**Katherine Douglas** Appellant Supplemental Comments

| | |
|---|---|
| **From:** | Mark Patronella <mpatronella@biologicaldiversity.org> |
| **Sent:** | Wednesday, December 10, 2025 1:05 PM |
| **To:** | sbcob; Jacquelyne Alexander |
| **Cc:** | Talia Nimmer; Rachel Mathews; Julie Teel Simmonds; Tevin Schmitt |
| **Subject:** | Supplemental comments in support of appeal - SYU permit transfers |
| **Attachments:** | 12.10.25 Supplemental Letter to SB County.pdf; Supplemental Comment Exhibits.zip |



Dear Supervisors and Clerk Alexander,

Please consider the attached supplemental comments, which are submitted on behalf of the Center for Biological Diversity and Wishtoyo Foundation, as part of your deliberations on our appeal of the Planning Commission's approval of Sable Offshore Corp.'s application to transfer the Final Development Permits for the Santa Ynez Unit, Pacific Offshore Pipeline Company Gas Plant, and Las Flores Pipeline System. Hard copies of these materials will also be delivered to your office this week.

Thank you for your time and considering our concerns.

Best,

Mark

**Mark Patronella** (he/him)
Attorney, Oceans Program
Center for Biological Diversity
1411 K St. NW, Suite 1300
Washington, D.C. 20005
Direct Line: (771) 474-1018
mpatronella@biologicaldiversity.org

December 10, 2025

Honorable Members of the Board of Supervisors
c/o Jacquelyne Alexander
Chief Deputy Clerk of the Board
Santa Barbara County
105 E. Anapamu Street, Room 407
Santa Barbara, CA 93101

Via FedEx and Email: sbcob@countyofsb.org

**Re: Supplemental Comments in Opposition to Change of Owner, Operator, and Guarantor for the SYU, POPCO, and Las Flores Pipeline System Final Development Plan Permits**

Dear Honorable Santa Barbara County Supervisors:

Appellants Center for Biological Diversity and the Wishtoyo Foundation submit these supplemental comments in support of our appeal of the Santa Barbara County Planning Commission's October 30, 2024, approval of Sable Offshore Corp.'s (Sable) applications for the transfer of the Santa Ynez Unit (SYU) Final Development Plan Permit (FDP or Final Development Permit), Pacific Offshore Pipeline Company (POPCO) Gas Plant FDP, and Las Flores Pipeline System FDP.[1]

We strongly support the Findings of Denial laid out in the Agenda Letter and attachments for the upcoming December 16, 2025, Board of Supervisors (Board) meeting. The failure to make even one of the findings required by Chapter 25B must result in denial of the permit transfers, and Sable falls short of the Chapter 25B requirements in multiple respects.

## I. Sable's record of non-compliance precludes approval of the transfers.

As the Findings of Denial emphasize, Sable's fraught legal and regulatory history "reflects a record of non-compliant or unsafe operations systemic in nature" and therefore precludes a finding that Sable "has the skills, training, and resources necessary" to operate the facilities in compliance with the permits and law.[2] We encourage the Board's Findings to also expressly incorporate the following: (1) The California Coastal Commission unanimously voted to impose an $18 million penalty on Sable for its unpermitted development activities in coastal areas,[3] which a court upheld in October 2025;[4] and (2) on September 16, 2025, the Santa Barbara

[1] Collectively, we refer to the SYU, POPCO, and the Las Flores Pipeline System as the SYU Facilities.
[2] County Code § 25B-10(a)(9)
[3] Cal. Natural Resources Agency, *Summary of State Regulation of Crude Oil Pipelines in Santa Barbara County* (Nov. 17, 2025), https://resources.ca.gov/-/media/CNRA-Website/Files/NewsRoom/Educational-Portal/Pipeline-Summary-111725.pdf.
[4] Cal. Coastal Comm'n, Staff Report: Recommendations and Findings for Cease and Desist Order, Restoration Order, and Administrative Civil Penalty (Apr. 10, 2025); Margaux Lovely, *Sable Offshore Slammed with $18*

County District Attorney charged Sable with 21 counts of criminal violations stemming from its pipeline excavation work.[5]

## II. Sable's recent corporate filings demonstrate that it also lacks the *resources* required to operate the SYU, POPCO, and Las Flores Pipeline System in accordance with the law.

While the Findings of Denial focus on Sable's inability to meet the requirements of Chapter 25B-10(a)(9) because "Sable reflects a record of non-compliant or unsafe operations systemic in nature,"[6] Sable also does not have the "resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes."[7] As our prior comments have discussed at length, Sable has not demonstrated that it has the resources necessary to comply with critical legal obligations, including the obligations to decommission the facilities at the end of their useful lives[8] and to remediate oil spills from the corrosion-prone Las Flores Pipeline System.[9] New financial disclosures, issued after the Board's last hearing, underscore this fact.

On November 13, Sable filed documents with the U.S. Securities and Exchange Commission (SEC) disclosing that it had a net loss of $110.4 million in the third quarter of 2025, ended the quarter with only $41.6 million in cash and cash equivalents, held $896.6 million in short-term debt,[10] and had an accumulated deficit of $1.0 billion.[11] The company also disclosed that it had entered into agreements with Exxon that impose significant new costs on Sable.[12] Specifically, Sable now must pay Exxon $4 million a month, going back to June 2025, for "operator related services."[13] Additionally, Sable agreed to pay a 50% higher interest rate on its loan from Exxon (adjusted from 10% to 15% per annum, compounded annually) in exchange for extending the maturity date for its $896.6 million in debt to Exxon—adding further financial strain on the company.[14] Unsurprisingly, Sable's quarterly report concludes, once again, that "substantial doubt exists about the Company's ability to continue as a going concern."[15]

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*Million Fine at Marathon Coastal Commission Meeting in Santa Barbara*, Santa Barbara Independent (Apr. 10, 2025), https://www.independent.com/2025/04/10/sable-offshore-slammed-with-18-million-fine-at-marathon-coastal-commission-meeting-in-santa-barbara/.

[5] Felony Complaint, *People v. Sable Offshore Corp.,* No. 25CR07677 (Cal. Super. Ct. Sept. 16, 2025).

[6] Findings of Denial at 2.

[7] County Code § 25B-10(a)(9).

[8] *Id* § 25B-4(i).

[9] Indeed, whether the applicant has the financial resources to remediate and oil spill or decommission its facilities is critical to consideration of any change in owner, guarantor, and operator. *See* County Code §§ 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2) (requiring findings that all insurance, bonds, or other methods of financial responsibility necessary to secure compliance with the operator's legal obligations are in place); s*ee also* Letter from Center for Biological Diversity and Wishtoyo Foundation to Santa Barbara Cnty. Bd. of Supervisors 17–22 (Oct. 29, 2025) (discussing Sable's finances and bonding); Letter from Center for Biological Diversity and Wishtoyo Foundation to Santa Barbara Cnty. Bd. of Supervisors 15–25 (Feb. 18, 2025).

[10] Sable Offshore Corp., Current Report, (Form 8-K) Ex. 99.1 (Nov. 13, 2025).

[11] Sable Offshore Corp., Quarterly Report (Form 10-Q) 8 (Nov. 13, 2025).

[12] *Id.* at 35.

[13] *Id*.

[14] *Id*. at 38.

[15] *Id*. at 9.

A November 14, 2025 article from Hunterbrook Media examining these filings characterized Sable as entering October "about a month away from potential bankruptcy[.]"[16] The same article reported that the company was burning through nearly $40 million a month and the approximately $250 million that Sable announced raising in a private placement of stock would be insufficient to keep the company solvent for long.[17] Sable issued a press release in response to the article but did not deny that it has considerable debt and that it continues to burn through cash at a rapid rate.[18]

Sable has not posted a bond to guarantee its sizable decommissioning obligations. Nor has it provided for the public record and the Board's review a full insurance policy to allow the County to understand the coverage available in the event of an oil spill. On this record, it is impossible to conclude that the County has a sufficient safety net if there is another oil spill or if Sable defaults on its decommissioning obligations. Thus, the County would not be able to make the required finding that Sable has the "resources necessary" to comply with the FDP permits and the county code. We encourage the Board to expressly incorporate this finding that Sable lacks the resources necessary to satisfy County Code § 25B-10(a)(9).

## III. Sable has not provided financial guarantees for abandoning the facilities.

The Findings of Denial provide ample support for a denial of the permit transfer requests. We encourage the Board to make a further finding that there are not adequate financial guarantees in place for decommissioning the SYU Facilities.[19] Findings of adequate financial responsibility[20] are critical to fulfilling Chapter 25B's purposes and the absence of adequate financial guarantees here further necessitates the denial of the permit transfers.

Santa Barbara County Code Chapter 25B and all three permits require the operator to decommission the SYU Facilities at the end of their lives.[21] But Sable did not provide the County with *any* financial guarantees to fulfill these obligations.[22] Consequently, if Sable filed for bankruptcy or was otherwise unable to fulfill its abandonment obligations, the County would have no bond to fall back on to pay for decommissioning.

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[16] Sam Koppelman et al., *Breaking: Sable is Running Out of Money*, Hunterbrook Media (Nov. 14, 2025) https://hntrbrk.com/sable-runway/

[17] *Id*.; *see also* Sable Offshore Corp., Current Report (Form 8-K) Ex. 99.1 (Nov. 10, 2025).

[18] Press Release, Sable Offshore Corp. Responds to the November 14, 2025 Hunterbrook Media LLC Report (Nov. 14, 2025), https://sableoffshore.com/news/news-details/2025/Sable-Offshore-Corp--Responds-to-the-November-14-2025-Hunterbrook-Media-LLC-Report/default.aspx. Although Hunterbrook accurately reported that that Sable had "over $163 million in accounts payable and accrued liabilities," a figure noted on p. 14 of the November 10-Q, Sable's press release clarified that Sable had $53 million in accounts payable (i.e., money owed to creditors). This is still well above the $41.6 million that Sable reported having in cash-on-hand.

[19] County Code §§ 25B-1; 25B-10(a)(2), (b); 25B-9(a)(2), (e)(1), (g).

[20] The information needed to make these findings "shall include the previous year's annual report, audited financial statements, and required SEC filings." *Id*. § 25B-6(f)(2)(d).

[21] County Code. § 25B-4(i)(1).; SYU FDP Conditions, 87-DP-32cz (RV06), XIX-1, XIX-2; POPCO Gas Plant FDP Conditions, 93-FDP-015 (AM03), Q-1, Q-2; Las Flores Pipeline System FDP Conditions, 88-DPF-033 (RV01)z, 88-CP-60 (RV01) (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz), O-1.

[22] Santa Barbara Board of Supervisors Agenda Letter at 5 (Feb. 25, 2025).

Decommissioning costs can easily run into many millions of dollars,[23] so adequate financial guarantees are essential to protecting both Santa Barbara County and its taxpayers. This is particularly true where a proposed transfer contemplates shifting permits from an enormous and well-resourced conglomerate to a company whose own SEC filings are replete with warnings about its financial sustainability.[24]

As our February comments explained, it should come as no surprise that Exxon has robustly protected itself by contractually requiring Sable to provide Exxon a $350,000,000 performance bond to guarantee its SYU decommissioning obligations, with the right to adjust the required performance bond to an amount of "no less than" $500,000,000.[25] This bond was due "at or prior to" Sable restarting production,[26] which Sable claimed occurred in May 2025.[27] The County should take note that Sable has not yet come through with the bond. Its November 2025 quarterly report disclosed that Exxon agreed to an extension of the bonding deadline.[28]

Nor has Sable posted the $31.9 million decommissioning bond that CalGEM has required for the Las Flores Canyon Processing facility.[29] Sable's November 13 quarterly report indicates that Sable continues to dispute this requirement.[30] Further, to our knowledge, no agency has required the company to post a decommissioning bond for the Las Flores Pipeline System—that authority appears to rest solely with the County.

Finally, it is important to correct an error in the record related to predecessor liability. At the November 4th hearing, Supervisor Hartmann asked Planning and Development staff to address whether there are exceptions to the state's joint and several liability provisions for oil and gas operators. Planning staff responded that they were unaware of any exceptions. In fact, California Public Resources Code § 3237(c)—which generally provides for predecessor liability in the event of insolvency on the part of the current operator—has several exceptions. Most notably section 3237(c)(4) states that "[n]o prior operator is liable for any of the costs of ... decommissioning deserted production facilities by a subsequent operator if those costs are necessitated by the subsequent operator's illegal operation of a well or production facility."

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[23] For instance, the estimated cost of decommissioning the *onshore* Rincon Island facilities is currently $14 million. *See* Cal. State Lands Comm'n, Staff Report 71, Consider certification of a Final Environmental Impact Report for Rincon Island 3-4 (Aug. 29, 2024), https://slcprdwordpressstorage.blob.core.windows.net/wordpressdata/2024/08/08-29-24_71.pdf.

[24] *See, e.g.*, Sable Offshore Corp., Quarterly Report (Form 10-Q) 9 (Nov. 13, 2025); Sable Offshore Corp., Annual Report (Form 10-K) 19–42 1 (Mar. 17, 2025), (listing 27 pages of non-exhaustive risk factors that "could materially and adversely affect [Sable's] business, financial condition or results of operations."); *see also* Sable Offshore Corp., Quarterly Report (Form 10-Q) 9 (Aug. 12, 2025).

[25] Purchase and Sale Agreement between Exxon Mobil Corporation, Mobil Pacific Pipeline Company, and Sable Offshore Corp. §§ 11.18(c), 11.1(b) (amended Dec. 15, 2023), https://www.sec.gov/Archives/edgar/data/1831481/000119312524036506/d737623dex1027.htm.

[26] *Id.* § 11.18(c).

[27] Sable Offshore Corp. Current Report (Form 8-K) 2 (May 19, 2025), https://www.sec.gov/Archives/edgar/data/1831481/000119312525122079/d943067d8k.htm.

[28] Sable Offshore Corp., Quarterly Report (Form 10-Q) 35 (Nov. 13, 2025).

[29] Cal. Natural Resources Agency, *Summary of State Regulation of Crude Oil Pipelines in Santa Barbara County* (Nov. 17, 2025)

[30] Sable Offshore Corp., Quarterly Report (Form 10-Q) 27 (Nov. 13, 2025).

Because "[i]llegal operation" is not defined, predecessors may try to exploit this exception to avoid their obligations.

At bottom, Sable has not provided financial guarantees necessary for abandoning the facilities, further demonstrating why denial of the permit transfer requests is warranted.

## IV. Conclusion

For all the reasons discussed above and in our previous comments—as well as those laid out in the Findings of Denial—the County cannot make the required findings under Chapter 25B. We strongly urge the Board to deny Sable's applications for the transfer of the SYU, POPCO Gas Plant, and Las Flores Pipeline System FDPs.

Sincerely,

Rachel Mathews
Senior Attorney
Center for Biological Diversity
rmathews@biologicaldiversity.org

Mati Waiya
Founder & Executive Director
Wishtoyo Foundation

Mark Patronella
Staff Attorney
Center for Biological Diversity
mpatronella@biologicaldiversity.org

References (not previously submitted)

Cal. Natural Resources Agency, *Summary of State Regulation of Crude Oil Pipelines in Santa Barbara County* (Nov. 17, 2025).

Sable Offshore Corp., Current Report (Form 8-K) (Nov. 10, 2025).

Sable Offshore Corp., Current Report (Form 8-K) (Nov. 13, 2025).

Sable Offshore Corp., Quarterly Report (Form 10-Q) (Nov. 13, 2025).

Sam Koppelman et al., *Breaking: Sable is Running Out of Money*, Hunterbrook Media (Nov. 14, 2025).

Press Release, Sable Offshore Corp. Responds to the November 14, 2025 Hunterbrook Media LLC Report (Nov. 14, 2025), https://sableoffshore.com/news/news-details/2025/Sable-Offshore-Corp--Responds-to-the-November-14-2025-Hunterbrook-Media-LLC-Report/default.aspx.

# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 8-K

## CURRENT REPORT
## PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): **November 10, 2025**

# Sable Offshore Corp.

(Exact name of registrant as specified in its charter)

| **Delaware** | **001-40111** | **85-3514078** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

| **845 Texas Avenue, Suite 2920**<br>**Houston, TX** | | **77002** |
|---|---|---|
| (Address of principal executive offices) | | (Zip code) |

**(713) 579-6161**

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common stock, par value $.0001 | SOC | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01 Regulation FD Disclosure.**

On November 10, 2025, the Company issued a press release announcing the private placement of $250 million of the Company's common stock, par value $0.0001 per share, pursuant to subscription agreements entered into between the Company and certain institutional investors. A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

The information furnished pursuant to this Item 7.01 (including the exhibits) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (as amended, the "Exchange Act"), or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

| Exhibit No. | Description of Exhibits |
|---|---|
| 99.1 | Press Release of Sable Offshore Corp., dated November 10, 2025. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Sable Offshore Corp.**

Date: November 10, 2025

By: /s/ Gregory D. Patrinely

Name: Gregory D. Patrinely

Title: Executive Vice President and Chief Financial Officer

**Exhibit 99.1**

**Sable Offshore Corp. Announces $250 Million Private Placement of Shares**

**Houston, November 10, 2025** — Sable Offshore Corp. (NYSE: SOC, "Sable", or the "Company") today announced it has entered into subscription agreements to issue 45,454,546 shares of its common stock in a private placement to institutional investors at a purchase price of $5.50 per share. Sable expects to receive gross proceeds of approximately $250 million, before deducting placement agent fees and other offering expenses.

The private placement is expected to close on November 12, 2025, subject to the satisfaction of customary closing conditions. The Company intends to use the proceeds from the private placement for general corporate purposes. Upon closing, this offering is expected to satisfy the common equity contribution condition of the Senior Secured Term Loan amendment announced by the Company on November 3, 2025.

Jefferies and TD Cowen are acting as joint placement agents for the private placement.

The shares of common stock being issued and sold in the private placement have not been registered under the Securities Act of 1933, as amended, or applicable state securities laws and may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements. Sable has agreed to file a registration statement to register the resale of the shares of common stock being sold in the private placement.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

**About Sable**

Sable Offshore Corp. is an independent oil and gas company, headquartered in Houston, Texas, focused on responsibly developing the Santa Ynez Unit in federal waters offshore California. The Sable team has extensive experience safely operating in California.

**Forward-Looking Statements**

The information in this press release include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this press release, the words "could," "should," "will," "may," "believe," "anticipate," "intend," "estimate," "expect," "project," "continue," "plan," "forecast," "predict," "potential," "future," "outlook," and "target," the negative of such terms and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements will contain such identifying words. These statements are based on the current beliefs and expectations of Sable's management and are subject to significant risks and uncertainties. Actual results may differ materially from those described in the forward-looking statements. Factors that could cause Sable's actual results to differ materially from those described in the forward-looking statements include: the proposed offering, including the expected closing of the proposed offering; including the implementation of an Offshore Storage and Treating Vessel strategy, the sale of oil, and the cost and time required therefor, and production levels once recommenced; availability of future financing; our financial performance; our ability to satisfy the closing conditions for effectiveness of the Amendment to our Senior Secured Term Loan Agreement; global economic conditions and inflation; increased operating costs; lack of availability of drilling and production equipment, supplies, services and qualified personnel; geographical concentration of operations; environmental and weather risks; regulatory changes and uncertainties; litigation, complaints and/or adverse publicity; privacy and data protection laws, privacy or data breaches, or loss of data; our ability to comply with laws and regulations applicable to our business; and other one-time events and other factors that can be found in Sable's Annual Report on Form 10-K for the year ended December 31, 2024, and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K, which are filed with the Securities and Exchange Commission and are available on Sable's website (www.sableoffshore.com) and on the Securities and Exchange Commission's website (www.sec.gov). Except as required by applicable law, Sable undertakes no obligation to

publicly release the result of any revisions to these forward-looking statements to reflect the impact of events or circumstances that may arise after the date of this press release.

**Contacts**

Investor Contact:
Harrison Breaud
Vice President, Finance & Investor Relations
IR@sableoffshore.com
713-579-8111

**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d)**
**of the Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): **November 13, 2025**

# Sable Offshore Corp.

(Exact name of registrant as specified in its charter)

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| (State or other jurisdiction of incorporation or organization) | (Commission File Number) | (I.R.S. Employer Identification Number) |
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| (Address of principal executive offices) | | (Zip code) |

**(713) 579-6161**
(Registrant's telephone number, including area code)

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- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
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- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---|---|---|
| Common stock, par value $.0001 | SOC | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.
Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 2.02 Results of Operations and Financial Condition.**

On November 13, 2025, Sable Offshore Corp. (the "Company") issued a press release announcing results for the period ended September 30, 2025. A copy of the press release is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

| Exhibit No. | Description of Exhibits |
|---|---|
| 99.1 | Press Release of Sable Offshore Corp., dated November 13, 2025, announcing results for the period ended September 30, 2025. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Sable Offshore Corp.**

Date: November 13, 2025

By: /s/ Gregory D. Patrinely

Name: Gregory D. Patrinely

Title: Executive Vice President and Chief Financial Officer

**Exhibit 99.1**

## Sable Offshore Corp. Reports Third Quarter 2025 Financial Results

**Houston, November 13, 2025** – Sable Offshore Corp. ("Sable," or the "Company")(NYSE: SOC) today announced its third quarter 2025 operational and financial results.

### Third Quarter 2025 Financial Highlights

- Reported a net loss of $110.4 million, primarily attributable to production restart-related operating expenses and non-cash interest expense, partially offset by a non-cash gain in the fair value of warrant liabilities.
- Ended the quarter with 99,507,250 shares of Common Stock outstanding.
- Concluded the quarter with short-term outstanding debt of $896.6 million, inclusive of paid-in-kind interest.
- Ended the quarter with cash and cash equivalents balance of $41.6 million.

### About Sable

Sable Offshore Corp. is an independent oil and gas company, headquartered in Houston, Texas, focused on responsibly developing the Santa Ynez Unit in federal waters offshore California. The Sable team has extensive experience safely operating in California.

### Forward-Looking Statements

The information in this press release include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this press release, the words "could," "should," "will," "may," "believe," "anticipate," "intend," "estimate," "expect," "project," "continue," "plan," "forecast," "predict," "potential," "future," "outlook," and "target," the negative of such terms and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements will contain such identifying words. These statements are based on the current beliefs and expectations of Sable's management and are subject to significant risks and uncertainties. Actual results may differ materially from those described in the forward-looking statements. Factors that could cause Sable's actual results to differ materially from those described in the forward-looking statements include: the ability to recommence full production of the SYU assets, including the implementation of an Offshore Storage and Treating Vessel ("OS&T") strategy; our ability to recommence sales of oil, the cost and time required therefor, and production levels once recommenced; availability of future financing; our financial performance; our ability to satisfy the closing conditions for effectiveness of the Amendment to our Senior Secured Term Loan Agreement; global economic conditions and inflation; increased operating costs; lack of availability of drilling and production equipment, supplies, services and qualified personnel; geographical concentration of operations; environmental and weather risks; regulatory changes and uncertainties; litigation, complaints and/or adverse publicity; privacy and data protection laws, privacy or data breaches, or loss of data; our ability to comply with laws and regulations applicable to our business; and other one-time events and other factors that can be found in Sable's Annual Report on Form 10-K for the year ended December 31, 2024, and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K, which are filed with the Securities and Exchange Commission and are available on Sable's website (www.sableoffshore.com) and on the Securities and Exchange Commission's website (www.sec.gov). Except as required by applicable law, Sable undertakes no obligation to publicly release the result of any revisions to these forward-looking statements to reflect the impact of events or circumstances that may arise after the date of this press release.

### Disclaimers

The Santa Ynez Unit assets discussed in this press release restarted production in May 2025 and have not sold commercial quantities of hydrocarbons since such Santa Ynez Unit assets were shut in during June of 2015 when the only onshore pipeline transporting hydrocarbons produced from such Santa Ynez Unit assets to market ceased transportation. Since the May 2025 production restart, the oil produced has been transported via pipeline to storage tanks onshore at Sable's Las Flores Canyon processing facility where it is being stored pending resumed petroleum transportation through an OS&T vessel or the Las Flores Pipeline System. There can be no assurance that the

necessary approvals will be obtained that would allow the use of an OS&T vessel or the Las Flores Pipeline System to recommence sales.

**Contacts**

Investor Contact:
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Vice President, Finance & Investor Relations
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# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

## FORM 10-Q

**(Mark One)**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2025**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from _____ to _____**

**Commission File No. 001-40111**

# SABLE OFFSHORE CORP.

**(Exact name of registrant as specified in its charter)**

| Delaware | 85-3514078 |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| 845 Texas Avenue, Suite 2920<br>Houston, TX 77002 | 77002 |
| **(Address of principal executive offices)** | **(Zip Code)** |

(713) 579-6161

**(Registrant's telephone number, including area code)**

**Securities registered pursuant to Section 12(b) of the Act:**

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, par value $0.0001 per share | SOC | The New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☐ |
| Non-accelerated filer | ☒ | Smaller reporting company | ☒ |
| | | Emerging growth company | ☒ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

As of November 12, 2025 there were 144,961,796 shares of Common Stock, $0.0001 par value, issued and outstanding.

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## PART I. FINANCIAL INFORMATION
## ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

### SABLE OFFSHORE CORP.
### CONDENSED CONSOLIDATED BALANCE SHEETS
### (UNAUDITED)
### (dollars in thousands, except par values)

| | September 30, 2025 | December 31, 2024 |
|---|---|---|
| **Assets** | | |
| **Current assets:** | | |
| Cash and cash equivalents | $ 41,629 | $ 300,384 |
| Restricted cash | — | 35,388 |
| Inventory and other | 25,071 | 15,337 |
| Prepaid expenses and other current assets | 11,319 | 4,166 |
| **Total current assets** | **78,019** | **355,275** |
| **Oil and gas properties (Successful efforts method)** | | |
| Oil and gas properties | 1,537,981 | 1,194,447 |
| Less: Accumulated depreciation, depletion and amortization | (5,442) | — |
| **Total oil and gas properties, net** | **1,532,539** | **1,194,447** |
| Other, net | 39,076 | 33,450 |
| **Total assets** | **$ 1,649,634** | **$ 1,583,172** |
| | | |
| **Liabilities and Stockholders' Equity** | | |
| Accounts payable and accrued liabilities | $ 163,703 | $ 119,753 |
| Senior Secured Term Loan including paid-in-kind interest, net | 896,571 | — |
| Other current liabilities | 1,426 | 918 |
| **Total current liabilities** | **1,061,700** | **120,671** |
| Warrant liabilities | 86,273 | 126,941 |
| Asset retirement obligations | 108,582 | 99,683 |
| Senior Secured Term Loan including paid-in-kind interest, net | — | 833,542 |
| Deferred tax liability | 26,498 | 1,162 |
| Other | 18,498 | 16,988 |
| **Total liabilities** | **1,301,551** | **1,198,987** |
| **Commitments and Contingencies (Note 8)** | | |
| **Stockholders' Equity** | | |
| Preferred stock, $0.0001 par value; 1,000,000 shares authorized; none issued and outstanding at September 30, 2025 and December 31, 2024 | — | — |
| Common Stock, $0.0001 par value; 500,000,000 shares authorized; 99,507,250 and 89,310,996 issued and outstanding at September 30, 2025 and December 31, 2024, respectively | 10 | 8 |
| Additional paid-in capital | 1,394,357 | 1,082,473 |
| Accumulated deficit | (1,046,284) | (698,296) |
| **Total Stockholders' Equity** | **348,083** | **384,185** |
| **Total Liabilities and Stockholders' Equity** | **$ 1,649,634** | **$ 1,583,172** |

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**SABLE OFFSHORE CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**
**(UNAUDITED)**
**(dollars in thousands, except per share data)**

| | Successor | | Successor | | Predecessor |
|---|---|---|---|---|---|
| | Three Months Ended September 30, 2025 | Three Months Ended September 30, 2024 | Nine Months Ended September 30, 2025 | February 14, 2024 —September 30, 2024 | January 1, 2024— February 13, 2024 |
| **Revenue** | | | | | |
| Oil and gas sales | $ — | $ — | $ — | $ — | $ — |
| Total revenue | — | — | — | — | — |
| **Operating Expenses** | | | | | |
| Operations and maintenance expenses | 79,405 | 25,629 | 164,246 | 59,241 | 7,320 |
| Depletion, depreciation, amortization and accretion | 3,259 | 2,755 | 9,452 | 6,856 | 2,627 |
| General and administrative expenses | 36,719 | 26,225 | 134,369 | 209,890 | 1,714 |
| Total operating expenses | 119,383 | 54,609 | 308,067 | 275,987 | 11,661 |
| **Loss from operations** | **(119,383)** | **(54,609)** | **(308,067)** | **(275,987)** | **(11,661)** |
| **Other (income) expenses:** | | | | | |
| Change in fair value of warrant liabilities | (34,817) | 178,199 | (40,668) | 257,614 | — |
| Other (income) expense, net | (1,828) | 2,728 | (7,776) | (72) | 128 |
| Interest expense | 21,010 | 19,169 | 63,029 | 48,145 | — |
| **Total other (income) expense, net** | **(15,635)** | **200,096** | **14,585** | **305,687** | **128** |
| **Loss before income taxes** | **(103,748)** | **(254,705)** | **(322,652)** | **(581,674)** | **(11,789)** |
| Income tax expense | 6,630 | 865 | 25,336 | 19,437 | — |
| **Net loss** | **$ (110,378)** | **$ (255,570)** | **$ (347,988)** | **$ (601,111)** | **$ (11,789)** |
| **Basic and diluted net loss per Common Stock** | | | | | |
| Weighted average Common Stock outstanding, basic and diluted | 99,485,641 | 62,166,298 | 91,770,695 | 60,969,774 | n/a |
| Basic and diluted net loss per Common Stock | $ (1.11) | $ (4.11) | $ (3.79) | $ (9.86) | n/a |

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**SABLE OFFSHORE CORP.**
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) / PARENT NET INVESTMENT**
**(UNAUDITED)**
**(dollars in thousands)**

| | Common Stock | | Additional Paid-In Capital | Accumulated Deficit | Total Stockholders' Equity (Deficit) |
|---|---|---|---|---|---|
| | Shares | Amount | | | |
| **Successor:** | | | | | |
| **BALANCE—December 31, 2024** | 89,310,996 | $ 8 | $ 1,082,473 | $ (698,296) | $ 384,185 |
| Share based compensation | 27,362 | — | 6,065 | — | **6,065** |
| Net loss | — | — | — | (109,544) | **(109,544)** |
| **BALANCE—March 31, 2025** | **89,338,358** | **8** | **1,088,538** | **(807,840)** | **280,706** |
| Issuance of Common Stock | 10,000,000 | 1 | 282,559 | — | **282,560** |
| Share based compensation | 143,892 | 1 | 10,426 | — | **10,427** |
| Net loss | — | — | — | (128,066) | **(128,066)** |
| **BALANCE—June 30, 2025** | **99,482,250** | **10** | **1,381,523** | **(935,906)** | **445,627** |
| Share based compensation | 25,000 | — | 12,834 | — | **12,834** |
| Net loss | — | — | — | (110,378) | **(110,378)** |
| **BALANCE—September 30, 2025** | **99,507,250** | $ 10 | $ 1,394,357 | $ (1,046,284) | $ 348,083 |

| | Common Stock | | Additional Paid-In Capital | Accumulated Deficit | Total Stockholders' Equity (Deficit) |
|---|---|---|---|---|---|
| | Shares | Amount | | | |
| **Successor:** | | | | | |
| **BALANCE—February 14, 2024 (prior to Business Combination)** | **7,187,500** | $ 1 | $ — | $ (81,018) | $ (81,017) |
| Redeemable shares reclassified to Common Stock | 5,953,859 | 1 | 61,948 | — | **61,949** |
| **Net effect of Business Combination** | **13,141,359** | **2** | **61,948** | **(81,018)** | **(19,068)** |
| Private offering proceeds, net | 44,024,910 | 4 | 417,367 | — | **417,371** |
| Issuance of merger consideration shares | 3,000,000 | — | 36,300 | — | **36,300** |
| Share based compensation | 2,758,334 | — | 10,080 | — | **10,080** |
| Net loss | — | — | — | (180,105) | **(180,105)** |
| **BALANCE—March 31, 2024** | **62,924,603** | **6** | **525,695** | **(261,123)** | **264,578** |
| Share based compensation | 1,920,832 | — | 22,905 | — | **22,905** |
| Net loss | — | — | — | (165,436) | **(165,436)** |
| **BALANCE — June 30, 2024** | **64,845,435** | **6** | **548,600** | **(426,559)** | **122,047** |
| Private offering proceeds, net | 7,500,000 | 1 | 142,516 | — | **142,517** |
| Issuance of Common stock upon exercise of warrants | 6,315,977 | — | 141,756 | — | **141,756** |
| Share based compensation | 128,104 | — | 16,749 | — | **16,749** |
| Net loss | — | — | — | (255,570) | **(255,570)** |
| **BALANCE—September 30, 2024** | **78,789,516** | $ 7 | $ 849,621 | $ (682,129) | $ 167,499 |

| **Predecessor:** | Parent Net Investment |
|---|---|
| **For the period January 1, 2024 to February 13, 2024** | |
| **BALANCE—January 1, 2024** | $ **339,021** |
| Contributions from parent | 22,474 |
| Net loss | (11,789) |
| **BALANCE—February 13, 2024** | $ **349,706** |

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

## SABLE OFFSHORE CORP.
## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
## (UNAUDITED)

| *(dollars in thousands)* | Successor | | Predecessor |
|---|---|---|---|
| | Nine Months Ended September 30, 2025 | February 14, 2024— September 30, 2024 | January 1, 2024— February 13, 2024 |
| **Cash flows from operating activities:** | | | |
| Net loss | $ (347,988) | $ (601,111) | $ (11,789) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Depreciation, depletion, amortization and accretion | 9,452 | 6,856 | 2,627 |
| Share based compensation expense | 30,016 | 86,034 | — |
| Amortization of operating lease right-of-use asset | 1,236 | — | — |
| Amortization of debt issuance costs | 467 | 801 | — |
| Paid-in-kind interest | 62,562 | 47,344 | — |
| Effect of amendment to the Senior Secured Term Loan | — | 4,957 | — |
| Deferred tax expense | 25,336 | 19,437 | — |
| Change in fair value of warrant liabilities | (40,668) | 257,614 | — |
| Changes in current assets and current liabilities, net of effect of acquisition: | | | |
| Inventory and other | (4,762) | 798 | 5,980 |
| Prepaid expenses and other assets | (9,923) | (2,787) | — |
| Accounts payable and accrued liabilities | 20,698 | 54,548 | (7,922) |
| Due to related party | — | — | (11,370) |
| Net cash used in operating activities | (253,574) | (125,509) | (22,474) |
| **Cash flows from investing activities:** | | | |
| Payments for capital expenditures | (323,093) | (18,574) | — |
| Cash paid for acquisition | — | (204,154) | — |
| Net cash used in investing activities | (323,093) | (222,728) | — |
| **Cash flows from financing activities:** | | | |
| Capital contribution from parent | — | — | 22,474 |
| Private offering proceeds | 295,000 | 590,249 | — |
| Payment of equity issuance costs | (12,476) | (22,878) | — |
| Cash received on warrant exercises, net | — | 72,452 | — |
| Payment on Senior Secured Term Loan | — | (18,750) | — |
| Payment of debt issuance costs | — | (1,557) | — |
| Payment of non-convertible promissory notes—related parties | — | (1,129) | — |
| Net cash provided by financing activities | 282,524 | 618,387 | 22,474 |
| **Net change in cash** | (294,143) | 270,150 | — |
| **Cash, cash equivalents and restricted cash, beginning of the period** | 335,772 | 53,334 | — |
| Cash, cash equivalents and restricted cash, end of the period | $ 41,629 | $ 323,484 | $ — |
| **Reconciliation of cash, cash equivalents and restricted cash to the unaudited condensed consolidated balance sheets** | | | |
| Cash and cash equivalents | $ 41,629 | $ 288,232 | $ — |
| Restricted cash | — | 35,252 | — |
| **Total cash, cash equivalents and restricted cash** | $ 41,629 | $ 323,484 | $ — |

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**SABLE OFFSHORE CORP.**
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**
**SEPTEMBER 30, 2025**

## Note 1 — Organization, Business Operations, and Going Concern

### Organization and General

Sable Offshore Corp. ("Sable," the "Company" or "we") (formerly known as Flame Acquisition Corp. or "Flame") is an independent oil and gas company headquartered in Houston, Texas. Flame was initially formed as a special purpose acquisition company for the purpose of entering into a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses.

On November 2, 2022, the Company entered into an agreement and plan of merger, dated as of November 2, 2022 (as amended, supplemented, or otherwise modified from time to time, the "Merger Agreement"), with Sable Offshore Corp., a Texas corporation ("SOC"), and Sable Offshore Holdings, LLC, a Delaware limited liability company and the parent company of SOC ("Holdco" and, together with SOC, "Legacy Sable"). Pursuant to the Merger Agreement, on February 14, 2024, (i) Holdco merged with and into Flame, with Flame surviving such merger (the "Holdco Merger") and (ii) Legacy Sable merged with and into Flame, with Flame surviving such merger (the "SOC Merger" and, together with the Holdco Merger, the "Mergers" and, along with the other transactions contemplated by the Merger Agreement, the "Merger").

On November 1, 2022, SOC, entered into a purchase and sale agreement (as amended, the "Sable-EM Purchase Agreement") with Exxon Mobil Corporation ("Exxon") and Mobil Pacific Pipeline Company ("MPPC," and together with Exxon, "EM") pursuant to which SOC agreed to acquire from EM certain assets constituting the Santa Ynez field in Federal waters offshore California ("SYU") and associated onshore processing and pipeline assets (such "Assets," as defined in the Sable-EM Purchase Agreement, collectively the "SYU Assets").

On February 14, 2024 (the "Closing Date"), the Company consummated the Merger and related transactions (the "Business Combination") contemplated by the Merger Agreement, following which Flame was renamed "Sable Offshore Corp.". Pursuant to the terms and subject to the conditions set forth in the Sable-EM Purchase Agreement, the transactions contemplated by the Sable-EM Purchase Agreement were also consummated on February 14, 2024 ("Sable-EM Closing Date"), immediately after the Business Combination, as a result of which Sable purchased the SYU Assets, effective as of January 1, 2022. On February 15, 2024, Sable's shares of Common Stock, par value $0.0001 per share ("Common Stock") and warrants to purchase Common Stock at an exercise price of $11.50 per share (the "Public Warrants") began trading on NYSE under the symbols, "SOC" and "SOC.WS," respectively (refer to *Note 3 — Acquisition* for additional details).

On the Closing Date, the Company issued 44,024,910 shares of Common Stock of the Company, at a price of $10.00 per share for aggregate gross proceeds of $440.2 million (the "First PIPE Investment"). The shares of Common Stock issued in the First PIPE Investment were offered in a private placement under the Securities Act of 1933, as amended (the "Securities Act"). Upon the closing of the Business Combination, an associated marketing fee and legal fees of approximately $22.9 million was paid in full, and was recognized as an offset to the proceeds from the First PIPE Investment within Additional paid-in capital in the unaudited condensed consolidated statement of stockholders' equity (deficit)/net parent investment as of December 31, 2024 (Successor).

On September 26, 2024, the Company issued 7,500,000 shares of Common Stock of the Company, at a price of $20.00 per share for aggregate gross proceeds of approximately $150.0 million (the "Second PIPE Investment"). The shares of Common Stock issued in the Second PIPE Investment were offered in a private placement under the Securities Act. Upon the closing of the Second PIPE Investment, an associated marketing fee and legal fees of approximately $7.8 million was paid in full, and was recognized as an offset to the proceeds from the Second PIPE Investment within Additional paid-in capital in the unaudited condensed consolidated balance sheet and statement of stockholders' equity (deficit)/net parent investment as of December 31, 2024 (Successor).

On October 31, 2024, the Public Warrants (refer to *Note 7 — Warrants*) ceased trading on the New York Stock Exchange following the Company's announcement to redeem all remaining outstanding Public Warrants. During the period from February 14, 2024 through December 31, 2024 (Successor), approximately 99.8% of the Public Warrants were exercised by the holders thereof at an exercise price of $11.50 per share. As a result, holders of the Public Warrants received an aggregate 15,957,820 shares of the Company's Common Stock in exchange for $183.5 million in cash proceeds to the Company. The remaining Public Warrants that were not exercised were redeemed by the Company for $0.01 per Public Warrant. Refer to *Note 7 — Warrants* for additional details regarding the warrant exercises.

On December 13, 2024, the Company entered into the Fourth Amendment to the Sable-EM Purchase Agreement, pursuant to which the following definitions were amended. "Restart Production" was redefined as 150 days after first production, extending the maturity date of the Senior Secured Term Loan by 60 days. "Restart Failure Date" was extended an additional 60 days to March 1, 2026. In the absence of further negotiations, Restart Production must take place prior to March 1, 2026, and the Senior Secured Term Loan must be refinanced within 240 days following such first production date.

On May 19, 2025, the Company announced that as of May 15, 2025, it had restarted production at SYU and begun flowing oil production from six wells at SYU's Platform Harmony to the Company's Las Flores Canyon ("LFC"). Additionally, on May 19, 2025 the Company also announced that with the completion of the Gaviota State Park anomaly repairs on the Las Flores Pipeline System (the "Onshore Pipeline") on May 18, 2025, the Company completed its anomaly repair program on the Onshore Pipeline as specified by the Consent Decree, the governing document for the restart and operations of the Onshore Pipeline.

On May 21, 2025, the Company entered into an underwriting agreement (the "Underwriting Agreement") with J.P. Morgan Securities LLC, TD Securities (USA) LLC and Jefferies LLC, as representatives of the several underwriters (the "Underwriters"), relating to the underwritten public offering of 8,695,654 shares of Common Stock (the "2025 Offering"). Pursuant to the Underwriting Agreement, the Company granted the Underwriters a 30-day option to purchase up to 1,304,346 additional shares of Common Stock. On May 23, 2025 the upsized underwritten public offering of 10,000,000 shares of Common Stock at the public offering price of $29.50 per share closed. Upon the closing of the 2025 Offering, associated marketing fees and legal fees of approximately $12.4 million were incurred, and were recognized as an offset to the proceeds from the 2025 Offering within Additional paid-in capital in the unaudited condensed consolidated balance sheet and statement of stockholders' equity (deficit)/net parent investment as of September 30, 2025. The Company received approximately $282.6 million of net proceeds from the 2025 Offering.

Unless otherwise noted or the context otherwise requires, references to (i) the "Company," "Sable," "we," "us," or "our" are to Sable Offshore Corp., a Delaware corporation, and its consolidated subsidiaries, following the Business Combination, (ii) "Flame" refers to Flame Acquisition Corp. prior to the Business Combination, and (iii) the "Pipelines" are to Pipeline Segments 324/325 (formally known as Pipeline Segments 901/903) and the other "324/325 Assets" (formally known as "901/903 Assets" and as defined in the Sable-EM Purchase Agreement).

For the purposes of the unaudited condensed consolidated financial statements, periods on or before February 13, 2024 reflect the financial position, results of operations and cash flows of the SYU Assets (excluding the Pipelines) prior to the Business Combination, referred to herein as the "Predecessor," and periods beginning on or after February 14, 2024 reflect the financial position, results of operations and cash flows of the Company as a result of the Business Combination, referred to herein as the "Successor".

These unaudited condensed consolidated financial statements and notes should be read in conjunction with our audited consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

**Going Concern**

The accompanying unaudited condensed consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern. The Company has experienced losses from operations and has negative cash flows from operations since inception. The Company expects to continue to incur losses until it can recognize revenue in connection with the sale of production from the SYU Assets. As of September 30, 2025, the Successor reported unrestricted cash of $41.6 million, total debt of $896.6 million, and an accumulated deficit of $1.0 billion. Additionally, the achievement of first production triggered the acceleration of the Senior Secured Term Loan maturity date to 240 days after the production restart date, or January 9, 2026, but is expected to be extended to the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan) upon effectiveness of the Second Debt Amendment (refer to *Note 6 — Debt* for additional details regarding the Second Debt Amendment).

