

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-41546

Vitesse Energy, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

5619 DTC Parkway, Suite 700
Greenwood Village, Colorado
(Address of Principal Executive Offices)

88-3617511

(I.R.S. Employer
Identification No.)

80111
(Zip Code)

(720) 361-2500

Registrant's telephone number, including area code

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	VTS	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The registrant had outstanding 29,504,804 shares of common stock as of July 31, 2024.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

The information in this Form 10-Q contains statements which, to the extent they are not statements of historical or present fact, constitute “forward-looking statements” under the securities laws. These forward-looking statements are intended to provide management’s current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as “believe,” “expect,” “expectations,” “plans,” “strategy,” “prospects,” “estimate,” “project,” “target,” “anticipate,” “will,” “should,” “see,” “guidance,” “outlook,” “confident” and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements may include, among other things, statements relating to future earnings, cash flow, results of operations, uses of cash, tax rates and other measures of financial performance or potential future plans, strategies or transactions of Vitesse, and other statements that are not historical facts. Forward-looking statements are not guarantees of future results and conditions, but rather are subject to numerous assumptions, risks, and uncertainties that may cause actual future results to be materially different from those contemplated, projected, estimated, or budgeted. Such assumptions, risks, uncertainties and other factors include, but are not limited to, the following:

- the timing and extent of changes in oil and natural gas prices;
- our ability to successfully implement our business plan;
- the pace of our operators’ drilling and completion activity on our properties, including in connection with refrac programs and extended length three-mile lateral wells;
- our operators’ ability to complete projects on time and on budget;
- uncertainties about estimates of reserves, identification of drilling locations and the ability to add reserves in the future;
- our ability to complete acquisitions;
- actions taken by third-party operators, processors, transporters and gatherers;
- natural disasters, adverse weather conditions, pandemic, war (such as the recent conflict in the Middle East and the ongoing military conflict in Ukraine), financial or political instability, casualty losses and other matters beyond our control;
- changes in general economic conditions, including central bank policy actions, bank failures and associated liquidity risks;
- our ability to achieve the benefits that we expect to achieve as an independent publicly traded company;
- the qualification of the Distribution and certain related transactions as tax-free under the Code;
- inflation;
- infrastructure constraints and related factors affecting our properties;
- competitive conditions in our industry;
- the effects of existing and future laws and governmental regulations;
- the availability and price of oil and natural gas to the consumer compared to the price of alternative and competing fuels;
- operating hazards and other risks incidental to gathering, storing and transporting oil and natural gas;
- restrictions in our Revolving Credit Facility;
- interest rates;
- the effects of ongoing or future litigation;
- cyber-related risks;
- changes in insurance markets impacting costs and the level and types of coverage available;
- financial, regulatory, and political risks associated with societal responses to climate change;
- extreme weather events and fluctuating regional and global weather conditions or patterns;
- energy efficiency and technology trends;
- changes in the availability and cost of capital;
- large customer defaults;
- labor relations; and
- changes in tax status.

The above list of factors is not exhaustive. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the discussion under the section Part II, Item 1A. Risk Factors in this Form 10-Q and Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 26, 2024.

Reserve engineering is a process of estimating underground accumulations of hydrocarbons that cannot be measured in an exact way. The accuracy of any reserve estimates depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. Accordingly, reserve estimates may differ significantly from the quantities of oil, natural gas and NGLs that are ultimately recovered.

Any forward-looking statements, express or implied, included in this Form 10-Q are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. Any forward-looking statement that we make in this Form 10-Q speaks only as of the date on which it was made. Except as otherwise required by applicable law, we expressly disclaim any obligation to, update or alter our forward-looking statements, whether as a result of new information, subsequent events or otherwise.

GLOSSARY

In this Form 10-Q, unless the context otherwise requires:

- “3B Energy” refers to 3B Energy, LLC, the holder of a minority of the equity interests in Vitesse Energy prior to the Pre-Spin-Off Transactions and an entity owned by Bob Gerrity, our Chief Executive Officer and Chairman of our Board, and Brian Cree, our President;
- “Amended and Restated Bylaws” refers to the bylaws of Vitesse effective as of January 13, 2023;
- “Amended and Restated Certificate of Incorporation” refers to the certificate of incorporation of Vitesse effective as of January 12, 2023;
- “Basin” refers to a large natural depression on the earth’s surface in which sediments generally brought by water accumulate;
- the “Board” refers to our board of directors;
- “Bbl” refers to one stock tank barrel, of 42 U.S. gallons liquid volume, used herein in reference to oil, condensate or NGLs;
- “Boe” refers to barrels of oil equivalent, calculated by converting natural gas to oil equivalent barrels at a ratio of six Mcf of natural gas to one Bbl of oil;
- “Boe/d” refers to one Boe per day;
- “Btu” refers to a British thermal unit, which is the quantity of heat required to raise the temperature of one pound of water by one degree Fahrenheit;
- “Code” refers to the United States Internal Revenue Code of 1986, as amended;
- “completion” refers to the process of preparing an oil and natural gas wellbore for production through the installation of permanent production equipment, as well as perforation and fracture stimulation to optimize production of oil, natural gas and/or NGLs;
- “condensate” refers to a mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature;
- “differential” refers to an adjustment to the price of oil or natural gas from an established index price to reflect differences in the quality and/or location of oil or natural gas;
- the “Distribution” refers to the transaction on January 13, 2023 in which Jefferies distributed to its shareholders outstanding shares of our common stock held by Jefferies;
- “dry hole” refers to a well found to be incapable of producing oil and natural gas in sufficient quantities to justify completion;
- the “EIA” refers to the Energy Information Agency;
- “Exchange Act” refers to the Securities Exchange Act of 1934, as amended;
- “GAAP” refers to accounting principles generally accepted in the United States;
- “gross acres” refers to the total acres in which a working interest is owned;
- “gross wells” refers to the total wells in which a working interest is owned;
- “IRS” refers to the Internal Revenue Service;
- “Jefferies” or “JFG” refers to Jefferies Financial Group Inc. and its consolidated subsidiaries other than, for all periods following the Spin-Off, Vitesse, unless the context requires otherwise;
- “Jefferies Capital Partners” refers to Jefferies Capital Partners V L.P. and Jefferies SBI USA Fund L.P., collectively, the holders of a majority of the equity interests in Vitesse Oil and entities in which Jefferies holds an indirect limited partner interest;
- “LTIP” refers to the Company’s long term incentive plan;
- “MBbls” refers to one thousand barrels of oil or NGLs;
- “MBoe” refers to one thousand barrels of oil equivalent;
- “Mcf” refers to one thousand cubic feet of natural gas;
- “MIUs” refers to management incentive units;
- “MMBoe” refers to one million barrels of oil equivalent;
- “MMBtu” refers to one million British thermal units;
- “MMcf” refers to one million cubic feet of natural gas;
- “net acres” refers to the sum of the fractional working interests owned in gross acres (e.g., a 10% working interest in a lease covering 1,280 gross acres is equivalent to 128 net acres);
- “net wells” refers to wells that are deemed to exist when the sum of fractional ownership working interests in gross wells equals one;
- “NGLs” refer to natural gas liquids;
- “NYMEX” refers to the New York Mercantile Exchange;
- “NYSE” refers to the New York Stock Exchange;
- “OPEC” refers to the Organization of Petroleum Exporting Countries;

- “PDP” or “proved developed producing” refers to proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods;
- “PDNP” or “proved developed non-producing” refers to proved reserves that are developed behind pipe and are expected to be recovered from zones in existing wells that will require additional completion work or future recompletion prior to the start of production;
- “possible reserves” refers to the additional reserves which analysis of geoscience and engineering data suggest are less likely to be recoverable than probable reserves;
- “Pre-Spin-Off Transactions” refers to the series of transactions, including Vitesse’s acquisitions of Vitesse Energy and Vitesse Oil, consummated immediately prior to the Distribution;
- “Predecessor Company Agreement” means the Limited Liability Company Agreement of the Predecessor, dated as of July 1, 2018, as amended;
- “Prior Revolving Credit Facility” refers to Vitesse Energy’s Amended and Restated Credit Agreement, dated as of April 29, 2022, as amended from time to time, among Vitesse Energy, as borrower, Wells Fargo Bank, N.A., as administrative agent, and the lenders party thereto;
- “probable reserves” refers to the additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered;
- “productive well” refers to a well that is found to be capable of producing oil and natural gas in sufficient quantities such that proceeds from the sale of the production exceed production expenses and taxes;
- “proved developed reserves” refers to proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods or in which the cost of new equipment or operating methods is relatively minor compared to the cost of a new well;
- “proved reserves” refers to the quantities of oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible, from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations, prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time;
- “PUD” or “proved undeveloped” refers to proved reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for development. Reserves on undrilled acreage are limited to those drilling units offsetting productive units that are reasonably certain of production when drilled. Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years from the date that such undrilled location was initially classified as proved undeveloped unless specific circumstances justify a longer time. Under no circumstances shall estimates of proved undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, or by other evidence using reliable technology establishing reasonable certainty;
- “PSU” refers to Performance Stock Units under the LTIP;
- “reserves” refers to estimated remaining quantities of oil and gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project;
- “Revolving Credit Facility” refers to Vitesse’s Second Amended and Restated Credit Agreement, as amended from time to time, among Vitesse, as borrower, Wells Fargo Bank, N.A., as administrative agent, and the lenders party thereto, dated as of January 13, 2023;
- “RSU” refers to Restricted Stock Units under the LTIP;
- “SEC” refers to the Securities and Exchange Commission;
- “Securities Act” refers to Securities Act of 1933, as amended;
- “SOFR” refers to the Secured Overnight Financing Rate;
- the “Spin-Off” refers to our separation on January 13, 2023 from Jefferies and the creation of an independent, publicly traded company, Vitesse, through (1) the Pre-Spin-Off Transactions and (2) the Distribution;
- “Standardized Measure” refers to discounted future net cash flows estimated by applying year-end SEC prices (based on the 12-month unweighted arithmetic average of the first-day-of-the-month oil and natural gas prices for such year-end period) to the estimated future production of year-end proved reserves. Future cash flows are reduced by estimated future production and development costs, including asset retirement obligations, based on year-end costs to determine pre-tax cash inflows. Future income taxes, if applicable, are computed by applying the statutory tax rate to the excess of

- pre-tax cash flows over our tax basis in the oil and natural gas properties. Future net cash flows after income taxes are discounted using a 10% annual discount rate;
- “Stock Repurchase Program” refers to the stock repurchase program approved by the Board in February 2023 authorizing the repurchase of up to \$60 million of the Company’s common stock;
- “Tax Matters Agreement” refers to the tax matters agreement entered into between Jefferies and the Company on January 13, 2023;
- “Treasury Regulations” refers to final, temporary, and (to the extent they can be relied upon) proposed regulations promulgated under the Code, as amended from time to time (including corresponding provisions and succeeding provisions);
- “Two-stream basis” refers to the reporting of production or reserve volumes of oil and wet natural gas, where the NGLs have not been removed from the natural gas stream, and the economic value of the NGLs is included in the wellhead natural gas price;
- “Vitesse,” “we,” “our,” “us” and the “Company” (1) when used in regard to events prior to the Spin-Off, refer to Vitesse Energy and do not give effect to the consummation of the Pre-Spin-Off Transactions, and (2) when used in regard to events subsequent to the Spin-Off or future tense, refer to Vitesse Energy, Inc. and its consolidated subsidiaries and give effect to the consummation of the Pre-Spin-Off Transactions, in each case unless the context requires otherwise;
- “Vitesse Energy” and the “Predecessor” refer to Vitesse Energy, LLC and its consolidated subsidiaries;
- “Vitesse Energy Finance” refers to Vitesse Energy Finance LLC, the holder of a majority of the equity interests in Vitesse Energy prior to the Pre-Spin-Off Transactions and an indirect wholly owned subsidiary of Jefferies;
- “Vitesse Oil” refers to Vitesse Oil, LLC;
- “Vitesse Oil Revolving Credit Facility” refers to Vitesse Oil’s Credit Agreement, dated as of July 23, 2015, as amended from time to time, among Vitesse Oil, as borrower, Wells Fargo Bank, N.A., as administrative agent, and the lenders party thereto; and
- “WTI” refers to West Texas Intermediate.

PRESENTATION OF FINANCIAL AND OPERATING DATA

Unless otherwise indicated, the financial, reserve and operation information presented for periods prior to the January 13, 2023 Spin-Off in this Form 10-Q is that of our Predecessor, Vitesse Energy. Also, unless otherwise indicated all references to wells, working interest, royalty interest, or acreage are based on the published information available as of the date indicated, which may not be current.

INDUSTRY AND MARKET DATA

This Form 10-Q includes information concerning our industry and the markets in which we operate that is based on information from public filings, internal company sources, various third-party sources and management estimates. Management's estimates regarding Vitesse's position, share and industry size are derived from publicly available information and our internal research, and are based on assumptions we made upon reviewing such data and our knowledge of such industry and markets, which we believe to be reasonable. While we are not aware of any misstatements regarding any industry data presented in this Form 10-Q and believe such data to be accurate, we have not independently verified any data obtained from third-party sources and cannot assure you of the accuracy or completeness of such data. Such data may involve uncertainties and is subject to change based on various factors, including those discussed in the section entitled "Part II, Item 1A, Risk Factors."

PART I – FINANCIAL INFORMATION
Item 1. Condensed Consolidated Financial Statements

VITESSE ENERGY, INC.
Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except shares)	JUNE 30, 2024	DECEMBER 31, 2023
Assets		
Current Assets		
Cash	\$ 121	\$ 552
Revenue receivable	46,319	44,915
Commodity derivatives (Note 6)	152	10,038
Prepaid expenses and other current assets	2,394	2,841
Total current assets	48,986	58,346
Oil and Gas Properties—Using the successful efforts method of accounting (Note 2)		
Proved oil and gas properties	1,235,125	1,168,378
Less accumulated DD&A and impairment	(512,527)	(464,036)
Total oil and gas properties	722,598	704,342
Other Property and Equipment—Net	189	189
Other Assets		
Commodity derivatives (Note 6)	277	1,109
Other noncurrent assets	6,378	1,984
Total other assets	6,655	3,093
Total assets	\$ 778,428	\$ 765,970
Liabilities and Equity		
Current Liabilities		
Accounts payable	\$ 13,613	\$ 27,692
Accrued liabilities (Note 7)	42,997	32,507
Commodity derivatives (Note 6)	2,527	—
Other current liabilities	30	204
Total current liabilities	59,167	60,403
Long-term Liabilities		
Credit facility (Note 5)	115,000	81,000
Deferred tax liability (Note 11)	67,135	64,329
Asset retirement obligations	8,677	8,353
Other noncurrent liabilities	9,944	5,479
Total liabilities	\$ 259,923	\$ 219,564
Commitments and Contingencies (Note 9)		
Equity (Note 10)		
Preferred stock, \$0.01 par value, 5,000,000 shares authorized; 0 shares issued at June 30, 2024 and December 31, 2023, respectively	—	—
Common stock, \$0.01 par value, 95,000,000 shares authorized; 32,629,594 and 32,812,007 shares issued at June 30, 2024 and December 31, 2023, respectively	326	328
Additional paid-in capital	531,013	567,654
Accumulated deficit	(12,834)	(21,576)
Total equity	518,505	546,406
Total liabilities and equity	\$ 778,428	\$ 765,970

See notes to condensed consolidated financial statements

VITESSE ENERGY, INC.
Condensed Consolidated Statements of Operations (Unaudited)

(In thousands, except share data)	FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE SIX MONTHS ENDED JUNE 30,	
	2024	2023	2024	2023
Revenue				
Oil	\$ 64,127	\$ 48,733	\$ 121,491	\$ 99,219
Natural gas	2,471	2,855	6,301	10,330
Total revenue	66,598	51,588	127,792	109,549
Operating Expenses				
Lease operating expense	12,272	9,316	24,063	18,397
Production taxes	5,426	4,919	11,226	10,174
General and administrative	4,724	4,461	10,098	15,323
Depletion, depreciation, amortization, and accretion	25,315	18,748	48,860	37,220
Equity-based compensation (Note 10)	2,047	1,428	3,652	29,400
Total operating expenses	49,784	38,872	97,899	110,514
Operating Income (Loss)	16,814	12,716	29,893	(965)
Other (Expense) Income				
Commodity derivative gain (loss), net	379	4,779	(13,445)	12,198
Interest expense	(2,585)	(1,115)	(4,788)	(2,295)
Other (expense) income	(2)	52	28	50
Total other (expense) income	(2,208)	3,716	(18,205)	9,953
Income Before Income Taxes	\$ 14,606	\$ 16,432	\$ 11,688	\$ 8,988
(Provision for) Benefit from Income Taxes	(3,678)	(6,812)	(2,946)	(47,183)
Net Income (Loss)	\$ 10,928	\$ 9,620	\$ 8,742	\$ (38,195)
Net income attributable to Predecessor common unit holders	—	—	—	1,832
Net Income (Loss) Attributable to Vitesse Energy, Inc.	\$ 10,928	\$ 9,620	\$ 8,742	\$ (40,027)
Weighted average common shares outstanding – basic	30,046,190	29,659,771	29,990,077	29,661,556
Weighted average common shares outstanding – diluted	33,026,818	33,077,824	32,984,826	29,661,556
Net income (loss) per common share – basic	\$ 0.36	\$ 0.29	\$ 0.29	\$ (1.35)
Net income (loss) per common share – diluted	\$ 0.33	\$ 0.29	\$ 0.27	\$ (1.35)

