision had been set out at length herein; provided, further, that, to the extent any Option that is intended to qualify as an ISO cannot so qualify, that Option (to that extent) shall be deemed a Nonstatutory Option for all purposes of the Plan.

(f) Unfunded Status of Awards; No Trust or Fund Created. The Plan is intended to constitute an **"unfunded"** plan for certain incentive awards. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company or any Affiliate pursuant to an Award, such right shall be no greater than the right of any general unsecured creditor of the Company or such Affiliate.

(g) Nonexclusivity of the Plan. Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements as it may deem desirable. Nothing contained in the Plan shall be construed to prevent the Company or any Affiliate from taking any corporate action which is deemed by the Company or such Affiliate to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any Award made under the Plan. No employee, beneficiary or other person shall have any claim against the Company or any Affiliate as a result of any such action.

(h) Fractional Shares. No fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine in its sole discretion whether cash, other securities, or other property shall be paid or transferred in lieu of any fractional shares of Stock or whether such fractional shares of Stock or any rights thereto shall be cancelled, terminated, or otherwise eliminated with or without consideration.

(i) Interpretation. Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof. Words in the masculine gender shall include the feminine gender, and, where appropriate, the plural shall include the singular and the singular shall include the plural. In the event of any conflict between the terms and conditions of an Award Agreement and the Plan, the provisions of the Plan shall control. The use herein of the word “including” following any general statement, term or matter shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation”, “but not limited to”, or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. References herein to any agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and not prohibited by the Plan.

(j) Facility of Payment. Any amounts payable hereunder to any individual under Disability or who, in the judgment of the Committee, is unable to manage properly his financial affairs, may be paid to the legal representative of such individual, or may be applied for the benefit of such individual in any manner that the Committee may select, and the Company shall be relieved of any further liability for payment of such amounts.

(k) Conditions to Delivery of Stock. Nothing herein or in any Award Agreement shall require the Company to issue any shares with respect to any Award if that issuance would, in the opinion of counsel for the Company, constitute a violation of any applicable statute or regulation as then in effect. In addition, each Participant who receives an Award under the Plan shall not sell or otherwise dispose of Stock that is acquired upon grant, exercise or vesting of an Award in any manner that would constitute a violation of any applicable federal or state securities laws, the Plan or the rules, regulations or other applicable requirements. At the time of any exercise of an Option or SAR, or at the time of any grant of any other Award, the Company may, as a condition precedent to the exercise of such Option or SAR or settlement of any other Award, require from the Participant (or in the event of his or her death, his or her legal representatives,

heirs, legatees, or distributees) such written representations, if any, concerning the holder's intentions with regard to the retention or disposition of the shares of Stock being acquired pursuant to the Award and such written covenants and agreements, if any, as to the manner of disposal of such shares as, in the opinion of counsel to the Company, may be necessary to ensure that any disposition by that holder (or in the event of the holder's death, his or her legal representatives, heirs, legatees, or distributees) will not involve a violation of any applicable state or federal statute or regulation as then in effect. Stock or other securities shall not be delivered pursuant to any Award until payment in full of any amount required to be paid pursuant to the Plan or the applicable Award Agreement (including any Exercise Price, grant price, or tax withholding) is received by the Company.

(l) Section 409A of the Code. It is the general intention, but not the obligation, of the Committee to design Awards to comply with or to be exempt from the Nonqualified Deferred Compensation Rules, and Awards will be operated and construed accordingly. Neither this Section 9(l), nor any other provision of the Plan is or contains a representation to any Participant regarding the tax consequences of the grant, vesting, exercise, settlement, or sale of any Award (or the Stock underlying such Award) granted hereunder, and should not be interpreted as such. In no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules. Notwithstanding any provision in the Plan or an Award Agreement to the contrary, in the event that a "**specified employee**" (as defined under the Nonqualified Deferred Compensation Rules) becomes entitled to a payment under an Award that would be subject to additional taxes and interest under the Nonqualified Deferred Compensation Rules if the Participant's receipt of such payment or benefits is not delayed until the earlier of: (i) the date of the Participant's death, or (ii) the date that is six months after the Participant's "separation from service," as defined under the Nonqualified Deferred Compensation Rules (such date, the "**Section 409A Payment Date**"), then such payment or benefit shall not be provided to the Participant until the Section 409A Payment Date. Any amounts subject to the preceding sentence that would otherwise be payable prior to the Section 409A Payment Date will be aggregated and paid in a lump sum without interest on the Section 409A Payment Date. The applicable provisions of the Nonqualified Deferred Compensation Rules are hereby incorporated by reference and shall control over any Plan or Award Agreement provision in conflict therewith.

(m) Clawback. The Plan and all Awards granted hereunder are subject to any written clawback policies that the Company, with the approval of the Board or an authorized committee thereof, may adopt either prior to or following the Effective Date. Any such policy may subject a Participant's Awards and amounts paid or realized with respect to Awards to reduction, cancellation, forfeiture or recoupment if certain specified events or wrongful conduct occur, including an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy.

(n) Status under ERISA. The Plan shall not constitute an "employee benefit plan" for purposes of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended.

(o) Plan Effective Date and Term. The Plan was adopted by the Board to be effective on the Effective Date. No Awards may be granted under the Plan on and after May 19,

2032. However, any Award granted prior to such termination (or any earlier termination pursuant to Section 10), and the authority of the Board or Committee to amend, alter, adjust, suspend, discontinue, or terminate any such Award or to waive any conditions or rights under such Award in accordance with the terms of the Plan, shall extend beyond such termination until the final disposition of such Award.

10. **Amendments to the Plan and Awards.** The Committee may amend, alter, suspend, discontinue or terminate any Award or Award Agreement, the Plan or the Committee's authority to grant Awards without the consent of stockholders or Participants; provided, that, without the consent of an affected Participant, no such Committee action may materially and adversely affect the rights of such Participant under any previously granted and outstanding Award. Notwithstanding the foregoing, the Committee may take any action without the consent of an affected Participant that materially and adversely affects the rights of such Participant under any previously granted and outstanding Award if such action is taken to comply with changes in applicable laws or regulations. For purposes of clarity, any adjustments made to Awards pursuant to Section 8 will be deemed not to materially and adversely affect the rights of any Participant under any previously granted and outstanding Award and therefore may be made without the consent of affected Participants.

REPLACEMENT RESTRICTED STOCK UNIT AGREEMENT

Continental Resources, Inc.
2022 Long Term Incentive Plan

EMPLOYEE AGREEMENT

Grantee: _____
Date of Grant: _____
Number of Restricted Stock Units Granted: _____

THIS RESTRICTED STOCK UNIT AGREEMENT (the “**Award Agreement**”), is entered into as of [●] (the “**Date of Grant**”) by and between [●] (the “**Participant**”) and CONTINENTAL RESOURCES, INC. (the “**Company**”):

WITNESSETH:

WHEREAS, the Company recently entered into that certain Agreement and Plan of Merger dated as of October 16, 2022 between the Company and Omega Acquisition, Inc. (the “**Merger Agreement**”);

WHEREAS, pursuant to the Merger Agreement, each unvested restricted stock award (the “**Original Award**”) held under a Company Plan (as defined in the Merger Agreement) that was outstanding immediately prior to the Effective Time (as defined in the Merger Agreement) shall be replaced with a Replacement RSU Award (as defined in the Merger Agreement);

WHEREAS, each Replacement RSU Award shall also include a right to receive a Cash Payment (defined below) that is equal to the cash value of any accrued but unpaid dividend equivalent rights that were associated with the Original Award as of the Effective Time (as defined in the Merger Agreement);

WHEREAS, the Participant held an outstanding Original Award, therefore this Award Agreement will document the terms and conditions of the Participant’s Replacement RSU Award;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for good and valuable consideration, the Participant and the Company hereby agree as follows:

Section 1. Grant of Award. The Company hereby grants to the Participant effective as of the Date of Grant specified above, as a matter of separate inducement but not in lieu of any salary or other compensation for the Participant’s services for the Company, an award (the “**Award**”) of [●] Restricted Stock Units (the “**Restricted Stock Units**”), under and subject to the terms and conditions of this Award Agreement and the Plan, which is incorporated herein by reference and made a part hereof for all purposes. Each Restricted Stock Unit also includes an additional tandem right to receive a “**Cash Payment**,” which, in the aggregate, shall equal the amount of the accrued but unpaid cash value of dividend equivalent rights that were associated with the Original Award as of the Effective Time. For purposes of clarity, the

Restricted Stock Units shall not include a dividend equivalent right with respect to any period of time following the Date of Grant. References to the “Restricted Stock Units” or the “Award” within this Agreement shall be deemed to include the Cash Payment unless specifically noted otherwise.

