

TXO PARTNERS, L.P.

FORM 8-K/A (Amended Current report filing)

Filed 10/08/25 for the Period Ending 07/31/25

Address	400 WEST 7TH STREET FORT WORTH, TX, 76102
Telephone	817-334-7800
CIK	0001559432
Symbol	TXO
SIC Code	1311 - Crude Petroleum and Natural Gas
Industry	Oil & Gas Exploration and Production
Sector	Energy
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K/A

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

Date of Report (Date of earliest event reported): July 31, 2025

TXO Partners, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-41605
(Commission
File Number)

32-0368858
(IRS Employer
Identification No.)

400 West 7th Street, Fort Worth, Texas
(Address of principal executive offices)

76102
(Zip Code)

(817) 334-7800
Registrant's telephone number, including area code

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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Units representing limited partner interests	TXO	New York Stock Exchange
Common Units representing limited partner interests	TXO	NYSE Texas

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. ☐

EXPLANATORY NOTE

This Current Report on Form 8-K/A of TXO Partners L.P. (the “Partnership”), amends and supplements the Current Report on Form 8-K of the Partnership, dated August 5, 2025 and filed with the Securities and Exchange Commission on August 5, 2025 (the “Initial Form 8-K”), which reported under Item 2.01 that on July 31, 2025, the Partnership’s wholly-owned subsidiary, Morningstar Operating LLC, along with North Hudson Resource Partners, L.P. (“North Hudson”), closed the previously announced acquisition of certain producing oil and gas assets located in the Elm Coulee field in Montana and North Dakota from White Rock Energy, LLC, a Delaware limited liability company (“WRE”) pursuant to that certain Purchase and Sale Agreement, dated as of May 13, 2025, by and among Morningstar Operating LLC, North Hudson and WRE (the “Transaction”).

This amendment is filed to provide the financial statements of the businesses acquired in the Transaction and the pro forma financial information of the Partnership for the Transaction as required by Item 9.01 of Form 8-K. Except as set forth below, the Initial Form 8-K is unchanged.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The unaudited statements of revenues and direct operating expenses of WRE for the six months ended June 30, 2025 and 2024, including the related notes thereto, are filed herewith as Exhibit 99.1.

The audited statements of revenues and direct operating expenses of WRE for the years ended December 31, 2024 and 2023, including the related notes thereto, are filed herewith as Exhibit 99.2.

(b) Pro Forma Financial Information.

The unaudited pro form condensed combined balance sheet of the Partnership as of June 30, 2025, and the unaudited pro forma condensed combined statements of operations of the Partnership for the six months ended June 30, 2025 and the year ended December 31, 2024, including the related notes thereto, giving effect to the Transaction are filed herewith as Exhibit 99.3. The unaudited pro forma financial information gives effect to the Transaction on the basis, and subject to the assumptions, set forth in accordance with Article 11 of Regulation S-X.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
23.1	Consent of KPMG LLP.
99.1	Unaudited Statements of Revenues and Direct Operating Expenses of White Rock Energy, LLC for the six months ended June 30, 2025 and 2024.
99.2	Audited Statements of Revenues and Direct Operating Expenses of White Rock Energy, LLC for the years ended December 31, 2024 and 2023.
99.3	Unaudited Pro Forma Condensed Combined Financial Information of TXO Partners, L.P as of and for the six months ended June 30, 2025 and for the year ended December 31, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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.

TXO Partners, L.P.

By: TXO Partners GP, LLC
its general partner

Dated: October 8, 2025

By: /s/ Brent W. Clum

Name: Brent W. Clum

Title: Co-Chief Executive Officer and Chief Financial Officer

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements (Nos. 333-281885 and 333-277671) on Form S-3 and (No. 333-271045) on Form S-8 of TXO Partners, L.P. of our report dated October 8, 2025, with respect to the statements of revenues and direct operating expenses of the White Rock Energy Properties, which report appears in the Form 8-K/A of TXO Partners, L.P. dated October 8, 2025.

/s/ KPMG LLP

Fort Worth, Texas
October 8, 2025

WHITE ROCK ENERGY PROPERTIES

Statements of Revenues and Direct Operating Expenses

For the Six Months Ended June 30, 2025 and 2024

TXO Partners, LP
White Rock Energy Statements of Revenues and Direct Operating
Expenses of the Williston Basin Properties (as described in Note 1)

(in thousands)

	Six months ended June 30,	
	2025	2024
REVENUES		
Oil and condensate	\$79,785	\$67,401
Natural gas liquids	3,609	3,250
Natural gas	1,848	937
Total Revenues	<u>85,242</u>	<u>71,588</u>
DIRECT OPERATING EXPENSES		
Production	12,392	10,668
Taxes, transportation and other	7,448	6,498
Total Direct Operating Expenses	<u>19,840</u>	<u>17,166</u>
Revenues in Excess of Direct Operating Expenses	<u>\$65,402</u>	<u>\$54,422</u>

See accompanying notes to Statements of Revenues and Direct Operating Expenses.

