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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2023
OR

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________to _________
Commission File Number 001-19514

Gulfport Energy Corporation
(Exact Name of Registrant As Specified in Its Charter)

Delaware	**86-3684669**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification Number)
713 Market Drive	
Oklahoma City, Oklahoma	**73114**
(Address of Principal Executive Offices)	(Zip Code)

(405) 252-4600
(Registrant Telephone Number, Including Area Code)

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, $0.0001 par value per share	GPOR	The 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 ý No ¨

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes ý No ¨

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

Large Accelerated filer ý Accelerated filer ¨ Non-accelerated filer ¨
Smaller reporting company ☐ Emerging growth company ☐

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

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.
Yes ý No ¨

As of April 26, 2023, 18,531,707 shares of the registrant's common stock were outstanding.

GULFPORT ENERGY CORPORATION
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DEFINITIONS

Unless the context otherwise indicates, references to "us," "we," "our," "ours," "Gulfport," the "Company" and "Registrant" refer to Gulfport Energy Corporation and its consolidated subsidiaries. All monetary values, other than per unit and per share amounts, are stated in thousands of U.S. dollars unless otherwise specified. In addition, the following are other abbreviations and definitions of certain terms used within this Quarterly Report on Form 10-Q:

1145 Indenture. Agreement dated May 17, 2021 between the Company, UMB Bank, National Association, as trustee, and the guarantors party thereto, under section 1145 of the Bankruptcy Code for our 8.0% Senior Notes due 2026.

2026 Senior Notes. 8.0% Senior Notes due 2026.

4(a)(2) Indenture. Certain eligible holders have made an election entitling such holders to receive senior notes issued pursuant to an indenture, dated as of May 17, 2021, by and among the Company, UMB Bank, National Association, as trustee, and the guarantors party thereto, under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act") as opposed to its share of the up to $550 million aggregate principal amount of our Senior Notes due 2026. The 4(a)(2) Indenture's terms are substantially similar to the terms of the 1145 Indenture. The primary differences between the terms of the 4(a)(2) Indenture and the terms of the 1145 Indenture are that (i) affiliates of the Issuer holding 4(a)(2) Notes are permitted to vote in determining whether the holders of the required principal amount of indenture securities have concurred in any direction or consent under the 4(a)(2) Indenture, while affiliates of the Issuer holding 1145 Notes will not be permitted to vote on such matters under the 1145 Indenture, (ii) the covenants of the 1145 Indenture (other than the payment covenant) require that the Issuer comply with the covenants of the 4(a)(2) Indenture, as amended, and (iii) the 1145 Indenture requires that the 1145 Securities be redeemed pro rata with the 4(a)(2) Securities and that the 1145 Indenture be satisfied and discharged if the 4(a)(2) Indenture is satisfied and discharged.

ASC. Accounting Standards Codification.

Bbl. One stock tank barrel, or 42 U.S. gallons liquid volume, used herein in reference to crude oil or other liquid hydrocarbons.

Board of Directors (Board). The board of directors of Gulfport Energy Corporation.

Btu. British thermal unit, which represents the amount of energy needed to heat one pound of water by one degree Fahrenheit and can be used to describe the energy content of fuels.

Completion. The process of treating a drilled well followed by the installation of permanent equipment for the production of natural gas, oil and NGL.

Credit Facility. The Existing Credit Facility, as amended by the Borrowing Base Redetermination Agreement and Second Amendment to Credit Agreement dated as of October 31, 2022.

DD&A. Depreciation, depletion and amortization.

Disputed Claims Reserve. Reserve used to settle any pending claims of unsecured creditors that were in dispute as of the effective date of the Plan.

Emergence Date. Gulfport filed for voluntary reorganization under Chapter 11 of the Bankruptcy Code on November 13, 2020, and subsequently operated as a debtor-in-possession, in accordance with applicable provisions of the Bankruptcy Code, until its emergence on May 17, 2021.

Existing Credit Facility. The Third Amended and Restated Credit Agreement with JPMorgan Chase Bank, N.A. as administrative agent and various lender parties, providing for a new money senior secured reserve-based revolving credit facility effective as of October 14, 2021, as amended to date.

GAAP. Accounting principles generally accepted in the United States of America.

Gross Acres or Gross Wells. Refers to the total acres or wells in which a working interest is owned.

Guarantors. All existing consolidated subsidiaries that guarantee the Company's Credit Facility or certain other debt.

Incentive Plan. Gulfport Energy Corporation Stock Incentive Plan effective on the Emergence Date.

Indentures. Collectively, the 1145 Indenture and the 4(a)(2) Indenture governing the 2026 Senior Notes.

IRC. The Internal Revenue Code of 1986, as amended.

LIBOR. London Interbank Offered Rate.

LOE. Lease operating expenses.

Marcellus. Refers to the Marcellus Play that includes the hydrocarbon bearing rock formations commonly referred to as the Marcellus formation located in the Appalachian Basin of the United States and Canada. Our acreage is located primarily in Belmont County in eastern Ohio.

MBbl. One thousand barrels of crude oil, condensate or natural gas liquids.

Mcf. One thousand cubic feet of natural gas.

Mcfe. One thousand cubic feet of natural gas equivalent, with one barrel of NGL and crude oil being equivalent to 6,000 cubic feet of natural gas.

MMBtu. One million British thermal units.

MMcf. One million cubic feet of natural gas.

MMcfe. One million cubic feet of natural gas equivalent, with one barrel of NGL and crude oil being equivalent to 6,000 cubic feet of natural gas.

Natural Gas Liquids (NGL). Hydrocarbons in natural gas that are separated from the gas as liquids through the process of absorption, condensation, adsorption or other methods in gas processing or cycling plants. Natural gas liquids primarily include ethane, propane, butane, isobutene, pentane, hexane and natural gasoline.

Net Acres or Net Wells. Refers to the sum of fractional working interests owned in gross acres or gross wells.

NYMEX. New York Mercantile Exchange.

Parent. Gulfport Energy Corporation.

Plan. The Amended Joint Chapter 11 Plan of Reorganization of Gulfport Energy Corporation and Its Debtor Subsidiaries.

Repurchase Program. A stock repurchase program to acquire up to $400 million of Gulfport's outstanding common stock. It is authorized to extend through March 31, 2024, and may be suspended from time to time, modified, extended or discontinued by the Board of Directors at any time.

SCOOP. Refers to the South Central Oklahoma Oil Province, a term used to describe a defined area that encompasses many of the top hydrocarbon producing counties in Oklahoma within the Anadarko basin. The SCOOP play mainly targets the Devonian to Mississippian aged Woodford, Sycamore and Springer formations. Our acreage is primarily in Garvin, Grady and Stephens Counties.

SEC. The United States Securities and Exchange Commission.

Section 382. Internal Revenue Code Section 382.

SOFR. Secured Overnight Financing Rate.

Successor. The post-emergence from bankruptcy reorganized organization for periods subsequent to May 17, 2021.

Utica. Refers to the Utica Play that includes the hydrocarbon bearing rock formations commonly referred to as the Utica formation located in the Appalachian Basin of the United States and Canada. Our acreage is located primarily in Belmont, Harrison, Jefferson and Monroe Counties in eastern Ohio.

Working Interest (WI). The operating interest which gives the owner the right to drill, produce and conduct operating activities on the property and a share of production.

WTI. Refers to West Texas Intermediate.

Cautionary Note Regarding Forward-Looking Statements

This Form 10-Q may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995, that are subject to risks and uncertainties. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In some cases, you can identify forward looking statements by terms such as “may,” “will,” “should,” “could,” “would,” “expects,” “plans,” “anticipates,” “intends,” “believes,” “estimates,” “projects,” “predicts,” “potential” and similar expressions intended to identify forward-looking statements. All statements, other than statements of historical facts, included in this Form 10-Q that address activities, events or developments that we expect or anticipate will or may occur in the future, including the expected impact of the war in Ukraine on our business, our industry and the global economy, estimated future net revenues from oil and gas reserves and the present value thereof, future capital expenditures (including the amount and nature thereof), share repurchases, business strategy and measures to implement strategy, competitive strength, goals, expansion and growth of our business and operations, plans, references to future success, reference to intentions as to future matters and other such matters are forward-looking statements.

These forward-looking statements are largely based on our expectations and beliefs concerning future events, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control.

Although we believe our estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management's assumptions about future events may prove to be inaccurate. Management cautions all readers that the forward-looking statements contained in this Form 10-Q are not guarantees of future performance, and we cannot assure any reader that those statements will be realized or the forward-looking events and circumstances will occur. Actual results may differ materially from those anticipated or implied in the forward-looking statements due to the factors listed in Item 1A. “Risk Factors” and Item 7. “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” in our Annual Report on Form 10-K for the year ended December 31, 2022 and elsewhere in this Form 10-Q. All forward-looking statements speak only as of the date of this Form 10-Q.

All forward-looking statements, expressed or implied, included in this Quarterly Report 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.

Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this Quarterly Report.

We may use the Investors section of our website (www.gulfportenergy.com) to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. The information on our website is not part of this Quarterly Report on Form 10-Q.

GULFPORT ENERGY CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 3,460	$ 7,259
Accounts receivable—oil, natural gas, and natural gas liquids sales	119,863	278,404
Accounts receivable—joint interest and other	23,315	21,478
Prepaid expenses and other current assets	6,388	7,621
Short-term derivative instruments	137,869	87,508
Total current assets	290,895	402,270
Property and equipment:		
Oil and natural gas properties, full-cost method		
Proved oil and natural gas properties	2,564,378	2,418,666
Unproved properties	183,456	178,472
Other property and equipment	7,174	6,363
Total property and equipment	2,755,008	2,603,501
Less: accumulated depletion, depreciation and amortization	(625,019)	(545,771)
Total property and equipment, net	2,129,989	2,057,730
Other assets:		
Long-term derivative instruments	62,834	26,525
Operating lease assets	23,682	26,713
Other assets	19,739	21,241
Total other assets	106,255	74,479
Total assets	$ 2,527,139	$ 2,534,479
Liabilities, Mezzanine Equity and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 378,037	$ 437,384
Short-term derivative instruments	80,858	343,522
Current portion of operating lease liabilities	12,583	12,414
Total current liabilities	471,478	793,320
Non-current liabilities:		
Long-term derivative instruments	90,044	118,404
Asset retirement obligation	32,851	33,171
Non-current operating lease liabilities	11,099	14,299
Long-term debt	549,210	694,155
Total non-current liabilities	683,204	860,029
Total liabilities	$ 1,154,682	$ 1,653,349
Commitments and contingencies (Note 9)		
Mezzanine Equity:		
Preferred stock - $0.0001 par value, 110.0 thousand shares authorized, 52.3 thousand issued and outstanding at March 31, 2023, and 52.3 thousand issued and outstanding at December 31, 2022	52,295	52,295
Stockholders' Equity:		
Common stock - $0.0001 par value, 42.0 million shares authorized, 18.6 million issued and outstanding at March 31, 2023, and 19.1 million issued and outstanding at December 31, 2022	2	2
Additional paid-in capital	419,024	449,243
Common stock held in reserve, 62 thousand shares at March 31, 2023, and 62 thousand shares at December 31, 2022	(1,996)	(1,996)
Retained earnings	903,619	381,872
Treasury stock, at cost - 6.1 thousand shares at March 31, 2023, and 3.9 thousand shares at December 31, 2022	(487)	(286)
Total stockholders' equity	$ 1,320,162	$ 828,835
Total liabilities, mezzanine equity and stockholders' equity	$ 2,527,139	$ 2,534,479

See accompanying notes to consolidated financial statements.

GULFPORT ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
REVENUES:		
Natural gas sales	$ 282,534	$ 405,212
Oil and condensate sales	30,714	30,239
Natural gas liquid sales	39,912	45,284
Net gain (loss) on natural gas, oil and NGL derivatives	378,061	(788,551)
Total revenues	731,221	(307,816)
OPERATING EXPENSES:		
Lease operating expenses	19,862	17,644
Taxes other than income	10,695	12,468
Transportation, gathering, processing and compression	87,617	84,792
Depreciation, depletion and amortization	79,094	62,284
General and administrative expenses	8,733	7,105
Restructuring costs	1,869	—
Accretion expense	764	692
Total operating expenses	208,634	184,985
INCOME (LOSS) FROM OPERATIONS	522,587	(492,801)
OTHER (INCOME) EXPENSE:		
Interest expense	13,756	13,984
Other, net	(14,223)	(14,810)
Total other (income) expense	(467)	(826)
INCOME (LOSS) BEFORE INCOME TAXES	523,054	(491,975)
Income tax expense	—	—
NET INCOME (LOSS)	$ 523,054	$ (491,975)
Dividends on preferred stock	(1,307)	(1,447)
Participating securities - preferred stock	(86,221)	—
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 435,526	$ (493,422)
NET INCOME (LOSS) PER COMMON SHARE:		
Basic	$ 23.08	$ (23.23)
Diluted	$ 22.90	$ (23.23)
Weighted average common shares outstanding—Basic	18,868	21,242
Weighted average common shares outstanding—Diluted	19,049	21,242

See accompanying notes to consolidated financial statements.

GULFPORT ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net income (loss)	$ 523,054	$ (491,975)
Foreign currency translation adjustment	—	—
Other comprehensive income	—	—
Comprehensive income (loss)	$ 523,054	$ (491,975)

See accompanying notes to consolidated financial statements.

GULFPORT ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(In thousands)
(Unaudited)

	Common Stock		Common Stock Held in Reserve						
	Shares	Amount	Shares	Amount	Treasury Stock	Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
Balance at January 1, 2022	21,537	$ 2	(938)	$ (30,216)	$ —	$ 692,521	$ —	$ (112,829)	$ 549,478
Net loss	—	—	—	—	—	—	—	(491,975)	(491,975)
Conversion of preferred stock	1	—	—	—	—	18	—	—	18
Stock compensation	—	—	—	—	—	1,755	—	—	1,755
Repurchase of common stock under Repurchase Program	(378)	—	—	—	(5,318)	(30,194)	—	—	(35,512)
Issuance of common stock held in reserve	—	—	876	28,220	—	—	—	—	28,220
Issuance of restricted stock, net of shares withheld for income taxes	2	—	—	—	—	(80)	—	—	(80)
Dividends on preferred stock	—	—	—	—	—	(1,447)	—	—	(1,447)
Balance at March 31, 2022	21,162	$ 2	(62)	$ (1,996)	$ (5,318)	$ 662,573	$ —	$ (604,804)	$ 50,457

	Common Stock		Common Stock Held in Reserve						
	Shares	Amount	Shares	Amount	Treasury Stock	Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
Balance at January 1, 2023	19,097	$ 2	(62)	$ (1,996)	$ (286)	$ 449,243	$ —	$ 381,872	$ 828,835
Net income	—	—	—	—	—	—	—	523,054	523,054
Stock compensation	—	—	—	—	—	3,069	—	—	3,069
Repurchase of common stock under Repurchase Program	(457)	—	—	—	(201)	(33,001)	—	—	(33,202)
Issuance of restricted stock, net of shares withheld for income taxes	3	—	—	—	—	(287)	—	—	(287)
Dividends on preferred stock	—	—	—	—	—	—	—	(1,307)	(1,307)
Balance at March 31, 2023	18,643	$ 2	(62)	$ (1,996)	$ (487)	$ 419,024	$ —	$ 903,619	$ 1,320,162

See accompanying notes to consolidated financial statements.

GULFPORT ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Cash flows from operating activities:		
Net income (loss)	$ 523,054	$ (491,975)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depletion, depreciation and amortization	79,094	62,284
Net (gain) loss on derivative instruments	(378,061)	788,551
Net cash receipts (payments) on settled derivative instruments	367	(125,046)
Other, net	4,842	2,690
Changes in operating assets and liabilities, net	74,759	17,192
Net cash provided by operating activities	304,055	253,696
Cash flows from investing activities:		
Additions to oil and natural gas properties	(130,400)	(80,271)
Proceeds from sale of oil and natural gas properties	2,463	—
Other, net	(644)	(7)
Net cash used in investing activities	(128,581)	(80,278)
Cash flows from financing activities:		
Principal payments on Credit Facility	(313,000)	(456,000)
Borrowings on Credit Facility	168,000	317,000
Debt issuance costs and loan commitment fees	(7)	(61)
Dividends on preferred stock	(1,307)	(1,447)
Repurchase of common stock under Repurchase Program	(32,672)	(30,192)
Other, net	(287)	(80)
Net cash used in financing activities	(179,273)	(170,780)
Net (decrease) increase in cash, cash equivalents and restricted cash	(3,799)	2,638
Cash, cash equivalents and restricted cash at beginning of period	7,259	3,260
Cash, cash equivalents and restricted cash at end of period	$ 3,460	$ 5,898

See accompanying notes to consolidated financial statements.

GULFPORT ENERGY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. BASIS OF PRESENTATION

Description of Company

Gulfport Energy Corporation (the "Company" or "Gulfport") is an independent natural gas-weighted exploration and production company focused on the production of natural gas, crude oil and NGL in the United States. The Company's principal properties are located in eastern Ohio targeting the Utica and Marcellus and in central Oklahoma targeting the SCOOP Woodford and Springer formations.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Gulfport were prepared in accordance with GAAP and the rules and regulations of the SEC.