Section 2. Vesting of Award. If the Participant’s employment with the Company, a Subsidiary, or an Affiliated Entity remains full-time and continuous at all times prior to any of the vesting dates specified below (the “**Vesting Dates**”), the restrictions on a number of the Restricted Stock Units granted pursuant to this Award Agreement will expire (the “**Lapse Date**”) and such Restricted Stock Units will become transferable and nonforfeitable, on or after the applicable Vesting Date, on a cumulative basis, according to the table below:

<u>Number of Restricted Stock Units</u>	<u>Vesting Date</u>
[•]	January 16, 2023
[•]	February 15, 2024
[•]	February 15, 2025

Notwithstanding the vesting schedule set forth above, upon the occurrence of a Change in Control, the Award shall become 100% vested and Forfeiture Restrictions (defined below) on the Award will expire.

Section 3. Restrictions; Forfeiture. The Restricted Stock Units may not be sold, assigned, pledged, exchanged, hypothecated, or otherwise transferred, encumbered, or disposed of, and in the event of termination of your employment with the Company for any reason, you shall, for no consideration, forfeit to the Company all Restricted Stock Units to the extent then subject to the Forfeiture Restrictions (defined below). The prohibition against transfer and the obligation to forfeit and surrender Restricted Stock Units to the Company upon termination of employment as provided in this Section 3 are herein referred to as the “**Forfeiture Restrictions.**” The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of the Restricted Stock Units. The Participant hereby agrees that if the Restricted Stock Units are forfeited, the Company shall have the right to deliver the Restricted Stock Units to the Company’s transfer or other applicable agent for, at the Company’s election, cancellation or transfer to the Company.

Section 4. Payments. Subject to Section 20 hereof, as soon as reasonably practicable after the lapse of the Forfeiture Restrictions with respect to the specified number of Restricted Stock Units as provided in Section 2 hereof (but in no event later than the end of the calendar year in which the Forfeiture Restrictions so lapse), the Company shall deliver to you: (a) with respect to each such Restricted Stock Unit (without reference to the Cash Payment) either one share of Common Stock, the cash equivalent value of one share of Common Stock, or any combination of cash and securities (including fractional securities, as applicable), as determined by the Company in its sole discretion; and (b) with respect to the vested portion of the Cash Payment, a cash payment. For purposes of clarity, the value of one share of Common Stock for any tranche of the Restricted Stock Units that vest on January 16, 2023 shall be \$74.28, which is the price per share of Common Stock for purposes of the transactions contemplated within the Merger Agreement.

You shall not be entitled to receive any interest with respect to the timing and payment of Restricted Stock Units or Cash Payments under this Section 4, as applicable. In the event all or any portion

of the Restricted Stock Units granted hereby fail to become vested under Section 2, the unvested portions of your Cash Payment associated with respect to such Restricted Stock Units shall be forfeited to the Company.

Notwithstanding the foregoing and in accordance with the applicable provisions of the plan, in the case of vesting in connection with a Change in Control, if such Change in Control is not also a “change in control event” as defined in the regulations and guidance issued under Section 409A of the Code, the payment described in this Section 4 shall be made on the earlier to occur of (1) the Lapse Date specified in Section 2 hereof, and (2) the occurrence of an event that constitutes a “change in control event” as defined in the regulations and guidance issued under Section 409A of the Code with respect to the Company (with payment made as soon as reasonably practicable following such event). If applicable, the Company shall deliver the shares of Common Stock in electronic, book entry form, with such legends or restrictions thereon as the Committee may determine to be necessary or advisable in order to comply with applicable laws. Participant hereby agrees to complete and sign any documents and take any additional action that the Company may request to enable it to deliver shares of Common Stock on Participant’s behalf.

Section 5. Employment. So long as the Participant shall continue to be a full-time and continuous employee of the Company, a Subsidiary, or an Affiliated Entity, the Award shall not be affected by any change of duties or position. Nothing in the Plan or Award Agreement shall be construed as (a) giving Participant the right to continue as a Participant or in the employ or service of the Company or any Affiliate, (b) interfering in any way with the right of the Company or any Affiliate to terminate Participant’s employment or service relationship at any time, or (c) giving Participant any claim to be granted any Award under the Plan or to be treated uniformly with other Participants and/or employees and/or other service providers. For the avoidance of doubt, unless otherwise provided in a written employment or consulting agreement or by applicable law, your employment by or service with the Company or any Affiliate shall be on an at-will basis, and the employment or service relationship may be terminated at any time by either you or the Company or any Affiliate by any reason whatsoever, with or without cause or notice. Any question as to whether and when there has been a termination of such employment or service, and the cause of such termination, shall be determined by the Committee or its delegate, and its determination shall be final. With respect to the Award, the Company may, in its sole discretion, determine that if the Participant is on leave of absence for any reason, the Participant will be considered to still be in the employ of, or providing services for, the Company (and, hence, as a result of such leave of absence, Restricted Stock Units for which the restrictions have not lapsed as of the date the leave of absence began will not be automatically forfeited to the Company while the Participant remains on leave of absence), provided that no Restricted Stock Units will become transferable and nonforfeitable during any leave of absence, even if a Vesting Date would otherwise occur during such leave of absence, and upon the Participant’s return from leave of absence, the Company, in its sole discretion, may adjust the vesting schedule in Section 2 hereof to account for such leave of absence.

Section 6. Notices. All notices or other communications relating to the Plan and this Award Agreement shall be in writing and shall be delivered personally or mailed (U.S. mail) and shall be deemed to be delivered (a) on the date on which actually received by the person to whom it is delivered personally, (b) three (3) business days following the date on which a properly addressed notice or communication is mailed via regular U.S. mail or (c) on the date on which receipt is acknowledged if sent via certified U.S. mail. Any notice by the Company to the Participant shall be sent to the Participant at the then current address as maintained by the Company or such other address as the Participant may advise the Company

in writing. Any notice by the Participant to the Company shall be sent to the Secretary of the Company. Any person entitled to notice hereunder may waive such notice in writing.

Section 7. Furnish Information. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirements imposed upon the Company by or under any applicable statute or regulation.

Section 8. Remedies. The parties to this Award Agreement shall be entitled to recover from each other reasonable attorneys' fees incurred in connection with the successful enforcement of the terms and provisions of this Award Agreement, whether by action to enforce specific performance or for damages for its breach or otherwise.

Section 9. No Liability for Good Faith Determinations. The Company and the members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Award Agreement or the Restricted Stock Units granted hereunder.

Section 10. Execution of Receipts and Releases. Any payment of cash or any issuance or transfer of shares of Common Stock or other property to the Participant, or to the Participant's legal representative, heir, legatee or distributee, in accordance with the provisions hereof, shall, to the extent thereof, be in full satisfaction of all claims of such persons hereunder. The Company may require the Participant or the Participant's legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a release and receipt therefor in such form as it shall determine.

Section 11. No Guarantee of Interests. The Board and the Company do not guarantee the Award or the Common Stock of the Company from loss or depreciation.

Section 12. Information Confidential. As partial consideration for the granting of the Award hereunder, the Participant hereby agrees to keep confidential all information and knowledge, except that which has been disclosed in any public filings required by law, that the Participant has relating to the terms and conditions of this Award Agreement; provided, however, that such information may be disclosed as required by law and may be given in confidence to the Participant's spouse and tax and financial advisors. In the event any breach of this promise comes to the attention of the Company, it shall take into consideration that breach in determining whether to recommend the grant of any future similar award to the Participant.

Section 13. Successors. This Award Agreement shall be binding upon the Participant, the Participant's legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.

Section 14. Severability. If any provision of this Award Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Award Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

Section 15. Company Action. Any action required of the Company shall be by resolution or other written action of the Board or Committee or by a person or entity properly authorized to act by resolution of the Board or Committee.

