Risk Factors Comparison 2024-02-14 to 2023-02-16 Form: 10-K

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In addition to the other information contained in this Annual Report on Form 10- K, the following risk factors should be considered in evaluating our business and future prospects. Note that additional risks not presently known to us or that are currently considered immaterial may also have a negative impact on our business and operations. If any of the events or circumstances described below actually occur, our business, financial condition or results of operations could suffer and the trading price of our common stock could decline. Risks Associated with Natural Gas Drilling **, Transmission and Processing** Operations Drilling for and producing natural gas is a high- risk and costly activity with many uncertainties. Our future financial position, cash flows and results of operations depend on the success of our development and acquisition activities, which are subject to numerous risks beyond our control, including the risk that drilling will not result in commercially viable natural gas production or that we will not recover all or any portion of our investment in drilled wells. Many factors may curtail, delay or cancel our scheduled drilling projects **, or the development schedule of wells which we do not operate but in which we have a working interest (referred to as non- operated wells)** , including the following: • delays imposed by or resulting from compliance with regulatory requirements, including limitations resulting from permitting, wastewater disposal, emission of GHGs, and limitations on hydraulic fracturing; • shortages of or delays in obtaining equipment, rigs, materials, qualified personnel or water (for hydraulic fracturing activities); • supply chain disruptions or labor shortage impacts ~~, including as a result of the COVID- 19 pandemic or other global pandemics~~ ; • equipment failures, accidents or other unexpected operational events; • lack of available gathering and water facilities or delays in the construction of gathering and water facilities; • lack of available capacity on interconnecting transportation pipelines; • adverse weather conditions, such as flooding, droughts, freeze- offs, landslides, blizzards and ice storms; • issues related to compliance with environmental regulations; • environmental hazards, such as natural gas leaks, oil and diesel spills, pipeline and tank ruptures, encountering naturally occurring radioactive materials, and unauthorized discharges of brine, well stimulation and completion fluids, toxic gases or other pollutants into the surface and subsurface environment; • declines in natural gas, NGLs and oil market prices; • limited availability of financing at acceptable terms; • ongoing litigation or adverse court rulings; • public opposition to our operations; • title, surface access, coal mining and right of way issues; and • limitations in the market for natural gas, NGLs and oil. Any of these risks can cause a delay in our development program or **the scheduled development of non- operated wells in which we have a working interest, or** result in substantial financial losses, personal injury or loss of life, damage to or destruction of property, natural resources and equipment, pollution, environmental contamination or loss of wells and other regulatory penalties. **Additionally, we cannot control or otherwise influence the development schedule of non- operated wells in which we have a working interest. Adjustments to our planned development schedule or the development schedule of non- operated wells in which we have a working interest could impact our future sales volume, operating revenues and expenses, per unit metrics and capital expenditures.** We are subject to risks associated with the operation of our wells **, pipelines** and facilities. Our business is subject to all of the inherent hazards and risks normally incidental to drilling for, producing, transporting ~~and~~ **,** storing **, processing, gathering and compressing** natural gas, NGLs and oil, such as fires, explosions, slips, landslides, blowouts, and well cratering; pipe and other equipment and system failures; delays imposed by, or resulting from, compliance with regulatory requirements; formations with abnormal or unexpected pressures; shortages of, or delays in, obtaining equipment and qualified personnel or in obtaining water for hydraulic fracturing activities; adverse weather conditions, such as freeze offs of wells and pipelines due to cold weather; issues related to compliance with environmental regulations; environmental hazards, such as natural gas leaks, oil and diesel spills, pipeline and tank ruptures, encountering naturally occurring radioactive materials, and unauthorized releases of brine, well stimulation and completion fluids, wastewater, toxic gases or other pollutants into the environment, especially those that reach surface water or groundwater; inadvertent third- party damage to our assets; and natural disasters. We also face various risks or threats to the operation and security of our or third parties' facilities and infrastructure, such as processing plants, compressor stations and pipelines. Any of these risks could result in substantial losses due to personal injury and / or loss of life, severe damage to and destruction of property, equipment and natural resources, pollution or other environmental damage, loss of hydrocarbons, disruptions to our operations, regulatory investigations and penalties, suspension of our operations, repair and remediation costs, and loss of sensitive confidential information. Moreover, in the event that one or more of these hazards occur, there can be no assurance that a response will be adequate to limit or reduce damage. As a result of these risks, we are also sometimes a defendant in legal proceedings and litigation arising in the ordinary course of business. There can be no assurance that the insurance policies we maintain to limit our liability for such losses will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that such levels of insurance will be available in the future at economical prices or to cover all risks. In addition, pollution and environmental risks generally are not fully insurable, and we may elect not to obtain insurance for any or all of these risks if we believe that the cost of available insurance is excessive relative to the risks presented. The occurrence of an event that is not fully covered by insurance could materially adversely affect our business, results of operations, cash flows and financial position. **Additionally, our investment in midstream infrastructure development and maintenance programs is intended, among other items, to connect our wells to other existing gathering and transmission pipelines and can involve significant risks, including those relating to timing, cost overruns and operational efficiency. Significant portions of our natural gas production are dependent on a small number of key compression and processing stations. An operational issue at any of those stations would materially impact our production, cash flow and results of operation.** A terrorist attack or armed conflict targeting our systems or natural gas infrastructure generally could materially adversely impact our operations. Growing geopolitical instability and armed conflicts (including ~~the armed conflict~~ between Russia and Ukraine **and in the Middle East**) has resulted in energy infrastructure becoming a more prominent target of attack by terrorists and conflicting countries. Natural gas, NGLs and oil related facilities, including those operated by us or our service providers, could be direct targets of physical or cyber **-** attacks, and, if infrastructure integral to our operations is destroyed or damaged, we may experience a significant disruption in our operations. Any such disruption could materially adversely affect our financial condition, results of operations and cash flows. Costs for insurance and other security may increase as a result of increased threats, and certain insurance coverage may become more difficult to obtain, if available at all **. Potential physical effects of climate change could disrupt our production, transmission and processing activities, cause us to incur significant costs in preparing for or responding to those effects, or otherwise adversely affect our business. Some scientists have concluded that increasing concentrations of GHGs in the Earth' s atmosphere produce climate changes that may have significant physical effects, such as increased frequency and severity of storms, floods, droughts, and other extreme climatic events. If any such effects were to occur, they have the potential to cause physical damage to our assets or affect the availability of water and thus could have an adverse effect on our operations. Potential adverse effects could include disruption of our production activities; delays in getting our produced natural gas and NGLs to market or possibly shut- in as a result of physical damage to pipelines, other midstream infrastructure and processing facilities; increases in our costs of operation or reductions in the efficiency of our operations; reduced availability of electrical power, road accessibility, and transportation facilities; impacts on our personnel, supply chain, distribution chain or customers; and potentially increased costs for insurance coverages in the aftermath of such effects. Such physical effects could also adversely affect or delay demand for our products or cause us to incur significant costs in preparing for, or responding to, the effects of climatic or weather events themselves. Further, energy demand could increase or decrease as a result of extreme weather conditions. A decrease in energy use due to weather or climatic changes may affect our financial condition through decreased revenues. Any one of these factors has the potential to have a material adverse effect on our business, financial condition, results of operations, and cash flow. Our ability to mitigate the physical impacts of adverse weather conditions depends in part upon our disaster preparedness and response along with our business continuity planning**. Our drilling locations are scheduled out over many years, making them susceptible to uncertainties that could materially alter the occurrence or timing of when they are drilled, if at all. Our management team has specifically identified and scheduled certain well locations as an estimation of our future multi- year drilling activities on our existing acreage. These well locations represent a significant part of our business strategy. Our ability to drill and develop these locations depends on a number of uncertainties, including natural gas, NGLs and oil prices; the availability and cost of capital; drilling and production costs; the availability of drilling services and equipment; drilling results; lease expirations; topography; gathering system and pipeline transportation costs and constraints; access to and availability of sand and water and corresponding materials sourcing and distribution systems, including railroads; coordination with coal mining; regulatory approvals; and other factors. Because of these uncertain factors, we do not know if the drilling locations we have identified will ever be drilled or if we will be able to produce natural gas, NGLs or oil from these or any other drilling locations. In addition, if production is not established within the spacing units covering our undeveloped acres in accordance with the requisite timeframe set forth in the applicable lease, our leases for such acreage will expire. Further, certain of the horizontal wells we intend to drill in the future may require pooling or unitization with adjacent leaseholds controlled by third parties. If these third parties are unwilling to pool or unitize such leaseholds with ours, the total locations we can drill may be limited. As such, our actual drilling activities may materially differ from those presently identified. Failure to timely develop our leased real property could result in increased capital expenditures and / or impairment of our leases. Mineral rights are typically owned by individuals who may enter into property leases with us to allow for the development of natural gas. Such leases expire after an initial term, typically five years, unless certain actions are taken to preserve the lease. If we cannot preserve a lease, the lease terminates. Approximately ~~6~~ **7** % of our net undeveloped acres are subject to leases that could expire over the next three years. Lack of access to capital, changes in government regulations, changes in future development plans or commodity prices, reduced drilling activity, or the reduction in the fair value of undeveloped properties in the areas in which we operate could impact our ability to preserve, trade or sell our leases prior to their expiration, resulting in the termination or impairment of leases for properties that we have not developed. We evaluate capitalized costs of unproved oil and gas properties at least annually to determine recoverability on a prospective basis. Indicators of potential impairment include changes brought about by economic factors, potential shifts in our business strategy and historical experience. The likelihood of an impairment of unproved oil and gas properties increases as the expiration of a lease term approaches and drilling activity has not commenced. For the years ended December 31, **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~, we recorded impairment and expiration of leases of $ **109. 4 million, $** 176. 6 million ~~,~~ **and** $ 311. 8 ~~million and $ 306. 7~~ million, respectively. Refer to Note 1 to the Consolidated Financial Statements. We may incur losses as a result of title defects in the properties in which we invest **or the loss of certain leasehold or other rights related to our midstream activities**. Our inability to cure any title defects in our leases in a timely and cost- efficient manner may delay or prevent us from utilizing the associated mineral interest, which may adversely impact our ability in the future to increase our production and reserves. The existence of a material title deficiency can render a lease worthless and can adversely affect our results of operations and financial position **. Additionally, most of the land on which our midstream systems have been constructed is not owned in fee by us; rather, the properties are held by surface use agreements, rights- of- way or other easement rights. We are, therefore, subject to the possibility of more onerous terms or increased costs to retain necessary land use if we do not have valid rights- of- way or if such rights- of- way lapse or terminate. We may obtain the rights to construct and operate our pipelines on land owned by third parties and governmental agencies for a specific period of time. Our loss of these rights, through our inability to renew the right- of- way or for other reasons, could materially adversely affect our business, financial condition, results of operations and**

