ASCENT RESOURCES REPORTS
SECOND QUARTER OPERATING AND FINANCIAL RESULTS

Second Quarter Highlights:

- Averaged net production of 2.1 bcfe per day, a 6% increase year-over-year, while increasing NGL and oil production by 20% and 28%, respectively, over the same period
- Realized pre-hedge natural gas equivalent price of $2.30 per mcfe, a $0.20 per mcfe premium to NYMEX pricing
- Reported Net Income and Adjusted Net Income[(1)] of $250 million and $60 million, respectively
- Generated Net Cash from Operating Activities of $285 million and Adjusted EBITDAX[(1)] of $285 million
- Simplified and improved the balance sheet with the repayment of the Second Lien Term Loan
- Issued 5th annual ESG Report and re-certified 100% of our production as Grade A responsibly sourced under MiQ's standard

[(1)] A non-GAAP financial measure. See the non-GAAP reconciliations included in this press release for the definition of, and other important information regarding, this non-GAAP financial measure.

Oklahoma City, Oklahoma, August 9, 2023 (PR Newswire) – Ascent Resources Utica Holdings, LLC (“Ascent”, "our" or the "Company") today reported its second quarter 2023 operating and financial results. Additionally, Ascent announced a conference call with analysts and investors scheduled for 9 AM CT / 10 AM ET, Thursday, August 10, 2023. For more detailed information on Ascent, please refer to the latest investor presentation and additional information located on our website at https://www.ascentresources.com/investors.

Commenting on the second quarter results, Ascent's Chairman and Chief Executive Officer, Jeff Fisher said, “The second quarter was one of strong execution and excellent operational performance, as the team continues to deliver on our plan while navigating a challenging price environment. We successfully turned in line 20 new wells across the play, with a handful of liquids rich wells contributing to substantial quarter over quarter and year over year gains in NGL and oil production. We remain steadfast in our commitment to maintaining production and balancing our development across all three windows of the Utica shale."

Fisher continued, "We are extremely excited with the way our team has executed in a volatile market, and remain optimistic about the opportunities for natural gas as the fuel that drives America forward in the coming years. With the work we have done to strengthen our balance sheet, we remain focused on maintaining financial flexibility and creating additional long-term value for our stakeholders."

Second Quarter 2023 Financial Results

Second quarter 2023 net production averaged 2,085 mmcfe per day, consisting of 1,909 mmcf per day of natural gas, 10,703 bbls per day of oil and 18,626 bbls per day of natural gas liquids ("NGL").

Second quarter 2023 price realizations, including the impact of settled commodity derivatives, were $2.97 per mcfe. Excluding the impact of settled commodity derivatives, price realizations were $2.30 per mcfe in the second quarter of 2023.

For the second quarter of 2023, Ascent reported net income of $250 million, Adjusted Net Income of $60 million and Adjusted EBITDAX of $285 million. Ascent incurred $258 million of total capital expenditures in the second quarter of 2023 consisting of $221 million of D&C costs, $28 million of land and leasehold costs, and $9 million of capitalized interest.

Year-to-Date 2023 Financial Results

Net production for the six months ended June 30, 2023 averaged 2,141 mmcfe per day, consisting of 1,973 mmcf per day of natural gas, 10,530 bbls per day of oil and 17,448 bbls per day of NGLs.

Price realizations, including the impact of settled commodity derivatives, were $3.14 per mcfe for the six months ended June 30, 2023. Excluding the impact of settled commodity derivatives, price realizations were $2.98 per mcfe for the year-to-date period.

For the six months ended June 30, 2023, Ascent reported net income of $1.4 billion, Adjusted Net Income of $172 million and Adjusted EBITDAX of $636 million. Ascent incurred a total of $534 million of capital expenditures during the six months ended June 30, 2023 consisting of $460 million of D&C costs, $54 million of land and leasehold costs, and $20 million for capitalized interest.

Balance Sheet and Liquidity

As of June 30, 2023, Ascent had total debt of approximately $2.5 billion, with $705 million of borrowings and $168 million of letters of credit issued under the credit facility. Liquidity as of June 30, 2023 was approximately $1.1 billion, comprised of $1.1 billion of available borrowing capacity under the credit facility and $8 million of cash on hand. Our leverage ratio at the end of the quarter was 1.5x based on an LTM Adjusted EBITDAX basis.