See notes to condensed consolidated financial statements

VITESSE ENERGY, INC.
Condensed Consolidated Statements of Equity (Unaudited)

(In thousands, except share data)	Common Stock		Preferred Stock		Additional Paid-In Capital	Predecessor Members' Equity	Accumulated Deficit	Total Equity
	Shares	Amount	Shares	Amount				
Balance—January 1, 2024	32,812,007	\$ 328	—	\$ —	\$ 567,654	\$ —	\$ (21,576)	\$ 546,406
Net (loss)	—	—	—	—	—	—	(2,186)	(2,186)
Issuance of restricted stock units, net of forfeitures	19,403	—	—	—	(74)	—	—	(74)
Equity-based compensation	—	—	—	—	1,758	—	—	1,758
Common stock dividends declared	—	—	—	—	(16,249)	—	—	(16,249)
Stock exchanged for tax withholding and retired	(332,840)	(3)	—	—	(6,936)	—	—	(6,939)
Balance—March 31, 2024	32,498,570	\$ 325	—	\$ —	\$ 546,153	\$ —	\$ (23,762)	\$ 522,716
Net income	—	—	—	—	—	—	10,928	10,928
Issuance of restricted stock units	131,024	1	—	—	(1)	—	—	—
Equity-based compensation	—	—	—	—	2,047	—	—	2,047
Common stock dividends declared	—	—	—	—	(17,186)	—	—	(17,186)
Balance—June 30, 2024	32,629,594	\$ 326	—	\$ —	\$ 531,013	\$ —	\$ (12,834)	\$ 518,505

See notes to condensed consolidated financial statements

VITESSE ENERGY, INC.
Condensed Consolidated Statements of Equity (Unaudited)

(In thousands, except share data)	Common Stock		Preferred Stock		Additional Paid-In Capital	Predecessor Members' Equity	Accumulated Deficit	Total Equity
	Shares	Amount	Shares	Amount				
Balance—January 1, 2023	—	\$ —	—	\$ —	\$ —	\$ 564,423	\$ —	\$ 564,423
Net income (loss)	—	—	—	—	—	1,832	(49,647)	(47,815)
Issuance of common stock in exchange for Vitesse Energy, LLC	25,914,891	259	—	—	565,996	(566,255)	—	—
Issuance of common stock in exchange for Non-Founder MIU's	163,544	2	—	—	4,557	—	—	4,559
Acquisition of Vitesse Oil, LLC	2,120,312	21	—	—	30,607	—	—	30,628
Issuance of restricted stock units	3,136,456	31	—	—	(31)	—	—	—
Issuance of Transitional Plan awards	1,475,631	15	—	—	(15)	—	—	—
Equity-based compensation	—	—	—	—	27,972	—	—	27,972
Common stock dividends declared	—	—	—	—	(16,405)	—	—	(16,405)
Repurchase of common stock	(14,600)	—	—	—	(248)	—	—	(248)
Balance—March 31, 2023	32,796,234	\$ 328	—	\$ —	\$ 612,433	\$ —	\$ (49,647)	\$ 563,114
Net income	—	—	—	—	—	—	9,620	9,620
Issuance of restricted stock units	16,666	—	—	—	—	—	—	—
Equity-based compensation	—	—	—	—	1,428	—	—	1,428
Common stock dividends declared	—	—	—	—	(16,408)	—	—	(16,408)
Balance—June 30, 2023	32,812,900	\$ 328	—	\$ —	\$ 597,453	\$ —	\$ (40,027)	\$ 557,754

See notes to condensed consolidated financial statements

VITESSE ENERGY, INC.
Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	FOR THE SIX MONTHS ENDED	
	JUNE 30,	
	2024	2023
Cash Flows from Operating Activities		
Net income (loss)	\$ 8,742	\$ (38,195)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depletion, depreciation, amortization, and accretion	48,860	37,220
Unrealized loss (gain) on derivative instruments	13,244	(9,860)
Equity-based compensation	3,652	29,400
Deferred income taxes	2,806	47,183
Amortization of debt issuance costs	387	322
Changes in operating assets and liabilities that provided (used) cash:		
Revenue receivable	(1,403)	17,706
Prepaid expenses and other current assets	643	(2,059)
Accounts payable	(1,431)	2,204
Accrued liabilities	(920)	(5,703)
Other	—	25
Net cash provided by Operating Activities	74,580	78,243
Cash Flows from Investing Activities		
Acquisition of oil and gas properties	(19,917)	(4,230)
Development of oil and gas properties	(49,914)	(39,034)
Purchase of property and equipment	(45)	(20)
Net cash used in Investing Activities	(69,876)	(43,284)
Cash Flows from Financing Activities		
Proceeds from revolving credit facility	35,500	12,000
Repayments of revolving credit facility	(1,500)	(19,000)
Repayments of Vitesse Oil revolving credit facility	—	(5,000)
Dividends paid	(31,920)	(28,989)
Repurchases of common stock	—	(248)
Stock exchanged for tax withholding	(6,940)	—
Debt issuance costs	(275)	(369)
Net cash used in Financing Activities	(5,135)	(41,606)
Net (Decrease) in Cash	(431)	(6,647)
Cash—Beginning of period	552	10,007
Cash—End of period	\$ 121	\$ 3,360
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	\$ 4,376	\$ 2,132
Cash paid for income taxes	—	1,292
Supplemental Disclosure of Noncash Activity		
Oil and gas properties included in accounts payable and accrued liabilities	\$ 43,391	\$ 33,118
Asset retirement obligations capitalized to oil and gas properties	—	392
Issuance of common stock to acquire Vitesse Oil	—	30,628

See notes to condensed consolidated financial statements

VITESSE ENERGY, INC.

Notes to the Condensed Consolidated Financial Statements

Note 1—Nature of Business

Vitesse Energy, Inc. (“Vitesse” or the “Company”) was incorporated under the General Corporation Law of the State of Delaware on August 5, 2022 as a wholly owned subsidiary of an affiliate of Jefferies Financial Group Inc. (“JFG”) for the purpose of effecting the Spin-Off of Vitesse Energy, LLC (the “Predecessor”) by JFG. On January 13, 2023, JFG completed the legal and structural separation of the Predecessor from JFG. To effect the separation, first, JFG and Jefferies Capital Partners (“JCP”), among others, undertook certain Pre-Spin-Off Transactions described below:

- Certain members of management of the Predecessor transferred all of their equity interest in the Predecessor to JFG as repayment for loans from affiliates of JFG;
- JFG and other holders of the Predecessor’s equity interests transferred all of their interest in the Predecessor to Vitesse in exchange for newly issued shares of common stock, par value \$0.01 per share (“common stock”), of Vitesse;
- Vitesse Oil, LLC (“Vitesse Oil”) equity holders transferred their interests in Vitesse Oil to Vitesse in exchange for newly issued shares of Vitesse common stock (the “Vitesse Oil Transaction”);
- Compensation agreements and compensation plans of the Predecessor were eliminated and replaced with new compensation plans of Vitesse, including a long-term incentive plan;
- Vitesse entered into a Revolving Credit Facility, which amended and restated the Predecessor’s credit facility, and used the proceeds to repay in full and terminate the Vitesse Oil Revolving Credit Facility and repay the Predecessor’s credit facility; and
- The Predecessor entered into a Separation and Distribution Agreement and Tax Matters Agreement with JFG related to the Spin-Off.

JFG and JCP then distributed the Vitesse outstanding common stock held by each to their respective shareholders, and Vitesse became an independent, publicly traded company. The Company’s common stock began trading on the New York Stock Exchange on January 17, 2023 under the symbol “VTS.”

The issued and outstanding member interests of the Predecessor and Vitesse Oil together represented substantially all of those businesses or investments of JFG and JCP that acquire, develop, manage and monetize non-operated oil and natural gas working, royalty and mineral interests in the United States.

Immediately prior to the completion of the Spin-Off, the Company succeeded to the operations of the Predecessor. As the Predecessor and the Company were under common control, and because the Company was not a substantive entity prior to the Spin-Off, for accounting purposes the Company has succeeded to the operations of the Predecessor. The Vitesse Oil Transaction is accounted for as an asset acquisition by the Company as Vitesse Oil and the Company were not under common control.

The Predecessor is a Delaware limited liability company formed on April 29, 2014. Prior to the Spin-Off, the membership interests in the Predecessor were held approximately 97.5% by affiliates of JFG and approximately 2.5% by 3B Energy, LLC (“3B”), an entity whose members are comprised of certain executives of the Company. Financial information presented for periods ended prior to January 13, 2023 is that of the Predecessor, which was organized as a tax partnership. Therefore, for periods prior to January 13, 2023 the financial statements of the Company do not reflect the impact of income taxes. As noted above, as a result of the Spin-Off, the Predecessor became a wholly owned subsidiary of Vitesse, which is organized as a taxable corporation. Therefore, the financial statements of the Company reflect the impact of income taxes applied to the consolidated results of operations of the Company, including the initial basis differences between tax and financial accounting for our assets and liabilities at the Spin-Off resulting in a one-time charge of \$44.1 million to income tax expense. Financial information presented for periods ended on and after January 13, 2023 is that of the Company, which reflects the consolidated results of the Predecessor and Vitesse Oil.

The business purpose of the Company is to acquire, own, explore, develop, manage, produce, exploit, and dispose of oil and gas properties. The Company is focused on returning capital to stockholders through owning and acquiring non-operated working interest and royalty interest ownership. Currently, the Company’s ownership is primarily in the core of the Bakken and Three Forks formations in the Williston Basin of North Dakota and Montana. The Company also owns non-operated interests in oil and gas properties in the Central Rockies, including the Denver-Julesburg Basin and the Powder River Basin.

Note 2—Significant Accounting Policies

Principles of Consolidation

The accompanying unaudited condensed consolidated interim financial statements (the “financial statements”) include the accounts of the Company and its subsidiaries, including the Predecessor, Vitesse Oil, Vitesse Management Company LLC (“Vitesse Management”) and Vitesse Oil, Inc. Intercompany balances and transactions have been eliminated in consolidation.

Interim Financial Statements

These financial statements in this Quarterly Report on Form 10-Q have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, these financial statements reflect all adjustments, consisting of normal recurring adjustments, that are, in the opinion of management, necessary to present fairly the financial position and results of operations for the respective interim periods. Certain information and note disclosures normally included in our annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) have been condensed or omitted from these financial statements pursuant to such rules and regulations, although we believe that the disclosures made are adequate to make the information presented not misleading. Results of operations for the three and six months ended June 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. These financial statements and other information included in this Quarterly Report on Form 10-Q should be read in conjunction with the 2023 audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023.

Segment and Geographic Information

The Company operates in a single reportable segment. The Company’s chief operating decision maker is the Chief Executive Officer. All of the Company’s operations are conducted in the continental United States.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Depletion, depreciation, and amortization (“DD&A”) and the evaluation of proved oil and gas properties for impairment are determined using estimates of oil and gas reserves. There are numerous uncertainties in estimating the quantity of reserves and in projecting the future rates of production and timing of development expenditures, which includes lack of control over future development plans as a non-operator. Oil and gas reserve engineering is a subjective process of estimating underground accumulations of oil and gas that cannot be measured in an exact way. In addition, significant estimates include, but are not limited to, estimates relating to certain crude oil and natural gas revenues and expenses, fair value of assets acquired and liabilities assumed in business combinations, valuation of unit-based compensation, and valuation of commodity derivative instruments. Further, these estimates and other factors, including those outside of the Company’s control, such as the impact of lower commodity prices, may have a significant adverse impact to the Company’s business, financial condition, results of operations and cash flows.

Cash and Cash Equivalents

The Company considers all investments with an original maturity of three months or less when purchased to be cash equivalents. As of the balance sheet date and periodically throughout the quarter, balances of cash exceeded the federally insured limit. As of June 30, 2024 and December 31, 2023, the Company held no cash equivalents.

Oil and Gas Properties

The Company follows the successful efforts method of accounting for oil and gas activities. Under this method of accounting, costs associated with the acquisition, drilling, and equipping of successful exploratory wells and costs of successful and unsuccessful development wells are capitalized and depleted, net of estimated salvage values, using the units-of-production method on the basis of a reasonable aggregation of properties within a common geological structural feature or stratigraphic condition, such as a reservoir or field. The Company’s proved oil and gas reserve information was computed by applying the average first-day-of-the-month oil and gas price during the 12-month period ended on the balance sheet date. During the three and six months ended June 30, 2024, the Company recorded depletion expense of \$25.1 million and \$48.5 million, respectively. The Company’s depletion rate per Boe for the three and six months ended June 30, 2024 was \$20.45 in both periods. During the three and six months ended June 30, 2023, the Company recorded depletion expense of \$18.6 million, and \$36.9 million, respectively. The Company’s depletion rate per Boe for the three and six months ended June 30, 2023 was \$17.98 and \$17.82, respectively.

Exploration, geological and geophysical costs, delay rentals, and drilling costs of unsuccessful exploratory wells are charged to expense as incurred. The sale of a partial interest in a proved property is accounted for as a cost recovery, and no gain or loss is recognized as long as this treatment does not significantly affect the units-of-production amortization rate. A gain or loss is recognized for all other sales of proved properties.

Costs associated with unevaluated exploratory wells are excluded from the depletable base until the determination of proved reserves, at which time those costs are reclassified to proved oil and gas properties and subject to depletion. If it is determined that the exploratory well costs were not successful in establishing proved reserves, such costs are expensed at the time of such determination.

The Company reviews its oil and gas properties for impairment whenever events and circumstances indicate a decline in the recoverability of their carrying value. The Company estimates the expected future cash flows of its oil and gas properties and

compares such cash flows to the carrying amount of the proved oil and gas properties to determine if the amount is recoverable. If the carrying amount exceeds the estimated undiscounted future cash flows, the Company will adjust its proved oil and gas properties to estimated fair value. The factors used to estimate fair value include estimates of reserves, future commodity prices adjusted for basis differentials, future production estimates, anticipated capital expenditures, and a discount rate commensurate with the risk associated with realizing the projected cash flows. The discount rate is a rate that management believes is representative of current market conditions and includes estimates for a risk premium and other operational risks. There were no proved oil and gas property impairments during the three and six months ended June 30, 2024 and 2023.

Equity-Based Compensation

The Company recognizes equity-based compensation expense associated with its long-term incentive plan (“LTIP”) awards using the straight-line method over the requisite service period, which is generally the vesting period of the award except when provisions are present that accelerate vesting, based on their grant date fair values. The Company has elected to account for forfeitures of equity awards as they occur.

Revenue Recognition

The Company’s revenue is derived from the sale of its produced oil and natural gas from wells in which the Company has non-operated revenue or royalty interests. The Company’s oil and natural gas are produced and sold primarily in the core of the Williston Basin in North Dakota and Montana.

The sales of produced oil and natural gas are made under contracts that the operators of the wells have negotiated with customers, which typically include variable consideration based on monthly pricing tied to local indices and volumes delivered. Revenue is recorded at the point in time when control of the produced oil and natural gas transfers to the customer. Statements and payment may not be received via the operator of the wells for one to six months after the date the produced oil and natural gas is delivered, and, as a result, the amount of production delivered to the customer and the price that will be received for the sale of the product is estimated utilizing production reports, market indices, and estimated differentials. The Company recognizes revenue based on the details included in the statements received from the operator. Any gathering, transportation, processing, production taxes, and other deductions included on the statements are recorded based on the information provided by the operator. At the end of each month when the performance obligation is satisfied, the variable consideration can be reasonably estimated, and revenue due to the Company is recorded within revenue receivable in the accompanying balance sheets until payment is received. Differences between the estimated amounts and the actual amounts received from the sale of the produced oil and natural gas are recorded when known, which is generally when statements and payment are received. Such differences have historically been immaterial.