Section 16. Headings. The titles and headings of sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

Section 17. Governing Law. All questions arising with respect to the provisions of this Award Agreement shall be determined by application of the laws of Oklahoma, without giving any effect to any conflict of law provisions thereof, except to the extent Oklahoma state law is preempted by federal law.

Section 18. Consent to Jurisdiction and Venue. The Participant hereby consents and agrees that state courts located in Oklahoma County, Oklahoma and the United States District Court for the Western District of Oklahoma each shall have personal jurisdiction and proper venue with respect to any dispute between the Participant and the Company arising in connection with the Award or this Award Agreement. In any dispute with the Company, the Participant will not raise, and the Participant hereby expressly waives, any objection or defense to any such jurisdiction as an inconvenient forum.

Section 19. No Rights as Shareholder. You shall have no rights as a shareholder of the Company, including, without limitation, voting rights or the right to receive dividends and distributions as a shareholder, with respect to the shares of Common Stock subject to the Restricted Stock Units, unless and until such shares of Common Stock (if any) are delivered to you as provided herein.

Section 20. Withholding of Tax. To the extent that the receipt of the Restricted Stock Units (including any Cash Payments related thereto) or the lapse of any Forfeiture Restrictions results in the receipt of compensation by you with respect to the Company or any Affiliate has a tax withholding obligation pursuant to applicable law, the Company or Affiliate shall withhold from the cash or from the shares of Common Stock otherwise to be delivered to you, that amount of cash or that number of shares of Common Stock having a Fair Market Value equal to the Company's or Affiliate's tax withholding obligations with respect to such cash and shares of Common Stock, respectively, unless you deliver to the Company or Affiliate (as applicable) at the time such cash or shares of Common Stock are delivered to you, such amount of money as the Company or Affiliate may require to meet such tax withholding obligations. No payments with respect to Restricted Stock Units, Cash Payments shall be made pursuant to this Award Agreement until the applicable tax withholding requirements with respect to such event have been satisfied in full. The Company is making no representation or warranty as to the tax consequences that may result from the receipt of the Restricted Stock Units, receipt of the Cash Payment, the lapse of any Forfeiture Restrictions, or the forfeiture of any Restricted Stock Units pursuant to the Forfeiture Restrictions.

Section 21. Amendment. This Award Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Award, or (b) other than in these circumstances described in subparagraph (a) or provided in the Plan, with the Participant's consent.

Section 22. Acknowledgements. The Participant acknowledges and agrees that (a) the Participant is not relying upon any determination by the Company, its affiliates, or any of their respective employees, directors, officers, attorneys or agents (collectively, the "**Company Parties**") of the Fair Market Value of the Award on the Date of Grant, (b) the Participant is not relying upon any written or oral statement or representation of the Company Parties regarding the tax effects associated with the Participant's execution

of this Award Agreement and the Participant's receipt, holding and vesting of the Restricted Stock Units, and (c) in deciding to enter into this Award Agreement, the Participant is relying on the Participant's own judgment and the judgment of the professionals of the Participant's choice with whom the Participant has consulted. The Participant hereby releases, acquits and forever discharges the Company Parties from all actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever, known or unknown, on account of, arising out of, or in any way related to the tax effects associated with the Participant's execution of this Award Agreement and the Participant's receipt or holding of the Restricted Stock Units..

Section 23. Plan Controls. By accepting this grant, Participant agrees that the Restricted Stock Units are granted under and governed by the terms and conditions of the Plan and this Award Agreement. In the event of any conflict between the Plan and this Award Agreement, the terms of the Plan shall control. Unless otherwise defined herein (such as terms specifically defined by reference to the Merger Agreement), capitalized terms used and defined in the Plan shall have the same defined meanings in this Award Agreement.

Section 24. Clawback. This Award Agreement is subject to any written clawback policies that the Company, with the approval of the Board, or an authorized committee thereof, may adopt, either prior to or following the Date of Grant. Any such policy may subject Participant's Awards and amounts paid or realized with respect to Awards to reduction, cancelation, forfeiture, or recoupment if certain specified events or wrongful conduct occur, including an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy.

Section 25. Section 409A. Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Code, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**"), or an exemption therefrom, and shall be interpreted, construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A (due to qualifying as a short-term deferral or otherwise) shall be excluded from Section 409A to the maximum extent possible. No payment shall be made under this Agreement if such payment would give rise to taxation under Section 409A to any person, and any amount payable under such provision shall be paid on the earliest date permitted with respect to such provision by Section 409A and not before such date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by you on account of non-compliance with Section 409A. For purposes of Section 409A, each payment provided under this Agreement shall be treated as a separate payment.

Section 26. Corporate Acts. The existence of the Restricted Stock Units shall not affect in any right the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, to issue a dividend or other distribution with respect to the Company's Common Stock, or any other corporate act or proceeding.

IN WITNESS WHEREOF, the parties have executed this Award Agreement as of the Date of Grant.

Continental Resources, Inc.,
an Oklahoma corporation

By:

“Participant”

CASH AWARD AGREEMENT

Continental Resources, Inc.
Second Amended and Restated 2022 Long Term Incentive Plan

EMPLOYEE AGREEMENT

Grantee: _____
 Date of Grant: _____
 Value of Target Cash Award: _____

THIS CASH AWARD AGREEMENT (the “**Award Agreement**”), is entered into as of [●] (the “**Date of Grant**”) by and between [●] (the “**Participant**”) and CONTINENTAL RESOURCES, INC. (the “**Company**”):

WITNESSETH:

WHEREAS, the Participant is an employee of the Company, and it is important that the Participant be encouraged to remain in its employ; and

WHEREAS, in recognition of such facts, the Company desires to provide to the Participant an incentive cash award pursuant to the Second Amended and Restated Continental Resources, Inc. 2022 Long Term Incentive Plan (as amended, the “**Plan**”), a copy of which has been provided to the Participant; and

WHEREAS, the Cash Award granted herein shall track the appraised value of the Company from the Date of Grant until the applicable Vesting Date, and the Participant shall at no time have any rights or benefits associated with a holder of a share of Stock; and

WHEREAS, any capitalized terms used but not defined herein have the same meanings given them in the Plan.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for good and valuable consideration, the Participant and the Company hereby agree as follows:

Section 1. Grant of Award. The Company hereby grants to the Participant effective as of the Date of Grant specified above, as a matter of separate inducement but not in lieu of any salary for the Participant’s services for the Company, a cash award in the amount of the target cash award value noted above (the “**Award**” or the “**Cash Award**”), under and subject to the terms and conditions of this Award Agreement and the Plan, which is incorporated herein by reference and made a part hereof for all purposes. The Award shall entitle the Grantee to receive the payments at the times and in the form set forth in Section 4 hereof. The Award does not provide the Grantee with any equity interests in, or assets of, the Company or any of its Affiliates. The Award entitles the Grantee to only the rights, privileges, preferences, and

obligations specifically provided for in this Agreement. Without limiting the foregoing, the Grantee shall have no voting rights or appraisal rights and will not be entitled to receive any information relating to the Company or any of its affiliates other than that information provided to other holders of Cash Awards generally.

Section 2. Vesting of Award. The Cash Award is unvested on the Grant Date. If the Participant's employment with the Company, a Subsidiary, or an Affiliated Entity remains full-time and continuous at all times prior to the applicable vesting date specified below, one hundred percent (100%) of the unvested Award shall become vested and Forfeiture Restrictions (defined below) on the Award will expire on February 15, 2026 (the "**Vesting Date**"). Notwithstanding the time-based vesting date in the previous sentence, upon the occurrence of a Change in Control the Award shall become 100% vested and Forfeiture Restrictions will expire. In the event of a Change in Control vesting, the date of the Change in Control shall also be deemed a Vesting Date pursuant to this Agreement.

Section 3. Restrictions; Forfeiture. The Cash Award may not be sold, assigned, pledged, exchanged, hypothecated, or otherwise transferred, encumbered, or disposed of, and in the event of termination of your employment with the Company for any reason, you shall, for no consideration, forfeit to the Company any portion of the Cash Award to the extent then subject to the Forfeiture Restrictions (defined below). The prohibition against transfer and the obligation to forfeit and surrender the Cash Award to the Company upon termination of employment as provided in this Section 3 are herein referred to as the "**Forfeiture Restrictions**." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of the Cash Award.

