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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
September 22, 2025

CALIFORNIA RESOURCES CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	001-36478	46-5670947
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1 World Trade Center, Suite 1500 **Long Beach, California**	**90831**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (888) 848-4754

(Former name or former address, if changed since last report): Not applicable

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securitiesregistered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CRC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On September 22, 2025, California Resources Corporation (the "Company") entered into an amendment (the "Sixth Amendment") to the Amended and Restated Credit Agreement, dated as of April 26, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time), with Citibank, N.A., as administrative agent and collateral agent, and the banks, financial institutions and other lending institutions from time to time parties thereto. The purpose of the Sixth Amendment was to facilitate certain matters with respect to the Company's pending merger (the "Berry Merger") with Berry Corporation (bry), a Delaware corporation. The above description of the Sixth Amendment is not complete and is qualified in its entirety by reference to the full text of the Sixth Amendment, which is filed as Exhibit 10.1 hereto and incorporated by reference herein.

Item 2.02 Results of Operations and Financial Condition.

To the extent the information included or incorporated into Item 8.01 below with respect to the results of operations or financial condition of the Company relates to or is presented as of or for a completed fiscal period, such information is incorporated into this Item 2.02 by reference herein.

Item 8.01 Other Events.

On September 24, 2025, the Company issued a press release announcing the commencement of a proposed private offering of $400 million in aggregate principal amount of senior unsecured notes due 2034 (the "Notes"). A copy of the press release is included as Exhibit 99.1 hereto and incorporated herein by reference.

In connection with the offering of the Notes, the Company will provide certain financial and other information with respect to the Company to prospective investors in the offering. Excerpts of such information are included as Exhibit 99.2 hereto and incorporated herein by reference.

All statements, except for statements of historical fact, made in this Current Report on Form 8-K regarding activities, events or developments the Company expects, believes or anticipates will or may occur in the future, such as statements regarding the proposed offering, the intended use of proceeds, the Berry Merger and estimated results of future operations are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. All forward-looking statements speak only as of the date of this Current Report on Form 8-K. Although the Company believes that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that these plans, intentions or expectations will be achieved. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements. Except as required by law, the Company expressly disclaims any obligation to and does not intend to publicly update or revise any forward-looking statements.

The Company cautions you that these forward-looking statements are subject to all of the risks and uncertainties incident to the Company's business, most of which are difficult to predict and many of which are beyond the Company's control. These risks include, but are not limited to, the risks described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 and its subsequently filed Quarterly Reports on Form 10-Q.

Additional Information and Where to Find It

In connection with the Berry Merger, the Company will file with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 (the "Registration Statement"), which will include a proxy statement of Berry that also constitutes a prospectus of the Company, and any other documents in connection with the Berry Merger. The definitive proxy statement/prospectus will be sent to the holders of common stock of Berry. **Investors and stockholders of the Company and Berry are urged to read the proxy statement/prospectus and any other documents filed or to be filed with the SEC in connection with the Berry Merger when they become available, as they will contain important information about the Company, Berry, the Berry Merger and related matters**. The Registration Statement and proxy statement/prospectus and other documents filed by the Company or Berry with the SEC, when filed, will be available free of charge at the SEC's website at https://www.sec.gov. Alternatively, investors and stockholders may obtain free copies of documents that are filed or will be filed with the SEC by the Company, including the Registration Statement and the proxy statement/prospectus, on the Company's website at https://www.crc.com/investor-relations, and may obtain free copies of documents that are filed or will be filed with the SEC by Berry, including the proxy statement/prospectus, on Berry's website at https://ir.bry.com/reports-resources. The information included on, or accessible through, the Company's or Berry's website is not incorporated by reference into this communication.

Participants in the Solicitation of Proxies

The Company and certain of its directors, executive officers and other employees, and Berry and its directors and certain of Berry's executive officers and other employees, may be deemed to be participants in the solicitation of proxies from Berry's stockholders in connection with the Berry Merger. A description of participants' direct or indirect interests, by security holdings or otherwise, will be included in the proxy statement/prospectus relating to the transaction when it is filed with the SEC. Information regarding the Company's directors and executive officers is contained in the "Board of Directors and Corporate Governance," "Compensation Discussion and Analysis," "Executive Compensation Tables," "Director Compensation," "Stock Ownership Information," and "Proposals Requiring Your Vote – Proposal 1: Election of Directors" sections of the Company's definitive proxy statement for the Company's 2025 Annual Meeting of Stockholders, filed with the SEC on March 19, 2025; under the heading "Directors, Executive Officers and Corporate Governance" in Part III, Item 10 of CRC's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 3, 2025; in Item 5.07 of the Company's Current Report on Form 8-K filed with the SEC on May 6, 2025; in the Company's Current Reports on Form 8-K filed with the SEC on June 23, 2025 and November 25, 2024; and under "Our Team" accessed through the "Our Business" link on the Company's website at https://www.crc.com/our-business/our-team. Information regarding Berry's directors and executive officers is contained in the "Proposal No. 1—Election of Directors," "Corporate Governance," "Executive Officers," "Executive Compensation – Compensation Discussion and Analysis," "Director Compensation," "Security Ownership of Certain Beneficial Owners and Management," and "Certain Relationships and Related Party Transactions" sections of Berry's definitive proxy statement for its 2025 annual meeting of stockholders, filed with the SEC on April 7, 2025; under the heading "Directors, Executive Officers and Corporate Governance" in Part III, Item 10 of Berry's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 13, 2025; in Item 5.07 of Berry's Current Report on Form 8-K filed with the SEC on May 22, 2025; in Berry's Current Reports on Form 8-K filed with the SEC on January 22, 2025 and October 25, 2024; and under "Leadership" accessed through the "About" link on Berry's website at https://bry.com/about/management/. Additional information regarding ownership of Berry's securities by its directors and executive officers and of CRC's securities by its directors and executive officers is included in such persons' SEC filings on Forms 3, 4 or 5, which are available at https://www.sec.gov/cgi-bin/own-disp?action=getissuer&CIK=0001705873 and https://www.sec.gov/cgi-bin/own-disp?action=getissuer&CIK=0001609253, respectively. These documents and the other SEC filings described in this paragraph may be obtained free of charge as described above under the heading "Additional Information and Where to Find It."

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction. No offering of securities shall be made in connection with the Berry Merger except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
10.1	Sixth Amendment to Amended and Restated Credit Agreement, entered into effective as of September 22, 2025.
99.1	Press Release, dated September 24, 2025, issued by the Company.
99.2	Offering memorandum excerpts.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

California Resources Corporation

By: /s/ Michael L. Preston
Michael L. Preston
Executive Vice President, Chief Strategy Officer and General Counsel

DATED: September 24, 2025

SIXTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

This SIXTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") is entered into effective as of September 22, 2025 (the "Sixth Amendment Effective Date") among CALIFORNIA RESOURCES CORPORATION, a Delaware corporation (the "Borrower"), each other Credit Party party hereto, the Lenders party hereto and CITIBANK, N.A., as Administrative Agent.

WITNESSETH:

WHEREAS, the Borrower, the Administrative Agent and the Lenders party thereto from time to time are parties to that certain Amended and Restated Credit Agreement, dated as of April 26, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Existing Credit Agreement" and as amended by this Amendment, the "Credit Agreement"; unless otherwise defined herein, all capitalized terms used herein that are defined in the Credit Agreement shall have the meanings given such terms in the Credit Agreement);

WHEREAS, the Borrower has advised the Administrative Agent and the Lenders that it has entered into that certain Agreement and Plan of Merger, dated as of September 14, 2025, among the Borrower, Dornoch Merger Sub, LLC, a Delaware limited liability company and a Wholly owned Subsidiary of the Borrower, and Berry Corporation (bry), a Delaware corporation ("BRY"), pursuant to which the Borrower will acquire, directly or indirectly, all of the issued and outstanding equity interests of BRY (the "BRY Acquisition"); and

WHEREAS, the parties to this Amendment desire to enter into this Amendment to amend the Existing Credit Agreement as provided herein.

NOW THEREFORE, in consideration of the premises contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Amendments to Credit Agreement.

Subject to the satisfaction or waiver in writing of each of the conditions set forth in Section 2 below and in reliance upon the representations, warranties, covenants and agreements contained in this Amendment, the parties hereto hereby agree that:

(a) Section 1.1 of the Existing Credit Agreement is hereby amended by inserting the following defined terms in the appropriate alphabetical order:

"BRY" shall have the meaning given to such term in the Sixth Amendment.

"BRY Acquisition" shall have the meaning given to such term in the Sixth Amendment.

"BRY Escrow Indebtedness Cash Amount" shall have the meaning provided in the definition of "Excess Cash".

"Sixth Amendment" shall mean that certain Sixth Amendment to Amended and Restated Credit Agreement, dated as of the Sixth Amendment Effective Date, among the Borrower, the Guarantors party thereto, the Administrative Agent and the Lenders party thereto.

