

McGill Markets Review

Analyst Program

Range Resources Corporation

NYSE: RRC

Energy Sector

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December 5, 2025

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Executive Summary



Range Resources Corporation (NYSE: RRC): Favourable Long-Term Outlook

Range Resources Corp (NYSE: RRC)

Founded in 1976, with headquarters in Fort Worth, Texas, Range is an independent natural gas exploration and production (E&P) company that primarily operates in the Marcellus Formation and Appalachian Region.

Key Statistics & Targets

Market Cap: \$9.53B

Current Price (MOC 12/3): \$39.89

Target Price: \$49.84

Upside: +24.94%

Key Risk

Commodity Price Volatility

Range's EV/EBITDA vs. Peers (NTM)

Range Resources Corp	6.41x
APA Corp	2.92x
Comstock Resources Inc	8.18x
Permian Resources Corp	4.05x
CNX Resources Corp	6.14x
Coterra Energy Inc	4.63x
Devon Energy Corp	4.13x
Expand Energy Corp	5.37x
EQT Corp	7.23x
Diamondback Energy Inc	6.67x
ConocoPhillips	5.13x

MEDIAN
MEAN

Investment Theses

Thesis 1

Basis improvement lifts RRC's realized price.

Thesis 2

LNG buildout tightens US market, while RRC benefits.

Recommendation

BUY

Range trades at ~ 1/5 premium on NTM EV/EBITDA compared to peers, so look to anchor on NTM EV/EBITDA and FCF to justify premium

Source: Bloomberg, Range Resources Corporation SEC filings

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Company & Industry Overview

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Company Overview

Range Resources Corp. is an independent oil & gas company based in Fort Worth operating in the Appalachian region.

A Revenue Breakdown & Segment Statistics

Revenue Breakdown

64% natural gas, 34% natural gas liquids (NGLs), as well as 2% crude oil & condensate— all within one of their several business segments.

Segment Statistics

- Daily Production: 2.23 Bcfe/d
- Total Equivalent: \$3.29/mcfe
- NGLs (Pre-hedge): \$22.09/bbl

C Financial & Margin Trends

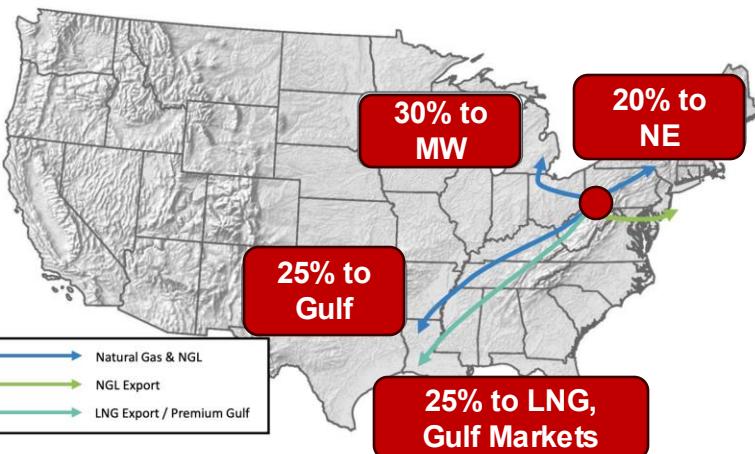
Financial Highlights (Q3 2025)

- **Total Revenue (GAAP):** \$749mn (+22% YoY)
- **Net Income (GAAP):** \$144mn (\$0.60/share)
- **Cash Flow from Ops:** \$248mn
- **CapEx:** \$190mn (29% of annual budget)

Margin & Cost Trends

- **Operating Expenses:** TGP \$301mn, Direct Operating \$23mn
- **Derivatives:** Recorded a \$93 million mark-to-market gain due to commodity price decreases

B Geographic Natural Gas Exposure



D Relative Stock Performance YTD

Range Resources Corporation - 1D - NYSE: O37.96 H38.98 L37.96 C38.46 +0.66 (+1.75%)



