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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026
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: 001-35512

Amplify Energy Corp.

(Exact name of registrant as specified in its charter)

Delaware	**82-1326219**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
500 Dallas Street, Suite 1700, Houston, TX	**77002**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(832) 219-9001**

Not Applicable
(Former name or Former Address, if changed since last report)

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 ☐	Accelerated filer ☑
Non-accelerated filer ☐	Smaller reporting company ☑
Emerging growth company ☐	

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 is a shell company (as defined in Rule 12b–2 of the Exchange Act). Yes ☐ No ☑

Securities Registered Pursuant to Section 12(b):

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock	AMPY	NYSE

As of August 6, 2026, the registrant had 41,456,450 outstanding shares of common stock, $0.01 par value outstanding.

AMPLIFY ENERGY CORP.
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GLOSSARY OF OIL AND NATURAL GAS TERMS

Analogous Reservoir: Analogous reservoirs, as used in resource assessments, have similar rock and fluid properties, reservoir conditions (depth, temperature, and pressure) and drive mechanisms, but are typically at a more advanced stage of development than the reservoir of interest and thus may provide concepts to assist in the interpretation of more limited data and estimation of recovery. When used to support proved reserves, analogous reservoir refers to a reservoir that shares all of the following characteristics with the reservoir of interest: (i) the same geological formation (but not necessarily in pressure communication with the reservoir of interest); (ii) the same environment of deposition; (iii) similar geologic structure; and (iv) the same drive mechanism.

Bbl: One stock tank barrel, or 42 U.S. gallons liquid volume, used in reference to oil or other liquid hydrocarbons.

Bbl/d: One Bbl per day.

Bcfe: One billion cubic feet of natural gas equivalent.

Boe: One barrel of oil equivalent, calculated by converting natural gas to oil equivalent barrels at a ratio of six Mcf of natural gas to one Bbl of oil.

BOEM: U.S. Bureau of Ocean Energy Management.

BSEE: Bureau of Safety and Environmental Enforcement.

Btu: One British thermal unit, the quantity of heat required to raise the temperature of a one-pound mass of water by one degree Fahrenheit.

CO_2: Carbon dioxide.

Development Project: A development project is the means by which petroleum resources are brought to the status of economically producible. As examples, the development of a single reservoir or field, an incremental development in a producing field or the integrated development of a group of several fields and associated facilities with a common ownership may constitute a development project.

Dry Hole or Dry Well: A well found to be incapable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of such production would exceed production expenses and taxes.

Economically Producible: The term economically producible, as it relates to a resource, means a resource which generates revenue that exceeds, or is reasonably expected to exceed, the costs of the operation. For this determination, the value of the products that generate revenue are determined at the terminal point of oil and natural gas producing activities.

Exploitation: A development or other project which may target proven or unproven reserves (such as probable or possible reserves), but which generally has a lower risk than that associated with exploration projects.

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

Gross Acres or Gross Wells: The total acres or wells, as the case may be, in which we have a working interest.

Henry Hub: A distribution hub in Louisiana that serves as the delivery location for natural gas futures contracts on the New York Mercantile Exchange.

ICE: Inter-Continental Exchange.

ICE Brent: Brent crude oil traded on the ICE.

MBbl: One thousand Bbls.

MBbls/d: One thousand Bbls per day.

MBoe: One thousand barrels of oil equivalent.

MBoe/d: One thousand barrels of oil equivalent per day.

MMBoe: One million barrels of oil equivalent.

Mcf: One thousand cubic feet of natural gas.

Mcf/d: One Mcf per day.

MMA: Marine Minerals Administration

MMBtu: One million Btu.

MMcf: One million cubic feet of natural gas.

MMcfe: One million cubic feet of natural gas equivalent.

MMcfe/d: One MMcfe per day.

Net Production: Production that is owned by us less royalties and production due to others.

NGLs: The combination of ethane, propane, butane and natural gasolines that, when removed from natural gas, become liquid under various levels of higher pressure and lower temperature.

NYMEX: New York Mercantile Exchange.

NYSE: New York Stock Exchange.

Oil: Oil and condensate.

Operator: The individual or company responsible for the exploration and/or production of an oil or natural gas well or lease.

OPIS: Oil Price Information Service.

Plugging and Abandonment: Refers to the sealing off of fluids in the strata penetrated by a well so that the fluids from one stratum will not escape into another stratum or to the surface. Regulations of all states require plugging of abandoned wells.

Probabilistic Estimate: The method of estimation of reserves or resources is called probabilistic when the full range of values that could reasonably occur for each unknown parameter (from the geoscience and engineering data) is used to generate a full range of possible outcomes and their associated probabilities of occurrence.

Proved Developed Reserves: Proved reserves that can be expected to be recovered from existing wells with existing equipment and operating methods.

Proved Reserves: Those quantities of 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 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. The area of the reservoir considered as proved includes (i) the area identified by drilling and limited by fluid contacts, if any, and (ii) 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 natural gas on the basis of available geoscience and engineering data. In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons, as seen in a well penetration, unless geoscience, engineering or performance data and reliable technology establishes a lower contact with reasonable certainty. Where direct observation from well penetrations has defined a highest known oil elevation and the potential exists for an associated natural 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. Reserves which can be produced economically through application of improved recovery techniques (including fluid injection) are included in the proved classification when (i) 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 (ii) the project has been approved for development by all necessary parties and entities, including governmental entities. Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price used is the average price during the twelve-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.

Realized Price: The cash market price less all expected quality, transportation and demand adjustments.

Reliable Technology: Reliable technology is a grouping of one or more technologies (including computational methods) that has been field tested and has been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

Reserves: Reserves are estimated remaining quantities of oil and natural 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 natural gas or related substances to market and all permits and financing required to implement the project. 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).

Reservoir: A porous and permeable underground formation containing a natural accumulation of producible oil and/or natural gas that is confined by impermeable rock or water barriers and is individual and separate from other reserves.

Resources: Resources are quantities of oil and natural gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable and another portion may be considered unrecoverable. Resources include both discovered and undiscovered accumulations.

SEC: The U.S. Securities and Exchange Commission.

Working Interest: An interest in an oil and natural gas lease that gives the owner of the interest the right to drill for and produce oil and natural gas on the leased acreage and requires the owner to pay a share of the costs of drilling and production operations.

Workover: Operations on a producing well to restore or increase production.

WTI: West Texas Intermediate.

NAMES OF ENTITIES

As used in this Form 10-Q, unless indicated otherwise:

- "Amplify Energy," "Amplify," "it," the "Company," "we," "our," "us," or like terms refer to Amplify Energy Corp. individually and/or collectively with its subsidiaries, as the context requires; and
- "OLLC" refers to Amplify Energy Operating LLC, our wholly owned subsidiary through which we operate our properties.

CAUTIONARY NOTE REGARDING FORWARD–LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are subject to a number of risks and uncertainties, many of which are beyond our control, which may include statements about our:

- business strategies;
- marketing of oil and NGLs;
- acquisition and disposition strategy;
- cash flows and liquidity;
- financial strategy;
- ability to replace the reserves we produce through drilling;
- drilling locations;
- oil reserves;
- technology;
- realized oil and NGL prices;
- production volumes;
- lease operating expense;
- gathering, processing and transportation;
- general and administrative expense;
- future operating results;
- ability to procure drilling and production equipment;
- ability to procure oil field labor;
- planned capital expenditures and the availability of capital resources to fund capital expenditures;
- ability to access capital markets;
- political and economic conditions and events in foreign oil and natural gas producing countries, including embargoes, continued hostilities in the Middle East and other sustained military campaigns;
- acts of God, fires, earthquakes, storms, floods, other adverse weather conditions, war, acts of terrorism, cybersecurity breaches, military operations or national emergency;
- the occurrence or threat of epidemic or pandemic diseases, or any government response to such occurrence or threat;

- expectations regarding general economic conditions, including inflation;
- competition in the oil and natural gas industry;
- effectiveness of risk management activities;
- environmental liabilities;
- counterparty credit risk;
- expectations regarding governmental regulation and taxation;
- expectations regarding developments in oil and natural gas-producing countries; and
- plans, objectives, expectations and intentions.

All statements, other than statements of historical fact included in this report, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "expect," "plan," "project," "intend," "anticipate," "believe," "estimate," "predict," "potential," "pursue," "target," "outlook," "continue," the negative of such terms or other comparable terminology. These statements address activities, events or developments that we expect or anticipate will or may occur in the future, including things such as projections of results of operations, plans for growth, goals, future capital expenditures, competitive strengths, references to future intentions and other such references. These forward-looking statements involve risks and uncertainties. Important factors that could cause our actual results or financial condition to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, the following risks and uncertainties:

- the concentration of the Company's properties in a limited number of geographic locations and the Company's dependence upon a small number of significant customers; including potential difficulties in the marketing of oil related to such small number of significant customers;
- the uncertainty inherent in the development and production of oil;
- the potential for additional impairments due to continuing or future declines in oil and NGL prices;
- volatility in the prices for oil and NGLs, including due to actions taken by the Organization of the Petroleum Exporting Countries (OPEC+) as it pertains to global supply and demand of, and prices for such commodities;
- the uncertainty inherent in estimating quantities of oil and NGL reserves;
- the existence of unanticipated liabilities or problems relating to acquired or divested businesses or properties;
- potential shortages of, or increased costs for, drilling and production equipment and supply materials for production, such as CO_2;
- the impact of local, state and federal governmental regulations, including those related to climate change and potential changes in these regulations;
- changes to the financial condition of counterparties;
- the impact of, and our ability to, remediate the identified material weaknesses in our internal controls over financial reporting;

- our ability to access funds on acceptable terms, if at all, due to potentially worsening economic conditions, including continued or further inflation, disruption in the financial markets, the imposition of tariffs or trade or other economic sanctions and political instability;
- our substantial future capital requirements, which may be subject to limited availability of financing;
- our need to make accretive acquisitions or substantial capital expenditures to maintain our declining asset base;
- potential acquisitions, including our ability to make acquisitions on favorable terms or to integrate acquired properties;
- the consequences of changes we have made, or may make from time to time in the future, to our capital expenditure budget, including the impact of those changes on our production levels, reserves, results of operations and liquidity;
- our ability to satisfy debt obligations;
- uncertainties surrounding the success of our secondary and tertiary recovery efforts;
- competition in the oil and natural gas industry;
- our results of evaluation and implementation of strategic alternatives;
- the Company's implementation of the share repurchase program and resulting purchases thereunder;
- general political and economic conditions, globally and in the jurisdictions in which we operate, including the Russian invasion of Ukraine, ongoing conflicts or entanglements in the Middle East, trade wars and the potential destabilizing effect such conflicts may pose for those regions and/or the global oil and natural gas markets;
- the impact of climate change and natural disasters, such as earthquakes, tidal waves, mudslides, fires and floods;
- the risk that our hedging strategy may be ineffective or may reduce our income;
- risks related to a redetermination of the borrowing base under our senior secured reserve-based revolving credit facility (the "Revolving Credit Facility");
- our ability to access funds on acceptable terms, if at all, because of the terms and conditions governing our indebtedness, including financial covenants;
- the cost and availability of insurance as well as operating risks that may not be covered by an effective indemnity or insurance;
- actions of third-party co-owners of interests in properties in which we also own an interest; and
- other risks and uncertainties described in "Item 1A. Risk Factors."

