
**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) February 23, 2026

DIAMONDBACK ENERGY, INC.

(Exact name of registrant as specified in its charter)

DE

001-35700

45-4502447

(State or other jurisdiction of incorporation)

(Commission File Number)

(IRS 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 Act:

Title of each class
Common Stock, \$0.01 Par Value

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.

On February 23, 2026, Diamondback Energy, Inc. (the “Company”) issued a press release announcing financial and operating results for the fourth quarter and full year ended December 31, 2025, including the fourth quarter 2025 base cash dividend and an increase in the annual base dividend (the “earnings release”). A copy of the earnings release is furnished to the Securities and Exchange Commission (the “SEC”) as Exhibit 99.1 to this Current Report on Form 8-K. The Company also issued a letter to its stockholders as a supplement to the earnings release, which is furnished to the SEC as Exhibit 99.2 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press release, dated February 23, 2026, entitled “Diamondback Energy, Inc. Announces Fourth Quarter and Full Year 2025 Financial and Operating Results; Increases Base Dividend.”
99.2	Letter to Stockholders, dated February 23, 2026, issued by the Company.
104	Cover Page Interactive Data File (formatted as Inline XBRL).

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: February 23, 2026

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



DIAMONDBACK ENERGY, INC. ANNOUNCES FOURTH QUARTER AND FULL YEAR 2025 FINANCIAL AND OPERATING RESULTS; INCREASES BASE DIVIDEND

Midland, TX (February 23, 2026) - Diamondback Energy, Inc. (NASDAQ: FANG) (“Diamondback,” “we,” “our” or the “Company”) today announced financial and operating results for the fourth quarter and full year ended December 31, 2025.

FOURTH QUARTER 2025 HIGHLIGHTS

- Average oil production of 512.8 MBO/d (969.1 MBOE/d)
- Net cash provided by operating activities of \$2.3 billion; Operating Cash Flow Before Working Capital Changes¹ of \$1.9 billion
- Cash capital expenditures of \$943 million
- Free Cash Flow¹ of \$1.0 billion; Adjusted Free Cash Flow¹ of \$1.2 billion
- Repurchased 2.90 million shares of common stock for approximately \$434 million at a weighted average price of \$149.50 per share excluding excise tax; includes \$305 million for the repurchase of 2.00 million shares from SGF FANG Holdings, LP (“SGF”)
- Total return of capital of \$734 million from stock repurchases and the declared Q4 2025 base dividend; represents 62% of Adjusted Free Cash Flow
- Increased annual base dividend by 5% to \$4.20 per share; declared Q4 2025 base cash dividend of \$1.05 per share payable on March 12, 2026; implies a 2.4% annualized yield based on February 20, 2026 closing share price of \$176.01
- Repurchased \$203 million in senior notes due 2051 & 2052 at 82.3% of par (~\$167 million)
- Redeemed \$950 million of principal on \$1.5 billion term loan due 2027 (\$550 million currently outstanding)
- Consolidated total debt and net debt as of December 31, 2025 of \$14.7 billion and \$14.6 billion, down 11% and 8% quarter over quarter, respectively

¹ NON-GAAP DISCLOSURES

For a definition of Operating Cash Flow Before Working Capital Changes, Free Cash Flow, Adjusted Free Cash Flow, Adjusted Net Income, Adjusted EBITDA, Adjusted Net Income per Diluted Share, Net Debt and reconciliations of such non-GAAP financial metrics to their respective most directly comparable GAAP metrics, please see “Non-GAAP Financial Measures” below.

FULL YEAR 2025 HIGHLIGHTS

- Average production of 497.2 MBO/d (921.0 MBOE/d)
- Net cash provided by operating activities of \$8.8 billion; Operating Cash Flow Before Working Capital Changes of \$9.1 billion
- Cash capital expenditures of \$3.5 billion
- Free Cash Flow of \$5.5 billion; Adjusted Free Cash Flow of \$5.9 billion
- Repurchased 13.84 million shares of common stock for \$2.0 billion, at a weighted average price of \$145.26 per share excluding excise tax
- Total return of capital of \$3.2 billion; represents 54% of Adjusted Free Cash Flow
- Declared total base-plus-variable dividends of \$4.05 per share
- Generated \$1.7 billion in cash proceeds from non-core asset sales
- Proved reserves as of December 31, 2025 of 3,618 MMBOE (49% oil), up 2% year over year; proved developed producing ("PDP") reserves of 2,521 MMBOE (47% oil), up 6% year over year

2026 GUIDANCE HIGHLIGHTS

- Full year 2026 oil production guidance of 500 - 510 MBO/d (926 - 962 MBOE/d)
- Full year 2026 cash capital expenditures guidance of \$3.6 - \$3.9 billion. Includes approximately \$100 - \$150 million of capital for exploratory development in the Barnett / Woodford and multiple tests to increase oil recoveries from the existing asset base
- The Company expects to complete between 5.9 - 6.3 million net lateral feet in 2026
- Q1 2026 oil production guidance of 502 - 512 MBO/d (930 - 966 MBOE/d)
- Q1 2026 cash capital expenditures guidance of \$900 million - \$975 million

RECENT HIGHLIGHTS

- Have repurchased 2.27 million shares of common stock in Q1 2026 (to date) for \$371 million at a weighted average price of \$163.60 per share excluding excise tax, which includes the repurchase of 2.00 million shares from SGF
- Viper Energy, Inc. (the Company's publicly traded mineral and royalty subsidiary, "Viper") closed its non-Permian divestiture in February, generating \$617 million of net proceeds that were used to fully repay its term loan due 2027 and the outstanding balance on its revolving credit facility

FOURTH QUARTER 2025 OPERATIONS UPDATE

The following tables provide a summary of Diamondback's key operational updates:

Wells Drilled and Completed:

Area:	Three Months Ended December 31, 2025				Year Ended December 31, 2025			
	Drilled		Completed		Drilled		Completed	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Midland Basin	107	100	127	121	459	426	488	463
Delaware Basin	—	—	—	—	4	4	15	13
Total	107	100	127	121	463	430	503	476

Gross Wells Drilled and Completed By Zone:

	Three Months Ended December 31, 2025		Year Ended December 31, 2025	
	Number of Wells Drilled	Number of Wells Completed	Number of Wells Drilled	Number of Wells Completed
Midland Basin:				
Upper Spraberry	1	2	7	15
Middle Spraberry	12	19	36	51
Jo Mill	18	20	81	74
Lower Spraberry	20	32	93	109
Dean	5	4	18	26
Wolfcamp A	24	22	97	88
Wolfcamp B	22	22	105	102
Wolfcamp D	5	4	14	11
Barnett	—	2	8	12
Midland Basin Total	107	127	459	488
Delaware Basin:				
2nd Bone Spring	—	—	—	2
3rd Bone Spring	—	—	3	8
Wolfcamp A	—	—	1	5
Delaware Basin Total	—	—	4	15
Total Company Operated	107	127	463	503
Average Completed Lateral Length (in feet)		12,474		12,138

Realized Average Prices:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Oil (\$ per Bbl)	\$ 58.00	\$ 69.48	\$ 64.04	\$ 73.52
Natural gas (\$ per Mcf)	\$ 0.03	\$ 0.48	\$ 0.89	\$ 0.32
Natural gas liquids (\$ per Bbl)	\$ 13.51	\$ 19.27	\$ 17.88	\$ 18.99
Combined (\$ per BOE)	\$ 34.02	\$ 42.71	\$ 40.02	\$ 46.12
Oil, hedged (\$ per Bbl) ⁽¹⁾	\$ 57.07	\$ 68.72	\$ 63.14	\$ 72.68
Natural gas, hedged (\$ per Mcf) ⁽¹⁾	\$ 1.03	\$ 0.82	\$ 1.84	\$ 0.91
Natural gas liquids, hedged (\$ per Bbl) ⁽¹⁾	\$ 13.51	\$ 19.27	\$ 17.88	\$ 18.99
Average price, hedged (\$ per BOE) ⁽¹⁾	\$ 34.88	\$ 42.76	\$ 40.79	\$ 46.38

(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.