Section 4. Payments. Subject to Section 20 hereof, as soon as reasonably practicable after the lapse of the Forfeiture Restrictions with respect to the specified portion of the Cash Award as provided in Section 2 hereof (but in no event later than the end of the calendar year in which the Forfeiture Restrictions so lapse), the Company shall settle the vested portion of the Cash Award in the form of a cash payment. The amount of such cash payment shall equal the target Cash Award value noted above, adjusted for the change (which may be an increase or decrease) in the appraised value of the Company from the Date of Grant until the applicable Vesting Date.

You shall not be entitled to receive any interest with respect to the timing and payment of any portion of the Cash Award, as applicable. In the event all or any portion of the Cash Award granted hereby fail to become vested under Section 2, the unvested portion of the Award shall be forfeited to the Company for no consideration.

Notwithstanding the foregoing and in accordance with the applicable provisions of the Plan, in the case of vesting in connection with a Change in Control, if such Change in Control is not also a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code, the payment described in this Section 4 shall be made on the earlier to occur of (1) the Vesting Date specified in Section 2 hereof, and (2) the occurrence of an event that constitutes a "change in control event" as defined in the regulations and guidance issued under Section 409A of the Code with respect to the Company (with payment made as soon as reasonably practicable following such event).

Section 5. Employment. So long as the Participant shall continue to be a full-time and continuous employee of the Company, a Subsidiary, or an Affiliated Entity, the Award shall not be affected by any change of duties or position. Nothing in the Plan or Award Agreement shall be construed

as (a) giving Participant the right to continue as a Participant or in the employ or service of the Company or any Affiliate, (b) interfering in any way with the right of the Company or any Affiliate to terminate Participant's employment or service relationship at any time, or (c) giving Participant any claim to be granted any Award under the Plan or to be treated uniformly with other Participants and/or employees and/or other service providers. For the avoidance of doubt, unless otherwise provided in a written employment or consulting agreement or by applicable law, your employment by or service with the Company or any Affiliate shall be on an at-will basis, and the employment or service relationship may be terminated at any time by either you or the Company or any Affiliate by any reason whatsoever, with or without cause or notice. Any question as to whether and when there has been a termination of such employment or service, and the cause of such termination, shall be determined by the Committee or its delegate, and its determination shall be final. With respect to the Award, the Company may, in its sole discretion, determine that if the Participant is on leave of absence for any reason, the Participant will be considered to still be in the employ of, or providing services for, the Company (and, hence, as a result of such leave of absence, the Cash Award for which the restrictions have not lapsed as of the date the leave of absence began will not be automatically forfeited to the Company while the Participant remains on leave of absence), provided that no Cash Award will become transferable and nonforfeitable during any leave of absence, even if a Vesting Date would otherwise occur during such leave of absence, and upon the Participant's return from leave of absence, the Company, in its sole discretion, may adjust the vesting schedule in Section 2 hereof to account for such leave of absence.

Section 6. Notices. All notices or other communications relating to the Plan and this Award Agreement shall be in writing and shall be delivered personally or mailed (U.S. mail) and shall be deemed to be delivered (a) on the date on which actually received by the person to whom it is delivered personally, (b) three (3) business days following the date on which a properly addressed notice or communication is mailed via regular U.S. mail or (c) on the date on which receipt is acknowledged if sent via certified U.S. mail. Any notice by the Company to the Participant shall be sent to the Participant at the then current address as maintained by the Company or such other address as the Participant may advise the Company in writing. Any notice by the Participant to the Company shall be sent to the Secretary of the Company. Any person entitled to notice hereunder may waive such notice in writing.

Section 7. Furnish Information. The Participant agrees to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirements imposed upon the Company by or under any applicable statute or regulation.

Section 8. Remedies. The parties to this Award Agreement shall be entitled to recover from each other reasonable attorneys' fees incurred in connection with the successful enforcement of the terms and provisions of this Award Agreement, whether by action to enforce specific performance or for damages for its breach or otherwise.

Section 9. No Liability for Good Faith Determinations. The Company and the members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Award Agreement or the Cash Award granted hereunder.

Section 10. Execution of Receipts and Releases. Any payment of cash to the Participant, or to the Participant's legal representative, heir, legatee or distributee, in accordance with the provisions hereof, shall, to the extent thereof, be in full satisfaction of all claims of such persons hereunder. The Company may require the Participant or the Participant's legal representative, heir, legatee or distributee, as a

condition precedent to such payment, to execute a release and receipt therefor in such form as it shall determine.

Section 11.No Guarantee of Interests. The Board and the Company do not guarantee the Award being tracked by this Award from loss or depreciation.

Section 12.Information Confidential. As partial consideration for the granting of the Award hereunder, the Participant hereby agrees to keep confidential all information and knowledge, except that which has been disclosed in any public filings required by law, that the Participant has relating to the terms and conditions of this Award Agreement; provided, however, that such information may be disclosed as required by law and may be given in confidence to the Participant's spouse and tax and financial advisors. In the event any breach of this promise comes to the attention of the Company, it shall take into consideration that breach in determining whether to recommend the grant of any future similar award to the Participant.

Section 13.Successors. This Award Agreement shall be binding upon the Participant, the Participant's legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.

Section 14.Severability. If any provision of this Award Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Award Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

Section 15.Company Action. Any action required of the Company shall be by resolution or other written action of the Board or Committee or by a person or entity properly authorized to act by resolution of the Board or Committee.

Section 16.Headings. The titles and headings of sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

Section 17.Governing Law. All questions arising with respect to the provisions of this Award Agreement shall be determined by application of the laws of Oklahoma, without giving any effect to any conflict of law provisions thereof, except to the extent Oklahoma state law is preempted by federal law.

Section 18.Consent to Jurisdiction and Venue. The Participant hereby consents and agrees that state courts located in Oklahoma County, Oklahoma and the United States District Court for the Western District of Oklahoma each shall have personal jurisdiction and proper venue with respect to any dispute between the Participant and the Company arising in connection with the Award or this Award Agreement. In any dispute with the Company, the Participant will not raise, and the Participant hereby expressly waives, any objection or defense to any such jurisdiction as an inconvenient forum.

Section 19.No Rights as Shareholder. You shall have no rights as a shareholder of the Company, including, without limitation, voting rights or the right to receive dividends and distributions as a shareholder.

Section 20.Withholding of Tax. To the extent that the receipt of the Cash Award or the lapse of any Forfeiture Restrictions results in the receipt of compensation by you with respect to the Company or

any Affiliate has a tax withholding obligation pursuant to applicable law, the Company or Affiliate shall withhold from the cash otherwise to be delivered to you, that amount of cash having a value equal to the Company's or Affiliate's tax withholding obligations with respect to such cash. No payments with respect to the Cash Award shall be made pursuant to this Award Agreement until the applicable tax withholding requirements with respect to such event have been satisfied in full. The Company is making no representation or warranty as to the tax consequences that may result from the receipt of the Cash Award, the lapse of any Forfeiture Restrictions, or the forfeiture of any Cash Award.

Section 21. Amendment. This Award Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Award, or (b) other than in these circumstances described in subparagraph (a) or provided in the Plan, with the Participant's consent.

Section 22. Acknowledgements. The Participant acknowledges and agrees that (a) the Participant is not relying upon any written or oral statement or representation of Company, its affiliates, or any of their respective employees, directors, officers, attorneys or agents (collectively, the "**Company Parties**") regarding the tax effects associated with the Participant's execution of this Award Agreement and the Participant's receipt, holding and vesting of the Cash Award, and (b) in deciding to enter into this Award Agreement, the Participant is relying on the Participant's own judgment and the judgment of the professionals of the Participant's choice with whom the Participant has consulted. The Participant hereby releases, acquits and forever discharges the Company Parties from all actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever, known or unknown, on account of, arising out of, or in any way related to the tax effects associated with the Participant's execution of this Award Agreement and the Participant's receipt or holding of the Cash Award.

Section 23. Plan Controls. By accepting this grant, Participant agrees that the Cash Award is granted under and governed by the terms and conditions of the Plan and this Award Agreement. In the event of any conflict between the Plan and this Award Agreement, the terms of the Plan shall control. Unless otherwise defined herein (such as terms specifically defined by reference to the Merger Agreement), capitalized terms used and defined in the Plan shall have the same defined meanings in this Award Agreement.