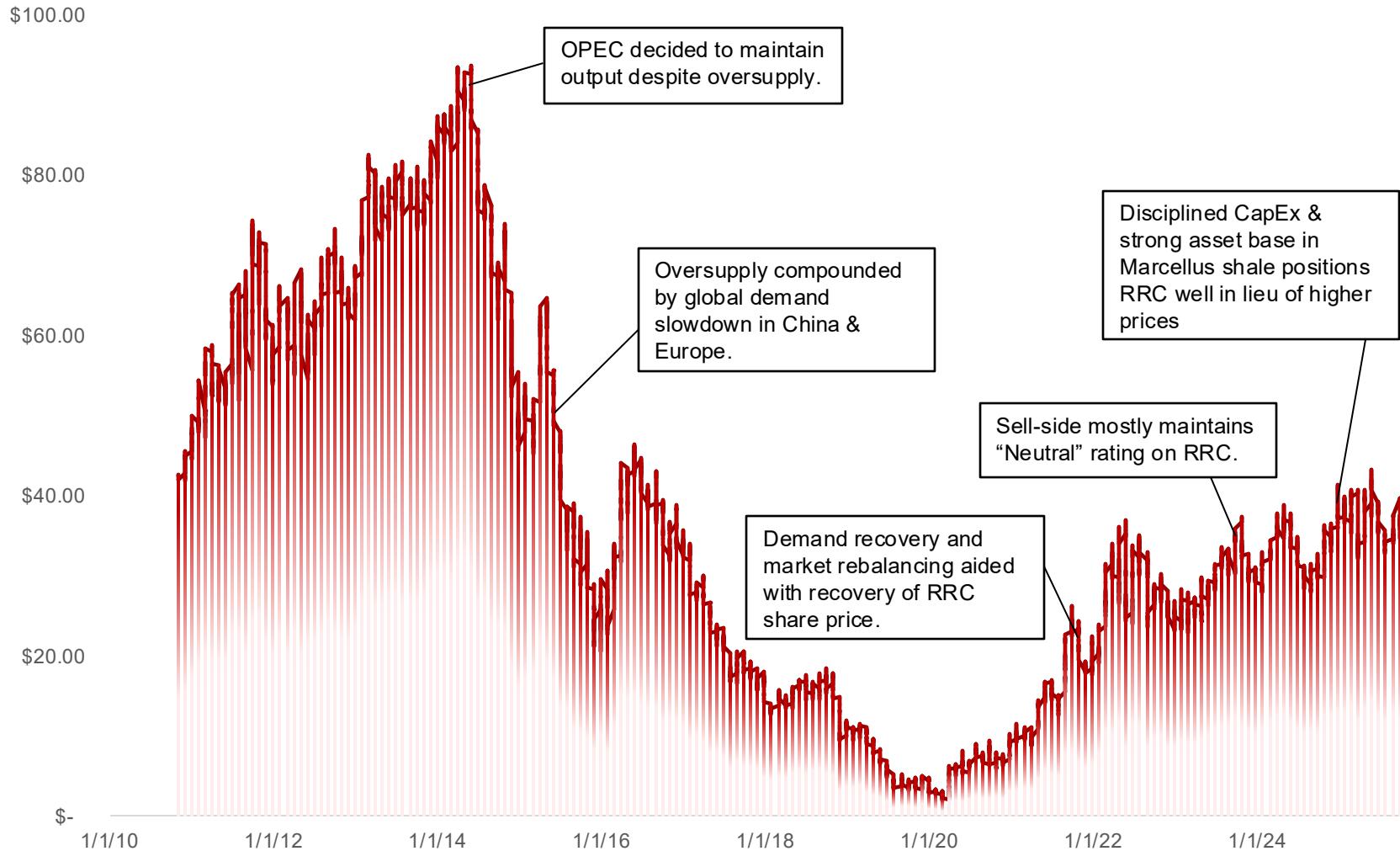
RRC:
+10.80%
SPSIOP:
+2.45%

Sources: RRC Q3 2025 10-Q, Range Resources Corp Investor Presentation, Trading View

Historical Stock Performance



After seeing a 97.59% drawdown from 2014-2020, Range has made a strong recovery since its low in mid-2020.



Range Resource Corp's stock performance throughout the past the 15 years has been largely determined by OPEC policy and CapEx.

Source: Bloomberg

Industry Overview



Range operates in the Oil and Gas E&P industry, with 80 stocks and a combined market cap of \$608.41B.

A

Market Backdrop

U.S. Dry Gas Demand by Use (Last 5-10Y)

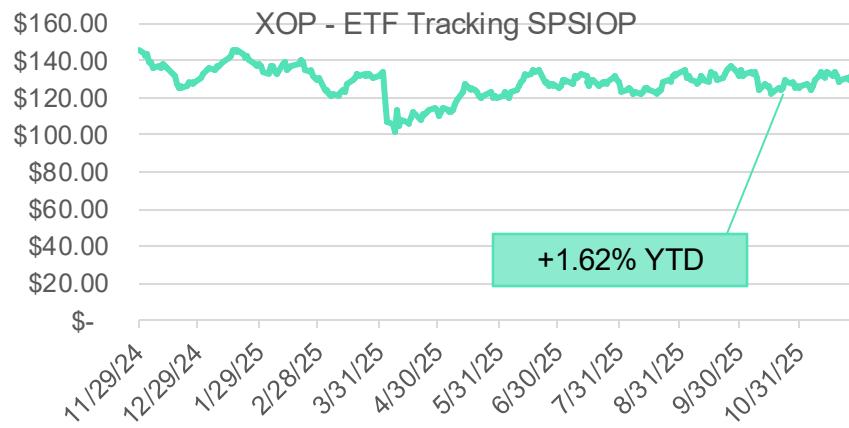
- Power burn, industrial, LNG exports
- LNG & power burn are the growth drivers

U.S. LNG Export Capacity (2024-2030)

- e.g., Golden Pass, Corpus 3, Plaquemines
- Capacity increasing in waves → long-term structural support

B

Index Performance



C

Current Market Conditions & RRC's Role

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024		Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
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Benchmarks:

Average NYMEX prices ^(a)

Natural gas (per mcf)	\$ 3.07	\$ 2.16	\$ 3.39	\$ 2.09
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Oil (per bbl)	64.98	75.58	66.32	77.75
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Mont Belvieu NGLs composite (per gallon) ^(b)	0.52	0.52	0.57	0.55
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Management Outlook

Management guides towards **sustainable, long-term success** amidst...

Structural Tailwinds: Increased Q3 revenue, YTD LNG export growth, and future power demand expectations in Asia

Key Risks to Monitor: OPEC, geopolitical tensions, policy & tariff impacts

Source: RRC 10-Q Q3 2025

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Thesis 1: Basis improvement lifts RRC's realized price



When basis narrows by ~ 10–20 cents, RRC's realized price rises, lifting EBITDA and free cash flow

Snapshot on Realized Prices (Q3 2025 Report)

3Q25 Production & Realized Pricing				
	Natural Gas (mcf)	Oil (bbl)	NGLs (bbl)	Natural Gas Equivalent (mcf)
Net production per day	1,534,065	5,208	110,420	2,227,831
Average NYMEX price	\$ 3.07	\$64.98	\$ 21.76	
Differential, including basis hedging	(0.49)	(10.73)	0.33	
Realized prices before NYMEX hedges	2.58	54.25	22.09	3.00
Settled NYMEX hedges	0.38	3.37	0.39	0.29
Average realized prices after hedges	\$ 2.96	\$ 57.61	\$ 22.48	\$ 3.29

Realized Price = NYMEX price + basis differential

Basis Differential Drivers

- Location vs. HH
- Pipeline constraints & costs
- Regional S&D balance
- Basis hedging strategy

What Could go Wrong

Basis stuck at - \$0.50/mcf or worse	No improvement → no uplift to EBTIDA or FCF vs consensus
Pipeline projects delayed or canceled	MVP/Transco expansions do not relieve constraints, basis stays wide
Regional oversupply	If Appalachia over-drills into weak LNG demand, basis could widen by another 10-20 cents, cutting EBITDA down by a similar \$60-120M

What the Market is Missing & Evidence

What the market is missing

- Street gas sensitivity work focuses on **Henry Hub strip**, not **Appalachia basis**.
- \$0.49/mcf not normal –historical range (\$0.15) to (\$0.50)

Evidence

- Q3 '25 gas differential caused by temporary pipeline constraints
- MVP's full ramp is **already narrowing Appalachian basis**