The Company does not disclose the value of unsatisfied performance obligations as it applies the practical exemption which applies to variable consideration that is recognized as control of the product is transferred to the customer. Since each unit of product represents a separate performance obligation, future volumes are wholly unsatisfied, and disclosure of the transaction price allocated to remaining performance obligations is not required.

Concentrations of Credit Risk

For both the three and six months ended June 30, 2024, four operators accounted for 60 percent of oil and natural gas revenue.

For the three and six months ended June 30, 2023, three and four operators accounted for 50 percent and 57 percent, respectively, of oil and natural gas revenue.

As of June 30, 2024 and December 31, 2023, three operators accounted for 56 percent of oil and natural gas revenue receivable.

The Company’s oil and natural gas revenue receivable is generated from the sale of oil and natural gas by operators on its behalf. The Company monitors the financial condition of its operators.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of current taxes plus deferred income taxes related to certain income and expenses recognized in different periods for financial and income tax reporting purposes. Deferred income tax liabilities represent the future income tax consequences of those differences, which will be taxable when liabilities are settled. Deferred income taxes may also include tax credits and net operating losses that are available to offset future income taxes. Deferred income taxes are measured by applying currently enacted tax rates.

The Company accounts for uncertainty in income taxes for tax positions taken or expected to be taken in a tax return. Only tax positions that meet the more-likely-than-not recognition threshold are recognized. The Company does not have any uncertain tax positions recorded as of June 30, 2024 and December 31, 2023.

Deferred Finance Charges

Costs associated with the revolving credit facility are deferred and amortized to interest expense over the term of the related financing. The amount of deferred financing costs incurred, and the amortization of deferred financing costs, was immaterial for all periods presented.

Derivative Financial Instruments

The Company enters into derivative contracts to manage its exposure to oil and gas price volatility. Commodity derivative contracts may take the form of swaps, puts, calls, or collars. Cash settlements from the Company's commodity price risk management activities are recorded in the month the contracts mature. Any realized gains and losses on settled derivatives, as well as mark-to-market gains or losses, are aggregated and recorded to Commodity derivative gain (loss), net on the statements of operations.

The Company recognizes all derivative instruments on the balance sheets as either assets or liabilities measured at fair value. Subsequent changes in the derivatives' fair value are recognized currently in earnings unless specific hedge accounting criteria are met. Gains and losses on derivative hedging instruments must be recorded in either other comprehensive income or current earnings, depending on the nature and designation of the instrument. The Company has elected to not designate any derivative instruments as accounting hedges, and therefore marks all commodity derivative instruments to fair value and records changes in fair value in earnings. Amounts associated with deferred premiums on derivative instruments are recorded as a component of the derivatives' fair values (see Note 6).

New Accounting Pronouncements

In November 2023, FASB issued ASU No. 2023-07, Improvements to Reportable Segment Disclosures. The ASU updates reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. The new guidance will be effective for the Company's year ending December 31, 2024. The Company does not believe the new guidance will have a material impact on its consolidated financial statements and related disclosures.

In December 2023, FASB issued ASU 2023-09, Improvements to Income Tax Disclosures. The ASU establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. The new guidance will be effective for the Company's year ending December 31, 2025. The Company does not believe the new guidance will have a material impact on its consolidated financial statements and related disclosures.

Note 3—Asset Acquisitions

The Company acquires proved developed and proved undeveloped oil and gas properties that are proximate or complementary to existing properties and leases for strategic purposes.

During the three and six months ended June 30, 2024, the Company purchased proved oil and gas properties in multiple transactions for an aggregate purchase price of \$3.2 million and \$19.9 million, respectively.

During the six months ended June 30, 2023, the Company purchased proved oil and gas properties and proved leaseholds in multiple transactions for an aggregate purchase price of \$4.2 million. In addition, as part of the Spin-Off, \$35.6 million of oil and gas properties and \$5.0 million of net liabilities of Vitesse Oil were contributed in exchange for 2,120,312 shares of common stock of the Company for total consideration of \$0.6 million.

These transactions qualified as asset acquisitions; therefore, the oil and gas properties were recorded based on the fair value of the total consideration transferred on the acquisition dates, and transaction costs were capitalized as a component of the assets acquired. Transaction costs during the three and six months ended June 30, 2024 and 2023 were immaterial.

Note 4—Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the consolidated financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets and other inputs, such as interest rates, yield curves, and forward commodity price curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset or liability. Significant Level 3 inputs include estimated future cash flows used in determining the fair value of purchased oil and gas properties.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Company's

assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Recurring Fair Value Measurements

As of June 30, 2024, the Company's derivative financial instruments are composed of commodity swaps. The fair value of the swap agreements is determined under the income valuation technique using a discounted cash flow model. The fair values of options are determined under the income valuation technique using an option pricing model along with the stated amount of deferred premiums if applicable. The valuation models require a variety of inputs, including contractual terms, published forward commodity prices, volatilities for options, and discount rates, as appropriate. The Company's estimates of fair value of derivatives include consideration of the counterparty's creditworthiness, the Company's creditworthiness, and the time value of money. The consideration of these factors results in an estimated exit price for each derivative asset or liability under a marketplace participant's view. All of the significant inputs are observable, either directly or indirectly; therefore, the Company's commodity derivative instruments are included within Level 2 of the fair value hierarchy (see Note 6).

Nonrecurring Fair Value Measurements

Nonrecurring measurements include the fair value of impaired proved oil and gas properties. The Company determines the estimated fair value of the impaired proved oil and gas properties by using a discounted cash flow approach with unobservable Level 3 inputs (see Note 2) at the time of impairment.

The Company uses the income valuation technique to estimate the fair value of asset retirement obligations, at initial recognition, arising from the development of proved properties using the amounts and timing of expected future dismantlement costs and credit-adjusted risk-free rates. Accordingly, the fair value is based on unobservable inputs and, therefore, is included within Level 3 of the fair value hierarchy. The significant unobservable inputs include the gross cost of abandoning oil and gas wells; the economic lives of the properties; the inflation rate; and the credit-adjusted risk-free rate of the Company.

Financial Instruments Not Measured at Fair Value

The carrying amounts of the majority of the Company's financial instruments, namely cash, receivables, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments. The Company's credit facility (see Note 5) has a recorded value that approximates fair market value, as it bears interest at a floating rate that approximates a current market rate.

Note 5— Credit Facility

Revolving Credit Facility

In connection with the Spin-Off in January 2023, the Company entered into a secured revolving credit facility with Wells Fargo Bank, N.A., as administrative agent, and a syndicate of banks, as lenders (the "Revolving Credit Facility"). The Revolving Credit Facility amends and restates the revolving credit facility of the Predecessor (the "Prior Revolving Credit Facility"). The Predecessor, as predecessor borrower under the Prior Revolving Credit Facility, assigned the liens and existing rights, liabilities and obligations under the Prior Revolving Credit Facility to the Company pursuant to the Revolving Credit Facility. The Revolving Credit Facility will mature on April 29, 2026. The Revolving Credit Facility permits borrowing on a revolving credit basis with availability equal to the least of (1) the aggregate elected commitments, (2) the borrowing base and (3) the maximum credit amount of \$500.0 million. The borrowing base under the Revolving Credit Facility is subject to regular, semi-annual redeterminations on or about April 1 and October 1 of each year based on, among other things, the value of the Company's proved oil and natural gas reserves, as determined by the lenders in their discretion. As of June 30, 2024 and December 31, 2023, the Company's borrowing base was \$245.0 million at both dates with an aggregate elected commitment of \$245.0 million and \$180.0 million of which \$115.0 million and \$81.0 million was outstanding, respectively.

At the Company's option, borrowings under the Revolving Credit Facility bear interest at a rate unchanged from the Prior Revolving Credit Facility, which is either an adjusted forward-looking term rate based on SOFR ("Term SOFR") or an adjusted base rate ("Base Rate") (the highest of the administrative agent's prime rate, the federal funds rate plus 0.50% or the 30-day Term SOFR rate plus 1.0%), plus an applicable margin expected to range from 1.75% to 2.75% with respect to Base Rate borrowings and 2.75% to 3.75% with respect to Term SOFR borrowings, in each case based on the current commitment utilization percentage. Interest is calculated and paid monthly in arrears. Additionally, the Company incurs an unused credit facility fee, paid quarterly, of 0.50% of the unutilized commitment regardless of the borrowing base utilization percentage. As of June 30, 2024 and December 31, 2023, the interest rate on the outstanding balance under the Revolving Credit Facility was 8.44% and 8.46%, respectively.

Consistent with the Prior Revolving Credit Facility, the Revolving Credit Facility is guaranteed by all of the Company's subsidiaries and is collateralized by a first priority lien on substantially all assets of Vitesse and its subsidiaries, including a first priority lien on properties representing a minimum of 85% of the total present value of the Company's proved oil and natural gas properties.

The Revolving Credit Facility contains various affirmative, negative and financial maintenance covenants. These covenants limit the Company’s ability to, among other things, incur or guarantee additional debt, make distributions to equity holders, make certain investments and acquisitions, incur certain liens or permit them to exist, enter into certain types of transactions with affiliates, merge or consolidate with another company and transfer, sell or otherwise dispose of assets.

Under the Revolving Credit Facility, the Company is permitted to make cash distributions without limit to our equity holders if (i) no event of default or borrowing base deficiency (i.e., outstanding debt (including loans and letters of credit) exceeds the borrowing base) then exists or would result from such distribution and (ii) after giving effect to such distribution, (a) total outstanding credit usage does not exceed 80% of the least of (the following collectively referred to as “Commitments”): (1) \$500.0 million (2) then effective borrowing base, and (3) the then-effective aggregate amount of the aggregate elected commitments and (b) as of the date of such distribution, the EBITDAX Ratio does not exceed 1.50 to 1.00. If the EBITDAX Ratio does not exceed 2.25 to 1.00, and if total outstanding credit usage does not exceed 80% of the Commitments, the Company may also make distributions if free cash flow (as defined under the Revolving Credit Facility) is greater than \$0 and the Company has delivered a certificate to lenders attesting to the foregoing.

The Revolving Credit Facility contains covenants requiring us to maintain the following financial ratios tested on a quarterly basis (terms below are as defined in the Revolving Credit Facility): (1) a consolidated Total Funded Debt to consolidated EBITDAX ratio of not greater than 3.0 to 1.0; and (2) a ratio of consolidated current assets to consolidated current liabilities of not less than 1.0 to 1.0. These financial covenants are consistent with the Prior Revolving Credit Facility. The Revolving Credit Facility also contains covenants that require that the Company enter into swap agreements covering not less than 40% of reasonably anticipated PDP production for the following four quarters when the Utilization Percentage, as defined in the Revolving Credit Facility, is less than 50% and covering at least 50% of reasonably anticipated PDP production for the following eight quarters if the Utilization Percentage is 50% or greater. The Revolving Credit Facility contains customary events of default, including non-payment, breach of covenants, materially incorrect representations, cross default, bankruptcy and change in control. If an event of default exists under the Revolving Credit Facility, the lenders will be able to terminate the lending commitments, accelerate the maturity of the Revolving Credit Facility and exercise other rights and remedies with respect to the collateral. The Company was in compliance with all financial covenants of the Revolving Credit Facility at June 30, 2024.

Amendments and redeterminations:

- On May 2, 2023, the Company entered into an amendment to the Revolving Credit Facility in conjunction with the regular semi-annual borrowing base redetermination that reduced the borrowing base to \$245 million (primarily related to lower commodity prices), reaffirmed elected commitments at \$170 million and reduced hedging requirements in certain circumstances, among other items;
- On November 3, 2023, in conjunction with the regular semi-annual borrowing base redetermination, the Company’s borrowing based was reaffirmed and the elected commitments were increased to \$180 million;
- On January 17, 2024, the Company entered into an amendment to the Revolving Credit Facility that increased the elected commitments to \$10 million and added a fifth lender to the syndicate of banks.
- On May 20, 2024, in conjunction with the regular semi-annual borrowing base redetermination, the Company entered into an amendment to the Revolving Credit Facility that increased the elected commitments to \$245 million and added a sixth lender to the syndicate of banks.

Note 6—Derivative Instruments

The Company periodically enters into various commodity hedging instruments to mitigate a portion of the effect of oil and natural gas price fluctuations. The Company classifies commodity derivative assets and liabilities as current or noncurrent commodity derivative assets or current or noncurrent commodity derivative liabilities, whichever the case may be.

The following table summarizes the classification and fair value amounts of all commodity derivative instruments in the balance sheet as of June 30, 2024, as well as the gross recognized derivative assets, liabilities, and amounts offset in the balance sheet:

(in thousands)	GROSS RECOGNIZED FAIR VALUE ASSETS/ LIABILITIES	GROSS AMOUNTS OFFSET	NET RECOGNIZED FAIR VALUE ASSETS/ LIABILITIES
Commodity derivative assets:			
Current derivative assets	\$ 914	\$ (762)	\$ 152
Noncurrent derivative assets	277	—	277
Total	<u>\$ 1,191</u>	<u>\$ (762)</u>	<u>\$ 429</u>
Commodity derivative liabilities:			
Current derivative liabilities	\$ 3,289	\$ (762)	\$ 2,527
Total	<u>\$ 3,289</u>	<u>\$ (762)</u>	<u>\$ 2,527</u>

The following table summarizes the classification and fair value amounts of all commodity derivative instruments in the balance sheet as of December 31, 2023, as well as the gross recognized derivative assets, liabilities, and amounts offset in the balance sheet:

(in thousands)	GROSS RECOGNIZED FAIR VALUE ASSETS/ LIABILITIES	GROSS AMOUNTS OFFSET	NET RECOGNIZED FAIR VALUE ASSETS/ LIABILITIES
Commodity derivative assets:			
Current derivative assets	\$ 10,038	\$ —	\$ 10,038
Noncurrent derivative assets	1,109	—	1,109
Total	<u>\$ 11,147</u>	<u>\$ —</u>	<u>\$ 11,147</u>

As of June 30, 2024, the Company had the following crude oil swaps:

INDEX	SETTLEMENT PERIOD	VOLUME HEDGED (Bbls)	WEIGHTED AVERAGE ROUNDED FIXED PRICE
WTI-NYMEX	Q3 2024	507,500	78
WTI-NYMEX	Q4 2024	490,000	78
WTI-NYMEX	Q1 2025	375,000	74
WTI-NYMEX	Q2 2025	360,000	75
WTI-NYMEX	Q3 2025	90,000	75
WTI-NYMEX	Q4 2025	90,000	75

Due to the volatility of oil prices, the estimated fair values of the Company's commodity derivative instruments are subject to large fluctuations from period to period.

The counterparties in the Company's derivative instruments either do not require collateral or also participate in the Revolving Credit Facility; and thus have the right of offset for any derivative liabilities, with the Revolving Credit Facility secured by the Company's oil and gas assets. For further discussion related to the fair value of the Company's derivatives, see Note 4.

Note 7—Accrued Liabilities

Accrued liabilities at June 30, 2024 and December 31, 2023 are summarized as follows:

(in thousands)	JUNE 30, 2024	DECEMBER 31, 2023
Accrued capital expenditures	\$ 32,500	\$ 22,800
Accrued lease operating expenses, net	3,981	3,258
Accrued compensation	1,766	3,647
Accrued dividends	3,676	1,967
Other accrued liabilities	1,074	835
Total	<u>\$ 42,997</u>	<u>\$ 32,507</u>

Note 8—Related Party Transactions

3B acquired common units in the Predecessor which were funded by two Initial Loans with related parties (see Note 10). As part of the funding of the Predecessor, 3B entered into two different promissory notes with VE Holding LLC, an entity owned by JFG. The promissory notes allowed 3B to borrow up to \$0.875 million and \$3.5 million, initially accruing interest at 10.0 percent and 3.5 percent, respectively, and had maturity dates of May 7, 2021 (the "Initial Loans"). Initially, repayment of the \$3.5 million promissory note was fully guaranteed by one of the members of 3B. Each of the two Initial Loans were collateralized by all of the common units held by 3B. In 2021, the \$3.5 million promissory note was amended to remove the guarantee, change the interest rate to 10.0 percent and extend the maturity date to December 31, 2023. At the same time the \$0.875 million promissory note was amended to extend the maturity date to December 31, 2023. The Initial Loans between 3B and VE Holding LLC were held outside of the Predecessor and were not a liability of the Predecessor. The 3B common units and related loans were liquidated and terminated in connection with the Spin-Off.