This Quarterly Report on Form 10-Q (this "Form 10-Q") relates to the financial position and periods as of and for the three months ended March 31, 2023, and the three months ended March 31, 2022. The Company's annual report on Form 10-K for the year ended December 31, 2022, should be read in conjunction with this Form 10-Q. The accompanying unaudited consolidated financial statements reflect all normal recurring adjustments which, in the opinion of management, are necessary for a fair statement of our condensed consolidated financial statements and accompanying notes and include the accounts of our wholly-owned subsidiaries. Intercompany accounts and balances have been eliminated. The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consisted of the following at March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023	December 31, 2022
Revenue payable and suspense	$ 195,318	$ 222,721
Accounts payable	55,417	37,807
Accrued capital expenditures	50,972	36,464
Accrued transportation, gathering, processing and compression	30,754	56,138
Accrued contract rejection damages and shares held in reserve	1,996	40,996
Other accrued liabilities	43,580	43,258
Total accounts payable and accrued liabilities	$ 378,037	$ 437,384

Other, net (in thousands)

Other, net in the Company's consolidated statements of operations for the three months ended March 31, 2023, included $17.8 million related to the interim TC claim distribution as discussed in Note 9. The timing and amount of any future distributions to Gulfport are not certain, and the total amount will be impacted by the liquidating trust's distributions and resolution of other remaining bankruptcy claims. Additionally, as discussed in Note 9, Other, net includes a $1 million cash payment to satisfy the Rover administrative claim.

Other, net in the Company's consolidated statements of operations for the three months ended March 31, 2022, included $11.5 million related to the initial TC claim distribution as discussed in Note 9.

Supplemental Cash Flow and Non-Cash Information (in thousands)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Supplemental disclosure of cash flow information:		
Interest payments, net of amounts capitalized	$ 2,353	$ 2,110
Changes in operating assets and liabilities:		
Decrease in accounts receivable - oil and natural gas sales	$ 158,541	$ 25,985
Increase in accounts receivable - joint interest and other	(1,837)	(17,722)
(Decrease) increase in accounts payable and accrued liabilities	(82,671)	2,135
Decrease in prepaid expenses	764	6,811
Increase in other assets	(38)	(17)
Total changes in operating assets and liabilities	$ 74,759	$ 17,192
Supplemental disclosure of non-cash transactions:		
Capitalized stock-based compensation	$ 864	$ 597
Asset retirement obligation capitalized	$ —	$ 16
Asset retirement obligation removed due to divestiture	$ (919)	$ —
Release of common stock held in reserve	$ —	$ 28,220
Interest capitalized	$ 824	$ —

2. PROPERTY AND EQUIPMENT

The major categories of property and equipment and related accumulated DD&A as of March 31, 2023 and December 31, 2022, are as follows (in thousands):

	March 31, 2023	December 31, 2022
Proved oil and natural gas properties	$ 2,564,378	$ 2,418,666
Unproved properties	183,456	178,472
Other depreciable property and equipment	6,788	5,977
Land	386	386
Total property and equipment	2,755,008	2,603,501
Accumulated DD&A	(625,019)	(545,771)
Property and equipment, net	$ 2,129,989	$ 2,057,730

Under the full cost method of accounting, the Company is required to perform a ceiling test each quarter. The test determines a limit, or ceiling, on the book value of the Company's oil and natural gas properties. At March 31, 2023 and 2022, the net book value of the Company's oil and gas properties was below the calculated ceiling. As a result, the Company did not record an impairment of its oil and natural gas properties for the three months ended March 31, 2023 or 2022.

Certain general and administrative costs are capitalized to the full cost pool and represent management's estimate of costs incurred directly related to exploration and development activities. All general and administrative costs not capitalized are charged to expense as they are incurred. Capitalized general and administrative costs were approximately $5.1 million and $4.7 million for the three months ended March 31, 2023 and 2022, respectively.

The Company evaluates the costs excluded from its amortization calculation at least annually. Individually insignificant unevaluated properties are grouped for evaluation and periodically transferred to evaluated properties over a timeframe consistent with their expected development schedule.

The following table summarizes the Company's non-producing properties excluded from amortization by area as of March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023	December 31, 2022
Utica	$ 153,435	$ 147,370
SCOOP	30,021	31,102
Total unproved properties	$ 183,456	$ 178,472

Asset Retirement Obligation

The following table provides a reconciliation of the Company's asset retirement obligation for the three months ended March 31, 2023 and 2022 (in thousands):

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Asset retirement obligation, beginning of period	$ 33,171	$ 28,264
Liabilities incurred	—	16
Liabilities settled	(165)	—
Liabilities removed due to divestitures	(919)	—
Accretion expense	764	692
Total asset retirement obligation as of end of period	$ 32,851	$ 28,972

3. DEBT

Debt consisted of the following items as of March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023	December 31, 2022
8.0% senior unsecured notes due 2026	$ 550,000	$ 550,000
Credit Facility due 2025	—	145,000
Net unamortized debt issuance costs	(790)	(845)
Total debt, net	549,210	694,155
Less: current maturities of long-term debt	—	—
Total long-term debt, net	$ 549,210	$ 694,155

Credit Facility

On October 14, 2021, the Company entered into the Existing Credit Facility with JPMorgan Chase Bank, N.A., as administrative agent, and various lender parties. The Existing Credit Facility provided for an aggregate maximum principal amount of up to $1.5 billion, an initial borrowing base of $850 million and an initial aggregate elected commitment amount of $700 million. The Existing Credit Facility also provides for a $175.0 million sublimit of the aggregate commitments that is available for the issuance of letters of credit. The Credit Facility matures October 14, 2025.

The borrowing base is redetermined semiannually on or around May 1 and November 1 of each year.

On May 2, 2022, the Company completed its semi-annual borrowing base redetermination and entered into the Amendment to Borrowing Base Redetermination Agreement and First Amendment to our Credit Agreement, which amended the Existing Credit Facility. The amendment, among other things, (a) increased the borrowing base under the Credit Facility from $850 million to $1.0 billion with the elected commitments remaining at $700 million, (b) amended certain covenants related to hedging to ease certain requirements and limitations, (c) amended the covenants governing restricted payments to (i) increased the Net Leverage Ratio allowing unlimited restricted payments from 1.00 to 1.00 to 1.25 to 1.00 and (ii) permitted additional restricted payments to redeem preferred equity until December 31, 2022, provided certain leverage, no event of default or borrowing base deficiency and availability tests were met, and (d) provided for the transition from a LIBOR to a SOFR benchmark, with a 10 basis point credit spread adjustment for all tenors.

On October 31, 2022, the Company completed its semi-annual borrowing base redetermination and entered into the Borrowing Base Reaffirmation Agreement and Second Amendment to our Credit Agreement ("Amendment"), which amended the Existing Credit Facility (as amended, the "Credit Facility"). The Amendment, among other things, reconfirmed the borrowing base under the Credit Facility at $1.0 billion and the elected commitments at $700 million.

On May 1, 2023, the Company completed its semi-annual Credit Facility borrowing base redetermination as discussed in Note 15.

The Credit Facility bears interest at a rate equal to, at the Company's election, either (a) SOFR benchmark plus an applicable margin that varies from 2.75% to 3.75% per annum or (b) a base rate plus an applicable margin that varies from 1.75% to 2.75% per annum, based on borrowing base utilization. The Company is required to pay a commitment fee of 0.50% per annum on the average daily unused portion of the current aggregate commitments under the Credit Facility. The Company is also required to pay customary letter of credit and fronting fees.

The Credit Facility requires the Company to maintain as of the last day of each fiscal quarter (i) a net funded leverage ratio of less than or equal to 3.25 to 1.00, and (ii) a current ratio of greater than or equal to 1.00 to 1.00.

The obligations under the Credit Facility, certain swap obligations and certain cash management obligations, are guaranteed by the Company and the wholly-owned domestic material subsidiaries of the Borrower (collectively, the "Guarantors" and, together with the Borrower, the "Loan Parties") and secured by substantially all of the Loan Parties' assets (subject to customary exceptions).

The Credit Facility also contains customary affirmative and negative covenants, including, among other things, as to compliance with laws (including environmental laws and anti-corruption laws), delivery of quarterly and annual financial statements and borrowing base certificates, conduct of business, maintenance of property, maintenance of insurance, entry into certain derivatives contracts, restrictions on the incurrence of liens, indebtedness, asset dispositions, restricted payments, and other customary covenants. These covenants are subject to a number of limitations and exceptions.

As of March 31, 2023, the Company had no outstanding borrowings under the Credit Facility, $74.4 million in letters of credit outstanding and was in compliance with all covenants under the credit agreement.

For the three months ended March 31, 2023, the Credit Facility bore interest at a weighted average rate of 7.58%.

2026 Senior Notes

On the Emergence Date, pursuant to the terms of the Plan, the Company issued $550 million aggregate principal amount of its 8.0% senior notes due 2026. The notes are guaranteed on a senior unsecured basis by each of the Company's subsidiaries that guarantee the Credit Facility. Interest on the 2026 Senior Notes is payable semi-annually, on June 1 and December 1 of each year. The 2026 Senior Notes were issued under the Indentures, dated as of May 17, 2021, by and among the Issuer, UMB Bank, National Association, as trustee, and the Guarantors and mature on May 17, 2026.

The covenants of the 1145 Indenture (other than the payment covenant) require that the Company comply with the covenants of the 4(a)(2) Indenture, as amended. The 4(a)(2) Indenture contains covenants limiting the Issuer's and its restricted subsidiaries' ability to (i) incur additional debt, (ii) pay dividends or distributions in respect of certain equity interests or redeem, repurchase or retire certain equity interests or subordinated indebtedness, (iii) make certain investments, (iv) create restrictions on distributions from restricted subsidiaries, (v) engage in specified sales of assets, (vi) enter into certain transactions among affiliates, (vii) engage in certain lines of business, (viii) engage in consolidations, mergers and acquisitions,

(ix) create unrestricted subsidiaries and (x) incur or create liens. These covenants contain important exceptions, limitations and qualifications. At any time that the 2026 Senior Notes are rated investment grade, certain covenants will be terminated and cease to apply.

Capitalization of Interest

The Company capitalized $0.8 million in interest expense for the three months ended March 31, 2023 and did not capitalize interest expense for the three months ended March 31, 2022.

Fair Value of Debt

At March 31, 2023, the carrying value of the outstanding debt represented by the 2026 Senior Notes was $549.2 million. Based on the quoted market prices (Level 1), the fair value of the 2026 Senior Notes was determined to be $549.5 million at March 31, 2023.

4. MEZZANINE EQUITY

On the Emergence Date, the Company filed an amended and restated certificate of incorporation with the Delaware Secretary of State to provide for, among other things, (i) the authority to issue 42 million shares of common stock with a par value of $0.0001 per share and (ii) the designation of 110,000 shares of preferred stock, with a par value of $0.0001 per share and a liquidation preference of $1,000 per share (the "Liquidation Preference").

Preferred Stock

On the Emergence Date, the Successor issued 55,000 shares of preferred stock.

Holders of preferred stock are entitled to receive cumulative quarterly dividends at a rate of 10% per annum of the Liquidation Preference with respect to cash dividends and 15% per annum of the Liquidation Preference with respect to dividends paid in kind as additional shares of preferred stock (“PIK Dividends”). Gulfport currently has the option to pay either cash dividends or PIK Dividends on a quarterly basis.

Each holder of shares of preferred stock has the right (the “Conversion Right”), at its option and at any time, to convert all or a portion of the shares of preferred stock that it holds into a number of shares of common stock equal to the quotient obtained by dividing (x) the product obtained by multiplying (i) the Liquidation Preference times (ii) an amount equal to one (1) plus the Per Share Makewhole Amount (as defined in the Preferred Terms) on the date of conversion, by (y) $14.00 per share (as may be adjusted under the Preferred Terms). The shares of preferred stock outstanding at March 31, 2023, would convert to approximately 3.7 million shares of common stock if all holders of preferred stock exercised their Conversion Right.

Gulfport shall have the right, but not the obligation, to redeem all, but not less than all, of the outstanding shares of preferred stock by notice to the holders of preferred stock, at the greater of (i) the aggregate value of the preferred stock, calculated by the Current Market Price (as defined in the Preferred Terms) of the number of shares of common stock into which, subject to redemption, such preferred stock would have been converted if such shares were converted pursuant to the Conversion Right at the time of such redemption and (ii) (y) if the date of such redemption is on or prior to the three year anniversary of the Emergence Date, the sum of the Liquidation Preference plus the sum of all unpaid PIK Dividends through the three year anniversary of the Emergence Date, or (x) if the date of such redemption is after the three year anniversary of the Emergence Date, the Liquidation Preference (the “Redemption Price”).

Following the Emergence Date, if there is a Fundamental Change (as defined in the Preferred Terms), Gulfport is required to redeem all, but not less than all, of the outstanding shares of preferred stock by cash payment of the Redemption Price per share of preferred stock within three (3) business days of the occurrence of such Fundamental Change. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if Gulfport lacks sufficient cash to redeem all outstanding shares of preferred stock, the Company is required to redeem a pro rata portion of each holder’s shares of preferred stock.

The preferred stock has no stated maturity and will remain outstanding indefinitely unless repurchased or redeemed by Gulfport or converted into common stock.

The preferred stock has been classified as mezzanine equity in the accompanying consolidated balance sheets due to the redemption features noted above.

Dividends and Conversions

During the three months ended March 31, 2023, the Company paid $1.3 million of cash dividends to holders of our preferred stock.

There were no conversions of preferred stock during the three months ended March 31, 2023. Preferred stock outstanding as of March 31, 2023, totaled 52,295 shares.

5. EQUITY

On the Emergence Date, the Company filed an amended and restated certificate of incorporation with the Delaware Secretary of State to provide for, among other things, (i) the authority to issue 42 million shares of common stock with a par value of $0.0001 per share and (ii) the designation of 110,000 shares of preferred stock, with a par value of $0.0001 per share and a Liquidation Preference of $1,000 per share.

Common Stock

On the Emergence Date, Gulfport issued approximately 19.8 million shares of common stock and 1.7 million shares of common stock were issued to the Disputed Claims Reserve.

In January 2022, approximately 876,000 shares in the Disputed Claims Reserve at December 31, 2021 were issued to certain claimants. As of March 31, 2023, approximately 62,000 shares continue to be held in the Disputed Claims Reserve and may be issued upon finalization of remaining claims.

Share Repurchase Program

In November 2021 the Company's Board of Directors approved the Repurchase Program to acquire up to $100 million of common stock and subsequently increased the authorization to $300 million in 2022, extending through June 30, 2023. On February 27, 2023, the Board of Directors approved an increase to the authorization up to $400 million. The additional $100 million authorization expires on March 31, 2024. Purchases under the Repurchase Program may be made from time to time in open market or privately negotiated transactions, and will be subject to available liquidity, market conditions, credit agreement restrictions, applicable legal requirements, contractual obligations and other factors. The Repurchase Program does not require the Company to acquire any specific number of shares of common stock. The Company intends to purchase shares under the Repurchase Program with available funds while maintaining sufficient liquidity to fund its capital development program. The Repurchase Program may be suspended from time to time, modified, extended or discontinued by the Board of Directors at any time. During the three months ended March 31, 2023, the Company repurchased 459,087 shares for $32.9 million at a weighted average price of $71.61 per share. As of March 31, 2023, the Company has repurchased 3.4 million shares for $283.6 million at a weighted average price of $84.44 per share since the inception of the Repurchase Program.

6. STOCK-BASED COMPENSATION

As of the Emergence Date, the Board of Directors adopted the Incentive Plan with a share reserve equal to 2.8 million shares of common stock. The Incentive Plan provides for the grant of incentive stock options, nonstatutory stock options, restricted stock, restricted stock units, stock appreciation rights, dividend equivalents and performance awards or any combination of the foregoing. The Company has granted both restricted stock units and performance vesting restricted stock units to employees and directors pursuant to the Incentive Plan, as discussed below. During the three months ended March 31, 2023 and 2022, the Company's stock-based compensation expense was $2.6 million and $1.8 million, of which the Company capitalized $0.9 million and $0.6 million, respectively, relating to its exploration and development efforts. Stock compensation expense, net of the amounts capitalized, is included in general and administrative expenses in the accompanying consolidated statements of operations. As of March 31, 2023, the Company has awarded an aggregate of approximately 307,531 restricted stock units and approximately 259,530 performance vesting restricted stock units under the Incentive Plan.

The vesting for certain share-based awards was accelerated in the first three months of 2023 in conjunction with the restructuring activities described in Note 7 and is included in restructuring costs in the accompanying consolidated statement of operations.