Mountain Valley Pipeline (MVP) ramp is helping the basis – Mercer Capital Q3 2025 Appalachia Report

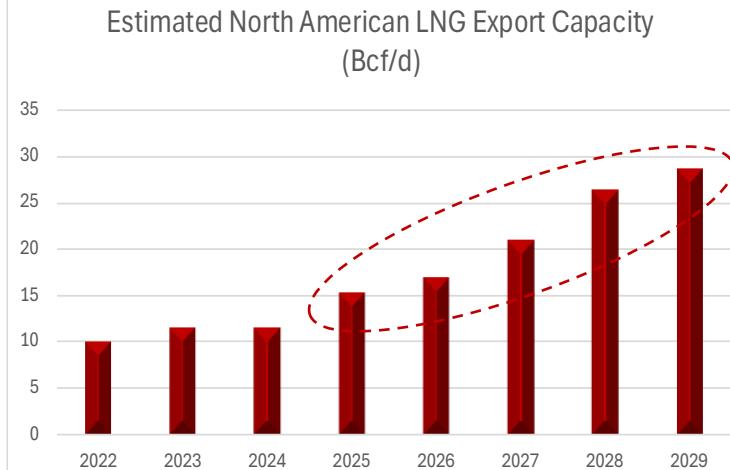
Sources: RRC 10-Q Q3 2025, Mercer Capital Q3 2025 Appalachia Report

Thesis 2: LNG buildout tightens US market, while RRC benefits



NAM LNG export capacity is on track to more than double; RRC creates value through logistics – a moat EQT lacks.

Snapshot on LNG Buildout & Gas Pricing



North American LNG export capacity expected to rise from ~11 Bcf/d in 2024 to **~28–29 Bcf/d by 2029** as projects under construction ramp.

LNG buildout → tighter U.S. balance → higher Henry Hub

Significance for RRC & Key Drivers

- Strategic low-cost LNG proxy
- Marketing Mix: ~50% to LNG export facilities & Gulf Coast
- Realizations linked to premium hubs → avoiding local basis discounts
- Global LNG demand rising steeply – driven by South & Southeast Asia
- U.S. Export capacity doubling
- RRC Transport Portfolio

Consensus vs. Reality



Consensus: Appalachian gas is stranded; cannot reach LNG demand.

Reality: Unlike its peers in Appalachia, RRC moves ~50% of NG to Gulf Coast

Factor

	RRC	EQT
Transport to Gulf	50% -- locked in at premium	MVP pipeline is to SE, not Gulf
Marketing Mix	50% Gulf/LNG; 30% MW; 20% NE	90% dry gas in Appalachia
LNG Exposure	Direct	Indirect (20y deals with LNG exporters)
Liquids Mix	34% of revenue from NGLs/condensate	~10% from liquids (higher volatility)
Realized Price Risk	Captures Gulf Coast/LNG pricing (\$4–5+ range)	Captures in-basin pricing (~\$3–3.50 range)

North American LNG capacity buildout paired with expected rising demand in South/Southeast Asia & Europe position RRC well long-term

Sources: RRC 10-K FY 2024, U.S. Department of Energy

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Valuation

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Comparable Analysis

Comparable companies were selected from Bloomberg, shown below.

Name (in US\$ M, except ratios)	Ticker	Price	Market Cap	Debt	EV	Peer Group		EV/Revenue		EV/EBITDA		P/E		EBITDA Growth	Earnings Growth	Debt / EBITDA
						LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM			
Peers																
APA CORP	APA US	24.08	8,814	4,219	13,605	1.64x	1.81x	2.65x	2.92x	8.39x	6.94x	(9%)	-23%	0.79x		
COMSTOCK RESOURCES INC	CRK US	25.14	7,583	3,184	10,689	5.80x	4.94x	9.99x	8.18x	28.07x	50.23x	22%	83%	3.22x		
PERMIAN RESOURCES CORP	PR US	14.11	11,929	3,577	16,347	2.94x	2.89x	3.97x	4.05x	11.79x	11.32x	(2%)	-7%	0.98x		
CNX RESOURCES CORP	CNX US	37.42	5,161	2,774	7,760	3.93x	3.91x	6.40x	6.14x	15.21x	17.44x	4%	9%	2.79x		
COTERRA ENERGY INC	CTRA US	25.84	20,097	4,019	23,555	3.21x	3.03x	5.03x	4.63x	10.24x	11.67x	9%	13%	0.91x		
DEVON ENERGY CORP	DVN US	35.82	22,909	7,271	29,794	1.96x	2.08x	4.05x	4.13x	8.95x	9.05x	(2%)	-2%	0.94x		
EXPAND ENERGY CORP	EXE US	116.01	28,389	4,523	32,503	2.87x	2.74x	6.68x	5.37x	12.69x	20.02x	24%	63%	1.07x		
EQT CORP	EQT US	56.76	36,799	7,982	48,078	5.81x	5.06x	8.96x	7.23x	13.36x	20.26x	24%	48%	1.43x		
DIAMONDBACK ENERGY INC	FANG US	147.02	42,850	16,083	63,622	4.47x	4.63x	6.50x	6.67x	12.71x	11.51x	(2%)	-12%	1.55x		
CONOCOPHILLIPS	COP US	86.62	107,755	17,226	124,785	2.09x	2.28x	4.90x	5.13x	13.84x	13.45x	(4%)	-9%	0.72x		
Median		21,503	4,371	26,675	3.08x	2.96x	5.71x	5.25x	12.70x	12.56x	1.12%	3.39%	1.03x			
Mean		29,229	7,086	37,074	3.47x	3.34x	5.91x	5.45x	13.52x	17.19x	6.32%	16.27%	1.44x			
Median	0	37.42	20,097	4,219	23,555	3.21x	3.03x	6.40x	5.37x	12.69x	13.44x	5%	41%	1.07x		
% of Premium / Discount to Average																

EV/EBITDA

NTM

Range Resources Corp

6.41x

APA Corp
Comstock Resources Inc
Permian Resources Corp
CNX Resources Corp
Coterra Energy Inc
Devon Energy Corp
Expand Energy Corp
EQT Corp
Diamondback Energy Inc
ConocoPhillips