**Notes to the Statements of Revenues and Direct Operating Expenses
of the White Rock Energy Properties**

(1) Basis of Presentation

On July 31, 2025, TXO Partners, LP (“TXO”), through its wholly-owned subsidiary, MorningStar Operating LLC, completed an acquisition of producing properties in the Greater Williston Basin of Montana and North Dakota (“Williston Basin Properties”) from White Rock Energy, LLC, a Delaware limited liability company (“White Rock”) for cash consideration of \$338.6 million, including a deferred payment of \$70 million which is due on July 31, 2026. The purchase price was allocated primarily to proved properties. The acquisition was funded by cash on hand from the offering of TXO common units and borrowings under the TXO credit facility.

The accompanying unaudited statement includes revenues from oil, natural gas liquids and natural gas production and direct operating expenses associated with the Williston Basin Properties and were derived from White Rock historical accounting records. The accompanying statements vary from a complete income statement in accordance with US GAAP in that they do not reflect certain indirect expenses that were incurred in connection with the ownership and operation of the Williston Basin Properties including, but not limited to, general and administrative expenses, interest expense and income tax expense. These costs were not separately allocated to the Williston Basin Properties in the accounting records of White Rock. In addition, these allocations, if made using historical general and administrative structures and tax burdens, would not produce allocations that would be indicative of the historical performance of the Williston Basin Properties had it been a TXO property due to the differing size, structure, operations and accounting policies of White Rock and TXO. The accompanying statement also does not include provisions for depreciation, depletion, amortization and accretion, as such amounts would not be indicative of the costs that TXO will incur upon the allocation of the purchase price paid for the Williston Basin Properties. Furthermore, no balance sheet has been presented for the Williston Basin Properties because the acquired properties were not accounted for as a separate subsidiary or division of White Rock and complete financial statements are not available, nor has information about the Williston Basin Properties’ operating, investing and financing cash flows been provided for similar reasons. Accordingly, the historical Statement of Revenues and Direct Operating Expenses of White Rock is presented in lieu of the full financial statements required under Item 3-05 of Securities and Exchange Commission (“SEC”) Regulation S-X.

This Statement of Revenues and Direct Operating Expenses is not indicative of the results of operations for the Williston Basin Properties on a go forward basis.

(2) Summary of Significant Accounting Policies

Use of Estimates—The Statement of Revenues and Direct Operating Expenses is derived from the historical operating statements of White Rock. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of revenues and direct operating expenses during the respective reporting periods. Actual results could be different from those estimates.

Revenue Recognition—Total revenues in the accompanying statements include the sale of crude oil, natural gas liquids and natural gas, net of royalties. White Rock recognizes revenues upon the satisfaction of the applicable performance obligation, which occurs at the point in time when control of the product transfers to a customer, in an amount that reflects the consideration to which White Rock expects to be entitled in exchange for such product.

During the six month periods ended June 30, 2025 and 2024, one customer accounted for more than 10% of the total revenues of the Williston Basin Properties.

**Notes to the Statements of Revenues and Direct Operating Expenses
of the White Rock Energy Properties**

Direct Operating Expenses—Direct operating expenses are recognized when incurred and consist of direct expenses of operating the Williston Basin Properties. The direct operating expenses include lease operating, production taxes, processing and transportation expenses. Lease operating expenses include lifting costs, well repair expenses, facility maintenance expenses, well workover costs, and other field related expenses. Lease operating expenses also include expenses directly associated with support personnel, support services, equipment, and facilities directly related to oil and gas production activities.

(3) Contingencies

The activities of the Williston Basin Properties may become subject to potential claims and litigation in the normal course of operations. TXO does not believe that any liability resulting from any pending or threatened litigation will have a material adverse effect on the operations or financial results of the Williston Basin Properties.

(4) Subsequent Events

TXO has evaluated events through October 8, 2025, the date the Statements of Revenues and Direct Operating Expenses were available to be issued, and are not aware of any events that have occurred that require adjustments to or disclosure in the financial statements.

WHITE ROCK ENERGY PROPERTIES
Statements of Revenues and Direct Operating Expenses
Years Ended December 31, 2024 and 2023

Independent Auditors' Report

To the Partners
TXO Partners, L.P.:

Report on the Audit of the Statements of Revenues and Direct Operating Expenses

Opinion

We have audited the accompanying statements of revenues and direct operating expenses (the Statements) of certain oil and gas properties acquired from White Rock Energy (the Properties) by TXO Partners, L.P. (the Partnership) for the years ended December 31, 2024 and 2023, and the related notes to the Statements.

In our opinion, the Statements present fairly, in all material respects, the revenues and direct operating expenses of the Properties for the years ended December 31, 2024 and 2023 in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

The accompanying Statements referred to above were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission. The Statements are not intended to be a complete presentation of the operations of the Properties.

Other Matter

U.S. generally accepted accounting principles require that the Supplementary Oil and Gas Disclosures contained herein be presented to supplement the basic Statements. Such information, although not a part of the basic Statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic Statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic Statements, and other knowledge we obtained during our audit of the basic Statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Responsibilities of Management for the Statements

Management is responsible for the preparation and fair presentation of the Statements in accordance with U.S. generally accepted accounting principles; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Properties ability to continue as a going concern for one year after the date that the Statements are issued.