cash flows . The amount and timing of actual future natural gas, NGLs and oil production is difficult to predict and may vary significantly from our estimates, which may reduce our earnings. Because the rate of production from natural gas and oil wells, and associated NGLs, generally declines as reserves are depleted, our future success depends upon our ability to develop additional reserves that are economically recoverable and to optimize existing well production, and our failure to do so may reduce our earnings. Additionally, a failure to effectively and efficiently operate existing wells may cause our production volume to fall short of our projections. Our drilling and subsequent maintenance of wells can involve significant risks, including those related to timing, cost overruns and operational efficiency, and these risks can be affected by the availability of capital, leases, rigs, equipment, a qualified work force, and adequate capacity for the treatment and recycling or disposal of wastewater generated in our operations, as well as weather conditions, natural gas, NGLs and oil price volatility, regulatory approvals, title and property access problems, geology, equipment failure or accidents and other factors. Drilling for natural gas and oil can be unprofitable, not only due to dry wells, but also as a result of productive wells that perform below expectations or that do not produce sufficient revenues to return a profit. Low natural gas, NGLs and oil prices may further limit the types of reserves that we can develop and produce economically. Except to the extent that we acquire additional properties containing proved reserves, conduct successful exploration and development activities or, through engineering studies, identify additional behind- pipe zones or secondary recovery reserves, our proved reserves will decline as reserves are produced. Our future natural gas, NGLs and oil production, therefore, is highly dependent upon our level of success in acquiring or finding additional reserves that are economically recoverable. We cannot be certain that we will be able to find or acquire and develop additional reserves at an acceptable cost. Without continued successful development or acquisition activities, together with efficient operation of existing wells, our reserves and production, together with associated revenues, will decline as a result of our current reserves being depleted by production. Our proved reserves are estimates that are based on many assumptions that may prove to be inaccurate. Any significant change in these underlying assumptions will greatly affect the quantities and present value of our reserves. Reserve engineering is a subjective process involving estimates of underground accumulations of natural gas, NGLs and oil and assumptions concerning future prices, production levels and operating and development costs, some of which are beyond our control. These estimates and assumptions are inherently imprecise, and we may adjust our estimates of proved reserves based on changes in these estimates or assumptions. As a result, estimated quantities of proved reserves and projections of future production rates and the timing of development expenditures may prove to be inaccurate. Any significant variance from our assumptions could greatly affect our estimates of reserves, the economically recoverable quantities of natural gas, NGLs and oil, the classifications of reserves based on risk of recovery and estimates of future net cash flows. To the extent we experience a sustained period of reduced commodity prices, there is a risk that a portion of our proved reserves could be deemed uneconomic and no longer be classified as proved. Although we believe our estimates are reasonable, actual production, revenues and costs to develop reserves will likely vary from our estimates and these variances could be material. Numerous changes over time to the assumptions on which our reserve estimates are based, as described above, often result in the actual quantities of natural gas, NGLs and oil we ultimately recover being different from our reserve estimates. The standardized measure of discounted future net cash flows from our proved reserves is not the same as the current market value of our estimated natural gas, NGLs and ~~crude~~ oil reserves. You should not assume that the standardized measure of discounted future net cash flows from our proved reserves is the current market value of our estimated natural gas, NGLs and ~~crude~~ oil reserves. In accordance with SEC requirements, we based the discounted future net cash flows from our proved reserves on the twelve- month unweighted arithmetic average of the first- day- of- the- month price for the preceding twelve months without giving effect to derivative transactions. Actual future net cash flows from our reserves will be affected by factors such as the actual prices we receive for natural gas, NGLs and oil, the amount, timing and cost of actual production and changes in governmental regulations or taxation. The timing of both our production and our incurrence of expenses in connection with the development and production of oil and gas properties will affect the timing and amount of actual future net revenues from proved reserves, and thus their actual present value. In addition, the 10 % discount factor we use when calculating the standardized measure may not be the most appropriate discount factor based on interest rates in effect from time to time and risks associated with our operations or the natural gas, NGLs and oil industry in general. Natural gas, NGLs and oil price declines, and changes in our development strategy, have resulted in impairment of certain of our assets. Future declines in commodity prices, increases in operating costs or adverse changes in well performance or additional changes in our development strategy may result in additional write- downs of the carrying amounts of our assets, including long- lived intangible assets, which could materially and adversely affect our results of operations in future periods. We review the carrying values of our **assets** ~~proved oil and gas properties~~ for indications of impairment when events or circumstances indicate that the remaining carrying value may not be recoverable. A significant amount of judgment is involved in performing these evaluations because the results are based on estimated future events and estimated future cash flows. The estimated future cash flows used to test our proved oil and gas properties for recoverability are based on proved and, if determined reasonable by management, risk- adjusted probable reserves, utilizing assumptions generally consistent with the assumptions used by our management for internal planning and budgeting purposes. Key assumptions used in our analyses include, among other things, the intended use of the asset, the anticipated production from reserves, future market prices for natural gas, NGLs and oil, future operating and development costs, inflation and the anticipated proceeds that may be received upon divestiture if there is a possibility that the asset will be divested prior to the end of its useful life. Commodity pricing is estimated by using a combination of the five- year NYMEX forward strip prices and assumptions related to gas quality, locational basis adjustments and inflation. Proved oil and gas properties that have carrying amounts in excess of estimated future cash flows are written down to fair value, which is estimated by discounting the estimated future cash flows using discount rate assumptions that marketplace participants would use in their estimates of fair value. Future declines in natural gas, NGLs or oil prices, increases in operating costs or adverse changes in well performance, among other circumstances, may result in our having to make significant future downward adjustments to our estimated proved reserves and /

or could result in additional non- cash impairment charges to write- down the carrying amount of our assets, including other long- lived intangible assets, which may have a material adverse effect on our results of operations in future periods. Any impairment of our assets, including other long- lived intangible assets, would require us to take an immediate charge to earnings. Such charges could be material to our results of operations and could adversely affect our results of operations and financial position. See" Critical Accounting ~~Policies and~~ Estimates" included in Item 7.," Management' s Discussion and Analysis of Financial Condition and Results of Operations" and Note 1 to the Consolidated Financial Statements for a discussion of our **significant** accounting policies and ~~significant~~ assumptions related to accounting for natural gas, NGLs and oil producing activities and impairment of our oil and gas properties. Financial and Market Risks Applicable to Our Business Natural gas, NGLs and oil prices are affected by a number of factors beyond our control, including many of which that are unknown and cannot be anticipated, and we cannot predict with certainty future potential movements in the price for these commodities. Our primary business involves the exploration, production and sale of hydrocarbons, and in particular, natural gas. Consequently, our revenue, profitability, future rate of growth, liquidity and financial position depend upon the market prices for natural gas and, to a lesser extent, NGLs and oil. Because our production and reserves predominantly consist of natural gas (approximately ~~94~~ **93** % of our equivalent proved developed reserves), changes in natural gas prices have significantly greater impact on our financial results than oil prices. The prices for natural gas, NGLs and oil have historically been volatile and have been particularly volatile in recent years. The daily spot prices for NYMEX Henry Hub natural gas ranged from a high of $ ~~9~~ **3** . ~~85~~ **78** per MMBtu to a low of $ ~~3~~ **1** . ~~46~~ **74** per MMBtu between the period from January 1, ~~2022~~ **2023** through December 31, ~~2022~~ **2023** , and the daily spot prices for NYMEX West Texas Intermediate ~~crude~~ oil ranged from a high of $ ~~123~~ **93** . ~~64~~ **67** per barrel to a low of $ ~~71~~ **66** . ~~05~~ **61** per barrel during the same period. NGLs are made up of ethane, propane, isobutane, normal butane and natural gasoline, all of which have different uses and different pricing characteristics, which adds further volatility to the pricing of NGLs. We expect commodity price volatility to continue or increase in the future due to rising macroeconomic uncertainty and geopolitical tensions ~~, including the Russian invasion of Ukraine, which began in February 2022 and has put upward pressure on natural gas and oil prices~~ . Commodity prices are affected by a number of factors beyond our control, which include: • weather conditions and seasonal trends; • the domestic and foreign supply of and demand for natural gas, NGLs and oil; • prevailing prices on local price indexes in the areas in which we operate and expectations about future commodity prices (the market price for natural gas in the Appalachian Basin is typically lower relative to NYMEX Henry Hub as a result of the increased production and supply of natural gas in the Northeast United States); • national and worldwide economic and political conditions, particularly those in, or affecting, other countries which are significant producers of natural gas and / or oil; • new and competing exploratory finds of natural gas, NGLs and oil; • changes in U. S. exports of natural gas, NGLs and oil; • the effect of energy conservation efforts; • the price, availability and consumer demand for alternative fuels; • the availability, proximity, capacity and cost of pipelines, other transportation facilities, and gathering, processing and storage facilities and other factors that result in differentials to benchmark prices; • technological advances affecting energy consumption and production; • the actions of the Organization of Petroleum Exporting Countries; • the level and effect of trading in commodity futures markets, including commodity price speculators and others; • the cost of exploring for, developing, producing and transporting natural gas, NGLs and oil; • risks associated with drilling, completion and production operations; and • domestic, local and foreign governmental regulations, tariffs and taxes, including environmental and climate change regulation. We use financial models to attempt to project future prices for the hydrocarbons we produce and sell, and we make decisions regarding our production, operations and hedging strategy in part based on such modelling. However, due to the volatility of commodity prices and the multitude of external factors that impact commodity prices, many of which are unknown and unforeseeable, we are unable to predict with certainty future potential movements in the market prices for natural gas, NGLs and oil. The success of our plans and strategies could be negatively affected if our projections of future hydrocarbon prices are significantly different from the ultimate actual price. Natural gas, NGLs and oil price volatility, or a prolonged period of low natural gas, NGLs and oil prices, may have an adverse effect on our revenue, profitability, future rate of growth, liquidity and financial position. Prolonged low, and / or significant or extended declines in, natural gas, NGLs and oil prices may adversely affect our revenues, operating income, cash flows, financial projections, and financial position, particularly if we are unable to control our development costs during periods of lower natural gas, NGLs and oil prices. Declines in prices could also adversely affect our drilling activities and the amount of natural gas, NGLs and oil that we can produce economically, which may result in our having to make significant downward adjustments to the value of our assets and could cause us to incur non- cash impairment charges to earnings. Reductions in cash flows from lower commodity prices may require us to incur additional debt or reduce our capital spending, which could reduce our production and our reserves, negatively affecting our future rate of growth. Reduced cash flows could also result in us having to make downward adjustments to our financial projections, such as free cash flow, and could cause us to revise our shareholder returns initiatives, including