ASCENT RESOURCES UTICA HOLDINGS, LLC REPORTS THIRD QUARTER OPERATING AND FINANCIAL RESULTS AND ANNOUNCES UPDATED 2021 GUIDANCE

Third Quarter Highlights:

- Averaged net production of approximately 1.98 bcfe per day for the quarter
- Generated Adjusted EBITDAX[(1)] of $250 million and net cash from operating activities of $161 million
- Well costs[(2)] averaged approximately $571 per lateral foot during the quarter, resulting in capital expenditures incurred of $181 million
- Generated $28 million of free cash flow[(1)] during the quarter, marking our sixth consecutive quarter of free cash flow generation
- Reaffirmed our borrowing base at $1.85 billion in November 2021

Full-year 2021 Guidance Update:

- Production volumes of 1,900 to 1,950 mmcfe/d, representing a 5% fourth quarter exit-to-exit rate increase
- Total capital expenditures of $630 million to $650 million to maintain balanced activity pace (4 rigs / 1 frac crew)
- Free cash flow[(1)] of $175 million to $200 million

[(1)] A non-GAAP financial measure. See the Non-GAAP reconciliations included in this press release for the definition of, and other important information regarding, this non-GAAP financial measure.
[(2)] Well costs include drilling, completions, facility and pad costs.

Oklahoma City, Oklahoma, November 9, 2021 (PR Newswire) – Ascent Resources Utica Holdings, LLC (“Ascent”, "our" or the "Company") today reported its third quarter 2021 operating and financial results and issued updated full-year 2021 guidance. In addition, Ascent announced a conference call with analysts and investors at 9 AM CST / 10 AM EST, Wednesday, November 10, 2021. For more detailed information on Ascent, please refer to the latest investor presentation and additional information located on our website at https://www.ascentresources.com/investors.

Commenting on our third quarter 2021 performance, Ascent's Chairman and Chief Executive Officer, Jeff Fisher said, “The team continues to deliver strong operational and financial results combined with peer-leading capital efficiencies that we have been able to capture at our current activity level. Coming into the quarter, we successfully increased our production profile in the second quarter and continued to build on that momentum in the third quarter with 17 new turn-in-lines. Our execution combined with the sustainable operational efficiencies we have been able to achieve in the field have improved margins and contributed to consistent free cash flow generation despite significant hedge losses during the quarter."

Fisher continued, "We have made the decision to maintain our efficient four rig program for the remainder of the year which will accelerate some capital spend into 2021 from 2022. As a result, we have increased our guidance for total capital expenditures. Despite the higher capital spend, we are increasing our free cash flow guidance to $175 to $200 million, and revising production guidance slightly lower due to changes in well mix and timing of operations. Consistent with our previously stated strategy, the additional free cash flow will be used to repay debt, improve our balance sheet and maximize value for our shareholders."

Third Quarter 2021 Financial Results

Third quarter 2021 net production averaged 1,978 mmcfe per day, consisting of 1,829 mmcf per day of natural gas, 7,370 bbls per day of oil and 17,522 bbls per day of natural gas liquids ("NGL").

Third quarter 2021 price realizations, including the impact of settled derivatives, were $2.95 per mcfe. Excluding the impact of settled derivatives, price realizations were $4.20 per mcfe in the third quarter of 2021.

For the third quarter of 2021, Ascent reported a net loss of $1.3 billion, adjusted net income of $51 million and adjusted EBITDAX of $250 million. During the third quarter of 2021, the net loss was driven by a $1.3 billion unrealized commodity derivative fair value loss primarily due to an increase in the forward strip for natural gas. Ascent incurred $181 million of total capital expenditures in the third quarter of 2021 including $150 million for well costs, $20 million for acquisition and leasehold costs, and $12 million for capitalized interest. The Company generated $28 million of free cash flow in the third quarter of 2021, despite a realized hedge loss of approximately $227 million.

Year-to-Date 2021 Financial Results

Net production for the nine months ended September 30, 2021 averaged 1,905 mmcfe per day, consisting of 1,733 mmcf per day of natural gas, 8,700 bbls per day of oil and 20,040 bbls per day of NGLs.

Price realizations, including the impact of settled derivatives, were $2.98 per mcfe for the nine months ended September 30, 2021. Excluding the impact of derivatives, price realizations were $3.54 per mcfe for the year-to-date period.