Following the Closing Date and through September 30, 2025, management has addressed capital funding needs with the consummation of the Business Combination, the First PIPE Investment, the Second PIPE Investment, proceeds from the exercise of warrants (refer to *Note 7 — Warrants* for additional details regarding the warrant exercises), net proceeds from the 2025 Offering, and the Third PIPE Investment (see *Note 13 — Subsequent Events* for discussion of the Third PIPE Investment).

On September 29, 2025, the Company announced that it is evaluating and pursuing an alternative offtake strategy which would utilize an Offshore Storage and Treating Vessel ("OS&T") to treat and store the federal crude oil produced from the

SYU in the Pacific Outer Continental Shelf Area (the "OS&T Strategy"). Sable continues to work diligently with the State of California to safely and responsibly resume petroleum transportation through the Onshore Pipeline in accordance with its federal Consent Decree, which was entered into by several state and federal agencies (the "Pipeline Strategy"). However, continued regulatory delays related to the Onshore Pipeline have prompted Sable to evaluate and pursue the OS&T Strategy, which after implementation would provide access to domestic and global markets via shuttle tankers. Implementation of the OS&T Strategy will require regulatory authorizations along with additional financing.

Additionally, if the Company's estimates of the costs to reach first sales are less than the actual amounts necessary to do so, the Company may have insufficient funds available to operate its business prior to first sales and will need to raise additional capital. If the Company is unable to raise additional capital, it may be required to take additional measures to conserve liquidity, which could include, among other things, reducing overhead expenses.

Due to the remaining regulatory and legal approvals necessary to implement either the Pipeline Strategy or OS&T Strategy, and resume sales of production volumes, and lack of assurance that new financing, or refinancing of the Senior Secured Term Loan, will be available to the Company on commercially acceptable terms, if at all, substantial doubt exists about the Company's ability to continue as a going concern. The financial statements included in this quarterly report do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that could be necessary if the Company is unable to continue as a going concern.

**Note 2 — Significant Accounting Policies**

**Basis of Presentation**

Flame was initially formed as a special purpose acquisition company for the purpose of entering into a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. On February 14, 2024, Flame completed the transactions contemplated by the Merger Agreement and the Sable-EM Purchase Agreement, with Flame surviving the transactions and changing its name to Sable Offshore Corp. thereafter. The Company was deemed the accounting acquirer in the Business Combination based on an analysis of the criteria outlined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 805, *Business Combinations*, ("ASC 805") with such transactions being accounted for as a forward merger, and SYU was deemed the Predecessor entity for accounting purposes. Refer to *Note 3 — Acquisition* for disclosures related to the Business Combination.

As a result of the Business Combination, the results of operations, financial position and cash flows of the Predecessor and Successor are not directly comparable. Since SYU was deemed to be the Predecessor entity, the historical financial statements of SYU became the historical financial statements of the combined Company, upon the consummation of the Business Combination. As a result, the financial statements included in this report reflect (i) the historical operating results of SYU prior to the Business Combination and (ii) the unaudited condensed consolidated results of the Company, including SYU, following the Closing Date. The accompanying unaudited condensed financial statements include a Predecessor period, which includes the period January 1, 2024 through February 13, 2024 concurrent with the Business Combination, and a Successor period from February 14, 2024 through March 31, 2024, and thereafter. A black line between the Successor and Predecessor periods has been placed in the unaudited condensed consolidated financial statements and in the tables to the notes to the unaudited condensed consolidated financial statements to highlight the lack of comparability between these two periods.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 of Regulation S-X of the U.S. Securities and Exchange Commission ("SEC"). Certain information or footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. Accordingly, they do not include all the information and footnotes necessary for a complete presentation of financial position, results of operations, or cash flows. In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments, consisting of a normal recurring nature, which are necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented. Financial presentation in prior periods has been adjusted to conform with current period presentation. These unaudited condensed consolidated financial statements for the quarterly period ended September 30, 2025 may not be representative of the financial results for the full year 2025.

The Predecessor financial statements reflect the carve-out assets, liabilities, parent net investment, revenues, expenses, and cash flows of SYU. SYU had not previously been separately accounted for as a stand-alone legal entity. The accounts are presented on a combined basis because SYU was under common control of EM.

The accompanying Predecessor financial statements also include a portion of indirect costs for general and administrative expenses. In addition to the allocation of indirect costs, the Predecessor financial statements reflect certain agreements executed by EM for the benefit of SYU. The allocations methodologies for significant allocated items include:

- General and administrative expenses that were not specifically identifiable to SYU were allocated to SYU as a portion of certain other operating costs based on aggregated historical benchmarking data for the period from January 1, 2022 to February 13, 2024. The total amounts allocated to SYU for the period from January 1, 2024 to February 13, 2024, which are recorded in general and administrative expenses, are $1.7 million.
- Long-term debt was not allocated to SYU as it was a legal obligation of EM, which was not directly impacted by the sale of SYU to Sable.

Management believes the allocation methodologies used in the Predecessor financial statements are reasonable and result in an allocation of EM's indirect costs of operating SYU as a stand-alone entity. These Predecessor financial statements may not be indicative of the future performance of SYU and do not necessarily reflect what the results of operations, financial position and cash flows would have been had SYU been operated as an independent company during the periods presented.

**Emerging Growth Company Status**

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act of 1933, as amended, (the "Securities Act"), as modified by the Jumpstart our Business Startups Act of 2012, (the "JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies. The Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Significant estimates made by management include, among others, allocation assumptions and the carrying amount of asset retirement obligations, which are based on the timing and cost of future abandonments, inputs utilized to fair value warrant liabilities, and assumptions used to estimate deferred taxes.

While management believes these estimates are reasonable, changes in facts and assumptions or the discovery of new information may result in revised estimates. Actual results could differ from these estimates, and it is at least reasonably possible these estimates could be revised in the near term, and these revisions could be material.

**Segment Reporting**

Sable operates in a single reportable segment, oil and gas. The oil and gas segment is defined based on the way in which internally reported financial information is regularly reviewed by the chief operating decision maker ("CODM"), our Chairman and Chief Executive Officer, to analyze financial performance and allocate resources. The CODM assesses

performance and decides how to allocate resources based on net income (loss) presented in the unaudited condensed consolidated statements of operations.

**Fair Value Measurements**

Fair value is defined as the price that would be received for sale of an asset or paid for transfer of a liability, in an orderly transaction between market participants at the measurement date. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices (unadjusted) for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Refer to *Note 11 — Fair Value Measurements* for fair value disclosures.

**Cash and Cash Equivalents**

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

**Restricted Cash**

The Company considers cash or cash equivalents that are legally restricted from use or withdrawal as restricted cash. In March of 2024, the Company entered into the Settlement Agreement (as defined below) in regards to the Grey Fox Matter (as defined below), refer to *Note 8 — Commitments and Contingencies* for additional details regarding the Grey Fox Matter. Pursuant to the Settlement Agreement, the Company was required to deliver a irrevocable direct pay letter of credit (the "Letter of Credit") in the amount of $35.0 million to the plaintiffs' counsel (the "Plaintiffs") in the Grey Fox Matter. The Letter of Credit was issued by JPMorgan Chase Bank, N.A. ("JPMorgan") and required the Company to enter into a cash collateral agreement (the "Collateral Agreement") with JPMorgan on May 7, 2024. Pursuant to the Collateral Agreement, the Company deposited $35.0 million into a collateral account (the "Collateral Account"), which was pledged as collateral to JPMorgan as the issuer of the Letter of Credit. Pursuant to the terms of the Settlement Agreement, the Plaintiffs in the Grey Fox Matter were able to draw upon the Letter of Credit upon satisfaction of certain conditions, and the funds held in the Collateral Account were legally restricted to reimburse JPMorgan for such draws, in addition to any related fees and expenses.

On July 7, 2025, in accordance with the Settlement Agreement, JPMorgan processed the $35.0 million draw statement and wired the funds to Plaintiffs pursuant to the Letter of Credit. JPMorgan subsequently accepted the $35.0 million restricted cash as settlement in full of the obligations created by the draw of the Letter of Credit, all as contemplated by the Settlement Agreement.

**Concentration of Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and restricted cash deposits with a financial institution, which, at times, may exceed the Federal Depository Insurance Coverage of $0.3 million. As of September 30, 2025 and December 31, 2024, the Company did not experience losses on this account.

**Related Parties**

Transactions between related parties are considered to be related party transactions even though they may not be given accounting recognition. FASB ASC Topic 850, *Related Party Disclosures* ("ASC 850"), requires transactions with related parties that would make a difference in decision making to be disclosed so that users of the unaudited condensed consolidated financial statements can evaluate their significance.

During the period from January 1, 2024 through February 13, 2024 (Predecessor), there were no related party transactions, except for the management and administrative services. SYU previously received management and administrative services

from EM, a portion of which was attributable to SYU. Additionally, cash that was received on behalf of SYU by EM created a receivable for SYU, while expenditures made by EM on behalf of SYU created a payable for SYU. The net receivable or payable from all cash activity attributable to SYU is reflected as Due to related party. Refer to *Note 5 — Related Party Transactions* for related party disclosures.

**Property, Plant and Equipment**

*Cost Basis.* The Company's oil, natural gas and NGL producing activities are accounted for under the successful efforts method of accounting. Under this method, costs are accumulated on a field-by-field basis. Costs incurred to purchase, lease, or otherwise acquire a property (whether unproved or proved) are capitalized when incurred. Exploratory well costs are carried as an asset when the well has found a sufficient quantity of reserves to justify its completion as a producing well and where sufficient progress assessing the reserves and the economic and operating viability of the project is being made. Exploratory well costs not meeting these criteria are charged to expense. Other exploratory expenditures, including geophysical costs and annual lease rentals, are expensed as incurred. Development costs, including costs of productive wells and development dry holes, are capitalized.

***Other Property and Equipment.*** Other property and equipment primarily consist of onshore midstream facilities, transportation assets and assets related to the Company's corporate office (the "Office Assets"). Due to the nature of such assets, the onshore midstream facilities are presented within oil and gas properties, while the transportation assets and the Office Assets are presented within other assets on the unaudited condensed consolidated balance sheets.

***Depreciation, Depletion and Amortization.*** Depreciation, depletion and amortization are primarily determined under the unit-of-production method, which is based on estimated asset service life taking obsolescence into consideration.

Acquisition costs of proved properties are to be amortized using a unit-of-production method, computed on the basis of total proved oil and natural gas reserve volumes. Capitalized exploratory drilling and development costs associated with productive depletable extractive properties are amortized using the unit-of-production rates based on the amount of proved developed reserves of oil and gas that are estimated to be recoverable from existing facilities using current operating methods. Under the unit-of-production method, oil and natural gas volumes are considered produced once they have been measured through meters at custody transfer or sales transaction points at the outlet valve on the lease or field storage tank.

Due to the nature of our investments in midstream equipment, the cost of such assets are also to be amortized using the unit-of-production rates based on the amount of proved developed reserves of oil and gas that are estimated to be recoverable from existing facilities using current operating methods. Maintenance and repairs, including planned major maintenance, are expensed as incurred. Major renewals and improvements are capitalized and the assets replaced are retired.

SYU had previously been shut in since 2015 due to a pipeline incident but was maintained to preserve it in an operation-ready state. Thus, no depreciation, depletion, and amortization was recognized prior to achieving first production on May 15, 2025. The Company produced oil volumes during the three and nine months ended September 30, 2025 and accordingly recognized $3.6 million and $5.4 million of depreciation, depletion, and amortization expense, which has been capitalized as Inventory and other on the unaudited condensed consolidated balance sheet (see further discussion below of Oil Inventory) as the produced oil volumes have been retained within the Company's storage tanks as of September 30, 2025.

Depreciation, depletion, amortization, and accretion expense for oil and gas properties recognized on the unaudited condensed consolidated statement of operations for the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor) and the period February 14, 2024 through September 30, 2024 (Successor) consisted of asset retirement obligation related accretion expense in the amount of $3.1 million, $8.9 million, $2.8 million and $6.9 million, respectively, and depreciation on other property and equipment of $0.2 million, $0.6 million, zero and zero, respectively.

Depreciation, depletion, amortization, and accretion expense for oil and gas properties and related equipment was $2.6 million for the period from January 1, 2024 through February 13, 2024 (Predecessor).

The Company had net capitalized costs related to oil and gas properties and related equipment of $1.5 billion as of September 30, 2025 and $1.2 billion as of December 31, 2024.

*Impairment Assessment.* Oil and gas properties are tested for recoverability on an ongoing basis whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. Among the events or changes in

circumstances which could indicate that the carrying value of an asset or asset group may not be recoverable are the following:

- a significant decrease in the market price of a long-lived asset;
- a significant adverse change in the extent or manner in which an asset is being used or in its physical condition including a significant decrease in current and projected reserve volumes;
- a significant adverse change in legal factors or in the business climate that could affect the value, including an adverse action or assessment by a regulator;
- an accumulation of project costs significantly in excess of the amount originally expected; and
- a current-period operating loss combined with a history and forecast of operating or cash flow losses.

Oil and gas properties undergo a process to monitor for indicators of potential impairment throughout the year. This process is aligned with the requirements of FASB ASC Topic 360, *Property, Plant, and Equipment* ("ASC 360") and FASB ASC Topic 932, *Extractive Industries—Oil and Gas* ("ASC 932"). Asset valuation analysis, profitability reviews and other periodic control processes assist in assessing whether events or changes in circumstances indicate the carrying amounts of any of the assets may not be recoverable.

Because the lifespans of the oil and gas properties are measured in decades, the future cash flows of these assets are predominantly based on long-term oil and natural gas commodity prices, industry margins, and development and production costs. Significant reductions in management's view of oil or natural gas commodity prices or margin ranges, especially the longer-term prices and margins, and changes in the development plans, including decisions to defer, reduce, or eliminate planned capital spending, can be an indicator of potential impairment. Other events or changes in circumstances, can be indicators of potential impairment as well.

In general, temporarily low prices or margins are not viewed as an indication of impairment. Management believes that prices over the long term must be sufficient to generate investments in energy supply to meet global demand. Although prices will occasionally drop significantly, industry prices over the long term will continue to be driven by market supply and demand fundamentals. On the supply side, industry production from mature fields is declining. This is being offset by investments to generate production from new discoveries, field developments and technology, and efficiency advancements. The Organization of the Petroleum Exporting Countries investment activities and production policies also have an impact on world oil supplies. The demand side is largely a function of general economic activities, alternative energy sources and levels of prosperity. During the lifespan of its major assets, management expects that oil and gas prices and industry margins will experience significant volatility, and consequently these assets will experience periods of higher earnings and periods of lower earnings. In assessing whether events or changes in circumstances indicate the carrying value of an asset may not be recoverable, management considers recent periods of operating losses in the context of its longer-term view of prices and margins.

***Cash Flow Assessment.*** If events or changes in circumstances indicate that the carrying value of an asset may not be recoverable, management estimates the future undiscounted cash flows of the affected properties to judge the recoverability of carrying amounts. In performing this assessment, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Cash flows used in recoverability assessments are based on assumptions which are developed by management and are consistent with the criteria management uses to evaluate investment opportunities. These evaluations make use of assumptions of future capital allocations, crude oil and natural gas commodity prices including price differentials, refining and chemical margins, volumes, and development and operating costs. Volumes are based on projected field and facility production profiles, throughput, or sales. Management's estimate of upstream production volumes used for projected cash flows makes use of proved reserve quantities and may include risk-adjusted unproved reserve quantities.

*Fair value of Impaired Assets.* An asset group is impaired if its estimated undiscounted cash flows are less than the asset group's carrying value. Impairments are measured by the amount by which the carrying value exceeds fair value. The assessment of fair value is based upon the views of a likely market participant. The principal parameters used to establish fair value include estimates of acreage values and flowing production metrics from comparable market transactions, market-based estimates of historical cash flow multiples, and discounted cash flows. Inputs and assumptions used in discounted cash flow models include estimates of future production volumes, throughput and product sales volumes, commodity prices which are consistent with the average of third-party industry experts and government agencies, refining and chemical margins, drilling and development costs, operating costs and discount rates which are reflective of the characteristics of the asset group. Impairments incurred are Level 3 fair value measurements.

There were no impairments recognized during the nine months ended September 30, 2025 (Successor), or the periods February 14, 2024 through September 30, 2024 (Successor) and January 1, 2024 through February 13, 2024 (Predecessor).

**Inventory and Other**

*Materials and Supplies.* Materials and supplies are valued at the lower of cost or net realizable value and presented as a component of Inventory and other on the unaudited condensed consolidated balance sheets.

*Oil Inventory.* As referenced above, the Company announced that it restarted production at SYU on May 15, 2025, and began flowing oil production to LFC storage facilities. As a result, the Company recognized short term oil inventory as of September 30, 2025. FASB ASC Topic 330, *Inventory* ("ASC 330") dictates that inventory shall initially be valued at the price paid or consideration given to acquire an asset. By analogy, the Company capitalized the costs incurred that were directly attributable to producing and transporting the production to the onshore storage tanks, including associated depreciation, depletion, and amortization. Oil inventory is presented as a component of Inventory and other on the unaudited condensed consolidated balance sheets.

The Company has oil inventory storage capacity of 540 MBbls onshore at LFC. The Company generally expects the inventory volumes to fluctuate over time to maintain optimal operational efficiencies. The ending volume of inventory that remains in the onshore storage tanks is measured at the current period's cost, and a lower of cost or net realizable value assessment is performed for each reporting period.

**Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities include obligations incurred in the ordinary operation of the business for services performed and products received, including capital expenditures that are capitalized as oil and gas properties. Accounts payable and accrued liabilities consisted of the following as of:

| *(in thousands)* | September 30, 2025 | December 31, 2024 |
|---|---|---|
| Accounts payable | $ 53,330 | $ 16,806 |
| Accrued operations expenditures | 110,373 | 67,909 |
| Legal settlement payable | — | 35,038 |
| Total accounts payable and accrued liabilities | $ 163,703 | $ 119,753 |

**Asset Retirement Obligations**

The Company's asset retirement obligations ("ARO") primarily relate to the future plugging and abandonment of oil and gas properties and related facilities. The Company uses assumptions and judgments to estimate the respective future plugging and abandonment costs, technical assessments of the assets and their ultimate productive life (timing of settlements), a risk-adjusted discount rate and an inflation factor in order to determine the current present value of this obligation. To the extent future revisions to these assumptions impact the present value of the existing asset retirement obligation liability, a corresponding adjustment is made to the oil and gas property balance.

The fair values of these obligations are recorded as liabilities on a discounted basis, which is typically at the time the assets are installed. Asset retirement obligations incurred in the current period are Level 3 fair value measurements. The costs associated with these liabilities are capitalized as part of the related assets and depreciated as the reserves are produced. Over time, the liabilities are accreted for the change in their present value. Refer to *Note 4 — Asset Retirement Obligations* for additional disclosures.

**Derivative Warrant Liabilities**

The Company does not currently use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments, including issued stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives, pursuant to FASB ASC Topic 480, *"Distinguishing Liabilities from Equity"* and FASB ASC Topic 815, *"Derivatives and Hedging"* ("ASC 815"). The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period.

The Company accounts for its warrants as derivative warrant liabilities in accordance with ASC 815-40. Accordingly, the Company recognizes the warrant instruments as liabilities at fair value and adjusts the instruments to fair value at each reporting period. The liabilities are subject to re-measurement at each balance sheet date until exercised, and any change in fair value is recognized in the Company's unaudited condensed consolidated statements of operations (Refer to *Note 11 — Fair Value Measurements* for additional details).

**Income Taxes**

The Company accounts for income taxes under FASB ASC Topic 740, *"Income Taxes"* ("ASC 740"). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.

ASC 740 also requires that an annual effective tax rate be determined and that such annual effective rate be applied to year-to-date income in interim periods. Utilizing provisions of ASC 740, the Company's effective tax rate was negative 6.4%, negative 7.9%, negative 0.3% and negative 3.3% for the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor) and the period February 14, 2024 through September 30, 2024 (Successor), respectively. The effective tax rate differs from the statutory tax rate of 21% due primarily to changes in valuation allowance on the deferred tax assets and disallowed expenses. No income taxes were allocated to the Predecessor as it was not a taxable legal entity.

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. In evaluating our ability to recover our deferred tax assets, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. In projecting future taxable income, we begin with historical results and incorporate assumptions about the amount of future federal and state pretax operating income adjusted for items that do not have tax consequences. Based on our ongoing assessment of all available evidence, both positive and negative, we concluded that it was more likely than not that our U.S. deferred tax assets in excess of deferred tax liabilities would not be realized. Also, in scheduling the reversals of our existing timing differences for the Successor period, we concluded that certain deferred tax liabilities in future periods do not have deferred tax assets available to offset, which is primarily due to our net operating losses being limited to 80% of taxable income on an annual basis. Therefore, a further valuation allowance of our deferred tax assets in excess of our liabilities is necessary and results in deferred tax expenses for the Successor period. Our judgment regarding the likelihood of realization of these deferred tax assets could change in future periods, which could result in a material impact to our income tax provision in the period of change.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the United States. The OBBBA makes permanent key elements of the Tax Cuts and Jobs Act of 2017, including 100% bonus depreciation on qualified property acquired and placed in service after January 19, 2025. Per ASC 740, the effects of changes in tax rates and laws on deferred tax balances to be recognized in the period in which the legislation is enacted is required. The financial reporting implications of the OBBBA were recorded in the income tax provision for the quarter and year to date periods ended September 30, 2025, in accordance with ASC 740.

**Parent Net Investment (Predecessor)**

Parent net investment reflects the financial reporting basis of SYU's assets and liabilities and changes due to capital contributions and losses. All cash activity of SYU for the periods presented were concentrated in accounts retained by EM. Accordingly, net cash activity attributable to SYU is reflected in contributions from parent in the accompanying unaudited condensed consolidated financial statements in the Predecessor periods.

**Net Loss Per Share of Common Stock**

The Company complies with accounting and disclosure requirements of FASB ASC Topic 260, *"Earnings Per Share."* Net loss per share of Common Stock is computed by dividing net loss by the weighted average number of shares of Common Stock outstanding for the period.

The following table reflects the calculation of basic and diluted net loss per share of Common Stock.

| | Successor | | | | Predecessor |
|---|---|---|---|---|---|
| *(dollars in thousands, except per share amounts)* | Three Months Ended September 30, 2025 | Three Months Ended September 30, 2024 | Nine Months Ended September 30, 2025 | February 14, 2024 —September 30, 2024 | January 1, 2024— February 13, 2024 |
| Net loss | $ (110,378) | $ (255,570) | $ (347,988) | $ (601,111) | $ (11,789) |
| Weighted average shares outstanding—Basic and diluted | 99,485,641 | 62,166,298 | 91,770,695 | 60,969,774 | n/a |
| Net loss per share—Basic and diluted | $ (1.11) | $ (4.11) | $ (3.79) | $ (9.86) | n/a |

The diluted net loss per share calculation excludes the anti-dilutive effect of 8,987,062 warrants, 10,084,265 restricted share units and 19,000 restricted share awards for the three and nine months ended September 30, 2025 (Successor), and 25,431,341 warrants and 4,807,270 restricted share awards for the three months ended September 30, 2024 (Successor) and for the period from February 14, 2024 through September 30, 2024 (Successor).

**Recent Accounting Pronouncements**

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740) — *"Improvements to Income Tax Disclosures."* The FASB issued this ASU to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this ASU address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments in this ASU are effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The Company is currently reviewing what impact, if any, adoption will have on the Company's financial position, results of operations or cash flows.

In November 2024, the FASB issued ASU 2024-03, Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40) — *"Disaggregation of Income Statement Expenses."* The FASB issued this ASU to improve the disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation, amortization, and depletion) in commonly presented expenses captions (such as cost of sales, SG&A, and research and development). The amendments in this ASU are effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently reviewing what impact, if any, adoption will have on the Company's disclosures.

The Company's management does not believe that any other recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on the accompanying financial statements.

**Note 3 — Acquisition**

On the Sable-EM Closing Date, in connection with the consummation of the transactions contemplated by the Sable-EM Purchase Agreement, the Company entered into a $625.0 million five year Senior Secured Term Loan with Exxon (the "Senior Secured Term Loan") and paid additional consideration of $203.9 million in cash to Exxon (which excludes an $18.8 million cash deposit on the Senior Secured Term Loan paid to Exxon on the Closing Date). Refer to *Note 6 — Debt* for additional details regarding the Senior Secured Term Loan.

The following table presents the adjusted purchase consideration (in thousands):

| | | |
|---|---|---|
| **Consideration:** | | |
| Purchase consideration as per Sable-EM Purchase Agreement | $ | 625,000 |
| Plus: | | |
| Paid-in-kind interest from effective date to closing* | | 140,018 |
| Materials and supplies* | | 16,637 |
| Cash consideration paid | | 203,945 |
| **Adjusted purchase consideration** | $ | 985,600 |

*Included in the initial principal associated with the Senior Secured Term Loan.

The acquisition of the SYU Asset's is accounted for under the scope of ASC 805. Pursuant to ASC 805, Sable was determined to be the accounting acquirer. The allocation of the purchase price included in the unaudited condensed consolidated balance sheets is based on the best estimate of management. To assist management in the allocation, the Company engaged valuation specialists.

The following table represents the allocation of the total purchase price for the acquisition of the identifiable assets acquired and the liabilities assumed at the acquisition date (in thousands):

| | | |
|---|---|---|
| **Total consideration** | $ | 985,600 |
| **Fair value of assets acquired:** | | |
| Oil and gas properties | $ | 1,060,374 |
| Materials and supplies | | 16,637 |
| Other assets | | 4,621 |
| **Amount attributable to assets acquired** | $ | 1,081,632 |
| **Fair value of liabilities assumed:** | | |
| Asset retirement obligations | $ | 90,073 |
| Other current liabilities | | 827 |
| Deferred tax liability | | 1,209 |
| Other long term liabilities | | 3,923 |
| **Amounts attributable to liabilities assumed** | | 96,032 |
| **Net assets acquired and liabilities assumed** | $ | 985,600 |

The Company assumed contractual agreements for warehousing space and for surface use rights. For leases with a primary term of more than 12 months, a right-of-use ("ROU") asset and the corresponding ROU lease liability was recorded. The Company recorded an initial asset and liability of $4.6 million associated with the assumed leases. The Company determines at inception if an arrangement is an operating or financing lease.

The Company also paid transaction costs in the Successor period in connection with the acquisition and the related Business Combination totaling $49.1 million, of which $24.7 million was recognized in Selling, general, and administrative expenses in the unaudited condensed consolidated statement of operations as of the Closing Date, $22.9 million was recognized as a charge to Additional paid-in-capital, and $1.5 million was capitalized as debt issuance costs on the unaudited condensed consolidated balance sheet as of the Closing Date.

### Note 4 — Asset Retirement Obligations

The Company's asset retirement obligations relate to the future plugging and abandonment of oil and gas properties and related facilities. The following table describes the changes to the Company's asset retirement obligations liability as of:

| *(in thousands)* | September 30, 2025 | December 31, 2024 |
|---|---|---|
| Beginning balance | $ 99,683 | $ — |
| Acquisition of SYU | — | 90,073 |
| Accretion | 8,899 | 9,610 |
| Ending balance | $ 108,582 | $ 99,683 |

### Note 5 — Related Party Transactions

#### Convertible Promissory Notes

Since Flame's inception, it entered into nine convertible promissory notes with Flame Acquisition Sponsor LLC ("Sponsor") to provide working capital loans (the "Working Capital Loans") totaling $3.3 million as of February 14, 2024. The Working Capital Loans were to be either repaid upon consummation of a Business Combination, without interest, or, at the lender's discretion, such Working Capital Loans were convertible into warrants of the post-Business Combination entity at a price of $1.00 per warrant. At the Closing Date, all of the Working Capital Loans were converted into an aggregate of 3,306,370 Private Warrants at a price of $1.00 per Warrant. The warrants are identical to the Private Placement Warrants. See warrant discussion at *Note 7 — Warrants.*

#### Promissory Note Loans

Since Flame's inception, it entered into four non-convertible promissory notes (the "Promissory Note Loans") with the Sponsor to provide Promissory Note Loans that were used to pay for expenditures of the acquisition target totaling $1.1 million as of February 14, 2024. At the Closing Date, each of the Promissory Note Loans were fully repaid in cash.

#### Founder Reimbursement

Under the terms of the Merger Agreement, James C. Flores, the Company's Chairman and Chief Executive Officer, was entitled to reimbursement by Flame, on the Closing Date, of all of his reasonable, documented out-of-pocket fees and expenses for any agents, advisors, consultants, experts, independent contractors and financial advisors engaged on behalf of Holdco or Sable and incurred in connection with the transactions contemplated by the Merger Agreement and the Sable-EM Purchase Agreement, in each case, that were paid as of the Closing, subject to a cap equal to $3.0 million. On the Closing Date, Mr. Flores was reimbursed $2.9 million and the associated expense is included in general and administrative expenses on the unaudited condensed consolidated statement of operations for the period from February 14, 2024 through September 30, 2024 (Successor).

#### Agreement of Purchase and Sale

On October 3, 2024, the Company entered into an Agreement of Purchase and Sale ("PSA") with Sable Aviation, LLC ("Sable Aviation"), an entity controlled by the Company's Chairman and Chief Executive Officer. Pursuant to the terms of the PSA, the Company purchased transportation assets and related equipment from Sable Aviation in exchange for 600,000 shares of the Company's Common Stock, valued at $15.2 million.

### Note 6 — Debt

#### Senior Secured Term Loan

Sable entered into the Senior Secured Term Loan with an initial principal of $625.0 million. The initial principal balance was increased by $16.6 million for material and supplies and $140.0 million for paid-in-kind interest from the effective date through the Closing Date less an $18.8 million cash deposit (which was paid on the Closing Date). The proceeds of the Senior Secured Term Loan were deemed funded on the Closing Date in connection with consummation of the Sable-EM Purchase Agreement. The Senior Secured Term Loan bears interest at ten percent (10.0%) per annum (computed on a 360-day year). Unless Sable elects in writing prior to an applicable interest payment date to pay accrued but unpaid interest in cash, all such accrued and unpaid interest shall be compounded annually on January 1st of each year by adding the relevant amount to the then outstanding principal amount of the Senior Secured Term Loan ("paid-in-kind interest").

The Senior Secured Term Loan matures on the earliest to occur of (i) 12:00:01 a.m. (Central Time) on January 1, 2027 (ii) 90 days after Restart Production (i.e., 240 days after first production from the wells) as defined in the Sable-EM Purchase Agreement or (iii) acceleration of the Senior Secured Term Loan in accordance with its terms. On May 19, 2025, the

Company announced that as of May 15, 2025, it had restarted production at SYU and begun flowing oil production from six wells at SYU's Platform Harmony to LFC. This action triggered acceleration of the term loan maturity date to 240 days after the production restart date, or January 9, 2026. Since the Senior Secured Term Loan is due in less than twelve months, it has been classified as a short-term debt obligation on the unaudited condensed consolidated balance sheet as of September 30, 2025.

***Debt Covenants.*** The Senior Secured Term Loan, dated as of the Closing Date, by and among Sable, EM, as lender, and Alter Domus Products Corp., as the administrative agent for the benefit of the lender, requires that James C. Flores, our Chairman and Chief Executive Officer, remains directly and actively involved in the day-to-day management of our business, subject to the right of the holder of such indebtedness to approve his replacement, with such approval not to be unreasonably withheld.

Restrictive covenants in the Senior Secured Term Loan impose significant operating and financial restrictions on us and our subsidiaries and we may be prevented from taking advantage of business opportunities that arise because of the limitations imposed on us by the Senior Secured Term Loan unless we gain EM's consent. These restrictions limit our ability to, among other things: engage in mergers, consolidations, liquidations, or dissolutions; create or incur debt or liens; make certain debt prepayments; pay dividends, distributions, management fees or certain other restricted payments; make investments, acquisitions, loans, or purchase oil and gas properties; sell, assign, farm-out or dispose of any property; enter into transactions with affiliates; enter into, subject to certain exceptions, any agreement that prohibits or restricts liens securing the Senior Secured Term Loan, payments of dividends to us, or payment of debt owed to us and our subsidiaries; and change the nature of our business.

The Senior Secured Term Loan also contains representations and warranties, affirmative covenants, additional negative covenants and events of default (including a change of control). During the pendency of the Senior Secured Term Loan and in case of an event of default thereunder, EM may exercise all remedies at law or equity, and may foreclose upon substantially all of our assets and the assets of our subsidiaries, including, in the event of a deficiency, cash and any other assets not acquired from EM in the Business Combination to the extent constituting collateral under the applicable financing documents. We may not be able to obtain amendments, waivers or consents for potential or actual breaches of such representations and warranties or covenants, or we may be unable to obtain such amendments waivers or consents on acceptable terms, all of which could limit management's flexibility to operate the business.

***Debt Amendments.*** On September 6, 2024 (the "First Amendment Closing Date"), the Company entered into an amendment to the Senior Secured Term Loan (the "First Debt Amendment"), pursuant to which, approximately $4.6 million of additional principal (the "Additional Principal") was added to the outstanding principal amount of the Senior Secured Term Loan related to the termination of a vendor contract related to the SYU Assets that was not a liability assumed in the Business Combination. In accordance with the terms of the First Debt Amendment, the Additional Principal shall be deemed to have accrued interest as if such amount has been added to the outstanding principal amount of the Senior Secured Term Loan, on January 1, 2024 (the "Amendment Effective Date"). The Additional Principal and $0.4 million associated paid-in-kind interest accrued for the period from the First Amendment Effective Date through the First Amendment Closing Date (collectively, the "Effective Additional Principal") was added to the outstanding principal amount of the Senior Secured Term Loan on the Amendment Closing Date and was accounted for as an exit cost under the scope of FASB ASC Topic 420, *Exit or Disposal Cost Obligations* ("ASC 420"). As a result, the Effective Additional Principal is included within Other (income) expense on the Company's unaudited condensed consolidated statement of operations for the three months ended September 30, 2024 (Successor) and for the period from February 14, 2024 through September 30, 2024 (Successor).

On November 3, 2025, the Company and Exxon entered into an amendment (the "Second Debt Amendment") to the Senior Secured Term Loan. The Second Debt Amendment will become effective upon the satisfaction of certain conditions, including the Company receiving equity contributions in an amount of no less than $225.0 million, net of underwriting fees and other transaction costs and expenses, and other customary closing conditions. The Second Debt Amendment, once effective, will extend the maturity date of the Senior Secured Term Loan to the earlier of (i) March 31, 2027 or (ii) 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan). The Second Debt Amendment, once effective, will increase the interest rate from ten percent (10%) per annum to fifteen percent (15%) per annum, compounded annually, payable in arrears on January 1st of each year. At the Company's election, accrued but unpaid interest may be deemed paid on each interest payment date by adding the amount of interest owed to the outstanding principal (paid-in-kind) amount under the Senior Secured Term Loan. The Second Debt Amendment will also include additional reporting covenants and a financial liquidity covenant that will require the Company to have not less than $25.0

million in unrestricted cash, measured at the end of each month. There is no guarantee that the Company will be able to satisfy the necessary conditions to effect the Second Debt Amendment.

Debt consisted of the following as of:

| *(in thousands)* | September 30, 2025 | December 31, 2024 |
|---|---|---|
| Senior Secured Term Loan, including paid-in-kind interest | $ 896,727 | $ — |
| Less: Debt issuance costs, net | (156) | — |
| **Total short-term debt, net** | 896,571 | — |
| Senior Secured Term Loan, including paid-in-kind interest | — | 834,165 |
| Less: Debt issuance costs, net | — | (623) |
| **Total long-term debt, net** | $ — | $ 833,542 |

For the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor) and for the period from February 14, 2024 through September 30, 2024 (Successor), the Company incurred interest expense of $21.0 million, $63.0 million, $19.2 million and $48.1 million, respectively, which is included as interest expense on the unaudited condensed consolidated statements of operations and the paid-in-kind interest is accrued and included in the Senior Secured Term Loan on the unaudited condensed consolidated balance sheets as of September 30, 2025 and December 31, 2024. For the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor) and for the period from February 14, 2024 through September 30, 2024 (Successor), the Company's effective interest rate on the Senior Secured Term Loan was approximately 10.0%.

### Note 7 — Warrants

There were 8,987,062 warrants outstanding as of September 30, 2025 and December 31, 2024. There were no changes in the number of warrants outstanding for the three and nine months ended September 30, 2025 (Successor). The table below reflects warrant activity since the Closing:

| | Public Warrants | Private Placement Warrants | Working Capital Warrants | Total |
|---|---|---|---|---|
| Outstanding Warrants as of February 14, 2024 | 14,374,971 | 7,750,000 | — | 22,124,971 |
| Issued | — | — | 3,306,370 | 3,306,370 |
| Transferred | 1,609,564 | (1,609,564) | — | — |
| Exercised | (15,957,820) | (459,744) | — | (16,417,564) |
| Redemptions | (26,715) | — | — | (26,715) |
| Outstanding Warrants as of September 30, 2025 and December 31, 2024 | — | 5,680,692 | 3,306,370 | 8,987,062 |

### Public Warrants

As described in *Note 1 — Organization, Business Operations, and Going Concern,* all of the Public Warrants were either exercised or redeemed during the period from February 14, 2024 through December 31, 2024 (Successor). The Public Warrants were only exercisable for a whole number of shares prior to their redemption and no fractional shares were issued upon exercise of the Public Warrants. The Public Warrants became exercisable 30 days after the completion of the Business Combination.

*Redemption of Warrants For Cash*—Prior to the Redemption Date (defined below), the Company was able to redeem the outstanding Public Warrants for cash:

- in whole and not in part;
- at a price of $0.01 per Public Warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the last sale price of our Common Stock equals or exceeds $18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the warrant holders.

On October 3, 2024, the conditions under which the Public Warrants could be redeemed for cash were satisfied and the Company announced that it would redeem all of the Public Warrants that remained outstanding after 5:00 p.m. New York City time on November 4, 2024 (the "Redemption Date"), for a redemption price of $0.01 per warrant (the "Redemption").

During the period from February 14, 2024 through December 31, 2024 (Successor), warrant holders exercised 15,957,820 Public Warrants for 15,957,820 shares of Common Stock resulting in approximately $183.5 million in cash proceeds to the Company. The remaining 26,715 Public Warrants that were not exercised by the Redemption Date were redeemed by the Company for cash. Prior to their exercise/redemption, the Public Warrants were accounted for as a derivative liability and carried on the unaudited condensed consolidated balance sheets at fair value. Upon exercise, the fair value of the derivative liability was reclassified to stockholders' equity in accordance with FASB ASC Topic 480, *Distinguishing Liabilities from Equity* ("ASC 480").

**Private Placement Warrants and Working Capital Warrants**

The Company will not be obligated to deliver any shares of Common Stock pursuant to the exercise of a Private Placement Warrant or Working Capital Warrant and will have no obligation to settle such exercise unless a registration statement under the Securities Act with respect to the shares of Common Stock underlying the warrants is then effective and a prospectus relating thereto is current, subject to the Company satisfying its obligations with respect to registration, or a valid exemption from registration is available. No warrant will be exercisable, and the Company will not be obligated to issue a share of Common Stock upon exercise of a warrant unless the share of Common Stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants.

On the Closing Date, the Company filed with the SEC a registration statement for the registration, under the Securities Act, of the shares of Common Stock issuable upon exercise of the warrants, which the SEC declared effective on May 10, 2024. The Company will use its commercially reasonable efforts to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the exercise or expiration of the warrants in accordance with the provisions of the warrant agreement. In addition, if the shares of Common Stock are at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of a "covered security" under Section 18(b)(1) of the Securities Act, the Company may, at its option, require holders of the Private Placement Warrants or Working Capital Warrants who exercise their warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event the Company elects to do so, the Company will not be required to file or maintain in effect a registration statement, but it will use its best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

The Private Placement Warrants, the Working Capital Warrants, and the shares of Common Stock issuable upon the exercise of such warrants were not transferable, assignable or salable until 30 days after the Closing Date, subject to certain limited exceptions, and are entitled to registration rights. Additionally, the Private Placement Warrants and Working Capital Warrants are exercisable on a cashless basis and non-redeemable so long as they are held by the initial purchasers or their permitted transferees. If the Private Placement Warrants or Working Capital Warrants are held by someone other than the initial purchasers or their permitted transferees, such warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants. In the event that the holder of a Private Placement Warrant or a Working Capital Warrant elect to exercise on a cashless basis, each holder would pay the exercise price by surrendering the warrants for that number of shares of Common Stock equal to (A) the quotient obtained by dividing (x) the product of the number of shares of Common Stock underlying the warrants, multiplied by the excess of the "fair market value" less the exercise price of the warrants by (y) the fair market value. The "fair market value" shall mean the volume weighted average price of the shares of Common Stock for the 10 trading days ending on the trading day prior to the date on which the notice of exercise is received by the warrant agent. Additionally, in no event will the Company be required to net cash settle the Private Warrants or Working Capital Warrants upon exercise.

During the period from February 14, 2024 through December 31, 2024 (Successor), warrant holders exercised 459,744 Private Placement Warrants on a cashless basis for 212,637 shares of Common Stock. These exercises were accounted for in accordance with ASC 480 in the same manner as exercises of Public Warrants described above. There were no Private Placement warrants exercised during the three and nine months ended September 30, 2025 (Successor).

The Private Placement Warrants and Working Capital Warrants that remain outstanding as of September 30, 2025 and December 31, 2024 are accounted for as liabilities and marked-to-market at each reporting period, with changes in fair value included as Changes in fair value of warrant liabilities in the Successor's unaudited condensed consolidated statements of operations (refer to *Note 11 — Fair Value Measurements*).

**Note 8 — Commitments and Contingencies**

**Registration Rights**

The holders of the Founder Shares (defined below), Private Placement Warrants and Working Capital Warrants (and any shares of Common Stock issuable upon the exercise of such instruments) are entitled to registration rights pursuant to a registration rights agreement. The holders of these securities are entitled to make up to three demands, excluding short form demands, that the Company register such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the completion of a Business Combination. However, the registration rights agreement provides that the Company will not permit any registration statement filed under the Securities Act to become effective until termination of the applicable lockup period. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

***Grey Fox Matter***

On March 26, 2024, Sable entered into a Stipulation and Agreement of Settlement (the "Settlement Agreement") among (i) Grey Fox, LLC, MAZ Properties, Inc., Bean Blossom, LLC, Winter Hawk, LLC, Mark Tautrim, Trustee of the Mark Tautrim Revocable Trust, and Denise McNutt, on behalf of themselves and the Court-certified Settlement Class (the "Plaintiffs and Settlement Class Members"), (ii) Pacific Pipeline Company ("PPC") and (iii) Sable, with respect to the settlement and release of certain claims related to the Pipelines, including claims impacting the right of way for the Pipelines (collectively, the "Released Claims").

Pursuant to the terms of the Settlement Agreement, (i) the Plaintiffs and Settlement Class Members are obligated to, among other things, (a) release Sable, PPC and the other released parties from and against the Released Claims, (b) grant certain temporary construction easements to facilitate the repair of certain portions of the Pipelines, and (c) cooperate in good faith with Sable and PPC with respect to any and all steps reasonably required to restart the Pipelines and operate them thereafter, including obtaining all necessary regulatory approvals, consistent with the requirements of the relevant government agencies and the Consent Decree issued by the United States District Court for the Central District of California in relation to Civil Action No. 2:20-cv-02415 (United States of America and the People of the State of California v. Plains All American Pipeline, L.P. and Plains Pipeline, L.P.) and (ii) Sable has agreed to among other things, (a) pay $35.0 million into an interest-bearing non-reversionary Qualified Settlement Fund, and (b) deliver to class counsel an irrevocable direct pay letter of credit issued by J.P. Morgan & Co. or another federally insured bank in the amount of $35.0 million to secure Sable's obligation to make certain payments under the Settlement Agreement. The Company expensed $70.0 million upon the effectiveness of the Settlement Agreement, which is included in general and administrative expenses on the unaudited condensed consolidated statement of operations for the period from February 14, 2024 through September 30, 2024 (Successor).

