Oil & Gas Outlook:
Boundless Opportunities in a World of Volatility

March 31, 2026

Jefferies LLC
Member SIPC

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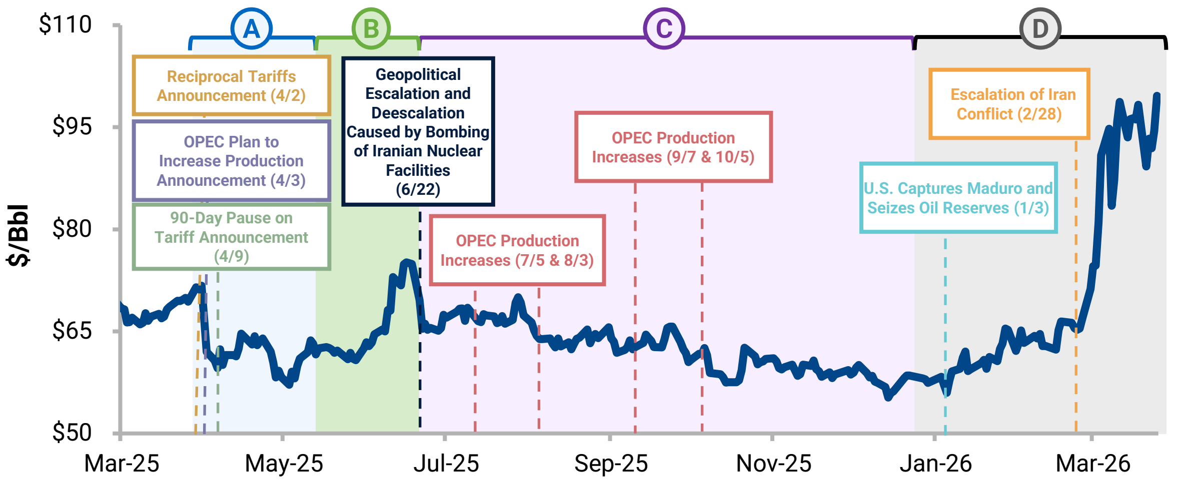
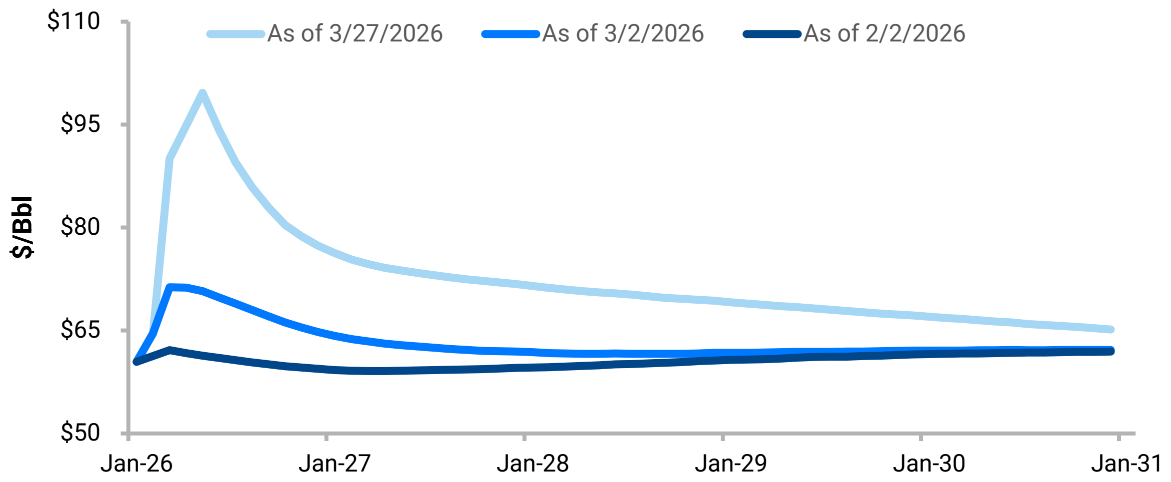
2025 Had Some Polarizing Moments, but 2026 is The Year of Volatility!

WTI Prices Since 2025 Summit



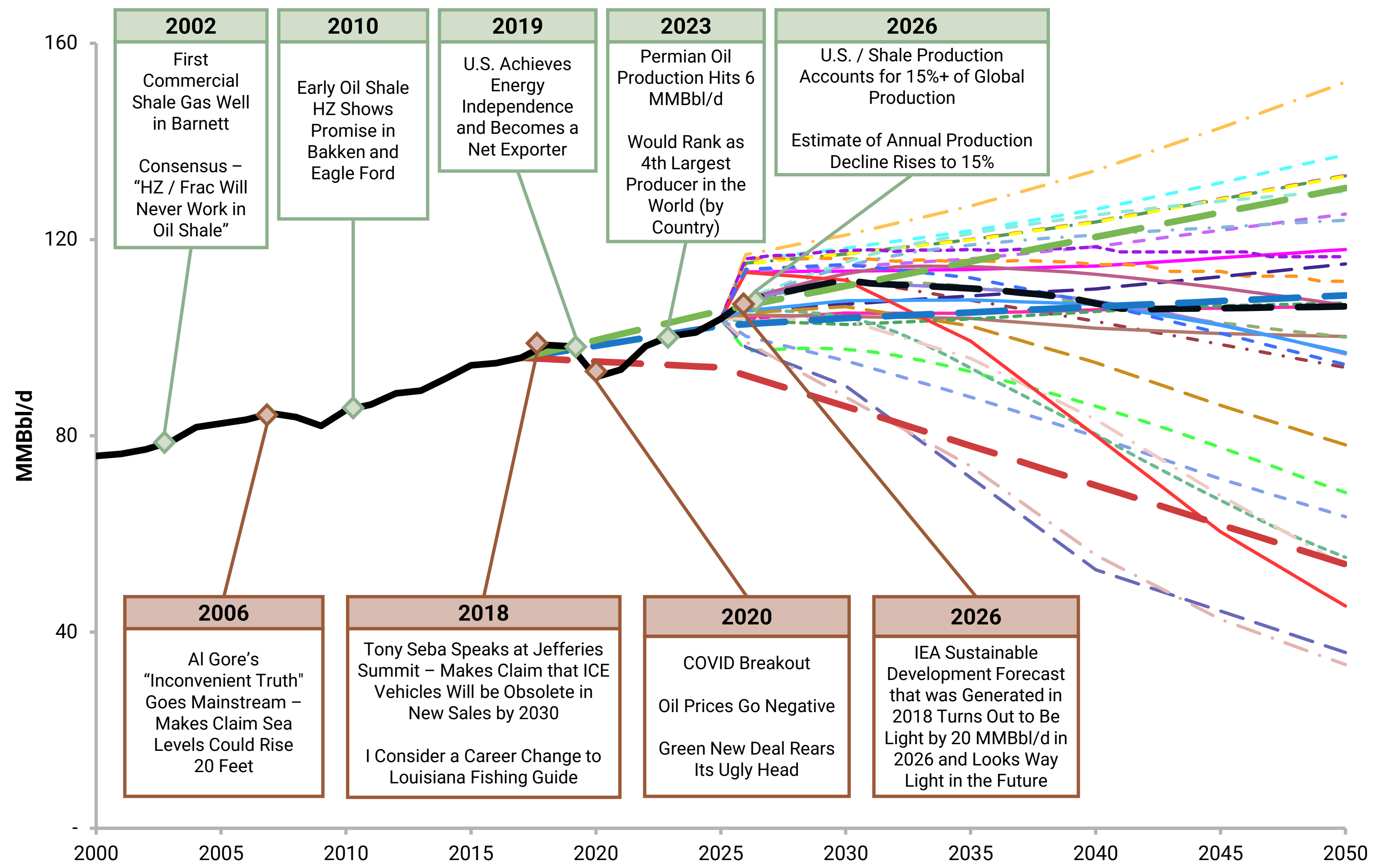
NY Strip Oil Pricing Action Over The Last 60 Days



Source: Bloomberg, Capital IQ. Market data as of March 27, 2026.

Oil Demand Has Broken the Will of the Naysayers, but Divergent Forecasts Still Exist

Historic Oil Production With Oil Demand Scenarios Through 2050



Growth Rank	Growth Scenario	Growth 2050E Demand	Base & Decline Rank	Base & Decline Scenario	Base & Decline 2050E Demand
1	EIA High Econ Growth	152	17	Base – IEF regression model	106
2	EIA low oil price	137	18	Exxon (Base)	106
3	EIA high zct costs	133	19	IEA STEP	100
4	EIA Reference	133	20	Shell Archipelagos	100
5	EIA low zct costs	133	21	Total trends	97
6	IEA 2018 Policies	131	22	Shell Surge	97
7	OPEC EG	130	23	bp CT	95
8	EIA high oil price	125	24	Equinor Walls	94
9	OPEC Reference	124	25	Total momentum	78
10	EIA Low Econ Growth	118	26	DNV	68
11	GECF SES	117	27	IEEJ ATS	63
12	IEA CP	115	28	Shell Horizon	55
13	GECF RCS	112	29	IEA 2018 SD Policies	54
14	IEA 2018 New Policies	109	30	Total Rupture	53
15	IEEJ Reference	107	31	bp B2	45
16	OPEC TD	107	32	Equinor Bridges	36
			33	IEA NZE	33

Source: Sources IEF , IEA WEO, OPEC WOO 2025, BP Energy Outlook 2025, TotalEnergies Energy outlook 2025, DNVs Energy Transition Outlook 2025, GECF Global Gas Outlook 2025, Equinor Energy Perspectives 2025, IEEJ Outlook 2024, EIA IEO 2023, Shell Energy Security Scenarios 2025, and ExxonMobil Global Outlook 2025.
Note: Some scenarios start after the historical series ends; their curves therefore begin at the first year each outlook reports projections.