the amount of dividends paid on our common stock, which could negatively impact the price of our common stock and our ability to access the capital markets. Lower prices for natural gas, NGLs and oil may also adversely affect our credit ratings and result in a reduction in our borrowing capacity and access to other capital. See" Critical Accounting ~~Policies and~~ Estimates" included in Item 7.," Management' s Discussion and Analysis of Financial Condition and Results of Operations" and Note 1 to the Consolidated Financial Statements for a discussion of our **significant** accounting policies and ~~significant~~ assumptions related to accounting for natural gas, NGLs and oil producing activities and impairment of our oil and gas properties. Increases in natural gas, NGLs and oil prices may be accompanied by or result in increased well drilling costs, increased production taxes, increased lease operating expenses, increased volatility in seasonal gas price spreads for our storage assets and increased end- user conservation or conversion to alternative fuels. Significant natural gas price increases may subject us to margin calls on our commodity price derivative contracts (hedging arrangements, including swap, collar and option agreements and exchange- traded instruments), which would potentially require us to post significant amounts of cash collateral or letters of credit with our hedge counterparties and would negatively impact our liquidity. The cash collateral provided to our hedge counterparties, which is interest- bearing, is returned to us in whole or in part upon a reduction in forward market prices, depending on the amount of such reduction, or in whole upon settlement of the related derivative contract. **To** ~~In addition, to~~ the extent we have hedged our current production at prices below the current market price, we will not benefit fully from an increase in the price of natural gas. **Additionally, in recent years, volatility in natural gas prices and prolonged periods of high market prices for natural gas have led to calls by certain politicians to impose a windfall profits tax on natural gas producers, limit or prohibit the volume of LNG exports out of the United States and similar restrictive regulations on natural gas development and sales. While no such regulations have been passed in the United States, continued natural gas price volatility or prolonged high natural gas prices could result in the imposition of certain regulations directed at driving down the market price for natural gas. In the event such regulations are adopted, the price at which we sell our natural gas may be negatively impacted, thereby impacting our sales volume and operating revenues.** We are also exposed to the risk of non- performance by our hedge counterparties in the event that changes, positive or negative, in natural gas prices result in our derivative contracts having a positive fair value in our favor. Further, adverse economic and market conditions could negatively affect the collectability of our trade receivables and cause our hedge counterparties to be unable to perform their obligations or to seek bankruptcy protection. A financial crisis or deterioration in general economic, business or geopolitical conditions could materially adversely affect our operations and financial condition. Concerns over global economic conditions, stock market volatility, energy costs, geopolitical issues (including continued hostilities between Russia and Ukraine **as well as other conflicts, including in the Middle East**), inflation and U. S. Federal Reserve interest rate increases in response thereto, the availability and cost of credit, and slowing of economic growth in the United States and abroad and fears of a recession have contributed and may continue to contribute to increased economic uncertainty and diminished expectations for the global economy. Global economic conditions, geopolitical issues and inflation have constrained global and domestic supply chains, which has impacted and could in the future continue to impact our ability to develop our reserves in accordance with our drilling and completions schedule. Additionally, global economic conditions have a significant impact on commodity prices and any stagnation or deterioration in global economic conditions could result in decreased demand and, thus, lower prices for natural gas, NGLs or oil. Such uncertainty could also result in higher natural gas, ~~NGL~~ **NGLs** and oil prices, which could potentially result in increased inflation worldwide and could negatively impact demand for natural gas, NGLs and oil. **Developments related to climate change may expedite a transition away from the use of carbon- intensive sources for energy generation and products derived from certain fossil fuels, which could have a material and adverse effect on us if we are not able to demonstrate that our products align with a low- carbon transition. Governmental and regulatory bodies, investors, consumers, industry participants and other stakeholders have been increasingly focused on combating the effects of climate change. This focus, together with changes in consumer, industrial and commercial behavior, preferences and attitudes with respect to the generation and consumption of energy, and the use of products manufactured with, or powered by, fossil fuels, has led to, and in the long- term is anticipated to continue to result in, (i) the enactment of climate change- related regulations, policies and initiatives, (ii) technological advances with respect to the generation, transmission, storage and consumption of energy, and (iii) increased consumer, industrial and commercial demand for low- carbon energy sources and products manufactured with, or powered by, demonstrably low carbon- intensive sources. This has in turn led to increased scrutiny over the carbon- intensity of various fossil fuels, including the natural gas and NGLs that we produce and sell. If we are not able to demonstrate that our products align with a transition to a low- carbon economy, the demand and prices for our products could be negatively impacted depending on the pace of such transition and potential future demands for low-carbon products. Such developments may also adversely impact, among other things, the availability of third- party services and facilities that we rely on, which may increase our operational costs and adversely affect our ability to successfully carry out our business strategy. Climate change- related developments may also impact the market prices of, or our access to, raw materials such as energy and water and therefore result in increased costs to our business. Further, there have been efforts in recent years to influence the investment community, including investment advisors, insurance companies, and certain sovereign wealth, pension and endowment funds and other groups, by promoting divestment of fossil fuel equities and pressuring lenders to limit funding and insurance underwriters to limit coverages to companies engaged in the extraction of fossil fuel reserves. Financial institutions may elect in the future to shift some or all of their investment into non- fossil fuel related sectors. There is also a risk that financial institutions may be required to adopt policies that have the effect of reducing the funding provided to the fossil fuel sector. Certain investment banks and asset managers based both domestically and internationally have announced that they are adopting climate change guidelines for their banking and investing activities. Institutional lenders who provide financing to energy companies have also become more attentive to sustainable lending practices, and some may elect not to provide traditional energy producers or companies that support such producers with funding. Ultimately, the foregoing factors could make it more difficult to secure funding for exploration and production activities or adversely impact the cost of capital for both us and our customers, and could thereby adversely affect the demand and price of our securities. Limitation of investments in and financings for energy companies could also result in the restriction, delay or cancellation of infrastructure projects and energy production activities. Finally, claims have been made against certain energy companies alleging that GHG emissions from oil and natural gas operations constitute a public nuisance under federal and / or state common law or alleging that the companies have been aware of the adverse effects of climate change for some time but failed to adequately disclose such impacts to their investors or customers. As a result, private individuals or public entities may seek to enforce environmental laws and regulations against us and could allege personal injury, property damages or other liabilities. While our business is not a party to any such litigation, we could be named in actions making similar allegations. An unfavorable ruling in any such case could significantly impact our operations and could have an adverse**

impact on our financial condition. We may not be able to successfully execute our plan to deleverage our business or otherwise reduce our debt level. **We have published** ~~In December 2021, we outlined~~ a leverage and debt retirement strategy with the **ultimate** goal of **reducing** ~~retiring a significant amount of~~ our ~~total~~ **absolute** debt ~~by the end of 2023~~ **to $ 3. 5 billion** (our Debt Retirement Plan). We intend to fund our Debt Retirement Plan through free cash flow, and have aligned our hedge strategy in a manner that we believe will mitigate the risk of volatility of future natural gas and NGLs prices, which we anticipate will enable us to execute on our Debt Retirement Plan and other capital allocation strategies; however, there can be no assurance that we will be able to generate sufficient free cash flow to execute our Debt Retirement Plan on our anticipated timeframe, if at all. If we are not able to successfully execute our Debt Retirement Plan or otherwise reduce our total debt to a level we believe appropriate, our credit ratings may be lowered, we may reduce or delay our planned capital expenditures or investments, and we may revise our shareholder returns strategy or other strategic plans. Our ~~exploration and production~~ operations have substantial capital requirements, and we may not be able to obtain needed capital or financing on satisfactory terms. Our business is capital intensive. We make and expect to continue to make substantial capital expenditures for the development and acquisition of natural gas, NGLs and oil reserves **, as well as processing facilities, pipelines and related infrastructure. Additionally, the construction of additions or modifications to our existing midstream systems involves numerous regulatory, environmental, political and legal uncertainties beyond our control and may require the expenditure of significant amounts of capital. If these projects are undertaken, they may not be completed on schedule, at the budgeted cost or at all. The construction of additions to our existing assets may require us to obtain new land rights and regulatory permits prior to constructing new pipelines or facilities, which may not be obtained in a timely, cost- effective fashion or in a way that allows us to connect new natural gas supplies to existing gathering pipelines or capitalize on other attractive expansion opportunities** . We typically fund our capital expenditures with existing cash and cash generated by operations and, to the extent our capital expenditures exceed our cash resources, from borrowings under our **revolving** credit facility and other external sources of capital. If we do not have sufficient borrowing availability under our **revolving** credit facility, we may seek alternate debt or equity financing, sell assets or reduce our capital expenditures. The issuance of additional indebtedness would require that a portion of our cash flows from operations be used for the payment of interest and principal on our indebtedness, thereby reducing our ability to use cash flows from operations to fund working capital, capital expenditures, shareholder returns initiatives and acquisitions. The actual amount and timing of our future capital expenditures may differ materially from our estimates as a result of, among other things, natural gas prices, actual drilling results, the availability of drilling rigs and other services and equipment, and regulatory, technological and competitive developments. Our cash flows from operations and access to capital are subject to a number of variables, including: • our level of proved reserves and production; • the level of hydrocarbons we are able to produce from existing wells; • our access to, and the cost of accessing, end markets for our production; • the prices at which our production is sold; • our ability to acquire, locate and produce new reserves; • the levels of our operating expenses; and • our ability to access the public or private capital markets or borrow under our **revolving** credit facility. If our cash flows from operations or the borrowing capacity under our **revolving** credit facility are insufficient to fund our capital expenditures and we are unable to obtain the capital necessary for our planned capital budget or our operations, we could be required to curtail our operations and the development of our properties, which in turn could lead to a decline in our reserves and production, and could adversely affect our business, results of operations and financial position. As of December 31, ~~2022~~ **2023** , our senior notes were rated" ~~Ba1~~ **Baa3** " with a" ~~positive~~ **stable** " outlook by Moody' s Investors Services (Moody' s)," BBB ~~-~~ **–** " with a" stable" outlook by Standard & Poor' s Ratings Service (S & P) and" BBB ~~-~~ **–** " with a" stable" outlook by Fitch Ratings Service (Fitch). Although we are not aware of any current plans of Moody' s, S & P or Fitch to downgrade its rating of our senior notes, we cannot be assured that one or more of these rating agencies will not downgrade or withdraw entirely its rating of our senior notes. Low prices for natural gas, NGLs and oil, an increase in the level of our indebtedness or other factors may result in Moody' s, S & P or Fitch downgrading its rating of our senior notes. Changes in credit ratings may affect our access to the capital markets, the cost of short- term debt through interest rates and fees under our lines of credit, the interest rate on our **revolving credit facility and** Term Loan Facility (defined in Note ~~10~~ **8** to the Consolidated Financial Statements) and senior notes with adjustable rates, the rates available on new long- term debt, our pool of investors and funding