Operational Update

During the second quarter of 2023, we spud 21 operated wells, hydraulically fractured 22 wells, and turned-in-line 20 wells with an average lateral length of approximately 13,000 feet. As of June 30, 2023, Ascent had 823 gross operated producing Utica wells.

Hedging Update

Ascent has significant hedges in place in order to reduce exposure to the volatility in commodity prices, as well as to protect our expected operating cash flow. As of June 30, 2023, Ascent had hedged 1,483,000 mmbtu per day of natural gas production in 2023 at an average downside price of $3.18 per mmbtu, and 1,360,000 mmbtu per day in 2024 at at an average downside price of $3.49 per mmbtu. In addition, Ascent had also hedged 6,000 bbls per day of crude oil production at an average price of $72.30 per bbl in 2023, and 4,000 bbls per day in 2024 at an average price of $71.33. We also have significant natural gas hedges in place for 2025 and 2026, coupled with basis hedges for 2023-2025 to limit exposure to price volatility at our actual sales points, including in-basin. Please reference our financial statements for additional detail.

About Ascent Resources

Ascent is one of the largest private producers of natural gas in the United States and is focused on acquiring, developing, and operating natural gas and oil properties located in the Utica Shale in southern Ohio. With a continued focus on good corporate citizenship, Ascent is committed to delivering clean-burning, affordable energy to our country and the world, while reducing environmental impacts.

Contact:
Chris Benton
Vice President – Finance and Investor Relations
405-252-7850

chris.benton@ascentresources.com

This news release contains forward-looking statements within the meaning of US federal securities laws. Forward-looking statements express views of Ascent regarding future plans and expectations. Forward-looking statements in this news release include, but are not limited to, statements regarding future operations, business strategy, liquidity and cash flows of Ascent. These statements are based on numerous assumptions and are subject to known and unknown risks and uncertainties, including, commodity price volatility, inherent uncertainty in estimating natural gas, oil and NGL reserves, environmental and regulatory risks, availability of capital, and the other risks described in Ascent's most recent investor presentation provided at www.ascentresources.com/investors. Actual future results may vary materially from those expressed or implied in this news release and Ascent's business, financial condition, results of operations and cash flow could be materially and adversely affected by such risks and uncertainties. As a result, forward-looking statements should be understood to be only predictions and statements of Ascent's current beliefs; they are not guarantees of performance.

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

($ in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Revenues:				
Natural gas	$ 333,721	$ 1,214,653	$ 945,281	$ 2,027,531
Oil	63,166	77,603	127,159	131,969
NGL	39,636	68,058	83,377	137,555
Commodity derivative gain (loss)	348,982	(584,421)	1,270,631	(2,579,981)
Total Revenues	785,505	775,893	2,426,448	(282,926)
Operating Expenses:				
Lease operating expenses	30,317	21,786	63,967	47,193
Gathering, processing and transportation expenses	227,792	242,530	468,084	476,075
Taxes other than income	12,637	10,900	24,134	21,422
Exploration expenses	4,185	12,015	4,792	30,424
General and administrative expenses	18,479	7,257	34,972	27,100
Depreciation, depletion and amortization	175,677	149,771	358,716	302,050
Total Operating Expenses	469,087	444,259	954,665	904,264
Income (Loss) from Operations	316,418	331,634	1,471,783	(1,187,190)
Other Income (Expense):				
Interest expense, net	(47,818)	(49,787)	(103,153)	(94,752)
Change in fair value of contingent payment right	(2,039)	2,977	1,841	(5,003)
Losses on purchases or exchanges of debt	(26,900)	—	(26,900)	—
Other income	10,375	103	10,911	785
Total Other Expense	(66,382)	(46,707)	(117,301)	(98,970)
Net Income (Loss)	$ 250,036	$ 284,927	$ 1,354,482	$(1,286,160)

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

($ in thousands)	June 30, 2023	December 31, 2022
Current Assets:		
Cash and cash equivalents	$ 8,415	$ 3,894
Accounts receivable – natural gas, oil and NGL sales	192,619	530,385
Accounts receivable – joint interest and other	39,674	35,340
Short-term derivative assets	101,209	14,061
Other current assets	7,347	12,597
Total Current Assets	349,264	596,277
Property and Equipment:		
Natural gas and oil properties, based on successful efforts accounting	11,086,721	10,558,533
Other property and equipment	40,105	39,641
Less: accumulated depreciation, depletion and amortization	(4,256,070)	(3,900,730)
Property and Equipment, net	6,870,756	6,697,444
Other Assets:		
Long-term derivative assets	52,799	6,081
Other long-term assets	41,926	44,117
Total Assets	$ 7,314,745	$ 7,343,919
Current Liabilities:		
Accounts payable	$ 59,108	$ 77,753
Accrued interest	44,118	50,375
Short-term derivative liabilities	66,225	684,204
Other current liabilities	520,332	771,062
Total Current Liabilities	689,783	1,583,394
Long-Term Liabilities:		
Long-term debt, net	2,465,629	2,475,222
Long-term derivative liabilities	35,784	495,464
Other long-term liabilities	113,022	113,061
Total Long-Term Liabilities	2,614,435	3,083,747
Member’s Equity	4,010,527	2,676,778
Total Liabilities and Member’s Equity	$ 7,314,745	$ 7,343,919

