UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A

(Mark One)

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

For the fiscal year ended December 31, 2025

OR

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

Commission file number 001-04321

TXO Partners, L.P.

(Exact name of registrant as specified in its charter)

Delaware	**32-0368858**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
400 West 7th Street, Fort Worth, Texas	**76102**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(817) 334-7800**

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 Units	TXO	New York Stock Exchange
Common Units	TXO	NYSE Texas

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.Yes ☐ No ☒

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 and posted 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 and post 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the common units held by non-affiliates of the registrant, based on the closing price of the common units on the New York Stock Exchange on June 30, 2025, was $571.8 million.

The registrant had 55,242,507 Common Units outstanding as of February 26, 2026.

DOCUMENTS INCORPORATED BY REFERENCE

None.

Auditor Name: KPMG LLP Auditor Location: Fort Worth, TX Auditor Firm ID: 185

Explanatory Note

TXO Partners, L.P. ("TXO Partners") is filing this Amendment No. 1 on Form 10-K/A (this "Amendment") to its Annual Report on Form 10-K for the year ended December 31, 2025, which was originally filed with the Securities and Exchange Commission (the "SEC") on February 26, 2026 (the "Original Filing"). This Amendment is being filed solely to include KPMG LLP's (Firm ID: 185) location on the Report of Independent Registered Public Accounting Firm (the "Audit Report"). The signed Audit Report was received by TXO Partners prior to the Original Filing, but the location was inadvertently omitted from the Original Filing. No other changes have been made to the Original Filing.

This Amendment does not, and does not purport to, amend, update or restate the information in the Original Filing or reflect any events that have occurred after the Original Filing was made. Information in the Original Filing not affected by this Amendment remains unchanged and reflects the disclosures made at the time as of which the Original Filing was made. Pursuant to Rule 12b-15 of the Securities Exchange Act of 1934, as amended, this Amendment contains the complete text of Item 8. Financial Statements and Supplementary Data, certifications of the Company’s Principal Executive Officer and Principal Financial Officer required under Items 302 and 906 of the Sarbanes-Oxley Act of 2002, as amended, each dated as of the date of this Amendment, as well as updated inline XBRL exhibits.

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Unitholders and Board of Directors
TXO Partners, L.P. and TXO Partners GP, LLC:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of TXO Partners, L.P. and subsidiaries (the Partnership) as of December 31, 2025 and 2024, the related consolidated statements of operations, partners' capital, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles

Basis for Opinion

These consolidated financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Partnership's auditor since 2012.

Fort Worth, Texas
February 26, 2026

TXO PARTNERS, L.P.
Consolidated Balance Sheets
(in thousands)

	December 31, 2025	December 31, 2024
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 9,374	$ 7,305
Accounts receivable, net	52,391	39,689
Derivative fair value	18,276	6,412
Other	15,293	11,041
Total Current Assets	95,334	64,447
Property and Equipment, at cost—successful efforts method:		
Proved properties	2,336,977	1,912,624
Unproved properties	18,863	18,706
Other	89,065	85,425
Total Property and Equipment	2,444,905	2,016,755
Accumulated depreciation, depletion and amortization	(1,204,261)	(1,065,364)
Net Property and Equipment	1,240,644	951,391
Other Assets:		
Note receivable from related party	7,131	7,131
Derivative fair value	5,576	2,065
Other assets	6,218	5,807
Total Other Assets	18,925	15,003
TOTAL ASSETS	$ 1,354,903	$ 1,030,841
LIABILITIES AND PARTNERS' CAPITAL		
Current Liabilities:		
Accounts payable	$ 27,979	$ 18,217
Deferred payment	70,000	-
Accrued liabilities	45,776	38,927
Derivative fair value	5,057	5,846
Asset retirement obligation, current portion	3,500	2,000
Other current liabilities	1,605	1,347
Total Current Liabilities	153,917	66,337
Long-term Debt	291,100	157,100
Other Liabilities:		
Asset retirement obligation	217,585	188,904
Derivative fair value	35	8,022
Other liabilities	534	1,062
Total Other Liabilities	218,154	197,988
Commitments and Contingencies		
Partners' Capital:		
Partners' capital	691,732	609,416
TOTAL LIABILITIES AND PARTNERS' CAPITAL	$ 1,354,903	$ 1,030,841

See accompanying notes to consolidated financial statements.

TXO PARTNERS, L.P.
Consolidated Statements of Operations

(in thousands)

	Year Ended December 31,		
	2025	2024	2023
REVENUES			
Oil and condensate	$ 283,192	$ 198,324	$ 182,733
Natural gas liquids	32,121	29,430	29,193
Gas	85,699	55,056	168,792
Total Revenues	401,012	282,810	380,718
EXPENSES			
Production	186,229	150,295	144,730
Exploration	469	373	151
Taxes, transportation and other	68,781	60,442	75,415
Depreciation, depletion, and amortization	96,574	52,409	44,288
Impairment of long-lived assets	42,425	—	223,384
Accretion of discount in asset retirement obligation	15,651	11,623	8,644
General and administrative	21,464	14,529	7,887
Total Expenses	431,593	289,671	504,499
OPERATING LOSS	(30,581)	(6,861)	(123,781)
OTHER INCOME (EXPENSE)			
Other income	25,308	37,152	23,756
Interest income	618	1,078	461
Interest expense	(16,964)	(7,873)	(4,423)
Other Income	8,962	30,357	19,794
NET (LOSS) INCOME	$ (21,619)	$ 23,496	$ (103,987)
NET (LOSS) INCOME PER COMMON UNIT			
Basic	$ (0.43)	$ 0.66	$ (3.44)
Diluted	$ (0.43)	$ 0.65	$ (3.44)
WEIGHTED AVERAGE COMMON UNITS OUTSTANDING			
Basic	49,769	35,559	30,265
Diluted	49,769	36,132	30,265

See accompanying notes to consolidated financial statements.