On May 1, 2024, the United States District Court for the Central District of California entered an order granting preliminary approval of the Settlement Agreement, and thus, on May 9, 2024, the Company made the initial $35.0 million payment into the Qualified Settlement Fund and delivered the $35.0 million Letter of Credit to plaintiffs' counsel. On September 17, 2024, the court approved the Settlement Agreement in full. On September 30, 2025, the Plaintiffs submitted a draw statement on the irrevocable direct pay letter of credit in the amount of $35.0 million, and the Company paid the Plaintiffs directly the interest owed. On July 7, 2025, in accordance with the Settlement Agreement, J.P. Morgan & Co. processed the $35.0 million draw statement and wired the funds to Plaintiffs pursuant to the Letter of Credit. J.P. Morgan & Co. subsequently accepted the $35.0 million restricted cash as settlement in full of the obligations created by the draw of the Letter of Credit, all as contemplated by the Settlement Agreement.

***California Coastal Commission Matter***

On September 27, 2024, the California Coastal Commission (the "Coastal Commission") issued Notice of Violation No. V-9-24-0152 to Sable, which asserted that Sable's safety valve installation work and certain maintenance and repair activities undertaken by Sable on the Pipelines in the California coastal zone (the "Coastal Zone") to address anomalies and install safety valves constituted unpermitted development activities under the California Coastal Act (Cal. Pub. Res. Code Section 30000, et seq.) (the "Coastal Act") and the County's Local Coastal Program ("LCP"). Sable undertook the subject repair and maintenance work, including the safety valve installation work, based on its understanding that no new coastal development permit or other Coastal Act authorization was required, consistent with the County's practice of authorizing repair work on the Pipelines since they were first permitted and built over 30 years ago. Following good faith negotiations with Coastal Commission staff, on November 12, 2024, the Coastal Commission issued Executive Director Cease and Desist Order No. ED-24-CD-02 (the "Order") requiring Sable to, among other requirements, prepare and submit an interim restoration plan and submit an application either to the Coastal Commission or the County to obtain a coastal development permit for the valve installation and other maintenance and repair work. In compliance with the Order, Sable prepared,

submitted, and implemented the Interim Restoration Plan as approved by Coastal Commission staff. Sable separately submitted certain applications to the County related to some of the maintenance and repair work that was subject to Notice of Violation No. V-9-24-0152. The Order expired on February 10, 2025.

On February 12, 2025, the County delivered a letter to Sable confirming that certain Pipeline anomaly maintenance and repair work referenced in the Coastal Commission's Notice of Violation V-9-24-0152 was "authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and was analyzed in the prior Environmental Impact Report/Environmental Impact Statement (EIR/EIS)." The letter states in part that "[t]he County previously exercised its authority under its Local Coastal Program and delegated Coastal Act authority in approving the permits and the requested anomaly repair work is within the scope of those approved permits." Sable subsequently recommenced the repair and maintenance activities which were subject to Notice of Violation V-9-24-0152.

In addition, also on February 12, 2025, the County delivered a letter to the Coastal Commission. In this letter, the County responded to a request by the Coastal Commission to consent to a consolidated coastal development permit process for certain activities undertaken and planned by Sable on the Pipelines. The County's letter also stated that certain maintenance and repair work on the Pipelines that was referenced in the Coastal Commission's Notice of Violation V-9-24-0152 is "authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and was analyzed in the prior Environmental Impact Report/Environmental Impact Statement. Thus, no further application to or action by the County is required."

On February 14, 2025, Sable submitted a written response to the Coastal Commission's Notice of Violation V-9-24-0152 detailing that, consistent with the County's letters, certain of the alleged unpermitted development subject to the Notice of Violation was previously approved and that no further coastal development permit is required.

On February 18, 2025, Sable filed a complaint against the Coastal Commission in the Superior Court of the State of California for the County of Santa Barbara (Case No. 25CV00974). In the complaint, Sable challenges the Coastal Commission's prior Notices of Violations and Executive Director Cease and Desist Order as procedurally improper and asserts that the Coastal Commission lacks authority to prohibit work authorized by existing permits. Sable seeks a declaration that the Coastal Commission's actions are unlawful, an injunction prohibiting further enforcement actions by the Coastal Commission, damages for the alleged taking of property rights, and attorneys' fees and costs. The Coastal Commission proceeded to issue an Executive Director Cease and Desist Order to Sable on February 18, 2025, related to certain of Sable's pipeline repair and maintenance activities and safety valve installation work.

On April 10, 2025, the Coastal Commission approved Cease and Desist Order CCC-25-CD-01, Restoration Order CCC-25-RO-01, and Administrative Penalty Order CCC-25-AP3-01, whereby the Coastal Commission ordered the Company to cease and desist from all ongoing development in the Coastal Zone "as part of the effort to restart the Santa Ynez Unit oil production operations and bring the pipelines back into use," apply for new Coastal Act authorization for all previously completed, ongoing, and future development in the Coastal Zone to the extent "part of the effort to restart the Santa Ynez Unit oil production operations and bring the pipelines back into use," and imposed an administrative penalty of approximately $18.0 million on the Company. The Company does not believe this penalty is lawful and has not recognized any accrued expense for the three and nine months ended September 30, 2025 (Successor). Sable is prepared to vigorously pursue all available legal remedies related to the orders, including the administrative penalty, imposed by the Coastal Commission.

On April 16, 2025 the Coastal Commission filed a request in the Santa Barbara County Superior Court for a temporary restraining order against the Company to restrain the Company from violating the Cease and Desist Order CCC-25-CD-01 and to halt repair and maintenance activities on the Pipelines within the Coastal Zone. The request was filed within the Company's ongoing litigation against the Coastal Commission (Case No. 25CV00974). On April 17, 2025, the court denied the Coastal Commission's request for a temporary restraining order and set the matter for further hearing on May 14, 2025, which date was later continued to May 28, 2025.

On April 22, 2025, counsel for the Coastal Commission filed a Petition for Stay, Writ of Supersedeas, or Other Appropriate Order, and Request for Temporary Stay with the Second Division California Court of Appeal, seeking a temporary stay of the Santa Barbara County Superior Court's denial of the Coastal Commission's request for a TRO and an order requiring Sable to comply with the cease and desist order. Sable filed an Opposition to the Coastal Commission's Petition with the Court of Appeal on April 28, 2025. On May 15, 2025, the Court of Appeal denied the Coastal Commission's request for a temporary stay.

On May 28, 2025, the court granted the Coastal Commission's application for issuance of a preliminary injunction, enjoining Sable from conducting any further "development" in violation of Cease and Desist Order CCC-25-CD-01. On

July 9, 2025, the court denied Sable's motion to stay the Cease and Desist Order CCC-25-CD-01. On July 16, 2025, Sable filed a notice of appeal of challenging the court's issuance of preliminary injunction. On July 29, 2025, counsel for Sable filed a Petition for Writ of Mandate or Other Appropriate Relief with the Second Division California Court of Appeal, seeking a writ of mandate reversing the Santa Barbara County Superior Court's denial of Sable's motion to the stay Cease and Desist Order CCC-25-CD-01. On August 4, 2025, the Court of Appeal denied Sable's Petition for Writ of Mandate. Sable's opening brief, reporter transcript and appendix of actions are due to be submitted to the Court of Appeal by November 14, 2025. On October 6, 2025, Sable filed a motion to file an amended complaint which quantifies its monetary damages in excess of $347.0 million. On October 15, 2025, the Santa Barbara County Superior Court denied the Company's request for the issuance of a writ of mandate on its first cause of action and set procedural motions related to Sable's four additional causes of action for December 3, 2025. On November 5, 2025, Sable filed its opening brief in support of its appeal challenging the Superior Court's issuance of the preliminary injunction. Sable also filed a Petition for Writ of Mandate or Other Appropriate Relief, seeking a writ of mandate reversing the Superior Court's October 15, 2025, denial of Sable's first cause of action.

***Zaca Preserve Matter***

On October 3, 2024, plaintiff Zaca Preserve LLC filed a California state court complaint against Sable, its subsidiary PPC, Plains All American Pipeline LP, and Plains Pipeline LP. The case is captioned 24CV05483 and is pending in Santa Barbara Superior Court, Anacapa Division. The plaintiff filed a First Amended Complaint on December 12, 2024, and served the complaint on Sable and PPC on December 18, 2024.

The plaintiff was a class member of the Grey Fox litigation that was settled effective September 17, 2024, and chose to opt out of the final settlement class. The plaintiff raises claims similar to the Grey Fox plaintiffs, namely that the pipeline easement on its property is no longer valid in light of the 2015 Refugio oil spill and the conduct of defendants. The plaintiff brings contract and tort claims and seeks declaratory and injunctive relief determining his easement terminated and prohibiting defendants from accessing or using his easement to restart pipeline operations. The plaintiff seeks compensatory, exemplary, and statutory damages, costs, attorneys' fees, and interest, as well as declaratory and injunctive relief. By stipulation, Sable and PPC's deadline to respond to the First Amended Complaint was March 4, 2025. Sable and PPC timely filed and served their Demurrer to the Plaintiff's First Amended Complaint and Sable filed and served a Motion to Strike the First Amended Complaint. The Demurrer and Motion to Strike are set for hearing in November 2025. Sable and PPC intend to defend the case vigorously.

***BSEE Matter***

On June 27, 2024, the Center for Biological Diversity and the Wishtoyo Foundation filed a complaint against Debra Haaland, Secretary of the U.S. Department of the Interior; the Bureau of Safety and Environmental Enforcement ("BSEE"); and Bruce Hesson, BSEE Pacific Regional Director in the U.S. District Court for the Central District of California (Case No. 2:24-cv-05459). Sable intervened and vigorously contests the plaintiffs' allegations. In the plaintiffs' amended complaint, they allege that BSEE: violated the National Environmental Policy Act ("*NEPA*"), the Outer Continental Shelf Lands Act ("OCSLA"), and the Administrative Procedure Act ("APA") in November 2023 by approving an extension to resume operations associated with the 16 oil and gas leases Sable holds in the SYU in federal waters offshore of California in the Santa Barbara Channel; and violated NEPA and the APA in September 2024 by approving applications for permits to modify for well reworking operations and by failing to conduct supplemental environmental analysis for oil and gas development and production in the SYU. The complaint asks for the court: to issue an order finding that BSEE violated NEPA, OCSLA and the APA; to vacate and remand the extension and the applications for permits to modify; to order BSEE to complete NEPA analysis by a date certain; to prohibit BSEE from authorizing further extensions, applications for permits to modify, or any other authorizations for resuming production until it complies with NEPA, OCSLA and the APA; and for an award of costs and attorneys' fees. Sable believes that the government's prior extensions to resume operations were both appropriate and authorized and independently that subsequent actions, including a May 28, 2025 Environmental Assessment relied on by BSEE and a May 29, 2025 decision by BSEE approving the extension, render plaintiffs' claims moot. On September 24, 2025, the court denied cross-motions for summary judgment by all parties. On November 7, 2025, the court approved a new scheduling order that provides for an amended complaint, the filing by the federal government of an updated administrative record by December 19, 2025, and a hearing on disputes over completeness of or for leave to seek discovery related to the administrative record on March 13, 2026.

***BOEM Matter***

On April 2, 2025, the Center for Biological Diversity and the Wishtoyo Foundation filed a complaint against Doug Burgum, Secretary of the U.S. Department of the Interior; the Bureau of Ocean Energy Management ("BOEM"); and Douglas Boren, BOEM Pacific Regional Director, in the U.S. District Court for the Central District of California (Case No. 2:25-cv-02840). On May 12, 2025, plaintiffs filed an amended complaint in which plaintiffs challenge BOEM's April 2025

decision determining that Sable is not required to revise the development and production plan for Platform Harmony in the SYU. The amended complaint asks for the court: to issue an order finding that BOEM's decision was not in accordance with OCSLA and violated the APA; order BOEM to require revision of the development and production plan for Platform Harmony; prohibit BOEM from authorizing new oil and gas drilling activity at the SYU unless and until revision of the development and production plan is complete; and for an award of costs and attorneys' fees. Sable intervened and vigorously contests the plaintiffs' allegations. On September 10, 2025, the court denied Sable's motion to dismiss based on plaintiffs' failure to provide notice under OCSLA's citizen suit provision. The court approved a scheduling order that provides for a hearing on cross-motions for summary judgment on May 15, 2026.

***Regional Water Quality Control Board and Department of Fish and Wildlife Matters***

On December 13, 2024, the California Central Coast Regional Water Quality Control Board ("Water Board") issued three letters to the Company related to the Pipelines: (i) a Notice of Violation for an alleged unauthorized discharge of waste to waters of the state at an ephemeral stream in Santa Barbara County; (ii) a Directive to obtain regulatory coverage for an alleged unauthorized discharge of waste to waters of the state at the same ephemeral stream identified in item (i); and (iii) a First Notice of Non-Compliance for an alleged failure to obtain coverage under the Water Board's General Permit for Construction Stormwater Discharges in Santa Barbara, San Luis Obispo, and Kern Counties.

On December 17, 2024, the California Department of Fish and Wildlife ("CDFW") issued a Notice of Potential Violation to Sable for alleged violations of the California Fish and Game Code at four separate sites within Santa Barbara County and San Luis Obispo County in California for alleged placement or fill of waste to waters.

On January 10, 2025, Sable submitted a written response to the Water Board's December 2024 letters. On January 13, 2025, Sable submitted a written response to CDFW's December 2024 Notice of Potential Violation. On January 22, 2025, the Water Board issued two additional letters to Sable related to the Pipelines: (i) a Second and Final Notice of Non-Compliance for an alleged failure to obtain coverage under the Water Board's General Permit for Construction Stormwater Discharges in Santa Barbara, San Luis Obispo, and Kern Counties; and (ii) an order requiring Sable to submit a technical report associated with the discharge of earthen material to waters of the state.

On January 31, 2025, Sable submitted an application to the Water Board for regulatory coverage for the alleged discharge of waste to waters of the state at the location identified in the Water Board's December 13, 2024, Notice of Violation, and coverage was approved and issued by the Water Board on March 20, 2025. On February 18, 2025, Sable submitted an application to CDFW for the same site, that application was deemed complete in March 2025, and work at the site was approved to proceed in May 2025. On February 21, 2025, the Company submitted a written response to the Water Board's Second and Final Notice of Non-Compliance. On March 7, 2025, Sable submitted its initial responses to the Water Board's order requiring Sable to submit a technical report, and on April 15, 2025, the Company submitted a supplemental response, that Sable committed to provide in its March initial response.

Sable submitted after-the-fact permitting applications to the Water Board and CDFW with respect to potential discharges at the four sites identified in CDFW's December 2024 notice during the first two weeks of March 2025. The Water Board provided responses and requests for additional information in April 2025, to which the Company provided supplemental information on April 25, 2025. These sites were fully permitted by the Water Board in June 2025 and by CDFW as of September 2025.

On April 15, 2025, the Water Board issued a second Notice of Violation to the Company for an alleged failure to provide a sufficient response to the Water Board's request for a technical report and continued allegations of unauthorized discharges. On that same day, the Company submitted to the Water Board further responses and additional information in response to the Water Board's request for a technical report, in which the Company identified additional sites that may require after-the-fact permitting. On April 17, 2025, the Water Board issued Resolution R3-2025-0024, which referred any assessment of civil liability, injunctive and declaratory relief against the Company for its alleged violations of the California Water Code to the California Attorney General via the California Superior Court. After the issuance of Resolution R3-2025-0024, the Company continued to work with the Water Board and CDFW to identify locations and submit additional after-the-fact permit applications. On July 24, 2025, the Water Board issued a third Notice of Violation, requiring the Company to provide additional information in order to satisfy the request for a technical report, to which the Company timely responded on August 13, 2025 with all requested information. As of November 11, 2025, the Water Board and CDFW have each issued permits for five locations identified by the Water Board, CDFW, and the Company. Nine additional locations (for a total of 14) are awaiting final approvals from both the Water Board and CDFW. Based on the information provided by Sable in response to the Notices of Non-Compliance associated with the Water Board's General Permit for Construction Stormwater Discharges, the Water Board is not further requiring Sable to obtain coverage under that permit for the work performed.

On September 16, 2025, the Santa Barbara County District Attorney's office filed a criminal Complaint in Santa Barbara County Superior Court, with 21 Counts being pursued (sixteen (16) misdemeanors and five (5) felonies) for alleged violation of the California Fish & Game Code and Water Code. The Complaint references some of the 14 locations where the Company has already sought after-the-fact permitting from the Water Board and CDFW, but also includes other locations where neither the Water Board nor the CDFW are requiring any further action or permitting. The Company has retained counsel for defense. On October 3, 2025, the Water Board filed a civil action in Santa Barbara County Superior Court alleging that the Company failed to secure permits at the 14 locations prior to undertaking the work, though the Complaint also notes the Company's after-the-fact permitting efforts. The Complaint also alleges failure to comply with the request for a technical report. The Water Board is seeking civil penalties and potentially limited injunctive relief.

***County Permit Transfer Matter***

In October 2024, the County of Santa Barbara's Planning Commission approved the transfer of the Final Development Permits for the SYU, POPCO Facility and Pipelines from Exxon and certain of its subsidiaries to the Company and its subsidiaries, PPC and POPCO, pursuant to Santa Barbara County Code Chapter 25B. That approval was appealed by various environmental advocacy groups to the Board of Supervisors. On February 25, 2025, the Board of Supervisors heard the appeals but, despite a County staff recommendation to reject them, did not decide them, splitting 2-2 in a tie vote. As the appeals did not reverse the Planning Commission's decision, the Company thereafter sought the permit transfers from the County, but was unsuccessful.

On May 8, 2025, the Company, its subsidiaries, PPC and POPCO, and Exxon and certain of its subsidiaries filed suit against the County of Santa Barbara and Board of Supervisors seeking a writ of mandamus directing Santa Barbara County to issue updated Final Development Permits reflecting the Sable plaintiffs as holders thereof, for declaratory relief finding that the County's Chapter 25B ordinances violate the 5th and 14th amendments and Supremacy Clause of the Constitution and for damages. On September 12, 2025, after hearing, the court issued an order of mandate requiring that "within 60 days of service of the writ of mandate on the Board, hold a de novo public hearing to affirm, reverse, or modify the Planning Commission's decision regarding Petitioners/Plaintiffs' Final Development Permit applications in this action in compliance with Santa Barbara County Code Chapter 25B-8, 9, and 10.If the Board is unable to reach a vote that affirms, reverses, or modifies the Planning Commission's decision, the Board shall hold another de novo public hearing within 45 days, and if unable again, every 45 days thereafter." The County set a hearing in this matter pursuant to the writ of mandate for November 4, 2025, and at that hearing the Board voted to continue the hearing until December 16, and directed County Staff to prepare findings that would grant the appeals and deny the transfer of the permits to Sable for consideration at that hearing. The litigation has been stayed pending the final action at the Board of Supervisors' re-hearing, after which the matter will return to federal court.

***Johnson Class Action / Kelly Derivatives Claim***

On July 28, 2025, shareholder Tracy Johnson filed a putative class action complaint against the Company in the U.S. District Court for the Central District of California, captioned Johnson v. Sable Offshore Corp., et al., Case No. 2:25-cv-06869 (C.D. Cal). The complaint alleged violations of Sections 10(b) and 20(a) of the Exchange Act of 1934 and Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, on behalf of a putative class of investors who purchased or acquired Sable's publicly traded securities between May 19, 2025 and June 3, 2025, when the Company engaged in a public offering, and/or pursuant and/or traceable to the offering. The complaint named as defendants the Company, certain of its officers, and the underwriters in the offering.

On October 27, 2025, the Court appointed a lead plaintiff. On November 10, 2025, the lead plaintiff filed an amended complaint purportedly on behalf of persons or entities who purchased or otherwise acquired publicly traded Sable securities between May 19, 2025 and November 4, 2025. The amended complaint drops the claims under the Securities Act of 1933 and drops the underwriters as defendants. The amended complaint alleges, among other things, that the Company and certain of its officers made false and misleading statements or failed to disclose certain information regarding the Company's business activities at the Santa Ynez Unit. The plaintiffs seek damages, costs, expenses, expert and attorneys' fees, and other unspecified relief. Motions to dismiss are due on November 24, 2025, and a hearing on any motions to dismiss will be held on January 5, 2026. The Company intends to vigorously defend against the claims in this lawsuit.

On August 21, 2025, shareholder Bryce Kelly filed a verified shareholder derivative complaint, purportedly on behalf of the Company, in the U.S. District Court for the Central District of California, captioned Kelly v. Flores, et al., Case No. 2:25-cv-07848 (C.D. Cal.). The complaint names as defendants the members of the Board of Directors of the Company, certain officers of the Company, and the underwriters of the Company's May 2025 public offering. The complaint alleges claims for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, waste of corporate assets, contribution under Section 10(b) and 21D of the Exchange Act of 1934, and contribution under Section 11(f) of the

Securities Act of 1933, based on similar factual allegations to those at issue in the Johnson case. The case is at a preliminary stage.

***CalGem***

On May 9, 2025, the California Department of Conservation's Geologic Energy Management Division ("CalGEM") issued a letter to the Company asserting that that the Company must post a bond of approximately $31.9 million, submit certain oil spill contingency response and management plans for CalGEM's review, and indicating that the failure to timely respond could result in civil penalties of up to $50,000 per day/per violation. Sable disputes that CalGEM possesses jurisdiction to impose those requirements.

***California Senate Bill 237***

On September 13, 2025, the California Legislature passed Senate Bill 237 ("SB 237"). On September 19, 2025, Governor Gavin Newsom signed SB 237 into law. SB 237 added Section 51014.1 to the California Government Code, which requires that an "existing oil pipeline … that has been idle, inactive, or out of service for five years or more, shall not be restarted without passing a spike hydrostatic testing program." SB 237 also amends Section 30262 of the California Coastal Act to provide that the "[r]epair, reactivation, [] maintenance," or "[d]evelopment associated with the repair, reactivation or maintenance of an oil pipeline that has been idled, inactive or out of service for five years or more" must obtain a "new coastal development permit."

On September 29, 2025, Sable filed a Complaint for Declaratory Relief against the State of California in Kern County Superior Court seeking a declaratory judgment that the Onshore Pipeline is not subject to SB 237 because the Onshore Pipeline is not "idle, inactive, or out of service," and because the Legislature did not give SB 237 retroactive effect. Sable intends to vigorously prosecute the action.

***Office of State Fire Marshal Matters***

On December 17, 2024, the California Office of the State Fire Marshal ("OSFM") approved Sable's implementation of enhanced pipeline integrity standards for the Pipelines by granting state waivers of certain regulatory requirements ("State Waivers") related to cathodic protection and seam weld corrosion for the Pipelines.

On February 11, 2025, Pipeline and Hazardous Materials Safety Administration ("PHMSA") notified the OSFM that PHMSA does not object to OSFM's granting of the State Waivers.

Two lawsuits have been filed against OSFM (as Defendant) and Sable and PPC (as Real Parties in Interest) challenging OSFM's issuance of the State Waivers. On April 15, 2025, the Center for Biological Diversity and the Wishtoyo Foundation filed a Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief alleging that OSFM violated federal and state pipeline safety laws and the California Environmental Quality Act ("CEQA") in issuing the State Waivers. The Environmental Defense Center, Get Oil Out!, Santa Barbara County Action Network, Sierra Club, and Santa Barbara Channelkeeper also filed a Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief against OSFM against OSFM (as Defendant) and Sable and PPC (as Real Parties in Interest) alleging similar claims. Both groups of Petitioners seek a court order declaring the State Waivers void and directing OSFM to vacate and set aside the State Waivers until OSFM complies with its obligations under federal and state pipeline safety laws and CEQA. A hearing was held on July 18, 2025, and on July 29, 2025, the court entered an order granting petitioners' application for issuance of preliminary injunction in part, ruling that, absent further order of the court, Sable may resume petroleum transportation through the Onshore Pipeline 10 court days after Sable files notice that Sable has received all necessary approvals and permits for such resumption. The court clarified that Sable is not prevented from taking steps toward restarting the Onshore Pipeline, and that OSFM is not prevented from taking steps it finds appropriate in its regulatory capacity with respect to Sable's Restart Plans as contemplated by the federal Consent Decree.

Sable and PPC intend to defend both cases vigorously.

On October 22, 2025, OSFM sent a letter to Sable alleging deficiencies in the Company's compliance with the State Waivers. Sable strongly disagrees with the allegations, which are inconsistent with the plain language and numerous discussions with OSFM experts confirming that Sable was in compliance with the State Waivers. Sable provided its initial response to the OSFM on October 23, 2025, setting forth the Company's objections to OSFM's new interpretation of the State Waiver conditions, and plans to supplement its initial response. Refer to the Company's 8-K filed on October 24, 2025 for more information.

**Note 9 — Stockholders' Equity (Successor)**

***Preferred Stock*** — The Company is authorized to issue a total of 1,000,000 shares of preferred stock at par value of $0.0001 each. As of September 30, 2025 and December 31, 2024, there were no shares of preferred stock issued or outstanding.

***Common Stock*** — The Company is authorized to issue a total of 500,000,000 shares of Common Stock at par value of $0.0001 each. As of September 30, 2025 and December 31, 2024, there were 99,507,250 and 89,310,996 shares issued and outstanding, respectively.

The following summarizes the shares of Common Stock outstanding immediately following the consummation of the Business Combination:

| | Shares |
|---|---|
| Public stockholders | 5,953,859 |
| Initial stockholders | 7,187,500 |
| Merger consideration shares | 3,000,000 |
| First PIPE Investment | 44,024,910 |
| Total shares outstanding at close | 60,166,269 |

**Note:** Table excludes Private Placement Warrants, Working Capital Warrants convertible into Common Stock, 5,070,524 shares of equity classified stock awards that were granted under the Company's Incentive Plan after the Closing, net of forfeitures.

*Founders Shares.* 7,187,500 shares of Common Stock held by the initial stockholders ("Founders Shares") are not transferable, assignable or salable (except to our officers and directors and other persons or entities affiliated with the Sponsor, each of whom will be subject to the same transfer restrictions) until the earlier of (A) February 13, 2025 or (B) subsequent to February 14, 2024, (x) if the last sale price of our Common Stock equals or exceeds $12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after February 14, 2024, or (y) the date on which the Company completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of our stockholders having the right to exchange their shares of Common Stock for cash, securities or other property (such restrictions on transfer, the "Restrictions"). The stock performance conditions described in (B) above were satisfied on August 9, 2024 and, accordingly, the Restrictions no longer apply to the Founder Shares.

*Equity Issuance.* On September 26, 2024, the Company issued 7,500,000 shares of Common Stock for $150.0 million in gross proceeds in connection with the Second PIPE Investment. Upon the closing of the Second PIPE Investment, an associated marketing and legal fees of approximately $7.8 million, was paid in full, and was recognized as an offset to the proceeds from the Second PIPE investment within Additional paid-in capital in the unaudited condensed consolidated balance sheets and statements of stockholders' equity (deficit)/net parent investment as of September 30, 2025 and December 31, 2024, respectively.

On May 23, 2025, the Company closed an upsized underwritten public offering of 10,000,000 shares of Common Stock at the public offering price of $29.50 per share. Upon the closing of the 2025 Offering, associated marketing fees and legal fees of approximately $12.4 million were incurred, and were recognized as an offset to the proceeds from the 2025 Offering within Additional paid-in capital in the unaudited condensed consolidated balance sheet and statement of stockholders' equity (deficit)/net parent investment as of September 30, 2025. The Company intends to use the approximately $282.6 million of net proceeds from the 2025 Offering for capital expenditures, working capital purposes and general corporate purposes.

*Transportation Assets.* As discussed in *Note 5 — Related Party Transactions,* on October 3, 2024, the Company purchased transportation assets and related equipment in exchange for 600,000 shares of the Company's Common Stock, valued at $15.2 million.

*Warrants Exercised.* During the period from February 14, 2024 through December 31, 2024 (Successor), warrant holders exercised 15,957,820 Public Warrants for 15,957,820 shares of Common Stock resulting in approximately $183.5 million in cash proceeds to the Company. Additionally, 459,744 Private Placement Warrants were exercised on a cashless exercise basis for 212,637 shares of Common Stock. Refer to *Note 7 — Warrants* for further discussion of warrant related activities.

**Note 10 — Share Based Compensation**

On February 12, 2024, the Company's stockholders approved a share based compensation plan (the "Incentive Plan") to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company by providing these individuals with equity ownership opportunities and/or equity-linked compensatory opportunities. The Predecessor had no equity compensation plans or outstanding equity awards specific to the SYU Assets. The total stock-based compensation expense is included on the unaudited condensed consolidated statements of operations based upon the job function of the employees receiving the grants as follows:

| | Successor | | | |
|---|---|---|---|---|
| *(in thousands)* | Three Months Ended September 30, 2025 | Three Months Ended September 30, 2024 | Nine Months Ended September 30, 2025 | February 14, 2024 —September 30, 2024 |
| Operations and maintenance expenses | $ 1,312 | $ 1,789 | $ 4,489 | $ 3,722 |
| General and administrative expenses | 12,212 | 14,960 | 25,527 | 82,312 |
| Total | $ 13,524 | $ 16,749 | $ 30,016 | $ 86,034 |

**Incentive Plan**

The Company's Incentive Plan includes incentive stock options and nonqualified stock options, stock appreciation rights, restricted stock, dividend equivalents, restricted stock units and other stock or cash-based awards. Certain awards under the Incentive Plan may constitute or provide for payment of "nonqualified deferred compensation" under Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards. Awards other than cash awards generally will be settled in shares of the Company's Common Stock, but the applicable award agreement may provide for cash settlement of any award.

Our employees, consultants and directors, and employees and consultants of our subsidiaries, may be eligible to receive awards under the Incentive Plan. Following the closing of the Business Combination, the Compensation Committee of the Company's Board of Directors (the "Board") was appointed by the Board to administer the Incentive Plan (the Compensation Committee, in its role as administrator of the Incentive Plan, the "Plan Administrator").

The Plan Administrator has the authority to take all actions and make all determinations under the Incentive Plan, to interpret the Incentive Plan and award agreements and to adopt, amend and repeal rules for the administration of the Incentive Plan as it deems advisable. The Plan Administrator will also have the authority to, among other things, determine which eligible service providers receive awards, grant awards, set the terms and conditions of all awards under the Incentive Plan, including any performance goals, vesting and vesting acceleration provisions, subject to the conditions and limitations in the Incentive Plan, accelerate vesting requirements, waive or amend performance goals and other restrictions, and amend award agreements. As of September 30, 2025, 881,558 share based awards were authorized and available for grant by the Plan Administrator under the Successor's Incentive Plan.

**Restricted Stock Awards**

On the Closing Date, and in connection with the executive officers' employment agreements, the Company granted 650,000 shares of restricted Common Stock to each of the Company's executive officers (other than Mr. Flores), which vested on the May 15, 2025, restart of production from the SYU Assets. The executive officer awards are subject to a three-year lock-up provision.

During March 2024, the Plan Administrator authorized the grant of 158,334 shares of restricted Common Stock in the aggregate to the independent members of the Board for their contributions towards closing the Business Combination and for their service on the Board. These restricted shares vested 12 months after the grant date.

Additionally, 2,237,190 shares of restricted Common Stock, net of forfeitures, were granted to employees of the Company through September 30, 2025, 2,218,190 of which vested following the May 15, 2025 restart of production from the SYU Assets. The remaining 19,000 shares of restricted Common Stock will vest 12 months from their respective grant dates. All of the executive officer awards, the awards granted to the members of the Board, and the awards granted to employees of the Company following the closing of the Business Combination are restricted stock awards to be settled in shares, and qualify as equity classified awards. The value of the stock-settled restricted stock awards is established by the market price on the date of grant and was recorded as compensation expense ratably over the vesting terms. Forfeitures are recognized as they occur.

The following table summarizes restricted stock award activity for the nine months ended September 30, 2025 (Successor), and for the period February 14, 2024 through September 30, 2024 (Successor):

| | Successor | | | |
|---|---|---|---|---|
| | Nine Months Ended September 30, 2025 | | February 14, 2024—September 30, 2024 | |
| | Shares | Weighted-average grant date fair value | Shares | Weighted-average grant date fair value |
| Non-vested, beginning of the period | 4,874,270 | $ 11.99 | — | $ — |
| Granted | 227,885 | 25.91 | 4,807,270 | 11.84 |
| Vested | (4,976,524) | 12.58 | — | — |
| Forfeited | (106,631) | 11.46 | — | — |
| Non-vested, end of the period | 19,000 | $ 28.64 | 4,807,270 | $ 11.84 |

There was $0.4 million unrecognized stock-based compensation expense associated with unvested restricted stock awards as of September 30, 2025, which is to be recognized over the weighted average remaining life of less than one year.

**Restricted Stock Units**

On April 25, 2025, the Compensation Committee approved long-term incentive grants of up to 10,653,076 restricted stock units to our CEO, executive officers and other employees of the Company. The restricted stock units will vest over nine, five or three-year periods and generally will vest ratably and annually beginning on the one-year anniversary of the grant date. The associated restricted stock unit agreements also include dividend equivalent rights, which entitle the grantee to the aggregate value of the dividends declared on the Common Stock, if any, whose dividend record date occurs during the period from the grant date until the day before the applicable settlement date for such vested restricted stock unit. Each annual vesting of restricted stock units (and the right to receive the corresponding dividend equivalent amount) is subject to continued service by the grantee.

Restricted stock units were initially granted during the nine months ended September 30, 2025 (Successor). No restricted stock units were granted during the three months ended September 30, 2025 (Successor), the nine months ended September 30, 2024 (Successor), the period February 14, 2024 through September 30, 2024 (Successor), or the period January 1, 2024 through February 13, 2024 (Predecessor).

There were 10,084,265 outstanding restricted stock units that were granted to our executive officers and, other members of management of the Company are to be settled in shares, and qualify as equity classified awards, while 366,300 outstanding restricted stock units that were granted to other employees of the Company are to be settled in cash and therefore are accounted for as liability classified awards. The value of the stock-settled restricted stock units is established by the market price of the Company's Common Stock on the date of grant and is recorded as compensation expense ratably over the vesting terms. The value of the cash-settled restricted stock units is also established by the market price of the Company's Common Stock but is remeasured at the end of each reporting period through settlement, with the related compensation expense recognized ratably over the vesting terms based on the change in the liability. The liability recognized for the cash-settled restricted stock units is presented within other current liabilities on the unaudited condensed consolidated balance sheets. Forfeitures are recognized as they occur.

The following table summarizes the activity of restricted stock units for the nine months ended September 30, 2025 (Successor):

| | Successor | |
|---|---|---|
| | Shares | Weighted-average grant date fair value |
| Non-vested, beginning of the period | — | $ — |
| Granted | 10,460,465 | 20.34 |
| Vested | — | — |
| Forfeited | (9,900) | 21.19 |
| Non-vested, end of the period | 10,450,565 | $ 20.34 |

As of September 30, 2025, unrecognized share based compensation expense to be recognized over the life of the restricted stock units consists of $188.1 million for the stock-settled restricted stock units and $5.7 million for the cash-settled restricted stock units. Such expense is to be recognized over the weighted average remaining life of 5.3 years and 2.6 years, respectively.

**Other Stock Awards**

On April 25, 2025, the Compensation Committee approved an annual grant of 25,000 shares of Common Stock to each of the Company's three non-employee directors as compensation for service on the Board. These Board stock awards had a weighted-average grant date fair value of $19.82 per share, resulting in $1.5 million in share based compensation expense, which was recognized during the nine months ended September 30, 2025 (Successor).

**Merger Consideration**

Pursuant to the Merger Agreement, on the Closing Date and contemporaneously with the completion of the transactions contemplated under the Sable-EM Purchase Agreement, as previously noted Holdco merged with and into Flame, with Flame as the surviving company, and immediately thereafter, Sable merged with and into Flame, with Flame as the surviving company. The aggregate consideration received by holders of limited liability company membership interests in Holdco designated as Class A shares immediately prior to the Holdco Merger Effective Time was 3,000,000 shares of Flame Class A Common Stock. Share based compensation expense of $36.3 million was recognized associated with the issuance of the 3,000,000 shares in General and administrative expenses on the unaudited condensed consolidated statement of operations for the period from February 14, 2024 through September 30, 2024 (Successor). The Merger Consideration Shares are subject to a three-year lock-up provision.

**Founders Shares**

In the periods prior to the Business Combination, the Sponsor sold 434,375 Founder Shares to some of the Company's directors and executives, including Gregory D. Patrinely, the Company's Executive Vice President and Chief Financial Officer, at their original purchase price. Such sale of Founder Shares to the Company's directors and executives is within the scope of FASB ASC Topic 718, *Compensation-Stock Compensation* ("ASC 718"). Under ASC 718, stock-based compensation associated with equity-classified awards is measured at fair value upon the grant date. The Founder Shares were sold to directors and executives and effectively transferred subject to a performance condition (i.e., the consummation of a Business Combination). Compensation expense related to the Founder Shares is recognized only when the performance condition is probable of achievement under the applicable accounting literature. As such, the Company recognized $3.7 million in stock-based compensation expense upon the completion of the Business Combination, which is included in the General and administrative expenses on the unaudited condensed consolidated statement of operations for the period from February 14, 2024 through September 30, 2024 (Successor).

**Note 11 — Fair Value Measurements**

Certain of the Company's financial assets and liabilities are reported at fair value on the unaudited condensed consolidated balance sheets. An established fair value hierarchy prioritizes the relative reliability of inputs used in fair value measurements. The hierarchy gives highest priority to Level 1 inputs that represent unadjusted quoted market prices in active markets for identical assets and liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are directly or indirectly observable inputs other than quoted prices included within Level 1. Level 3 inputs are unobservable inputs and have the lowest priority in the hierarchy.

**Recurring Fair Value Measurements**

The following tables present information about the Company's assets and liabilities that are measured at fair value on a recurring basis, and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

| | As of September 30, 2025 | | | |
|---|---|---|---|---|
| *(in thousands)* | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
| **Liabilities:** | | | | |
| Senior Secured Term Loan | $ — | $ 896,571 | $ — | $ 896,571 |
| Private Placement Warrants | — | — | 53,177 | 53,177 |
| Working Capital Warrants | — | — | 33,096 | 33,096 |
| Restricted Stock Unit Liability[(1)] | — | 690 | — | 690 |

[(1)] As discussed in Note 10 — Share Based Compensation, certain restricted stock units qualify for liability treatment and are remeasured at the end of each reporting period.

| | As of September 30, 2024 | | | |
|---|---|---|---|---|
| *(in thousands)* | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
| **Liabilities:** | | | | |
| Senior Secured Term Loan | $ — | $ 814,421 | $ — | $ 814,421 |
| Public Warrants | 115,873 | — | — | 115,873 |
| Private Placement Warrants | — | — | 91,658 | 91,658 |
| Working Capital Warrants | — | — | 51,018 | 51,018 |

The following tables present the changes in the fair value of the Level 3 Private Placement Warrants and Working Capital Warrants:

| *(in thousands)* | Private Placement Warrants (Level 3) | Working Capital Warrants (Level 3) | Total Level 3 Liabilities Fair Value |
|---|---|---|---|
| **Fair Value as of December 31, 2024** | **$ 79,263** | **$ 47,678** | **$ 126,941** |
| Change in valuation inputs or other assumptions | 13,492 | 7,803 | 21,295 |
| **Fair Value as of March 31, 2025** | **92,755** | **55,481** | **148,236** |
| Change in valuation inputs or other assumptions | (17,325) | (9,821) | (27,146) |
| **Fair Value as of June 30, 2025** | **75,430** | **45,660** | **121,090** |
| Change in valuation inputs or other assumptions | (22,253) | (12,564) | (34,817) |
| **Fair Value as of September 30, 2025** | **$ 53,177** | **$ 33,096** | **$ 86,273** |

| *(in thousands)* | Private Placement Warrants (Level 3) | Working Capital Warrants (Level 3) | Total Level 3 Liabilities Fair Value |
|---|---|---|---|
| **Fair Value as of February 14, 2024** | **$ 19,813** | **$ —** | **$ 19,813** |
| Change in valuation inputs or other assumptions | 550 | 562 | 1,112 |
| **Fair Value as of March 31, 2024** | **20,363** | **10,845** | **31,208** |
| Change in valuation inputs or other assumptions | 37,839 | 19,045 | 56,884 |
| **Fair Value as of June 30, 2024** | **58,202** | **29,890** | **88,092** |
| Transfer out of Level 3 | (19,938) | — | (19,938) |
| Change in valuation inputs or other assumptions | 53,394 | 21,128 | 74,522 |
| **Fair Value as of September 30, 2024** | **$ 91,658** | **$ 51,018** | **$ 142,676** |

During the three months ended September 30, 2024 (Successor), 1,517,338 Private Placement Warrants ceased to be held by the initial purchasers or their permitted transferees and therefore became redeemable by the Company and exercisable by the holders of such warrants on the same basis as the Public Warrants. As a result, $19.9 million was transferred out of Level 3 and into Level 1 in the fair value hierarchy during the three months ended September 30, 2024 (Successor) and the period February 14, 2024 through September 30, 2024 (Successor).

There were no other transfers in or out of Level 3 from other levels in the fair value hierarchy for the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor) or for the period from February 14, 2024 through September 30, 2024 (Successor).

There were no financial assets or liabilities accounted for at fair value on a recurring basis in the Predecessor financial statements for the period from January 1, 2024 to February 13, 2024 (Predecessor).

**Fair Value of Financial Assets**

The carrying amount of cash and cash equivalents, prepaid expenses and other current assets, accounts payable, and accrued liabilities approximate their fair value because of the short-term nature of the instruments.

**Senior Secured Term Loan**

As of September 30, 2025 and December 31, 2024, the estimated fair value of the Senior Secured Term Loan approximates the amount of principal and paid-in-kind interest outstanding because the interest rate is reflective of market rates and such outstanding amount may be repaid, in full or in part, at any time without penalty. The associated inputs are considered a Level 2 fair value measurement.

**Warrant Liabilities**

Prior to the Redemption, the Public Warrants were measured at the observable quoted price in active markets. Refer to *Note 7 — Warrants* for details regarding the Warrant exercises and redemptions for the period from February 14, 2024 through December 31, 2024 (Successor). The estimated fair values of the Private Warrants and the Working Capital Warrants are measured using the Modified Black-Scholes Optional Pricing Model, which utilizes Level 3 inputs. Inherent in a binomial options pricing model are assumptions related to expected share-price volatility, expected life, risk-free interest rate and dividend yield. A change in these significant unobservable inputs to a different value could result in a significantly higher or lower fair value measurement at future reporting dates. The Company estimates the volatility of its Common Stock based on historical volatility that matches the expected remaining life of the warrants. The risk-free interest rate is based on the U.S. Treasury zero-coupon yield curve on the grant date for a maturity similar to the expected remaining life of the warrants. The expected life of the warrants is assumed to be equivalent to their remaining contractual term. The dividend rate is based on the historical rate, which the Company anticipates to remain at zero. The aforementioned warrant liabilities are not subject to qualified hedge accounting. Changes in the estimated fair value of the Private Placement Warrants and Working Capital Warrants are included in the Change in fair value of warrant liabilities on the Company's unaudited condensed consolidated statement of operations for the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor), the period from February 14, 2024 through September 30, 2024 (Successor) and the period January 1, 2024 through February 13, 2024 (Predecessor).

