

## Non-GAAP Financial Measures

### Cash GPT Reconciliation

Cash GPT is defined as the total gathering, processing and transportation expenses (“GPT”) less non-cash valuation charges on pipeline imbalances. Cash GPT is not a measure of GPT expenses as determined by accounting principles generally accepted in the United States of America (“GAAP”). Management believes that the presentation of Cash GPT provides useful additional information to investors and analysts to assess the cash costs incurred to market and transport the Company’s commodities from the wellhead to delivery points for sale without regard for the change in value of its pipeline imbalances, which vary monthly based on commodity prices.

The following table presents a reconciliation of the GAAP financial measure of GPT expenses to the non-GAAP financial measure of Cash GPT for the periods presented (in thousands):

	Successor	Predecessor		
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020	Year Ended December 31,	
			2019	2018
<b>Gathering, processing and transportation expenses</b>	\$ 9,124	\$ 85,896	\$ 128,806	\$ 107,193
Pipeline imbalances	189	(1,346)	(2,446)	(4,331)
<b>Cash GPT</b>	<b>\$ 9,313</b>	<b>\$ 84,550</b>	<b>\$ 126,360</b>	<b>\$ 102,862</b>

### E&P Cash G&A Reconciliation

E&P Cash G&A is defined as total general and administrative (“G&A”) expenses less non-cash equity-based compensation expenses, other non-cash charges and G&A expenses attributable to midstream and others services. E&P Cash G&A is not a measure of G&A expenses as determined by GAAP. Management believes that the presentation of E&P Cash G&A provides useful additional information to investors and analysts to assess the Company’s operating costs in comparison to peers without regard to equity-based compensation programs, which can vary substantially from company to company.

The following table presents a reconciliation of the GAAP financial measure of general and administrative expenses to the non-GAAP financial measure of E&P Cash G&A for the periods presented (in thousands):

	Successor	Predecessor		
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020	Year Ended December 31,	
			2019	2018
<b>General and administrative expenses</b>	\$ 14,224	\$ 145,294	\$ 123,506	\$ 121,346
Equity-based compensation expenses	—	(29,746)	(32,251)	(27,910)
G&A expenses attributable to midstream and other services	(1,989)	(21,791)	(24,805)	(18,864)
<b>E&amp;P Cash G&amp;A</b>	<b>\$ 12,235</b>	<b>\$ 93,757</b>	<b>\$ 66,450</b>	<b>\$ 74,572</b>

### Cash Interest and E&P Cash Interest Reconciliations

Cash Interest is defined as interest expense plus capitalized interest less amortization and write-offs of deferred financing costs and debt discounts included in interest expense, and E&P Cash Interest is defined as total Cash Interest less Cash Interest attributable to Oasis Midstream Partners LP (“OMP”). Cash Interest and E&P Cash Interest are not measures of interest expense as determined by GAAP. Management believes that the presentation of E&P Cash Interest provides useful additional information to investors and analysts for assessing the interest charges incurred on the Company’s debt to finance its E&P activities, excluding non-cash amortization, and its ability to maintain compliance with its debt covenants.

The following table presents a reconciliation of the GAAP financial measure of interest expense to the non-GAAP financial measures of Cash Interest and E&P Cash Interest for the periods presented (in thousands):

	Successor	Predecessor		
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020 <sup>(1)</sup>	Year Ended December 31,	
			2019	2018
<b>Interest expense</b>	\$ 3,168	\$ 181,484	\$ 176,223	\$ 159,085
Capitalized interest	128	6,428	11,964	17,226
Amortization of deferred financing costs	(277)	(7,830)	(8,832)	(7,590)
Amortization of debt discount	—	(8,317)	(12,164)	(11,120)
<b>Cash Interest</b>	<b>3,019</b>	<b>171,765</b>	<b>167,191</b>	<b>157,601</b>
Cash Interest attributable to OMP	(1,024)	(38,996)	(16,673)	(6,688)
<b>E&amp;P Cash Interest</b>	<b>\$ 1,995</b>	<b>\$ 132,769</b>	<b>\$ 150,518</b>	<b>\$ 150,913</b>

- (1) For the 2020 Predecessor Period, interest expense, Cash Interest and E&P Cash Interest include Specified Default Interest charges of \$30.3 million related to the Predecessor Credit Facility. In addition, for the 2020 Predecessor Period, interest expense, Cash Interest and Cash Interest attributable to OMP include OMP Specified Default Interest charges of \$28.0 million related to the OMP Credit Facility. The Specified Default Interest and OMP Specified Default Interest were waived upon the Company’s emergence from the Chapter 11 Cases.