The following tables summarizes activity for the three months ended March 31, 2023 and 2022:

	Number of Unvested Restricted Stock Units	Weighted Average Grant Date Fair Value	Number of Unvested Performance Vesting Restricted Stock Units	Weighted Average Grant Date Fair Value
Unvested shares as of January 1, 2023	197,772	$ 77.49	190,804	$ 52.15
Granted	43,415	77.84	68,726	56.57
Vested	(11,608)	70.86	—	—
Forfeited/canceled	(971)	87.68	(5,069)	47.67
Unvested shares as of March 31, 2023	228,608	$ 77.85	254,461	$ 53.43

	Number of Unvested Restricted Stock Units	Weighted Average Grant Date Fair Value	Number of Unvested Performance Vesting Restricted Stock Units	Weighted Average Grant Date Fair Value
Unvested shares as of January 1, 2022	198,413	$ 66.04	153,138	$ 48.54
Granted	2,154	73.83	—	—
Vested	(3,074)	65.75	—	—
Forfeited/canceled	(1,157)	66.89	—	—
Unvested shares as of March 31, 2022	196,336	$ 67.16	153,138	$ 48.54

Restricted Stock Units

Restricted stock units awarded under the Incentive Plan generally vest over a period of 3 to 4 years in the case of employees and 4 years in the case of directors upon the recipient meeting applicable service requirements. Stock-based compensation expense is recorded ratably over the service period. The grant date fair value of restricted stock units represents the closing market price of the Company's common stock on the date of the grant. Unrecognized compensation expense as of March 31, 2023, was $11.9 million. The expense is expected to be recognized over a weighted average period of 2.03 years.

Performance Vesting Restricted Stock Units

The Company has awarded performance vesting restricted stock units to certain of its executive officers under the Incentive Plan. The number of shares of common stock issued pursuant to the award will be based on a combination of (i) the Company's total shareholder return ("TSR") and (ii) the Company's relative total shareholder return ("RTSR") for the performance period. Participants will earn from 0% to 200% of the target award based on the Company's TSR and RTSR ranking compared to the TSR of the companies in the Company's designated peer group at the end of the performance period. Awards will be earned and vested at the end of a three-year performance period, subject to earlier termination of the performance period in the event of a change in control. The grant date fair values were determined using the Monte Carlo simulation method and are being recorded ratably over the performance period.

The table below summarizes the assumptions used in the Monte Carlo simulation to determine the grant date fair value of awards granted during the three months ended March 31, 2023:

Grant date	January 24, 2023	March 3, 2023
Forecast period (years)	3	3
Risk-free interest rates	3.88%	4.64%
Implied equity volatility	87.2%	86.4%
Stock price on the date of grant	$72.99	$82.20

Unrecognized compensation expense as of March 31, 2023, related to performance vesting restricted shares was $6.2 million. The expense is expected to be recognized over a weighted average period of 1.73 years.

7. RESTRUCTURING COSTS

During the three months ended March 31, 2023, Gulfport recognized $1.9 million in personnel-related restructuring expenses associated with changes in the organizational structure and leadership team resulting from the appointment of Gulfport's new CEO in January 2023. Of these expenses, $0.5 million resulted from accelerated vesting of certain share-based grants, which are non-cash charges. As of March 31, 2023, there were no remaining employee termination liabilities for the impacted employees.

8. EARNINGS (LOSS) PER SHARE

Basic income or loss per share attributable to common stockholders is computed as (i) net income or loss less (ii) dividends paid to holders of preferred stock less (iii) net income or loss attributable to participating securities divided by (iv) weighted average basic shares outstanding. Diluted net income or loss per share attributable to common stockholders is computed as (i) basic net income or loss attributable to common stockholders plus (ii) diluted adjustments to income allocable to participating securities divided by (iii) weighted average diluted shares outstanding. The "if-converted" method is used to determine the dilutive impact for the Company's convertible preferred stock and the treasury stock method is used to determine the dilutive impact of unvested restricted stock.

There were 180,811 shares of restricted stock that were considered dilutive for the three months ended March 31, 2023. There were no shares of restricted stock that were considered dilutive for the three months ended March 31, 2022. There were 3.7 million and 4.1 million shares of potential common shares issuable due to the Company's preferred stock for the three months ended March 31, 2023 and 2022, respectively. There were 0.1 million shares of restricted stock that were considered anti-dilutive during the three months ended March 31, 2022.

Reconciliations of the components of basic and diluted net income (loss) per common share are presented in the table below (in thousands):

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net income (loss)	$ 523,054	$ (491,975)
Dividends on preferred stock	(1,307)	(1,447)
Participating securities - preferred stock[(1)]	(86,221)	—
Net income (loss) attributable to common stockholders	$ 435,526	$ (493,422)
Re-allocation of participating securities	684	—
Diluted net income (loss) attributable to common stockholders	$ 436,210	$ (493,422)
Basic Shares	18,868	21,242
Dilutive Shares	19,049	21,242
Basic EPS	$ 23.08	$ (23.23)
Dilutive EPS	$ 22.90	$ (23.23)

(1) Preferred stock represents participating securities because it participates in any dividends on shares of common stock on a *pari passu*, pro rata basis. However, preferred stock does not participate in undistributed net losses.

9. COMMITMENTS AND CONTINGENCIES

Commitments

Firm Transportation and Gathering Agreements

The Company has contractual commitments with midstream and pipeline companies for future gathering and transportation of natural gas from the Company's producing wells to downstream markets. Under certain of these agreements, the Company has minimum daily volume commitments. The Company is also obligated under certain of these arrangements to pay a demand charge for firm capacity rights on pipeline systems regardless of the amount of pipeline capacity utilized by the Company. If the Company does not utilize the capacity, it often can release it to other counterparties, thus reducing the cost of these commitments. Working interest owners and royalty interest owners, where appropriate, will be responsible for their proportionate share of these costs. Commitments related to future firm transportation and gathering agreements are not recorded as obligations in the accompanying consolidated balance sheets; however, costs associated with utilized future firm transportation and gathering agreements are reflected in the Company's estimates of proved reserves.

A summary of these commitments at March 31, 2023, are set forth in the table below (in thousands):

Remaining 2023	$ 169,573
2024	218,797
2025	137,795
2026	134,324
2027	136,492
Thereafter	737,104
Total	$ 1,534,085

Other Operational Commitments

During 2022, the Company entered into various contractual commitments to purchase inventory and other material to be used in future activities. The Company's commitment to purchase these materials spans 2023 and 2024, with approximately $52.7 million remaining in 2023 and $31.2 million for 2024.

Contingencies

The Company is involved in a number of litigation and regulatory proceedings including those described below. Many of these proceedings are in early stages, and many of them seek or may seek damages and penalties, the amount of which is indeterminate. The Company's total accrued liabilities in respect of litigation and regulatory proceedings is determined on a case-by-case basis and represents an estimate of probable losses after considering, among other factors, the progress of each case or proceeding, its experience and the experience of others in similar cases or proceedings, and the opinions and views of legal counsel. Significant judgment is required in making these estimates and their final liabilities may ultimately be materially different. In accordance with ASC Topic 450, *Contingencies*, an accrual is recorded for a material loss contingency when its occurrence is probable and damages are reasonably estimable based on the anticipated most likely outcome or the minimum amount within a range of possible outcomes.

Litigation and Regulatory Proceedings

As part of its Chapter 11 Cases and restructuring efforts, the Company filed motions to reject certain firm transportation agreements between the Company and affiliates of TC Energy Corporation ("TC") and Rover Pipeline LLC ("Rover"). During the third quarter of 2021, Gulfport finalized a settlement agreement with TC that was approved by the Bankruptcy Court on September 21, 2021. Pursuant to the settlement agreement, Gulfport and TC agreed that the firm transportation contracts between them would be rejected without any further payment or obligation by either party, and TC assigned its damages claims from such rejection to Gulfport. In exchange, Gulfport agreed to make a payment of $43.8 million in cash to TC. The $43.8 million was paid on October 7, 2021. Gulfport expects to receive distributions for a significant portion of such amounts through future distributions with respect to the assigned claims pursuant to the terms of the Plan that became effective in May 2021. Any future distributions will be recognized once received by Gulfport. In February 2022, Gulfport received an initial distribution of $11.5 million from the above-mentioned claim, which is included in Other, net in the accompanying consolidated statements of operations.

During the first quarter of 2023, Gulfport finalized a settlement agreement with Rover that was approved by the Bankruptcy Court on February 21, 2023. Pursuant to the settlement agreement, Gulfport and Rover agreed that the firm transportation contracts between them would be rejected. The Bankruptcy Court Order provided Rover will: (a) receive an allowed $85.9 million Class 4A General Unsecured Claim (the “Rover Unsecured Claim”), (b) receive an administrative claim of $1.0 million payable by Gulfport, and (c) draw the full amount of its credit assurance. Gulfport paid the $1.0 million administrative claim during the first quarter, and has no further obligations to Rover. The Rover Unsecured Claim will receive distributions under the Plan payable from the liquidating trust, not Gulfport. On February 24, 2023, Gulfport received an additional $17.8 million interim distribution for its TC claim. The timing and amount of any future distributions to Gulfport are not certain, and the total amount received will be impacted by the liquidating trust’s distributions and resolution of other remaining bankruptcy claims. These payments are included in Other, net in the accompanying consolidated statements of operations.

The Company has been named as a defendant in three separate complaints, two filed by Siltstone Resources, LLC, and the third filed by the Ohio Public Works Commission (OPWC) (together, the "Complaints"). The Complaints all arise from restrictive covenants in favor of OPWC generally prohibiting any transfer and any use inconsistent with a green park space. OPWC filed crossclaims against Gulfport in the Siltstone matters alleging that the transfer of the mineral rights and the development of oil and gas on the property violated these restrictive covenants. On June 19, 2018, October 25, 2019, and March 15, 2019, each trial court in the Complaints entered judgment in favor of the Company and other defendants, finding the restrictive covenants only applied to the surface estate. OPWC appealed each judgement to the respective Ohio Courts of Appeal where the trial court decisions were reversed in favor of OPWC. The Company and certain other parties to the Complaints appealed the appellate court decisions to the Ohio Supreme Court. On February 23, 2022, the Ohio Supreme Court affirmed the first appellate decision and remanded the case back to the trial court. On December 27, 2022, the Ohio Supreme Court affirmed the other two complaints and remanded the matters back to the trial court. OPWC is seeking both injunctive relief to enforce the restrictive covenants and equitable relief. Liquidated damages were successfully discharged in the Company’s Chapter 11 proceedings through May 17, 2021. The scope and consequence of any injunctive relief that may be granted is not certain, but may have an adverse impact on the Company's operations associated with the leases subject to the Complaints, including a potential order to plug and abandon the wells at issue.

The Company, along with other oil and gas companies, have been named as a defendant in a number of lawsuits where Plaintiffs assert their respective leases are limited to the Marcellus and Utica shale geological formations and allege that Defendants have willfully trespassed and illegally produced oil, natural gas, and other hydrocarbon products beyond these respective formations. Plaintiffs seek the full value of any production from below the Marcellus and Utica shale formations, unspecified damages from the diminution of value to their mineral estate, unspecified punitive damages, and the payment of reasonable attorney fees, legal expenses, and interest. On April 27, 2021, the Bankruptcy Court for the Southern District of Texas approved a settlement agreement in which the plaintiffs fully released the Company from all claims for amounts allegedly owed to the plaintiffs through the effective date of the Company’s Chapter 11 plan, which occurred on May 17, 2021. The plaintiffs are continuing to pursue alleged damages after May 17, 2021.

Business Operations

The Company is involved in various lawsuits and disputes incidental to its business operations, including commercial disputes, personal injury claims, royalty claims, property damage claims and contract actions.

Environmental Contingencies

The nature of the oil and gas business carries with it certain environmental risks for Gulfport and its subsidiaries. Gulfport and its subsidiaries have implemented various policies, programs, procedures, training and audits to reduce and mitigate environmental risks. The Company conducts periodic reviews, on a company-wide basis, to assess changes in its environmental risk profile. Environmental reserves are established for environmental liabilities for which economic losses are probable and reasonably estimable. The Company manages its exposure to environmental liabilities in acquisitions by using an evaluation process that seeks to identify pre-existing contamination or compliance concerns and address the potential liability. Depending on the extent of an identified environmental concern, it may, among other things, exclude a property from the transaction, require the seller to remediate the property to its satisfaction in an acquisition or agree to assume liability for the remediation of the property.

Other Matters

Based on management’s current assessment, they are of the opinion that no pending or threatened lawsuit or dispute relating to its business operations is likely to have a material adverse effect on their future consolidated financial position, results of operations or cash flows. The final resolution of such matters could exceed amounts accrued, however, and actual results could differ materially from management’s estimates.

10. DERIVATIVE INSTRUMENTS

Natural Gas, Oil and NGL Derivative Instruments

The Company seeks to mitigate risks related to unfavorable changes in natural gas, oil and NGL prices, which are subject to significant and often volatile fluctuation, by entering into over-the-counter fixed price swaps, basis swaps, costless collars and various types of option contracts. These contracts allow the Company to mitigate the impact of declines in future natural gas, oil and NGL prices by effectively locking in a floor price for a certain level of the Company’s production. However, these hedge contracts also limit the benefit to the Company in periods of favorable price movements.

The volume of production subject to commodity derivative instruments and the mix of the instruments are frequently evaluated and adjusted by management in response to changing market conditions. Gulfport may enter into commodity derivative contracts up to limitations set forth in its Credit Facility. The Company generally enters into commodity derivative contracts for approximately 50% to 75% of its forecasted current year annual production by the end of the first quarter of each fiscal year. The Company typically enters into commodity derivative contracts for the next 12 to 36 months. Gulfport does not enter into commodity derivative contracts for speculative purposes.

The Company does not currently have any commodity derivative transactions that have margin requirements or collateral provisions that would require payments prior to the scheduled settlement dates. The Company's commodity derivative contract counterparties are typically financial institutions and energy trading firms with investment-grade credit ratings. Gulfport routinely monitors and manages its exposure to counterparty risk by requiring specific minimum credit standards for all counterparties, actively monitoring counterparties' public credit ratings and avoiding the concentration of credit exposure by transacting with multiple counterparties. The Company has master netting agreements with some counterparties that allow the offsetting of receivables and payables in a default situation.

Fixed price swaps require that the Company receive a fixed price and pay a floating market price to the counterparty for the hedged community. They are settled monthly based on differences between the fixed price specified in the contract and the referenced settlement price. When the referenced settlement price is less than the price specified in the contract, the Company receives an amount from the counterparty based on the price difference multiplied by the volume. Similarly, when the referenced settlement price exceeds the price specified in the contract, the Company pays the counterparty an amount based on the price difference multiplied by the volume.

The Company has entered into natural gas, crude oil and NGL fixed price swap contracts based off the NYMEX Henry Hub, NYMEX WTI and Mont Belvieu C3 indices. Below is a summary of the Company’s open fixed price swap positions as of March 31, 2023.

	Index	Daily Volume	Weighted Average Price
Natural Gas		(MMBtu/d)	($/MMBtu)
Remaining 2023	NYMEX Henry Hub	220,145	$ 4.13
2024	NYMEX Henry Hub	234,973	$ 4.26
2025	NYMEX Henry Hub	20,000	$ 4.10
Oil		(Bbl/d)	($/Bbl)
Remaining 2023	NYMEX WTI	3,000	$ 74.47
NGL		(Bbl/d)	($/Bbl)
Remaining 2023	Mont Belvieu C3	3,000	$ 38.07

Each two-way price costless collar has a set floor and ceiling price for the hedged production. They are settled monthly based on differences between the floor and ceiling prices specified in the contract and the referenced settlement price. If the applicable monthly price indices are outside of the ranges set by the floor and ceiling prices in the collar contracts, the Company will cash-settle the difference with the hedge counterparty. When the referenced settlement price is less than the floor price in the contract, the Company receives an amount from the counterparty based on the price difference multiplied by the hedged contract volume. Similarly, when the referenced settlement price exceeds the ceiling price specified in the contract, the Company pays the counterparty an amount based on the price difference multiplied by the hedged contract volume. No payment is due from either party if the referenced settlement price is within the range set by the floor and ceiling prices.

The Company has entered into natural gas costless collars based off the NYMEX Henry Hub natural gas index. Below is a summary of the Company's costless collar positions as of March 31, 2023.

	Index	Daily Volume	Weighted Average Floor Price	Weighted Average Ceiling Price
Natural Gas		(MMBtu/d)	($/MMBtu)	($/MMBtu)
Remaining 2023	NYMEX Henry Hub	285,000	$ 2.93	$ 4.78
2024	NYMEX Henry Hub	180,000	$ 3.43	$ 5.49

From time to time, the Company has sold natural gas call options in exchange for a premium, and used the associated premiums received to enhance the fixed price for a portion of the fixed price natural gas swaps. Each sold call option has an established ceiling price. If at the time of settlement the referenced settlement price exceeds the ceiling price, the Company pays its counterparty an amount equal to the difference between the referenced settlement price and the price ceiling multiplied by the hedged contract volumes. No payment is due from either party if the referenced settlement price is below the price ceiling. Below is a summary of the Company's open sold call option positions as of March 31, 2023.