TXO PARTNERS, L.P.
Consolidated Statements of Cash Flows

(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
OPERATING ACTIVITIES			
Net (loss) income	$ (21,619)	$ 23,496	$ (103,987)
Adjustments to reconcile net income (loss) to net cash provided by operating activities, net of effects of assets acquired and liabilities assumed:			
Depreciation, depletion, and amortization	96,574	52,409	44,288
Impairment of long-lived assets	42,425	—	223,384
Accretion of discount in asset retirement obligation	15,651	11,623	8,644
Derivative fair value (gain) loss	(37,865)	2,566	(23,179)
Net cash received from (paid to) counterparties	13,713	4,833	(83,068)
Non-cash incentive compensation	16,303	6,165	3,470
Other non-cash items	1,299	1,293	955
Changes in operating assets and liabilities*(a)*	(8,294)	6,914	6,643
Cash Provided by Operating Activities	118,187	109,299	77,150
INVESTING ACTIVITIES			
Proceeds from sale of property and equipment	18	122	—
Proved property acquisitions	(262,751)	(263,652)	(8,700)
Development costs	(71,713)	(23,242)	(35,799)
Unproved property acquisitions	(157)	(227)	(72)
Other property additions	(714)	(1,284)	(1,649)
Cash Used by Investing Activities	(335,317)	(288,283)	(46,220)
FINANCING ACTIVITIES			
Proceeds from long-term debt	405,500	251,000	86,000
Payments on long-term debt	(271,500)	(122,000)	(178,000)
Net proceeds from initial public offering	—	—	106,277
Net proceeds from public offering	189,502	141,233	—
Debt issuance costs	(2,433)	(3,173)	(144)
Proceeds from sale of units to cover withholding taxes	1,903	930	—
Withholding taxes paid on vesting of restricted units	(2,358)	(851)	—
Distributions	(101,415)	(85,355)	(49,762)
Cash Provided by (Used by) Financing Activities	219,199	181,784	(35,629)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,069	2,800	(4,699)
Cash and Cash Equivalents, beginning of period	7,305	4,505	9,204
Cash and Cash Equivalents, end of period	$ 9,374	$ 7,305	$ 4,505
(a) **Changes in Operating Assets and Liabilities**			
Accounts receivable	$ (12,773)	$ (7,991)	$ 19,683
Other assets	(2,294)	1,628	(546)
Current liabilities	10,215	14,777	(10,877)
Other operating liabilities	(3,442)	(1,500)	(1,617)
	$ (8,294)	$ 6,914	$ 6,643

See accompanying notes to consolidated financial statements.

TXO PARTNERS, L.P.
Consolidated Statements of Partners' Capital
(in thousands)

	Series 5 Preferred		Common Units		Total
	Units	$	Units	$	$
Balances December 31, 2022	$ 2	$ 206,074	14,356	$ 315,463	$ 521,537
Net loss	—	—	—	(103,987)	(103,987)
Net proceeds from initial public offering	—	—	5,750	102,540	102,540
Expensing of unit awards	—	—	—	3,470	3,470
Distributions to unitholders	—	—	—	(49,762)	(49,762)
Conversion of Series 5 preferred to Common equity	(2)	(206,074)	10,644	206,074	—
Balances December 31, 2023	-	$ -	30,750	$ 473,798	$ 473,798
Net income	—	—	—	23,496	23,496
Net proceeds from sale of units	—	—	7,475	141,233	141,233
Units issued in acquisition of oil and gas properties	—	—	2,500	50,000	50,000
Proceeds from sale of units to cover withholding taxes	—	—	—	930	930
Withholding taxes paid on vesting of restricted units	—	—	—	(851)	(851)
Expensing of unit awards	—	—	188	6,165	6,165
Distributions to unitholders	—	—	—	(85,355)	(85,355)
Balances December 31, 2024	—	$ —	40,913	$ 609,416	$ 609,416
Net loss	—	—	—	(21,619)	(21,619)
Net proceeds from sale of units	—	—	13,417	189,502	189,502
Proceeds from sale of units to cover withholding taxes	—	—	—	1,903	1,903
Withholding taxes paid on vesting of restricted units	—	—	—	(2,358)	(2,358)
Expensing of unit awards	—	—	454	16,303	16,303
Distributions to unitholders	—	—	—	(101,415)	(101,415)
Balances December 31, 2025	—	$ —	54,784	$ 691,732	$ 691,732

See accompanying notes to consolidated financial statements.

TXO PARTNERS, L.P.
Notes to Consolidated Financial Statements

1. Organization and Summary of Significant Accounting Policies

TXO Partners, L.P. (TXO Partners or the Partnership) is an independent oil and gas company that was formed as a Delaware limited partnership in January 2012 (with an effective inception of operations at January 18, 2012). The operations of TXO Partners are governed by the provisions of the partnership agreement, as amended, executed by the general partner, TXO GP, LLC (the General Partner) and the limited partners. The General Partner is the manager and operator of TXO Partners. The General Partner is managed by the board of directors and executive officers of our General Partner. The board of directors is made up of nine directors, each of whom was appointed by MorningStar Oil & Gas, LLC ("MSOG"), as the sole member of our General Partner. Pursuant to applicable provisions of the Delaware Revised Uniform Limited Partnership Act (the "Delaware Act") and the limited partnership agreement, the partners have no liability for the debts, obligations and liabilities of TXO Partners, except as expressly required in the limited partnership agreement or the Delaware Act. TXO Partners will remain in existence unless and until dissolved in accordance with the terms of the partnership agreement.

TXO Partners' assets include its investment in an unincorporated joint venture. TXO Partners owns 50% of the joint venture, and TXO Partners is the manager of the joint venture. The joint venture is governed by a Member Management Committee (MMC) and is comprised of six representatives, three from each group, with each group having one voting member. All matters that come before the MMC require the unanimous consent of the voting members. On the last day of each calendar quarter, the joint venture distributes all excess cash to the members based on their ownership percentage of 50% each, except for earnings from the note receivable which is owned 5% by TXO Partners. The joint venture's properties are located primarily in the San Juan Basin of New Mexico and Colorado and the Permian Basin of West Texas and New Mexico.

TXO Partners also has a wholly-owned subsidiary, MorningStar Operating LLC which owns oil and gas assets primarily in the San Juan Basin of New Mexico and Colorado, the Permian Basin of West Texas and New Mexico and the Williston Basin of Montana and North Dakota.

In accordance with oil and gas accounting guidance, we account for our undivided interest in our investment in the joint venture using the proportionate consolidation method. Under this method, we consolidate our proportionate share of assets, liabilities, revenues and expenses of the joint venture. As discussed above, we own 50% of the oil and gas assets, liabilities, revenues and expenses, but we only own 5% of the note receivable from related party and related interest income.

The accompanying consolidated financial statements include the financial statements of TXO Partners, its wholly-owned subsidiaries and our undivided interests in the joint venture. All significant intercompany balances and transactions have been eliminated in consolidation.

Reorganization and Public Listing of Common Units

In January 2023, we completed a series of reorganization transactions in conjunction with publicly listing our common units on the New York Stock Exchange. These included the following transactions (the Reorganization Transactions):

- We effectuated a one-for-25.33 reverse unit split;
- We caused the exchange of all outstanding Series 5 preferred units for 10,644,484 common units, resulting in our capital structure to consist of a single class of common units;
- All limited partner holders party to our amended and restated agreement of limited partnership contributed all of the outstanding equity interests in us to a new parent company, MorningStar Partners II, L.P., a Delaware limited partnership ("MSP II") in exchange for equity interests in MSP II; and
- We amended our governing documents to, among other things, (i) change our name from "MorningStar Partners, L.P." to "TXO Partners, L.P." and (ii) reflect TXO GP, LLC, a Delaware limited liability company, as our new non-economic general partner.

As a result of these transactions, the capital structure has been reflected as if the new number of units had been in place for all periods presented.

Basis of Presentation

The accounts of TXO Partners are presented in the accompanying financial statements. These financial statements have been prepared in accordance with U.S. GAAP.

