
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 11, 2024

DIAMONDBACK ENERGY, INC.

(Exact Name of Registrant as Specified in Charter)

DE

001-35700

45-4502447

(State or other jurisdiction of incorporation)

(Commission File Number)

(I.R.S. Employer Identification Number)

500 West Texas Ave.

Suite 100

Midland, TX

(Address of principal
executive offices)

79701

(Zip code)

(432) 221-7400

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class
Common Stock

Trading Symbol(s)
FANG

Name of each exchange on which registered
The Nasdaq Stock Market LLC
(NASDAQ Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

Diamondback Energy, Inc. (“Diamondback”) presents in this Item 2.02 certain information for the quarter ended June 30, 2024 regarding its derivative activity, realized prices, and weighted average basic and diluted shares outstanding.

Realized Prices

Second quarter 2024 average unhedged realized prices were \$79.51 per barrel of oil, \$0.10 per Mcf of natural gas and \$17.97 per barrel of natural gas liquids (“NGLs”).

Second quarter 2024 average realized hedged prices were \$78.55 per barrel of oil, \$1.03 per Mcf of natural gas and \$17.97 per barrel of NGLs.

Average Prices:		
Oil (\$ per Bbl)	\$	79.51
Natural gas (\$ per Mcf)	\$	0.10
Natural gas liquids (\$ per Bbl)	\$	17.97
Oil, hedged (\$ per Bbl) ⁽¹⁾	\$	78.55
Natural gas, hedged (\$ per Mcf) ⁽¹⁾	\$	1.03
Natural gas liquids, hedged (\$ per Bbl) ⁽¹⁾	\$	17.97

(1) Hedged prices reflect the effect of our commodity derivative transactions on our average sales prices and include gains and losses on cash settlements for matured commodity derivatives, which we do not designate for hedge accounting. Hedged prices exclude gains or losses resulting from the early settlement of commodity derivative contracts.

Derivative Activity

For the second quarter of 2024, Diamondback anticipates a net loss on cash settlements for derivative instruments of \$28 million and a net gain on non-cash derivative instruments of \$46 million as detailed in the table below (in millions):

Gain (loss) on derivative instruments, net:		
Commodity contracts	\$	54
Interest rate swaps		(11)
Treasury locks ⁽¹⁾		(25)
Total	\$	<u>18</u>
Net cash received (paid) on settlements:		
Commodity contracts	\$	24
Interest rate swaps		(27)
Treasury locks ⁽¹⁾		(25)
Total	\$	<u>(28)</u>

(1) Loss on 30 year treasury locks executed prior to, and fully settled upon, pricing of the senior notes issued in April 2024. Diamondback plans to exclude the loss on treasury locks from its second quarter return of capital calculation.

Weighted Average Basic and Diluted Shares Outstanding

For the second quarter of 2024, basic and diluted weighted average shares outstanding are as follows (in thousands):

Basic weighted average shares outstanding	178,360
Diluted weighted average shares outstanding	178,360

Forward-Looking Statements

This report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, which involve risks, uncertainties, and assumptions. All statements, other than statements of historical fact, including statements regarding Diamondback’s: future performance; business strategy; future operations (including drilling plans and capital plans); estimates and projections of revenues, losses, costs, expenses, returns, cash flow, and financial position; reserve estimates and its ability to replace or increase reserves; anticipated benefits of strategic transactions (including acquisitions and divestitures); and plans and objectives of management (including plans for future cash flow from operations and for executing environmental strategies) are forward-looking statements. When used in this report, the words “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “intend,” “may,” “model,” “outlook,” “plan,” “positioned,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would,” and similar expressions (including the negative of such terms) as they relate to Diamondback are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. In particular, the factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2023 and in subsequent filings we have made with the SEC could affect our actual results and cause our actual results to differ materially from expectations, estimates or assumptions expressed, forecasted or implied in such forward-looking statements. Unless the context requires otherwise, references to “we,” “us,” “our” or the “Company” are intended to mean the business and operations of Diamondback and its consolidated subsidiaries.

Factors that could cause our outcomes to differ materially include (but are not limited to) the following: changes in supply and demand levels for oil, natural gas and natural gas liquids, and the resulting impact on the price for those commodities; the impact of public health crises, including epidemic or pandemic diseases and any related company or government policies or actions; actions taken by the members of OPEC and Russia affecting the production and pricing of oil, as well as other domestic and global political, economic, or diplomatic developments; changes in general economic business or industry conditions, including changes in foreign currency exchange rates, interest rates and inflation rates, instability in the financial sector and concerns over a potential economic downturn or recession; regional supply and demand factors, including delays, curtailment delays or interruptions of production, or governmental orders, rules or regulations that impose production limits; federal and state legislative and regulatory initiatives relating to hydraulic fracturing, including the effect of existing and future laws and governmental regulations; physical and transition risks relating to climate change; restrictions on the use of water, including limits on the use of produced water and a moratorium on new produced water well permits recently imposed by the Texas Railroad Commission in an effort to control induced seismicity in the Permian Basin; significant declines in prices for oil, natural gas, or natural gas liquids, which could require recognition of significant impairment charges; changes in U.S. energy, environmental, monetary and trade policies; conditions in the capital, financial and credit markets, including the availability and pricing of capital for drilling and development operations and our environmental and social responsibility projects; challenges with employee retention and an increasingly competitive labor market; changes in availability or cost of rigs, equipment, raw materials, supplies, oilfield services; changes in safety, health, environmental, tax and other regulations or requirements (including those addressing air emissions, water management, or the impact of global climate change); security threats, including cybersecurity threats and disruptions to our business and operations from breaches of our information technology systems, or from breaches of information technology systems of third parties with whom we transact business; lack of, or disruption in, access to adequate and reliable transportation, processing, storage and other facilities for our oil, natural gas and natural gas liquids; failures or delays in achieving expected reserve or production levels from existing and future oil and natural gas developments, including due to operating hazards, drilling risks, or the inherent uncertainties in predicting reserve and reservoir performance; difficulty in obtaining necessary approvals and permits; severe weather conditions; acts of war or terrorist acts and the governmental or military response thereto; changes in the financial strength of counterparties to our credit agreement and hedging contracts; changes in our credit rating; risks related to the pending acquisition of Endeavor Parent, LLC; and other risks and factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2023 and in subsequent filings we have made with the SEC.

In light of these factors, the events anticipated by Diamondback’s forward-looking statements may not occur at the time anticipated or at all. Moreover, Diamondback operates in a very competitive and rapidly changing environment and new risks emerge from time to time. Diamondback cannot predict all risks, nor can it assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those anticipated by any forward-looking statements it may make. Accordingly, you should not place undue reliance on any forward-looking statements made in this report. All forward-looking statements speak only as of the date of this report or, if earlier, as of the date they were made. Diamondback does not intend to, and disclaims any obligation to, update or revise any forward-looking statements unless required by applicable law.

SIGNATURE

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

DIAMONDBACK ENERGY, INC.

Date: July 11, 2024

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Executive Vice President, Chief Accounting Officer and
Assistant Secretary