Vital Energy

1Q-24
Earnings Presentation

Forward-Looking / Cautionary Statements

This presentation, including any oral statements made regarding the contents of this presentation, contains forward-looking statements as defined under Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, that address activities that Vital Energy, Inc. (together with its subsidiaries, the “Company”, “Vital Energy” or “VTLE”) assumes, plans, expects, believes, intends, projects, indicates, enables, transforms, estimates or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements are based on management’s current belief, based on currently available information, as to the outcome and timing of future events. Such statements are not guarantees of future performance and involve risks, assumptions and uncertainties.

General risks relating to Vital Energy include, but are not limited to, continuing and worsening inflationary pressures and associated changes in monetary policy that may cause costs to rise; changes in domestic and global production, supply and demand for commodities, including as a result of actions by the Organization of Petroleum Exporting Countries and other producing countries ("OPEC+") and the Russian-Ukrainian or Israel-Hamas military conflicts, the decline in prices of oil, natural gas liquids and natural gas and the related impact to financial statements as a result of asset impairments and revisions to reserve estimates, reduced demand due to shifting market perception towards the oil and gas industry; competition in the oil and gas industry; the ability of the Company to execute its strategies, including its ability to successfully identify and consummate strategic acquisitions at purchase prices that are accretive to its financial results and to successfully integrate acquired businesses, assets and properties, pipeline transportation and storage constraints in the Permian Basin, the effects and duration of the outbreak of disease and any related government policies and actions, long-term performance of wells, drilling and operating risks, the possibility of production curtailment, the impact of new laws and regulations, including those regarding the use of hydraulic fracturing, and under the Inflation Reduction Act (the “IRA"), including those related to climate change, the impact of legislation or regulatory initiatives intended to address induced seismicity on our ability to conduct our operations; uncertainties in estimating reserves and production results; hedging activities, tariffs on steel, the impacts of severe weather, including the freezing of wells and pipelines in the Permian Basin due to cold weather, technological innovations and scientific developments, physical and transition risks associated with climate change, increased attention to ESG and sustainability-related matters, risks related to our public statements with respect to such matters that may be subject to heightened scrutiny from public and governmental authorities related to the risk of potential "greenwashing," i.e., misleading information or false claims overstating potential sustainability-related benefits, risks regarding potentially conflicting anti-ESG initiatives from certain U.S. state or other governments, possible impacts of litigation and regulations, the impact of the Company's transactions, if any, with its securities from time to time, the impact of new environmental, health and safety requirements applicable to the Company's business activities, the possibility of the elimination of federal income tax deductions for oil and gas exploration and development and imposition of any additional taxes under the IRA or otherwise, and other factors, including those and other risks described in its Annual Report on Form 10-K for the year ended December 31, 2023 (the “2023 Annual Report”) and those set forth from time to time in other filings with the Securities and Exchange Commission ("SEC").

Any forward-looking statement speaks only as of the date on which such statement is made. Vital Energy does not intend to, and disclaims any obligation to, correct, update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

This presentation includes financial measures that are not in accordance with generally accepted accounting principles (“GAAP”), such as Adjusted Free Cash Flow, PV-10, Net Debt and Consolidated EBITDAX. While management believes that such measures are useful for investors, they should not be used as a replacement for financial measures that are in accordance with GAAP. For definitions of such non-GAAP financial measures and their reconciliations to the most comparable GAAP measures, please see the Appendix.
Unless otherwise specified, references to “average sales price” refer to average sales price excluding the effects of the Company’s derivative transactions. All amounts, dollars and percentages presented in this presentation are rounded and therefore approximate.

Record Production and Capital Discipline Drive Strong 1Q-24 Free Cash Flow

124.7 MBOE/d Total Production	**58.5** MBO/d Oil Production	**$218** MM Capital Investments
$159 MM Cash Flows from Operating Activities	**$301** MM Consolidated EBITDAX[1]	**$43** MM Adjusted Free Cash Flow[1]

[1]See Appendix for definitions and reconciliations of non-GAAP financial measures.

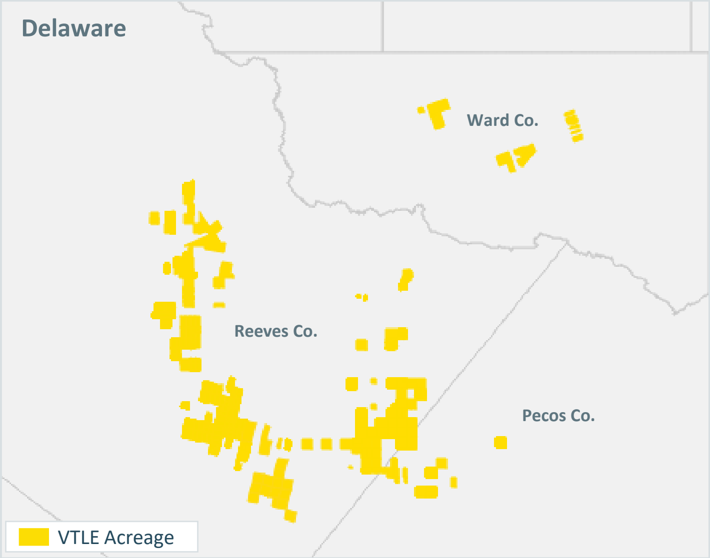
Expanded Permian Basin Scale Enhances Financial Performance

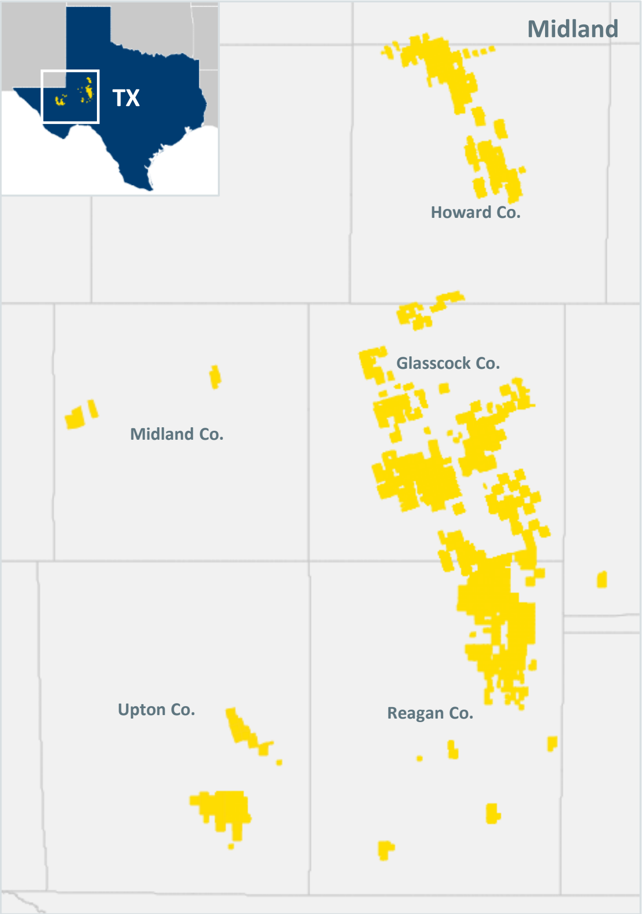
GENERATE
ADJUSTED FREE CASH FLOW[1]
$43 MM 1Q-24 Adj. Free Cash Flow[1]

REDUCE
DEBT AND LEVERAGE
1.13x Net Debt[1] to Consolidated EBITDAX[1,2]

ENHANCE
DEVELOPMENT PORTFOLIO
10+ Years of High-Return Locations

Permian Basin Summary	
Net Acres[3]	~266,000
1Q-24 Total Production	124.7 MBOE/d
% Oil	47%
Inventory Locations[4]	~830