Liquidity

Our primary sources of liquidity are cash provided by operating activities, borrowings under our credit facility and equity raised from partners. Short-term liquidity needs are provided by borrowings under our Credit Facility. We believe that we have a sufficient combination of resources and operating flexibility to ensure that we meet our current obligations and our future debt covenants for at least the next 12 months from the date of issuance of these financial statements. See Note 4.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from these estimates, and changes in these estimates are recorded when known. Significant items subject to such estimates and assumptions include the following:

- estimates of proved reserves and related estimates of the present value of future revenues;
- the recoverability and fair value of oil and gas properties;
- estimates of revenue earned but not yet received;
- asset retirement obligations;
- valuation of derivative instruments; and
- legal and environmental risks and exposure.

Property and Equipment

We follow the successful efforts method of accounting, capitalizing costs of successful exploratory wells and expensing costs of unsuccessful exploratory wells. Exploratory geological and geophysical costs are expensed as incurred. All developmental costs are capitalized. We generally pursue acquisition and development of proved reserves as opposed to exploration activities. All of the proved property costs reflected in the accompanying balance sheet are from TXO Partners, our wholly-owned subsidiary, MorningStar Operating LLC, and our 50% share of the joint venture's proved properties as of December 31, 2025 and 2024. Proved properties balances include costs of $10.1 million at December 31, 2025 and $8.5 million at December 31, 2024 related to wells in process of drilling. Successful drill well costs are transferred to proved properties generally within one month of the well completion date.

Depreciation, depletion, and amortization (DD&A) of proved producing properties is computed on the unit-of-production method based on estimated proved oil and gas reserves. Other property and equipment is generally depreciated using the straight-line method over estimated useful lives which range from three to seven years, except for the gas processing plant which is being depreciated over an estimated useful life of 14 years. Repairs and maintenance are expensed, while renewals and betterments are generally capitalized.

If conditions indicate that proved properties may be impaired, the carrying value of property is compared to management's future estimated pre-tax undiscounted cash flow from properties generally aggregated on a field-level basis. If impairment is necessary, the asset carrying value is written down to fair value, typically a discounted present value of estimated future cash flows. Cash flow pricing estimates are based on estimated reserves and production information and pricing assumptions that management believes are reasonable. As a result of the Cross Timbers Transactions, we evaluated the recoverability of the Cross Timbers oil and gas assets and recorded an impairment of long-lived assets of $42.4 million for the year ended December 31, 2025 related to our assets in the Permian Basin. During the year ended December 31, 2024, we did not recognize an impairment of long-lived assets. During the year end ended December 31, 2023, we recognized an impairment of long-lived assets of $223.4 million for our assets in the Permian Basin, that is within our Cross Timbers joint venture, primarily due to a lower net commodity price environment and

increased costs as well as a change in our development plans to reduce the duration of the proved undeveloped reserves from five years to two years. We recorded the impairment to accumulated depreciation, depletion and amortization on the balance sheets.

Costs of retired, sold or abandoned properties that constitute a part of an amortization base are charged or credited, net of proceeds, to accumulated depreciation, depletion, and amortization unless doing so significantly affects the unit-of-production amortization rate, in which case a gain or loss is recognized currently. Gains or losses from the disposal of other properties are recognized in the current period.

Asset Retirement Obligation

If the fair value for asset retirement obligation can be reasonably estimated, the liability is recognized in the period when it is incurred. Oil and gas producing companies incur this liability upon acquiring or drilling a well. The retirement obligation is recorded as a liability at its estimated present value at the asset's inception, with an offsetting increase to proved properties on the balance sheet. Periodic accretion of discount of the estimated liability is recorded as an expense in the statements of operations. See Note 7.

Cash and Cash Equivalents

Cash equivalents are considered to be all highly liquid investments having an original maturity of three months or less.

Fair Value of Financial Instruments

Fair value is defined as the price at which an asset could be exchanged in a current transaction between knowledgeable, willing parties. A liability's fair value is defined as the amount that would be paid to transfer the liability to a new obligor, not the amount that would be paid to settle the liability with the creditor. Where available, fair value is based on observable market prices or parameters or derived from such prices or parameters. Where observable prices or inputs are not available, use of unobservable prices or inputs are used to estimate the current fair value, often using an internal valuation model. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the item being valued.

Assets and liabilities recorded at fair value in the consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities are as follows:

Level I—Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level II—Inputs (other than quoted prices included in Level I) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level III—Inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Income Taxes

TXO Partners is a limited partnership treated as a partnership for federal income tax purposes, with income tax liabilities and/or benefits of the Partnership passed through to the partners. As such, we are not a taxable entity for federal income tax purposes and we do not directly pay federal income tax.

For state tax purposes, we are subject to the Revised Texas Franchise Tax (commonly referred to as the "Texas Margin Tax"). Although the Texas Margin Tax is not considered a traditional state income tax, it has the characteristics of an income tax since it is determined by applying a tax rate to a base that considers our Texas-sourced revenues and expenses. Due to immateriality, income taxes related to the Texas margin tax have been included in general and administrative expenses on the statement of operations and no deferred tax amounts were calculated.

Derivatives

We opportunistically use derivatives to hedge against changes in cash flows related to product price, as opposed to their use for trading purposes. We record all derivatives on the balance sheet at fair value. We generally determine the fair value of futures

contracts and swap contracts based on the difference between the derivative's fixed contract price and the underlying market price at the determination date. See Note 9.

We do not designate these derivative contracts as cash flow hedges. Changes in the fair value of commodity price derivatives are recognized currently in earnings. Realized and unrealized gains and losses on commodity derivatives are recognized in oil and gas revenues. Settlements of derivatives are included in cash flows from operating activities.

Revenue Recognition

Oil, gas and natural gas liquids revenues are recognized upon the satisfaction of the performance obligation which occurs at the point in time when control of the product transfers to a customer, in an amount that reflects the consideration to which the Partnership expects to be entitled in exchange for the product. See Note 13 for further discussion.

Loss Contingencies

When management determines that it is probable that an asset has been impaired or a liability has been incurred, we accrue our best estimate of the loss if it can be reasonably estimated. Any legal costs related to litigation are expensed as incurred.

Unit-Based Compensation

We recognize compensation related to all unit-based awards in the financial statements based on their estimated grant-date fair value. We estimate expected forfeitures and we recognize compensation expense only for those awards expected to vest. Compensation expense is amortized on a straight-line basis over the estimated service period. All compensation is recognized by the time the award vests. See Note 12.

Segments

We evaluated how TXO Partners is organized and managed and have identified only one reporting segment, which is the exploration and production of oil, natural gas and natural gas liquids. The operating segments within the reportable segment have been aggregated based on the similarity of their economic and other characteristics, including product type and services. All of our assets are located in the United States, and all revenues are attributable to United States customers. See Note 15.

Significant Purchasers

Our production is sold to various purchasers, based on their credit rating and the location of our production. Sales to three purchasers for the year ended December 31, 2025, two purchasers for the year ended December 31, 2024, and two purchasers for the year ended December 31, 2023, as shown in the table below, were greater than 10% of total revenues. We believe that alternative purchasers are available, if necessary, to purchase production at prices substantially similar to those received from these significant purchasers.

Customer	2025	2024	2023
Customer A	20 %	33 %	31 %
Customer B	12 %	12 %	—%
Customer C	10%	—%	—%
Customer D	—%	—%	11%

Earnings per Common Unit

We report basic earnings per unit, which excludes the effect of potentially dilutive securities, and diluted earnings per common unit, which includes the effect of all potentially dilutive securities unless their impact is antidilutive. See Note 11.