In connection with the Predecessor Company Agreement, in July 2018 certain executives entered into two separate promissory notes aggregating to \$10.0 million with VE Holding LLC (the “2018 Notes”), which were collateralized by the MIUs granted to the respective executive. The 2018 Notes accrued interest at 3.0 percent per annum payable annually on December 31 and matured the earlier of July 1, 2024, an MIU exchange, or an acceleration event. The 2018 Notes could have been prepaid at any time but were subject to mandatory prepayment upon the issuance of any distributions from the Predecessor related to the MIUs held by such executives. Additionally, the 2018 Notes were considered full recourse to each respective executive for a limited time, with such recourse reduced by one-third each December 31 through 2020. As the 2018 Notes were between VE Holding LLC and the executives, they did not represent liabilities of the Predecessor. The Founder MIUs and related promissory notes were liquidated and terminated in connection with the Spin-Off.

On July 1, 2016, the Predecessor entered into a separate services agreement with Vitesse Management and JETX Energy, LLC (“JETX”), formerly known as Juneau Energy, LLC, another entity owned by JFG with common management. Per this services agreement, Vitesse Management is to provide JETX certain administrative services and supervise, administer, and manage the business affairs and operations of JETX and its subsidiaries for a service provider fee of \$0.2 million per month. The term of this service agreement extends for an unlimited amount of time; however, it is subject to termination by either Vitesse Management or JETX if provided written consent following the first anniversary or a final exit event. During the three and six months ended June 30, 2024, the Company recorded its net share of fees from JETX of \$0.7 million and \$1.4 million, respectively. During the three and six months ended June 30, 2023, the Company recorded its net share of fees from JETX of \$0.7 million and \$1.3 million, respectively. These fees are classified as a reduction to general and administrative expenses on the accompanying statements of operations.

Note 9—Commitments and Contingencies

Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of its operations in the normal course of business. As of the date of this report, management of the Company was unaware of any material legal proceedings against the Company. The Company maintains insurance to cover certain actions.

Note 10—Equity

Authorized Capital Stock

The Amended and Restated Certificate of Incorporation authorized capital stock consisting of 95,000,000 shares of common stock, par value \$0.01 per share and 5,000,000 shares of preferred stock, par value \$0.01 per share.

Common Stock

During the six months ended June 30, 2024, the following transactions related to our common stock occurred:

- 841,998 RSUs vested and were released as common stock, of which 332,840 were exchanged for tax withholding and retired by the Company.

During the six months ended June 30, 2023 the following transactions related to our common stock occurred:

- 3B transferred all of its Predecessor equity interests to JFG as repayment for the Initial Loans;
- JFG distributed the remaining Predecessor equity interests to its shareholders in the Spin-Off, which amounted to 25,628,162 shares of common stock in the Company;
- the Transitional Equity Award Adjustment Plan (the “Transitional Plan”), as discussed further below, was implemented and resulted in the following issuances to current and former directors and employees of JFG:
 - 286,729 restricted stock awards;
 - 1,475,631 restricted stock units, gross of fractional shares to be settled in cash;
- Predecessor MIUs granted to Predecessor employees other than the Predecessor’s two founders were exchanged for 163,544 shares of common stock;
- Vitesse Oil was contributed in exchange for 2,120,312 common shares;
- 14,600 shares of common stock were repurchased and retired as part of our Stock Repurchase Program, as discussed further below.

Preferred Stock

Our Amended and Restated Certificate of Incorporation authorizes our board of directors to designate and issue from time to time one or more series of preferred stock without stockholder approval. Our board of directors may fix and determine the designation, relative rights, preferences and limitations of the shares of each such series of preferred stock. There are no present plans to issue any shares of preferred stock and there are currently no shares outstanding.

Long-Term Incentive Plan

The Company’s long-term incentive plan (“LTIP”) provides for the granting of various forms of equity-based awards, including stock option awards, stock appreciation rights awards, restricted stock awards, restricted stock unit awards, performance awards,

cash awards and other stock-based awards to employees, directors and consultants of the Company. Under the LTIP, 3,960,000 shares were initially available to be awarded and as of June 30, 2024, there were 553,222 shares available to be granted.

Restricted Stock Units

The following is a summary of RSU activity during the six months ended June 30, 2024 and 2023:

	Shares of restricted stock unit awards	Weighted-Average Price on Date of Grant
Outstanding at January 1, 2024	3,152,247	\$ 14.99
Granted	69,403	21.48
Vested	(792,000)	14.40
Forfeited	(50,000)	14.40
Outstanding at March 31, 2024	<u>2,379,650</u>	\$ 15.39
Granted	131,024	22.91
Vested	(49,998)	18.77
Forfeited	—	—
Outstanding at June 30, 2024	<u>2,460,676</u>	\$ 15.72

	Shares of restricted stock unit awards	Weighted-Average Price on Date of Grant
Outstanding at January 1, 2023	—	\$ —
Granted	3,136,456	14.43
Vested	—	—
Forfeited	—	—
Outstanding at March 31, 2023	<u>3,136,456</u>	\$ 14.43
Granted	16,666	22.57
Vested	—	—
Forfeited	—	—
Outstanding at June 30, 2023	<u>3,153,122</u>	\$ 14.47

For restricted stock units, the Company recognizes the grant date fair-value of awards over the requisite service period as stock-based compensation expense on a straight-line basis except when provisions are present that accelerate vesting. Restricted stock units are considered issued but not outstanding when granted. Accumulated accrued stock based compensation expense and any accrued dividends are reversed in the period when units are forfeited and the units are no longer considered issued.

During the three and six months ended June 30, 2024, the Company recognized \$1.9 million and \$3.4 million of equity-based compensation expense relating to these restricted stock units, respectively.

During the three months ended June 30, 2023, the Company recognized \$1.4 million of equity-based compensation expense relating to these restricted stock units. During the six months ended June 30, 2023, the Company recognized \$29.4 million of equity-based compensation expense relating to these restricted stock units of which \$26.8 million, or 1,863,000 restricted stock units, was for awards that had a retirement provision and were granted to retirement-eligible employees and therefore resulted in immediate recognition of expense.

As of June 30, 2024, there is \$15.4 million of unrecognized equity-based compensation expense related to unvested restricted stock unit awards. The cost is expected to be recognized through February 2027, over a weighted-average period of 2.16 years.

Performance Stock Units

PSUs are contingent shares that may be earned over three-year performance periods. The number of PSUs to be earned is subject to a market condition, which is based on a comparison of the total shareholder return (“TSR”) achieved with respect to shares of the Company’s common stock against the TSR achieved by a defined peer group at the end of the applicable performance period. Depending on the Company’s TSR performance relative to the defined peer group, award recipients may earn between 0% and

200% of the target amount of PSUs detailed in the applicable grant notice. As the vesting criterion is linked to changes in the Company's share price, it is considered a market condition for purposes of calculating the grant-date fair value of the awards.

The Company recognizes the grant date fair-value of PSUs over the requisite service period as equity-based compensation expense on a straight-line basis. Compensation expense for share-settled awards is not reversed if market conditions are not met. Accumulated accrued equity-based compensation expense and dividends are reversed in the period if the units are forfeited.

The grant date fair value of PSUs was determined using a Monte Carlo simulation model. The Monte Carlo simulation model uses assumptions regarding random projections and must be repeated numerous times to achieve a probabilistic assessment. Significant assumptions used in this simulation include the Company's expected volatility, risk-free interest rate based on U.S. Treasury yield curve rates with maturities consistent with the forecast period, and the volatilities for each of the Company's peers.

The assumptions used in valuing the PSUs granted were as follows:

Grant date	February 23, 2024
Forecast period (years)	2.85
Risk-free rates	4.4%
Expected equity volatility	55%
Stock price on grant date	\$21.48
Grant date fair value	\$22.02

The following is a summary of PSU activity during the six months ended June 30, 2024:

	Shares of performance stock unit awards (at target)	Weighted-Average Price on Date of Grant
Outstanding at January 1, 2024	—	\$ —
Granted	104,104	22.02
Vested	—	—
Forfeited	—	—
Outstanding at March 31, 2024	104,104	\$ 22.02
Granted	—	—
Vested	—	—
Forfeited	—	—
Outstanding at June 30, 2024	104,104	\$ 22.02

During the three and six months ended June 30, 2024, the Company recognized \$0.2 million and \$0.3 million of equity-based compensation expense relating to these performance stock units, respectively.

As of June 30, 2024, there is \$2.0 million of unrecognized equity-based compensation expense related to unvested PSU awards. The cost is expected to be recognized through December 2026, over a weighted-average period of 2.5 years.

Transitional Equity Award Adjustment Plan

JFG's outstanding compensatory equity awards were adjusted into equity incentive awards denominated in part in shares of Vitesse common stock in connection with the Spin-Off. All adjusted awards are subject to generally the same vesting, exercisability, expiration, settlement and other material terms and conditions as applied to the applicable original JFG award immediately before the Spin-Off, except that equity awards relating to our common stock were subject to accelerated vesting, exercisability and in some cases settlement in the event of a change in control of the Company. All of the Transitional Plan equity awards discussed below were granted by JFG and therefore do not result in any compensation cost to the Company.

Transitional Plan Options

Each JFG stock option that did not remain an option to purchase shares of only JFG common stock was converted into both a post-Spin-Off option to purchase shares of JFG common stock and an option to purchase shares of Vitesse common stock. The exercise price of such JFG stock option and the exercise price and number of shares subject to such Vitesse stock option was adjusted so that (i) the aggregate intrinsic value of such post-Spin-Off JFG stock option and Vitesse stock option immediately after the Spin-Off equals the aggregate intrinsic value of the JFG stock option as measured immediately before the Spin-Off and (ii) the aggregate exercise price of such post-Spin-Off JFG stock option and Vitesse stock option equals the aggregate exercise price of the JFG stock option immediately before the Spin-Off, subject to rounding. Upon completion of the Spin-Off, 457,866

options were granted and none were exercised during the three and six months ended June 30, 2024 and 2023. The intrinsic option value of the options was \$0.7 million at June 30, 2024 and the maximum number of shares of common stock that could be issued under the plan is 457,866.

Transitional Plan Restricted Units

Each JFG restricted stock unit award and performance stock unit award (other than those that will remain awards denominated in shares of only JFG stock, which includes the portion of any performance stock unit award that may be earned above the designated target level), including any additional stock units accrued as a result of dividend equivalents, was adjusted by the grant of a Vitesse restricted stock unit award. Upon completion of the Spin-Off, restricted stock units were granted in respect of these JFG awards. These restricted stock unit awards are capped at 1,475,631, gross of fractional shares to be settled in cash, and at June 30, 2024 and December 31, 2023 03,653 have a remaining performance, service or vesting condition to satisfy. These restricted stock unit awards generally accrue dividends declared on common stock but have deferred issuance dates through January 2, 2099. During the three and six months ended June 30, 2024, zero and 1,000 restricted stock units were released as common stock, net of shares cashed out as fractional units, respectively. During the three and six months ended June 30, 2023, zero and 603,249 restricted stock units were released as common stock, net of shares cashed out as fractional units, respectively.

Transitional Plan Restricted Stock Awards

Holders of a JFG restricted stock award received 286,729 shares of our common stock upon completion of the Spin-Off, which shares are subject to the provisions of the Transitional Plan, including generally the same risk of forfeiture and other conditions as applied to the original JFG restricted stock award. These restricted stock awards have no remaining performance or service conditions to satisfy, or any other vesting condition, and are paid dividends on common stock as declared but have deferred issuance dates through September 28, 2029. During the three and six months ended June 30, 2024, 2,915 and 52,106 restricted stock awards were released as common stock, net of shares cashed out as fractional units, respectively. During the three and six months ended June 30, 2023, 11,454 and 50,744 restricted stock awards were released as common stock, net of shares cashed out as fractional units, respectively.

The remaining restricted stock units and restricted stock awards are scheduled to be released as common stock as follows:

Year	Restricted stock units	Restricted stock awards	Total
2024	114,727	5,474	120,201
2025	93,580	17,262	110,842
2026	323,138	48,619	371,757
2027	837	54,269	55,106
2028	838	32,988	33,826
Thereafter	130,985	19,793	150,778
Total	664,105	178,405	842,510

The Transitional Plan governs the terms and conditions of the new Vitesse awards issued as an adjustment to JFG awards at the effective time of the Spin-Off, but will not be used to make any grants following the Spin-Off.

Stock Repurchase Program

In February, 2023, the Board approved a stock repurchase program authorizing the repurchase of up to \$0 million of the Company’s common stock.

Under the Stock Repurchase Program, we may repurchase shares of our common stock from time to time in open market transactions or such other means as will comply with applicable rules, regulations and contractual limitations. The Board of Directors may limit or terminate the Stock Repurchase Program at any time without prior notice. The extent to which the Company repurchases its shares of common stock, and the timing of such repurchases, will depend upon market conditions and other considerations as may be considered in the Company’s sole discretion.

During the six months ended June 30, 2024, the Company did not repurchase any common stock. During the six months ended June 30, 2023, the Company repurchased 14,600 shares for \$0.2 million and the shares were subsequently retired.

Net Income (Loss) Per Common Share

The components of basic and diluted net income (loss) per share attributable to common stockholders are as follows:

(in thousands except share and per share amounts)	FOR THE THREE MONTHS ENDED		FOR THE SIX MONTHS ENDED	
	JUNE 30,		JUNE 30,	
	2024	2023	2024	2023
Numerator for earnings per common share:				
Net income (loss) attributable to Vitesse Energy, Inc.	\$ 10,928	\$ 9,620	\$ 8,742	\$ (40,027)
Allocation of earnings to participating securities ⁽¹⁾	—	(932)	—	—
Net income (loss) attributable to common shareholders	\$ 10,928	\$ 8,688	\$ 8,742	\$ (40,027)
Adjustment to allocation of earnings to participating securities related to diluted shares	—	932	—	—
Net income (loss) attributable to common shareholders for diluted EPS	\$ 10,928	\$ 9,620	\$ 8,742	\$ (40,027)
Denominator for earnings per common share:				
Weighted average common shares outstanding - basic	29,485,574	28,787,389	29,429,456	28,691,356
Weighted average Transitional Share RSUs outstanding with no future service required	560,616	872,382	560,621	970,200
Denominator for basic earnings per common share	30,046,190	29,659,771	29,990,077	29,661,556
LTIP RSUs	2,436,305	3,143,599	2,450,426	—
LTIP PSUs	156,156	—	156,156	—
Transitional Share options	284,514	274,454	284,514	—
Transitional Share RSUs with remaining performance/service obligation	103,653	—	103,653	—
Denominator for diluted earnings per common share	33,026,818	33,077,824	32,984,826	29,661,556
Net income (loss) per common share:				
Basic	\$ 0.36	\$ 0.29	\$ 0.29	\$ (1.35)
Diluted	\$ 0.33	\$ 0.29	\$ 0.27	\$ (1.35)
Shares excluded from diluted earnings per share due to anti-dilutive effect:				
LTIP RSUs	—	—	—	3,135,174
Transitional Share options	—	—	—	274,454

- (1) Certain unvested LTIP RSUs represent participating securities because they participate in nonforfeitable dividends with the common equity holders of the Company. Participating earnings represent the distributed and undistributed earnings of the Company attributable to the participating securities. These unvested LTIP RSUs do not participate in undistributed net losses as they are not contractually obligated to do so.

Note 11—Income Taxes

For the three and six months ended June 30, 2024 the Company recorded income tax expense of \$0.7 million and \$2.9 million, respectively. The provision for income taxes for the three and six months ended June 30, 2024 differs from the amount that would be provided by applying the U.S. federal statutory rate of 21% to pre-tax book loss primarily due to (i) §162(m) limitations on certain covered employee compensation and (ii) state income taxes.

For the three and six months ended June 30, 2023 the Company recorded income tax expense of \$6.8 million and \$47.2 million, respectively. Our provision for income taxes for the three and six months ended June 30, 2023 differs from the amount that would be provided by applying the U.S. federal statutory rate of 21% to pre-tax book loss primarily due to (i) deferred tax expense reflected as a discrete item related to the change in tax status of Vitesse Energy from a partnership to a corporation as part of the Spin-Off, (ii) §162(m) limitations on certain covered employee compensation, and (iii) state income taxes. Vitesse Energy's change in tax status resulted in the recording of a \$44.1 million deferred tax liability and deferred tax expense for the tax-effected excess of the historical financial reporting basis over their tax basis on the date of the Spin-Off. In addition, the Company also recorded a \$2.4 million deferred tax liability in connection with its acquisition of Vitesse Oil as part of the Spin-Off.

Note 12—Leases

In June 2024, the Company's office space lease commenced and resulted in a \$4.7 million right-of-use asset and related lease obligation that are recorded within Other noncurrent assets and Other noncurrent liabilities, respectively, on the condensed consolidated balance sheets.