As Private Placement Warrants held by FL Co-Investment, LLC ("FL Co-Investment") and Intrepid Financial Partners, L.L.C. ("Intrepid Financial Partners") will not be exercisable more than five years from the effective date of the registration statement, the exercise period end date is different than other Private Placement Warrants and Working Capital Warrants which will expire five years after the Closing Date or earlier upon redemption or liquidation. Accordingly, they have different inputs to the Modified Black-Scholes Optional Pricing Model.

The following table provides quantitative information regarding Level 3 inputs used to determine the fair values of Private Placement Warrants held by FL Co-Investment and Intrepid Financial Partners as of September 30, 2025.

| Inputs | | September 30, 2025 |
|---|---|---|
| Stock price | $ | 17.46 |
| Strike price | $ | 11.50 |
| Term (in years) | | 0.40 |
| Volatility | | 100.0 % |
| Risk-free rate | | 3.83 % |
| Dividend yield | | 0.00 % |

The following table provides quantitative information regarding Level 3 fair value measurements used to determine the fair value of the Working Capital Warrants and the Private Placement Warrants, excluding Private Placement Warrants held by FL Co-Investment and Intrepid Financial Partners, as of September 30, 2025.

| Inputs | | September 30, 2025 |
|---|---|---|
| Stock price | $ | 17.46 |
| Strike price | $ | 11.50 |
| Term (in years) | | 3.38 |
| Volatility | | 60.0 % |
| Risk-free rate | | 3.57 % |
| Dividend yield | | 0.00 % |

The following table provides quantitative information regarding Level 3 inputs used to determine the fair values of Private Placement Warrants held by FL Co-Investment and Intrepid Financial Partners as of December 31, 2024.

| Inputs | | December 31, 2024 |
|---|---|---|
| Stock price | $ | 22.90 |
| Strike price | $ | 11.50 |
| Term (in years) | | 1.15 |
| Volatility | | 60.0 % |
| Risk-free rate | | 4.09 % |
| Dividend yield | | 0.00 % |

The following table provides quantitative information regarding Level 3 fair value measurements used to determine the fair value of the Working Capital Warrants and the Private Placement Warrants, excluding Private Placement Warrants held by FL Co-Investment and Intrepid Financial Partners, as of December 31, 2024.

| Inputs | | December 31, 2024 |
|---|---|---|
| Stock price | $ | 22.90 |
| Strike price | $ | 11.50 |
| Term (in years) | | 4.12 |
| Volatility | | 45.0 % |
| Risk-free rate | | 4.24 % |
| Dividend yield | | 0.00 % |

**Note 12 — Supplemental Cash Flow Information**

The following table provides supplemental disclosure of substantive cash flow information:

| *(in thousands)* | Successor: Nine Months Ended September 30, 2025 | Successor: February 14, 2024— September 30, 2024 | Predecessor: January 1, 2024— February 13, 2024 |
|---|---|---|---|
| Assets and Liabilities resulting from Business Combination: | | | |
| Senior Secured Term Loan, including paid-in-kind interest | $ — | $ 765,018 | $ — |
| Supplies and materials | — | 16,637 | — |
| Accrued liabilities | — | 129 | — |
| Deferred tax liability | — | 1,209 | — |
| Asset retirement obligation assumed | — | 90,073 | — |
| Right-of-use assets obtained in exchange for operating lease liabilities | — | 4,621 | — |
| Right-of-use assets obtained in exchange for operating lease liabilities | 335 | 13,260 | — |
| Change in capital expenditures included in accounts payable and accrued liabilities | 24,360 | 32,145 | — |
| Warrant liability removed upon exercise | — | 69,123 | — |
| Accrued equity issuance costs | 36 | 7,482 | — |
| Capitalization of depletion to inventory | 5,442 | — | — |

**Note 13 — Subsequent Events**

The Company evaluated subsequent events and transactions that occurred after the unaudited condensed consolidated balance sheet date up to the date that the unaudited condensed consolidated financial statements were issued. Based upon this review, the Company, other than as previously described herein, did not identify any subsequent events that would have required adjustment or disclosure in the financial statements.

On October 14, 2025, the Company entered into the Fifth Amendment to the Sable-EM Purchase Agreement, pursuant to which the Company agreed to purchase a performance bond in the amount of $350.0 million in favor of EM as the sole beneficiary as plug and abandonment financial security, which is due three days prior to the Senior Secured Term Loan maturity (see further discussion of maturity date and Second Debt Amendment at *Note 6 — Debt*). In accordance with the Sable-EM Purchase Agreement, EM has the ability to request a performance bond increase to $500.0 million in favor of EM.

On October 14, 2025, the Company entered into a Letter Agreement Regarding Restart Production (the "*Letter Agreement*") and the County of Santa Barbara's Field Development Plan, with an effective date of June 1, 2025, whereby the Company agreed to provide EM additional consideration for lack of operatorship transfer. The Company will reimburse EM for costs associated with the *Sable Offshore et al. v. County of Santa Barbara et al.* litigation regarding operator permit transfer, and will compensate EM $4.0 million per month during the term of the agreement for operator related services. The term concludes at the earlier of (i) the completion of the transfer of operator or (ii) termination of the agreement by EM. Refer to *Note 8 — Commitments and Contingencies* for details regarding this County Permit Transfer Matter.

On November 10, 2025, the Company entered into subscription agreements with certain investors (the "*Third PIPE Investors*"), pursuant to which, among other things, the Third PIPE Investors agreed to subscribe for and purchase from the Company, and the Company agreed to issue and sell to the Third PIPE Investors an aggregate of 45,454,546 newly issued shares of its Common Stock at a purchase price of $5.50 per share for an aggregate purchase price of approximately $250.0 million, on the terms and subject to the conditions set forth therein (the "*Third PIPE Investment*"). The issuance and sale of the Common Stock in the Third PIPE Investment was completed on November 12, 2025. The Company intends to use the proceeds from the Third PIPE Investment for general corporate purposes. The Third PIPE Investment is expected to satisfy the common equity contribution condition of the Senior Secured Term Loan amendment announced by the Company on November 3, 2025, as previously discussed in *Note 6 — Debt*.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Unless otherwise indicated, references to "we", "us", "our", "Sable" or the "Company" in this Item 2 are to Sable Offshore Corp. (f/k/a Flame Acquisition Corp.) and its consolidated subsidiaries, following the Business Combination. References to "Flame" are to Flame Acquisition Corp. before the consummation of the Business Combination. References to the "Pipelines" are to Pipeline Segments 324/325 (formerly known as Pipeline Segments 901/903) and the other "324/325 Assets" (formally known as "901/903 Assets" and as defined in the Sable-EM Purchase Agreement). As a result of the closing of the Business Combination, which was accounted for as a forward merger in accordance with GAAP, the financial statements of Successor (as defined below) are now the financial statements of the Company. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and related notes thereto included elsewhere in this Quarterly Report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties.*

### Cautionary Note Regarding Forward-Looking Statements

The unaudited condensed consolidated financial statements include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "*Securities Act*"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"). We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue," or the negative of such terms or other similar expressions. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the risk factors described in Part I, Item 1A "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2024, and those described in our other SEC filings. The Company's securities filings can be accessed on the EDGAR section of the SEC's website at www.sec.gov. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

### Overview

Sable Offshore Corp. is an independent oil and gas company headquartered in Houston, Texas. We were incorporated in Delaware on October 16, 2020 and, until February 14, 2024, were a blank check company formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. We are an emerging growth company and, as such, we are subject to all of the risks associated with emerging growth companies.

### Business Combination

On November 1, 2022 (as amended on June 13, 2023 and December 15, 2023), Sable Offshore Corp., a Texas corporation ("SOC"), entered into a purchase and sale agreement (the "*Sable-EM Purchase Agreement*") with Exxon Mobil Corporation ("*Exxon*") and Mobil Pacific Pipeline Company ("*MPPC*," and together with Exxon, "*EM*") pursuant to which SOC agreed to acquire from EM certain assets constituting the Santa Ynez field in Federal waters offshore California ("*SYU*") and associated onshore processing and pipeline assets (such "*Assets*," as defined in the Sable-EM Purchase Agreement, collectively the "*SYU Assets*").

On November 2, 2022, Flame entered into an agreement and plan of merger, dated as of November 2, 2022 (as amended, the "*Merger Agreement*"), with SOC and Sable Offshore Holdings, LLC, a Delaware limited liability company and the parent company of SOC ("*Holdco*" and, together with SOC, "*Legacy Sable*"), which provided for the following transactions at the closing: (i) Holdco would merge with and into Flame, with Flame surviving such merger (the "*Holdco Merger*") and (ii) SOC would merge with and into Flame, with Flame surviving such merger (the "*SOC Merger*" and, together with the Holdco Merger, the "*Mergers*" and, along with the other transactions contemplated by the Merger Agreement, the "*Business Combination*").

On February 12, 2024, Flame held a special meeting of stockholders (the "*Special Meeting*"), at which the Flame stockholders considered and adopted, among other matters, a proposal to approve the Business Combination, including (a) adopting the Merger Agreement and (b) approving the other transactions contemplated by the Merger Agreement.

Pursuant to the terms and subject to the conditions set forth in the Merger Agreement, following the Special Meeting, on February 14, 2024 (the "*Closing Date*"), the Business Combination was consummated (the "*Closing*"). In connection with the Business Combination, Flame changed its name to "*Sable Offshore Corp.*".

**First PIPE Investment**

On February 14, 2024, in connection with the Business Combination, the Company issued 44,024,910 shares of Common Stock, at a price of $10.00 per share for aggregate gross proceeds of $440.2 million (the "*First PIPE Investment*"). The shares of Common Stock issued in the First PIPE Investment were offered in a private placement under the Securities Act of 1933, as amended (the "*Securities Act*"). Upon the closing of the Business Combination, an associated marketing fee and legal fees of approximately $22.9 million was paid in full, and was recognized as an offset to the proceeds from the First PIPE Investment.

**Second PIPE Investment**

On September 26, 2024, the Company issued 7,500,000 shares of Common Stock of the Company, at a price of $20.00 per share for aggregate gross proceeds of approximately $150.0 million (the "*Second PIPE Investment*"). The shares of Common Stock issued in the Second PIPE Investment were offered in a private placement under the Securities Act. An associated marketing fee and legal fees of approximately $7.8 million was recognized as an offset to the proceeds from the Second PIPE Investment.

**Public Warrant Exercises**

As of November 4, 2024 (the "Redemption Date"), approximately 99.8% of the Company's outstanding Public Warrants were exercised by the holders thereof to purchase fully paid and non-assessable shares of Common Stock at an exercise price of $11.50 per share. As a result, holders of the Public Warrants received an aggregate of 15,957,820 shares of the Company's Common Stock in exchange for $183.5 million in cash proceeds to the Company. All unexercised and outstanding Public Warrants as of 5:00 p.m. New York City time on the Redemption Date were redeemed at a price of $0.01 per Public Warrant and, as a result, no Public Warrants currently remain outstanding and the Public Warrants have ceased trading on the New York Stock Exchange. The private placement warrants and working capital warrants to purchase Common Stock that were issued under the Warrant Agreement and that are still held by the initial holders thereof or their permitted transferees were not subject to this redemption and remain outstanding.

**2025 Offering**

On May 21, 2025, the Company entered into an Underwriting Agreement (the "*Underwriting Agreement*") with J.P. Morgan Securities LLC, TD Securities (USA) LLC and Jefferies LLC, as representatives of the several underwriters (the "*Underwriters*"), relating to the underwritten offering of 8,695,654 shares of common stock, par value $0.0001 per share (the "*Common Stock*"), of the Company (the "*2025 Offering*"). Under the terms of the Underwriting Agreement, the Company granted the Underwriters a 30-day option to purchase up to 1,304,346 additional shares of Common Stock.

On May 23, 2025 the upsized underwritten public offering of 10,000,000 shares of Common Stock at the public offering price of $29.50 per share closed. Upon the closing of the 2025 Offering, associated marketing fees and legal fees of approximately $12.4 million were incurred, and were recognized as an offset to the proceeds from the 2025 Offering within Additional paid-in capital in the unaudited condensed consolidated balance sheet and statement of stockholders' equity (deficit)/net parent investment as of September 30, 2025. The Company received approximately $282.6 million of net proceeds from the 2025 Offering to be used for capital expenditures, working capital purposes and general corporate purposes.

**Third PIPE Investment**

On November 10, 2025, the Company entered into subscription agreements with certain investors (the "*Third PIPE Investors*"), pursuant to which, among other things, the Third PIPE Investors agreed to subscribe for and purchase from the Company, and the Company agreed to issue and sell to the Third PIPE Investors an aggregate of 45,454,546 newly issued shares of its Common Stock at a purchase price of $5.50 per share for an aggregate purchase price of approximately $250.0 million, on the terms and subject to the conditions set forth therein (the "*Third PIPE Investment*"). The issuance and sale of the Common Stock in the Third PIPE Investment was completed on November 12, 2025. The Company intends to use the proceeds from the Third PIPE Investment for general corporate purposes. The Third PIPE Investment is expected to

satisfy the common equity contribution condition of the Senior Secured Term Loan amendment announced by the Company on November 3, 2025, as previously discussed in *Note 6 — Debt.*

**SYU Assets**

Beginning in 1968 and over the course of 14 years, EM consolidated more than a dozen offshore federal oil leases and organized them into a streamlined production unit known as SYU. SYU consists of three offshore platforms and a wholly owned onshore processing facility located along the Gaviota Coast at Las Flores Canyon in Santa Barbara County, California. SYU's onshore facilities and the three offshore platforms remained in continuous operation until 2015. In May 2015, an onshore pipeline operated by Plains All American Pipeline, L.P. ("Plains") that transported produced oil from SYU experienced a leak. The SYU offshore platforms and facilities suspended production after the incident, the SYU Assets were shut in and the facilities were placed in a safe state. Prior to May 15, 2025, the offshore facilities had not produced oil and gas since May 2015; however, all equipment remained in place in an operation-ready state, requiring ongoing inspections, maintenance and surveillance. As part of these efforts, all equipment was drained, flushed and purged in 2016. All hydrocarbon pipelines within SYU were placed in a safe state and regularly monitored. In 2020, Plains entered into a Consent Decree, that provides a path for a potential restart of the Onshore Pipeline.

The discussion of the results of operations for the Predecessor periods below do not include the results from the Pipelines and the Pipelines are not included in the combined financial statements of the Predecessor included in the financial statements and related notes thereto included elsewhere in this Quarterly Report. Financial statements of the Pipelines have not been included because SEC guidance provides that the financial statements of recently acquired businesses such as the Pipelines need not be filed unless their omission would render Predecessors combined financial statements misleading or substantially incomplete. Based upon our quantitative and qualitative analysis, we do not believe omitting the financial statements of the Pipelines renders the Predecessor combined financial statements misleading or substantially incomplete. The Successor financial statements include the results from the Pipelines and the Pipelines are included in the unaudited condensed consolidated financial statements.

For the purposes of the unaudited condensed consolidated financial statements, periods on or before February 13, 2024 reflect the financial position, results of operations and cash flows of SYU prior to the Business Combination, referred to herein as the "Predecessor," and periods beginning on or after February 14, 2024 reflect the financial position, results of operations and cash flows of the Company as a result of the Business Combination, referred to herein as the "Successor."

**Recent Events**

***Offshore Storage and Treating Vessel Offtake Strategy***

On September 29, 2025, Sable announced that it is evaluating and pursuing an offshore storage and treating vessel ("OS&T") strategy to provide access to domestic and global markets via shuttle tankers for federal crude oil produced from the SYU in the Pacific Outer Continental Shelf Area (the "OS&T Strategy"). Continued delays related to the Onshore Pipeline have prompted Sable to evaluate and pursue the OS&T Strategy. On October 9, 2025, Sable submitted a Development and Production Plan update for the SYU to the Bureau of Ocean Energy Management ("BOEM"). Prior to implementation of the OS&T strategy, regulatory authorizations are required, including clearance from BOEM.

Preparations for the OS&T Strategy include the acquisition of a suitable OS&T vessel, certain refitting and upgrades to the vessel and the SYU equipment, transportation of the vessel to SYU, and related installation. In connection with implementation of the OS&T Strategy, the Company expects to opportunistically acquire an existing OS&T in Q1 2026, with delivery of the vessel expected in Q3 2026. Following the acquisition of the vessel, and vessel and platform upgrades and installation, Sable would expect to begin sales from all SYU platforms in Q4 2026, with expected comprehensive oil production rates of over 50,000 barrels of oil per day, utilizing the OS&T within the SYU federal leases, provided the Company receives regulatory clearances. See *Risk Factors—Risks Associated with Our Operations—In order to commence operations pursuant to an OS&T offtake strategy, we will require clearances and permitting, including from BOEM.*"

***Amendment of the Senior Secured Term Loan***

On November 3, 2025, the Company and Exxon entered into an amendment (the "Second Debt Amendment") to the Senior Secured Term Loan. The Second Debt Amendment will become effective upon the satisfaction of certain conditions, including the Company receiving equity contributions in an amount of no less than $225.0 million, net of underwriting fees and other transaction costs and expenses, and other customary closing conditions. The Second Debt Amendment, once effective, will extend the maturity date of the Senior Secured Term Loan to the earlier of (i) March 31, 2027 or (ii) 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan). The Second Debt Amendment, once effective, will increase the interest rate from ten percent (10%) per annum to fifteen percent (15%) per annum,

compounded annually, payable in arrears on January 1st of each year. At the Company's election, accrued but unpaid interest may be deemed paid on each interest payment date by adding the amount of interest owed to the outstanding principal (paid-in-kind) amount under the Senior Secured Term Loan. The Second Debt Amendment will also include additional reporting covenants and a financial liquidity covenant that will require the Company to have not less than $25.0 million in unrestricted cash, measured at the end of each month. There is no guarantee that the Company will be able to satisfy the necessary conditions to effect the Second Debt Amendment.

***Restart of Production and Resuming Petroleum Transportation through 324 and 325***

On May 15, 2025, Sable initiated oil production from six wells on Platform Harmony at SYU and began flowing oil production to Las Flores Canyon ("LFC") at an initial rate of approximately 6,000 barrels of oil per day.

On May 18, 2025, Sable completed anomaly repairs on Line 324 (formerly known as Line 901), which extends from the Las Flores Station on the California coast to the Gaviota Pump Station in Santa Barbara County, California, and Line 325 (formerly known as Line 903), which extends from the Gaviota Pump Station to Pentland Station in Kern County, California, the point of sale. With the completion of such repairs, Sable has now completed its anomaly repair program on the Onshore Pipeline as specified by a Consent Decree that Plains entered into with various governmental agencies in 2020 (the "Consent Decree"), the governing document for resuming petroleum transportation through the Onshore Pipeline.

The Consent Decree requires the approval from the California Department of Forestry and Fire Protection's Office of State Fire Marshall ("OSFM") regarding restart plans for each of the Pipelines (the "Restart Plans") prior to resuming petroleum transportation through Lines 324 and 325 (the "Pipeline Restart"). The Consent Decree prescribes what must be submitted in the Restart Plans. On July 29, 2024, Pacific Pipeline Company ("PPC") submitted the Restart Plans to OSFM for approval. As of May 27, 2025, Sable has conducted successful hydrotests on all segments of Line 324 and Line 325.

***State Waivers.*** On December 17, 2024, OSFM approved Sable's implementation of enhanced pipeline integrity standards for the Pipelines by granting state waivers of certain regulatory requirements ("State Waivers") related to cathodic protection and seam weld corrosion for the Pipelines.

On February 11, 2025, Pipeline and Hazardous Materials Safety Administration ("PHMSA") notified the OSFM that PHMSA does not object to OSFM's granting of the State Waivers.

Two lawsuits have been filed against OSFM (as Defendant) and Sable and PPC (as Real Parties in Interest) challenging OSFM's issuance of the State Waivers. On April 15, 2025, the Center for Biological Diversity and the Wishtoyo Foundation filed a Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief alleging that OSFM violated federal and state pipeline safety laws and the California Environmental Quality Act ("CEQA") in issuing the State Waivers (Case No. 25CV02244). The Environmental Defense Center, Get Oil Out!, Santa Barbara County Action Network, Sierra Club, and Santa Barbara Channelkeeper also filed a Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief against OSFM against OSFM (as Defendant) and Sable and PPC (as Real Parties in Interest) alleging similar claims (Case No. 25CV02247). Both groups of Petitioners seek a court order declaring the State Waivers void and directing OSFM to vacate and set aside the State Waivers until OSFM complies with its obligations under federal and state pipeline safety laws and CEQA. A hearing was held on July 18, 2025, and on July 29, 2025, the court entered an order granting petitioners' application for issuance of preliminary injunction in part, ruling that, absent further order of the court, Sable may resume petroleum transportation through the Onshore Pipeline 10 court days after Sable files notice that Sable has received all necessary approvals and permits for such resumption. The court clarified that Sable is not prevented from taking steps toward restarting the Onshore Pipeline, and that OSFM is not prevented from taking steps it finds appropriate in its regulatory capacity with respect to Sable's Restart Plans as contemplated by the federal Consent Decree.

Sable and PPC intend to defend both cases vigorously.

On October 22, 2025, OSFM sent a letter to Sable alleging deficiencies in the Company's compliance with the State Waivers. Sable strongly disagrees with the allegations, which are inconsistent with the plain language and numerous discussions with OSFM experts confirming that Sable was in compliance with the State Waivers. Sable provided its initial response to the OSFM on October 23, 2025, setting forth the Company's objections to OSFM's new interpretation of the State Waiver conditions, and plans to supplement its initial response. Refer to the Company's 8-K filed on October 24, 2025 for more information.

***Pipeline Maintenance and Repair Work.*** Federal regulations require Sable to promptly "evaluate all anomalous [pipeline] conditions and remediate those that could reduce a pipeline's integrity." The Consent Decree requires Sable to comply with this and other federal regulatory requirements related to pipeline safety at heightened standards. In addition, Sable is

required to comply with California Assembly Bill 864's requirements to install certain safety valves along the Pipelines in Santa Barbara County (the "County"). Accordingly, Sable has undertaken and completed required pipeline repair activities for both Lines 324 and 325, and the installation of the sixteen safety valves required under the approved 2021 Coastal Best Available Technology Plan.

***California Coastal Commission.*** On September 27, 2024, the California Coastal Commission (the "*Coastal Commission*") issued Notice of Violation No. V-9-24-0152 to Sable, which asserted that Sable's safety valve installation work and certain maintenance and repair activities undertaken by Sable on the Pipelines in the California coastal zone (the "*Coastal Zone*") to address anomalies and install safety valves constituted unpermitted development activities under the California Coastal Act (Cal. Pub. Res. Code Section 30000, et seq.) (the "*Coastal Act*") and the County's Local Coastal Program ("*LCP*"). Sable undertook the subject repair and maintenance work, including the safety valve installation work, based on its understanding that no new coastal development permit or other Coastal Act authorization was required, consistent with the County's practice of authorizing repair work on the Pipelines since they were first permitted and built over 30 years ago. Following good faith negotiations with Coastal Commission staff, on November 12, 2024, the Coastal Commission issued Executive Director Cease and Desist Order No. ED-24-CD-02 (the "*Order*") requiring Sable to, among other requirements, prepare and submit an interim restoration plan and submit an application either to the Coastal Commission or the County to obtain a coastal development permit for the valve installation and other maintenance and repair work. In compliance with the Order, Sable prepared, submitted, and implemented the Interim Restoration Plan as approved by Coastal Commission staff. Sable separately submitted certain applications to the County related to some of the maintenance and repair work that was subject to Notice of Violation No. V-9-24-0152. The Order expired on February 10, 2025.

On February 12, 2025, the County delivered a letter to Sable confirming that certain Pipeline anomaly maintenance and repair work referenced in the Coastal Commission's Notice of Violation V-9-24-0152 was "authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and was analyzed in the prior Environmental Impact Report/Environmental Impact Statement (EIR/EIS)." The letter states in part that "[t]he County previously exercised its authority under its Local Coastal Program and delegated Coastal Act authority in approving the permits and the requested anomaly repair work is within the scope of those approved permits." Sable subsequently recommenced the repair and maintenance activities which were subject to Notice of Violation V-9-24-0152.

In addition, also on February 12, 2025, the County delivered a letter to the Coastal Commission. In this letter, the County responded to a request by the Coastal Commission to consent to a consolidated coastal development permit process for certain activities undertaken and planned by Sable on the Pipelines. The County's letter also stated that certain maintenance and repair work on the Pipelines that was referenced in the Coastal Commission's Notice of Violation V-9-24-0152 is "authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and was analyzed in the prior Environmental Impact Report/Environmental Impact Statement. Thus, no further application to or action by the County is required."

On February 14, 2025, Sable submitted a written response to the Coastal Commission's Notice of Violation V-9-24-0152 detailing that, consistent with the County's letters, certain of the alleged unpermitted development subject to the Notice of Violation was previously approved and that no further coastal development permit is required.

On February 18, 2025, Sable filed a complaint against the Coastal Commission in the Superior Court of the State of California for the County of Santa Barbara (Case No. 25CV00974). In the complaint, Sable challenges the Coastal Commission's prior Notices of Violations and Executive Director Cease and Desist Order as procedurally improper and asserts that the Coastal Commission lacks authority to prohibit work authorized by existing permits. Sable seeks a declaration that the Coastal Commission's actions are unlawful, an injunction prohibiting further enforcement actions by the Coastal Commission, damages for the alleged taking of property rights, and attorneys' fees and costs. The Coastal Commission proceeded to issue an Executive Director Cease and Desist Order to Sable on February 18, 2025, related to certain of Sable's pipeline repair and maintenance activities and safety valve installation work.

On April 10, 2025, the Coastal Commission approved Cease and Desist Order CCC-25-CD-01, Restoration Order CCC-25-RO-01, and Administrative Penalty Order CCC-25-AP3-01, whereby the Coastal Commission ordered the Company to cease and desist from all ongoing development in the Coastal Zone "as part of the effort to restart the Santa Ynez Unit oil production operations and bring the pipelines back into use," apply for new Coastal Act authorization for all previously completed, ongoing, and future development in the Coastal Zone to the extent "part of the effort to restart the Santa Ynez Unit oil production operations and bring the pipelines back into use," and imposed an administrative penalty of approximately $18.0 million on the Company. Sable is prepared to vigorously pursue all available legal remedies related to the orders, including the administrative penalty, imposed by the Coastal Commission.

On April 16, 2025 the Coastal Commission filed a request in the Santa Barbara County Superior Court for a temporary restraining order against the Company to restrain the Company from violating the Cease and Desist Order CCC-25-CD-01 and to halt repair and maintenance activities on the Pipelines within the Coastal Zone. The request was filed within the Company's ongoing litigation against the Coastal Commission (Case No. 25CV00974). On April 17, 2025, the court denied the Coastal Commission's request for a temporary restraining order and set the matter for further hearing on May 14, 2025, which date was later continued to May 28, 2025.

On April 22, 2025, counsel for the Coastal Commission filed a Petition for Stay, Writ of Supersedeas, or Other Appropriate Order, and Request for Temporary Stay with the Second Division California Court of Appeal, seeking a temporary stay of the Santa Barbara County Superior Court's denial of the Coastal Commission's request for a TRO and an order requiring Sable to comply with the cease and desist order. Sable filed an Opposition to the Coastal Commission's Petition with the Court of Appeal on April 28, 2025. On May 15, 2025, the Court of Appeal denied the Coastal Commission's request for a temporary stay.

On May 28, 2025, the court granted the Coastal Commission's application for issuance of a preliminary injunction, enjoining Sable from conducting any further "development" in violation of Cease and Desist Order CCC-25-CD-01. On July 9, 2025, the court denied Sable's motion to stay the Cease and Desist Order CCC-25-CD-01. On July 16, 2025, Sable filed a notice of appeal of challenging the court's issuance of preliminary injunction. On July 29, 2025, counsel for Sable filed a Petition for Writ of Mandate or Other Appropriate Relief with the Second Division California Court of Appeal, seeking a writ of mandate reversing the Santa Barbara County Superior Court's denial of Sable's motion to the stay Cease and Desist Order CCC-25-CD-01. On August 4, 2025, the Court of Appeal denied Sable's Petition for Writ of Mandate. Sable's opening brief, reporter transcript and appendix of actions are due to be submitted to the Court of Appeal by November 14, 2025. On October 6, 2025, Sable filed a motion to file an amended complaint which quantifies its monetary damages in excess of $347 million. On October 15, 2025, the Santa Barbara County Superior Court denied the Company's request for the issuance of a writ of mandate on its first cause of action and set procedural motions related to Sable's four additional causes of action for December 3, 2025. On November 5, 2025, Sable filed its opening brief in support of its appeal challenging the Superior Court's issuance of the preliminary injunction. Sable also filed a Petition for Writ of Mandate or Other Appropriate Relief, seeking a writ of mandate reversing the Superior Court's October 15, 2025, denial of Sable's first cause of action.

***BSEE Matter***

On June 27, 2024, the Center for Biological Diversity and the Wishtoyo Foundation filed a complaint against Debra Haaland, Secretary of the U.S. Department of the Interior; the Bureau of Safety and Environmental Enforcement ("BSEE"); and Bruce Hesson, BSEE Pacific Regional Director in the U.S. District Court for the Central District of California (Case No. 2:24-cv-05459). Sable intervened and vigorously contests the plaintiffs' allegations. In the plaintiffs' amended complaint, they allege that BSEE: violated the National Environmental Policy Act ("*NEPA*"), the Outer Continental Shelf Lands Act ("OCSLA"), and the Administrative Procedure Act ("APA") in November 2023 by approving an extension to resume operations associated with the16 oil and gas leases Sable holds in the SYU in federal waters offshore of California in the Santa Barbara Channel; and violated NEPA and the APA in September 2024 by approving applications for permits to modify for well reworking operations and by failing to conduct supplemental environmental analysis for oil and gas development and production in the SYU. The complaint asks for the court: to issue an order finding that BSEE violated NEPA, OCSLA and the APA; to vacate and remand the extension and the applications for permits to modify; to order BSEE to complete NEPA analysis by a date certain; to prohibit BSEE from authorizing further extensions, applications for permits to modify, or any other authorizations for resuming production until it complies with NEPA, OCSLA and the APA; and for an award of costs and attorneys' fees. Sable believes that the government's prior extensions to resume operations were both appropriate and authorized and independently that subsequent actions, including a May 28, 2025 Environmental Assessment relied on by BSEE and a May 29, 2025 decision by BSEE approving the extension, render plaintiffs' claims moot. On September 24, 2025, the court denied cross-motions for summary judgment by all parties. On November 7, 2025, the court approved a new scheduling order that provides for an amended complaint, the filing by the federal government of an updated administrative record by December 19, 2025, and a hearing on disputes over completeness of or for leave to seek discovery related to the administrative record on March 13, 2026.

***BOEM Matter***

On April 2, 2025, the Center for Biological Diversity and the Wishtoyo Foundation filed a complaint against Doug Burgum, Secretary of the U.S. Department of the Interior; BOEM; and Douglas Boren, BOEM Pacific Regional Director, in the U.S. District Court for the Central District of California (Case No. 2:25-cv-02840). On May 12, 2025, plaintiffs filed an amended complaint in which plaintiffs challenge BOEM's April 2025 decision determining that Sable is not required to revise the development and production plan for Platform Harmony in the SYU. The amended complaint asks for the court:

to issue an order finding that BOEM's decision was not in accordance with OCSLA and violated the APA; order BOEM to require revision of the development and production plan for Platform Harmony; prohibit BOEM from authorizing new oil and gas drilling activity at the SYU unless and until revision of the development and production plan is complete; and for an award of costs and attorneys' fees. Sable intervened and vigorously contests the plaintiffs' allegations. On September 10, 2025, the court denied Sable's motion to dismiss based on plaintiffs' failure to provide notice under OCSLA's citizen suit provision. The court approved a scheduling order that provides for a hearing on cross-motions for summary judgment on May 15, 2026.

***Regional Water Quality Control Board and Department of Fish and Wildlife Matters***

On December 13, 2024, the California Central Coast Regional Water Quality Control Board ("Water Board") issued three letters to the Company related to the Pipelines: (i) a Notice of Violation for an alleged unauthorized discharge of waste to waters of the state at an ephemeral stream in Santa Barbara County; (ii) a Directive to obtain regulatory coverage for an alleged unauthorized discharge of waste to waters of the state at the same ephemeral stream identified in item (i); and (iii) a First Notice of Non-Compliance for an alleged failure to obtain coverage under the Water Board's General Permit for Construction Stormwater Discharges in Santa Barbara, San Luis Obispo, and Kern Counties.

On December 17, 2024, the California Department of Fish and Wildlife ("CDFW") issued a Notice of Potential Violation to Sable for alleged violations of the California Fish and Game Code at four separate sites within Santa Barbara County and San Luis Obispo County in California for alleged placement or fill of waste to waters.

On January 10, 2025, Sable submitted a written response to the Water Board's December 2024 letters. On January 13, 2025, Sable submitted a written response to CDFW's December 2024 Notice of Potential Violation. On January 22, 2025, the Water Board issued two additional letters to Sable related to the Pipelines: (i) a Second and Final Notice of Non-Compliance for an alleged failure to obtain coverage under the Water Board's General Permit for Construction Stormwater Discharges in Santa Barbara, San Luis Obispo, and Kern Counties; and (ii) an order requiring Sable to submit a technical report associated with the discharge of earthen material to waters of the state.

On January 31, 2025, Sable submitted an application to the Water Board for regulatory coverage for the alleged discharge of waste to waters of the state at the location identified in the Water Board's December 13, 2024, Notice of Violation, and coverage was approved and issued by the Water Board on March 20, 2025. On February 18, 2025, Sable submitted an application to CDFW for the same site, that application was deemed complete in March 2025, and work at the site was approved to proceed in May 2025. On February 21, 2025, the Company submitted a written response to the Water Board's Second and Final Notice of Non-Compliance. On March 7, 2025, Sable submitted its initial responses to the Water Board's order requiring Sable to submit a technical report, and on April 15, 2025, the Company submitted a supplemental response, that Sable committed to provide in its March initial response.

Sable submitted after-the-fact permitting applications to the Water Board and CDFW with respect to potential discharges at the four sites identified in CDFW's December 2024 notice during the first two weeks of March 2025. The Water Board provided responses and requests for additional information in April 2025, to which the Company provided supplemental information on April 25, 2025. These sites were fully permitted by the Water Board in June 2025 and by CDFW as of September 2025.

On April 15, 2025, the Water Board issued a second Notice of Violation to the Company for an alleged failure to provide a sufficient response to the Water Board's request for a technical report and continued allegations of unauthorized discharges. On that same day, the Company submitted to the Water Board further responses and additional information in response to the Water Board's request for a technical report, in which the Company identified additional sites that may require after-the-fact permitting. On April 17, 2025, the Water Board issued Resolution R3-2025-0024, which referred any assessment of civil liability, injunctive and declaratory relief against the Company for its alleged violations of the California Water Code to the California Attorney General via the California Superior Court. After the issuance of Resolution R3-2025-0024, the Company continued to work with the Water Board and CDFW to identify locations and submit additional after-the-fact permit applications. On July 24, 2025, the Water Board issued a third Notice of Violation, requiring the Company to provide additional information in order to satisfy the request for a technical report, to which the Company timely responded on August 13, 2025 with all requested information. As of November 11, 2025, the Water Board and CDFW have each has issued permits for five locations identified by the Water Board, CDFW, and the Company. Nine additional locations (for a total of 14) are awaiting final approvals from both the Water Board and CDFW. Based on the information provided by Sable in response to the Notices of Non-Compliance associated with the Water Board's General Permit for Construction Stormwater Discharges, the Water Board is not further requiring Sable to obtain coverage under that permit for the work performed.

On September 16, 2025, the Santa Barbara County District Attorney's office filed a criminal Complaint in Santa Barbara County Superior Court, with 21 Counts being pursued (sixteen (16) misdemeanors and five (5) felonies) for alleged violation of the California Fish & Game Code and Water Code. The Complaint references some of the 14 locations where the Company has already sought after-the-fact permitting from the Water Board and CDFW, but also includes other locations where neither the Water Board nor the CDFW are requiring any further action or permitting. The Company has retained counsel for defense. On October 3, 2025, the Water Board filed a civil action in Santa Barbara County Superior Court alleging that the Company failed to secure permits at the 14 locations prior to undertaking the work, though the Complaint also notes the Company's after-the-fact permitting efforts. The Complaint also alleges failure to comply with the request for a technical report. The Water Board is seeking civil penalties and potentially limited injunctive relief.

***County Permit Transfer Matter***

In October 2024, the County of Santa Barbara's Planning Commission approved the transfer of the Final Development Permits for the SYU, POPCO Facility and Pipelines from Exxon and certain of its subsidiaries to the Company and its subsidiaries, PPC and POPCO, pursuant to Santa Barbara County Code Chapter 25B. That approval was appealed by various environmental advocacy groups to the Board of Supervisors. On February 25, 2025, the Board of Supervisors heard the appeals but, despite a County staff recommendation to reject them, did not decide them, splitting 2-2 in a tie vote. As the appeals did not reverse the Planning Commission's decision, the Company thereafter sought the permit transfers from the County, but was unsuccessful.

On May 8, 2025, the Company, its subsidiaries, PPC and POPCO, and Exxon and certain of its subsidiaries filed suit against the County of Santa Barbara and Board of Supervisors seeking a writ of mandamus directing Santa Barbara County to issue updated Final Development Permits reflecting the Sable plaintiffs as holders thereof, for declaratory relief finding that the County's Chapter 25B ordinances violate the 5th and 14th amendments and Supremacy Clause of the Constitution and for damages. On September 12, 2025, after hearing, the court issued an order of mandate requiring that "within 60 days of service of the writ of mandate on the Board, hold a de novo public hearing to affirm, reverse, or modify the Planning Commission's decision regarding Petitioners/Plaintiffs' Final Development Permit applications in this action in compliance with Santa Barbara County Code Chapter 25B-8, 9, and 10.If the Board is unable to reach a vote that affirms, reverses, or modifies the Planning Commission's decision, the Board shall hold another de novo public hearing within 45 days, and if unable again, every 45 days thereafter." The County set a hearing in this matter pursuant to the writ of mandate for November 4, 2025, and at that hearing the Board voted to continue the hearing until December 16, and directed County Staff to prepare findings that would grant the appeals and deny the transfer of the permits to Sable for consideration at that hearing. The litigation has been stayed pending the final action at the Board of Supervisors' re-hearing, after which the matter will return to federal court.

***Johnson Class Action / Kelly Derivatives Claim***

On July 28, 2025, shareholder Tracy Johnson filed a putative class action complaint against the Company in the U.S. District Court for the Central District of California, captioned Johnson v. Sable Offshore Corp., et al., Case No. 2:25-cv-06869 (C.D. Cal). The complaint alleged violations of Sections 10(b) and 20(a) of the Exchange Act of 1934 and Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, on behalf of a putative class of investors who purchased or acquired Sable's publicly traded securities between May 19, 2025 and June 3, 2025, when the Company engaged in a public offering, and/or pursuant and/or traceable to the offering. The complaint named as defendants the Company, certain of its officers, and the underwriters in the offering.

On October 27, 2025, the Court appointed a lead plaintiff. On November 10, 2025, the lead plaintiff filed an amended complaint purportedly on behalf of persons or entities who purchased or otherwise acquired publicly traded Sable securities between May 19, 2025 and November 4, 2025. The amended complaint drops the claims under the Securities Act of 1933 and drops the underwriters as defendants. The amended complaint alleges, among other things, that the Company and certain of its officers made false and misleading statements or failed to disclose certain information regarding the Company's business activities at the Santa Ynez Unit. The plaintiffs seek damages, costs, expenses, expert and attorneys' fees, and other unspecified relief. Motions to dismiss are due on November 24, 2025, and a hearing on any motions to dismiss will be held on January 5, 2026. The Company intends to vigorously defend against the claims in this lawsuit.

On August 21, 2025, shareholder Bryce Kelly filed a verified shareholder derivative complaint, purportedly on behalf of the Company, in the U.S. District Court for the Central District of California, captioned Kelly v. Flores, et al., Case No. 2:25-cv-07848 (C.D. Cal.). The complaint names as defendants the members of the Board of Directors of the Company, certain officers of the Company, and the underwriters of the Company's May 2025 public offering. The complaint alleges claims for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, waste of corporate assets, contribution under Section 10(b) and 21D of the Exchange Act of 1934, and contribution under Section 11(f) of the

Securities Act of 1933, based on similar factual allegations to those at issue in the Johnson case. The case is at a preliminary stage.

*CalGem*

On May 9, 2025, the California Department of Conservation's Geologic Energy Management Division ("CalGEM") issued a letter to the Company asserting that that the Company must post a bond of approximately $31.9 million, submit certain oil spill contingency response and management plans for CalGEM's review, and indicating that the failure to timely respond could result in civil penalties of up to $50,000 per day/per violation. Sable disputes that CalGEM possesses jurisdiction to impose those requirements.

*California Senate Bill 237*

On September 13, 2025, the California Legislature passed Senate Bill 237 ("*SB 237*"). On September 19, 2025, Governor Gavin Newsom signed SB 237 into law. SB 237 added Section 51014.1 to the California Government Code, which requires that an "existing oil pipeline ... that has been idle, inactive, or out of service for five years or more, shall not be restarted without passing a spike hydrostatic testing program." SB 237 also amends Section 30262 of the California Coastal Act to provide that the "[r]epair, reactivation, [] maintenance," or "[d]evelopment associated with the repair, reactivation or maintenance of an oil pipeline that has been idled, inactive or out of service for five years or more" must obtain a "new coastal development permit."

On September 29, 2025, Sable filed a Complaint for Declaratory Relief against the State of California in Kern County Superior Court seeking a declaratory judgment that the Onshore Pipeline is not subject to SB 237 because the Onshore Pipeline is not "idle, inactive, or out of service," and because the Legislature did not give SB 237 retroactive effect. Sable intends to vigorously prosecute the action.

**Components of Results of Operations**

**Revenue**

The Company has not had any substantial revenues since the shut-in. The Company's various operating expenses are the principal metrics used to assess its performance.

**Operating Expenses**

- *Operations and maintenance.* The Company's most significant costs to operate and maintain its assets are direct labor and supervision, power, repair and maintenance expenses, and equipment rentals. Fluctuations in commodity prices impact operating cost elements both directly and indirectly. For example, commodity prices directly impact costs such as power and fuel, which are expenses that increase (or decrease) in line with changes in commodity prices. Commodity prices also affect industry activity and demand, thus indirectly impacting the cost of items such as labor and equipment rentals.

- *Depreciation, depletion, amortization, and accretion.* Depreciation, depletion and amortization are primarily determined under either the unit-of-production method or the straight-line method, which is based on estimated asset service life taking obsolescence into consideration. Since being shut in, no depletion or amortization has been recorded for the Successor periods presented. An immaterial amount of depreciation was reflected for idle plants in the historical Predecessor financial statements. Also included in the Successor and Predecessor financial statements is the accretion associated with the Company's estimated asset retirement obligations ("ARO"). The ARO liabilities are initially recorded at their fair value and then are accreted using the Company's applicable discount rate over the period for the change in their present value until the estimated retirement of the asset.

- *General and administrative.* General and administrative ("G&A") costs are comprised of overhead expenditures directly and indirectly associated with operating the assets. These support services include information technology, risk management, corporate planning, accounting, cash management, human resources, and other general corporate services. For the Predecessor period, any general and administrative expenses that were not specifically identifiable to SYU were allocated to SYU for the period from January 1, 2024 to February 13, 2024. To calculate a reasonable allocation, aggregated historical benchmarking data from comparable companies with similar operated upstream assets was used to identify general and administrative expenses as a proportion of operating expenses. Increased general and administrative services may be required in the future, commensurate with planned operations activity levels.