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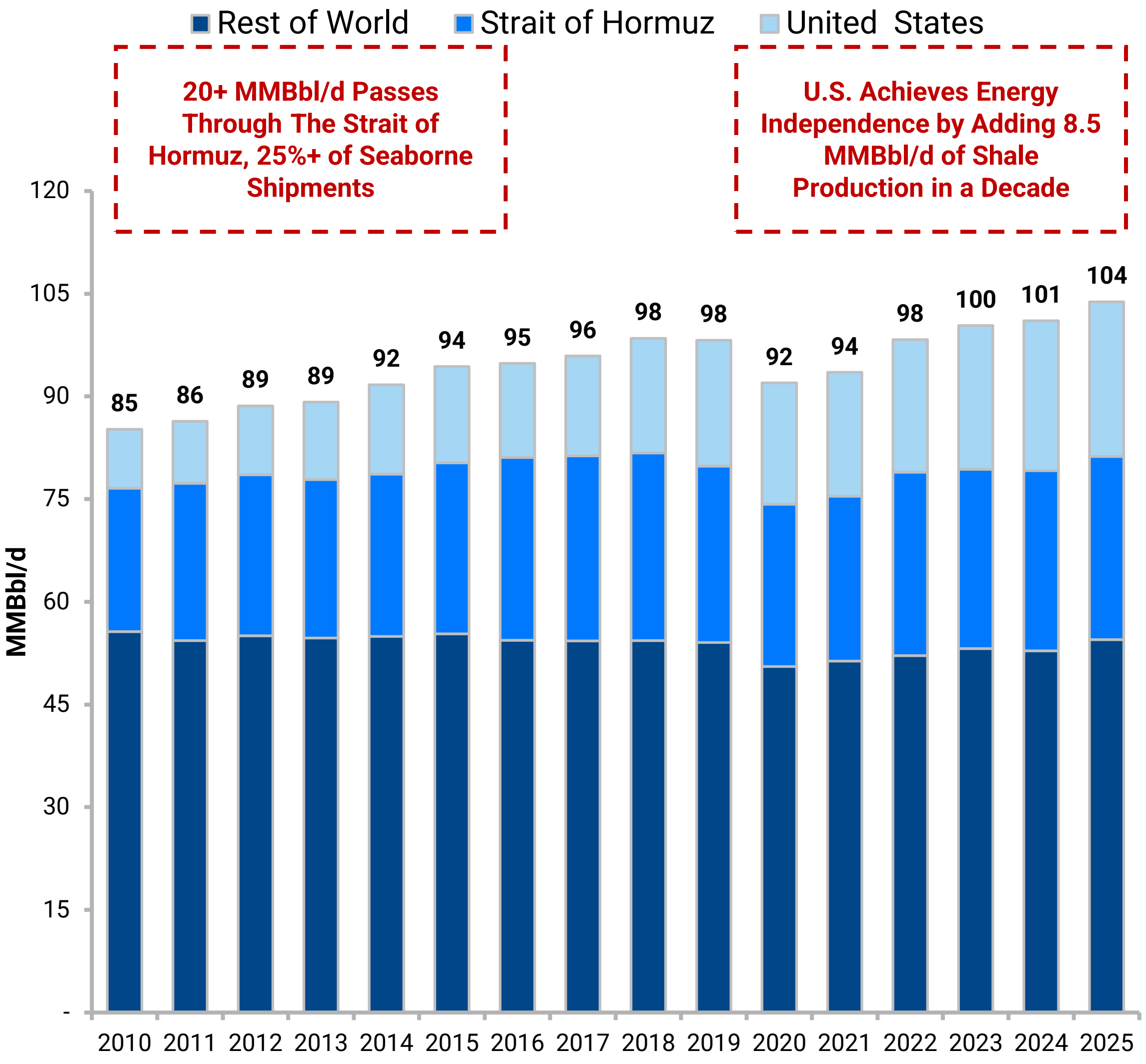
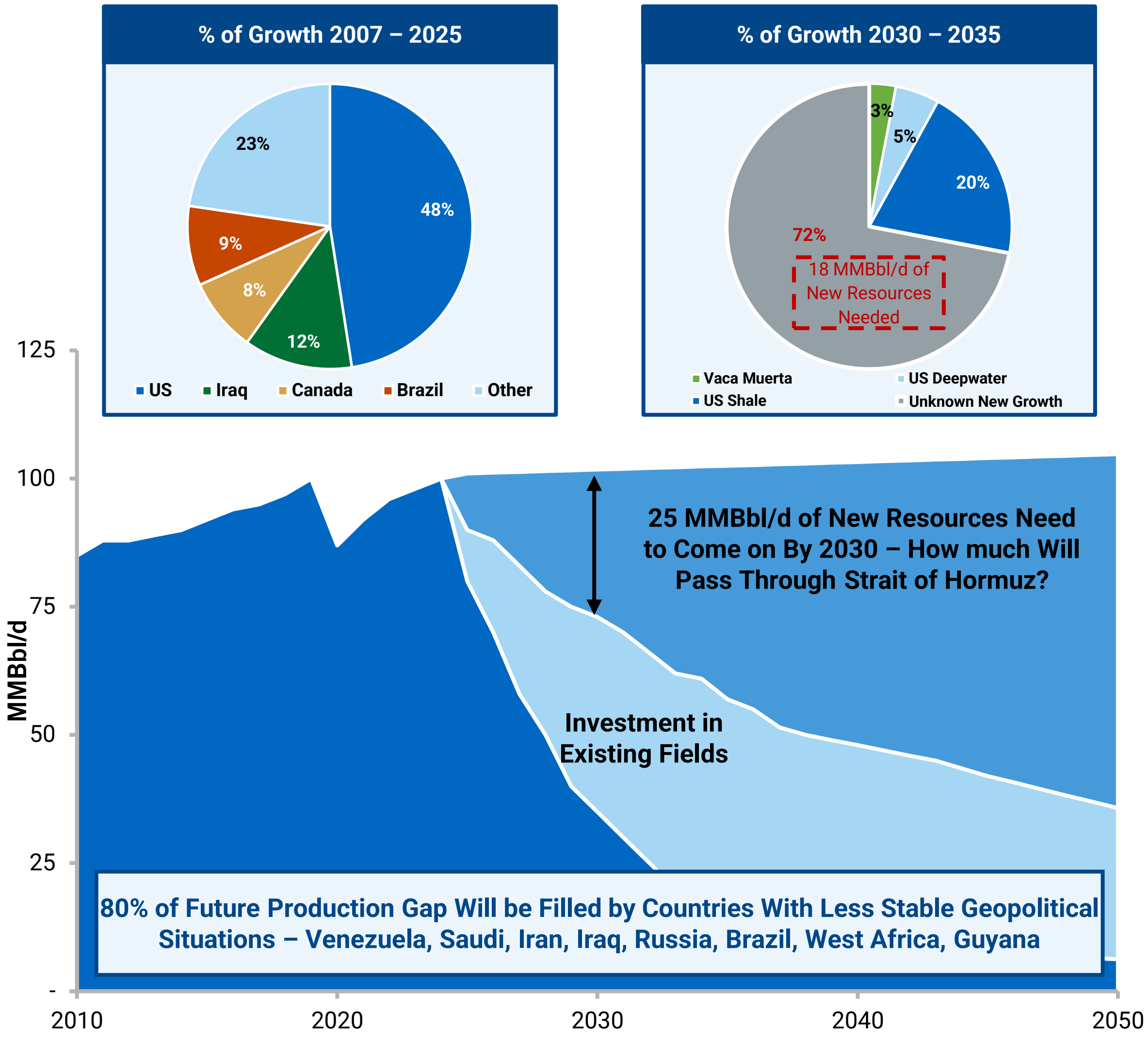
Oil – It's What's for Dinner

U.S. Shale Dominance Prevents Strait of Hormuz Shutdown From Being a Complete Nightmare

Geopolitical Breakdown of Oil Production



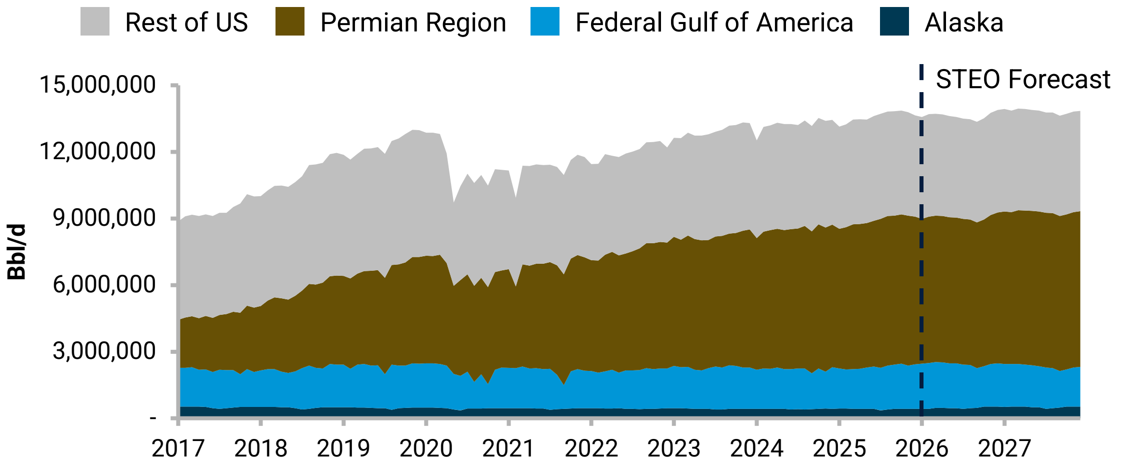
Global Oil Supply and Gas Demand



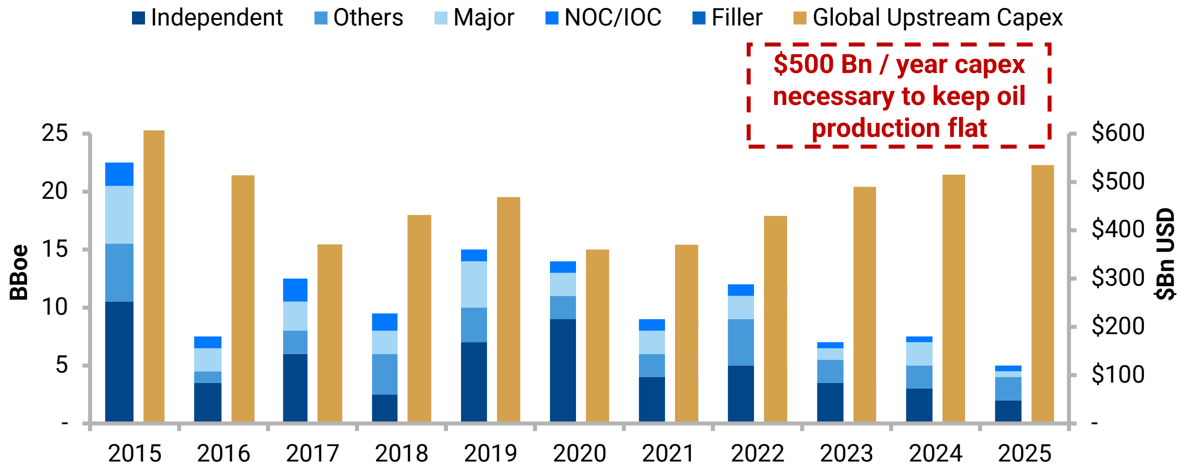
Source: Company reports, EIA, FERC research, Wall Street Research.

US Oil Production is Rolling Over, as Conventional Discoveries are Shrinking, & Supply / Demand is Tight….. What Could Go Wrong?

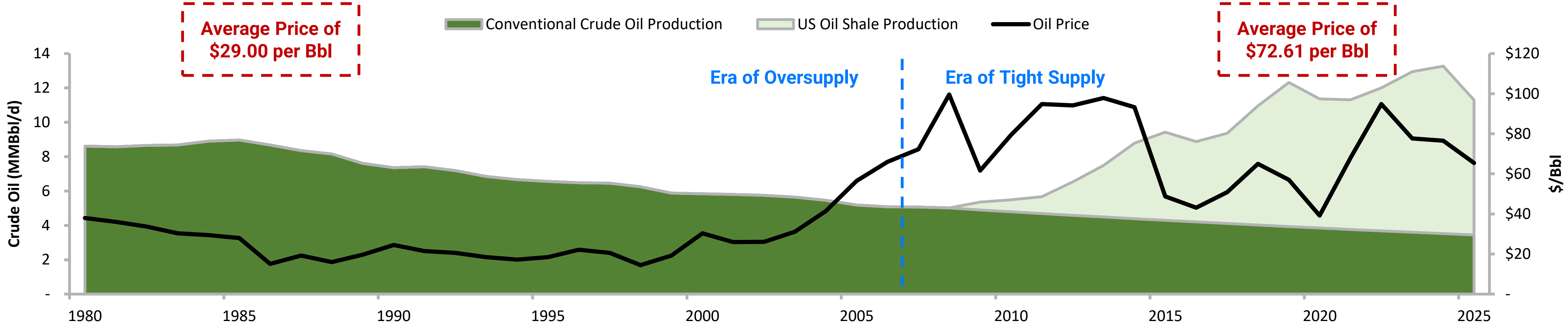
Monthly US Crude Oil Production By Region



Global Conventional Discovered Volumes



US Crude Oil Production & Pricing (1)

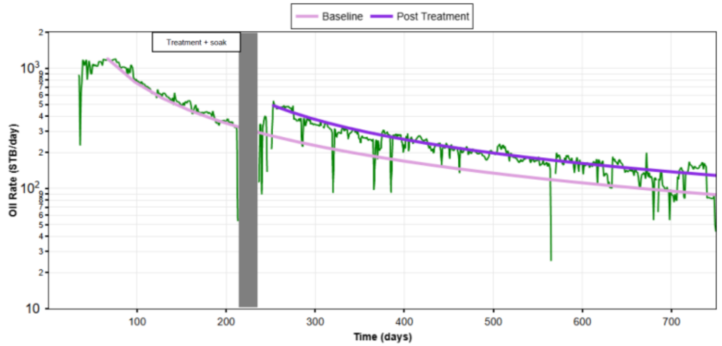


Source: EIA and Rystad Energy UCubeExploration.
(1) Reflects data as of December 2025.