Note 13—Subsequent Events

On July 30, 2024, Vitesse’s Board of Directors declared a regular quarterly cash dividend for Vitesse’s common stock of \$0.525 per share for stockholders of record as of September 16, 2024, which will be paid on September 30, 2024.

Other than the above disclosure or other subsequent events disclosed elsewhere in the notes to the financial statements, there were no material subsequent events.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of our results of operations and financial condition together with our Condensed Consolidated Financial Statements and the notes thereto included under Part I – Financial Information. This discussion contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about the oil and natural gas industry and our business and financial results. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 in the section entitled Part I. Item 1A Risk Factors and in this Quarterly Report on Form 10-Q in the sections entitled Part II, Item 1A Risk Factors and “Cautionary Statement Concerning Forward-Looking Statements.”

As further described in Note 1 (“Nature of Business”) to the Condensed Consolidated Financial Statements set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q, we completed the Spin-Off on January 13, 2023. The financial information presented herein is (i) for periods prior to January 13, 2023, that of our Predecessor, and (ii) for periods after January 13, 2023, that of Vitesse Energy, Inc. and its subsidiaries.

Executive Overview

Our business strategy is focused on creating long-term stockholder value through the profitable acquisition, development and production of oil and natural gas assets at attractive rates of return, while maintaining a strong balance sheet and distributing a meaningful dividend to our stockholders. We invest in non-operated minority working and mineral interests in oil and natural gas properties with our core area of focus currently in the Bakken and Three Forks formations of the Williston Basin of North Dakota and Montana. We also have interests in wells in the Denver-Julesburg Basin located in Colorado and Wyoming and the Powder River Basin located in Wyoming. As of June 30, 2024, we had a working interest in 5,864 gross (162.7 net) productive wells and 263 gross (11.1 net) wells that were being drilled or completed, and an additional 319 gross (8.7 net) wells that had been permitted for development by our operators.

Our financial and operating performance for the three months ended June 30, 2024 included the following:

- Paid quarterly dividend of \$0.525 per share to our common stockholders.
- Production of 13,504 BOE/day with 70% of production from oil.
- Total revenue of \$66.6 million.
- Net income of \$10.9 million.
- Cash flows from operations of \$35.2 million.
- Invested \$37.6 million in capital development and acquisitions.
- Total debt of \$115.0 million at June 30, 2024.

Industry Trends Impacting Our Business

Commodity prices are a significant factor impacting our earnings, operating cash flows and our acquisition and divestiture strategy, as well as the decisions of our operators in conducting their operations. During the last several years, prices for oil and natural gas have experienced periodic downturns and sustained volatility, impacted by the COVID-19 pandemic and recovery, Russia's invasion of Ukraine and the related sanctions imposed on Russia, Hamas' attack against Israel and the ensuing conflict and escalation of tensions in the Middle East (including with Iran), supply chain constraints and elevated interest rates and costs of capital. In response to such events over the last couple of years, OPEC and its key member, Saudi Arabia, announced several mandatory and voluntary reductions in production that continue to remain in place and are aimed at supporting the stability of the oil market.

As a result of such commodity price volatility, which we expect to continue throughout 2024, our earnings and operating cash flows can vary substantially. While we do hedge a substantial portion of our production, we are still significantly subject to movements in commodity prices. Such volatility can make it difficult to predict future effects on our financial results and the decisions of our operators. Factors that we expect will continue to impact commodity prices include product demand connected with global economic conditions, inflationary factors, industry production and inventory levels, the United States Department of Energy's future planned repurchases (or additional possible releases) of oil from the strategic petroleum reserve, technology advancements, production quotas or other actions imposed by OPEC and other countries, actions of regulators, and regional supply interruptions or fears thereof that may be caused by military conflicts (including invasion), civil unrest, pandemic or political uncertainty. Any of the foregoing can have a substantial impact on the prices of oil and natural gas, which in turn impacts the decision of our operators to drill and extract resources. Despite such commodity price volatility, we expect that our cash flow from operations and borrowing availability under our Revolving Credit Facility will allow us to meet our liquidity needs for the next twelve months.

Source of Our Revenues

We derive our revenues from the sale of oil and natural gas produced from our properties. Revenues are a function of the volume produced, the prevailing market price at the time of sale, oil quality, Btu content and transportation costs to market. We use

derivative instruments to hedge future sales prices on a substantial, but varying, portion of our oil production. We have not hedged natural gas production since March 2022 due to the mismatch between our operators' pricing formulas and settlement mechanics on natural gas hedges. We expect our derivative activities will help us achieve more predictable cash flows and reduce our exposure to downward price fluctuations. The use of derivative instruments has in the past, and may in the future, prevent us from realizing the full benefit of upward price movements but also mitigates the effects of declining price movements.

Principal Components of Our Cost Structure

Commodity price differentials. The price differential between our wellhead price for oil and the WTI benchmark price is primarily driven by the cost to transport oil via pipeline, train or truck to refineries. The price differential between our wellhead price for natural gas and the NYMEX benchmark price is primarily driven by Btu content along with gathering, processing and transportation costs.

Commodity derivative gain (loss), net. We utilize commodity derivative financial instruments to reduce our exposure to fluctuations in the prices of oil and gas. Gain (loss) on commodity derivatives, net is comprised of (1) cash gains and losses we recognize on settled commodity derivatives during the period, and (2) non-cash mark-to-market gains and losses we incur on commodity derivative instruments outstanding at period-end.

Lease operating expenses. Lease operating expenses are costs incurred to bring oil and natural gas out of the ground and to market, together with the costs incurred to maintain our producing properties. Such costs include field personnel compensation, saltwater disposal, utilities, maintenance, repairs and servicing expenses related to our oil and natural gas properties.

Production taxes. Production taxes are paid on produced oil and natural gas based on a percentage of revenues from products sold at market prices (not hedged prices) or at fixed rates established by federal, state or local taxing authorities. In general, the production taxes we pay correlate to the changes in oil and natural gas revenues.

Depletion, depreciation, amortization, and accretion. Depletion, depreciation, amortization, and accretion ("DD&A") includes the systematic expensing of the capitalized costs incurred to acquire, explore and develop oil and natural gas properties. As a successful efforts company, costs associated with the acquisition, drilling, and equipping of successful exploratory wells and costs of successful and unsuccessful development wells are capitalized. Accretion expense relates to the passage of time of our asset retirement obligations.

General and administrative expenses. General and administrative expenses include overhead, including payroll and benefits for our corporate staff, costs of maintaining our headquarters, costs of managing our acquisition and development operations, franchise taxes, audit and other professional fees and legal compliance.

Interest expense. We finance a portion of our working capital requirements, capital expenditures and acquisitions with borrowings under our Revolving Credit Facility and prior to the Spin-Off, under the Prior Revolving Credit Facility. As a result, we incur interest expense that is affected by both fluctuations in interest rates and our financing decisions. We do not capitalize any portion of the interest paid on applicable borrowings. We include the amortization of deferred financing costs, commitment fees and annual agency fees as interest expense.

Impairment expense. Under the successful efforts method of accounting, we review our oil and natural gas properties for impairment whenever events and circumstances indicate that a decline in the recoverability of their carrying value may have occurred. Whenever we conclude the carrying value may not be recoverable, we estimate the expected undiscounted future net cash flows of our oil and natural gas properties using proved and risked probable and possible reserves based on our development plans and best estimate of future production, commodity pricing, reserve risking, gathering, processing and transportation deductions, production tax rates, lease operating expenses and future development costs. We compare such undiscounted future net cash flows to the carrying amount of the oil and natural gas properties in each depletion pool to determine if the carrying amount is recoverable. If the undiscounted future net cash flows exceed the carrying amount of the aggregated oil and natural gas properties, no impairment is recorded. If the carrying amount of the oil and natural gas properties exceeds the undiscounted future net cash flows, we will record an impairment expense to reduce the carrying value to fair value as of the balance sheet date. The factors used to determine fair value may include, but are not limited to, recent sales prices of comparable properties, indications from marketing activities, the present value of future revenues, net of estimated operating and development costs using estimates of reserves, future commodity pricing, future production estimates, anticipated capital expenditures and various discount rates commensurate with the risk and current market conditions associated with realizing the projected cash flows.

Income tax expense. Our provision for taxes includes both federal and state taxes. We record our federal income taxes in accordance with accounting for income taxes under GAAP, which results in the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the book carrying amounts and the tax basis of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences and carryforwards are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is established to reduce deferred tax assets if it is more likely than not that the related tax benefits will not be realized.

Selected Factors That Affect Our Operating Results

Our revenues, cash flows from operations and future growth depend substantially upon:

- the timing and success of drilling and production activities by our operating partners;
- the prices and the supply and demand for oil, natural gas and NGLs;
- the quantity of oil and natural gas production from the wells in which we participate;
- changes in the fair value of the derivative instruments;
- our ability to continue to identify and acquire high-quality acreage and drilling opportunities; and
- the level of our operating expenses.

In addition to the factors that affect companies in our industry generally, the location of substantially all of our acreage and wells in the Williston, Denver-Julesburg and Powder River Basins subjects our operating results to factors specific to these regions. These factors include the potential adverse impact of weather on drilling, production and transportation activities, particularly during the winter and spring months, as well as infrastructure limitations, transportation capacity, regulatory matters and other factors that may specifically affect one or more of these regions.

Market Conditions

The price of oil can vary depending on the market in which it is sold and the means of transportation used to transport the oil to market, particularly in the Williston Basin where a substantial majority of our revenues are derived. Additional pipeline infrastructure has increased takeaway capacity in the Williston Basin which has improved wellhead values in the region.

The price that we receive for the oil and natural gas we produce is largely a function of market supply and demand. Because our oil and gas revenues are heavily weighted toward oil, we are more significantly impacted by changes in oil prices than by changes in the price of natural gas. World-wide supply in terms of output, especially production from properties within the United States, the production quota set by OPEC, the conflicts in Ukraine and in the Middle East and the strength of the U.S. dollar can adversely impact oil prices.

Historically, commodity prices have been volatile and we expect the volatility to continue in the future. The future oil prices will be impacted by varying oil supply and demand both regionally and world-wide.

Prices for various quantities of oil, natural gas and NGLs significantly impact our revenues and cash flows. The following table lists average NYMEX prices for oil and natural gas for the periods presented.

	THREE MONTHS ENDED JUNE 30,	
	2024	2023
Average Daily Prices ⁽¹⁾		
Oil (per Bbl)	\$ 80.55	\$ 73.58
Natural Gas (per MMBtu)	2.07	2.16
	SIX MONTHS ENDED JUNE 30,	
	2024	2023
Average Daily Prices ⁽¹⁾		
Oil (per Bbl)	\$ 78.72	\$ 74.80
Natural Gas (per MMBtu)	2.11	2.40

⁽¹⁾ Based on average daily NYMEX WTI and Henry Hub Spot closing prices reported by FactSet and the EIA, respectively.

The average second quarter 2024 oil price was \$80.55 per barrel or 9% higher than the average oil price per barrel in the second quarter of 2023. Our settled derivatives decreased our realized oil price per barrel by \$1.21 in the second quarter of 2024 and increased our realized oil price per barrel by \$2.28 during the second quarter of 2023. Our average second quarter 2024 realized oil price per barrel after reflecting settled derivatives was \$73.42 compared to \$72.18 during the same period in 2023. The average second quarter 2024 NYMEX natural gas price was \$2.07 per MMBtu, or 4% lower than the average NYMEX price per MMBtu in the second quarter of 2023. In the second quarter 2024 and 2023, we had no natural gas price derivatives in place and our realized natural gas price was \$1.11 per Mcf and \$1.41 per Mcf, respectively.

The average year-to-date 2024 oil price was \$78.72 per barrel or 5% higher than the 2023 average year-to-date oil price per barrel. Our settled derivatives decreased our average year-to-date 2024 realized oil price per barrel by \$0.12 and increased our realized oil price per barrel by \$1.68 during the same period in 2023. Our average year-to-date 2024 realized oil price per barrel after reflecting settled derivatives was \$72.56 compared to \$73.10 during the same period in 2023. The average year-to-date 2024 NYMEX natural gas price was \$2.11 per MMBtu, or 12% lower than the 2023 average year-to-date price per MMBtu. During the six months ended June 30, 2024 and 2023, we had no natural gas price derivatives in place and our realized natural gas price was \$1.50 per Mcf and \$2.53 per Mcf, respectively.

We employ a hedging program that partially mitigates the risk associated with fluctuations in commodity prices. For detailed information on our commodity hedging program, see Part I, Item 3 Quantitative and Qualitative Disclosures about Market Risk and Note 6 (“Derivative Instruments”) to the Condensed Consolidated Financial Statements.

Another significant factor affecting our operating results is drilling costs. The cost of drilling wells can vary significantly, driven in part by volatility in commodity prices that can substantially impact the level of drilling activity. Generally, higher oil prices have led to increased drilling activity, with the increased demand for drilling and completion services driving these costs higher. Lower oil prices have generally had the opposite effect. In addition, individual components of the cost can vary depending on numerous factors such as the length of the horizontal lateral, the number of fracture stimulation stages, and the type and amount of proppant.

Results of Operations

Three months ended June 30, 2024 Compared with Three months ended June 30, 2023

The following table sets forth selected financial and operating data for the periods indicated.

(\$ in thousands, except production and per unit data)	QUARTER ENDED JUNE 30,		INCREASE (DECREASE)	
	2024	2023	AMOUNT	PERCENT
Financial and Operating Results:				
Revenue				
Oil	\$ 64,127	\$ 48,733	\$ 15,394	32 %
Natural gas	2,471	2,855	(384)	(13 %)
Total revenue	\$ 66,598	\$ 51,588	\$ 15,010	29 %
Operating Expenses				
Lease operating expense	\$ 12,272	\$ 9,316	\$ 2,956	32 %
Production taxes	5,426	4,919	507	10 %
General and administrative	4,724	4,461	263	6 %
Depletion, depreciation, amortization, and accretion	25,315	18,748	6,567	35 %
Equity-based compensation	2,047	1,428	619	43 %
Interest Expense	\$ 2,585	\$ 1,115	\$ 1,470	132 %
Commodity Derivative Gain, Net	\$ 379	\$ 4,779	\$ (4,400)	(92 %)
Income Tax (Benefit) Expense	\$ 3,678	\$ 6,812	\$ (3,134)	(46 %)
Production Data:				
Oil (MBbls)	859	697	162	23 %
Natural gas (MMcf)	2,217	2,018	199	10 %
Combined volumes (MBoe)	1,229	1,034	195	19 %
Daily combined volumes (Boe/d)	13,504	11,359	2,145	19 %
Average Realized Prices before Hedging:				
Oil (per Bbl)	\$ 74.63	\$ 69.90	\$ 4.73	7 %
Natural gas (per Mcf)	1.11	1.41	(0.30)	(21 %)
Combined (per Boe)	54.20	49.91	4.29	9 %
Average Realized Prices with Hedging:				
Oil (per Bbl)	\$ 73.42	\$ 72.18	\$ 1.24	2 %
Natural gas (per Mcf)	1.11	1.41	(0.30)	(21 %)
Combined (per Boe)	53.36	51.45	1.91	4 %
Average Costs (per Boe):				
Lease operating	\$ 9.99	\$ 9.01	\$ 0.98	11 %
Production taxes	4.42	4.76	(0.34)	(7 %)
General and administrative	3.84	4.32	(0.48)	(11 %)
Depletion, depreciation, amortization, and accretion	20.60	18.14	2.46	14 %

Oil and Natural Gas Revenue and Volumes. Oil and natural gas revenue increased to \$66.6 million for the three months ended June 30, 2024 from \$51.6 million for the three months ended June 30, 2023. The increase in oil and natural gas revenue was due to a 19% increase in production volumes, driven by acquisition and development activity, and a 9% increase in the average realized prices per Boe before hedging for the three months ended June 30, 2024. The increase in production volumes and average realized prices per Boe before hedging increased oil and natural gas revenue by approximately \$10.6 million and \$4.4 million, respectively.

Our oil price differential to the weighted average benchmark price during the three months ended June 30, 2024 was negative \$5.90 per barrel, as compared to a negative \$3.78 per barrel during the three months ended June 30, 2023, primarily due to less favorable local market pricing as compared to the benchmark price due to regional supply and demand imbalances. Our net realized natural gas price during the three months ended June 30, 2024 was \$1.11 per Mcf, representing a 52% realization relative to the weighted average NYMEX natural gas price, compared to a net realized natural gas price of \$1.41 per Mcf during the three months ended June 30, 2023, representing a 65% realization relative to weighted average NYMEX natural gas price. Fluctuations in our natural gas price differentials and realizations are due to several factors such as NGL value net of processing costs, gathering and transportation fees, takeaway capacity relative to production levels, regional storage capacity, and seasonal refinery

maintenance temporarily depressing demand. The exact impact of each of these items is difficult to quantify as each of our operators pass through these costs in a different manner.