2. Acquisitions and Dispositions

In February 2026, Cross Timbers executed agreements to dispose of certain of the oil and gas assets owned by Cross Timbers pursuant to purchase and sale agreements with multiple private buyers. We anticipate realizing about $40 million of aggregate proceeds from the Cross Timbers Transactions, subject in each case to customary purchase price adjustments, which we intend to use to pay a portion of the deferred payment for the WRE Acquisition. The Cross Timbers Transactions are expected to close in the

second quarter of 2026, subject to customary closing conditions. There can be no assurance that all of the conditions to closing any or all of the Cross Timbers Transactions will be satisfied.

In July 2025, we completed the acquisition of certain oil and gas assets from White Rock Energy, LLC, which are located in the Elm Coulee field in Montana and North Dakota for cash consideration of $331.6 million, including a deferred payment of $70.0 million which is due on July 31, 2026. Our purchase price allocation included $343.0 million to proved properties, $3.0 million to other properties, $1.7 million to other current assets, $6.9 million to other current liabilities and $9.2 million to asset retirement obligation. The WRE Acquisition was funded by a combination of cash on hand from the 2025 Offering (Note 10) and borrowings under our Credit Facility (Note 4).

In the statements of operations, we recorded $20.2 million of revenues and net income of $6.2 million for the three months ended December 31, 2025 and $32.0 million of revenues and net income of $9.0 million for the period we owned these assets from July 31, 2025 to December 31, 2025 from the WRE Acquisition.

In August 2024, we completed the acquisition of producing properties from Eagle Mountain Energy Partners and VR 4-ELM, LP, located in the Elm Coulee field in Montana and the Russian Creek field in North Dakota which are part of the Greater Williston Basin, for cash consideration of $244.2 million and 2.5 million common units of TXO valued at $50.0 million (the "EMEP Acquisition"). Our purchase price allocation included $314.8 million to proved properties, $0.6 million to other properties, $0.3 million to other current assets, $1.0 million to other assets, $5.7 million to other current liabilities and $16.8 million to asset retirement obligation. The cash portion of the acquisition was funded by a combination of cash on hand from the 2024 Offering (as defined below) (Note 10) and borrowings under our Credit Facility (Note 4).

Additionally, in August 2024, we completed the acquisition of producing properties from Kaiser-Francis Oil Company in the Russian Creek field in North Dakota for cash consideration of $17.0 million (the "KFOC Acquisition"). Our purchase price allocation included $19.1 million to proved properties, $0.5 million to current liabilities and $1.6 million to asset retirement obligation. The acquisition was funded by cash on hand from the 2024 Offering (Note 10).

In the statements of operations, we recorded $29.6 million of revenues and net income of $13.4 million for the three months ended December 31, 2024 and $39.8 million of revenues and net income of $17.5 million for the period we owned these assets from August 1, 2024 to December 31, 2024 from the EMEP Acquisition and the KFOC Acquisition.

During 2023, we completed multiple acquisitions of producing properties primarily in the Permian Basin of New Mexico for approximately $8.7 million. Our purchase price allocation included $10.3 million to proved properties, $1.4 million to asset retirement obligation and a $0.2 million reduction to other current assets. The acquisitions were funded by borrowings under our Credit Facility.

Pro forma financial information (Unaudited)

The following unaudited pro forma financial information represents a summary of the condensed consolidated results of operations for the years ended December 31, 2025 and 2024, assuming the WRE Acquisition, EMEP Acquisition and KFOC Acquisition had been completed as of January 1, 2024. The pro forma financial information is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations would have been. Future results may vary significantly from the results reflected because of various factors.

	Twelve Months Ended December 31,	
(in thousands)	**2025**	**2024**
Total revenue	$ 497,315	$ 490,697
Net income	$ 5,752	$ 48,849

3. Related Party Transactions

We earned management fees from the joint venture of $5.2 million for the year ended December 31, 2025, $5.1 million for the year ended December 31, 2024, and $6.2 million for the year ended December 31, 2023. As of December 31, 2025, we had a note receivable from related party outstanding with a highly-rated, offshore subsidiary of our joint venture partner (Note 5). On September 30, 2016, TXO Partners entered in a loan agreement with the joint venture (Note 4).

Since the purpose of the management fees is to share costs between the various entities, the management fees from the joint venture are included as a reduction of general and administrative expenses in our statements of operations.

We occupy a building owned by MorningStar Capital LLC, a limited liability company owned by the Chairman of the Board. In lieu of paying rent, we paid property taxes and paid for repairs and maintenance on behalf of MorningStar Capital LLC of $0.6 million in 2025, $0.8 million in 2024 and $0.8 million in 2023.

4. Debt

(in thousands)	December 31, 2025	December 31, 2024
November 2021 TXO Partners Credit Facility, at 7.6% at December 31, 2025 and 8.3% at December 31, 2024	$ 284,000	$ 150,000
TXO Partners Loan, 7.4% at December 31, 2025 and 8.0% at December 31, 2024	$ 7,100	$ 7,100
Total Long-term Debt	$ 291,100	$ 157,100

November 2021 Credit Facility

On July 31, 2025, we entered into Amendment No. 5 and Borrowing Base Agreement ("Amendment No. 5") on our senior secured credit facility (the "Credit Facility") with certain commercial banks, as the lenders, and JPMorgan Chase Bank, N.A., as the administrative agent. We use the Credit Facility for general corporate purposes. Amendment No. 5 extended the maturity date of the Credit Facility to August 30, 2029, increased the borrowing base from $275 million to $410 million and joined certain new Lenders to the Credit Facility. In connection with the Credit Facility, we incurred financing fees and expenses, which are included in other assets on the balance sheets, of approximately $8.6 million as of December 31, 2025 and $6.2 million as of December 31, 2024 before accumulated amortization of $3.6 million as of December 31, 2025 and $2.5 million as of December 31, 2024. We incurred $2.4 million of financing fees and expenses in conjunction with Amendment No. 5. These costs are being amortized over the life of the credit facility. Such amortized expenses are recorded as interest expense on the statements of operations.