	Index	Daily Volume	Weighted Average Price
Natural Gas		(MMBtu/d)	($/MMBtu)
Remaining 2023	NYMEX Henry Hub	407,925	$ 3.21
2024	NYMEX Henry Hub	202,000	$ 3.33
2025	NYMEX Henry Hub	193,315	$ 5.80

In addition, the Company has entered into natural gas basis swap positions. These instruments are arrangements that guarantee a fixed price differential to NYMEX Henry Hub from a specified delivery point. The Company receives the fixed price differential and pays the floating market price differential to the counterparty for the hedged community. As of March 31, 2023, the Company had the following natural gas basis swap positions open:

	Gulfport Pays	Gulfport Receives	Daily Volume	Weighted Average Fixed Spread
Natural Gas			(MMBtu/d)	($/MMBtu)
Remaining 2023	Rex Zone 3	NYMEX Plus Fixed Spread	140,000	$ (0.22)
Remaining 2023	NGPL TXOK	NYMEX Plus Fixed Spread	80,000	$ (0.35)
Remaining 2023	TETCO M2	NYMEX Plus Fixed Spread	170,145	$ (0.91)
2024	Rex Zone 3	NYMEX Plus Fixed Spread	70,000	$ (0.15)
2024	NGPL TXOK	NYMEX Plus Fixed Spread	60,000	$ (0.31)
2024	TETCO M2	NYMEX Plus Fixed Spread	69,945	$ (0.89)

Balance Sheet Presentation

The Company reports the fair value of derivative instruments on the consolidated balance sheets as derivative instruments under current assets, noncurrent assets, current liabilities and noncurrent liabilities on a gross basis. The Company determines the current and noncurrent classification based on the timing of expected future cash flows of individual trades. The following table presents the fair value of the Company’s derivative instruments on a gross basis at March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023	December 31, 2022
Short-term derivative asset	$ 137,869	$ 87,508
Long-term derivative asset	62,834	26,525
Short-term derivative liability	(80,858)	(343,522)
Long-term derivative liability	(90,044)	(118,404)
Total commodity derivative position	$ 29,801	$ (347,893)

Gains and Losses

The following table presents the gain and loss recognized in net gain (loss) on natural gas, oil and NGL derivatives in the accompanying consolidated statements of operations for the three months ended March 31, 2023 and 2022 (in thousands):

	Net gain (loss) on derivative instruments	
	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Natural gas derivatives - fair value gains (losses)	$ 374,148	$ (619,319)
Natural gas derivatives - settlement losses	(173)	(111,157)
Total gains (losses) on natural gas derivatives	373,975	(730,476)
Oil derivatives - fair value gains (losses)	4,733	(29,853)
Oil derivatives - settlement losses	(443)	(8,144)
Total gains (losses) on oil derivatives	4,290	(37,997)
NGL derivatives - fair value losses	(1,186)	(14,333)
NGL derivatives - settlement gains (losses)	982	(5,745)
Total losses on NGL derivatives	(204)	(20,078)
Total gains (losses) on natural gas, oil and NGL derivatives	$ 378,061	$ (788,551)

Offsetting of Derivative Assets and Liabilities

As noted above, the Company records the fair value of derivative instruments on a gross basis. The following tables present the gross amounts of recognized derivative assets and liabilities in the consolidated balance sheets and the amounts that are subject to offsetting under master netting arrangements with counterparties, all at fair value (in thousands):

	As of March 31, 2023		
	Gross Assets (Liabilities) Presented in the Consolidated Balance Sheets	Gross Amounts Subject to Master Netting Agreements	Net Amount
Derivative assets	$ 200,703	$ (79,841)	$ 120,862
Derivative liabilities	$ (170,902)	$ 79,841	$ (91,061)

	As of December 31, 2022		
	Gross Assets (Liabilities) Presented in the Consolidated Balance Sheets	Gross Amounts Subject to Master Netting Agreements	Net Amount
Derivative assets	$ 114,033	$ (80,345)	$ 33,688
Derivative liabilities	$ (461,926)	$ 80,345	$ (381,581)

Concentration of Credit Risk

By using derivative instruments that are not traded on an exchange, the Company is exposed to the credit risk of its counterparties. Credit risk is the risk of loss from counterparties not performing under the terms of the derivative instrument. When the fair value of a derivative instrument is positive, the counterparty is expected to owe the Company, which creates credit risk. To minimize the credit risk in derivative instruments, it is the Company's policy to enter into derivative contracts only with counterparties that are creditworthy financial institutions deemed by management as competent and competitive market makers. The Company's derivative contracts are spread between multiple counterparties to lessen its exposure to any individual counterparty. Additionally, the Company uses master netting agreements to minimize credit risk exposure. The creditworthiness of the Company's counterparties is subject to periodic review. None of the Company's derivative instrument contracts contain credit-risk related contingent features. Other than as provided by the Company's revolving credit facility, the

Company is not required to provide credit support or collateral to any of its counterparties under its derivative instruments, nor are the counterparties required to provide credit support to the Company.

11. FAIR VALUE MEASUREMENTS

The Company records certain financial and non-financial assets and liabilities on the balance sheet at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. Market or observable inputs are the preferred sources of values, followed by assumptions based on hypothetical transactions in the absence of market inputs. Fair value measurements are classified and disclosed in one of the following categories:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities that the Company has the ability to access at the measurement date.

Level 2 – Quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Significant inputs to the valuation model are unobservable.

Valuation techniques that maximize the use of observable inputs are favored. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement of assets and liabilities within the levels of the fair value hierarchy. Reclassifications of fair value between Level 1, Level 2 and Level 3 of the fair value hierarchy, if applicable, are made at the end of each quarter.

Financial assets and liabilities

The following tables summarize the Company's financial and non-financial assets and liabilities by valuation level as of March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023		
	Level 1	Level 2	Level 3
Assets:			
Derivative instruments	$ —	$ 200,703	$ —
Contingent consideration arrangement	—	—	3,300
Total assets	$ —	$ 200,703	$ 3,300
Liabilities:			
Derivative instruments	$ —	$ 170,902	$ —

	December 31, 2022		
	Level 1	Level 2	Level 3
Assets:			
Derivative instruments	$ —	$ 114,033	$ —
Contingent consideration arrangement	—	—	4,900
Total assets	$ —	$ 114,033	$ 4,900
Liabilities:			
Derivative instruments	$ —	$ 461,926	$ —

The Company estimates the fair value of all derivative instruments using industry-standard models that consider various assumptions, including current market and contractual prices for the underlying instruments, implied volatility, time value, nonperformance risk, as well as other relevant economic measures. Substantially all of these inputs are observable in the marketplace throughout the full term of the instrument and can be supported by observable data.

The Company's SCOOP water infrastructure sale, which closed in the first quarter of 2020, included a contingent consideration arrangement. As of March 31, 2023, the fair value of the contingent consideration was $3.3 million, of which $0.2 million is included in prepaid expenses and other assets and $3.1 million is included in other assets in the accompanying consolidated balance sheets. The fair value of the contingent consideration arrangement is calculated using discounted cash flow techniques and is based on internal estimates of the Company's future development program and water production levels. Given the unobservable nature of the inputs, the fair value measurement of the contingent consideration arrangement is deemed to use Level 3 inputs. The Company has elected the fair value option for this contingent consideration arrangement and, therefore, records changes in fair value in earnings. The Company recognized a $1.2 million loss and a $0.1 million loss for the three months ended March 31, 2023 and 2022, respectively, which are included in other expense (income) in the accompanying consolidated statements of operations.

Non-financial assets and liabilities

The initial measurement of asset retirement obligations at fair value is calculated using discounted cash flow techniques and based on internal estimates of future retirement costs associated with oil and gas properties. Given the unobservable nature of the inputs, including plugging costs and reserve lives, the initial measurement of the asset retirement obligation liability is deemed to use Level 3 inputs. See Note 2 for further discussion of the Company's asset retirement obligations.

Fair value of other financial instruments

The carrying amounts on the accompanying consolidated balance sheet for cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are carried at cost, which approximates market value due to their short-term nature. Long-term debt related to the Company's Credit Facility is carried at cost, which approximates market value based on the borrowing rates currently available to the Company with similar terms and maturities.

12. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue Recognition

The Company's revenues are primarily derived from the sale of natural gas, oil, condensate and NGL. These sales are recognized in the period that the performance obligations are satisfied. The Company generally considers the delivery of each unit (MMBtu or Bbl) to be separately identifiable and represents a distinct performance obligation that is satisfied at the time control of the product is transferred to the customer. Revenue is measured based on consideration specified in the contract with the customer, and excludes any amounts collected on behalf of third parties. These contracts typically include variable consideration that is based on pricing tied to market indices and volumes delivered in the current month. As such, this market pricing may be constrained (i.e., not estimable) at the inception of the contract but will be recognized based on the applicable market pricing, which will be known upon transfer of the goods to the customer. The payment date is usually within 30 days of the end of the calendar month in which the commodity is delivered.

Gathering, processing and compression fees attributable to gas processing, as well as any transportation fees, including firm transportation fees, incurred to deliver the product to the purchaser, are presented as transportation, gathering, processing and compression expense in the accompanying consolidated statements of operations.

Transaction Price Allocated to Remaining Performance Obligations

A significant number of the Company's product sales are short-term in nature generally through evergreen contracts with contract terms of one year or less. These contracts typically automatically renew under the same provisions. For those contracts, the Company has utilized the practical expedient allowed in the revenue accounting standard that exempts the Company from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

For product sales that have a contract term greater than one year, the Company has utilized the practical expedient that exempts the Company from disclosure of the transaction price allocated to remaining performance obligations if the variable consideration is allocated entirely to a wholly unsatisfied performance obligation. Under these sales contracts, each unit of product generally represents a separate performance obligation; therefore, future volumes are wholly unsatisfied, and disclosure of the transaction price allocated to remaining performance obligations is not required. Currently, the Company's product sales that have a contractual term greater than one year have no long-term fixed consideration.

Contract Balances

Receivables from contracts with customers are recorded when the right to consideration becomes unconditional, generally when control of the product has been transferred to the customer. Receivables from contracts with customers were $119.9 million and $278.4 million as of March 31, 2023 and December 31, 2022, respectively, and are reported in accounts receivable - oil and natural gas sales, and natural gas liquids sales in the accompanying consolidated balance sheets. The Company currently has no assets or liabilities related to its revenue contracts, including no upfront or rights to deficiency payments.

Prior-Period Performance Obligations

The Company records revenue in the month production is delivered to the purchaser. However, settlement statements for certain sales may be received for 30 to 90 days after the date production is delivered, and as a result, the Company is required to estimate the amount of production that was delivered to the purchaser and the price that will be received for the sale of the product. The differences between the estimates and the actual amounts for product sales is recorded in the month that payment is received from the purchaser. For each of the periods presented, revenue recognized in the reporting periods related to performance obligations satisfied in prior reporting periods was not material.

13. LEASES

Nature of Leases

The Company has operating leases on certain equipment with remaining lease durations in excess of one year. The Company recognizes a right-of-use asset and lease liability on the balance sheet for all leases with lease terms of greater than one year. Short-term leases that have an initial term of one year or less are not capitalized.

The Company has entered into contracts for drilling rigs with varying terms with third parties to ensure operational continuity, cost control and rig availability in its operations. The Company has concluded its drilling rig contracts are operating leases as the assets are identifiable and the Company has the right to control the identified assets. At March 31, 2023, the Company had one active long-term drilling rig contract.

The Company rents office space for its corporate headquarters, field locations and certain other equipment from third parties, which expire at various dates through 2026. These agreements are typically structured with non-cancelable terms of one to five years. The Company has determined these agreements represent operating leases with a lease term that equals the primary non-cancelable contract term. The Company has included any renewal options that it has determined are reasonably certain of exercise in the determination of the lease terms. In July 2022, the Company moved its headquarters to a new location. The impact of the Company's new headquarters lease is reflected in the tables below.

Discount Rate

As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company's incremental borrowing rate reflects the estimated rate of interest that it would pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

Future amounts due under operating lease liabilities as of March 31, 2023 were as follows (in thousands):

Remaining 2023	$	10,309
2024		13,439
2025		836
2026		561
2027		10
Total lease payments	$	25,155
Less: imputed interest		(1,474)
Total	$	23,682

Lease costs incurred for the three months ended March 31, 2023 and 2022, consisted of the following (in thousands):

	Three Months Ended March 31, 2023		Three Months Ended March 31, 2022	
Operating lease cost	$	3,443	$	50
Variable lease cost		—		—
Short-term lease cost		9,248		8,622
Total lease cost[(1)]	$	12,691	$	8,672

(1) The majority of the Company's total lease cost was capitalized to the full cost pool, and the remainder was included in either lease operating expenses or general and administrative expenses in the accompanying consolidated statements of operations.

Supplemental cash flow information related to leases was as follows (in thousands):

	Three Months Ended March 31, 2023		Three Months Ended March 31, 2022	
Cash paid for amounts included in the measurement of lease liabilities				
Operating cash flows from operating leases	$	2,038	$	49

The weighted-average remaining lease term as of March 31, 2023 was 1.92 years. The weighted-average discount rate used to determine the operating lease liability as of March 31, 2023 was 6.71%.

14. INCOME TAXES

The Company records its quarterly tax provision based on an estimate of the annual effective tax rate expected to apply to continuing operations for the various jurisdictions in which it operates. The tax effects of certain items, such as tax rate changes, significant unusual or infrequent items, and certain changes in the assessment of the realizability of deferred taxes, are recognized as discrete items in the period in which they occur and are excluded from the estimated annual effective tax rate.

For the three months ended March 31, 2023, the Company's effective tax rate for the period was 0%, which differs from the statutory rate of 21% primarily as a result of the valuation allowance on the Company's deferred tax assets.

At each reporting period, the Company weighs all available positive and negative evidence to determine whether its deferred tax assets are more likely than not to be realized. A valuation allowance for deferred tax assets, including net operating losses, is recognized when it is more likely than not that some or all of the benefit from the deferred tax assets will not be realized. To assess that likelihood, the Company uses estimates and judgment regarding future taxable income and considers the tax laws in the jurisdiction where such taxable income is generated, to determine whether a valuation allowance is required. Such evidence can include current financial position, results of operations, both actual and forecasted, the reversal of deferred tax liabilities and tax planning strategies as well as the current and forecasted business economics of the oil and gas industry. Based upon the Company’s analysis, the Company determined a full valuation allowance was necessary against its net deferred tax assets as of March 31, 2023.

The Company will continue to evaluate whether the valuation allowance is needed in future reporting periods. The valuation allowance will remain until it is determined that the net deferred tax assets are more likely than not to be realized. Future events or new evidence which may lead us to conclude that it is more likely than not that its net deferred tax assets will be realized include, but are not limited to, cumulative historical pre-tax earnings, improvements in oil prices, and taxable events that could result from one or more transactions. The valuation allowance does not prevent future utilization of the tax attributes if the Company recognizes taxable income. As long as the Company concludes that the valuation allowance against its net deferred tax assets is necessary, the Company likely will not have any additional deferred income tax expense or benefit.

The Company emerged from Chapter 11 bankruptcy on May 17, 2021, which resulted in a change in ownership for purposes of IRC Section 382. The Company is applying rules under IRC Section 382(l)(5) that allows the Company to mitigate the limitations imposed under the regulations with respect to the Company's remaining tax attributes. The Company's deferred tax assets and liabilities, prior to the valuation allowance, have been computed on such basis. Additionally, under IRC Section 382(l)(5), an ownership change subsequent to the Company's emergence could severely limit or effectively eliminate its ability to realize the value of its tax attributes.

15. SUBSEQUENT EVENTS

Natural Gas, Oil and NGL Derivative Instruments

Subsequent to March 31, 2023 as of April 26, 2023, the Company entered into the following derivative contracts:

Period	Type of Derivative Instrument	Index	Daily Volume (MMBtu)	Weighted Average Price
2023	Basis Swaps	TETCO M2	13,382	$(0.88)
2024	Basis Swaps	Rex Zone 3	20,000	$(0.15)
2025	Swaps	NYMEX Henry Hub	50,000	$4.08

Credit Facility Redetermination

On May 1, 2023, the Company entered into that certain Joinder, Commitment Increase and Borrowing Base Redetermination Agreement, and Third Amendment to Credit Agreement (the "Third Amendment") which amended the Company's Existing Credit Facility (as amended, the "Credit Facility"). The Third Amendment, among other things, (a) increased the aggregate elected commitment amounts under the Credit Facility from $700 million to $900 million, (b) increased the borrowing base under the Credit Facility from $1 billion to $1.1 billion, (c) increased the excess cash threshold under the Credit Facility from $45 million to $75 million, and (d) extended the maturity date under the Credit Facility from October 14, 2025 to the earlier of (i) four years from the closing date of the Third Amendment and (ii) the 91st day prior to the maturity date of the 2026 Senior Notes or any other permitted senior notes or any permitted refinancing debt under the Credit Facility having an aggregate outstanding principal amount equal to or exceeding $100 million; provided that such notes have not be refinanced, redeemed or repaid in full on or prior to such 91st day.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to provide the reader of the financial statements with a narrative from the perspective of management on the financial condition, results of operations, liquidity and certain other factors that may affect the Company's operating results. MD&A should be read in conjunction with the financial statements and related Notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

The following information updates the discussion of Gulfport's financial condition provided in its Annual Report on Form 10-K for the year ended December 31, 2022 ("2022 Form 10-K"), and analyzes the changes in the results of operations between the periods of January 1, 2023 through March 31, 2023 and January 1, 2022 through March 31, 2022. For definitions of commonly used natural gas and oil terms found in this Quarterly Report on Form 10-Q, please refer to the "Definitions" provided in this report.

Overview

Gulfport is an independent natural gas-weighted exploration and production company with assets primarily located in the Appalachia and Anadarko basins. Our principal properties are located in eastern Ohio targeting the Utica and Marcellus and in central Oklahoma targeting the SCOOP Woodford and Springer formations. Our strategy is to develop our assets in a safe, environmentally responsible manner, while generating sustainable cash flow, improving margins and operating efficiencies and returning capital to shareholders. To accomplish these goals, we allocate capital to projects we believe offer the highest rate of return and we deploy leading drilling and completion techniques and technologies in our development efforts.