Section 24. Clawback. This Award Agreement is subject to any written clawback policies that the Company, with the approval of the Board, or an authorized committee thereof, may adopt, either prior to or following the Date of Grant. Any such policy may subject Participant's Awards and amounts paid or realized with respect to Awards to reduction, cancelation, forfeiture, or recoupment if certain specified events or wrongful conduct occur, including an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy.

Section 25. Section 409A. Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Code, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**"), or an exemption therefrom, and shall be interpreted, construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A (due to qualifying as a

short-term deferral or otherwise) shall be excluded from Section 409A to the maximum extent possible. No payment shall be made under this Agreement if such payment would give rise to taxation under Section 409A to any person, and any amount payable under such provision shall be paid on the earliest date permitted with respect to such provision by Section 409A and not before such date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by you on account of non-compliance with Section 409A. For purposes of Section 409A, each payment provided under this Agreement shall be treated as a separate payment.

Section 26. Corporate Acts. The existence of the Cash Award shall not affect in any right the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization, or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange, or other disposition of all or any part of its assets or business, to issue a dividend or other distribution with respect to the Company's Stock, or any other corporate act or proceeding.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Award Agreement as of the Date of Grant.

Continental Resources, Inc.,
an Oklahoma corporation

By:

“Participant”

SUBSIDIARIES OF CONTINENTAL RESOURCES, INC.

20 Broadway Associates LLC, an Oklahoma limited liability company
Banner Pipeline Company, L.L.C., an Oklahoma limited liability company
CLR Asset Holdings, LLC, an Oklahoma limited liability company
SFPG, LLC, an Oklahoma limited liability company*
The Mineral Resources Company, an Oklahoma corporation
The Mineral Resources Company II, LLC, a Delaware limited liability company*
Jagged Peak Energy LLC, a Delaware limited liability company
Parsley SoDe Water LLC, a Delaware limited liability company
Continental Innovations LLC, an Oklahoma limited liability company
SCS1 Holdings LLC, an Oklahoma limited liability company

* Ownership is less than 100%.

**Certification of the Company's Chief Executive Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. Section 7241)**

I, Doug Lawler, certify that:

1. I have reviewed this report on Form 10-K for the period ended December 31, 2022 of Continental Resources, Inc. ("Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 22, 2023

/s/ Doug Lawler

Doug Lawler
President and Chief Executive Officer

**Certification of the Company's Chief Financial Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. Section 7241)**

I, John D. Hart, certify that:

1. I have reviewed this report on Form 10-K for the period ended December 31, 2022 of Continental Resources, Inc. ("Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 22, 2023

/s/ John D. Hart

John D. Hart

**Chief Financial Officer and Executive Vice President of Strategic
Planning**

**Certification of the Company's Chief Executive Officer and Chief Financial Officer Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)**

Pursuant to 18 U.S.C. Section 1350, the undersigned officers of Continental Resources, Inc. (the "Company") hereby certify that the Company's Report on Form 10-K for the year ended December 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Doug Lawler

Doug Lawler
President and Chief Executive Officer
February 22, 2023

/s/ John D. Hart

John D. Hart
Chief Financial Officer
and Executive Vice President of Strategic Planning
February 22, 2023



RYDER SCOTT COMPANY
PETROLEUM CONSULTANTS

Exhibit 99

TBPELS REGISTERED ENGINEERING FIRM F-1580

633 17TH STREET SUITE 1700

DENVER, COLORADO 80202

TELEPHONE (303) 339-8110

January 6, 2023

Continental Resources, Inc.
20 North Broadway
Oklahoma City, Oklahoma 73102

Ladies and Gentlemen:

At your request, Ryder Scott Company, L.P. (Ryder Scott) has prepared an estimate of the proved reserves, future production, and income attributable to certain leasehold and royalty interests of Continental Resources, Inc. (Continental) as of December 31, 2022. The subject properties are located in the states of Louisiana, Montana, North Dakota, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming. The reserves and income data were estimated based on the definitions and disclosure guidelines of the United States Securities and Exchange Commission (SEC) contained in Title 17, Code of Federal Regulations, Modernization of Oil and Gas Reporting, Final Rule released January 14, 2009 in the Federal Register (SEC regulations). Our third party study, completed on January 6, 2023 and presented herein, was prepared for public disclosure by Continental in filings made with the SEC in accordance with the disclosure requirements set forth in the SEC regulations.

The properties evaluated by Ryder Scott account for a portion of Continental's total net proved reserves as of December 31, 2022. Based on information provided by Continental, the third party estimate conducted by Ryder Scott addresses approximately 97 percent of the total proved developed net liquid hydrocarbon reserves, 98 percent of the total proved developed net gas reserves, 99 percent of the total proved undeveloped net liquid hydrocarbon reserves, and 99 percent of the total proved undeveloped net gas reserves of Continental. When put in discounted cash flow terms, the reserves values evaluated represent 98 percent of Continental's total proved FNI discounted at 10 percent.

The estimated reserves and future net income amounts presented in this report, as of December 31, 2022, are related to hydrocarbon prices. The hydrocarbon prices used in the preparation of this report are based on the average prices during the 12-month period prior to the "as of date" of this report, determined as the unweighted arithmetic averages of the prices in effect on the first-day-of-the-month for each month within such period, unless prices were defined by contractual arrangements, as required by the SEC regulations. Actual future prices may vary considerably from the prices required by SEC regulations. The reserves volumes and the income attributable thereto have a direct relationship to the hydrocarbon prices actually received; therefore, volumes of reserves actually recovered and the amounts of income actually received may differ significantly from the estimated quantities presented in this report. The results of this study are summarized as follows.

SEC PARAMETERS
Estimated Net Reserves and Income Data
Certain Leasehold and Royalty Interests of
Continental Resources, Inc.

	As of December 31, 2022			
	Proved			
	Developed		Undeveloped	Total
	Producing	Non-Producing		Proved
<u>Net Reserves</u>				
Oil/Condensate – MBarrels	428,650	13,632	432,998	875,280
Gas - MMCF	3,340,410	62,951	2,345,286	5,748,647
<u>Income Data (\$M)</u>				
Future Gross Revenue	\$ 54,605,149	\$ 1,479,306	\$ 49,573,929	\$ 105,658,384
Deductions	12,150,804	435,250	15,304,118	27,890,172
Future Net Income (FNI)	\$ 42,454,345	\$ 1,044,056	\$ 34,269,811	\$ 77,768,212
Discounted FNI @ 10%	\$ 22,916,836	\$ 538,750	\$ 15,823,858	\$ 39,279,444

Liquid hydrocarbons are expressed in standard 42 U.S. gallon barrels and shown herein as thousands of barrels (MBarrels). All gas volumes are reported on an “as sold basis” expressed in millions of cubic feet (MMCF) at the official temperature and pressure bases of the areas in which the gas reserves are located. In this report, the revenues, deductions, and income data are expressed as thousands of U.S. dollars (\$M).

The estimates of the reserves, future production, and income attributable to properties in this report were prepared using the economic software package ARIES™ Petroleum Economics and Reserves Software, a copyrighted program of Halliburton. The program was used at the request of Continental. Ryder Scott has found this program to be generally acceptable, but notes that certain summaries and calculations may vary due to rounding and may not exactly match the sum of the properties being summarized. Furthermore, one line economic summaries may vary slightly from the more detailed cash flow projections of the same properties, also due to rounding. The rounding differences are not material.

The future gross revenue is after the deduction of production taxes. The deductions incorporate the normal direct costs of operating the wells, recompletion costs, and development costs. The future net income is before the deduction of state and federal income taxes and general administrative overhead, and has not been adjusted for outstanding loans that may exist, nor does it include any adjustment for cash on hand or undistributed income.

Liquid hydrocarbon reserves account for approximately 69 percent and gas reserves account for the remaining 31 percent of total future gross revenue from proved reserves.

The discounted future net income shown above was calculated using a discount rate of 10 percent per annum compounded monthly. Future net income was discounted at four other discount rates which were also compounded monthly. These results are shown in summary form as follows.

Discounted Future Net Income (\$M)	
As of December 31, 2022	
Discount Rate Percent	Total Proved
5	\$51,961,291
15	\$31,749,915
20	\$26,748,490
25	\$23,180,327

The results shown above are presented for your information and should not be construed as our estimate of fair market value.

