

DIAMONDBACK ENERGY

Investor Presentation

May 2023









Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

This presentation 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, that Diamondback Energy, Inc. ("Diamondback," the "Company" or we) makes, including statements regarding future performance; business strategy; future operations (including drilling plans and capital plans); estimates and projections of revenues, losses, costs, expenses, returns, cash flow, and financial position; reserve estimates and its ability to replace or increase reserves; anticipated benefits of strategic transactions (including acquisitions and divestitures); and plans and objectives of management (including plans for future cash flow from operations and for executing on environmental strategies and targets) are forward-looking statements. When used in this presentation, 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 the Company are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Although The Company 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 the Company's control. Accordingly, forward-looking statements are not guarantees of future performance and the Company's actual outcomes could differ materially from what the Company has expressed in its forward-looking statements.

Factors that could cause the outcomes to differ materially include (but are not limited to) the following: changes in supply and demand levels for oil, natural gas, and natural gas liquids, and the resulting impact on the price for those commodities; the impact of public health crises, including epidemic or pandemic diseases such as the COVID-19 pandemic, and any related company or government policies or actions; actions taken by the members of OPEC and Russia affecting the production and pricing of oil, as well as other domestic and global political, economic, or diplomatic developments, including any impact of the ongoing war in Ukraine on the global energy markets and geopolitical stability; concerns over a potential economic slowdown or recession; instability in the financial sector; inflationary pressures; rising interest rates and their impact on the cost of capital; 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; and the risks and other factors disclosed in the Company's filings with the Securities and Exchange Commission, including its Forms 10-K, 10-Q and 8-K, which can be obtained free of charge on the Securities and Exchange Commission's web site at http://www.sec.gov.

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

The presentation also contains the Company's updated capital expenditure and production guidance, and certain forward-looking information, with respect to 2022. The actual levels of production, capital expenditures, expenses and other estimates may be higher or lower than these estimates due to, among other things, uncertainty in drilling schedules, changes in market demand and unanticipated delays in production. These estimates are based on numerous assumptions, including assumptions related to number of wells drilled, average spud to release times, rig count, and production rates for wells placed on production. All or any of these assumptions may not prove to be accurate, which could result in actual results differing materially from estimates. If any of the rigs currently being utilized or intended to be utilized becomes unavailable for any reason, and the Company is not able to secure a replacement on a timely basis, we may not be able to drill, complete and place on production the expected number of wells. Similarly, average spud to release times may not be maintained in 2022. No assurance can be made that new wells will produce in line with historic performance, or that existing wells will continue to produce in line with expectations. The Company's ability to fund its 2022 and future capital budgets is subject to numerous risks and uncertainties, including volatility in commodity prices and the potential for unanticipated increases in costs associated with drilling, production and transportation. In addition, its production estimate assumes there will not be any new federal, state or local regulation of portions of the energy industry in which the Company operates, or an interpretation of existing regulation, that will be materially adverse to its business. For additional discussion of the factors that may cause it not to achieve its production estimates, see the Company's filings with the SEC, including its forms 10-K, 10-Q and 8-K and any amendments thereto. The Company does not undertake any obligation to release publicly the results of any future revisions it may make to this prospective data or to update this prospective data to reflect events or circumstances after the date of this presentation. Therefore, you are cautioned not to place undue reliance on this information.

Non-GAAP Financial Measures

Consolidated 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, impairment and abandonments related to equity method investments, (gain) loss on extinguishment of debt, non-cash equity-based compensation expense, capitalized equity-based compensation expense, merger and integration expense, other non-cash transactions and provision for (benefit from) income taxes, if any. Consolidated Adjusted EBITDA is not a measure of net income as determined by United States' generally accepted accounting principles ("GAAP"). Management believes Consolidated Adjusted EBITDA is useful because the measure allows it to more effectively 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 adds the items listed above to net income (loss) to determine Consolidated 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. Consolidated 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 or liquidity. Certain items excluded from Consolidated 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 Consolidated 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. For a reconciliation of Consolidated Adjusted EBITDA to net income (loss), and other non-GAAP financial measures, please refer to our earnings release furnished to, and other filings we make with the SEC and the appendix attached to this presentation under "Non-GAAP Definitions and Reconciliations."

Operating cash flow before working capital changes, which is a non-GAAP financial measure representing net cash provided by operating activities as determined under GAAP without regard to changes in operating assets and liabilities. The Company believes operating cash flow before working capital changes is a useful measure of an oil and gas company's ability to generate cash used to fund exploration, development and acquisition activities and serve debt or pay dividends. The Company also uses this measure because adjusted operating cash flow relates 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.

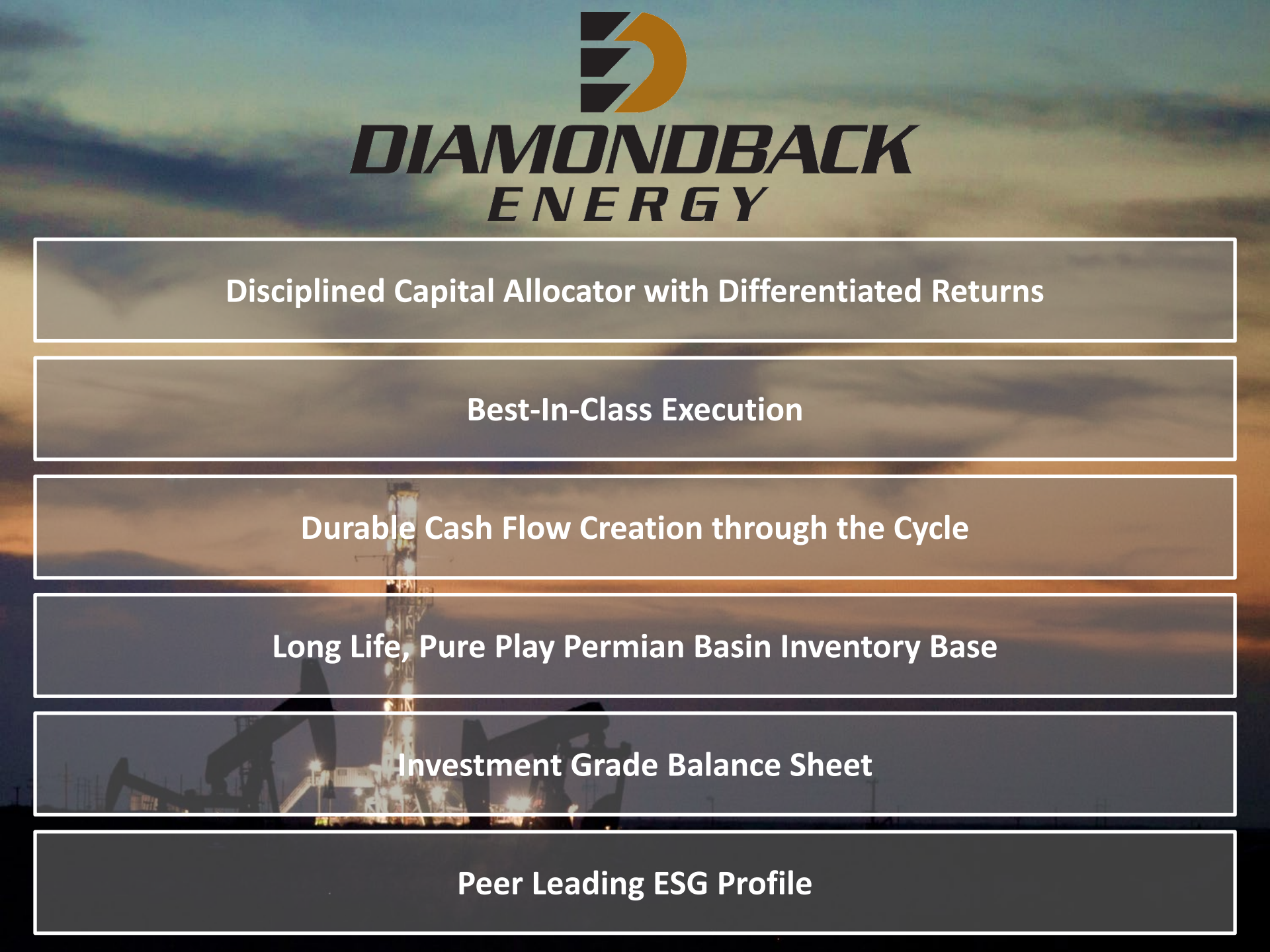
Free Cash Flow, which is a non-GAAP financial measure, is cash flow from operating activities before changes in working capital in excess of cash capital expenditures. Adjusted Free Cash Flow, which is a non-GAAP financial measure, is Free Cash Flow adjusted for early termination of commodity derivative contracts. The Company believes that Free Cash Flow and Adjusted Free Cash Flow are useful to investors as it provides a measure to compare both cash flow from operating activities and additions to oil and natural gas properties across periods on a consistent basis. These measures should not be considered as an alternative to, or more meaningful than, net cash provided by operating activities as an indicator of operating performance. The Company's computation of operating cash flow before working capital changes, Free Cash Flow and Adjusted Free Cash Flow may not be comparable to other similarly titled measures of other companies. The Company uses Free Cash Flow to reduce debt, and increase the return of capital to stockholders as determined by the Board of Directors. For reconciliations of net cash provided by operating activities to operating cash flow before working capital changes and to Free Cash Flow and, after adjustments for early settlements of commodity derivative contracts, to Adjusted Free Cash Flow, please refer to our earnings release furnished to, and other filings we make with the SEC and the appendix attached to this presentation under "Non-GAAP Definitions and Reconciliations."

Net debt, which is a non-GAAP measure, is total debt less cash and cash equivalent. 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. For a reconciliation of net debt to total debt, please refer to our earnings release furnished to, and other filings we make with the SEC and the appendix attached to this presentation under "Non-GAAP Definitions and Reconciliations."

Furthermore, this presentation includes or references certain forward-looking, non-GAAP financial measures, such as estimated free cash flow for 2023, and certain related estimates regarding future performance, results and financial position. Because the Company 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 measures, such as future impairments and future changes in working capital. Accordingly, the Company 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. The Company believes these forward-looking, non-GAAP measures may be a useful tool for the investment community in comparing the Company's forecasted financial performance to the forecasted financial performance of other companies in the industry.

Oil and Gas Reserves

The SEC generally permits oil and gas companies, in filings made with the SEC, to disclose proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, and certain probable and possible reserves that meet the SEC's definitions for such terms. The Company discloses only estimated proved reserves in its filings with the SEC. The Company's estimated proved reserves (including those of its consolidated subsidiaries) as of December 31, 2022 referenced in this presentation were prepared by our internal reservoir engineers and audited by Ryder Scott Company, L.P., an independent petroleum engineering firm, and comply with definitions promulgated by the SEC. Additional information on the Company's estimated proved reserves is contained in the Company's filings with the SEC. This presentation also contains the Company's internal estimates of its potential drilling locations, which may prove to be incorrect in a number of material ways. Actual number of locations that may be drilled may differ substantially.


