

EARTHSTONE ENERGY, INC.
AUDIT COMMITTEE CHARTER
(updated as of December 21, 2022)

I. PURPOSE

The purpose of the Audit Committee (the “**Committee**”) of the board of directors (the “**Board**” or, when referring to the individuals, the “**Directors**”) of Earthstone Energy, Inc., a Delaware corporation (the “**Company**”), is to assist the Board with (1) oversight of the integrity of the Company’s financial statements, (2) review the development and adherence to the Company’s internal control policies and procedures, (3) the oversight of the design, implementation and performance of the Company’s internal audit function, (4) promoting compliance with applicable legal and regulatory requirements, (5) assessing the qualifications, independence and performance of the Company’s independent registered auditors, and (6) preparation of the Committee’s report required by the rules and regulations of the Securities and Exchange Commission (the “**SEC**”) to be included in the Company’s annual report or proxy statement.

The primary role of the Committee is to oversee the Company’s financial reporting and disclosure process. To fulfill this obligation, the Committee relies on: management for the preparation and accuracy of the Company’s financial statements; management for establishing effective internal controls and procedures to ensure the Company’s compliance with accounting standards, financial reporting procedures and applicable laws and regulations; and the independent auditors for an unbiased, diligent audit or review, as applicable, of the Company’s financial statements and the effectiveness of the Company’s internal controls. The members of the Committee are not employees of the Company and are not responsible for conducting the audit or performing other accounting procedures.

II. COMPOSITION OF THE COMMITTEE

The Committee shall consist of at least three Directors as determined by the Board. Each Committee member (“**Member**”) shall be independent in accordance with the requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), in accordance with the rules of the New York Stock Exchange (the “**NYSE**”), and as otherwise required by securities laws, rules and regulations.

Each Member must be “financially literate” and as such must be able to read and understand fundamental financial statements, including a company’s balance sheet, income statement and cash flow statement, at the time of the Member’s appointment. No Member shall have participated in the preparation of the Company’s or any of its subsidiaries’ financial statements at any time during the past three years. At least one Member shall qualify as an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K and shall have

accounting or related financial management expertise, if and as required by the SEC rules and the NYSE rules.

The Members shall be appointed by the Board after giving due consideration to any recommendations of the Nominating and Corporate Governance Committee of the Board (the “**Nominating Committee**”). A chairperson of the Committee (the “**Chairperson**”) shall be designated by the Board after giving due consideration to any recommendations of the Nominating Committee. The Board may remove any Member at any time with or without cause.

III. AUTHORITY AND RESPONSIBILITIES

The Committee shall have the following authority and responsibilities:

To (1) select and retain an independent registered public accounting firm to act as the Company’s independent auditors for the purpose of auditing the Company’s annual financial statements, books, records, accounts and internal controls over financial reporting, (2) set the compensation of the independent auditors, (3) oversee the work done by the independent auditors and (4) terminate the independent auditors, if necessary.

To select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company.

To pre-approve all audit and permitted non-audit and tax services that may be provided by the independent auditors or other registered public accounting firms, and establish policies and procedures for the Committee’s pre-approval of permitted services by the independent auditors or other registered public accounting firms on an on-going basis.

At least annually, to obtain and review a report by the independent auditors that describes (1) the accounting firm’s internal quality control procedures, (2) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board (“**PCAOB**”) review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (3) all relationships between the firm and the Company or any of its subsidiaries; and to discuss with the independent auditors the report and any relationships or services that may impact the objectivity and independence of the auditors.

At least annually, to evaluate the qualifications, performance and independence of the independent auditors, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner at the independent auditors and consider rotation of the accounting firm serving as the independent auditors.

To review and discuss with the independent auditors (1) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the auditors' risk assessment procedures and (5) when completed, the results, including significant findings, of the annual audit.

To review and discuss with the independent auditors (1) all critical accounting policies and practices to be used in the audit; (2) all critical audit matters; (3) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the auditors; and (4) other material written communications between the auditors and management.

To review and discuss with the independent auditors and management (1) any audit issues, including difficulties encountered by the independent auditors during their audit work (such as restrictions on the scope of their activities or their access to information); (2) any significant disagreements with management as to accounting policies, practices or problems; and (3) management's response to these issues, difficulties or disagreements; and to resolve any disagreements between the independent auditors and management.