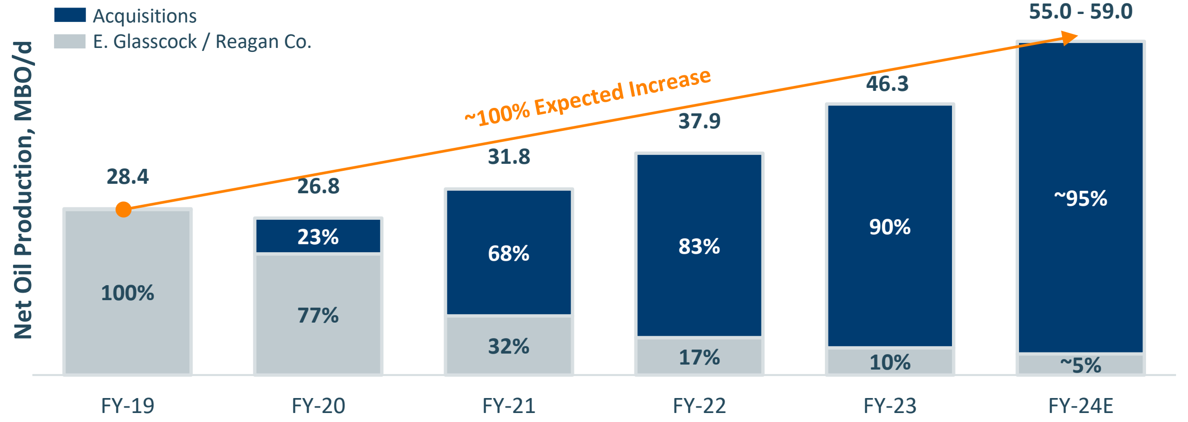
[1]See Appendix for definitions and reconciliations of non-GAAP financial measures. [2]Net Debt is calculated as of May 3, 2024. [3]As of March 31, 2024. [4]As of December 31, 2023.

Optimizing Development Maximizes Value of Acquired Properties

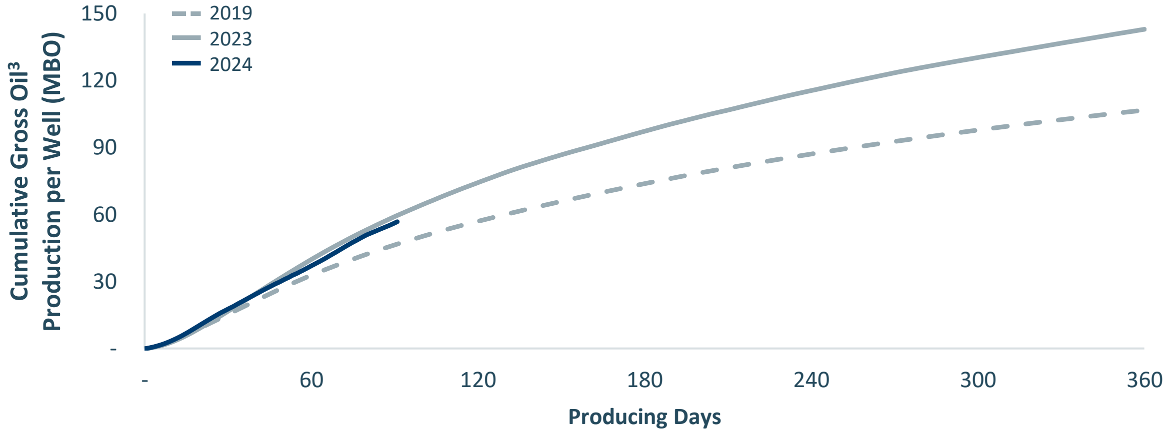
- **Targeted acquisitions expand high-return inventory**
  - >10 years of inventory at current activity levels
  - ~830 gross locations[1] with an average breakeven price of <$55 WTI
- **Focused on increasing productivity and lowering breakeven oil price**
  - Optimizing development
  - Reducing well costs
  - Extending lateral lengths
  - Targeting bolt-on acquisitions

2019 - 22	2023 - 24
Howard & W. Glasscock Co. 2019: 2 transactions / ~11,875 net acres	**Upton & S. Reagan Co.** 1Q-23: ~11,200 net acres
Howard Co. 2020: 2 transactions / ~3,850 net acres	**Delaware Basin Entry** 2Q-23: ~24,000 net acres
Howard & W. Glasscock Co. 2021: 2 transactions / ~41,000 net acres	**Henry - Midland & Delaware** 3Q-23: ~20,860 net acres[2]
E. Glasscock & Reagan Co. 2021: WI Divestiture	**Maple - Delaware** 3Q-23: ~15,500 net acres
Non-Op Divestiture 2022: ~1,650 net acres	**Tall City - Delaware** 3Q-23: ~21,450 net acres

Development Focused on High-Return Locations Added Since 2019



35% Productivity Increase Since 2019



[1]As of December 31, 2023. [2]Inclusive of additional working interest acquisitions. [3]Data normalized to 10,000' lateral length.

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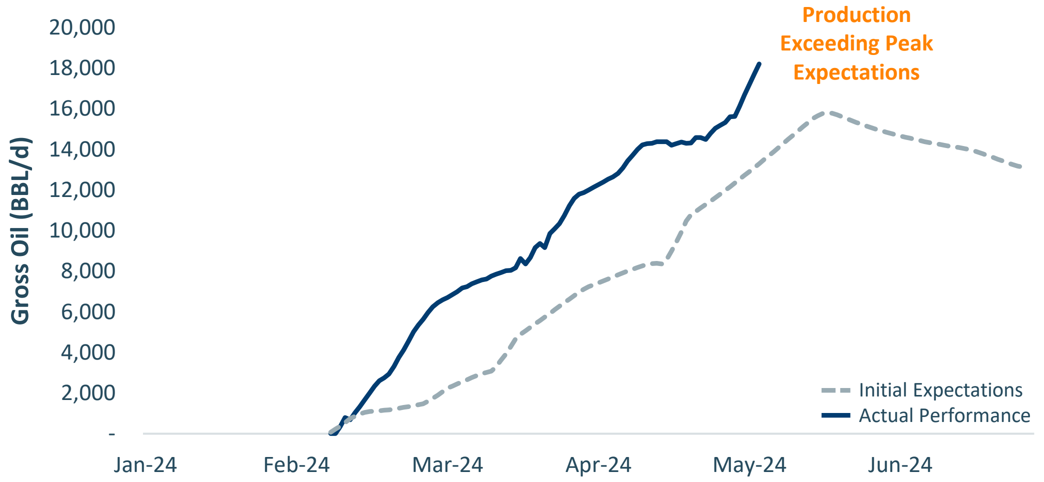
Western Glasscock Package Outperforms Initial Expectations

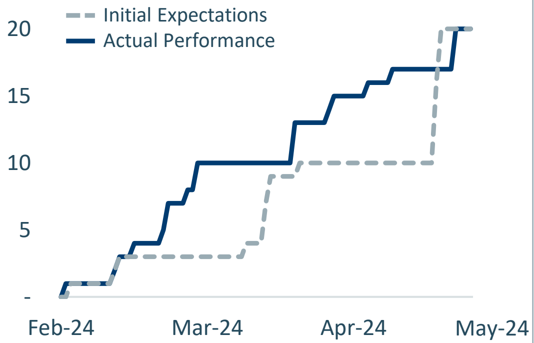
- **Efficient, full-DSU development and three-mile laterals increase returns and lower breakeven to ~$50 WTI[1]**
  - Total package daily oil production currently 15% above peak expectations
  - All 20 wells on production (15 of 20 producing oil during 1Q-24)
  - On average, wells TIL'd and cut oil 19 days sooner than expected
  - Package delivered ~1,400 BO/d more than expected in 1Q-24