For the nine months ended September 30, 2021, Ascent reported a net loss of $1.9 billion, adjusted net income of $151 million and adjusted EBITDAX of $721 million. During the nine months ended September 30, 2021, the net loss was driven by a $2.0 billion unrealized commodity derivative fair value loss primarily due to an increase in the forward strip for natural gas. Ascent incurred a total of $485 million of capital expenditures during the nine months ended September 30, 2021 including $410 million for well costs, $38 million for acquisition and leasehold costs, and $37 million for capitalized interest. The Company generated $120 million of free cash flow during the nine months ended September 30, 2021, despite a realized hedge loss of approximately $289 million.

Balance Sheet and Liquidity

As of September 30, 2021, Ascent had total debt outstanding of approximately $2.6 billion, with $543 million of borrowings as well as $169 million of letters of credit issued under our revolving credit facility. Liquidity at the end of the third quarter of 2021 was $1.14 billion, comprised of $1.14 billion of available borrowing capacity under the revolving credit facility and $6 million of cash on hand. Our leverage ratio at the end of the quarter was 2.8x.

Subsequent to the end of the third quarter, Ascent's borrowing base was reaffirmed at $1.85 billion pursuant to the scheduled semi-annual November borrowing base redetermination under our credit agreement.

Operational Update

During the third quarter of 2021, Ascent operated four drilling rigs and one fracture stimulation crew. The Company spud 19 operated wells, hydraulically fractured 20 wells, and turned in line 17 wells with an average lateral length of 13,220 feet. Of the 17 new wells brought online, 13 were located in the dry gas or lean gas areas, while the other four wells were located in the liquids-rich window. As of September 30, 2021, Ascent had 656 gross operated producing Utica wells.

Our well costs averaged approximately $571 per lateral foot during the third quarter of 2021, which is in-line with our full year guidance of between $550 and $575 per lateral foot. The Company continues to execute at a high level and realize sustainable and repeatable efficiency gains. We have realized a substantial improvement in drilling efficiencies as we continue to reduce cycle times while increasing lateral feet developed per day. Most recently, we achieved a spud to rig release of less than 10 days on a pad in the liquids-rich area. On the completions side, we ran two fracture stimulation crews during the month of September as we transitioned vendors and overlapped operations to ensure a seamless transition. Our completion operations continue to exceed expectations as we have seen our stage count increase to more than 15 stages per day. At quarter end, we dropped the second fracture stimulation crew and are now running one dedicated crew at this time.

Hedging Update

Ascent has significant hedges in place in order to reduce exposure to the volatility in commodity prices, as well as to protect our expected operating cash flow. As of September 30, 2021, Ascent had hedged 1,471,000 mmbtu per day of

natural gas production for the remainder of 2021 at an average price of $2.50 per mmbtu ($2.68 per mcfe). In addition, Ascent had also hedged 2,000 bbls per day of crude oil production at an average price of $54.89 per bbl for the remainder of 2021. We also have significant natural gas and oil hedges in place for 2022 and beyond (please reference our financial statements for additional detail).

Updated 2021 Guidance

The Company has updated its full-year 2021 guidance to reflect current development locations and activity levels (4 rigs vs. 3-4 rigs previously) and associated timing shifts to our production profile. A detailed summary including production, expense and operational counts is included in the table that follows:

Updated 2021 Guidance

Production	**Full-Year 2021**
Total Production (mmcfe/d)	1,900 - 1,950
% Natural Gas	90% - 92%
Operating Expenses ($/mcfe)[(1)]	**$1.55 - $1.60**
Capital Expenditures Incurred ($mm)[(2)]	**$630 - $650**
Free Cash Flow ($mm)	**$175 - $200**
Operations / Well Counts	
Operated Rigs	4
Wells Spud	70 - 75
Wells TIL'd	65 - 70
Average Lateral Length of TILs	13,000'
Drilling, Completion, Facility and Pad Cost (per lat. ft.)	$550 - $575

(1) Includes GP&T, LOE, Taxes and G&A (less stock-based compensation expense)