"Sixth Amendment Effective Date" shall mean September 22, 2025.

(b) Section 1.1 of the Existing Credit Agreement is hereby amended by amending and restating the following definitions in their entirety as follows:

"Borrowing Base Reduction Debt" shall mean Permitted Additional Debt issued or incurred in accordance with Sections 10.1(j) or (n), as applicable (other than (x) senior unsecured notes issued in connection with the Petra Acquisition and (y) senior unsecured notes incurred after the Sixth Amendment Effective Date through October 31, 2025 by any Credit Party in connection with the BRY Acquisition in an aggregate principal amount up to $500,000,000).

"Credit Documents" shall mean this Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Guarantee, the Security Documents, each Letter of Credit Application, any Notes issued by the Borrower to a Lender under this Agreement and any other document, instrument or agreement (other than Secured Hedge Agreements or Secured Cash Management Agreements) now or hereafter delivered by or on behalf of a Credit Party under this Agreement.

(c) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the definition of "Consolidated EBITDAX" by deleting the "and" before clause (a)(ix) thereof and inserting a new clause (a)(x) as follows:

"and (x) fees, costs and expenses and other transaction costs incurred in connection with the BRY Acquisition"

(d) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the definition of "Consolidated Total Debt" by inserting a new clause (d) thereto as follows:

"minus (d) the BRY Escrow Indebtedness Cash Amount outstanding on such date;"

(e) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the definition of "Excess Cash" by replacing the "and" before clause (f) thereof with "," and adding a new clause (g) as follows:

"and (g) prior to the consummation of the BRY Acquisition, cash constituting the net proceeds of Indebtedness incurred after the Sixth Amendment Effective Date and any Indebtedness incurred to Refinance such Indebtedness (plus, in each case, cash held or placed in escrow to pay interest that accrues on such Indebtedness) so long as (i) such Indebtedness is incurred in connection with, and in contemplation of, the consummation of the BRY Acquisition and (ii) the definitive documentation relating to such Indebtedness contains "special mandatory redemption" or escrow provisions (or other similar provisions) or otherwise requires such Indebtedness to be redeemed or prepaid if the BRY Acquisition is not consummated by a date specified in such definitive documentation (the net cash proceeds of the Indebtedness under this clause (g) together with cash held or placed in escrow to pay interest thereon, the "BRY Escrow Indebtedness Cash Amount")."

(f) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the definition of "Permitted Acquisition" by amending and restating the proviso at the end thereof in its entirety as follows:

> "; *provided* that notwithstanding anything to the contrary herein, each of the Petra Acquisition and the BRY Acquisition shall be deemed to be a Permitted Acquisition."

(g) Section 1.1 of the Existing Credit Agreement is hereby amended by amending the definition of "Permitted Additional Debt" by amending and restating clause (a) thereof in its entirety as follows:

> "(a) the terms of which do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to the 91st day after the Latest Maturity Date (other than (i) with respect to senior unsecured notes issued in connection with the BRY Acquisition, the obligation to Redeem such Indebtedness as a result of the related Permitted Acquisition failing to occur prior to the related "outside date" (or any similar term) in respect of such Permitted Acquisition under the definitive documentation governing such Indebtedness (or such other date after such "outside date" as agreed by the lenders or other investors providing such Indebtedness) and (ii) customary offers to purchase upon a change of control (including customary offers to repurchase any Permitted Convertible Debt in connection with "fundamental change"), AHYDO payments, customary asset sale or casualty or condemnation event prepayments and customary acceleration rights after an event of default prior to the 91st day after the Latest Maturity Date, any right of any holder of any Permitted Convertible Debt to convert, exchange or exercise such Permitted Convertible Debt, or any actual conversion, exchange or exercise of any Permitted Convertible Debt, in each case into or for common stock or other common equity interests of the Borrower and/or cash (in an amount determined by reference to the price of such common stock or other common equity interest), any optional right of the issuer of Permitted Convertible Debt to call such Permitted Convertible Debt for redemption or in the case of any loans or notes or other Indebtedness that are convertible into Qualified Equity Interests (including any Permitted Convertible Debt), payments in respect of any fractional shares that would otherwise be issued upon such conversion) and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Facility, if applicable,"

(h) Section 10.10 of the Existing Credit Agreement is hereby amended by adding a new clause (g) at the end thereof as follows:

> "(g) Notwithstanding anything to the contrary in this Section 10.10, Hedge Agreements entered into by BRY and its Subsidiaries prior to the consummation of the BRY Acquisition shall be permitted hereunder so long as the aggregate net notional volumes of such Hedge Agreements (when aggregated with the Hedge Agreements of the Borrower and its Restricted Subsidiaries (other than BRY and its Subsidiaries)), do not exceed, on a pro forma basis after giving effect to the BRY Acquisition, eighty-five percent (85%) of the reasonably anticipated Hydrocarbon production of crude oil, natural gas and natural gas liquids, calculated separately, from the Credit Parties' total Proved Reserves (after giving effect to the BRY Acquisition and as forecast based on the Borrower's most recent Reserve Report and on BRY's most recent reserve report) for the sixty (60) month period from the date of creation of such hedging arrangements, based on daily volumes on an annual basis; provided, however, notwithstanding the foregoing volume limitation, Hedge Agreements entered into by BRY and its Subsidiaries prior to the consummation of the BRY Acquisition in respect of purchased puts and floors not intended to be physically settled shall be permitted so long as the net notional volumes of all Hedge Agreements in respect of Hydrocarbons subject to this Section 10.10(g) do not exceed (when aggregated with the commodity Hedge Agreements of the Borrower and its Restricted Subsidiaries (other than BRY and its Subsidiaries) then in effect, other than puts, floors and basis differential swaps on volumes already hedged pursuant to other Hedge Agreements), on a pro forma basis after giving effect to the BRY Acquisition, as of the date of the consummation of the BRY Acquisition, one hundred percent (100%) of the reasonably anticipated Hydrocarbon production of crude oil, natural gas and natural gas liquids, calculated separately, from the Credit Parties' total Proved Reserves (after giving effect to the BRY Acquisition and as forecast based on the Borrower's most recent Reserve Report and on BRY's most recent reserve report) for the sixty (60) month period from the date of creation of such hedging arrangement, based on daily volumes on an annual basis."

SECTION 2. **Conditions Precedent**. The effectiveness of this Amendment is subject to satisfaction of each of the following conditions precedent:

2.1 **Executed Amendment**. The Administrative Agent shall have received counterparts of this Amendment duly executed by the Borrower, the other Credit Parties and Lenders constituting Majority Lenders.

2.2 **Accuracy of Representations and Warranties**. Each representation and warranty contained in Section 3 hereof shall be true and correct in all material respects, except that any such representations and warranties that are qualified by materiality shall be true and correct in all respects, and except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct on and as of such earlier date.

2.3 **Fees**. The Borrower shall have paid or caused to be paid, to the extent payable under Section 13.5 of the Credit Agreement, all reasonable and documented out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment and the other instruments and documents to be delivered hereunder, if any (including the reasonable and documented fees, disbursements and other charges of Latham & Watkins LLP, counsel for the Administrative Agent).

SECTION 3. **Representations and Warranties**.

In order to induce the Administrative Agent and the Lenders to enter into this Amendment, each of the Borrower and the other Credit Parties hereby represents and warrants to the Administrative Agent and the Lenders that:

3.1 **Accuracy of Representations and Warranties**. (a) Both immediately before and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing and (b) after giving effect to this Amendment, all representations and warranties made by each Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the Sixth Amendment Effective Date (expect where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date and except that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates).

3.2 **No Conflicts**. None of the execution, delivery or performance by any Credit Party of this Amendment will (a) contravene any Requirement of Law, except to the extent such contravention would not reasonably be expected to result in a Material Adverse Effect, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of such Credit Party or any of the Restricted Subsidiaries (other than Liens created under the Credit Documents) pursuant to the terms of any Contractual Requirement, except to the extent that such breach, default or Lien would not reasonably be expected to result in a Material Adverse Effect or (c) violate any provision of the Organization Documents of such Credit Party or any of the Restricted Subsidiaries.

3.3 **Due Authorization**. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of this Amendment, and has taken all necessary corporate or other organizational action to authorize the execution and delivery of this Amendment and performance of this Amendment and the Credit Agreement, and has duly executed and delivered this Amendment.

3.4 **Validity and Binding Effect**. This Amendment and the Credit Agreement constitute the legal, valid and binding obligation of each Credit Party, enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

SECTION 4. **Miscellaneous**.

4.1 **Confirmation and Effect**. The provisions of the Credit Agreement shall remain in full force and effect in accordance with its terms following the effectiveness of this Amendment, and this Amendment shall not constitute a waiver of any provision of the Credit Agreement or any other Credit Document. Each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import shall mean and be a reference to the Credit Agreement, and each reference to the "Credit Agreement" in any other document, instrument or agreement executed and/or delivered in connection with the Credit Agreement shall mean and be a reference to the Credit Agreement. This Amendment shall not constitute a novation of the Credit Agreement or any of the Credit Documents.