Recent Developments

Leadership Changes

In January 2023, our CEO Tim Cutt, resigned his position as CEO. Mr. Cutt, who served as CEO and Chairman since 2021, retained his position of Chairman of the Board of Directors. Subsequent to Mr. Cutt's resignation, Gulfport named John Reinhart CEO and Director, effective January 24, 2023. In addition, Matthew Rucker joined Gulfport's leadership team as Senior Vice President of Operations.

In April 2023, Gulfport named Michael Hodges Executive Vice President and Chief Financial Officer. William Buese resigned as Executive Vice President and Chief Financial Officer of the Company on April 1, 2023. Mr. Buese remained with the Company as an adviser until his termination on May 3, 2023.

Credit Facility

On May 1, 2023, the Company entered into that certain Joinder, Commitment Increase and Borrowing Base Redetermination Agreement, and Third Amendment to Credit Agreement (the "Third Amendment") which amended the Company's Existing Credit Facility (as amended, the "Credit Facility"). The Third Amendment, among other things, (a) increased the aggregate elected commitment amounts under the Credit Facility from $700 million to $900 million, (b) increased the borrowing base under the Credit Facility from $1 billion to $1.1 billion, (c) increased the excess cash threshold under the Credit Facility from $45 million to $75 million, and (d) extended the maturity date under the Credit Facility from October 14, 2025 to the earlier of (i) four years from the closing date of the Third Amendment and (ii) the 91st day prior to the maturity date of the 2026 Senior Notes or any other permitted senior notes or any permitted refinancing debt under the Credit Facility having an aggregate outstanding principal amount equal to or exceeding $100 million; provided that such notes have not be refinanced, redeemed or repaid in full on or prior to such 91st day.

Share Repurchase Program

On February 27, 2023, the Company's Board of Directors approved an increase to the authorized common stock Repurchase Program from $300 million to $400 million. The additional $100 million authorization expires on March 31, 2024. During the three months ended March 31, 2023, the Company repurchased 459,087 shares for $32.9 million at a weighted average price of $71.61 per share. As of March 31, 2023, the Company repurchased 3.4 million shares for $283.6 million at a weighted average price of $84.44 per share since the inception of the Repurchase Program.

Inflation, Rising Interest Rates and Changes in Commodity Prices

The annual rate of inflation in the United States continues to be elevated as compared to historical averages. In March 2023, inflation was measured at 5.0% by the Consumer Price Index. The Federal Reserve has tightened monetary policy by approving a series of increases to the Federal Funds Rate. Furthermore, the Chairman of the Federal Reserve signaled that the Federal Reserve would continue to take necessary action to bring inflation down and to ensure price stability. The inflationary environment has impacted interest rates on our Credit Facility borrowings throughout 2022 and into 2023. Interest rates on our Credit Facility borrowings have increased from a weighted average of 3.18% for the three months ended March 31, 2022, to 7.58% for the three months ended March 31, 2023. Additional increases in interest rates may have a negative impact on the Company’s ability to continue to execute its business strategy.

Our revenues, the value of our assets, and our ability to obtain bank loans or additional capital on attractive terms have been and will continue to be affected by changes in natural gas, oil and NGL prices and the costs to produce our reserves. Natural gas, oil and NGL prices are subject to significant fluctuations that are beyond our ability to control or predict. Certain of our capital expenditures and expenses are affected by general inflation and we expect costs for 2023 to continue to be a function of supply and demand; however, we do not expect inflation to significantly impact cash flow in 2023 as a result of commitments that were entered into during 2022.

Impact of the War in Ukraine

The invasion of Ukraine by Russia and the sanctions imposed in response to the crisis have increased volatility in the global financial markets and are expected to have further global economic consequences, including disruptions of the global energy markets and the amplification of inflation and supply chain constraints. The ultimate impact of the war in Ukraine will depend on future developments and the timing and extent to which normal economic and operating conditions resume.

2023 Operational and Financial Highlights

During the first quarter of 2023, we had the following notable achievements:

- Reported total net production of 1,057 MMcfe per day.
- Generated $304.1 million of operating cash flows.
- Reduced Credit Facility borrowings by $145.0 million as compared to December 31, 2022.
- Increased authorized Repurchase Program from $300 million to $400 million.
- Repurchased 459,087 shares for $32.9 million at a weighted average price of $71.61 per share.

2023 Production and Drilling Activity

Production Volumes

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Natural gas (Mcf/day)		
Utica	718,815	761,810
SCOOP	225,592	162,654
Other	—	32
Total	944,408	924,496
Oil and condensate (Bbl/day)		
Utica	590	697
SCOOP	4,139	2,928
Other	—	7
Total	4,729	3,632
NGL (Bbl/day)		
Utica	2,690	2,183
SCOOP	11,406	8,111
Other	—	1
Total	14,096	10,294
Combined (Mcfe/day)		
Utica	738,497	779,089
SCOOP	318,861	228,885
Other	1	77
Total	1,057,359	1,008,052

Totals may not sum or recalculate due to rounding.

Our total net production averaged approximately 1,057.4 MMcfe per day during the three months ended March 31, 2023, as compared to 1,008.1 MMcfe per day during 2022. The 5% increase in production per day is largely the result of our 2022 development program and strong base production.

Utica. We spud six gross (5.3 net) wells in the Utica during the three months ended March 31, 2023, two of which were being drilled at March 31, 2023. We did not commence sales from any operated wells during the three months ended March 31, 2023.

As of April 26, 2023, we had one operated drilling rig running in the Utica.

SCOOP. We spud two gross (1.5 net) wells in the SCOOP during the three months ended March 31, 2023, one of which was being drilled at March 31, 2023. We did not commence sales from any operated wells during the three months ended March 31, 2023.

As of April 26, 2023, we did not have an operated drilling rig running in the SCOOP.

RESULTS OF OPERATIONS

Comparison of the Three Month Periods Ended March 31, 2023 and 2022

Natural Gas, Oil and Condensate and NGL Production and Pricing (sales totals in thousands)

The following table summarizes our natural gas, oil and condensate and NGL production, and related pricing for the three months ended March 31, 2023 as compared to the three months ended March 31, 2022. Some totals below may not sum or recalculate due to rounding.

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Natural gas sales		
Natural gas production volumes (MMcf)	84,997	83,205
Natural gas production volumes (MMcf) per day	944	924
Total sales	$ 282,534	$ 405,212
Average price without the impact of derivatives ($/Mcf)	$ 3.32	$ 4.87
Impact from settled derivatives ($/Mcf)	$ —	$ (1.34)
Average price, including settled derivatives ($/Mcf)	$ 3.32	$ 3.53
Oil and condensate sales		
Oil and condensate production volumes (MBbl)	426	327
Oil and condensate production volumes (MBbl) per day	5	4
Total sales	$ 30,714	$ 30,239
Average price without the impact of derivatives ($/Bbl)	$ 72.16	$ 92.51
Impact from settled derivatives ($/Bbl)	$ (1.04)	$ (24.91)
Average price, including settled derivatives ($/Bbl)	$ 71.12	$ 67.60
NGL sales		
NGL production volumes (MBbl)	1,269	926
NGL production volumes (MBbl) per day	14	10
Total sales	$ 39,912	$ 45,284
Average price without the impact of derivatives ($/Bbl)	$ 31.46	$ 48.88
Impact from settled derivatives ($/Bbl)	$ 0.77	$ (6.20)
Average price, including settled derivatives ($/Bbl)	$ 32.23	$ 42.68
Natural gas, oil and condensate and NGL sales		
Natural gas equivalents (MMcfe)	95,162	90,725
Natural gas equivalents (MMcfe) per day	1,057	1,008
Total sales	$ 353,160	$ 480,735
Average price without the impact of derivatives ($/Mcfe)	$ 3.71	$ 5.30
Impact from settled derivatives ($/Mcfe)	$ —	$ (1.38)
Average price, including settled derivatives ($/Mcfe)	$ 3.71	$ 3.92
Production Costs:		
Average lease operating expenses ($/Mcfe)	$ 0.21	$ 0.19
Average taxes other than income ($/Mcfe)	$ 0.11	$ 0.14
Average transportation, gathering, processing and compression ($/Mcfe)	$ 0.92	$ 0.93
Total LOE, taxes other than income and midstream costs ($/Mcfe)	$ 1.24	$ 1.27

Natural Gas, Oil and Condensate and NGL Sales (in thousands)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Natural gas	$ 282,534	$ 405,212	(30)%
Oil and condensate	30,714	30,239	2 %
NGL	39,912	45,284	(12)%
Natural gas, oil and condensate and NGL sales	$ 353,160	$ 480,735	(27)%

The decrease in natural gas sales without the impact of derivatives when comparing the three months ended March 31, 2023, to the three months ended March 31, 2022 was due to a 32% decrease in realized natural gas prices, partially offset by a 2% increase in sales volumes. The realized price change was primarily driven by the decrease in the average Henry Hub gas index from $4.95 per Mcf in the three months ended March 31, 2022, to $3.42 per Mcf during the three months ended March 31, 2023.

The increase in oil and condensate sales without the impact of derivatives when comparing the three months ended March 31, 2023, to the three months ended March 31, 2022, was due to a 30% increase in sales volumes, partially offset by a 22% decrease in realized prices. The realized price change was driven by the decrease in the average WTI crude index from $94.29 per barrel in the three months ended March 31, 2022, to $76.13 per barrel during the three months ended March 31, 2023.

The decrease in NGL sales without the impact of derivatives when comparing the three months ended March 31, 2023, to the three months ended March 31, 2022, was due to a 36% decrease in realized prices, partially offset by a 37% increase in NGL sales volumes. The realized price change was driven by the decrease in the average Mont Belvieu NGL index from $54.24 per barrel in the three months ended March 31, 2022, to $35.24 per barrel during the three months ended March 31, 2023.

Natural Gas, Oil and NGL Derivatives (in thousands)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Natural gas derivatives - fair value gains (losses)	$ 374,148	$ (619,319)
Natural gas derivatives - settlement losses	(173)	(111,157)
Total gains (losses) on natural gas derivatives	373,975	(730,476)
Oil derivatives - fair value gains (losses)	4,733	(29,853)
Oil derivatives - settlement losses	(443)	(8,144)
Total gains (losses) on oil derivatives	4,290	(37,997)
NGL derivatives - fair value losses	(1,186)	(14,333)
NGL derivatives - settlement gains (losses)	982	(5,745)
Total losses on NGL derivatives	(204)	(20,078)
Total gains (losses) on natural gas, oil and NGL derivatives	$ 378,061	$ (788,551)

We recognize fair value changes on our natural gas, oil and NGL derivative instruments in each reporting period. The changes in fair value resulted from new positions and settlements that occurred during each period, as well as the relationship between contract prices and the associated forward curves. The significant change in the total gain (loss) for the three months ended March 31, 2023 compared to 2022, was primarily the result of a significant decrease in futures pricing for oil, natural gas, and NGL. See Note 10 of our consolidated financial statements for hedged volumes and pricing.

Lease Operating Expenses (in thousands, except per unit)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Lease operating expenses			
Utica	$ 12,635	$ 13,188	(4)%
SCOOP	7,227	4,452	62 %
Other	—	4	(100)%
Total lease operating expenses	$ 19,862	$ 17,644	13 %
Lease operating expenses per Mcfe			
Utica	$ 0.19	$ 0.19	1 %
SCOOP	0.25	0.22	17 %
Other	—	0.51	(100)%
Total lease operating expenses per Mcfe	$ 0.21	$ 0.19	7 %

The increase in total and per unit LOE for the three months ended March 31, 2023 compared to 2022, was primarily the result of increased water hauling, compression and labor expenses throughout our SCOOP operations and non-operated expenses in the Utica.

Taxes Other Than Income (in thousands, except per unit)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Production taxes	$ 8,052	$ 9,472	(15)%
Property taxes	1,845	1,893	(3)%
Other	798	1,103	(28)%
Total taxes other than income	$ 10,695	$ 12,468	(14)%
Total taxes other than income per Mcfe	$ 0.11	$ 0.14	(18)%

The decrease in total and per unit taxes other than income for the three months ended March 31, 2023 compared to 2022, was primarily related to a decrease in production taxes resulting from the decrease in our natural gas, oil and NGL revenues excluding the impact of hedges discussed above.

Transportation, Gathering, Processing and Compression (in thousands, except per unit)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Transportation, gathering, processing and compression	$ 87,617	$ 84,792	3 %
Transportation, gathering, processing and compression per Mcfe	$ 0.92	$ 0.93	(1)%

Transportation, gathering, processing and compression for the three months ended March 31, 2023 compared to 2022 increased primarily as a result of our 5% increase in production.

Depreciation, Depletion and Amortization (in thousands, except per unit)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Depreciation, depletion and amortization of oil and gas properties	$ 78,768	$ 61,942	27 %
Depreciation, depletion and amortization of other property and equipment	326	342	(5)%
Total depreciation, depletion and amortization	$ 79,094	$ 62,284	27 %
Depreciation, depletion and amortization per Mcfe	$ 0.83	$ 0.69	21 %

The increase in total and per unit depreciation, depletion and amortization of our oil and gas properties for the three months ended March 31, 2023 compared to 2022, was primarily the result of our drilling and development activities subsequent to the first quarter of 2022.

General and Administrative Expenses (in thousands, except per unit)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
General and administrative expenses, gross	$ 17,075	$ 15,047	13 %
Reimbursed from third parties	(3,219)	(3,198)	1 %
Capitalized general and administrative expenses	(5,123)	(4,744)	8 %
General and administrative expenses, net	$ 8,733	$ 7,105	23 %
General and administrative expenses, net per Mcfe	$ 0.09	$ 0.08	17 %

The increase in general and administrative expenses for the three months ended March 31, 2023 compared to 2022, was primarily driven by increases in employee headcount and legal expenses related to the continued administration of our Chapter 11 filing and settlement of firm transportation agreement as noted in Note 9 of our consolidated financial statements.

Restructuring costs

During the three months ended March 31, 2023, Gulfport recognized $1.9 million in personnel-related restructuring expenses associated with changes in the organizational structure and leadership team resulting from the appointment of Gulfport's new CEO in January 2023. Of these expenses, $0.5 million resulted from accelerated vesting of share-based grants, which are non-cash charges. As of March 31, 2023, there were no remaining employee termination liabilities for the impacted employees.

We expect to incur additional restructuring costs in the second quarter of 2023 as a result of the transition of our former Chief Financial Officer as well as additional organizational changes in April.

Interest Expense (in thousands, except per unit)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Interest on 2026 Senior Notes	$ 11,000	$ 11,051	— %
Interest expense on Credit Facility	3,025	2,268	33 %
Amortization of loan costs	528	665	(21)%
Capitalized interest	(824)	—	100 %
Other	27	—	100 %
Total interest expense	$ 13,756	$ 13,984	(2)%
Interest expense per Mcfe	$ 0.14	$ 0.15	(6)%

Interest expense on our Credit Facility increased 33% in the first three months of 2023 as compared to the same period of 2022 as a result of increased interest rates resulting from the current inflationary environment.

Other, net (in thousands)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Other, net	$ (14,223)	$ (14,810)	(4)%

Other, net in the Company's consolidated statements of operations for the three months ended March 31, 2023, included $17.8 million related to the interim TC claim distribution as discussed in Note 9 of our consolidated financial statements. The timing and amount of any future distributions to Gulfport are not certain, and the total amount will be impacted by the liquidating trust's distributions and resolution of other remaining bankruptcy claims. Additionally, as discussed in Note 9 of our consolidated financial statements, Other, net included a $1 million cash payment to satisfy the Rover administrative claim.

Other, net in the Company's consolidated statements of operations for the three months ended March 31, 2022, included $11.5 million related to the initial TC claim distribution as discussed in Note 9 of our consolidated financial statements.

Income Taxes

We did not record any income tax expense for the three months ended March 31, 2023 or 2022, as a result of maintaining a full valuation allowance against our net deferred tax asset. We expect to continue a full valuation allowance on our deferred tax assets until there is sufficient evidence to support the reversal of all or a significant portion of the allowance. However, given the Company's recent history of earnings, it is reasonably possible that sufficient positive evidence may become available within the next 12 months to adjust all or a significant portion of the current valuation allowance position. Exact timing and amount of the adjustment to the valuation allowance is unknown at this time. See Note 14 of our consolidated financial statements for further details of our valuation allowance.

Liquidity and Capital Resources

Overview. We strive to maintain sufficient liquidity to ensure financial flexibility, withstand commodity price volatility, fund our development projects, operations and capital expenditures and return capital to shareholders. We utilize derivative contracts to reduce the financial impact of commodity price volatility and provide a level of certainty to the Company's cash flows. We generally fund our operations, planned capital expenditures and any share repurchases with cash flow from our operating activities, cash on hand, and borrowings under our Credit Facility. Additionally, we may access debt and equity markets and sell properties to enhance our liquidity. There is no guarantee that the debt or equity capital markets will be available to us on acceptable terms or at all.