Reserves Included in This Report

The proved reserves included herein conform to the definition as set forth in the Securities and Exchange Commission’s Regulations Part 210.4-10(a). An abridged version of the SEC reserves definitions from 210.4-10(a) entitled “PETROLEUM RESERVES DEFINITIONS” is included as an attachment to this report.

The various reserves status categories are defined in the attachment entitled “PETROLEUM RESERVES STATUS DEFINITIONS AND GUIDELINES” in this report. The proved developed non-producing reserves included herein consist of the behind pipe and shut-in status categories.

No attempt was made to quantify or otherwise account for any accumulated gas production imbalances that may exist. The proved gas volumes presented herein do not include volumes of gas consumed in operations as reserves.

Reserves are “estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations.” All reserves estimates involve an assessment of the uncertainty relating the likelihood that the actual remaining quantities recovered will be greater or less than the estimated quantities determined as of the date the estimate is made. The uncertainty depends primarily on the amount of reliable geologic and engineering data available at the time of the estimate and the interpretation of these data. The relative degree of uncertainty may be conveyed by placing reserves into one of two principal categories, either proved or unproved. Unproved reserves are less certain to be recovered than proved reserves, and may be further sub-categorized as probable and possible reserves to denote progressively increasing uncertainty in their recoverability. At Continental’s request, this report addresses only the proved reserves attributable to the properties evaluated herein.

Proved oil and gas reserves are “those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward.” The proved reserves included herein were estimated using deterministic methods. The SEC has defined reasonable certainty for proved reserves, when based on deterministic methods, as a “high degree of confidence that the quantities will be recovered.”

Proved reserves estimates will generally be revised only as additional geologic or engineering data become available or as economic conditions change. For proved reserves, the SEC states that “as changes due to increased availability of geoscience (geological, geophysical, and geochemical), engineering, and economic data are made to the estimated ultimate recovery (EUR) with time, reasonably certain EUR is much more likely to increase or remain constant than to decrease.” Moreover, estimates of proved reserves may be revised as a result of future operations, effects of regulation by governmental agencies or geopolitical or economic risks. Therefore, the proved reserves included in this report are estimates only and should not be construed as being exact quantities, and if recovered, the revenues therefrom, and the actual costs related thereto, could be more or less than the estimated amounts.

Continental’s operations may be subject to various levels of governmental controls and regulations. These controls and regulations may include, but may not be limited to, matters relating to land tenure and leasing, the legal rights to produce hydrocarbons, drilling and production practices, environmental protection, marketing and pricing policies, royalties, various taxes and levies including income tax and are subject to change from time to time. Such changes in governmental regulations and policies may cause volumes of proved reserves actually recovered and amounts of proved income actually received to differ significantly from the estimated quantities.

The estimates of proved reserves presented herein were based upon a detailed study of the properties in which Continental owns an interest; however, we have not made any field examination of the properties. No consideration was given in this report to potential environmental liabilities that may exist nor were any costs included for potential liabilities to restore and clean up damages, if any, caused by past operating practices.

Estimates of Reserves

The estimation of reserves involves two distinct determinations. The first determination results in the estimation of the quantities of recoverable oil and gas and the second determination results in the estimation of the uncertainty associated with those estimated quantities in accordance with the definitions set forth by the Securities and Exchange Commission’s Regulations Part 210.4-10(a). The process of estimating the quantities of recoverable oil and gas reserves relies on the use of certain generally accepted analytical procedures. These analytical procedures fall into three broad categories or methods: (1) performance-based methods; (2) volumetric-based methods; and (3) analogy. These methods may be used individually or in combination by the reserves evaluator in the process of estimating the quantities of reserves. Reserves evaluators must select the method or combination of methods, which in their professional judgment is most appropriate given the nature and amount of reliable geoscience and engineering data available at the time of the estimate, the established or anticipated performance characteristics of the reservoir being evaluated, and the stage of development or producing maturity of the property.

In many cases, the analysis of the available geoscience and engineering data and the subsequent interpretation of this data may indicate a range of possible outcomes in an estimate, irrespective of the method selected by the evaluator. When a range in the quantity of reserves is identified, the evaluator must determine the uncertainty associated with the incremental quantities of the reserves. If the reserves quantities are estimated using the deterministic incremental approach, the uncertainty for each discrete incremental quantity of the reserves is addressed by the reserves category assigned by the evaluator. Therefore, it is the categorization of reserves quantities as proved, probable and/or possible that addresses the inherent uncertainty in the estimated quantities reported. For proved reserves, uncertainty is defined by the SEC as reasonable certainty wherein the “quantities actually recovered are much more likely to be achieved than not.” The SEC states that “probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.” The SEC states that “possible reserves are those additional reserves that are less certain to be recovered than probable reserves and the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves.” All quantities of reserves within the same reserves category must meet the SEC definitions as noted above.

Estimates of reserves quantities and their associated reserves categories may be revised in the future as additional geoscience or engineering data become available. Furthermore, estimates of reserves quantities and their associated reserves categories may also be revised due to other factors such as changes in economic conditions, results of future operations, effects of regulation by governmental agencies or geopolitical or economic risks as previously noted herein.

The proved reserves for the properties included herein were estimated by performance methods, the volumetric method, analogy, or a combination of methods. All of the proved producing reserves attributable to producing wells and/or reservoirs were estimated by performance methods. These performance methods include, but may not be limited to, decline curve analysis, material balance and/or reservoir simulation which utilized extrapolations of historical production and pressure data available through October 2022 in those cases where such data were considered to be definitive. The data utilized in this analysis were furnished to Ryder Scott by Continental or obtained from public data sources and were considered sufficient for the purpose thereof.

All of the proved developed non-producing and undeveloped reserves included herein were estimated by the volumetric method, analogy, or a combination of methods. The volumetric analysis utilized pertinent well and seismic data furnished to Ryder Scott by Continental or which we have obtained from public data sources that were available through October 2022. The data utilized from the analogues were considered sufficient for the purpose thereof.

To estimate economically producible proved oil and gas reserves and related future net cash flows, we consider many factors and assumptions including, but not limited to, the use of reservoir parameters derived from geological, geophysical and engineering data which cannot be measured directly, economic criteria based on current costs and SEC pricing requirements, and forecasts of future production rates. Under the SEC regulations 210.4-10(a)(22)(v) and (26), proved reserves must be anticipated to be economically producible from a given date forward based on existing economic conditions including the prices and costs at which economic producibility from a reservoir is to be determined. While it may reasonably be anticipated that the future prices received for the sale of production and the operating costs and other costs relating to such production may increase or decrease from those under existing economic conditions, such changes were, in accordance with rules adopted by the SEC, omitted from consideration in making this evaluation.

Continental has informed us that they have furnished us all of the material accounts, records, geological and engineering data, and reports and other data required for this investigation. In preparing our forecast of future proved production and income, we have relied upon data furnished by Continental with respect to property interests owned, production and well tests from examined wells, normal direct costs of operating the wells or leases, other costs such as transportation and/or processing fees, production taxes, recompletion and development costs, development plans, abandonment costs after salvage, product prices based on the SEC regulations, adjustments or differentials to product prices, geological structural and isochore maps, well logs, core analyses, and pressure measurements. Ryder Scott reviewed such factual data for its reasonableness; however, we have not conducted an independent verification of the data furnished by Continental. We consider the factual data used in this report appropriate and sufficient for the purpose of preparing the estimates of reserves and future net revenues herein.

In summary, we consider the assumptions, data, methods and analytical procedures used in this report appropriate for the purpose hereof, and we have used all such methods and procedures that we consider necessary and appropriate to prepare the estimates of reserves herein. The proved reserves included herein were determined in conformance with the United States Securities and Exchange Commission (SEC) Modernization of Oil and Gas Reporting; Final Rule, including all references to Regulation S-X and Regulation S-K, referred to herein collectively as the “SEC Regulations.” In our opinion, the proved reserves presented in this report comply with the definitions, guidelines and disclosure requirements as required by the SEC regulations.

Future Production Rates

For wells currently on production, our forecasts of future production rates are based on historical performance data. If no production decline trend has been established, future production rates were held constant, or adjusted for the effects of curtailment where appropriate, until a decline in ability to produce was anticipated. An estimated rate of decline was then applied until depletion of the reserves. If a decline trend has been established, this trend was used as the basis for estimating future production rates.