Auditors' Responsibilities for the Audit of the Statements

Our objectives are to obtain reasonable assurance about whether the Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control related to the Properties. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Properties' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ KPMG LLP

Fort Worth, Texas
October 8, 2025

TXO Partners, LP
White Rock Energy Statements of Revenues and Direct Operating
Expenses of the Williston Basin Properties (as described in Note 1)

(in thousands)

	Years ended December 31,	
	2024	2023
REVENUES		
Oil and condensate	\$144,478	\$ 97,269
Natural gas liquids	6,134	5,571
Natural gas	1,926	2,953
Total Revenues	<u>152,538</u>	<u>105,793</u>
DIRECT OPERATING EXPENSES		
Production	22,030	15,573
Taxes, transportation and other	12,637	14,609
Total Direct Operating Expenses	<u>34,667</u>	<u>30,182</u>
Revenues in Excess of Direct Operating Expenses	<u>\$117,871</u>	<u>\$ 75,611</u>

See accompanying notes to Statements of Revenues and Direct Operating Expenses.

**Notes to the Statements of Revenues and Direct Operating Expenses
of the White Rock Energy Properties**

(1) Basis of Presentation

On July 31, 2025, TXO Partners, LP (“TXO”), through its wholly-owned subsidiary, MorningStar Operating LLC, completed an acquisition of producing properties in the Greater Williston Basin of Montana and North Dakota (“Williston Basin Properties”) from White Rock Energy, LLC, a Delaware limited liability company (“White Rock”) for cash consideration of \$338.6 million, including a deferred payment of \$70 million which is due on July 31, 2026. The purchase price was allocated primarily to proved properties. The acquisition was funded by cash on hand from the offering of TXO common units and borrowings under the TXO credit facility.

The accompanying audited statement includes revenues from oil, natural gas liquids and natural gas production and direct operating expenses associated with the Williston Basin Properties and were derived from White Rock historical accounting records. The accompanying statements vary from a complete income statement in accordance with US GAAP in that they do not reflect certain indirect expenses that were incurred in connection with the ownership and operation of the Williston Basin Properties including, but not limited to, general and administrative expenses, interest expense and income tax expense. These costs were not separately allocated to the Williston Basin Properties in the accounting records of White Rock. In addition, these allocations, if made using historical general and administrative structures and tax burdens, would not produce allocations that would be indicative of the historical performance of the Williston Basin Properties had it been a TXO property due to the differing size, structure, operations and accounting policies of White Rock and TXO. The accompanying statement also does not include provisions for depreciation, depletion, amortization and accretion, as such amounts would not be indicative of the costs that TXO will incur upon the allocation of the purchase price paid for the Williston Basin Properties. Furthermore, no balance sheet has been presented for the Williston Basin Properties because the acquired properties were not accounted for as a separate subsidiary or division of White Rock and complete financial statements are not available, nor has information about the Williston Basin Properties’ operating, investing and financing cash flows been provided for similar reasons. Accordingly, the historical Statement of Revenues and Direct Operating Expenses of White Rock is presented in lieu of the full financial statements required under Item 3-05 of Securities and Exchange Commission (“SEC”) Regulation S-X.

This Statement of Revenues and Direct Operating Expenses is not indicative of the results of operations for the Williston Basin Properties on a go forward basis.

(2) Summary of Significant Accounting Policies

Use of Estimates—The Statement of Revenues and Direct Operating Expenses is derived from the historical operating statements of White Rock. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of revenues and direct operating expenses during the respective reporting periods. Actual results could be different from those estimates.

Revenue Recognition—Total revenues in the accompanying statements include the sale of crude oil, natural gas liquids and natural gas, net of royalties. White Rock recognizes revenues upon the satisfaction of the applicable performance obligation, which occurs at the point in time when control of the product transfers to a customer, in an amount that reflects the consideration to which White Rock expects to be entitled in exchange for such product.

For the year ended December 31, 2024 one customer and for the year ended December 31, 2023 two customers accounted for more than 10% of the total revenues of the Williston Basin Properties.

Notes to the Statements of Revenues and Direct Operating Expenses of the White Rock Energy Properties

Direct Operating Expenses—Direct operating expenses are recognized when incurred and consist of direct expenses of operating the Williston Basin Properties. The direct operating expenses include lease operating, production taxes, processing and transportation expenses. Lease operating expenses include lifting costs, well repair expenses, facility maintenance expenses, well workover costs, and other field related expenses. Lease operating expenses also include expenses directly associated with support personnel, support services, equipment, and facilities directly related to oil and gas production activities.

(3) Contingencies

The activities of the Williston Basin Properties may become subject to potential claims and litigation in the normal course of operations. TXO does not believe that any liability resulting from any pending or threatened litigation will have a material adverse effect on the operations or financial results of the Williston Basin Properties.

(4) Subsequent Events

TXO has evaluated events through October 8, 2025, the date the Statements of Revenues and Direct Operating Expenses were available to be issued, and are not aware of any events that have occurred that require adjustments to or disclosure in the financial statements.

Supplementary Oil and Gas Disclosures (Unaudited)

Supplemental reserve information

The following unaudited supplemental reserve information summarizes the net proved reserves of oil, natural gas liquids and natural gas and the standardized measure thereof attributable to the Williston Basin Properties as of December 31, 2024 and December 31, 2023. All of the reserves are located in the United States. The reserve disclosures are based on reserve studies prepared in accordance with the guidelines established by the SEC.