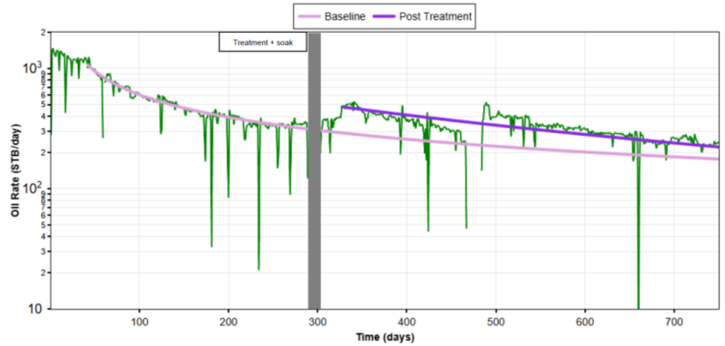
Can The Permian Decline be Arrested With EOR Techniques

Chevron Surfactant Uplift Results (1)

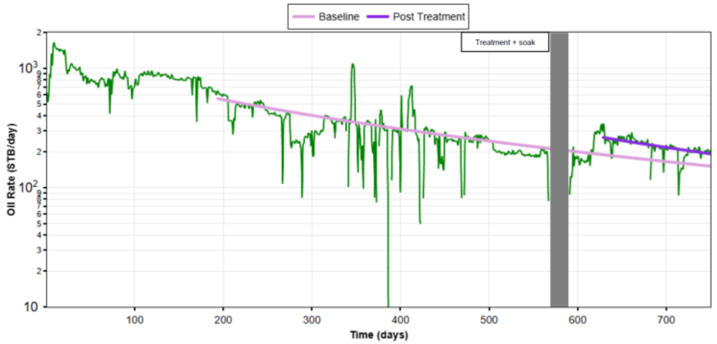
Well 1, Zone X



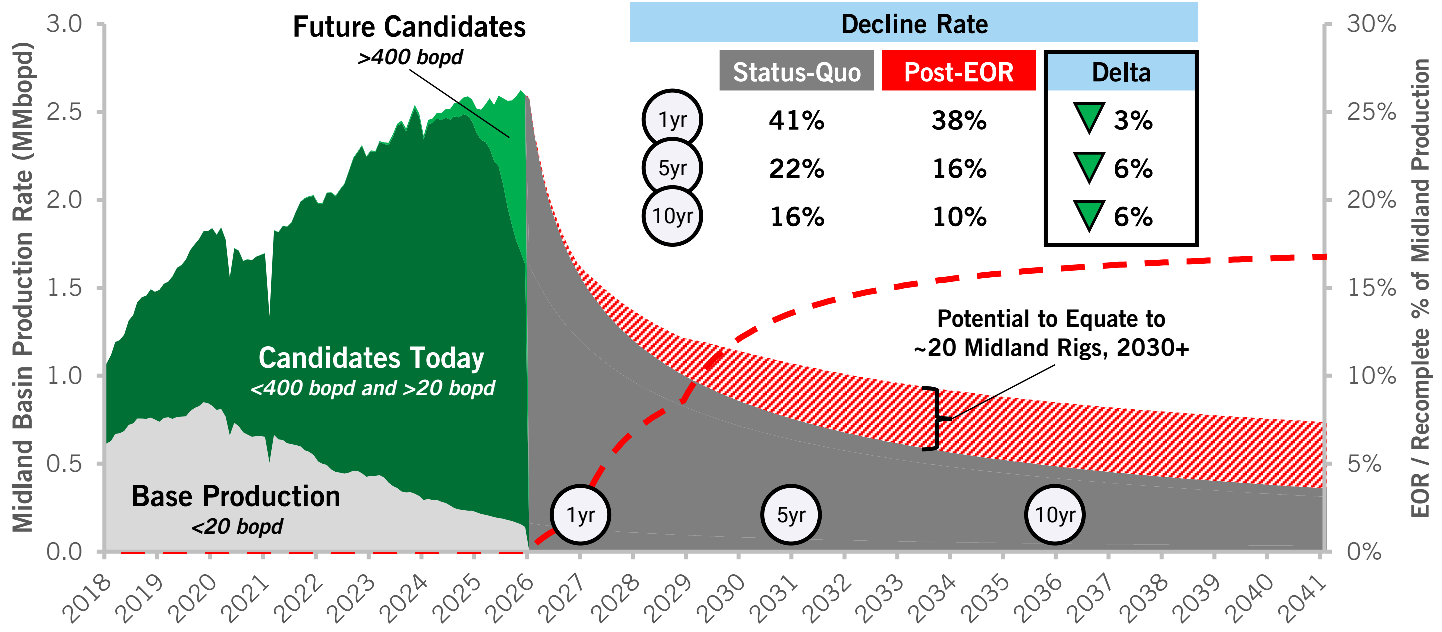
Well 5, Zone Y



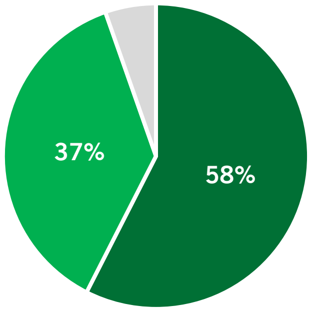
Well 7, Zone Z



Midland PDP Declines Could be Reduced by ~5% with Full-Scale EOR Implementation



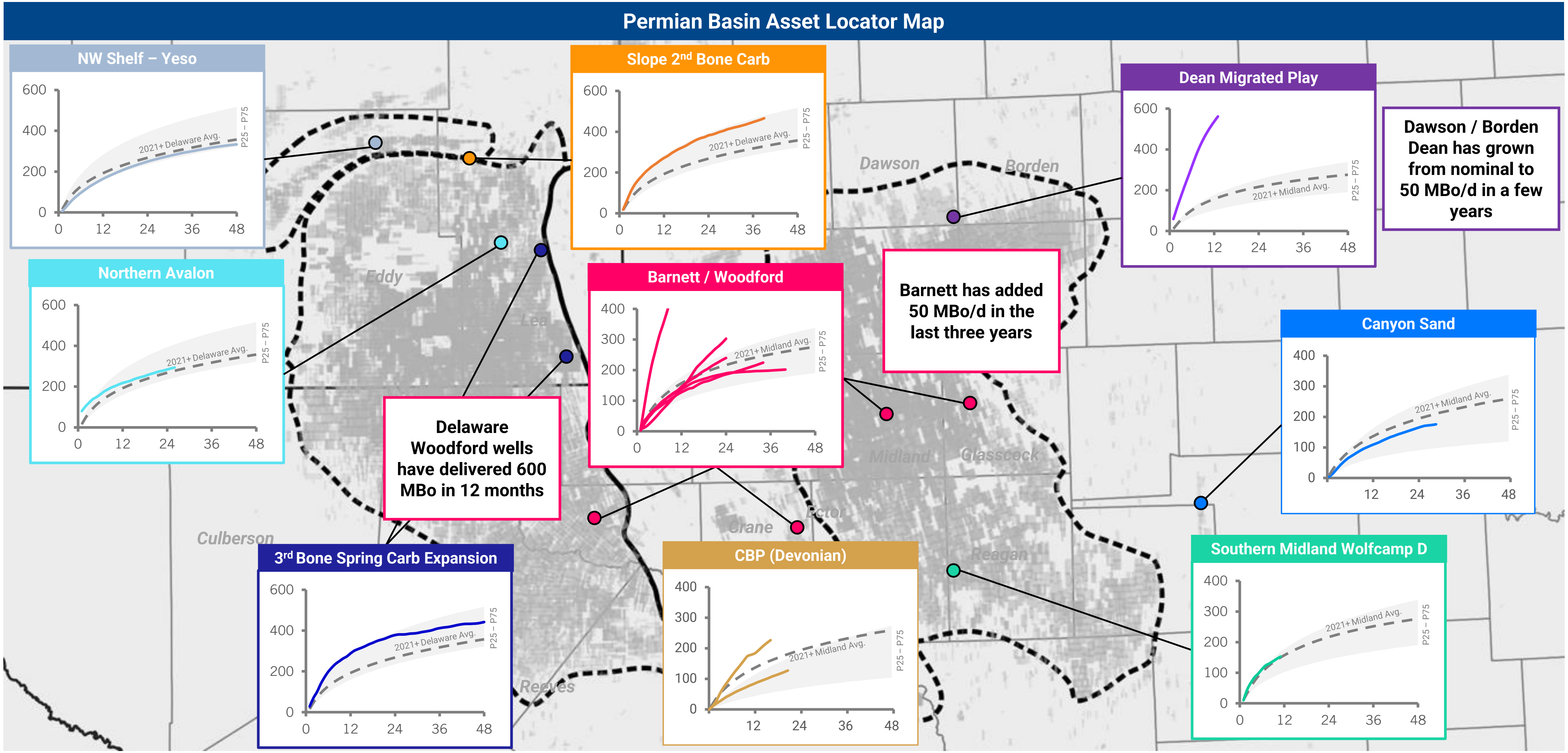
Viable EOR Candidates Make up ~60% of Current Midland Production (and Growing…)



	Criteria	Well Count	Current Production
Candidates Today	<400 bopd >20 bopd	15,638 *(32%)*	1.49 MMbopd *(58%)*
Future Candidates	>400 bopd	1,356 *(3%)*	0.96 MMbopd *(37%)*
Base Production	<20 bopd	31,457 *(65%)*	0.14 MMbopd *(5%)*

(1) Source: Salman et al. 2025. "Piloting of Chemical EOR in Unconventional Liquid Reservoirs". URTeC 4260303

Permian Core is Hanging in There, but Expansion Areas Show Promise



Source: Jefferies Estimates, Enverus.