sources, the borrowing costs and margin deposit requirements on our OTC derivative instruments and credit assurance requirements, including collateral, in support of our midstream service contracts, joint venture arrangements or construction contracts. Risks associated with our debt and the provisions of our debt agreements could adversely affect our business, financial position and results of operations. As of December 31, ~~2022~~ **2023** , we had approximately $ 5. ~~7~~ **8** billion of debt outstanding, and we may incur additional indebtedness in the future. Increases in our level of indebtedness may: • require us to use a substantial portion of our cash flow to make debt service payments, which will reduce the funds that would otherwise be available for operations and future business opportunities; • limit our operating flexibility due to financial and other restrictive covenants, including restrictions on incurring additional debt, making certain investments ~~,~~ and paying dividends; • place us at a competitive disadvantage compared to our competitors with lower debt service obligations; • depending on the levels of our outstanding debt, limit our ability to obtain additional financing for working capital, capital expenditures, general corporate and other purposes; and • increase our vulnerability to downturns in our business or the economy, including declines in prices for natural gas, NGLs and oil. Our debt agreements also require us to comply with certain covenants. If the price that we receive for our natural gas, NGLs and oil production deteriorates from current levels ~~or~~ **and** continues for an extended period, it could lead to reduced revenues, cash flow and earnings, which in turn could lead to a default due to lack of covenant compliance. For more information about our debt agreements, read" Capital Resources and Liquidity" in Item 7.," Management' s Discussion and Analysis of Financial Condition and Results of Operations." We are subject to financing and interest rate exposure risks. Our business and operating results can be adversely affected by increases in interest rates or other increases in the cost of capital resulting from a reduction in our credit rating or otherwise. These changes could cause our cost of doing business to increase, limit our ability to pursue acquisition opportunities, reduce cash flows used for operating and capital expenditures and place us at a competitive disadvantage. Disruptions or volatility in the financial markets may lead to a contraction in credit availability impacting our ability to finance our operations. A significant reduction in the availability of credit could materially and adversely affect our ability to implement our business strategy and achieve favorable operating results. In addition, we are exposed to credit risk related to our **revolving** credit facility to the extent that one or more of our lenders may be unable to provide necessary funding to us under our existing line of credit if it experiences liquidity problems. Derivative transactions may limit our potential gains and involve other risks. To manage our exposure to price risk, we currently and may in the future enter into derivative arrangements, utilizing commodity derivatives with respect to a portion of our future production. Such hedges are designed to lock in prices in order to limit volatility and increase the predictability of cash flow. These transactions limit our potential gains if natural gas, NGLs and oil prices rise above the price established by the hedge, and we may be required to post cash collateral or letters of credit with our hedge counterparties to the extent our liability under the derivative contract exceeds specified thresholds, which would negatively impact our liquidity. We have previously sustained losses as a result of certain of our derivative arrangements (including a **loss on derivatives of** $ 4. 6 billion ~~loss in 2022~~ and ~~a~~ $ 3. 8 billion ~~loss~~ in **2022 and** 2021 **, respectively**), and we cannot assure you that we will not do so in the future. In addition, derivative transactions may expose us to the risk of financial loss in certain circumstances, including instances in which our production is less than expected or an event materially impacts natural gas, NGLs or oil prices or the relationship between the hedged price index and the natural gas, NGLs or oil sales price. We cannot be certain that any derivative transaction we may enter into will adequately protect us from declines in the prices of natural gas, NGLs or oil. Furthermore, where we choose not to engage in derivative transactions in the future, we may be more adversely affected by changes in natural gas, NGLs or oil prices than our competitors who engage in derivative transactions. Lower natural gas, NGLs and oil prices may also negatively impact our ability to enter into derivative contracts at favorable prices. Derivative transactions also expose us to a risk of financial loss if a counterparty fails to perform under a derivative contract or enters bankruptcy or encounters some other similar proceeding or liquidity constraint. In this case, we may not be able to collect all or a significant portion of amounts owed to us by the distressed entity or entities. During periods of falling commodity prices our hedge receivable positions increase, which increases our exposure. If the creditworthiness of our counterparties deteriorates and results in their nonperformance, we could incur a significant loss. Risks Associated with Our Human Capital, Technology and Other Resources and Service Providers Strategic determinations, including the allocation of resources to strategic opportunities, are challenging, and our failure to appropriately allocate resources among our strategic opportunities may adversely affect our financial position and reduce our future prospects. Our future prospects are dependent upon our ability to identify optimal strategies for our business. Our operational strategy focuses on developing several multi- well pads in tandem through a process known as combo- development. We have allocated a substantial portion of our financial, human capital and other resources to pursuing this strategy, including investing in new technologies and equipment, restructuring our workforce, and pursuing various ESG and energy transition initiatives geared towards enhancing our strategy. We may not realize some or any of the anticipated strategic, financial, operational, environmental and other anticipated benefits from our operational strategy and the corresponding investments we have made in pursuing our strategy. Additionally, we cannot be certain that we will be able to successfully execute combo- development projects at the pace and scale that we project, which may delay or reduce our production and our reserves, negatively affecting our associated revenues. If we fail to identify and successfully execute optimal business strategies, including the appropriate operational strategy and corresponding initiatives, or fail to optimize our capital investments and the use of our other resources in furtherance of optimal business strategies, our financial position and growth may be adversely affected. Moreover, economic or other circumstances may change from those contemplated by our business plan, and our failure to recognize or respond to those changes may limit our ability to achieve our objectives. Cyber incidents targeting our digital work environment or other technologies or energy infrastructure may adversely impact our operations. Our business and the natural gas industry in general have become increasingly dependent upon digital technologies, including information systems, infrastructure and cloud applications, and the maintenance of our financial and other records has long been dependent upon such technologies. We depend on this technology to record and store data, estimate quantities of natural gas, NGLs and oil reserves, analyze and share operating data and communicate internally and externally. Computers and mobile devices control nearly all of the natural gas, NGLs and oil distribution systems in the U. S., which are necessary to transport our products to market. The U. S. government has issued public warnings that indicate that energy assets might be specific targets of cyber or other security or physical threats, and the continuing armed conflict between Russia and Ukraine and associated economic sanctions on Russia may have increased the likelihood of such threats. We can provide no assurance that we will not suffer such attacks in the future. Deliberate attacks on, or unintentional events affecting, our digital work environment or other technologies and infrastructure, the systems or infrastructure of third parties or the cloud could lead to corruption or loss of our proprietary data and potentially sensitive data, delays in production or delivery of natural gas, NGLs and oil, difficulty in completing and settling transactions, challenges in maintaining our books and records, communication interruptions, environmental damage, personal injury, property damage, other operational disruptions and third- party liability. Further, as cyber incidents continue to evolve and cyber attackers become more sophisticated, we may be required to expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate any vulnerability to cyber incidents. The cost to remedy an unintended dissemination of sensitive information or data may be significant. Furthermore, the continuing and evolving threat of cyber-attacks has resulted in increased regulatory focus on prevention. To the extent we face increased regulatory requirements, we may be required to expend significant additional resources to meet such requirements. The unavailability or high cost of additional drilling rigs, completion services, equipment, supplies, personnel, and oilfield services could adversely affect our ability to execute our exploration and development plans within our budget and on a timely basis. The demand for qualified and experienced field personnel to drill wells and conduct field operations, geologists, geophysicists, engineers, and other professionals in the natural gas and oil industry can fluctuate significantly, often in correlation with natural gas and oil prices, causing periodic shortages or higher costs. Historically, there have been shortages of personnel and equipment as demand for personnel and equipment has increased along with the number of wells being drilled. We cannot predict whether these conditions will exist in the future and, if so, what their timing and duration will be. Such shortages could delay or cause us to incur significant expenditures that are not provided for in our capital budget, which could materially adversely affect our business, results of operations, cash flows and financial position. Our ability to drill for and produce natural gas is dependent on the availability of adequate supplies of water for drilling and completion operations and access to water and waste disposal or recycling services at a reasonable cost and in accordance with applicable environmental rules. Restrictions on our ability to obtain water or dispose of produced water and other waste may adversely affect our results of operations, cash flows and financial position. The hydraulic fracture stimulation process on which we depend to drill and complete natural gas wells requires the use and disposal of significant quantities of water. Our ability to access sources of water and the availability of disposal alternatives to receive all of the water produced from our wells and used in hydraulic fracturing may affect our drilling and completion operations. Our inability to secure sufficient amounts of water, or to dispose of or recycle the water used in our operations, or to timely obtain water sourcing permits or other rights, could adversely affect our operations. Additionally, the imposition of new **, or modification of existing,** environmental initiatives and regulations could include restrictions on our ability to obtain water or dispose of waste, which would adversely affect our business and results of operations, which could result in decreased cash flows. In addition ~~, in recent years~~ , federal and state regulatory agencies have investigated the possible connection between the operation of injection wells used for natural gas and oil waste disposal and increased seismic activity in certain areas. In some cases, operators of injection wells in the vicinity of seismic events have been ordered to reduce injection volume or suspend operations. Increased regulation and attention given to induced seismicity in the states where we operate could lead to restrictions on our disposal well injection volume and increased scrutiny of and delay in obtaining new disposal well permits, which could result in increased operating costs **that** ~~, which~~ could be material, or a curtailment of our operations. The loss of key personnel could adversely affect our ability to execute our strategic, operational and financial plans. Our operations are dependent upon key management and technical personnel, and one or more of these individuals could leave our employment. The unexpected loss of the services of one or more of these individuals could have a detrimental effect on us. In addition, the success of our operations will depend, in part, on our ability to identify, attract, develop and retain experienced personnel. There is competition within our industry for experienced technical personnel and certain other professionals, which could increase the costs associated with identifying, attracting and retaining such personnel. If we cannot identify, attract, develop and retain our technical and professional personnel or attract additional experienced technical and professional personnel, our ability to compete in our industry could be harmed. We depend on third- party midstream providers for a significant portion of our midstream services, and our failure to obtain and maintain access to the necessary infrastructure to successfully deliver natural gas, NGLs and oil to market on competitive terms may adversely affect our earnings, cash flows and results of operations. Our delivery of natural gas, NGLs and oil depends upon the availability, proximity and capacity of pipelines, other transportation facilities and gathering and processing facilities primarily owned by third parties, and our ability to contract with these third parties at competitive rates or at all. The capacity of transmission, gathering and processing facilities may be insufficient to accommodate potential production from existing and new wells, which may result in substantial discounts in the prices we receive for our natural gas, NGLs and oil or result in the shut- in