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

($ in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Cash Flows from Operating Activities:				
Net income (loss)	$ 250,036	$ 284,927	$ 1,354,482	$(1,286,160)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation, depletion and amortization	175,677	149,771	358,716	302,050
(Gain) loss on commodity derivatives	(348,982)	584,421	(1,270,631)	2,579,981
Settlements of commodity derivatives	126,929	(547,520)	60,111	(914,683)
Impairment of unproved natural gas and oil properties	3,814	11,649	3,814	29,507
Non-cash interest expense	3,271	4,981	9,248	8,102
Long-term incentive compensation	859	4,176	213	5,051
Change in fair value of contingent payment right	2,039	(2,977)	(1,841)	5,003
Losses on purchases or exchanges of debt	26,038	—	26,038	—
Other	79	(28)	133	(28)
Changes in operating assets and liabilities	44,747	(232,110)	115,142	(189,503)
Net Cash Provided by Operating Activities	284,507	257,290	655,425	539,320
Cash Flows from Investing Activities:				
Natural gas and oil capital expenditures	(270,363)	(251,985)	(530,279)	(497,830)
Deposits on natural gas and oil property acquisition	—	(27,000)	—	(27,000)
Additions to other property and equipment	(769)	(406)	(1,828)	(995)
Net Cash Used in Investing Activities	(271,132)	(279,391)	(532,107)	(525,825)
Cash Flows from Financing Activities:				
Proceeds from credit facility borrowings	910,000	1,235,000	1,420,000	2,080,000
Repayment of credit facility borrowings	(540,000)	(835,000)	(1,085,000)	(1,715,000)
Proceeds from issuance of long-term debt	210,000	—	210,000	—
Repayment of long-term debt	(549,822)	—	(549,822)	—
Cash paid for debt issuance and amendment costs	(11,219)	(16,731)	(11,219)	(16,731)
Cash paid for debt prepayment costs	(27,491)	—	(27,491)	—
Cash paid for settlements of commodity derivatives	—	(56,035)	(53,530)	(56,035)
Cash paid to restructure commodity derivatives	—	(300,000)	—	(300,000)
Distribution to Member for long-term incentive Cash Awards	—	—	(17,856)	—
Other	(3,608)	(4,360)	(3,879)	(4,576)
Net Cash Provided by (Used in) Financing Activities	(12,140)	22,874	(118,797)	(12,342)
Net Increase in Cash and Cash Equivalents	1,235	773	4,521	1,153
Cash and Cash Equivalents, Beginning of Period	7,180	6,054	3,894	5,674
Cash and Cash Equivalents, End of Period	$ 8,415	$ 6,827	$ 8,415	$ 6,827

ASCENT RESOURCES UTICA HOLDINGS, LLC
NATURAL GAS, OIL AND NGL PRODUCTION AND PRICES
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net Production Volumes:				
Natural gas (mmcf)	173,694	166,367	357,138	330,253
Oil (mbbls)	974	758	1,906	1,382
NGL (mbbls)	1,695	1,408	3,158	2,799
Natural Gas Equivalents (mmcfe)	189,712	179,359	387,523	355,339
Average Daily Net Production Volumes:				
Natural gas (mmcf/d)	1,909	1,828	1,973	1,825
Oil (mbbls/d)	11	8	11	8
NGL (mbbls/d)	19	15	17	15
Natural Gas Equivalents (mmcfe/d)	2,085	1,971	2,141	1,963
% Natural Gas	92 %	92 %	92 %	93 %
% Liquids	8 %	8 %	8 %	7 %
Average Sales Prices:				
Natural gas ($/mcf)	$ 1.92	$ 7.30	$ 2.65	$ 6.14
Oil ($/bbl)	$ 64.79	$ 102.34	$ 66.71	$ 95.48
NGL ($/bbl)	$ 23.38	$ 48.34	$ 26.40	$ 49.14
Natural Gas Equivalents ($/mcfe)	$ 2.30	$ 7.58	$ 2.98	$ 6.46
Settlements of commodity derivatives ($/mcfe)[a]	0.67	(3.37)	0.16	(2.74)
Average sales price, after effects of settled derivatives ($/mcfe)	$ 2.97	$ 4.21	$ 3.14	$ 3.72