(2) Excludes Capitalized Interest

About Ascent Resources

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

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This news release contains forward-looking statements within the meaning of US federal securities laws. Forward-looking statements express views of Ascent regarding future plans and expectations. Forward-looking statements in this news release include, but are not limited to, statements regarding future operations, business strategy, liquidity and cash flows of Ascent. These statements are based on numerous assumptions and are subject to known and unknown risks

and uncertainties, including, commodity price volatility, inherent uncertainty in estimating natural gas, oil and NGL reserves, environmental and regulatory risks, availability of capital, and the other risks described in Ascent's most recent investor presentation provided at www.ascentresources.com/investors. Actual future results may vary materially from those expressed or implied in this news release and Ascent's business, financial condition, results of operations and cash flow could be materially and adversely affected by such risks and uncertainties. As a result, forward-looking statements should be understood to be only predictions and statements of Ascent's current beliefs; they are not guarantees of performance.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	**2021**	**2020**	**2021**	**2020**
Revenues:				
Natural gas	$ 656,562	$ 300,643	$ 1,534,239	$ 868,249
Oil	43,480	37,177	136,235	107,736
NGL	64,888	27,243	172,749	80,590
Commodity derivative loss	(1,512,044)	(386,020)	(2,276,477)	(248,066)
Total Revenues	(747,114)	(20,957)	(433,254)	808,509
Operating Expenses:				
Lease operating expenses	23,756	19,203	66,548	57,839
Gathering, processing and transportation expenses	242,288	227,247	697,931	689,896
Taxes other than income	9,928	9,344	29,316	28,343
Exploration expenses	22,274	28,096	57,306	77,907
General and administrative expenses	13,899	15,063	42,991	50,112
Depreciation, depletion and amortization	151,631	196,048	438,384	574,795
Total Operating Expenses	463,776	495,001	1,332,476	1,478,892
Loss from Operations	(1,210,890)	(515,958)	(1,765,730)	(670,383)
Other (Expense) Income:				
Interest expense, net	(44,985)	(33,279)	(127,773)	(98,432)
Change in fair value of contingent payment right	(1,544)	—	(20,328)	—
(Losses) Gains on purchases or exchanges of debt	—	(3,632)	(3,822)	9,671
Other income	975	437	1,326	1,024
Total Other Expense	(45,554)	(36,474)	(150,597)	(87,737)
Net Loss	$ (1,256,444)	$ (552,432)	$ (1,916,327)	$ (758,120)

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

($ in thousands)	September 30, 2021	December 31, 2020
Current Assets:		
Cash and cash equivalents	$ 6,054	$ 8,843
Accounts receivable – natural gas, oil and NGL sales	357,600	223,976
Accounts receivable – joint interest and other	20,446	8,466
Short-term derivative assets	—	8,202
Other current assets	5,669	8,316
Total Current Assets	389,769	257,803
Property and Equipment:		
Natural gas and oil properties, based on successful efforts accounting	9,222,813	8,791,061
Other property and equipment	31,745	31,565
Less: accumulated depreciation, depletion and amortization	(3,065,057)	(2,627,213)
Property and Equipment, net	6,189,501	6,195,413
Other Assets:		
Long-term derivative assets	—	2,401
Other long-term assets	12,276	16,232
Total Assets	$ 6,591,546	$ 6,471,849
Current Liabilities:		
Accounts payable	$ 61,014	$ 36,736
Accrued interest	51,719	31,287
Current portion of long-term debt, net	—	12,498
Short-term derivative liabilities	1,453,870	54,144
Other current liabilities	421,727	341,637
Total Current Liabilities	1,988,330	476,302
Long-Term Liabilities:		
Long-term debt, net of current portion	2,632,758	2,707,382
Long-term derivative liabilities	689,651	113,160
Other long-term liabilities	95,572	73,010
Total Long-Term Liabilities	3,417,981	2,893,552
Member's Equity	1,185,235	3,101,995
Total Liabilities and Member's Equity	$ 6,591,546	$ 6,471,849