There are numerous uncertainties inherent in estimating quantities and values of proved reserves and in projecting future rates of production and the amount and timing of development expenditures, including many factors beyond the property owner's control. Reserve engineering is a subjective process of estimating the recovery from underground accumulations of oil, natural gas liquids and natural gas that cannot be measured in an exact manner, and the accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Because all reserve estimates are to some degree subjective, the quantities of oil, natural gas liquids and natural gas that are ultimately recovered, production and operating costs, the amount and timing of future development expenditures and future oil, natural gas liquids and natural gas sales prices may each differ from those assumed in these estimates. In addition, different reserve engineers may make different estimates of reserve quantities and cash flows based upon the same available data. The standardized measure shown below represents estimates only and should not be construed as the current market value of the estimated oil, natural gas liquids and natural gas reserves attributable to the Williston Basin Properties. In this regard, the information set forth in the following tables includes revisions of reserve estimates attributable to proved properties included in the preceding year's estimates. Such revisions reflect additional information from subsequent development activities, production history of the Williston Basin Properties and any adjustments in the projected economic life of such property resulting from changes in product prices.

**Notes to the Statements of Revenues and Direct Operating Expenses
of the White Rock Energy Properties**

Estimated quantities of oil, NGL and gas reserves

The following table sets forth certain data pertaining to the Williston Basin Properties proved developed reserves as of December 31, 2024, December 31, 2023 and December 31, 2022 and for the period from December 31, 2022 to December 31, 2024.

	Oil (MBbl)	NGL (MBbl)	Gas (MMCF)	Total (MBoe)
December 31, 2022	7,886	1,998	7,306	11,102
Revision of previous estimates	1,752	151	600	2,003
Production	(1,292)	(280)	(1,021)	(1,742)
December 31, 2023	8,346	1,869	6,885	11,363
Revision of previous estimates	3,743	616	2,367	4,753
Production	(2,033)	(290)	(1,093)	(2,505)
Ending balance, December 31, 2024	<u>10,056</u>	<u>2,195</u>	<u>8,159</u>	<u>13,611</u>
Proved Developed Reserves				
December 31, 2022	7,886	1,998	7,306	11,102
December 31, 2023	8,346	1,869	6,885	11,363
December 31, 2024	10,056	2,195	8,159	13,611

Standardized Measure of Discounted Future Net Cash Flows

The Standardized Measure of Discounted Future Net Cash Flows (excluding income tax expense) relating to proved crude oil, natural gas liquids and natural gas reserves is presented below:

	December 31, 2024	December 31, 2023
Future cash inflows	\$ 766,309	\$ 663,085
Future development and abandonment costs(a)	(42,292)	(42,292)
Future production expense	<u>(317,702)</u>	<u>(283,969)</u>
Future net cash flows	406,315	336,824
Discounted at 10% per year	<u>(134,136)</u>	<u>(115,567)</u>
Standardized measure of discounted future net cash flows	<u>\$ 272,179</u>	<u>\$ 221,257</u>

- (a) Future development and abandonment costs include \$42.3 million as of December 31, 2024 and December 31, 2023, of undiscounted future asset retirement expenditures estimated as of those dates using current estimates of future abandonment costs.

**Notes to the Statements of Revenues and Direct Operating Expenses
of the White Rock Energy Properties**

The Standardized Measure of Discounted Future Net Cash Flows (discounted at 10%) from production of proved reserves was developed as follows:

- An estimate was made of the quantity of proved reserves and the future periods in which they are expected to be produced based on current economic conditions.
- In accordance with SEC guidelines, the engineers' estimates of future net revenues from proved properties and the present value thereof are made using the twelve-month average of the first-day-of-the-month reference prices as adjusted for location and quality differentials. These prices are held constant throughout the life of the properties, except where such guidelines permit alternate treatment. Average realized oil prices used in the estimation of proved reserves and calculation of the standardized measure were \$70.58 for 2024, \$73.14 for 2023 and \$88.76 for 2022. Average realized natural gas liquids prices were \$20.08 for 2024, \$20.75 for 2023 and \$25.13 for 2022. Average realized gas prices were \$1.53 for 2024, \$2.02 for 2023 and \$7.72 for 2022.
- The future gross revenue streams were reduced by estimated future operating costs and future development and abandonment costs, all of which were based on current costs in effect at the date presented and held constant throughout the life of the properties.