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ENERGY
Disciplined Capital Allocator with Differentiated Returns
Best-In-Class Execution
Durable Cash Flow Creation through the Cycle
Long Life, Pure Play Permian Basin Inventory Base
Investment Grade Balance Sheet
Peer Leading ESG Profile

Disciplined Capital Allocator with Differentiated Returns

Continued Free Cash Flow Generation:

- Generated ~$646 million of Free Cash Flow ("FCF") in Q1 2023 ($3.55 / share)(1)
- Expect to generate at least $3.0 billion of FCF in 2023 at current commodity prices(2)

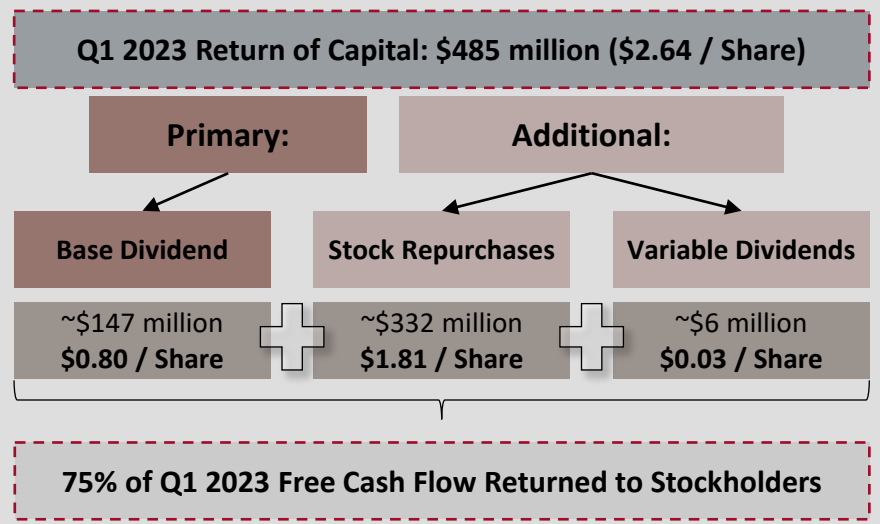
Differentiated Return of Capital:

- Diamondback is returning 75% of Q1 2023 FCF to stockholders, resulting in a total return of capital of $485 million
- Repurchased 2.5 million shares in Q1 2023 for ~$332 million; $4.0 billion authorized share buyback (>$1.9 billion spent to date)

Q1 Base / Variable Dividend Declaration:

- Total dividend declaration of $0.83 per share; payable May 18, 2023
- $3.20 per share annual base dividend, up 14% year over year(3)
- Industry-leading base dividend growth has resulted in a ~10% average quarterly CAGR since inaugural dividend in 2018

FANG Return of Capital Framework



Diamondback Market Snapshot

NASDAQ Symbol: FANG
Market Cap: $25,751 million
Net Debt: $7,080 million(4)
Enterprise Value: $33,490 million
Share Count: 181 million
Annual Base Dividend: $3.20 (2.3% current yield)
Total Q1 Dividend: $0.83 (2.3% current yield)

Diamondback continues to return meaningful capital to its stockholders through a sustainable and growing base dividend, opportunistic share repurchases and variable dividend

Source: Company data, public filings, and Bloomberg. Financial data as of 3/31/2023. Market data as of 4/28/2023.

(1) *Free Cash Flow defined as operating cash flow before changes in working capital and dividends, less cash CAPEX.*
(2) *Based on strip pricing as of 4/18/2023.*
(3) *Future dividends subject to the discretion and approval of the Board of Directors.*
(4) *Consolidated total debt less cash and cash equivalents as of 3/31/2023.*

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First Quarter Highlights

Investment Framework and Q1 2023 Results

Maintain Oil Volumes

- Oil production of 251.4 Mbo/d (425.0 Mboe/d)
- Oil production per million shares of 1,381 Bo/d, up 11% year over year

Execute with Best-in-Class Cost Structure

- Unhedged realized cash margin of 74%(1)
- Cash CAPEX of $657 million
- Reinvestment rate of 50%(2)
- FY 2022 proved developed finding and development costs ("PD F&D") of $10.10 per boe; Drill-bit F&D of $6.91 per boe

Generate Significant Free Cash Flow

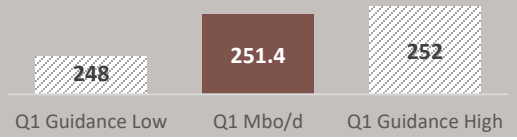
- Operating cash flow before working capital changes of $1.3 billion ($7.16 / share)
- Generated $646 million of FCF ($3.55 / share)(3)

Strengthen Balance Sheet

- Completed previously announced divestiture of 10% equity ownership in the Gray Oak crude oil pipeline
- Completed previously announced divestiture of ~4,900 net acres in Ward and Winkler counties
- Completed previously announced divestiture of ~19,000 net acres in Glasscock county
- YE23 non-core divestiture target of at least $1.0 billion
- $773 million of asset sales to date since announcing initial target

Q1 2023 Execution

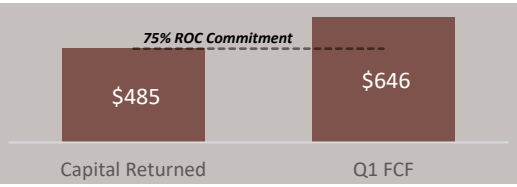
Oil Production
Net Mbo/d



Capital Expenditures
$MM



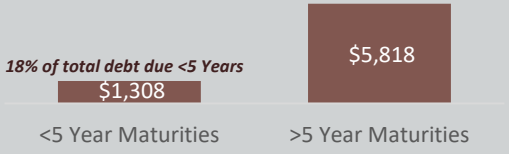
Free Cash Flow
$MM



Non-core Asset Sales
$MM



Total Debt by Duration
$MM



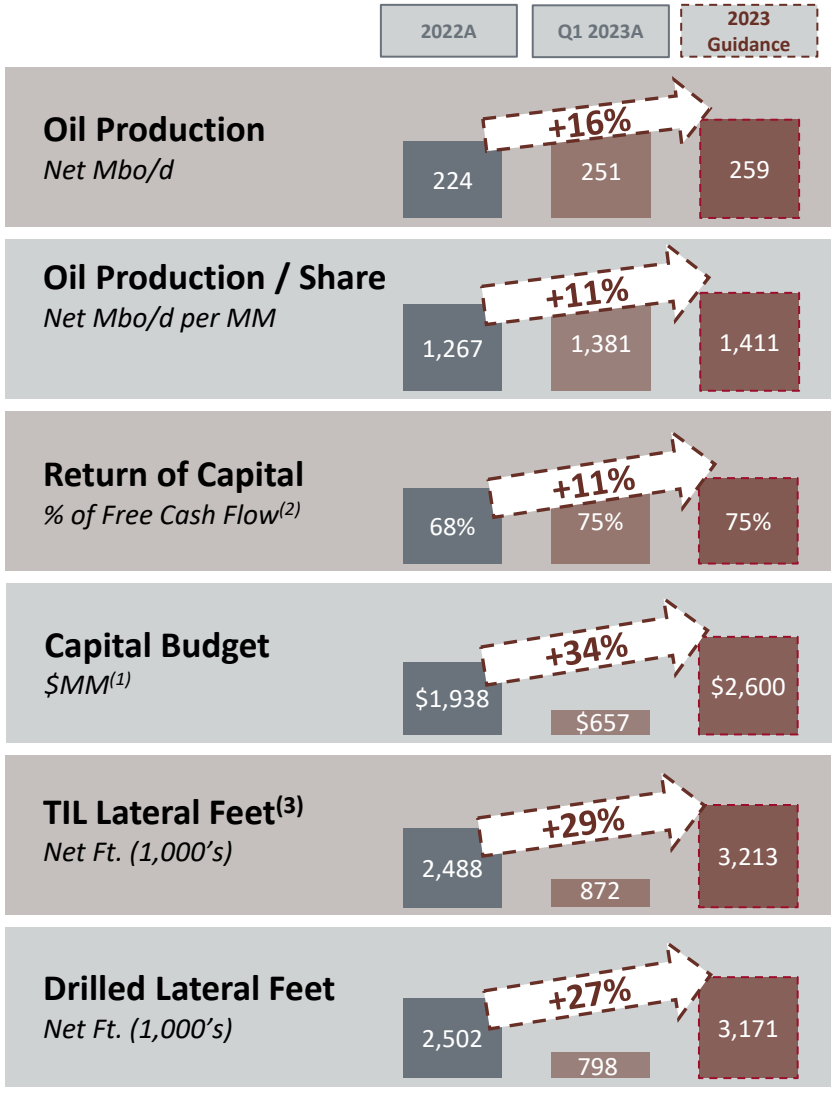
Source: Company data, filings and estimates.

(1) Unhedged cash margin calculated as the sum of unhedged realized price per boe less cash operating costs including interest per boe divided by the unhedged realized price per boe.
(2) Reinvestment rate calculated as Cash CAPEX divided by operating cash flow before working capital changes.
(3) Free Cash Flow defined as operating cash flow before changes in working capital and dividends, less cash CAPEX.

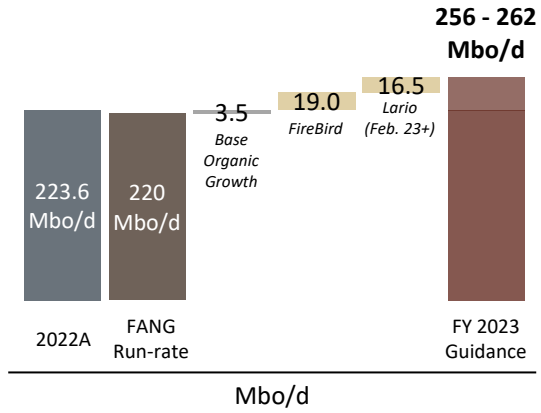
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Overview of 2023 Guidance

2023 Activity and Guidance Midpoints vs 2022



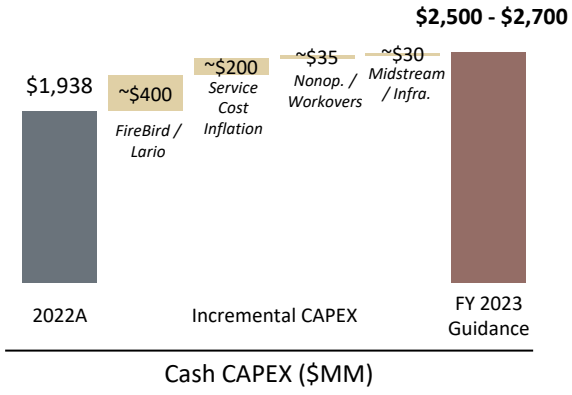
2023 Production and Activity Outlook



FY 2023 Activity

- 325 - 345 — Gross operated wells drilled
- 330 – 350 — Gross operated wells TIL
- ~85% — Midland Basin net lateral ft.