4.2 **Ratification and Affirmation of Credit Parties**. Each of the Credit Parties hereby expressly (i) acknowledges the terms of this Amendment, (ii) ratifies and affirms its obligations under the Guarantee, the Security Documents and the other Credit Documents to which it is a party, (iii) acknowledges, renews and extends its continued liability under the Guarantee, the Security Documents and the other Credit Documents to which it is a party and (iv) agrees that its guarantee under the Guarantee, the Security Documents and the other Credit Documents to which it is a party remains in full force and effect with respect to the Obligations as amended hereby.

4.3 **Parties in Interest**. All of the terms and provisions of this Amendment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

4.4 **Counterparts; Facsimile**. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Amendment signed by all the parties shall be lodged with the Borrower and the Administrative Agent. This Amendment may be validly delivered by facsimile or other electronic transmission of an executed counterpart of the signature page hereof. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

4.5 **COMPLETE AGREEMENT**. THIS AMENDMENT AND THE OTHER CREDIT DOCUMENTS REPRESENT THE AGREEMENT OF THE BORROWER, THE GUARANTORS, THE GRANTORS, THE COLLATERAL AGENT, THE ADMINISTRATIVE AGENT AND THE LENDERS WITH RESPECT TO THE SUBJECT MATTER HEREOF AND THEREOF, AND THERE ARE NO PROMISES, UNDERTAKINGS, REPRESENTATIONS OR WARRANTIES BY THE BORROWER, THE GUARANTORS, THE GRANTORS, ANY AGENT NOR ANY LENDER RELATIVE TO SUBJECT MATTER HEREOF NOT EXPRESSLY SET FORTH OR REFERRED TO HEREIN OR IN THE OTHER CREDIT DOCUMENTS.

4.6 **Interpretation**. Wherever the context hereof shall so require, the singular shall include the plural, the masculine gender shall include the feminine gender and the neuter and vice versa. The headings, captions and arrangements used in this Amendment are for convenience only, shall not affect the interpretation of this Amendment, and shall not be deemed to limit, amplify or modify the terms of this Amendment, nor affect the meaning thereof.

4.7 **Titles of Sections**. All titles or headings to the sections or other divisions of this Amendment are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the other content of such sections, subsections or other divisions, such other content being controlling as to the agreement between the parties hereto.

4.8 **Severability**. In case any one or more of the provisions contained in this Amendment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Amendment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

4.9 **Payment of Expenses**. The Borrower agrees to pay or reimburse the Administrative Agent in accordance with Section 13.5 of the Credit Agreement for all of its reasonable and documented out-of-pocket costs and expenses incurred in connection with this Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, including, without limitation, the reasonable fees and disbursements of counsel to Administrative Agent.

4.10 **Credit Documents**. The Borrower acknowledges and agrees that this Amendment is a Credit Document.

4.11 **Governing Law**. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers on the date and year first above written.

BORROWER: CALIFORNIA RESOURCES CORPORATION

By: /s/ Clio C. Crespy
Name: Clio C. Crespy
Title: Executive Vice President and Chief Financial Officer

SUBSIDIARY GRANTORS:

CALIFORNIA HEAVY OIL, INC.
CALIFORNIA RESOURCES ELK HILLS, LLC
CALIFORNIA RESOURCES PETROLEUM CORPORATION
CALIFORNIA RESOURCES PRODUCTION CORPORATION
CALIFORNIA RESOURCES REAL ESTATE VENTURES, LLC
CALIFORNIA RESOURCES ROYALTY HOLDINGS, LLC
CALIFORNIA RESOURCES TIDELANDS, INC.
CALIFORNIA RESOURCES WILMINGTON, LLC
CRC CONSTRUCTION SERVICES, LLC
CRC MARKETING, INC.
CRC SERVICES, LLC
SOCAL HOLDING, LLC
SOUTHERN SAN JOAQUIN PRODUCTION, INC.
ELK HILLS POWER, LLC
AERA ENERGY LLC
AERA ENERGY SERVICES COMPANY
AERA FEDERAL LLC
BELRIDGE FARMS & PACKING LLC
GREEN GATE INTERMEDIATE LLC
GREEN GATE RESOURCES E LLC
GREEN GATE RESOURCES HOLDINGS LLC
GREEN GATE RESOURCES PARENT LLC
GREEN GATE RESOURCES S LLC
GREEN GATE SAN ARDO LLC
PETRA MERGER SUB S, LLC
TERRAIN TECHNOLOGY INC.

By: /s/ Clio C. Crespy
Name: Clio C. Crespy
Title: Executive Vice President and Chief Financial Officer

CITIBANK, N.A.,
as Administrative Agent and as Collateral Agent

By: /s/ Todd Mogil
Name: Todd Mogil
Title: Vice President

CITIBANK, N.A.,
as a Lender

By: /s/ Todd Mogil
Name: Todd Mogil
Title: Vice President

KEYBANK, NATIONAL ASSOCIATION
as a Lender

By: /s/ David M. Bornstein
Name: David M. Bornstein
Title: Senior Vice President

MUFG BANK, LTD.
as a Lender and Issuing Bank

By: /s/ Kevin Sparks
Name: Kevin Sparks
Title: Director

MIZUHO BANK, LTD.,
as a Lender

By: /s/ Edward Sacks
Name: Edward Sacks
Title: Managing Director

ROYAL BANK OF CANADA,
as a Lender

By: /s/ Drew Tolson
Name: Drew Tolson
Title: Authorized Signatory

THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
as a Lender

By: /s/ Evans Swann
Name: Evans Swann
Title: Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By: /s/ John Tattersall
Name: John Tattersall
Title: Director

By: /s/ Prashant Mehra
Name: Prashant Mehra
Title: Managing Director

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender

By: /s/ Mary Harold
Name: Mary Harold
Title: Managing Director

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Priyankush Goswami
Name: Priyankush Goswami
Title: Authorized Signatory

SIGNATURE PAGE
SIXTH AMENDMENT – CALIFORNIA RESOURCES CORPORATION

JEFFERIES FINANCE LLC,
as a Lender

By: /s/ J.R. Young
Name: J.R. Young
Title: Managing Director

MORGAN STANLEY SENIOR FUNDING INC.,
as a Lender

By: /s/ Aaron McLean
Name: Aaron McLean
Title: Vice President

MACQUARIE FUNDING LLC,
as a Lender

By: /s/ Peter Harrison
Name: Peter Harrison
Title: Senior Managing Director

By: /s/ James Jordan
Name: James Jordan
Title: Executive Director – CGM Legal

BP ENERGY COMPANY,
as a Lender

By: /s/ Will Shappley
Name: Will Shappley
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

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

TRUIST BANK,
as a Lender

By: /s/ Michael Harvey
Name: Michael Harvey
Title: Director

SIGNATURE PAGE
SIXTH AMENDMENT – CALIFORNIA RESOURCES CORPORATION

CITADEL ENERGY MARKETING LLC,
By: Citadel Advisors LLC, its Manager
as a Lender

By: /s/ Antonia Peabody
Name: Antonia Peabody
Title: Authorized Signatory

California Resources Corporation Announces Private Offering of $400 Million of Senior Unsecured Notes

September 24, 2025

LONG BEACH, Calif.—(BUSINESS WIRE)— California Resources Corporation (NYSE: CRC) (the "Company") announced today that, subject to market and other conditions, it intends to offer and sell to eligible purchasers $400 million in aggregate principal amount of senior unsecured notes due 2034 (the "Notes"). The Notes will be guaranteed by all of the Company's existing subsidiaries (and certain future subsidiaries) that guarantee its revolving credit facility, its 7.125% senior unsecured notes due 2026 and its 8.250% senior unsecured notes due 2029. The Company intends to use the net proceeds from this offering, together with cash on hand and borrowings under its revolving credit facility, to repay the existing indebtedness of Berry Corporation (bry) ("Berry") in connection with the pending business combination with Berry (the "Berry Merger"), and pay fees and expenses in connection with the Berry Merger and the offering of the Notes.

If (x) the consummation of the Berry Merger does not occur on or before March 14, 2026 (subject to up to two three-month extensions by either the Company or Berry upon written notice in certain circumstances) (the "Outside Date") or (y) prior thereto, the Company notifies the trustee in writing that the merger agreement related to the Berry Merger (the "Merger Agreement") has been terminated or the Company will not pursue the consummation of the Berry Merger or has determined in its sole discretion that the Berry Merger cannot or is not reasonably likely to be consummated by the Outside Date, the Notes will be subject to a special mandatory redemption at a redemption price equal to 100% of the initial issue price of the Notes plus accrued and unpaid interest to, but excluding, the payment date of such special mandatory redemption.

The Notes have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the rules promulgated thereunder and applicable state securities laws. The Notes will be offered only to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act and non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act.