2.92x

8.18x

4.05x

6.14x

4.63x

4.13x

5.37x

7.23x

6.67x

5.13x

MEDIAN

5.37x

MEAN

5.53x

Recommendation

BUY

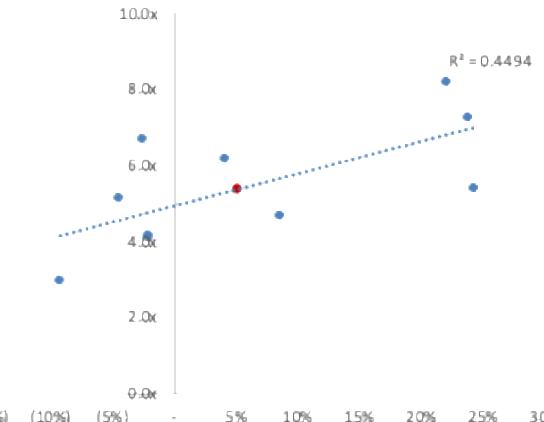
Source: Bloomberg

Comps Multiple Valuation

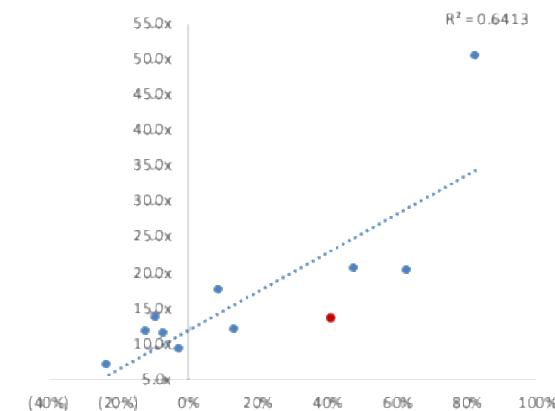


Comparing Range EBITDA & Earnings Growth Multiples to peers selected by Bloomberg.

EBITDA Growth Multiples			
Name	Ticker	EBITDA Growth	EV/ NTM EBITDA
APA CORP	APA US	(9%)	2.9x
COMSTOCK RESOURCES INC	CRK US	22%	8.2x
PERMIAN RESOURCES CORP	PR US	(2%)	4.0x
CNX RESOURCES CORP	CNX US	4%	6.1x
COTERRA ENERGY INC	CTRA US	9%	4.6x
DEVON ENERGY CORP	DVN US	(2%)	4.1x
EXPAND ENERGY CORP	EXE US	24%	5.4x
EQT CORP	EQT US	24%	7.2x
DIAMONDBACK ENERGY INC	FANG US	(2%)	6.7x
CONOCOPHILLIPS	COP US	(4%)	5.1x
Median	0	5%	5.4x
		(15%) (10%) (5%)	0.0x 2.0x 4.0x 6.0x 8.0x 10.0x



Earnings Growth Multiples			
Name	Ticker	Earnings Growth	P/ NTM EPS
APA CORP	APA US	(23%)	6.9x
COMSTOCK RESOURCES INC	CRK US	83%	50.2x
PERMIAN RESOURCES CORP	PR US	(7%)	11.3x
CNX RESOURCES CORP	CNX US	9%	17.4x
COTERRA ENERGY INC	CTRA US	13%	11.7x
DEVON ENERGY CORP	DVN US	(2%)	9.1x
EXPAND ENERGY CORP	EXE US	63%	20.0x
EQT CORP	EQT US	48%	20.3x
DIAMONDBACK ENERGY INC	FANG US	(12%)	11.5x
CONOCOPHILLIPS	COP US	(9%)	13.5x
Median	0	41%	13.4x
		(40%) (20%) 0% 20% 40% 60% 80% 100%	5.0x 10.0x 15.0x 20.0x 25.0x 30.0x 35.0x 40.0x 45.0x 50.0x 55.0x



Source: Bloomberg



Net Asset Value (NAV)

A NAV model on RRC derives an implied share price of \$49.84, with ~24-25% upside, based on the December 3rd close.

a. Investment Timeline

Valuation Date

Valuation Date

12/3/25

a. Company Inputs

Units		
Company Name	Name	Range Resources Corporation
Ticker Symbol	BBG	RRC US
Current Share price	\$	39.89
FD Shares Outstanding	mm	239.03
Market Cap.	mm \$	9,534.91
Historical Beta	5y	0.98
Credit Profile		
Pre-tax cost of debt (Kd)	%	5.47%
Other		
Effective Tax Rate	%	25.00%
Bbl to Mcfe converstion		6.00
Estimated realised NGL premium		1.63

Source: Bloomberg

Implied NAV per Share

\$49.84

Implied Upside

24.94%

Main Assumption Risks

Unpredicted fluctuation in commodity pricing

Moat offsets commodity price shifts

WACC

long term Natural Gas price

	3.24	3.44	3.64	3.84	4.04	4.24	4.44
6.90%	29.41%	33.50%	37.59%	41.68%	45.77%	49.86%	53.95%
7.40%	24.03%	27.92%	31.82%	35.71%	39.61%	43.50%	47.39%
7.90%	19.00%	22.71%	26.42%	30.13%	33.85%	37.56%	41.27%
8.40%	14.29%	17.83%	21.38%	24.92%	28.46%	32.00%	35.54%
8.90%	9.89%	13.27%	16.65%	20.03%	23.41%	26.79%	30.17%
9.40%	5.75%	8.98%	12.21%	15.44%	18.67%	21.91%	25.14%
9.90%	1.87%	4.96%	8.05%	11.14%	14.23%	17.32%	20.41%

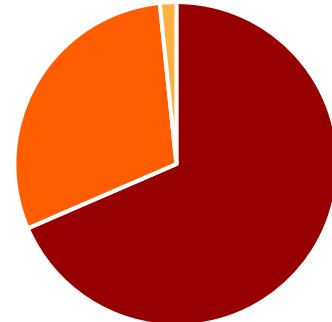
WACC

Natural Gas Liquids Price

	-6%	-4%	-2%	0%	2%	4%	6%
6.90%	35.07%	37.27%	39.48%	41.68%	43.88%	46.09%	48.29%
7.40%	29.32%	31.45%	33.58%	35.71%	37.84%	39.97%	42.10%
7.90%	23.95%	26.01%	28.07%	30.13%	32.19%	34.25%	36.31%
8.40%	18.93%	20.93%	22.92%	24.92%	26.91%	28.91%	30.90%
8.90%	14.23%	16.16%	18.09%	20.03%	21.96%	23.90%	25.83%
9.40%	9.81%	11.69%	13.57%	15.44%	17.32%	19.20%	21.07%
9.90%	5.67%	7.49%	9.32%	11.14%	12.96%	14.78%	16.61%

Source: Bloomberg

Production



- 68.5% - Natural Gas
- 29.9% - Natural Gas Liquids (NGLs)
- 1.6% - Oil

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Risks & Catalysts

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Key Risks & Catalysts

Like many other exploration & production companies, Range faces the uncertainty and volatility of commodity prices.