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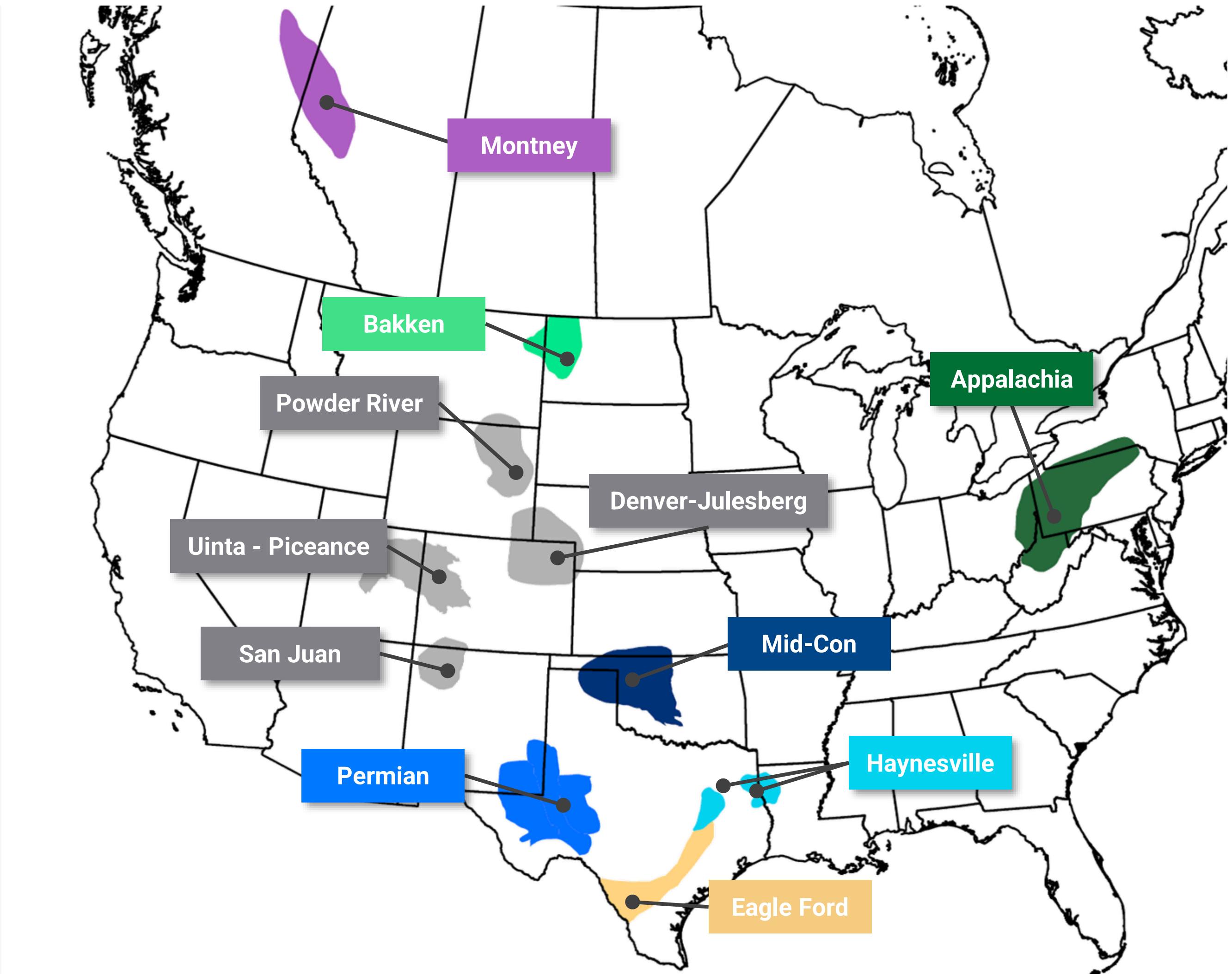
Can North America Deliver the Goods Outside of the Permian?

Basin Statistics

Basin	Gross Oil (MMBo/d)	Gross Gas (Bcf/d)	Gross Inventory	Active Rigs	Years of Inventory	Average IRR (1)	YoY Oil Growth (2)	YoY Gas. Growth (2)
Permian	6.3	26.8	~86,000	246	22	~80%	1.0%	7.6%
Montney	0.4	10.9	~49,000	14	63	~70%	6.2%	5.3%
Rockies	0.9	7.9	~19,000 (~45,000) (3)	30	20	~45%	-	2.0%
Appalachian	0.2	36.5	~20,000	38	16	~60%	-	5.8%
Eagle Ford	1.1	7.8	~16,000	44	22	~60%	(0.3%)	0.4%
Haynesville	0.0	14.8	~5,000 (~10,000) (4)	38	8	~55%	-	9.9%
Bakken	1.3	3.7	~8,000	28	11	~65%	(2.8%)	1.8%
Mid-Con	0.3	6.1	~8,000	24	16	~35%	(5.1%)	(3.3%)

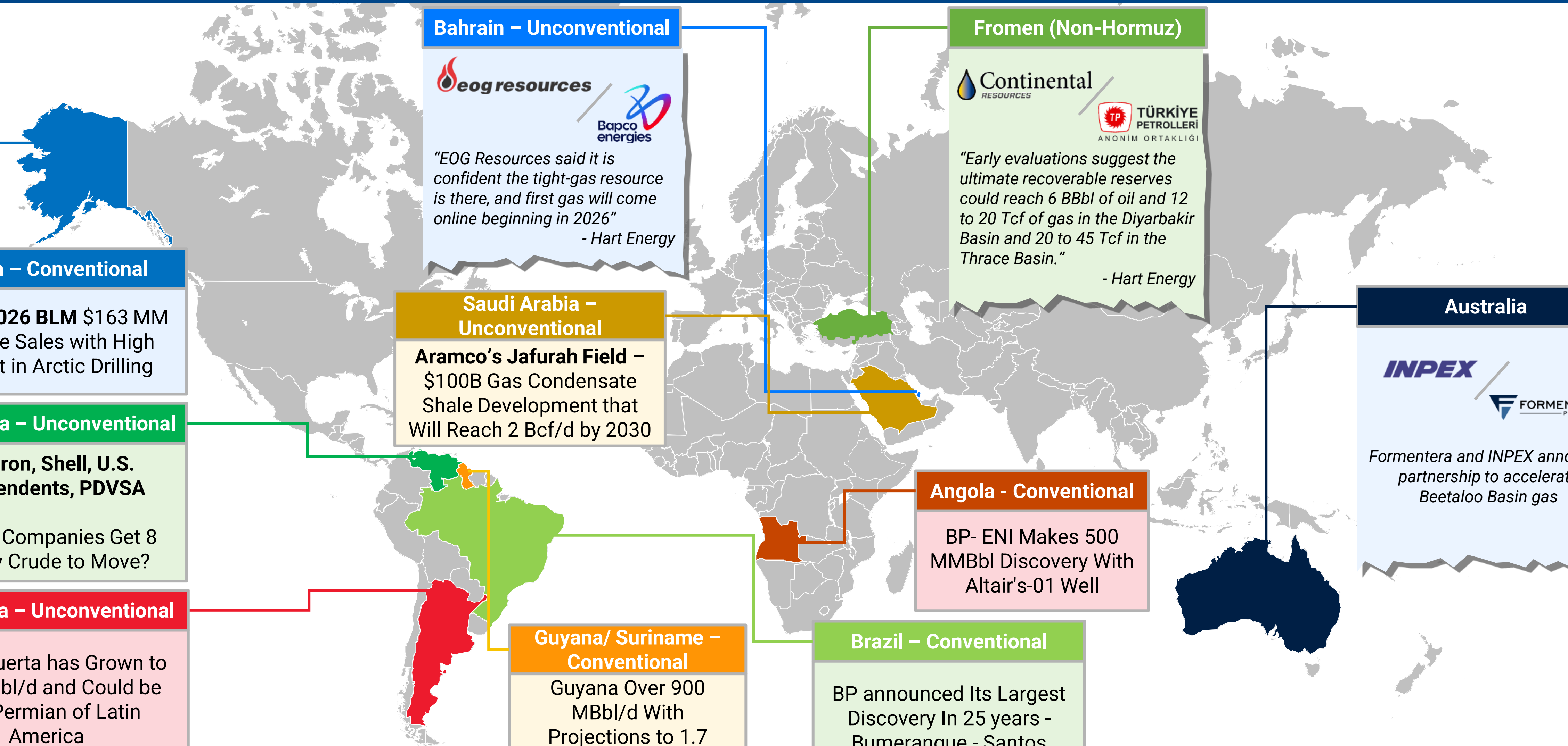
Major Shale Basins



Note: Reflects Jefferies estimates. Active horizontal rigs as of August 2025 from Enverus.
(1) Reflects benchmark $65/oil Bbl, benchmark $3.75/MMBtu, and realized $20/NGL Bbl pricing.
(2) YoY growth represents 2023 – 2025 YTD annualized growth rate.
(3) Includes ~26,000 undelineated locations.
(4) Includes ~5,000 undelineated locations in the Western Haynesville.

Internationally, Conventional Exploration Needs to Accelerate as Shale Begins to Make a Splash

International Shale Activity Map



Bahrain – Unconventional

"EOG Resources said it is confident the tight-gas resource is there, and first gas will come online beginning in 2026"
- Hart Energy

Fromen (Non-Hormuz)

"Early evaluations suggest the ultimate recoverable reserves could reach 6 BBbl of oil and 12 to 20 Tcf of gas in the Diyarbakir Basin and 20 to 45 Tcf in the Thrace Basin."
- Hart Energy

Alaska – Conventional

March 2026 BLM $163 MM in Lease Sales with High Interest in Arctic Drilling

Saudi Arabia – Unconventional

Aramco's Jafurah Field – $100B Gas Condensate Shale Development that Will Reach 2 Bcf/d by 2030

Australia

Formentera and INPEX announce partnership to accelerate Beetaloo Basin gas

Venezuela – Unconventional

Chevron, Shell, U.S. Independents, PDVSA

Can Oil Companies Get 8 Gravity Crude to Move?

Angola - Conventional

BP- ENI Makes 500 MMBbl Discovery With Altair's-01 Well

Argentina – Unconventional

Vaca Muerta has Grown to 600 MBbl/d and Could be The Permian of Latin America

Guyana/ Suriname – Conventional

Guyana Over 900 MBbl/d With Projections to 1.7 MMBbl/d by 2030, can Suriname Compete?

Brazil – Conventional

BP announced Its Largest Discovery In 25 years - Bumerangue - Santos Basin

Source: Hart Energy, Company Reports.

Gas – The Other White Meat!