As described in Note 1, these Statements of Revenue and Direct Operating Expenses do not include income tax expense or balance sheet information; therefore, income tax and capital expenditure estimates were omitted from the Standardized Measure of Discounted Future Net Cash Flows calculation. The principal sources of changes in the Standardized Measure of Discounted Future Net Cash Flows for each of the periods presented below are as follows:

	Years ended	
	December 31, 2024	December 31, 2023
Balance, beginning of year	\$ 221,257	\$ 265,428
Oil and gas sales, net of production costs	(117,871)	(75,611)
Net change in sales prices and production costs	21,982	(61,303)
Changes in production rates (timing) and other	26,808	23,736
Revisions of quantity estimates	97,877	42,464
Accretion of discount	22,126	26,543
Standardized measure of discounted future net cash flows	<u>\$ 272,179</u>	<u>\$ 221,257</u>

TXO PARTNERS, L.P.
PRO FORMA FINANCIAL STATEMENTS
(Unaudited)

Introduction

TXO Partners, L.P. (“TXO Partners”) engages in oil and natural gas exploration and production. The unaudited pro forma financial statements have been prepared in accordance with Article 11 of Regulation S-X, using assumptions set forth in the notes to the unaudited pro forma financial statements. The following unaudited pro forma financial statements of the TXO Partners reflect the historical results of TXO Partners, on a pro forma basis to give effect to the following transactions, which are described in further detail below, as if they had occurred on June 30, 2025, for pro forma balance sheet purposes, and on January 1, 2024, for pro forma statement of operations purposes:

- in the case of the unaudited pro forma statements of operations, the acquisition of producing properties in the Williston Basin of Montana and North Dakota from Eagle Mountain Energy Partners and Vendera V4-ELM, LP, (“EMEP Acquisition”) in August 2024, including the 2.5 million units issued as part of the consideration paid; additionally, in August 2024 we completed the acquisition of producing properties from Kaiser- Francis Oil Company in the Russian Creek field of North Dakota (“KFOC Acquisition”) (the EMEP and KFOC Acquisitions are collectively referred to as the “August 2024 Acquisitions”); and
- an underwritten public offering of 6.5 million common units on June 28, 2024 at a price of \$20.00 per common unit resulting in proceeds of \$122.5 million net of underwriting discounts, commissions and other costs (“the 2024 Offering”) and the underwritten public offering of an additional 975,000 common units at a price of \$20.00 per common unit pursuant to the underwriter’s exercise in full of its option to purchase additional common units in the 2024 Offering on July 2, 2024, resulting in additional proceeds of \$18.7 million net of underwriting discounts, commissions and other costs. We used the net proceeds from the 2024 Offering to fund a portion of the cash consideration for the August 2024 Acquisitions.
- in the case of the unaudited pro forma statements of operations, the acquisition of producing properties in the Williston Basin of Montana and North Dakota from White Rock Energy, LLC (“WRE Acquisition”) in July 2025;
- an underwritten public offering of 11.7 million common units on May 15, 2025 at a price of \$15.00 per common unit resulting in proceeds of \$165.6 million net of underwriting discounts, commissions and other costs (“the 2025 Offering”) and the underwritten public offering of an additional 1,750,000 common units at a price of \$15.00 per common unit pursuant to the underwriter’s exercise in full of its option to purchase additional common units in the Offering on May 19, 2025, resulting in additional proceeds of \$23.9 million net of underwriting discounts, commissions and other costs. We used the net proceeds from the 2025 Offering to fund a portion of the cash consideration for the WRE Acquisition.

The unaudited pro forma balance sheet of TXO Partners is based on the historical balance sheet of TXO Partners as of June 30, 2025 and includes pro forma adjustments to give effect to the described transactions as if they had occurred on June 30, 2025. The unaudited pro forma statements of operations of TXO Partners are based on the audited historical statement of operations of TXO Partners for the year ended December 31, 2024, and the unaudited historical statement of operations of TXO Partners for the six months ended June 30, 2025, both having been adjusted to give effect to the described transactions as if they occurred on January 1, 2024.

The pro forma data presented reflect events directly attributable to the described transactions and certain assumptions TXO Partners believes are reasonable. The pro forma data are not necessarily indicative of financial results that would have been attained had the described transactions occurred on the date indicated or which could be achieved in the future because they necessarily exclude various operating expenses, such as incremental general and administrative expenses associated with being a larger company. The adjustments are based on currently available information and certain estimates and assumptions. Therefore, the actual adjustments may differ from the pro forma adjustments. However, management believes that the assumptions provide a reasonable basis for presenting the significant effects of the transactions and the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited financial statements.

The unaudited pro forma financial statements and related notes are presented for illustrative purposes only. If the August 2024 Acquisitions, the WRE Acquisition, the 2024 Offering and the 2025 Offering described herein had occurred in the past, TXO Partners' operating results might have been materially different from those presented in the unaudited pro forma financial statements. The unaudited pro forma financial statements should not be relied upon as an indication of operating results that TXO Partners would have achieved if the August 2024 Acquisitions, the WRE Acquisition, the 2024 Offering and the 2025 Offering described herein had taken place on the specified date. In addition, future results may vary significantly from the results reflected in the unaudited pro forma financial statements of operations and should not be relied upon as an indication of the future results TXO Partners will have after the August 2024 Acquisitions, the WRE Acquisition, the 2024 Offering and the 2025 Offering described herein by these unaudited pro forma financial statements.