(a) Excludes the one-time payment of $300 million in April 2022 to restructure a portion of our May through December 2022 natural gas swaps, resulting in an increase of our weighted average strike prices for these periods.

ASCENT RESOURCES UTICA HOLDINGS, LLC
CAPITAL EXPENDITURES INCURRED
(Unaudited)

($ in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Capital Expenditures Incurred:				
Drilling and completion costs incurred	$ 221,121	$ 235,509	$ 460,353	$ 433,887
Land and leasehold costs incurred	27,615	23,919	53,800	55,155
Capitalized interest incurred	9,338	12,299	19,608	22,298
Total Capital Expenditures Incurred	$ 258,074	$ 271,727	$ 533,761	$ 511,340

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED NET INCOME (LOSS)
(Unaudited)

($ in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net Income (Loss) (GAAP)	$ 250,036	$ 284,927	$ 1,354,482	$(1,286,160)
Adjustments to reconcile net income (loss) to Adjusted Net Income:				
(Gain) loss on commodity derivatives	(348,982)	584,421	(1,270,631)	2,579,981
Commodity derivative settlements[a]	126,929	(603,555)	60,111	(970,718)
Unrealized (gain) loss on interest rate derivatives	(1,840)	(1,837)	(1,005)	(3,575)
Change in fair value of contingent payment right	2,039	(2,977)	(1,841)	5,003
Long-term incentive compensation	859	4,176	213	5,051
Losses on purchases or exchanges of debt	26,900	—	26,900	—
Impairment of unproved natural gas and oil properties	3,814	11,649	3,814	29,507
Other	—	412	—	(1,372)
Adjusted Net Income (Non-GAAP)[b][c]	$ 59,755	$ 277,216	$ 172,043	$ 357,717

(a) Excludes the one-time payment of $300 million in April 2022 to restructure a portion of our May through December 2022 natural gas swaps, resulting in an increase of our weighted average strike prices for these periods.

(b) As shown above and on the following pages, Ascent uses Adjusted Net Income (Loss), Adjusted EBITDAX, Last Twelve Months ("LTM") Adjusted EBITDAX, Net Debt, and Adjusted Free Cash Flow (non-GAAP measures) as supplemental measures to evaluate the performance of its assets. Ascent believes these non-GAAP measures provide meaningful information to our investors and lenders, as discussed below. These non-GAAP measures, as used and defined by Ascent, are not measures of performance as determined by United States generally accepted accounting principles (US GAAP) and may not be comparable to similarly titled measures employed by other companies.

Non-GAAP measures should not be considered in isolation or as substitutes for operating income, net income or loss, cash flows provided by or used in operating, investing and financing activities or other income or cash flow statement data prepared in accordance with GAAP. Non-GAAP measures provide no information regarding a company's capital structure, borrowings, interest costs, capital expenditures and working capital movement. Non-GAAP measures do not represent funds available for discretionary use because those funds may be required for debt service, capital expenditures, working capital, exploration expenses and other commitments and obligations. However, Ascent's management team believes these non-GAAP measures are useful to an investor in evaluating Ascent's financial performance because these measures:

- are widely used by investors in the natural gas and oil industry to measure a company's operating performance without regard to items excluded from the calculation of such terms, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired, among other factors;
- are more comparable to estimates used by analysts;
- help investors to more meaningfully evaluate and compare the results of Ascent's operations from period to period by removing the effect of its capital structure from its operating structure;
- excludes one-time items, non-cash items or items whose timing or amount cannot be reasonably estimated; and
- are used by Ascent's management team for various purposes, including as a measure of operating performance, in presentations to its Board of Managers and as a basis for strategic planning and forecasting.

There are significant limitations to using non-GAAP measures as measures of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect Ascent's net income or loss, the lack of comparability of results of operations of different companies, and the different methods of calculating non-GAAP measures reported by different companies.