Average Cash Costs per BOE:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Lease operating expenses	\$ 5.91	\$ 5.67	\$ 5.55	\$ 5.87
Production and ad valorem taxes	2.21	2.77	2.53	2.91
Gathering, processing and transportation expense	1.54	1.17	1.53	1.63
General and administrative - cash component	0.65	0.69	0.62	0.68
Total operating expense - cash	\$ 10.31	\$ 10.30	\$ 10.23	\$ 11.09

FINANCIAL UPDATE

Earnings Attributable to Diamondback Energy, Inc.:

	Three Months Ended	Year Ended December 31,
	December 31, 2025	2025
	(in millions, except per share amounts)	
Net income (loss) attributable to Diamondback Energy, Inc.	\$ (1,458)	\$ 1,664
Earnings (loss) per common share attributable to Diamondback Energy, Inc. - Diluted ⁽¹⁾	\$ (5.11)	\$ 5.73
Adjusted net income ⁽¹⁾	\$ 499	\$ 3,874
Adjusted net income per common share - Diluted ⁽¹⁾	\$ 1.74	\$ 13.37

(1) The Company's earnings (loss) per diluted share amount has been computed using the two-class method in accordance with GAAP. The two-class method is an earnings allocation which reflects the respective ownership among holders of common stock and participating securities. Diluted earnings per share using the two-class method is calculated as (i) net income attributable to Diamondback Energy, Inc, (ii) less the reallocation of \$2 million and \$8 million in earnings attributable to participating securities for the three months ended December 31, 2025 and year ended December 31, 2025, respectively, (iii) divided by diluted weighted average common shares outstanding for the respective periods.

Cash Capital Expenditures:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
	(in millions)			
Operated drilling and completion additions to oil and natural gas properties	\$ 748	\$ 832	\$ 2,951	\$ 2,617
Capital workovers, non-operated additions to oil and natural gas properties and science	130	2	335	15
Infrastructure, environmental and midstream additions	65	99	237	235
Total	\$ 943	\$ 933	\$ 3,523	\$ 2,867

Adjusted EBITDA and Free Cash Flow - Non-GAAP:

	Three Months Ended	Year Ended December 31,
	December 31, 2025	2025
	(in millions)	
Net income (loss) attributable to Diamondback Energy, Inc.	\$ (1,458)	\$ 1,664
Consolidated Adjusted EBITDA	\$ 2,254	\$ 10,281
Adjusted EBITDA attributable to Diamondback Energy, Inc.	\$ 2,021	\$ 9,536
Net cash provided by operating activities	\$ 2,343	\$ 8,758
Free Cash Flow	\$ 1,002	\$ 5,549
Adjusted Free Cash Flow	\$ 1,183	\$ 5,892

Debt & Liquidity:

	December 31, 2025	
	(in millions)	
Standalone cash	\$	91
Borrowings outstanding under the credit facility	\$	—
Remaining availability under the credit facility	\$	2,500
Total standalone liquidity	\$	2,591
Consolidated total debt	\$	14,667
Consolidated total net debt	\$	14,563

RETURN OF CAPITAL UPDATE

Diamondback announced today that the Company's Board of Directors (the "Board") declared a base cash dividend of \$1.05 per common share for the fourth quarter of 2025 payable on March 12, 2026, to stockholders of record at the close of business on March 5, 2026.

Diamondback's share repurchase authorization totals \$8.0 billion (excluding excise tax), with \$2.3 billion remaining as of February 20, 2026. The Company expects to continue repurchases opportunistically using cash on hand, free cash flow and potential asset sale proceeds. The program has no time limit and may be suspended, modified or discontinued at the Board's discretion. Repurchases may be executed in privately negotiated or open-market transactions, consistent with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, and will be subject to market conditions, applicable regulatory and legal requirements and other factors. All shares repurchased will be retired.

On November 28, 2025, Diamondback entered into a letter agreement with SGF under which SGF may (but is not obligated to) sell up to 3.0 million shares of Diamondback common stock to Diamondback per calendar quarter through December 31, 2026 at the most recent NASDAQ closing price prior to each transaction (subject to the agreement's terms).

The table below summarizes Diamondback's return of capital program, including dividends and share repurchases, with future actions subject to Board approval.

	Q4 2025		Q1 2026 to date		Cumulative
	(in millions, except per share amounts, shares in thousands)				
Base dividend	\$	1.05			
Shares repurchased		2,904		2,267	40,688
Weighted average repurchase price	\$	149.50	\$	163.60	\$ 140.24
Total repurchase cost	\$	434	\$	371	\$ 5,707
Total return of capital	\$	734			
Return of capital % free cash flow		73 %			
Return of capital % adjusted free cash flow		62 %			

RESERVES

Estimates of Diamondback's proved reserves as of December 31, 2025 were prepared by Diamondback's internal reservoir engineers and audited by Ryder Scott Company, L.P., an independent petroleum engineering firm.

The table below presents the realized prices as adjusted for differentials and contractual arrangements utilized in the computation of future cash inflows and the reference prices in accordance with applicable rules of the Securities and Exchange Commission.

Realized and Reference Prices:

	December 31,	
	2025	2024
Realized Prices:		
Oil (per Bbl)	\$ 64.99	\$ 76.15
Natural gas (per Mcf)	\$ 1.32	\$ 0.54
Natural gas liquids (per Bbl)	\$ 18.87	\$ 22.02
Reference Prices:		
Oil (per Bbl)	\$ 65.34	\$ 75.48
Natural gas (per Mmbtu)	\$ 3.39	\$ 2.13

Proved Reserves:

	Year Ended December 31,				
	2025	% of Proved Reserves	2024	% of Proved Reserves	% Change YoY
(in MMBOE, except percentages)					
Proved developed reserves	2,521	70 %	2,385	67 %	6 %
Proved undeveloped reserves	1,097	30 %	1,172	33 %	(6)%
Proved reserves	3,618	100 %	3,557	100 %	2 %

Proved undeveloped ("PUD") reserves are comprised of 1,351 horizontal locations in which we have a working interest, of which 1,321 are in the Midland Basin.

Estimated Proved Reserves:

	Oil (MBbls)	Natural Gas (MMcf)	Natural Gas Liquids (MBbls)	Total MBOE
As of December 31, 2024	1,761,049	5,024,915	958,881	3,557,416
Extensions and discoveries	306,431	765,623	144,884	578,919
Revisions of previous estimates	(173,561)	(253,282)	(88,310)	(304,085)
Purchase of reserves in place	99,239	268,935	44,547	188,609
Divestitures	(37,276)	(84,515)	(15,463)	(66,825)
Production	(181,462)	(447,855)	(80,073)	(336,178)
As of December 31, 2025	1,774,420	5,273,821	964,466	3,617,856

2025 Reserve Statistics:

(in MBOE, except percentages)

Net proved reserve additions	396,618
Reserve replacement ratio ⁽¹⁾	118 %
Organic reserve replacement ratio ⁽²⁾	82 %

⁽¹⁾ Defined as the sum of extensions and discoveries, revisions, purchases and divestitures, divided by annual production.

⁽²⁾ Defined as the sum of extensions and discoveries and revisions, divided by annual production.