This press release does not and shall not constitute an offer to sell or the solicitation of an offer to buy any Notes, nor shall there be any offer, solicitation or sale of Notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward-Looking Statement Disclosure

All statements, except for statements of historical fact, made in this release regarding activities, events or developments the Company expects, believes or anticipates will or may occur in the future, such as statements regarding the proposed offering, the intended use of proceeds and the business combination with Berry, are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. All forward-looking statements speak only as of the date of this release. Although the Company believes that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that these plans, intentions or expectations will be achieved. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements. Except as required by law, the Company expressly disclaims any obligation to and does not intend to publicly update or revise any forward-looking statements.

The Company cautions you that these forward-looking statements are subject to all of the risks and uncertainties incident to the Company's business, most of which are difficult to predict and many of which are beyond the Company's control. These risks include, but are not limited to, the risks described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 and its subsequently filed Quarterly Report on Form 10-Q.

About California Resources Corporation

California Resources Corporation (NYSE: CRC) is an independent energy and carbon management company committed to energy transition. The Company is committed to environmental stewardship while safely providing local, responsibly sourced energy. CRC is also focused on maximizing the value of its land, mineral ownership, and energy expertise for decarbonization by developing carbon capture and storage (CCS) and other emissions reducing projects.

Additional Information and Where to Find It

In connection with the Berry Merger, the Company will file with the Securities and Exchange Commission ("SEC") a registration statement on Form S-4 (the "registration statement"), which will include a proxy statement of Berry that also constitutes a prospectus of the Company, and any other documents in connection with the Berry Merger. The definitive proxy statement/prospectus will be sent to the holders of common stock of

Berry. **Investors and stockholders of the Company and Berry are urged to read the proxy statement/prospectus and any other documents filed or to be filed with the SEC in connection with the Berry Merger when they become available, as they will contain important information about the Company, Berry, the Berry Merger and related matters.** The registration statement and proxy statement/prospectus and other documents filed by the Company or Berry with the SEC, when filed, will be available free of charge at the SEC's website at https://www.sec.gov. Alternatively, investors and stockholders may obtain free copies of documents that are filed or will be filed with the SEC by the Company, including the registration statement and the proxy statement/prospectus, on the Company's website at https://www.crc.com/investor-relations, and may obtain free copies of documents that are filed or will be filed with the SEC by Berry, including the proxy statement/prospectus, on Berry's website at https://ir.bry.com/reports-resources. The information included on, or accessible through, the Company's or Berry's website is not incorporated by reference into this communication.

Participants in Solicitation

The Company and certain of its directors, executive officers and other employees, and Berry and its directors and certain of Berry's executive officers and other employees, may be deemed to be participants in the solicitation of proxies from Berry's stockholders in connection with the Berry Merger. A description of participants' direct or indirect interests, by security holdings or otherwise, will be included in the proxy statement/prospectus relating to the Berry Merger when it is filed with the SEC. Information regarding the Company's directors and executive officers is contained in the "Board of Directors and Corporate Governance," "Compensation Discussion and Analysis," "Executive Compensation Tables," "Director Compensation," "Stock Ownership Information," and "Proposals Requiring Your Vote – Proposal 1: Election of Directors" sections of the Company's definitive proxy statement for the Company's 2025 Annual Meeting of Stockholders, filed with the SEC on March 19, 2025; under the heading "Directors, Executive Officers and Corporate Governance" in Part III, Item 10 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 3, 2025; in Item 5.07 of the Company's Current Report on Form 8-K filed with the SEC on May 6, 2025; in the Company's Current Reports on Form 8-K filed with the SEC on June 23, 2025 and November 25, 2024; and under "Our Team" accessed through the "Our Business" link on the Company's website at https://www.crc.com/our-business/our-team. Information regarding Berry's directors and executive officers is contained in the "Proposal No. 1—Election of Directors," "Corporate Governance," "Executive Officers," "Executive Compensation – Compensation Discussion and Analysis," "Director Compensation," "Security Ownership of Certain Beneficial Owners and Management," and "Certain Relationships and Related Party Transactions" sections of Berry's definitive proxy statement for its 2025 annual meeting of stockholders, filed with the SEC on April 7, 2025; under the heading "Directors, Executive Officers and Corporate Governance" in Part III, Item 10 of Berry's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on March 13, 2025; in Item 5.07 of Berry's Current Report on Form 8-K filed with the SEC on May 22, 2025; in Berry's Current Reports on Form 8-K filed with the SEC on January 22, 2025 and October 25, 2024; and under "Leadership" accessed through the "About" link on Berry's website at https://bry.com/about/management/. Additional information regarding ownership of Berry's securities by its directors and executive officers and of the Company's securities by its directors and executive officers is included in such persons' SEC filings on Forms 3, 4 or 5, which are available at https://www.sec.gov/cgi-bin/own-disp?action=getissuer&CIK=0001705873 and https://www.sec.gov/cgi-bin/own-disp?action=getissuer&CIK=0001609253, respectively. These documents and the other SEC filings described in this paragraph may be obtained free of charge as described above under the heading "Additional Information and Where to Find It."

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction. No offering of securities in connection with the Berry Merger shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

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Source: California Resources Corporation

Offering Memorandum Excerpts

For the purposes of this Exhibit:

"Aera" means Aera Energy LLC.

"Aera Companies" means Aera Energy LLC and its operating affiliate Aera Energy Services Company.

"Aera Merger" means the business combination of California Resources Corporation with the Aera Companies in an all-stock transaction.

"Berry" means Berry Corporation (bry).

"Berry Merger" means the business combination of California Resources Corporation with Berry in an all-stock transaction.

"CRC," the "Company," "we," "us," "our" or similar terms refer to California Resources Corporation.

"GAAP" means U.S. Generally Accepted Accounting Principles.

"NGL" means natural gas liquid.

"PSC" means production-sharing contracts.

"PSU" means performance stock unit.

"Revolving Credit Facility" means the Credit Agreement, dated as of April 26, 2023, between CRC, Citibank, N.A., as administrative agent, collateral agent, and issuing bank, and the several lenders party thereto, as amended.

"RSU" means restricted stock unit.

"Unrestricted Subsidiaries" means certain of CRC's subsidiaries that do not guarantee CRC's outstanding senior notes.

* * *

As of and for the six months ended June 30, 2025, and assuming the addition of all of Berry's subsidiaries as guarantors concurrent with the closing of the Berry Merger, our subsidiaries that do not guarantee our Revolving Credit Facility accounted for approximately 7% of our pro forma property, plant and equipment, net, 9% of our pro forma average daily net production, 8% of our pro forma total operating revenues and 1% of our pro forma adjusted EBITDAX. As of and for the year ended December 31, 2024, and assuming the addition of all of Berry's subsidiaries as guarantors concurrent with the closing of the Berry Merger, our subsidiaries that do not guarantee our Revolving Credit Facility accounted for approximately 11% of our pro forma average daily net production, 10% of our pro forma total operating revenues and 5% of our pro forma adjusted EBITDAX. In addition, our subsidiaries that do not guarantee our Revolving Credit Facility will have no long-term indebtedness.

As of and for the six months ended June 30, 2025, and assuming the addition of all of Berry's subsidiaries as guarantors concurrent with the closing of the Berry Merger, our Unrestricted Subsidiaries accounted for approximately 1% of our pro forma property, plant and equipment, net, none of our pro forma net production volumes, none of our pro forma total operating revenues and negative 4% of our pro forma adjusted EBITDAX due to operating losses. As of and for the year ended December 31, 2024, and assuming the addition of all of Berry's subsidiaries as guarantors concurrent with the closing of the Berry Merger, our Unrestricted Subsidiaries did not account for any of our pro forma average daily net production or our total pro forma total operating revenues and did account for approximately negative 5% of our pro forma adjusted EBITDAX due to operating losses.

* * *

(in millions)	Historical CRC Six months ended June 30, 2025	Historical CRC Six months ended June 30, 2024	Historical CRC Year ended December 31, 2024	Historical CRC Year ended December 31, 2023	Pro Forma Six months ended June 30, 2025	Pro Forma Year ended December 31, 2024	Pro Forma Twelve months ended June 30, 2025
			(Audited)			(Unaudited)	
Statements of Operations Data:							
Oil, natural gas and NGL sales	$ 1,516	$ 841	$ 2,537	$ 2,155	$ 1,789	$ 3,184	
Total operating revenues	1,890	968	3,198	2,801	2,277	4,654	$4,960
Operating costs	(611)	(332)	(966)	(822)	(716)	(1,510)	
General and administrative expenses	(151)	(120)	(321)	(267)	(191)	(493)	
Depreciation, depletion and amortization	(259)	(106)	(388)	(225)	(314)	(653)	
Total operating expenses	(1,437)	(941)	(2,589)	(2,025)	(1,867)	(3,969)	
Interest and debt expense	(52)	(30)	(87)	(56)	(69)	(160)	
Net income (loss)	287	(2)	376	564	245	383	691
Balance Sheet Data (at period end):							
Total current assets	$ 728	$ 1,439	$ 1,024	$ 929	$ 883		
Total current liabilities	928	593	980	616	1,079		
Property, plant and equipment, net	5,560	2,773	5,680	2,770	6,396		
Total assets	6,712	4,490	7,135	3,998	7,766		
Long-term debt, net	888	1,161	1,132	540	1,333		
Non-current asset retirement obligations	969	436	995	422	1,149		
Stockholders' equity	3,407	2,052	3,538	2,219	3,704		
Statements of Cash Flows Data:							
Net cash provided by operating activities	$ 351	$ 184	$ 610	$ 653	$ 432	$ 1,127	$ 952
Net cash used in investing activities	(130)	(82)	(1,077)	(175)			
Net cash (used in) provided by financing activities	(521)	433	343	(289)			
Other Supplementary Data (unaudited):							
Adjusted EBITDAX(1)	652	288	1,006	862	773	1,730	1,640
Free cash flow(2)	240	96	355	468	238	703	548

(1) Adjusted EBITDAX is a non-GAAP financial measure.
(2) Free cash flow is a non-GAAP financial measure.