Timing and Productivity Outperformance

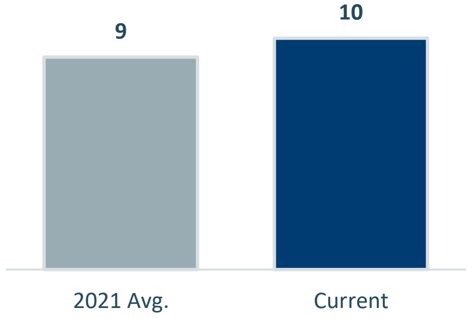


Full-DSU Development with 15,000' Laterals

Wells Producing Oil



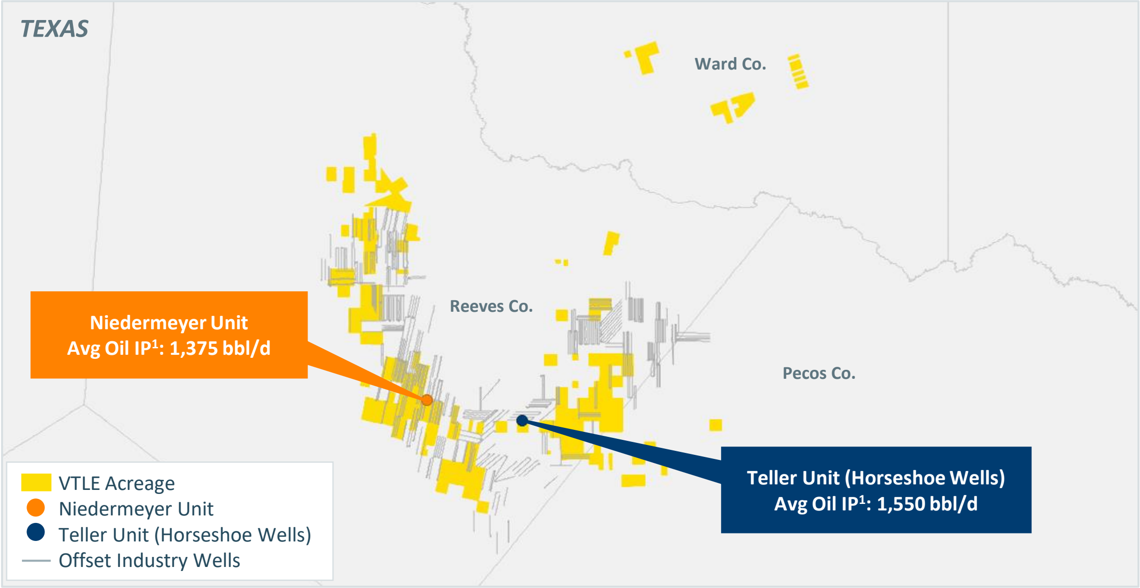
Completed Stages Per Day



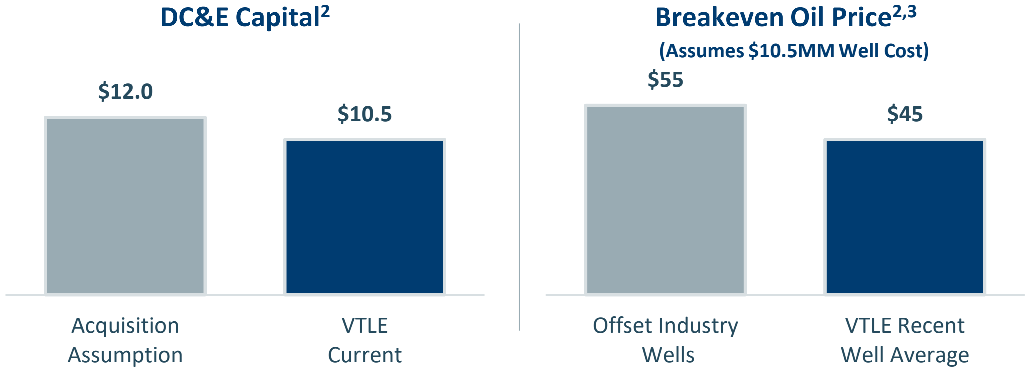
[1]Based on internal management estimates.

Successful Integration of Southern Delaware Acquisitions Unlocks Incremental Value

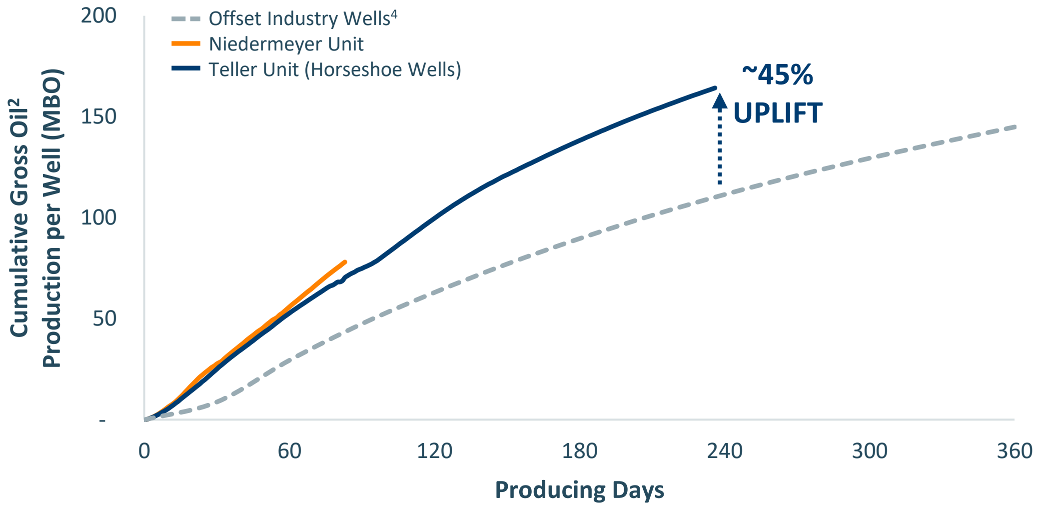
- **Applying operational expertise to acquired Delaware Basin properties**
  - Quickly reduced well costs through operational efficiencies and improved well design
  - Optimized development spacing and completion design to improve well productivity
  - Expanding acreage position with cost-efficient bolt-on acquisitions, including lateral extension opportunities
  - Two highly successful horseshoe wells completed in 3Q-23



Lower Capital Cost & Improved Productivity Driving Down Breakeven Oil Price



Strong Performance vs. Industry Benchmark



[1]Drilling unit average per well max 24-hour oil rate normalized to 10,000' lateral length. [2]Data normalized to 10,000' lateral length. [3]Based on internal management estimates.
[4]Data sourced from Enverus for wells turned-in-line 2018+ and 7,500'+ lateral lengths.

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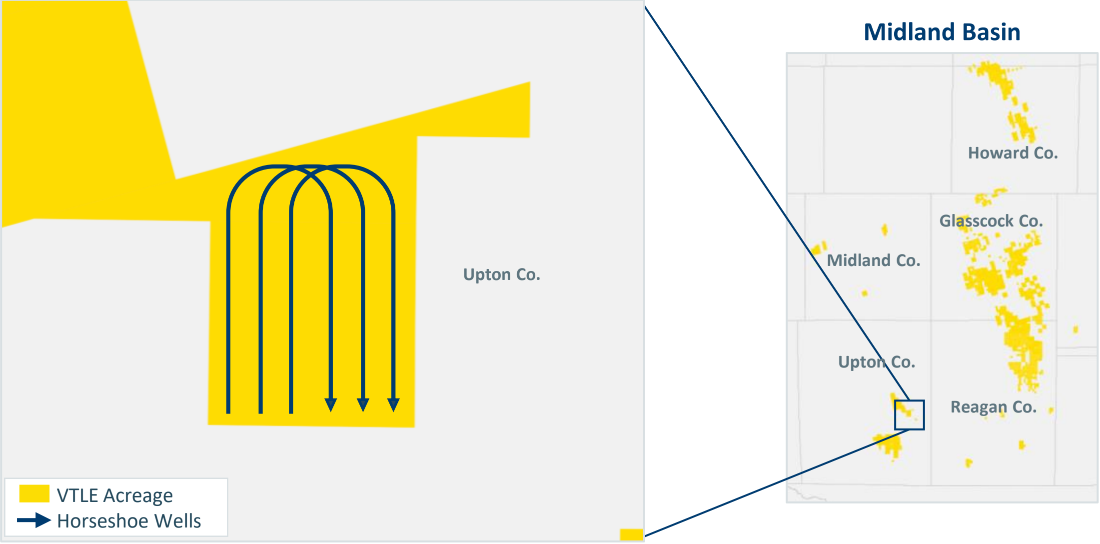
Horseshoe Wells Substantially Increase Capital Efficiency and Lower Breakevens