Extensions and discoveries of reserves totaling 579 MMBOE were the primary contributor to the increase in reserves followed by net purchases of reserves totaling 122 MMBOE, with downward revisions of 304 MMBOE. PDP extensions were the result of 1,571 new wells in which the Company has an interest, and PUD extensions were the result of 582 new locations in which the Company has a working interest. Net purchases of reserves of 122 MMBOE were the net result of acquisitions of 189 MMBOE and divestitures of 67 MMBOE. Downward revisions of 304 MMBOE were primarily the result of negative revisions of 130 MMBOE associated with lower commodity prices, 129 MMBOE primarily due to PUD downgrades related to changes in the corporate development plan and 45 MMBOE primarily due to performance revisions. Divestitures of 67 MMBOE related primarily to non-core Delaware Basin assets.

The SEC PUD guidelines allow a company to book PUD reserves associated with projects that are to occur within the next five years. With its current development plan, the Company expects to continue its strong PUD conversion ratio in 2026 by converting an estimated 38% of its PUDs to a Proved Developed category, and develop approximately 89% of the consolidated 2025 year-end PUD reserves by the end of 2028.

Costs Incurred in Oil and Natural Gas Activities:

	Year Ended December 31,		
	2025	2024	2023
	(in millions, except BOE amounts)		
Acquisition costs:			
Proved properties	\$ 4,608	\$ 21,275	\$ 1,314
Unproved properties	5,226	15,568	1,701
Development costs	3,613	2,992	1,962
Exploration costs	212	194	768
Total	<u>\$ 13,659</u>	<u>\$ 40,029</u>	<u>\$ 5,745</u>
PD F&D costs per BOE ⁽¹⁾	\$ 8.52	\$ 10.51	\$ 9.73

⁽¹⁾ Defined as exploration and development costs, excluding midstream, divided by the sum of reserves associated with transfers from proved undeveloped reserves at year-end 2024 including any associated revisions in 2025 and extensions and discoveries placed on production during 2025.

2026 GUIDANCE

Below is Diamondback and Viper's guidance for the full year 2026, which includes first quarter production and capital guidance.

	2026 Guidance Diamondback Energy, Inc.	2026 Guidance Viper Energy, Inc.
2026 Net production - MBOE/d	926 - 962	120.0 - 132.0
2026 Oil production - MBO/d	500 - 510	61.0 - 67.0
Q1 2026 Oil production - MBO/d (total - MBOE/d)	502 - 512 (930 - 966)	62.5 - 64.5 (124.0 - 128.0)
<u>Unit costs (\$/BOE)</u>		
Lease operating expenses, including workovers	\$5.90 - \$6.40	
G&A		
Cash G&A	\$0.55 - \$0.70	\$0.70 - \$0.90
Non-cash equity-based compensation	\$0.20 - \$0.30	\$0.10 - \$0.20
DD&A	\$14.50 - \$15.50	\$17.50 - \$19.50
Interest expense (net of interest income)	\$0.70 - \$0.90	\$1.90 - \$2.40
Gathering, processing and transportation	\$1.50 - \$1.70	
Production and ad valorem taxes (% of revenue)	~7%	~7%
Corporate tax rate (% of pre-tax income)	23%	
Cash tax rate (% of pre-tax income) ⁽¹⁾	18% - 21%	27% - 30%
Q1 2026 Cash taxes (\$ - million) ⁽²⁾	\$180 - \$240	\$17.0 - \$23.0
<u>Cash Capital Budget (\$ - million)</u>		
Operated drilling and completion	\$3,050 - \$3,270	
2026 Total capital expenditures ⁽³⁾	\$3,600 - \$3,900	
Q1 2026 Capital expenditures	\$900 - \$975	
Average lateral length (Ft.)	~12,900'	
Net lateral footage completed (1,000's of Ft.)	5,900' - 6,300'	

⁽¹⁾ Pre-tax income attributable to the Company is a non-GAAP measure. We are not able to forecast the most directly comparable GAAP measure - Income (loss) before income taxes - due to high variability and difficulty in predicting certain items that affect Income (loss) before income taxes, such as future commodity prices, pace of and costs of developing, producing and operating our interests in oil and natural gas properties, future changes in interest rates and various other business factors impacting our financial results.

⁽²⁾ Excludes tax impact from Viper's asset divestitures closed in the first quarter of 2026.

⁽³⁾ Includes non-operated drilling and completion, capital workovers, science, infrastructure, midstream and environmental.

CONFERENCE CALL

Diamondback will host a conference call and webcast for investors and analysts to discuss its results for the fourth quarter of 2025 on Tuesday, February 24, 2026 at 8:00 a.m. CT. Access to the webcast, and replay which will be available following the call, may be found here. The live webcast of the earnings conference call will also be available via Diamondback's website at www.diamondbackenergy.com under the "Investor Relations" section of the site. Investors and others should note that Diamondback announces material financial and operational information to our investors using our investor relations website, press releases, SEC filings and public conference calls and webcasts. The information we post through our investor relations website may be deemed material. Accordingly, investors should monitor our investor relations website in addition to following our press releases, SEC filings and public conference calls and webcasts.

About Diamondback Energy, Inc.

Diamondback is an independent oil and natural gas company headquartered in Midland, Texas focused on the acquisition, development, exploration and exploitation of unconventional, onshore oil and natural gas reserves primarily in the Permian Basin in West Texas. For more information, please visit www.diamondbackenergy.com.

Forward-Looking Statements

This news release 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 or other effects of strategic transactions (including the Endeavor merger, the Double Eagle Acquisition, the 2025 drop down and the Sitio Acquisition recently completed by Viper and other acquisitions, divestitures or reorganizations); 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 news release, 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) are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Although Diamondback believes that the expectations and assumptions reflected in its forward-looking statements are reasonable as and when made, they involve risks and uncertainties that are difficult to predict and, in many cases, beyond Diamondback's control. Accordingly, forward-looking statements are not guarantees of future performance and Diamondback's actual outcomes could differ materially from what Diamondback has expressed in its forward-looking statements.

Factors that could cause the outcomes to differ materially include (but are not limited to) the following: geopolitics and market conditions, including changes in supply and demand levels for oil, natural gas, and natural gas liquids, and the resulting impact on the price for those commodities; changes in U.S. energy, environmental, monetary and trade policies, including with respect to tariffs or other trade barriers and any resulting trade tensions; actions taken by the members of OPEC and its non-OPEC allies (OPEC+) 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, inflation rates, and instability in the financial

markets; 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, changing political and social perspectives on climate change and other environmental, social and governance factors, and risks from our publicly disclosed targets related to sustainability and emissions reduction initiatives; challenges in developing our existing leasehold acreage and finding, developing or acquiring additional reserves; restrictions on the use of water, including limits on the use of produced water and a moratorium on new produced water disposal 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; conditions in the capital, financial and credit markets, including the availability and pricing of capital for acquisitions, exploration and development operations; challenges with employee retention and an increasingly competitive labor market; changes in availability or cost of rigs, equipment, raw materials, supplies and 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 electrical power, internet and telecommunication infrastructure, information and computer systems, 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; inability to keep pace with technological developments in our industry; failure to meet our obligations under our oil purchase contracts; loss of one or more customers or their inability to meet their obligations; geographical concentration of our primary operations; risks from our return of capital commitment, and uncertainties over our future dividends and share repurchases; difficulty in obtaining necessary approvals and permits; severe weather conditions and natural disasters; changes in the financial strength of counterparties to our credit facilities and hedging contracts; our substantial indebtedness and restrictions to our operating and financial flexibility; changes in our credit rating; failure to identify, complete and successfully integrate acquisitions, including the recently completed Double Eagle Acquisition and Viper's Sitio Acquisition; the Endeavor stockholders' ability to significantly influence our business and potential conflicts of interest; and other risks described in Item 1A of Diamondback's Annual Report on Form 10-K, filed with the SEC on February 26, 2025, and those risks disclosed in its subsequent filings on Forms 10-K, 10-Q and 8-K, which can be obtained free of charge on the SEC's website at <http://www.sec.gov> and Diamondback's website at www.diamondbackenergy.com/investors.

