Surge Energy America Announces Increased Borrowing Base and Elected Commitments of Revolving Credit Facility

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HOUSTON, April 20, 2022 - Surge Energy US Holdings Company ("Surge Energy" or the "Company") announces an increased borrowing base from $1.2 billion to $1.5 billion and elected commitments from $860 million to $935 million on the Company's revolving credit facility ("Credit Facility"). The increases are in connection with the Credit Facility's regularly scheduled semi-annual redetermination that recently closed.

As of March 31, 2022, the company had approximately $88 million in cash and $255 million drawn on the Credit Facility. Pro forma liquidity is approximately $768 million based on the March 31, 2022 cash on hand and undrawn elected commitments as of the close of the redetermination.

As part of the redetermination, the Credit Facility also switched benchmarks to the Secured Overnight Financing Rate ("SOFR") from the sunsetting LIBOR.

"Surge greatly values the relationship and the continued support of our bank group," stated Chief Financial Officer James Welch. "We believe the results of this redetermination demonstrate the quality of our assets and the strength of our people."

About Surge Energy
Surge Energy US Holdings Company is an independent oil and natural gas company focused on the development, exploitation, production and acquisition of oil and natural gas reserves in the Midland Basin of West Texas, one of three primary sub-basins of the Permian Basin. The Company is headquartered in Houston, Texas, and currently holds approximately 114,000 net acres in the Permian Basin. Based on a December 2020 Railroad Commission of Texas report, Surge was one of only two internationally sponsored companies in the top 20 oil producers in the state of Texas. Surge was the only oil and gas production company recognized by the Houston Business Journal's Best Places to Work Lists in both 2020 and 2021. For more information, visit our website at www.SurgeEnergyA.com.

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