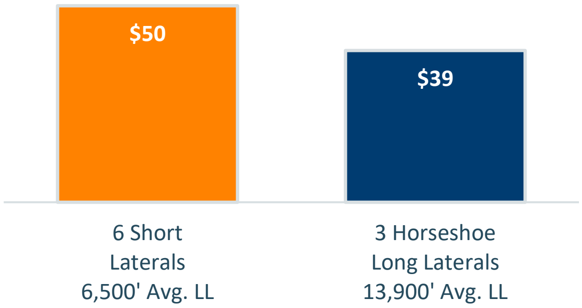
- **Successfully transferred technical knowledge gained from Delaware Basin horseshoe wells (Teller Unit) to Midland Basin**
  - Optimized development from six short laterals to three long-lateral horseshoe wells averaging 13,900’ lateral length
  - One horseshoe well is believed to have set an industry record with a total measured depth of 23,650’
  - Reduced total capital on the project by 22% ($11 million)
  - Current inventory has 84 locations with an average breakeven of $65 WTI that can be converted to 42 horseshoe locations with an average breakeven of $45 WTI[1]

Capital Efficient, Long Lateral Horseshoe Well Development



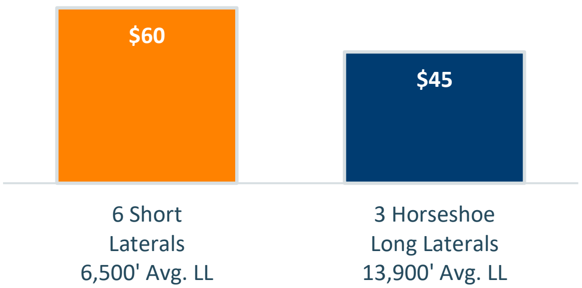
DC&E Capital Investment, $MM

22% Improvement



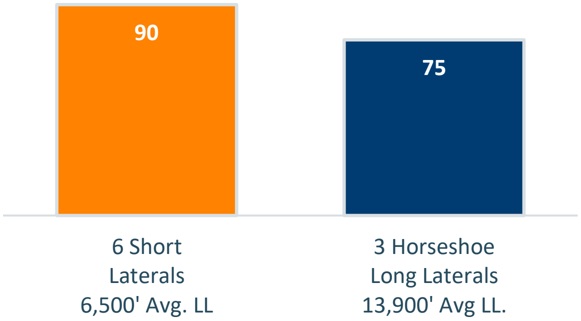
Breakeven Oil Price[1]

25% Improvement



Drilling Days

16% Improvement



[1]Based on internal management estimates.

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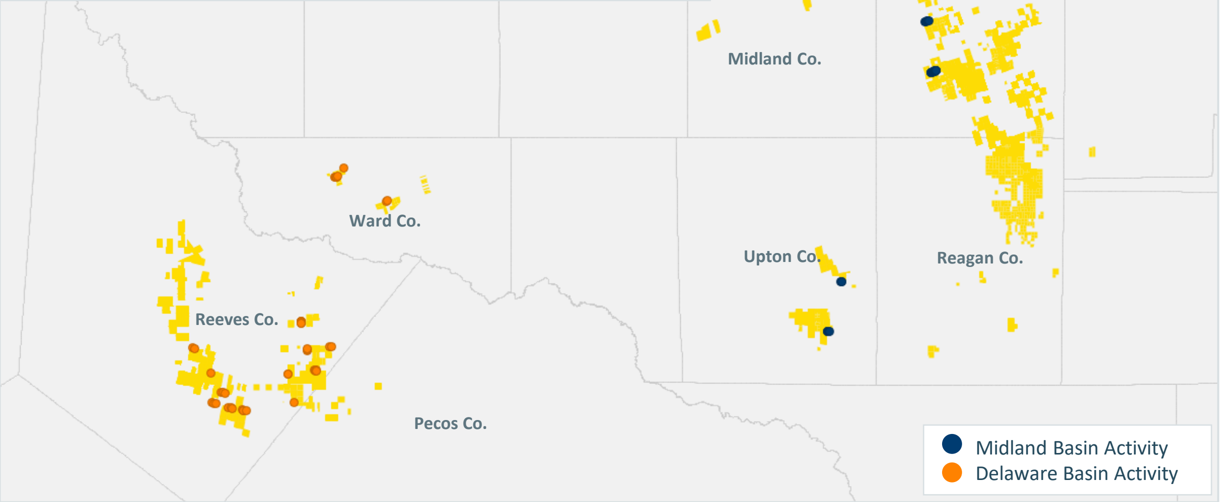
Optimized 2024 Development Program

$750 - $850
Capital Investments (MM)

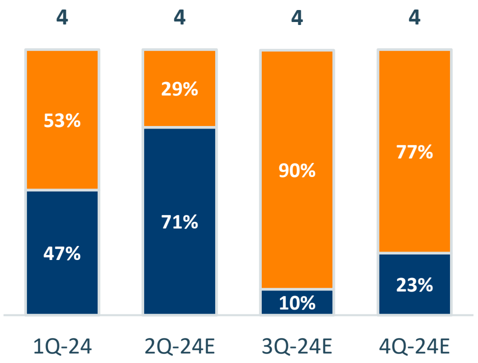
55.0 - 59.0
Oil Production (MBO/d)

116.5 - 121.5
Total Production (MBOE/d)

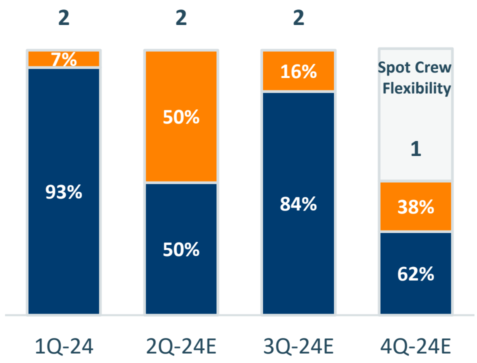
	Delaware	Midland	Combined
Rig Count	2.5	1.5	4.0
Frac Crews	0.4	1.3	1.7
Spuds (Gross / Net)	37 / 24.3	32 / 29.4	69 / 53.7
Completions (Gross / Net)	14 / 9.0	58 / 53.0	72 / 62.0
Turn-in-Lines (Gross / Net)	19 / 13.0	58 / 53.0	77 / 66.0