Test data and other related information were used to estimate the anticipated initial production rates for those wells or locations that are not currently producing. For reserves not yet on production, sales were estimated to commence at an anticipated date furnished by Continental. Wells or locations that are not currently producing may start producing earlier or later than anticipated in our estimates due to unforeseen factors causing a change in the timing to initiate production. Such factors may include delays due to weather, the availability of rigs, the sequence of drilling, completing and/or recompleting wells and/or constraints set by regulatory bodies.

The future production rates from wells currently on production or wells or locations that are not currently producing may be more or less than estimated because of changes including, but not limited to, reservoir performance, operating conditions related to surface facilities, compression and artificial lift, pipeline capacity and/or operating conditions, producing market demand and/or allowables or other constraints set by regulatory bodies.

Hydrocarbon Prices

The hydrocarbon prices used herein are based on SEC price parameters using the average prices during the 12-month period prior to the “as of date” of this report, determined as the unweighted arithmetic averages of the prices in effect on the first-day-of-the-month for each month within such period, unless prices were defined by contractual arrangements. For hydrocarbon products sold under contract, the contract prices, including fixed and determinable escalations, exclusive of inflation adjustments, were used until expiration of the contract. Upon contract expiration, the prices were adjusted to the 12-month unweighted arithmetic average as previously described.

Continental furnished us with the above mentioned average benchmark prices in effect on December 31, 2022. These initial SEC hydrocarbon prices were determined using the 12-month average first-day-of-the-month benchmark prices appropriate to the geographic area where the hydrocarbons are sold. These benchmark prices are prior to the adjustments for differentials as described herein. The table below summarizes the “benchmark prices” and “price reference” used for the geographic area included in the report. In certain geographic areas, the price reference and benchmark prices may be defined by contractual arrangements.

The product prices that were actually used to determine the future gross revenue for each property reflect adjustments to the benchmark prices for gravity, quality, local conditions, gathering and transportation fees and/or distance from market, referred to herein as “differentials.” The differentials used in the preparation of this report were furnished to us by Continental. The differentials furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the data used by Continental to determine these differentials.

In addition, the table below summarizes the net volume weighted benchmark prices adjusted for differentials and referred to herein as the “average realized prices.” The average realized prices shown in the table below were determined from the total future gross revenue before production taxes and the total net reserves for the geographic area and presented in accordance with SEC disclosure requirements for the geographic area included in the report.

Geographic Area	Product	Price Reference	Average Benchmark Prices	Average Realized Prices
North America	Oil/Condensate	WTI Cushing	\$93.67/BBL	\$89.47/BBL
	Gas	Henry Hub	\$6.358/MMBTU	\$6.11/MCF

The effects of derivative instruments designated as price hedges of oil and gas quantities are not reflected in our individual property evaluations.

Costs

Operating costs for the leases and wells in this report were furnished by Continental and are based on the operating expense reports of Continental and include only those costs directly applicable to the leases or wells. The operating costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the operating cost data used by Continental. No deduction was made for loan repayments, interest expenses, or exploration and development prepayments that were not charged directly to the leases or wells.

Development costs were furnished to us by Continental and are based on authorizations for expenditure for the proposed work or actual costs for similar projects. The development costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of these costs. Continental’s estimates of zero abandonment costs after salvage value for onshore properties were used in this report. Ryder Scott has not performed a detailed study of the abandonment costs or the salvage value and makes no warranty for Continental’s estimate.

The proved developed non-producing and undeveloped reserves in this report have been incorporated herein in accordance with Continental’s plans to develop these reserves as of December 31, 2022. The implementation of Continental’s development plans as presented to us and incorporated herein is subject to the approval process adopted by Continental’s management. As the result of our inquiries during the course of preparing this report, Continental has informed us that the development activities included herein have been subjected to and received the internal approvals required by Continental’s management at the appropriate local, regional and/or corporate level. In addition to the internal approvals as noted, certain development activities may still be subject to specific partner AFE processes, Joint Operating Agreement (JOA) requirements or other administrative approvals external to Continental. Continental has provided written documentation supporting their commitment to proceed with the development activities as presented to us. Additionally, Continental has informed us that they are not aware of any legal, regulatory, or political obstacles that would significantly alter their plans. While these plans could change from those under existing economic conditions as of December 31, 2022, such changes were, in accordance with rules adopted by the SEC, omitted from consideration in making this evaluation.

Current costs used by Continental were held constant throughout the life of the properties.

Standards of Independence and Professional Qualification

Ryder Scott is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1937. Ryder Scott is employee-owned and maintains offices in Houston, Texas; Denver, Colorado; and Calgary, Alberta, Canada. We have approximately eighty engineers and geoscientists on our permanent staff. By virtue of the size of our firm and the large number of clients for which we provide services, no single client or job represents a material portion of our annual revenue. We do not serve as officers or directors of any privately-owned or publicly-traded oil and gas company and are separate and independent from the operating and investment decision-making process of our clients. This allows us to bring the highest level of independence and objectivity to each engagement for our services.

Ryder Scott actively participates in industry-related professional societies and organizes an annual public forum focused on the subject of reserves evaluations and SEC regulations. Many of our staff have authored or co-authored technical papers on the subject of reserves related topics. We encourage our staff to maintain and enhance their professional skills by actively participating in ongoing continuing education.

Prior to becoming an officer of the Company, Ryder Scott requires that staff engineers and geoscientists receive professional accreditation in the form of a registered or certified professional engineer's license or a registered or certified professional geoscientist's license, or the equivalent thereof, from an appropriate governmental authority or a recognized self-regulating professional organization. Regulating agencies require that, in order to maintain active status, a certain amount of continuing education hours be completed annually, including an hour of ethics training. Ryder Scott fully supports this technical and ethics training with our internal requirement mentioned above.

We are independent petroleum engineers with respect to Continental. Neither we nor any of our employees have any financial interest in the subject properties and neither the employment to do this work nor the compensation is contingent on our estimates of reserves for the properties which were reviewed.

The results of this study, presented herein, are based on technical analyses conducted by teams of geoscientists and engineers from Ryder Scott. The professional qualifications of the undersigned, the technical person primarily responsible for overseeing the evaluation of the reserves information discussed in this report, are included as an attachment to this letter.

Terms of Usage

The results of our third party study, presented in report form herein, were prepared in accordance with the disclosure requirements set forth in the SEC regulations and intended for public disclosure as an exhibit in filings made with the SEC by Continental.

We have provided Continental with a digital version of the original signed copy of this report letter. In the event there are any differences between the digital version included in filings made by Continental and the original signed report letter, the original signed report letter shall control and supersede the digital version.

The data and work papers used in the preparation of this report are available for examination by authorized parties in our offices. Please contact us if we can be of further service.

Very truly yours,

RYDER SCOTT COMPANY, L.P.
TBPELS Firm Registration No. F-1580

/s/ Scott J. Wilson

Scott J. Wilson, P.E., MBA
Colorado License No. 36112
Senior Vice President

Professional Qualifications of Primary Technical Person

The conclusions presented in this report are the result of technical analysis conducted by teams of geoscientists and engineers from Ryder Scott Company, L.P. Mr. Scott James Wilson was the primary technical person responsible for the estimate of the reserves, future production, and income presented herein.

Mr. Wilson, an employee of Ryder Scott Company L.P. (Ryder Scott) since 2000, is a Senior Vice President responsible for coordinating and supervising staff and consulting engineers of the company in ongoing reservoir evaluation studies worldwide. Before joining Ryder Scott, Mr. Wilson served in a number of engineering positions with Atlantic Richfield Company. For more information regarding Mr. Wilson's geographic and job specific experience, please refer to the Ryder Scott Company website at <https://www.ryderscott.com/company/employees/denver-employees>.

Mr. Wilson earned a Bachelor of Science degree in Petroleum Engineering from the Colorado School of Mines in 1983 and an MBA in Finance from the University of Colorado in 1985, graduating from both with High Honors. He is a registered Professional Engineer by exam in the States of Alaska, Colorado, Texas, and Wyoming. He is also an active member of the Society of Petroleum Engineers; serving as co-Chairman of the SPE Reserves and Economics Technology Interest Group, and Gas Technology Editor for SPE's Journal of Petroleum Technology. He is a member and past chairman of the Denver section of the Society of Petroleum Evaluation Engineers. Mr. Wilson has published several technical papers, one chapter in Marine and Petroleum Geology and two in SPEE monograph 4, which was published in 2016. He is the primary inventor on four US patents and won the 2017 Reservoir Description and Dynamics award for the SPE Rocky Mountain Region.