(c) Ascent defines "Adjusted Net Income (Loss)" as net income (loss) before impairment of unproved natural gas and oil properties; the revenue impact of changes in the fair value of commodity derivative instruments prior to settlement; unrealized (gain) loss on interest rate derivatives; change in fair value of contingent payment right; long-term incentive compensation; (gains) losses on purchases or exchanges of debt; and other expense (benefits) including changes in legal reserves, settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted Net Income is a supplemental measure of operating performance monitored by management that is not defined under GAAP and does not represent, and should not be considered as, an alternative to net income (loss), as determined by GAAP.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED EBITDAX AND NET DEBT
(Unaudited)

Adjusted EBITDAX

($ in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net Income (Loss) (GAAP)	$ 250,036	$ 284,927	$ 1,354,482	$(1,286,160)
Adjustments to reconcile net income (loss) to Adjusted EBITDAX:				
Exploration expenses	4,185	12,015	4,792	30,424
Depreciation, depletion and amortization	175,677	149,771	358,716	302,050
Interest expense, net	47,818	49,787	103,153	94,752
(Gain) loss on commodity derivatives	(348,982)	584,421	(1,270,631)	2,579,981
Commodity derivative settlements[a]	126,929	(603,555)	60,111	(970,718)
Change in fair value of contingent payment right	2,039	(2,977)	(1,841)	5,003
Long-term incentive compensation	859	4,176	213	5,051
Losses on purchases or exchanges of debt	26,900	—	26,900	—
Other	—	(1,565)	—	(3,349)
Adjusted EBITDAX (Non-GAAP)[b][c]	$ 285,461	$ 477,000	$ 635,895	$ 757,034

(a) Excludes the one-time payment of $300 million in April 2022 to restructure a portion of our May through December 2022 natural gas swaps, resulting in an increase of our weighted average strike prices for these periods.

(b) See footnote (a) on the Reconciliations of Adjusted Net Income (Loss) for a discussion of our uses of non-GAAP measures.

(c) Ascent defines "Adjusted EBITDAX" as net income (loss) before exploration expenses; depreciation, depletion and amortization; interest expense, net; the revenue impact of changes in the fair value of commodity derivative instruments prior to settlement; change in fair value of contingent payment right; long-term incentive compensation; (gains) losses on purchases or exchanges of debt; and other expenses (benefits) including changes in legal reserves, settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted EBITDAX is a supplemental measure of operating performance monitored by management that is not defined under GAAP and does not represent, and should not be considered as, an alternative to net income (loss), as determined by GAAP.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED EBITDAX AND NET DEBT (CONTINUED)
(Unaudited)

LTM Adjusted EBITDAX

	Three Months Ended				Twelve Months Ended
($ in thousands)	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2023
Net Income (GAAP)	$ 250,036	$ 1,104,446	$ 1,600,999	$ 46,540	$ 3,002,021
Adjustments to reconcile net income to Adjusted EBITDAX:					
Exploration expenses	4,185	607	3,353	15,365	23,510
Depreciation, depletion and amortization	175,677	183,039	181,519	192,484	732,719
Interest expense, net	47,818	55,335	57,426	57,553	218,132
(Gain) loss on commodity derivatives	(348,982)	(921,649)	(993,155)	1,100,991	(1,162,795)
Commodity derivative settlements	126,929	(66,818)	(473,217)	(856,004)	(1,269,110)
Change in fair value of contingent payment right	2,039	(3,880)	1,955	(3,656)	(3,542)
Losses on purchases or exchanges of debt	26,900	—	—	—	26,900
Long-term incentive compensation	859	(646)	8,780	8,914	17,907
Other	—	—	(59)	(3,352)	(3,411)
Adjusted EBITDAX (Non-GAAP)[(a)(b)]	$ 285,461	$ 350,434	$ 387,601	$ 558,835	$ 1,582,331

	Three Months Ended				Twelve Months Ended
($ in thousands)	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2022
Net Income (Loss) (GAAP)	$ 284,927	$(1,571,087)	$ 1,110,012	$(1,256,435)	$(1,432,583)
Adjustments to reconcile net income (loss) to Adjusted EBITDAX:					
Exploration expenses	12,015	18,409	26,061	22,274	78,759
Depreciation, depletion and amortization	149,771	152,279	159,286	151,902	613,238
Interest expense, net	49,787	44,965	47,034	44,996	186,782
(Gain) loss on commodity derivatives	584,421	1,995,560	(532,585)	1,512,044	3,559,440
Commodity derivative settlements[(c)]	(603,555)	(367,163)	(534,216)	(227,286)	(1,732,220)
Change in fair value of contingent payment right	(2,977)	7,980	(407)	1,544	6,140
Long-term incentive compensation	4,176	875	815	816	6,682
Other	(1,565)	(1,784)	7,219	—	3,870
Adjusted EBITDAX (Non-GAAP)[(a)(b)]	$ 477,000	$ 280,034	$ 283,219	$ 249,855	$ 1,290,108

(a) See footnote (a) on the Reconciliations of Adjusted Net Income (Loss) for a discussion of our uses of non-GAAP measures.