### Adjusted EBITDA Reconciliation

Adjusted EBITDA is defined as earnings (loss) before interest expense, income taxes, depreciation, depletion, amortization, exploration expenses and other similar non-cash or non-recurring charges. Adjusted EBITDA is not a measure of net income (loss) or cash flows as determined by GAAP. Management believes that the presentation of Adjusted EBITDA provides useful additional information to investors and analysts for assessing the Company's results of operations, financial performance and ability to generate cash from its business operations without regard to its financing methods or capital structure coupled with its ability to maintain compliance with its debt covenants.

The following table presents reconciliations of the GAAP financial measures of net income (loss) including non-controlling interests and net cash provided by operating activities to the non-GAAP financial measure of Adjusted EBITDA for the periods presented (in thousands):

	Successor	Predecessor		
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020	Year Ended December 31,	
			2019	2018
<b>Net loss including non-controlling interests</b>	\$ (45,962)	\$ (3,724,611)	\$ (90,647)	\$ (19,500)
(Gain) loss on sale of properties	(11)	(10,396)	4,455	(28,587)
(Gain) loss on extinguishment of debt	—	(83,867)	(4,312)	13,848
Net (gain) loss on derivative instruments	84,615	(233,565)	106,314	(28,457)
Derivative settlements	(76)	224,416	19,098	(213,528)
Interest expense, net of capitalized interest	3,168	181,484	176,223	159,085
Depreciation, depletion and amortization	16,094	291,115	787,192	636,296
Impairment	—	4,937,143	10,257	384,228
Rig termination	—	1,279	384	—
Exploration expenses	—	2,748	6,658	27,432
Equity-based compensation expenses	270	31,315	33,607	29,273
Litigation settlement	—	22,750	20,000	—
Reorganization items, net	—	(786,831)	—	—
Income tax benefit	(3,447)	(262,962)	(32,715)	(5,843)
Other non-cash adjustments	468	2,324	3,035	4,435
<b>Adjusted EBITDA</b>	<b>55,119</b>	<b>592,342</b>	<b>1,039,549</b>	<b>958,682</b>
Adjusted EBITDA attributable to non-controlling interests	5,430	41,716	51,525	21,703
<b>Adjusted EBITDA attributable to Oasis</b>	<b>\$ 49,689</b>	<b>\$ 550,626</b>	<b>\$ 988,024</b>	<b>\$ 936,979</b>
<b>Net cash provided by operating activities</b>	<b>\$ 95,255</b>	<b>\$ 202,936</b>	<b>\$ 892,853</b>	<b>\$ 996,421</b>
Derivative settlements	(76)	224,416	19,098	(213,528)
Interest expense, net of capitalized interest	3,168	181,484	176,223	159,085
Rig termination	—	1,279	384	—
Exploration expenses	—	2,748	6,658	27,432
Deferred financing costs amortization and other	(6,824)	(41,811)	(27,263)	(29,057)
Current tax (benefit) expense	—	(36)	(16)	23
Changes in working capital	(36,872)	(25,953)	(51,423)	13,871
Litigation settlement	—	22,750	20,000	—
Cash paid for reorganization items	—	22,205	—	—
Other non-cash adjustments	468	2,324	3,035	4,435
<b>Adjusted EBITDA</b>	<b>55,119</b>	<b>592,342</b>	<b>1,039,549</b>	<b>958,682</b>
Adjusted EBITDA attributable to non-controlling interests	5,430	41,716	51,525	21,703
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### Segment Adjusted EBITDA and E&P Free Cash Flow