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. All forward-looking statements speak only as of the date of this release 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.

Diamondback Energy, Inc.
Condensed Consolidated Statements of Operations
(unaudited, \$ in millions except per share data, shares in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Revenues:				
Oil, natural gas and natural gas liquid sales	\$ 3,033	\$ 3,471	\$ 13,453	\$ 10,100
Sales of purchased oil	308	225	1,476	923
Other operating income	35	15	97	43
Total revenues	3,376	3,711	15,026	11,066
Costs and expenses:				
Lease operating expenses	527	461	1,865	1,286
Production and ad valorem taxes	197	225	851	638
Gathering, processing and transportation	137	95	515	356
Purchased oil expense	306	225	1,474	921
Depreciation, depletion, amortization and accretion	1,389	1,156	5,038	2,850
Impairment of oil and natural gas properties	3,652	—	3,652	—
General and administrative expenses	78	72	288	213
Other operating expenses, net	(128)	65	77	406
Total costs and expenses	6,158	2,299	13,760	6,670
Income (loss) from operations	(2,782)	1,412	1,266	4,396
Other income (expense):				
Interest expense, net	(78)	(34)	(244)	(135)
Other income (expense), net	302	(9)	455	101
Gain (loss) on derivative instruments, net	192	36	341	137
Gain (loss) on extinguishment of debt, net	33	—	56	2
Total other income (expense), net	449	(7)	608	105
Income (loss) before income taxes	(2,333)	1,405	1,874	4,501
Provision for (benefit from) income taxes	(567)	115	327	800
Net income (loss)	(1,766)	1,290	1,547	3,701
Net income (loss) attributable to non-controlling interest	(308)	216	(117)	363
Net income (loss) attributable to Diamondback Energy, Inc.	\$ (1,458)	\$ 1,074	\$ 1,664	\$ 3,338
Earnings (loss) per common share:				
Basic	\$ (5.11)	\$ 3.67	\$ 5.73	\$ 15.53
Diluted	\$ (5.11)	\$ 3.67	\$ 5.73	\$ 15.53
Weighted average common shares outstanding:				
Basic	285,789	291,851	289,079	213,545
Diluted	285,789	291,851	289,079	213,545

Diamondback Energy, Inc.
Condensed Consolidated Balance Sheets
(unaudited, in millions, except share amounts)

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents (\$13 million and \$27 million related to Viper)	\$ 104	\$ 161
Restricted cash	2	3
Accounts receivable:		
Joint interest and other, net	258	198
Oil and natural gas sales, net (\$262 million and \$149 million related to Viper)	1,128	1,387
Inventories	86	116
Prepaid expenses and other current assets (\$50 million and \$31 million related to Viper)	337	245
Total current assets	<u>1,915</u>	<u>2,110</u>
Property and equipment:		
Oil and natural gas properties:		
Proved properties (\$9,746 million and \$3,533 million related to Viper)	71,588	59,574
Unproved properties (\$4,910 million and \$2,180 million related to Viper)	23,941	22,666
Other property, equipment and land	874	1,440
Accumulated depletion, depreciation, amortization and impairment (\$2,455 million and \$1,081 million related to Viper)	(27,782)	(19,208)
Property and equipment, net	<u>68,621</u>	<u>64,472</u>
Other assets	523	710
Total assets	<u>\$ 71,059</u>	<u>\$ 67,292</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued capital expenditures	1,168	943
Current maturities of debt	763	900
Other accrued liabilities	1,108	1,020
Revenues and royalties payable	1,397	1,491
Derivative instruments	15	43
Income taxes payable	149	414
Total current liabilities	<u>4,600</u>	<u>4,811</u>
Long-term debt (\$2,186 million and \$1,083 million related to Viper)	13,726	12,075
Deferred income taxes	9,141	9,826
Other long-term liabilities	625	718
Total liabilities	<u>28,092</u>	<u>27,430</u>
Stockholders' equity:		
Common stock, \$0.01 par value; 800,000,000 shares authorized; 284,594,908 and 290,984,373 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	3	3
Additional paid-in capital	32,236	33,501
Retained earnings (accumulated deficit)	4,740	4,238
Accumulated other comprehensive income (loss)	(7)	(6)
Total Diamondback Energy, Inc. stockholders' equity	<u>36,972</u>	<u>37,736</u>
Non-controlling interest	5,995	2,126
Total equity	<u>42,967</u>	<u>39,862</u>
Total liabilities and stockholders' equity	<u>\$ 71,059</u>	<u>\$ 67,292</u>

Diamondback Energy, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited, in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Cash flows from operating activities:				
Net income (loss)	\$ (1,766)	\$ 1,290	\$ 1,547	\$ 3,701
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Provision for (benefit from) deferred income taxes	(754)	(165)	(519)	15
Depreciation, depletion, amortization and accretion	1,389	1,156	5,038	2,850
Impairment of oil and natural gas properties	3,652	—	3,652	—
(Gain) loss on extinguishment of debt	(33)	—	(56)	(2)
(Gain) loss on derivative instruments, net	(192)	(36)	(341)	(137)
Cash received (paid) on settlement of derivative instruments	73	(15)	181	(51)
Other	(424)	30	(430)	133
Changes in operating assets and liabilities:				
Accounts receivable	248	(103)	386	(42)
Accounts payable and accrued liabilities	12	114	(343)	(376)
Income taxes payable	116	138	(399)	87
Revenues and royalties payable	(13)	59	15	168
Other	35	(127)	27	67
Net cash provided by (used in) operating activities	2,343	2,341	8,758	6,413
Cash flows from investing activities:				
Additions to oil and natural gas properties	(943)	(933)	(3,523)	(2,867)
Property acquisitions	(527)	(926)	(5,938)	(8,920)
Proceeds from sale of assets	1,356	8	1,670	467
Other	(4)	(4)	(18)	99
Net cash provided by (used in) investing activities	(118)	(1,855)	(7,809)	(11,221)
Cash flows from financing activities:				
Proceeds from debt	2,020	2,190	15,042	9,875
Repayment of debt	(3,747)	(2,144)	(13,467)	(3,502)
Repurchased shares under repurchase program	(129)	(402)	(1,705)	(959)
Repurchased shares - related party	(305)	—	(305)	—
Proceeds from partial sale of investment in Viper	—	—	—	451
Net proceeds from Viper's issuance of common stock	—	—	1,232	476
Dividends paid to stockholders	(286)	(262)	(1,156)	(1,578)
Dividends/distributions to non-controlling interest	(127)	(70)	(382)	(227)
Other	(97)	(7)	(266)	(149)
Net cash provided by (used in) financing activities	(2,671)	(695)	(1,007)	4,387
Net increase (decrease) in cash, cash equivalents and restricted cash	(446)	(209)	(58)	(421)
Cash, cash equivalents and restricted cash at beginning of period	552	373	164	585
Cash, cash equivalents and restricted cash at end of period	\$ 106	\$ 164	\$ 106	\$ 164