(b) Ascent defines "Adjusted EBITDAX" as net income (loss) before exploration expenses; depreciation, depletion and amortization; interest expense, net; the revenue impact of changes in the fair value of commodity derivative instruments prior to settlement; change in fair value of contingent payment right; long-term incentive compensation; (gains) losses on purchases or exchanges of debt; and other expenses (benefits) including changes in legal reserves, settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted EBITDAX is a supplemental measure of operating performance monitored by management that is not defined under GAAP and does not represent, and should not be considered as, an alternative to net income (loss), as determined by GAAP.

(c) Excludes the one-time payment of $300 million in April 2022 to restructure a portion of our May through December 2022 natural gas swaps, resulting in an increase of our weighted average strike prices for these periods.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED EBITDAX AND NET DEBT (CONTINUED)
(Unaudited)

Net Debt and Net Debt to LTM Adjusted EBITDAX

($ in thousands)	June 30, 2023	June 30, 2022
Net Debt:		
Total debt	$ 2,465,629	$ 2,960,497
Less: cash and cash equivalents	8,415	6,827
Net Debt[a]	$ 2,457,214	$ 2,953,670
Net Debt to LTM Adjusted EBITDAX:		
Net Debt[a]	$ 2,457,214	$ 2,953,670
LTM Adjusted EBITDAX (Non-GAAP)[b]	$ 1,582,331	$ 1,290,108
Net Debt to LTM Adjusted EBITDAX[c]	1.6 x	2.3 x

(a) Ascent defines "Net Debt" as total debt less cash and cash equivalents. Management uses Net Debt to determine our outstanding debt obligations that would not be readily satisfied by our cash and cash equivalents on hand. Net Debt does not represent, and should not be considered as, an alternative to total debt, as determined by GAAP.

(b) Refer to our Reconciliations of Adjusted EBITDAX and Net Debt for more details regarding our LTM Adjusted EBITDAX calculations. Only includes impact of XTO acquisition since August 5, 2022.

(c) Our Net Debt to LTM Adjusted EBITDAX was 1.5x as of June 30, 2023 when including the full-year EBITDAX impact of the XTO acquisition, as provided by our debt covenant calculations.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED FREE CASH FLOW
(Unaudited)

($ in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net Cash Provided by Operating Activities (GAAP)	$ 284,507	$ 257,290	$ 655,425	$ 539,320
Adjustments to reconcile Net Cash Provided by Operating Activities to Adjusted Free Cash Flow:				
Changes in operating assets and liabilities	(44,747)	232,110	(115,142)	189,503
Drilling and completion costs incurred	(221,121)	(235,509)	(460,353)	(433,887)
Land and leasehold costs incurred	(27,615)	(23,919)	(53,800)	(55,155)
Capitalized interest incurred	(9,338)	(12,299)	(19,608)	(22,298)
Financing commodity derivative settlements	—	(56,035)	—	(56,035)
Other	862	(1,565)	862	(3,349)
Adjusted Free Cash Flow (Non-GAAP)[(a)(b)]	$ (17,452)	$ 160,073	$ 7,384	$ 158,099

(a) See footnote (a) on the Reconciliations of Adjusted Net Income (Loss) for a discussion of our uses of non-GAAP measures.

(b) Adjusted Free Cash Flow is an indicator of a company's ability to generate funding to maintain or expand its asset base, make distributions and repurchase or extinguish debt. Ascent defines "Adjusted Free Cash Flow" as net cash provided by operating activities adjusted for changes in operating assets and liabilities; drilling and completion costs incurred; land and leasehold costs incurred; capitalized interest incurred; financing commodity derivative settlements; and certain other expenses (benefits) including changes in legal reserves, including settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted Free Cash Flow is a supplemental measure of liquidity monitored by management that is not defined under GAAP and that does not represent, and should not be considered as, an alternative to net cash provided by operating activities, as determined by GAAP.