2023 Capital Guidance



FY 2023 Capital vs. 2022

- +27% / 29% — Total Net Drilled / TIL Ft.
- +15% — D,C&E Well Costs ($ / Ft.)
- ~$400 million — FireBird / Lario CAPEX

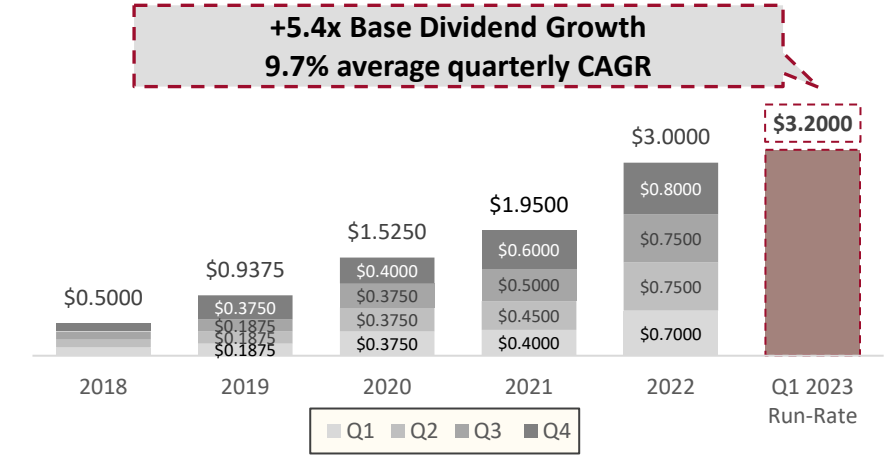
Source: Company data, filings and estimates.

(1) Capital budget includes spending for operated drill, complete and equip ("D,C&E"), non-operated properties and capital workovers, midstream and infrastructure; excludes equity method investments and acquisitions.
(2) FCF defined as operating cash flow before changes in working capital less cash CAPEX.
(3) Turned in line ("TIL") lateral feet.

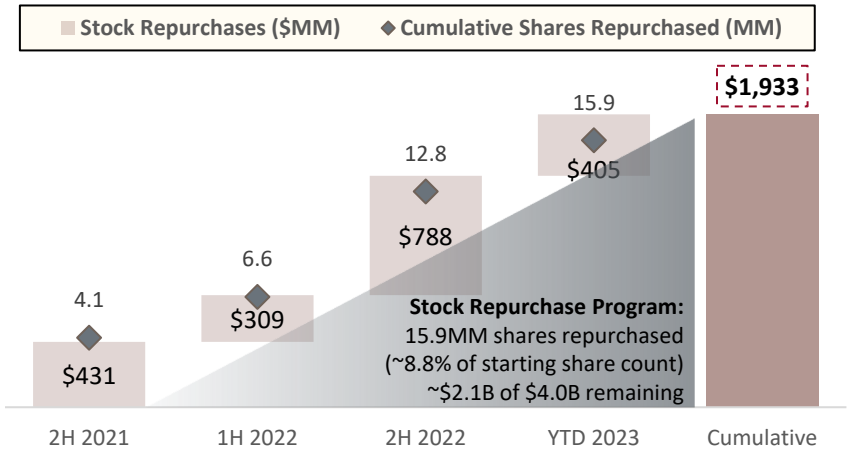
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Return of Capital History and Highlights

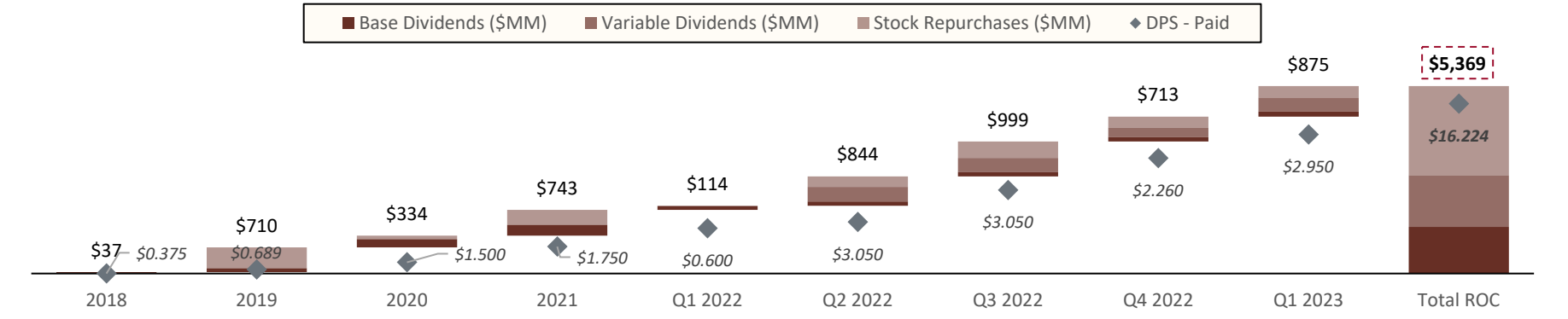
Declared Base Dividends Since 2018 ($ / Share)



$4.0 Billion Authorized Stock Repurchase Program(1)



Cumulative Return of Capital Paid Since Inaugural Base Dividend



Diamondback's Return of Capital strategy is focused on a sustainable growing base dividend, opportunistic share repurchases and variable dividends, through which it has returned over $5.3 billion to stockholders since 2018

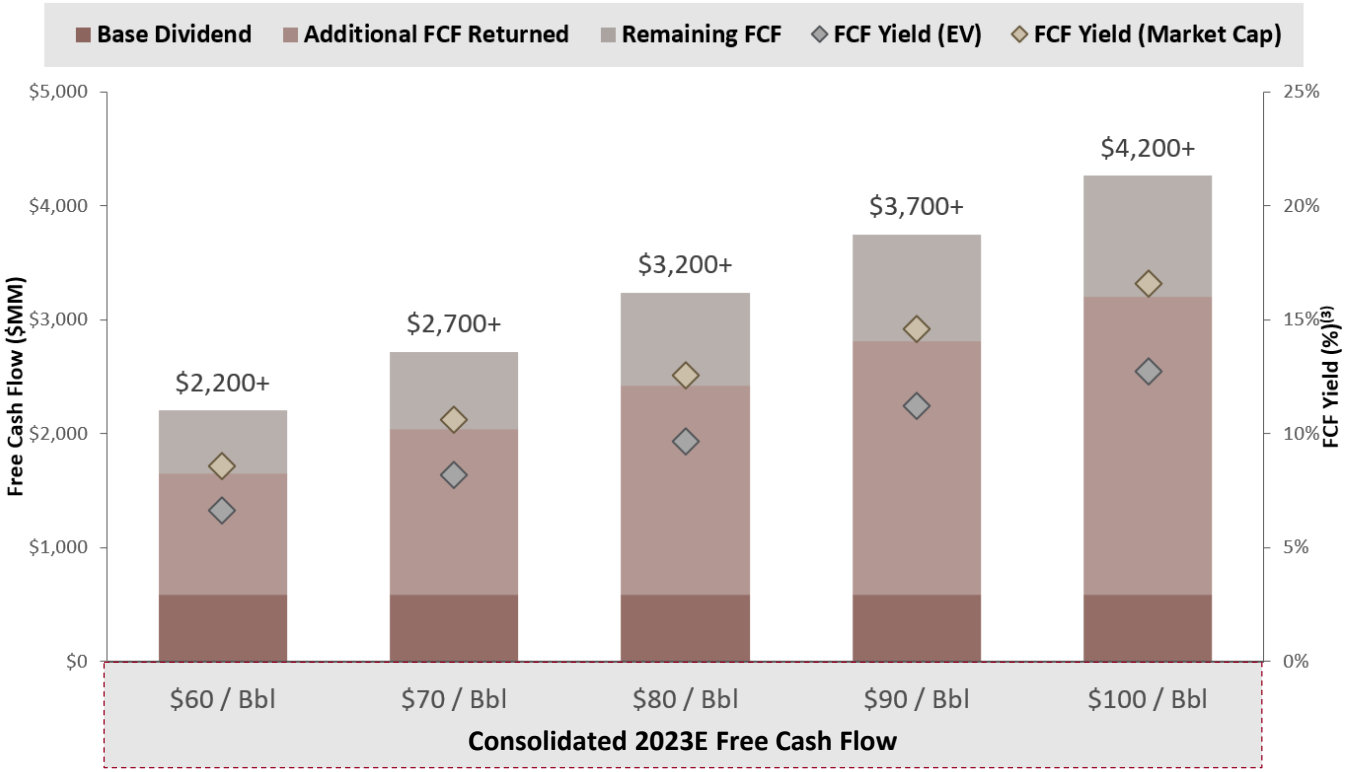
Source: Company data, filings and estimates.
(1) Stock repurchases through 4/28/2023.

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2023 Free Cash Flow Sensitivity

Illustrative 2023E Consolidated Free Cash Flow at Various WTI Oil Prices ($MM)[1]

FY 2023 Assumptions
256 - 262 Mbo/d Oil Production
$2.5 - $2.7 billion Cash CAPEX[2]
>95% % of WTI Realized ($/Bbl)
$20/Bbl / $3.00/Mcf Unhedged NGL / Gas Prices
$3.20 / Share Annual Base Dividend
75%+ of FCF Total Return of Capital



	$60 / Bbl	$70 / Bbl	$80 / Bbl	$90 / Bbl	$100 / Bbl
FCF / Share[3]	$12.15	$14.91	$17.67	$20.44	$23.20
75% Return Yield[3]	6.4%	7.9%	9.3%	10.8%	12.2%

At current commodity prices, Diamondback expects to generate at least $3.0 billion of Free Cash Flow and return over $2.2 billion to stockholders through a combination of our base-plus-variable dividend and share repurchases

Source: Company data, filings and estimates. Note: All 2023E scenarios incorporate identical activity levels, capital spending, production, respectively; assumes current cash operating costs, and well costs; and incorporate current hedges. See also "Forward-Looking Statements and Non-GAAP Financial Measures" slide above.