A Gas Prices/Basis Risk & Execution Costs

Gas Price & Basis Risk

- Warm winters, cool summers → Henry Hub volatility
- Appalachian pipeline outages widen basis
- Monitor: Company basis guidance vs. actuals

Execution Costs

- D&C (drilling & completion) inflation & LOE/TGP per Mcfe trending
- Watch: well-to-turn cycle changes

B Policy & ESG Risk

Policy Risk

- 
- Pipeline delays → wider basis, capped realizations
 - Tax changes & regulatory costs
 - Adverse rulings stall development cycles

ESG Risk

- 
- Methane/water scores affect permitting speed
 - ESG-linked cost of capital rising
 - LNG buyers demanding certified low-methane gas

C Near Term Catalysts

Next 6-12 Months

- Quarterly prints vs. guidance; CapEx discipline
- Storage/seasonal set-up; keep an eye on EIA storage vs. 5-year average

Why to buy now

- Beating the basis and holding unit costs flat drives estimate revisions and supports the multiple
- Tighter storage & stronger winter gas lifts sentiment

D Medium Term Catalysts

Next 1-3 Years

- LNG train start-ups & feedgas ramp
- Operating efficiency gains through cycle times, trends, and longer laterals

Why to buy now

- Structurally tighter U.S. balance supports HH
- Unit cost deflation expands cash margins

Sources: RRC 10-Q Q2 & Q3 2025, EIA, Federal Energy Regulatory Commission

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Appendix A: Comps Beta



Comps Beta								
Name	Ticker	5 Year Beta	Debt	% Debt	Equity Value	% Equity	Tax Rate	Unlevered Beta
APA CORP	APA US	1.16	\$4,219.0	32.37%	\$8,813.5	67.6%	25.0%	0.85
COMSTOCK RESOURCES INC	CRK US	1.10	\$3,183.9	29.57%	\$7,582.8	70.4%	25.0%	0.84
PERMIAN RESOURCES CORP	PR US	1.16	\$3,577.2	23.07%	\$11,929.4	76.9%	25.0%	0.95
CNX RESOURCES CORP	CNX US	0.81	\$2,773.7	34.96%	\$5,161.4	65.0%	25.0%	0.58
COTERRA ENERGY INC	CTRA US	0.79	\$4,019.0	16.67%	\$20,096.6	83.3%	25.0%	0.69
DEVON ENERGY CORP	DVN US	1.05	\$7,271.0	24.09%	\$22,909.0	75.9%	25.0%	0.85
EXPAND ENERGY CORP	EXE US	0.83	\$4,523.0	13.74%	\$28,388.6	86.3%	25.0%	0.74
EQT CORP	EQT US	0.93	\$7,982.1	17.82%	\$36,799.5	82.2%	25.0%	0.80
DIAMONDBACK ENERGY INC	FANG US	0.97	\$16,083.0	27.29%	\$42,849.9	72.7%	25.0%	0.76
CONOCOPHILLIPS	COP US	0.84	\$17,226.0	13.78%	\$107,754.6	86.2%	25.0%	0.75
Median:		0.95	\$4,371.0	23.6%	\$21,502.8	76.4%	25.0%	78.0%
Range Unlevered Beta	RRC US	0.98	\$1,373	13%	\$9,143	87%	25.0%	0.88
Range - Relevered Beta								
Calculated Using:	Ticker	Unlevered Beta (Comps)	Debt	% Debt	Equity Value	% Equity	Tax Rate	Levered Beta
Range Unlevered Beta	RRC US	0.78	\$1,372.9	13.1%	\$9,143.4	86.9%	25.0%	0.87
"Optimal" Capital Structure:		0.78	2,479.8	23.6%	\$8,036.5	76.4%	25.0%	0.96

Source: Bloomberg



Appendix B: WACC

At Historical		At Current Capital Structure		At Optimal Capital Structure	
<u>Equity</u>		<u>Equity</u>		<u>Equity</u>	
Equity Risk	5.8%	Equity Risk	5.8%	Equity Risk	5.8%
Beta	0.88	Beta	0.87	Beta	0.96
Adjusted Equity Risk Premium	5.07%	Adjusted Equity Risk Premium	5.00%	Adjusted Equity Risk Premium	5.53%
Add: Risk-free Rate of Return (Rf)	4.00%	Add: Risk-free Rate of Return (Rf)	4.00%	Add: Risk-free Rate of Return (Rf)	4.00%
Cost of Equity (Ke)	9.07%	Cost of Equity (Ke)	9.00%	Cost of Equity (Ke)	9.53%
Multiply by: E / (D+E)	0.87	Multiply by: E / (D+E)	0.87	Multiply by: E / (D+E)	0.76
Cost of Equity Portion	7.88%	Cost of Equity Portion	7.82%	Cost of Equity Portion	7.28%
<u>Debt</u>		<u>Debt</u>		<u>Debt</u>	
Cost of Debt (Kd)	5.47%	Cost of Debt (Kd)	5.47%	Cost of Debt (Kd)	5.47%
Assumed Tax Rate	25%	Assumed Tax Rate	25%	Assumed Tax Rate	25%
After-Tax Cost of Debt	4.10%	After-Tax Cost of Debt	4.10%	After-Tax Cost of Debt	4.10%
Multiply by: D / (D+E)	0.13	Multiply by: D / (D+E)	0.13	Multiply by: D / (D+E)	0.24
Cost of Debt Portion	0.54%	Cost of Debt Portion	0.54%	Cost of Debt Portion	0.97%
WACC	8.42%	WACC	8.36%	WACC	8.25%
Average WACC Produced by All Methods:	8.40%				