For the three months ended March 31, 2023, our primary sources of capital resources and liquidity have consisted of internally generated cash flows from operations, and our primary uses of cash have been for development of our oil and natural gas properties and share repurchases.

We believe our annual free cash flow generation, borrowing capacity under the Credit Facility and cash on hand will provide sufficient liquidity to fund our operations, capital expenditures, interest expense and share repurchases during the next 12 months.

To the extent actual operating results, realized commodity prices or uses of cash differ from our assumptions, our liquidity could be adversely affected. See Note 3 of our consolidated financial statements for further discussion of our debt obligations, including the principal and carrying amounts of our senior notes.

As of March 31, 2023, we had $3.5 million of cash and cash equivalents, no outstanding borrowings under our Credit Facility, $74.4 million of letters of credit outstanding, and $550 million of outstanding 2026 Senior Notes. Our total principal amount of funded debt as of March 31, 2023 was $550.0 million.

As of April 26, 2023 we had $45.5 million of cash and cash equivalents, no borrowings under our Credit Facility, $74.4 million of letters of credit outstanding, and $550 million of outstanding 2026 Senior Notes.

Debt. On October 14, 2021, we entered into the Third Amended and Restated Credit Agreement JPMorgan Chase Bank, N.A., as administrative agent, and various lender parties. The Existing Credit Facility provides for an aggregate maximum principal amount of up to $1.5 billion, an initial borrowing base of $850 million and an initial aggregate elected commitment amount of $700 million. The credit agreement also provides for a $175.0 million sublimit of the aggregate commitments that is available for the issuance of letters of credit.

On May 2, 2022, the Company completed its semi-annual borrowing base redetermination and entered into the Amendment to Borrowing Base Redetermination Agreement and First Amendment to our Credit Agreement, which amended the Existing Credit Facility. The amendment, among other things, (a) increased the borrowing base under the Credit Facility from $850 million to $1.0 billion with elected commitments remaining at $700 million, (b) amended certain covenants related to hedging to ease certain requirements and limitations and (c) amended the covenants governing restricted payments to (i) increased the Net Leverage Ratio allowing unlimited restricted payments from 1.00 to 1.00 to 1.25 to 1.00 and (ii) permitted additional restricted payments to redeem preferred equity until December 31, 2022 provided certain leverage, no event of default or borrowing base deficiency and availability tests are met and (d) provided for the transition from a LIBOR to a SOFR benchmark, with a 10 basis point credit spread adjustment for all tenors.

On October 31, 2022, the Company completed its semi-annual borrowing base redetermination and entered into the Borrowing Base Reaffirmation Agreement and Second Amendment to our Credit Agreement ("Amendment"), which amended the Existing Credit Facility (as amended, the "Credit Facility"). The Amendment, among other things, reconfirmed the borrowing base under the Credit Facility at $1.0 billion and the elected commitments at $700 million.

On May 1, 2023, the Company entered into that certain Joinder, Commitment Increase and Borrowing Base Redetermination Agreement, and Third Amendment to Credit Agreement (the “Third Amendment”) which amended the Company’s Existing Credit Facility (as amended, the “Credit Facility”). The Third Amendment, among other things, (a) increased the aggregate elected commitment amounts under the Credit Facility from $700 million to $900 million, (b) increased the borrowing base under the Credit Facility from $1 billion to $1.1 billion, (c) increased the excess cash threshold under the Credit Facility from $45 million to $75 million, and (d) extended the maturity date under the Credit Facility from October 14, 2025 to the earlier of (i) four years from the closing date of the Third Amendment and (ii) the 91st day prior to the maturity date of the 2026 Senior Notes or any other permitted senior notes or any permitted refinancing debt under the Credit Facility having an aggregate outstanding principal amount equal to or exceeding $100 million; provided that such notes have not be refinanced, redeemed or repaid in full on or prior to such 91st day.

Additionally, on the Emergence Date, pursuant to the terms of the Plan, we issued our 2026 Senior Notes. The 2026 Senior Notes are guaranteed on a senior unsecured basis by each of the Company's subsidiaries that guarantee the Credit Facility.

See Note 3 of our consolidated financial statements for additional discussion of our outstanding debt.

Preferred Dividends. As discussed in Note 4 of our consolidated financial statements, holders of preferred stock are entitled to receive cumulative quarterly dividends at a rate of 10% per annum of the Liquidation Preference with respect to cash dividends and 15% per annum of the Liquidation Preference with respect to dividends paid in kind as additional shares of preferred stock ("PIK Dividends"). We currently have the option to pay either cash dividends or PIK Dividends on a quarterly basis.

During the three months ended March, 31 2023, the Company paid $1.3 million of cash dividends to holders of our preferred stock.

Supplemental Guarantor Financial Information. The 2026 Senior Notes are guaranteed on a senior unsecured basis by all existing consolidated subsidiaries that guarantee our Credit Facility or certain other debt (the "Guarantors"). The 2026 Senior Notes are not guaranteed by Grizzly Holdings or Mule Sky, LLC (the "Non-Guarantors"). The Guarantors are 100% owned by the Parent, and the guarantees are full, unconditional, joint and several. There are no significant restrictions on the ability of the Parent or the Guarantors to obtain funds from each other in the form of a dividend or loan. The guarantees rank equally in the right of payment with all of the senior indebtedness of the subsidiary guarantors and senior in the right of payment to any future subordinated indebtedness of the subsidiary guarantors. The 2026 Senior Notes and the guarantees are effectively subordinated to all of our and the subsidiary guarantors' secured indebtedness (including all borrowings and other obligations under our amended and restated credit agreement) to the extent of the value of the collateral securing such indebtedness, and structurally subordinated to all indebtedness and other liabilities of any of our subsidiaries that do not guarantee the 2026 Senior Notes.

SEC Regulation S-X Rule 13-01 requires the presentation of "Summarized Financial Information" to replace the "Condensed Consolidating Financial Information" required under Rule 3-10. Rule 13-01 allows the omission of Summarized Financial Information if assets, liabilities and results of operations of the Guarantors are not materially different than the corresponding amounts presented in our consolidated financial statements. The Parent and Guarantor subsidiaries comprise our material operations. Therefore, we concluded that the presentation of the Summarized Financial Information is not required as our Summarized Financial Information of the Guarantors is not materially different from our consolidated financial statements.

Derivatives and Hedging Activities. Our results of operations and cash flows are impacted by changes in market prices for natural gas, oil and NGL. To mitigate a portion of the exposure to adverse market changes, we have entered into various derivative instruments. Our natural gas, oil and NGL derivative activities, when combined with our sales of natural gas, oil and NGL, allow us to predict with greater certainty the total revenue we will receive. See Item 3 Quantitative and Qualitative Disclosures About Market Risk for further discussion on the impact of commodity price risk on our financial position. Additionally, see Note 10 of our consolidated financial statements for further discussion of derivatives and hedging activities.

Capital Expenditures. Our capital expenditures have historically been related to the execution of our drilling and completion activities in addition to certain lease acquisition activities. Our capital investment strategy is focused on prudently developing our existing properties to generate sustainable cash flow considering current and forecasted commodity prices. For the three months ended March 31, 2023, the Company's incurred capital expenditures totaled $147.0 million, of which $127.2 million related to drilling and completion activity and $19.8 million related to leasehold and land investment.

Our capital expenditures for 2023 are currently estimated to be in the range of $375 million to $400 million for drilling and completion expenditures. In addition, we currently expect to spend approximately $50 million to $75 million in 2023 for non-drilling and completion expenditures, which primarily includes leasehold acquisition, lease extension and lease maintenance payments. We expect this capital program to result in approximately 1,000 to 1,040 MMcfe per day of production in 2023.

Sources and Uses of Cash

The following table presents the major changes in cash and cash equivalents for the three months ended March 31, 2023 and 2022 (in thousands):

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net cash provided by operating activities	$ 304,055	$ 253,696
Additions to oil and natural gas properties	(130,400)	(80,271)
Debt activity, net	(145,000)	(139,000)
Repurchases of common stock	(32,672)	(30,192)
Preferred stock dividends	(1,307)	(1,447)
Other	1,525	(148)
Net change in cash, cash equivalents and restricted cash	$ (3,799)	$ 2,638
Cash, cash equivalents and restricted cash at end of period	$ 3,460	$ 5,898

Net cash provided by operating activities. Net cash flow provided by operating activities was $304.1 million for the three months ended March 31, 2023, as compared to $253.7 million for the three months ended March 31, 2022. The increase was primarily the result of a decrease in cash payments from settled derivative instruments due to decreased realized commodities pricing.

Additions to oil and natural gas properties. During the three months ended March 31, 2023, we spud six gross (5.3 net) operated wells in the Utica for an incurred cost of approximately $48.8 million. During the three months ended March 31, 2023, we spud two gross (1.5 net) operated wells in the SCOOP for an incurred cost of approximately $9.9 million.

Drilling and completion costs discussed above reflect incurred costs while drilling and completion costs presented in the table below reflect cash payments for drilling and completions. Incurred capital expenditures and cash capital expenditures may vary from period to period due to the cash payment cycle. Cash capital expenditures for the three months ended March 31, 2023 and 2022, were as follows (in thousands):

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Oil and Natural Gas Property Cash Expenditures:		
Drilling and completion costs	$ 105,181	$ 70,360
Leasehold acquisitions	20,131	5,775
Other	5,088	4,136
Total oil and natural gas property expenditures	$ 130,400	$ 80,271

Debt activity, net. In the three months ended March 31, 2023, the Company had $168.0 million and $313.0 million in borrowings and repayments, respectively, on its Credit Facility. As of April 26, 2023 the Company had no borrowings outstanding on its Credit Facility.

Repurchases of common stock. During the three months ended March 31, 2023, the Company repurchased 459,087 shares for approximately $32.9 million under the Repurchase Program at a weighted average price of $71.61 per share. For the same period in 2022, the Company repurchased 438,082 shares for $35.5 million at a weighted average price of $81.06 per share. As of April 26, 2023, we repurchased 3.4 million shares for approximately $288.1 million under the Repurchase Program at a weighted average price of $84.38 per share.

Preferred stock dividends. During the three months ended March 31, 2023, the Company paid $1.3 million of cash dividends to holders of our preferred stock compared to $1.4 million in the three months ended March 31, 2022.

Contractual and Commercial Obligations

We have various contractual obligations in the normal course of our operations and financing activities, as discussed in Note 9 of our consolidated financial statements. There have been no other material changes to our contractual obligations from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

Off-balance Sheet Arrangements

We may enter into off-balance sheet arrangements and transactions that can give rise to material off-balance sheet obligations. As of March 31, 2023, our material off-balance sheet arrangements and transactions include $74.4 million in letters of credit outstanding against our Credit Facility and $35.9 million in surety bonds issued. Both the letters of credit and surety bonds are being used as financial assurance, primarily on certain firm transportation agreements. There are no other transactions, arrangements or other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect our liquidity or availability of our capital resources. See Note 9 of our consolidated financial statements for further discussion of the various financial guarantees we have issued.

Critical Accounting Policies and Estimates

As of March 31, 2023, there have been no significant changes in our critical accounting policies from those disclosed in our 2022 Annual Report on Form 10-K.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Natural Gas, Oil and Natural Gas Liquids Derivative Instruments. Our results of operations and cash flows are impacted by changes in market prices for natural gas, oil and NGL. To mitigate a portion of our exposure to adverse price changes, we have entered into various derivative instruments. Our natural gas, oil and NGL derivative activities, when combined with our sales of natural gas, oil and NGL, allow us to predict with greater certainty the revenue we will receive. We believe our derivative instruments continue to be highly effective in achieving our risk management objectives.

Our general strategy for protecting short-term cash flow and attempting to mitigate exposure to adverse natural gas, oil and NGL price changes is to hedge into strengthening natural gas, oil and NGL futures markets when prices reach levels that management believes provide reasonable rates of return on our invested capital. Information we consider in forming an opinion about future prices includes general economic conditions, industrial output levels and expectations, producer breakeven cost structures, liquefied natural gas trends, oil and natural gas storage inventory levels, industry decline rates for base production and weather trends. Executive management is involved in all risk management activities and the board of directors reviews our derivative program at its quarterly board meetings.

We use derivative instruments to achieve our risk management objectives, including swaps, options and costless collars. All of these are described in more detail below. We typically use swaps for a large portion of the oil and natural gas price risk we hedge. We have also sold calls in the past to take advantage of premiums associated with market price volatility.

We determine the notional volume potentially subject to derivative contracts by reviewing our overall estimated future production levels, which are derived from extensive examination of existing producing reserve estimates and estimates of estimated production from new drilling. Production forecasts are updated at least monthly and adjusted if necessary to actual results and activity levels. We do not enter into derivative contracts for volumes in excess of our share of forecasted production, and if production estimates were lowered for future periods and derivative instruments are already executed for some volume above the new production forecasts, the positions are typically reversed. The actual fixed prices on our derivative instruments is derived from the reference prices from third-party indices such as NYMEX. All of our commodity derivative instruments are net settled based on the difference between the fixed price as stated in the contract and the floating-price, resulting in a net amount due to or from the counterparty.

We review our derivative positions continuously and if future market conditions change and prices are at levels we believe could jeopardize the effectiveness of a position, we will mitigate this risk by either negotiating a cash settlement with our counterparty, restructuring the position or entering a new trade that effectively reverses the current position. The factors we consider in closing or restructuring a position before the settlement date are identical to those we review when deciding to enter the original derivative position.

We have determined the fair value of our derivative instruments utilizing established index prices, volatility curves, discount factors and option pricing models. These estimates are compared to counterparty valuations for reasonableness. Derivative transactions are also subject to the risk that counterparties will be unable to meet their obligations. This non-performance risk is considered in the valuation of our derivative instruments, but to date has not had a material impact on the values of our derivatives. The values we report in our financial statements are as of a point in time and subsequently change as these estimates are revised to reflect actual results, changes in market conditions and other factors. See Note 11 of our consolidated financial statements for further discussion of the fair value measurements associated with our derivatives.

As of March 31, 2023, our natural gas, oil and NGL derivative instruments consisted of the following types of instruments:

- *Swaps*: We receive a fixed price and pay a floating market price to the counterparty for the hedged commodity. In exchange for higher fixed prices on certain of our swap trades, we may sell call options.
- *Basis Swaps*: These instruments are arrangements that guarantee a fixed price differential to NYMEX from a specified delivery point. We receive the fixed price differential and pay the floating market price differential to the counterparty for the hedged commodity.
- *Costless Collars*: Each two-way price collar has a set floor and ceiling price for the hedged production. If the applicable monthly price indices are outside of the ranges set by the floor and ceiling prices in the various collars, the Company will cash-settle the difference with the counterparty.

- *Call Options*: We sell, and occasionally buy, call options in exchange for a premium. At the time of settlement, if the market price exceeds the fixed price of the call option, we pay the counterparty the excess on sold call options, and we would receive the excess on bought call options. If the market price settles below the fixed price of the call option, no payment is due from either party.

Our hedge arrangements may expose us to risk of financial loss in certain circumstances, including instances where production is less than expected or commodity prices increase. At March 31, 2023, we had a net asset derivative position of $29.8 million as compared to a net liability derivative position of $347.9 million as of December 31, 2022. Utilizing actual derivative contractual volumes, a 10% increase in underlying commodity prices would have increased our liability by approximately $117.3 million, while a 10% decrease in underlying commodity prices would have decreased our liability by approximately $112.9 million. However, any realized derivative gain or loss would be substantially offset by a decrease or increase, respectively, in the actual sales value of production covered by the derivative instrument.

Interest Rate Risk. Our Credit Facility is structured under floating rate terms, as advances under these facilities may be in the form of either base rate loans or term benchmark loans. As such, our interest expense is sensitive to fluctuations in the prime rates in the United States, or, if the term benchmark rates are elected, the term benchmark rates. At March 31, 2023, we had no outstanding borrowings under our Credit Facility which bore interest at a weighted average rate of 7.58% for the three months ended March 31, 2023. As of March 31, 2023, we did not have any interest rate swaps to hedge interest rate risks.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Control and Procedures. Under the supervision of our Chief Executive Officer and our Chief Financial Officer, and with participation of management, we have established disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. The disclosure controls and procedures are also intended to ensure that such information is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

As of March 31, 2023, an evaluation was performed under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(b) under the Exchange Act. Based upon our evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of March 31, 2023, our disclosure controls and procedures are effective.

In designing and evaluating the Company's disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the control system will be met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events and the application of judgment in evaluating the cost-benefit relationship of possible controls and procedures. Because of these and other inherent limitations of control systems, there is only reasonable assurance that the Company's controls will succeed in achieving their goals under all potential future conditions.

Changes in Internal Control over Financial Reporting. There have not been any changes in our internal control over financial reporting that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

The information with respect to this Item 1. Legal Proceedings is set forth in Note 9 of our consolidated financial statements.

ITEM 1A. RISK FACTORS

Our business has many risks. Factors that could materially adversely affect our business, financial condition, operating results or liquidity and the trading price of our common stock or senior notes are described below and under "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None.