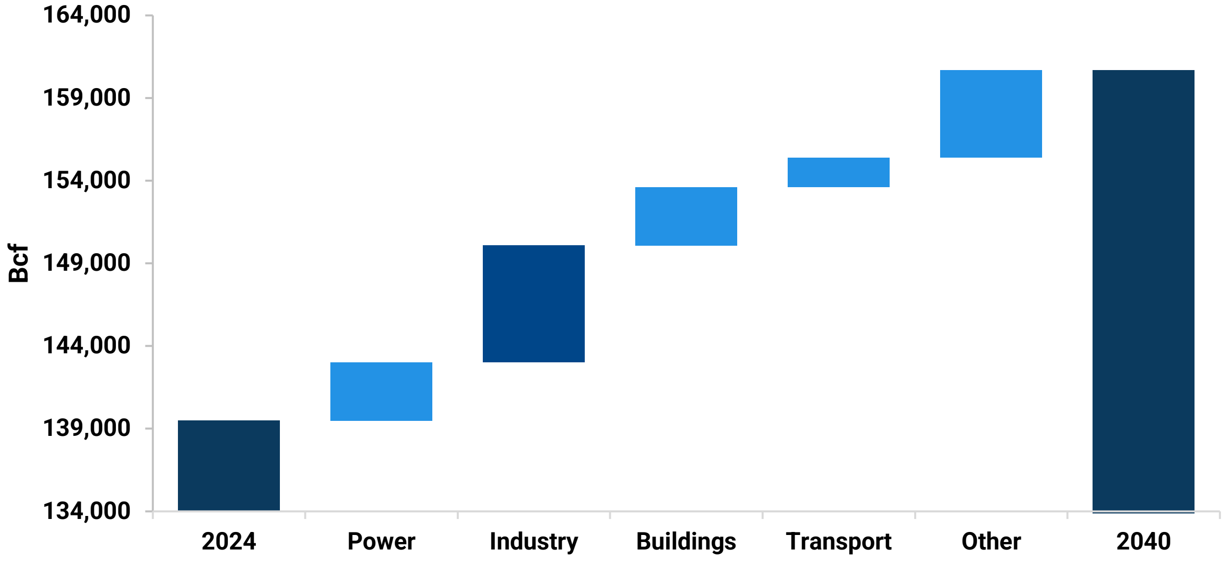
Global LNG Supply and Demand Forecast

The LNG Market is Expected to Double by the Late 2030s with the US Expected to be one of the Largest Suppliers

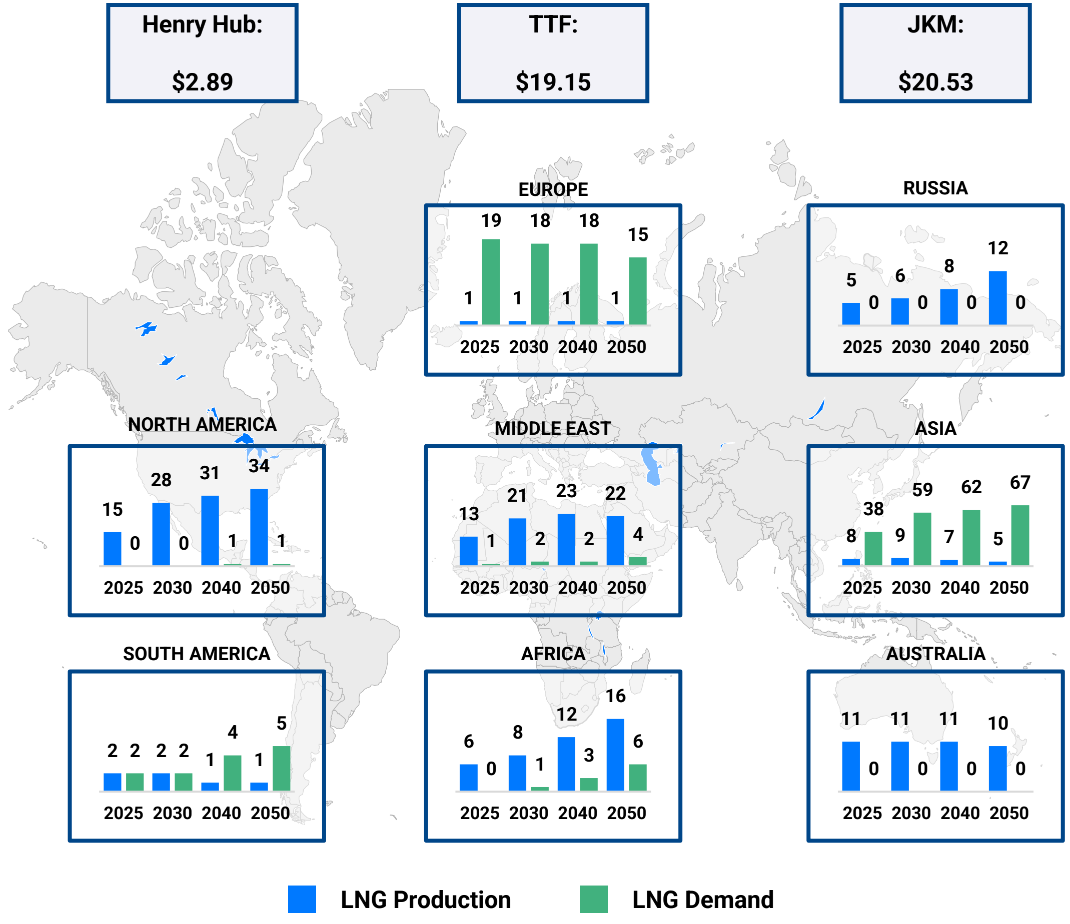
KEY POINTS

- North America leads the world on LNG supply growth with ~34 Bcf/d of nameplate capacity expected by 2040
- Europe and Asia are the primary sources of LNG demand, with Asia expected to almost double LNG demand by 2050
- Power and Industrial sectors will be the primary sources of LNG demand growth, both baseload in nature

Strong Growth in International Gas Demand by 2040



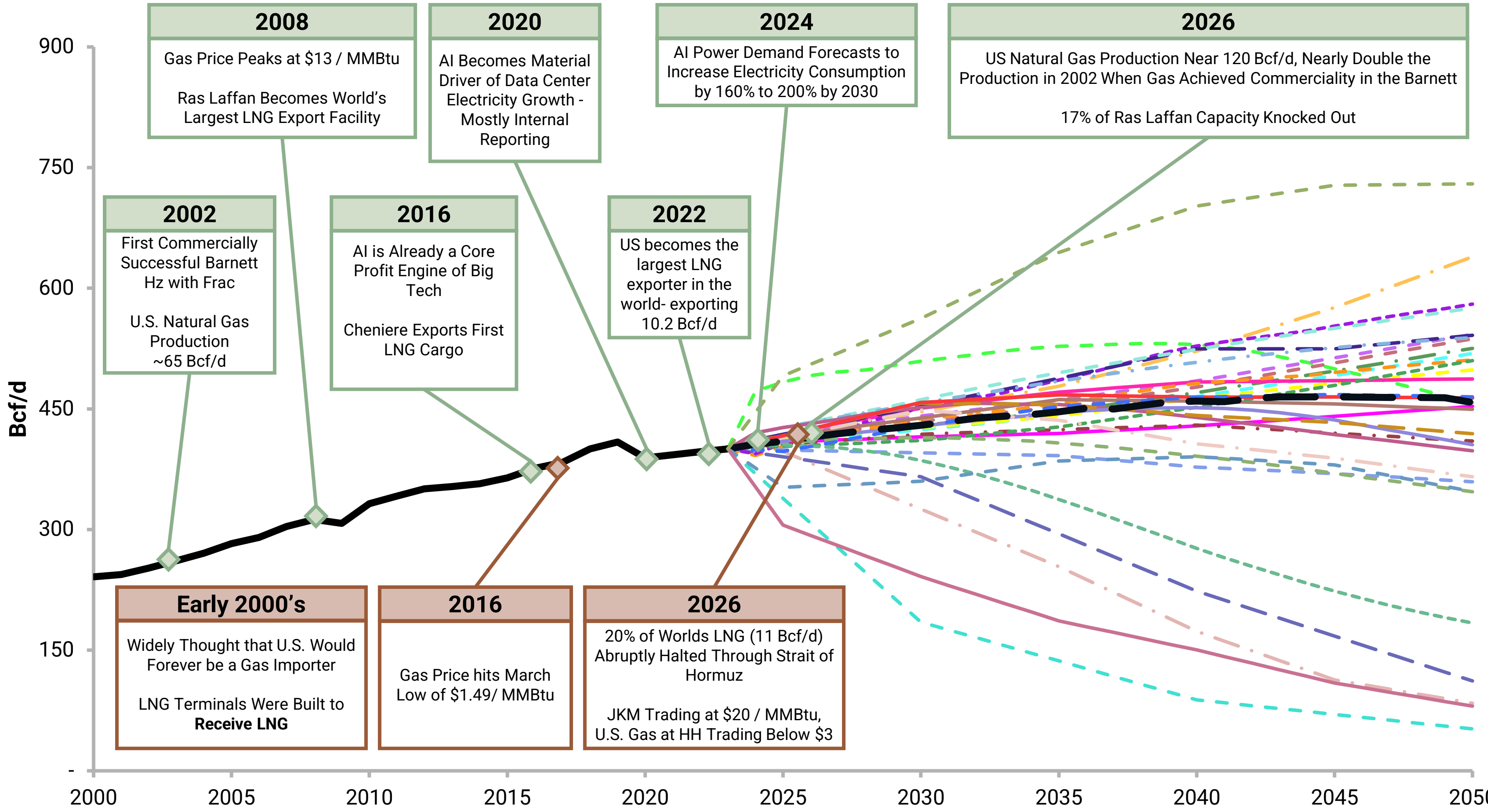
Global LNG Supply and Demand Estimates (Bcf/d)



Source: Bloomberg, Company Reports, EIA, FERC research, Wall Street research. Market data as of March 30, 2026.

Industrial Reshoring, LNG, and AI Have Gas Demand Growing – but By How Much?

We Are Here and Growth is Up?



Base Growth			Base Decline		
Rank	Scenario	2050E Demand	Rank	Scenario	2050E Demand
1	IPCC ModAct (3C)	730	**18**	**Base – IEF regression model**	**458**
2	EIA High Econ Growth	639	19	EIA Low Econ Growth	453
3	GECF SES	580	20	IEA STEP	449
4	OPEC EG	575	21	Total momentum	419
5	EIA high oil price	543	22	Equinor Walls	410
6	IEA CP	541	23	Shell Surge	405
7	OPEC Referenc e	539	24	OPEC TD	398
8	EIA high zct costs	537	25	Total Rupture	366
9	EIA Referenc e	525	26	IEEJ ATS	359
10	EIA low oil price	519	27	IPCC IMP-Neg (2C)	347
11	GECF RCS	511	28	Shell Archipelag os	347
12	IEEJ Referenc e	510	29	Shell Horizon	184
13	EIA low zct costs	498	30	bp B2	176
14	Exxon	487	31	Equinor Bridges	112
15	bp CT	465	32	IEA NZE	84
16	Total trends	463	33	IPCC IMP-Ren (1.5C)	80
17	DNV	458	34	IPCC IMP-LD (1.5C)	52

Source: Sources IEF , IEA WEO, OPEC WOO 2025, BP Energy Outlook 2025, TotalEnergies Energy outlook 2025, DNVs Energy Transition Outlook 2025, GECF Global Gas Outlook 2025, Equinor Energy Perspectives 2025, IEEJ Outlook 2024, EIA IEO 2023, Shell Energy Security Scenarios 2025, and ExxonMobil Global Outlook 2025.
Note: Some scenarios start after the historical series ends; their curves therefore begin at the first year each outlook reports projections.