- *Taxes other than income.* Management anticipates future increases in ad valorem taxes, in line with the projected restarting sales of production volumes.

**Results of Operations**

The comparability of our operating results for the three and nine months ended September 30, 2025 (Successor), the three months ended September 30, 2024 (Successor), the period February 14, 2024 through September 30, 2024 (Successor), and for the period January 1, 2024 through February 13, 2024 (Predecessor) was impacted by the Business Combination. In the discussion of our results of operations for these periods, we may quantitatively disclose the impacts of the Business Combination to the extent they remain ascertainable. The entirety of our activity since inception through the Closing Date were related to our formation, the preparation for our initial public offering, and since the closing of our initial public offering, the search for a target for our initial business combination (Refer to *Note 1 — Organization, Business Operations, and Going Concern*).

Following the Closing Date, all of our operations have focused on recommencing sales of production from the SYU Assets. We lack the ability to generate any operating revenues until we receive the necessary regulatory and legal approvals to recommence sales of production. Our primary source of non-operating income is generated in the form of interest income on cash and cash equivalents. We also expect to continue to incur additional expenses as a result of being an operating public company, including for legal, accounting and compliance expenses.

***Three Months Ended September 30, 2025 (Successor) vs. Three Months Ended September 30, 2024 (Successor)***

The following table presents selected unaudited condensed consolidated financial results of operations for the Successor periods presented.

| | Successor | | Increase (Decrease) | |
|---|---|---|---|---|
| (in thousands) | Three Months Ended September 30, 2025 | Three Months Ended September 30, 2024 | $ | % |
| Revenue | | | | |
| Oil and gas sales | $ — | $ — | $ — | —% |
| Total Revenue | — | — | — | |
| Operating Expenses | | | | |
| Operations and maintenance expenses | 79,405 | 25,629 | 53,776 | 210 % |
| Depletion, depreciation, amortization and accretion | 3,259 | 2,755 | 504 | 18 % |
| General and administrative expenses | 36,719 | 26,225 | 10,494 | 40 % |
| Total operating expenses | 119,383 | 54,609 | 64,774 | 119 % |
| Loss from operations | (119,383) | (54,609) | (64,774) | 119 % |
| Other (income) expenses: | | | | |
| Change in fair value of warrant liabilities | (34,817) | 178,199 | (213,016) | nm |
| Other (income) expense, net | (1,828) | 2,728 | (4,556) | nm |
| Interest expense | 21,010 | 19,169 | 1,841 | 10 % |
| Total other (income) expense, net | (15,635) | 200,096 | (215,731) | nm |
| Loss before income taxes | (103,748) | (254,705) | 150,957 | (59)% |
| Income tax expense | 6,630 | 865 | 5,765 | nm |
| Net loss | $ (110,378) | $ (255,570) | $ 145,192 | (57)% |

nm: not meaningful

Operating and maintenance expenses. Operating and maintenance expenses were $79.4 million for the three months ended September 30, 2025 (Successor), representing an increase of $53.8 million, or 210%, compared to $25.6 million for the three months ended September 30, 2024 (Successor). The increase in operating and maintenance expenses is primarily attributable to additional maintenance expenses incurred in connection with restart efforts, which includes an 81% increase in operations employee headcount between reporting periods, and $16.0 million related to operator rights expenditures, partially offset by $1.6 million of operating expense capitalized as Inventory and other on the unaudited condensed consolidated balance sheet as of September 30, 2025. Operations and maintenance expenses are expected to remain elevated for the remainder of 2025.

***Depletion, depreciation, amortization and accretion.*** Depletion, depreciation, amortization and accretion was $3.3 million for the three months ended September 30, 2025 (Successor), representing an increase of $0.5 million, or 18%, compared to $2.8 million for the three months ended September 30, 2024 (Successor). The increase in depletion, depreciation, amortization and accretion is primarily attributable to the compounding effect of ARO accretion. The depletion, depreciation, amortization and accretion expense recognized for the three months ended September 30, 2025 (Successor) primarily represents the recognition of ARO accretion for the period. Recognition of depletion expense will resume once the assets are placed in service and sales volumes are achieved. Depletion, depreciation and amortization of $3.6 million associated with the SYU assets was recognized during the three months ended September 30, 2025 (Successor); however, as the associated production remained in the Company's storage tanks as of September 30, 2025, the onshore volumes have been capitalized as Inventory and other on the unaudited condensed consolidated balance sheet. Depletion, depreciation, amortization and accretion expense is expected to increase following the commencement of sales of production.

***General and administrative expenses.*** G&A expenses were $36.7 million for the three months ended September 30, 2025 (Successor), representing an increase of $10.5 million, or 40%, compared to $26.2 million for the three months ended September 30, 2024 (Successor). The increase in G&A expenses is primarily attributable to $4.6 million in higher compensation related to an 11% increase in general and administrative employee headcount, and $5.8 million in higher legal costs for the three months ended September 30, 2025 (Successor) related to ongoing legal and regulatory matters.

***Total other (income) expense, net.*** Total other (income) expense, net was $15.6 million in other income for the three months ended September 30, 2025 (Successor), representing a change of $215.7 million compared to other expense of $200.1 million for the three months ended September 30, 2024 (Successor). The change in total other (income) expense, net was primarily attributable to a $213.0 million change in the fair value of warrants, which decreased due to the remaining term of the warrants, a decrease in the market price of the Common Stock, and the effects of market volatility. The $4.6 million change in other (income) expense, net is attributable to $5.0 million of other expense recognized during the three months ended September 30, 2024 (Successor) related to the First Amendment to the Senior Secured Term Loan (Refer to Note 6 — Debt for additional details regarding the First Amendment to the Senior Secured Term Loan) and a $1.8 million increase in interest expense due to the higher debt balance for the three months ended September 30, 2025 (Successor).

***Income tax expense.*** Income tax expense for the three months ended September 30, 2025 (Successor) was $6.6 million, representing an increase of $5.8 million compared to $0.9 million for the three months ended September 30, 2024 (Successor). Utilizing provisions of ASC 740, the Company's effective tax rate was negative 6.4% and negative 0.3% for the three months ended September 30, 2025 (Successor) and the three months ended September 30, 2024 (Successor), respectively. The negative tax rates were due to our ongoing assessment of our ability to recover our deferred tax assets, in which we concluded that it was more likely than not that our deferred tax assets in excess of deferred tax liabilities would not be realized. The income tax rate was higher due to the cumulative effect of the annual tax rate decrease recognized during the three months ended September 30, 2024 (Successor).

*Nine Months Ended September 30, 2025 (Successor) vs. the periods from January 1, 2024 through February 13, 2024 (Predecessor) and February 14, 2024 through June 30, 2024 (Successor).*

The following table presents selected unaudited condensed consolidated financial results of operations for the Successor and Predecessor periods presented.

| | Successor | | Predecessor | Increase (Decrease) | |
|---|---|---|---|---|---|
| *(in thousands)* | Nine Months Ended September 30, 2025 | February 14, 2024— September 30, 2024 | January 1, 2024— February 13, 2024 | $ | % |
| **Revenue** | | | | | |
| Oil and gas sales | $ — | $ — | $ — | $ — | — |
| Total Revenue | — | — | — | — | — |
| **Operating Expenses** | | | | | |
| Operations and maintenance expenses | 164,246 | 59,241 | 7,320 | 97,685 | 147 % |
| Depletion, depreciation, amortization and accretion | 9,452 | 6,856 | 2,627 | (31) | — % |
| General and administrative expenses | 134,369 | 209,890 | 1,714 | (77,235) | (36)% |
| Total operating expenses | 308,067 | 275,987 | 11,661 | 20,419 | 7 % |
| **Loss from operations** | **(308,067)** | **(275,987)** | **(11,661)** | **(20,419)** | **7 %** |
| **Other (income) expenses:** | | | | | |
| Change in fair value of warrant liabilities | (40,668) | 257,614 | — | (298,282) | nm |
| Other (income) expense | (7,776) | (72) | 128 | (7,832) | nm |
| Interest expense | 63,029 | 48,145 | — | 14,884 | nm |
| **Total other expense, net** | **14,585** | **305,687** | **128** | **(291,230)** | **nm** |
| **Loss before income taxes** | **(322,652)** | **(581,674)** | **(11,789)** | **270,811** | **(46)%** |
| Income tax expense | 25,336 | 19,437 | — | 5,899 | nm |
| **Net loss** | **$ (347,988)** | **$ (601,111)** | **$ (11,789)** | **$ 264,912** | **(43)%** |

*nm: not meaningful*

***Operating and maintenance expenses.*** Operating and maintenance expenses were $164.2 million for the nine months ended September 30, 2025 (Successor), representing an increase of $97.7 million, or 147%, compared to $7.3 million for the period from January 1, 2024 through February 13, 2024 (Predecessor) and $59.2 million for the period February 14, 2024 through September 30, 2024 (Successor), respectively, or a combined $66.6 million. The increase in operating and maintenance expenses is primarily attributable to additional maintenance expenses incurred in connection with restart efforts, which includes a 152% increase in operations employee headcount since the Closing Date, $16.0 million related to operator rights expenditures, and $6.6 million related to restart incentive compensation, partially offset by $5.5 million of operating expense capitalized as Inventory and other on the unaudited condensed consolidated balance sheet as of September 30, 2025. Operations and maintenance expenses are expected to remain elevated for the remainder of 2025.

***Depletion, depreciation, amortization and accretion.*** Depletion, depreciation, amortization and accretion was $9.5 million for the nine months ended September 30, 2025 (Successor), representing an increase of less than $0.1 million, or less than 1%, compared to $2.6 million for the period January 1, 2024 through February 13, 2024 (Predecessor) and $6.9 million for the period February 14, 2024 through September 30, 2024 (Successor), respectively, or a combined $9.5 million. The consistent depletion, depreciation, amortization and accretion is attributable to the Company not recognizing depreciation expense following the Business Combination, as the Company determined the assets were not in service since repairs are necessary prior to achieving production restart, offset by the compounding effect of ARO accretion. Depletion, depreciation and amortization of $5.4 million associated with the SYU assets was recognized during the nine months ended September 30, 2025 (Successor); however, as the associated production remained in the Company's storage tanks as of September 30, 2025, the entire amount has been capitalized as Inventory and other on the unaudited condensed consolidated balance sheet. The depletion, depreciation, amortization and accretion expense recognized for the nine months ended September 30, 2025 (Successor) primarily represents the recognition of ARO accretion for the period. Recognition of depletion expense will resume once the assets are placed in service and sales volumes are achieved. Depletion, depreciation, amortization and accretion expense is expected to increase prior to our commencement of sales of production.

***General and administrative expenses.*** G&A expenses were $134.4 million for the nine months ended September 30, 2025 (Successor), representing a decrease of $77.2 million compared to $1.7 million for the period January 1, 2024 through February 13, 2024 (Predecessor) and $209.9 million for the period February 14, 2024 through September 30, 2024 (Successor), respectively, or a combined $211.6 million. The decrease in G&A expenses is primarily attributable to the $70.0 million accrued settlement of the Grey Fox Matter (Refer to *Note 8 — Commitments and Contingencies*), $16.8 million in legal expenses and professional fees related to the Business Combination that were recognized for the period February 14, 2024 through September 30, 2024 (Successor) and a $56.8 million decrease in share-based compensation expense between reporting periods. Such decreases were partially offset by $35.7 million in higher compensation related to restart incentive compensation costs and the recognition of salaries and wages for the full nine months ended September 30, 2025 (Successor), compared to the Successor period February 14, 2024 through September 30, 2024. Predecessor G&A expenses were allocated to SYU as a portion of certain other operating costs based on aggregated historical benchmarking data as previously noted (Refer to *Note 2 — Significant Accounting Policies)*.

***Total other expense, net.*** Total other expense, net was $14.6 million for the nine months ended September 30, 2025 (Successor), representing a decrease of $291.2 million compared to other expense of $0.1 million for the period January 1, 2024 through February 13, 2024 (Predecessor) and other expense of $305.7 million for the period February 14, 2024 through September 30, 2024 (Successor), respectively, or a combined expense of $305.8 million. The decrease in total other expense, net was primarily attributable to a decrease of $298.3 million in the fair value of the warrants, due to fewer warrants outstanding for the nine months ended September 30, 2025 (Successor) after all public warrants were redeemed during the year ended December 31, 2024, and due to an increase in the market price of the Common Stock in the prior year compared to a decrease in the market price of the Common Stock in the current period, and a $7.8 million decrease in Other (income) expense attributable to $5.0 million of other expense recognized during the period February 14, 2024 through September 30, 2024 (Successor) related to the First Amendment to the Senior Secured Term Loan (Refer to Note 6 — Debt for additional details regarding the First Amendment to the Senior Secured Term Loan), paired with a decrease in interest income due to the lower cash balance over the comparative periods, partially offset by $14.9 million in higher interest expense for the nine months ended September 30, 2025 (Successor) due to higher debt balance over the comparative periods. The Predecessor did not have any debt or associated interest expense, warrants, or interest income.

***Income tax expense.*** Income tax expense for the nine months ended September 30, 2025 (Successor) was $25.3 million, representing an increase of $5.9 million compared to zero for the period January 1, 2024 through February 13, 2024 (Predecessor) and $19.4 million for the period February 14, 2024 through September 30, 2024 (Successor), respectively, or a combined $19.4 million. Utilizing provisions of ASC 740, the Company's effective tax rate was negative 7.9%, and negative 3.3% for the nine months ended September 30, 2025 (Successor) and the period February 14, 2024 through September 30, 2024 (Successor) respectively. The negative tax rates were due to our ongoing assessment of our ability to recover our deferred tax assets, in which we concluded that it was more likely than not that our deferred tax assets in excess of deferred tax liabilities would not be realized. The negative income tax rate was greater due to lower forecasted pre-tax book loss for the full year.

**Liquidity and Capital Resources**

***Overview.*** Our plans for recommencing sales of production volumes, including restarting the remainder of the existing wells and facilities that have not been restarted and recommencing oil transportation via OS&T or through the Onshore Pipelines, will require significant capital expenditures in excess of current operational cash flow. Historically, SYU's primary source of liquidity has been its operational cash flow and, since the shut-in, capital contributions from its parent. While production has restarted, prior to generating sales and positive cash flow from production, our capital expenditure needs will be substantial.

As of September 30, 2025, we had unrestricted cash and cash equivalents of $41.6 million. Our total debt as of September 30, 2025 was $896.6 million, comprised of principal and paid-in-kind accrued interest on our Senior Secured Term Loan, which matures on January 9, 2026, but is expected to be extended to the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan) upon effectiveness of the Second Debt Amendment (see further discussion of the Second Debt Amendment at *Note 6 — Debt* in the consolidated financial statements). To date, we have pursued recommencement of oil sales by restarting production of the SYU Assets and returning the Onshore Pipeline to service. We are currently evaluating and pursuing an OS&T strategy and have curtailed substantially all capital expenditures relating to the Onshore Pipeline and onshore processing facility. If commercial sales through the Onshore Pipeline and onshore processing facility were to become available in the future, we expect to pursue

such onshore sales, which would require incurring such curtailed onshore expenses, in addition to the OS&T expenses discussed here.

Prior to the Business Combination, Flame had approximately $62.2 million in its trust account, which consisted of proceeds from the public stockholders and the private placement investors in connection with the Company's initial public offering, less redemptions. Sable raised $440.2 million in gross proceeds from the First PIPE Investment in connection with the Business Combination, $150.0 million in gross proceeds from the Second PIPE Investment, and approximately $183.5 million from the exercise of 15,957,820 warrants for 15,957,820 shares of Common Stock. Additionally, more than $600 million of the Purchase Price was seller-financed through a secured Senior Secured Term Loan with EM. In May 2025, the Company raised an additional $295.0 million in gross proceeds from the sale of 10,000,000 shares of Common Stock in the 2025 Offering. In November 2025, the Company raised an additional $250.0 million in gross proceeds from the sale of 45,454,546 shares of Common Stock in the Third PIPE Investment. Based on its current financial plan, Sable management expects sales production to commence in the fourth quarter 2026, after which its operating cash flows are expected to be sufficient to service Sable's operating expenses and indebtedness. However, such expectation is dependent on the results of the remaining regulatory and legal approvals required to recommence sales of production via the Onshore Pipeline or the OS&T.

***Capital Requirements.*** Sable currently estimates no remaining start-up expenses to recommence oil sales via the Onshore Pipelines, other than those required to obtain necessary regulatory approvals. If we implement the OS&T offtake strategy, we currently estimate remaining start-up expenses of approximately $450.0 million to recommence offshore oil sales. The expenditures will primarily be directed towards preparing for the implementation of an OS&T offtake strategy, including the procurement of a suitable vessel and necessary upgrade and installation costs with respect to such vessel and our platforms, obtaining necessary regulatory approvals and recommencing oil sales in the fourth quarter of 2026. We cannot assure you that our assumptions used to estimate our liquidity requirements, our anticipated cost savings or reductions, or the costs required to achieve operations under the OS&T strategy will be correct, as we have not previously undertaken such actions and as a consequence, our ability to predict such amounts is uncertain and may be impacted by factors outside of our control. After receipt of clearance from BOEM, we intend to pursue additional financing options, which may include the issuance of public or private debt securities, bank financing or a combination thereof. However, there can be no assurance that we will be able to obtain such additional financing on commercially agreeable terms, or at all.

Management evaluates its cost estimates on an ongoing basis. The expenditures will primarily be directed toward obtaining the necessary regulatory and legal approvals and configuring the OS&T to meet our operational needs. After sales of production commences, Sable management expects a rapid increase in operating cash flows that should allow Sable to fund further capital expenditures. If Sable is unable to obtain funds or provide funds as needed for the planned capital expenditure program, Sable may not be able to finance the capital expenditures necessary to restart production sales or sustain production thereafter.

**Going Concern**

Prior to the Business Combination, EM funded the Predecessor SYU operational expenses. Since the consummation of the Business Combination, Sable has addressed near-term capital funding needs with the First PIPE Investment, the Second PIPE Investment, proceeds from the exercise of Warrants (refer to *Note 7 — Warrants* for additional details regarding the warrant exercises), net proceeds from the 2025 Offering, and the Third PIPE Investment. However, the Company's plans for recommencement of sales of production are contingent upon approvals from federal, state and local regulators.

Following the Closing Date and through September 30, 2025, the Successor reported unrestricted cash of $41.6 million, total debt of $896.6 million, and an accumulated deficit of $1.0 billion. Additionally, the achievement of first production triggered the acceleration of the Senior Secured Term Loan maturity date to 240 days after the production restart date, or January 9, 2026, but is expected to be extended to the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan) upon effectiveness of the Second Debt Amendment (refer to *Note 6 — Debt* for additional details regarding the Second Debt Amendment).

Additionally, if the Company's estimates of the costs to reach first sales are less than the actual amounts necessary to do so, the Company may have insufficient funds available to operate its business prior to first sales and will need to raise additional capital. If the Company is unable to raise additional capital, it may be required to take additional measures to conserve liquidity, which could include, among other things, reducing overhead expenses.

Due to the remaining regulatory and legal approvals necessary to implement either the Pipeline Strategy or OS&T Strategy, and resume sales of production volumes, and lack of assurance that new financing, or refinancing of the Senior Secured Term Loan, will be available to the Company on commercially acceptable terms, if at all, substantial doubt exists about the

Company's ability to continue as a going concern. The financial statements included in this quarterly report do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that could be necessary if the Company is unable to continue as a going concern.

**Cash Flows**

The following table summarizes cash flows from Operating, Investing and Financing activities:

| | Successor | | Predecessor | Change | |
|---|---|---|---|---|---|
| *(dollars in thousands)* | Nine Months Ended September 30, 2025 | February 14, 2024— September 30, 2024 | January 1, 2024— February 13, 2024 | $ | % |
| **Cash flows (used in) provided by:** | | | | | |
| Operating activities | $ (253,574) | $ (125,509) | $ (22,474) | $ (105,591) | (71)% |
| Investing activities | (323,093) | (222,728) | — | (100,365) | (45)% |
| Financing activities | 282,524 | 618,387 | 22,474 | (358,337) | (56)% |
| **Net change in cash and cash equivalents** | $ (294,143) | $ 270,150 | $ — | | |

***Cash Flows from Operating Activities.*** Since the regulatory and legal approvals required to restart Lines 324 and 325 have not been received, no operating revenues have been recognized for the comparative periods. The net cash used in operating activities for the Company was $253.6 million for the nine months ended September 30, 2025 (Successor), representing an increase in cash used in operating activities of $105.6 million, or 71%, compared to net cash used in operating activities of $22.5 million for the period January 1, 2024 through February 13, 2024 (Predecessor) and $125.5 million net cash used in operating activities from February 14, 2024 through September 30, 2024 (Successor), respectively, or a combined $148.0 million. The primary use of cash can be attributed to maintenance and operational readiness activities in the Predecessor and Successor periods, with additional general and administrative costs incurred post the Business Combination in the Successor period.

For the nine months ended September 30, 2025 (Successor), we had a net loss of $348.0 million, which consists of a non-cash decrease of $40.7 million in fair value of the warrants, non-cash stock-based compensation of $30.0 million, non-cash paid-in-kind interest of $62.6 million, non-cash depreciation, depletion, amortization and accretion of $9.5 million, and non-cash tax expense of $25.3 million. Changes in accounts payable for the period of $20.7 million is primarily attributable to the increase in vendor payables associated with the restart efforts. For the period January 1, 2024 through February 13, 2024 (Predecessor), SYU incurred a net loss of $11.8 million and for the period February 14, 2024 through September 30, 2024 (Successor) the Company incurred a net loss of $601.1 million, respectively, or a combined $612.9 million. Our combined net loss was partially offset by a non-cash change in the fair value of our warrant liabilities of $257.6 million, non-cash stock based compensation of $86.0 million, non-cash paid-in-kind interest $47.3 million, and non-cash deferred tax expense of $19.4 million. Changes in accounts payable of $46.6 million is primarily attributable to the Grey Fox Matter settlement, with $35.0 million in accounts payable and accrued liabilities as of September 30, 2024 (Refer to *Note 2 — Significant Accounting Policies).* Future cash flow from operations will depend on our ability to recognize sales of production volumes, as well as the prices of oil, natural gas and NGLs.

***Cash Flows from Investing Activities.*** Net cash used in investing activities was $323.1 million for the nine months ended September 30, 2025 (Successor), representing an increase in cash used in investing activities of $100.4 million, or 45%, compared to the net cash used investing activities of zero for the period January 1, 2024 through February 13, 2024 (Predecessor) and $222.7 million for the period February 14, 2024 through September 30, 2024 (Successor), or a combined $222.7 million. Investing cash flow for the nine months ended September 30, 2025 (Successor) consists of cash paid for capital expenditures associated with restart efforts and for the period February 14, 2024 through September 30, 2024 (Successor) is almost entirely comprised of $204.2 million paid to EM at Closing per settlement statement. There was no net cash used in investing activities for the Predecessor period since the SYU Assets had been shut in since 2015 and had no investing activities.

***Cash Flows from Financing Activities.*** Net cash provided by financing activities was $282.5 million for the nine months ended September 30, 2025 (Successor), consisting of $295.0 million of gross proceeds from the 2025 Offering and related paid fees of $12.5 million. Net cash provided by financing activities for the period January 1, 2024 through February 13, 2024 (Predecessor) was $22.5 million and net cash provided by financing activities for the period February 14, 2024 through September 30, 2024 (Successor) was $618.4 million, respectively, or a combined $640.9 million.

Financing activities for the period January 1, 2024 through February 13, 2024 (Predecessor) consists of EM capital contributions financing the maintenance and operational readiness activities. Financing activities for the period February 14, 2024 through September 30, 2024 (Successor) are comprised of $440.2 million of gross proceeds from the First Pipe Investment, $150.0 million of gross proceeds from the Second PIPE Investment, or $590.2 million in aggregate gross private offering proceeds, net of $22.9 million of capitalized transaction expenses, or $567.4 million net, plus $72.5 million net cash received from warrant exercises, less deposit paid to EM for the Term Loan of $18.8 million, payment of debt issuance costs of $1.5 million, and repayment of Flame non-convertible promissory notes — related parties for $1.1 million.

**Contractual Obligations**

Pursuant to the Senior Secured Term Loan, which financed most of the Purchase Price (as defined in the Senior Secured Term Loan), Sable will pay interest at ten percent (10%) per annum compounded annually, payable in arrears on January 1st of each year. At Sable's election, accrued but unpaid interest may be deemed paid on each interest payment date by adding the amount of interest owed to the outstanding principal (paid-in-kind) amount under the Senior Secured Term Loan. On December 13, 2024, the Company entered into the Fourth Amendment to the Sable-EM Purchase Agreement, pursuant to which the following definitions were amended. "Restart Production" was redefined as 150 days after first production, extending the maturity date of the EM Term Loan by 60 days. "Restart Failure Date" was extended an additional 60 days to March 1, 2026.

On May 19, 2025, the Company announced that as of May 15, 2025, it had restarted production at SYU and begun flowing oil production from six wells at SYU's Platform Harmony to LFC. Additionally, with the completion of the Gaviota State Park anomaly repairs on the Onshore Pipeline on May 18, 2025, the Company completed its anomaly repair program on the Onshore Pipeline as specified by the Consent Decree, the governing document for the restart and operations of the Onshore Pipeline. As a result of Restart Production the Senior Secured Term Loan must be refinanced or otherwise paid in full within 240 days following such first production date, or January 9, 2026, but is expected to be extended to the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan) upon effectiveness of the Second Debt Amendment (refer to *Note 6 — Debt* for additional details regarding the Second Debt Amendment).

Additional obligations include the performance of ARO as referenced under "*Critical Accounting Policies and Estimates—Asset Retirement Obligations*" below.

**Off Balance Sheet Arrangements**

As of September 30, 2025, the Company had no off-balance sheet arrangements.

**Critical Accounting Estimates**

The preparation of unaudited condensed consolidated financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined financial statements, and income and expenses during the periods reported. Actual results could materially differ from those estimates.

***Property, Plant and Equipment.***

*Cost Basis*. Oil and gas producing activities are accounted for under the successful efforts method of accounting. Under this method, costs are accumulated on a field-by-field basis. Costs incurred to purchase, lease, or otherwise acquire a property (whether unproved or proved) are capitalized when incurred. Exploratory well costs are carried as an asset when the well has found a sufficient quantity of resources to justify its completion as a producing well and where sufficient progress assessing the resources and the economic and operating viability of the project is being made. Exploratory well costs not meeting these criteria are charged to expense. Other exploratory expenditures, including geophysical costs and annual lease rentals, are expensed as incurred. Development costs, including costs of productive wells and development dry holes, are capitalized.

*Other Property and Equipment*. Other property and equipment primarily consist of onshore midstream facilities, transportation assets and assets related to the Company's corporate office (the "Office Assets"). Due to the nature of such assets, the onshore midstream facilities are presented within oil and gas properties, while the transportation assets and the Office Assets are presented within other assets on the unaudited condensed consolidated balance sheets.

*Depreciation, Depletion and Amortization*. Depreciation, depletion and amortization are primarily determined under the unit-of-production method, which is based on estimated asset service life taking obsolescence into consideration.

Acquisition costs of proved properties are amortized using a unit-of-production method, computed on the basis of total proved oil and natural gas reserve volumes. Capitalized exploratory drilling and development costs associated with productive depletable extractive properties are amortized using the unit-of-production rates based on the amount of proved developed resources of oil and gas that are estimated to be recoverable from existing facilities using current operating methods. Under the unit-of-production method, oil and natural gas volumes are considered produced once they have been measured through meters at custody transfer or sales transaction points at the outlet valve on the lease or field storage tank. Maintenance and repairs, including planned major maintenance, are expensed as incurred. Major renewals and improvements are capitalized and the assets replaced are retired.

The SYU Assets had previously been shut in since 2015 due to a pipeline incident but had been maintained by EM to preserve it in an operation-ready state and thus no depletion had been recognized prior to achieving first production on May 15, 2025. Depletion, depreciation and amortization of $3.6 million and $5.4 million associated with the SYU assets was recognized during the three and nine months ended September 30, 2025, respectfully; however, as the associated production remained in the Company's storage tanks as of September 30, 2025, the entire amount has been capitalized as Inventory and other on the unaudited condensed consolidated balance sheet. The recognition of depletion expense on the unaudited condensed consolidated statement of operations will commence upon the commencement of sales of production.

*Oil Inventory.* Production volumes for the period May 16, 2025 through September 30, 2025 were retained within the Company's storage tanks and recognized as short term oil inventory, and the associated depletion expense was capitalized, as noted above. ASC 330 dictates that inventory shall initially be valued at the price paid or consideration given to acquire an asset. By analogy, the Company capitalized the costs incurred that were directly attributable to producing and transporting the production to the onshore storage tanks, including associated depreciation, depletion, and amortization. Oil inventory is presented as a component of Inventory and other on the unaudited condensed consolidated balance sheet.

The Company has oil inventory storage capacity of 540 MBbls onshore at LFC. The Company generally expects the inventory volumes to fluctuate over time to maintain optimal operational efficiencies. The ending volume of inventory that remains in the onshore storage tanks is measured at the current period's cost, and a lower of cost or net realizable value assessment is performed for each reporting period.

*Impairment Assessment.* Assets are tested for recoverability on an ongoing basis whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. Among the events or changes in circumstances which could indicate that the carrying value of an asset or asset group may not be recoverable are the following:

- a significant decrease in the market price of a long-lived asset;
- a significant adverse change in the extent or manner in which an asset is being used or in its physical condition, including a significant decrease in current and projected resource or reserve volumes;
- a significant adverse change in legal factors or in the business climate that could affect the value, including an adverse action or assessment by a regulator;
- an accumulation of project costs significantly in excess of the amount originally expected; and
- a current-period operating loss combined with a history and forecast of operating or cash flow losses.

We monitor for indicators of potential impairment throughout the year. This process is aligned with the requirements of ASC 360 and ASC 932. Asset valuation analysis, profitability reviews and other periodic control processes assist in assessing whether events or changes in circumstances indicate the carrying amounts of any of the assets may not be recoverable.

If events or changes in circumstances indicate that the carrying value of an asset may not be recoverable, management estimates the future undiscounted cash flows of the affected properties to judge the recoverability of carrying amounts. In performing this assessment, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Cash flows used in recoverability assessments are based on assumptions which are developed by management and are consistent with the criteria management uses to evaluate investment opportunities. These evaluations make use of assumptions of future capital allocations, crude oil and natural gas commodity prices including price differentials, refining and chemical margins, volumes, and development and operating costs. Volumes are based on projected field and facility production profiles, throughput, or sales. Management's estimate of upstream production volumes used for projected cash flows makes use of proved reserve quantities and may include risk-adjusted unproved reserve quantities.

An asset group is impaired if its estimated undiscounted cash flows are less than the asset group's carrying value. Impairments are measured by the amount by which the carrying value exceeds fair value. The assessment of fair value is based upon the views of a likely market participant. The principal parameters used to establish fair value include estimates of acreage values and flowing production metrics from comparable market transactions, market-based estimates of historical cash flow multiples, and discounted cash flows. Inputs and assumptions used in discounted cash flow models include estimates of future production volumes, throughput and product sales volumes, commodity prices which are consistent with the average of third-party industry experts and government agencies, refining and chemical margins, drilling and development costs, operating costs and discount rates which are reflective of the characteristics of the asset group.

*Asset Retirement Obligations*. The Company's ARO primarily relate to the future plugging and abandonment of oil and gas properties and related facilities. The fair values of these obligations are recorded as liabilities on a discounted basis, which is typically at the time the assets are installed. In the estimation of fair value, the Company uses assumptions and judgments regarding such factors as the existence of a legal obligation for an asset retirement obligation, technical assessments of the assets, estimated amounts and timing of settlements, discount rates, and inflation rates.

*Derivative Warrant Liabilities.* We do not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. We evaluate all of our financial instruments, including issued stock purchase warrants, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives, pursuant to ASC 480 and ASC 815-15. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period.

All of our outstanding warrants are recognized as derivative liabilities in accordance with ASC 815-40. Accordingly, we recognize the warrant instruments as liabilities at fair value and adjust the instruments to fair value at each reporting period. The liabilities are subject to re-measurement at each balance sheet date until exercised, and any change in fair value is recognized in our statement of operations. The private placement warrants and the working capital warrants are measured at fair value using the Modified Black-Scholes Optional Pricing Model.

**Emerging Growth Company; Smaller Reporting Company**

We are an "emerging growth company," or EGC, as defined in Section 2(a) of the Securities Act, as modified by the JOBS Act, and it has elected to comply with certain reduced public company reporting requirements. Sable could remain an emerging growth company until the last day of the fiscal year following the fifth anniversary of the completion of the Company IPO. However, if (a) Sable's total annual gross revenue exceed $1.235 billion, (b) Sable is deemed to be a large accelerated filer, which means the market value of Common Stock that is held by non-affiliates exceeds $700.0 million as of the end of the prior fiscal year's second fiscal quarter, or (c) Sable's non-convertible debt issued within a three-year period exceeds $1.0 billion, Sable would cease to be an emerging growth company as of the following fiscal year.

Additionally, we are a "smaller reporting company," or SRC, as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. Sable will be a smaller reporting company until the last day of any fiscal year for so long as either (1) the market value of Common Stock held by non-affiliates did not exceed $250 million as of the prior June 30, or (2) Sable's annual revenues did not exceed $100 million during such completed fiscal year and the market value of Common Stock held by non-affiliates did not exceed $700 million as of the prior June 30.

We will no longer be an EGC or SRC as of December 31, 2025, after which we will not be able to take advantage of the reduced reporting and disclosure requirements discussed above.

**Recent Accounting Pronouncements**

Our management does not believe that any other recently issued, but not yet effective, accounting standards if currently adopted would have a material effect on our financial statements.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

### Item 4. Controls and Procedures

**Evaluation of Disclosure Controls and Procedures**

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in Company reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rules 13a-15 and 15d-15 under the Exchange Act, our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2025. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2025, our disclosure controls and procedures (as defined in Rules 13a-15 (e) and 15d-15 (e) under the Exchange Act) were effective at the reasonable assurance level as of September 30, 2025. Accordingly, management believes that the financial statements included in this Quarterly Report on Form 10-Q present fairly in all material respects our financial position, results of operations and cash flows for the periods presented.

**Changes in Internal Control over Financial Reporting**

During the quarterly period covered by this report there have been no changes in our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

## PART II—OTHER INFORMATION

### Item 1. Legal Proceedings.

Refer to Part I, Item 1, *Note 8 — Commitments and Contingencies* of this Quarterly Report for a full description of our material pending legal and regulatory matters.

### Item 1A. Risk Factors.

Factors that could cause our actual results to differ materially from those in this report include the risks described under the heading "Risk Factors" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (the "2024 10-K"). Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations.

As of the date of this Quarterly Report, there have been no material changes to the risk factors disclosed in the 2024 10-K, except as described below. The following additional risk factors should be read in conjunction with those previously disclosed. We may disclose changes to such risk factors or disclose additional risk factors from time to time in our future filings with the SEC.

***In order to commence operations pursuant to an OS&T offtake strategy, we will require clearances and permitting, including from BOEM.***

We may experience delays in obtaining or be unable to obtain required permits, including authorizations necessary to recommence oil sales pursuant to an OS&T offtake strategy, which may delay or interrupt our operations and limit our growth and revenue, or may impact our ability to repay or refinance the Senior Secured Term Loan, which, after the effectiveness of the Second Debt Amendment, will mature on the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan). In particular, prior to implementation of the OS&T Strategy, regulatory authorizations are required, including clearance from BOEM. If we do not receive regulatory clearances in a timely manner, we may not be able to reach commercial sales on our estimated timeline of the fourth quarter of 2026.

While the previous operator of the SYU assets was able to utilize an OS&T strategy to process SYU production in federal waters from 1981 to 1994 under previously issued permits, there is no assurance that we will be able successfully obtain the agency clearance or permits required to recommence oil sales pursuant to the OS&T Strategy or that no additional state or federal clearances or permits will be required in the future.

***Under the terms of the Senior Secured Term Loan, the loans thereunder will mature on the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons, and the terms on which we will be able to refinance the Senior Secured Term Loan will depend on then-prevalent market conditions.***

The Senior Secured Term Loan matures on January 9, 2026. However, pursuant to the Second Debt Amendment, once effective, the Senior Secured Term Loan will mature on the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan). There is no guarantee that the Company will be able to satisfy the necessary conditions to effect the Second Debt Amendment. Additionally, our ability to obtain any refinancing of the Senior Secured Term Loan, and the terms of any such refinancing, will depend on market conditions at the time of any such refinancing. There can be no assurance that we will be able to obtain such refinancing on terms commercially acceptable to us, or at all.

***Restrictive covenants in the Senior Secured Term Loan or any future agreements governing our indebtedness could limit our growth and our ability to finance our operations, fund our capital needs, respond to changing conditions and engage in other business activities that may be in our best interests.***

Restrictive covenants in the Senior Secured Term Loan impose significant operating and financial restrictions on us and our subsidiaries and we may be prevented from taking advantage of business opportunities that arise because of the limitations imposed on us by the Senior Secured Term Loan unless we gain EM's consent. These restrictions limit our ability to, among other things:

- engage in mergers, consolidations, liquidations, or dissolutions;
- create or incur debt or liens;

- make certain debt prepayments;
- pay dividends, distributions, management fees or certain other restricted payments;
- make investments, acquisitions, loans, or purchase oil and gas properties;
- sell, assign, farm-out or dispose of any property;
- enter into transactions with affiliates;
- enter into, subject to certain exceptions, any agreement that prohibits or restricts liens securing the Senior Secured Term Loan, payments of dividends to us, or payment of debt owed to us and our subsidiaries; and
- change the nature of our business.

The Senior Secured Term Loan also contains representations and warranties, affirmative covenants, additional negative covenants and events of default (including a change of control). TheSecond DebtAmendment will also include additional reporting covenants and a financial liquidity covenant that will require the Company to have not less than $25 million in unrestricted cash, measured at the end of each month. In addition, during the pendency of the Senior Secured Term Loan and in case of an event of default thereunder, EM may exercise all remedies at law or equity, and may foreclose upon substantially all of our assets and the assets of our subsidiaries, including, in the event of a deficiency, cash and any other assets not acquired from EM in the Business Combination to the extent constituting collateral under the applicable financing documents.

***There is no guarantee that we will have sufficient cash to recommence oil sales.***

Until we recommence oil sales, either via the Pipeline System or an OS&T offtake strategy, we will not generate any revenue or cash flows from operations and will rely on cash on hand to fund the operations necessary to recommence oil sales. If we do not have sufficient cash on hand to recommence oil sales, we may need to raise additional capital to continue our operations, and this capital may not be available on acceptable terms or at all. If we do not have sufficient cash on hand or are unable to obtain additional funding on a timely basis, we may be unable to recommence oil sale, which could materially affect our business, financial condition and results of operations.

***Our assumptions and estimates regarding the total costs associated with recommencing oil sales may be inaccurate.***

We currently estimate no remaining start-up expenses to recommence oil sales via the Las Flores Pipeline System, other than those required to obtain necessary regulatory approvals. If we instead pursue the OS&T Strategy, we currently estimate remaining start-up expenses of approximately $450.0 million to recommence offshore oil sales. The expenditures will primarily be directed towards preparing for the implementation of the OS&T Strategy, including the procurement of a suitable vessel and necessary upgrade and installation costs with respect to such vessel and our platforms, obtaining necessary regulatory approvals and recommencing oil sales in the fourth quarter of 2026. This estimate of costs to recommence oil sales considers currently available facts and presently enacted laws and regulations, but it is subject to uncertainties associated with the assumptions that we have made. For example, because the markets for OS&T vessels and vessel refurbishment and upgrading are competitive, and our estimates for the cost of procurement and planned upgrades are based on our understanding of the relevant markets and current supply of suitable vessels and contracts, the actual cost of such a vessel and the related upgrades may exceed our expectations. In addition, the costs of equipment, repairs and maintenance, the costs of operating personnel, the costs to obtain governmental approvals, and legal, consulting and other professional expenses could turn out to be higher than we have estimated. In addition, commencement of sales pursuant to the OS&T Strategy may be delayed if additional financing is not procured in a timely fashion and therefore our capital expenditure plan is delayed. We may experience increases in costs and delays.

We are currently evaluating and pursuing the OS&T Strategy and have curtailed substantially all capital expenditures relating to the Onshore Pipeline and onshore processing facility. If in the future we are permitted to conduct commercial sales using such assets, we intend to do so and would incur such curtailed onshore costs, in addition to the costs related to the pursuit of the OS&T Strategy. Accordingly, our assumptions and estimates may change in future periods based on future events and total costs may materially increase. Therefore, we can provide no assurance that we will not have to incur additional costs in future periods that are significantly higher than our estimated costs to recommence oil sales.

***We are subject to complex federal, state, local and other laws, regulations and permits that could adversely affect the cost, manner, ability or feasibility of conducting our operations.***

Our oil and natural gas development and production operations are subject to complex and stringent laws and regulations administered by governmental authorities vested with broad authority relating to the exploration for and the development, production and transportation of oil, natural gas, and NGLs. To conduct our operations in compliance with these laws and regulations, we must obtain and maintain numerous permits, approvals and certificates from various federal, state and local governmental authorities. In order to commence operations pursuant to the OS&T offtake strategy, we will require regulatory authorizations, including clearance from BOEM. We may incur substantial costs in order to maintain compliance with these existing laws and regulations, and we may experience delays in procuring required approvals, which may increase our costs or delay our ability to produce revenue.. Failure to comply with laws and regulations applicable to our operations, including any evolving interpretation and enforcement by governmental authorities, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our oil, natural gas, and NGLs development and production operations are also subject to stringent and complex federal, state and local laws and regulations governing the release or discharge of materials into or through the environment, worker health and safety aspects of our operations, or otherwise relating to environmental protection, resource protection, and damage to natural resources. These laws and regulations may impose numerous obligations applicable to our operations, including regulated drilling activities; installation and use of an OS&T; the restriction of types, quantities and concentrations of materials that can be released or discharged into or through the environment; the limitation or prohibition of drilling, production and transportation activities on certain lands lying within wilderness, wetlands, seismically active areas and other protected or preserved areas; the application of specific health and safety criteria addressing worker protection; and the imposition of substantial liabilities for pollution and natural resources damages potentially resulting from our operations. The Environmental Protection Agency, BOEM, BSEE, PHMSA, OSFM, CalGEM, Coastal Commission, CDFW, Water Board, SLC and numerous other governmental authorities have the authority to enforce compliance with these laws and regulations and the permits issued by them, often requiring difficult and costly compliance measures or corrective actions. Failure to comply with these laws and regulations may result in the assessment of sanctions, including administrative, civil or criminal penalties, the imposition of investigatory or remedial obligations, injunctive and mitigation relief, the suspension or revocation of necessary permits, licenses and authorizations, the requirement that additional pollution controls be installed and, in some instances, the issuance of orders limiting or prohibiting some or all of our operations. We may also experience delays in obtaining or be unable to obtain required permits, including authorizations necessary to recommence oil sales, which may delay or interrupt our operations and limit our growth and revenue, or may impact our ability to repay or refinance the Senior Secured Term Loan, which, once the Second Amendment is effective, will mature on the earlier of (i) March 31, 2027 or (ii) the date falling 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan).

Under certain environmental laws that impose strict as well as joint and several liability, we may be required to remediate or conduct other response actions at or in relation to contaminated properties currently owned or operated by us or facilities of third parties that received waste generated by our operations regardless of whether such contamination resulted from the conduct of others or from the consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken. In addition, claims for damages to persons or property, including natural resources, may result from the environmental, health and safety impacts of our operations. Moreover, public interest in the protection of the environment has increased in recent years. New laws and regulations continue to be enacted, particularly at the state level, and environmental legislation and regulations applied to the crude oil and natural gas industry could continue, resulting in increased costs of doing business and consequently affecting profitability. Additionally, any changes in environmental regulations related to biodiversity protection could impose further operational constraints and costs. To the extent laws are enacted, or other governmental action is taken that restricts drilling, production and transportation activities, or imposes more stringent and costly operating, waste handling, disposal and cleanup requirements, our business, prospects, financial condition or results of operations could be materially adversely affected.