Issuer Repurchases of Equity Securities

Our common stock repurchase activity for the three months ended March 31, 2023 was as follows:

Period	Total Number of Shares Purchased(1)	Average Price Paid per Share	Total number of shares purchased as part of publicly announced plans or programs(2)	Approximate maximum dollar value of shares that may yet be purchased under the plans or programs(2)
January 1 - January 31	57,648	$ 74.50	57,102	$ 44,980,000
February 1 - February 28	186,313	$ 64.05	186,313	$ 33,047,000
March 1 - March 31	217,881	$ 77.37	215,672	$ 116,358,000
Total	461,842	$ 71.64	459,087	

(1) We repurchased and canceled 546 and 2,209 shares of our common stock at a weighted average price of $79.54 and $76.01 to satisfy tax withholding requirements incurred upon the vesting of restricted stock unit awards during January and March 2023, respectively.

(2) In February 2023 our Board of Directors approved an increase to the authorized stock repurchase program from $300 million to $400 million. The stock repurchase program extends through March 31, 2024. At March 31, 2023, there was approximately $116.4 million that may yet be repurchased under $400.0 million approved amount.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Buese Termination

William Buese resigned as Executive Vice President and Chief Financial Officer of the Company on April 1, 2023. Mr. Buese remained with the Company as an adviser until his termination on May 3, 2023. Pursuant to the terms of his existing employment agreement and in connection with the termination of his employment, Mr. Buese will receive (i) a payment of one times his current base salary and annual bonus in an amount of $940,000, (ii) a payment of the pro rata portion of his annual bonus for 2023 in an amount of $158,383.56, (iii) immediate vesting of all his unvested restricted stock units, (iv) pro rata vesting of all performance-based restricted stock units, (v) immediate vesting of any Company matching or other contributions to the Company’s non-qualified deferred compensation plans, (vi) lump sum payment of any PTO pay accrued but unused through the termination date and (vii) a lump sum payment equal to his monthly COBRA premium for a 12-month period, subject, in the case of items (i)-(v) above to his execution of and compliance with a customary waiver and release agreement.

ITEM 6. EXHIBITS

INDEX OF EXHIBITS

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	SEC File Number	Exhibit	Filing Date	
2.1	Amended Joint Chapter 11 Plan of Reorganization of Gulfport Energy Corporation and its Debtor Subsidiaries, dated April 14, 2021.	8-K	001-19514	2.2	4/29/2021	
3.1	Amended and Restated Certificate of Incorporation of Gulfport Energy Corporation.	8-K	000-19514	3.1	5/17/2021	
3.2	Amended and Restated Bylaws of Gulfport Energy Corporation.	8-K	000-19514	3.2	5/17/2021	
10.1+	Employment Agreement between Gulfport Energy Corporation and Michael Hodges.	8-K	000-19514	10.1	4/3/2023	
10.2+	Indemnification Agreement, by and between Gulfport Energy Corporation and Michael Hodges.	8-K	000-19514	10.2	4/3/2023	
10.3	Borrowing Base Reaffirmation Agreement and Third Amendment to Credit Agreement, dated as of May 1, 2023.					X
31.1	Certification of Chief Executive Officer of the Registrant pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.					X
31.2	Certification of Chief Financial Officer of the Registrant pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.					X
32.1	Certification of Chief Executive Officer of the Registrant pursuant to Rule 13a-14(b) promulgated under the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code.					X
32.2	Certification of Chief Financial Officer of the Registrant pursuant to Rule 13a-14(b) promulgated under the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code.					X
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	XBRL Taxonomy Extension Schema Document.					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.					X

101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.	X
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	X

\+ Management contract, compensatory plan or arrangement.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 3, 2023

GULFPORT ENERGY CORPORATION

By: /s/ Michael Hodges

Michael Hodges
Chief Financial Officer

Exhibit 10.3

JOINDER, COMMITMENT INCREASE AND BORROWING BASE REDETERMINATION AGREEMENT, AND THIRD AMENDMENT TO CREDIT AGREEMENT

THIS JOINDER, COMMITMENT INCREASE AND BORROWING BASE REDETERMINATION AGREEMENT, AND THIRD AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of May 1, 2023, is entered into among Gulfport Energy Operating Corporation, a Delaware corporation (the "Borrower"); Gulfport Energy Corporation, a Delaware corporation ("Holdings"); each Subsidiary of Borrower listed on the signature pages hereto and party hereto as a Guarantor (collectively, the "Guarantors"); each of the Lenders from time to time party hereto; JPMorgan Chase Bank, N.A. (in its individual capacity, "JPMorgan"), as administrative agent for the Lenders, as defined below (in such capacity, together with its successors in such capacity, the "Administrative Agent").

RECITALS

WHEREAS, the Borrower, Holdings, the lenders from time to time party thereto (the "Lenders"), the Administrative Agent, the Issuing Banks and the other parties from time to time party thereto, are party to the Third Amended and Restated Credit Agreement, dated as of October 14, 2021 (as amended by that certain Borrowing Base Redetermination Agreement and First Amendment to Credit Agreement dated as of May 2, 2022, that certain Borrowing Base Reaffirmation Agreement and Second Amendment to Credit Agreement dated as of October 31, 2022 and as otherwise amended, modified, extended, restated, replaced, or supplemented from time to time prior to the date hereof, the "Existing Credit Agreement" and, as amended hereby and as may be further amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"); and

WHEREAS, the Borrower has provided the necessary reserve report and related information (the "Spring 2023 Redetermination Reserve Report") for the Administrative Agent and the Lenders to complete the spring 2023 Scheduled Redetermination of the Borrowing Base and, after reviewing such reserve information, the Administrative Agent and the Lenders (including the New Lenders (as defined below)) have recommended increasing the Borrowing Base to $1,100,000,000; and

WHEREAS, the Borrower has requested that (a) each of Bank of America, National Association("BofA") and Comerica Bank ("Comerica" and together with BofA, each individually, a "New Lender"), severally and not jointly, join the Credit Agreement as a Lender with an Elected Commitment and a Maximum Revolving Credit Amount thereunder, each as specified opposite such New Lender's name on Annex I-A attached hereto, (b) each Lender that was a party to the Existing Credit Agreement immediately prior to the Amendment Effective Date other than the Continuing Lenders (as defined below) (each, an "Increasing Lender") agrees, severally and not jointly, to increase its respective Elected Commitment and Maximum Revolving Credit Amount under the Credit Agreement to the amounts specified opposite such Increasing Lender's name on Annex I-A attached hereto, and (c) each of First Horizon Bank, a Tennessee State Bank ("First Horizon"), and Zions Bancorporation, N.A. dba Amegy Bank

("Amegy" and together with First Horizon, each individually, a "Continuing Lender") agrees, severally and not jointly, to maintain its respective existing Elected Commitment (and consequently, to reduce proportionally its respective Maximum Revolving Credit Amount) under the Credit Agreement to the amount specified opposite such Continuing Lender's name on Annex I-A attached hereto, and each New Lender, each Increasing Lender and each Continuing Lender has agreed, severally and not jointly, to make, increase or continue (as applicable) its respective Elected Commitment, and make, increase or decrease (as appliable) its respective Maximum Revolving Credit Amount, in accordance with the Borrower's request; and

WHEREAS, in order to reallocate among all of the Lenders (including the New Lenders) all outstanding Loans and LC Exposure, such that, after giving effect to all of the foregoing joinders and new, increased or maintained Elected Commitments and Maximum Revolving Credit Amounts, the Lenders party to the Credit Agreement (including each New Lender) shall purchase, accept and assume, and assign and transfer, amongst themselves as more particularly described herein, such that after giving effect to such purchases, acceptances, assumptions, assignments and transfers, each Lender shall hold outstanding Loans and LC Exposure in accordance with its respective resulting Applicable Percentage as set forth on Annex I-A; and

WHEREAS, each of Bank of America, N.A., Capital One, National Association, Canadian Imperial Bank of Commerce, New York Branch Bank and U.S. Bank, National Association are to be designated as Arrangers under the Credit Agreement (together with each of JPMorgan Chase Bank, N.A., Citizens Bank, N.A, Fifth Third Bank National Association, KeyBanc Capital Markets Inc., Mizuho Bank, Ltd., MUFG Bank, Ltd., Truist Securities, Inc., and Wells Fargo Securities, LLC, as Arrangers under the Existing Agreement, each of whom shall continue to be designated as an Arranger under the Credit Agreement); and

WHEREAS, the Borrower has requested that BofA be appointed as an Issuing Bank under the Credit Agreement, BofA has agreed and accepted such appointment, and the Administrative Agent has consented to such appointment, and concurrently MUFG Bank, Ltd. will resign as an Issuing Bank under the Credit Agreement, all upon the Amendment Effective Date; and

WHEREAS, the Borrower and Holdings have requested, and the Administrative Agent, each Issuing Bank and each Lender have each agreed to extend the Maturity Date under the Credit Agreement, and to make certain amendments and other modifications to the Credit Agreement;

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

1. Defined Terms. Capitalized terms used herein but not otherwise defined herein shall have the meanings provided to such terms in the Credit Agreement, as amended by this Amendment.

2. Joinder of New Lenders, Increase of the Elected Commitment Amounts, and Assignment and Assumption of Loans and LC Exposure on the Amendment Effective Date.

(a) Upon the Amendment Effective Date, and by its execution and delivery hereof, (i) each New Lender, severally and not jointly, shall, and does hereby, (A) join and become a party to the Credit Agreement with an Elected Commitment and a Maximum Revolving Credit Amount as set forth opposite its name on Annex I-A attached hereto, (B) obtain and have all the rights and obligations of a "Lender" under the Credit Agreement and the other Loan Documents to which the Lenders are a party, in each case, as if it were an original signatory thereto, and (C) agree to be bound by the terms and conditions set forth in the Credit Agreement and the other Loan Documents to which the Lenders are a party, in each case, as if it were an original signatory thereto, (ii) each Increasing Lender, severally and not jointly, shall, and does hereby, increase its Elected Commitment and Maximum Revolving Credit Amount to the amounts set forth opposite its name on Annex I-A attached hereto, and (iii) each Continuing Lender, severally and not jointly, shall, and does hereby, maintain its Elected Commitment and proportionately reduce its Maximum Revolving Credit Amount to the amounts, each as set forth opposite its name on revised Annex I-A attached hereto. Concurrently with the effectiveness of the foregoing, each New Lender and each Increasing Lender whose Applicable Percentage as set forth on Annex I-A attached hereto has increased (relative to its Applicable Percentage under the Existing Credit Agreement) upon the effectiveness of this Amendment (each, an "Assignee Lender"), severally and not jointly, shall, and does hereby, purchase, accept and assume, from each Continuing Lender and each Increasing Lender whose Applicable Percentage as set forth on Annex I-A attached hereto has decreased (relative to its Applicable Percentage under the Existing Credit Agreement) upon the effectiveness of this Amendment (each, an "Assignor Lender"), severally and not jointly, and each Assignor Lender shall, and does hereby, assign and transfer, without representation or warranty (except as expressly set forth in clauses (b) and (c) below of this Section 2) or recourse, to each Assignee Lender, subject to the terms of this Amendment and the Credit Agreement (as amended by this Amendment), an undivided amount of each Assignor Lender's outstanding Loans and LC Exposure, such that, after giving effect to such joinders and new and increased Elected Commitments and assignments and assumptions, the Lenders party to the Credit Agreement from and after the Amendment Effective Date shall hold the outstanding Loans and LC Exposure in accordance with such resulting Applicable Percentages as set forth on Annex I-A attached hereto.

(b) Each New Lender, severally and not jointly, (i) represents and warrants that (A) it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (B) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to become a Lender, provide its respective Revolving Credit Commitment and acquire its interest in the Loans and LC Exposure outstanding as of the Amendment Effective Date (after giving effect to this Amendment), (C) from and after the Amendment Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of its respective Revolving Credit Commitment, shall have the obligations of a Lender thereunder, (D) it is sophisticated with respect to decisions to execute and deliver this Amendment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement and either it, or the person exercising discretion in making its decisions, is experienced in making such decisions, (E) it has received a copy of the Existing Credit Agreement and the other Loan Documents, together with copies of the most recent financial statements delivered pursuant to Section 8.01(a) or (b) thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment, become a Lender, provide its respective Revolving Credit Commitment and acquire its interest in the Loans and LC Exposure outstanding as of the Amendment Effective Date, 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 (F) it has delivered to the Administrative Agent an Administrative Questionnaire and any other documentation required to be delivered by it pursuant to the terms of the Credit Agreement and (ii) agrees that (A) it will, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, made its own credit analysis and decision to enter into this Amendment and to provide its respective Revolving Credit Commitment and acquire its interest in the Loans and LC Exposure outstanding as of the Amendment Effective Date, (B) it appoints and authorizes the Administrative Agent to take such action on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to each such Person by the terms thereof, together with such powers as are reasonably incidental thereto, (C) it appoints and authorizes all Issuing Banks to take such action on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to such Person by the terms thereof, together with such powers as are reasonably incidental thereto, and (D) it will, independently and without reliance on the Administrative Agent or any Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (2) it will perform in accordance with their terms all of the obligations that, by the terms of the Loan Documents, are required to be performed by it as a Lender.

(c) Upon the Amendment Effective Date, and by its execution and delivery hereof, each Lender other than each New Lender, severally and not jointly, represents and warrants that it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby.

(d) Each Lender (including each New Lender) and the Administrative Agent hereby waive any fee (including any assignment, processing or recordation fee) that may be due pursuant to Section 2.06(c)(ii)(G) of the Credit Agreement in connection with the increase of Elected Commitments implemented hereby or the assignment and assumption of Loans and LC Exposure among the Lenders.

(e) From and after the Amendment Effective Date, the Administrative Agent shall make all payments in respect of each Lender's Revolving Credit Commitment, outstanding Loans and LC Exposure (including payments of principal, interest, fees and other amounts) (i) to the applicable Assignor Lender for amounts that have accrued thereon to but excluding the Amendment Effective Date and (ii) to the applicable Assignee Lender for amounts which have accrued from and after the Amendment Effective Date.

(f) As of the Amendment Effective Date, all of the Loans outstanding under the Credit Agreement immediately prior to the Amendment Effective Date shall hereby be restructured, rearranged, renewed, extended and continued under the Credit Agreement and shall continue to be Loans outstanding under the Credit Agreement.

(g) This Amendment is executed and delivered by the New Lenders and the Increasing Lenders, the Borrower, Holdings, the Administrative Agent and each Issuing Bank in lieu of the execution and delivery of the incremental commitment agreements otherwise contemplated by Section 2.06(c) of the Credit Agreement, and the requirements of Section 2.06(c) are hereby superseded with respect thereto.

(h) Each Lender, severally and not jointly, hereby waives its right to compensation for any break funding payments owed by the Borrower pursuant to Section 5.02 of the Credit Agreement in connection with the assignments and assumptions contemplated by this Amendment of any Loans outstanding on the Amendment Effective Date.

3. Redetermination of the Borrowing Base. The Borrower and each Lender party hereto (including each New Lender) agrees that on and as of the Amendment Effective Date (defined below) the Borrowing Base shall be, and hereby is, increased from $1,000,000,000 to $1,100,000,000, and such increased Borrowing Base shall remain in effect until such time as the Borrowing Base is redetermined or otherwise adjusted pursuant to the terms of, or otherwise in accordance with, the Credit Agreement. Both Holdings and the Borrower, on the one hand, and the Administrative Agent and the Lenders party hereto, on the other hand, agree that the redetermination of the Borrowing Base pursuant to this Section 3 shall constitute the regularly Scheduled Redetermination of the Borrowing Base for the spring of 2023 (and not an interim redetermination of the Borrowing Base) pursuant to Section 2.07 of the Credit Agreement.

4. Amendments to Credit Agreement. As of the Amendment Effective Date, the Existing Credit Agreement is hereby amended as follows:

   a. The definition of “Applicable Margin” in Section 1.02 of the Existing Credit Agreement is hereby amended by (i) deleting the words “then in effect” therein and inserting in place thereof the words “in effect three (3) Business Days prior to such day” and (ii) deleting the words “the period commencing on the effective date of such change in the Borrowing Base Utilization Percentage and ending on the date immediately preceding the effective date of the next such change” therein and inserting in place thereof the words “the period commencing three (3) Business Days after the effective date of such change in the Borrowing Base Utilization Percentage and ending on the date immediately preceding the date that is three (3) Business Days after the effective date of the next such change”.

   b. The definition of “Arranger” in Section 1.02 of the Existing Credit Agreement is hereby amended and restated to provide:

“Arranger” means JPMorgan Chase Bank, N.A., Bank of America, N.A., Capital One, National Association, Canadian Imperial Bank of Commerce, New York Branch Bank, Citizens Bank, N.A, Fifth Third Bank National Association, KeyBanc Capital Markets Inc., Mizuho Bank, Ltd., MUFG Bank, Ltd., Truist Securities, Inc., U.S. Bank, National Association and Wells Fargo Securities, LLC, each in its capacity as a joint lead arranger and joint bookrunner.