Redetermination of the borrowing base under the credit facility, is based primarily on reserve reports that reflect commodity prices at such time, occurs semi-annually, in March and September, as well as upon requested interim redeterminations, by the lenders at their sole discretion. We also have the right to request additional borrowing base redeterminations each year at our discretion. Significant declines in commodity prices may result in a decrease in the borrowing base. These borrowing base declines can be offset by any commodity price hedges we enter. Our obligations under the credit facility are secured by substantially all assets of the Partnership, including, without limitation, (i) our interest in the joint venture, (ii) all our deposit accounts, securities accounts, and commodities accounts, (iii) any receivables owed to us by the joint venture and (iv) any oil and gas properties owned directly by TXO Partners or its wholly-owned subsidiaries. We are required to maintain (i) a current ratio greater than 1.0 to 1.0 and current assets shall include availability under the credit facility but shall exclude the fair value of derivative instruments and any advances under the facility and (ii) a ratio of total indebtedness-to-EBITDAX of not greater than 3.0 to 1.0. For purposes of the total net debt-to-EBITDAX ratio ("Leverage Ratio"), total net debt includes total debt for borrowed money (including capital leases and purchase money debt), minus unrestricted cash and cash equivalents on hand at such time (not exceeding $15.0 million in the aggregate), minus the unpaid balance of the FAM Loan. EBITDAX means sum of (i) net income plus interest expense; income taxes paid; depreciation, depletion and amortization; exploration expenses, including workover expenses; non-cash charges including unrealized losses on derivative instruments; and, any extraordinary or non-recurring charges, minus (ii) any extraordinary or non-recurring income and any non-cash income including unrealized gains on derivative instruments. Our hedge requirements are based on availability under the Credit Facility and the Leverage Ratio. If the Leverage Ratio is greater than 0.75 to 1.00, we are required to hedge at least 50% of reasonably anticipated projected production of proved developed producing reserves for the 24 months following the end of the most recent quarter. If the Leverage Ratio is less than 0.75 to 1.00 and availability under the Credit Facility is greater than 20% of the then current borrowing base, the minimum required hedge volume would be 35% for the 12 months following the end of the most recent quarter. If the Leverage Ratio is less than 0.50 to 1.00 and availability under the Credit Facility is greater than 66.7% of the then current borrowing base, there would be no minimum required hedge volume. Our Credit Facility prohibits us from hedging more than 90% of our reasonably projected production for any fiscal year. Under the terms of the Credit Facility, we were in compliance with all of our debt covenants as of December 31, 2025 and December 31, 2024. Additionally, we believe we have adequate liquidity to continue as a going concern for at least the next twelve months from the date of this report.

At our election, interest on borrowings under the credit facility is determined by reference to either the secured overnight financing rate ("SOFR") plus an applicable margin between 3.00% and 4.00% per annum (depending on the then-current level of borrowings under the Credit Facility) or the alternate base rate ("ABR") plus an applicable margin between 2.00% and 3.00% per annum (depending on the then-current level of borrowings under the Credit Facility). Interest is generally payable quarterly for loans bearing interest based on the ABR and at the end of the applicable interest period for loans bearing interest at SOFR. We are required to pay a commitment fee to the lenders under the Credit Facility, which accrues at a rate per annum of 0.5% on the average daily

unused amount of the lesser of: (i) the maximum commitment amount of the lenders and (ii) the then-effective borrowing base. The weighted average interest rate on credit facility borrowings was 7.9% in 2025 and 8.6% in 2024.

September 2016 Loan

On September 30, 2016, TXO Partners entered into an unsecured loan agreement with the joint venture (the "FAM Loan"). The proceeds for the loan were taken from the cash held by the offshore subsidiary of Exxon Mobil Corporation and the loan was assigned to the offshore subsidiary (Note 5). The loan matures on November 29, 2029, but is automatically extended should our Credit Facility be extended. In all instances, this loan will mature ninety-one days after the maturity of the Credit Facility. Interest on the loan is the lesser of (a) SOFR plus three and one-quarter of one percent (3.25% per annum, adjusted monthly or (b) the highest rate permitted by applicable law. Though the note is unsecured, we are required to stay in compliance with terms of our Credit Facility. The weighted average interest rate on loan was 7.7% in 2025 and 8.6% in 2024.

5. Note Receivable from Related Party

As of December 31, 2025 and 2024, we, through our 5% ownership interest in investment assets at the joint venture, had a note receivable totaling $7.1 million outstanding with a highly-rated, offshore subsidiary of our joint venture partner. Under the terms of the agreement, there is no stated maturity date and, the joint venture may demand repayment of all or any portion of the outstanding balance on two business days' notice. Interest is earned based on the one-month SOFR rate per an active international exchange and is paid monthly. Interest income totaled $0.3 million in 2025, $0.4 million in 2024 and $0.4 million in 2023.

The note receivable is treated as a non-current asset, since the joint venture does not have any intention of demanding repayment of all or any portion of the outstanding balance at this time. Repayment would require the approval of the joint venture MMC.

6. Commitments and Contingencies

From time to time, the Partnership is subject to various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Partnership.

To date, our expenditures to comply with environmental or safety regulations have not been significant and are not expected to be significant in the future. However, new regulations, enforcement policies, claims for damages or other events could result in significant future costs.

Commodity Commitments

During 2025, 2024 and 2023, we entered into futures contracts and swap agreements that effectively fixed crude oil, NGL and natural gas prices on a portion of our production. See Note 9.

7. Asset Retirement Obligation

Our asset retirement obligation primarily represents the estimated present value of the amount we will incur to plug, abandon and remediate our proved producing properties at the end of their productive lives, in accordance with applicable state and federal laws. We determine our asset retirement obligation by calculating the present value of estimated cash flows related to the liability. The following is a summary of asset retirement obligation activity for the years ended December 31, 2025 and 2024:

	(in thousands)	
	2025	**2024**
Asset retirement obligation, January 1	$ 190,904	$ 153,972
Revisions in the estimated cash flows (1)	9,074	8,490
Liability incurred upon acquiring and drilling wells	9,209	18,408
Liability settled upon plugging and abandoning wells	(3,753)	(1,589)
Accretion of discount expense	15,651	11,623
Asset retirement obligation, December 31	221,085	190,904
Less current portion	(3,500)	(2,000)
Asset retirement obligation, long term	$ 217,585	$ 188,904

(1) Revisions in the estimated cash flows for the years ended December 31, 2025 and 2024 are primarily the result of revised cost estimates.

8. Fair Value

We opportunistically use commodity-based and financial derivative contracts to manage exposures to commodity price. We do not hold or issue derivative financial instruments for speculative or trading purposes. We periodically enter into futures contracts, costless collars, energy swaps, swaptions and basis swaps to hedge our exposure to price fluctuations on crude oil, natural gas liquids and natural gas sales (Note 9).

Fair Value of Financial Instruments

Because of their short-term maturity, the fair value of cash and cash equivalents, accounts receivable and accounts payable approximates their carrying values at December 31, 2025 and 2024. The following are estimated fair values and carrying values of our other financial instruments at each of these dates:

	Asset (Liability)			
	December 31, 2025		December 31, 2024	
(in thousands)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Note receivable from related party	$ 7,131	$ 7,131	$ 7,131	$ 7,131
Long-term debt	$ (291,100)	$ (291,100)	$ (157,100)	$ (157,100)
Derivative asset	$ 23,852	$ 23,852	$ 8,477	$ 8,477
Derivative liability	$ (5,092)	$ (5,092)	$ (13,868)	$ (13,868)

The fair value of our note receivable from related party approximates the carrying amount because the interest rate is based on current market interest rates and can be called upon two business days' notice (Note 5). The fair value of our long-term debt approximates the carrying amount because the interest rate is reset periodically at then current market rates (Note 4).

The fair value of our note receivable from related party (Note 5), net derivative asset (liability) (Note 9) and our long-term debt (Note 4) is measured using Level II inputs, and are determined by either market prices on an active market for similar assets or other market-corroborated prices. Counterparty credit risk is considered when determining the fair value of our notes receivable and net derivative asset (liability). Since our counterparty is highly rated, the fair value of our note receivable from related party does not require an adjustment to account for the risk of nonperformance by the counterparty, however, an adjustment for counterparty credit risk, including our own credit risk, has been applied to the net derivative asset (liability).