Lease Operating Expense. Lease operating expense increased to \$9.99 per Boe for the three months ended June 30, 2024 from \$9.01 per Boe for the three months ended June 30, 2023. The increase per Boe for the three months ended June 30, 2024 compared with the three months ended June 30, 2023 was due in part to the blend of production during the three months ended June 30, 2024 with a higher percentage of production from older vintage wells with higher cost structures.

Production Tax Expense. Total production taxes increased to \$5.4 million for the three months ended June 30, 2024 from \$4.9 million for the three months ended June 30, 2023. Production taxes are primarily based on oil revenue and natural gas production, excluding gains and losses associated with hedging activities. Production taxes as a percentage of oil and natural gas sales before hedging adjustments were 8.1% and 9.5% for the three months ended June 30, 2024 and 2023, respectively. The decrease in the production tax rate for the three months ended June 30, 2024 was due to operators correcting withholding based on recent actual tax filings.

General and Administrative Expense. General and administrative expense increased to \$4.7 million for the three months ended June 30, 2024 from \$4.5 million for the three months ended June 30, 2023. General and administrative expense on a per Boe basis decreased to \$3.84 for the three months ended June 30, 2024 from \$4.32 for the three months ended June 30, 2023. The increase in total general and administrative expense was primarily due to costs of becoming a public company.

DD&A. DD&A increased to \$25.3 million for the three months ended June 30, 2024 compared with \$18.7 million for the three months ended June 30, 2023. The increase was the result of a 19% increase in production and a \$2.46 per Boe increase in the DD&A rate for the three months ended June 30, 2024 compared with the three months ended June 30, 2023. The higher DD&A rate was driven by changes to reserves due to declining oil and gas prices and higher acquisition and development costs in 2024. The increase in production accounted for a \$4.0 million increase in DD&A expense while the increase in the DD&A rate accounted for a \$2.5 million increase in DD&A expense.

For the three months ended June 30, 2024, the relationship of capital expenditures, proved reserves and production from certain producing fields yielded a depletion rate (excluding depreciation, amortization and accretion) of \$20.45 per Boe compared with \$17.98 per Boe for the three months ended June 30, 2023.

Equity-Based Compensation. During the three months ended June 30, 2024, equity-based compensation expense increased to \$2.0 million from \$1.4 million during the three months ended June 30, 2023. Equity-based compensation expense was primarily higher in 2024 due to additional LTIP RSUs and PSUs awarded to employees and directors at a higher grant date price.

Interest Expense. Interest expense increased to \$2.6 million for the three months ended June 30, 2024 from \$1.1 million for the three months ended June 30, 2023. The increase for the three months ended June 30, 2024 was due to the debt balance increasing to \$115.0 million from \$41.0 million at June 30, 2023.

Commodity Derivative Gain, Net. The commodity derivative gain was \$0.4 million for the three months ended June 30, 2024 compared with a gain of \$4.8 million for the three months ended June 30, 2023. Gain on Commodity Derivatives is comprised of (1) cash gains and losses we recognize on settled commodity derivative instruments during the period, and (2) unsettled gains and losses we incur on commodity derivative instruments outstanding at period-end.

The mark-to-market fair value of the unsettled commodity derivative instruments will generally be inversely related to the price movement of the underlying commodity. If commodity price trends reverse from period to period, prior unrealized gains may become unrealized losses and vice versa. These unrealized gains and losses will impact our net income in the period reported. The mark-to-market fair value can create non-cash volatility in our reported earnings during periods of commodity price volatility. We have experienced such volatility in the past and are likely to experience it in the future. Gains on our derivatives generally indicate lower oil revenues in the future while losses indicate higher future oil revenues.

The table below summarizes our commodity derivative gains and losses that were recorded in the periods presented.

(in thousands)	QUARTER ENDED JUNE 30,	
	2024	2023
Realized (loss) gain on commodity derivatives ⁽¹⁾	\$ (1,033)	\$ 1,595
Unrealized gain on commodity derivatives ⁽¹⁾	1,412	3,184
Total commodity derivative gain	\$ 379	\$ 4,779

(1) Realized and unrealized gains and losses on commodity derivatives are presented herein as separate line items but are combined for a total commodity derivative gain (loss) in the statements of operations included in this Form 10-Q. Management believes the separate presentation of the realized and unrealized commodity derivative gains and losses is useful because the realized cash settlement portion provides a better understanding of our hedge position.

In the three months ended June 30, 2024, approximately 62% of our oil volumes and none of our natural gas volumes were covered by financial hedges, which resulted in a realized loss on oil derivatives of \$1.0 million. In the three months ended June 30, 2023, approximately 50% of our oil volumes and none of our natural gas volumes were covered by financial hedges, which resulted in a realized gain on oil derivatives of \$1.6 million.

At June 30, 2024, all of our derivative contracts were recorded at their fair value, which was a net liability of \$2.1 million, a decrease in value of \$13.2 million from the \$11.1 million net asset recorded as of December 31, 2023. The decrease was primarily due to increases in forward commodity prices relative to prices on our open commodity derivative contracts.

Income Tax Expense. For the three months ended June 30, 2024, we recorded an income tax expense of \$3.7 million related to federal and state income taxes compared to an income tax expense of \$6.8 million for the three months ended June 30, 2023.

The provision for income taxes for the three months ended June 30, 2024 and 2023 differs from the amount that would be provided by applying the statutory U.S. federal income tax rate of 21% to pre-tax income primarily due to §162(m) limitations on certain covered employee compensation and state income taxes.

Results of Operations

Six Months Ended June 30, 2024 Compared with Six Months Ended June 30, 2023

The following table sets forth selected financial and operating data for the periods indicated.

(\$ in thousands, except production and per unit data)	SIX MONTHS ENDED JUNE 30,		INCREASE (DECREASE)	
	2024	2023	AMOUNT	PERCENT
Financial and Operating Results:				
Revenue				
Oil	\$ 121,491	\$ 99,219	\$ 22,272	22 %
Natural gas	6,301	10,330	(4,029)	(39 %)
Total revenue	\$ 127,792	\$ 109,549	\$ 18,243	17 %
Operating Expenses				
Lease operating expense	\$ 24,063	\$ 18,397	\$ 5,666	31 %
Production taxes	11,226	10,174	1,052	10 %
General and administrative	10,098	15,323	(5,225)	(34 %)
Depletion, depreciation, amortization, and accretion	48,860	37,220	11,640	31 %
Equity-based compensation	3,652	29,400	(25,748)	(88 %)
Interest Expense	\$ 4,788	\$ 2,295	\$ 2,493	109 %
Commodity Derivative (Loss) Gain, Net	\$ (13,445)	\$ 12,198	\$ (25,643)	(210 %)
Income Tax (Benefit) Expense	\$ 2,946	\$ 47,183	\$ (44,237)	(94 %)
Production Data:				
Oil (MBbls)	1,672	1,389	283	20 %
Natural gas (MMcf)	4,200	4,089	111	3 %
Combined volumes (MBoe)	2,371	2,071	300	14 %
Daily combined volumes (Boe/d)	13,030	11,441	1,589	14 %
Average Realized Prices before Hedging:				
Oil (per Bbl)	\$ 72.68	\$ 71.42	\$ 1.26	2 %
Natural gas (per Mcf)	1.50	2.53	(1.03)	(41 %)
Combined (per Boe)	53.89	52.90	0.99	2 %
Average Realized Prices with Hedging:				
Oil (per Bbl)	\$ 72.56	\$ 73.10	\$ (0.54)	(1 %)
Natural gas (per Mcf)	1.50	2.53	(1.03)	(41 %)
Combined (per Boe)	53.80	54.03	(0.23)	— %
Average Costs (per Boe):				
Lease operating	\$ 10.15	\$ 8.88	\$ 1.27	14 %
Production taxes	4.73	4.91	(0.18)	(4 %)
General and administrative	4.26	7.40	(3.14)	(42 %)
Depletion, depreciation, amortization, and accretion	20.60	17.97	2.63	15 %

Oil and Natural Gas Revenue and Volumes. Oil and natural gas revenue increased to \$127.8 million for the six months ended June 30, 2024 from \$109.5 million for the six months ended June 30, 2023. The increase in oil and natural gas revenue was due to a 14% increase in production volumes, driven by acquisition and development activity, and a 2% increase in the average realized prices per Boe before hedging for the six months ended June 30, 2024. The increase in production volumes and average realized prices per Boe before hedging increased oil and natural gas revenue by approximately \$16.2 million and \$2.1 million, respectively.

Our oil price differential to the weighted average benchmark price during the six months ended June 30, 2024 was negative \$6.18 per barrel, as compared to a negative \$3.45 per barrel during the six months ended June 30, 2023, primarily due to less favorable local market pricing as compared to the benchmark price due to regional supply and demand imbalances. Our net realized natural gas price during the six months ended June 30, 2024 was \$1.50 per Mcf, representing a 73% realization relative to the weighted average NYMEX natural gas price, compared to a net realized natural gas price of \$2.53 per Mcf during the six months ended June 30, 2023, representing a 104% realization relative to weighted average NYMEX natural gas price. Fluctuations in our natural gas price differentials and realizations are due to several factors such as NGL value net of processing costs, gathering and transportation fees, takeaway capacity relative to production levels, regional storage capacity, and seasonal refinery maintenance

temporarily depressing demand. The exact impact of each of these items is difficult to quantify as each of our operators pass through these costs in a different manner.

Lease Operating Expense. Lease operating expense increased to \$10.15 per Boe for the six months ended June 30, 2024 from \$8.88 per Boe for the six months ended June 30, 2023. The increase per Boe for the six months ended June 30, 2024 compared with the six months ended June 30, 2023 was related to higher service costs throughout the six months ended June 30, 2024, due to higher operating costs associated with inclement weather in January 2024 and the blend of production with a higher percentage of production from older vintage wells with higher cost structures.

Production Tax Expense. Total production taxes increased to \$11.2 million for the six months ended June 30, 2024 from \$10.2 million for the six months ended June 30, 2023. Production taxes are primarily based on oil revenue and natural gas production, excluding gains and losses associated with hedging activities. Production taxes as a percentage of oil and natural gas sales before hedging adjustments were 8.8% and 9.3% for the six months ended June 30, 2024 and 2023, respectively. The decrease in the production tax rate for the six months ended June 30, 2024 was due to operators correcting withholding based on recent actual tax filings.

General and Administrative Expense. General and administrative expense decreased to \$10.1 million for the six months ended June 30, 2024 from \$15.3 million for the six months ended June 30, 2023. General and administrative expense on a per Boe basis decreased to \$4.26 for the six months ended June 30, 2024 from \$7.40 for the six months ended June 30, 2023. The decrease in general and administrative expense was primarily due to costs in the first half of 2023 related to the Spin-Off of \$6.8 million. Excluding costs related to the Spin-Off the per Boe rate for the six months ended June 30, 2023 would have been \$4.11. The increase in per BOE cost is associated with becoming a public company.

DD&A. DD&A increased to \$48.9 million for the six months ended June 30, 2024 compared with \$37.2 million for the six months ended June 30, 2023. The increase was the result of a 14% increase in production and a \$2.63 per Boe increase in the DD&A rate for the six months ended June 30, 2024 compared with the six months ended June 30, 2023. The higher DD&A rate was driven by changes to reserves due to lower oil and gas prices and higher acquisition and development costs in 2024. The increase in production accounted for a \$6.2 million increase in DD&A expense while the increase in the DD&A rate accounted for a \$5.4 million increase in DD&A expense.

For the six months ended June 30, 2024, the relationship of capital expenditures, proved reserves and production from certain producing fields yielded a depletion rate (excluding depreciation, amortization and accretion) of \$20.45 per Boe compared with \$17.82 per Boe for the six months ended June 30, 2023.

Equity-Based Compensation. During the six months ended June 30, 2024, equity-based compensation expense decreased to \$3.7 million from \$29.4 million during the six months ended June 30, 2023. Equity-based compensation expense was primarily higher in 2023 due to retirement vesting provisions in some of the awards resulting in 1,863,000 restricted stock units being expensed upon award. The retirement vesting provisions were responsible for \$26.8 million of expense during the six months ended June 30, 2023.

Interest Expense. Interest expense increased to \$4.8 million for the six months ended June 30, 2024 from \$2.3 million for the six months ended June 30, 2023. The increase for the six months ended June 30, 2024 was due to the debt balance increasing to \$115.0 million at June 30, 2024 from \$41.0 million at June 30, 2023.

Commodity Derivative (Loss) Gain, Net. The commodity derivative loss was \$13.4 million for the six months ended June 30, 2024 compared with a gain of \$12.2 million for the six months ended June 30, 2023. (Loss) Gain on Commodity Derivatives is comprised of (1) cash gains and losses we recognize on settled commodity derivative instruments during the period, and (2) unsettled gains and losses we incur on commodity derivative instruments outstanding at period-end.

The mark-to-market fair value of the unsettled commodity derivative instruments will generally be inversely related to the price movement of the underlying commodity. If commodity price trends reverse from period to period, prior unrealized gains may become unrealized losses and vice versa. These unrealized gains and losses will impact our net income in the period reported. The mark-to-market fair value can create non-cash volatility in our reported earnings during periods of commodity price volatility. We have experienced such volatility in the past and are likely to experience it in the future. Gains on our derivatives generally indicate lower oil revenues in the future while losses indicate higher future oil revenues. Oil prices rose during the six months ended June 30, 2024 as compared to oil price declines during the six months ended June 30, 2023.

The table below summarizes our commodity derivative gains and losses that were recorded in the periods presented.

(in thousands)	SIX MONTHS ENDED JUNE 30,	
	2024	2023
Realized (loss) gain on commodity derivatives ⁽¹⁾	\$ (201)	\$ 2,338
Unrealized (loss) gain on commodity derivatives ⁽¹⁾	(13,244)	9,860
Total commodity derivative (loss) gain	\$ (13,445)	\$ 12,198

(1) Realized and unrealized gains and losses on commodity derivatives are presented herein as separate line items but are combined for a total commodity derivative gain (loss) in the statements of operations included in this Form 10-Q. Management believes the separate presentation of the realized and unrealized commodity derivative gains and losses is useful because the realized cash settlement portion provides a better understanding of our hedge position.

In the six months ended June 30, 2024, approximately 56% of our oil volumes and none of our natural gas volumes were subject to financial hedges, which resulted in a realized loss on oil derivatives of \$0.2 million. In the six months ended June 30, 2023, approximately 50% of our oil volumes and none of our natural gas volumes were covered by financial hedges, which resulted in a realized gain on oil derivatives of \$2.3 million.

At June 30, 2024, all of our derivative contracts were recorded at their fair value, which was a net liability of \$2.1 million, a decrease in value of \$13.2 million from the \$11.1 million net asset recorded as of December 31, 2023. The decrease was primarily due to increases in forward commodity prices relative to prices on our open commodity derivative contracts.

Income Tax Expense. During the six months ended June 30, 2024, we recorded an income tax expense of \$2.9 million related to federal and state income taxes.

During the six months ended June 30, 2023, the Predecessor was contributed into Vitesse resulting in a change in tax status and the recording of a \$44.1 million deferred tax liability related to the temporary difference between the tax and GAAP basis of the assets of the Predecessor and an offsetting charge to income tax expense. Additionally, we recorded an income tax expense of \$3.1 million for the six months ended June 30, 2023 related to federal and state income taxes.

The provision for income taxes for the six months ended June 30, 2024 differs from the amount that would be provided by applying the statutory U.S. federal income tax rate of 21% to pre-tax income primarily due to §162(m) limitations on certain covered employee compensation and state income taxes.

The provision for income taxes for the six months ended June 30, 2023 differs from the amount that would be provided by applying the U.S. federal statutory rate of 21% to pre-tax book loss primarily due to (i) deferred tax expense reflected as a discrete item related to the change in tax status of Vitesse Energy from a partnership to a corporation as part of the Spin-Off, (ii) §162(m) limitations on certain covered employee compensation, and (iii) state income taxes.

Liquidity and Capital Resources

Overview. At June 30, 2024, we had \$0.1 million of unrestricted cash on hand and \$130.0 million available under the borrowing base in our Revolving Credit Facility. We expect that our liquidity going forward will be primarily derived from cash flows from our operations, cash on hand and availability under the Revolving Credit Facility and that these sources of liquidity will be sufficient to provide us the ability to fund our material cash requirements for the next twelve months, as described below, including our planned capital expenditures program, as well as dividends and our share repurchase program. We may need to fund acquisitions or other business opportunities that support our strategy through additional borrowings under our Revolving Credit Facility or the issuance of equity or debt. Our primary uses of capital have been for the acquisition and development of our oil and natural gas properties and dividend payments. We continually monitor potential capital sources for opportunities to enhance liquidity or otherwise improve our financial position.