(1) *Free Cash Flow calculated as operating cash flow before changes in working capital and dividends, less cash CAPEX (defined below). Based on the same assumptions, illustrative 2023E consolidated operating cash flow would be over $4,800MM at $60/Bbl, over $5,300MM at $70/Bbl, over $5,800MM at $80/Bbl, over $6,300MM at $90/Bbl and over $6,800MM at $100/Bbl. We are unable to present a quantitative reconciliation because we cannot reliably predict certain of the necessary components of operating cash flow, such as changes in working capital. See "Forward-Looking Statements and Non-GAAP Financial Measures" on slide 1 for additional cautionary information.*

(2) *FY 2023 Assumptions: Oil production of 256– 262 Mbo/d; $2.5 - $2.7 billion cash capex, defined as capital spending for operated D,C&E, non-operated properties and capital workovers, midstream and infrastructure; excludes equity method investments and acquisitions; Unhedged NGL realization equal to $20/Bbl; $3.00/Mcf.*

(3) *Free Cash Flow per share assumes FANG's current share count of approximately 181 million shares. Free cash flow yield calculated as free cash flow divided by FANG's enterprise value ("EV") and FANG's market capitalization ("Market Cap") as of 4/28/2023, respectively.*

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Investment Grade Balance Sheet

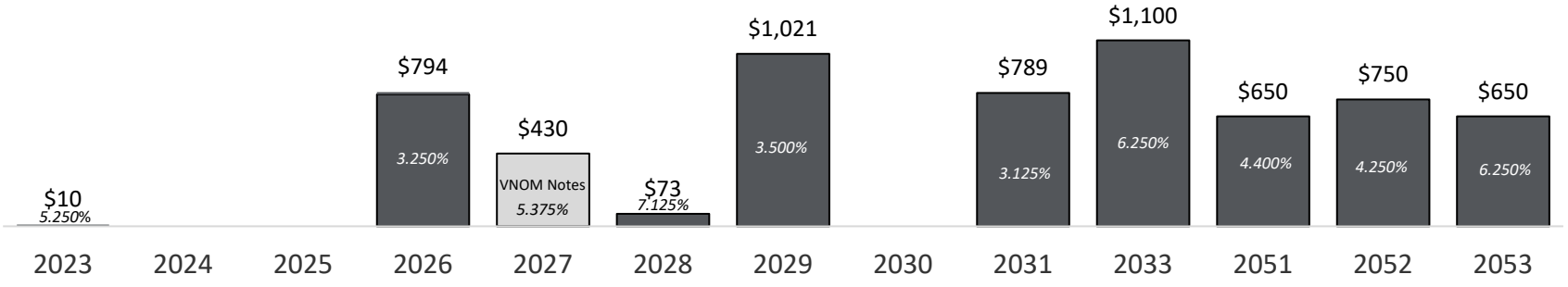
Recent Highlights and Balance Sheet Summary:

- Standalone liquidity of ~$1.5 billion(1)
- Consolidated net debt of ~$6.6 billion(1)(2)
- Completed previously announced divestiture of ~19,000 net acres in Glasscock county for cash proceeds of $351 million, subject to certain adjustments, in April 2023
- On track to achieve previously announced target of at least $1.0 billion of non-core asset sales by year-end 2023; over $750 million completed to date
- In March, S&P upgraded Diamondback outlook to BBB- "Positive"

FANG's Liquidity and Capitalization ($MM)

FANG's Consolidated Capitalization	3/31/2023	PF 4/28/2023
Cash and cash equivalents	$46	$46
FANG debt	$6,426	$5,965
VNOM debt	$700	$700
Total Debt	***$7,126***	***$6,665***
Net Debt	***$7,080***	***$6,619***
Net Debt / LTM Adjusted EBITDA	***1.00x***	***0.93x***
Net Debt / Annualized Q1 2023 Adjusted EBITDA	***1.19x***	***1.11x***

FANG's Debt Maturity Profile ($MM)(3)



Source: Company Filings, Management data and Estimates.

(1) As of 4/28/2023, excluding Viper.

(2) Consolidated net debt is defined as total debt less cash and cash equivalents.

(3) Debt maturity profile as of 3/31/2023.

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Peer Leading ESG Profile

- Diamondback is committed to successful execution on its environmental strategy and targets discussed in the 2022 Corporate Responsibility Report and highlighted below
- As part of this commitment, in March 2023, Diamondback joined the Oil & Gas Methane Partnership 2.0 ("OGMP 2.0"), the flagship oil and gas reporting and mitigation program of the United Nations Environment Programme
- Our 2022 Corporate Responsibility Report is available on our website: 2022 Corporate Sustainability Report

Environmental Strategy Highlights	
Key Environmental Targets	◆ Reduce Scope 1 + 2 GHG intensity by at least 50% from 2020 levels by 2030 ◆ Reduce Scope 1 GHG intensity by at least 50% from 2019 levels by 2024 ◆ Reduce methane intensity by at least 70% from 2019 levels by 2024 ◆ Eliminate routine flaring (as defined by the World Bank) by 2025 ◆ Source >65% of our water used for operations from recycled sources by 2025
"Net Zero Now"	◆ Since January 1, 2021, every hydrocarbon produced by Diamondback has been produced with zero net Scope 1 emissions ◊ Recognizing the Company will still have a carbon footprint, Diamondback purchased carbon offset credits to offset remaining Scope 1 emissions ◊ Intend to eventually invest in income-generating projects that are expected to more directly offset remaining Scope 1 emissions
Incentive Compensation	◆ ESG has a 25% weighting in management's scorecard for 2023 ◊ Component determined by meeting or exceeding five key environmental and safety metrics: flaring intensity, GHG intensity, recycled water percentage, spill prevention and Total Recordable Incident Rate ("TRIR")

Source: Company data and filings.

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2023 Guidance Detail

- Full year 2023 guidance remains unchanged
- Full year 2023 oil production guidance of 256 – 262 Mbo/d
- Full year 2023 CAPEX budget of $2.5 – $2.7 billion
- Expect to complete between 330 and 350 gross wells with an average lateral length of ~10,500 feet

Q2 2023 Guidance

- Q2 2023 oil production guidance of 258 – 261 Mbo/d (430 – 436 Mboe/d)
- Cash CAPEX guidance of $675 – $725 million
- Cash tax guidance of $140 – $180 million

Diamondback 2023 Capital Activity Guidance	
Gross (net) horizontal wells drilled	325 – 345 (293 – 311)
Gross (net) horizontal wells completed	330 – 350 (297 – 315)
Average lateral length (ft.)	~10,500’
Midland Basin well costs per lateral foot	$620 – $680
Delaware Basin well costs per lateral foot	$900 – $1,000
Midland Basin net lateral feet (%)	~85%
Delaware Basin net lateral feet (%)	~15%

	Diamondback	Viper
Net Production – Mboe/d	430 – 440	35.25 – 38.75
Oil Production – Mbo/d	256 – 262	20.50 – 22.50
Unit Costs ($/boe)		
Lease Operating Expenses	$5.00 – $5.50	
Gathering & Transportation	$1.80 – $2.00	
Cash G&A	$0.65 – $0.80	$0.60 – $0.80
Non-Cash Equity Based Compensation	$0.40 – $0.50	$0.10 – $0.20
DD&A	$9.25 – $10.25	$9.75 – $10.75
Interest Expense (net)	$1.30 – $1.40	$3.00 – $3.50
Production and Ad Valorem Taxes (% of Revenue)	7% – 8%	7% – 8%
Corporate Tax Rate (% of Pre-tax Income)	23%	20% – 22%
Cash Tax Rate (% of Pre-tax Income)	10% – 15%	
Diamondback Capex Budget ($MM)		
Drilling, completion, capital workovers and non-operated properties		$2,250 – $2,410
Midstream		$80 – $100
Infrastructure and Environmental		$170 – $190
Total 2023 Capital Budget		**$2,500 – $2,700**

Source: Company filings, management data and estimates.

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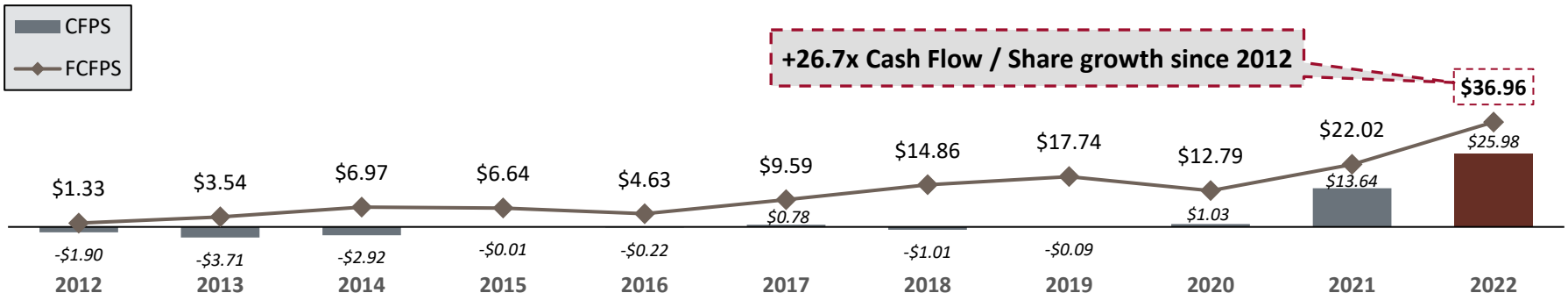
DIAMONDBACK ENERGY



APPENDIX

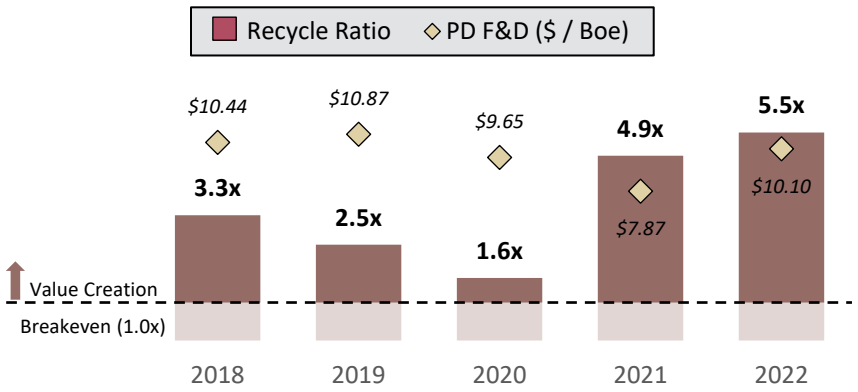
Longstanding Track Record of Capital Efficiency and Growing Per Share Metrics

Diamondback Cash Flow / Free Cash Flow Since IPO ($ / Share)(1)

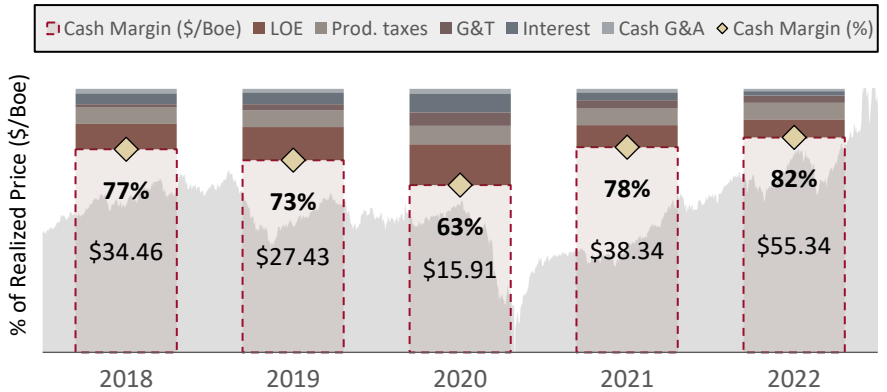


	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Cum. CFPS	$4.87	$11.85	$18.49	$23.12	$32.71	$47.57	$65.31	$78.10	$100.12	$137.08	
Cum. FCFPS	-$5.60	-$8.52	-$8.53	-$8.75	-$7.97	-$8.98	-$9.07	-$8.05	$5.59	$31.57	

Consolidated PD F&D Costs and Recycle Ratio(2)



Unhedged Cash Margins ($ / Boe; % of Realized Price)(3)



Since the Company's IPO in 2012, Diamondback has continued to execute with record margins and improving capital efficiency, resulting in sustainable growth and long-term success

Source: Company data, filings and estimates.