E&P Free Cash Flow is defined as Adjusted EBITDA for the Company's E&P segment plus distributions to Oasis for its ownership of (i) OMP limited partner units, (ii) a controlling interest in OMP's general partner, OMP GP, and (iii) retained interests in Bobcat DevCo LLC and Beartooth DevCo LLC (together, the "DevCo Interests"); less E&P Cash Interest, capital expenditures for E&P and other (excluding capitalized interest) and midstream capital expenditures attributable to its DevCo Interests. E&P Free Cash Flow is not a measure of net income (loss) or cash flows as determined by GAAP. Management believes that the presentation of E&P Free Cash Flow provides useful additional information to investors and analysts for assessing the financial performance of the Company's E&P business as compared to its peers and its ability to generate cash from its E&P operations and midstream ownership interests after interest and capital spending. In addition, E&P Free Cash Flow excludes changes in operating assets and liabilities that relate to the timing of cash receipts and disbursements, which we may not control, and changes in operating assets and liabilities may not relate to the period in which the operating activities occurred.

The following tables present reconciliations of the GAAP financial measure of income (loss) before income taxes including non-controlling interests to the non-GAAP financial measure of Adjusted EBITDA for the Company's two reportable business segments and to the non-GAAP financial measure of E&P Free Cash Flow for its E&P segment for the periods presented (in thousands):

#### Exploration and Production<sup>(1)</sup>

	Successor	Predecessor		
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020	Year Ended December 31,	
			2019	2018
<b>Loss before income taxes including non-controlling interests</b>	\$ (68,499)	\$ (4,114,847)	\$ (336,706)	\$ (157,222)
(Gain) loss on sale of properties	(11)	(10,396)	4,455	(38,188)
(Gain) loss on extinguishment of debt	—	(83,867)	(4,312)	13,848
Net (gain) loss on derivative instruments	84,615	(233,565)	106,314	(28,457)
Derivative settlements	(76)	224,416	19,098	(213,528)
Interest expense, net of capitalized interest	2,145	141,836	159,287	156,742
Depreciation, depletion and amortization	13,789	271,002	771,640	623,133
Impairment	—	4,825,530	10,257	384,228
Exploration expenses	—	2,748	6,658	27,432
Rig termination	—	1,279	384	—
Equity-based compensation expenses	—	29,794	32,755	28,393
Litigation settlement	—	22,750	20,000	—
Reorganization items, net	—	(665,916)	—	—
Other non-cash adjustments	459	3,208	3,035	4,435
<b>Adjusted EBITDA</b>	<b>\$ 32,422</b>	<b>\$ 413,972</b>	<b>\$ 792,865</b>	<b>\$ 800,816</b>
Distributions to Oasis from OMP and DevCo Interests <sup>(2)</sup>	7,734	123,057	150,388	160,640
E&P Cash Interest <sup>(3)</sup>	(1,995)	(132,769)	(150,518)	(150,913)
E&P and other capital expenditures	(15,018)	(201,075)	(630,987)	(1,925,827)
Midstream capital expenditures attributable to DevCo Interests	(1,173)	(6,147)	(14,353)	(148,386)
Capitalized interest	128	6,428	11,964	17,226
<b>E&amp;P Free Cash Flow<sup>(3)</sup></b>	<b>\$ 22,098</b>	<b>\$ 203,466</b>	<b>\$ 159,359</b>	<b>\$ (1,246,444)</b>

(1) As a result of the Company's Well Services Exit in the first quarter of 2020, the well services business is no longer a separate reportable segment, and the remaining services performed by OWS are included in the E&P segment. Prior period amounts have been restated to reflect the change in reportable segments.

- (2) Represents distributions to Oasis for the Company's ownership of (i) OMP limited partner units, (ii) a controlling interest in OMP's general partner, OMP GP, and (iii) DevCo Interests.
- (3) For the 2020 Predecessor Period, E&P Cash Interest includes the impact of Specified Default Interest charges of \$30.3 million related to the Predecessor Credit Facility, which was waived pursuant to the Plan on the Emergence Date. The offsetting discharge of the Specified Default Interest was recorded in reorganization items, net for the 2020 Predecessor Period, and as a result, there is no net impact on E&P Free Cash Flow related to these charges.