of producing wells or the delay or discontinuance of development plans for properties. Competition for access to pipeline infrastructure within the Appalachian Basin is intense, and our ability to secure access to pipeline infrastructure on favorable economic terms could affect our competitive position. ~~We are~~ **Although we own and operate certain midstream infrastructure for our own use, we** ~~dependent~~ --- **depend** on third- party providers to provide us with access to **additional** midstream infrastructure to get **a significant portion of** our produced natural gas, NGLs and oil to market. To the extent these services are delayed or unavailable, we would be unable to realize revenue from wells served by such ~~facilities~~ **third- party infrastructure** until suitable arrangements are made to market our production. Access to midstream assets may be unavailable due to market conditions or mechanical or other reasons. In addition, due to regulatory and economic constraints, construction of new pipelines and building of such infrastructure may occur more slowly. A lack of access to needed infrastructure, or an extended interruption of access to or service from third- party pipelines and facilities for any reason, including vandalism, terroristic acts, sabotage or cyber- attacks on such pipelines and facilities or service interruptions due to gas quality, could result in adverse consequences to us, such as delays in producing and selling our natural gas, NGLs and oil. Finally, in order to ensure access to certain midstream facilities, we have entered into agreements that obligate us to pay demand charges to various pipeline operators. We also have commitments with third parties for processing capacity. We may be obligated to make payments under these agreements even if we do not fully use the capacity we have reserved, and these payments may be significant. The substantial majority of our midstream and water services are provided by one provider, ~~EQM Midstream Partners LP (EQM), a wholly- owned subsidiary of~~ Equitrans Midstream. Therefore, any regulatory, infrastructure or other events that materially adversely affect Equitrans Midstream' s business operations will have a disproportionately adverse effect on our business and operating results as compared to similar events experienced by our other third- party service providers. Additionally, our midstream services contracts with ~~EQM~~ **Equitrans Midstream** involve significant long- term financial and other commitments on our part, which hinders our ability to diversify our slate of midstream service providers and seek better economic and other terms for the midstream services that are provided to us. We have no control over Equitrans Midstream' s ~~or EQM' s~~ business decisions and operations, and ~~neither~~ Equitrans Midstream ~~nor EQM~~ is **not** under any obligation to adopt a business strategy that favors us. Historically, we have received the substantial majority of our natural gas gathering, transmission and storage and water services from ~~EQM~~ **Equitrans Midstream** . Additionally, on February 26, 2020, we executed a gas gathering agreement with ~~EQM~~ **a wholly- owned subsidiary of Equitrans Midstream** (the Consolidated GGA), which, among other things, consolidated the majority of our prior gathering agreements with ~~EQM~~ **Equitrans Midstream and its subsidiaries** into a single agreement, established a new fee structure for gathering and compression fees charged by ~~EQM~~ **Equitrans Midstream** , increased our minimum volume commitments with ~~EQM~~ **Equitrans Midstream** , committed certain of our remaining undedicated acreage to ~~EQM~~ **Equitrans Midstream** and extended our and ~~EQM~~ **Equitrans Midstream** ' s contractual obligations with each other to 2035. Because we have significant long- term contractual commitments with ~~EQM~~ **Equitrans Midstream** , we expect to receive the majority of our midstream and water services from ~~EQM~~ **Equitrans Midstream** for the foreseeable future. Therefore, any event, whether in our areas of operation or otherwise, that adversely affects Equitrans Midstream' s operations, water assets, pipelines, other transportation facilities, gathering and processing facilities, financial condition, leverage, results of operations or cash flows will have a disproportionately adverse effect on our business and operating results as compared to similar events experienced by our other third- party service providers. Accordingly, we are subject to the business risks of Equitrans Midstream, including the following: • federal, state and local regulatory, political and legal actions that could adversely affect Equitrans Midstream' s and **its subsidiaries** ~~EQM' s~~ operations, assets and infrastructure, including potential further delays associated with **placing** ~~obtaining regulatory approval for the construction of~~ the Mountain Valley Pipeline **in service** ; • construction risks associated with the construction or repair of ~~EQM~~ **Equitrans Midstream** ' s pipelines and other midstream infrastructure, such as delays caused by landowners or advocacy groups opposed to the natural gas industry, environmental hazards, adverse weather conditions, the performance of third- party contractors, the lack of available skilled labor, equipment and materials and the inability to obtain necessary rights- of- way or approvals and permits from regulatory agencies on a timely basis or at all (and maintain such rights- of- way, approvals and permits once obtained); • cyber- attacks or acts of sabotage or terrorism that could cause significant damage or injury to Equitrans Midstream' s personnel, assets or infrastructure or lead to extended interruptions of Equitrans Midstream' s operations; • risks associated with Equitrans Midstream failing to properly balance supply and demand for its services, on a short- term, seasonal and long- term basis, which could result in Equitrans Midstream being unable to provide its customers, including us, with sufficient access to pipeline and other midstream infrastructure and water services as needed; and • risks associated with Equitrans Midstream' s leverage and financial profile, which could result in Equitrans Midstream being financially deterred or prohibited from providing services to its customers, including us, on a timely basis or at all. In addition, many of our midstream services obligations with ~~EQM~~ **Equitrans Midstream** are" firm" commitments, under which we have reserved an agreed upon amount of pipeline or storage capacity with ~~EQM~~ **Equitrans Midstream** regardless of the capacity that we actually use during each month, and we are generally obligated to pay a fixed, monthly charge, at an amount agreed upon in the contract. Because these obligations involve significant long- term financial and other commitments on our part, they could reduce our cash flow during periods of low prices for natural gas, NGLs and oil when we may have lower volumes of natural gas and NGLs and therefore less of a need for capacity and storage, or the market prices for such pipeline and storage capacity services may be lower than what we are contractually obligated to pay to ~~EQM~~ **Equitrans Midstream** . Substantially all of our producing properties are concentrated in the Appalachian Basin, making us vulnerable to risks associated with operating primarily in one major geographic area. Substantially all of our producing properties are geographically concentrated in the Appalachian Basin. As a result of this concentration, we may be disproportionately exposed to the impact of regional supply and demand factors, delays or interruptions of production from wells in these areas caused by, and costs associated with, governmental regulation, state and local political activities, processing or transportation capacity constraints, market limitations, availability of equipment and personnel, water shortages or other weather- related conditions, interruption of the processing or transportation of natural gas, NGLs or oil and changes in state and local laws, judicial precedents, political regimes and regulations. Such conditions could materially adversely affect our results of operations and financial position. In addition, a number of areas within the Appalachian Basin have historically been subject to mining operations. For example, third parties may engage in subsurface coal and other mining operations near or under our properties, which could cause subsidence or other damage to our properties, adversely impact our drilling operations or adversely impact third- party midstream activities on which we rely. In such event, our operations may be impaired or interrupted, and we may not be able to recover the costs incurred as a result of temporary shut- ins or the plugging and abandonment of any of our wells. Furthermore, the existence of mining operations near our properties could require coordination to avoid adverse impacts as a result of drilling and mining in close proximity. These restrictions on our operations, and any similar restrictions, could cause delays or interruptions or prevent us from executing our business strategy, which could materially adversely affect our results of operations and financial position. Further, insufficient takeaway capacity in the Appalachian Basin could cause significant fluctuations in our realized natural gas prices. The Appalachian Basin has experienced periods in which production has surpassed local takeaway capacity, resulting in substantial discounts in the price received by producers such as us and production possibly being shut in. Although additional Appalachian Basin takeaway capacity has been added in recent years, the existing and expected capacity may not be sufficient to keep pace with the increased production caused by accelerated drilling in the area in the short term. Due to the concentrated nature of our portfolio of natural gas properties, a number of our properties could experience any of the same conditions at the same time, resulting in a relatively greater impact on our results of operations than they might have on other companies that have a more diversified portfolio of properties. Legal and Regulatory Risks Negative public perception regarding us and / or our industry **, and increasing scrutiny of environmental, social and governance (ESG) matters,** could have an adverse effect on our **business, financial condition, and results of** operations **and damage our reputation** . **Our operations, projects and growth opportunities require us to have strong relationships with various key stakeholders, including our shareholders, employees, suppliers, customers, local communities and others. However,** ~~Opposition~~ **opposition** ~~toward~~ **towards** oil and natural gas drilling and ~~development activities~~ **pipeline construction** generally has been growing globally and is particularly pronounced in the U. S. **Failure to successfully manage expectations across** ~~, and companies in our industry are often the~~ **these** ~~target of activist efforts from both individuals~~ **varied stakeholder interests could erode our stakeholder trust** and

thereby affect our reputation ~~non- governmental organizations regarding safety, human rights, environmental matters, sustainability and business practices~~ . Negative public perception regarding us and / or our industry may **adversely affect our ability to successfully carry out our operations and business strategy. Such negative perception could, for example, adversely affect our access to and cost of capital and** lead to increased litigation and regulatory, legislative and judicial scrutiny, which may, in turn, lead to new local, state and federal laws, regulations, guidelines and enforcement interpretations in safety, environmental, royalty and surface use areas. These actions may cause operational delays or restrictions, increased operating costs, additional regulatory burdens and increased risk of litigation. Moreover, governmental authorities exercise considerable discretion in the timing and scope of permit issuance and the public may engage in the permitting process, including through intervention in the courts. Negative public perception could cause the permits we need to conduct our operations to be withheld, delayed, challenged or burdened by requirements that restrict our ability to profitably conduct our business. In addition, anti- development activists are working to, among other things, reduce access to federal and state government lands and delay or cancel certain operations, such as drilling and ~~development~~ **pipeline construction** . If activism against oil and natural gas exploration and development persists or increases, there could be a material adverse effect on our business, financial condition and results of operations. **Moreover, while we publish voluntary disclosures regarding ESG matters from time to time, some of the statements in those voluntary disclosures may be based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings could lead to increased negative investor sentiment towards us and our industry and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and cost of capital. In addition, failure or a perception (whether or not valid) of failure to implement our ESG strategy or achieve sustainability goals and targets we have set, could damage our reputation, causing our investors or consumers to lose confidence in our company, and negatively impact our operations. Our continuing efforts to research, establish, accomplish and accurately report on the implementation of our ESG strategy, including any** ~~Climate~~ **climate** ~~change~~ **or other ESG goals, may also create additional operational risks and expenses and expose us to reputational, legal and other risks. For example, growing interest on the part of investors and regulators in ESG factors and increased demand for, and scrutiny of, ESG- related disclosure by stakeholders has also increased the risk that companies could be perceived as, or accused of, making inaccurate or misleading statements regarding their ESG- related claims, goals, targets, efforts or initiatives, often referred to as" greenwashing." Such perception or allegation could damage our reputation and result in litigation or regulatory actions.