The forward-looking statements contained in this report are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. All readers are cautioned that the forward-looking statements contained in this report are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or that the events or circumstances described in any forward-looking statement will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to factors described in "Part I—Item 1A. Risk Factors" of Amplify's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 9, 2026 ("2025 Form 10-K"). All forward-looking statements speak only as of the date of this report. The Company does not intend to update or revise any forward-looking statements as a result of new information, future events or otherwise. These cautionary statements qualify all forward-looking statements attributable to the Company or persons acting on its behalf.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

AMPLIFY ENERGY CORP.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except outstanding shares)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 21,212	$ 60,666
Accounts receivable, net (see Note 13)	19,532	30,141
Short-term derivative instruments	—	15,429
Prepaid expenses and other current assets	24,965	24,358
Total current assets	65,709	130,594
Property and equipment, at cost:		
Oil and natural gas properties, successful efforts method	429,499	388,920
Support equipment and facilities	155,995	154,954
Other	9,680	9,601
Accumulated depreciation, depletion and amortization	(375,110)	(364,534)
Property and equipment, net	220,064	188,941
Long-term derivative instruments	836	3,425
Restricted investments	45,272	40,241
Operating lease - long term right-of-use asset	2,441	2,998
Deferred tax asset	238,993	233,334
Other long-term assets	2,779	1,367
Total assets	$ 576,094	$ 600,900
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 22,055	$ 17,901
Revenues payable	5,032	5,638
Accrued liabilities (see Note 13)	20,385	34,518
Short-term derivative instruments	2,807	—
Total current liabilities	50,279	58,057
Asset retirement obligations	74,757	72,376
Operating lease liability	2,130	2,568
Other long-term liabilities	9,841	9,176
Total liabilities	137,007	142,177
Commitments and contingencies (see Note 16)		
Stockholders' equity:		
Preferred stock, $0.01 par value: 50,000,000 shares authorized; no shares issued and outstanding at June 30, 2026 and December 31, 2025	—	—
Common stock, $0.01 par value: 250,000,000 shares authorized; 41,289,239 and 40,719,957 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	413	407
Additional paid-in capital	446,991	445,816
Accumulated earnings (deficit)	(8,317)	12,500
Total stockholders' equity	439,087	458,723
Total liabilities and equity	$ 576,094	$ 600,900

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AMPLIFY ENERGY CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Oil and natural gas sales	$ 52,577	$ 66,774	$ 89,840	$ 137,115
Other revenues	109	1,587	310	3,296
Total revenues	52,686	68,361	90,150	140,411
Costs and expenses:				
Lease operating expense	22,676	38,622	44,830	76,039
Gathering, processing and transportation	684	4,723	1,443	9,009
Taxes other than income	3,044	4,299	5,384	8,683
Depreciation, depletion and amortization	4,916	9,765	10,576	18,259
Impairment expense	—	8,448	—	8,448
General and administrative expense	6,993	11,197	15,906	22,012
Accretion of asset retirement obligations	1,270	2,210	2,518	4,393
Loss (gain) on commodity derivative instruments	(9,009)	(22,162)	36,813	(7,845)
Pipeline incident loss	167	195	179	591
Gain on sale of properties	(1,573)	(1,545)	(1,737)	(7,796)
Other, net	273	50	303	53
Total costs and expenses	29,441	55,802	116,215	131,846
Operating income (loss)	23,245	12,559	(26,065)	8,565
Other income (expense):				
Interest expense, net	(910)	(3,594)	(1,898)	(7,113)
Other income (expense)	863	(666)	1,487	(551)
Total other income (expense)	(47)	(4,260)	(411)	(7,664)
Income (loss) before income taxes	23,198	8,299	(26,476)	901
Income tax (expense) benefit - current	—	(495)	—	(496)
Income tax (expense) benefit - deferred	(5,899)	(1,420)	5,659	118
Net income (loss)	$ 17,299	$ 6,384	$ (20,817)	$ 523
Allocation of net income (loss) to:				
Net income (loss) available to common stockholders	$ 16,605	$ 6,039	$ (20,817)	$ 496
Net income (loss) allocated to participating securities	694	345	—	27
Net income (loss) available to Amplify Energy Corp.	$ 17,299	$ 6,384	$ (20,817)	$ 523
Earnings (loss) per share: (See Note 10)				
Basic and diluted earnings (loss) per share	$ 0.40	$ 0.15	$ (0.51)	$ 0.01
Weighted average common shares outstanding:				
Basic and diluted	41,289	40,349	41,216	40,269

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AMPLIFY ENERGY CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Net income (loss)	$ (20,817)	$ 523
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, depletion and amortization	10,576	18,259
Impairment expense	—	8,448
Loss (gain) on derivative instruments	36,813	(7,845)
Cash settlements (paid) received on expired derivative instruments	(16,169)	5,284
Cash settlements received (paid) on terminated derivative instruments	(350)	—
Deferred income tax expense (benefit)	(5,659)	(118)
Accretion of asset retirement obligations	2,518	4,393
Gain on sale of properties	(1,737)	—
Share-based compensation (see Note 11)	3,297	3,880
Settlement of asset retirement obligations	(60)	(525)
Amortization and write-off of deferred financing costs	167	630
Bad debt expense	566	53
Changes in operating assets and liabilities:		
Accounts receivable	9,926	4,968
Prepaid expenses and other assets	(576)	2,116
Payables and accrued liabilities	(10,312)	9,124
Other	(874)	—
Net cash provided by operating activities	7,309	49,190
Cash flows from investing activities:		
Additions to oil and gas properties	(42,190)	(52,227)
Additions to other property and equipment	(79)	(649)
Additions to restricted investments	(5,031)	(5,100)
Divestiture post-closing adjustment receipts	2,724	—
Proceeds from the sale of other oil and natural gas properties	—	7,796
Net cash used in investing activities	(44,576)	(50,180)
Cash flows from financing activities:		
Advances on Revolving Credit Facility	—	74,000
Payments on Revolving Credit Facility	—	(71,000)
Deferred financing costs	(71)	—
Shares withheld for taxes	(2,116)	(2,010)
Net cash (used in) provided by financing activities	(2,187)	990
Net change in cash and cash equivalents	(39,454)	—
Cash and cash equivalents, beginning of period	60,666	—
Cash and cash equivalents, end of period	$ 21,212	$ —

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AMPLIFY ENERGY CORP.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In thousands)

	Stockholders' Equity			
	Common Stock	Additional Paid-in Capital	Accumulated Earnings (Deficit)	Total
Balance at December 31, 2025	$ 407	$ 445,816	$ 12,500	$ 458,723
Net income (loss)	—	—	(38,116)	(38,116)
Share-based compensation expense	—	2,056	—	2,056
Shares withheld for taxes	—	(2,096)	—	(2,096)
Other	6	(6)	—	—
Balance at March 31, 2026	413	445,770	(25,616)	420,567
Net income (loss)	—	—	17,299	17,299
Share-based compensation expense	—	1,241	—	1,241
Shares withheld for taxes	—	(20)	—	(20)
Balance at June 30, 2026	$ 413	$ 446,991	$ (8,317)	$ 439,087

	Stockholders' Equity			
	Common Stock	Additional Paid-in Capital	Accumulated Earnings (Deficit)	Total
Balance at December 31, 2024	$ 399	$ 439,981	$ (31,468)	$ 408,912
Net income (loss)	—	—	(5,861)	(5,861)
Share-based compensation expense	—	1,890	—	1,890
Shares withheld for taxes	—	(2,004)	—	(2,004)
Other	5	(5)	—	—
Balance at March 31, 2025	404	439,862	(37,329)	402,937
Net income (loss)	—	—	6,384	6,384
Share-based compensation expense	—	1,990	—	1,990
Shares withheld for taxes	—	(6)	—	(6)
Balance at June 30, 2025	$ 404	$ 441,846	$ (30,945)	$ 411,305

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

AMPLIFY ENERGY CORP.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Organization and Basis of Presentation

General

Amplify Energy Corp. ("Amplify Energy," "Amplify," "it" or the "Company") is a publicly traded Delaware corporation whose common stock, par value $0.01 per share ("Common Stock"), is listed on the NYSE under the symbol "AMPY."

The Company operates in one reportable segment that is engaged in the acquisition, development, exploitation and production of oil and natural gas properties. The Company's management evaluates performance based on one reportable business segment as there are not different economic environments within the operation of the Company's oil and natural gas properties.

The Company's assets have historically consisted primarily of producing oil and natural gas properties located in Oklahoma, the Rockies ("Bairoil"), federal waters offshore Southern California ("Beta"), East Texas/North Louisiana and the Eagle Ford (non-op). The Company's oil and natural gas properties were located in large, mature oil and natural gas reservoirs. The Company's properties historically consisted primarily of operated and non-operated working interests in producing and undeveloped leasehold acreage and working interests in identified producing wells. The Company divested its assets in Oklahoma, East Texas/North Louisiana and the Eagle Ford (non-op) during the year ended December 31, 2025.

As of June 30, 2026, the Company's properties consist of its Bairoil and Beta oil and NGL producing properties. The oil and NGL properties are located in mature oil reservoirs. As of June 30, 2026, the Company is the operator of record for properties containing 100% of its total estimated proved reserves.

Basis of Presentation

The Company's accompanying Unaudited Condensed Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries which have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In the Company's opinion, the accompanying Unaudited Condensed Consolidated Financial Statements include all adjustments of a normal recurring nature necessary for fair presentation. Material intercompany transactions and balances have been eliminated.

The results reported in these Unaudited Condensed Consolidated Financial Statements are not necessarily indicative of results that may be expected for the entire year. Furthermore, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulations of the SEC. Accordingly, the accompanying Unaudited Condensed Consolidated Financial Statements and Notes should be read in conjunction with the Company's annual financial statements included in its 2025 Form 10-K.

Use of Estimates

The preparation of the accompanying Unaudited Condensed Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates include, but are not limited to, oil and natural gas reserves, fair value estimates, revenue recognition, and contingencies and insurance accounting.

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Segments

Operating segments are defined as components of an enterprise that engage in activities from which it may earn revenues and incur expenses for which separate operational financial information is available and is regularly evaluated by the chief operating decision maker ("CODM"). The Company's Chief Executive Officer has been determined to be the Company's CODM and as such, he allocates resources and assesses performance based upon consolidated financial information. See additional information in Note 15.

Note 2. Summary of Significant Accounting Policies

There have been no changes to the Company's significant accounting policies as described in the Company's annual financial statements included in its 2025 Form 10-K.

New Accounting Pronouncements

Income Statement –Expense Disaggregation Disclosures. In November 2024, the Financial Accounting Standards Board ("FASB") issued an accounting standard update which requires disaggregated disclosures of income statement expenses for public business entities. The guidance will require companies to disclose disaggregated information about specific natural expense categories underlying certain income statement expense line items that are considered relevant because they include one or more of the five natural expense categories, as applicable: (1) purchase of inventory, (2) employee compensation, (3) depreciation, (4) intangible asset amortization and (5) depreciation, depletion and amortization ("DD&A") recognized as part of oil and gas producing activities or other depletion expenses. The new guidance is effective for annual periods beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact of this guidance on the Company's financial disclosures. Adoption of the update is not expected to impact the Company's financial position, results of operations or liquidity.

Interim Reporting - Narrow Scope Improvements. In December 2025, the FASB issued an accounting standard update which clarifies the scope and presentation requirements for interim GAAP financial statements and consolidates interim disclosure requirements. The guidance requires entities to disclose events or changes that have occurred since the end of the previous annual reporting period and have a material impact on the entity. The new guidance is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption allowed. The Company is currently evaluating the effect the updated guidance will have on the Company's financial statements and related disclosures.

Environmental Credits and Environmental Credit Obligations. In May 2026, the FASB issued an accounting standard update which provides recognition, measurement, presentation and disclosure requirements for (1) environmental credits and (2) compliance obligations that may be settled by using environmental credits. The guidance is effective for annual periods (and interim reporting periods within those annual periods) beginning after December 15, 2027. The Company is currently evaluating the impact of this guidance on the Company's financial presentation and disclosures.

Other accounting standards that have been issued by the FASB or other standards-setting bodies are not expected to have a material impact on the Company's financial position, results of operations or cash flows.

Note 3. Revenue

Revenue from Contracts with Customers

Revenue is recognized when the following five steps are completed: (1) identify the contract with the customer, (2) identify the performance obligation (promise) in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract and (5) recognize revenue when the reporting organization satisfies a performance obligation.

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The Company has determined that its contracts for the sale of crude oil, unprocessed natural gas, residue gas and NGLs contain monthly performance obligations to deliver product at locations specified in the contract. Control is transferred at the delivery location, at which point the performance obligation has been satisfied and revenue is recognized. Fees included in the contract that are incurred prior to control transfer are classified as gathering, processing and transportation and fees incurred after control transfers are included as a reduction to the transaction price. The transaction price at which revenue is recognized consists entirely of variable consideration based on quoted market prices less various fees and the quantity of volumes delivered.

Disaggregation of Revenue

The Company historically identified three material revenue streams in its business: oil, natural gas and NGLs. Starting in 2026, the Company identified one material revenue stream in its business: oil. The following table presents the Company's revenues disaggregated by revenue stream.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands)			
Revenues				
Oil[1]	$ 52,536	$ 49,705	$ 89,944	$ 99,686
NGLs[2]	157	5,648	65	11,806
Natural gas[2]	(116)	11,421	(169)	25,623
Oil and natural gas sales	$ 52,577	$ 66,774	$ 89,840	$ 137,115

(1) NGLs produced in Bairoil are treated as condensate and reflected within the commodity line for oil.
(2) Revenues for the three and six months ended June 30, 2026 included post-divestiture true-ups related to the Company's East Texas and Oklahoma assets divestitures that were completed during the fourth quarter of 2025. The Company did not have any revenue sales related to natural gas and NGLs for the three and six months ended June 30, 2026 and therefore the revenues for the period are not indicative of ongoing commodity sales from retained assets.

Contract Balances

Under the Company's sales contracts, the Company invoices customers once its performance obligations have been satisfied, at which point payment is unconditional. Accordingly, the Company's contracts do not give rise to contract assets or liabilities. Accounts receivable attributable to the Company's revenue contracts with customers were $17.4 million at June 30, 2026, $23.0 million at December 31, 2025 and $28.5 million at December 31, 2024.