Rig Count

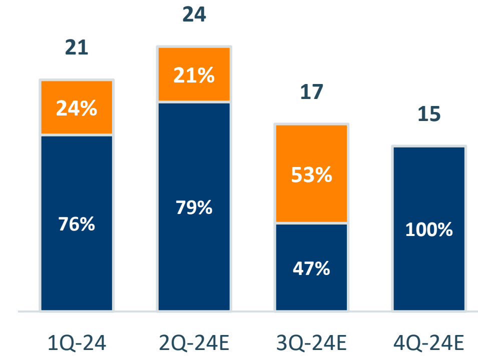


Completion Crews

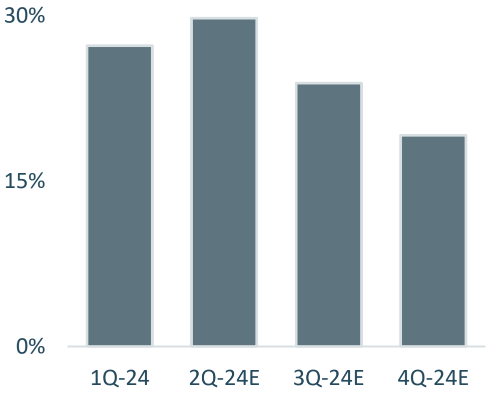


Midland Basin Delaware Basin

Turn-in-Lines



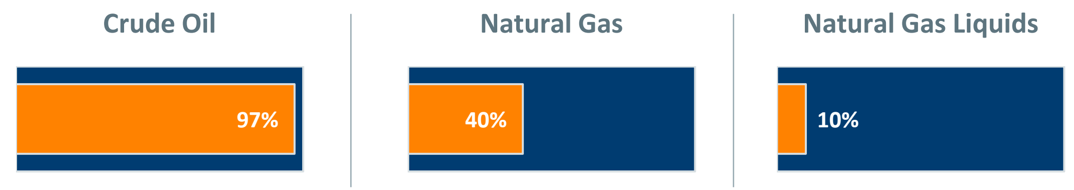
Quarterly Capital % of Total



Strong Financial Structure and Cash Flows Protected by Robust 2024 Hedges

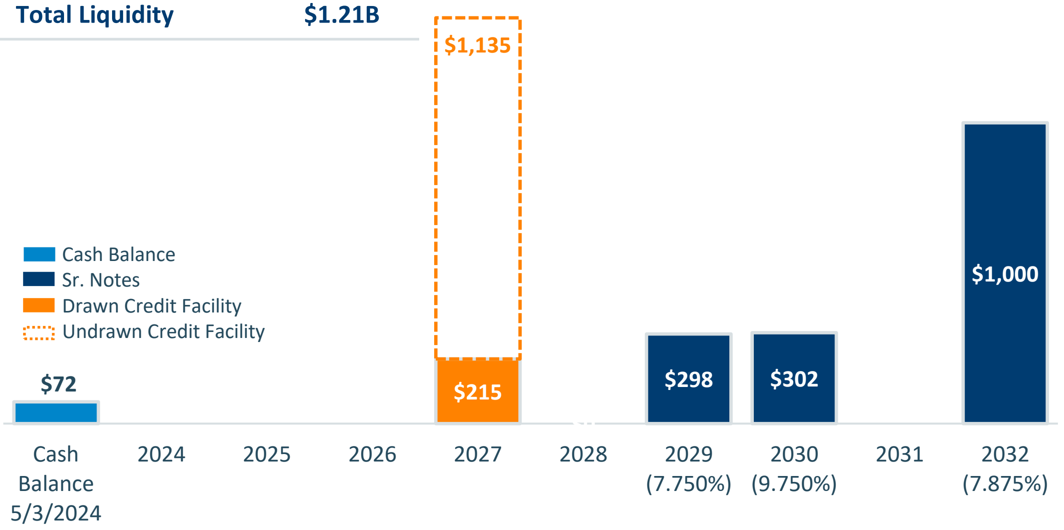
- Reduced weighted-average coupon on term debt from 9.53% to 8.21% resulting in an expected future annual interest expense savings of ~$11mm
- Increased 2024 oil hedges to 97% of anticipated oil production
- 2024 Adjusted Free Cash Flow[1] targeted for debt reduction

Active 2024 Hedge Program Protecting Adjusted Free Cash Flow[1,2]

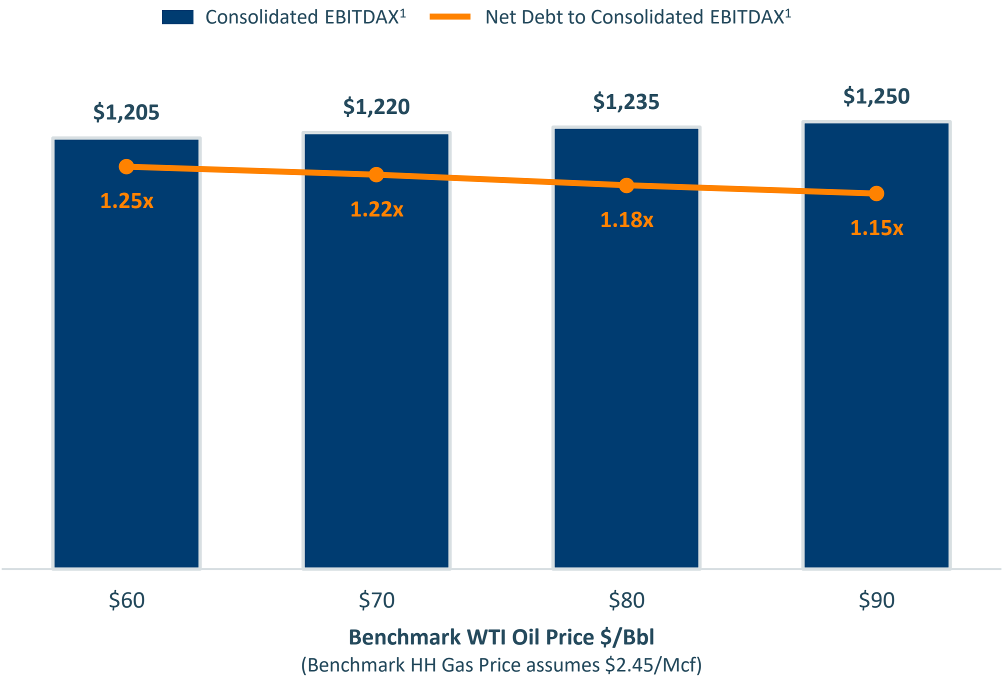


Advantageous Debt Maturity Profile[3], $MM

Borrowing Base	**$1.50B**
Elected Commitments	**$1.35B**
Total Liquidity	**$1.21B**



FY-24E Consolidated EBITDAX[1,2,4] and YE-24E Leverage Price Sensitivities



[1]See Appendix for definitions and reconciliations of non-GAAP financial measures. [2]Calculated based on FY-24 guidance mid-points. [3]As of May 3, 2024.
[4]Assumes the following actual commodity prices: 1Q-24 $77 oil / $2.25 gas.

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Investment Opportunity Driven by Consistent Value Creation

1. Proven track record of integrating acquisitions and improving returns
2. Consistently expanding inventory of <$50 WTI breakeven[1] locations
3. Disciplined development strategy prioritizes sustainable Adjusted Free Cash Flow[2]
4. Utilizing Adjusted Free Cash Flow[2] to reduce debt and strengthen balance sheet

[1]Based on internal management estimates. [2]See Appendix for definitions and reconciliations of non-GAAP financial measures.

Appendix

2Q-24 & FY-24 Guidance

Guidance

	2Q-24	FY-24
Production:		
Total Production (MBOE/D)	122.0 - 126.0	116.5 - 121.5
Crude Oil Production (MBO/D)	56.0 - 60.0	55.0 - 59.0
Capital Expenditures ($MM):	$225 - $250	$750 - $850
Average Sales Price Realizations (excluding derivatives):		
Crude Oil (% of WTI)	102%	—
Natural Gas Liquids (% of WTI)	16%	—
Natural Gas (% of Henry Hub)	(3)%	—
Net Settlements Received (Paid) for Matured Commodity Derivatives ($MM):		
Crude Oil ($MM)	$(25)	—
Natural Gas Liquids ($MM)	$(1)	—
Natural Gas ($MM)	$18	—
Operating Costs and Expenses ($/BOE):		
Lease Operating Expenses	$8.90	—
Production and Ad Valorem Taxes (% of Oil, NGL & Natural Gas Revenues)	6.30%	—
Oil Transportation and Marketing Expenses	$1.00	—
Gas Gathering, Processing and Transportation Expenses[1]	$0.35	—
General and Administrative Expenses (excluding LTIP & Transaction Expense)	$1.95	—
General and Administrative Expenses (LTIP Cash)	$0.10	—
General and Administrative Expenses (LTIP Non-Cash)	$0.30	—
Depletion, Depreciation and Amortization	$14.75	—

Commodity Prices Used for 2Q-24

	Apr-24	May-24	Jun-24	2Q-24 Avg.
Crude Oil:				
WTI NYMEX ($/BBO)	$84.39	$78.08	$77.63	$80.01
WTI Midland ($/BBO)	$85.79	$79.31	$78.46	$81.16
WTI Houston ($/BBO)	$86.07	$79.75	$79.71	$81.82
Natural Gas:				
Henry Hub ($/MMBTU)	$1.58	$1.61	$2.14	$1.78
Waha ($/MMBTU)	($0.14)	($0.40)	$0.63	$0.03
Natural Gas Liquids:				
C2 ($/BBL)	$8.03	$7.45	$7.77	$7.74
C3 ($/BBL)	$33.33	$29.78	$29.14	$30.74
IC4 ($/BBL)	$53.84	$57.14	$44.73	$51.96
NC4 ($/BBL)	$40.28	$35.14	$34.28	$36.55
C5+ ($/BBL)	$68.69	$65.15	$64.05	$65.96
Composite ($/BBL)[2]	$27.97	$25.70	$25.04	$26.23

[1]Represents a limited number of gas contracts; majority of GP&T expenses are included in natural gas and natural gas liquids realized pricing.
[2]Current NGL composition C2 (42%), C3 (33%), IC4 (3%), NC4 (11%) and C5+ (11%).