In addition to gaining experience and competency through prior work experience, several state Boards of Professional Engineers require a minimum number of hours of continuing education annually, including at least one hour in the area of professional ethics, which Mr. Wilson fulfills as part of his registration in four states. As part of his continuing education, Mr. Wilson attends internally presented training as well as public forums relating to the definitions and disclosure guidelines contained in the United States Securities and Exchange Commission Title 17, Code of Federal Regulations, Modernization of Oil and Gas Reporting, and Final Rule released January 14, 2009 in the Federal Register. Mr. Wilson attends additional hours of formalized external training covering such topics as the SPE/WPC/AAPG/SPEE Petroleum Resources Management System, reservoir engineering and petroleum economics evaluation methods, procedures and software and ethics for consultants.

Based on his educational background, professional training and more than 35 years of practical experience in the estimation and evaluation of petroleum reserves, Mr. Wilson has attained the professional qualifications as a Reserves Estimator and Reserves Auditor set forth in Article III of the "Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information" promulgated by the Society of Petroleum Engineers as of June 2019.

PETROLEUM RESERVES DEFINITIONS

As Adapted From:
RULE 4-10(a) of REGULATION S-X PART 210
UNITED STATES SECURITIES AND EXCHANGE COMMISSION (SEC)

PREAMBLE

On January 14, 2009, the United States Securities and Exchange Commission (SEC) published the “Modernization of Oil and Gas Reporting; Final Rule” in the Federal Register of National Archives and Records Administration (NARA). The “Modernization of Oil and Gas Reporting; Final Rule” includes revisions and additions to the definition section in Rule 4-10 of Regulation S-X, revisions and additions to the oil and gas reporting requirements in Regulation S-K, and amends and codifies Industry Guide 2 in Regulation S-K. The “Modernization of Oil and Gas Reporting; Final Rule”, including all references to Regulation S-X and Regulation S-K, shall be referred to herein collectively as the “SEC regulations”. The SEC regulations take effect for all filings made with the United States Securities and Exchange Commission as of December 31, 2009, or after January 1, 2010. Reference should be made to the full text under Title 17, Code of Federal Regulations, Regulation S-X Part 210, Rule 4-10(a) for the complete definitions (direct passages excerpted in part or wholly from the aforementioned SEC document are denoted in italics herein).

Reserves are estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. All reserve estimates involve an assessment of the uncertainty relating the likelihood that the actual remaining quantities recovered will be greater or less than the estimated quantities determined as of the date the estimate is made. The uncertainty depends chiefly on the amount of reliable geologic and engineering data available at the time of the estimate and the interpretation of these data. The relative degree of uncertainty may be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Unproved reserves are less certain to be recovered than proved reserves and may be further sub-classified as probable and possible reserves to denote progressively increasing uncertainty in their recoverability. Under the SEC regulations as of December 31, 2009, or after January 1, 2010, a company may optionally disclose estimated quantities of probable or possible oil and gas reserves in documents publicly filed with the SEC. The SEC regulations continue to prohibit disclosure of estimates of oil and gas resources other than reserves and any estimated values of such resources in any document publicly filed with the SEC unless such information is required to be disclosed in the document by foreign or state law as noted in §229.1202 Instruction to Item 1202.

Reserves estimates will generally be revised only as additional geologic or engineering data become available or as economic conditions change.

Reserves may be attributed to either natural energy or improved recovery methods. Improved recovery methods include all methods for supplementing natural energy or altering natural forces in the reservoir to increase ultimate recovery. Examples of such methods are pressure maintenance, natural gas cycling, waterflooding, thermal methods, chemical flooding, and the use of miscible and immiscible displacement fluids. Other improved recovery methods may be developed in the future as petroleum technology continues to evolve.

Reserves may be attributed to either conventional or unconventional petroleum accumulations. Petroleum accumulations are considered as either conventional or unconventional based on the nature of their in-place characteristics, extraction method applied, or degree of processing prior to sale. Examples of unconventional petroleum accumulations include coalbed or coalseam methane (CBM/CSM), basin-centered gas, shale gas, gas hydrates, natural bitumen and oil shale deposits. These unconventional accumulations may require specialized extraction technology and/or significant processing prior to sale.

Reserves do not include quantities of petroleum being held in inventory.

Because of the differences in uncertainty, caution should be exercised when aggregating quantities of petroleum from different reserves categories.

RESERVES (SEC DEFINITIONS)

Securities and Exchange Commission Regulation S-X §210.4-10(a)(26) defines reserves as follows:

Reserves. *Reserves are estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project.*

Note to paragraph (a)(26): *Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).*

PROVED RESERVES (SEC DEFINITIONS)

Securities and Exchange Commission Regulation S-X §210.4-10(a)(22) defines proved oil and gas reserves as follows:

Proved oil and gas reserves. Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

(i) The area of the reservoir considered as proved includes:

(A) The area identified by drilling and limited by fluid contacts, if any, and

(B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.

(ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.

(iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.

(iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:

(A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and

(B) The project has been approved for development by all necessary parties and entities, including governmental entities.

(v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

PETROLEUM RESERVES STATUS DEFINITIONS AND GUIDELINES

As Adapted From:
RULE 4-10(a) of REGULATION S-X PART 210
UNITED STATES SECURITIES AND EXCHANGE COMMISSION (SEC)

and

2018 PETROLEUM RESOURCES MANAGEMENT SYSTEM (SPE-PRMS)

Sponsored and Approved by:
SOCIETY OF PETROLEUM ENGINEERS (SPE)
WORLD PETROLEUM COUNCIL (WPC)
AMERICAN ASSOCIATION OF PETROLEUM GEOLOGISTS (AAPG)
SOCIETY OF PETROLEUM EVALUATION ENGINEERS (SPEE)
SOCIETY OF EXPLORATION GEOPHYSICISTS (SEG)
SOCIETY OF PETROPHYSICISTS AND WELL LOG ANALYSTS (SPWLA)
EUROPEAN ASSOCIATION OF GEOSCIENTISTS & ENGINEERS (EAGE)

Reserves status categories define the development and producing status of wells and reservoirs. Reference should be made to Title 17, Code of Federal Regulations, Regulation S-X Part 210, Rule 4-10(a) and the SPE-PRMS as the following reserves status definitions are based on excerpts from the original documents (direct passages excerpted from the aforementioned SEC and SPE-PRMS documents are denoted in italics herein).

DEVELOPED RESERVES (SEC DEFINITIONS)

Securities and Exchange Commission Regulation S-X §210.4-10(a)(6) defines developed oil and gas reserves as follows:

Developed oil and gas reserves are reserves of any category that can be expected to be recovered:

- (i) Through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and*
- (ii) Through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.*

Developed Producing (SPE-PRMS Definitions)

While not a requirement for disclosure under the SEC regulations, developed oil and gas reserves may be further sub-classified according to the guidance contained in the SPE-PRMS as Producing or Non-Producing.

Developed Producing Reserves

Developed Producing Reserves are expected quantities to be recovered from completion intervals that are open and producing at the effective date of the estimate.

Improved recovery reserves are considered producing only after the improved recovery project is in operation.

Developed Non-Producing

Developed Non-Producing Reserves include shut-in and behind-pipe Reserves.

Shut-In

Shut-in Reserves are expected to be recovered from:

- (1) completion intervals that are open at the time of the estimate but which have not yet started producing;*
- (2) wells which were shut-in for market conditions or pipeline connections; or*
- (3) wells not capable of production for mechanical reasons.*

Behind-Pipe

Behind-pipe Reserves are expected to be recovered from zones in existing wells that will require additional completion work or future re-completion before start of production with minor cost to access these reserves.

In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

UNDEVELOPED RESERVES (SEC DEFINITIONS)

Securities and Exchange Commission Regulation S-X §210.4-10(a)(31) defines undeveloped oil and gas reserves as follows:

Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

(i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.

(ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances, justify a longer time.

(iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in paragraph (a)(2) of this section, or by other evidence using reliable technology establishing reasonable certainty.