Transaction Price Allocated to Remaining Performance Obligations

For the Company's contracts that have a contract term greater than one year, the Company has utilized the practical expedient in ASC 606, which states that a company is not required to disclose the transaction price allocated to remaining performance obligations if the variable consideration is allocated entirely to a wholly unsatisfied performance obligation. Under the Company's contracts, each unit of product delivered to the customer represents a separate performance obligation; therefore, future volumes are wholly unsatisfied and disclosure of the transaction price allocated to remaining performance obligations is not required. For the Company's contracts that have a contract term of one year or less, the Company has utilized the practical expedient in ASC 606, which states that a company is not required to disclose the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

Note 4. Acquisitions and Divestitures

2026 Acquisitions and Divestitures

No acquisition or divestiture activity occurred during the three or six months ended June 30, 2026.

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2025 Divestitures

As discussed in Note 1 above, the Company completed several divestiture transactions during 2025. During the first quarter of 2025, the Company completed an East Texas Haynesville monetization transaction for total net proceeds of $6.3 million, as further described below. The Company completed additional divestiture transactions, including another East Texas Haynesville monetization in May 2025 and the disposition of other assets later in the year. The dispositions did not qualify as discontinued operations.

As a result of the divestitures, as of June 30, 2026, the Company no longer holds any assets in the East Texas/North Louisiana, Oklahoma, or Eagle Ford (non-op) areas.

During the six months ended June 30, 2026, the Company finalized customary post-closing adjustments related to the prior year sale of certain oil and natural gas properties. As a result of the final settlement process, the Company recognized an additional gain of $1.7 million, which was recorded in gain on sale of properties in our Unaudited Consolidated Statement of Operations.

East Texas Haynesville Monetization

On January 15, 2025, the Company sold 90% of its interest in certain units with rights in the Cotton Valley and Haynesville basins in Harrison County, Texas and purchased a 10% interest in adjacent acreage, generating $6.3 million in net proceeds from the transactions. These transactions also established an area of mutual interest with the counterparty covering 10,000 gross acres. Amplify retained a 10% working interest in the units it divested and purchased a 10% working interest in the counterparty's acreage. The net proceeds received from the purchase and sale transactions of $6.3 million is classified as a gain on sale of properties in our Unaudited Consolidated Statement of Operations. The Company sold its remaining 10% interest in those units with rights in the Cotton Valley and Haynesville basins during the fourth quarter of 2025.

On May 1, 2025, the Company sold 90% of its interest in three additional units with rights in the Haynesville basin in Panola and Shelby Counties, Texas to a third party. Amplify retained a 10% working interest in the units it divested. The net proceeds from the transaction of $1.5 million are classified as a gain on sale of properties in our Unaudited Consolidated Statement of Operations.

Sale of Non-Operated Eagle Ford Assets

On July 1, 2025, the Company closed a transaction to divest certain of its non-operated Eagle Ford assets for an aggregate cash purchase price of $23.0 million, excluding $1.9 million final post-closing adjustments, resulting in a final adjusted purchase price of $21.1 million (the "Eagle Ford Asset Sale").

Contemplated Merger with Juniper Capital

On January 14, 2025, the Company entered into an Agreement and Plan of Merger, as subsequently amended (the "Merger Agreement") with Amplify DJ Operating LLC, a Delaware limited liability company and indirect wholly owned subsidiary of the Company ("First Merger Sub"), Amplify PRB Operating LLC, a Delaware limited liability company and indirect wholly owned subsidiary of Amplify ("Second Merger Sub"), North Peak Oil & Gas, LLC, a Delaware limited liability company ("NPOG"), Century Oil and Gas Sub-Holdings, LLC, a Delaware limited liability company ("COG" and, together with NPOG, the "Acquired Companies"), and, solely for the limited purposes set forth in the Merger Agreement, Juniper Capital Advisors, L.P. ("Juniper Capital") and the Specified Company Entities set forth on Annex A thereto, pursuant to which, at the effective time of the Contemplated Mergers (as defined below) (the "Effective Time"), it was contemplated that (i) NPOG would merge with and into First Merger Sub, with NPOG surviving the merger as an indirect, wholly owned subsidiary of the Company and (ii) COG would merge with and into Second Merger Sub, with COG surviving the merger as an indirect, wholly owned subsidiary of the Company, in each case, subject to the terms and conditions of the Merger Agreement (clauses (i) and (ii), together, the "Contemplated Mergers").

On April 25, 2025, pursuant to Section 8.1(a) of the Merger Agreement, the Company and the Acquired Companies entered into a mutual termination agreement (the "Termination Agreement") to terminate the Merger Agreement (the "Termination"), effective immediately. As a result of the Termination Agreement, the Merger Agreement is of no further force and effect.

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Acquisition and Divesture Expenses

Acquisition and divestiture related expenses for third-party transactions are included in general and administrative expense in the accompanying Unaudited Condensed Statement of Consolidated Operations for the periods indicated below (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Cost incurred related to the contemplated merger with Juniper Capital	$ —	$ 1,004	$ —	$ 2,595
Cost incurred related to the East Texas and Oklahoma divestitures	97	—	170	—
Other acquisition and divestitures expenses	—	1,342	—	1,380
	$ 97	$ 2,346	$ 170	$ 3,975

Note 5. Fair Value Measurements of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a specified measurement date. Fair value estimates are based on either (i) actual market data or (ii) assumptions that other market participants would use in pricing an asset or liability, including estimates of risk. A three-tier hierarchy has been established that classifies fair value amounts recognized or disclosed in the financial statements. The hierarchy considers fair value amounts based on observable inputs (Levels 1 and 2) to be more reliable and predictable than those based primarily on unobservable inputs (Level 3). All the derivative instruments reflected on the accompanying Unaudited Condensed Consolidated Balance Sheets were considered Level 2.

The carrying values of accounts receivables, accounts payables (including accrued liabilities), restricted investments and amounts outstanding under long-term debt agreements with variable rates included in the accompanying Unaudited Condensed Consolidated Balance Sheets approximated fair value at June 30, 2026 and December 31, 2025. The fair value estimates are based upon observable market data and are classified within Level 2 of the fair value hierarchy. These assets and liabilities are not presented in the following tables.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The fair market values of the derivative financial instruments reflected on the accompanying Unaudited Condensed Consolidated Balance Sheets as of June 30, 2026 and December 31, 2025 were based on estimated forward commodity prices. Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement in its entirety. The significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

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The following tables present the gross derivative assets and liabilities that are measured at fair value on a recurring basis at June 30, 2026 and December 31, 2025 for each of the fair value hierarchy levels:

	Fair Value Measurements at June 30, 2026			
	Quoted Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
	(In thousands)			
Assets:				
Commodity derivatives	$ —	$ 5,208	$ —	$ 5,208
Total assets	$ —	$ 5,208	$ —	$ 5,208
Liabilities:				
Commodity derivatives	$ —	$ 7,179	$ —	$ 7,179
Total liabilities	$ —	$ 7,179	$ —	$ 7,179

	Fair Value Measurements at December 31, 2025			
	Quoted Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
	(In thousands)			
Assets:				
Commodity derivatives	$ —	$ 18,854	$ —	$ 18,854
Total assets	$ —	$ 18,854	$ —	$ 18,854
Liabilities:				
Commodity derivatives	$ —	$ —	$ —	$ —
Total liabilities	$ —	$ —	$ —	$ —

See Note 6 for additional information regarding the Company's derivative instruments.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Certain assets and liabilities are reported at fair value on a nonrecurring basis, as reflected on the accompanying Unaudited Condensed Consolidated Balance Sheets. The following methods and assumptions are used to estimate the fair values:

- The fair value of asset retirement obligations ("AROs") is based on discounted cash flow projections using numerous estimates, assumptions and judgments regarding factors such as the existence of a legal obligation for an ARO, amounts and timing of settlements, the credit-adjusted risk-free rate and inflation rates. The initial fair value estimates are based on unobservable market data and are classified within Level 3 of the fair value hierarchy. See Note 7 for a summary of changes in AROs.

- Proved oil and natural gas properties are reviewed for impairment when events and circumstances indicate a possible decline in the recoverability of the carrying value of such properties. The Company uses an income approach based on the discounted cash flow method, whereby the present value of expected future net cash flows is discounted by applying an appropriate discount rate, for purposes of placing a fair value on the assets. The future cash flows are based on management's estimates for the future. The unobservable inputs used to determine fair value include, but are not limited to, estimates of proved reserves, estimates of probable reserves, future commodity prices, the timing of future production and capital expenditures and a discount rate commensurate with the risk reflective of the lives remaining for the respective oil and natural gas properties (some of which are Level 3 inputs within the fair value hierarchy).

- No impairment expense was recorded on proved oil and natural gas properties during the three and six months ended June 30, 2026.

- The Company recorded an impairment expense of $8.4 million for both the three and six months ended June 30, 2025 to reduce the net book value of our non-operated Eagle Ford assets to fair value less costs to sell. See additional information regarding Eagle Ford Asset Sale in Note 4.

Note 6. Risk Management and Derivative Instruments

Derivative instruments are utilized to manage exposure to commodity price fluctuations and to achieve a more predictable cash flow in connection with oil sales and borrowing related activities. These instruments limit exposure to declines in prices but also limit the benefits that would be realized if prices increase.

Certain inherent business risks are associated with commodity derivative contracts, including market risk and credit risk. Market risk is the risk that the price of oil will change, either favorably or unfavorably, in response to changing market conditions. Credit risk is the risk of loss from non-performance by the counterparty to a contract. It is the Company's policy to enter into derivative contracts only with creditworthy counterparties, which are generally financial institutions, deemed by management as competent and competitive market makers. Some of the lenders, or certain of their affiliates, under the Company's current credit agreements are counterparties to its derivative contracts. While collateral is generally not required to be posted by counterparties, credit risk associated with derivative instruments is minimized by limiting exposure to any single counterparty and entering into derivative instruments only with creditworthy counterparties that are generally large financial institutions. Additionally, master netting agreements are used to mitigate risk of loss due to default with counterparties on derivative instruments. The Company has also entered into International Swaps and Derivatives Association Master Agreements ("ISDA Agreements") with each of its counterparties. The terms of the ISDA Agreements provide the Company and each of its counterparties with rights of set-off upon the occurrence of defined acts of default by either the Company or its counterparty to a derivative, whereby the party not in default may set-off all liabilities owed to the defaulting party against all net derivative asset receivables from the defaulting party.

Commodity Derivatives

The Company may use a combination of commodity derivatives (e.g., floating-for-fixed swaps, put options and costless collars) to manage exposure to commodity price volatility. The Company recognizes all derivative instruments at fair value.

The Company also enters into oil derivative contracts indexed to NYMEX-WTI and ICE Brent.

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At June 30, 2026, the Company had the following open commodity positions:

	Remaining 2026	2027
Crude Oil Derivative Contracts:		
Fixed price swap contracts (WTI):		
Average monthly volume (Bbls)	147,000	76,167
Weighted-average fixed price	$ 65.50	$ 64.02
Fixed price swap contracts (ICE Brent):		
Average monthly volume (Bbls)	10,000	3,750
Weighted-average fixed price	$ 84.25	$ 75.00
Collar contracts:		
Two-way collars (WTI)		
Average monthly volume (Bbls)	—	3,750
Weighted-average floor price	$ —	$ 65.00
Weighted-average ceiling price	$ —	$ 77.50
Two-way collars (ICE Brent)		
Average monthly volume (Bbls)	—	30,000
Weighted-average floor price	$ —	$ 74.00
Weighted-average ceiling price	$ —	$ 83.35

Balance Sheet Presentation

The following table summarizes both: (i) the gross fair value of derivative instruments by the appropriate balance sheet classification even when the derivative instruments are subject to netting arrangements and qualify for net presentation in the balance sheet and (ii) the net recorded fair value as reflected on the balance sheet at June 30, 2026 and December 31, 2025. There was no cash collateral received or pledged associated with the Company's derivative instruments since most of its counterparties, or certain of its affiliates, to its derivative contracts are lenders under its Revolving Credit Facility.