Diamondback Energy, Inc.
Selected Operating Data
(unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Production Data:				
Oil (MBbls)	47,174	43,785	181,462	123,325
Natural gas (MMcf)	121,805	107,249	447,855	275,680
Natural gas liquids (MBbls)	21,684	19,615	80,073	49,700
Combined volumes (MBOE) ⁽¹⁾	89,159	81,275	336,178	218,972
Daily oil volumes (BO/d)	512,761	475,924	497,156	336,954
Daily combined volumes (BOE/d)	969,120	883,424	921,036	598,284
Average Prices:				
Oil (\$ per Bbl)	\$ 58.00	\$ 69.48	\$ 64.04	\$ 73.52
Natural gas (\$ per Mcf)	\$ 0.03	\$ 0.48	\$ 0.89	\$ 0.32
Natural gas liquids (\$ per Bbl)	\$ 13.51	\$ 19.27	\$ 17.88	\$ 18.99
Combined (\$ per BOE)	\$ 34.02	\$ 42.71	\$ 40.02	\$ 46.12
Oil, hedged (\$ per Bbl) ⁽²⁾	\$ 57.07	\$ 68.72	\$ 63.14	\$ 72.68
Natural gas, hedged (\$ per Mcf) ⁽²⁾	\$ 1.03	\$ 0.82	\$ 1.84	\$ 0.91
Natural gas liquids, hedged (\$ per Bbl) ⁽²⁾	\$ 13.51	\$ 19.27	\$ 17.88	\$ 18.99
Average price, hedged (\$ per BOE) ⁽²⁾	\$ 34.88	\$ 42.76	\$ 40.79	\$ 46.38
Average Cash Costs (\$/BOE):				
Lease operating expenses	\$ 5.91	\$ 5.67	\$ 5.55	\$ 5.87
Production and ad valorem taxes	2.21	2.77	2.53	2.91
Gathering, processing and transportation expense	1.54	1.17	1.53	1.63
General and administrative - cash component	0.65	0.69	0.62	0.68
Total operating expense - cash	\$ 10.31	\$ 10.30	\$ 10.23	\$ 11.09
General and administrative - non-cash component	\$ 0.22	\$ 0.20	\$ 0.24	\$ 0.30
Depreciation, depletion, amortization and accretion	\$ 15.58	\$ 14.22	\$ 14.99	\$ 13.02
Interest expense, net	\$ 0.87	\$ 0.42	\$ 0.73	\$ 0.62

(1) Bbl equivalents are calculated using a conversion rate of six Mcf per one Bbl.

(2) 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.

NON-GAAP FINANCIAL MEASURES

ADJUSTED EBITDA

Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. The Company defines Adjusted EBITDA as net income (loss) attributable to Diamondback Energy, Inc., plus net income (loss) attributable to non-controlling interest ("net income (loss)") before non-cash (gain) loss on derivative instruments, net, interest expense, net, depreciation, depletion, amortization and accretion, depreciation and interest expense related to equity method investments, (gain) loss on extinguishment of debt, impairment of oil and natural gas properties, non-cash equity-based compensation expense, capitalized equity-based compensation expense, other non-cash transactions and provision for (benefit from) income taxes. Adjusted EBITDA is not a measure of net income as determined by United States generally accepted accounting principles ("GAAP"). Management believes Adjusted EBITDA is useful because the measure allows it to evaluate the Company's operating performance and compare the results of its operations from period to period without regard to its financing methods or capital structure. The Company excludes the items listed above from net income (loss) to determine Adjusted EBITDA because these amounts can vary substantially from company to company within its industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Further, the Company excludes the effects of significant transactions that may affect earnings but are unpredictable in nature, timing and amount, although they may recur in different reporting periods. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP or as an indicator of the Company's operating performance. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets. The Company's computation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies or to such measure in our credit facility or any of our other contracts.

The following tables present a reconciliation of the GAAP financial measure of net income (loss) attributable to Diamondback Energy, Inc. to the non-GAAP financial measure of Adjusted EBITDA:

Diamondback Energy, Inc.
Reconciliation of Net Income (Loss) to Adjusted EBITDA
(unaudited, in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net income (loss) attributable to Diamondback Energy, Inc.	\$ (1,458)	\$ 1,074	\$ 1,664	\$ 3,338
Net income (loss) attributable to non-controlling interest	(308)	216	(117)	363
Net income (loss)	(1,766)	1,290	1,547	3,701
Non-cash (gain) loss on derivative instruments, net	(119)	(51)	(160)	(188)
Interest expense, net	78	34	244	135
Depreciation, depletion, amortization and accretion	1,389	1,156	5,038	2,850
Depreciation and interest expense related to equity method investments	17	30	84	91
(Gain) loss on extinguishment of debt	(33)	—	(56)	(2)
Impairment of oil and natural gas properties	3,652	—	3,652	—
Non-cash equity-based compensation expense	29	24	114	95
Capitalized equity-based compensation expense	(9)	(8)	(33)	(30)
Other non-cash transactions	(417)	32	(476)	241
Provision for (benefit from) income taxes	(567)	115	327	800
Consolidated Adjusted EBITDA	2,254	2,622	10,281	7,693
Less: Adjustment for non-controlling interest	233	118	745	411
Adjusted EBITDA attributable to Diamondback Energy, Inc.	\$ 2,021	\$ 2,504	\$ 9,536	\$ 7,282

ADJUSTED NET INCOME

Adjusted net income is a non-GAAP financial measure equal to net income (loss) attributable to Diamondback Energy, Inc. plus net income (loss) attributable to non-controlling interest ("net income (loss)") adjusted for non-cash (gain) loss on derivative instruments, net, (gain) loss on extinguishment of debt, impairment of oil and natural gas properties, other non-cash transactions and related income tax adjustments. The Company's computation of adjusted net income may not be comparable to other similarly titled measures of other companies or to such measure in our credit facility or any of our other contracts. Management believes adjusted net income helps investors in the oil and natural gas industry to measure and compare the Company's performance to other oil and natural gas companies by excluding from the calculation items that can vary significantly from company to company depending upon accounting methods, the book value of assets and other non-operational factors. Further, in order to allow investors to compare the Company's performance across periods, the Company excludes the effects of significant transactions that may affect earnings but are unpredictable in nature, timing and amount, although they may recur in different reporting periods.

The following table presents a reconciliation of the GAAP financial measure of net income (loss) attributable to Diamondback Energy, Inc. to the non-GAAP measure of adjusted net income:

Diamondback Energy, Inc.
Adjusted Net Income
(unaudited, \$ in millions except per share data, shares in thousands)

	Three Months Ended		Year Ended	
	December 31, 2025		December 31, 2025	
	Amounts	Amounts Per Diluted Share	Amounts	Amounts Per Diluted Share
Net income (loss) attributable to Diamondback Energy, Inc.⁽¹⁾	\$ (1,458)	\$ (5.11)	\$ 1,664	\$ 5.73
Net income (loss) attributable to non-controlling interest	(308)	(1.08)	(117)	(0.41)
Net income (loss)⁽¹⁾	(1,766)	(6.19)	1,547	5.32
Non-cash (gain) loss on derivative instruments, net	(119)	(0.42)	(160)	(0.55)
(Gain) loss on extinguishment of debt	(33)	(0.12)	(56)	(0.19)
Impairment of oil and natural gas properties	3,652	12.78	3,652	12.63
Other non-cash transactions	(417)	(1.45)	(476)	(1.65)
Adjusted net income excluding above items ⁽¹⁾	1,317	4.60	4,507	15.56
Income tax adjustment for above items	(749)	(2.62)	(516)	(1.78)
Adjusted net income⁽¹⁾	568	1.98	3,991	13.78
Less: Adjusted net income attributable to non-controlling interest	69	0.24	117	0.41
Adjusted net income attributable to Diamondback Energy, Inc.⁽¹⁾	\$ 499	\$ 1.74	\$ 3,874	\$ 13.37
Weighted average common shares outstanding:				
Basic		285,789		289,079
Diluted		285,789		289,079

(1) The Company's earnings (loss) per diluted share amount has been computed using the two-class method in accordance with GAAP. The two-class method is an earnings allocation which reflects the respective ownership among holders of common stock and participating securities. Diluted earnings per share using the two-class method is calculated as (i) net income attributable to Diamondback Energy, Inc, (ii) less the reallocation of \$2 million and \$8 million in earnings attributable to participating securities for the three months ended December 31, 2025 and the year ended December 31, 2025, respectively, (iii) divided by diluted weighted average common shares outstanding for the respective periods.

OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES, FREE CASH FLOW AND ADJUSTED FREE CASH FLOW

Operating cash flow before working capital changes, which is a non-GAAP financial measure, represents net cash provided by operating activities as determined under GAAP without regard to changes in working capital. The Company believes operating cash flow before working capital changes is a useful measure of an oil and natural gas company's ability to generate cash used to fund exploration, development and acquisition activities and service debt or pay dividends. The Company also uses this measure because changes in working capital relate to the timing of cash receipts and disbursements that the Company may not control and may not relate to the period in which the operating activities occurred. This allows the Company to compare its operating performance with that of other companies without regard to financing methods and capital structure.

The Company defines Free Cash Flow, which is a non-GAAP financial measure, as cash flow from operating activities before changes in working capital in excess of cash capital expenditures. The Company defines Adjusted Free Cash Flow, which is a non-GAAP financial measure, as Free Cash Flow before the tax impact from divestitures, merger and transaction expenses, costs of early termination of derivatives and settlements of any treasury locks. The Company believes that Free Cash Flow and Adjusted Free Cash Flow are useful to investors as they provide a measure to compare both cash flow from operating activities and additions to oil and natural gas properties across periods on a consistent basis, adjusted, as applicable, for non-recurring impacts from divestitures, merger and transaction expenses, the early termination of derivative contracts and settlements of treasury locks. These measures should not be considered as an alternative to, or more meaningful than, net cash provided by operating activities as an indicator of liquidity. The Company's computation of Free Cash Flow may not be comparable to other similarly titled measures of other companies. Currently, the Board has approved a return of capital commitment of at least 50% of Adjusted Free Cash Flow to the Company's stockholders through repurchases under the share repurchase program, base dividends and variable dividends.

The following tables present a reconciliation of the GAAP financial measure of net cash provided by operating activities to the non-GAAP measure of operating cash flow before working capital changes and to the non-GAAP measures of Free Cash Flow and Adjusted Free Cash Flow:

Diamondback Energy, Inc.
Operating Cash Flow Before Working Capital Changes, Free Cash Flow and Adjusted Free Cash Flow
(unaudited, in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net cash provided by operating activities	\$ 2,343	\$ 2,341	\$ 8,758	\$ 6,413
Less: Changes in cash due to changes in operating assets and liabilities:				
Accounts receivable	248	(103)	386	(42)
Accounts payable and accrued liabilities	12	114	(343)	(376)
Income taxes payable	116	138	(399)	87
Revenues and royalties payable	(13)	59	15	168
Other	35	(127)	27	67
Total working capital changes	398	81	(314)	(96)
Operating cash flow before working capital changes	1,945	2,260	9,072	6,509
Additions to oil and natural gas properties	(943)	(933)	(3,523)	(2,867)
Total Cash CAPEX	(943)	(933)	(3,523)	(2,867)
Free Cash Flow	1,002	1,327	5,549	3,642
Tax impact from divestitures ⁽¹⁾	170	—	170	—
Merger and transaction expenses ⁽²⁾	11	30	105	303
Early termination of derivatives	—	—	67	37
Treasury locks	—	—	1	25
Adjusted Free Cash Flow	\$ 1,183	\$ 1,357	\$ 5,892	\$ 4,007

(1) Includes the tax impact for the disposal of certain non-core assets.

(2) Includes \$6 million and \$31 million of Viper's transaction expenses related to the Sitio Acquisition and the Drop Down for the three months ended December 31, 2025 and year ended December 31, 2025, respectively.

NET DEBT

The Company defines the non-GAAP measure of net debt as total debt (excluding debt issuance costs, discounts, premiums and unamortized basis adjustments) less cash and cash equivalents and restricted cash that has been irrevocably deposited for the redemption of principal amounts of outstanding senior notes. Net debt should not be considered an alternative to, or more meaningful than, total debt, the most directly comparable GAAP measure. Management uses net debt to determine the Company's outstanding debt obligations that would not be readily satisfied by its cash and cash equivalents on hand. The Company believes this metric is useful to analysts and investors in determining the Company's leverage position because the Company has the ability to, and may decide to, use a portion of its cash and cash equivalents to reduce debt.

Diamondback Energy, Inc.
Net Debt
(unaudited, in millions)

	December 31, 2025	Net Q4 Principal Borrowings/(Repayments)	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
	(in millions)					
Diamondback Energy, Inc. ⁽¹⁾	\$ 12,462	\$ (1,330)	\$ 13,792	\$ 14,212	\$ 13,269	\$ 12,069
Viper Energy, Inc. ⁽¹⁾	2,205	(435)	2,640	1,105	830	1,091
Total debt	14,667	\$ (1,765)	16,432	15,317	14,099	13,160
Cash and cash equivalents	(104)		(539)	(219)	(1,816)	(161)
Net debt	\$ 14,563		\$ 15,893	\$ 15,098	\$ 12,283	\$ 12,999

(1) Excludes debt issuance costs, discounts, premiums and unamortized basis adjustments.

DERIVATIVES

As of February 20, 2026, the Company had the following outstanding consolidated derivative contracts, including derivative contracts at Viper. The Company's derivative contracts are based upon reported settlement prices on commodity exchanges, with crude oil derivative settlements based on New York Mercantile Exchange West Texas Intermediate pricing and Crude Oil Brent pricing and with natural gas derivative settlements based on the New York Mercantile Exchange Henry Hub pricing. When aggregating multiple contracts, the weighted average contract price is disclosed.

	Crude Oil (Bbls/day, \$/Bbl)			
	Q1 2026	Q2 2026	Q3 2026	Q4 2026
Long Puts - Crude Brent Oil	36,000	37,000	20,000	—
Long Put Price (\$/Bbl)	\$53.13	\$52.50	\$52.50	—
Deferred Premium (\$/Bbl)	\$-1.73	\$-1.70	\$-1.60	—
Long Puts - WTI (Magellan East Houston)	95,000	110,000	55,000	—
Long Put Price (\$/Bbl)	\$51.13	\$50.00	\$50.00	—
Deferred Premium (\$/Bbl)	\$-1.66	\$-1.58	\$-1.49	—
Long Puts - WTI (Cushing)	185,000	165,000	135,000	70,000
Long Put Price (\$/Bbl)	\$51.73	\$49.77	\$51.02	\$50.00
Deferred Premium (\$/Bbl)	\$-1.64	\$-1.65	\$-1.30	\$-1.25
Basis Swaps - WTI (Midland)	35,000	45,000	40,000	40,000
	\$0.94	\$0.92	\$0.91	\$0.91
Roll Swaps - WTI	—	10,000	10,000	10,000
	—	\$0.50	\$0.50	\$0.50

	Natural Gas (Mmbtu/day, \$/Mmbtu)				
	Q1 2026	Q2 2026	Q3 2026	Q4 2026	FY 2027
Costless Collars - Henry Hub	840,000	840,000	840,000	840,000	680,000
Floor Price (\$/Mmbtu)	\$2.87	\$2.87	\$2.87	\$2.87	\$2.89
Ceiling Price (\$/Mmbtu)	\$6.35	\$6.35	\$6.35	\$6.35	\$6.38
Natural Gas Basis Swaps - Waha Hub	650,000	650,000	650,000	650,000	360,000
	\$-1.81	\$-1.87	\$-1.87	\$-1.75	\$-1.26
Natural Gas Basis Swaps - Houston Ship Channel	100,000	100,000	100,000	100,000	220,000
	\$-0.35	\$-0.35	\$-0.35	\$-0.35	\$-0.27

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LETTER TO STOCKHOLDERS ISSUED BY DIAMONDBACK ENERGY, INC.