The following table summarizes our fair value measurements and the level within the fair value hierarchy in which the fair value measurements fall.

	Fair Value Measurements	
	December 31, 2025	December 31, 2024
(in thousands)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 2)
Note receivable from related party	$ 7,131	$ 7,131
Long-term debt	$ (291,100)	$ (157,100)
Derivative asset	$ 23,852	$ 8,477
Derivative liability	$ (5,092)	$ (13,868)

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis. These assets and liabilities are not measured at fair value on an ongoing basis, but are subject to fair value adjustments whenever events or circumstances indicate that the carrying value of those assets may not be recoverable and are based upon Level 3 inputs. These assets and liabilities can include assets and liabilities acquired in a business combination, proved and unproved crude oil, natural gas liquids and natural gas properties, asset retirement obligations and other long-lived assets that are written down to fair value when they are impaired.

We periodically review our long-lived assets to be held and used, including proved oil and natural gas properties, whenever events or circumstances indicate that the carrying value of those assets may not be recoverable. We review our oil and natural gas properties by asset group. The estimated future net cash flows are based upon the underlying reserves and anticipated future pricing. An impairment loss is recognized if the sum of the expected undiscounted future net cash flows is less than the carrying amount of the assets. If the estimated undiscounted future net cash flows are less than the carrying amount of a particular asset, the Partnership recognizes an impairment loss for the amount by which the carrying amount of the asset exceeds the estimated fair value of such assets. We record any impairments to accumulated depreciation, depletion and amortization on the balance sheets. The fair value of the proved properties is measured based on a combination of the income and market approaches. These inputs are categorized as Level 3 in the fair value hierarchy. We recorded an impairment of long-lived assets of $42.4 million for the year ended December 31, 2025 and $223.4 million for the year ended December 31, 2023. We did not recognize an impairment of long-lived assets during the year ended December 31, 2024.

Commodity Price Hedging Instruments

We periodically enter into futures contracts, energy swaps, options, collars and basis swaps to hedge our exposure to price fluctuations on crude oil, natural gas and natural gas liquids sales. When actual commodity prices exceed the fixed price provided by these contracts we pay this excess to the counterparty, and when the commodity prices are below the contractually provided fixed price, we receive this difference from the counterparty. See Note 9.

The fair value of our derivatives contracts consists of the following:

	Asset Derivatives December 31,		Liability Derivatives December 31,	
(in thousands)	2025	2024	2025	2024
Derivatives not designated as hedging instruments:				
Crude oil futures and differential swaps	$ 21,771	$ 2,730	$ -	$ (52)
Natural gas liquids futures	$ 19	$ —	$ —	$ —
Natural gas futures, collars and basis swaps	$ 2,062	$ 5,747	$ (5,092)	$ (13,816)
Total	$ 23,852	$ 8,477	$ (5,092)	$ (13,868)

Derivative fair value (gain) loss, included as part of the related revenue line on the consolidated statements of operations, comprises the following realized and unrealized components:

(in thousands)	2025	2024	2023
Net cash (received from) paid to counterparties	$ (13,713)	$ (4,833)	$ 83,068
Non-cash change in derivative fair value	$ (24,152)	$ 7,399	$ (106,247)
Derivative fair value (gain) loss	$ (37,865)	$ 2,566	$ (23,179)

Concentrations of Credit Risk

Our receivables are from a diverse group of companies including major energy companies, pipeline companies, local distribution companies and end-users in various industries. Letters of credit or other appropriate security are obtained as considered necessary to limit risk of loss from the other companies. Including the bank that issued the letter of credit, we currently have greater concentrations of credit with several investment-grade (BBB- or better) rated companies.

9. Commodity Sales Commitments

Our policy is to consider hedging a portion of our production at commodity prices the general partner deems attractive. While there is a risk we may not be able to realize the benefit of rising prices, the general partner may enter into hedging agreements because of the benefits of predictable, stable cash flows.

We enter futures contracts, energy swaps, options and basis swaps to hedge our exposure to price fluctuations on crude oil, natural gas liquids and natural gas sales. When actual commodity prices exceed the fixed price provided by these contracts we pay this excess to the counterparty, and when the commodity prices are below the contractually provided fixed price, we receive this difference from the counterparty. We also enter costless price collars, which set a ceiling and floor price to hedge our exposure to price fluctuations on crude oil or natural gas sales. When actual commodity prices exceed the ceiling price provided by these contracts we

pay this excess to the counterparty, and when the commodity prices are below the floor price, we receive this difference from the counterparty. If the actual commodity price falls in between the ceiling and floor price, there is no cash settlement.

Crude Oil

We have entered into crude oil futures contracts and swap agreements that effectively fix prices for the production and periods shown below. Prices to be realized for hedged production may be less than these fixed prices because of location, quality and other adjustments.

Production Period	Bbls per Day	Weighted Average NYMEX Price per Bbl
January 2026 - June 2026	10,000	$ 62.89
July 2026 - September 2026	10,000	$ 61.44
October 2026 - December 2026	10,000	$ 59.29
January 2027 - June 2027	3,000	$ 60.56
July 2027 - December 2027	3,000	$ 63.43

Net settlement gains on oil futures and sell basis swap contracts in 2025 and losses in 2024 and 2023 increased oil revenues by $7.1 million in 2025 and decreased revenues by $5.6 million in 2024 and $7.1 million in 2023. Unrealized gains in 2025, 2024 and 2023 to record the fair value of derivative contracts increased oil revenues by $19.1 million in 2025, $5.8 million in 2024 and $9.5 million in 2023.

Natural Gas Liquids

We have entered into natural gas liquids futures contracts and swap agreements for ethane that effectively fix prices for the production and periods shown below. Prices to be realized for hedged production may be less than these fixed prices because of location, quality and other adjustments.

Production Period	Gallons per Day	Weighted Average NGL OPIS Price per Gallon
Ethane		
January 2027 - March 2027	14,700	$ 0.29

Net settlement gains in 2024 and 2023 on NGL futures contracts and swap agreements increased NGL revenues $0.5 million in 2024 and $0.4 million in 2023. There were no NGL settlement gains or losses in 2025. An unrealized gain in 2025 and 2023 and an unrealized loss in 2024 to record the fair value of derivative contracts increased NGL revenues by $0.0 million in 2025, decreased NGL revenues by $0.5 million in 2024 and increased NGL revenues by $1.0 million in 2023.

Natural Gas

We have entered into natural gas futures contracts and swap agreements that effectively fix prices for the production and periods shown below. Prices to be realized for hedged production may be less than these fixed prices because of location, quality and other adjustments.

Production Period	MMBtu per Day	Weighted Average NYMEX Price per MMBtu
January 2026 - March 2026	50,000	$ 3.21
April 2026 - September 2026	50,000	$ 3.49
October 2026 - December 2026	50,000	$ 3.93
January 2027 - March 2027	42,500	$ 4.36
April 2027 - December 2027	32,500	$ 3.76

The price we receive for our gas production is generally less than the NYMEX price because of adjustments for delivery location ("basis"), relative quality and other factors. We have entered into sell basis swap agreements that effectively fix the basis adjustment for the San Juan Basin delivery location for the production and periods shown below.