Type	Balance Sheet Location	Asset Derivatives June 30, 2026	Liability Derivatives June 30, 2026	Asset Derivatives December 31, 2025	Liability Derivatives December 31, 2025
				(In thousands)	
Commodity contracts	Short-term derivative instruments	$ 2,902	$ 5,709	$ 15,429	$ —
Gross fair value		2,902	5,709	15,429	—
Netting arrangements		(2,902)	(2,902)	—	—
Net recorded fair value	Short-term derivative instruments	$ —	$ 2,807	$ 15,429	$ —
Commodity contracts	Long-term derivative instruments	$ 2,306	$ 1,470	$ 3,425	$ —
Gross fair value		2,306	1,470	3,425	—
Netting arrangements		(1,470)	(1,470)	—	—
Net recorded fair value	Long-term derivative instruments	$ 836	$ —	$ 3,425	$ —

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Loss (Gain) on Derivative Instruments

The Company does not designate derivative instruments as hedging instruments for accounting and financial reporting purposes. Accordingly, all gains and losses, including changes in the derivative instruments' fair values, have been recorded in the accompanying Unaudited Condensed Consolidated Statements of Operations. The following table details the gains and losses related to derivative instruments for the periods indicated (in thousands):

	Statements of Operations Location	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2026	2025	2026	2025
Commodity derivative contracts	Loss (gain) on commodity derivatives	$ (9,009)	$ (22,162)	$ 36,813	$ (7,845)

Note 7. Asset Retirement Obligations

The Company's asset retirement obligations primarily relate to the Company's portion of future plugging and abandonment costs for wells and related facilities. The following table presents the changes in the asset retirement obligations for the six months ended June 30, 2026 (in thousands):

Asset retirement obligations at beginning of period	$ 72,676
Liabilities added from acquisition or drilling	—
Liabilities settled	(60)
Liabilities removed upon sale of wells	—
Accretion expense	2,518
Revision of estimates	43
Asset retirement obligation at end of period	75,177
Less: Current portion	420
Asset retirement obligations - long-term portion	$ 74,757

Note 8. Long-Term Debt

The Company had no debt outstanding at June 30, 2026 and December 31, 2025.

Amended and Restated Credit Agreement

On July 31, 2023, OLLC and Amplify Acquisitionco LLC ("Acquisitionco"), as the direct parent of OLLC and wholly owned subsidiary of the Company, entered into the Amended and Restated Credit Agreement, providing for a senior secured reserve-based revolving credit facility. The Revolving Credit Facility is guaranteed by the Company and all of its material subsidiaries and secured by substantially all of their assets.

On December 31, 2025, OLLC entered into the Borrowing Base Redetermination, Commitment Increase and Second Amendment to the Credit Agreement (the "Second Amendment"), among OLLC, Acquisitionco, the guarantors party thereto, the lenders party thereto and Citizens Bank, N.A., as administrative agent for the lenders. The Second Amendment amended the Revolving Credit Facility to, among other things: (i) set the Borrowing Base at $25.0 million, with elected commitments of $15.0 million and (ii) extend the maturity date under the Revolving Credit Facility to December 31, 2028. Immediately prior to entering into the Second Amendment, KeyBank, National Association resigned as administrative agent under the Revolving Credit Facility and was replaced by Citizens Bank, N.A.

On June 10, 2026, the Company completed the spring borrowing base redetermination, which reaffirmed the borrowing base at $25.0 million. The next regularly scheduled borrowing base redetermination is expected to occur in fall 2026.

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As of June 30, 2026, the borrowing base under the facility was $25.0 million with elected commitments of $15.0 million. The Revolving Credit Facility borrowing base is subject to redetermination on at least a semi-annual basis, primarily based on a reserve engineering report.

Certain key terms and conditions under the Revolving Credit Facility, as amended, include (but are not limited to):

- A maturity date of December 31, 2028;
- The loans shall bear interest at a rate per annum equal to (i) adjusted SOFR or (ii) an adjusted base rate, plus an applicable margin based on a utilization ratio of the lesser of the borrowing base and the aggregate commitments. The applicable margin ranges from 2.00% to 3.00% for adjusted base rate borrowings, and 3.00% to 4.00% for adjusted SOFR borrowings;
- The unused commitments under the Revolving Credit Facility will accrue a commitment fee of 0.50%, payable quarterly in arrears;
- Certain financial covenants, including the maintenance of (i) a net debt leverage ratio not to exceed 3.00 to 1.00, determined as of the last day of each fiscal quarter for the four fiscal-quarter period then ending and (ii) a current ratio of not less than 1.00 to 1.00, determined as of the last day of each fiscal quarter;
- Certain events of default, including, without limitation: non-payment; breaches of representations and warranties; non-compliance with covenants or other agreements; cross-default to material indebtedness; judgments; change of control; and voluntary and involuntary bankruptcy; and
- Minimum hedging requirements ranging from 25% to 75% depending on availability under the Revolving Credit Facility, of the reasonably projected monthly production of hydrocarbons from proved developed producing reserves for the 12-month period immediately following the date of determination.

As of June 30, 2026, the Company was in compliance with all the financial covenants (current ratio and total leverage ratio) and non-financial covenants associated with the Revolving Credit Facility.

Weighted-Average Interest Rates

The following table presents the weighted-average interest rates paid, excluding commitment fees, on the Company's consolidated variable-rate debt obligations for the periods presented:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Revolving Credit Facility	— %	8.40 %	— %	8.43 %

Letters of Credit

At June 30, 2026, the Company had no letters of credit outstanding.

Unamortized Deferred Financing Costs

Unamortized deferred financing costs associated with the Company's Revolving Credit Facility were $0.9 million at June 30, 2026.

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Note 9. Equity

Common Stock

The Company's authorized capital stock includes 250,000,000 shares of Common Stock. The following is a summary of the changes in the Company's Common Stock issued for the six months ended June 30, 2026:

	Common Stock
Balance, December 31, 2025	40,719,957
Issuance of Common Stock	—
Restricted stock units vested	891,447
Shares withheld for taxes[1]	(322,165)
Balance, June 30, 2026	41,289,239

(1) Represents the net settlement on vesting of restricted stock to satisfy tax withholding requirements.

Note 10. Earnings (Loss) per Share

The following sets forth the calculation of earnings (loss) per share, or EPS, for the periods indicated (in thousands, except per share amounts):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss)	$ 17,299	$ 6,384	$ (20,817)	$ 523
Less: Net income allocated to participating securities	694	345	—	27
Basic and diluted earnings available to common stockholders	$ 16,605	$ 6,039	$ (20,817)	$ 496
Common shares:				
Common shares outstanding — basic	41,289	40,349	41,216	40,269
Dilutive effect of potential common shares	—	—	—	—
Common shares outstanding — diluted	41,289	40,349	41,216	40,269
Net earnings (loss) per share:				
Basic	$ 0.40	$ 0.15	$ (0.51)	$ 0.01
Diluted[1]	$ 0.40	$ 0.15	$ (0.51)	$ 0.01

(1) The Company excluded 282,181 and 518,527 restricted stock units from the diluted weighted-average common shares outstanding for the three and six months ended June 30, 2026, respectively, because their effect was anti-dilutive.

Note 11. Long-Term Incentive Plans

On May 15, 2024, the Company's stockholders approved the Amplify Energy Corp. 2024 Equity Incentive Plan (the "2024 EIP"), which had previously been approved by the board of directors of the Company. On June 3, 2026, the Company's stockholders approved the Amplify Energy Corp. 2024 Amended and Restated Equity Incentive Plan (the "2024 A&R EIP", and together with the 2024 EIP, the "EIP Plans"), which had previously been approved by the board of directors of the Company and which amended and restated the 2024 EIP. No further awards will be granted under the 2024 EIP.

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The 2024 A&R EIP provides for awards that can be granted in the form of nonqualified stock options, incentive stock options, restricted stock awards, restricted stock units, stock appreciation rights, performance awards, stock awards and other incentive awards. To the extent that an award, other than stock options or stock appreciation rights, under the 2024 A&R EIP has expired or been forfeited or canceled for any reason without having been exercised in full, the unexercised award would then be available again for future grants under the 2024 A&R EIP. The 2024 A&R EIP is administered by the board of directors of the Company.

Restricted Stock Units

Restricted Stock Units with Service Vesting Condition

Restricted stock units with service vesting conditions ("TSUs") are accounted for as either equity-classified awards or liability-classified awards. The Company considered its intent and ability to settle awards in cash or shares of stock in determining whether to classify the awards as equity or liability awards. Compensation costs for equity-classified awards are recorded as general and administrative expense. The fair value of liability-classified awards is determined on a quarterly basis beginning at the grant date until final vesting. Changes in the fair value of liability-classified awards are recorded to general administrative expense and are remeasured at fair value each reporting period.

As of June 30, 2026, TSU grants are accounted for as equity-classified awards. The grant-date fair value is recognized as compensation cost on a straight-line basis over the requisite service period and forfeitures are accounted for as they occur. The unrecognized cost associated with the TSUs was $4.8 million at June 30, 2026. The Company expects to recognize the unrecognized compensation cost for these awards over a weighted average period of approximately 2.0 years.

The following table summarizes information regarding the TSUs activity for the period presented:

	Number of Units	Weighted-Average Grant-Date Fair Value per Unit[1]
TSUs outstanding at December 31, 2025	1,252,925	$ 5.63
Granted[2]	678,402	$ 5.02
Forfeited	(12,459)	$ 5.02
Vested	(664,172)	$ 6.18
TSUs outstanding at June 30, 2026	1,254,696	$ 5.01

(1) Determined by dividing the aggregate grant-date fair value of awards by the number of awards issued.
(2) The aggregate grant-date fair value of TSUs issued for the six months ended June 30, 2026 was $3.4 million based on a grant-date market price at $5.02 per share.

Restricted Stock Units with Market and Service Vesting Conditions

Restricted stock units with market and service vesting conditions ("PSUs") are accounted for as either equity-classified or liability-classified awards. The grant-date fair value is recognized as compensation cost on a graded-vesting basis. The fair value of the awards is estimated on their grant dates using a Monte Carlo simulation. The Company recognizes compensation cost over the requisite service or performance period. The Company accounts for forfeitures as they occur. Vesting of PSUs can range from 0% to 200% of the target awards granted based on the Company's relative total stockholder return as compared to the total stockholder return of the Company's performance peer group over the applicable performance period.

The 2024, 2025 and 2026 PSU awards are accounted for as equity-classified awards and were issued with a three-year vesting period beginning on the grant date and ending on the third anniversary of the grant date. The three-year performance period for the 2024 awards is January 1, 2024 through December 31, 2026. The three-year performance period for the 2025 awards is January 1, 2025 through December 31, 2027. The three-year performance period for the 2026 awards is January 1, 2026 through December 31, 2028.

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In connection with Mr. Daniel Furbee's appointment as Chief Executive Officer, he received a grant of 100,000 PSUs (the "Target PSUs") on July 22, 2025. The Target PSUs are subject to a performance period that began on July 22, 2025 and ends on March 31, 2028 (the "Performance Period"). The Target PSUs will vest, subject to Mr. Furbee's continued employment through the settlement date, as follows: (i) 50% of the Target PSUs will vest if the 20-day volume-weighted average closing price ("VWAP") of a share of Company common stock for the 20 consecutive trading days immediately preceding the end of the Performance Period equals at least $6.00 but less than $8.00, (ii) 100% of the Target PSUs will vest if the 20-day VWAP of a share of Company common stock for the 20 consecutive trading days immediately preceding the end of the Performance Period equals at least $8.00, but less than $10.00, and (iii) 200% of the Target PSUs will vest if the 20-day VWAP of a share of the Company's common stock for the 20 consecutive trading days immediately preceding the end of the Performance Period equals at least $10.00, with linear interpolation to apply for actual performance achieved between the foregoing thresholds.

Compensation costs related to PSU awards are recorded as general and administrative expense. The unrecognized cost associated with PSU awards was $2.3 million at June 30, 2026. The Company expects to recognize the unrecognized compensation cost for PSU awards over a weighted-average period of approximately 2.0 years.

The below table reflects the ranges for the assumptions used in the Monte Carlo model for the 2026 PSUs:

	February 2026
Expected volatility	57.0 %
Dividend yield	0.00 %
Risk-free interest rate	3.56 %

The following table summarizes information regarding the PSU activity for the period presented:

	Number of Units	Weighted-Average Grant-Date Fair Value per Unit[1]
PSUs outstanding at December 31, 2025	676,425	$ 8.79
Granted[2]	204,925	$ 6.86
Forfeited	(58,224)	$ 7.50
Vested	(227,275)	$ 12.75
PSUs outstanding at June 30, 2026	595,851	$ 6.74

(1) Determined by dividing the aggregate grant-date fair value of awards by the number of awards issued.
(2) The aggregate grant-date fair value of PSUs issued for the six months ended June 30, 2026 was $1.4 million based on a calculated fair value price at $6.86 per share.

Compensation Expense

The following table summarizes the amount of recognized compensation expense associated with the EIP Plans, which are reflected in the accompanying Unaudited Condensed Consolidated Statements of Operations for the periods presented (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Share-based compensation costs				
TSUs	$ 897	$ 1,334	$ 2,667	$ 2,623
PSUs	344	656	630	1,257
	$ 1,241	$ 1,990	$ 3,297	$ 3,880

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Note 12. Leases

The Company has leases for office space, warehouse space and equipment in its corporate office and operating regions as well as vehicles, compressors and surface rentals related to its business operations. In addition, the Company has right-of-way leases to operate the San Pedro Bay Pipeline. Most of the Company's leases, other than its corporate office lease, have an initial term and may be extended on a month-to-month basis after expiration of the initial term. Most of the Company's leases can be terminated with 30-day prior written notice. The majority of its month-to-month leases are not included as a lease liability in its Unaudited Condensed Consolidated Balance Sheet because continuation of the lease is not reasonably certain. Additionally, the Company elected the short-term practical expedient to exclude leases with a term of twelve months or less. For the quarter ended June 30, 2026, all of the Company's leases qualified as operating leases, and it did not have any existing or new leases qualifying as financing leases or variable leases.