TXO PARTNERS, L.P.
PRO FORMA BALANCE SHEET
June 30, 2025

(in thousands)

	TXO, Partners Historical	WRE Acquisition	Pro Forma
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 7,953	\$ —	\$ 7,953
Accounts receivable, net	36,991	—	36,991
Derivative fair value	12,171	—	12,171
Other	13,641	1,642	15,283
Total Current Assets	70,756	1,642	72,398
Property and Equipment, at cost – successful efforts method:			
Proved properties	1,962,301	315,068	2,277,369
Unproved properties	18,761	—	18,761
Other	85,705	3,042	88,747
Total Property and Equipment	2,066,767	318,110	2,384,877
Accumulated depreciation, depletion and amortization	(1,108,411)	—	(1,108,411)
Net Property and Equipment	958,356	318,110	1,276,466
Other Assets:			
Note receivable from related party	7,131	—	7,131
Derivative Fair Value	4,982	—	4,982
Other	5,455	—	5,455
Total Other Assets	17,568	—	17,568
TOTAL ASSETS	\$ 1,046,680	\$ 319,752	1,366,432
LIABILITIES AND PARTNERS' CAPITAL			
Current Liabilities:			
Accounts payable	\$ 18,779	\$ 6,698	25,477
Deferred Payment	—	70,000	70,000
Accrued liabilities	33,621	—	33,621
Derivative fair value	15,518	—	15,518
Asset retirement obligation, current portion	3,000	—	3,000
Other current liabilities	1,795	—	1,795
Total Current Liabilities	72,713	76,698	149,411
Long-term Debt	19,100	233,845	252,945
Other Liabilities:			
Asset retirement obligation	193,553	9,209	202,762
Derivative fair value	7,184	—	7,184
Other liabilities	1,106	—	1,106
Total Other Liabilities	201,843	9,209	211,052
Commitments and Contingencies			
Partners' Capital:			
Partners' capital	753,024	—	753,024
Total Partners' Capital	753,024	—	753,024
TOTAL LIABILITIES AND PARTNERS' CAPITAL	\$ 1,046,680	\$ 319,752	1,366,432

TXO PARTNERS, L.P.
Pro Forma Statements of Operations for the Year Ended December 31, 2024
(Unaudited)

(in thousands, except for per unit information)

	TXO Partners Historical	WRE Acquisition (a)	August 2024 Acquisitions	Offerings	Pro Forma
REVENUES					
Oil and condensate	\$198,324	\$ 144,478	\$ 51,609	\$ —	\$ 394,411
Natural gas liquids	29,430	6,134	3,084	—	38,648
Gas	55,056	1,926	656	—	57,638
Total Revenues	<u>282,810</u>	<u>152,538</u>	<u>55,349</u>	<u>—</u>	<u>490,697</u>
EXPENSES					
Production	150,295	22,030	16,660	—	188,985
Exploration	373	—	—	—	373
Taxes, transportation and other	60,442	12,637	5,865	—	78,944
Depreciation, depletion, and amortization	52,409 (b)	74,338	20,564	—	147,311
Accretion of discount in asset retirement obligation	11,623 (c)	716	879	—	13,218
General and administrative	14,529	—	(901)	—	13,628
Total Expenses	<u>289,671</u>	<u>109,721</u>	<u>43,067</u>	<u>—</u>	<u>442,459</u>
OPERATING (LOSS) INCOME	<u>(6,861)</u>	<u>42,817</u>	<u>12,282</u>	<u>—</u>	<u>48,238</u>
OTHER INCOME (EXPENSE)					
Other income (expense)	37,152	—	58	—	37,210
Interest income	1,078	—	—	—	1,078
Interest expense	(7,873) (d)	(20,066)	(9,738)	—	(37,677)
Total Other Income	<u>30,357</u>	<u>(20,066)</u>	<u>(9,680)</u>	<u>—</u>	<u>611</u>
NET (LOSS) INCOME	<u>\$ 23,496</u>	<u>\$ 22,751</u>	<u>\$ 2,602</u>	<u>\$ —</u>	<u>\$ 48,849</u>
NET INCOME PER COMMON UNIT (e)					
Basic	<u>\$ 0.76</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.90</u>
Diluted	<u>\$ 0.75</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.89</u>
WEIGHTED AVERAGE COMMON UNITS OUTSTANDING (e)					
Basic	<u>30,904</u>	<u>—</u>	<u>2,500</u>	<u>20,892</u>	<u>54,296</u>
Diluted	<u>31,477</u>	<u>—</u>	<u>2,500</u>	<u>20,892</u>	<u>54,869</u>

The accompanying notes are an integral part of these unaudited pro forma financial statements.

TXO PARTNERS, L.P.
Pro Forma Statements of Operations for the Six Months Ended June 30, 2025
(Unaudited)

(in thousands, except for per unit information)