Working Capital. Our working capital balance fluctuates as a result of changes in commodity pricing and production volumes, the collection of revenue receivables, expenditures related to our acquisition and development activity, production operations and the impact of our outstanding commodity derivative instruments.

At June 30, 2024, we had a working capital deficit of \$10.2 million, compared to a deficit of \$2.1 million at December 31, 2023. Current assets decreased by \$9.4 million while current liabilities decreased by \$1.2 million at June 30, 2024, compared to December 31, 2023. The decrease in current assets during the six months ended June 30, 2024 was primarily due to a decrease of \$9.9 million in our current commodity derivative instruments due to the change in fair value. The decrease in current liabilities during the six months ended June 30, 2024 was mostly due to a decrease of \$3.6 million in accounts payable and accrued liabilities as a result of paying accrued oil and gas development costs and accrued employee compensation, partially offset by an increase of \$2.5 million in current derivative instrument liabilities as a result of forward oil price increases.

Cash Flows. Our cash flows for the six months ended June 30, 2024 and 2023 are presented below:

<i>(in thousands)</i>	SIX MONTHS ENDED JUNE 30,	
	2024	2023
Cash flows provided by operating activities	\$ 74,580	\$ 78,243
Cash flows used in investing activities	(69,876)	(43,284)
Cash flows used in financing activities	(5,135)	(41,606)
Net (decrease) in cash	\$ (431)	\$ (6,647)

During the six months ended June 30, 2024, we generated \$74.6 million of cash from operations, a \$3.7 million decrease from the six months ended June 30, 2023. Cash flows from operating activities are primarily affected by production volumes and commodity prices, net of the effects of settlements of our derivative contracts, and by changes in working capital. Any interim cash needs are funded by cash on hand, cash flows from operations or borrowings under our Revolving Credit Facility. We typically enter into commodity derivative transactions covering a substantial, but varying, portion of our anticipated future oil production for the next 12 to 24 months. A minimum level of derivative coverage is required by certain debt covenants. See Part I, Item 3, “Quantitative and Qualitative Disclosures about Market Risk.”

One of the primary sources of variability in our cash provided by operating activities is commodity price volatility, which we partially mitigate through the use of commodity derivative contracts. As of June 30, 2024, we had no natural gas derivative contracts. For more information on our outstanding derivatives, see Note 6 (“Derivative Instruments”) to the Condensed Consolidated Financial Statements.

Cash used in investing activities during the six months ended June 30, 2024 was \$69.9 million compared to \$43.3 million during the six months ended June 30, 2023. The \$26.6 million increase was primarily related to development activity by operators on near term development acquisitions made in the past year. Our cash used in investing activities reflects actual cash spending, which can lag several months from when the related costs were accrued. As a result, our actual cash spending is not always reflective of current levels of development activity. Acquisition and development activities are discretionary. We monitor our capital expenditures on a regular basis, adjusting the amount up or down, and between projects, depending on projected commodity prices, cash flows and financial returns. We supplement development activity on our asset base with opportunistic acquisitions of near-term drilling opportunities when development activity by our operators on our existing properties does not meet our development objectives. Our cash spending for acquisition activities was \$19.9 million and \$4.2 million, during the six months ended June 30, 2024 and 2023, respectively.

Cash used in financing activities was \$5.1 million and \$41.6 million during the six months ended June 30, 2024 and 2023, respectively. The cash used in financing activities during the six months ended June 30, 2024 was related to \$31.9 million in dividends paid and the \$6.9 million value of retained shares paid to fund employee tax withholding in connection with the vesting of restricted stock units, which was partially offset by \$34.0 million of net borrowings under our Revolving Credit Facility. During the six months ended June 30, 2023, we had net repayments of \$12.0 million under our Revolving Credit Facility and \$29.0 million in distributions to our equity holders.

Revolving Credit Facility. In connection with the Spin-Off, we entered into the secured Revolving Credit Facility with Wells Fargo Bank, N.A., as administrative agent, and a syndicate of banks, as lenders. The Revolving Credit Facility amended and restated the Prior Revolving Credit Facility. The Revolving Credit Facility will mature on April 29, 2026.

Under the Revolving Credit Facility, we are permitted to make cash distributions without limit to our equity holders if (i) no event of default or borrowing base deficiency (i.e., outstanding debt (including loans and letters of credit) exceeds the borrowing base) then exists or would result from such distribution and (ii) after giving effect to such distribution, (a) our total outstanding credit usage does not exceed 80% of the least of (the following collectively referred to as “Commitments”): (1) \$500 million, (2) our then-effective borrowing base, and (3) the then-effective aggregate amount of the aggregate elected commitments and (b) as of the date of such distribution, the EBITDAX Ratio does not exceed 1.50 to 1.00. If our EBITDAX Ratio does not exceed 2.25 to 1.00, and if our total outstanding credit usage does not exceed 80% of the Commitments, we may also make distributions if our free cash flow (as defined under the Revolving Credit Facility) is greater than \$0 and we have delivered a certificate to our lenders attesting to the foregoing.

See Note 5 (“Credit Facility”) to the Condensed Consolidated Financial Statements for further details regarding the Revolving Credit Facility.

Material Cash Requirements. Our material short-term cash requirements include payments under our short-term lease agreements, recurring payroll and benefits obligations for our employees, capital and operating expenditures and other working capital needs. As commodity prices improve, our working capital requirements may increase as we spend additional capital, increase production and pay larger settlements on our outstanding commodity derivative contracts.

Our long-term material cash requirements from currently known obligations include settlements on our outstanding commodity derivative contracts, future obligations to plug, abandon and remediate our oil and gas properties at the end of their productive lives, and operating lease obligations. We cannot provide specific timing for repayments of outstanding borrowings on our Revolving Credit Facility, or the associated interest payments, as the timing and amount of borrowings and repayments cannot be forecasted with certainty and are based on working capital requirements, commodity prices and acquisition and divestiture activity, among other factors. We cannot provide specific timing for other current and long-term liability obligations where we cannot forecast with certainty the amount and timing of such payments, including asset retirement obligations, as the plugging and abandonment of wells is at the discretion of the operators and any amounts we may be obligated to pay under our derivative contracts, as such payments are dependent on commodity prices in effect at the time of settlement. See Note 4 (“Fair Value Measurements”) to the Condensed Consolidated Financial Statements for further information on these contracts and their fair values as of June 30, 2024, which fair values represent the estimated cash settlement amount required to terminate such instruments based on forward price curves for commodities as of that date.

Dividends. We paid cash dividends to our equity holders of \$31.9 million during the six months ended June 30, 2024. While we believe that our future cash flows from operations will be able to sustain the current level of dividends, future dividends may change based on a variety of factors, including contractual restrictions, legal limitations (the most common of which are limitations set forth in a company’s organizational documents and insolvency), business developments and the judgment of our Board. Future cash dividends to equity holders are subject to the terms of the Revolving Credit Facility, as previously described. There can be no guarantee that we will be able to pay dividends at current levels or at all or otherwise return capital to our investors in the future.

Capital Expenditures. For the six months ended June 30, 2024, total capital expenditures was \$69.8 million, including development expenditures and our acquisition activity. We expect to fund future capital expenditures with cash generated from operations and, if required, borrowings under our Revolving Credit Facility. The foregoing excludes larger acquisitions, which are typically not included in our annual capital expenditures budget. With our cash on hand, cash flow from operations, and borrowing capacity under our Revolving Credit Facility, we believe that we will have sufficient cash flow and liquidity to fund our budgeted capital expenditures and operating expenses for at least the next twelve months. However, we may seek additional access to capital and liquidity including issuing equity or debt securities and extending maturities. We cannot assure you, however, that any additional capital will be available to us on favorable terms or at all. Our capital expenditures could be curtailed if our cash flows decline or we are otherwise unable to access capital or liquidity. Reductions of capital expenditures used to drill and complete new oil and natural gas wells would likely result in lower levels of oil and natural gas production in the future. Our future success in growing proved reserves and production may be dependent on our ability to access outside sources of capital.

The amount, timing and allocation of capital expenditures are largely discretionary and subject to change based on a variety of factors. If oil and natural gas prices decline below our acceptable levels, or costs increase, we may choose to defer a portion of our budgeted capital expenditures until later periods to achieve the desired balance between sources and uses of liquidity and prioritize capital projects that we believe have the highest expected financial returns and potential to generate near-term cash flow. We may also increase our capital expenditures significantly to take advantage of opportunities we consider to be attractive. We will carefully monitor and may adjust our projected capital expenditures in response to success or lack of success in drilling activities, changes in prices, availability of financing and joint venture opportunities, drilling and acquisition costs, industry conditions, the timing of regulatory approvals, the availability of rigs, change in service costs, contractual obligations, internally generated cash flow and other factors both within and outside our control. For additional information on the impact of changing prices and market conditions on our financial position, see Part I. Item 3 Quantitative and Qualitative Disclosures About Market Risk.

Effects of Inflation and Pricing. The oil and natural gas industry is cyclical and the demand for goods and services of oil field companies, suppliers and others associated with the industry put pressure on the economic stability and pricing structure within the industry. Higher prices for oil and natural gas could result in increases in the costs of materials, services and personnel. Typically, as prices for oil and natural gas increase, so do all associated costs. Conversely, in a period of declining prices, associated cost declines are likely to lag and may not adjust downward in proportion. Material changes in prices also impact our revenue stream, estimates of future reserves, borrowing base calculations of bank loans, impairment assessments of oil and natural gas properties, and values of properties in purchase and sale transactions. Such changes can impact the value of oil and natural gas companies and their ability to raise capital, borrow money and retain personnel. Despite these effects of inflation and pricing, we expect to continue generating significant amounts of free cash flow at current commodity price levels.

Critical Accounting Policies and Estimates

We prepare our financial statements and the accompanying notes in conformity with accounting principles generally accepted in the United States, which require management to make estimates and assumptions about future events that affect the reported amounts in the financial statements and the accompanying notes. We identify certain accounting policies and estimates as critical based on, among other things, their impact on our financial condition, results of operations, and the degree of difficulty, subjectivity and complexity in their application. Critical accounting policies and estimates cover accounting matters that are

inherently uncertain because the future resolution of such matters is unknown. Management routinely discusses the development, selection and disclosure of each of the critical accounting policies and estimates.

Our critical accounting policies and estimates are described in “Critical Accounting Policies and Estimates” within Part II, Item 7 “Management's Discussion and Analysis of Financial Condition and Results of Operations” of our Annual Report on Form 10-K for the year ended December 31, 2023. The critical accounting policies and estimates used in preparing our interim condensed consolidated financial statements for the three and six months ended June 30, 2024 are the same as those described in our Annual Report on Form 10-K for the year ended December 31, 2023.

A description of our significant accounting policies is included in Note 2 (“Significant Accounting Policies”) to the Condensed Consolidated Financial Statements set forth in Part I, Item 1.

Recently Issued or Adopted Accounting Pronouncements

For discussion of recently issued or adopted accounting pronouncements, see Note 2 (“Significant Accounting Policies”) to the Condensed Consolidated Financial Statements set forth in Part I, Item 1.

Off Balance Sheet Arrangements

We currently do not have any off-balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Item 3. Quantitative and Qualitative Disclosures about Market Risk**Commodity Price Risk**

The price we receive for our oil and natural gas production heavily influences our revenue, profitability, access to capital and future rate of growth. Oil and natural gas are commodities, and, as a result, their prices are subject to wide fluctuations in response to relatively minor changes in supply and demand and other factors. Historically, the markets for oil and natural gas have been volatile, and we believe these markets will likely continue to be volatile in the future. The prices we receive for our production depend on numerous factors beyond our control. Our revenue generally would have increased or decreased along with any increases or decreases in oil or natural gas prices, but the exact impact on our income is indeterminable given the variety of expenses associated with producing and selling oil that also increase and decrease along with oil prices.

We enter into derivative contracts to achieve a more predictable cash flow by reducing our exposure to commodity price volatility. All derivative positions are carried at their fair value on the balance sheet and are marked-to-market at the end of each period. Any realized gains and losses on settled derivatives, as well as mark-to-market gains or losses, are aggregated and recorded to gain (loss) on derivative instruments, net on the statements of operations rather than as a component of other comprehensive income or other income (expense).

We generally use derivatives to economically hedge a significant, but varying portion of our anticipated future production. Any payments due to counterparties under our derivative contracts are funded by proceeds received from the sale of our production. Production receipts, however, lag payments to the counterparties. Any interim cash needs are funded by cash from operations or borrowings under our Revolving Credit Facility.

The following table summarizes our open crude oil swap contracts as of June 30, 2024, by fiscal quarter.

<u>SETTLEMENT PERIOD</u>	<u>OIL (Bbls)</u>	<u>WEIGHTED AVERAGE PRICE</u>
<i>Swaps-Crude Oil</i>		
2024:		
Q3	507,500	\$ 77.97
Q4	490,000	\$ 78.11
2025:		
Q1	375,000	\$ 73.81
Q2	360,000	\$ 74.65
Q3	90,000	\$ 75.00
Q4	90,000	\$ 75.00

See Note 4 (“Fair Value Measurements”) and Note 6 (“Derivative Instruments”) to the Condensed Consolidated Financial Statements for further details regarding our commodity derivatives, including basis swap contracts for crude oil, which are not included in the foregoing tables. Subsequent to June 30, 2024 additional oil swaps covering 270,000 Bbls at a weighted average price of \$74.88 per Bbl were put in place for calendar year 2025

Based upon our open commodity derivative positions at June 30, 2024, a hypothetical \$1 increase or decrease in the NYMEX WTI strip price would increase or decrease our net commodity derivative position by approximately \$1.9 million. The hypothetical change in fair value could be a gain or a loss depending on whether commodity prices decrease or increase.

Interest Rate Risk

Our long-term debt is composed of borrowings that contain floating interest rates. Our Revolving Credit Facility interest rate is a floating rate option that is designated by us within the parameters established by the underlying agreement. At our option, borrowings under the Revolving Credit Facility bear interest at either an adjusted forward-looking term rate based on SOFR (“Term SOFR”) or an adjusted base rate (“Base Rate”) (the highest of the administrative agent’s prime rate, the Federal Funds Rate plus 0.50% or the 30-day Term SOFR rate plus 1.0%), plus a spread ranging from 1.75% to 2.75% with respect to Base Rate borrowings and 2.75% to 3.75% with respect to Term SOFR borrowings, in each case based on the borrowing base utilization percentage. All outstanding principal is due and payable upon termination of the Revolving Credit Facility. Assuming no change in the amount outstanding, the impact on interest expense of a 1% increase or decrease in the average interest rate would be approximately \$0.5 million increase or decrease in interest expense for the six months ended June 30, 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

In accordance with Rules 13a-15(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2024. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2024 at the reasonable assurance level. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective and management necessarily applies its judgment in evaluating the cost-benefit relationship of all possible controls and procedures.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) that occurred during the second quarter of 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION**Item 1. Legal Proceedings**

From time to time we are subject to legal, administrative and environmental proceedings before various courts, arbitration panels and governmental agencies concerning claims arising in the ordinary course of business. These proceedings include certain contract disputes, additional environmental reviews and investigations, audits and pending judicial matters. Based on our current knowledge, we believe that the amount or range of reasonably possible losses will not, either individually or in the aggregate, materially adversely affect our business, financial condition and results of operations.

The results of any litigation cannot be predicted with certainty, and an unfavorable resolution in any legal proceedings could materially affect our business, financial condition and results of operations. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in Part I, Item 1A. Risk Factors, of our Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**Issuer Purchases of Equity Securities**

In February 2023, our board of directors approved a Stock Repurchase Program authorizing the repurchase of up to \$60 million of our common stock. Under the Stock Repurchase Program, we may repurchase shares of our common stock from time to time in open market transactions or such other means as will comply with applicable rules, regulations and contractual limitations. Our board of directors may limit or terminate the Stock Repurchase Program at any time without prior notice. The extent to which we repurchase shares of our common stock, and the timing of such repurchases, will depend upon market conditions and other considerations as may be considered in our sole discretion.