The Company's corporate office lease does not provide an implicit rate. To determine the present value of the lease payments, the Company uses an incremental borrowing rate based on the information available at the inception date. To determine the incremental borrowing rate, the Company applies a portfolio approach based on the applicable lease terms and the current economic environment. The Company uses a reasonable market interest rate for its office equipment and vehicle leases.

For the six months ended June 30, 2026 and 2025, the Company recognized approximately $0.7 million and $1.1 million, respectively, of costs relating to the operating leases in the Unaudited Condensed Consolidated Statements of Operations.

Supplemental cash flow information related to the Company's lease liabilities is included in the table below:

	For the Six Months Ended June 30,	
	2026	2025
	(In thousands)	
Non-cash amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 557	$ 404

The following table presents the Company's right-of-use assets and lease liabilities for the period presented:

	June 30, 2026	December 31, 2025
	(In thousands)	
Right-of-use asset	$ 2,441	$ 2,998
Lease liabilities:		
Current lease liability	968	1,184
Long-term lease liability	2,130	2,568
Total lease liability	$ 3,098	$ 3,752

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The following table reflects the Company's maturity analysis of the minimum lease payment obligations under non-cancelable operating leases with a remaining term in excess of one year (in thousands):

	Office and warehouse leases	Leased vehicles and office equipment	Total
2026	$ 502	$ 113	$ 615
2027	851	217	1,068
2028	731	24	755
2029	731	—	731
2030 and thereafter	366	—	366
Total lease payments	3,181	354	3,535
Less: interest	413	24	437
Present value of lease liabilities	$ 2,768	$ 330	$ 3,098

The weighted average remaining lease terms and discount rate for all of the Company's operating leases for the period presented:

	June 30,	
	2026	2025
Weighted average remaining lease term (years):		
Office and warehouse space	3.33	3.29
Vehicles	0.12	0.41
Office equipment	0.03	—
Weighted average discount rate:		
Office and warehouse space	6.46 %	5.34 %
Vehicles	0.75 %	1.66 %
Office equipment	0.11 %	— %

Note 13. Supplemental Disclosures to the Unaudited Condensed Consolidated Balance Sheets and Unaudited Condensed Consolidated Statements of Cash Flows

Accrued Liabilities

Current accrued liabilities consisted of the following at the dates indicated (in thousands):

	June 30, 2026	December 31, 2025
Accrued lease operating expense	$ 7,706	$ 9,893
Accrued capital expenditures	5,592	5,335
Accrued general and administrative expense	3,362	7,616
Accrued production and ad valorem tax	2,337	2,085
Operating lease liability	968	1,184
Asset retirement obligations	420	300
Accrued severance expense	—	6,306
Accrued commitment fee and other expense	—	1,799
Accrued liabilities	$ 20,385	$ 34,518

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Accounts Receivable

Accounts receivable consisted of the following at the dates indicated (in thousands):

	June 30, 2026	December 31, 2025
Oil and natural gas receivables	$ 17,441	$ 23,010
Other accounts receivable	5,338	10,048
Total accounts receivable	22,779	33,058
Less: allowance for credit losses	(3,247)	(2,917)
Total accounts receivable, net	$ 19,532	$ 30,141

Supplemental Cash Flows

Supplemental cash flows for the periods presented (in thousands):

	For the Six Months Ended June 30,	
	2026	2025
Supplemental cash flows:		
Cash paid for interest, net of amounts capitalized	$ 38	$ 4,669
Cash paid for taxes	—	130
Supplemental non-cash activity:		
Increase (decrease) in capital expenditures included in accrued liabilities	257	6,292

Note 14. Related Party Transactions

Related Party Agreements

There have been no transactions between the Company and any related person in which the related person had a direct or indirect material interest for the three or six months ended June 30, 2026 and 2025.

Note 15. Segment Reporting

The Company's operations are all related to the exploration, development and production of oil and natural gas in the United States, from which the Company derives all of its revenues. The Company manages its business as a single reportable segment, as its operations are focused on assets with similar economic characteristics, production processes, types of purchasers, regulatory environment and customers which are consistent across the Company. Therefore, the Company aggregates its operating regions into one reportable segment.

The CODM uses consolidated net income to assess financial performance, allocating capital and other resources. The CODM uses consolidated net income in the annual budgeting and monthly forecasting process. Additionally, the CODM is regularly provided information on lease operating expense, gathering, processing and transportation and taxes other than income. Other segment items primarily consist of DD&A, accretion expense, general and administrative expense, pipeline incident loss, loss (gain) on commodity derivative, interest expense and income tax expense (benefit). Our significant segment expenses and other segment items are derived from and can be found within the Unaudited Consolidated Statement of Operations. The measure of segment assets is reported on the Unaudited Condensed Consolidated Balance Sheet as total assets and the measure of capital expenditures is reflected in the Unaudited Condensed Consolidated Statement of Cash Flows.

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The following table provides financial information with respect to the Company's single reportable segment for the periods indicated below:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands)			
Revenue	$ 52,686	$ 68,361	$ 90,150	$ 140,411
Less:				
Lease operating expense	22,676	38,622	44,830	76,039
Gathering, processing and transportation	684	4,723	1,443	9,009
Taxes other than income	3,044	4,299	5,384	8,683
Other segment items	8,983	14,333	59,310	46,157
Net income (loss)	$ 17,299	$ 6,384	$ (20,817)	$ 523

Note 16. Commitments and Contingencies

Litigation and Environmental

As part of our normal business activities, we may be named as defendants in litigation and legal proceedings, including those arising from regulatory and environmental matters.

Although the Company is insured against various risks to the extent it believes it is prudent, there is no assurance that the nature and amount of such insurance will be adequate, in every case, to indemnify it against liabilities arising from future legal proceedings.

Environmental costs for remediation are accrued based on estimates of known remediation requirements. Such accruals are based on management's best estimate of the ultimate cost to remediate a site and are adjusted as further information and circumstances develop. Those estimates may change substantially depending on information about the nature and extent of contamination, appropriate remediation technologies and regulatory approvals. Expenditures to mitigate or prevent future environmental contamination are capitalized. Ongoing environmental compliance costs are charged to expense as incurred. In accruing for environmental remediation liabilities, costs of future expenditures for environmental remediation are not discounted to their present value, unless the amount and timing of the expenditures are fixed or reliably determinable. At June 30, 2026 and December 31, 2025, the Company had no environmental reserves recorded in its Unaudited Condensed Consolidated Balance Sheet.

Beta Pipeline Incident

There have been no material changes to the legal proceedings, insurance receivables and costs associated with the incident that occurred at our producing oil property located at Beta (the "Incident") as described in the Company's annual financial statements included in its 2025 Form 10-K, except with respect to that disclosed below.

Excluding the costs associated with the resolution of the federal and state matters discussed in the 2025 Form 10-K, for the six months ended June 30, 2026, the Company incurred legal fees, loss load and other non-reimbursable expenses of $0.2 million that are classified as "Pipeline Incident Loss" on the Company's Unaudited Condensed Consolidated Statements of Operations. For more information, please see the 2025 Form 10-K.

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Sinking Fund Trust Agreement

Beta Operating Company, LLC ("Beta LLC"), a wholly owned subsidiary, assumed an obligation with a third party to make payments into a sinking fund in connection with the Company's properties in federal waters offshore Southern California, the purpose of which is to provide funds adequate to decommission the portion of the San Pedro Bay Pipeline that lies within state waters and the surface facilities. Interest earned in the account stays in the account. The obligation to fund ceases when the aggregate value of the account reaches $4.3 million. As of June 30, 2026, the account balance included in restricted investments was approximately $4.7 million.

Supplemental Bond for Decommissioning Liabilities Trust Agreement

Beta LLC has a decommissioning obligation with BOEM in connection with the Company's properties in federal waters offshore Southern California. The Company supports its decommissioning obligation with $161.3 million of A-rated surety bonds.

In December 2021, the Company entered into two escrow funding agreements with its surety providers to fund interest-bearing escrow accounts on a quarterly basis to reimburse and indemnify the surety providers for any claims arising under the surety bonds related to the decommissioning of our Beta LLC properties. The obligation for these agreements ceases when the total aggregate value of the escrow accounts reaches $172.6 million.

The below table outlines the updated funding commitment for these agreements at June 30, 2026 (in thousands):

	Payment Due by Period						
Funding commitment	Total	Remaining 2026	2027	2028	2029	2030	Thereafter[1]
Federal escrow fund payments	$ 124,480	$ 4,000	$ 8,000	$ 8,000	$ 8,000	$ 8,000	$ 88,480
State escrow fund payments	7,523	517	1,034	1,034	1,034	1,034	2,870
Total sinking fund payments	$ 132,003	$ 4,517	$ 9,034	$ 9,034	$ 9,034	$ 9,034	$ 91,350

(1) The remaining payments will be made during the years 2030 through 2042.

As of June 30, 2026, the Company has funded $40.6 million into the escrow accounts which is reflected in "Restricted investments" on the Unaudited Condensed Consolidated Balance Sheet.

Note 17. Income Taxes

The Company had no current income tax benefit (expense) for the three and six months ended June 30, 2026, respectively. The Company's current income tax benefit (expense) was ($0.5) million for each of the three and six months ended June 30, 2025, respectively.

The Company's deferred income tax benefit (expense) was ($5.9) million and $5.7 million for the three and six months ended June 30, 2026, respectively. The Company's deferred income tax benefit (expense) was ($1.4) million and $0.1 million for the three and six months ended June 30, 2025, respectively.

The effective tax rates for the three and six months ended June 30, 2026 were 25.4% and 21.4%, respectively. The effective tax rates for the three and six months ended June 30, 2025 were 23.1% and 42.0%, respectively. The difference between the statutory U.S. federal income tax rate of 21% and the effective tax rate for the three and six months ended June 30, 2026 was primarily attributable to unrealized hedging book losses for 2026. This represents a positive income driver, resulting in an effective tax rate that exceeded the statutory rate. The difference between the statutory U.S. federal income tax rate of 21% and the effective tax rate for the three and six months ended June 30, 2025 was primarily from higher discrete realized hedging income tax expense and lower book income in the second quarter of 2025.

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Note 18. Subsequent Events

Share Repurchase Program

On August 6, 2026, the Company's board of directors approved a share repurchase program authorizing the repurchase of up to $15.0 million of Common Stock. Using recent prices, a fully executed program would represent approximately 10% of the Company's outstanding shares. Under the share repurchase program, repurchases may begin after market open on August 11, 2026 and continue through and including December 31, 2026.

Repurchases under the share repurchase program may be made from time to time through open market repurchases or through privately negotiated transactions subject to market conditions, applicable legal requirements, and other relevant factors. Open market repurchases may be structured to occur in accordance with the requirements of Rule 10b-18 under the Exchange Act. The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases of shares of its Common Stock under this authorization. The Company is not obligated under the share repurchase program to acquire any particular amount of Common Stock, and the Company may terminate or suspend the share repurchase program at any time. The timing and actual number of shares repurchased may depend on a variety of factors, including price, general business and market conditions, and alternative investment opportunities.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Unaudited Condensed Consolidated Financial Statements and accompanying notes in "Item 1. Financial Statements" contained herein and in "Item 1A. Risk Factors" of our 2025 Form 10-K. The following discussion contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside our control. Our actual results could differ materially from those discussed in these forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements" in the front of this report.

Overview

We operate in one reportable segment engaged in the acquisition, development, exploitation and production of oil and natural gas properties. Our management evaluates performance based on the reportable business segment as the economic environments are not different within the operation of our oil and natural gas properties. Our business activities are conducted through OLLC, our wholly owned subsidiary, and its wholly owned subsidiaries.

The Company's assets have historically consisted primarily of producing oil and natural gas properties located in Oklahoma, the Rockies ("Bairoil"), federal waters offshore Southern California ("Beta"), East Texas/North Louisiana and the Eagle Ford (non-op). The Company divested its assets in Oklahoma, East Texas/North Louisiana and the Eagle Ford (non-op) during the year ended December 31, 2025. As of June 30, 2026, the Company properties consist of its Bairoil and Beta oil and NGL producing properties. The oil and NGL properties are located in mature oil reservoirs. As of June 30, 2026, the Company is the operator of record for properties containing 100% of its total estimated proved reserves.