	TXO Partners Historical	WRE Acquisition (a)	Offering	Pro Forma
REVENUES				
Oil and condensate	\$124,049	\$ 79,785	\$ —	\$203,834
Natural gas liquids	16,454	3,609	—	20,063
Gas	33,701	1,848	—	35,549
Total Revenues	<u>174,204</u>	<u>85,242</u>	<u>—</u>	<u>259,446</u>
EXPENSES				
Production	85,605	12,392	—	97,997
Exploration	133	—	—	133
Taxes, transportation and other	33,115	7,448	—	40,563
Depreciation, depletion, and amortization	43,113 (b)	30,391	—	73,504
Accretion of discount in asset retirement obligation	7,641 (c)	405	—	8,046
General and administrative	11,895	—	—	11,895
Total Expenses	<u>181,502</u>	<u>50,636</u>	<u>—</u>	<u>232,138</u>
OPERATING (LOSS) INCOME	<u>(7,298)</u>	<u>34,606</u>	<u>—</u>	<u>27,308</u>
OTHER INCOME (EXPENSE)				
Other income	15,368	—	—	15,368
Interest income	403	—	—	403
Interest expense	(6,192) (d)	(9,294)	—	(15,486)
Other Income	<u>9,579</u>	<u>(9,294)</u>	<u>—</u>	<u>285</u>
NET (LOSS) INCOME	<u>\$ 2,281</u>	<u>\$ 25,312</u>	<u>\$ —</u>	<u>\$ 27,593</u>
NET INCOME PER COMMON UNIT (e)				
Basic	<u>\$ 0.06</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.50</u>
Diluted	<u>\$ 0.05</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.50</u>
WEIGHTED AVERAGE COMMON UNITS OUTSTANDING (e)				
Basic	<u>41,226</u>	<u>—</u>	<u>13,417</u>	<u>54,643</u>
Diluted	<u>42,103</u>	<u>—</u>	<u>13,417</u>	<u>55,520</u>

The accompanying notes are an integral part of these unaudited pro forma financial statements.

1. BASIS OF PRESENTATION, CORPORATE REORGANIZATION AND THE OFFERING

The historical financial information is derived from the financial statements of TXO Partners included elsewhere in this prospectus. For purposes of the unaudited pro forma balance sheet, it is assumed that the WRE Acquisition had taken place on June 30, 2025. For purposes of the unaudited pro forma statements of operations, it is assumed all transactions had taken place on January 1, 2024.

2. PRO FORMA ADJUSTMENTS AND ASSUMPTIONS

TXO Partners made the following adjustments and assumptions in the preparation of the unaudited pro forma financial statements:

(a) Unless otherwise noted, adjustments below in items (b) – (d) reflect the historical statements of revenues and direct operating expenses of White Rock Energy, LLC, Vendera V4-ELM, LP and Kaiser- Francis Oil Company, and historical financial statements of Eagle Mountain Energy Partners, from the assets acquired and liabilities assumed in the WRE Acquisition and August 2024 Acquisitions, as included elsewhere in this prospectus. The pro forma adjustments included on the Statements of Operations for the year ended December 31, 2024, related to the August 2024 Acquisitions are included for the period from January 1, 2024 through the date of the August 2024 Acquisitions.

(b) Adjustment reflects additional depreciation, depletion, and amortization expense that would have been incurred with respect to the August 2024 Acquisitions and the WRE Acquisition, had such acquisitions occurred on January 1, 2024.

(c) Adjustment reflects additional accretion of discount in asset retirement obligation expense that would have been recorded with respect to the asset retirement obligation assumed in the August 2024 Acquisitions and the WRE Acquisition, had such acquisitions occurred on January 1, 2024.

(d) Adjustment reflects increase in interest expense from the additional borrowings used to pay for the cash portion of the August 2024 Acquisitions and the WRE Acquisition had the acquisitions closed on January 1, 2024. The average interest rate was 8.6% for the year ended December 31, 2024 and 8.0% for the six months ended June 30, 2025.

(e) Reflects basic and diluted income per common share for the issuance of 7,475,000 common units in the 2024 Offering, 13,416,667 common units in the 2025 Offering and 2,500,000 common units in the August 2024 Acquisitions as shown below:

	Six months ended June 30, 2025	Year ended December 31, 2024
Basic		
Net income	\$ 27,593	\$ 48,849
Weighted average common units outstanding	54,643	54,296
Basic earnings per share	\$ 0.50	\$ 0.90
Diluted		
Numerator:		
Net income	\$ 27,593	\$ 48,849
Effect of dilutive securities	—	—
Diluted net income attributable to stockholders	\$ 27,593	\$ 48,849
Denominator:		
Basic weighted average shares outstanding	54,643	54,296
Effect of dilutive securities	877	573
Diluted weighted average shares outstanding	55,520	54,869
Diluted earnings per share	\$ 0.50	\$ 0.89

3. SUPPLEMENTARY DISCLOSURE OF OIL AND NATURAL GAS OPERATIONS

The following pro forma standardized measure of the discounted net future cash flows and changes applicable to TXO Partners' proved reserves reflect the effect of Texas state franchise taxes which TXO Partners is subject to. The future cash flows are discounted at 10% per year and assume continuation of existing economic conditions.

The standardized measure of discounted future net cash flows, in management's opinion, should be examined with caution. The basis for this table is the reserve studies prepared by independent petroleum engineering consultants, which contain imprecise estimates of quantities and rates of production of reserves. Revisions of previous year estimates can have a significant impact on these results. Also, exploration costs in one year may lead to significant discoveries in later years and may significantly change previous estimates of proved reserves and their valuation. Therefore, the standardized measure of discounted future net cash flow is not necessarily indicative of the fair value of TXO Partners' proved oil and natural gas properties.

The data presented should not be viewed as representing the expected cash flow from or current value of, existing proved reserves since the computations are based on a large number of estimates and assumptions. Reserve quantities cannot be measured with precision and their estimation requires many judgmental determinations and frequent revisions. Actual future prices and costs are likely to be substantially different from the prices and costs utilized in the computation of reported amounts.