*Midstream*

	Successor	Predecessor		
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020	Year Ended December 31,	
			2019	2018
			(In thousands)	
<b>Income before income taxes including non-controlling interests</b>	\$ 19,678	\$ 136,616	\$ 224,096	\$ 141,001
Loss on sale of properties	—	—	—	9,622
Interest expense, net of capitalized interest	1,023	39,648	16,936	2,343
Depreciation, depletion and amortization	4,199	36,670	37,152	29,282
Impairment	—	111,613	—	—
Equity-based compensation expenses	270	1,930	1,744	1,547
Reorganization items, net	—	(76,463)	—	—
Other non-cash adjustments	9	(884)	—	—
<b>Adjusted EBITDA</b>	<b>\$ 25,179</b>	<b>\$ 249,130</b>	<b>\$ 279,928</b>	<b>\$ 183,795</b>

## Adjusted Net Income (Loss) Attributable to Oasis and Adjusted Diluted Earnings (Loss) Attributable to Oasis Per Share

The Company defines Adjusted Net Income (Loss) Attributable to Oasis as net income (loss) after adjusting for (i) the impact of certain non-cash items, including non-cash changes in the fair value of derivative instruments, impairment and other similar non-cash charges or non-recurring items, (ii) the impact of net income (loss) attributable to non-controlling interests and (iii) the non-cash and non-recurring items' impact on taxes based on the Company's effective tax rate applicable to those adjusting items, excluding net income (loss) attributable to non-controlling interests, in the same period. Adjusted Net Income (Loss) Attributable to Oasis is not a measure of net income (loss) as determined by GAAP. We define Adjusted Diluted Earnings (Loss) Attributable to Oasis Per Share as Adjusted Net Income (Loss) Attributable to Oasis divided by diluted weighted average shares outstanding. Adjusted Diluted Earnings (Loss) Attributable to Oasis Per Share is not a measure of diluted earnings (loss) per share as determined by GAAP. Management believes that the presentation of Adjusted Net Income (Loss) Attributable to Oasis and Adjusted Diluted Earnings (Loss) Attributable to Oasis Per Share provides useful additional information to investors and analysts for evaluating the Company's operational trends and performance in comparison to the its peers. This measure is more comparable to earnings estimates provided by securities analysts, and charges or amounts excluded cannot be reasonably estimated and are excluded from guidance provided by us.

The following table presents reconciliations of the GAAP financial measure of net income (loss) attributable to Oasis to the non-GAAP financial measure of Adjusted Net Income (Loss) Attributable to Oasis and the GAAP financial measure of diluted earnings (loss) attributable to Oasis per share to the non-GAAP financial measure of Adjusted Diluted Earnings (Loss) Attributable to Oasis Per Share for the periods presented (in thousands, except per share data and tax rate):

	Successor		Predecessor	
	Period from November 20, 2020 through December 31, 2020	Period from January 1, 2020 through November 19, 2020	Year Ended December 31,	
			2019	2018
<b>Net loss attributable to Oasis</b>	\$ (49,912)	\$ (3,640,328)	\$ (128,243)	\$ (35,296)
(Gain) loss on sale of properties	(11)	(10,396)	4,455	(28,587)
(Gain) loss on extinguishment of debt	—	(83,867)	(4,312)	13,848
Net (gain) loss on derivative instruments	84,615	(233,565)	106,314	(28,457)
Derivative settlements	(76)	224,416	19,098	(213,528)
Impairment <sup>(1)</sup>	—	4,910,477	10,257	384,228
Additional interest charges <sup>(2)</sup>	—	49,206	—	—
Amortization of deferred financing costs <sup>(3)</sup>	277	7,476	8,832	7,591
Amortization of debt discount	—	8,317	12,164	11,120
Non-cash reorganization items, net <sup>(2)</sup>	—	(799,942)	—	—
Litigation settlement	—	22,750	20,000	—
Other non-cash adjustments	468	2,324	3,035	4,435
Tax impact <sup>(4)</sup>	(20,167)	(968,987)	(42,691)	(35,759)
Other tax adjustments <sup>(5)</sup>	9,168	638,729	—	—
<b>Adjusted Net Income Attributable to Oasis</b>	<b>\$ 24,362</b>	<b>\$ 126,610</b>	<b>\$ 8,909</b>	<b>\$ 79,595</b>
<b>Diluted loss attributable to Oasis per share</b>	<b>\$ (2.50)</b>	<b>\$ (11.46)</b>	<b>\$ (0.41)</b>	<b>\$ (0.11)</b>
Adjustment to diluted weighted average shares outstanding <sup>(6)</sup>	—	0.02	—	—
(Gain) loss on sale of properties	—	(0.03)	0.01	(0.09)
(Gain) loss on extinguishment of debt	—	(0.26)	(0.01)	0.04
Net (gain) loss on derivative instruments	4.23	(0.73)	0.34	(0.09)
Derivative settlements	—	0.71	0.06	(0.69)
Impairment <sup>(1)</sup>	—	15.43	0.03	1.24
Additional interest charges <sup>(2)</sup>	—	0.15	—	—
Amortization of deferred financing costs <sup>(3)</sup>	0.01	0.02	0.03	0.02
Amortization of debt discount	—	0.03	0.04	0.04