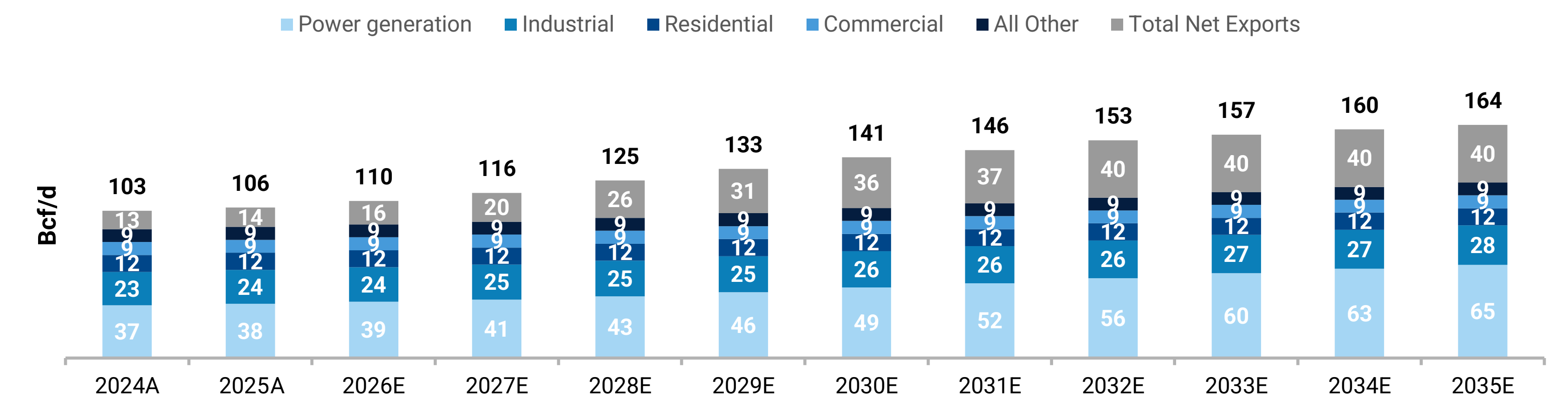
U.S. Forecast for Gas Demand is Robust & Scary as Hell

Natural gas is the foundation of the most significant global bull thesis today

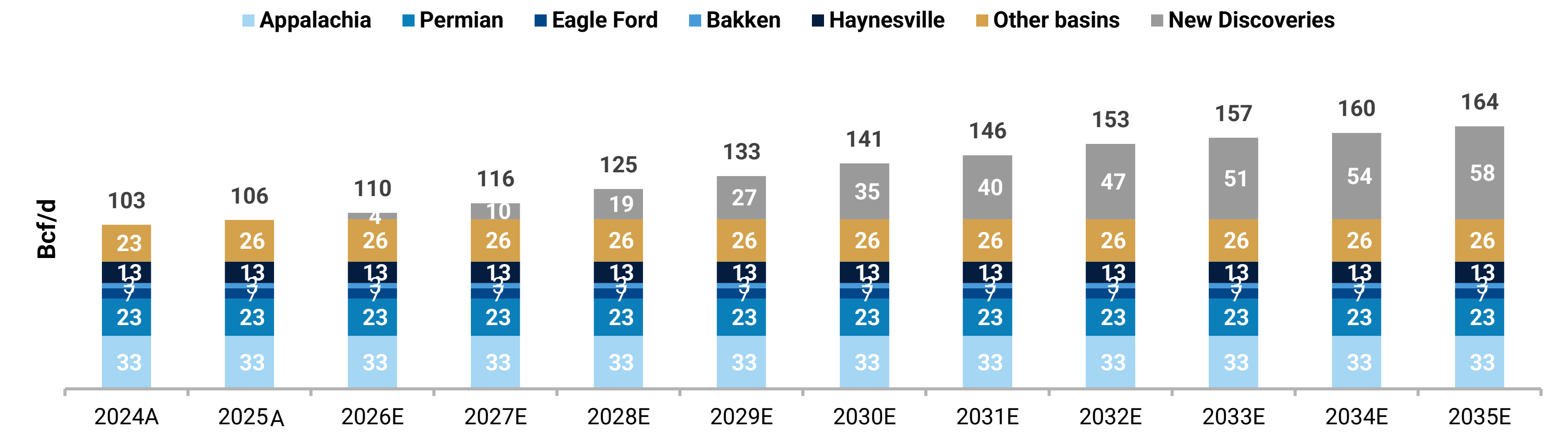
~126 Tcf of Gas Needed Before 2035 to Meet Demand

That's Over 2x of What the Haynesville Has Delivered to Date (60 Tcf)

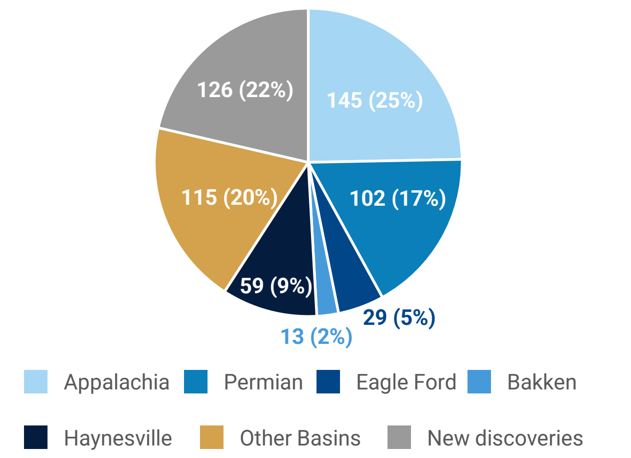
US Natural Gas Demand Could Grow by ~21 Tcf/y by 2035



US Gas Production Needed to Meet Demand Requires ~126 Tcf of New Discoveries by 2035



2024 to 2035 Cume Gas by Basin (TCF)



Sources: EIA.

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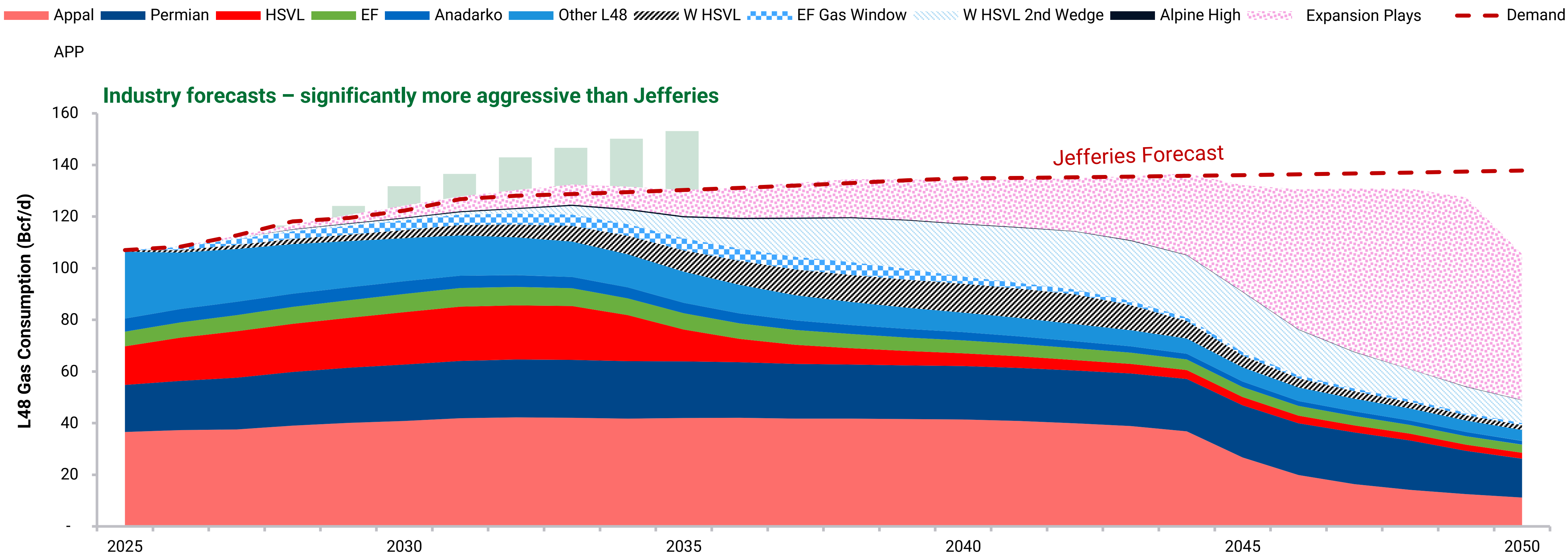
Major New Commercialization of Expansion Plays are Needed to Feed the Growth in Gas Demand

L48 Gas Supply vs. Demand Forecast – Jefferies After 2030 Internal (Conservative) and Industry



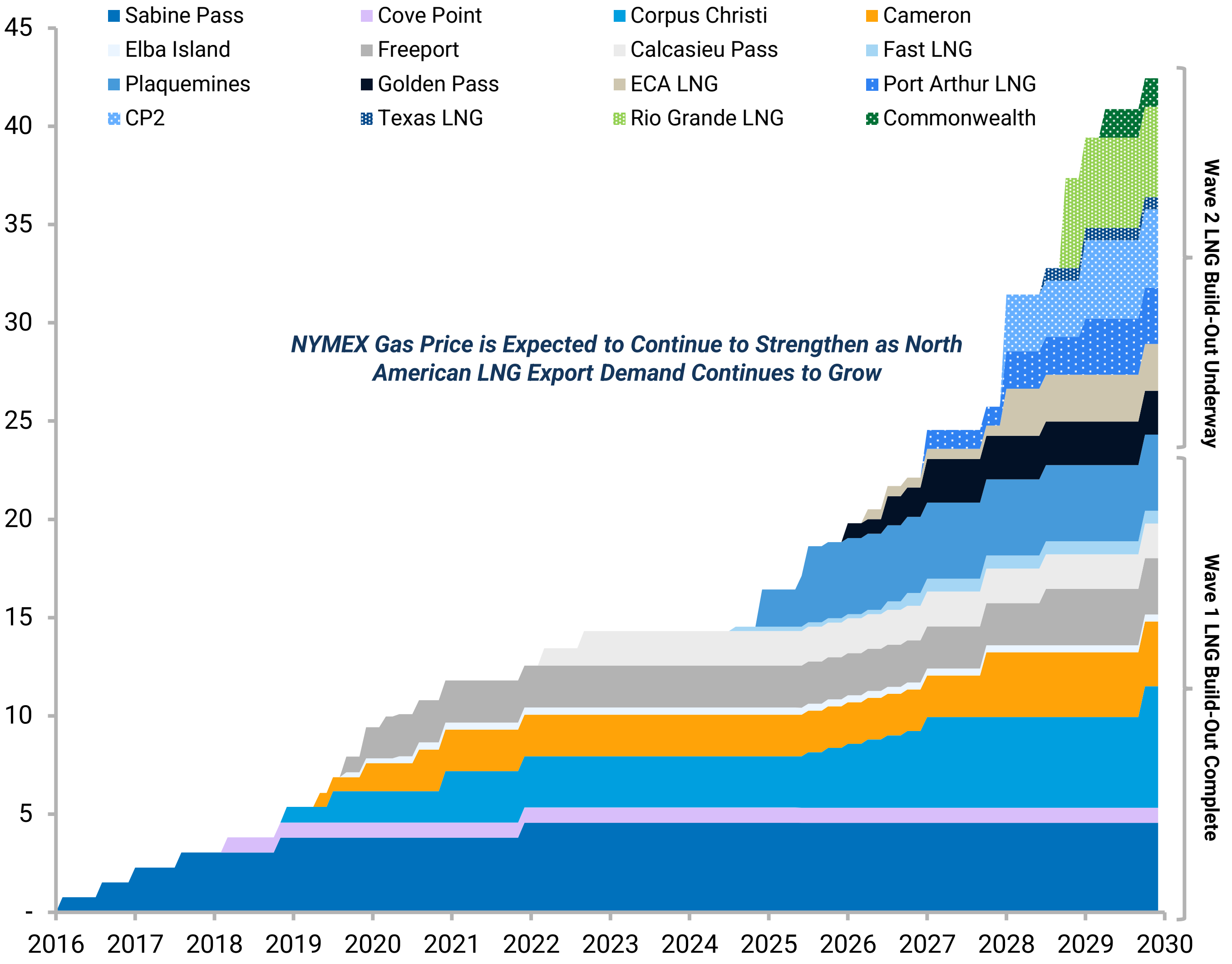
Demand Driven by Commercial, Industrial, LNG and AI Will Outstrip L48 Gas Supply in the Early 2030s,

Inevitably Resulting in Higher Gas Prices in Order to Support the Economic Hurdles Sufficient for Other Plays to Contribute Materially

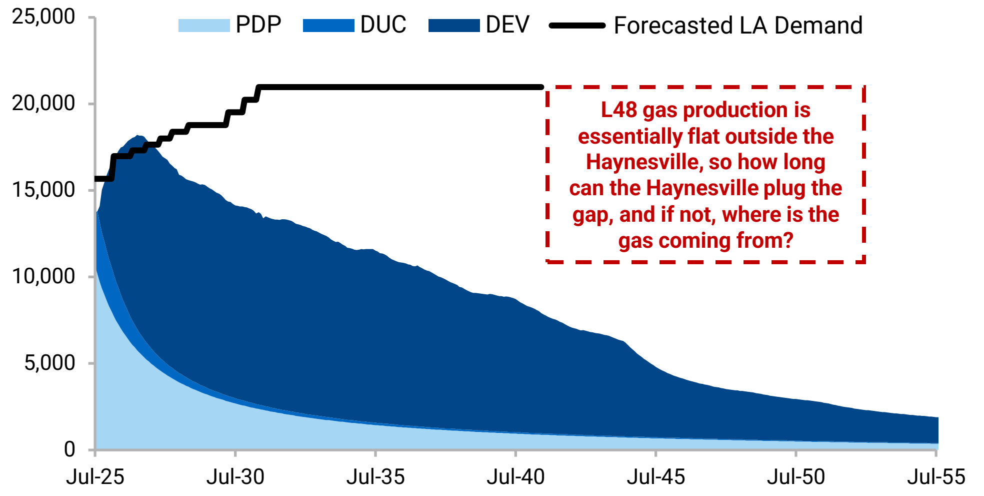
Source: Jefferies Estimates, EIA.