* * *

The following tables represent a reconciliation of the GAAP financial measures of net income and net cash provided by operating activities to the non-GAAP financial measure of adjusted EBITDAX.

(in millions)	Historical CRC Six months ended June 30, 2025	Historical Berry Six months ended June 30, 2025	Adjustments	Pro Forma Six months ended June 30, 2025
		(Unaudited)		
Net income (loss)	$ 287	$ (63)	$ 21	$ 245
Interest and debt expense	52	31	(14)	69
Income tax provision (benefit)	117	(25)	8	100
Interest income	(5)	—	—	(5)
Depreciation, depletion and amortization	259	76	(15)	320
Exploration expense	1	—	—	1
Unusual, infrequent and other items				
Non-cash derivative gain	(162)	(61)	—	(223)
Asset impairment	—	158	—	158
Severance and termination costs	8	—	—	8
Transaction costs	3	—	—	3
Other, net	24	2	—	26

Other non-cash items	68	3	—	71
Adjusted EBITDAX	$ 652	$ 121	$—	$ 773
Net cash provided by operating activities	$ 351	$ 75	$ 6	$ 432
Cash interest payments	50	28	(14)	64
Cash income taxes	39	5	8	52
Exploration expenditures	1	—	—	1
Working capital changes	216	13	—	229
Cash interest received	(5)	—	—	(5)
Adjusted EBITDAX	$ 652	$ 121	$—	$ 773

(in millions)	Historical CRC Six months ended December 31, 2024	Historical Berry Six months ended December 31, 2024	Adjustments (Unaudited)	Pro Forma Six months ended December 31, 2024	Pro Forma Twelve months ended June 30 2025
Net income	$ 378	$ 68	$ —	$ 446	$ 691
Interest and debt expense	57	20	18	95	164
Income tax provision	146	26	—	172	272
Interest income	(5)	—	—	(5)	(10)
Depreciation, depletion and amortization	282	86	(18)	350	670
Exploration expense	1	—	—	1	2
Unusual, infrequent and other items					
Non-cash derivative gain	(322)	(64)	—	(386)	(609)
Asset impairment	1	—	—	1	159
Severance and termination costs	29	—	—	29	37
Transaction costs	31	1	—	32	35
Net gain on asset divestitures	(4)	—	—	(4)	(4)
Other, net	38	7	—	45	71
Other non-cash items	86	5	—	91	162
Adjusted EBITDAX	$ 718	$ 149	$ —	$ 867	$ 1,640
Net cash provided by operating activities	$ 426	$ 112	$ (18)	$ 520	$ 952
Cash interest payments	66	30	18	114	178
Cash income taxes	79	3	—	82	134
Acquisition costs	—	1	—	1	1
Non-recurring costs	—	1	—	1	1
Exploration expenditures	1	—	—	1	2
Working capital changes	151	—	—	151	380
Cash interest received	(5)	—	—	(5)	(10)
Other operating income– cash portion	—	(2)	—	(2)	(2)
Losses on debt retirement – cash portion	—	4	—	4	4
Adjusted EBITDAX	$ 718	$ 149	$ —	$ 867	$ 1,640

(in millions)	Pro Forma CRC Twelve months ended December 31, 2024[(1)]	Historical Berry Twelve months ended December 31, 2024 (Unaudited)	Adjustments	Pro Forma Twelve months ended December 31, 2024
Net income	$ 352	$ 19	$ 12	$ 383
Interest and debt expense	125	39	(4)	160
Income tax provision	129	9	4	142
Interest income	(24)	—	—	(24)
Depreciation, depletion and amortization	528	172	(35)	665
Exploration expense	2	—	—	2
Unusual, infrequent and other items				
Non-cash derivative gain	(37)	(8)	—	(45)
Asset impairment	14	44	—	58
Severance and termination costs	30	—	—	30

Transaction costs	73	5	14	92
Net gain on asset divestitures	(15)	—	—	(15)
Other, net	97	4	9	110
Other non-cash items	165	7	—	172
Adjusted EBITDAX	$1,439	$291	$ —	$1,730
Net cash provided by operating activities	$ 940	$210	$ (23)	$1,127
Cash interest payments	123	47	(4)	166
Cash income taxes	106	3	4	113
Acquisition costs	—	5	23	28
Non-recurring costs	—	2	—	2
Exploration expenditures	2	—	—	2
Working capital changes	291	26	—	317
Cash interest received	(23)	—	—	(23)
Other operating income – cash portion	—	(6)	—	(6)
Losses on debt retirement – cash portion	—	4	—	4
Adjusted EBITDAX	$1,439	$291	$ —	$1,730

(1) Reflects the Aera Companies' historical results for the period from January 1, 2024 through June 30, 2024 and related transaction accounting and financing adjustments associated with CRC's business combination with the Aera Companies completed on July 1, 2024, as presented below:

(in millions)	**Historical CRC** Twelve months ended December 31, 2024	**Historical Aera** Six months ended June 30, 2024	**Transaction Adjustments - Disposals**	**Transaction Adjustments - Acquisitions**	**Financing Adjustments**	**Pro Forma** Twelve months ended December 31, 2024
			(Unaudited)			
Net income (loss)	$ 376	$ (105)	$ 8	$ 100	$ (27)	$ 352
Interest and debt expense	87	—	—	—	38	125
Interest expense	—	59	—	(59)	—	—
Income tax provision	140	1	—	(1)	(11)	129
Interest income	(19)	(5)	—	—	—	(24)
Depreciation, depletion and amortization	388	149	—	(9)	—	528
Exploration expense	2	—	—	—	—	2
Unusual, infrequent and other items						
Non-cash derivative (gain) loss	(274)	237	—	—	—	(37)
Asset impairment	14	—	—	—	—	14
Severance and termination costs	30	—	—	—	—	30
Transaction costs	57	16	—	—	—	73
Net gain on asset divestitures	(11)	(4)	—	—	—	(15)
Other, net	93	4	—	—	—	97
Other non-cash items	123	83	(10)	(31)	—	165
Adjusted EBITDAX	$ 1,006	$ 435	$ (2)	—	—	$ 1,439
Net cash provided by operating activities	$ 610	$ 258	$ 8	$ 91	$ (27)	$ 940
Cash interest payments	88	56	—	(59)	38	123
Cash income taxes	105	1	—	—	—	106
Exploration expenditures	2	—	—	—	—	2
Working capital changes	220	124	(10)	(32)	(11)	291
Cash interest received	(19)	(4)	—	—	—	(23)
Adjusted EBITDAX	$ 1,006	$ 435	$ (2)	—	—	$ 1,439

* * *

The following tables present a reconciliation of net cash provided by operating activities to free cash flow.