Production Period	MMBtu per Day	Weighted Average Sell Basis Price per MMBtu(a)
March 2026 - March 2028	30,000	$ (0.89)

(a) Reductions to NYMEX gas price for delivery location

Net settlement gains on gas futures and sell basis swap contracts in 2025 and 2024 and losses in 2023 increased gas revenues by $6.6 million in 2025 and $10.0 million in 2024 and decreased gas revenues by $76.4 million in 2023. An unrealized gain in 2025 and 2023 and an unrealized loss in 2024 to record the fair value of derivative contracts increased gas revenues by $5.0 million in 2025, decreased gas revenues by $12.8 million in 2024 and increased gas revenues by $95.8 million in 2023.

10. Partners' Capital

Partners' Units

On May 15, 2025, we completed an underwritten public offering for the sale of approximately 11,666,667 common units at a price of $15.00 per common unit resulting in proceeds of approximately $165.6 million net of underwriting discounts, commissions and other costs. On May 19, 2025, we completed the sale of an additional 1,750,000 common units at a price of $15.00 per common unit pursuant to the underwriter's exercise in full of its option to purchase additional common units in the 2025 Offering, resulting in additional net proceeds of approximately $23.9 million, after deducting underwriting discounts, commissions and other costs. We used the net proceeds from the 2025 Offering to fund a portion of the cash consideration for the WRE Acquisition (Note 2).

On June 28, 2024, we completed an underwritten public offering for the sale of 6.5 million common units at a price of $20.00 per common unit resulting in proceeds of $122.5 million net of underwriting discounts, commissions and other costs ("the 2024 Offering"). On July 02, 2024, we completed the sale of an additional 975,000 common units at a price of $20.00 per common unit pursuant to the underwriter's exercise in full of its option to purchase additional common units in the 2024 Offering, resulting in additional proceeds of $18.7 million net of underwriting discounts, commissions and other costs. We used the net proceeds from the 2024 Offering to fund a portion of the cash consideration for the EMEP Acquisition and the KFOC Acquisition (Note 2).

On August 30, 2024, as part of the consideration paid in the EMEP Acquisition, we issued 2.5 million common units of TXO valued at $50.0 million (Note 2).

Distributions

During 2025, we paid $101.4 million of cash distributions to our Common unitholders. The following is a summary of our 2025 distributions.

2025	Distribution per Unit	Payment Date
Fourth Quarter, 2024	$ 0.61	March 21, 2025
First Quarter, 2025	$ 0.61	May 23, 2025
Second Quarter, 2025	$ 0.45	August 22, 2025
Third Quarter, 2025	$ 0.35	November 21, 2025

During 2024, we paid $85.4 million of cash distributions to our Common unitholders. The following is a summary of our 2024 distributions:

2024	Distribution per Unit	Payment Date
Fourth Quarter, 2023	$ 0.58	March 28, 2024
First Quarter, 2024	$ 0.65	May 29, 2024
Second Quarter, 2024	$ 0.57	August 27, 2024
Third Quarter, 2024	$ 0.58	November 22, 2024

During 2023, we paid $49.8 million of cash distributions to our Common unitholders. The following is a summary of our 2023 distributions:

2023	Distribution per Unit	Payment Date
First Quarter, 2023	$ 0.50	May 30, 2023
Second Quarter, 2023	$ 0.48	August 25, 2023
Third Quarter, 2023	$ 0.52	November 27, 2023

During 2023, we paid no in-kind distributions to our Series 5 Preferred holders.

Our fourth quarter distribution of $0.30 per unit with respect to cash available for distribution for the three months ended December 31, 2025, was declared on February 26, 2026 and will be paid on March 17, 2026 to unitholders of record on March 10, 2026.

The determination of the amount of future distributions on the Common Units, if any, to be declared and paid is at the sole discretion of the General Partner and will depend on our financial condition, earnings and cash flow from operations, the level of debt outstanding, the level of our capital expenditures, our future business prospects and other matters the General Partner deems relevant.

11. Earnings per Unit

The following represents basic and diluted earnings (loss) per Common Unit upon the Reorganization (See Note 1) and corresponding issuance of 30.8 million Common Units:

(in thousands, except per unit data)	Net (loss) income	Units	(Loss) Income per Unit
2025			
Basic	$ (21,619)	49,769	$ (0.43)
Effect of dilutive securities	—	—	
Diluted	$ (21,619)	49,769	$ (0.43)
2024			
Basic	$ 23,496	35,559	$ 0.66
Effect of dilutive securities	—	573	
Diluted	$ 23,496	36,132	$ 0.65
2023			
Basic	$ (103,987)	30,265	$ (3.44)
Effect of dilutive securities	—	—	
Diluted	$ (103,987)	30,265	$ (3.44)

All restricted units, totaling 950 thousand units and 538 thousand units, were excluded from the calculation of earnings per share for the year ended December 31, 2025 and December 31, 2023, because the units were anti-dilutive. No units were excluded for the year ended December 31, 2024.

12. Employee Benefit Plans

Unit Incentive Plans

At the time of the public offering in January 2023, we adopted a new long-term incentive plan. Under the 2023 Long-Term Incentive Plan (the "LTIP"), the general partner may issue long-term equity-based awards to directors, officers and employees of our general partner or its affiliates, or to any consultants, affiliates of our general partner or other individuals who perform services for us. The LTIP provides for the grant, from time to time at the discretion of the Board or any delegate thereof, of cash awards, unit awards, restricted units, phantom units, unit options, unit appreciation rights, distribution equivalent rights and other unit-based awards. As of December 31, 2025, 3.9 million units were available for future grants of awards under the LTIP. Effective January 1, 2026, an additional 2.7 million units became available for grants under the LTIP pursuant to the LTIP's "evergreen" feature.

In January 2026, the Compensation Committee of the Board (the "Compensation Committee") approved grants of 632,353 time-vesting phantom units with distribution equivalent rights to the non-employee directors, officers and certain key employees. These phantom units will vest ratably over a three-year period for the officers and key employees and will fully vest on the one-year anniversary of the grant for the non-employee directors. The phantom units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

Additionally, in January 2026, the Compensation Committee approved grants of 510,552 performance-vesting phantom units to the officers and certain key employees. These performance-based phantom units will be earned based on the Company's performance during the 2026 calendar year according to certain performance objectives and will vest in one-half increments on January 31, 2028 and January 31, 2029. Prior to determination of the achievement of the performance objectives, distribution equivalent rights will be paid according to the target number of phantom unit grants; following determination of the number of earned phantom units based on achievement of the performance objectives, distribution equivalent rights will be paid according to the number of earned phantom units. The phantom units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

In conjunction with the announcement that Brent W. Clum and Gary D. Simpson were named Co-Chief Executive Officers of the General Partner, effective April 1, 2025, on March 31, 2025, the Compensation Committee granted the following awards, effective April 1, 2025, to each of Mr. Clum and Mr. Simpson: (i) 100,000 phantom units which vested on April 1, 2025 and (ii) 100,000 phantom units, along with distribution equivalent rights, which vest on April 1, 2026.