Supply / Demand Gap for Louisiana LNG Will Need to Come From the West with New Gas Lines Crossing the Sabine

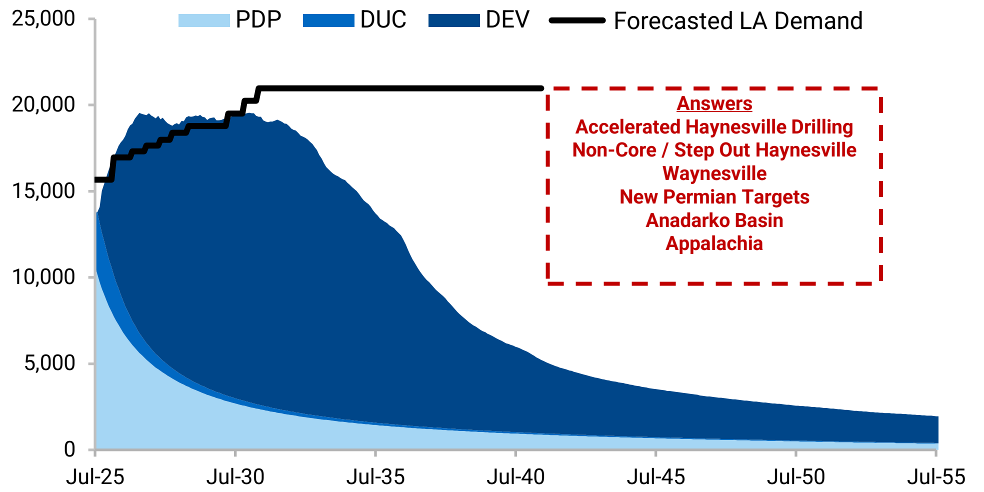
Gulf Coast LNG Build-Out (Bcf/d)



Forecasted Gross Production, Current 38 Rig Case (MMcf/d)

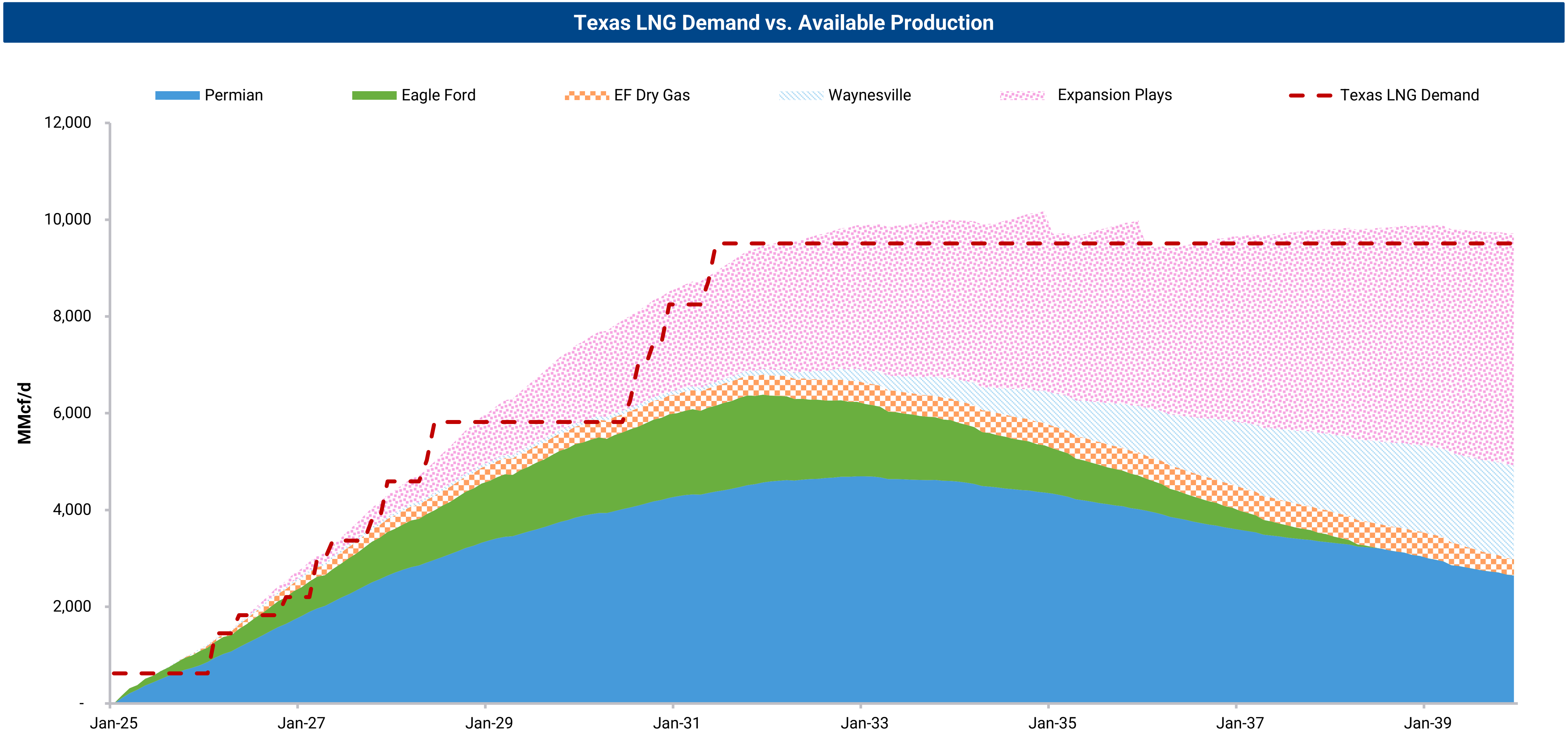


Forecasted Gross Production, Accelerated Case (MMcf/d)



Source: Company reports, EIA, FERC research, Wall Street Research.

Texas Gulf Coast LNG Faces Similar Supply Issues to Louisiana Gulf Coast



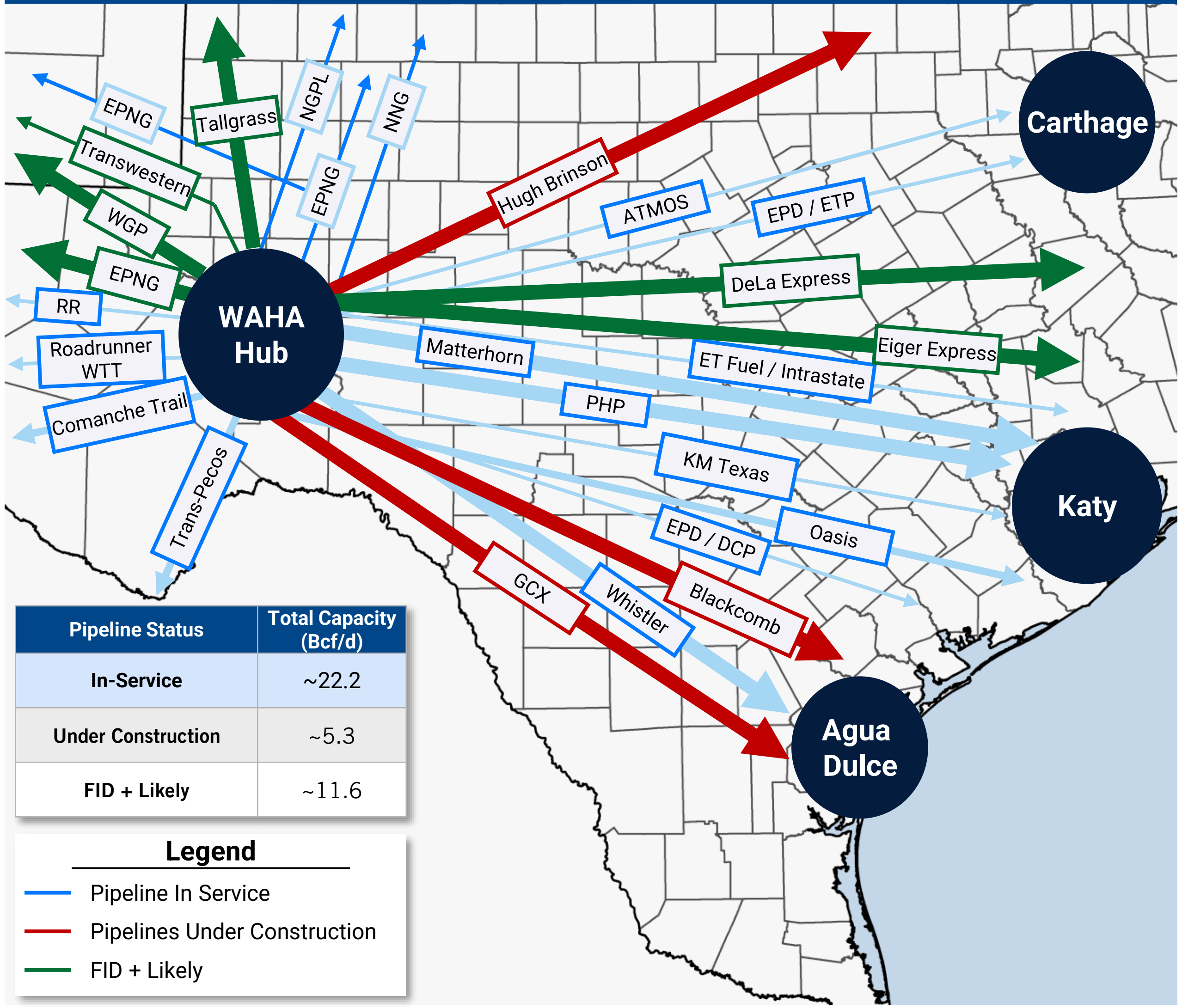
Source: Jefferies Estimates.

Where is 17 Bcf/d of Permian Gas Coming From to Fill this New Pipe?