(in millions)	Historical CRC Six months ended June 30, 2025	Historical Berry Six months ended June 30, 2025	Adjustments	Pro Forma Six months ended June 30, 2025 (Unaudited)
Net cash provided by operating activities	$ 351	$ 75	$ 6	$ 432
Capital investments	(111)	(83)	—	(194)
Free cash flow	240	(8)	6	238
Integration and transaction fees	3	—	—	3
Free cash flow, after special items	$ 243	$ (8)	$ 6	$ 241

(in millions)	Historical CRC Six months ended December 31, 2024	Historical Berry Six months ended December 31, 2024	Adjustments	Pro Forma Six months ended December 31, 2024 (Unaudited)	Pro Forma Twelve months ended June 30 2025 (Unaudited)
Net cash provided by operating activities	$ 426	$ 112	$ (18)	$ 520	$ 952
Capital investments	(167)	(43)	—	(210)	(404)
Free cash flow	259	69	(18)	310	548
Integration and transaction fees	31	—	—	31	34
Free cash flow, after special items	$ 290	$ 69	$ (18)	$ 341	$ 582

(in millions)	Pro Forma CRC Twelve months ended December 31, 2024(1)	Historical Berry Twelve months ended December 31, 2024	Adjustments	Pro Forma Twelve months ended December 31, 2024 (Unaudited)
Net cash provided by operating activities	$ 940	$ 210	$ (23)	$ 1,127
Capital investments	(322)	(102)	—	(424)
Free cash flow	618	108	(23)	703
Integration and transaction fees	73	—	14	87
Free cash flow, after special items	$ 691	$ 108	$ (9)	$ 790

(1) Reflects the Aera Companies' historical results for the period from January 1, 2024 through June 30, 2024 and related transaction accounting and financing adjustments associated with CRC's business combination with the Aera Companies completed on July 1, 2024, as presented below:

(in millions)	Historical CRC Twelve months ended December 31, 2024	Historical Aera Six months ended June 30, 2024	Transaction Adjustments (Unaudited): Disposals	Transaction Adjustments (Unaudited): Acquisitions	Financing Adjustments	Pro Forma Twelve months ended December 31, 2024
Net cash provided by operating activities	$ 610	$ 258	$ 8	$ 91	$ (27)	$ 940
Capital investments	(255)	(67)	—	—	—	(322)
Free cash flow	355	191	8	91	(27)	618
Integration and transaction fees	57	16	—	—	—	73
Free cash flow, after special items	$ 412	$ 207	$ 8	$ 91	$ (27)	$ 691

***

	Six months ended June 30, 2025		
	CRC	**Berry**	**Pro Forma**
Average Daily Net Production:			
Oil (MBbl/d)	110	23	133
NGLs (MBbl/d)	10	—	10
Natural gas (MMcf/d)	114	8	123
Total net production (MBoe/d)	139	24	163
Average realized prices:			
Oil with hedge ($/Bbl)	$69.39	$68.57	$ 69.08
Oil without hedge ($/Bbl)	69.34	65.44	68.68
NGLs ($/Bbl)	48.60	28.35	47.89
Natural gas ($/Mcf)	3.46	3.06	3.43
Average benchmark prices:			
Brent oil ($/Bbl)	$70.84	$70.81	$ 70.84
WTI oil ($/Bbl)	67.58	67.69	67.58
NYMEX gas ($/MMBtu)	3.55	—	3.55
Average costs per Boe:			
Operating costs	$24.90	$25.10	$ 24.76
Operating costs, excluding effects of PSC-type contracts(1)	$23.80		

(1) Operating costs, excluding effects of PSCs is a non-GAAP measure. The reporting of our PSC-type contracts creates a difference between reported operating costs, which are for the full field, and reported volumes, which are only our net share, inflating the per barrel production costs. These amounts represent our operating costs after adjusting for this difference. Berry does not have any PSC-type contracts.

* * *

As of September 19, 2025, we had $251 million of available cash and cash equivalents (excluding $15 million of restricted cash) and no borrowings under our Revolving Credit Facility. As of September 19, 2025, Berry had $37 million of available cash and cash equivalents (excluding an insignificant amount of restricted cash) and $428 million of Existing Berry Indebtedness.

* * *

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information is derived from the historical condensed combined financial statements of CRC and the historical condensed combined financial statements of Berry, respectively, and gives effect to (i) the merger, (ii) the extinguishment of Berry's outstanding debt, (iii) the issuance of new debt, and (iv) the 2024 acquisition of the Aera Companies, described below, (collectively, the "pro forma events"). The unaudited pro forma condensed combined financial information was prepared in accordance with Article 11 of Regulation S-X.

On September 14, 2025, CRC entered into a merger agreement with Berry, pursuant to which CRC will acquire Berry for approximately 5.8 million shares of its common stock (subject to customary adjustments in the event of stock splits, dividends paid in stock and similar items). Upon the closing of the merger, we expect to terminate and repay any outstanding indebtedness under Berry's senior secured term loan credit agreement and its senior secured revolving credit agreement. Each party will pay its own expenses incident to preparing for, entering into and carrying out the merger agreement and the consummation of the merger and the stock issuance. In the event the merger is terminated by Berry for a superior proposal, a termination fee is payable in connection with such termination.

The unaudited pro forma condensed combined financial information giving effect to the pro forma events has been prepared by CRC using the acquisition method of accounting in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). CRC has been treated as the acquirer for accounting purposes, and thus accounts for the merger as a business combination in accordance with Accounting Standards Codification Topic 805, Business Combinations ("ASC 805"). The valuations of the assets acquired, and liabilities assumed, and therefore the purchase price allocations, are preliminary and have not yet been finalized as of the date of this offering memorandum. As a result of the foregoing, the pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial information.

On July 1, 2024, CRC completed the acquisition of the Aera Companies as contemplated by the merger agreement described in the Current Report on Form 8-K, filed by CRC on February 9, 2024. The impact of the Aera Merger is included in CRC's historical condensed combined financial statements as of and for the six months ended June 30, 2025; as such, no adjustments have been applied to these financial statements on a pro forma basis.

The unaudited pro forma condensed combined balance sheet as of June 30, 2025 gives effect to the Berry Merger as if it had occurred as of June 30, 2025. The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2024 and for six months ended June 30, 2025 give effect to the pro forma events as if they had occurred on January 1, 2024 (where the financial results for the Aera Companies during the period January 1, 2024 through June 30, 2024 is included with CRC's financial results for the twelve months ended December 31, 2024 on a pro forma basis).

The unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statements of operations have been derived from and should be read in conjunction with the following financial statements:

- The historical audited condensed combined financial statements of CRC as of and for the year ended December 31, 2024;
- The historical unaudited condensed combined financial statements of CRC as of and for the six months ended June 30, 2025;
- The historical audited condensed combined financial statements of Berry as of and for the year ended December 31, 2024;
- The historical unaudited condensed combined financial statements of Berry as of and for the six months ended June 30, 2025; and
- The historical unaudited consolidated and combined financial statements of the Aera Companies as of and for the six months ended June 30, 2024.

The unaudited pro forma condensed combined financial statements contain certain reclassification adjustments to conform the historical financial statement presentation of the Aera Companies and Berry to that of CRC.

CRC purchased services from Berry during the year ended December 31, 2024 in the amount of $6 million and during the six months ended June 30, 2025 in the amount of $5 million. CRC sold natural gas to and purchased natural gas from the Aera Companies during the six months ended June 30, 2024 in the amounts of $1 million and $1 million, respectively. As such, adjustments were applied to the unaudited pro forma condensed combined statements of operations to remove this activity, which would be considered intercompany activity and be eliminated upon consolidation.

The pro forma adjustments are based on available information and upon assumptions that management believes are reasonable in order to reflect, on a pro forma basis, the effect of the pro forma events on the historical financial information of CRC. The adjustments are described in the notes to the unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statements of operations.

The unaudited pro forma condensed combined financial information is included for informational purposes only. The unaudited pro forma condensed combined financial information should not be relied upon as being indicative of our results of operations or financial condition had the pro forma events occurred on the dates assumed. The unaudited pro forma condensed combined financial information also does not project our results of operations or financial position for any future period or date, including, but not limited to, the anticipated realization of ongoing savings from potential operating efficiencies, asset dispositions, cost savings, or economies of scale that the combined company may achieve with respect to the combined operations. Specifically, the unaudited pro forma condensed combined statement of operations does not include projected synergies expected to be achieved as a result of the mergers and any associated costs that may be required to be incurred to achieve those synergies. The unaudited pro forma condensed combined statements of operations also exclude the effects of costs of integration activities that may result from the mergers. The unaudited pro forma condensed combined statements of operations and balance sheet should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in CRC's Annual Report on Form 10-K for the year ended December 31, 2024.

CRC has used currently available information to determine preliminary fair value estimates for the stock consideration and its allocation to the Berry assets acquired and liabilities assumed.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of June 30, 2025
(in millions)

	CRC (as reported)	Berry (as reported)	Presentation Adjustments		Transaction Adjustments		Financing Adjustments		Pro Forma
Assets									
Current assets:									
Cash and cash equivalents	$ 72	$ 20			$ (430)	(B)	$ 445	(F)	92
					(15)	(C)			
Trade receivables, net	297	71			(3)	(D)			365
Inventories	93	—	16	(A)					109
Asset held for sale	8	—							8
Receivable from affiliate	31	—							31
Derivative instruments	—	40	(40)	(A)					—
Other current assets, net	227	27	40	(A)					278
			(16)	(A)					
Total current assets	**728**	**158**	—		**(448)**		**445**		**883**
Property, plant, and equipment, net	5,560	1,176			(340)	(B)			6,396
Investments in unconsolidated subsidiaries	93	—							93
Deferred income tax assets	33	55			19	(B)			60
					(47)	(F)			
Derivative instruments	—	29	(29)	(A)					—
Other noncurrent assets	298	10	29	(A)	(3)	(B)			334
Total assets	**$ 6,712**	**1,428**	—		**$ (819)**		**$ 445**		**$7,766**
Current liabilities:									
Current portion of long-term debt, net	122	45			(45)	(B)			122
Accounts payable	329	145	(124)	(A)	(3)	(D)			347
Income taxes payable	—	1	(1)	(A)					—
Accrued liabilities	477	—	125	(A)	(1)	(C)			610
					9	(E)			
Total current liabilities	**928**	**191**	—		**(40)**		—		**1,079**
Non-Current liabilities:									
Long-term debt, net	888	365			(365)	(B)	445	(F)	1,333
Asset retirement obligations	969	180							1,149
Deferred tax liabilities	185	—			(47)	(F)			138
Other long-term liabilities	335	28							363
Stockholders' equity:									
Common stock	1	—							1
Treasury stock	(922)	(114)			114	(B)			(922)
Additional paid-in capital	2,359	785			(465)	(B)			2,679
Retained earnings (accumulated deficit)	1,897	(7)			7	(B)			1,874
					(14)	(C)			
					(9)	(E)			
Accumulated other comprehensive income	72	—							72
Total stockholders' equity	**3,407**	**664**	—		**(367)**		—		**3,704**
Total liabilities and stockholders' equity	**$ 6,712**	**1,428**	**$ —**		**$ (819)**		**$ 445**		**$7,766**