(1) Cash Flow per Share calculated as operating cash flow before changes in working capital divided by weighted average diluted shares outstanding. Free Cash Flow calculated as operating cash flow before changes in working capital and dividends, less cash CAPEX for operated D,C&E, non-operated properties and capital workovers, infrastructure and midstream; excludes acquisitions and equity-method investments.

(2) Recycle ratio calculated unhedged cash margin per boe including interest expense divided by PD F&D cost per boe. Please see note 1 on slide 16 for detail on PD F&D cost calculation.

(3) Unhedged cash margin calculated as the sum of unhedged realized price per boe less cash operating costs including interest per boe divided by the unhedged realized price per boe.

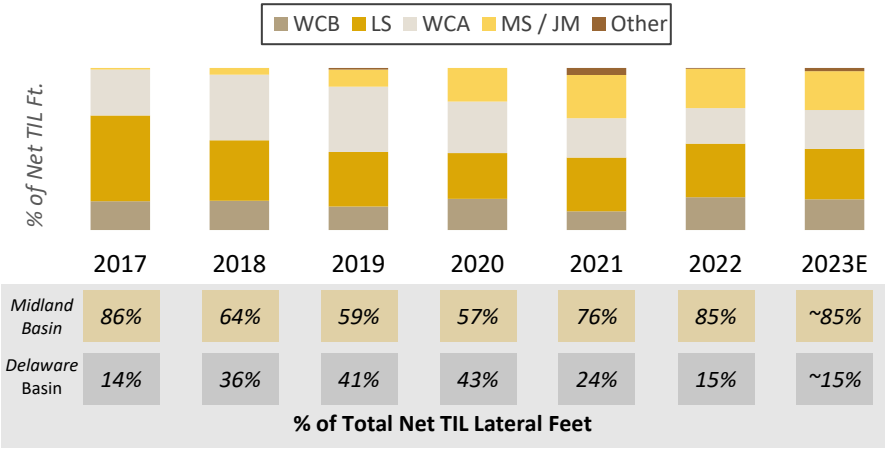
DIAMONDBACK ENERGY

Development Strategy and Performance Update

Development Strategy Update:

- Diamondback saw improving well productivity in 2022, with normalized oil production per well near 2019 levels
- Midland Basin productivity has been consistent and improving
- This performance is credited to the shift to co-development of all primary targets beginning in 2019, with Diamondback now completing the highest number of zones per pad of any peer in the Midland Basin
- Capital program rate of return has also improved due to the higher allocation of capital to the Midland Basin

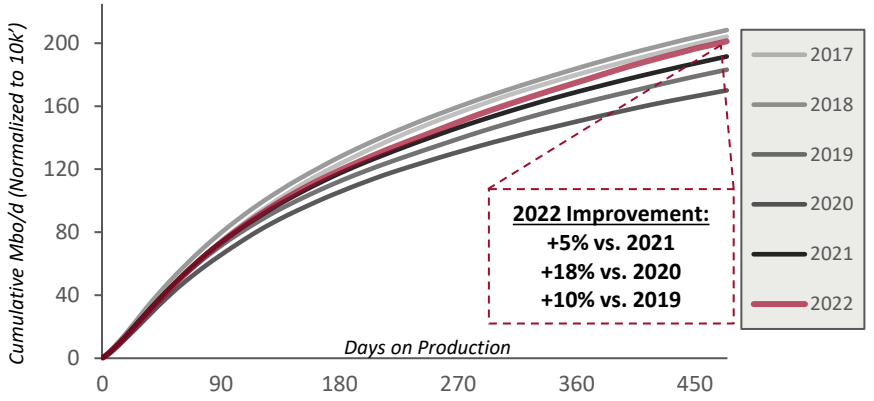
Midland Basin Development by Zone (% of Net Lateral Ft.)



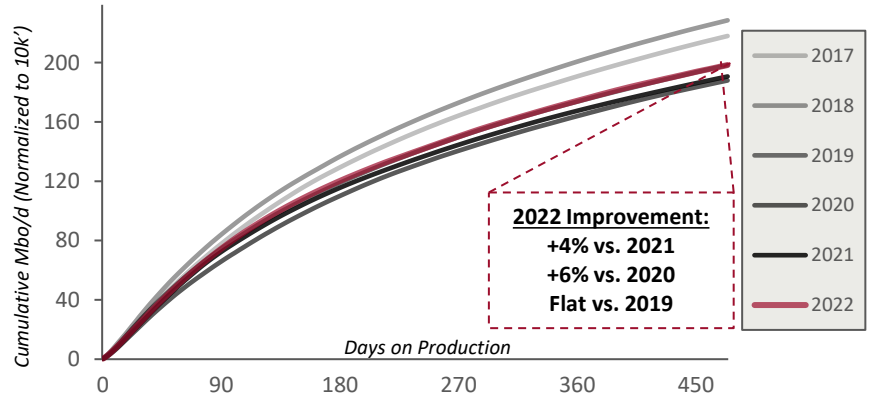
	2017	2018	2019	2020	2021	2022	2023E
Midland Basin	86%	64%	59%	57%	76%	85%	~85%
Delaware Basin	14%	36%	41%	43%	24%	15%	~15%

% of Total Net TIL Lateral Feet

Midland Basin Well Productivity by Year



Full Company Well Productivity by Year



Diamondback's average normalized oil production in 2022 for the Midland Basin returned to 2017 levels due to optimized multi-zone co-development. Diamondback's total company average normalized oil production in 2022 is nearing 2019 performance, even considering a higher percentage of wells in 2022 were in the Midland Basin relative to 2019 (80% vs. 60%)

Source: Company data, filings and estimates as of 4/28/2023.

DIAMONDBACK ENERGY

Inventory and Asset Overview

Midland Basin Gross (Net) Locations Economic at $50 / Bbl[1]

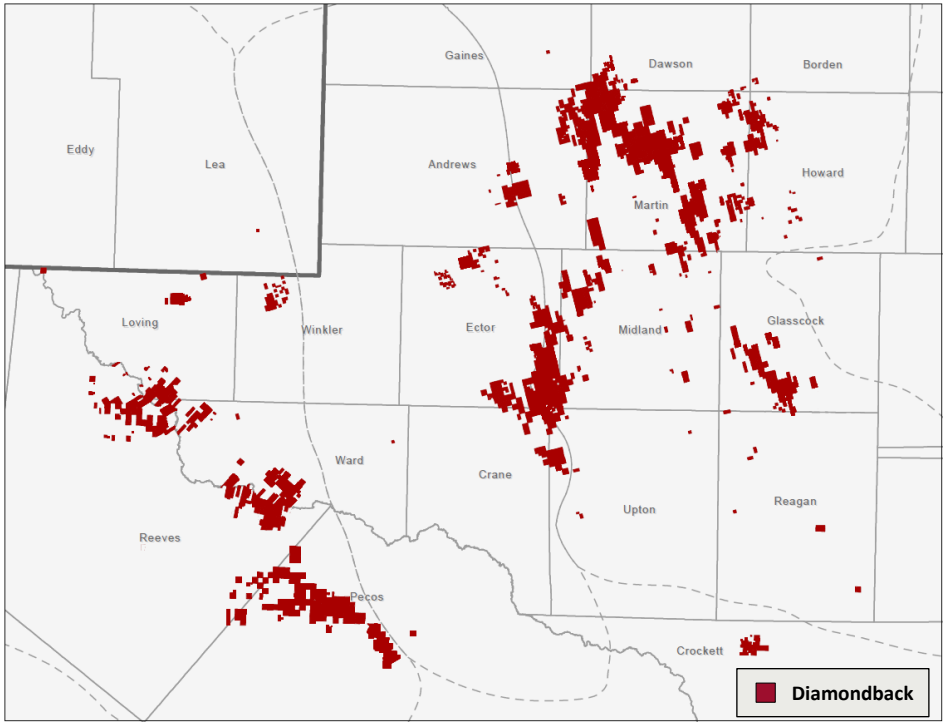
	5,000'+	7,500'+	10,000'+	Total	Avg. Lateral
MS / JM	63 (28)	265 (205)	668 (568)	**996 (801)**	*9,700'*
LS	105 (52)	219 (159)	821 (690)	**1,145 (901)**	*9,900'*
WCA	100 (41)	121 (90)	477 (391)	**698 (522)**	*9,500'*
WCB	84 (36)	210 (153)	528 (434)	**822 (622)**	*9,400'*
Other[2]	145 (63)	334 (256)	1,315 (1,109)	**1,794 (1,428)**	*9,700'*
Total	**497 (220)**	**1,149 (863)**	**3,809 (3,192)**	**5,455 (4,275)**	***9,700'***

7% increase to Midland Basin net lateral footage vs. YE 2021

Delaware Basin Gross (Net) Locations Economic at $50 / Bbl[1]

	5,000'+	7,500'+	10,000'+	Total	Avg. Lateral
2BS	134 (82)	91 (68)	427 (296)	**652 (446)**	*9,100'*
3BS	281 (161)	176 (127)	506 (334)	**963 (621)**	*8,300'*
WCA	96 (48)	73 (42)	190 (125)	**359 (215)**	*8,500'*
WCB	145 (75)	93 (59)	347 (253)	**585 (388)**	*8,700'*
Other[2]	153 (72)	91 (61)	219 (135)	**463 (269)**	*7,900'*
Total	**809 (438)**	**524 (357)**	**1,689 (1,144)**	**3,022 (1,939)**	***8,500'***

Diamondback Acreage Map[3]



	Midland Basin	Delaware Basin	Total
Net Acres[3]	~346,000	~153,000	~499,000
Gross Locations *Economic at $50 / Bbl*	5,455	3,022	8,477

Diamondback has significant high returning inventory that is durable through the cycle

Source: Company data, filings and estimates. Note: locations based on internal company estimates as of 12/31/2022 pro forma for the Lario acquisition which closed 1/31/2023.

(1) Defined as locations that can generate at least a 10% rate of return at $50/Bbl oil prices, $20/Bbl NGL prices and $3.00/Mcf gas prices. Assumes per foot well costs of $550 / $750 in the Midland Basin and Delaware Basin, respectively.

(2) Other zones comprised of Wolfcamp D, Wolfcamp C, Dean, Clearfork and Barnett intervals in the Midland Basin and 1st Bone Spring, Avalon, Wolfcamp C and Wolfcamp XY intervals in the Delaware Basin.