***Attempts by the California state government to restrict the production of oil and gas could negatively impact our operations and result in decreased demand for fossil fuels in California.***

California, where our offshore pipelines in state waters and our onshore operations and assets are located, is heavily regulated with respect to oil and gas operations. Federal, state and local laws and regulations govern most aspects of exploration, production, processing and transportation of hydrocarbons in California. The regulatory burden on the industry increases our costs and consequently may have an adverse effect upon capital expenditures, earnings or competitive position. Violations and liabilities with respect to these laws and regulations could result in significant administrative, civil, or criminal penalties, remedial clean-ups, natural resource damages, permit modifications or revocations, operational

interruptions or shutdowns and other liabilities. The costs of remedying such conditions may be significant, and remediation obligations could adversely affect our financial condition, results of operations and prospects.

Additionally, the California state government recently has taken several actions that could adversely impact future oil and gas production and other activities in the state. For example:

- In September 2020, the California Governor issued an executive order that seeks to reduce both the supply of and demand for fossil fuels in the state. The executive order established several goals and directed several state agencies to take certain actions with respect to reducing emissions of greenhouse gases, including, but not limited to: (1) phasing out the sale of emissions-producing vehicles; (2) developing strategies for the closure and repurposing of oil and gas facilities in California; and (3) calling on the California State Legislature to enact new laws prohibiting hydraulic fracturing in the state by 2024. The executive order also directed CalGEM to finish its review of public health and safety concerns from the impacts of oil extraction activities and propose significantly strengthened regulations.
- In October 2020, the California Governor issued an executive order that established a state goal to conserve at least 30% of California's land and coastal waters by 2030 and directed state agencies to implement other measures to mitigate climate change and strengthen biodiversity.
- On July 1, 2025, amendments to the Low Carbon Fuel Standard ("LCFS") Regulation took effect. The LCFS Program is a market-based compliance measure that is designed to create economic value from low-carbon and renewable fuel technologies, with a stated goal of reducing greenhouse gas emissions in California. The recent amendments increase both the pre- and post-2030 stringency of carbon intensity benchmarks. Specifically, they increase the carbon intensity reduction targets from 20% to 30% by 2030, and aim for a 90% reduction by 2045, based on a 2010 baseline.
- On September 19, 2025, California Governor Gavin Newsom signed Assembly Bill 1207 and Senate Bill 840 into law. Together, the new laws re-authorize and extend California's cap-and-trade program – now renamed the "cap-and-invest" program – through December 31, 2045. This program sets a price on greenhouse emissions that over time may reduce demand for oil and gas.

At this time, we cannot predict the potential future actions that may result from these orders or how such actions might potentially impact our operations.

On February 21, 2025, California State Assembly Member Hart introduced AB 1448 to the California State Legislature. Among other changes, AB 1448 would amend certain provisions of California's Public Resources Code to add additional procedural requirements for oil- and gas-related leases in state waters and would require that the repair, reactivation, and maintenance of an oil and gas facility that has been idled, inactive, or out of service for three years or more obtain a new coastal development permit. On September 10, 2025, a separate bill—SB 237—was amended to include certain provisions originally proposed in AB 1448. In particular, SB 237 added requirements to the California Government Code that provide that an existing oil pipeline that has been idle, inactive, or out of service for five years or more, cannot be restarted without passing a spike hydrostatic testing program. SB 237 also amended the California Coastal Act to provide that the repair, reactivation, or maintenance of an oil pipeline that has been idled, inactive or out of service for five years or more must obtain a new coastal development permit. On September 12, 2025, AB 1448 was moved to the inactive file, and on September 13, 2025, the California State Legislature passed SB 237. On September 19, 2025, Governor Gavin Newsom signed SB 237 into law, which will go into effect January 1, 2026. On September 29, 2025, Sable filed a Complaint for Declaratory Relief against the State of California in Kern County Superior Court seeking a declaratory judgment that the Onshore Pipeline is not subject to SB 237 because the Onshore Pipeline is not "idle, inactive, or out of service," and because the Legislature did not give SB 237 retroactive effect. Sable intends to vigorously prosecute the action.

On June 3, 2022, the U.S. Court of Appeals for the Ninth Circuit prohibited the federal government from issuing new permits or plans for the use of well stimulation treatments, including hydraulic fracturing and acidizing of wells, in federal waters on the Pacific Outer Continental Shelf until a full environmental review is completed by federal agencies, including an environmental impact statement. The injunction was the result of lawsuits filed by the State of California, the California Coastal Commission and environmental groups alleging that federal agencies violated environmental laws when they authorized unconventional drilling methods from offshore California platforms. The court further found that the agencies violated the Endangered Species Act and Coastal Zone Management Act by not undertaking the appropriate consultations pursuant to those statutes.

While currently none of our Pacific Outer Continental Shelf operations rely on hydraulic fracturing stimulation or acidizing of wells as discussed in the Ninth Circuit decision, any future attempts to place restrictions on other well stimulation treatments may adversely impact our operations, including causing operational delays, increased costs, and reduced production, which could adversely affect our revenues, results of operations and net cash provided by operating activities.

In December 2023, the State Lands Commission granted authority to the Executive Officer to solicit and execute agreements for consultant services to prepare an "Analysis of Public Trust Resources and Values" ("APTR"), which will assess the risks and impacts to Public Trust resources of all 12 leases for offshore oil and gas pipelines under the Commission's jurisdiction including two leases related to Sable's and its subsidiary's assets in state waters. The APTR will include technical evaluations, environmental assessments, climate change considerations, public needs analysis, and alternatives to pipelines. The Commission expects to finalize the APTR by December 31, 2026. The Commission has also authorized a temporary moratorium on new lease applications and issuances for offshore oil and gas pipelines until the APTR is completed and its findings are reviewed. The outcome of the APTR could adversely affect our ability to renew or extend our State Lands Commission leases beyond the current expirations in 2028 and 2029.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Mine Safety Disclosures.**

Not Applicable.

**Item 5. Other Information.**

(a)

***Subscription Agreements***

On November 10, 2025, the Company entered into subscription agreements (the "Subscription Agreements") with certain investors (the "Third PIPE Investors"), pursuant to which, among other things, the Third PIPE Investors agreed to subscribe for and purchase from Sable, and Sable agreed to issue and sell to the Third PIPE Investors, an aggregate of 45,454,546 newly issued shares of Sable's Common Stock, for an aggregate purchase price of approximately $250 million, on the terms and subject to the conditions set forth therein. The issuance and sale of the Common Stock contemplated by the Subscription Agreements was completed on November 12, 2025.

The foregoing description of the Subscription Agreements does not purport to be complete and is qualified in its entirety by reference to the copy of the form of Subscription Agreement filed as Exhibit 10.1 to this Quarterly Report on Form 10-Q and incorporated herein by reference.

The Common Stock to be issued and sold to the Third PIPE Investors pursuant to the Subscription Agreements will not be registered under the Securities Act, and will be issued in reliance on the exemption from registration requirements thereof provided by Section 4(a)(2) of the Securities Act as a transaction by an issuer not involving a public offering.

(b) N/A.

(c) During the three months ended September 30, 2025 (Successor), no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

**Item 6. Exhibits.**

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

| | | Incorporate by Reference | | |
|---|---|---|---|---|
| No. | Description of Exhibit | Form | Exhibit | Filing Date |
| 3.1 | Second Amended and Restated Certificate of Incorporation of Sable Offshore Corp. | 8-K | 3.1 | 2/14/24 |
| 3.2 | Amended and Restated Bylaws of Sable Offshore Corp. | 8-K | 3.2 | 2/14/24 |
| 10.1* | Form of Subscription Agreement. | — | — | — |
| 31.1* | Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | — | — | — |
| 31.2* | Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | — | — | — |
| 32.1** | Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | — | — | — |
| 32.2** | Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | — | — | — |
| 101.INS* | XBRL Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document | | | |
| 101.CAL* | Inline XBRL Taxonomy Extension Calculation Linkbase Document | | | |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document | | | |
| 101.DEF* | Inline XBRL Taxonomy Extension Definition Linkbase Document | | | |
| 101.LAB* | Inline XBRL Taxonomy Extension Labels Linkbase Document | | | |
| 101.PRE* | Inline XBRL Taxonomy Extension Presentation Linkbase Document | | | |
| 104* | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) | | | |

* Filed herewith

** Furnished

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**SABLE OFFSHORE CORP.**

Date: November 13, 2025

By: /s/ James C. Flores
Name: James C. Flores
Title: Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: November 13, 2025

By: /s/ Gregory D. Patrinely
Name: Gregory D. Patrinely
Title: Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 10.1**

*Execution Version*

# SUBSCRIPTION AGREEMENT

This SUBSCRIPTION AGREEMENT (this "Subscription Agreement") is entered into this 10th day of November, 2025, by and between Sable Offshore Corp., a Delaware corporation ("Sable"), and the subscriber party set forth on the signature page hereto ("Subscriber").

WHEREAS, Subscriber desires to subscribe for and to purchase from Sable that number of shares of common stock, par value $0.0001 per share, of Sable (the "Sable Common Stock") set forth on the signature page hereto (the "Acquired Shares") for a purchase price of $5.50 per share and an aggregate purchase price set forth on the signature page hereto (the "Purchase Price"), and Sable desires to issue and sell to Subscriber the Acquired Shares in consideration of the payment of the Purchase Price by or on behalf of Subscriber to Sable;

WHEREAS, Sable may enter into separate subscription agreements (the "Other Subscription Agreements") with certain other "qualified institutional buyers" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) and/or "accredited investors" (as such term is defined in Rule 501 under the Securities Act) (such persons, collectively, the "Other PIPE Investors") on substantially the same terms as those set forth in this Subscription Agreement, pursuant to which such Other PIPE Investors will subscribe for and agree to purchase shares of Sable Common Stock at the same price per share; and

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties and covenants, and subject to the conditions, herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Subscription. Subject to the terms and conditions hereof, Subscriber hereby agrees to subscribe for and purchase, and Sable hereby agrees to issue and sell to Subscriber, the Acquired Shares at the Closing Date (as defined below) in consideration for the payment of the Purchase Price to Sable (such subscription and issuance, the "Subscription").

2. Closing.

(a) The closing of the Subscription contemplated hereby (the "Closing") shall take place on November 12, 2025 (the "Closing Date"). Not less than three (3) business days prior to the scheduled Closing Date, Sable shall provide written notice to Subscriber (the "Closing Notice") of (i) such Closing Date and (ii) the wire instructions for delivery of the Purchase Price. On the Closing Date, Sable shall deliver, or cause to be delivered, to Subscriber (A) the Acquired Shares in book entry form, free and clear of any liens or other restrictions whatsoever (other than those arising under state or federal securities laws), in the name of Subscriber (or its nominee in accordance with its delivery instructions) or to a custodian designated by Subscriber, as applicable, and (B) a copy of the records of Sable showing Subscriber as the owner of the Acquired Shares on and as of the Closing Date. On the Closing Date, Subscriber shall deliver to Sable the Purchase Price for the Acquired Shares by wire transfer of U.S. dollars in immediately available funds to the account specified by Sable in the Closing Notice, such funds to be held in escrow until the Closing Date. Prior to the Closing Date, Subscriber shall deliver to Sable (1) such information as is reasonably requested in the Closing Notice in order for Sable to cause the Acquired Shares to be issued and delivered to Subscriber and (2) a duly completed and executed Internal Revenue Service Form W-9 or appropriate

Internal Revenue Service Form W-8. In the event the Closing does not occur within three (3) business days after the Closing Date and Subscriber has paid the Purchase Price for the Acquired Shares prior to the Closing Date, then Sable shall promptly (but not later than one (1) business day thereafter) return to Subscriber the Purchase Price by wire transfer of U.S. dollars in immediately available funds to the account specified by Subscriber, and any book-entries for the Acquired Shares shall be deemed repurchased and cancelled; provided that, upon such return of the Purchase Price, this Subscription Agreement shall automatically terminate and be of no further force or effect (other than liability for any willful breach prior to such termination). Together with such return of the Purchase Price, Sable shall deliver to Subscriber a certificate executed by its Chief Executive Officer or Chief Financial Officer certifying that the condition set forth in Section 2(b)(xii) was not satisfied and that the Closing did not occur.

(b) In addition to the conditions set forth in Section 2(a), the Closing Date shall be subject to the satisfaction (or waiver (to the extent legally permissible) in writing by the party having the benefit of the applicable condition) of the conditions that, on the Closing Date:

(i) solely with respect to Sable, the representations and warranties made by Subscriber in this Subscription Agreement shall be true and correct in all material respects as of the Closing Date (other than those representations and warranties expressly made as of an earlier date, which shall be true and correct in all material respects as of such date) (other than representations and warranties that are qualified as to materiality, which representations and warranties shall be true in all respects);

(ii) solely with respect to Subscriber, the representations and warranties made by Sable in this Subscription Agreement (other than the representations and warranties set forth in Section 3(b), Section 3(d) and Section 3(h)) shall be true and correct in all material respects as of the Closing Date (other than those representations and warranties expressly made as of an earlier date, which shall be true and correct in all material respects as of such date) (other than representations and warranties that are qualified as to materiality, which representations and warranties shall be true in all respects), and (i) the representations and warranties made by Sable set forth in Section 3(b) and Section 3(d) shall be true and correct in all respects and (ii) other than de minimis changes with respect to shares of Sable Common Stock subject to issuance upon exercise of outstanding warrants and/or underlying equity incentive awards and the vesting of such awards, the representations and warranties made by Sable set forth in Section 3(h) shall be true and correct in all respects, each as of the Closing Date;

(iii) solely with respect to Subscriber, Sable shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Subscription Agreement to be performed, satisfied or complied with by it at or prior to the Closing Date;

(iv) solely with respect to Sable, Subscriber shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Subscription Agreement to be performed, satisfied or complied with by it at or prior to the Closing Date;

(v) there shall not be any law or order of any governmental authority having jurisdiction restraining, enjoining or otherwise prohibiting or making illegal the consummation of the transactions contemplated by this Subscription Agreement;

(vi) no suspension of the qualification of the shares of Sable Common Stock listed on the New York Stock Exchange (the "NYSE") for any offering or sale or trading

in any jurisdiction, or initiation or threatening of any proceedings for any such purposes, shall have occurred;

(vii) there shall have been no Sable Material Adverse Effect with respect to Sable since the date hereof;

(viii) Sable shall have delivered to Subscriber a duly executed and delivered certificate of Sable's chief executive officer or chief financial officer, dated as of the Closing Date, certifying as to the fulfillment of the conditions specified in Sections 2(b)(ii), (iii), (vi), (vii) and (x);

(ix) Sable's secretary shall have delivered to Subscriber at the Closing Date a certificate certifying (i) Sable's certificate of incorporation, (ii) Sable's bylaws and (iii) resolutions of Sable's Board of Directors (or an authorized committee thereof) approving this Subscription Agreement, the transactions contemplated by this Subscription Agreement and the issuance of the Acquired Shares;

(x) Sable shall have filed with the NYSE a supplemental listing application covering the Acquired Shares (the "SLAP") and no objection shall have been raised by the NYSE with respect to the SLAP or the issuance of the Acquired Shares;

(xi) Sable shall have delivered a certificate of the Secretary of State of the State of Delaware, dated of the Closing Date, to the effect that Sable is in good standing; and

(xii) Sable shall have received cash proceeds pursuant to this Subscription Agreement, any Other Subscription Agreement entered into with any Other PIPE Investor, and any concurrent equity financings, in an amount of no less than $225,000,000, net of Placement Agent fees and other transaction costs and expenses.

(c) At the Closing, the parties hereto shall execute and deliver such additional documents and take such additional actions as the parties reasonably may deem to be practical and necessary in order to consummate the transactions contemplated by this Subscription Agreement.

3. Representations and Warranties of Sable. Sable represents and warrants to Subscriber that:

(a) Sable and each of its subsidiaries is duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization. Sable has the entity power and authority to own, lease and operate its properties and conduct its business as presently conducted and as presently proposed to be conducted as described in the SEC Reports and to enter into, deliver and perform its obligations under this Subscription Agreement. Sable is classified as a Subchapter C corporation for U.S. federal tax purposes.

(b) The Acquired Shares are authorized and, when issued and delivered to Subscriber against full payment for the Acquired Shares in accordance with the terms of this Subscription Agreement, the Acquired Shares will be validly issued, fully paid and non-assessable, free and clear of any liens or other restrictions whatsoever (other than those arising under state or federal securities laws) and will not have been issued in violation of or subject to any preemptive or similar rights created under Sable's certificate of incorporation and bylaws or under the laws of the State of Delaware.

(c) There are no securities or instruments issued by or to which Sable is a party containing anti-dilution or similar provisions that will be triggered by the issuance of (i) the

Acquired Shares or (ii) the Sable Common Stock issued or to be issued pursuant to the Other Subscription Agreements, as applicable.

(d) This Subscription Agreement has been duly authorized, executed and delivered by Sable and is enforceable against it in accordance with its terms, except as may be limited or otherwise affected by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws relating to or affecting the rights of creditors generally, and (ii) principles of equity, whether considered at law or equity.

(e) The execution, delivery and performance of this Subscription Agreement and the consummation of the transactions contemplated hereby, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the properties or assets of Sable pursuant to the terms of (i) any indenture, mortgage, deed of trust, loan agreement, lease, license or other agreement or instrument to which Sable is a party or by which Sable is bound or to which any of the property or assets of Sable is subject; (ii) the organizational documents of Sable; or (iii) any statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over Sable or any of its properties that, in the case of clauses (i) and (iii), would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, properties, assets, liabilities, operations, condition (including financial condition) or results of operations of Sable or materially and adversely affect the validity of the Acquired Shares or the legal authority or ability of Sable to perform in any material respects its obligations hereunder (a "Sable Material Adverse Effect").

(f) Sable is not in default or violation (and no event has occurred which, with notice or the lapse of time or both, would constitute a default or violation) of any term, condition or provision of (i) the organizational documents of Sable, (ii) any loan or credit agreement, note, bond, mortgage, indenture, lease or other agreement, permit, franchise or license to which, as of the date of this Subscription Agreement, Sable is a party or by which Sable's properties or assets are bound or (iii) any law, statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over Sable or any of its properties, except, in the case of clauses (ii) and (iii), for defaults or violations that have not had and would not be reasonably likely to have, individually or in the aggregate, a Sable Material Adverse Effect.

(g) Assuming the accuracy of Subscriber's representations and warranties set forth in Section 4, Sable is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority, self-regulatory organization or other person in connection with the execution, delivery and performance by Sable of this Subscription Agreement (including, without limitation, the issuance of the Acquired Shares), other than (i) filings with the U.S. Securities and Exchange Commission (the "SEC"), (ii) filings required by applicable state securities laws, and (iii) those required by the NYSE.

(h) Sable is authorized to issue two classes of stock: Sable Common Stock and preferred stock having a par value of $0.0001 per share ("Sable Preferred Stock"). The total number of shares of capital stock that Sable has authority to issue is 501,000,000 shares, of which the total number of shares of Sable Common Stock that Sable is authorized to issue is 500,000,000 shares and the total number of shares of Sable Preferred Stock that Sable is authorized to issue is 1,000,000. As of the date hereof, (i) 99,507,250 shares of Sable Common Stock are issued and outstanding, all of which are validly issued, fully paid and non-assessable and not subject to any preemptive rights, (ii) up to shares 8,987,062 of Sable Common Stock are subject to issuance upon exercise of outstanding warrants, (iii) up to 10,084,265 shares of Sable

Common Stock are subject to issuance subject to the vesting conditions of equity incentive awards and (iv) no shares of Sable Preferred Stock are issued and outstanding.

(i) Sable has filed or furnished, as applicable, in a timely manner all required registration statements, reports, schedules, forms, statements and other documents required to be filed by Sable with the SEC since February 14, 2024 (the "SEC Reports"). As of their respective filing dates, the SEC Reports complied in all material respects with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Securities Act, and the rules and regulations of the SEC promulgated thereunder. None of the SEC Reports, when filed or, if amended, as of the date of such amendment with respect to those disclosures that are amended, contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of Sable included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the SEC with respect thereto as in effect at the time of filing and fairly present in all material respects the financial position of Sable as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited financial statements, to normal, year-end audit adjustments. A copy of each SEC Report is available to Subscriber via the SEC's EDGAR system. There are no outstanding or unresolved comments in comment letters received by Sable (or any affiliate or subsidiary thereof) from the staff of the Division of Corporation Finance of the SEC with respect to any of the SEC Reports.

(j) Sable has established and maintains systems of internal accounting controls that are designed to provide, in all material respects, reasonable assurance that (i) all transactions are executed in accordance with management's authorization and (ii) all transactions are recorded as necessary to permit preparation of proper and accurate financial statements in accordance with GAAP and to maintain accountability for Sable's assets. Sable maintains, and has maintained, books and records of Sable in the ordinary course of business that are accurate and complete and properly reflect the revenues, expenses, assets and liabilities of Sable in all material respects. Sable maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that complies with the requirements of the Exchange Act applicable to Sable and is effective, and Sable is not aware of any material weaknesses in its internal control over financial reporting. Sable maintains an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Exchange Act) that is designed to ensure that information required to be disclosed by Sable in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to Sable's management as appropriate to allow timely decisions regarding required disclosure. Sable has carried out evaluations of the effectiveness of its disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

(k) Since the date of the balance sheet included in Sable's Form 10-K for the year ended 2024, there has been (i) no Sable Material Adverse Effect, (ii) no transaction which is material to Sable and its subsidiaries taken as a whole, (iii) no obligation or liability, direct or contingent (including any off-balance sheet obligations), incurred by Sable or its subsidiaries, which is material to Sable and its subsidiaries taken as a whole, (iv) no change in the capital stock or outstanding indebtedness of Sable and its subsidiaries, other than as described in the SEC Reports and Section 3(h) of this Subscription Agreement and (v) no dividend or distribution of any kind declared, paid or made on the capital stock of Sable or any of its subsidiaries.

(l) Sable and each of its subsidiaries maintain insurance covering their respective properties, operations, personnel and businesses as Sable reasonably deems adequate; such insurance insures against such losses and risks in accordance with customary industry

practice to protect Sable and its subsidiaries and their respective businesses and which is commercially reasonably for the current conduct of their respective businesses; to Sable's Knowledge, all such insurance is fully in force on the date hereof and is expected to be fully in force at each time of purchase, if any; neither Sable nor any subsidiary has reason to believe that it will not be able to (i) renew any such insurance as and when such insurance expires or (ii) obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted at a cost that would not, individually or in the aggregate, reasonably be expected to result in any Sable Material Adverse Effect. "Sable's Knowledge" with respect to any statement means the actual knowledge, or knowledge that would have been acquired after reasonable inquiry, of the executive officers or directors of Sable.

(m) Assuming the accuracy of Subscriber's representations and warranties set forth in Section 4, no registration under the Securities Act is required for the offer and sale of the Acquired Shares by Sable to Subscriber.

(n) Neither Sable nor any person acting on its behalf has engaged or will engage in any form of general solicitation or general advertising within the meaning of applicable securities laws in connection with any offer or sale of the Acquired Shares.

(o) None of Sable, any of its subsidiaries nor any person acting on their behalf has taken or will take, directly or indirectly, any action designed to or that is likely to cause or result in stabilization or manipulation of the price of any security of Sable to facilitate the sale or resale of the Acquired Shares or otherwise, and has taken no action which could reasonably be expected to directly or indirectly violate Regulation M under the Exchange Act.

(p) Other than as disclosed in the SEC Reports, except for such matters as have not had and would not be reasonably likely to have, individually or in the aggregate, a Sable Material Adverse Effect, there is no proceeding pending, or, to Sable's Knowledge, threatened against Sable or any judgment, decree, injunction, ruling or order of any governmental entity or arbitrator outstanding against Sable.

(q) Except for placement fees payable to each Placement Agent (as defined within), Sable has not paid, and is not obligated to pay, any brokerage, finder's or other fee or commission in connection with its issuance and sale of the Acquired Shares, including, for the avoidance of doubt, any fee or commission payable to any equityholder or affiliate of Sable.

(r) None of Sable, its subsidiaries, any person acting on its behalf nor, to Sable's Knowledge, any of its affiliates has, directly or indirectly, at any time within the applicable period set forth in Rule 152 promulgated under the Securities Act, made any offers or sales of any security or solicited any offers to buy any security under circumstances that would (i) eliminate the availability of the exemption from registration under the Securities Act in connection with the sale by Sable of the Acquired Shares as contemplated hereby or (ii) cause the sale of the Acquired Shares pursuant to this Subscription Agreement to be integrated with prior offerings by Sable for purposes of any applicable law, regulation or stockholder approval provisions, including, without limitation, under the rules and regulations of any exchange on which any of the securities of Sable are listed or designated.

(s) Other than Subscriber and the Other PIPE Investors, no person has any right to cause Sable to effect the registration under the Securities Act of the offer and sale of any securities of Sable other than (i) those offers and sales which are currently registered on an effective registration statement on file with the SEC and (ii) such rights as have been temporarily waived.

(t) The Sable Common Stock is registered pursuant to Section 12(b) or Section 12(g) of the Exchange Act, and Sable has taken no action designed to terminate the registration of the Sable Common Stock under the Exchange Act, nor has Sable received any notification that the SEC or the NYSE is contemplating terminating such registration or listing. Sable is, and immediately following the Closing will be, in compliance with all applicable listing requirements of the NYSE.

(u) Neither Sable nor any of its subsidiaries has taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does Sable or any subsidiary have any knowledge or reason to believe that any of their respective creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so. Sable and its subsidiaries, individually and on a consolidated basis, are not as of the date hereof, and after giving effect to the transactions contemplated hereby to occur at the Closing, will not be Insolvent (as defined below). For purposes hereof, "Insolvent" means, with respect to any person, (i) the present fair saleable value of such person's assets is less than the amount required to pay such person's total indebtedness, (ii) such person is unable to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, (iii) such person intends to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature or (iv) such person has unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted.

(v) Neither Sable nor any subsidiary nor, to Sable's Knowledge, any director, officer, agent, employee or affiliate of Sable or any subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department, or is currently subject to any investigation, inquiry, or enforcement action by the U.S. Department of the Treasury's Office of Investment Services and Programs. Sable is either (i) not a "person of a country of concern" or (ii) not engaged in any "covered activity," as these terms are defined in 31 C.F.R. Part 850, as implemented or revised from time to time (the "Outbound Investment Rules"). Sable has no intention of becoming a "person of a country of concern" that engages in any "covered activity" within the meaning of the Outbound Investment Rules.

(w) The operations of Sable and its subsidiaries are in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no action or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving Sable or any subsidiary with respect to the Money Laundering Laws is pending or, to Sable's Knowledge or the knowledge of any subsidiary, threatened.

(x) Sable is not, and, after giving effect to the offering and sale of Sable Common Stock pursuant to this Subscription Agreement and the Other Subscription Agreements, will not be, required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "Investment Company Act"), and the rules and regulations of the SEC thereunder, and shall not rely on Sections 3(c)(1) or 3(c)(7) of the Investment Company Act as a basis for being exempt from such registration.

4. Subscriber Representations and Warranties. Subscriber represents and warrants that:

(a) Subscriber has been duly formed or incorporated in the United States (or in the case of an individual, is a United States citizen) and is validly existing and in good

standing under the laws of its jurisdiction of incorporation or formation, with power and authority (or in the case of an individual, the legal capacity) to enter into, deliver and perform its obligations under this Subscription Agreement.

(b) This Subscription Agreement has been duly authorized, executed and delivered by Subscriber and, assuming the due authorization, execution and delivery of the same by Sable, is enforceable against it in accordance with its terms, except as may be limited or otherwise affected by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws relating to or affecting the rights of creditors generally, and (ii) principles of equity, whether considered at law or equity.

(c) The execution, delivery and performance by Subscriber of this Subscription Agreement, including the consummation of the transactions contemplated hereby, will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of Subscriber pursuant to the terms of (i) any indenture, mortgage, deed of trust, loan agreement, lease, license or other agreement or instrument to which Subscriber is a party or by which Subscriber is bound or to which any of the property or assets of Subscriber is subject; (ii) the organizational documents of Subscriber; or (iii) any statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over Subscriber or any of its properties that, in the case of clauses (i) and (iii), would reasonably be expected to have a material adverse effect on the legal authority or ability of Subscriber to perform in any material respects its obligations hereunder.

(d) Subscriber (i) is a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) or an "accredited investor" (within the meaning of Rule 501(a) under the Securities Act) satisfying the applicable requirements set forth on Schedule A, (ii) is acquiring the Acquired Shares only for its own account and not for the account of others, or if Subscriber is subscribing for the Acquired Shares as a fiduciary or agent for one or more investor accounts, each owner of such account is a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) or an "accredited investor" (within the meaning of Rule 501(a) under the Securities Act) and Subscriber has full investment discretion with respect to each such account, and the full power and authority to make the acknowledgements, representations and agreements herein on behalf of each owner of each such account, and (iii) is not acquiring the Acquired Shares with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act (and shall provide the requested information on either (a) Schedule A following the signature page hereto or (b) on such other form agreed among Subscriber and Sable). Subscriber is not an entity formed for the specific purpose of acquiring the Acquired Shares, unless such newly formed entity is an entity in which all of the equity owners are "accredited investors" (within the meaning of Rule 501(a) under the Securities Act).

(e) Subscriber understands that the Acquired Shares are being offered and sold pursuant to an exemption from the registration requirements of the Securities Act under Section 4(a)(2) thereof in a transaction not involving any public offering within the meaning of the Securities Act and that the Acquired Shares have not been registered under the Securities Act. Subscriber understands that the Acquired Shares may not be resold, transferred, pledged or otherwise disposed of by Subscriber absent an effective registration statement under the Securities Act, except (i) to Sable or a subsidiary thereof, (ii) to non-U.S. persons pursuant to offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act, (iii) pursuant to Rule 144 promulgated under the Securities Act provided that all of the applicable conditions thereof have been met or (iv) pursuant to another applicable exemption from the registration requirements of the Securities Act, and, in each of cases (i), (iii) and (iv), in accordance with any applicable securities laws of the states and other jurisdictions of

the United States, and that any certificates or book entries representing the Acquired Shares shall contain a legend to such effect. Subscriber acknowledges that the Acquired Shares will not be eligible for resale pursuant to Rule 144A promulgated under the Securities Act. Subscriber understands that it has been advised to consult legal counsel prior to making any offer, resale, pledge or transfer of any of the Acquired Shares.

(f) Subscriber understands and agrees that Subscriber is purchasing the Acquired Shares directly from Sable. Subscriber further acknowledges that there have been no representations, warranties, covenants and agreements made to Subscriber by Sable or any of its officers, managers or representatives, expressly or by implication, other than those representations, warranties, covenants and agreements included in this Subscription Agreement.

(g) Subscriber represents and warrants that its acquisition and holding of the Acquired Shares will not constitute or result in a non-exempt prohibited transaction under Section 406 of the Employee Retirement Income Security Act of 1974, as amended, Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), or any applicable similar law.

(h) In making its decision to purchase the Acquired Shares, Subscriber represents that it has relied solely upon independent investigation made by Subscriber and the representations and warranties of Sable included in this Subscription Agreement. Subscriber acknowledges and agrees that Subscriber has received such information as Subscriber deems necessary in order to make an investment decision with respect to the Acquired Shares. Without limiting the generality of the foregoing, Subscriber acknowledges that it has access to the SEC Reports. Subscriber represents and agrees that Subscriber and Subscriber's professional advisor(s), if any, have had the full opportunity to ask such questions, receive such answers and obtain such information as Subscriber and such Subscriber's professional advisor(s), if any, have deemed necessary to make an investment decision with respect to the Acquired Shares. Subscriber acknowledges and agrees that it has not relied on any Placement Agent or any affiliate of a Placement Agent with respect to its decision to purchase the Acquired Shares. Subscriber further acknowledges that there have been no, and in purchasing the Acquired Shares, Subscriber is not relying on any, representations, warranties, covenants or agreements made to Subscriber by the Placement Agents or any of their respective affiliates or any control persons, officers, directors, partners, agents or representatives of any of the foregoing, expressly or by implication. Subscriber also understands and acknowledges that TD Securities (USA) LLC and/or its affiliates, certain of its senior executives and members of its deal team have an equity ownership interest in Sable.

(i) Subscriber became aware of this offering of the Acquired Shares solely by means of direct contact between Subscriber and Sable, or by means of contact from TD Securities (USA) LLC or Jefferies LLC, acting as placement agents for Sable (the "Placement Agents"), and the Acquired Shares were offered to Subscriber solely by direct contact between Subscriber and Sable, or by contact between Subscriber and a Placement Agent. Subscriber did not become aware of this offering of the Acquired Shares, nor were the Acquired Shares offered to Subscriber, by any other means.

(j) Subscriber acknowledges that it is aware that there are substantial risks incident to the purchase and ownership of the Acquired Shares, including those set forth in the SEC Reports. Subscriber has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Acquired Shares, and Subscriber has sought such accounting, legal and tax advice as Subscriber has considered necessary to make an informed investment decision.

(k) Subscriber has adequately analyzed and fully considered the risks of an investment in the Acquired Shares and determined that the Acquired Shares are a suitable investment for Subscriber, and Subscriber is able at this time and in the foreseeable future to bear the economic risk of a total loss of Subscriber's investment in Sable. Subscriber acknowledges specifically that a possibility of total loss exists.

(l) Subscriber understands and agrees that no federal or state agency has passed upon or endorsed the merits of the offering of the Acquired Shares or made any findings or determination as to the fairness of this investment.

(m) Subscriber is not (i) a person or entity named on the List of Specially Designated Nationals and Blocked Persons, the Executive Order 13599 List, the Foreign Sanctions Evaders List, or the Sectoral Sanctions Identification List, each of which is administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), or any other Executive Order issued by the President of the United States and administered by OFAC (collectively "OFAC Lists"), (ii) owned or controlled by, or acting on behalf of, a person, that is named on an OFAC List; (iii) organized, incorporated, established, located, resident in, or a citizen, national, or the government, including any political subdivision, agency, or instrumentality thereof, of, Cuba, Iran, North Korea, the Crimea region of Ukraine, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, or any other country or territory embargoed or subject to comprehensive sanctions by the United States, (iv) a Designated National as defined in the Cuban Assets Control Regulations, 31 C.F.R. Part 515, or (v) a non-U.S. shell bank or providing banking services indirectly to a non-U.S. shell bank. Subscriber represents that if it is a financial institution subject to the Bank Secrecy Act (31 U.S.C. section 5311 et seq.) (the "BSA"), as amended by the USA PATRIOT Act of 2001 (the "PATRIOT Act"), and its implementing regulations (collectively, the "BSA/PATRIOT Act"), that Subscriber maintains policies and procedures reasonably designed to comply with applicable obligations under the BSA/PATRIOT Act. Subscriber also represents that, to the extent required, it maintains policies and procedures reasonably designed to ensure compliance with OFAC-administered sanctions programs, including for the screening of its investors against the OFAC Lists. Subscriber further represents and warrants that, to the extent required, it maintains policies and procedures reasonably designed to ensure that the funds held by Subscriber and used to purchase the Acquired Shares were legally derived.

(n) If Subscriber is an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), a plan, an individual retirement account or other arrangement that is subject to section 4975 of the Code or an employee benefit plan that is a governmental plan (as defined in section 3(32) of ERISA), a church plan (as defined in section 3(33) of ERISA), a non-U.S. plan (as described in section 4(b)(4) of ERISA) or other plan that is not subject to the foregoing but may be subject to provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code, or an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each, a "Plan") subject to the fiduciary or prohibited transaction provisions of ERISA or section 4975 of the Code, Subscriber represents and warrants that (i) neither Sable nor any of its affiliates (the "Transaction Parties"), has acted as the Plan's fiduciary, or has been relied on for advice, with respect to its decision to acquire and hold the Acquired Shares, and none of the Transaction Parties shall at any time be relied upon as the Plan's fiduciary with respect to any decision to acquire, continue to hold or transfer the Acquired Shares; (ii) the decision to invest in the Acquired Shares has been made at the recommendation or direction of an "independent fiduciary" within the meaning of US Code of Federal Regulations 29 C.F.R. section 2510.3 21(c), as amended from time to time (the "Fiduciary Rule") who is (1) independent of the Transaction Parties; (2) is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies (within the meaning of the

Fiduciary Rule); (3) is a fiduciary (under ERISA and/or section 4975 of the Code) with respect to Subscriber's investment in the Acquired Shares and is responsible for exercising independent judgment in evaluating the investment in the Acquired Shares; and (4) is aware of and acknowledges that none of the Transaction Parties is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the purchaser's or transferee's investment in the Acquired Shares.

(o) At the Closing, Subscriber will have sufficient funds to pay the Purchase Price.

(p) Subscriber acknowledges and agrees that neither the Placement Agents, nor any of their respective affiliates, has provided Subscriber with any information or advice with respect to the Acquired Shares nor is such information or advice necessary or desired. Neither the Placement Agents nor any of their respective affiliates has made or makes any representation as to Sable or the quality or value of the Acquired Shares. Further, the Placement Agents and any of their respective affiliates may have acquired non-public information with respect to Sable, which Subscriber agrees need not be provided to it. On behalf of itself and its affiliates, Subscriber acknowledges that the Placement Agents shall not have any liability or any obligation to Subscriber or its affiliates in respect of this Subscription Agreement or the transactions contemplated hereby including, but not limited to, any action heretofore or hereafter taken or omitted to be taken by any of them in connection with Subscriber's purchase of the Acquired Shares.

(q) Subscriber acknowledges and agrees that it has not received any recommendation with respect to the Subscription from the Placement Agents and thus will not be deemed to form a relationship with the Placement Agents in connection with the Subscription that would require the Placement Agents to treat Subscriber as a "retail customer" for purposes of Regulation Best Interest pursuant to Rule 11-1 of the Exchange Act, or a "retail investor" for purposes of Form CRS pursuant to Rule 17a-14 of the Exchange Act. Accordingly, Subscriber acknowledges and agrees that it is not entitled to the protections or disclosures required by Regulation Best Interest or Form CRS with respect to the Subscription.

(r) Subscriber acknowledges and agrees that the Placement Agents, and their respective affiliates, are acting solely as placement agents in connection with the Subscription and are not acting as underwriters or in any other capacity and are not and shall not be construed as a financial advisor, tax advisor or fiduciary for Subscriber, Sable or any other person or entity in connection with the Subscription.

(s) Subscriber acknowledges that no disclosure or offering document has been prepared by the Placement Agents or any of their respective affiliates in connection with the offer and sale of the Acquired Shares.

(t) Subscriber acknowledges that it has not relied on the Placement Agents in connection with its determination as to the legality of its acquisition of the Acquired Shares or as to the other matters referred to herein, and Subscriber has not relied on any investigation that the Placement Agents, any of their affiliates or any person acting on their behalf have conducted with respect to the Acquired Shares or Sable. Subscriber further acknowledges that it has not relied on any information contained in any research reports prepared by the Placement Agents or any of their affiliates.

5. Registration Rights.

(a) Sable agrees to use commercially reasonable efforts to, within fifteen (15) business days after the Closing Date (the "Filing Date"), file with the SEC (at Sable's sole

cost and expense) a registration statement (the "Registration Statement") registering the resale of the Acquired Shares, and Sable shall use its commercially reasonable efforts to have the Registration Statement declared effective under the Securities Act as soon as practicable after the filing thereof, but no later than the earlier of (i) the 60th calendar day (or 90th calendar day if the SEC notifies Sable that it will "review" the Registration Statement) following the Closing Date and (ii) the fifth business day after the date Sable is notified (orally or in writing, whichever is earlier) by the SEC that the Registration Statement will not be "reviewed" or will not be subject to further review (such earlier date, the "Effectiveness Date"); *provided, however*, that Sable's obligations to include Acquired Shares in the Registration Statement are contingent upon Subscriber furnishing in writing to Sable such information regarding Subscriber, the securities of Sable held by Subscriber and the intended method of disposition of Acquired Shares as shall be reasonably requested by Sable to effect the registration of Acquired Shares, and Subscriber shall execute such documents in connection with such registration as Sable may reasonably request that are customary of a selling stockholder in similar situations, including providing that Sable shall be entitled to postpone and suspend the effectiveness or use of the Registration Statement during any customary blackout or similar period or as permitted hereunder; *provided* that Subscriber shall not in connection with the foregoing be required to execute any lock-up or similar agreement with Sable on the ability to transfer Acquired Shares. Any failure by Sable to file the Registration Statement by the Filing Date or to effect such Registration Statement by the Effectiveness Date shall not otherwise relieve Sable of its obligations to file or effect the Registration Statement as set forth above in this Section 5 and shall be subject to the provisions of Section 5(e). Sable shall provide a draft of the Registration Statement to Subscriber for review upon written request (including by way of email) at least four (4) business days in advance of the Filing Date. In no event shall Subscriber be identified as an "underwriter" in such Registration Statement without Subscriber's prior written consent. Such Registration Statement shall not include any shares of Sable Common Stock or other securities for the account of any holder of securities of Sable other than the Acquired Shares and the shares of Sable Common Stock issued to the Other PIPE Investors pursuant to the Other Subscription Agreements without the prior written consent of Subscriber. If Form S-3 is not available for the registration of the resale of the Acquired Shares hereunder as of the Filing Date, Sable shall (i) register the resale of the Acquired Shares on Form S-1 and (ii) register such Acquired Shares for resale on Form S-3 promptly after the use of such form becomes available and use its commercially reasonable efforts to have such registration statement declared effective by the SEC.

(b) Notwithstanding anything to the contrary herein, solely for purposes of calculating the Effectiveness Date, the period between the Filing Date and the Effectiveness Date shall be tolled, on a day-for-day basis, for each calendar day following the Filing Date during which a federal government "shutdown" or funding lapse results in the SEC suspending or delaying the review or effectiveness of any registration statement or related filings; provided, however, if the federal government "shutdown" or funding lapse in effect on the date of this Agreement continues uninterrupted through February 28, 2026, then Sable shall promptly thereafter file the Registration Statement without delaying amendment language such that the Registration Statement shall become effective in accordance with Section 8(a) of the Securities Act within twenty (20) calendar days after such filing, and Sable shall take all actions reasonably necessary to maintain the continuous effectiveness of the Registration Statement thereafter in accordance with this Section 5. For the avoidance of doubt: (i) if any such "shutdown" or funding lapse ends on or before the Filing Date, no extension to the Effectiveness Date shall apply and (ii) if any such "shutdown" or funding lapse occurs or continues after the Filing Date, the Effectiveness Date shall be extended by the number of calendar days during which the "shutdown" or funding lapse continues after the Filing Date.