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	**2021**	**2020**	**2021**	**2020**
Cash Flows from Operating Activities:				
Net loss	$ (1,256,444)	$ (552,432)	$ (1,916,327)	$ (758,120)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation, depletion and amortization	151,631	196,048	438,384	574,795
Change in fair value of commodity derivatives	1,284,758	500,175	1,987,177	677,647
Change in fair value of interest rate derivatives	(161)	26	(357)	528
Impairment of unproved natural gas and oil properties	20,077	26,327	53,458	75,006
Non-cash interest expense	4,676	6,088	14,091	19,394
Stock-based compensation	816	710	2,801	710
Change in fair value of contingent payment right	1,544	—	20,328	—
Losses (gains) on purchases or exchanges of debt	—	—	3,810	(13,303)
Other	2,502	37	11,286	(1,564)
Changes in operating assets and liabilities	(48,462)	6,004	(59,940)	79,454
Net Cash Provided by Operating Activities	160,937	182,983	554,711	654,547
Cash Flows from Investing Activities:				
Drilling and completion costs	(135,955)	(126,353)	(376,388)	(472,233)
Acquisitions of natural gas and oil properties	(25,961)	(30,512)	(65,098)	(111,499)
Additions to other property and equipment	(194)	(84)	(329)	(1,461)
Net Cash Used in Investing Activities	(162,110)	(156,949)	(441,815)	(585,193)
Cash Flows from Financing Activities:				
Proceeds from credit facility borrowings	540,000	230,000	1,250,000	695,000
Repayment of credit facility borrowings	(540,000)	(260,000)	(1,660,000)	(715,000)
Proceeds from issuance of long-term debt	—	—	400,000	—
Repayment of long-term debt	—	(23)	(84,173)	(50,995)
Cash paid for debt issuance costs	(413)	(4)	(7,221)	(2,294)
Commodity derivative settlements	(2,378)	—	(11,188)	1,557
Other	—	—	(3,103)	—
Net Cash Used in Financing Activities	(2,791)	(30,027)	(115,685)	(71,732)
Net Decrease in Cash and Cash Equivalents	(3,964)	(3,993)	(2,789)	(2,378)
Cash and Cash Equivalents, Beginning of Period	10,018	8,961	8,843	7,346
Cash and Cash Equivalents, End of Period	$ 6,054	$ 4,968	$ 6,054	$ 4,968

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net Production Volumes:				
Natural gas (mmcf)	168,236	164,208	473,089	490,108
Oil (mbbls)	678	1,121	2,375	3,404
NGL (mbbls)	1,612	1,900	5,471	7,423
Natural Gas Equivalents (mmcfe)	181,975	182,333	520,160	555,068
Average Daily Net Production Volumes:				
Natural gas (mmcf/d)	1,829	1,785	1,733	1,789
Oil (mbbls/d)	7	12	9	12
NGL (mbbls/d)	18	21	20	27
Natural Gas Equivalents (mmcfe/d)	1,978	1,982	1,905	2,026
% Natural Gas	93 %	90 %	91 %	88 %
% Liquids	7 %	10 %	9 %	12 %
Average Sales Prices:				
Natural gas ($/mcf)	$ 3.90	$ 1.83	$ 3.24	$ 1.77
Oil ($/bbl)	$ 64.13	$ 33.16	$ 57.36	$ 31.65
NGL ($/bbl)	$ 40.25	$ 14.34	$ 31.58	$ 10.86
Natural Gas Equivalents ($/mcfe)	$ 4.20	$ 2.00	$ 3.54	$ 1.90
Settlements of commodity derivatives ($/mcfe)	(1.25)	0.63	(0.56)	0.77
Average sales price, after effects of settled derivatives ($/mcfe)	$ 2.95	$ 2.63	$ 2.98	$ 2.67

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

($ in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Capital Expenditures Incurred:				
Drilling and completion costs incurred	$ 149,634	$ 91,622	$ 409,964	$ 412,737
Acquisition and leasehold costs incurred	20,096	10,559	37,976	47,166
Capitalized interest incurred	11,523	19,483	37,497	64,119
Total Capital Expenditures Incurred	$ 181,253	$ 121,664	$ 485,437	$ 524,022

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

($ in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net Loss	$ (1,256,444)	$ (552,432)	$ (1,916,327)	$ (758,120)
Adjustments to reconcile net loss to adjusted net income (loss):				
Impairment of unproved natural gas and oil properties	20,077	26,327	53,458	75,006
Change in fair value of commodity derivatives	1,284,758	500,175	1,987,177	677,647
Change in fair value of interest rate derivatives	(161)	26	(357)	528
Change in fair value of contingent payment right	1,544	—	20,328	—
Losses (gains) on purchases or exchanges of debt	—	3,632	3,822	(9,671)
Stock-based compensation	816	710	2,801	710
Non-recurring legal expense	—	—	—	5,572
Adjusted Net Income (Loss) (Non-GAAP)[a][b]	$ 50,590	$ (21,562)	$ 150,902	$ (8,328)

[a] As shown above and on the following pages, Ascent uses adjusted net income (loss), EBITDAX, adjusted EBITDAX, discretionary cash flow and free cash flow (non-GAAP measures) as supplemental measures to evaluate the performance of its assets. Ascent believes these non-GAAP measures provide meaningful information to our investors, as discussed below. These non-GAAP measures, as used and defined by Ascent, are not measures of performance as determined by United States generally accepted accounting principles (US GAAP) and may not be comparable to similarly titled measures employed by other companies.