Please refer to the notes to the unaudited pro forma condensed combined financial information.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Six Months Ended June 30, 2025
(in millions, except share and per share amounts; shares in millions)

	CRC (as reported)	Berry (as reported)	Presentation Adjustments		Transaction Adjustments		Financing Adjustments		Pro Forma
Revenues:									
Total operating revenues	$ 1,890	$ 392			$ (5)	(DD)			$ 2,277
Operating expenses:									
Operating costs	611	—	110	(AA)	(5)	(DD)			716
Lease operating expenses	—	110	(110)	(AA)					—
Costs of services	—	40	—						40
General & administrative expenses	151	40							191
Marketing expenses	—	1	(1)	(AA)					—
Depreciation, depletion and amortization	259	76	(6)	(AA)	(15)	(BB)			314
Asset impairments	—	158							158
Taxes other than on income	117	22							139
Costs related to marketing of purchased commodities	91	—	1	(AA)					92
Electricity generation expenses	15	2							17
Transportation costs	40	2							42
Accretion expense	57	—	6	(AA)					63
Net (gain) loss on natural gas purchase derivatives	(3)	(3)							(6)
Measurement period adjustments	1	—							1
Other operating expenses, net	98	1	1	(AA)					100
Total operating expenses	1,437	449	1		(20)		—		1,867
Net loss on asset divestitures	—	—	1	(AA)					1
Operating (loss) income	453	(57)	—		15		—		411
Non-operating (expenses) income									
Interest and debt expense	(52)	(31)			31	(CC)	(17)	(FF)	(69)
Loss of early extinguishment of debt	(1)	—							(1)
Loss from investment in unconsolidated subsidiaries	(1)	—							(1)
Other non-operating income	5	—							5
Income (loss) before income taxes	404	(88)	—		46		(17)		345
Income tax (provision) benefit	(117)	25			(13)	(EE)	5	(EE)	(100)
Net income (loss)	$ 287	$ (63)	$ —		$ 33		$ (12)		$ 245
Pro forma net income per share:									
Basic	$ 3.20	$ (0.81)							$ 2.56
Diluted	$ 3.18	$ (0.81)							$ 2.54
Weighted-average shares outstanding									
Basic	89.8	77.40							95.6
Diluted	90.3	77.40							96.3

Please refer to the notes to the unaudited pro forma condensed combined financial information.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2024
(in millions, except per share amounts)

	CRC (pro forma)	Berry (as reported)	Presentation Adjustments		Transaction Adjustments		Financing Adjustments		Pro Forma
Revenues:									
Total operating revenues	$ 3,883	$ 777	—		$ (6)	(DD)			$ 4,654
Operating expenses:									
Operating costs	1,290	—	226	(AA)	(6)	(DD)			1,510
Lease operating expenses	—	226	(226)	(AA)					—
Costs of services	—	96	—	—					96
General & administrative expenses	416	77							493
Marketing expenses	—	8	(8)	(AA)					—
Depreciation, depletion and amortization	528	172	(12)	(AA)	(35)	(BB)			653
Asset impairments	14	44							58
Taxes other than on income	290	47							337
Costs related to marketing of purchased commodities	193	—	8	(AA)					201
Electricity generation expenses	40	4							44
Transportation costs	85	5							90
Accretion expense	121	—	12	(AA)					133
Net loss on natural gas purchase derivatives	36	23							59
Carbon management business expenses	62	—							62
Measurement period adjustments	(12)	—							(12)
Acquisition costs	—	5	(5)	(AA)					—
Other operating expenses (income), net	217	(4)	5	(AA)	14	(GG)			245
			4	(AA)	9	(HH)			
Loss on early extinguishment of debt	—	7	(7)	(AA)					—
Total operating expenses	3,280	710	(3)		(18)		—		3,969
Net gain on asset divestitures	15	—	4	(AA)					19
Operating income (loss)	618	67	7		12		—		704
Non-operating (expenses) income									
Interest and debt expenses	(125)	(39)			39	(CC)	(35)	(FF)	(160)
Loss on early extinguishment of debt	(5)	—	(7)	(AA)					(12)
Loss from investment in unconsolidated subsidiaries	(7)	—							(7)
Income (loss) before income taxes	481	28	—		51		(35)		525
Income tax provision	(129)	(9)			(14)	(EE)	10	(EE)	(142)
Net income	$ 352	$ 19	$ —		$ 37		$ (25)		$ 383
Net income per share:									
Basic	$ 4.74	$ 0.25							$ 4.00
Diluted	$ 4.62	$ 0.25							$ 3.90
Weighted-average common shares outstanding									
Basic	90.0	76.8							95.8
Diluted	92.1	77.0							98.1

NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

1. Basis of Presentation

The unaudited pro forma condensed combined financial information was prepared in accordance with Article 11 of Regulation S-X and presents the pro forma financial condition and results of operations of CRC based upon the historical financial information of CRC, Berry, and the Aera Companies after giving effect to the pro forma events and related adjustments set forth in the notes to the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information does not reflect any management adjustments for expected synergies or dis-synergies of the merger.

The unaudited pro forma condensed combined balance sheet as of June 30, 2025, gives effect to the pro forma events as if they had occurred on June 30, 2025. The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2024, and for six months ended June 30, 2025 give effect to the pro forma events as if they had occurred on January 1, 2024.

The Mergers

On September 14, 2025, CRC entered into a merger agreement with Berry, pursuant to which CRC will acquire Berry for 5.8 million shares of common stock.

On July 1, 2024, CRC completed the Aera Merger, as contemplated by the merger agreement described in the Current Report on Form 8-K, filed by CRC on February 9, 2024.

Financing of the Merger

The total amount of funds necessary for CRC to close the merger includes the funds needed to extinguish the outstanding debt of Berry.

2. Notes to Unaudited Pro Forma Condensed Combined Balance Sheet

The following adjustments were made related to the unaudited pro forma condensed combined balance sheet as of June 30, 2025:

A. Reflects certain reclassification adjustments to conform Berry's historical assets and liabilities to the financial statement presentation of CRC.

B. Reflects the purchase price allocation adjustments to record Berry's assets and liabilities at estimated fair value based on the consideration conveyed of $750 million, as detailed below, and to eliminate Berry's historical equity balances.

   The purchase price was allocated among the identified assets to be acquired. This was considered appropriate based on the determination that the merger would be accounted for as a business acquisition under ASC 805. The estimates of fair value are based upon preliminary valuation assumptions believed to be reasonable, but which are inherently uncertain and unpredictable; and, as a result, actual results may differ from estimates. There can be no assurances that the valuations will not result in material changes to this purchase price allocation. In determining the preliminary estimate of fair values of assets acquired and liabilities assumed of Berry, CRC used publicly available benchmarking information as well as a variety of other assumptions, including market participant assumptions, to determine that substantially all of the purchase price adjustments would impact reserves. The pro forma purchase price allocation relating to the merger is preliminary and subject to change, as additional information becomes available and as additional analyses are performed. Any increase or decrease in fair values of the net assets as compared with the unaudited pro forma condensed combined financial information may change the amount of the total acquisition consideration allocated to reserves and may impact the Unaudited Pro Forma Condensed Combined Statements of Operations due to adjustments in the expenses related to the adjusted assets.

Net Assets Identified	Fair Value (in millions)
Cash and cash equivalents (5)	$ 20
Trade receivables	71
Inventories	16
Other current assets	51
Oil and natural gas properties (1)	771
Other property and equipment (1)	65
Deferred income tax asset (6)	74
Other non-current assets (7)	36
Accounts payable	(21)
Accrued liabilities	(125)
Asset retirement obligations	(180)
Other long-term liabilities	(28)
Total Fair Value	$ 750

Value Conveyed	
Purchase Consideration (2)	$ 309
Repayment of Berry's outstanding debt (3)	428
Replacement of equity awards (4)	11
Cash settlement of equity awards (8)	2
Total Purchase Consideration	$ 750

(1) Berry's principal assets are their oil and natural gas properties.