(c) In the case of the registration, qualification, exemption or compliance effected by Sable pursuant to this Subscription Agreement, Sable shall, upon reasonable request,

inform Subscriber as to the status of such registration, qualification, exemption and compliance. At its expense Sable shall:

(i) except for such times as Sable is permitted hereunder to suspend the use of the prospectus forming part of a Registration Statement, use its commercially reasonable efforts to keep such registration, and any qualification, exemption or compliance under state securities laws which Sable determines to obtain, continuously effective with respect to Subscriber, and to keep the applicable Registration Statement or any subsequent shelf registration statement free of any material misstatements or omissions, until the earliest of the following: (i) Subscriber ceases to hold any Acquired Shares, (ii) the date all Acquired Shares held by Subscriber may be sold without restriction under Rule 144, including without limitation, any volume and manner of sale restrictions which may be applicable to affiliates under Rule 144 and without the requirement for Sable to be in compliance with the current public information required under Rule 144(c)(1) (or Rule 144(i)(2), if applicable), and (iii) five years from the Effectiveness Date.;

(ii) advise Subscriber within five (5) business days (unless such earlier date is noted below):

(1) within two (2) business days of when a Registration Statement or any amendment thereto has been filed with the SEC and when such Registration Statement or any post-effective amendment thereto has become effective;

(2) within two (2) business days of any request by the SEC for amendments or supplements to any Registration Statement or the prospectus included therein or for additional information;

(3) within two (2) business days of the issuance by the SEC of any stop order suspending the effectiveness of any Registration Statement or the initiation of any proceedings for such purpose;

(4) within two (2) business days of the receipt by Sable of any notification with respect to the suspension of the qualification of the Acquired Shares included therein for sale in any jurisdiction; and

(5) subject to the provisions in this Subscription Agreement, of the occurrence of any event that requires the making of any changes in any Registration Statement or prospectus so that, as of such date, the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in the light of the circumstances under which they were made) not misleading.

6. Notwithstanding anything to the contrary set forth herein, Sable shall not, when so advising Subscriber of such events, provide Subscriber with any material, nonpublic information regarding Sable other than to the extent that providing notice to Subscriber of the occurrence of the events listed in (1) through (5) above constitutes material, nonpublic information regarding Sable;

(i) use its commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of any Registration Statement as soon as reasonably practicable;

(ii) upon the occurrence of any event contemplated above, except for such times as Sable is permitted hereunder to suspend, and has suspended, the use of a prospectus forming part of a Registration Statement, Sable shall use its commercially reasonable efforts to as soon as reasonably practicable prepare a post-effective amendment to such Registration Statement or a supplement to the related prospectus, or file any other required document so that, as thereafter delivered to purchasers of Acquired Shares included therein, such prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(iii) use its commercially reasonable efforts to cause all Acquired Shares to be listed on each securities exchange or market, if any, on which Sable Common Stock issued by Sable has been listed;

(iv) use its commercially reasonable efforts to take all other steps necessary to effect the registration of the Acquired Shares contemplated hereby and to enable Subscriber to sell Sable Common Stock under Rule 144; and

(v) subject to receipt from Subscriber by Sable and its transfer agent of customary representations and other documentation reasonably acceptable to Sable and the transfer agent in connection therewith, including, if required by the transfer agent, an opinion of Sable's counsel, in a form reasonably acceptable to the transfer agent, to the effect that the removal of such restrictive legends in such circumstances may be effected under the Securities Act, upon Subscriber's request, Sable will (following receipt of such customary representations and other documentation reasonably acceptable to Sable) reasonably cooperate with Sable's transfer agent, such that any remaining restrictive legend set forth on such Acquired Shares will be removed from the book entry position evidencing its Acquired Shares following the earliest of such time as such Acquired Shares hereunder are either eligible to be sold (i) pursuant to an effective registration statement or (ii) without restriction under, and without the requirement for Sable to be in compliance with the current public information requirements of, Rule 144 under the Securities Act. Sable shall be responsible for the fees of its transfer agent, its legal counsel and all Depository Trust Company fees associated with such issuance.

(a) Notwithstanding anything to the contrary in this Subscription Agreement, Sable shall be entitled to delay or postpone the effectiveness of the Registration Statement, and from time to time to require Subscriber not to sell under the Registration Statement or to suspend the effectiveness thereof, if it determines, upon the advice of outside legal counsel that the negotiation or consummation of a transaction by Sable or its subsidiaries is pending or an event has occurred, which negotiation, consummation or event, Sable's board of directors reasonably believes, upon the advice of legal counsel, would require additional disclosure by Sable in the Registration Statement of material information that Sable has a bona fide business purpose for keeping confidential and the non-disclosure of which in the Registration Statement would be expected, in the reasonable determination of Sable's board of directors, upon the advice of legal counsel, to cause the Registration Statement to fail to comply with applicable disclosure requirements (each such circumstance, a "Suspension Event"); *provided, however*, that Sable may not delay or suspend the Registration Statement on more than two occasions or for more than forty-five (45) consecutive calendar days, or more than ninety (90) total calendar days, in each case during any twelve-month period. Upon receipt of any written notice from Sable of the happening of any Suspension Event during the period that the Registration Statement is effective or if as a result of a Suspension Event the Registration Statement or related prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made (in the case of the prospectus) not misleading, Subscriber agrees that (i) it will immediately discontinue offers and sales of the Acquired Shares under the Registration

Statement (excluding, for the avoidance of doubt, sales conducted pursuant to Rule 144) until Subscriber receives copies of a supplemental or amended prospectus (which Sable agrees to promptly prepare) that corrects the misstatement(s) or omission(s) referred to above and receives notice that any post-effective amendment has become effective or unless otherwise notified by Sable that it may resume such offers and sales, and (ii) it will maintain the confidentiality of any information included in such written notice delivered by Sable unless otherwise required by law or subpoena. If so directed by Sable, Subscriber will deliver to Sable or, in Subscriber's sole discretion destroy, all copies of the prospectus covering Acquired Shares in Subscriber's possession; provided, however, that this obligation to deliver or destroy all copies of the prospectus covering Acquired Shares shall not apply (i) to the extent Subscriber is required to retain a copy of such prospectus (a) in order to comply with applicable legal, regulatory, self-regulatory or professional requirements or (b) in accordance with a bona fide pre-existing document retention policy or (ii) to copies stored electronically on archival servers as a result of automatic data back-up.

(b) Indemnification.

(i) Sable shall indemnify, to the fullest extent permitted by law, Subscriber, its directors, officers, advisers and agents and each person who controls Subscriber (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses (including attorneys' fees) caused by any untrue or alleged untrue statement of material fact contained in any Registration Statement, prospectus included in any Registration Statement ("Prospectus") or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as the same are caused by or based on any information furnished in writing to Sable by Subscriber expressly for use therein.

(ii) In connection with any Registration Statement in which Subscriber is participating, Subscriber shall furnish to Sable in writing such information and affidavits as Sable reasonably requests for use in connection with any such Registration Statement or Prospectus and, to the extent permitted by law, shall indemnify Sable, its directors and officers and agents and each person who controls Sable (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses (including without limitation reasonable attorneys' fees) resulting from any untrue statement of material fact contained in the Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by Subscriber expressly for use therein; *provided, however*, that the liability of Subscriber shall be several and not joint with any other holders of Sable Common Stock and shall be in proportion to and, together with any amounts paid or payable pursuant to this Section 5(e)(ii), shall not exceed the dollar amount of the net proceeds received by Subscriber upon the sale of Acquired Shares giving rise to such indemnification obligation.

(iii) Any person entitled to indemnification herein shall (1) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any person's right to indemnification hereunder to the extent such failure has not prejudiced the indemnifying party) and (2) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who elects not to

assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. No indemnifying party shall, without the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement which cannot be settled in all respects by the payment of money (and such money is so paid by the indemnifying party pursuant to the terms of such settlement) or which settlement does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(iv) The indemnification provided for under this Subscription Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling person of such indemnified party and shall survive the transfer of securities.

(v) If the indemnification provided under this Section 5(e) from the indemnifying party is unavailable or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities and expenses referred to herein, then the indemnifying party, in lieu of indemnifying the indemnified party, shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities and expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party, as well as any other relevant equitable considerations; provided, that the liability of Subscriber, together with any amounts paid or payable pursuant to this Section 5(e)(v), shall be limited to the net proceeds received by Subscriber from the sale of Acquired Shares giving rise to such indemnification obligation. The relative fault of the indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, was made by, or relates to information supplied by, such indemnifying party or indemnified party, and the indemnifying party's and indemnified party's relative intent, knowledge, access to information and opportunity to correct or prevent such action. The amount paid or payable by a party as a result of the losses or other liabilities referred to above shall be deemed to include, subject to the limitations set forth in Sections 5(e)(i), (ii) and (iii) above, any legal or other fees, charges or expenses reasonably incurred by such party in connection with any investigation or proceeding. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution pursuant to this Section 5(e) from any person who was not guilty of such fraudulent misrepresentation.

7. Termination. This Subscription Agreement shall terminate and be void and of no further force and effect, and all rights and obligations of the parties hereunder shall terminate without any further liability on the part of any party in respect thereof, upon the mutual written agreement of each of the parties hereto to terminate this Subscription Agreement; *provided*, that nothing herein will relieve any party from liability for any willful breach hereof prior to the time of termination, and each party will be entitled to any remedies at law or in equity to recover losses, liabilities or damages arising from such breach.

8. Covenants.

(a) Sable's Covenants.

(i) Except as contemplated herein, Sable, its subsidiaries and their respective affiliates shall not, and shall cause any person acting on behalf of any of the foregoing

to not, take any action or steps that would require registration of the issuance of any of the Acquired Shares under the Securities Act.

(ii) With a view to making available to Subscriber the benefits of Rule 144 promulgated under the Securities Act or any other similar rule or regulation of the SEC that may at any time permit Subscriber to sell securities of Sable to the public without registration, Sable agrees, from and after the time the benefits of such rules or regulations may be available to Subscriber for so long as Subscriber holds the Acquired Shares, to:

(1) make and keep public information available, as those terms are understood and defined in Rule 144;

(2) file with the SEC in a timely manner all reports and other documents required of Sable under the Securities Act and the Exchange Act if Sable becomes, and for so long as Sable remains, subject to such requirements and the filing of such reports and other documents is required for the applicable provisions of Rule 144; and

(3) furnish to Subscriber so long as it owns Acquired Shares, promptly upon request, (x) an electronic statement by Sable, if true, that it has complied with the reporting requirements of the Exchange Act as required under Rule 144, (y) an electronic copy of the most recent annual or quarterly report of Sable and such other reports and documents so filed by Sable and (z) such other information as may be reasonably requested to permit Subscriber to sell such securities pursuant to Rule 144 without registration.

(iii) Sable shall use commercially reasonable efforts to cause the legend described in Section 4(e) relating to securities law transfer restrictions to be removed, including to cause an opinion of Sable's counsel to be provided in connection therewith, and Sable shall use commercially reasonable efforts to cause its transfer agent to issue a certificate without such legend to the holder of the Acquired Shares upon which it is stamped or issue to such holder by electronic delivery at the applicable balance account at The Depository Trust Company ("DTC"), if (i) such Acquired Shares are registered for resale under the Securities Act and Sable's counsel will provide any opinions required with respect to such legend removal, (ii) in connection with a sale, assignment or other transfer, such holder provides Sable with customary representations and Sable provides the transfer agent an opinion of counsel to the effect that such sale, assignment or transfer of the Acquired Shares may be made without registration under the applicable requirements of the Securities Act, or (iii) the Acquired Shares can be sold, assigned or transferred pursuant to Rule 144 without restriction. Sable shall be responsible for the fees of its transfer agent and counsel and all DTC fees associated with such issuance, including any other costs related to Sable's obligations under this Section 7(a)(iii) and Section 4(e).

(iv) Sable will use commercially reasonable efforts to continue the listing and trading of Sable Common Stock on NYSE and, in accordance therewith, will use commercially reasonable efforts to comply in all material respects with Sable's reporting, filing and other obligations under the bylaws or rules of such market or exchange, as applicable.

(b) Subscriber's Covenants.

(i) On behalf of itself and its affiliates, Subscriber releases each Placement Agent in respect of any losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses or disbursements related to this Subscription Agreement or the transactions contemplated hereby.

9. Miscellaneous.

(a) Each party hereto acknowledges that the other party and the Placement Agents will rely on the acknowledgments, understandings, agreements, representations and warranties contained in this Subscription Agreement. Prior to the Closing Date, Subscriber agrees to promptly notify Sable (which agrees to then promptly notify the Placement Agents) if any of the acknowledgments, understandings, agreements, representations and warranties set forth herein are no longer accurate in all material respects. Subscriber and Sable further acknowledge and agree that each of the Placement Agents is a third-party beneficiary with the right to enforce Section 3, Section 4 and Section 8 of this Subscription Agreement on its behalf and not, for the avoidance of doubt, on behalf of Sable, and that each of the Placement Agents will rely on the acknowledgments, understandings, agreements, representations and warranties made by Subscriber and Sable contained in this Subscription Agreement.

(b) Sable, Subscriber and the Placement Agents (with respect to Section 3, Section 4 and Section 8 hereof) are entitled to rely upon this Subscription Agreement and are each irrevocably authorized to produce this Subscription Agreement or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby and to the extent required by law or regulatory bodies. The Placement Agents are entitled to rely upon the acknowledgments, understandings, agreements, representations and warranties made by Subscriber and Sable in this Subscription Agreement.

(c) Subscriber may not assign this Subscription Agreement and any of Subscriber's rights and obligations hereunder without the prior consent of Sable; provided, that nothing in this Subscription Agreement shall prohibit Subscriber from transferring or assigning any of its rights, interests and obligations pursuant to this Subscription Agreement to any controlled affiliate of such Subscriber so long as (i) such transfer or assignment would not reasonably be expected to impair or delay the ability of Subscriber or such transferee to complete its respective obligations pursuant to this Subscription Agreement and (ii) such transferee would otherwise not violate any of the representation and warranties contained in Section 4 hereof. Subject to the foregoing, Subscriber's permitted assignee(s) agrees to be bound by the terms hereof. Upon such permitted assignment by Subscriber, the assignee(s) shall become Subscriber hereunder and have the rights and obligations provided for herein to the extent of such assignment. Neither this Subscription Agreement nor any rights that may accrue to Sable hereunder or any of Sable's respective obligations may be transferred or assigned.

(d) All the agreements, covenants, representations and warranties made by each party hereto in this Subscription Agreement shall survive the Closing.

(e) Sable may request from Subscriber such additional information as Sable may deem reasonably necessary to evaluate the eligibility of Subscriber to acquire the Acquired Shares, and Subscriber shall provide such information as may be reasonably requested, to the extent readily available and to the extent consistent with its internal policies and procedures; *provided*, that, upon receipt of such additional information, Sable agrees to keep any such information confidential but shall be allowed to convey such information to each Placement Agent and such Placement Agent shall keep the information confidential, except as may be required by applicable law, rule, regulation or in connection with any legal proceeding or regulatory request.

(f) This Subscription Agreement may not be modified, waived or terminated except by an instrument in writing, signed by the party against whom enforcement of such modification, waiver, or termination is sought.

(g) This Subscription Agreement constitutes the entire agreement, and supersedes all other prior agreements, understandings, representations and warranties, both written and oral, among the parties, with respect to the subject matter hereof. Except as set forth

in Section 5(e), this Subscription Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective successor and assigns.

(h) Except as otherwise provided herein, this Subscription Agreement shall be binding upon, and inure to the benefit of the parties hereto and their affiliates, heirs, executors, administrators, successors, legal representatives, and permitted assigns, and the agreements, representations, warranties, covenants and acknowledgments contained herein shall be deemed to be made by, and be binding upon, such heirs, executors, administrators, successors, legal representatives and permitted assigns.

(i) If any provision of this Subscription Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Subscription Agreement shall not in any way be affected or impaired thereby and shall continue in full force and effect.

(j) This Subscription Agreement may be executed in one or more counterparts (including by facsimile or electronic mail or in .pdf) and by different parties in separate counterparts, with the same effect as if all parties hereto had signed the same document. All counterparts so executed and delivered shall be construed together and shall constitute one and the same agreement.

(k) Subscriber shall pay all of its own expenses in connection with this Subscription Agreement and the transactions contemplated by this Subscription Agreement.

(l) Any notice or communication required or permitted hereunder shall be in writing and either delivered personally, or emailed, sent by overnight mail via a reputable overnight carrier, or sent by certified or registered mail, postage prepaid, and shall be deemed to be given and received (a) when so delivered personally, (b) when sent, with no mail undeliverable or other rejection notice, if sent by email, or (c) five (5) business days after the date of mailing to the address below or to such other address or addresses as such person may hereafter designate by notice given hereunder:

if to Subscriber, to such address or addresses set forth on the signature page hereto; and

if to Sable, to:

Sable Offshore Corp.
845 Texas Ave., Ste. 2920
Houston, Texas 77002
Attn:
Phone:
Email:

(m) The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Subscription Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Subscription Agreement and to enforce specifically the terms and provisions of this Subscription Agreement, this being in addition to any other remedy to which such party is entitled at law, in equity, in contract, in tort or otherwise.

(n) This Subscription Agreement, and any claim or cause of action hereunder based upon, arising out of or related to this Subscription Agreement (whether based on law, in equity, in contract, in tort or any other theory) or the negotiation, execution, performance or

enforcement of this Subscription Agreement, shall be governed by and construed in accordance with the Laws of the State of Delaware, without giving effect to the principles of conflicts of laws thereof.

THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND, IF SUCH FEDERAL COURT DOES NOT HAVE JURISDICTION, THE COURTS OF THE STATE OF DELAWARE SOLELY IN RESPECT OF THE INTERPRETATION AND ENFORCEMENT OF THE PROVISIONS OF THIS SUBSCRIPTION AGREEMENT AND THE DOCUMENTS REFERRED TO IN THIS SUBSCRIPTION AGREEMENT AND IN RESPECT OF THE TRANSACTIONS CONTEMPLATED HEREBY, AND HEREBY WAIVE, AND AGREE NOT TO ASSERT, AS A DEFENSE IN ANY ACTION, SUIT OR PROCEEDING FOR INTERPRETATION OR ENFORCEMENT HEREOF OR ANY SUCH DOCUMENT THAT IS NOT SUBJECT THERETO OR THAT SUCH ACTION, SUIT OR PROCEEDING MAY NOT BE BROUGHT OR IS NOT MAINTAINABLE IN SAID COURTS OR THAT VENUE THEREOF MAY NOT BE APPROPRIATE OR THAT THIS SUBSCRIPTION AGREEMENT OR ANY SUCH DOCUMENT MAY NOT BE ENFORCED IN OR BY SUCH COURTS, AND THE PARTIES HERETO IRREVOCABLY AGREE THAT ALL CLAIMS WITH RESPECT TO SUCH ACTION, SUIT OR PROCEEDING SHALL BE HEARD AND DETERMINED BY SUCH FEDERAL OR DELAWARE STATE COURT. THE PARTIES HEREBY CONSENT TO AND GRANT ANY SUCH COURT JURISDICTION OVER THE PERSON OF SUCH PARTIES AND OVER THE SUBJECT MATTER OF SUCH DISPUTE AND AGREE THAT MAILING OF PROCESS OR OTHER PAPERS IN CONNECTION WITH SUCH ACTION, SUIT OR PROCEEDING IN THE MANNER PROVIDED IN SECTION 8(l) OR IN SUCH OTHER MANNER AS MAY BE PERMITTED BY LAW SHALL BE VALID AND SUFFICIENT SERVICE THEREOF.

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS SUBSCRIPTION AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SUBSCRIPTION AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS SUBSCRIPTION AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, PLACEMENT AGENT, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER; (II) SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THE FOREGOING WAIVER; (III) SUCH PARTY MAKES THE FOREGOING WAIVER VOLUNTARILY AND (IV) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS SUBSCRIPTION AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 8(n).

(o) Sable shall, (i) by 9:00 a.m., New York City time, on the trading day immediately following the date of this Subscription Agreement, issue a press release or file a Current Report on Form 8-K (collectively, the "Disclosure Document", and earlier of the actual issuance of such press release and/or filing of such Current Report on Form 8-K, the "Disclosure Time"), disclosing the material terms of the transactions contemplated hereby, the Other Subscription Agreements and any other material, nonpublic information that Sable has provided to Subscriber at any time prior to the Disclosure Time and (ii) file a Current Report on Form 8-K, including a form of this Subscription Agreement as an exhibit thereto (provided that such exhibit shall not include the name of Subscriber except as permitted pursuant to this Section 8(o)), with the SEC within the time required by the Exchange Act. Notwithstanding the foregoing, except as may otherwise be agreed with Subscriber, without such Subscriber's prior written consent (email being sufficient), Sable shall not identify Subscriber or any of Subscriber's affiliates by name or by identifiable description in any issuance of a press release, on its website, in any marketing materials or investor presentations, on social media channels, or in any SEC Reports (unless required by the rules and regulations of the SEC, in which case Sable shall provide Subscriber with prior written notice (including by e-mail) of such required disclosure, and shall reasonably consult with Subscriber regarding such disclosure). From and after the Disclosure Time, Sable represents to Subscriber that it shall have publicly disclosed all material, non-public information delivered to Subscriber by Sable or any of its subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by this Subscription Agreement. Sable understands and confirms that Subscriber shall be relying on the foregoing covenant in effecting transactions in securities of Sable.

(p) No Other Subscription Agreement shall provide for any terms, rights or benefits to the investor under such Other Subscription Agreement that are more favorable to such Other PIPE Investor than the terms, rights and benefits hereof, and Sable has not entered into any side letter or similar agreement regarding any Other PIPE Investor other than the Other Subscription Agreements that is materially more favorable to such Other PIPE Investor than the terms, rights and benefits hereof. After the date hereof, no Other Subscription Agreement shall be amended or modified, and no terms or conditions thereof waived, in each case in a manner that is materially more favorable to such other investor than the terms, rights and benefits hereof, unless such amendment, modification or waiver is also offered to Subscriber; provided that each Other Subscription Agreement reflects the same per share purchase price for the Acquired Shares and has other economic terms with respect to the purchase of the Acquired Shares that are no more favorable to any such Other PIPE Investor thereunder than the terms of this Subscription Agreement.

(q) The obligations of Subscriber under this Subscription Agreement are several and not joint with the obligations of any investor under the Other Subscription Agreements, and Subscriber shall not be responsible in any way for the performance of the obligations of any Other PIPE Investor under the Other Subscription Agreements. Nothing contained herein or in any Other Subscription Agreement, and no action taken by Subscriber or any Other PIPE Investor pursuant hereto or thereto, shall be deemed to constitute Subscriber and such Other PIPE Investors as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that Subscriber and such Other PIPE Investors are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by this Subscription Agreement and the Other Subscription Agreements. Subscriber shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Subscription Agreement, and it shall not be necessary for any other investor to be joined as an additional party in any proceeding for such purpose.

[*Signature Pages Immediately Follow*]

**IN WITNESS WHEREOF**, each of Sable and Subscriber has executed or caused this Subscription Agreement to be executed by its duly authorized representative as of the date set forth below.

**SABLE OFFSHORE CORP.**

By: _____
Name: James C. Flores
Title: Chairman of the Board & Chief Executive Officer

Date: November 10, 2025

SUBSCRIBER:

_____

Signature of Subscriber:

By: _____
Name:
Title:

Date: _____, 2025

_____
Name in which securities are to be registered
(if different)

Email Address: _____

If there are joint investors, please check one:

☐ Joint Tenants with Rights of Survivorship

☐ Tenants-in-Common

☐ Community Property

Subscriber's EIN:

_____

Business Address-Street:

_____

_____
City, State, Zip:
Attn:

Telephone No.: _____

Facsimile No.: _____

JOINT SUBSCRIBER, if applicable:

_____

Signature of Joint Subscriber, if applicable:

By: _____
Name:
Title:

Date: _____, 2025

Joint Subscriber's EIN:

_____

Mailing Address-Street (if different):

_____

_____
City, State, Zip:
Attn:

Telephone No.: _____

Facsimile No.: _____

Aggregate Number of Acquired Shares subscribed for:

_____

Aggregate Purchase Price:
$ [•]

You must pay the Purchase Price by wire transfer of United States dollars in immediately available funds to the account specified by Sable in the Closing Notice.

**SCHEDULE A**
**ELIGIBILITY REPRESENTATIONS OF SUBSCRIBER**

A. QUALIFIED INSTITUTIONAL BUYER STATUS
(Please check the applicable subparagraphs):

1. ☐ We are a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act (a "QIB")).
2. ☐ We are subscribing for the Acquired Shares as a fiduciary or agent for one or more investor accounts, and each owner of such account is a QIB.

*** OR ***

B. ACCREDITED INVESTOR STATUS
(Please check the applicable subparagraphs):

1. ☐ We are an "accredited investor" (within the meaning of Rule 501(a) under the Securities Act) or an entity in which all of the equity holders are accredited investors within the meaning of Rule 501(a) under the Securities Act, and have marked and initialed the appropriate box on the following page indicating the provision under which we qualify as an "accredited investor."
2. ☐ We are not a natural person.

*** AND ***

C. AFFILIATE STATUS
(Please check the applicable box)
SUBSCRIBER:

☐ is:
☐ is not:

an "affiliate" (as defined in Rule 144 under the Securities Act) of Sable acting on behalf of an affiliate of Sable.

***This page should be completed by Subscriber***
***and constitutes a part of the Subscription Agreement.***

Rule 501(a), in relevant part, states that an "accredited investor" shall mean any person who comes within any of the below listed categories, or who the issuer reasonably believes comes within any of the below listed categories, at the time of the sale of the securities to that person. Subscriber has indicated, by marking and initialing the appropriate box below, the provision(s) below which apply to Subscriber and under which Subscriber accordingly qualifies as an "accredited investor."

**ENTITY**

☐ Any bank as defined in section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity;

☐ Any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934;

☐ Any insurance company as defined in section 2(a)(13) of the Securities Act;

☐ Any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act;

☐ Any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958;

☐ Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000;

☐ Any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

☐ Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

☐ Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000; or

☐ Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii).

☐ Any "family office," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940: (i) with assets under management in excess of $5,000,000, (ii) that is not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investment is directed by a person who has such knowledge and experience in

financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment;

☐ Any "family client," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements described above and whose prospective investment in the issuer is directed by such family office pursuant to clause (iii) of the above; or

☐ Any entity in which all of the equity owners are accredited investors meeting one or more of the above and below tests.

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**INDIVIDUAL**

☐ Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer.

☐ Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his or her purchase exceeds $1,000,000. For purposes of calculating a natural person's net worth: (a) the person's primary residence must not be included as an asset; (b) indebtedness secured by the person's primary residence up to the estimated fair market value of the primary residence must not be included as a liability (except that if the amount of such indebtedness outstanding at the time of calculation exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess must be included as a liability); and (c) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the residence must be included as a liability;

☐ Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

***This page should be completed by Subscriber***
***and constitutes a part of the Subscription Agreement.***

**EXHIBIT 31.1**

**CERTIFICATION**

I, James C. Flores, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Sable Offshore Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2025

/s/ James C. Flores

James C. Flores
Chairman and Chief Executive Officer
(Principal Executive Officer)

**EXHIBIT 31.2**

**CERTIFICATION**

I, Gregory D. Patrinely, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Sable Offshore Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2025

/s/ Gregory D. Patrinely

Gregory D. Patrinely
Executive Vice President and Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

**EXHIBIT 32.1**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Sable Offshore Corp. (the "Company") for the period ended September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James C. Flores, Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 13, 2025

/s/ James C. Flores
James C. Flores
Chairman and Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**EXHIBIT 32.2**

**CERTIFICATION PURSUANT TO**
**18 U.S.C. SECTION 1350**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Sable Offshore Corp. (the "Company") for the period ended September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory D. Patrinely, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 13, 2025

/s/ Gregory D. Patrinely
Gregory D. Patrinely
Executive Vice President and Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

# News Details

VIEW ALL NEWS →

# Sable Offshore Corp. Responds To The November 14, 2025 Hunterbrook Media LLC Report

**11/14/2025**

HOUSTON--(BUSINESS WIRE)-- Sable Offshore Corp. ("*Sable*" or the "*Company*") (NYSE: SOC) today is responding to correct a report issued by Hunterbrook Media LLC ("*Hunterbrook*") published on November 14, 2025. Sable disputes certain misstatements in the report as follows below.

***Accounts Payable***

In the report, Hunterbrook states that Sable "disclosed…$163 million in accounts payable… " as of September 30, 2025 in its Q3 10-Q. This is a gross misreading of Sable's balance sheet set forth in the Company's recently filed Form 10-Q (the "*Q3 10-Q*"). As clearly disclosed on pg. 14 of the Q3 10-Q, **the accounts payable balance of the Company as of September 30, 2025 was approximately $53 million.** The figure cited by Hunterbrook includes accounts payable and accrued liabilities. Accrued liabilities include certain discretionary and non-cash items.

With proceeds from the successful sale of common stock in a private placement to institutional investors, Sable believes it has the liquidity required to pursue its objectives, including a comprehensive debt refinancing in the first quarter of 2026.

***Pilgrim Global Entities' Ownership***

The report also speculates on Pilgrim's current ownership and intentions. Pilgrim continues to have substantial ownership in Sable consistent with its regulatory filings. Pilgrim also was a significant participant in Sable's recent sale of common equity in a private placement to institutional investors.

***Bonding Requirement for Future P&A Liabilities and Timing***

Regarding Hunterbrook's statement that "[t]he Exxon arrangement includes another new disclosure: Sable must now post a $350 million bond…" This is incorrect. The report quotes a section from Sable's recently filed Q3 10-Q where the Company disclosed **an extension** to its bonding obligation for its plugging and abandonment obligations to ExxonMobil following the cessation of production from the Company's Santa Ynez Unit. The extension is detailed in Sable's Fifth Amendment to its Purchase and Sale Agreement ("*PSA*") with Exxon Mobil Corporation ("*Exxon*"). The $350 million bonding obligation (referred to in the PSA as the *P&A Financial Security*) is an obligation that arises from the original PSA with Exxon Mobil dated November 1, 2022 as first disclosed by Sable on its Form 8-K dated February 14, 2024 (and which was previously disclosed by its predecessor on November 10, 2022) and in multiple filings since, including the Company's 2024 Annual Report filed on March 17, 2025. The bonding relates to Sable's obligation to plug and abandon wells at the end of the Santa Ynez Unit's end of life. The PSA originally required Sable to post the PSA bond 150 days following the resumption of production from the wells on the SYU Unit (which resumed production on May 15, 2025). In the 5th Amendment to the PSA, dated effective October 14, 2025, the P&A Financial Security obligation was extended from effectively October 2025 to a date that is three business days following the ExxonMobil Senior Secured Term Loan Maturity Date, which, following the extension of same, will be the earlier of March 31, 2027 or 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan). As noted, under certain circumstances after the bonding is in place ExxonMobil has the ability to seek an increase in the bonding amount to $500 million.

**About Sable**

Sable Offshore Corp. is an independent oil and gas company, headquartered in Houston, Texas, focused on responsibly developing the Santa Ynez Unit in federal waters offshore California. The Sable team has extensive experience safely operating in California.

**Forward-Looking Statements**

The information in this press release include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this press release, the words "could," "should," "will," "may," "believe," "anticipate," "intend," "estimate," "expect," "project," "continue," "plan," "forecast," "predict," "potential," "future," "outlook," and "target," the negative of such terms and other similar expressions are intended to identify forward- looking statements, although not all forward-looking statements will contain such identifying words. These statements are based on the current beliefs and expectations of Sable's management and are subject to significant risks and uncertainties. Actual results may differ materially from those described in the forward-looking statements. Factors that could cause Sable's actual results to differ materially from those described in the forward-looking statements include: the ability to recommence sales from the Santa Ynez Unit assets and the cost and time required therefor; global economic conditions and inflation; increased operating costs; lack of availability of drilling and production equipment, supplies, services and qualified personnel; geographical concentration of operations; environmental and weather risks; regulatory changes and uncertainties; litigation, complaints and/or adverse publicity; privacy and data protection laws, privacy or data breaches, or loss of data; our ability to comply with laws and regulations applicable to our business; and other one-time events and other factors that can be found in Sable's Annual Report on Form 10-K for the year ended December 31, 2024, and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K, which are filed with the Securities and Exchange Commission and are available on Sable's website (www.sableoffshore.com) and on the Securities and Exchange Commission's website (www.sec.gov). Except as required by applicable law, Sable undertakes no obligation to publicly release the result of any revisions to these forward-looking statements to reflect the impact of events or circumstances that may arise after the date of this press release.

**Disclaimers**

The Santa Ynez Unit assets discussed in this press release restarted production in May 2025 and have not sold commercial quantities of hydrocarbons since such Santa Ynez Unit assets were shut in during June of 2015 when the only onshore pipeline transporting hydrocarbons produced from such Santa Ynez Unit assets to market ceased transportation. Since the May 2025 production restart, the oil produced has been transported via pipeline to storage tanks onshore at Sable's Las Flores Canyon processing facility where it is being stored pending resumed petroleum transportation through the Las Flores Pipeline System. There can be no assurance that the necessary approvals will be obtained that would allow the Las Flores Pipeline System to recommence transportation or the contemplated use of an Offshore Storage and Treating Vessel that would allow the Santa Ynez Unit assets to recommence sales.

Investor Contact:
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Source: Sable Offshore Corp.

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# BREAKING: SABLE IS RUNNING OUT OF MONEY

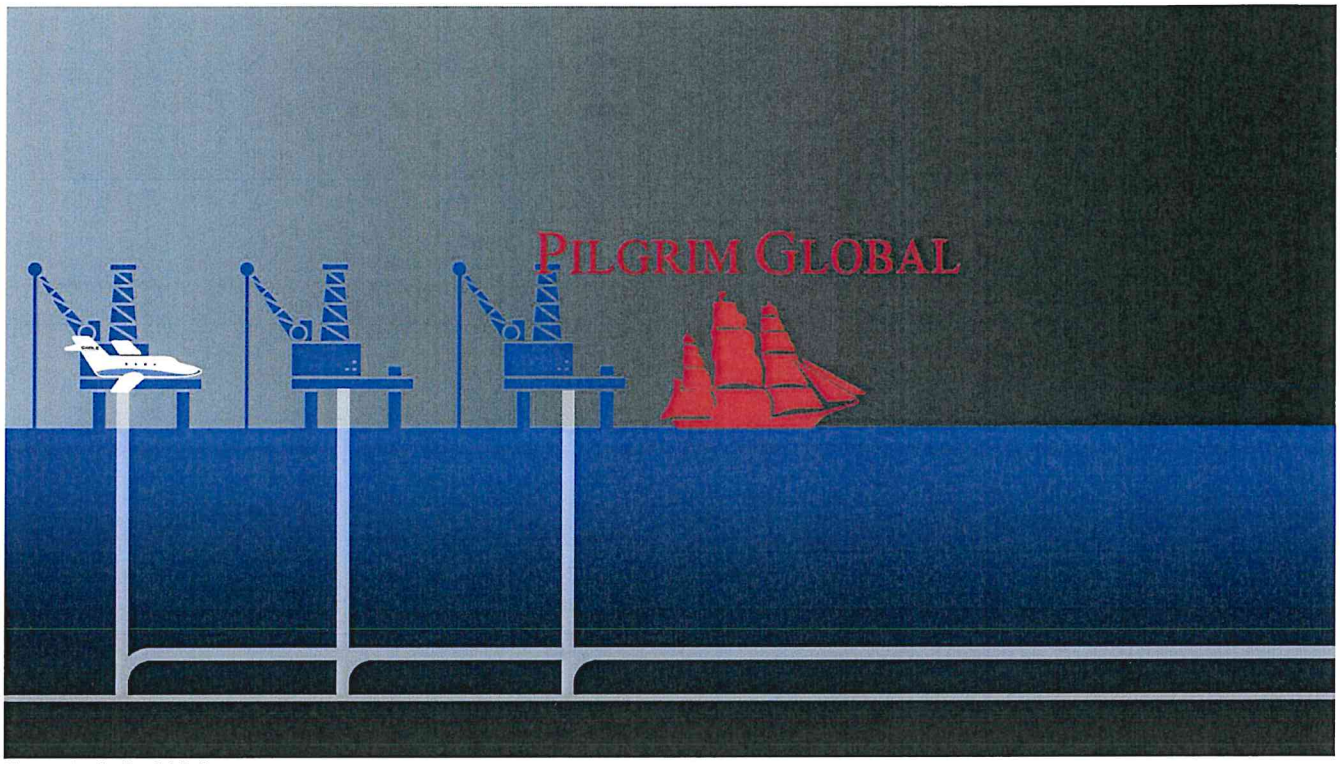



Illustration by Daniel DeLorenzo

NOV 14, 2025 12:10 PM EST

BY: Sam Koppelman Blake Spendley Till Daldrup
EDITOR: Wendy Nardi
UPDATED: NOV 14, 2025 5:08 PM EST

- New SEC filing reveals Exxon spinoff Sable Offshore ($SOC) entered October about a month from potential bankruptcy. The company had $41.6 million as of September 30, with $39.7 million in average monthly burn in 3Q25. Sable also disclosed a range of new liabilities, including additional payments to Exxon beyond debt.
- When Sable announced its $250 million financing on November 10 at $5.50 per share, the company likely had single digit millions in the bank based on its reported burn, against over $163 million in accounts payable and accrued liabilities. Sable does not generate any revenue.
- This means Sable needs to raise significantly more money: According to leaked audio of Sable's CEO briefing select investors, the company will require $2.3 billion to achieve commercial production of oil and gas from its three platforms off the coast of Santa Barbara.
- That includes at least $900 million to buy out Exxon, to which Sable must pay 15% interest on debt due by March 31, 2027. By then, the loan would be about $1.1 billion, accruing $200 million in added debt.

Based on Hunterbrook Media's reporting, Hunterbrook Capital is short $SOC at the time of publication. Positions may change at any time. See full disclosures below.

***READ: Hunterbrook's bombshell Sable investigation from October 31st.***

**UPDATE (11/14/25, 5:08 pm): The article now reflects a statement issued by Sable in response to Hunterbrook's publication.**

Sable was running out of money.

But that didn't stop the Exxon spinoff from flying its private jet to the home of the CEO's alma mater just in time for a big college football game.

On September 13, the company had only weeks of cash remaining, according to its most recent SEC filing. That afternoon, the private jet took off from Sable's base in Houston, Texas, and landed in Baton Rouge, Louisiana, at 5:22 PM CST. The LSU game kickoff was scheduled for 6:30 PM.

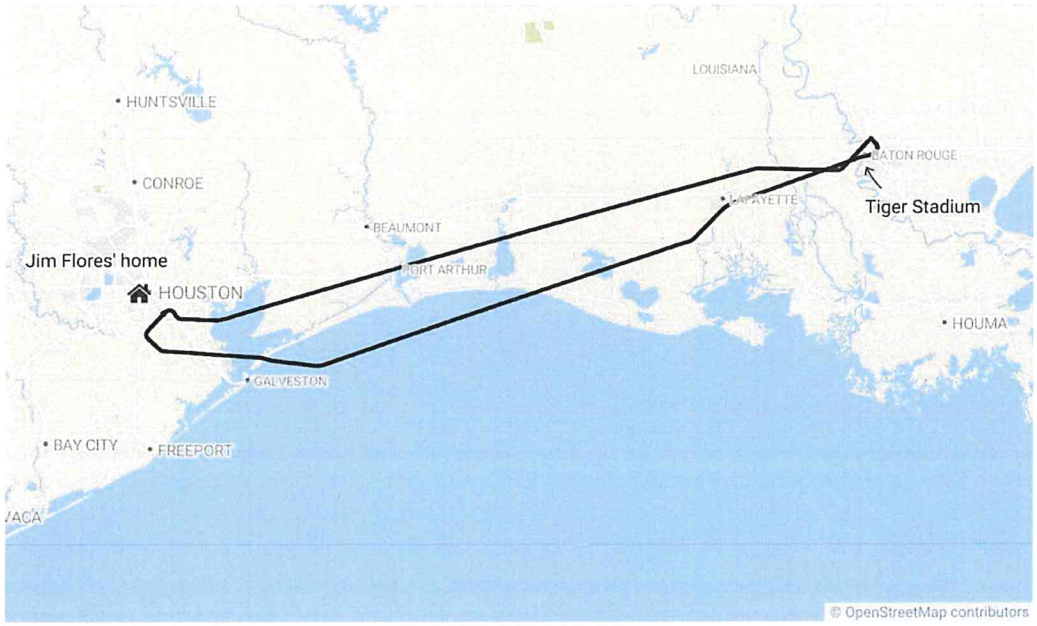
At about 9:45 p.m., the Citation flew back to Houston, where Sable's CEO Jim Flores lives.

Sable purchased the Cessna Citation Latitude in 2024 from Sable Aviation, an entity belonging to Flores, a graduate of Louisiana State University who endowed the school's MBA program.

Instead of cash, Flores received 600,000 shares of $SOC — worth $15.2 million at around $25 per share — in exchange for the "transportation assets and related equipment."


*N816JC, Sable's private jet. Source: jetphotos*

**Sable Offshore's Private Jet Flights, 9/13**

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*Sable's private jet flights on September 13. Source: ADS-B Exchange*

Asked whether Sable or Flores paid for the flight to Baton Rouge, the company did not reply to Hunterbrook. While Sable "owns and operates" the jet, it does permit the CEO access "for personal reasons."

Sable's latest 10-Q filing reveals the company had $41.6 million in cash on September 30 against $39.7 million in monthly burn, barely a month of runway around the time of that flight to Baton Rouge. By the time Sable closed its $250 million financing on November 12, the company likely had only single-digit millions remaining. Without the raise, Sable may not have survived November.

But the new money only buys time, and not much of it. At Sable's current reduced $25 million monthly burn, the $250 million raise provides roughly 10 months of runway. And it's unclear whether the $25 million number includes the mounting pile of liabilities Sable disclosed in its recent 10Q, obligations that will burn through cash.

*NOTE: After publication, Sable Offshore halted trading of $SOC and released a statement addressing certain facts reported in this article. Sable also stated that it "believes it has the liquidity required to pursue its objectives, including a comprehensive debt refinancing in the first quarter of 2026." Read the full statement here.*

**Payments To Exxon:**

Under an October 14 agreement disclosed November 13, Sable must pay Exxon $4 million per month until Exxon transfers its operating permit to Sable. The agreement is effective as of June 1, apparently meaning Sable already owes Exxon $24 million for June through November.

And that permit transfer just became far less likely. On November 4, Santa Barbara County's Board of Supervisors voted 4-1 against allowing Exxon to transfer the critical pipeline permit to Sable. A prior supporter of the project changed his vote, citing Hunterbrook's October 31 investigation.

HUNTERBROOK

0:00 / 0:57

"The final straw for me was a Hunterbrook article, which was as disturbing as anything I've read," said Supervisor Steve Lavagnino, citing Hunterbrook's investigation into the company's selective disclosures to certain investors. "I have many friends in the oil industry and I will continue to support efforts to access our natural resources, but it has to be done responsibly by operators who put safety above profits."

"Sable's management actions have reeked of desperation, and with desperation comes poor decisionmaking," said Lavagnino. "There is something wrong with the strategy of Sable's leadership."

Without the permit transfer, Sable keeps paying Exxon $4 million per month indefinitely: $48 million per year bleeding from an already cash-strapped company. Sable must also fund Exxon's litigation expenses as the oil giant fights Santa Barbara County in court.

On October 14, 2025, the Company entered into a Letter Agreement Regarding Restart Production (the "*Letter Agreement*") and the County of Santa Barbara's Field Development Plan, with an effective date of June 1, 2025, whereby the Company agreed to provide EM additional consideration for lack of operatorship transfer. The Company will reimburse EM for costs associated with the *Sable Offshore et al. v. County of Santa Barbara et al.* litigation regarding operator permit transfer, and will compensate EM $4.0 million per month during the term of the agreement for operator related services. The term concludes at the earlier of (i) the completion of the transfer of operator or (ii) termination of the agreement by EM. Refer to *Note 8 — Commitments and Contingencies* for details regarding this County Permit Transfer Matter.

**Bonding:**

three days prior to the Senior Secured Term Loan maturity (see further discussion of maturity date and Second Debt Amendment at *Note 6 — Debt*). In accordance with the Sable-EM Purchase Agreement, EM has the ability to request a performance bond increase to $500.0 million in favor of EM.