** ~~laws~~ **Laws** and regulations **directed at** restricting emissions of ~~greenhouse gases~~ **methane and other GHGs** could result in increased operating costs and reduced demand for the natural gas, NGLs and oil that we produce ~~while potential physical effects of climate change could disrupt our production and cause us to incur significant costs in preparing for or responding to those effects~~ . In response to findings that emissions of carbon dioxide, methane and other GHGs present an endangerment to public health and the environment, in recent years ~~several~~ **numerous laws and** regulations ~~at the federal and state level~~ have been adopted, and more are being considered, to regulate the emission of carbon dioxide, methane and other GHGs. In ~~February~~ **November** ~~2021~~ **2022 at COP27** ~~, the U. S. formally rejoined the Paris Agreement, an international treaty signed by nearly 200 counties which calls for countries to set their own GHG emissions targets and to be transparent about the measures they will implement to achieve their GHG emissions targets. In furtherance of the objectives of the Paris Agreement, in April 2021~~ , the Biden Administration ~~announced goals aimed at reducing the U. S.' s GHG emissions by 50- 52 % (compared to 2005 levels) by 2030. The federal government has correspondingly instituted several regulations and initiatives in alignment with the goal of reducing the U. S.' s GHG emissions. Most recently, at COP27, President Biden announced the EPA' s proposed standards to reduce methane emissions from existing oil and gas sources, and~~ agreed, in conjunction with the European Union and a number of other partner countries, to develop standards for monitoring and reporting methane emissions to help create a market for low methane- intensity natural gas. ~~Various~~ **In November 2023, the European Union reached a provisional political agreement on a regulation to track and reduce methane emissions in the energy sector. The regulation introduces new requirements for the oil and gas sectors to measure, report and verify methane emissions and implements mitigation measures to avoid such emissions. The regulation also introduces new methane reporting and verification measures required to be applied by exporters to the European Union by January 1, 2027 and" maximum methane intensity values" must be met by 2030. Each member** state **will** ~~and local governments~~ have ~~also publicly committed to furthering~~ the **power to impose administrative penalties for failure to comply with such regulation and the standard will be mandatory for supply contracts signed after the law takes effect. The U. S. federal government has correspondingly instituted several regulations and initiatives in alignment with the** ~~goals~~ **goal** of **reducing the U. S.' s methane and** ~~the~~ **other** ~~Paris Agreement~~ **GHG emissions** . ~~In June 2021~~ **Most recently, at COP28** , President Biden **announced** ~~signed legislation reinstituting regulations which were previously repealed by the Trump Administration establishing NSPS for~~ **EPA' s final standards to reduce** methane **emissions** ~~and VOC~~ from new and ~~modified~~ **existing oil and gas sources. Additionally, at COP28, nearly 200 countries, including the United States, entered into an agreement that calls for actions towards achieving, at a global scale, a tripling of renewable energy capacity and doubling energy efficiency improvements by 2030. The goals of the agreement, among other things, are to accelerate efforts towards the phase- down of unabated coal power, phase out certain fossil fuel subsidies, and take other measures directed at driving the transition away from fossil fuels in energy systems. In recent years, the EPA has proposed and**

adopted amendments to existing rules as well as new rules directed at restricting the amount of methane and other GHG emissions from new and existing oil and natural gas production and natural gas processing and transmission facilities. ~~Additionally~~ **See Item 1.** , **" Business-** ~~the EPA has adopted regulations~~ - **Regulation - Air Emissions"** ~~under existing provisions of the CAA that, among other things, establish PSD construction and Title V operating permit reviews~~ for ~~certain large stationary sources that are already potential major sources of certain principal, or criteria, pollutant emissions. Facilities required to obtain PSD permits for their GHG emissions also will be required to meet" best available control technology" standards that will be established by the states or, in some cases, by the EPA on a case - by - case basis. Furthermore, in November 2021, the EPA announced proposed rules expanding upon the NSPS rule which would establish standards for existing wells, impose~~ more **information** ~~frequent and stringent leak monitoring, and mandate that all pneumatic controllers have zero emissions. On November 11, 2022, the EPA issued a proposed rule supplementing the November 2021 proposed rule. Among other things, the November 2022 supplemental proposed rule removes an emissions monitoring exemption for small wellhead- only sites and creates a new third- party monitoring program to identify large emissions events, referred to in the proposed rule as " super emitters. " The EPA is expected to issue a final rule by May 2023~~ . These federal rulemakings and regulations could adversely affect our operations and restrict or delay our ability to obtain air permits. ~~In~~ **At the U. S. federal level, in** November 2021, Congress approved a $ 1 trillion legislative infrastructure package **known as the Inflation Reduction Act of 2022,** which includes a number of climate- focused spending initiatives ~~targeted at climate resilience, enhanced response and preparation for extreme weather events, and clean energy and transportation investments. The Inflation Reduction Act also provides significant funding and incentives for research and development of low- carbon energy production methods, carbon capture, and other programs directed at addressing climate change~~ , including imposing a fee **known as a" waste emission charge"** on **methane emissions from certain natural gas and oil facilities that are in excess of** a ~~facility' s~~ **specified threshold. In January 2024, the EPA proposed a rule implementing the IRA'** s methane emissions ~~in excess of~~ **charge. The proposed rule includes potential methodologies for calculating the amount by which** a ~~specified~~ **facility' s reported methane emissions are below or exceed the waste emissions** ~~threshold~~ **thresholds and contemplates approaches for implementing certain exemptions created by the IRA** . ~~At~~ **Further, in July 2023, the EPA proposed to expand the scope of emissions events that are reportable under the Greenhouse Gas Reporting Program for petroleum and natural gas systems (Subpart W), which may result in an increase in reported methane and** ~~the~~ **other** ~~state level~~ **GHG emissions under Subpart W for many operators** , ~~several states~~ including ~~Pennsylvania have proceeded with~~ **us. The rule is currently scheduled to be finalized in the spring of 2024 and would take effect on January 1, 2025. Additionally,** a number of **U. S.** state and regional efforts **have emerged that are** aimed at tracking and / or reducing GHG emissions by means of **carbon taxes, policies and incentives to encourage the use of renewable energy or alternative low- carbon fuels, the development of greenhouse gas incentives,** cap- and- trade programs that typically require major sources of GHG emissions, such as electric power plants, to acquire and surrender emission allowances in return for emitting ~~those~~ GHGs. ~~In October 2019, Pennsylvania Governor Tom Wolf signed an Executive Order directing the PADEP to draft regulations~~ **Regulations** ~~establishing a cap~~ **requiring the disclosure of GHG emissions and other climate** - ~~and~~ **related information or information substantiating climate** - ~~trade program under its existing authority to regulate~~ - - **related** ~~air emissions, with~~ **claims are also increasingly being adopted or proposed at** the ~~intent of enabling Pennsylvania to join RGGI~~ **federal and state level. See Item 1.** , ~~a multi~~ **" Business** - **Regulation** ~~state regional cap~~ - **Climate Change** and **Regulation** ~~- trade program comprised~~ of **Methane and** ~~several Eastern U. S. states. Pennsylvania became a member of RGGI in April 2022, though its membership is currently the~~ **Other Greenhouse Gas** ~~subject of legal challenges. Depending on the outcome of such litigation, Pennsylvania' s membership in RGGI will result in increased operating costs should we be required to purchase emission~~ **Emissions " for more information** ~~allowances in connection with our operations~~ . **It** ~~Although it~~ is not possible at this time to predict how legislation or ~~new~~ regulations that may be adopted to ~~address~~ **reduce or restrict** methane and other GHG emissions would impact our business **. However** , any ~~such~~ **legislation or regulatory programs at the international, federal, state or city levels designed to reduce methane or other GHG emissions could increase the cost of consuming, and thereby reduce demand for, the natural gas, NGLs and oil we produce. Existing laws and regulations and any** future laws and regulations **of this nature, including those** imposing reporting obligations ~~on~~ , or imposing a tax or fee or otherwise limiting emissions of methane or other GHGs from ~~,~~ our equipment and operations could require us to incur costs to comply with such regulations **, including costs to monitor and report on GHG emissions, install new equipment to reduce emissions of GHGs associated with our operations, acquire emissions allowances or comply with new regulatory requirements** . Substantial limitations or taxes or fees on methane or other GHG emissions **, as well as other regulatory incentives or requirements to conserve energy, use alternative sources or reduce GHG emissions in product supply chains,** could also adversely affect demand for the natural gas, NGLs and oil we produce **, stimulate demand for alternative forms of energy that do not rely on combustion of fossil fuels,** and lower the value of our reserves. **We may also face increased litigation risks arising** ~~Further, recent activism directed at shifting funding away~~ from **climate** ~~companies with energy~~ - related ~~assets~~ **disclosures required by regulations. In addition, enhanced climate disclosure** could **accelerate the trend of** ~~result in limitations or restrictions on~~ certain ~~sources of funding for the energy sector. Moreover, activist shareholders~~ **stakeholders and lenders restricting** ~~have introduced proposals that may seek to force companies to adopt aggressive emission reduction targets~~ or **seeking** ~~to shift away from~~ more **stringent conditions with respect to their investments in certain** carbon- intensive ~~activities~~ **sectors** . **Consequently** ~~While we cannot predict the outcomes of such proposals~~ , **legislation** ~~they could ultimately make it more difficult to engage in exploration~~ and **regulatory programs addressing** ~~production activities. Finally, it should be noted that some scientists have concluded that increasing concentrations of GHGs in the Earth' s atmosphere may produce~~ climate ~~changes~~ - **change or methane** ~~that have significant physical effects, such as increased frequency and severity of storms, floods, droughts,~~ and other **GHG emissions** ~~extreme climatic events. If any such effects were to occur, they have the potential to cause physical damage to our assets or~~

~~affect the availability of water and thus~~ could have an adverse effect on our ~~exploration~~ **business, financial condition** and ~~production~~ **results of** operations ~~. See" Business- Regulation- Environmental, Health and Safety Regulation" for more information~~ . We are subject to complex federal, state, local and other laws and regulations that could adversely affect the cost, manner or feasibility of conducting our operations or expose us to significant liabilities. Our exploration and production operations are subject to various types of federal, state and local laws and regulations, including regulations related to the location of wells; the method of drilling, well construction, well stimulation, hydraulic fracturing and casing design; water withdrawal and procurement for well stimulation purposes; well production; spill prevention plans; the use, transportation, storage and disposal of water and other fluids and materials, including solid and hazardous wastes, incidental to natural gas and oil operations; surface usage and the reclamation of properties upon which wells or other facilities have been located; the plugging and abandoning of wells; the calculation, reporting and disbursement of royalties and taxes; and the gathering of production in certain circumstances. Our operations are also subject to conservation and correlative rights regulations, including the regulation of the size of drilling and spacing units or field rule units; setbacks; the number of wells that may be drilled in a unit or in close proximity to other wells; drilling in the vicinity of coal mining operations and certain other structures; and the unitization or pooling of properties. Some states allow the statutory pooling and unitization of tracts to facilitate development and exploration, as well as joint development of existing contiguous leases. In addition, state conservation and natural gas and oil laws generally limit the venting or flaring of natural gas and may set production allowances on the amount of annual production permitted from a well. Environmental and occupational health and safety legal requirements govern discharges of substances into the air, ground and water; the management and disposal of hazardous substances and wastes; the clean- up of contaminated sites; groundwater quality and availability; plant and wildlife protection; locations available for drilling; environmental impact studies and assessments prior to permitting; restoration of drilling properties after drilling is completed; and work practices related to employee health and safety. To conduct our operations in compliance with these laws and regulations, we must obtain and maintain numerous permits, approvals and certificates from various federal, state and local governmental authorities. Maintaining compliance with the laws, regulations and other legal requirements applicable to our business and any delays in obtaining related authorizations may affect the costs and timing of developing our natural gas, NGLs and oil resources. These requirements could also subject us to claims for personal injuries, property damage and other damages. In addition, our costs of compliance may increase if existing laws and regulations are revised or reinterpreted, or if new laws and regulations become applicable to our operations. Such costs could materially adversely affect our results of operations, cash flows and financial position. Our failure to comply with the laws, regulations and other legal requirements applicable to our business, even if as a result of factors beyond our control, could result in the suspension or termination of our operations and subject us to administrative, civil and criminal penalties and damages as well as corrective action costs. Changes in tax laws and regulations could adversely impact our earnings and the cost, manner or feasibility of conducting our operations. **We are subject to taxation by various governmental authorities at the federal, state and local levels in the jurisdictions in which we operate. New legislation could be enacted by these governmental authorities, which could increase our tax burden and increase the cost to produce natural gas.