(3) Net acreage as of 3/31/2023. Excludes exploratory and conventional acreage.

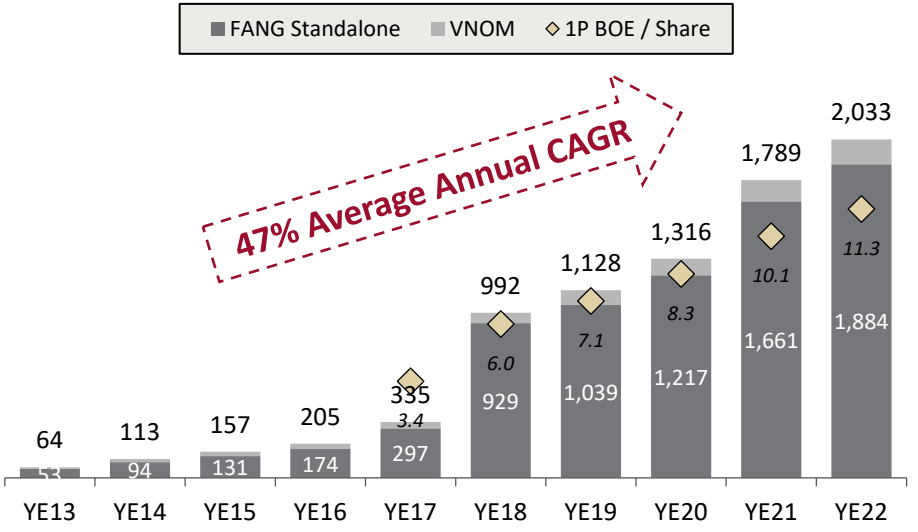
DIAMONDBACK ENERGY

Year-end Reserves Summary

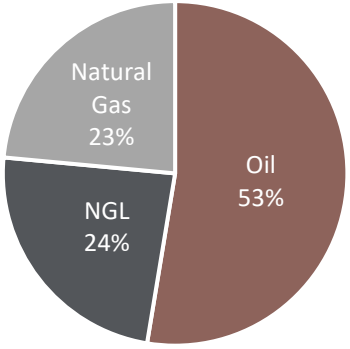
- YE22 proved reserves increased 14% y/y to 2,033 MMBoe (1,070 MMBo, 69% PDP)
- PDP reserves of 1,404 MMBoe; PDP oil reserves of 700 MMBo
- Oil comprised 53% of total proved reserves on 3-stream basis; 61% of total on 2-stream basis
- Consolidated proved developed F&D for 2022 was $10.10 / boe, with drill bit F&D of $6.91 / boe

F&D Costs					
($/Boe)	2018	2019	2020	2021	2022
Proved Developed F&D[(1)]	$10.44	$10.87	$9.65	$7.87	$10.10
Drill Bit F&D[(2)]	$7.28	$11.11	$5.00	$4.53	$6.91
Reserve Replacement[(3)]	1,479%	231%	272%	445%	273%
Organic Reserve Replacement[(4)]	457%	250%	269%	280%	233%

Total Proved Reserve Growth (MMBoe)

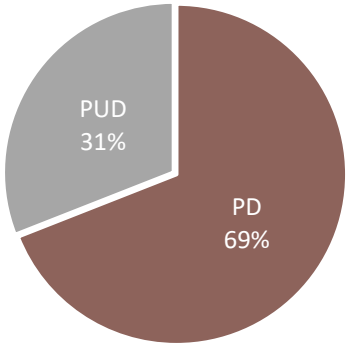


1P Reserves – By Commodity



2,033 MMBOE

1P Reserves – By Category



2,033 MMBOE

Source: Company Filings, Management Data and Estimates.

(1) *PD F&D costs defined as exploration and development costs divided by the sum of reserves associated with transfers from proved undeveloped reserves at YE2021 including any associated revisions in 2022 and extensions and discoveries placed on production during 2022.*

(2) *Drill bit F&D costs defined as the exploration and development costs divided by the sum of extensions, discoveries and revisions.*

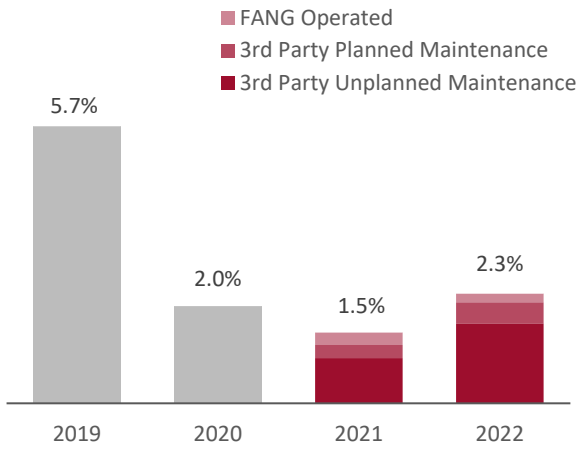
(3) *Defined as the sum of extensions, discoveries, revisions, and net purchases, divided by annual production.*

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

DIAMONDBACK ENERGY

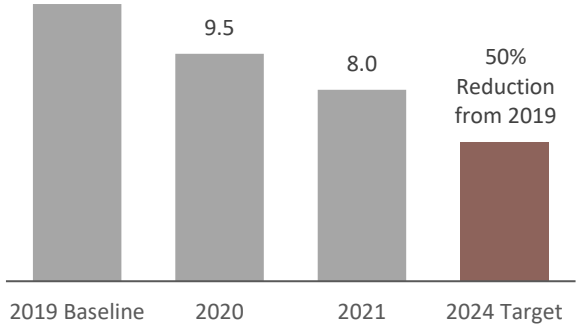
Environmental Performance Scorecard

Flaring (% of Gross Gas Production)(1)



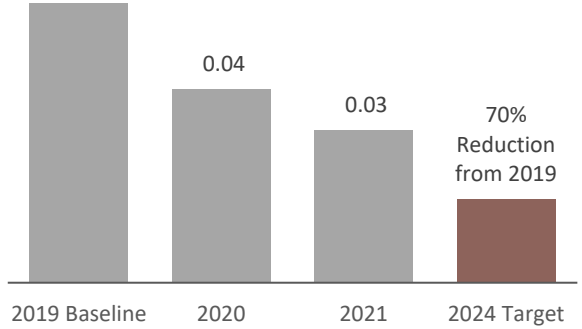
GHG Intensity (mt / mboe Produced)(1)

Goal: Reduce 2019 intensity by 50% by 2024



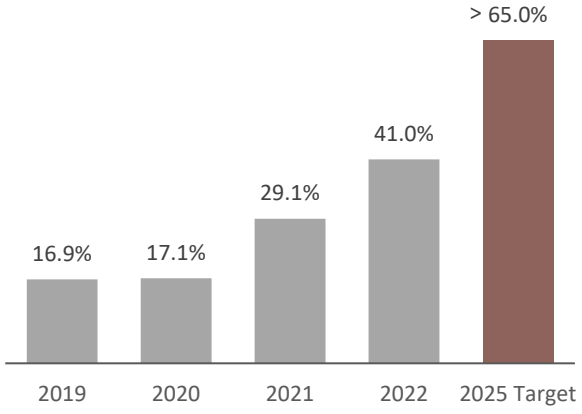
Methane Intensity (mt / mboe Produced)(1)

Goal: Reduce 2019 intensity by 70% by 2024

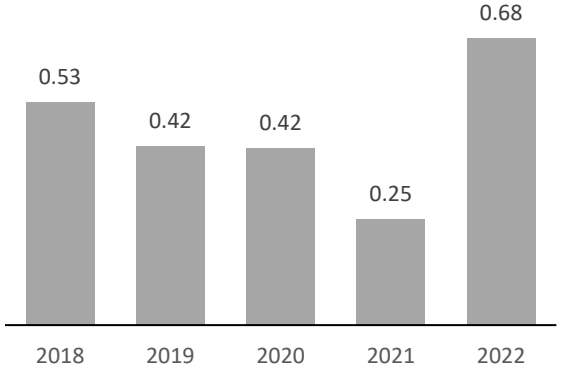


Water Recycling (% of Consumed)(1)

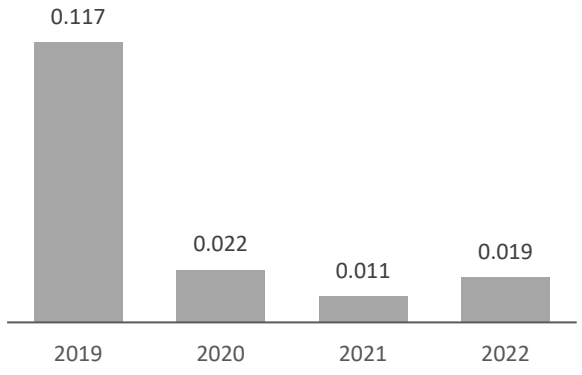
2025 Goal: >65% Water Recycling



Employee Safety (TRIR)



Net Liquids Spill Rate(2)



Source: Company data, filings and estimates.

(1) Reflects AXPC guidance definition.

(2) Net Liquids Spill Rate represents bbls of produced liquid spills not recovered divided by mbbls of total produced liquids.

DIAMONDBACK ENERGY

Scope 1 Emissions Breakdown and Strategic Reduction Initiatives

Diamondback 2021 Scope 1 Emissions Detail and Current Strategic Initiatives:

Atmospheric Storage Tanks:
~55K mt, or 4% of 2021 CO2e emissions (43K mt, or 4% of 2020 CO2e emissions)

Drivers: Encompasses tanks at all batteries; primarily dependent on volume moving through facilities

Initiatives: First tankless facility online in January 2022; limited tank design proven successful, expanding scope throughout 2022

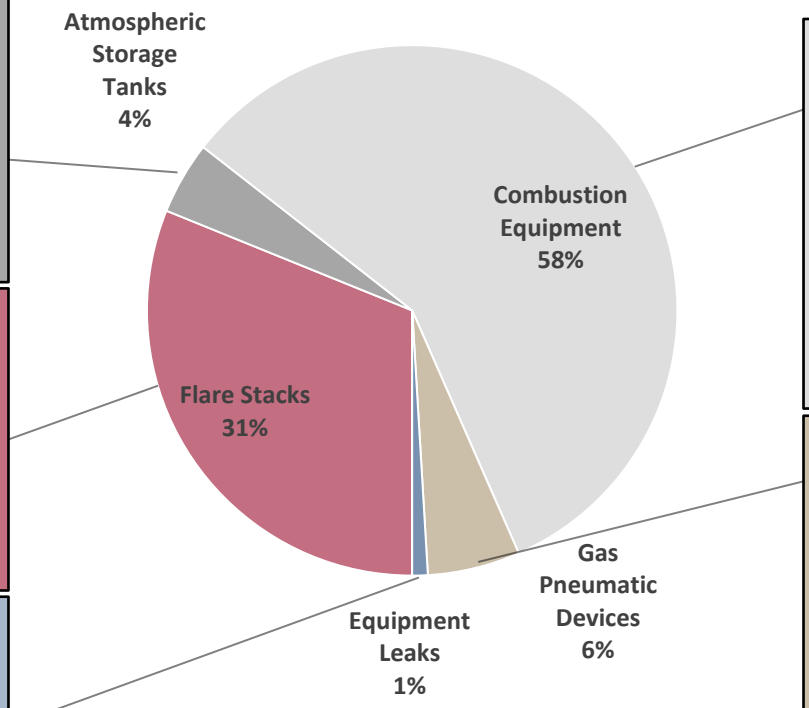
Flare Stacks:
~389K mt, or 31% of 2021 CO2e emissions (418K mt, or 35% of 2020 CO2e emissions)