To review with management and the independent auditors: any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods; and the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

To review and discuss with management and the independent auditors the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such internal controls, and review and discuss with management and the independent auditors disclosure relating to the Company's internal controls, the independent auditors' report on the effectiveness of the Company's internal control over financial reporting and the required management certifications to be included in or attached as exhibits to the Company's annual report on Form 10-K or quarterly report on Form 10-Q, as applicable.

To review and discuss with the independent auditors any other matters required to be discussed by *PCAOB Auditing Standard No. 1301, Communications with Audit Committees*.

To review and discuss with the independent auditors and management the Company's annual audited financial statements (including the related notes), the form of audit opinion to be

issued by the auditors on the financial statements and the disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s annual report on Form 10-K before the Form 10-K is filed.

To recommend to the Board that the audited financial statements and the disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” be included in the Company’s annual report on Form 10-K and produce the Committee’s report required by the rules and regulations of the SEC to be included in the Company’s annual report or proxy statement.

To review and discuss with management and the independent auditors the Company’s quarterly financial statements prior to the filing of its quarterly report on Form 10-Q, including the results of the independent auditor’s reviews of the quarterly financial statements and the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

To design, implement, review and approve the Company’s internal audit function, including its purpose, authority, organization, responsibilities, budget and staffing.

To review and discuss with management the Company’s earnings press releases, including the use of any pro forma, adjusted non-GAAP information, as well as financial information and earnings guidance provided to analysts and ratings agencies. Such discussions may be general (consisting of discussing the types of information to be disclosed and the types of presentations to be made), and each earnings release or each instance in which the Company provides earnings guidance need not be discussed in advance.

To review and discuss with management policies and guidelines to govern the process by which management assesses and manages the Company’s risks, including the Company’s major financial risk exposures and the steps management has taken to monitor and control such exposures.

At least annually, to review and approve on behalf of the Company and its applicable subsidiaries, the Company’s decision to enter into swaps and other derivatives transactions that are exempt from exchange-execution and clearing under “end-user exception” regulations established by the Commodity Futures Trading Commission; and review and discuss with management the Company’s policies governing the Company’s use of swaps and other derivatives transactions subject to the end-user exception.

To set clear Company hiring policies for employees or former employees of the independent auditors.

To establish and oversee procedures for the timely receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or

auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

To oversee and monitor cybersecurity risks and management's cybersecurity policies and practices.

To annually review and discuss with management the Company's year-end hydrocarbon reserves.

To conduct or authorize investigations into any matter within the scope of the responsibilities delegated to the Committee as it deems appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.

To review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) and any other potential conflict of interest situations on an ongoing basis, except to the extent (a) a special committee of the Board is formed to address a particular transaction or conflict of interest situation, or (b) the transaction is approved by the Conflicts Committee of the Board (the "**Conflicts Committee**") in accordance with the Charter of the Conflicts Committee and the Company's Covered Transactions Policy (if applicable), all in accordance with Company policies and procedures.

To review this Charter at least annually and recommend any proposed changes to the Board for approval.

IV. OUTSIDE ADVISORS

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of any outside counsel and other advisors.

The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to the independent auditors, any other accounting firm engaged to perform services for the Company, any outside counsel or other advisors to the Committee, and the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

V. MEETINGS AND OPERATIONS

The Committee shall meet at least four (4) times annually but in any case as often as necessary to carry out its responsibilities. The Committee shall report regularly to the Board

regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee shall meet separately, and periodically, with management and with representatives of the independent auditors.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

VI. DELEGATION OF AUTHORITY

The Committee may from time to time as it deems appropriate, and to the extent permitted by applicable laws, rules and regulations, form and delegate authority to subcommittees consisting of one or more Members when appropriate.

VII. PERFORMANCE EVALUATION

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

While the members of the Audit Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Audit Committee members, except to the extent otherwise provided under applicable federal or state law. Further, nothing in this Charter is intended to preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law for good faith reliance by Audit Committee members on reports or other information provided by others.