Industry Trends

We continue to monitor the impact of the actions of the Organization of the Petroleum Exporting Countries and other large producing nations; the Russia-Ukraine conflict; conflicts or entanglements in the Middle East; global inventories of oil and natural gas and the uncertainty associated with recovering oil demand; inflation and future monetary policy; and governmental policies aimed at transitioning towards lower carbon energy. The Russia-Ukraine conflict and conflicts or entanglements in the Middle East continue to evolve, and the extent to which these events may impact our business, results of operations, financial condition and cash flows will depend on future developments, which are highly uncertain and cannot be predicted with confidence.

Divestiture Summary

In 2025, the Company worked to simplify its portfolio and strengthen its balance sheet. The Company made significant progress towards this goal throughout 2025, with the first transaction occurring in the first quarter of 2025 with the East Texas Haynesville monetization. Throughout the remainder of 2025, the Company completed additional divestiture transactions, including monetization and asset sales. These transactions continued management's efforts to simplify the Company's asset base. Management believes the divestiture transactions strengthened liquidity and further streamlined the Company's asset portfolio. None of the asset dispositions qualified as discontinued operations.

Recent Developments

Share Repurchase Program

On August 6, 2026, the Company's board of directors approved a share repurchase program authorizing the repurchase of up to $15.0 million of Common Stock. Using recent prices, a fully executed program would represent approximately 10% of the Company's outstanding shares. Under the share repurchase program, repurchases may begin after market open on August 11, 2026 and continue through and including December 31, 2026.

Repurchases under the share repurchase program may be made from time to time through open market repurchases or through privately negotiated transactions subject to market conditions, applicable legal requirements, and other relevant factors. Open market repurchases may be structured to occur in accordance with the requirements of Rule 10b-18 under the Exchange Act. The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases of shares of its Common Stock under this authorization. The Company is not obligated under the share repurchase program to acquire any particular amount of Common Stock, and the Company may terminate or suspend the share repurchase program at any time. The timing and actual number of shares repurchased may depend on a variety of factors, including price, general business and market conditions, and alternative investment opportunities.

Business Environment and Operational Focus

We use a variety of financial and operational metrics to assess the performance of our oil and natural gas operations, including: (i) production volumes; (ii) realized prices on the sale of our production; (iii) cash settlements on our commodity derivatives; (iv) lease operating expense; (v) gathering, processing and transportation; (vi) general and administrative expense; and (vii) Adjusted EBITDA (as defined below).

Sources of Revenues

Our revenues are derived from the sale of oil production, as well as the sale of NGLs that are extracted from natural gas during processing. Production revenues are derived entirely from the continental United States. Oil and NGL prices are inherently volatile and are influenced by many factors outside our control. In order to reduce the impact of fluctuations in oil prices on revenues, we intend to periodically enter into derivative contracts that fix the future prices received. At the end of each period, the fair value of these commodity derivative instruments is estimated and because hedge accounting is not elected, the changes in the fair value of unsettled commodity derivative instruments are recognized in earnings at the end of each accounting period.

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates, including a discussion regarding the estimation uncertainty and the impact that our critical accounting estimates have had, or are reasonably likely to have, on our financial condition or results of operations, are described in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Form 10-K. Significant estimates include, but are not limited to, oil and natural gas reserves, fair value estimates, revenue recognition and contingencies and insurance accounting. These estimates, in our opinion, are subjective in nature, require the use of professional judgment and involve complex analysis.

When used in the preparation of our consolidated financial statements, such estimates are based on our current knowledge and understanding of the underlying facts and circumstances and may be revised as a result of actions we take in the future. Changes in these estimates will occur as a result of the passage of time and the occurrence of future events. Subsequent changes in these estimates may have a significant impact on our consolidated financial position, results of operations and cash flows.

Beta Royalty Relief

On April 30, 2026, the Bureau of Safety and Environmental Enforcement ("BSEE") informed the Company that it had been approved for End-of-Life Royalty Relief for the Company's interests in three Pacific Outer Continental Shelf blocks (P-300, P-0301, and P-0306), referred to as the Beta unit in the Beta Field located in federal waters approximately 11 miles offshore from the Port of Long Beach, California. The royalty relief is effective beginning May 1, 2026 for the Beta leases. On the Company's two primary producing leases, the royalty rate was reduced from approximately 25% to 12.5%, and on the third lease, the royalty rate was reduced from 16.67% to 8.33%.

Royalty relief rates will be suspended in months in which the rolling 12-month weighted average NYMEX oil and Henry Hub gas price exceeds $79.65 per BOE, which represents a 25% premium to the average realized price recognized by the Company during the qualification period. Royalty relief will end in the event that the rolling 12-month weighted average commodity price exceed $79.65 per BOE, or if monthly production doubles the qualifying months' average for 12 consecutive months.

Results of Operations

The results of operations for the three and six months ended June 30, 2026 and 2025 have been derived from our unaudited condensed consolidated financial statements.

Factors Affecting the Comparability of the Historical Financial Results

- The sale of our non-operated Eagle Ford assets in July 2025 for $23.0 million, excluding $1.9 million of final post-closing adjustments, resulting in a final adjusted purchase price of $21.1 million.
- The sale of all of our assets located in East Texas/North Louisiana in December 2025 for $122.0 million, excluding $3.2 million of final post-closing adjustments.
- The sale of all of our assets located in Oklahoma in December 2025 for $92.5 million, excluding $0.5 million of final post-closing adjustments.
- Other sales of interests in certain units with rights in the Cotton Valley and Haynesville basins during 2025 for $13.6 million.

As a result of the factors listed above, the historical results of operations and period-to-period comparisons of these results and certain financial data may not be comparable or indicative of future results.

The following table summarizes certain of the results of operations for the periods indicated.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
	($ In thousands except per unit amounts)			
Oil and natural gas sales	$ 52,577	$ 66,774	$ 89,840	$ 137,115
Other revenues	109	1,587	310	3,296
Lease operating expense	22,676	38,622	44,830	76,039
Gathering, processing and transportation	684	4,723	1,443	9,009
Taxes other than income	3,044	4,299	5,384	8,683
Depreciation, depletion and amortization	4,916	9,765	10,576	18,259
Impairment expense	—	8,448	—	8,448
General and administrative expense	6,993	11,197	15,906	22,012
Loss (gain) on commodity derivative instruments	(9,009)	(22,162)	36,813	(7,845)
Gain on sale of properties	(1,573)	(1,545)	(1,737)	(7,796)
Interest expense, net	910	3,594	1,898	7,113
Income tax (expense) benefit - current	—	(495)	—	(496)
Income tax (expense) benefit - deferred	(5,899)	(1,420)	5,659	118
Net income (loss)	17,299	6,384	(20,817)	523
Oil and natural gas revenues:				
Oil sales[1]	$ 52,536	$ 49,705	$ 89,944	$ 99,686
NGL sales[2]	157	5,648	65	11,806
Natural gas sales[2]	(116)	11,421	(169)	25,623
Total oil and natural gas revenues	$ 52,577	$ 66,774	$ 89,840	$ 137,115
Production volumes:				
Oil (MBbls)[1]	615	828	1,191	1,565
NGLs (MBbls)[2]	1	285	3	548
Natural gas (MMcf)[2]	11	3,760	18	7,407
Total (MBoe)	617	1,740	1,197	3,347
Average net production (MBoe/d)	6.8	19.1	6.6	18.5
Average realized sales price (excluding commodity derivatives):				
Oil (per Bbl)[1]	$ 85.41	$ 60.01	$ 75.50	$ 63.69
NGL (per Bbl)[2]	290.22	19.81	21.32	21.56
Natural gas (per Mcf)[2]	(10.37)	3.04	(8.99)	3.46
Total (per Boe)	$ 85.14	$ 38.38	$ 75.03	$ 40.96
Average unit costs per Boe:				
Lease operating expense	$ 36.75	$ 22.20	$ 37.45	$ 22.72
Gathering, processing and transportation	1.11	2.71	1.21	2.69
Taxes other than income	4.93	2.47	4.50	2.59
General and administrative expense	11.33	6.44	13.29	6.58
Depletion, depreciation and amortization	7.97	5.61	8.84	5.46

(1) NGLs produced in Bairoil are treated as condensate and reflected within the commodity line for oil.

(2) The average realized sales price for the three and six months ended June 30, 2026, was impacted by post-divestiture true-up adjustments related to the Company's East Texas and Oklahoma assets sales completed during the fourth quarter of 2025. The Company did not have any revenue or new production activity related to natural gas and NGLs for the divested assets for the three and six months ended June 30, 2026 and therefore the revenue or production for the period are not indicative of ongoing commodity sales from retained assets.

For the Three Months Ended June 30, 2026 Compared to the Three Months Ended June 30, 2025

We reported net income of $17.3 million compared to net income of $6.4 million for the three months ended June 30, 2026 and 2025, respectively.

Oil, natural gas and NGL revenues were $52.6 million and $66.8 million for the three months ended June 30, 2026 and 2025, respectively. Average net production volumes were approximately 6.8 MBoe/d and 19.1 MBoe/d for the three months ended June 30, 2026 and 2025, respectively. The average realized sales prices were $85.14 per Boe and $38.38 per Boe for the three months ended June 30, 2026 and 2025, respectively. The decrease of $14.2 million in oil, natural gas and NGL revenue was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Oil revenues for our Beta and Bairoil assets were $52.5 million and $37.9 million for the three months ended June 30, 2026 and 2025, respectively. The change in oil revenue at Beta and Bairoil was primarily due to higher realized oil commodity prices and higher volumes.

Other revenues were $0.1 million and $1.6 million for the three months ended June 30, 2026 and 2025, respectively. The decrease of $1.5 million in other revenue was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. For the three months ended June 30, 2026, other revenues primarily consisted of other income for pipeline transportation income. For the three months ended June 30, 2025, other revenues consisted of $1.1 million for service revenues with respect to our wholly owned subsidiary, Magnify Energy Services ("Magnify"), and $0.5 million for iodine sales.

Lease operating expenses were $22.7 million and $38.6 million for the three months ended June 30, 2026 and 2025, respectively. The decrease of $16.0 million in lease operating expenses was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Lease operating expenses for Beta and Bairoil were $22.7 million and $27.4 million for the three months ended June 30, 2026 and 2025, respectively. At Beta, the decrease in lease operating expenses was due to lower base lease operating costs, partially offset by higher workovers. At Bairoil, the decrease in lease operating expenses was primarily driven by lower CO_2 and electricity costs.

Gathering, processing and transportation expenses were $0.7 million and $4.7 million for the three months ended June 30, 2026 and 2025, respectively. The decrease of $4.0 million in gathering, processing and transportation expenses was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Gathering, processing and transportation expenses for Beta were $0.7 million and $0.9 million for the three months ended June 30, 2026 and 2025, respectively.

Taxes other than income were $3.0 million and $4.3 million for the three months ended June 30, 2026 and 2025, respectively. The decrease of $1.3 million in taxes other than income was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Taxes other than income at Beta and Bairoil were $3.0 million and $2.6 million for the three months ended June 30, 2026 and 2025, respectively. The increase in taxes other than income was primarily related to production taxes, which were driven by higher commodity prices, partially offset by lower NOx credits purchased.

Depreciation, depletion & amortization ("DD&A") expenses were $4.9 million and $9.8 million for the three months ended June 30, 2026 and 2025, respectively. The decrease of $4.8 million in DD&A expense was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. DD&A expenses for Beta and Bairoil were $4.9 million and $4.4 million for the three months ended June 30, 2026 and 2025, respectively.

Impairment expense. No impairment expense was recorded for the three months ended June 30, 2026. The Company recorded impairment expense of $8.4 million for the three months ended June 30, 2025. The Company recognized an impairment expense to reduce the net book value of our non-operated Eagle Ford assets to fair value less costs to sell. See Note 4 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

General and administrative expenses were $7.0 million and $11.2 million for the three months ended June 30, 2026 and 2025, respectively. The change in general and administrative expenses was primarily related to (i) a decrease of $2.2 million in acquisition and divestiture costs; (ii) a decrease of $1.4 million for salaries and other payroll benefits, (iii) a decrease of $0.7 million in stock compensation expense, and (iv) a decrease of $0.4 million in legal expense, partially offset by (i) an increase of $0.5 million in bad debt expense and (ii) an increase of $0.7 million due to the elimination of COPAS overhead charges.

Net loss (gain) on commodity derivative instruments of ($9.0) million was recognized for the three months ended June 30, 2026, consisting of a $22.6 million increase in the fair value of open positions partially offset by $13.6 million of cash settlements paid on expired positions. Net gain on commodity derivative instruments of $22.2 million was recognized for the three months ended June 30, 2025, consisting of a $17.4 million increase in the fair value of open positions and $4.8 million of cash settlements received on expired positions.

Gain on sale of properties was $1.6 million and $1.5 million for the three months ended June 30, 2026 and 2025. See Note 4 of the Notes to Unaudited Condensed Consolidated Financial Statements under "Item 1. Financial Statements" of this quarterly report for additional information.