Midland, TX (February 23, 2026)

Diamondback Stockholders,

This letter is meant to be a supplement to our earnings release and is being furnished to the Securities and Exchange Commission (SEC) and released to our stockholders simultaneously with our earnings release. Please see the information regarding forward-looking statements and non-GAAP financial information included at the end of this letter.

Before we begin, I would like to thank all the American oilfield workers who braved Winter Storm Fern to keep oil and natural gas flowing, often in brutal conditions and around the clock. American oilfield workers do not get enough credit for what they do for this industry and this country, so thank you today from all of us at Diamondback.

2025: Year in Review

We described 2024 as a transformational year as we roughly doubled the size of the organization by merging with Endeavor. In 2025, we converted that step-change in scale into executional excellence. We drilled 463 wells utilizing an average of 15 drilling rigs. Just two years ago, we would have needed around 22 rigs to drill that many wells, a testament to the efficiencies gained throughout the organization. Additionally, we completed 503 wells at an average lateral length of over 12,100 feet.

During the year, our operational teams broke multiple records and delivered significant improvements in speed, consistency and capital efficiency. We drilled longer wells faster and cheaper than ever before. Average spud to total depth ("TD") time was reduced to close to eight days, our fastest 15,000 foot lateral well was drilled in under six days and our longest well to date was drilled at over 31,000 feet TD. On the completions side, we advanced our e-fleet simulfrac program and introduced continuous pumping which has enabled us to consistently complete more than 4,500 lateral feet per day on average, with recent daily records exceeding 5,500 feet. These efficiency gains should be seen as permanent, translating directly to higher stockholder value.

All in, we generated daily average production of 497.2 MBO/d (921.0 MBOE/d, 54% oil) with cash capital expenditures of \$3.5 billion. This translated to \$8.8 billion of net cash provided by operating activities and Adjusted Free Cash Flow of \$5.9 billion, equating to a 39% reinvestment ratio. Despite significant macro headwinds with crude prices down approximately 15% year over year, we were able to grow operating cash flow per share by 1%, grow Adjusted Free Cash Flow per share by 9% and repurchase nearly 5% of our shares outstanding, a testament to our asset quality, cost structure and the resiliency of the new low reinvestment rate, high return shale business model.

Macro Update

Keeping with our now long-standing “stoplight” framework, we continue to view the current macro backdrop as a “yellow light” scenario, but the “red light” scenario seems less apparent than it did over the last three quarters of 2025. The wave of oversupply that has been widely telegraphed for the better part of the last two years continues to get pushed to the right - at some point the market will slowly begin to find reasons to be less bearish as demand is strong and the global economy is growing. Therefore, we remain positioned with ultimate flexibility: we have the inventory depth and operational capacity to accelerate activity quickly if the market tightens and we also retain the flexibility to moderate activity if conditions significantly soften from current levels.

2026 Guidance and Outlook

Given the uncertain outlook for 2026 oil prices, we are going to continue to focus on what we can control. Consistent with our prior communication, we will target an industry-leading oil price breakeven by continuing to increase efficiencies, lower costs and use Free Cash Flow to shrink our share count and net debt.

Therefore, our 2026 plan is to keep activity and production flat relative to our 4Q25 levels (adjusted for the impact of Viper's non-Permian asset divestiture), with production guidance of 500 - 510 MBO/d (926 - 962 MBOE/d). On capital, we are maintaining a disciplined program with total cash capital expenditures of \$3.6 - \$3.9 billion. This capital plan includes almost \$150 million of what we would define as more experimental or exploration type capital that could unlock significant resource and upside to our existing asset base.

Resource Expansion

As the US shale industry matures and the best resource is consumed, it is going to be imperative that Diamondback maintains its advantage on inventory quality and duration relative to peers, as we see this as a key driver of long-term value creation in the space.

We have traditionally expanded our inventory through acquisitions and will continue to look for opportunities that compete for capital within our existing portfolio. But, as those opportunities seem fewer and further between after years of heavy consolidation in the Permian, we have started to spend more and more time and capital on secondary zone development in the Midland Basin. We started a couple of years ago by adding the Upper Spraberry and Wolfcamp D to our primary development strategy in areas where acreage is prospective. Recently, we have begun to meaningfully test the deepest development zones in the Midland Basin, the Barnett and Woodford shales.

A few years ago, we partnered with Double Eagle to expand our position in the emerging Barnett and Woodford play. As of today, we have secured rights to nearly 200,000 acres in what we see as some of the best resource in the play. Using today's spacing assumptions, this translates to the addition of approximately 900 gross and 600 net high-quality Barnett and Woodford locations to our portfolio.

To date, we have drilled and completed 24 Barnett and Woodford wells and are very pleased with the results, some of which we have detailed in our investor deck this quarter. These results show successful and economic delineation of the Barnett and Woodford zones across a large portion of the Midland Basin. Building on this momentum, we plan to allocate nearly \$125 million of our 2026 total capital budget to this emerging zone as it becomes a core part of our development plan. We are currently drilling these delineation wells for ~\$1,000 per lateral foot today, and we are confident that as we move to full-scale development we can cut well costs by at least 20% to improve returns.

More broadly, we view this as one example of the embedded upside within the Company. We are also testing ways to increase total recoveries using surfactants and other enhanced oil recovery methods. We invested approximately \$30 million in late 2025 on a pilot project testing 60 wells with surfactants. These results have been positive, and we expect to build on our learnings with more testing planned this year. As investors have seen throughout our Company's history, we have a culture of continuous improvement where operations and execution have trended better over time, and we would expect nothing less here. We look forward to continuing to update our investors on these exciting developments.

Fourth Quarter 2025 Operational Performance

We delivered a strong fourth quarter, averaging 513 MBO/d of oil production, which landed near the high end of our 505 - 515 MBO/d guidance range.

As forecasted in last quarter's letter, capital spending increased to \$943 million for the quarter, within our \$875 - \$975 million guidance range. This increase was directly related to activity recovering from second quarter lows, and we expect to generally maintain these activity levels throughout 2026.

On the cash operating expense front, costs were relatively flat both year-over-year and quarter-over-quarter. As expected, the biggest shift quarter over quarter was an increase in lease operating expense ("LOE") following the close of our Environmental Disposal Systems ("EDS") sale to Deep Blue for approximately \$694 million of upfront cash proceeds. This increased LOE by approximately \$0.30 per BOE to \$5.91 per BOE. Going forward, we expect LOE to reset in the \$5.90 - \$6.40 range to account for higher disposal costs as well as higher power costs.

Fourth Quarter 2025 Financial Performance

In the fourth quarter, we generated \$2.3 billion in net cash from operating activities, which translated into \$1.0 billion of Free Cash Flow and \$1.2 billion of Adjusted Free Cash Flow.

We recorded a \$3.7 billion non-cash impairment at the end of 2025. Under full cost accounting, we perform a quarterly ceiling test comparing the carrying value of our proved properties to SEC reserve values based on trailing twelve-month prices. In 2025, oil prices were down sharply and several large acquisitions (such as Endeavor) were initially recorded in a higher stock and commodity price environment where closing price assumptions were ~19% higher than those used for year-end 2025 reserves. This impairment is non-cash, lowering net income, but was not a result of anything other than commodity price impact. Importantly, we remain conservative in booking our proved undeveloped reserves, and this impairment does not change the fact that we have a significant inventory of high-quality undeveloped locations that are not reflected in SEC reserve values today.