Drivers: Flaring at the wellhead primarily due to takeaway / third party issues

Initiatives: Minimize flaring; ~1.5% of gross gas produced in 2021; down >70% from ~5.7% in 2019; continue work and negotiations with third party gatherers to ensure optimized uptime

Equipment Leaks:
~12K mt, or 1% of 2021 CO2e emissions (16k mt, or 1% of 2020 CO2e emissions)

Initiatives: As of December 31, 2022, Diamondback has installed Continuous Emissions Monitoring Systems that cover ~85% of our operated oil production and monitor methane emissions, carbon monoxide and hydrogen sulfide (H2S) in real time. Diamondback is committed to increasing this monitoring effort to cover over 90% of operated oil production by the end of 2023



2021 Scope 1 GHG Emissions:
~1.3 million mt of CO2e
AXPC Intensity: 8.0 mt / gross mboe produced

Combustion Equipment:
~724K mt, or 58% of 2021 CO2e emissions (644K mt, or 54% of 2020 CO2e emissions)

Drivers: Encompasses all drilling rigs, completion crews, workover rigs, generators and gas engine driven compressors

Initiatives: Remove / replace >200 electrical generation and natural gas driven compression units by 2023; continue electrical substation construction efforts; first electric drilling project began in February 2022; first electric frac fleet began in October 2022

Gas Pneumatic Devices:
~71K mt, or 6% of 2021 CO2e emissions (72K mt, or 6% of 2020 CO2e emissions)

Drivers: >1,000 total tank batteries; legacy batteries run off gas pneumatic systems; 50% of our current horizontal batteries use air compression

Initiatives: Air pneumatics installed on new batteries; plan to spend ~$60 million from 2021 - 2024 to retrofit most batteries with air pneumatics and other related projects

Diamondback is committed to reducing its Scope 1 GHG intensity by at least 50% from 2019 levels by 2024, and has set a new target towards reducing Scope 1 + 2 GHG intensity by at least 50% from 2020 levels by 2030

Source: Company data, filings and estimates.

DIAMONDBACK ENERGY

Methane Emissions and Strategic Reduction Initiatives

Diamondback 2021 Methane Emissions Detail and Current Strategic Initiatives:

Gas Pneumatic Devices:
~2.8K mt, or 59% of 2021 CH4 emissions
(2.9K mt, or 57% of 2020 CH4 emissions)

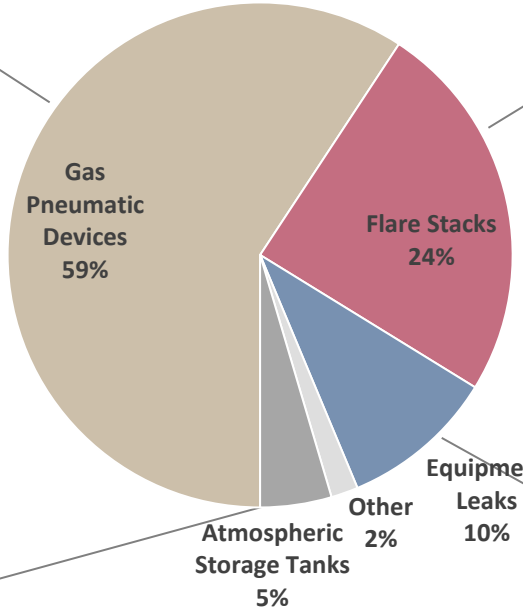
Drivers: >1,000 total tank batteries; legacy batteries run off gas pneumatic systems; 50% of our current horizontal batteries use air compression

Initiatives: Air pneumatics installed on new batteries; plan to spend ~$60 million from 2021 - 2024 to retrofit most batteries with air pneumatics and other related projects

Flare Stacks:
~1.2K mt, or 24% of 2021 CH4 emissions
(1.3K mt, or 25% of 2020 CH4 emissions)

Drivers: Flaring at the wellhead primarily due to takeaway / third party issues

Initiatives: Minimize flaring; ~1.5% of gross gas produced in 2021; down >70% from ~5.7% in 2019; continue work and negotiations with third party gatherers to ensure optimized uptime



Atmospheric Storage Tanks:
~0.2K mt, or 5% of 2021 CH4 emissions
(0.3K mt, or 6% of 2020 CH4 emissions)

Drivers: Encompasses tanks at all batteries; primarily dependent on volume moving through facilities

Initiatives: First tankless facility online in January 2022; limited tank design proven successful, expanding scope throughout 2022

Equipment Leaks:
~0.5K mt, or 10% of 2021 CH4 emissions
(0.6K mt, or 12% of 2020 CH4 emissions)

Initiatives: As of December 31, 2022, Diamondback has installed Continuous Emissions Monitoring Systems that cover ~85% of our operated oil production and monitor methane emissions, carbon monoxide and hydrogen sulfide (H2S) in real time. Diamondback is committed to increasing this monitoring effort to cover over 90% of operated oil production by the end of 2023

2021 Methane Emissions:
~4,800 mt of methane
AXPC Methane Intensity: 0.03[(1)]

Diamondback is committed to reducing its methane intensity by at least 70% from 2019 levels by 2024

Source: Company data, filings and estimates.
(1) AXPC defines Methane Intensity as metric tons of CH4 divided by gross annual production (mboe).

DIAMONDBACK ENERGY

Governance Summary

Board Independence & Diversity:

- 8 of 9, or 89%, of our director nominees are independent
- 100% of Committee Members are independent
- 5 of 9, or 56%, of our director nominees are diverse (gender or ethnic minority)

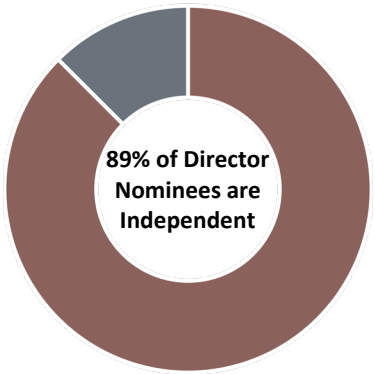
Board Leadership:

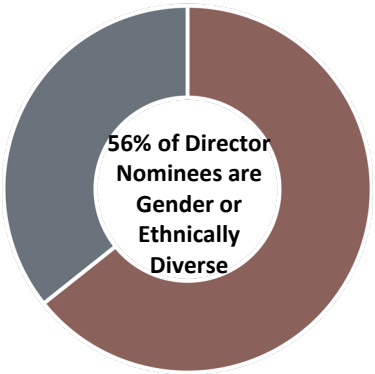
- Two female directors with Leadership Positions
  - Melanie Trent (Lead Independent Director) - Chair of Safety, Sustainability and Corporate Responsibility Committee
  - Stephanie Mains - Chair of Compensation Committee
- One ethnically diverse director with a Leadership Position
  - Vincent Brooks - Chair of Nominating and Corporate Governance Committee

Strong Corporate Governance Practices:

- Director overboarding policy
- Declassified Board
- Maintain rigorous stock ownership guidelines for non-employee directors and our executives(4)
- Majority voting and director resignation policy
- Included Board's proposal in the 2023 proxy statement to provide for the elimination of the 66 2/3% supermajority vote requirements in Diamondback's charter
- Included Board's proposal in the 2023 proxy statement to provide for a right to call a special meeting by stockholders
- Received a first-tier score of 85% for the 2022 CPA-Zicklin Index of Corporate Political Accountability and Disclosures

Board Independence and Diversity





2023 STI Scorecard Structure

Performance Weighting	Performance Metrics
Operations (35%)	♦ PDP F&D(1) ♦ Controllable Cash Costs(2) ♦ Capital Budget
Financial (40%)	♦ FCF per Share ♦ ROACE(3)
Environmental and Safety (25%)	♦ Flaring Intensity ♦ Water Recycling ♦ GHG Emissions Intensity ♦ Liquid Spills Rate ♦ Employee TRIR

Source: Company data and filings.

(1) Sum of D,C&E well costs for wells brought to production in 2023 divided by the net EUR's of those wells (as determined by reserve auditor on a 3-stream basis).

(2) Sum of reported cash general and administrative expenses and reported lease operated expenses, divided by total barrels of oil equivalent production ("boe").

(3) Consolidated earnings before interest and taxes ("EBIT") for 2023 divided by average total assets less average current liabilities for YE23 and YE22.

(4) Stock options (whether vested or unvested) and unvested performance-based awards are not counted as shares owned for the purpose of calculating ownership under the guidelines.

Current Hedge Summary: Oil

Consolidated Crude Oil Hedges (Bbl/day, $/Bbl)				
Crude Oil Hedges	**Q2 2023**	**Q3 2023**	**Q4 2023**	**Q1 2024**
Long Puts - WTI	**12,000**	**12,000**	**8,000**	**–**
	$55.00 / -$1.82	$55.00 / -$1.80	$55.00 / -$1.89	–
Long Puts - MEH	**36,000**	**28,000**	**20,000**	**–**
	$54.17 / -$1.71	$55.00 / -$1.65	$55.00 / -$1.63	–
Long Puts - Brent	**99,000**	**97,000**	**68,000**	**16,000**
	$54.04 / -$1.68	$54.64 / -$1.63	$55.00 / -$1.54	$55.00 / -$1.62
Total Long Puts	**147,000**	**137,000**	**96,000**	**16,000**
Costless Collars - Brent	**6,000**	**–**	**–**	**–**
Floor / Ceiling	$60.00 / $114.57	–	–	–
Total Costless Collars	**6,000**	**--**	**--**	**--**
Total Crude Oil Hedges	**153,000**	**137,000**	**96,000**	**16,000**
Basis Swaps - WTI	**24,000**	**24,000**	**24,000**	**–**
	$0.90	$0.90	$0.90	–

Diamondback's hedge strategy is to maximize upside exposure to commodity prices while protecting the extreme downside

Source: Company data as of 4/28/2023.