Interest expense, net was $0.9 million for the three months ended June 30, 2026 and $3.6 million for the three months ended June 30, 2025. The change was primarily related to the Company paying off all outstanding debt as of December 31, 2025. In 2026, the Company will continue to have interest expense associated with its surety bonds.

Current income tax benefit (expense). The Company had no current income tax benefit (expense) for the three months ended June 30, 2026 compared to ($0.5) million for the three months ended June 30, 2025. See additional information discussed in Note 17 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report.

Deferred income tax benefit (expense) was ($5.9) million and ($1.4) million for the three months ended June 30, 2026 and 2025, respectively. See additional information discussed in Note 17 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report.

For the Six Months Ended June 30, 2026 Compared to the Six Months Ended June 30, 2025

We reported a net loss of $20.8 million compared to net income of $0.5 million for the six months ended June 30, 2026 and 2025, respectively.

Oil, natural gas and NGL revenues were $89.8 million and $137.1 million for the six months ended June 30, 2026 and 2025, respectively. Average net production volumes were approximately 6.6 MBoe/d and 18.5 MBoe/d for the six months ended June 30, 2026 and 2025, respectively. The average realized sales prices were $75.03 per Boe and $40.96 per Boe for the six months ended June 30, 2026 and 2025, respectively. The decrease of $47.3 million in oil, natural gas and NGL revenue was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Oil revenues for our Beta and Bairoil assets were $89.9 million and $77.8 million for the six months ended June 30, 2026 and 2025, respectively. The change in oil revenue at Beta and Bairoil was primarily due to higher realized oil commodity prices, partially offset by lower volumes.

Other revenues were $0.3 million and $3.3 million for the six months ended June 30, 2026 and 2025, respectively. The decrease of $3.0 million in other revenue was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. For the six months ended June 30, 2026, other revenues primarily consisted of pipeline transportation income. For the six months ended June 30, 2025, other revenues primarily consisted of service revenues of $2.0 million for Magnify and iodine sales of $1.2 million.

Lease operating expenses were $44.8 million and $76.0 million for the six months ended June 30, 2026 and 2025, respectively. The decrease of $31.2 million in lease operating expenses was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Lease operating expenses for Beta and Bairoil were $44.6 million and $54.5 million for the six months ended June 30, 2026 and 2025, respectively. At Beta, the decrease in lease operating expenses was due to lower base lease operating costs, partially offset by higher workovers. At Bairoil, the decrease in lease operating expenses was primarily driven by lower CO_2 and electricity costs.

Gathering, processing and transportation expenses were $1.4 million and $9.0 million for the six months ended June 30, 2026 and 2025, respectively. The decrease of $7.6 million in gathering, processing and transportation expenses was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Gathering, processing and transportation expenses for Beta were $1.4 million and $1.5 million for the six months ended June 30, 2026 and 2025, respectively.

Taxes other than income were $5.4 million and $8.7 million for the six months ended June 30, 2026 and 2025, respectively. The decrease of $3.3 million in taxes other than income was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. Taxes other than income at Beta and Bairoil were $5.4 million and $5.5 million for the six months ended June 30, 2026 and 2025, respectively.

DD&A expenses were $10.6 million and $18.3 million for the six months ended June 30, 2026 and 2025, respectively. The decrease of $7.7 million in DD&A expense was primarily driven by the divestiture of our East Texas, Oklahoma and non-operated Eagle Ford assets in 2025. DD&A expenses for Beta and Bairoil were $10.6 million and $8.4 million for the six months ended June 30, 2026 and 2025, respectively.

Impairment expense. No impairment expense was recorded for the six months ended June 30, 2026. The Company recorded impairment expense of $8.4 million for the six months ended June 30, 2025. The Company recognized an impairment expense to reduce the net book value of our non-operated Eagle Ford assets to fair value less costs to sell. See Note 4 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

General and administrative expenses were $15.9 million and $22.0 million for the six months ended June 30, 2026 and 2025, respectively. The change in general and administrative expenses was primarily related to (i) a decrease of $3.8 million in acquisition and divestiture costs, (ii) a decrease of $1.9 million for salaries and other payroll benefits, (iii) a decrease of $0.6 million in stock compensation expense, (iv) a decrease of $0.5 million in legal expense partially offset by (i) an increase of $0.3 million in severance expense, (ii) an increase of $1.3 million due to the elimination of COPAS overhead charges and (iii) an increase of $0.5 million in bad debt expense.

Net loss (gain) on commodity derivative instruments of $36.8 million was recognized for the six months ended June 30, 2026, consisting of a $20.8 million decrease in the fair value of open positions and $16.2 million of cash settlements paid on expired positions partially offset by $0.2 million of cash settlement received on terminated derivative instruments. A net gain on commodity derivative instruments of $7.8 million was recognized for the six months ended June 30, 2025, consisting of a $2.6 million increase in the fair value of open positions and $5.3 million of cash settlements received on expired positions.

Gain on sale of properties was $1.7 million and $7.8 million for the six months ended June 30, 2026 and 2025, respectively. The gain in 2025 primarily related to the sale of certain units with rights in the Haynesville basin in Harrison County, Texas. See Note 4 of the Notes to Unaudited Condensed Consolidated Financial Statements under "Item 1. Financial Statements" of this quarterly report for additional information.

Interest expense, net was $1.9 million and $7.1 million for the six months ended June 30, 2026 and 2025, respectively. The change was primarily related to the Company paying off all outstanding debt as of December 31, 2025. In 2026, the Company will continue to have interest expense associated with its surety bonds.

Current income tax benefit (expense). The Company had no current income tax benefit (expense) for the six months ended June 30, 2026 compared to ($0.5) million for the six months ended June 30, 2025. See additional information discussed in Note 17 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report.

Deferred income tax benefit (expense) was $5.7 million and $0.1 million for the six months ended June 30, 2026 and 2025, respectively. See additional information discussed in Note 17 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report.

Non-GAAP Financial Measures

We include in this report the non-GAAP financial measure of Adjusted Net Income (Loss) and Adjusted EBITDA and provide our reconciliation of net income (loss) to Adjusted Net Income (Loss) and Adjusted EBITDA to net income (loss) and net cash flows from operating activities, our most directly comparable financial measures calculated and presented in accordance with GAAP.

Adjusted Net Income (Loss)

We define Adjusted Net Income (Loss) as net income (loss) adjusted for unrealized loss (gain) on commodity derivative instruments, acquisition and divestiture-related expenses, impairment expense, unusual and infrequent items, and the income tax expense or benefit of these adjustments using our federal statutory tax rate. This measure is not meant to disassociate these items from management's performance but rather is intended to provide helpful information to investors interested in comparing our performance between periods. Adjusted Net Income (Loss) is not considered to be an alternative to net income (loss) reported in accordance with GAAP.

The following tables present our reconciliation of the Company's net income (loss) to Adjusted Net Income (Loss), our most directly comparable GAAP financial measures for each of the periods indicated.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands)			
Net (loss) income	$ 17,299	$ 6,384	$ (20,817)	$ 523
Unrealized loss (gain) on commodity derivative instruments	(22,624)	(17,381)	20,824	(2,561)
Acquisition and divestiture-related expenses	97	2,346	170	3,975
Impairment expense	—	8,448	—	8,448
Non-recurring costs:				
Gain on sale of properties	(1,573)	(1,545)	(1,737)	(7,796)
Income tax effect of unrealized derivative instruments[1]	4,751	3,650	(4,373)	538
Tax effect of adjustments[1]	310	(1,942)	329	(972)
Adjusted net income (loss)	$ (1,740)	$ (40)	$ (5,604)	$ 2,155

(1) The federal statutory rates were utilized for all periods presented.

Adjusted EBITDA

Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. Adjusted EBITDA is not a measure of net income or cash flows as determined by GAAP. We define Adjusted EBITDA as net income (loss):

Plus:

- Interest expense;
- Income tax expense;
- DD&A;
- Impairment of goodwill and long-lived assets (including oil and natural gas properties);
- Accretion of AROs;
- Loss on commodity derivative instruments;
- Cash settlements received on expired commodity derivative instruments;
- Amortization of gain associated with terminated commodity derivatives;
- Losses on sale of assets;

- Share-based compensation expenses;
- Exploration costs;
- Acquisition and divestiture related expenses;
- Reorganization items, net;
- Severance payments; and
- Other non-routine items that we deem appropriate.

Less:

- Interest income;
- Income tax benefit;
- Gain on commodity derivative instruments;
- Cash settlements paid on expired commodity derivative instruments;
- Gains on sale of assets and other, net; and
- Other non-routine items that we deem appropriate.

We believe Adjusted EBITDA is useful because it allows us to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure.

Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income (loss) or cash flows from operating activities as determined in accordance with GAAP or as an indicator of our operating performance or liquidity. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. We believe that Adjusted EBITDA is a widely followed measure of operating performance and may also be used by investors to measure our ability to meet debt service requirements.

In addition, we use Adjusted EBITDA as an additional measure to evaluate actual cash flow available to develop existing reserves or acquire additional oil and natural gas properties.

The following tables present our reconciliation of the Company's net income (loss) to Adjusted EBITDA and cash flows from operating activities to Adjusted EBITDA, our most directly comparable GAAP financial measures, for each of the periods indicated.

Reconciliation of Net Income (Loss) to Adjusted EBITDA

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands)			
Net income (loss)	$ 17,299	$ 6,384	$ (20,817)	$ 523
Interest expense, net	910	3,594	1,898	7,113
Income tax expense (benefit) - current	—	495	—	496
Income tax expense (benefit) - deferred	5,899	1,420	(5,659)	(118)
Impairment expense	—	8,448	—	8,448
DD&A	4,916	9,765	10,576	18,259
Accretion of AROs	1,270	2,210	2,518	4,393
Loss (gain) on commodity derivative instruments	(9,009)	(22,162)	36,813	(7,845)
Cash settlements (paid) received on expired commodity derivative instruments	(13,615)	4,781	(16,169)	5,284
Gain on sale of properties	(1,573)	(1,545)	(1,737)	(7,796)
Share-based compensation expense	1,241	1,990	3,297	3,880
Bad debt expense	566	53	566	53
Loss on settlement of AROs	262	40	292	37
Amortization of gain (loss) associated with terminated commodity derivatives	173	159	(77)	318
Pipeline incident loss	167	195	179	591
Acquisition and divestiture related expenses	97	2,346	170	3,975
Exploration costs	11	10	11	16
Severance payments	—	—	320	—
Other	—	800	204	800
Adjusted EBITDA	$ 8,614	$ 18,983	$ 12,385	$ 38,427

Reconciliation of Net Cash from Operating Activities to Adjusted EBITDA

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands)			
Net cash provided by operating activities	$ 2,835	$ 23,689	$ 7,309	$ 49,190
Changes in working capital	4,186	(10,836)	1,836	(16,208)
Interest expense, net	910	3,594	1,898	7,113
Gain on sale of property	—	(1,545)	—	(7,796)
Pipeline incident loss	167	195	179	591
Plugging and abandonment cost	322	391	352	562
Amortization and write-off of deferred financing fees	(87)	(315)	(167)	(630)
Amortization of gain associated with terminated commodity derivatives	173	159	(77)	318
Acquisition and divestiture related expenses	97	2,346	170	3,975
Exploration costs	11	10	11	16
Income tax expense (benefit) - current	—	495	—	496
Cash settlements paid (received) on terminated derivatives	—	—	350	—
Severance payments	—	—	320	—
Other	—	800	204	800
Adjusted EBITDA	$ 8,614	$ 18,983	$ 12,385	$ 38,427

Liquidity and Capital Resources

Overview. The divestitures reduced our ongoing capital requirements and streamlined our operating profile, which we believe positions us with greater financial flexibility. Following the payoff of the debt facility, we no longer have any outstanding borrowings.

Our ability to finance our operations, including funding capital expenditures and acquisitions, to meet our indebtedness obligations, to refinance our indebtedness or to meet our collateral requirements will depend on our ability to generate cash in the future. Our primary sources of liquidity and capital resources have historically been cash flows generated by operating activities, borrowings under our Revolving Credit Facility, equity and debt capital markets and proceed from the sale of assets. However, future cash flows are subject to a number of variables, including the level of our oil and NGL production and the prices we receive for our oil production, and significant additional capital expenditures will be required to more fully develop our properties. We cannot assure you that operations and other needed capital will be available on acceptable terms, or at all. We anticipate funding our 2026 capital program from cash on hand and internally generated cash flow but retain the flexibility to utilize borrowings under debt facilities available to us, and/or to access the debt and equity capital markets. As we pursue reserve and production growth, we plan to monitor which capital resources, including equity and debt financings, are available to us to meet our future financial obligations, planned capital expenditure activities and liquidity requirements.

Based on our current oil price expectations, we believe existing cash and cash equivalents, any positive cash flows from operations and available borrowings under our Revolving Credit Facility will be sufficient to support working capital, capital expenditures and other cash requirements for at least the next 12 months and, based on our current expectations, for the foreseeable future thereafter.

