

EARTHSTONE ENERGY, INC.
COMPENSATION COMMITTEE CHARTER
(updated as of January 31, 2023)

I. PURPOSE

The primary purposes of the Compensation 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**”), are to (1) discharge the Board’s responsibilities relating to the compensation of the Company’s Chief Executive Officer (“**CEO**”) and the other executive officers (collectively, including the CEO, the “**Executive Officers**”) and (2) to provide oversight of the Company’s executive compensation plans, policies and programs as they affect the Executive Officers.

II. COMPOSITION OF THE COMMITTEE

The Committee shall consist of at least three Directors as determined by the Board. All Committee members (“**Members**”) shall meet the independence requirements of the New York Stock Exchange (the “**NYSE**”), and as otherwise required by securities laws, rules and regulations. At least two Members also shall qualify as a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).

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 review and approve annually (or otherwise as circumstances may require) the corporate goals and objectives applicable to the compensation of the CEO, evaluate at least annually the CEO’s performance in light of those goals and objectives, and determine and approve the CEO’s overall compensation levels based on this evaluation. In determining the long-term incentive component of the CEO’s compensation, the Committee may consider any number of factors, including, but not limited to, the Company’s performance and relative stockholder return, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the CEO in past years.

To review and approve, on an annual basis, the compensation of all other Executive Officers.

To review, approve and, when appropriate, recommend to the Board for approval, incentive compensation plans and equity-based plans, and where appropriate or required, recommend for approval by the stockholders of the Company, which includes the ability to adopt, amend and terminate such plans. The Committee shall also have the authority to administer the Company's incentive compensation plans and equity-based plans, including designation of the employees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan.

Periodically review and approve, for the Executive Officers, employment agreements, severance arrangements, and change in control plans, in each case as, when and if appropriate, and any special or supplemental benefits.

To review and approve the budget for salaries, authorized amount for annual incentive compensation (bonus) payments, and authorized number of shares to be issued for grants of equity-based compensation for the employees of the Company (other than Executive Officers), with each individual employee's salary, bonus payment and grant of equity-based compensation to be determined by the CEO; the Committee may review and modify the CEO's decisions on individual employee compensation as it deems necessary or advisable.

To review and discuss with management the Company's Compensation Discussion and Analysis ("CD&A") and the related executive compensation information required to be included in the Company's annual report on Form 10-K and proxy statement by the rules and regulations of the Securities and Exchange Commission (the "SEC"), and based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included.

To produce the annual Compensation Committee Report for inclusion in the Company's proxy statement in compliance with the rules and regulations promulgated by the SEC.

To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.

To oversee the Company's compliance with SEC rules and regulations regarding stockholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the NYSE rules that, with limited exceptions, stockholders approve equity compensation plans.

Consider the results of the stockholder advisory vote on executive compensation ("**Say on Pay Vote**") required by Section 14A of the Exchange Act and the frequency of such votes.

To administer and periodically review and modify (if necessary) any Company clawback policy to ensure that such policy complies with applicable rules and regulations, including the rules and regulations of the SEC and the listing standards of the NYSE.

Perform such duties and responsibilities as may be assigned to the Committee under the terms of any equity-based plan or other compensation plan.

To review non-employee Director compensation for service on the Board and Board committees at least once a year and to recommend any changes to the Board.

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

IV. OUTSIDE ADVISORS

The Committee has the authority to and may, in its sole discretion, retain or obtain the advice of compensation consultants, legal counsel or other advisors. The Committee shall set the compensation, and oversee the work, of any advisors retained by the Committee. 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 its advisors. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its advisors, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

To the extent required by the rules of the SEC or the NYSE, the Committee will conduct an independence assessment, taking into consideration the factors set forth in such rules and any other factors the Committee deems relevant to the advisor's independence from management, prior to selecting or receiving advice from such advisor.

V. MEETINGS AND OPERATIONS

The Committee shall meet as often as it determines 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.

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 Compensation 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 Compensation 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 Compensation Committee members on reports or other information provided by others.