The table below sets forth the information with respect to purchases made by us or on our behalf, or any “affiliated purchaser” (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock during the three months ended June 30, 2024.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs
April 1, 2024 to April 30, 2024	—	\$ —	—	59.8 million
May 1, 2024 to May 31, 2024	—	—	—	59.8 million
June 1, 2024 to June 30, 2024	—	—	—	59.8 million
Total	—	\$ —	—	\$ 59.8 million

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information**Rule 10b5-1 Trading Arrangements**

During the three months ended June 30, 2024, no director or officer of the Company adopted, modified or terminated any “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” within the meaning of Item 408(a) of Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibit No.	Description	Reference
3.1	Amended and Restated Certificate of Incorporation of Vitesse Energy, Inc.	Incorporated by reference to Exhibit 3.1 to Form 8-K filed January 17, 2023, File No. 001-41546
3.2	Amended and Restated Bylaws of Vitesse Energy, Inc.	Incorporated by reference to Exhibit 3.2 to Form 8-K filed January 17, 2023, File No. 001-41546
10.1	Second Amendment to Second Amended and Restated Credit Agreement dated as of May 20, 2024, among Vitesse Energy, Inc., as borrower, Wells Fargo Bank, N.A., as administrative agent, and the lenders party thereto	Filed herewith.
31.1	Certification of the Chief Executive Officer required by Rule 13a, 14(a) or Rule 15d-14(a)	Filed herewith.
31.2	Certification of the Chief Financial Officer required by Rule 13a, 14(a) or Rule 15d-14(a)	Filed herewith.
32.1	Certification of the Chief Executive Officer and Chief Financial Officer required by Rule 13a, 14(a) or Rule 15d-14(a)	Filed herewith.
101.INS	XBRL Instance Document	Formatted as Inline XBRL and contained in Exhibit 101.
101.SCH	XBRL Schema Document	Furnished herewith.
101.CAL	XBRL Calculation Linkbase Document	Furnished herewith.
101.LAB	XBRL Label Linkbase Document	Furnished herewith.
101.PRE	XBRL Presentation Linkbase Document	Furnished herewith.
101.DEF	XBRL Definition Linkbase Document	Furnished herewith.
104	Cover Page Interactive Data File	Formatted as Inline XBRL and contained in Exhibit 101.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacity and on the dates indicated:

Signature	Title	Date
<u>/s/ Robert W. Gerrity</u> Robert W. Gerrity	Chairman, Chief Executive Officer (Principal Executive Officer)	August 5, 2024
<u>/s/ James P. Henderson</u> James P. Henderson	Chief Financial Officer (Principal Financial and Accounting Officer)	August 5, 2024

Second Amendment to Second Amended and Restated Credit Agreement

This **Second Amendment to Second Amended and Restated Credit Agreement** (this “Second Amendment”), dated as of May 20, 2024 (the “Second Amendment Effective Date”), is among **Vitesse Energy, Inc.**, a Delaware corporation (the “Borrower”); each of the undersigned guarantors (the “Guarantors”, and together with the Borrower, the “Credit Parties”); each of the Lenders that is a signatory hereto; and **Wells Fargo Bank, N.A.**, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the “Administrative Agent”).

Recitals

A. The Borrower, the Administrative Agent and the Lenders are parties to that certain Second Amended and Restated Credit Agreement dated as of January 13, 2023 (as amended, restated, amended and restated, supplemented, or otherwise modified prior to the date hereof, the “Credit Agreement”), pursuant to which the Lenders have, subject to the terms and conditions set forth therein, made certain credit available to and on behalf of the Borrower.

B. The parties have agreed to amend the Credit Agreement as more fully described herein.

C. The Borrower has requested that Capital One, National Association (the “New Lender”) becomes a Lender under the Credit Agreement with a Maximum Credit Amount in the amount shown on Annex I to the Credit Agreement (as amended hereby).

D. The parties hereto desire to enter into this Second Amendment to, among other things, (i) reaffirm the Borrowing Base at \$245,000,000 as set forth in Section 3 hereof, (ii) evidence the increase by the Increasing Lenders (as defined below) of the Aggregate Elected Commitment Amounts as set forth in Section 3 hereof and (iii) amend the Credit Agreement as set forth in Section 2 hereof to be effective as of the Second Amendment Effective Date.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Each capitalized term which is defined in the Credit Agreement, but which is not defined in this Second Amendment, shall have the meaning ascribed to such term in the Credit Agreement, as amended hereby. Unless otherwise indicated, all section references in this Second Amendment refer to sections of the Credit Agreement.

Section 2. Credit Agreement Amendments. In reliance on the representations, warranties, covenants and agreements contained in this Second Amendment, and subject to the satisfaction of the conditions precedent set forth in Section 5 hereof, the Credit Agreement shall be amended effective as of the Second Amendment Effective Date in the manner provided in this Section 2.

2.1 Additional Definitions. Section 1.02 of the Credit Agreement is hereby amended to add thereto in the appropriate alphabetical order the following definitions which shall read in full as follows:

“Second Amendment” means that certain Second Amendment to Second Amended and Restated Credit Agreement dated as of the Second Amendment Effective Date among the Borrower, the Guarantors party thereto, the Administrative Agent and the Lenders party thereto.

“Second Amendment Effective Date” means May 20, 2024.

2.2 Amended Definition. The following definition contained in Section 1.02 of the Credit Agreement is hereby amended and restated in its entirety to read in full as follows:

“Loan Documents” means this Agreement, the First Amendment, the Second Amendment, the Notes, the Letter of Credit Agreements, any Fee Letter, the Letters of Credit, the Security Instruments and any other document identified as a “Loan Document” delivered in connection with this Agreement from time to time, in each case, as the same may be amended, modified, supplemented or restated from time to time.

2.3 Replacement of Annex I to Credit Agreement. Annex I to the Credit Agreement is hereby amended and restated in its entirety in the form of Annex I attached hereto and Annex I attached hereto shall be deemed to be attached as Annex I to the Credit Agreement. Immediately after giving effect to this Second Amendment, (a) each Lender (including the New Lender) who holds Loans in an aggregate amount less than its Applicable Percentage (immediately after giving effect to this Second Amendment) of all Loans shall advance new Loans which shall be disbursed to the Administrative Agent and used to repay Loans outstanding to each Lender who holds Loans in an aggregate amount greater than its Applicable Percentage (immediately after giving effect to this Second Amendment) of all Loans, (b) each Lender’s (including the New Lender’s) participation in each Letter of Credit, if any, shall be automatically adjusted to equal its Applicable Percentage (immediately after giving effect to this Second Amendment), (c) such other adjustments shall be made as the Administrative Agent shall reasonably specify so that the Revolving Credit Exposure applicable to each Lender (including the New Lender) equals its Applicable Percentage (immediately after giving effect to this Second Amendment) of the aggregate Revolving Credit Exposures of all Lenders, and (d) upon the written request by any applicable Lender, the Borrower shall be required to make any break funding payments owing to such Lender under Section 5.02 of the Credit Agreement (as in effect immediately prior to the Second Amendment Effective Date) as a result of the reallocation of the Loans and the other adjustments described in this Section 2.3.

Section 3. Borrowing Base Reaffirmation and Aggregate Elected Commitment Amounts. In reliance on the representations, warranties, covenants and agreements contained in this Second Amendment, and subject to the satisfaction (or waiver in accordance with Section 12.02 of the Credit Agreement) of the conditions precedent set forth in Section 5 hereof, the Administrative Agent and the Lenders party hereto agree that the Borrowing Base is hereby

reaffirmed at \$245,000,000, and the Borrowing Base shall remain at \$245,000,000 until the next Scheduled Redetermination, Interim Redetermination or other adjustment of the Borrowing Base thereafter, whichever occurs first pursuant to the terms of the Credit Agreement. The Borrower and the Lenders acknowledge that the redetermination of the Borrowing Base provided for in this Section 3 shall constitute the Scheduled Redetermination of the Borrowing Base scheduled to occur on or about April 1, 2024 for purposes of Section 2.07(b) of the Credit Agreement. This Second Amendment constitutes a New Borrowing Base Notice delivered pursuant to Section 2.07(d) of the Credit Agreement with respect to the Borrowing Base reaffirmation provided for in this Section 3. Notwithstanding anything to the contrary in Section 2.06(c) of the Credit Agreement, the Administrative Agent, the Lenders party hereto (including the Increasing Lenders) and the Borrower agree that the Aggregate Elected Commitment Amounts are hereby increased from \$210,000,000 to \$245,000,000 to be effective as of the Second Amendment Effective Date and such increase shall be deemed to be in conformity with Section 2.06(c) of the Credit Agreement, and that each Lender (including the New Lender) has the Elected Commitment set forth opposite such Lender's name on Annex I attached hereto. As used herein, "Increasing Lender" means each Lender (including the New Lender) whose Commitment immediately after giving effect to this Second Amendment exceeds such Lender's Commitment, if any, that was in effect immediately prior to giving effect to this Second Amendment and "Increased Commitment" means the amount of such excess.

Section 4. New Lender. The New Lender hereby joins in, becomes a party to, and agrees to comply with and be bound by the terms and conditions of the Credit Agreement as a Lender thereunder and under each and every other Loan Document to which any Lender is required to be bound by the Credit Agreement, to the same extent as if the New Lender were an original signatory thereto. The New Lender hereby appoints and authorizes the Administrative Agent to take such action as the Administrative Agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto. The New Lender represents and warrants that (a) it has full power and authority, and has taken all action necessary, to execute and deliver this Second Amendment, to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (b) it has received a copy of the Credit Agreement and copies of the most recent financial statements delivered pursuant to Section 8.01 thereof, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Second Amendment and to become a Lender on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (c) from and after the Second Amendment Effective Date, it shall be a party to and be bound by the provisions of the Credit Agreement and the other Loan Documents and have the rights and obligations of a Lender thereunder.

Section 5. Conditions Precedent. The effectiveness of this Second Amendment is subject to the following:

1.1 The Administrative Agent shall have received executed counterparts of this Second Amendment from the Credit Parties and the Required Lenders (including the New Lender).

1.2 Fees. The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Second Amendment Effective Date, including upfront fees for the account of each Increasing Lender in an amount equal to thirty-five basis points (0.35%) of such Increasing Lender's Increased Commitment as of the Second Amendment Effective Date.

1.3 Notes. The Administrative Agent shall have received duly executed Notes (or any amendment and restatement thereof, as the case may be and if applicable) payable to each Lender (including the New Lender) requesting a Note (or amendment and restatement thereof, as the case may be and if applicable) in a principal amount equal to its Maximum Credit Amount (as amended hereby) dated as of the Second Amendment Effective Date.

5.1 The Administrative Agent shall have received such other documents as the Administrative Agent or counsel to the Administrative Agent may reasonably request.

Section 6. Miscellaneous.

6.1 Confirmation and Effect. The provisions of the Credit Agreement (as amended by this Second Amendment) shall remain in full force and effect in accordance with its terms following the effectiveness of this Second Amendment, and this Second Amendment shall not constitute a waiver of any provision of the Credit Agreement or any other Loan Document. Each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import shall mean and be a reference to the Credit Agreement as amended hereby, and each reference to the Credit Agreement in any other document, instrument or agreement executed and/or delivered in connection with the Credit Agreement shall mean and be a reference to the Credit Agreement as amended hereby.

6.2 Ratification and Affirmation of Credit Parties. Each of the Credit Parties hereby expressly (i) acknowledges the terms of this Second Amendment, (ii) acknowledges, renews and affirms its continued liability under the Guarantee and Collateral Agreement and the other Loan Documents to which it is a party, (iii) represents and warrants to the Lenders and the Administrative Agent that each representation and warranty of such Credit Party contained in the Credit Agreement and the other Loan Documents to which it is a party is true and correct as of the date hereof and after giving effect to the amendments set forth in Section 2 hereof except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date hereof, such representations and warranties shall continue to be true and correct as of such specified earlier date, (iv) represents and warrants to the Lenders and the Administrative Agent that the execution, delivery and performance by such Credit Party of this Second Amendment are within such Credit Party's corporate or limited liability company powers (as applicable), have been duly authorized by all necessary action and that this Second Amendment constitutes the valid and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditor's rights generally, and (v) represents and warrants to

the Lenders and the Administrative Agent that, after giving effect to this Second Amendment, no Event of Default exists.

6.3 Counterparts; Electronic Execution.

(a) This Second Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of this Second Amendment by fax or electronic (e.g. pdf) transmission shall be effective as delivery of a manually executed original counterpart hereof.

(b) The words “execute,” “execution,” “signed,” “signature,” “delivery” and words of like import in or related to this Second Amendment or the transactions contemplated hereby shall be deemed to include Electronic Signatures or execution in the form of an Electronic Record, and contract formations on electronic platforms approved by the Administrative Agent, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

6.4 No Oral Agreement. THIS SECOND AMENDMENT, THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT UNWRITTEN ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

6.5 Governing Law. THIS SECOND AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

6.6 Payment of Expenses. The Borrower agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with this Second Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent.

6.7 Severability. Any provision of this Second Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

6.8 Successors and Assigns. This Second Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

[Signature Pages Follow.]

6

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The parties hereto have caused this Second Amendment to be duly executed as of the day and year first above written.

BORROWER: VITESSE ENERGY, INC.,

a Delaware corporation

By: /s/ James Henderson

Name: James Henderson

Title: Chief Financial Officer

GUARANTORS: VITESSE ENERGY, LLC,

a Delaware limited liability company

By: /s/ James Henderson

Name: James Henderson

Title: Chief Financial Officer

VITESSE OIL, LLC,

a Delaware limited liability company

By: /s/ James Henderson

Name: James Henderson

Title: Chief Financial Officer

VITESSE OIL, INC.,

a Delaware corporation

By: /s/ James Henderson

Name: James Henderson

Title: Chief Financial Officer

VITESSE MANAGEMENT COMPANY, LLC,

a Delaware limited liability company

By: /s/ James Henderson

Name: James Henderson

Title: Chief Financial Officer

WELLS FARGO BANK, N.A.,
as Administrative Agent and as a Lender

By: /s/ Zachery Kramer
Name: Zachery Kramer
Title: Executive Director

[Signature Page to Second Amendment to Credit Agreement – Vitesse Energy, Inc.]

FIFTH THIRD BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/Jonathan Lee
Name: Jonathan Lee
Title: Managing Director

[Signature Page to Second Amendment to Credit Agreement – Vitesse Energy, Inc.]

BOKF, NA,
as a Lender

By: /s/ Brandon Starr
Name: Brandon Starr
Title: Vice President

[Signature Page to Second Amendment to Credit Agreement – Vitesse Energy, Inc.]

BANK OF AMERICA, N.A.,
as a Lender

By: /s/Kimberly Miller
Name: Kimberly Miller
Title: Director

[Signature Page to Second Amendment to Credit Agreement – Vitesse Energy, Inc.]

CAPITAL ONE, NATIONAL ASSOCIATION,
as a New Lender

By: /s/ Christopher Kuna
Name: Christopher Kuna
Title: Senior Director

[Signature Page to Second Amendment to Credit Agreement – Vitesse Energy, Inc.]

ZIONS BANCORPORATION, N.A. dba AMEGY BANK,
as a Lender

By: /s/ Kathlin Ardell
Name: Kathlin Ardell
Title: Senior Vice President

[Signature Page to Second Amendment to Credit Agreement – Vitesse Energy, Inc.]

ANNEX I

LIST OF MAXIMUM CREDIT AMOUNTS AND ELECTED COMMITMENTS

Name of Lender	Applicable Percentage	Elected Commitment	Maximum Credit Amount
Wells Fargo Bank, N.A.	23.469387755%	\$57,500,000.00	\$117,346,938.78
Fifth Third Bank, National Association	23.469387755%	\$57,500,000.00	\$117,346,938.78
BOKF, NA	16.326530613%	\$40,000,000.00	\$81,632,653.06
Bank of America, N.A.	13.265306122%	\$32,500,000.00	\$66,326,530.61
Capital One, National Association	13.265306122%	\$32,500,000.00	\$66,326,530.61
Zions Bancorporation, N.A. dba Amegy Bank	10.204081633%	\$25,000,000.00	\$51,020,408.16
Total	100.000000000%	\$245,000,000.00	\$500,000,000.00

Annex I

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Robert W. Gerrity, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vitesse Energy, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 5, 2024

/s/ Robert W. Gerrity

Robert W. Gerrity
Chairman and Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, James P. Henderson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vitesse Energy, Inc.(the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 5, 2024

/s/ James P. Henderson

James P. Henderson
Chief Financial Officer

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
UNDER SECTION 906 OF THE
SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the Quarterly Report on Form 10-Q of Vitesse Energy, Inc. (the "Company") for the quarterly period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Robert W. Gerrity, Chief Executive Officer of the Company, and James P. Henderson, Chief Financial Officer of the Company, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2024 /s/ Robert W. Gerrity
Robert W. Gerrity
Chairman and Chief Executive Officer

Date: August 5, 2024 /s/ James P. Henderson
James P. Henderson
Chief Financial Officer