The following table provides a pro forma rollforward of the total proved reserves for the year ended December 31, 2024, as well as pro forma proved developed and proved undeveloped reserves at the beginning and end of the year, as if the WRE Acquisition occurred on January 1, 2024.

<i>Oil (MBbls)</i>	TXO Partners Historical	WRE Acquisition	Pro Forma
January 1, 2024	40,453.1	8,345.8	48,798.9
Extensions, additions and discoveries	22.5	—	22.5
Revisions	(1,521.1)	3,743.6	2,222.5
Production	(2,716.4)	(2,033.4)	(4,749.8)
Purchase in place	10,953.8	—	10,953.8
December 31, 2024	<u>47,191.9</u>	<u>10,056.0</u>	<u>57,247.9</u>
Proved Developed Reserves			
January 1, 2024	30,959.4	8,345.8	39,305.2
December 31, 2024	37,894.6	10,056.0	47,950.6
Proved Undeveloped Reserves			
January 1, 2024	9,493.7	—	9,493.7
December 31, 2024	9,297.3	—	9,297.3
<i>Natural Gas Liquids (MBbls)</i>	TXO Partners Historical	WRE Properties	Pro Forma
January 1, 2024	15,483.0	1,869.2	17,352.2
Extensions, additions and discoveries	0.6	—	0.6
Revisions	(2,841.5)	615.4	(2,226.1)
Production	(1,211.4)	(289.8)	(1,501.2)
Purchase in place	2,363.7	—	2,363.7
December 31, 2024	<u>13,794.4</u>	<u>2,194.8</u>	<u>15,989.2</u>
Proved Developed Reserves			
January 1, 2024	15,110.9	1,869.2	16,980.1
December 31, 2024	13,194.9	2,194.8	15,389.7
Proved Undeveloped Reserves			
January 1, 2024	372.1	—	372.1
December 31, 2024	599.5	—	599.5

<i>Natural Gas (MMcf)</i>	TXO Partners Historical	WRE Properties	Pro Forma
January 1, 2024	265,827.6	6,885.0	272,712.6
Extensions, additions and discoveries	2,400.1	—	2,400.1
Revisions	(56,249.2)	2,367.0	(53,882.2)
Production	(27,789.8)	(1,093.4)	(28,883.2)
Purchase in place	12,847.0	—	12,847.0
December 31, 2024	<u>197,035.7</u>	<u>8,158.6</u>	<u>205,194.3</u>
Proved Developed Reserves			
January 1, 2024	264,934.4	6,885.0	271,819.4
December 31, 2024	196,013.7	8,158.6	204,172.3
Proved Undeveloped Reserves			
January 1, 2024	893.2	—	893.2
December 31, 2024	1,022.0	—	1,022.0
<i>Total (MBoe)</i>	TXO Partners Historical	WRE Properties	Pro Forma
January 1, 2024	100,240.7	11,362.5	111,603.2
Extensions, additions and discoveries	423.1	—	423.1
Revisions	(13,737.3)	4,753.5	(8,983.8)
Production	(8,559.5)	(2,505.4)	(11,064.9)
Purchase in place	15,458.6	—	15,458.6
December 31, 2024	<u>93,825.6</u>	<u>13,610.6</u>	<u>107,436.2</u>
Proved Developed Reserves			
January 1, 2024	90,226.0	11,362.5	101,588.5
December 31, 2024	83,758.5	13,610.6	97,369.1
Proved Undeveloped Reserves			
January 1, 2024	10,014.7	—	10,014.7
December 31, 2024	10,067.1	—	10,067.1

The pro forma standardized measure of discounted estimated future net cash flows was as follows as of December 31, 2024 (in thousands):

December 31, 2024	TXO Partners Historical	WRE Acquisition	Pro Forma
Future cash inflows	\$ 4,187,103	\$ 766,309	\$ 4,953,412
Future costs:			
Production	(2,077,469)	(317,702)	(2,395,171)
Development	(450,156)	(42,292)	(492,448)
Income taxes	(1,738)	—	(1,738)
Future net cash flows	1,657,740	406,315	2,064,055
10% annual discount	(681,153)	(134,136)	(815,289)
Standardized measure	<u>\$ 976,587</u>	<u>\$ 272,179</u>	<u>\$ 1,248,766</u>

The change in the pro forma standardized measure of discounted estimated future net cash flows was as follows for 2024 (in thousands):

December 31, 2024	TXO Partners Historical	WRE Acquisition	Pro Forma
Standardized measure, beginning of period	\$ 890,592	\$ 221,257	\$ 1,111,849
Revisions:			
Prices and costs	(187,581)	21,982	(165,599)
Quantity estimates	(11,034)	97,877	86,843
Income tax	67	—	67
Future development costs	7,054	—	7,054
Accretion of discount	89,059	22,126	111,185
Production rates and other	(2,940)	26,808	23,868
Net revisions	(105,375)	168,793	63,418
Additions and discoveries	(4,279)	—	(4,279)
Production	(74,639)	(117,871)	(192,510)
Development costs	27,967	—	27,967
Purchases in place	242,321	—	242,321
Net change	85,995	50,922	136,917
Standardized measure, end of period	<u>\$ 976,587</u>	<u>\$ 272,179</u>	<u>\$ 1,248,766</u>