Source: Bloomberg

Appendix C1: Commodity Price Assumptions (Natural Gas & Oil)

Natural Gas Price

1. Assumptions

Natural Gas Prices	1	Street	3.50	3.84	3.85	3.81	3.84
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unit

Street	\$/Mcfe	3.50	3.84	3.85	3.81	3.84
Bear	\$/Mcfe	2.67	2.67	2.67	2.70	2.75
Base	\$/Mcfe	3.50	3.84	3.85	3.81	3.84
Bull	\$/Mcfe	3.59	3.86	4.07	4.15	4.40

Oil Price

2. Assumptions

Oil Prices	1	Street	64.74	58.76	63.66	67.54	69.18
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unit

Street	\$/Bbl	64.74	58.76	63.66	67.54	69.18
Bear	\$/Bbl	63.89	52.03	58.91	62.45	66.12
Base	\$/Bbl	64.74	58.76	63.66	67.54	69.18
Bull	\$/Bbl	67.86	63.70	67.67	72.70	71.42

Source: Bloomberg

Appendix C2: Commodity Price Assumptions (Natural Gas Liquids – part 1)



NGL Price 3. assumptions

Natural
Gasoline Price
a. forecast

Nat. Gasoline Prices	1	Street	Weight:	8.0%	650.54	623.10	643.96	661.19	679.35
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<i>unit</i>									
Street		\$/metric Tonne			650.54	623.10	643.96	661.19	679.35
Bear		\$/metric Tonne			630.54	603.10	623.96	641.19	659.35
Base		\$/metric Tonne			650.54	623.10	643.96	661.19	679.35
Bull		\$/metric Tonne			670.54	643.10	663.96	681.19	699.35

Nat. Gasoline Prices	1	Street		56.08	53.72	55.51	57.00	58.56
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<i>unit</i>									
Street		\$/Bbl			56.08	53.72	55.51	57.00	58.56
Bear		\$/Bbl			54.08	51.72	53.51	55.00	56.56
Base		\$/Bbl			56.08	53.72	55.51	57.00	58.56
Bull		\$/Bbl			58.08	55.72	57.51	59.00	60.56

Source: Bloomberg

Appendix C2: Commodity Price Assumptions (Natural Gas Liquids – part 2)



Propane Price
b. forecast

Propane Price Forecast	1	Street	Weight: 15.0%	0.62	0.62	0.61	0.62	0.61
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unit					
Street	\$/Gal		0.615	0.620	0.615
Bear	\$/Gal		0.585	0.590	0.585
Base	\$/Gal		0.615	0.620	0.615
Bull	\$/Gal		0.645	0.650	0.645
					0.621 0.591 0.621 0.651 0.636

Propane Price Forecast	1	Street	25.85	26.04	25.82	26.07	25.45
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unit					
Street	\$/Bbl		25.848	26.041	25.815
Bear	\$/Bbl		25.818	26.011	25.785
Base	\$/Bbl		25.848	26.041	25.815
Bull	\$/Bbl		25.878	26.071	25.845
					26.071 25.424 26.071 26.101 25.484

Source: Bloomberg



Ethane price
c. Forecast

Ethane Price Forecast	4	Bull	Weight: 57.0%	0.30	0.30	0.30	0.30	0.29
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unit						
Street	\$/Gal	0.266	0.269	0.274	0.269	0.262
Bear	\$/Gal	0.236	0.239	0.244	0.239	0.232
Base	\$/Gal	0.266	0.269	0.274	0.269	0.262
Bull	\$/Gal	0.296	0.299	0.304	0.299	0.292

Ethane Price Forecast	1	Street	11.18	11.31	11.50	11.31	11.02
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unit						
Street	\$/Bbl	11.183	11.311	11.496	11.308	11.023
Bear	\$/Bbl	11.153	11.281	11.466	11.278	10.993
Base	\$/Bbl	11.183	11.311	11.496	11.308	11.023
Bull	\$/Bbl	11.213	11.341	11.526	11.338	11.053

Source: Bloomberg

Appendix C2: Commodity Price Assumptions (Natural Gas Liquids – part 4)



Butane
price
d. Forecast

Butane Price Forecast	<input type="text"/>	Street	Weight: 20.0%	0.85	0.79	0.87	0.78	0.75
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unit

Street	\$/Gal	0.850	0.787	0.867	0.783	0.746
Bear	\$/Gal	0.820	0.757	0.837	0.753	0.716
Base	\$/Gal	0.850	0.787	0.867	0.783	0.746
Bull	\$/Gal	0.880	0.817	0.897	0.813	0.776

Butane Price Forecast	<input type="text"/>	Street	35.70	33.07	36.41	32.89	31.33
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unit

Street	\$/Bbl	35.700	33.073	36.414	32.886	31.332
Bear	\$/Bbl	35.670	33.043	36.384	32.856	31.302
Base	\$/Bbl	35.700	33.073	36.414	32.886	31.332
Bull	\$/Bbl	35.730	33.103	36.444	32.916	31.362

Source: Bloomberg

NGL basket Price
f. Assumptions

Basket Price Forecast	1	Street	21.88	21.27	22.15	21.49	21.05
unit							
Street		\$/Bbl	21.878	21.265	22.149	21.493	21.053
Bear		\$/Bbl	21.848	21.235	22.119	21.463	21.023
Base		\$/Bbl	21.878	21.265	22.149	21.493	21.053
Bull		\$/Bbl	21.908	21.295	22.179	21.523	21.083