(2) Purchase consideration was provided in the form of CRC common stock and was calculated as the 5.8 million total shares to be issued, multiplied by $53.01, the closing price of shares of CRC common stock on September 12, 2025.

(3) In addition to the purchase consideration provided in the form of common stock, $428 million of Berry's outstanding long-term debt as of June 30, 2025 will be repaid. Berry's outstanding debt will be repaid upon closing due to a change in control provision within their legacy debt agreement.

(4) Purchase consideration includes replacement of non-single trigger RSUs and PSUs of Berry with RSUs or common shares of CRC; these legacy Berry awards become fully vested due to the change in control.

(5) In addition to cash and cash equivalents, Berry held an immaterial amount classified as restricted cash.

(6) Based on a preliminary assessment of tax attributes included in Berry's historical deferred tax assets, it was determined that $76 million of tax credit carryforwards will be subject to an annual limitation since Berry will experience an ownership change in connection with the merger. These tax attributes are not expected to be recoverable in the future.

(7) Deferred issuance costs of $3 million related to Berry's revolving debt facility were written off as this facility will be terminated due to a change in control provision within the legacy credit agreement.

(8) Purchase consideration includes $2 million related to the cash settlement of single trigger RSUs and PSUs of Berry; these legacy Berry awards become fully vested due to the change in control.

C. Total merger-related transaction costs are estimated to be $15 million, including certain legal, accounting, investment banking, due diligence, and other related costs. Approximately $1 million of transaction costs were incurred and accrued for on the balance sheet of CRC as of June 30, 2025. All transaction costs were unpaid as of June 30, 2025.

D. Reflects the elimination of balances between CRC and Berry that, following the merger, would be considered intercompany activity and eliminated upon consolidation.

E. Reflects the accrual of $9 million for a retention bonus pool to be paid to certain employees of Berry.

F. Reflects a reclassification entry to properly present both deferred tax assets and deferred tax liabilities of the combined entity by tax jurisdiction.

G. Reflects the issuance of debt in the amount of $400 million in new notes, net of debt issuance costs of $6 million, and an additional $51 million, which is expected to be drawn on CRC's existing revolving credit facility.

3. Notes to Unaudited Pro Forma Condensed Combined Statement of Operations

The following adjustments were made to the unaudited pro forma condensed combined statements of operations:

AA. Reflects certain reclassification adjustments to conform Berry's historical revenues and expenses to the financial statement presentation of CRC.

BB. Reflects the estimated changes in pro forma depreciation, depletion, and amortization expense based on the preliminary purchase price allocation, resulting from the adjustment to basis associated with the property, plant, and equipment balance, which is related to proved oil and gas reserves.

CC. Reflects the elimination of historical interest expense and amortization of debt issuance costs associated with the settlement of Berry's outstanding debt, included in consideration as discussed at adjustment (B).

DD. Reflects the elimination of activity between CRC and Berry that, following the merger, would be considered intercompany activity and eliminated upon consolidation.

EE. Represents the pro forma adjustment to taxes as a result of adjustments to the income statement, which was calculated using a blended U.S. federal and California statutory income tax rate of 28%.

FF. Reflects interest expense related to the issuance of new debt, as presented at adjustment (G). This adjustment also includes the amortization of estimated debt issuance costs of $6 million over the estimated term of the loan.

GG. Reflects estimated transaction costs associated with the pro forma events, as presented at adjustment (C). This charge is not expected to recur in the twelve months following closing.

HH. Reflects the compensation expense associated with a retention bonus pool, as presented at adjustment (E). This charge is not expected to recur in the twelve months following closing.

The pro forma statement of operations in the table below reflects CRC's statement of operations for the twelve months ended December 31, 2024 adjusted for the Aera Merger as if it occurred on January 1, 2024. Transaction costs in the amount of $16 million are included in the historical results of the Aera Companies, and this is not expected to recur in the twelve months following closing. The following adjustments were made to the pro forma condensed combined statement of operations for the Aera Merger:

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2024
(in millions, except per share amounts)

	CRC (as reported)	Aera Companies (as reported for the six months ended June 30, 2024)	Presentation Adjustments		Transaction Adjustments - Disposal		Transaction Adjustments - Acquisition		Financing Adjustments		Pro Forma
Revenues:											
Total operating revenues	$ 3,198	$ 684	$ 6	(A)	$ (4)	(B)	$ (1)	(D)			$ 3,883
Operating expenses:											
Operating costs	966	226	101	(A)	(2)	(B)	(1)	(D)			1,290
General & administrative expenses	321	97	(2)	(A)							416
Depreciation, depletion and amortization	388	149					(9)	(C)			528
Asset impairments	14	—									14
Taxes other than on income	242	48									290
Purchased natural gas marketing expense	193	84	(84)	(A)							193
Electricity generation expenses	40	25	(25)	(A)							40
Transportation costs	81	—	4	(A)							85
Accretion expense	87	75			(10)	(B)	(31)	(C)			121
Carbon management business expenses	56	—	6	(A)							62
Net loss on natural gas purchase derivatives	30	—	6	(A)							36
Measurement period adjustments	(12)	—									(12)
Other operating expenses (income), net	183	34									217
Total operating expenses	2,589	738	6		(12)		(41)		—		3,280
Net gain on asset divestitures	11	—	4	(A)							15
Operating income (loss)	620	(54)	4		8		40		—		618
Non-operating (expenses) income											
Interest income	—	4	(4)	(A)							—
Interest expense	—	(59)	59	(A)							—
Interest and debt expenses	(87)	—	(59)	(A)			59	(E)	(38)	(H)	(125)
Loss on early extinguishment of debt	(5)	—									(5)
(Loss) income from investments in unconsolidated subsidiaries	(10)	—	3	(A)							(7)
Income from equity investments	—	3	(3)	(A)							—
Other non-operating (expense) income, net	(2)	2									—
Income (loss) before income taxes	516	(104)	—		8		99		(38)		481
Income tax provision	(140)	—	(1)				29	(F)	11	(G)	(129)
Federal and state income tax (expense)/benefit	—	(1)	1								—
							(28)	(G)			
Net income (loss)	$ 376	$ (105)	$ —		$ 8		$ 100		(27)		$ 352
Net income per share:											
Basic	$ 4.74										$ 4.00
Diluted	$ 4.62										$ 3.90
Weighted-average common shares outstanding											
Basic	79.30										90.0
Diluted	81.40										92.1

(A) Reflects certain reclassification adjustments to conform the Aera Companies' historical revenues and expenses to the financial statement presentation of CRC.

(B) Reflects the elimination of revenues and expenses associated with certain assets and associated liabilities, which were distributed prior to closing of the Aera Merger.
(C) Reflects the changes in pro forma accretion expense and depreciation, depletion, and amortization expense based on the preliminary purchase price allocation.
(D) Reflects the elimination of activity between CRC and the Aera Companies that, following the mergers, would be considered intercompany activity and eliminated upon consolidation.
(E) Reflects the elimination of historical interest expense and amortization of debt issuance costs associated with the settlement of the Aera Companies' outstanding debt.
(F) Reflects the change in tax status of the Aera Companies and certain of its subsidiaries, which were previously pass-through entities for tax purposes, to taxable entities; this impact was calculated using a blended U.S. federal and California statutory income tax rate of 28%.
(G) Represents the pro forma adjustment to taxes as a result of adjustments to the income statement, which was calculated using a blended U.S. federal and California statutory income tax rate of 28%.
(H) Reflects interest expense related to the issuance of new debt. This adjustment also includes the amortization of debt issuance costs of $8 million over the estimated five-year period of the loan.

4. Unaudited Pro Forma Net Income Per Share

Unaudited basic pro forma net income per share is computed by dividing pro forma net income attributable to common shares by the pro forma weighted average number of common shares outstanding during the period. Unaudited diluted pro forma net income per share is computed by dividing pro forma net income attributable to common shares by the weighted average number of common shares outstanding during the period after adjusting for the impact of securities that would have a dilutive effect on net income per share.

Pro forma net income per share—basic and diluted

(in millions except per share amounts)

For the Six Months Ended June 30, 2025

Numerator:	
Pro forma net income - basic and diluted	$ 245
Denominator:	
Pro forma weighted-average number of shares outstanding – basic	95.6
Pro forma weighted-average number of shares outstanding – diluted	96.3
Pro forma net income per share attributable to common shareholders:	
Basic	$2.56
Diluted	2.54

For the Year Ended December 31, 2024

Numerator:	
Pro forma net income - basic and diluted	$ 383
Denominator:	
Pro forma weighted-average number of shares outstanding – basic	95.8
Pro forma weighted-average number of shares outstanding – diluted	98.1
Pro forma net income per share attributable to common shareholders:	
Basic	$4.00
Diluted	$3.90