



**THE FOUNDATION
FOR SECURE
MARKETS**

#49487

Date: November 01, 2021

Subject: Extraction Oil & Gas, Inc. – Contract Adjustment
Option Symbol: 11/01/21 – XOG remains XOG
11/02/21 – XOG becomes CIVI1
Date: 11/01/21

Contract Adjustment

Date: November 1, 2021

Option Symbol: 11/01/21 – XOG remains XOG (with adjusted deliverable described below)
11/02/21 – XOG changes to CIVI1

Strike Divisor: 1

Contracts Multiplier: 1

New Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 60 yields \$6,000.00)

New Deliverable Per Contract:

- 1) Approximately 118 Civitas Resources, Inc. (CIVI) Common Shares
- 2) Cash in lieu of approximately 0.8325678 fractional CIVI Common Shares

Note: Once determined the cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.

CUSIP: (New) CIVI: 17888H103

Pricing

Until the cash in lieu amount is determined, the underlying price for CIVI1 will be determined as follows if the terms are unchanged:

$$\text{CIVI1} = 1.188325678 (\text{CIVI})$$

Delayed Settlement

OCC will delay settlement of the CIVI and cash portion of the CIVI1 deliverable until the final merger consideration and cash in lieu of fractional CIVI shares, if any, are determined. Upon determination of the final merger consideration and cash in lieu amount, if any, OCC will require Put exercisers and Call assignees to deliver the appropriate number of CIVI shares and cash amount.

Background

On October 29, 2021, Shareholders of Extraction Oil & Gas, Inc. (XOG) voted concerning the proposed merger with Bonanza Creek Energy, Inc. (BCEI). The merger was approved and subsequently consummated before the open on November 1, 2021. As a result, Bonanza Creek Energy, Inc. will change its name and trading symbol to Civitas Resources, Inc. (CIVI), and each existing XOG Common Share will be converted into the right to receive 1.1711 CIVI Common Shares, subject to upward adjustment as described in the Proxy. Cash will be paid in lieu of fractional CIVI shares, if any.

The merger consideration is expected to be adjusted to a final rate of 1.188325678 CIVI shares per XOG share held. OCC will delay settlement of the adjusted deliverable until the rate is confirmed.

Disclaimer

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.