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Active Hedge Program Protecting Adjusted Free Cash Flow and Returns

		2Q-24	3Q-24	4Q-24	Bal-24	1Q-25	2Q-25	3Q-25	4Q-25	FY-25
Crude Oil (Volume MBO) (Price $/BBO)[1]	WTI Swaps	4,994	5,384	4,895	**15,274**	2,880	2,093	920	184	**6,077**
	Price	$75.04	$77.02	$76.72	**$76.28**	$75.74	$75.43	$75.08	$75.00	**$75.51**
	WTI Three-Way Collars	56	52	49	**156**	-	-	-	-	-
	Sold Put	$50.00	$50.00	$50.00	**$50.00**	-	-	-	-	-
	Bought Put	$66.50	$66.47	$66.45	**$66.48**	-	-	-	-	-
	Sold Call	$87.09	$87.06	$87.05	**$87.07**	-	-	-	-	-
	WTI Midland Basis Swaps	75	70	66	**211**	-	-	-	-	-
	Price	$0.11	$0.11	$0.12	**$0.11**	-	-	-	-	-
Natural Gas (Volume MMBTU) (Price $/MMBTU)[1]	Henry Hub Swaps	6,475,350	6,562,600	6,558,250	**19,596,200**	-	-	-	-	-
	Price	$3.48	$3.47	$3.47	**$3.47**	-	-	-	-	-
	Henry Hub Collars	214,333	169,320	149,511	**533,164**	-	-	-	-	-
	WTD Floor Price	$3.36	$3.44	$3.40	**$3.40**	-	-	-	-	-
	WTD Ceiling Price	$6.00	$6.22	$6.12	**$6.10**	-	-	-	-	-
	Waha Basis Swaps	6,689,683	6,731,920	6,707,761	**20,129,364**	-	-	-	-	-
	Price	($0.74)	($0.74)	($0.74)	**($0.74)**	-	-	-	-	-
Natural Gas Liquids (Volume MBBL) Price ($/BBL)[1]	Propane	182	124	-	**306**	-	-	-	-	-
	Price	$34.23	$34.23	-	**$34.23**	-	-	-	-	-
	Butane	40	27	-	**68**	-	-	-	-	-
	Price	$39.78	$39.78	-	**$39.78**	-	-	-	-	-
	Isobutane	130	89	-	**219**	-	-	-	-	-
	Price	$42.26	$42.26	-	**$42.26**	-	-	-	-	-
	Pentane	126	86	-	**211**	-	-	-	-	-
	Price	$65.15	$65.15	-	**$65.15**	-	-	-	-	-

[1]Hedges executed as of May 8, 2024.

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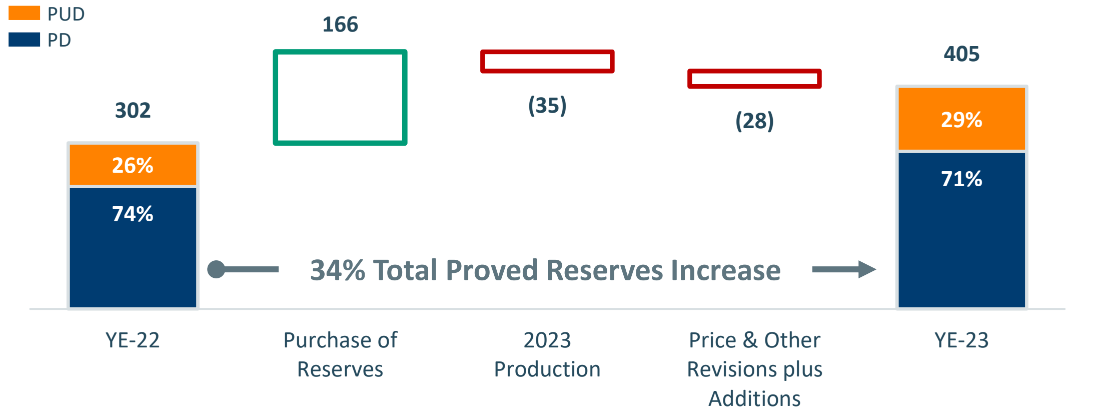
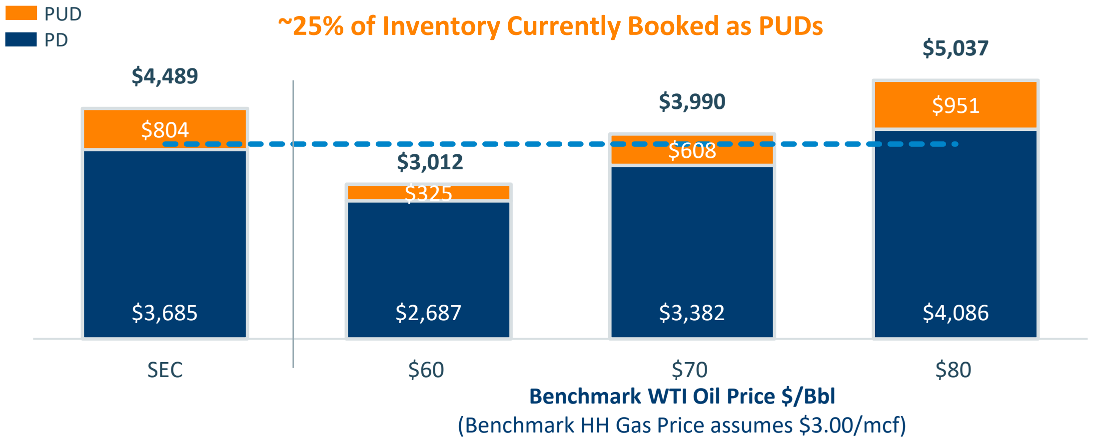
Vital Energy Trades at Discount to Proved Reserves Value

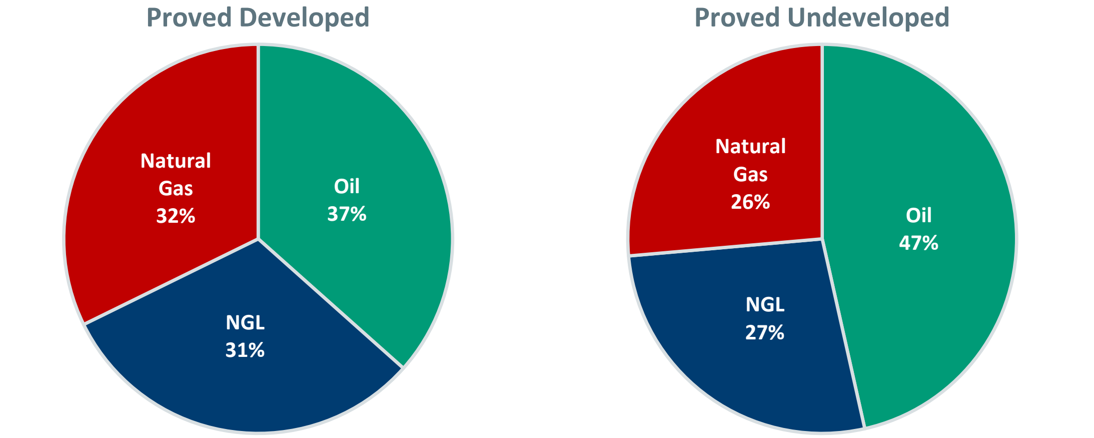
Total Proved Reserves, MMBOE



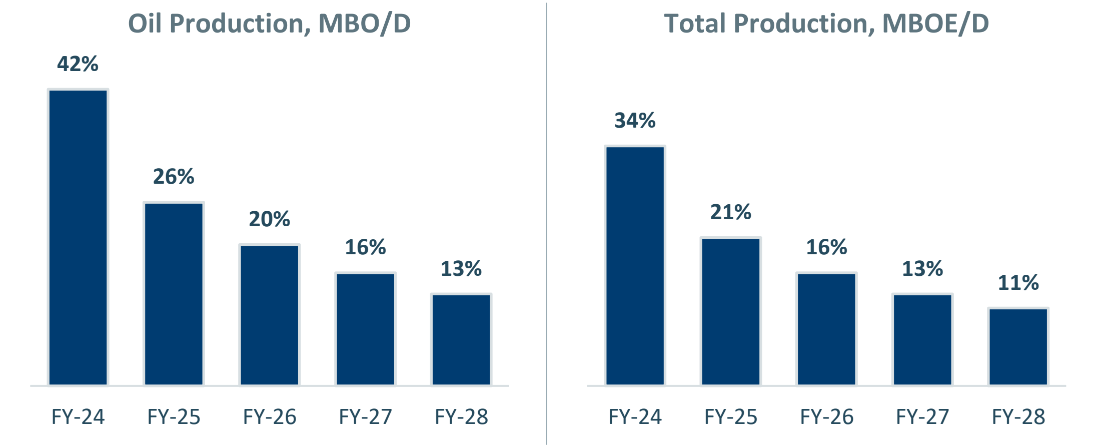
PV-10 Reserve Value Sensitivity, $MM[1,2]



Proved Reserves Components, YE-23



YE-23 PDP Base Production Decline Expectations[3]



[1]SEC pricing $78.22 benchmark oil and $2.64 benchmark gas. [2]See Appendix for definitions and reconciliations of non-GAAP financial measures.
[3]Based only on wells categorized as Proved Developed as of YE-23 and decline calculated Dec to Dec.

