

PETROQUEST ENERGY INC.
Consolidated Balance Sheet
(unaudited)
(Amounts in thousands, except per share data)

	June 30, 2023	December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 8,994	\$ 3,544
Restricted cash	5	34
Revenue receivable	732	2,573
Joint interest billing receivable	9,830	11,475
Hedge asset	0	1,131
Other current assets	292	208
Total current assets	\$ 19,853	\$ 18,965
Property and equipment:		
Oil and gas properties:		
Oil and gas properties, full cost method	168,754	167,404
Unevaluated oil and gas properties	137,242	131,875
Accumulated depreciation, depletion and amortization	(98,467)	(93,823)
Oil and gas properties, net	207,529	205,457
Other property and equipment	387	387
Accumulated depreciation of other property and equipment	(357)	(354)
Total property and equipment	207,559	205,490
Other assets	51	88
Total assets	\$ 227,463	\$ 224,543
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable to vendors	\$ 2,559	\$ 3,227
Oil and gas revenue payable	3,168	4,312
Asset retirement obligation	2,293	2,293
Hedge liability	-	-
Other accrued liabilities	508	74
Right of use liability-short-term	-	-
Total current liabilities	8,528	9,906
Multi-draw Term Loan	83,528	78,102
Asset retirement obligation	2,069	1,952
Deferred income taxes	815	815
Other liabilities	-	12
Hedge liability-long-term	-	-
Total liabilities	94,940	90,788
Stockholders' equity :		
Common stock, \$.01 par value; authorized 1,300 and 175,000 shares, respectively; issued and outstanding 1,091 and 109,477 shares, respectively	11	11
Paid-in capital	162,202	162,202
Retained deficit	(29,689)	(28,457)
Total stockholders' equity	132,523	133,755
Total liabilities and stockholders' equity	\$ 227,463	\$ 224,543

PETROQUEST ENERGY INC.
Consolidated Statements of Operations
(unaudited)
(Amounts in thousands, except per share data)

	Six Months Ended June 30, 2023	Six Month Ended June 30, 2022	
Revenues:			
Oil and gas sales	\$ 14,118	\$ 21,418	
Expenses:			
Lease operating expenses	5,982	6,058	
Production taxes	326	1,451	
Depreciation, depletion and amortization	4,648	3,852	
Ceiling test write-down	-	-	
General and administrative	2,642	1,790	
Restructuring expense	534	-	
Accretion of asset retirement obligation	117	67	
Derrivative expense	1,131	3,823	
Interest expense	(0)	-	
Lease costs	31	161	
	15,410	17,204	
Other income:			
Other income (expense)	60	(67)	
Income/(Loss) from operations	(1,232)	4,147	
Reorganization items, net	-	-	
Income tax (expense)/benefit	-	-	
Income (loss) available to common stockholders	\$ (1,232)	\$ 4,147	
Net income (loss) per common share:			
Basic	\$ (1.13)	\$ 0.04	
Diluted	\$ (1.13)	\$ 0.04	
Weighted average number of common shares:			
Basic	1,091	109,687	
Diluted	1,091	109,687	

PETROQUEST ENERGY INC.
Consolidated Statements of Operations
(unaudited)
(Amounts in thousands, except per share data)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Month Ended June 30, 2022
Revenues:				
Oil and gas sales	\$ 7,622	\$ 12,812	\$ 14,118	\$ 21,418
Expenses:				
Lease operating expenses	3,296	2,861	5,982	6,058
Production taxes	148	913	326	1,451
Depreciation, depletion and amortization	2,567	2,599	4,648	3,852
Ceiling test write-down	-	-	-	-
General and administrative	1,127	742	2,642	1,790
Restructuring expense	214	(32)	534	-
Accretion of asset retirement obligation	59	25	117	67
Derivative expense	3,040	(3,510)	1,131	3,823
Interest expense	-	-	-	-
Lease costs	15	63	31	161
	<u>10,467</u>	<u>3,661</u>	<u>15,410</u>	<u>17,204</u>
Other income:				
Other income	55	(68)	60	(67)
Income(loss) from operations	(2,790)	9,083	(1,232)	4,147
Income tax benefit	-	-	-	-
Income(loss) available to common stockholders	<u>\$ (2,790)</u>	<u>\$ 9,083</u>	<u>\$ (1,232)</u>	<u>\$ 4,147</u>
Net Income(loss) per common share:				
Basic	\$ (2.56)	\$ 0.08	\$ (1.13)	\$ 0.04
Diluted	<u>\$ (2.56)</u>	<u>\$ 0.08</u>	<u>\$ (1.13)</u>	<u>\$ 0.04</u>
Weighted average number of common shares:				
Basic	1,091	109,687	1,091	109,687
Diluted	<u>1,091</u>	<u>109,687</u>	<u>1,091</u>	<u>109,687</u>

PETROQUEST ENERGY INC.
Consolidated Statements of Cash Flows
(unaudited)
(Amounts in thousands)

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Cash flows from operating activities:		
Net income (loss)	\$ (1,232)	\$ 4,147
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Deferred tax expense	-	-
Depreciation, depletion and amortization	4,647	3,852
Ceiling test write-down	-	-
Accretion of asset retirement obligation	117	67
Share-based compensation expense	-	32
Non-cash derivative income/expense	1,131	3,824
Amortization costs and other	459	403
Non-cash interest expense on PIK Notes	-	-
Payments to settle asset retirement obligations	-	-
SBA loan forgiven	-	-
Changes in working capital accounts:		
Revenue receivable	1,841	(3,869)
Joint interest billing receivable	1,645	(5,725)
Accounts payable and accrued liabilities	(1,318)	9,475
Other	(96)	273
Net cash provided by operating activities	7,194	16,404
Cash flows used in investing activities:		
Investment in oil and gas properties	(6,777)	(40,662)
Non-cash PIK interest-capitalized	5,004	2,929
Non-cash debt amortization	-	-
Sale of oil and gas properties	-	-
Net cash used in investing activities	(1,773)	(37,733)
Cash flows (used in) provided by financing activities:		
Draw on Term Loan	-	-
Deferred financing costs	-	(20)
Net cash (used in) provided by financing activities	-	(20)
Net increase (decrease) in cash and cash equivalents	5,421	(21,349)
Cash, restricted cash and cash equivalents, beginning of period	3,578	21,734
Cash, restricted cash and cash equivalents, end of period	\$ 8,999	\$ 385
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest, net of capitalized interest	\$ -	\$ -
Reorganization items, net	\$ 534	\$ 240