Return of Capital

Our commitment to stockholder returns remains steadfast, and our Board approved an increase to our quarterly base dividend to \$1.05 per share beginning with the fourth quarter declaration (payable in March 2026), up 5% from \$1.00 per share prior. Our base dividend is up 8.4x since we began paying a dividend in 2018.

Throughout 2025, one theme we heard consistently was the perceived share overhang associated with shares held by our largest stockholder. While we never saw this as an issue, we took market feedback seriously and moved quickly to create an orderly, transparent path for liquidity that aligns with our existing capital return framework. Specifically, on November 28, 2025, Diamondback entered into a letter agreement with SGF FANG Holdings, LP ("SGF") that provides SGF the right (but not the obligation) to sell up to 3.00 million shares per calendar quarter directly to Diamondback through December 31, 2026. This structure allows us to quickly and efficiently execute repurchases, and we have now executed three trades with SGF since November, buying back 4.00 million shares so far.

In 2025 we leaned into share repurchases as our largest form of return of capital. We were able to repurchase more than 13.84 million shares or approximately 5% of beginning shares outstanding, for \$2.0 billion at a weighted-average price of \$145.26 per share. In 2025, we repurchased more shares than we did in 2024 and 2023 combined, demonstrating our conviction to be aggressive buyers of our own stock when we see a meaningful dislocation relative to our internal view of value. We expect to continue to be aggressive buyers of our stock until commodity prices recover.

Asset Sales and Balance Sheet

In the fourth quarter, we generated approximately \$1.2 billion of proceeds from the sales of EDS and our interest in the EPIC Crude pipeline. Together with Free Cash Flow generation, we paid down \$950 million of our outstanding term loan and repurchased \$203 million of aggregate principal of our 2051 and 2052 senior notes for \$167 million (82.3% of par).

Quarter-over-quarter, consolidated gross debt decreased by \$1.8 billion and consolidated net debt decreased by roughly \$1.3 billion. We ended the quarter with consolidated gross debt of approximately \$14.7 billion and consolidated net debt of \$14.6 billion.

We have already made additional progress on debt reduction in 2026. Viper closed the sale of its non-Permian assets in February and received total net proceeds of \$617 million. Consistent with our capital allocation priorities and focus on balance sheet strength, those proceeds were immediately deployed to fully repay Viper's \$500 million term loan due 2027 and fully pay down the outstanding balance on its revolving credit facility.

Natural Gas and WAHA

Our investors deserve a better return on Diamondback's gas molecules than they are getting today. In the fourth quarter, pipeline maintenance severely constrained Permian gas egress, widening basis and pressuring WAHA pricing. While gas is a modest contributor to our consolidated revenue today, we expect it to grow in the coming years.

Therefore, we have worked to diversify our pricing exposure and control more of our gas molecules further downstream, just as we did with our oil production years ago. Today, we have ~350,000 MMBtu/d of long-haul pipeline commitments, with ~70% of our current gas volumes tied to WAHA pricing. Looking ahead, we expect a meaningful Permian gas de-bottleneck to begin later this year as a wave of new pipeline capacity comes online. We expect our long-haul gas pipeline commitments to increase to ~800,000 MMBtu/d as these new pipelines become operational. As a result, we will have gas molecules priced at multiple different end points providing optionality and upside to realized pricing that should translate to an improved bottom line.

Closing

In closing, Diamondback continues to push the limits of operational efficiency in the field, which translates to improved stockholder value. As you can see, we are working on all facets of our business to improve returns and position the Company for long-term success no matter what conditions the macro environment throws at us.

Thank you for your interest in Diamondback Energy.

Sincerely,

Kaes Van't Hof
Chief Executive Officer and Director

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Forward-Looking Statements:

This letter 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 or other effects of strategic transactions (including the Endeavor merger, the Double Eagle acquisition, the 2025 drop down and the Sitio acquisition recently completed by Diamondback’s subsidiary, Viper Energy, Inc., and other acquisitions, divestitures or reorganizations); 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 letter, 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. Although Diamondback believes that the expectations and assumptions reflected in its forward-looking statements are reasonable as and when made, they involve risks and uncertainties that are difficult to predict and, in many cases, beyond Diamondback’s control. Accordingly, forward-looking statements are not guarantees of future performance and Diamondback’s actual outcomes could differ materially from what Diamondback has expressed in its forward-looking statements.

Factors that could cause the outcomes to differ materially include (but are not limited to) the following: geopolitics and market conditions, including changes in supply and demand levels for oil, natural gas and natural gas liquids and the resulting impact on the price for those commodities; changes in U.S. energy, environmental, monetary and trade policies, including with respect to tariffs or other trade barriers and any resulting trade tensions; actions taken by the members of OPEC and its non-OPEC allies (OPEC+) 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, inflation rates, and instability in the financial sector; 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, changing political and social perspectives on climate change and other ESG factors, and risks from our publicly disclosed targets related to sustainability and emissions reduction initiatives; challenges in developing our existing leasehold acreage and finding, developing or acquiring additional reserves; restrictions on the use of water, including limits on the use of produced water and a moratorium on new produced water disposal 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; conditions in the capital, financial and credit markets, including the availability and pricing of capital for acquisitions, exploration and development operations; challenges with employee retention and an increasingly

competitive labor market; changes in availability or cost of rigs, equipment, raw materials, supplies and 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 electrical power, internet and telecommunication infrastructure, information and computer systems, 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; inability to keep pace with technological developments in our industry; failure to meet our obligations under our oil purchase contracts; loss of one or more customers or their inability to meet their obligations; geographical concentration of our primary operations; risks from our return of capital commitment, and uncertainties over our future dividends and share repurchases; difficulty in obtaining necessary approvals and permits; severe weather conditions and natural disasters; changes in the financial strength of counterparties to our credit facilities and hedging contracts; our substantial indebtedness and restrictions to our operating and financial flexibility; changes in our credit rating; failure to identify, complete and successfully integrate acquisitions, including the recently completed Double Eagle Acquisition and Viper's Sitio Acquisition; the Endeavor stockholders' ability to significantly influence our business and potential conflicts of interest; and other risks described in Part I, Item 1A of Diamondback's Annual Report on Form 10-K, filed with the SEC on February 26, 2025, and those risks disclosed in its subsequent filings on Forms 10-Q and 8-K, which can be obtained free of charge on the SEC's website at <http://www.sec.gov> and Diamondback's website at www.diamondbackenergy.com/investors.

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. All forward-looking statements speak only as of the date of this letter 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.

Non-GAAP Financial Measures

This letter includes financial information not prepared in conformity with generally accepted accounting principles (GAAP), such as Free Cash Flow, Adjusted Free Cash Flow, Adjusted Free Cash Flow per share and net debt. The non-GAAP information should be considered by the reader in addition to, but not instead of, financial information prepared in accordance with GAAP. A reconciliation of the differences between these non-GAAP financial measures and the most directly comparable GAAP financial measures can be found in Diamondback's quarterly results, which are posted on Diamondback's website at www.diamondbackenergy.com/investors and included as Exhibit 99.1 to the Current Report on Form 8-K filed by Diamondback with the SEC that also includes this letter as Exhibit 99.2. Furthermore, this letter includes or references certain forward-looking, non-GAAP financial measures. Because Diamondback provides these measures on a forward-looking basis, it cannot reliably or reasonably predict certain of the necessary components of the most directly comparable forward-looking GAAP financial measures, such as future impairments and future changes in working capital. Accordingly, Diamondback is unable to

present a quantitative reconciliation of such forward-looking, non-GAAP financial measures to the respective most directly comparable forward-looking GAAP financial measures. Diamondback believes that these forward-looking, non-GAAP measures may be a useful tool for the investment community in comparing Diamondback's forecasted financial performance to the forecasted financial performance of other companies in the industry.