2023 Sustainability Report Highlights[1]

Significant Progress Toward Our Environmental Targets

	Category	2019 Baseline	Target	2022 Performance	Target Status
by 2025	**Scope 1 GHG emissions intensity**	26.03 $mtCO_2e$ / MBOE	below 12.5 $mtCO_2e$ / MBOE (52% reduction from baseline)	**10.70** $mtCO_2e$ / MBOE	**Achieved** (59% reduction from baseline)
	Methane emissions	0.87%[2]	below 0.20% (77% reduction from baseline)	**0.11%**	**Achieved** (87% reduction from baseline)
	Routine flaring	867 MMCF / year	Zero	**500** MMCF / year	**42%** reduction to date
	Recycled water	35% water recycling rate 8 million bbls recycled	50% for completion operations	**49%** water recycling rate 18.5 million bbls recycled	**99%** toward our target
by 2030	**Combined Scope 1 and 2 GHG emissions intensity**	26.53 $mtCO_2e$ / MBOE	below 10 $mtCO_2e$ / MBOE (62% reduction from baseline)	**12.37** $mtCO_2e$ / MBOE	**86%** toward our target **53%** reduction to date

Social and Governance Highlights

Diversity, Equity and Inclusion

- **60%** Board diversity
- **75%** Board Committees led by diverse directors
- **55%** Employee new hires were diverse

Governance

- **2** New board directors
- **50%** Of directors have environmental and sustainability expertise
- **20%** Of STIP and 15% of executive LTIP tied to sustainability and safety performance

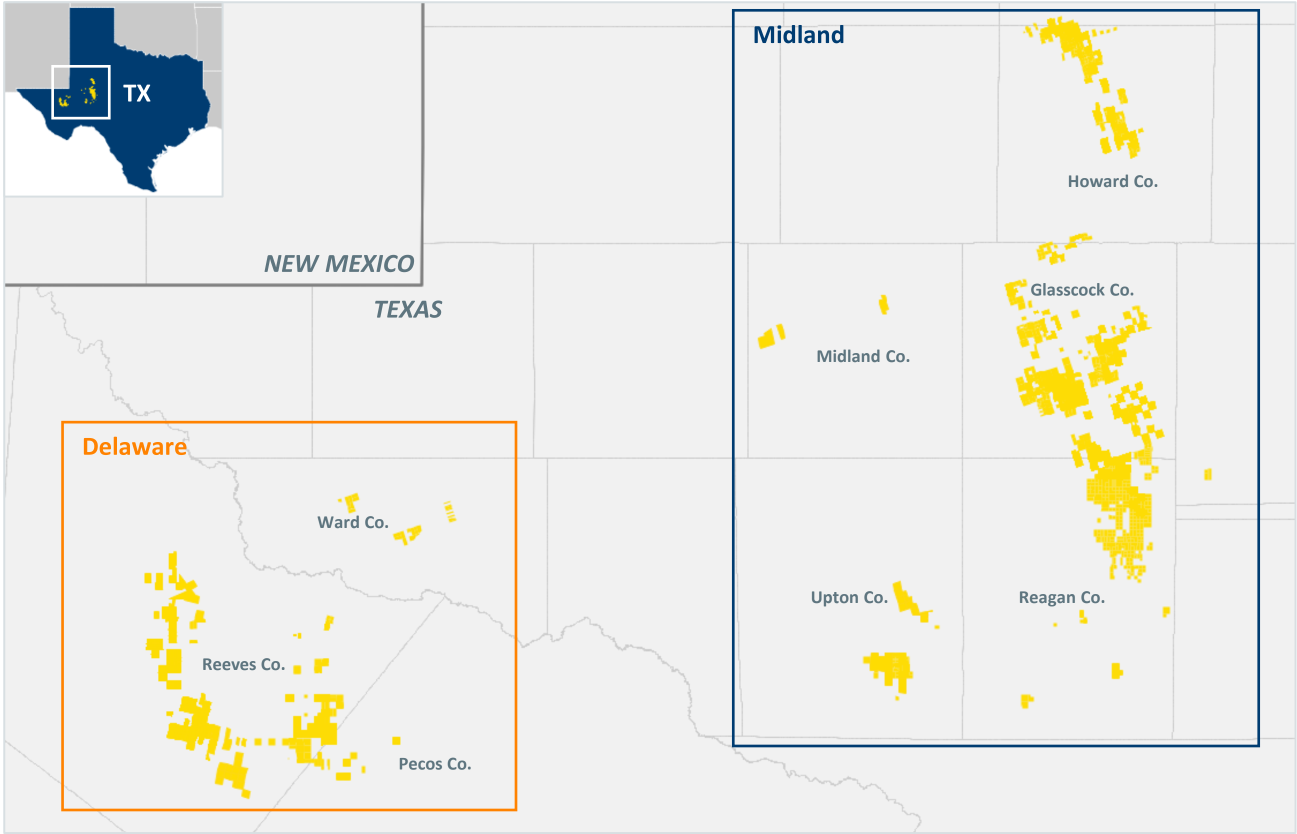
Certification

- **2024** United Nations Oil & Gas Methane Partnership (OGMP 2.0) Commitment
- **1st** Operator to achieve TrustWell Low Methane Rating
- **1st** Operator in Permian Basin to be Certified as a Responsibly Sourced Producer by TrustWell

[1]Additional information and definitions/explanations for all terms used can be found in the 2023 Sustainability Report which can be found on our website at https://vitalenergy.com/sustainability/sustainability-report-archive/. All data shown is for 2022. [2]As a percentage of natural gas produced.

Vital Energy Development Portfolio Summary

	Delaware	Midland	Combined
Net Acres[1]	~68,000	~198,000	~266,000
Inventory Locations[2]	~310 Gross	~520 Gross	~830 Gross
Lateral Length	10,750’	11,200’	11,050’
DC&E Well Cost[3]	$10.5 MM	$8.5MM	-
Wells per Rig per Year[3]	15 wells	25 wells	-
Inventory Ownership	76% WI 58% NRI	85% WI 65% NRI	82% WI 62% NRI
PDP Ownership	76% WI 58% NRI	71% WI 54% NRI	72% WI 55% NRI



[1]As of March 31, 2024. [2]As of December 31, 2023. [3]Data normalized to 10,000’ lateral length.

Common Stock Outstanding

	May 3, 2024	December 31, 2023	December 31, 2022
Common Stock Outstanding	36,659,581	35,413,551	16,762,127
2.0% Cumulative Mandatorily Convertible Series A Preferred Stock Outstanding	1,575,376	595,104	—

Supplemental Non-GAAP Financial Measures

Adjusted Free Cash Flow

Adjusted Free Cash Flow is a non-GAAP financial measure that the Company defines as net cash provided by operating activities (GAAP) before net changes in operating assets and liabilities and transaction expenses related to non-budgeted acquisitions, less capital investments, excluding non-budgeted acquisition costs. Management believes Adjusted Free Cash Flow is useful to management and investors in evaluating operating trends in its business that are affected by production, commodity prices, operating costs and other related factors. There are significant limitations to the use of Adjusted Free Cash Flow as a measure of performance, including the lack of comparability due to the different methods of calculating Adjusted Free Cash Flow reported by different companies.