The title page of the Credit Agreement and each other listing of the Arrangers under the Credit Agreement shall be similarly amended and otherwise updated to reflect the Arrangers as so amended hereby.

a. The definition of "Excess Cash Threshold" in Section 1.02 of the Existing Credit Agreement is hereby amended and restated to provide:

"Excess Cash Threshold" means, as of the date of any determination, the amount that is equal to $75,000,000.

a. Clause (a) in the definition of "Issuing Bank" in Section 1.02 of the Existing Credit Agreement is hereby amended and restated to provide:

(a) each of JPMorgan, Bank of America, N.A., Citizens Bank, N.A., Fifth Third Bank National Association, and Wells Fargo Bank, N.A.

a. The definition of "Maturity Date" in Section 1.02 of the Existing Credit Agreement is hereby amended and restated to provide:

"Maturity Date" means the earlier of (i) May 1, 2027 and (ii) the 91st day prior to the earliest stated maturity date of any of the Senior Unsecured 2026 Notes or any other Permitted Senior Notes (or any Permitted Refinancing Debt with respect thereto) having an aggregate outstanding principal amount equal to or exceeding $100,000,000, if such Senior Unsecured 2026 Notes or Permitted Senior Notes (or such Permitted Refinancing Debt) have not been refinanced, redeemed or repaid in full on prior to such 91st day.

a. Section 2.08(b) of the Existing Credit Agreement is hereby amended by inserting the following new sentence at the end of the existing section: "In no event shall more than twenty (20) Letters of Credit be issued and outstanding at any time unless otherwise approved in writing by the Administrative Agent."

b. Section 3.05(a) of the Existing Credit Agreement is hereby by amended by amending and restating the second sentence thereof to provide:

"Accrued commitment fees shall be payable in arrears on the fifteenth (15th) day immediately following the last day of each March, June, September and December of each year and on the Termination Date, commencing on December 31, 2021."

a. Section 9.04(b)(i)(y) of the Existing Credit Agreement is hereby amended by deleting the reference to "$150,000,000" therein and inserting in place thereof, "$250,000,000".

b. Annex I to the Existing Credit Agreement is hereby amended, restated and replaced by Annex I attached hereto as Annex I-A.

5. Payment of Expenses. The Borrower agrees to reimburse the Administrative Agent for all reasonable fees, charges and disbursements of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including all reasonable fees, charges and disbursements of counsel to the Administrative Agent.

6. Conditions Precedent. This effectiveness of this Amendment is subject to the satisfaction of each of the following conditions (the date of the satisfaction of all such conditions, the "Amendment Effective Date"):

    a. Amendment. The Administrative Agent (or its counsel) shall have received from each of Holdings, the Borrower, each other Guarantor, each Issuing Bank and each Lender (including each New Lender) either (x) a counterpart of this Amendment, signed on behalf of such party or (y) written evidence reasonably satisfactory to the Administrative Agent (which may include delivery of a signed signature page of this Amendment by facsimile or other means of electronic transmission (e.g., "pdf")) that such party has signed a counterpart of this Amendment.

    b. Promissory Notes. To the extent requested by any Lender, the Borrower shall have executed and delivered to the Administrative Agent a Note payable to such Lender in a principal amount equal to its Maximum Revolving Credit Amount, and otherwise duly completed.

    c. Fees and Expenses. The Borrower shall have made payment of all fees and expenses due and owing under Section 5 of this Amendment, any applicable provisions of the Credit Agreement and under any separate fee letter agreement(s) entered into by the parties.

    d. Secretary's Certificate; Organizational Documents. The Administrative Agent shall have received a certificate of the Secretary or a Responsible Officer of the Borrower, Holdings and of each other Guarantor attaching thereto (i) resolutions of the managers, board of directors or other managing body with respect to the authorization of the Borrower, Holdings or such other Guarantor to execute and deliver this Amendment and the other Loan Documents contemplated hereby to which it is a party and to enter into the transactions contemplated hereby, which such resolutions shall be certified as being true and complete and the certificate shall certify that such resolutions have not been amended or repealed, are in full force and effect on and as of the Amendment Effective Date and constitute the only action taken with respect to the subject matter thereof, (ii) a true and complete list of the individuals (A) who are authorized to sign the Loan Documents to which the Borrower, Holdings or such other Guarantor is a party and (B) who will, until replaced by another individual duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Amendment and the other Loan Documents to which it is a party, (iii) specimen signatures of such authorized individuals, certified to be the true and correct signatures of such authorized individuals, and (iv) for the Borrower, Holdings and each other Guarantor, the articles or certificate of incorporation or formation (certified by the Secretary of State of the jurisdiction of organization) and the bylaws, operating agreement, partnership agreement or other Organizational Document, certified as being true and complete with no amendments other than as attached to such certificate; provided that to the extent that the Borrower delivered a certificate attaching the documents required by this clause (iv) to the Administrative Agent in connection with the Existing Credit Agreement, the Borrower may certify that none of such previously delivered documents have been amended, supplemented or otherwise amended and that such previously delivered documents remain in full force and effect. The Administrative Agent, the Issuing Banks and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from the Borrower to the contrary.

e. Legal Opinion. The Administrative Agent shall have received an opinion of Kirkland & Ellis LLP, New York counsel to the Borrower, Holdings and the other Guarantors, in form and substance reasonably satisfactory to the Administrative Agent, as to such customary matters regarding this Amendment, the Credit Agreement and the other Loan Documents and the transactions contemplated hereunder as the Administrative Agent or its counsel may reasonably request. The Borrower, Holdings and the other Guarantors and the Administrative Agent hereby instruct such counsel to deliver such legal opinion.

f. Minimum Aggregate Elected Commitment Amounts. The Administrative Agent and the Borrower shall have confirmed that, after giving effect to this Amendment, the Aggregate Elected Commitment Amounts shall equal or exceed $800,000,000.

g. Confirmation and Acknowledgment. The Borrower and each Guarantor shall have confirmed and acknowledged to the Administrative Agent and the Lenders, and by its execution and delivery of this Amendment, the Borrower and each Guarantor does hereby confirm and acknowledge to the Administrative Agent and the Lenders, that each of the representations and warranties of the Borrower and the Guarantors set forth in the Loan Documents is true and correct in all material respects (except for those which have a materiality qualifier, which are true and correct in all respects as so qualified) on and as of the Amendment Effective Date, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the Amendment Effective Date, such representations and warranties are true and correct in all material respects (except for those which have a materiality qualifier, which are true and correct in all respects as so qualified) as of such specified earlier date.

h. No Default, Event of Default, or Borrowing Base Deficiency. At the time of and immediately after effectiveness of this Amendment, no Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing.

i. Excess Cash. At the time of and immediately after effectiveness of this Amendment, the Borrower and its Restricted Subsidiaries shall not have Excess Cash in an amount greater than the Excess Cash Threshold.

7. Representations and Warranties. Each Credit Party represents and warrants to the Administrative Agent and the Lenders that, as of the date hereof:

   a. this Amendment has been duly authorized, executed and delivered by such Credit Party and constitutes the legal, valid and binding obligation of such Credit Party enforceable against each such Credit Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

   b. the execution, delivery and performance by each Credit Party of this Amendment (i) will not violate any applicable law or regulation or the charter, by-laws or other Organizational Documents of the Credit Parties or any Restricted Subsidiary or any order of any Governmental Authority (except, with respect to applicable law or regulations, for such violations that would not reasonably be expected to have a Material Adverse Effect), (ii) will not violate or result in a default under any indenture, agreement or other instrument evidencing or governing Material Debt binding upon the Credit Parties, the Restricted Subsidiaries or their respective Properties, or give rise to a right thereunder to require any payment to be made by the Credit Parties or any Restricted Subsidiary and (iii) will not result in the creation or imposition of any Lien on any Property of the Credit Parties or any Restricted Subsidiary (other than the Liens created by the Loan Documents);

   c. at the time of and immediately after effectiveness of this Amendment, no Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing; and

   d. at the time of and immediately after effectiveness of this Amendment, the Borrower and its Restricted Subsidiaries shall not have Excess Cash in an amount greater than the Excess Cash Threshold.

8. Post-Closing Covenants. The Borrower hereby covenants and agrees that it shall, or shall cause one or more of the Guarantors to, not later than sixty (60) days after the Amendment Effective Date (or such later date as the Administrative Agent shall reasonably agree in writing in its sole discretion) satisfy the following post-closing covenants:

   a. Mortgage Amendments. The Borrower shall, and shall cause each of its applicable Restricted Subsidiaries to, execute and deliver duly authorized amendments to certain of the existing Security Instruments, in form and substance reasonably acceptable to the Administrative Agent (in a sufficient number of counterparts to permit the recording or filing thereof in each applicable jurisdiction), extending the maturity date set forth in such existing Security Instruments to at least May 1, 2027.

b. Supplemental Mortgages. In the event that the Mortgaged Properties represent less than 85% of the PV-10 value of the Borrowing Base Properties of the Borrower and the Restricted Subsidiaries evaluated in the Spring 2023 Redetermination Reserve Report, then the Borrower shall, and shall cause each of its Restricted Subsidiaries to, grant to the Administrative Agent or its designee as security for the Secured Obligations a first-priority Lien interest (subject to Liens permitted by Section 9.03 which may attach to Mortgaged Property) on additional Oil and Gas Properties of the Borrower and the Restricted Subsidiaries not already subject to a Lien of the Security Instruments such that after giving effect thereto, the value of the Mortgaged Properties is equal to or greater than 85% of the PV-10 value of the Borrowing Base Properties of the Borrower and the Restricted Subsidiaries evaluated in the Spring 2023 Redetermination Reserve Report. All such Liens will be created and perfected by and in accordance with the provisions of Section 8.14(a) of the Credit Agreement.

c. Supplemental Title. To the extent requested by the Administrative Agent, the Borrower will deliver title information in form and substance reasonably acceptable to the Administrative Agent covering enough of the Oil and Gas Properties evaluated in the Spring 2023 Redetermination Reserve Report that were not included in the immediately preceding Reserve Report, so that the Administrative Agent shall have received together with title information previously delivered to the Administrative Agent, reasonably satisfactory title information on at least 85% of the PV-10 value of the Borrowing Base Properties evaluated in the Spring 2023 Redetermination Reserve Report.

9. Changes to Issuing Banks. On the Amendment Effective Date:

a. The Borrower hereby appoints BofA as an Issuing Bank under the Credit Agreement, BofA acknowledges and accepts such appointment as an Issuing Bank, and the Administrative Agent hereby consent to the Borrower's appointment and BofA's acceptance of such appointment as an Issuing Bank under the Credit Agreement. From and after the Amendment Effective Date, BofA shall be an Issuing Bank under the Credit Agreement and shall have the rights and obligations thereunder.

b. MUFG Bank, Ltd. ("MUFG") hereby resigns as an Issuing Bank under the Existing Credit Agreement and, as such, MUFG shall remain a party to the Credit Agreement and shall continue to have all the rights and obligations of an Issuing Bank under the Credit Agreement and the other Loan Documents with respect to (and only with respect to) any Letters of Credit heretofore issued by MUFG that remain outstanding on the Amendment Effective Date, and MUFG shall not be required to issue additional Letters of Credit under the Credit Agreement.

c. For the avoidance of doubt, this Amendment shall constitute written notice of the resignation and replacement of an Issuing Bank required pursuant to Section 2.08(i) of the Existing Credit Agreement.

10. Reaffirmation; Reference to and Effect on the Loan Documents.

a. From and after the Amendment Effective Date, each reference in the Credit Agreement to "hereunder," "hereof," "this Agreement" or words of like import and each reference in the other Loan Documents to "Credit Agreement," "thereunder," "thereof" or words of like import shall, unless the context otherwise requires, mean and be a reference to the Credit Agreement as amended by this Amendment. This Amendment is a Loan Document.

b. The Loan Documents, and the obligations of the Borrower and the other Credit Parties under the Loan Documents, are hereby ratified and confirmed and shall remain in full force and effect according to their terms.

c. The Borrower and each other Credit Party (i) acknowledges and consents to all of the terms and conditions of this Amendment, (ii) affirms all of its obligations under the Loan Documents, (iii) agrees that this Amendment and all documents executed in connection herewith do not operate to reduce or discharge its obligations under the Loan Documents, (iv) agrees that the Security Instruments continue to be in full force and effect and are not impaired or adversely affected in any manner whatsoever, (v) confirms its grant of security interests pursuant to the Security Instruments to which it is a party as Collateral for the Secured Obligations, and (vi) acknowledges that all Liens granted (or purported to be granted) pursuant to the Security Instruments remain and continue in full force and effect in respect of, and to secure, the Secured Obligations. Each Guarantor hereby reaffirms its obligations under each of the Guaranty and Collateral Agreement, each Mortgage and each Security Instrument Assignment to which such Guarantor is a party, and agrees that its obligation to guarantee the Secured Obligations is in full force and effect as of the date hereof.

d. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender, any Issuing Bank or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

e. In the event of any conflict between the terms of this Amendment and the terms of the Credit Agreement or the other Loan Documents, the terms hereof shall control.

11. Governing Law; Jurisdiction; Consent to Service of Process; Waiver of Jury Trial, Etc.

a. This Amendment shall be construed in accordance with and governed by the law of the State of New York, without regard to conflict of laws principles thereof to the extent such principles would cause the application of the law of another state.

b. **EACH PARTY HERETO HEREBY AGREES AS SET FORTH IN SECTION 12.09 OF THE CREDIT AGREEMENT AS IF SUCH SECTION WAS SET FORTH IN FULL HEREIN**.

12. Amendments; Headings; Severability. The Section headings used herein are for convenience of reference only, are not part of this Amendment and are not to affect the construction of, or to be taken into consideration in interpreting this Amendment. Any provision of this 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, and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

13. Execution in Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by telecopy, emailed pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, 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, physical delivery thereof 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; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent.

14. Notices. All notices hereunder shall be given in accordance with the provisions of Section 12.01 of the Credit Agreement.

(remainder of page intentionally left blank)

Each of the parties hereto has caused a counterpart of this Amendment to be duly executed and delivered as of the date first above written.

GULFPORT ENERGY CORPORATION
GULFPORT ENERGY OPERATING CORPORATION
GRIZZLY HOLDINGS, INC.
JAGUAR RESOURCES LLC
PUMA RESOURCES, INC.
GATOR MARINE, INC.
GATOR MARINE IVANHOE, INC.
WESTHAWK MINERALS LLC
GULFPORT MIDSTREAM HOLDINGS, LLC
GULFPORT APPALACHIA, LLC
GULFPORT MIDCON, LLC
MULE SKY LLC

By:____________________________________
Name:
Title: Chief Financial Officer

ADMINISTRATIVE AGENT, ISSUING BANK AND LENDER:	**JPMorgan Chase Bank, N.A.**, as Administrative Agent, Issuing Bank and a Lender By: ________________________ Name: Title:

LENDERS: [•]

By: ________________________
Name:
Title:

Signature Page to Joinder, Commitment Increase and Borrowing Base Redetermination Agreement and Third Amendment to Credit Agreement

ANNEX I

MAXIMUM CREDIT AMOUNTS

Name of Lender	Applicable Percentage	Maximum Revolving Credit Amount	Elected Commitment
JPMorgan Chase Bank, N.A.	8.6666666667%	$130,000,000.04	$78,000,000.00
Bank of America, N.A.	6.8888888889%	$103,333,333.33	$62,000,000.00
Capital One, National Association	6.8888888889%	$103,333,333.33	$62,000,000.00
Canadian Imperial Bank of Commerce, New York Branch	6.8888888889%	$103,333,333.33	$62,000,000.00
Citizens Bank, N.A.	6.8888888889%	$103,333,333.33	$62,000,000.00
Fifth Third Bank, National Association	6.8888888889%	$103,333,333.33	$62,000,000.00
KeyBank National Association	6.8888888889%	$103,333,333.33	$62,000,000.00
Mizuho Bank, Ltd.	6.8888888889%	$103,333,333.33	$62,000,000.00
MUFG Bank, Ltd.	6.8888888889%	$103,333,333.33	$62,000,000.00
Truist Bank	6.8888888889%	$103,333,333.33	$62,000,000.00
U.S. Bank National Association	6.8888888889%	$103,333,333.33	$62,000,000.00
Wells Fargo Bank, N.A.	6.8888888889%	$103,333,333.33	$62,000,000.00
BOKF, NA DBA Bank of Oklahoma	5.0000000000%	$75,000,000.00	$45,000,000.00
First Horizon Bank, a Tennessee State Bank	3.8888888889%	$58,333,333.33	$35,000,000.00
Zions Bancorporation, N.A. dba Amegy Bank	3.8888888889%	$58,333,333.33	$35,000,000.00
Comerica Bank	2.7777777778%	$41,666,666.67	$25,000,000.00
TOTAL	**100.000000000%**	**$1,500,000,000**	**$900,000,000.00**

Exhibit 31.1

CERTIFICATION

I, John Reinhart, Chief Executive Officer of Gulfport Energy Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gulfport Energy Corporation;

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 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;

(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.

5. The registrant’s other certifying officer 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;

(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: May 3, 2023

/s/ John Reinhart
John Reinhart
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Michael Hodges, Chief Financial Officer of Gulfport Energy Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gulfport Energy Corporation;

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 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;

(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.

5. The registrant’s other certifying officer 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;

(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: May 3, 2023

/s/ Michael Hodges

Michael Hodges
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF PERIODIC REPORT

I, John Reinhart, Chief Executive Officer of Gulfport Energy Corporation (the "Company"), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 3, 2023

/s/ John Reinhart
John Reinhart
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF PERIODIC REPORT

I, Michael Hodges, Chief Financial Officer of Gulfport Energy Corporation (the "Company"), certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 3, 2023

/s/ Michael Hodges
Michael Hodges
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.