** Members of Congress periodically introduce legislation to revise U. S. federal income tax laws which could have a material impact on us. ~~Most~~ **In** ~~recently~~ -- **recent years** ~~, on August 16, 2022~~ , legislation ~~commonly known~~ **has been proposed that would, if enacted, make significant changes to U. S. tax laws, including the reduction or elimination of certain key U. S. federal income tax incentives currently available to oil and natural gas exploration and production companies. These changes include, but are not limited to, (i) the repeal of the percentage depletion allowance for oil and natural gas properties, (ii) the elimination of current deductions for intangible drilling and development costs, and (iii) an extension of the amortization period for certain geological and geophysical expenditures. It is unclear whether these or similar changes will be enacted and, if enacted, how soon any such changes could become effective. The passage of any legislation** as **a result of** ~~the~~ **these proposals or any** ~~Inflation Reduction Act was signed into law. Among~~ other **similar changes in U. S. federal income** ~~things, the Inflation Reduction Act includes a 1 % excise~~ tax **laws could eliminate or postpone certain** ~~on corporate stock repurchases, applicable to repurchases made after December 31, 2022, and also a new minimum~~ tax **deductions or credits that** ~~based on book income. We~~ are ~~in the process of evaluating the potential impacts of the Inflation Reduction Act to us. While we do not~~ currently **available with** ~~expect~~ **respect** ~~the Inflation Reduction Act~~ to **oil** ~~have a material impact on our financial statements, our analysis of the effect of the Inflation Reduction Act on us is ongoing~~ and ~~incomplete,~~ **natural gas exploration** and **development, which** ~~it is possible that the Inflation Reduction Act (or implementing regulations and other guidance)~~ could adversely impact our ~~current~~ **earnings, cash flows** and **financial position** ~~deferred federal tax liability~~ . Additionally, state and local taxing authorities in jurisdictions in which we operate or own assets may enact new taxes, such as the imposition of a severance tax on the extraction of natural resources in states in which we produce natural gas, NGLs and oil, or change the rates of existing taxes, which could adversely impact our earnings, cash flows and financial position. Our hedging activities are subject to numerous and evolving financial laws and regulations which could inhibit our ability to effectively hedge our production against commodity price risk or increase our cost of compliance. We use financial derivative instruments to hedge the impact of fluctuations in natural gas, NGLs and oil prices on our results of operations and cash flows. As disclosed ~~above~~ in Item 1.," Business- Regulation," the Dodd- Frank Act, the rules adopted thereunder and various other foreign regulations could increase the cost of our derivative contracts, alter the terms of our derivative contracts, reduce the availability of derivatives to protect against the price risks we encounter, reduce our ability to monetize or restructure our existing derivative contracts, and lessen the number of available counterparties and, in turn, increase our exposure to less creditworthy counterparties. If our use of derivatives is reduced as a result of the Dodd- Frank Act, related regulations or such foreign regulations, our results of operations may become more volatile, and our cash flows may be less predictable, which could adversely affect our ability to plan for, and fund, our capital expenditure requirements. Any of these consequences could have a material adverse effect on our business, financial position and results of operations. We have experienced increased, and anticipate additional, compliance costs and changes to current market practices as participants continue to adapt to a changing financial regulatory environment. Federal, state and local legislative and regulatory initiatives relating to hydraulic fracturing and governmental reviews of such activities could result in increased costs and additional operating restrictions or delays in the completion of natural gas and oil wells, which could adversely affect our production. We use hydraulic fracturing in the completion of our wells. Hydraulic fracturing typically is regulated by state natural gas and oil commissions, but the EPA prohibits the discharge of wastewater from hydraulic fracturing operations to publicly owned wastewater treatment plants. Certain governmental reviews have been conducted or are underway that focus on the environmental aspects of hydraulic fracturing practices. In addition, Congress has from time to time considered legislation to provide for federal regulation of hydraulic fracturing under the SDWA and to require disclosure of the chemicals used in the hydraulic fracturing process. At the state level, several states have adopted or are considering legal requirements that could impose more stringent permitting, disclosure, and well construction requirements on hydraulic fracturing activities. Local governments also may seek to adopt ordinances within their jurisdictions regulating the time, place and manner of drilling activities in general or hydraulic fracturing activities in particular. Some states and municipalities have sought to ban hydraulic fracturing altogether. If new or more stringent federal, state, or local legal restrictions relating to the hydraulic fracturing process are adopted in areas where we operate, we could incur potentially significant added costs to comply with such requirements, experience delays or curtailment in the pursuit of exploration, development, or production activities, and perhaps even be precluded from constructing wells. See **Item 1.,** " Business- Regulation- Environmental, Health and Safety Regulation" for more information. Our operations may be exposed to significant delays, costs and liabilities as a result of environmental and occupational health and safety requirements applicable to our business activities. We may incur significant delays, costs and liabilities as a result of environmental and occupational health and safety requirements applicable to our exploration, development and production activities. These delays, costs and liabilities could arise under a wide range of federal, state and local laws and regulations relating to protection of the environment and occupational health and workplace safety, including regulations and enforcement policies that have tended to become increasingly strict over time, resulting in longer waiting periods to receive permits and other regulatory approvals. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, imposition of clean- up and site restoration costs and liens, and, in some instances, issuance of orders or injunctions limiting or requiring discontinuation of certain operations. Strict, joint and several liabilities may be imposed under certain environmental laws, which could cause us to become liable for the conduct of others or for consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken. In addition, claims for damages to persons or property, including natural resources, may result from the environmental and occupational health and workplace safety impacts of our operations. We have been named from time to time as a defendant in litigation related to such matters. In addition, new or additional laws and regulations, new interpretations of existing requirements or changes in enforcement policies could impose unforeseen liabilities, significantly increase compliance costs or result in delays of, or denial of rights to conduct, our development programs. For example, ~~in June 2015~~ **see Item 1.** , ~~the EPA and the Corps issued a rule~~ **" Business- Regulation- Water Discharges" for information related to ongoing interpretation disputes** under the CWA ~~defining the scope of the EPA' s and the Corps' jurisdiction over WOTUS, which never took effect before being replaced by the NWPR in December 2019. A coalition of states and cities, environmental groups, and agricultural groups challenged the NWPR, which was vacated by a federal district court in August 2021. In addition, in an April 2020 decision further defining the scope of the CWA, the U. S. Supreme Court held that, in certain cases, discharges from a point source to groundwater could fall within the scope of the CWA and require a permit. The Court rejected the EPA and Corps' assertion that groundwater should be totally excluded from the CWA. The EPA is undergoing a rulemaking process to redefine the definition of WOTUS which could be impacted by the U. S. Supreme Court' s pending decision in Sackett v. EPA, a case regarding the proper test in determining whether wetlands qualify as WOTUS. A final rule, known as" Rule 1" was announced by the EPA and the Corps in December 2022. The EPA and the Corps are expected to propose a second rule, known as" Rule 2," further refining Rule 1 by November 2023 and issue a final rule by July 2024~~ . To the extent a new rule or further litigation expands the scope of the CWA' s jurisdiction, we could face increased costs and delays with respect to obtaining permits for dredge and fill activities in wetland areas. Such potential regulations or litigation could increase our operating costs, reduce our liquidity, delay or halt our operations or otherwise alter the way we conduct our business, which in turn could materially adversely affect our results of operations and financial position. Further, the discharges of natural gas, NGLs, oil, and other pollutants into the air, soil or water may give rise to significant liabilities on our part to the government and third parties. Regulations related to the protection of wildlife could adversely affect our ability to conduct drilling activities **and pipeline construction** in some of the areas where we operate. Our operations can be adversely affected by regulations designed to protect various wildlife, including threatened and endangered species and their critical habitat. The implementation of measures to protect wildlife or the designation of previously unprotected species as threatened or endangered in areas where underlying property operations are conducted could cause us to incur increased costs arising from species protection measures or could result in constraints on our exploration ~~and~~ **,** production **and midstream** activities. This limits our ability to operate in those areas and can intensify competition during those months for drilling rigs, oilfield equipment, services, supplies and qualified personnel, which may lead to periodic shortages. These constraints and the resulting shortages or high costs could delay our operations and materially increase our operating and capital costs ~~. Fuel conservation measures, consumer tastes and technological advances could reduce demand for natural gas and oil. Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to natural gas and oil, technological advances in fuel economy and energy generation devices could reduce demand for natural gas and oil. The impact of the changing demand for natural gas and oil could adversely impact our earnings, cash flows and financial position~~ . Risks Associated with Strategic Transactions Entering into strategic transactions may expose us to various risks. We periodically engage in acquisitions, dispositions and other strategic transactions, including joint ventures. These transactions involve various inherent risks, such as our ability to obtain the necessary regulatory and third- party approvals; the timing of and conditions imposed upon us by regulators in connection with such approvals; the assumption of **, or retaining,** potential environmental or other liabilities; and our ability to realize the benefits expected from the transactions. In addition, various factors, including prevailing market conditions, could negatively impact the benefits we receive from these transactions. **With respect to dispositions in particular, various factors could materially affect our ability to dispose of assets if and when we decide to do so, including the availability of purchasers willing to purchase the assets at prices acceptable to us, particularly in times of reduced and volatile commodity prices.** Competition for **strategic** transaction opportunities in our industry is intense and may increase the cost of, **reduce the benefits from,** or cause us to refrain from, completing **such** transactions. **Moreover,** ~~Joint~~ **joint** venture arrangements may restrict our operational and corporate flexibility. ~~Moreover, joint~~ **Joint** venture arrangements involve various risks and uncertainties, such as committing us to fund operating and / or capital expenditures, the timing and amount of which we may have little or partial control over, and our joint venture partners may not satisfy their obligations to the joint venture. Our inability to complete a transaction or to achieve our strategic or financial goals in any transaction could have significant adverse effects on our earnings, cash flows and financial position. Securities class action and derivative lawsuits may be brought against us in connection with strategic transactions ~~, such as the Tug Hill and XcL Midstream Acquisition~~ , which could result in substantial costs and may delay or prevent such transactions from being completed. Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisition, merger or other business combination agreements. Even if such a lawsuit is without merit, defending against these claims can result in substantial costs and divert management time and resources. An adverse judgment could result in monetary damages, which could have a negative impact on our liquidity and financial condition. Lawsuits that may be brought against us or our ~~or their~~ directors could also seek, among other things, injunctive relief or other equitable relief, including a request to enjoin us from consummating ~~the acquisition. One of the conditions to the closing of the Tug Hill and XcL Midstream Acquisition is that no court, tribunal or other governmental authority of competent jurisdiction has issued~~ a **strategic transaction** ~~final and non- appealable order, decree, judgment or law prohibiting the consummation of the Tug Hill and XcL Midstream Acquisition~~ . **If** ~~Consequently, if~~ a plaintiff is successful in obtaining an injunction prohibiting completion of **a pending transaction** ~~the Tug Hill and XcL Midstream Acquisition~~ , that injunction may delay or prevent **a pending transaction** ~~the Tug Hill and XcL Midstream Acquisition~~ from being completed within the expected timeframe or at all, which may adversely affect our business, financial position and results of operation ~~. Completion of the Tug Hill and XcL Midstream Acquisition is subject to conditions, including certain conditions that may not be satisfied or completed on a timely basis or at all. Failure to complete the Tug Hill and XcL Midstream Acquisition could have material and adverse effects on us. Completion of the Tug Hill and XcL Midstream Acquisition is subject to a number of conditions, including, among other things, the termination or expiration of the applicable waiting periods under the Hart- Scott- Rodino Antitrust Improvements Act of 1976. Such conditions, some of which are beyond our control, may not be satisfied or waived in a timely manner or at all and therefore make the completion and timing of the completion of the Tug Hill and XcL Midstream Acquisition uncertain. In addition, the Tug Hill and XcL Midstream Purchase Agreement (defined in Note 6 to the Consolidated Financial Statements) contains certain termination rights for both us and the Sellers (defined in Note 6 to the Consolidated Financial Statements), which if exercised, will also result in the Tug Hill and XcL Midstream Acquisition not being consummated. Furthermore, the governmental authorities from which the regulatory approvals are required may impose conditions on the completion of the Tug Hill and XcL Midstream Acquisition or require changes to the terms thereof. Such conditions or changes and the process of obtaining regulatory approvals could have the effect of delaying or impeding consummation of the transactions or of imposing additional costs or limitations on us following completion of the Tug Hill and XcL Midstream Acquisition, any of which might have an adverse effect on us following completion of the Tug Hill and XcL Midstream Acquisition. If the Tug Hill and XcL Midstream Acquisition is not completed, our ongoing business may be adversely affected and, without realizing any of the benefits of having completed the Tug Hill and XcL Midstream Acquisition, we will be subject to a number of risks, including the following: • we will be required to pay our costs relating to the Tug Hill and XcL Midstream Acquisition, such as legal, accounting and financial advisory expenses, whether or not the transaction is completed; • time and resources committed by our management to matters relating to the Tug Hill and XcL Midstream Acquisition could otherwise have been devoted to pursuing other beneficial opportunities; and • the market price of our common stock could decline to the extent that the current market price reflects a market assumption that the Tug Hill and XcL Midstream Acquisition will be completed. In addition to the above risks, if the Tug Hill and XcL Midstream Purchase Agreement is terminated and our Board of Directors seeks another acquisition, our shareholders cannot be certain that we will be able to find a party willing to enter into a transaction as attractive to us as the Tug Hill and XcL Midstream Acquisition. Also, if the Tug Hill and XcL Midstream Purchase Agreement is terminated under certain specified circumstances by the Sellers, the $ 150. 0 million loan provided by us to the Upstream Seller (defined in Note 6 to the Consolidated Financial Statements), which would have been credited toward the cash consideration payable at the closing of the Tug Hill and XcL Midstream Acquisition, will be extinguished and we will not recover the principal or any interest thereunder. We and the entities that we intend to acquire in the Tug Hill and XcL Midstream Acquisition (the Tug Hill and XcL Midstream Companies) will be subject to business uncertainties while the Tug Hill and XcL Midstream Acquisition is pending, which could adversely affect our business. In connection with the pendency of the Tug Hill and XcL Midstream Acquisition, it is possible that certain persons with whom we or the Tug Hill and XcL Midstream Companies have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with us or the Tug Hill and XcL Midstream Companies, as the case may be, as a result of the Tug Hill and XcL Midstream Acquisition, which could negatively affect our or the Tug Hill and XcL Midstream Companies' revenues, earnings and cash flows as well as the market price of our common stock, regardless of whether the Tug Hill and XcL Midstream Acquisition is completed. Also, our and the Tug Hill and XcL Midstream Companies'~~

~~ability to attract, retain and motivate employees may be impaired until the Tug Hill and XcL Midstream Acquisition is completed, and our ability to do so may be impaired for a period of time thereafter, as current and prospective employees may experience uncertainty about their roles within the company following the Tug Hill and XcL Midstream Acquisition. Under the terms of the Tug Hill and XcL Midstream Purchase Agreement, both we and the Tug Hill and XcL Midstream Companies are subject to certain restrictions on the conduct of business prior to the effective time of the Tug Hill and XcL Midstream Acquisition, which may adversely affect our and the Tug Hill and XcL Midstream Companies' ability to execute certain of our and their business strategies, including the ability in certain cases to modify or enter into certain contracts, acquire or dispose of certain assets, incur or prepay certain indebtedness, incur encumbrances, make capital expenditures or settle claims. Such limitations could negatively affect our and the Tug Hill and XcL Midstream Companies' businesses and operations prior to the completion of the Tug Hill and XcL Midstream Acquisition~~ . Acquisitions may disrupt our current plans or operations and may not be worth what we pay due to uncertainties in evaluating recoverable reserves and other expected benefits, as well as potential liabilities. ~~In particular, if the Tug Hill and XcL Midstream Acquisition is consummated, we may be unable to successfully integrate the acquired assets into our business or achieve the anticipated benefits of the Tug Hill and XcL Midstream Acquisition.~~ Successful property acquisitions ~~, including assets we intend to acquire in the Tug Hill and XcL Midstream Acquisition,~~ require an assessment of a number of factors beyond our control. These factors include estimates of recoverable reserves; exploration potential; future natural gas, NGLs and oil prices and their appropriate differentials; availability and cost of transportation of production to markets; availability and cost of drilling equipment and of skilled personnel; development and operating costs, including access to water; production taxes; potential environmental and other liabilities; and regulatory, permitting and similar matters. These assessments are complex and inherently imprecise. Our review of the properties **and other assets** we acquire may not reveal all existing or potential problems. In addition, our review may not allow us to fully assess the potential deficiencies of the properties. We do not inspect every well or lease that we acquire, and even when we inspect a well or lease **,** we may not discover structural, subsurface ~~,~~ or environmental problems that may exist or arise ~~. In connection with our assessment of the assets of the Upstream Seller, we have performed a review of the subject properties that we believe to be generally consistent with industry practices. The review was based on our analysis of historical production data, assumptions regarding capital expenditures and anticipated production declines without review by an independent petroleum engineering firm. Data used in such review was furnished by the Sellers or obtained from publicly available sources. Our review may not reveal all existing or potential problems or permit us to fully assess the deficiencies and potential recoverable reserves for all of the Upstream Seller' s assets, and the reserves and production related to the Upstream Seller' s assets may differ materially after such data is reviewed by an independent petroleum engineering firm or further by us. Inspections were not performed on every well, and environmental problems are not necessarily observable even when an inspection is undertaken~~ . There may be threatened or contemplated claims against the assets or businesses we acquire related to environmental, title, regulatory, tax, contract, litigation or other matters of which we are unaware, which could materially and adversely affect our production, revenues and results of operations. We often assume certain liabilities, and we may not be entitled to contractual indemnification for pre- closing liabilities, including environmental liabilities, and our contractual indemnification may not be effective. At times, we acquire interests in properties on an" as is" basis with limited representations and warranties and limited remedies for breaches of such representations and warranties. In addition, significant acquisitions can change the nature of our operations and business if the acquired properties have substantially different operating and geological characteristics or are in different geographic locations than our existing properties. Also, our ability to achieve the anticipated benefits of an acquisition ~~, including the Tug Hill and XcL Midstream Acquisition,~~ will depend in part upon whether we can integrate the acquired assets and their operations into our existing business in an efficient and effective manner. The integration process may be subject to delays or changed circumstances, and we can give no assurance that ~~acquired~~ assets **we acquire** will perform in accordance with our expectations or that our expectations with respect to integration or cost savings as a result of an acquisition ~~, such as the Tug Hill and XcL Midstream Acquisition,~~ will materialize ~~. We will incur significant transaction costs in connection with the Tug Hill and XcL Midstream Acquisition. We have incurred, and are expected to continue to incur, a number of non- recurring costs associated with the Tug Hill and XcL Midstream Acquisition, combining the operations of the acquired assets with ours and achieving desired synergies. These costs have been, and will continue to be, substantial and, in many cases, will be borne by us whether or not the Tug Hill and XcL Midstream Acquisition is completed. A substantial majority of non- recurring expenses will consist of transaction costs and include, among others, fees paid to financial, legal, accounting and other advisors and employee retention, severance and benefit costs. We will also incur costs related to formulating and implementing integration plans. Although we expect that the elimination of duplicative costs, as well as the realization of synergies and efficiencies related to the integration of the acquired assets, should allow us to offset these transaction costs over time, this net benefit may not be achieved in the near term or at all~~ . If there is a later determination that our spin- off of Equitrans Midstream or certain related transactions are taxable for U. S. federal income tax purposes because the facts, assumptions, representations or undertakings underlying the IRS private letter ruling and / or opinion of counsel are incorrect or for any other reason, significant liabilities could be incurred by us, our shareholders or Equitrans Midstream. In connection with our 2018 spin- off of Equitrans Midstream as a separate, publicly- traded company, we obtained a private letter ruling from the IRS and an opinion of outside counsel regarding the qualification of the distribution of Equitrans Midstream shares to our shareholders (the Distribution), together with certain related transactions, as a transaction that is generally tax- free, for U. S. federal income tax purposes, under Sections 355 and 368 (a) (1) (D) of the U. S. Internal Revenue Code, as amended, and certain other U. S. federal income tax matters relating to the Distribution and certain related transactions. The IRS private letter ruling and the opinion of counsel are based on and rely on, among other things, various facts and assumptions, as well as certain representations, statements and undertakings of us and Equitrans Midstream, including those relating to the past and future conduct of us and Equitrans Midstream. If any of these representations, statements or undertakings is, or becomes, inaccurate or incomplete, or if we or Equitrans Midstream breach any representations or covenants contained in any of the spin- off- related agreements and documents or in any documents relating to the IRS private letter ruling and / or the opinion of counsel, we and our shareholders may not be able to rely on the IRS private letter ruling or the opinion of counsel. Notwithstanding receipt of the IRS private letter ruling and the opinion of counsel, the IRS could determine on audit that the Distribution and / or certain related transactions should be treated as taxable transactions for U. S. federal income tax purposes if it determines that any of the representations, assumptions or undertakings upon which the IRS private letter ruling was based are false or have been violated or if it disagrees with the conclusions in the opinion of counsel that are not covered by the ruling or for other reasons. An opinion of counsel represents the judgment of such counsel and is not binding on the IRS or any court, and the IRS or a court may disagree with the conclusions in such opinion of counsel. Accordingly, notwithstanding receipt of the IRS private letter ruling and the opinion of counsel, there can be no assurance that the IRS will not assert that the Distribution and / or certain related transactions should be treated as taxable transactions or that a court would not sustain such a challenge. In the event the IRS were to prevail with such challenge, we, Equitrans Midstream and our shareholders could be subject to material U. S. federal and state income tax liabilities. In connection with the spin- off, we and Equitrans Midstream entered into a tax matters agreement, which described the sharing of any such liabilities between us and Equitrans Midstream.