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

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

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

[b] Ascent defines "adjusted net income (loss)" as net income (loss) before impairment of unproved natural gas and oil properties; change in fair value of commodity derivatives; change in fair value of interest rate derivatives; change in fair value of contingent payment right; (gains) losses on purchases or exchanges of debt; stock-based compensation; non-recurring legal expense (benefit); acquisition expenses; impairment of other property and equipment; and other non-recurring items.

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

EBITDAX and Adjusted EBITDAX

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	2021	2020	2021	2020
Net Loss	$ (1,256,444)	$ (552,432)	$ (1,916,327)	$ (758,120)
Adjustments to reconcile net loss to EBITDAX:				
Exploration expenses	22,274	28,096	57,306	77,907
Depreciation, depletion and amortization	151,631	196,048	438,384	574,795
Interest expense, net	44,985	33,279	127,773	98,432
EBITDAX (Non-GAAP)[a][b]	(1,037,554)	(295,009)	(1,292,864)	(6,986)
Adjustments to reconcile EBITDAX to Adjusted EBITDAX:				
Change in fair value of commodity derivatives	1,284,758	500,175	1,987,177	677,647
Change in fair value of contingent payment right	1,544	—	20,328	—
Losses (gains) on purchases or exchanges of debt	—	3,632	3,822	(9,671)
Stock-based compensation	816	710	2,801	710
Non-recurring legal expense	—	—	—	5,572
Adjusted EBITDAX (Non-GAAP)[b][c]	$ 249,564	$ 209,508	$ 721,264	$ 667,272

(a) Ascent defines "EBITDAX" as net income (loss) before exploration expenses; depreciation, depletion and amortization; and interest expense, net.

(b) See footnote (a) on page 10 for a discussion around our uses of non-GAAP measures.

(c) Ascent defines "adjusted EBITDAX" as EBITDAX before change in fair value of commodity derivatives; change in fair value of contingent payment right; (gains) losses on purchases or exchanges of debt; stock-based compensation; non-recurring legal expense; and other non-recurring items.

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

Last Twelve Months ("LTM") EBITDAX and Adjusted EBITDAX

	Three Months Ended				Twelve Months Ended
($ in thousands)	September 30, 2021	June 30, 2021	March 31, 2020	December 31, 2020	September 30, 2021
Net (Loss) Income	$ (1,256,444)	$ (616,945)	$ (42,938)	$ 168,609	$ (1,747,718)
Adjustments to reconcile net (loss) income to EBITDAX:					
Exploration expenses	22,274	16,539	18,493	26,323	83,629
Depreciation, depletion and amortization	151,631	147,519	139,234	162,223	600,607
Interest expense, net	44,985	41,342	41,446	35,781	163,554
EBITDAX (Non-GAAP)[(a)(b)]	(1,037,554)	(411,545)	156,235	392,936	(899,928)
Adjustments to reconcile EBITDAX to Adjusted EBITDAX:					
Change in fair value of commodity derivatives	1,284,758	624,760	77,659	(202,620)	1,784,557
Change in fair value of contingent payment right	1,544	13,338	5,446	6,518	26,846
Losses on purchases or exchanges of debt	—	3,822	—	15,708	19,530
Stock-based compensation	816	902	1,083	1,065	3,866
Adjusted EBITDAX (Non-GAAP)[(b)(c)]	$ 249,564	$ 231,277	$ 240,423	$ 213,607	$ 934,871