Source: Bloomberg

Appendix C3: Proved Developed Reserves (PD) production schedule



Proved Developed Reserves - Production Schedule	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	
Days	-	365	365	365	366	365	365	365	365	365	365	365	365	365	365	365	
Beginning reserves	-		11,930,793	11,158,303	10,424,438	9,727,266	9,063,138	8,433,941	7,836,203	7,268,352	6,727,416	6,214,930	5,728,069	5,265,551	4,824,955	4,407,533	4,010,981
Daily Production	2,227.8	2,116	2,011	1,910	1,815	1,724	1,638	1,556	1,478	1,404	1,334	1,267	1,204	1,144	1,086	1,032	
Annual Production	-	772,490	733,865	697,172	664,128	629,198	597,738	567,851	540,936	512,485	486,861	462,518	440,596	417,423	396,551	376,724	
Ending Reserves	-		11,158,303	10,424,438	9,727,266	9,063,138	8,433,941	7,836,203	7,268,352	6,727,416	6,214,930	5,728,069	5,265,551	4,824,955	4,407,533	4,010,981	
Proved Developed Reserves - Cash Flows																	
1. Net Production																	
Total Mmcf		772,490	733,865	697,172	664,128	629,198	597,738	567,851	540,936	512,485	486,861	462,518	440,596	417,423	396,551	376,724	
Gas Mmcf		529,155	502,698	477,563	454,928	431,000	409,450	388,978	370,541	351,053	333,500	316,825	301,808	285,934	271,638	258,056	
NGL MBbl		38,444	36,522	34,696	33,051	31,313	29,747	28,260	26,921	25,505	24,229	23,018	21,927	20,774	19,735	18,748	
Oil MBbl		2,111	2,006	1,906	1,815	1,720	1,634	1,552	1,479	1,401	1,331	1,264	1,204	1,141	1,084	1,030	
2. Revenue																	
a. Natural Gas Revenue		\$ MM	\$ 1,852	\$ 1,930	\$ 1,839	\$ 1,733	\$ 1,655	\$ 1,572	\$ 1,494	\$ 1,423	\$ 1,348	\$ 1,281	\$ 1,217	\$ 1,159	\$ 1,098	\$ 1,043	\$ 991
b. NGL Revenue		\$ MM	\$ 1,371	\$ 1,266	\$ 1,253	\$ 1,158	\$ 1,075	\$ 1,021	\$ 970	\$ 924	\$ 875	\$ 831	\$ 790	\$ 752	\$ 713	\$ 677	\$ 643
c. Oil Revenue		\$ MM	\$ 137	\$ 118	\$ 121	\$ 123	\$ 119	\$ 113	\$ 107	\$ 102	\$ 97	\$ 92	\$ 87	\$ 83	\$ 79	\$ 75	\$ 71
3. Expenses																	
a. Production Taxes																	
Per Unit Price \$/Mcf		\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	
Total \$MM		\$30.90	\$29.35	\$27.89	\$26.57	\$25.17	\$23.91	\$22.71	\$21.64	\$20.50	\$19.47	\$18.50	\$17.62	\$16.70	\$15.86	\$15.07	
b. Lease Operating Expense (LOE)																	
Per Unit Price \$/Mcf		\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	
Total \$MM		\$108.15	\$102.74	\$97.60	\$92.98	\$88.09	\$83.68	\$79.50	\$75.73	\$71.75	\$68.16	\$64.75	\$61.68	\$58.44	\$55.52	\$52.74	
c. Transport Expense																	
Per Unit Price \$/Mcf		\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	
Total \$MM		\$1,268.43	\$1,205.01	\$1,144.76	\$1,090.50	\$1,033.14	\$981.49	\$932.41	\$888.22	\$841.50	\$799.43	\$759.45	\$723.46	\$685.41	\$651.14	\$618.58	
4. Cash Flows																	
Cash Flow from Operations		\$ 2,091	\$ 2,109	\$ 2,068	\$ 1,923	\$ 1,815	\$ 1,725	\$ 1,638	\$ 1,561	\$ 1,479	\$ 1,405	\$ 1,335	\$ 1,271	\$ 1,204	\$ 1,144	\$ 1,087	
CapEx		\$ 55	\$ 52	\$ 50	\$ 47	\$ 45	\$ 42	\$ 40	\$ 38	\$ 36	\$ 35	\$ 33	\$ 31	\$ 30	\$ 28	\$ 27	
FCF		\$ 2,036	\$ 2,057	\$ 2,018	\$ 1,876	\$ 1,771	\$ 1,682	\$ 1,598	\$ 1,522	\$ 1,442	\$ 1,370	\$ 1,302	\$ 1,240	\$ 1,175	\$ 1,116	\$ 1,060	
5. Discounted Cash Flow																	
Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Discount Factor		1.00	0.92	0.85	0.79	0.72	0.67	0.62	0.57	0.52	0.48	0.45	0.41	0.38	0.35	0.32	
DCF \$MM		\$ 2,036.41	\$ 1,897.67	\$ 1,717.68	\$ 1,473.02	\$ 1,282.56	\$ 1,124.05	\$ 985.12	\$ 865.73	\$ 756.66	\$ 663.14	\$ 581.18	\$ 510.74	\$ 446.40	\$ 391.22	\$ 342.87	
PV \$MM		\$ 17,113.52															



Appendix C3: Proved Developed Reserves (PD) production schedule contd.