In its statement after publication, Sable clarified that it had disclosed the existence of this bond: Regarding Hunterbrook's statement that '[t]he Exxon arrangement includes another new disclosure: Sable must now post a $350 million bond...' This is incorrect. The report quotes a section from Sable's recently filed Q3 10-Q where the Company disclosed **an extension** to its bonding obligation for its plugging and abandonment obligations to ExxonMobil following the cessation of production from the Company's Santa Ynez Unit. The extension is detailed in Sable's Fifth Amendment to its Purchase and Sale Agreement ("*PSA*") with Exxon Mobil Corporation ("*Exxon*"). The $350 million bonding obligation (referred to in the PSA as the *P&A Financial Security*) is an obligation that arises from the original PSA with Exxon Mobil dated November 1, 2022 as first disclosed by Sable on its Form 8-K dated February 14, 2024 (and which was previously disclosed by its predecessor on November 10, 2022) and in multiple filings since, including the Company's 2024 Annual Report filed on March 17, 2025. The bonding relates to Sable's obligation to plug and abandon wells at the end of the Santa Ynez Unit's end of life. The PSA originally required Sable to post the PSA bond 150 days following the resumption of production from the wells on the SYU Unit (which resumed production on May 15, 2025). In the 5$^{th}$ Amendment to the PSA, dated effective October 14, 2025, the P&A Financial Security obligation was extended from effectively October 2025 to a date that is three business days following the ExxonMobil Senior Secured Term Loan Maturity Date, which, following the extension of same, will be the earlier of March 31, 2027 or 90 days after first sales of Hydrocarbons (as defined in the Senior Secured Term Loan). As noted, under certain circumstances after the bonding is in place ExxonMobil has the ability to seek an increase in the bonding amount to $500 million."

**CalGEM:**

Exxon isn't Sable's only counterparty tightening the screws. The 10-Q revealed that in May, California's Division of Oil, Gas, and Geothermal Resources now required the company to post a $31.9 million bond, and might impose civil penalties of $50,000

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*CalGem*

On May 9, 2025, the California Department of Conservation's Geologic Energy Management Division ("CalGEM") issued a letter to the Company asserting that that the Company must post a bond of approximately $31.9 million, submit certain oil spill contingency response and management plans for CalGEM's review, and indicating that the failure to timely respond could result in civil penalties of up to $50,000 per day/per violation. Sable disputes that CalGEM possesses jurisdiction to impose those requirements.

**CCC:**

Then there's the $18 million fine Sable owes the California Coastal Commission for violating state orders to stop work on its pipeline. The company "does not believe this penalty is lawful," according to the 10-Q, and has refused to pay. The debate is playing out in the courts, where Sable has repeatedly faced setbacks against the CCC.

On April 10, 2025, the Coastal Commission approved Cease and Desist Order CCC-25-CD-01, Restoration Order CCC-25-RO-01, and Administrative Penalty Order CCC-25-AP3-01, whereby the Coastal Commission ordered the Company to cease and desist from all ongoing development in the Coastal Zone "as part of the effort to restart the Santa Ynez Unit oil production operations and bring the pipelines back into use," apply for new Coastal Act authorization for all previously completed, ongoing, and future development in the Coastal Zone to the extent "part of the effort to restart the Santa Ynez Unit oil production operations and bring the pipelines back into use," and imposed an administrative penalty of approximately $18.0 million on the Company. The Company does not believe this penalty is lawful and has not recognized any accrued expense for the three and nine months ended September 30, 2025 (Successor). Sable is prepared to vigorously pursue all available legal remedies related to the orders, including the administrative penalty, imposed by the Coastal Commission.

**Billions Needed:**

All together, this indicates Sable faces significant disclosed liabilities beyond its $163 million in accounts payable and accrued liabilities and its over $900 million owed to Exxon, debt accruing 15% interest and due March 31, 2027. By that deadline, Sable will owe Exxon about $1.1 billion.

This is all before Sable spends a dollar on its actual business: restarting oil and gas production.

That restart is the reason Sable exists — and according to the leaked audio Hunterbrook obtained of CEO Jim Flores briefing select investors in October, it could be expensive: Achieving commercial production may cost $2.3 billion.

Sable needs to move fast. A Floating Production Storage and Offloading vessel alone costs approximately $450 million, and Sable would need to purchase or lease one soon to have any hope of meeting its end-of-2026 production target, itself an

Hunterbrook that it "continues to work closely with Sable on next steps" for its offshore project. The U.S. Coast Guard, which would need to approve Sable's plans as well, did not respond to a request for comment.

Sable indicated it may also pursue federal financing.

A former Department of Energy official familiar with the loan process told Hunterbrook that's unlikely. They also noted the federal loan would likely need to be senior secured and could not be used to pay other lenders like Exxon.

"It doesn't sound like the kind of thing the office would go for. I don't see why they would do it," they told Hunterbrook. "What's the possible policy goal associated with it? Exxon takes over the asset, it'll still exist as an asset, it'll flow if it flows. From a policy standpoint, taking out Exxon's debt doesn't help anyone."

In response to a Washington Post article on the Trump administration's plans to open federal waters to drilling, Gov. Gavin Newsom's office posted, "This plan is dead on arrival."

The Santa Barbara County Air Pollution Control District told Hunterbrook it "does not have a permit application or know any details about Sable's proposed Offshore Storage and Treatment (OS&T) project beyond what's been shared in news articles." Sable appears to need APCD air permit approval for its offshore project.

In the meantime, at least one of Sable's biggest investors may be losing faith in the project.

**Pilgrim Jumping Ship?**

Hedge fund Pilgrim Global once owned $350 million of Sable — and registered with the SEC as owning over 10% of the company as its largest outside investor.

That registration also meant Pilgrim needed to publicly disclose every time it bought

Then, around the end of trading on November 6, came an exceptionally unusual event.

Pilgrim filed amendments claiming it was *never actually meant to register as a 10% holder at all.* The apparent rationale: Pilgrim said it could use an exemption because it isn't the beneficial owner of the shares.

Pilgrim said its previous SEC filings "should not have been filed" — a striking statement given Sable represented 47% of all Pilgrim's reported investments in U.S. equities. Pilgrim has also been involved with Sable since before the company went public through a Special Purpose Acquisition Company, or SPAC.

These forms have significant implications: Pilgrim now claims it is exempt from rules that would otherwise require it to disclose whenever it traded $SOC.

"The requirements are really for transparency purposes. Who's buying? Who's selling?" explained Tracy Davis, a securities attorney who worked in SEC enforcement.

"Maybe they sold knowing they were going to file and wanted to dump their shares before that became known," Davis theorized. "It could be because you looked into them and they needed to clean up the filings. It could be they hired someone new who said: why are you all even filing these if you're not required to?"

A former Sable investor put it more bluntly, calling Pilgrim's SEC filing "the weirdest Form 4 I've ever seen."

"I don't even know what to make of that at all, except for I don't think they file something like that if they're still holding all the stock," he added.

At its peak, Pilgrim's stake was worth about $350 million, when Sable briefly traded as high as $35 per share. Today, if Pilgrim still owned that position, it'd be worth less

How rare are Pilgrim's amended filings?

In the past decade, Hunterbrook was able to find only a handful of other investors who sought to retroactively void their status as registered major holders.

"Did they suddenly finally find religion? Is this a legal position they're suddenly starting to take?" asked a partner at McDermott Will & Schulte LLP, one of the top firms representing hedge funds.

**Explanation of Responses:**

**Remarks:**
On March 22, 2024, Pilgrim Global Advisors LLC (the "Adviser") and Pilgrim Global ICAV (the "Fund" and, together with the Adviser, the "Pilgrim Entities") filed a Form 3 that should not have been filed because neither of the Pilgrim Entities is the beneficial owner of any Common Shares (the "Shares") of Sable Offshore Corp. ("Sable") for purposes of Section 16 by virtue of Rule 16a-1(a)(1)(v) and Rule 16a-1(a)(1)(x). This filing amends and revokes the Form 3 filed by the Pilgrim Entities.

The Adviser, which is registered as an investment adviser under Section 203 of the Investment Advisers Act of 1940, does not have beneficial ownership of any Shares pursuant to Rule 16a-1(a)(1)(v). The Fund, which is registered as an Irish Collective Asset-Management Vehicle in Ireland with the Central Bank pursuant to Part 9 of the Irish Collective Asset-Management Vehicles Act, and which is the functional equivalent of an investment company registered under section 8 of the Investment Company Act of 1940, does not have beneficial ownership of Shares pursuant to Rule 16a-1(a)(1)(x). Additionally, the Fund has delegated all investment and voting authority to the Adviser and such delegation can only be terminated on six months' notice. The Adviser and the Fund did not acquire any Shares with the purpose or effect of changing or influencing control of Sable or engaging in any arrangement subject to Rule 13d-3(b). Any Shares held by the Pilgrim Entities are held for the benefit of third-party investors. Therefore, neither of the Pilgrim Entities are the beneficial owners of any Shares for purposes of Section 16, and neither of them are subject to the reporting requirements of Section 16(a) or the matching provisions of Section 16(b).

No securities are beneficially owned.

*Pilgrim's new filings claim that prior forms should not have been filed and that Pilgrim is not subject to reporting requirements. Source: SEC Form 3 filed 11/6/25*

The attorney speculated that Pilgrim may "want to sell, but they think drawing attention to the sales is a lot worse than drawing attention to the filing."

For investors deciding whether Sable will survive, knowing what the company's largest outside investor is doing could be crucial information.

Instead, regular investors are flying blind.

Pilgrim repeatedly declined to comment on how the errors happened, why they only just discovered its mistakes, and whether Pilgrim has been trading $SOC while other investors watch the value of their shares evaporate.

Participants in that private placement — the company's $250 million raise that closed on November 12 — may also be able to sell at their own pace. Sable appeared to disclose in its latest 10-Q that these investors do not have lockups associated with their shares.

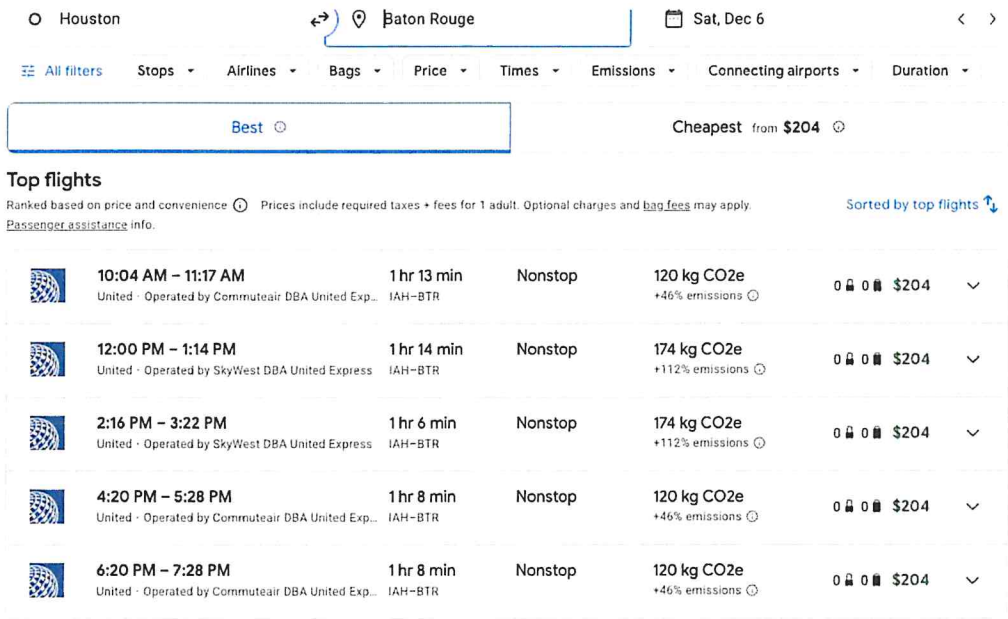
That potential selling pressure may make it harder for Sable to raise additional capital from the equity markets, despite needing the cash.

Of course, there is another way Sable could bring in some much needed funds: selling the jet, the acquisition of which is now looking like quite a good deal.

Those 600,000 Sable shares exchanged for the Citation are now worth about $4 million. Same model Citations from that period are priced between $13.5 million and $14.5 million, according to an online private jet brokerage.


[Source]

It may not be a terrible option to secure an extra few weeks of burn. There are plenty of commercial flights between Houston and Baton Rouge on Saturdays.

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## AUTHORS

**Sam Koppelman** is a New York Times best-selling author who has written books with former United States Attorney General Eric Holder and former United States Acting Solicitor General Neal Katyal. Sam has published in the New York Times, Washington Post, Boston Globe, Time Magazine, and other outlets — and occasionally volunteers on a fire speech for a good cause. He has a BA in Government from Harvard, where he was named a John Harvard Scholar (taking much easier classes than Dhruv!) and wrote op-eds like "Shut Down Harvard Football," which he tells us were great for his social life. Sam is based in New York.

**Blake Spendley** joined Hunterbrook from the Center for Naval Analyses (CNA), where he led investigations as a Research Specialist for the Marine Corps and US Navy. He built and owns the leading open-source intelligence (OSINT) account on X/Twitter, called @OSINTTechnical (over 1 million followers), which also distributes Hunterbrook Media reporting. His OSINT research has been published in Bloomberg, the Wall Street Journal, and The Economist, among other top business outlets. He has a BA in Political Science from USC.

**Till Daldrup** joined Hunterbrook from The Wall Street Journal, where he focused on open-source investigations and content verification. In 2023, he was part of a team of reporters who won a Gerald Loeb Award for an investigation that revealed how Russia is stealing grain

**Wendy Nardi** joined Hunterbrook after working as a developmental and copy editor for academic publishers, government agencies, Fortune 500 companies, and international scholars. She has been a researcher and writer for documentary series and a regular contributor to The Boston Globe. Her other publications range from magazine features to fiction in literary journals. She has an MA in Philosophy from Columbia University and a BA in English from the University of Virginia.

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# Summary of State Regulation of Crude Oil Pipelines in Santa Barbara County

November 17, 2025

(Updates in red)

Sable Offshore Corporation is attempting to restart the Santa Ynez Unit oil and gas operation in Santa Barbara County. The Santa Ynez Unit includes three offshore platforms in federal waters connected to shore by offshore pipelines, onshore pipelines, the Ellwood Pier, mooring buoys, and the Las Flores Canyon Processing Facility. The onshore pipelines include pipelines identified as CA-324 and CA-325 that were responsible for the 2015 Refugio Oil Spill.

This summary outlines the many state agencies that oversee the Santa Ynez Unit operations, including oil pipeline construction, maintenance and operations, which would need to approve various actions to allow these pipelines to restart. This summary has been assembled to build public understanding of the regulatory processes over these pipelines.

## Overview

California's lands and offshore waters have hosted significant crude oil extraction for well over a century. Since the mid-1980's, however, crude oil extraction has declined each year largely due to decreasing levels of easily accessible crude oil.

Today, the state has three active crude oil/petroleum extraction platforms off its coast in state waters and eight active platforms in federal waters. These platforms are connected to the shore via undersea pipelines that transport crude oil from the offshore platforms to onshore facilities that process the oil for sale. This oil is eventually transported to refineries to be converted into products such as gasoline and diesel fuel.

California state government enforces a broad set of laws and regulations over many aspects of crude oil infrastructure. This includes oversight of the extraction, transport, and refining of crude oil. These laws and regulations exist to protect public health and safety and to safeguard California's natural resources and environment.

## Oversight By Agency

Multiple state agencies regulate the pipelines owned and operated (pipelines CA-324 and CA-325) by Sable Offshore Corporation in Santa Barbara County that the company is attempting to restart. Each of these state entities has specific authorities and obligations over these pipelines that is detailed in state law and discharges these responsibilities through regulatory and oversight processes.

The state entities with oversight over these pipelines include (in alphabetical order):

1. California Coastal Commission
2. California Department of Conservation, California Geologic Energy Management Division (CalGEM)

3. California Department of Fish and Wildlife (CDFW), including the Office of Oil Spill Prevention and Response (OSPR)
4. California Department of Forestry and Fire Protection (CAL FIRE), Office of the State Fire Marshal (OSFM)
5. California Department of Parks and Recreation (State Parks)
6. Central Coast Regional Water Quality Control Board
7. Central Valley Regional Water Quality Control Board
8. State Lands Commission

These state entities, with the exception of the two regional Water Quality Control Boards, exist within the California Natural Resources Agency. The regional Water Boards fall under the umbrella of the California Environmental Protection Agency.

Below is a short summary of the referenced state entities with regulatory oversight over these pipelines.

**CALIFORNIA COASTAL COMMISSION**

*Issues permits for approved development activity in coastal areas.*

- FOCUS: Environmental protection and public access to state coastal areas.
- ROLE & AUTHORITY: Under the California Coastal Act of 1976, the California Coastal Commission has permitting responsibility for non-exempt pipeline work and other development associated with the pipeline in the Coastal Zone, including any enforcement actions for permitting requirements. The Commission also has federal consistency review authority under the Coastal Zone Management Act of certain pipeline-related activities in federal waters.
- ACTIONS UNDERWAY: Commission staff is coordinating with Santa Barbara County, which shares the permitting jurisdiction, on permitting processes related to Sable's work along the pipeline. Commission staff continues to direct Sable to apply for a Coastal Development Permit to resolve Coastal Act violations that occurred both onshore and offshore.
    - *On September 27, 2024*, Commission staff issued a Notice of Violation letter to Sable due to then recent and ongoing development activities that were occurring on and around the pipeline within the Coastal Zone without any Coastal Act authorization, requesting that Sable cease and desist.
    - *On October 4, 2024,* Commission staff issued a Notice of Intent to issue an Executive Director Cease and Desist Order and requested confirmation that all work on the pipeline had ceased and that Sable would apply for a Coastal Development Permit for the work that had already occurred.
    - *On November 12, 2024,* the Commission's Executive Director issued a Cease and Desist Order to Sable, directing Sable, among other things, to submit an application for a Coastal Development Permit *"for any proposed future work to be undertaken along the Pipelines, as well as for after-the-fact ('ATF') authorization for unpermitted development that has already occurred."*
        - Sable temporarily ceased its onshore activities. The Cease and Desist Order expired on February 10, 2025. The deadline established in the Order

for Sable to apply for a Coastal Development Permit expired on March 12, 2025. Sable has not filed an application.

- *On February 18, 2025*, Sable filed a complaint against the Commission in Santa Barbara Superior Court, challenging two Notices of Violation and the Executive Director Cease and Desist Order issued on November 12, 2024. Sable is seeking declaratory and injunctive relief and inverse condemnation damages.

- *On February 11, 2025*, Commission staff issued a Notice of Violation letter to Sable regarding unpermitted development activities which had taken place offshore, in state coastal waters. This letter asked Sable to cease any further unpermitted development activities and apply for after-the-fact authorization for those development activities already undertaken.
- *Around February 14, 2025*, four days after the Executive Director Cease-and-Desist order had expired, Sable recommenced its onshore activities in the coastal zone, and *on February 18, 2025*, the Commission's Executive Director issued a second Executive Director Cease and Desist order addressing the unpermitted development activities Sable had recommenced onshore. This order, among other things, directed Sable to, again, cease any further development activities at the onshore locations. This Executive Director Cease and Desist Order also included notice of the Executive Director's intent to pursue a future Cease and Desist Order and other further enforcement actions from the Coastal Commission. Sable did not cease its activities or comply with the order.
- On *April 10, 2025*, the Commission held a five-hour, noticed, public hearing, at the conclusion of which it issued Sable a Cease and Desist Order and Restoration Order and imposed an administrative penalty. The Cease and Desist Order required, among other things, that Sable cease operations until securing Coastal Act authorization or a formal, final exemption determination for any work it wished to pursue. It also required that Sable seek after-the-fact Coastal Act authorization for work already completed and prospective authorization for anticipated work. The administrative penalty requires Sable to pay approximately $18 million, with a potential reduction to approximately $15 million if Sable complies with the requirement to seek Coastal Act authorization and pursues the most expeditious permitting approach. Sable continued its work and did not apply for authorization under the Coastal Act.
- *On April 16, 2025*, the Commission filed a cross-complaint and an application for a temporary restraining order (TRO) and preliminary injunction (PI) against Sable to enforce the April 10, 2025 Cease and Desist Order. That same day, Sable amended its complaint against the Commission to add a challenge to the Commission's April 10 actions.
- *On April 17, 2025*, the trial court reversed its tentative ruling in favor of the Commission, denied the Commission's request for a TRO, and set a hearing for May 14, 2025, on an Order to Show Cause (OSC) why a PI should not issue.

- *On April 21, 2025*, the Commission filed a notice of appeal of the denial of the TRO, and on April 22, 2025, the Commission filed a writ petition with the Court of Appeal seeking immediate injunctive relief.
- *On May 6, 2025*, the trial court issued an order moving the OSC hearing to May 28, 2025, and requiring the parties to submit briefs by May 14, 2025, on the question of whether the trial court retains jurisdiction to consider the issuance of a PI at an OSC hearing, given the Commission's appeal and writ petition.
- *On May 15, 2025*, the Court of Appeal denied the Commission's April 22, 2025 request for a writ but confirmed that the trial court retained jurisdiction to act on the Commission's request for a PI, and the trial court denied the Commission's request to hold the OSC hearing on the Commission's request for a PI sooner than May 28, 2025, given the resolution of the jurisdictional issue.
- *On May 16, 2025*, the Commission filed a demurrer to several of the causes of action in Sable's First Amended Complaint.
- *On May 28, 2025*, the trial court granted the Commission's request for a PI and directed the Commission to submit a proposed order. After multiple rounds of objections to the Commission's proposed order from Sable, the court overruled the objections on June 9 and signed the order that the Commission had proposed on June 10.
- *On June 4, 2025*, the court held a case management conference and set the case (including both Sable's case against the Commission and the Commission's cross-complaint against Sable to enforce its orders) for trial in October 2025.
- *On June 13, 2025*, Sable filed a motion to stay the Cease-and-Desist Order that the Commission had issued on April 10 and that the court's preliminary injunction prohibits Sable from violating. Sable also filed a demurrer to the Commission's cross-complaint.
- *On June 18, 2025*, the trial court sustained the Commission's demurrer to one cause of action in Sable's complaint but overruled it with respect to the other causes of action.
- *On July 9, 2025*, the trial court held a hearing on the motion Sable filed on June 13, 2025, asking the court to stay the Commission's Cease-and-Desist Order. The court denied the motion.
- *On July 15, 2025*, Sable filed a petition with the Court of Appeal for a writ of supersedeas to stay the effectiveness of the preliminary injunction issued by the trial court.
- *On July 23, 2025*, the trial court overruled Sable's demurrer to the Commission's cross-complaint, granted the Commission's motion to bifurcate the case such that only Sable's petition for a writ of mandate would go to trial in October, and denied the Commission's motion for a protective order to preclude all post administrative hearing discovery.
- *On July 29, 2025*, Sable filed a petition for a writ of mandate with the Court of Appeal to overturn the trial court's July 9 ruling and stay the Commission's Cease-and-Desist Order.

- *On August 4, 2025*, the Court of Appeal denied both Sable's July 15 petition for a writ of supersedeas and its July 29 petition for a writ of mandate.
- Trial on Sable's first cause of action (petition for a writ of mandate) is set for October 15, 2025.
- On *October 15, 2025*, the trial court ruled in favor of the Commission and against Sable, declining to issue the requested writ, rejecting Sable's challenges to the Commission's action, and upholding the Commission's April 10 orders and penalties. It also scheduled a hearing and case management conference for December 3 to resolve the remaining issues.
- *On November 5, 2025*, Sable filed three things with the Court of Appeal: (1) Sable's opening brief on its appeal of the preliminary injunction that the trial court granted on May 28 and issued on June 10; (2) a petition for a writ of mandate, asking the Court of Appeal to overturn the October 15 trial court decision; and (3) a motion to consolidate the prior two items.
- *On November 6, 2025*, the Commission filed a motion for judgment on the pleadings in the trial court, seeking to enforce its cross-complaint.
- A hearing is scheduled for December 3, 2025, for the trial court to rule on the Commission's motion for judgment on the pleadings and Sable's motions (1) for leave to file a second amended complaint and (2) to compel discovery; at which ~~point~~ hearing the court indicated it would also address whether any of Sable's claims remain viable given ~~its~~ the court's October 15 ruling.

- FOR MORE INFORMATION: Contact the California Coastal Commission at ExecutiveStaff@coastal.ca.gov or the Commission's Public Information Officer at (415) 200-8052.

**CALIFORNIA DEPARTMENT OF CONSERVATION: GEOLOGIC ENERGY MANAGEMENT DIVISION (CalGEM)**

*Oversees and regulates oil processing and production facilities.*

- FOCUS: Public health and safety, environmental quality.
- ROLE & AUTHORITY: The Department of Conservation oversees compliance for oil production facility management. While the department has oversight of the Las Flores Canyon oil processing facility, CalGEM approval is not required prior to restarting the pipeline. CalGEM does, however, have a role in ensuring compliance with other regulatory partners in completing an oil spill plan, a pipeline management plan, various testing and maintenance requirements, bonding to cover decommissioning costs, and oversight of any potential oil production work happening near communities (called health protection zones).
- ACTIONS UNDERWAY:
  - *On December 17, 2024*, the Department of Conservation sent a letter to Sable notifying them of the need for an additional inspection of facilities, and production and bonding requirements.
  - On *May 9, 2025,* the Department of Conservation sent a letter to Sable notifying them that a bond in the amount of $31.9 million must be filed and outlining additional production facility requirements.

- FOR MORE INFORMATION: Contact Department of Conservation Public Affairs at PAO@conservation.ca.gov or the Office of the Director at (916) 322-1080.

**CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE/CDFW OFFICE OF SPILL PREVENTION AND RESPONSE**

*Manages natural resources for their ecological value and for public use.*

- FOCUS: Protecting wildlife.
- ROLE & AUTHORITY: Exercises oversight as a landowner, as well as through its authority to protect fish and wildlife, and separately through one of its offices that oversees prevention, preparation for, and response to oil spills. CDFW-OSPR reviews and approves oil spill response plans and works to ensure that facilities have the financial resources necessary to cover the costs of oil spill scenarios. Under the Endangered Species Act and other Fish and Game Code laws, CDFW also oversees the review and approval process for evaluating impacts to wildlife due to altering the adjacent landscape.
- ACTIONS UNDERWAY:
    - *In October 2024*, CDFW-OSPR certified that Sable had the financial resources to cover the costs of a reasonable worst-case scenario oil spill.
    - *On November 22, 2024*, CDFW-OSPR sent a second notice to Sable sharing that its offshore contingency plan (C-Plan #CA-00-7239) was deficient. On December 20, 2024, Sable submitted corrections to its plan. CDFW-OSPR is reviewing these corrections and must respond by January 19, 2025.
        - Additional corrections were submitted by Sable on December 20, 2024 and January 17, 2025. CDFW-OSPR has reviewed the plan and found no deficiencies.
        - *On March 26, 2025*, following the completion of a formal review, CDFW OSPR issued an approval letter for the C-Plan and an updated COFR for #CA-00-7239.
    - *On December 17, 2024*, CDFW-OSPR sent a third notice to Sable sharing that its onshore contingency plan (C-Plan #CA-00-7217) was deficient. On January 9, 2025, Sable submitted corrections to its plan. CDFW-OSPR is reviewing these corrections and must respond by February 9, 2025.
        - OSPR has reviewed the plan and found no deficiencies.
        - On *March 26, 2025*, following the completion of a formal review, CDFW OSPR issued an approval letter for C-Plan #CA-00-7217
    - *On December 17, 2024,* CDFW also issued a notice of potential violation (NOPV) for Fish and Game Code violations. This notice requests that Sable discontinue any work on CDFW properties and contact CDFW to discuss remedial measures and other actions to address impacts. Specifically, the NOPV explained that Sable appeared to have: (a) violated Fish and Game Code section 1602(a)(1) by failing to notify CDFW prior to undertaking activities subject to that section, as well as sections 5650 and 5652; and (b) conducted work outside a 50-foot-wide pipeline easement on CDFW property. The NOPV requested Sable to discontinue any work on CDFW property inconsistent with the easement and to contact CDFW to discuss

remedial measures and other actions to address impacts on fish and wildlife resources at the locations identified in the NOPV.

- Sable submitted three notifications to CDFW under Fish and Game Code section 1602(a)(1), all to complete remediation work at the locations identified in the notifications.
    - *On February 18, 2025*, CDFW received a notification (No. EPIMS-SBA-57481-R5) pertaining to Sable's previous work at Site 280.65.19 (Unnamed Drainage East of Baron Ranch). *On March 18, 2025*, CDFW notified Sable that its notification was complete and because the project would not substantially adversely affect an existing fish or wildlife resource, a streambed alteration agreement was not required.
    - *On March 13, 2025*, CDFW received a second notification (No. EPIMS-SBA-58088-R5) pertaining to the three locations in Santa Barbara County that CDFW identified in the NOPV: Sites R5-1, R5-2, and R5-3. *On April 14, 2025*, CDFW determined the notification was complete. CDFW also determined the work at the three locations identified in the notification will not substantially adversely affect an existing fish or wildlife resource, and therefore a streambed alteration agreement would not be needed for any of the work. CDFW explained this in a letter to Sable dated April 14, 2025.
    - *On March 4, 2025*, CDFW received a third notification (No. EPIMS-SLO-57972-R4) pertaining to the location that CDFW identified in the NOPV: Site R4-1.
    - *On April 3, 2025*, CDFW sent Sable a letter, explaining the third notification was incomplete. *On April 25, 2025*, Sable submitted additional information to CDFW in response to CDFW's April 3, 2025, letter.
    - *On May 27, 2025*, CDFW sent Sable a letter explaining the third notification with the additional information was complete. The letter also explained that CDFW will have until *July 28, 2025*, to submit to Sable a draft streambed alteration agreement for the work described in the notification if CDFW determines an agreement is needed.
    - *On July 25, 2025*, CDFW submitted to Sable a draft streambed alteration agreement for the work described in the third notification.
    - *On August 26, 2025*, Sable responded to the draft streambed alteration agreement, requesting minor changes.
    - *On September 5, 2025*, CDFW submitted a revised draft streambed alteration agreement to Sable that included the changes discussed between CDFW and Sable. If Sable signs the revised draft agreement and CDFW subsequently signs, it will become the final agreement.
    - *On August 27, 2025*, CDFW received a fourth notification from Sable that included nine sites where Sable had previously completed work. None of the sites was included in CDFW's NOPV.

- *On September 29, 2025*, CDFW deemed the notification complete. CDFW has until ~~*November 28*~~*December 1, 2025* to submit a draft streambed alteration agreement for each of the work sites if an agreement is needed.
- *On February 7, 2025*, one of Sable's contractors, SCS Engineers, requested a letter of permission from CDFW to access the Carrizo Plains Ecological Reserve to conduct work within a pipeline easement that precedes CDFW's ownership of the property. ~~CDFW has not acted on the request~~ *On November 12, 2025*, CDFW granted permission.

- Sable Offshore Corp continues to maintain compliance with OSPR's exercise requirements for both the offshore (CA-00-7217) and onshore (CA-00-7239) contingency plans. Both of Sable Offshore Corp's plans are Tier 1, which has the greatest drill and exercise requirements. There are two exercises scheduled for the remainder of the year:
  - CA-00-7217 – Offshore plan. Exercise is scheduled for 7/17/25.
    - 7/25/2024 Exercise. Received credit for multiple objectives
  - CA-00-7239 – Onshore plan. Exercise scheduled for 9/18/2025.
    - 9/18/2024 Exercise. Received credit for multiple objectives
- OSPR's contingency plan exercise program is outlined in Title 14, California Code of Regulations (CCR), Section 820.1. The program establishes exercise requirement tiers based upon plan holders largest Reasonable Worst-Case Spill (RWCS) volume.
  - For facilities, the regulations establish 10 objectives; objectives (1) and (2) must be successfully achieved annually. Any number of objectives (3) through (10) may be tested during an exercise, but over any consecutive three-year period all objectives in (3) through (10) must be tested and successfully achieved.

- FOR MORE INFORMATION: Contact Department of Fish and Wildlife Public Information Officer at Steve.Gonzalez@wildlife.ca.gov or (916) 804-1714.

**CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CAL FIRE): OFFICE OF THE STATE FIRE MARSHAL**

*Oversees and regulates the safety and operation of intrastate pipelines moving hazardous liquid in California.*

- FOCUS: Protecting public safety and spill prevention.
- ROLE & AUTHORITY: With other regulatory partners, inspects, regulates, and oversees the overall safety of hazardous liquid pipelines. Prior to restarting any pipeline, the State Fire Marshal must approve a thorough list of requirements and regulations, including Sable's proposed plans for using technology to minimize oil spill impacts, a detailed risk analysis, safety compliance reports, pipeline integrity evaluations, field verifications and maintenance plans, start-up and safety inspection plans, and waiver applications proving equal or greater levels of safety than required regulations.
- ACTIONS UNDERWAY:

- CAL FIRE Office of the State Fire Marshal (OSFM) approved a risk analysis and implementation plan for Sable's use of best available technologies in 2021.
- *On December 17, 2024*, OSFM submitted waivers for federal review.
  - *On February 11, 2025,* PHMSA provided its notification of non-objection.
- Sable has completed most of the required pipeline repairs, and OSFM has inspected the field work. OSFM must verify records of those repairs. OSFM has completed two additional PHMSA-required inspections since August 15; both inspections resulted in minor recommended suggestions and no significant findings.
- All remaining oversight items, including approving the pressure testing results of lines and Sable's submission of an updated start-up plan, which OSFM must review and approve, remain open and must be completed prior to restarting the pipeline. Following Sable's submission to OSFM of the final start-up plan, OSFM will review the plan and provide recommendations for approval or denial of the plan.
- *On June 2, 2025*, Center for Biological Diversity and Environmental Defense Center separately moved ex parte for temporary restraining orders in Santa Barbara County Superior Court to prevent OSFM from issuing authorizations or proceeding with restart of the Las Flores Pipeline System. The Superior Court granted each petitioner's request for a temporary restraining order and the judge clarified from the bench that the orders would stop not just approval of the restart plan, but all activity by CAL FIRE relating to Lines 324 and 325. The court set a hearing on the requests for preliminary injunction for July 18, 2025.
- *On July 18, 2025*, the court issued a preliminary injunction that allows OSFM to resume pipeline safety inspections on lines CA-324 and CA-325, as warranted. The court's order contained several other requirements, including that the restart of the Las Flores Pipelines would remain enjoined until 10 court days after Sable filed a notice with the court indicating that Sable had received all necessary approvals and permits for restart of the Las Flores Pipelines and that Sable intended to restart the lines. OSFM will continue to uphold the laws and the court orders related to this case as staff works to ensure actions taken by the operator to restart lines 324 and 325 meet all pipeline safety requirements under the purview of OSFM.
- *On September 11, 2025*, Sable submitted its updated restart plan to OSFM. These documents are currently under review by OSFM staff.
- *On October 22, 2025,* the State Fire Marshal sent a letter to Sable notifying the company of deficiencies in its compliance with the State Waivers, which prevent the restart of the pipelines. OSFM continues to review the restart plan submitted by Sable in September and reserves its rights to provide additional direction or comment as part of that review.

- FOR MORE INFORMATION: Contact CAL FIRE Communications at calfire.dutypio@fire.ca.gov or (916) 651-FIRE (3473).

**CALIFORNIA DEPARTMENT OF PARKS AND RECREATION**

*Protecting and managing California state park land in areas where onshore pipelines are located.*

- FOCUS: Environmental protection, state-owned land stewardship.
- ROLE & AUTHORITY: The California Department of Parks and Recreation manages public land for public benefits in areas where onshore pipelines may cross. The Department may grant easements for pipelines on this property. Specifically, this would include an easement to accommodate a four-mile section for pipeline maintenance in Gaviota State Park. The previous 30-year easement expired in 2016. Since then, the Department has issued individual permits for accessing and maintaining the pipeline.
- ACTIONS UNDERWAY:
    - *On December 20, 2024*, the Department of Parks and Recreation sent a letter to Sable requesting a full project description to evaluate their request for an easement.
    - The Department of Parks and Recreation evaluated a request to perform maintenance anomaly digs and associated repair work along a four-mile section of pipeline on State Parks property.
    - *On May 9, 2025*, the Department of Parks and Recreation issued a Right of Entry Permit to Sable to perform the 18 anomaly digs within Gaviota State Park, with work to commence on May 12, 2025.
    - *As of June 6, 2025*, the work authorized by the Right of Entry Permit is complete, except for some of the restoration requirements, including restoring San Julian Road, which provides access to a local elementary school and some park visitor access. The section of road is not within the Coastal Zone.
    - *On June 27, 2025*, staff sent Sable a letter detailing the steps for submitting a complete easement application.
    - As of *August 12, 2025*, Sable has sent an easement request package. State Parks is reviewing and working with Sable to provide any other information needed for State Parks' review.
    - *On November 13, 2025*, State Parks informed Sable it will be preparing an Initial Study to determine the proper CEQA documentation for Sable's easement request at Gaviota State Park.
- FOR MORE INFORMATION: Contact Department of Parks and Recreation Communications at newsroom@parks.ca.gov.

**CENTRAL COAST AND CENTRAL VALLEY REGIONAL WATER QUALITY CONTROL BOARDS**

*Protecting the state's water ways and drinking water.*

- FOCUS: Water quality and environmental public health.
- ROLE & AUTHORITY: The Central Coast and Central Valley Regional Water Quality Control Boards oversee water resources for the State of California within their respective jurisdictions, implementing the Clean Water Act and the Porter-Cologne Water Quality Control Act. The Regional Water Boards regulate the discharge of waste, such as sediment, that could occur during pipeline repair or construction. This includes issuing permits for dredging and land disturbances, and discharges of waste and stormwater.
- ACTIONS UNDERWAY FOR CENTRAL COAST REGIONAL WATER QUALITY CONTROL BOARD:

- *On December 13, 2024*, following an inspection, the Central Coast Regional Water Quality Control Board issued violation and non-compliance notices for unauthorized waste discharge into Santa Barbara County waterways, as well as a directive to seek permit coverage. Sable must take corrective action, submit a waste discharge report, and apply for appropriate permits.
- *On January 22, 2025*, the Central Coast Regional Water Quality Control Board issued Sable a directive to submit a technical report describing Sable's activities at all pipeline work locations and associated potential discharges to waterways. The technical report was due March 10, 2025.
    - *On March 8, 2025,* Sable submitted an incomplete response to the Central Coast Regional Water Quality Control Board's January 22, 2025 directive to submit a technical report.
    - *On April 15, 2025*, Sable submitted additional incomplete information in response to the Central Coast Regional Water Quality Control Board's January 22, 2025 directive to submit a technical report.
- *On January 31, 2025,* Sable submitted an application for waste discharge requirements for its work at one waterway location.
    - *On March 20, 2025,* the Central Coast Regional Water Quality Control Board issued authorization to Sable to restore the one waterway location identified in its January 31, 2025 application.
- On *February 28, 2025*, the Central Coast Regional Water Quality Control Board inspected additional project work locations discovered as a result of public complaints. Staff observed unauthorized work within waters of the state and discharges of waste to waters of the United States.
- *On March 4, 2025,* Sable submitted two applications for coverage under the statewide permit for stormwater discharges associated with construction and land disturbing activities. The applications are under review.
- *On March 13, 2025,* Sable submitted applications for waste discharge requirements for its work at four additional waterway locations.
    - On *June 2, 2025*, the Central Coast Regional Water Quality Control Board issued authorization to Sable to restore the four waterway locations identified in its March 13, 2025 applications.
- *On April 7, 2025*, Central Coast Regional Water Quality Control Board staff notified Sable and the public that the Board will consider adopting a resolution to refer alleged violations of the California Water Code for potential civil judicial enforcement to the California Office of the Attorney General at a public hearing on April 17, 2025.
- *On April 15, 2025*, the Central Coast Regional Water Quality Control Board issued a second notice of violation for unauthorized waste discharge into Santa Barbara County waterways and for failure to submit the technical report due on March 10, 2025.
- *On April 16, 2025,* the Central Coast Regional Water Quality Control Board issued a second directive to seek permit coverage.

- *On April 17, 2025*, at a public hearing, the Central Coast Regional Water Quality Control Board adopted a resolution referring alleged violations of the California Water Code for potential civil judicial enforcement to the California Office of the Attorney General.
- *On May 27, 2025,* Central Coast Regional Water Quality Control Board staff inspected recently conducted work sites in Gaviota State Park and adjacent to the Park.
- *On June 11, 2025,* Sable submitted a response disagreeing with assertions in the April 15, 2025 notice of violation.
- *On July 24, 2025,* Central Coast Regional Water Quality Control Board issued a third notice of violation for Sable's continued failure to submit the technical report due on March 10, 2025.
- On *August 19, 2025*, Sable submitted applications for waste discharge requirements for its work at nine additional waterway locations.
- On *September 30, 2025*, Sable resubmitted an application for waste discharge requirements for its work at one waterway location, to align its application for the location with the correct waste discharge requirements permitting mechanism. An application for this waterway location was previously submitted on August 19, 2025.
  - On *November 13, 2025*, the Central Coast Regional Water Quality Control Board issued authorization to Sable to restore the one waterway location identified in its September 30, 2025 application.
- On *October 3, 2025,* the Central Coast Regional Water Quality Control Board filed a complaint against Sable in Santa Barbara Superior Court seeking civil penalties for Sable's alleged failure to comply with the Board's investigative order, failure to seek required permits after being so requested, and unlawful discharges of waste.

- ACTIONS UNDERWAY FOR CENTRAL VALLEY REGIONAL WATER QUALITY CONTROL BOARD:
  - *On March 20, 2025*, Pacific Pipeline Company submitted an application to the Central Valley Regional Water Quality Control Board to obtain coverage under State Water Resources Control Board Order 2003-0003-DWQ, *Statewide General Waste Discharge Requirements for Discharges to Land with a Low Threat to Water Quality, for* a proposed discharge of approximately 6.1 million gallons of water used in hydrostatic testing of the Las Flores Pipeline System to a 20-acre agricultural area in Kern County.
  - *On April 9, 2025*, the Central Valley Regional Water Quality Control Board issued a notice to Pacific Pipeline Company, which authorized the proposed discharge pursuant to State Water Resources Control Board Order 2003-0003-DWQ.
  - *On June 6, 2025*, Pacific Pipeline Company sought authorization from the Central Valley Regional Water Quality Control Board to increase the discharge of water associated with hydrostatic testing authorized under State Water Resources Control Board Order 2003-0003-DWQ to 8.9 million gallon.
  - *On July 8, 2025*, the Central Valley Regional Water Quality Control Board authorized Pacific Pipeline Company's request to increase the discharge authorized under State Water Resources Control Board Order 2003-0003-DWQ.

- FOR MORE INFORMATION: Contact the State Water Resources Control Board at opa@waterboards.ca.gov or (916) 341-5252.

**STATE LANDS COMMISSION**

*Oversees and approves leases for offshore pipelines, piers, and buoys.*

- FOCUS: Safety of offshore pipelines to shore, spill prevention, environmental protection.
- ROLE & AUTHORITY: Under the Public Resources Code, the State Lands Commission must review and approve assignment of leases from the current owner (ExxonMobil) to Sable for offshore pipelines from federal platforms to shore, piers, and mooring buoys. Per this role and overview, Sable could restart the pipelines only if the terms and requirements of the current lease and operating agreements are met. This includes Sable performing detailed inspections of the pipeline line (in-line inspections), pressure testing (called hydrotesting), and using remotely operated vehicles to monitor the pipeline.
- ACTIONS UNDERWAY:
    - Ongoing review of assignment of leases as of December 20, 2024, with the most recent discussion at the State Lands Commission on December 17, 2024.
    - *On May 9, 2025*, Staff issued a letter to Exxon and Sable stating that the inspections required by the Commission's leases, for the portion of the offshore pipelines in state waters, and under the Commission's jurisdiction, have been completed and reviewed. This is not directly related to the repair work on the onshore pipeline.
- FOR MORE INFORMATION: Contact the State Lands Commission External Affairs at ExternalAffairsChief.Public@slc.ca.gov or (916) 574-1992.