The following table presents a reconciliation of net cash provided by operating activities (GAAP) to Adjusted Free Cash Flow (non-GAAP) for the periods presented:

(in thousands, unaudited)	Three Months Ended March 31, 2024
Net cash provided by operating activities	$158,590
Less:	
Net changes in operating assets and liabilities	(102,326)
General and administrative (transaction expenses)	(332)
Cash flows from operating activities before net changes in operating assets and liabilities and transaction expenses related to non-budgeted acquisitions	261,248
Less capital investments, excluding non-budgeted acquisition costs:	
Oil and natural gas properties[1]	213,265
Midstream and other fixed assets[1]	4,635
Total capital investments, excluding non-budgeted acquisition costs	217,900
Adjusted Free Cash Flow (*non-GAAP*)	**$43,348**

[1]Includes capitalized share-settled equity-based compensation and asset retirement costs.

Supplemental Non-GAAP Financial Measures

Consolidated EBITDAX

Consolidated EBITDAX is a non-GAAP financial measure defined in the Company's Senior Secured Credit Facility as net income or loss (GAAP) plus adjustments for share-settled equity-based compensation, depletion, depreciation and amortization, impairment expense, organizational restructuring expenses, gains or losses on disposal of assets, mark-to-market on derivatives, accretion expense, interest expense, income taxes and other non-recurring income and expenses. Consolidated EBITDAX provides no information regarding a company's capital structure, borrowings, interest costs, capital expenditures, working capital movement or tax position. Consolidated EBITDAX does not represent funds available for future discretionary use because it excludes funds required for debt service, capital expenditures, working capital, income taxes, franchise taxes and other commitments and obligations. However, management believes Consolidated EBITDAX is useful to an investor because this measure:

- is used by investors in the oil and natural gas industry to measure a company's operating performance without regard to items that can vary substantially from company to company depending upon accounting methods, the book value of assets, capital structure and the method by which assets were acquired, among other factors;
- helps investors to more meaningfully evaluate and compare the results of the Company's operations from period to period by removing the effect of the Company's capital structure from the Company's operating structure; and
- is used by management for various purposes, including (i) as a measure of operating performance, (ii) as a measure of compliance under the Senior Secured Credit Facility, (iii) in presentations to the board of directors and (iv) as a basis for strategic planning and forecasting.

There are significant limitations to the use of Consolidated EBITDAX as a measure of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect the Company's net income or loss and the lack of comparability of results of operations to different companies due to the different methods of calculating Consolidated EBITDAX, or similarly titled measures, reported by different companies. The Company is subject to financial covenants under the Senior Secured Credit Facility, one of which establishes a maximum permitted ratio of Net Debt, as defined in the Senior Secured Credit Facility, to Consolidated EBITDAX. See Note 7 in the 2023 Annual Report for additional discussion of the financial covenants under the Senior Secured Credit Facility. Additional information on Consolidated EBITDAX can be found in the Company's Eleventh Amendment to the Senior Secured Credit Facility, as filed with the SEC on September 13, 2023.

Supplemental Non-GAAP Financial Measures

Consolidated EBITDAX

The following table presents a reconciliation of net income (loss) (GAAP) to Consolidated EBITDAX (non-GAAP) for the periods presented:

(in thousands, unaudited)	Three months ended March 31, 2024	Trailing twelve months ended March 31, 2024
Net income (loss)	($66,131)	$515,007
Plus:		
Share-settled equity-based compensation	3,501	11,923
Depletion, depreciation and amortization	166,107	542,572
Organizational restructuring expenses	–	1,654
Gain on disposal of assets, net	(130)	(565)
Mark-to-market on derivatives:		
Loss on derivatives, net	152,147	76,407
Settlements paid for matured derivatives, net	(9,000)	(24,305)
Settlements received for contingent consideration	–	358
Accretion expense	1,020	3,824
Interest expense	43,421	164,686
Loss on extinguishment of debt, net	25,814	29,853
Income tax benefit	(15,749)	(200,693)
General and administrative (transaction expenses)	332	10,812
Consolidated EBITDAX (*non-GAAP*)	**$301,332**	**$1,131,533**
Transaction adjustments (Senior Secured Credit Facility covenant calculation)[1]		412,369
Consolidated EBITDAX (*non-GAAP*) (Senior Secured Credit Facility covenant calculation)[1]		**$1,543,902**

[1]Calculation conforms to Senior Secured Credit Facility covenant which requires various treatment of asset transaction impacts.

Vital Energy

Supplemental Non-GAAP Financial Measures

Consolidated EBITDAX

The following table presents a reconciliation of net cash provided by operating activities (GAAP) to Consolidated EBITDAX (non-GAAP) for the periods presented:

(in thousands, unaudited)	Three months ended March 31, 2024	Trailing twelve months ended March 31, 2024
Net cash provided by operating activities	$158,590	$855,421
Plus:		
Interest expense	43,421	164,686
Organizational restructuring expenses	_	1,654
Current income tax expense	1,175	5,567
Net changes in operating assets and liabilities	102,326	107,014
General and administrative (transaction expenses)	332	10,812
Settlements received for contingent consideration	–	358
Other, net	(4,512)	(13,979)
Consolidated EBITDAX (*non-GAAP*)	**$301,332**	**$1,131,533**
Transaction adjustments (Senior Secured Credit Facility covenant calculation) [1]		**412,369**
Consolidated EBITDAX (*non-GAAP*) (Senior Secured Credit Facility covenant calculation)[1]		**$1,543,902**

[1]Calculation conforms to Senior Secured Credit Facility covenant which requires various treatment of asset transaction impacts.

Vital Energy

Supplemental Non-GAAP Financial Measures

Net Debt

Net Debt is a non-GAAP financial measure defined in the Company's Senior Secured Credit Facility as the face value of long-term debt plus any outstanding letters of credit, less cash and cash equivalents, where cash and cash equivalents are capped at $100 million when there are borrowings on the Senior Secured Credit Facility. Management believes Net Debt is useful to management and investors in determining the Company's leverage position since the Company has the ability, and may decide, to use a portion of its cash and cash equivalents to reduce debt.

(in thousands, unaudited)	March 31, 2024	May 3, 2024[1]
Total senior unsecured notes	$1,867,373	$1,600,578
Senior Secured Credit Facility	265,000	215,000
Total long-term debt	2,132,373	1,815,578
Less: cash and cash equivalents	100,000	72,427
Net Debt (*non-GAAP*)	**$2,032,373**	**$1,743,151**

Net Debt to Consolidated EBITDAX

Net Debt to Consolidated EBITDAX is a non-GAAP financial measure defined in the Company's Senior Secured Credit Facility as Net Debt divided by Consolidated EBITDAX for the previous four quarters, which requires various treatment of asset transaction impacts. Net Debt to Consolidated EBITDAX is used by the Company’s management for various purposes, including as a measure of operating performance, in presentations to its board of directors and as a basis for strategic planning and forecasting.

[1]Net debt as of May 3, 2024, is presented to show the impacts of our April 2024 financing transactions.

Supplemental Non-GAAP Financial Measures

PV-10

PV-10 is a non-GAAP financial measure that is derived from the standardized measure of discounted future net cash flows, which is the most directly comparable GAAP financial measure. PV-10 is a computation of the standardized measure of discounted future net cash flows on a pre-tax basis. PV-10 is equal to the standardized measure of discounted future net cash flows at the applicable date, before deducting future income taxes, discounted at 10 percent. Management believes that the presentation of PV-10 is relevant and useful to investors because it presents the discounted future net cash flows attributable to the Company's estimated proved reserves prior to taking into account future corporate income taxes, and it is a useful measure for evaluating the relative monetary significance of the Company's proved oil, NGL and natural gas assets. Further, investors may utilize the measure as a basis for comparison of the relative size and value of proved reserves to other companies. The Company uses this measure when assessing the potential return on investment related to proved oil, NGL and natural gas assets. However, PV-10 is not a substitute for the standardized measure of discounted future net cash flows. The PV-10 measure and the standardized measure of discounted future net cash flows do not purport to present the fair value of the Company's oil, NGL and natural gas reserves of the property.

(in millions, unaudited)	December 31, 2023
Standardized measure of discounted future net cash flows	$4,151
Less: present value of future income taxes discounted at 10%	(338)
PV-10 (*non-GAAP*)	**$4,489**