Non-cash reorganization items, net <sup>(2)</sup>	—	(2.51)	—	—
Litigation settlement	—	0.07	0.06	—
Other non-cash adjustments	0.02	0.01	0.01	0.01
Tax impact <sup>(4)</sup>	(1.00)	(3.06)	(0.13)	(0.11)
Other tax adjustments <sup>(5)</sup>	0.46	2.01	—	—
<b>Adjusted Diluted Earnings Attributable to Oasis Per Share</b>	<b>\$ 1.22</b>	<b>\$ 0.40</b>	<b>\$ 0.03</b>	<b>\$ 0.26</b>
Diluted weighted average shares outstanding <sup>(6)</sup>	19,991	318,253	315,324	310,860
Effective tax rate applicable to adjustment items <sup>(4)</sup>	23.7 %	23.7 %	23.7 %	23.7 %

- (1) For the 2020 Predecessor Period, OMP recorded an impairment expense of \$103.4 million which is included in the Company's Consolidated Statements of Operations. The portion of OMP impairment expense attributable to non-controlling interests of \$26.7 million is excluded from impairment expense in the table above for the 2020 Predecessor Period.
- (2) For the 2020 Predecessor Period, we recorded Specified Default Interest charges of \$30.3 million related to the Predecessor Credit Facility and OMP Specified Default Interest charges of \$28.0 million related to the OMP Credit Facility. The Specified Default Interest and OMP Specified Default Interest were waived upon the Company's emergence from the Chapter 11 Cases. The offsetting discharge of the Specified Default Interest and OMP Specified Default Interest was recorded in non-cash reorganization items, net for the 2020 Predecessor Period, and as a result, there is no net impact on Adjusted Net Income (Loss) Attributable to Oasis related to these charges. The portion of OMP Specified Default Interest attributable to non-controlling interests of \$9.1 million is excluded from additional interest charges and non-cash reorganization items, net in the table for the 2020 Predecessor Period.
- (3) The portion of amortization of deferred financing costs attributable to non-controlling interests of \$0.4 million is excluded from amortization of deferred financing costs in the table above for the 2020 Predecessor Period.
- (4) The tax impact is computed utilizing the Company's effective tax rate applicable to the adjustments for certain non-cash and non-recurring items.
- (5) Other tax adjustments include the deferred tax asset valuation allowance and tax impact of non-deductible restructuring fees in the 2020 Predecessor Period. These items are adjusted to reflect the tax impact of the other adjustments using an assumed effective tax rate that excludes their impact.
- (6) For the 2020 Predecessor Period, and the years ended December 31, 2019 and 2018, we included the dilutive effect of unvested stock awards of 609,000, 322,000 and 3,379,000, respectively, in computing Adjusted Diluted Earnings Attributable to Oasis Per Share, which were excluded from the GAAP calculation of diluted loss attributable to Oasis per share due to the anti-dilutive effect.