	Three Months Ended				Twelve Months Ended
($ in thousands)	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2020
Net (Loss) Income	$ (552,432)	$ (291,050)	$ 85,362	$ 65,255	$ (692,865)
Adjustments to reconcile net (loss) income to EBITDAX:					
Exploration expenses	28,096	22,858	26,953	41,561	119,468
Depreciation, depletion and amortization	196,048	202,273	176,474	203,966	778,761
Interest expense, net	33,279	31,233	33,920	34,249	132,681
EBITDAX (Non-GAAP)[(a)(b)]	(295,009)	(34,686)	322,709	345,031	338,045
Adjustments to reconcile EBITDAX to Adjusted EBITDAX:					
Change in fair value of commodity derivatives	500,175	239,847	(62,375)	(3,077)	674,570
Losses (gains) on purchases or exchanges of debt	3,632	190	(13,493)	—	(9,671)
Non-recurring legal expense	—	5,572	—	—	5,572
Change in fair value of embedded derivative	—	—	—	(622)	(622)
Stock-based compensation	710	—	—	61	771
Adjusted EBITDAX (Non-GAAP)[(b)(c)]	$ 209,508	$ 210,923	$ 246,841	$ 341,393	$ 1,008,665

(a) Ascent defines "EBITDAX" as net income (loss) before exploration expenses; depreciation, depletion and amortization; and interest expense, net.

(b) See footnote (a) on page 10 for a discussion around our uses of non-GAAP measures.

(c) Ascent defines "adjusted EBITDAX" as EBITDAX before change in fair value of commodity derivatives; change in fair value of contingent payment right; (gains) losses on purchases or exchanges of debt; stock-based compensation; non-recurring legal expense; change in fair value of embedded derivative; and other non-recurring items.

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

Net Debt and Net Debt to LTM Adjusted EBITDAX

	September 30,	
($ in thousands)	**2021**	**2020**
Net Debt:		
Total debt	$ 2,632,758	$ 2,768,601
Less: cash and cash equivalents	6,054	4,968
Net Debt[(a)]	$ 2,626,704	$ 2,763,633
Net Debt to LTM Adjusted EBITDAX:		
Net Debt[(a)]	$ 2,626,704	$ 2,763,633
LTM Adjusted EBITDAX (Non-GAAP)[(b)]	$ 934,871	$ 1,008,665
Net Debt to LTM Adjusted EBITDAX	2.8 x	2.7 x

(a) Ascent defines "Net Debt" as total debt less cash and cash equivalents. Management uses Net Debt to determine our outstanding debt obligations that would not be readily satisfied by our cash and cash equivalents on hand.

(b) Adjusted EBITDAX for the LTM ended September 30, 2021 and 2020, respectively. Refer to page 12 for more details regarding our LTM Adjusted EBITDAX calculations.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	**2021**	**2020**	**2021**	**2020**
Net Cash Provided by Operating Activities	$ 160,937	$ 182,983	$ 554,711	$ 654,547
Adjustments to reconcile Net Cash Provided by Operating Activities to Discretionary Cash Flow:				
Changes in operating assets and liabilities	48,462	(6,004)	59,940	(79,454)
Discretionary Cash Flow (Non-GAAP)[(a)(b)]	209,399	176,979	614,651	575,093
Adjustments to reconcile Discretionary Cash Flow to Free Cash Flow:				
Drilling and completion costs incurred	(149,634)	$ (91,622)	(409,964)	(412,737)
Acquisition and leasehold costs incurred	(20,096)	(10,559)	(37,976)	(47,166)
Capitalized interest incurred	(11,523)	(19,483)	(37,497)	(64,119)
Financing commodity derivative settlements	(2,378)	—	(11,188)	—
Non-recurring legal expense	—	—	—	5,572
Other	2,344	3,632	2,356	3,632
Free Cash Flow (Non-GAAP)[(b)(c)]	$ 28,112	$ 58,947	$ 120,382	$ 60,275

(a) Discretionary cash flow is widely accepted as a financial indicator of a natural gas and oil company's ability to generate cash which is used to internally fund exploration and development activities and service debt. Ascent defines "discretionary cash flow" as net cash provided by operating activities before changes in operating assets and liabilities.

(b) See footnote (a) on page 10 for a discussion around our uses of non-GAAP measures.

(c) Free cash flow is an indicator of a company's ability to generate funding to maintain or expand its asset base, make distributions and repurchase or extinguish debt. Ascent defines "free cash flow" as discretionary cash flow less drilling and completion costs incurred, acquisition and leasehold costs incurred, capitalized interest incurred, non-recurring legal expense, financing commodity derivative settlements, debt exchange fees and certain non-recurring items.