Pipeline	Operator	Destination	Capacity (MMcf/d)	Online Date
EPNG - West	Kinder Morgan	Cali	~2,900	<Q1 '12
EPNG - North	Kinder Morgan	Mid-Con	~350	<Q1 '12
WesTex Transmission	ONEOK	TX Panhandle	~780	<Q1 '12
NGPL	Kinder Morgan	Chicago	~375	<Q1 '12
KM Texas Pipeline	Kinder Morgan	Gulf Coast	~250	<Q1 '12
Northern Natural Gas Co	Northern Natural Gas	Mid-Con	~450	<Q1 '12
Atmos Pipeline	Atmos energy	Carthage	~750	<Q1 '12
Transwestern	Transwestern	Arizona	~630	<Q1 '12
Oasis Pipeline	Energy Transfer	Gulf Coast	~1,360	<Q1 '12
ET Fuel / Intrastate	Energy Transfer	Gulf Coast	~1,400	<Q1 '12
Roadrunner	ONEOK	Mexico	~470	Q1 '16
Comanche Trail	Energy Transfer	Mexico	~1,150	Q1 '17
Trans Pecos	Energy Transfer	Mexico	~1,350	Q2 '17
EPNG - Permian North	Kinder Morgan	Mid-Con	~180	Q4' 18
Old Ocean Restart	Enterprise Products / Energy Transfer	Gulf Coast	~160	Q1 '19
Gulf Coast Express	Kinder Morgan	Agua Dulce	~1,980	Q4 '19
Permian Highway Pipeline	Kinder Morgan	Katy	~2,650	Q1 '21
Whistler	WhiteWater	Agua Dulce	~2,500	Q3 '21
Matterhorn Pipeline	WhiteWater	Katy	~2,500	Q3 '24
Gulf Coast Express Expansion	Kinder Morgan	Agua Dulce	~575	Q3 '26E
Blackcomb	WhiteWater	Agua Dulce	~2,500	Q4' 26E
Hugh Brinson	Energy Transfer	Dallas / USGC	~2,200	Q4 '26E
Eiger Express	WhiteWater	Katy	~2,500	Q2 '28E
Tallgrass Permian to REX	Tallgrass	REX	~2,400	Q4 '28E
Western Gateway Pipeline	Phillips 66 / Kinder Morgan	Arizona	~2,000	Q1 '30E
DeLa Express	ONEOK	Louisiana	~2,000	Q1 '30E
EPNG loop	Kinder Morgan	Arizona	~2,100	Q1 '30E
Transwestern loop	Transwestern	Arizona	~630	Q1 '30E

Pipelines in Service   Under Construction   FID + Likely

Permian Gas Takeaway



Pipeline Status	Total Capacity (Bcf/d)
In-Service	~22.2
Under Construction	~5.3
FID + Likely	~11.6

Legend

- Pipeline In Service
- Pipelines Under Construction
- FID + Likely

Source: Company Reports, EIA.

New Permian, Western Haynesville, and Eagle Ford Gas Plays Could Deliver 500 Tcf of New Gas Reserves

Delaware Deep Gas

- **OGIP: >1 Qcf** [1]
- Wells Drilled: 196 gross (101 net 10k)
- Recovery Factor: 20-35%
- Total Gas Produced: ~1 Tcf
- Gross Footprint: 1.7 MM Ac
- Avg. Rsrv. Thickness: 380'

Western Haynesville

- **OGIP: 300 – 500 Tcf**
- Wells Drilled: 33 gross (28 net 10k)
- Recovery Factor: 20-35%
- Total Gas Produced: ~300 Bcf
- Gross Footprint: 1.5 MM Ac
- Avg. Rsrv. Thickness: 600'

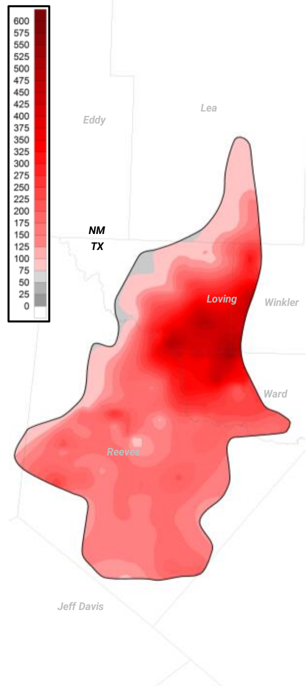
Eagle Ford Basin

- **OGIP: 800-950 Tcf**
- Wells Drilled: ~700 (500 net 10k)
- Recovery Factor: 20-35%
- Total Gas Produced: ~3 Tcf
- Gross Footprint: 3.3 MM Ac
- Avg. Rsrv. Thickness: 200'

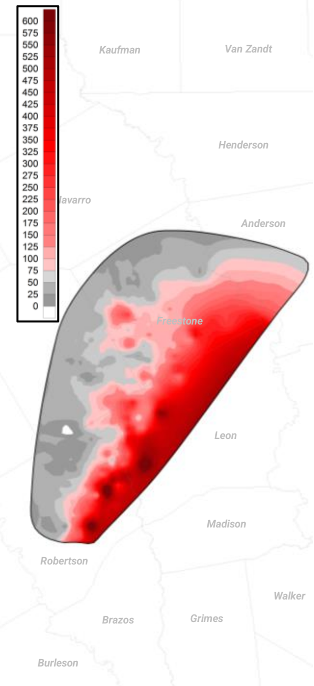
Haynesville Basin

- **OGIP: 650 – 850 Tcf**
- Wells Drilled: ~7,500 gross (~5,200 net 10k)
- Recovery Factor: 20-35%
- Total Gas Produced: ~60 Tcf
- Gross Footprint: 3.9 MM Ac
- Avg. Rsvr. Thickness: 200'

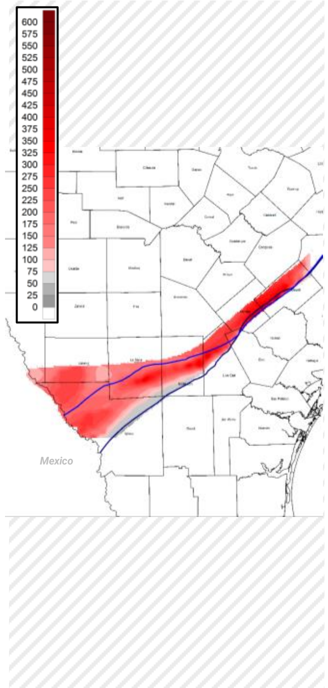
Delaware Woodford OGIP (Bcf/sec)



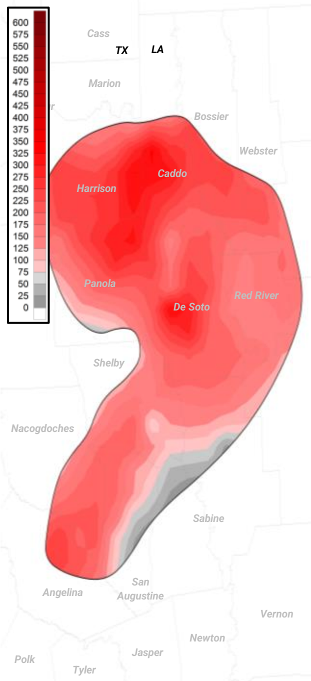
Waynesville OGIP (Bcf/sec)



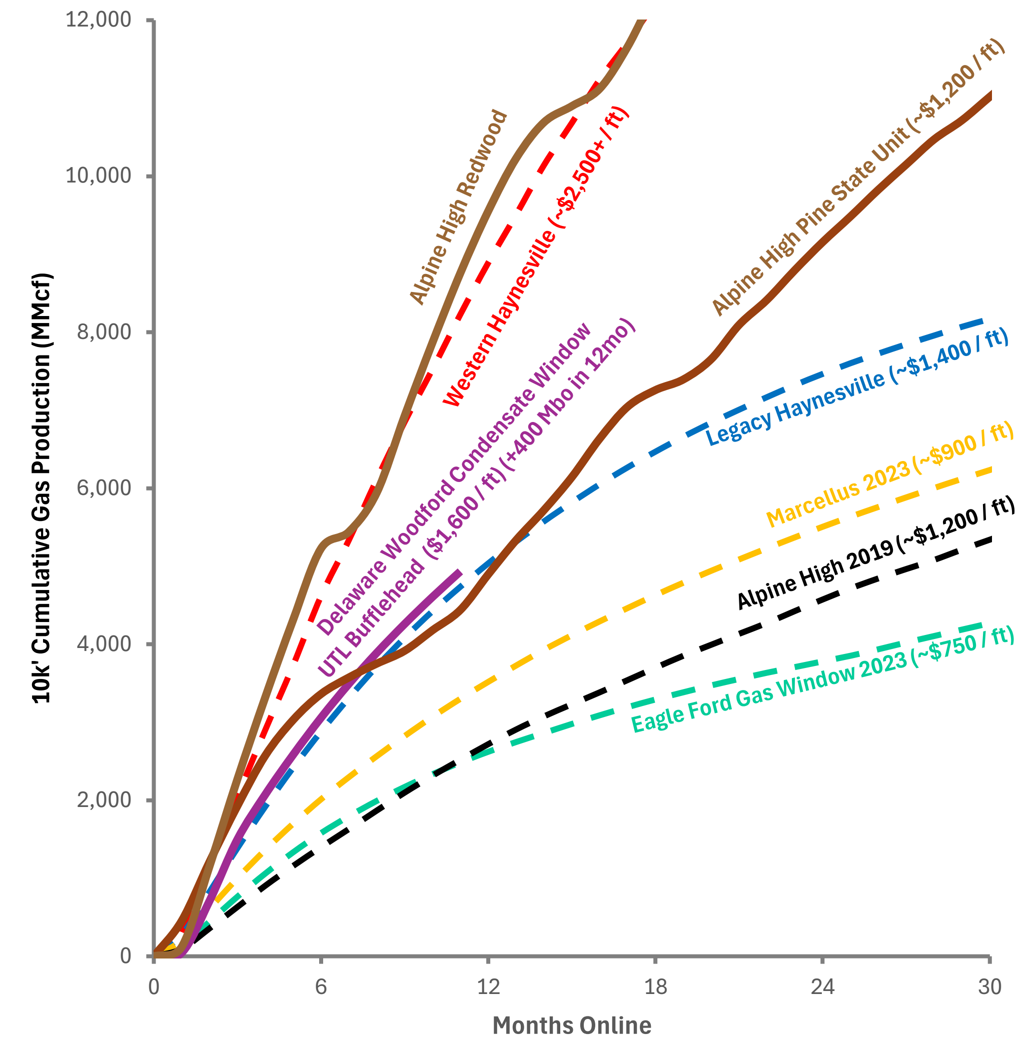
Eagle Ford Basin OGIP (Bcf/sec)



Haynesville Basin OGIP (Bcf/sec)



Texas LNG Demand vs. Available Production (MMcf/d)



(1) Inclusive of Barnett and liquids-weighted Woodford

The Future is Bright!

The Strait of Hormuz egress is likely to be a lasting issue that will affect industry strategy for oil & gas moving forward

Oil demand has not been abated by renewables and will continue to hang in for the foreseeable future

Conventional and Unconventional oil development internationally will be key to meeting this demand

Gas consumption related to AI / power demand could create a strain on the U.S. power grid & Energy Supply

LNG growth and domestic US unconventional projects are likely key to meeting these rapidly growing demands

Zervos at 2025 Jefferies Energy Conference…..
"Less Federal Government!"

Jefferies Upstream Group….. Slightly different take!