Capital Markets. We do not currently anticipate any near-term capital markets activity, but we will continue to evaluate the availability of public debt and equity for funding capital needs.

Hedging. Commodity hedging has been and remains an important part of our strategy to reduce cash flow volatility. Our hedging activities are intended to support oil and NGL prices at targeted levels and to manage our exposure to commodity price fluctuations. We intend to enter into commodity derivative contracts at times and on terms desired to maintain a portfolio of commodity derivative contracts covering at least 25% - 75%, depending on availability under the Revolving Credit Facility, of our estimated production from total proved developed producing reserves over a one-year period at any given point of time. We may, however, from time to time, hedge more or less than this approximate amount. Additionally, we may take advantage of opportunities to modify our commodity derivative portfolio to change the percentage of our hedged production volumes when circumstances suggest that it is prudent to do so. Market conditions may also impact our ability to enter into future commodity derivative contracts.

We evaluate counterparty risks related to our commodity derivative contracts and trade credit. Should any of these financial counterparties not perform, we may not realize the benefit of some of our hedges under lower commodity prices. We sell our oil to a small number of purchasers. Our marketing deducts have recently increased due to a reduction in refining capacity in California. As a result, we are exploring multiple options aimed at increasing our available markets and creating new customer relationships. Non-performance by a customer could also result in a loss.

Capital Expenditures. Our total capital expenditures were approximately $41.7 million for the six months ended June 30, 2026, which were primarily related to the development program at Beta.

Working Capital. Working capital is the amount by which current assets exceed current liabilities. Our working capital requirements are primarily driven by changes in accounts receivable and accounts payable, as well as the classification of our debt outstanding. These changes are impacted by changes in the prices of commodities that we buy and sell. In general, our working capital requirements increase in periods of rising commodity prices and decrease in periods of declining commodity prices. However, our working capital needs do not necessarily change at the same rate as commodity prices because both accounts receivable and accounts payable are impacted by the same commodity prices. In addition, the timing of payments received by our customers or paid to our suppliers can also cause fluctuations in working capital because we settle with most of our larger customers on a monthly basis and often near the end of the month. We expect that our future working capital requirements will be impacted by these same factors. From time-to-time, our working capital will reflect a deficit, while at other times it will reflect a surplus. This fluctuation is not unusual.

As of June 30, 2026, we had working capital (excluding commodity derivatives) of $18.2 million primarily from cash on hand of $21.2 million, accounts receivable of $19.5 million and prepaid expenses and other current assets of $25.0 million partially offset by accrued liabilities of $20.4 million, revenues payable of $5.0 million, and accounts payable of $22.1 million.

Debt Agreement

Revolving Credit Facility. On December 31, 2025, we amended the Revolving Credit Facility with Citizens Bank, as administrative agent. As of June 30, 2026, the borrowing base under the facility was $25.0 million with elected commitments of $15.0 million. At June 30, 2026, the Company had no loans outstanding under the Revolving Credit Facility.

As of June 30, 2026, we had approximately $15.0 million of available borrowings under our Revolving Credit Facility.

As of June 30, 2026, we were in compliance with all the financial covenants (current ratio and total leverage ratio) and non-financial covenants associated with the Revolving Credit Facility.

For additional information regarding our Revolving Credit Facility, see Note 8 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report.

Material Cash Requirements

Lease Obligations. We have operating leases for office and warehouse spaces, office equipment, compressors and surface rentals related to our business obligations. See Note 12 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

Sinking Fund Payments. We have a funding requirement to fund two trust accounts to comply with supplemental regulatory bonding requirements related to our decommissioning obligations for the Beta production facilities. As of June 30, 2026, our future commitments under these agreements were $4.5 million for the remainder of 2026 and $9.0 million per year until the escrow accounts are fully funded. See Note 16 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

Cash Flows from Operating, Investing and Financing Activities

The following table summarizes our cash flows from operating, investing and financing activities for the periods indicated. The cash flows for the six months ended June 30, 2026 and 2025 have been derived from our Unaudited Condensed Consolidated Financial Statements. As a result of the divestiture activity in 2025, the period-to-period comparisons of these results and certain financial data may not be comparable or indicative of future results. For information regarding the individual components of our cash flow amounts, see our Unaudited Condensed Consolidated Statements of Cash Flows included under "Item 1. Financial Statements" of this quarterly report.

	For the Six Months Ended June 30,	
	2026	2025
	(In thousands)	
Net cash provided by operating activities	$ 7,309	$ 49,190
Net cash used in investing activities	(44,576)	(50,180)
Net cash (used in) provided by financing activities	(2,187)	990

Operating Activities. Key drivers of net operating cash flows are commodity prices, production volumes and operating costs. Net cash provided by operating activities was $7.3 million and $49.2 million for the six months ended June 30, 2026 and 2025, respectively.

Production volumes were approximately 6.6 MBoe/d and 18.5 MBoe/d for the six months ended June 30, 2026 and 2025, respectively. The average realized sales price was $75.03 per Boe and $40.96 per Boe for the six months ended June 30, 2026 and 2025, respectively.

Net cash provided by operating activities for the six months ended June 30, 2026 included $16.2 million of cash paid on expired commodity derivative instruments compared to $5.3 million of cash received on expired commodity derivatives for the six months ended June 30, 2025. For the six months ended June 30, 2026, we had a net loss on commodity derivative instruments of $36.8 million compared to a net gain on commodity derivative instruments of $7.8 million for the six months ended June 30, 2025.

Investing Activities. Net cash used in investing activities for the six months ended June 30, 2026 was $44.6 million, of which $42.2 million was used for additions to oil and natural gas properties. Net cash used in investing activities for the six months ended June 30, 2025 was $50.2 million. Additions to oil and natural gas properties were $52.2 million for the six months ended June 30, 2025 and $0.6 million for additions to other property and equipment for the six months ended June 30, 2025.

During 2026, the Company generated investing cash flows from the final post-closing adjustments related to its divested assets: $3.2 million of proceeds related to the East Texas divestiture and $0.5 million payment for the final post-closing adjustment for Oklahoma.

During 2025, we purchased and sold certain rights, title and interest in assets in East Texas to a third party, whereby we received net proceeds of $7.8 million. See additional information discussed in Note 4 of the Notes to Unaudited Condensed Consolidated Financial Statements included under “Item 1. Financial Statements” of this quarterly report.

Various restricted investment accounts fund certain long-term contractual and regulatory asset retirement obligations and collateralize certain regulatory bonds associated with our Beta properties. Additions to restricted investments were $5.0 million and $5.1 million for the six months ended June 30, 2026 and 2025, respectively.

Financing Activities. Shares withheld for taxes were $2.1 million and $2.0 million for the six months ended June 30, 2026 and 2025, respectively. The Company had no debt outstanding for the six months ended June 30, 2026. For the six months ended June 30, 2025 we had net borrowings of $3.0 million related to our Revolving Credit Facility.

Off–Balance Sheet Arrangements

As of June 30, 2026, we had no off–balance sheet arrangements.

Recently Issued Accounting Pronouncements

For a discussion of recent accounting pronouncements that will affect us, see Note 2 of the Notes to Unaudited Condensed Consolidated Financial Statements included under “Item 1. Financial Statements” of this quarterly report for additional information.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15(b) and 15d-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including the principal executive officer and principal financial officer of the Company, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of the end of the period covered by this quarterly report. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including the principal executive officer and principal financial officer of the Company, as appropriate, to allow timely decisions regarding required disclosure, and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. As previously disclosed in Item 9A of our Annual Report on Form 10-K for the year ended December 31, 2025, management identified a material weakness in internal control over financial reporting related to the Company's lack of appropriate control processes and activities to sufficiently mitigate for changes in personnel with the necessary technical and accounting knowledge, experience, and training. Because of this material weakness, our disclosure controls and procedures were not effective as of June 30, 2026.

The control deficiency has not resulted in a material error or misstatements to our financial statements or the need to revise any previously published financial results. However, the control deficiency could have resulted in a misstatement of one or more account balances or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected, and accordingly, we determined that the control deficiency constitutes a material weakness.

Notwithstanding this material weakness, our management concluded that our unaudited consolidated financial statements included in Part I, Item 1 of this quarterly report on Form 10-Q fairly present, in all material respects, our financial condition, results of operations and cash flows as of and for the periods presented in conformity with accounting principles generally accepted in the United States.

Our management is committed to maintaining a strong internal control environment. In response to the identified material weakness above, management, with the oversight of the audit committee of the board of directors of the Company, is taking comprehensive actions to remediate the above material weakness. Our remediation plans include the following:

- Strengthening documentation for management's interpretation of technical accounting treatment; and
- Enhancing training and providing additional support for all participants in the accounting processes.

We may also conclude that additional measures may be required to remediate the material weakness in our internal control over financial reporting, which may necessitate additional implementation and evaluation time. We will continue to assess the effectiveness of our internal control over financial reporting and take steps to remediate the material weakness expeditiously. The material weakness will not be considered remediated until the applicable remediated controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. These remediation efforts are ongoing, and the material weakness has not yet been fully remediated as of June 30, 2026.

Change in Internal Control Over Financial Reporting

No changes in our internal control over financial reporting occurred during the most recent quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, with the exception of the remediation efforts related to the material weakness discussed above.

The certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 are filed as Exhibits 31.1 and 31.2, respectively, to this quarterly report.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

For a discussion of the legal proceedings associated with the Incident, see Note 16 of the Notes to Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report and the annual financial statements and related notes included in our 2025 Form 10-K.

Future litigation may be necessary, among other things, to defend ourselves by determining the scope, enforceability, and validity of claims. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

ITEM 1A. RISK FACTORS.

Our business faces many risks. Any of the risks discussed elsewhere in this quarterly report and our other SEC filings could have a material impact on our business, financial position or results of operations. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also impair our business operations. There have been no material changes to the risk factors disclosed in Part I, Item 1A in our 2025 Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The following table summarizes our repurchase activity during the three months ended June 30, 2026:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs[1] (In thousands)
Common Shares Repurchased[1]				
April 1, 2026 - April 30, 2026	225	$ 5.87	—	n/a
May 1, 2026 - May 31, 2026	—	$ —	—	n/a
June 1, 2026 - June 30, 2026	—	$ —	—	n/a

(1) Common shares are generally net-settled by stockholders to cover the required withholding tax upon vesting. We repurchased the remaining vesting shares on the vesting date at current market price. See Note 9 of the Notes to the Unaudited Condensed Consolidated Financial Statements included under "Item 1. Financial Statements" of this quarterly report for additional information.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Exhibit Number		Description
2.1	—	Agreement and Plan of Merger, dated January 14, 2025, by and among Amplify Energy Corp., Amplify DJ Operating LLC, Amplify PRB Operating LLC, North Peak Oil & Gas, LLC, Century Oil and Gas Sub-Holdings, LLC, Juniper Capital Advisors, L.P. and the Specified Company Entities signatories thereto (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-35512) filed on January 15, 2025).
2.2	—	Amendment No.1 to Agreement and Plan of Merger, dated as of April 14, 2025, by and among Amplify Energy Corp., Amplify DJ Operating LLC, Amplify PRB Operating LLC, North Peak Oil & Gas, LLC, Century Oil and Gas Sub-Holdings, LLC, Juniper Capital Advisors, L.P. and the Specified Company Entities signatories thereto (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-35512) filed on April 15, 2025).
3.1	—	Second Amended and Restated Certificate of Incorporation of Midstates Petroleum Company, Inc. (filed as Exhibit 3.1 to the Company's Registration Statement on Form 8-A filed on October 21, 2016, and incorporated herein by reference).
3.2	—	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of Midstates Petroleum Company, Inc., dated August 6, 2019 (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K (File No. 001-35512) filed on August 6, 2019).
3.3	—	Third Amended and Restated Bylaws of Amplify Energy Corp. (incorporated by reference to Exhibit 3.3 of the Company's Quarterly Report on Form 10-Q (File No. 001-35512) filed on November 15, 2021).
31.1*	—	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934.
31.2*	—	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934.
32.1**	—	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	—	Inline XBRL Instance Document
101.SCH*	—	Inline XBRL Schema Document
101.CAL*	—	Inline XBRL Calculation Linkbase Document
101.DEF*	—	Inline XBRL Definition Linkbase Document
101.LAB*	—	Inline XBRL Labels Linkbase Document
101.PRE*	—	Inline XBRL Presentation Linkbase Document
104*	—	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed as an exhibit to this Quarterly Report on Form 10-Q.
** Furnished as an exhibit to this Quarterly Report on Form 10-Q.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Amplify Energy Corp.
(Registrant)

Date: August 10, 2026

By: /s/ James Frew
Name: James Frew
Title: President and Chief Financial Officer

Date: August 10, 2026

By: /s/ Daniel Furbee
Name: Daniel Furbee
Title: Chief Executive Officer