DIAMONDBACK ENERGY

Current Hedge Summary: Natural Gas

Consolidated Natural Gas Hedges (Mmbtu/day, $/Mmbtu)					
Natural Gas Hedges	**Q2 2023**	**Q3 2023**	**Q4 2023**	**1H 2024**	**2H 2024**
Costless Collars - Henry Hub	**330,000**	**310,000**	**310,000**	**200,000**	**200,000**
Floor / Ceiling	$3.17 / $9.13	$3.18 / $9.22	$3.18 / $9.22	$3.00 / $8.42	$3.00 / $8.42
Total Costless Collars	**330,000**	**310,000**	**310,000**	**200,000**	**200,000**
Total Natural Gas Hedges	**330,000**	**310,000**	**310,000**	**200,000**	**200,000**
Basis Swaps - Waha	**350,000**	**330,000**	**330,000**	**380,000**	**380,000**
	($1.20)	($1.24)	($1.24)	($1.18)	($1.18)
Total Basis Swaps	**350,000**	**330,000**	**330,000**	**380,000**	**380,000**

- Current outright gas position: ~60% of estimated 2023 gas production protected
- Current Basis position: Waha basis protection covering ~65% of estimated 2023 gas production, and ~70% of estimated 2024 gas production
- Diamondback expects to receive Gulf Coast pricing on approximately 33% of its gas production in in 2023; nearly 100% protected from Waha basis blowouts in 2023

Diamondback's hedge strategy is to maximize upside exposure to commodity prices while protecting the extreme downside

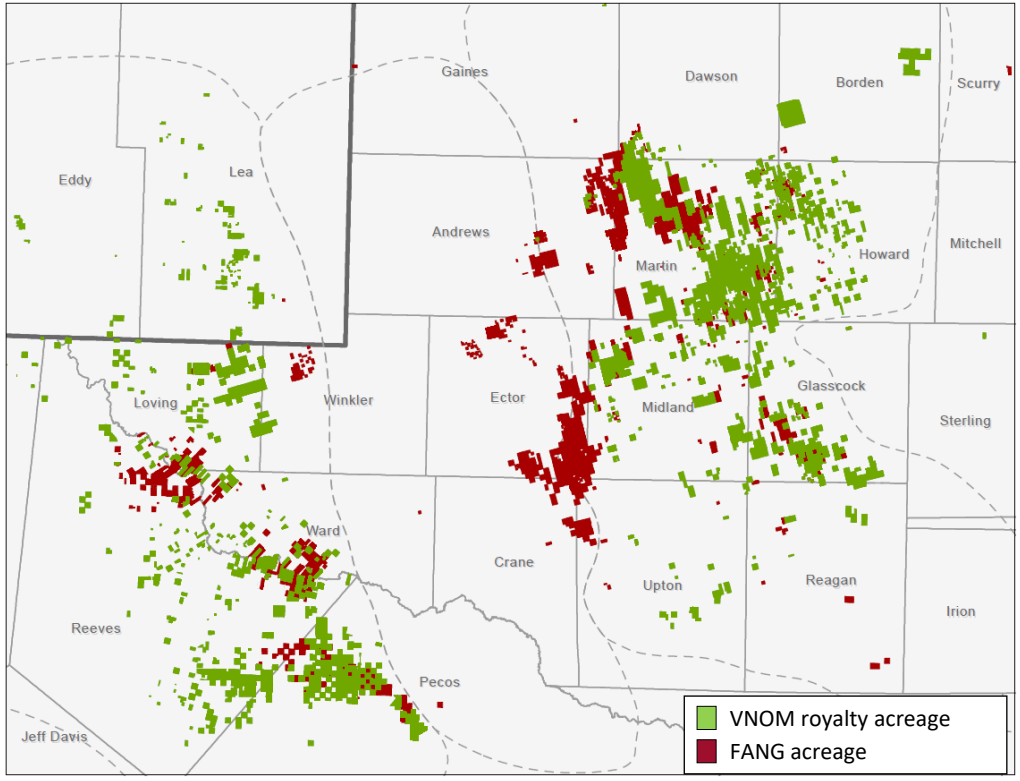
Source: Company data as of 4/28/2023.

Viper Summary

Viper Energy Partners:

- Publicly-traded mineral and royalty subsidiary (NASDAQ: VNOM) created by Diamondback
  - Focused on owning and acquiring minerals and royalty interests in the Permian Basin, with a primary focus on Diamondback-operated acreage
- 27,134 net royalty acres, ~57% of which are operated by Diamondback
- Diamondback incentivized to focus development on Viper's acreage when possible due to improved consolidated returns
  - 50 of Diamondback's 88 Q1 2023 completions on Viper's acreage, in which Viper owned a 6.4% average NRI
- Q1 2023 average oil production of 20.1 Mbo/d; generated $0.70 / unit in distributable cash flow
- Outside of Diamondback operating roughly 60% of Viper's current oil production, Viper has diversified exposure to other active operators within the Permian Basin

Viper Mineral and Royalty Assets



Viper's Mineral and Royalty Interests Provide Perpetual Ownership Exposure to High Margin, Largely Undeveloped Assets and Lower Diamondback's Consolidated Breakevens

Source: Partnership data and filings as of 3/31/2023.

DIAMONDBACK ENERGY

Overview of Equity Method Joint Ventures

	Gray Oak	EPIC Crude	Wink to Webster	OMOG	WTG	BANGL
Project Type	Long-Haul Crude Oil Pipeline	Long-Haul Crude Oil Pipeline	Long-Haul Crude Oil Pipeline	In-Basin Crude Oil Gathering	Gas Gathering and Processing	Long-Haul Y Grade NGL Pipeline
Operator	ENBRIDGE	EPIC	ExxonMobil Pipeline	PLAINS ALL AMERICAN	WTG	MPLX
Other Investors	MARATHON, PHILLIPS 66	ARES, Chevron, KINETIK	Delek US, MPLX, LOTUS MIDSTREAM, PLAINS ALL AMERICAN	STONEPEAK INFRASTRUCTURE PARTNERS	STONEPEAK INFRASTRUCTURE PARTNERS	WHITEWATER, WTG
Full In-Service?	✓	✓	✓	✓	✓	✓
Diamondback % Ownership	10 %	10 %	4 %	43 %	25 %(2)	10%
Capital Contributions To-Date ($ Millions)(1)	$ 142	$ 139	$ 92	$ 219	$ 107	$ 27
Expected Future Contributions ($ Millions)(1)	$ 0	$ 0	$ 8	$ 0	$ 0	$ 0
Capital Contributions To-Date as % of Total Expected Contributions(1)	100 %	100 %	92 %	100 %	100 %	100 %

Monetized in Q1 2023

Source: Company filings, management data and estimates.

(1) *As of 3/31/2023.*

(2) *Diamondback owns a 25% interest in Remuda Midstream holdings which owns a majority interest in WTG Midstream.*

DIAMONDBACK ENERGY

Non-GAAP Definitions and Reconciliations

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, non-cash equity-based compensation expense, capitalized equity-based compensation expense, merger and integration expense, other non-cash transactions and provision for (benefit from) income taxes, if any. 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 more effectively 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 adds the items listed above to 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. 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 or liquidity. 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 table presents 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:

(in millions)	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended March 31, 2022
Net income (loss) attributable to Diamondback Energy, Inc.	$ 712	$ 1,007	$ 779
Net income (loss) attributable to non-controlling interest	34	21	24
Net income (loss)	746	1,028	803
Non-cash (gain) loss on derivative instruments, net	94	(125)	132
Interest expense, net	46	37	40
Depreciation, depletion, amortization and accretion	403	365	313
Depreciation and interest expense related to equity method investments	18	16	14
(Gain) loss on extinguishment of debt	—	40	54
Non-cash equity-based compensation expense	16	18	19
Capitalized equity-based compensation expense	(5)	(5)	(4)
Merger and integration expenses	8	3	—
Other non-cash transactions[(1)]	(46)	1	8
Provision for (benefit from) income taxes	207	261	221
Consolidated Adjusted EBITDA	1,487	1,639	1,600
Less: EBITDA attributable to noncontrolling interest	67	33	49
Adjusted EBITDA attributable to Diamondback Energy, Inc.	$ 1,420	$ 1,606	$ 1,551

Source: Company data and filings.

(1) Includes a gain on sale of the Company's 10% non-operating equity investment in Gray Oak of approximately $53 million.

DIAMONDBACK ENERGY

Non-GAAP Definitions and Reconciliations

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 representing net cash provided by operating activities as determined under GAAP without regard to changes in operating assets and liabilities. 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 adjusted operating cash flow relates 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. Free Cash Flow, which is a non-GAAP financial measure, is cash flow from operating activities before changes in working capital in excess of cash capital expenditures. Adjusted Free Cash Flow, which is a non-GAAP financial measure, is Free Cash Flow adjusted for early termination of commodity derivative contracts. The Company believes that Free Cash Flow and Adjusted Free Cash Flow are useful to investors as they provide measures to compare both cash flow from operating activities and additions to oil and natural gas properties across periods on a consistent basis as adjusted for non-recurring early settlements of commodity derivative contracts. These measures should not be considered as an alternative to, or more meaningful than, net cash provided by operating activities as an indicator of operating performance. The Company's computation of operating cash flow before working capital changes, Free Cash Flow and Adjusted Free Cash Flow may not be comparable to other similarly titled measures of other companies. The Company uses Free Cash Flow to reduce debt, as well as return capital to stockholders as determined by the Board of Directors. The following table presents 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 measure of Free Cash Flow:

	Three Months Ended March 31,	
(in millions)	**2023**	**2022**
Net cash provided by operating activities	$ 1,425	$ 1,252
Less: Changes in cash due to change in operating assets and liabilities:		
Accounts receivable	(36)	(403)
Income tax receivable	95	1
Prepaid expenses and other	—	2
Accounts payable and accrued liabilities	(26)	(13)
Income tax payable	17	132
Revenues and royalties payable	60	125
Other	12	(3)
Total working capital changes	122	(159)
Operating cash flow before working capital changes	1,303	1,411
Drilling, completions and infrastructure additions to oil and natural gas properties	(622)	(418)
Additions to midstream assets	(35)	(19)
Total Cash CAPEX	(657)	(437)
Free Cash Flow	646	974
Early termination of derivatives	—	135
Adjusted Free Cash Flow	$ 646	$ 1,109

Source: Company data and filings.

Non-GAAP Definitions and Reconciliations

Net Debt:

- The Company defines the non-GAAP measure of net debt as total debt less cash and cash equivalents. 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.

(in millions)	March 31, 2023	Net Q1 Principal Borrowings/ (Repayments)	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Diamondback Energy, Inc.[1]	$ 6,426	$ 589	$ 5,837	$ 4,340	$ 4,206	$ 4,533
Viper Energy Partners LP[1]	700	118	582	675	680	728
Rattler Midstream LP[1]	—	—	—	500	732	730
Total debt	7,126	$ 707	6,419	5,515	5,618	5,991
Cash and cash equivalents	(46)		(157)	(27)	(43)	(149)
Net debt	$ 7,080		$ 6,262	$ 5,488	$ 5,575	$ 5,842

Source: Company data and filings.

(1) Excludes debt issuance costs, discounts, premiums and fair value hedges.



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