FY2040	FY2041	FY2042	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052	FY2053	FY2054
366	365	365	365	366	365	365	365	365	365	365	365	365	365	365
3,634,257	3,275,389	2,935,396	2,612,402	2,305,558	2,013,258	1,736,331	1,473,251	1,223,324	985,244	759,686	545,405	341,838	147,920	0
981	931	885	841	799	759	721	685	650	618	587	558	530	503	478
358,868	339,993	322,994	306,844	292,300	276,927	263,080	249,926	238,080	225,558	214,281	203,567	193,918	147,920	0
3,275,389	2,935,396	2,612,402	2,305,558	2,013,258	1,736,331	1,473,251	1,223,324	985,244	759,686	545,405	341,838	147,920	0	0
358,868	339,993	322,994	306,844	292,300	276,927	263,080	249,926	238,080	225,558	214,281	203,567	193,918	147,920	0
245,825	232,895	221,251	210,188	200,226	189,695	180,210	171,200	163,085	154,508	146,782	139,443	132,834	101,325	0
17,860	16,920	16,074	15,271	14,547	13,782	13,093	12,438	11,848	11,225	10,664	10,131	9,651	7,362	0
981	929	883	839	799	757	719	683	651	617	586	556	530	404	0
\$ 944 \$	\$ 894 \$	\$ 850 \$	\$ 807 \$	\$ 769 \$	\$ 728 \$	\$ 692 \$	\$ 657 \$	\$ 626 \$	\$ 593 \$	\$ 564 \$	\$ 535 \$	\$ 510 \$	\$ 389 \$	-
\$ 613 \$	\$ 581 \$	\$ 552 \$	\$ 524 \$	\$ 499 \$	\$ 473 \$	\$ 449 \$	\$ 427 \$	\$ 407 \$	\$ 385 \$	\$ 366 \$	\$ 348 \$	\$ 331 \$	\$ 253 \$	-
\$ 68 \$	\$ 64 \$	\$ 61 \$	\$ 58 \$	\$ 55 \$	\$ 52 \$	\$ 50 \$	\$ 47 \$	\$ 45 \$	\$ 43 \$	\$ 41 \$	\$ 38 \$	\$ 37 \$	\$ 28 \$	-
\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
\$14.35	\$13.60	\$12.92	\$12.27	\$11.69	\$11.08	\$10.52	\$10.00	\$9.52	\$9.02	\$8.57	\$8.14	\$7.76	\$5.92	\$0.00
\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14	\$0.14
\$50.24	\$47.60	\$45.22	\$42.96	\$40.92	\$38.77	\$36.83	\$34.99	\$33.33	\$31.58	\$30.00	\$28.50	\$27.15	\$20.71	\$0.00
\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64	\$1.64
\$589.26	\$558.27	\$530.36	\$503.84	\$479.96	\$454.71	\$431.98	\$410.38	\$390.93	\$370.37	\$351.85	\$334.26	\$318.41	\$242.89	\$0.00
\$ 1,035 \$	\$ 981 \$	\$ 932 \$	\$ 885 \$	\$ 843 \$	\$ 799 \$	\$ 759 \$	\$ 721 \$	\$ 687 \$	\$ 651 \$	\$ 618 \$	\$ 587 \$	\$ 560 \$	\$ 427 \$	-
\$ 25 \$	\$ 24 \$	\$ 23 \$	\$ 22 \$	\$ 21 \$	\$ 20 \$	\$ 19 \$	\$ 18 \$	\$ 17 \$	\$ 16 \$	\$ 15 \$	\$ 14 \$	\$ 14 \$	\$ 11 \$	-
\$ 1,010 \$	\$ 957 \$	\$ 909 \$	\$ 864 \$	\$ 823 \$	\$ 779 \$	\$ 740 \$	\$ 703 \$	\$ 670 \$	\$ 635 \$	\$ 603 \$	\$ 573 \$	\$ 546 \$	\$ 416 \$	-
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
0.30	0.28	0.25	0.23	0.22	0.20	0.18	0.17	0.16	0.14	0.13	0.12	0.11	0.10	0.10
\$ 301.32 \$	\$ 263.35 \$	\$ 230.81 \$	\$ 202.28 \$	\$ 177.76 \$	\$ 155.37 \$	\$ 136.17 \$	\$ 119.34 \$	\$ 104.87 \$	\$ 91.66 \$	\$ 80.33 \$	\$ 70.40 \$	\$ 61.87 \$	\$ 43.54 \$	-

Appendix C4: PUD reserve production schedule in Mcfe/year



Using the average production of beginning and end of the year (average well will be opened 1/2 way through the year)

Period	1	2	3	4	5	6	7	8	9
Net Wells Drilled	55	55	55	55	55	55	55	28	0
Total D&C costs	563.8	563.8	563.8	563.8	563.8	563.8	563.8	290,883,3833	0
PUD MMcf per year	51,563	-	-	-	-	-	-	-	-
1	84,563	51,563	-	-	-	-	-	-	-
2	60,720	84,563	51,563	-	-	-	-	-	-
3	51,836	60,720	84,563	51,563	-	-	-	-	-
4	45,821	51,836	60,720	84,563	51,563	-	-	-	-
5	41,239	45,821	51,836	60,720	84,563	51,563	-	-	-
6	37,310	41,239	45,821	51,836	60,720	84,563	51,563	-	-
7	34,130	37,310	41,239	45,821	51,836	60,720	84,563	26,605	-
8	31,563	34,130	37,310	41,239	45,821	51,836	60,720	43,633	-
9	29,506	31,563	34,130	37,310	41,239	45,821	51,836	31,330	-
10	27,879	29,506	31,563	34,130	37,310	41,239	45,821	26,747	-
11	26,485	27,879	29,506	31,563	34,130	37,310	41,239	23,643	-
12	25,161	26,485	27,879	29,506	31,563	34,130	37,310	21,278	-
13	23,902	25,161	26,485	27,879	29,506	31,563	34,130	19,251	-
14	22,824	23,902	25,161	26,485	27,879	29,506	31,563	17,611	-
15	21,911	22,824	23,902	25,161	26,485	27,879	29,506	16,286	-
16	21,034	21,911	22,824	23,902	25,161	26,485	27,879	15,225	-
17	20,193	21,034	21,911	22,824	23,902	25,161	26,485	14,385	-
18	19,385	20,193	21,034	21,911	22,824	23,902	25,161	13,666	-
19	18,610	19,385	20,193	21,034	21,911	22,824	23,902	12,982	-
20	17,866	18,610	19,385	20,193	21,034	21,911	22,824	12,333	-
21	17,151	17,866	18,610	19,385	20,193	21,034	21,911	11,777	-
22	16,465	17,151	17,866	18,610	19,385	20,193	21,034	11,306	-
23	15,806	16,465	17,151	17,866	18,610	19,385	20,193	10,853	-
24	15,174	15,806	16,465	17,151	17,866	18,610	19,385	10,419	-
25	14,567	15,174	15,806	16,465	17,151	17,866	18,610	10,002	-
26	13,984	14,567	15,174	15,806	16,465	17,151	17,866	9,602	-
27	12,600	13,984	14,567	15,174	15,806	16,465	17,151	9,218	-
28	5,751	12,600	13,984	14,567	15,174	15,806	16,465	8,850	-
29	-	5,751	12,600	13,984	14,567	15,174	15,806	8,496	-
30	-	-	5,751	12,600	13,984	14,567	15,174	8,156	-
31	-	-	-	5,751	12,600	13,984	14,567	7,829	-
32	-	-	-	-	5,751	12,600	13,984	7,516	-
33	-	-	-	-	-	5,751	12,600	7,216	-
34	-	-	-	-	-	-	5,751	6,502	-
35	-	-	-	-	-	-	-	2,967	-
36	-	-	-	-	-	-	-	-	-
37	-	-	-	-	-	-	-	-	-
38	-	-	-	-	-	-	-	-	-
Total	825,000	425,683	-						