In January 2025, the Compensation Committee approved grants of 301,180 time-vesting phantom units with distribution equivalent rights to the non-employee directors, officers and certain key employees. These phantom units will vest ratably over a three-year period for the officers and key employees and will fully vest on the one-year anniversary of the grant for the non-employee directors. The phantom units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

Additionally, in January 2025, the Compensation Committee approved grants of 249,380 performance-vesting phantom units to the officers and certain key employees. Based on the results of the Company's performance during 2025 according to certain performance objectives, 243,142 performance-vesting phantom units were earned and will vest in one-half increments on January 31, 2027 and January 31, 2028. The phantom units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

In January 2024, the Compensation Committee approved grants of 208,875 time-vesting phantom units with distribution equivalent rights to the non-employee directors, officers and certain key employees. These phantom units will vest ratably over a three-year period for the officers and key employees and will fully vest on the one-year anniversary of the grant for the non-employee directors. The phantom units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

Additionally, in January 2024, the Compensation Committee approved grants of 159,475 performance-vesting phantom units to the officers and certain key employees. Based on the results of the Company's performance during 2024 according to certain performance objectives, 215,977 performance-vesting phantom units were earned and will vest in one-half increments on January 31, 2026 and January 31, 2027. The phantom units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

The performance-vesting phantom units are earned based on TXO Partners annual performance. The objectives for 2025 and 2024 were (1) distributions to unitholders, (2) lease operating expenses plus cash general and operating expenses per Boe and (3) discretionary factors as determined by the Compensation Committee. These three objectives are essentially equally weighted. The objectives are scored using a range from 50% to 200% depending on the actual results. Generally, exceeding the objective is scored at 200% of target, meeting the objective is scored at 100% of target and missing the objective is scored at 50% of target. The same objectives and scoring will be used to measure the 2026 awards. Additionally, we expense the performance-vesting performance phantom units assuming 100% of the phantom units will be earned. We only change this estimate when we have information that the earned awards will be different than 100% or at such time as the awards are earned.

In connection with the offering, the Board approved grants of 545,000 phantom units with distribution equivalent rights to the non-employee directors, officers and certain key employees. These phantom units will vest ratably over a three-year period for the officers and key employees and fully vested on the one-year anniversary of the grant for the non-employee directors. The phantom

units will be settled in common units and distribution equivalents will be paid to holders of outstanding phantom units, including unvested phantom units.

	Grant Date Fair Value	Number of Units
Outstanding at December 31, 2022	$ —	—
Grants	$ 20.00	545,000
Forfeitures	$ 20.00	(10,000)
Outstanding at December 31, 2023	$ 20.00	535,000
Vesting	$ 20.00	(188,332)
Grants	$ 18.62	208,875
Outstanding at December 31, 2024	$ 19.48	555,543
Vesting	$ 19.38	(454,293)
Grants	$ 18.84	921,057
Outstanding at December 31, 2025	$ 18.95	1,022,307

We recognized non-cash restricted unit compensation expense of $16.3 million in 2025, $6.2 million in 2024 and $3.5 million in 2023. Total deferred compensation at December 31, 2025 related to restricted units was $11.6 million. We estimate that incentive compensation for service periods after December 31, 2025 will be approximately$7.4 million in 2026, $3.9 million in 2027, and $0.3 million in 2028. The weighted-average remaining vesting period is 1.0 years for restricted units.

13. Revenue from Contracts with Customers

The Partnership recognizes sales of oil, natural gas, and NGLs when it satisfies a performance obligation by transferring control of the product to a customer, in an amount that reflects the consideration to which the Partnership expects to be entitled in exchange for the product.

As discussed in Note 9, the Partnership recognizes the impact of derivative gains and losses as a component of revenue. See table below for the reconciliation of revenue from contracts with customers and derivative gains and losses.

	Year-Ended December 31, 2025			
	Oil and condensate	Natural gas liquids	Natural gas	Total Revenues
	(in thousands)			
Revenue from customers	$ 257,024	$ 32,102	$ 74,021	$ 363,147
Unrealized gain (loss) on derivatives	19,093	19	5,040	24,152
Realized gain (loss) on derivatives	7,075	-	6,638	13,713
Total Revenues	$ 283,192	$ 32,121	$ 85,699	$ 401,012

	Year Ended December 31, 2024			
	Oil and condensate	Natural gas liquids	Natural gas	Total Revenues
	(in thousands)			
Revenue from customers	$ 198,083	$ 29,433	$ 57,860	$ 285,376
Unrealized gain (loss) on derivatives	5,842	(477)	(12,764)	(7,399)
Realized gain (loss) on derivatives	(5,601)	474	9,960	4,833
Total Revenues	$ 198,324	$ 29,430	$ 55,056	$ 282,810

	Year Ended December 31, 2023			
	Oil and condensate	Natural gas liquids	Natural gas	Total Revenues
	(in thousands)			
Revenue from customers	$ 180,403	$ 27,752	$ 149,384	$ 357,539
Unrealized gain (loss) on derivatives	9,462	1,001	95,784	106,247
Realized gain (loss) on derivatives	(7,132)	440	(76,376)	(83,068)
Total Revenues	$ 182,733	$ 29,193	$ 168,792	$ 380,718

Natural Gas and NGL Sales

Under our natural gas processing contracts, we deliver natural gas to a midstream processing entity at the wellhead or at the inlet of a facility. The midstream provider gathers and processes the product and both the residue gas and the resulting natural gas liquids are sold at the tailgate of the plant. The Partnership's natural gas production is primarily sold under market-sensitive contracts that are typically priced at a differential to the published natural gas index price for the producing area due to the natural gas quality and the proximity to the market. We evaluated these arrangements and determined that control of the products transfers at the tailgate of the plant, meaning that the Partnership is the principal and the third-party purchaser is its customer. As such, we present the gas and NGL sales on a gross basis and the related gathering and processing costs as a component of taxes, transportation, and other on the statement of operations.

Oil and Condensate Sales

Oil production is typically sold at the wellhead or at the outlet of a gathering system under market-sensitive contracts at an index price, net of pricing differentials. The Partnership recognizes revenue upon the satisfaction of the performance obligation which occurs at the point in time when control of the product transfers to a customer, in an amount that reflects the consideration to which the Partnership expects to be entitled in exchange for the product.

Production imbalances

The Partnership uses the sales method to account for production imbalances. If the Partnership's sales volumes for a well exceed the Partnership's proportionate share of production from the well, a liability is recognized to the extent that the Partnership's share of estimated remaining recoverable reserves from the well is insufficient to satisfy the imbalance. No receivables are recorded for those wells on which the Partnership has taken less than its proportionate share of production.

Contract Balances

Under the Partnership's product sales contracts, its customers are invoiced once the Partnership's performance obligations have been satisfied, at which point payment is unconditional. Accordingly, the Partnership's product sales contracts do not give rise to contract assets or contract liabilities.

Performance Obligations

The majority of the Partnership's sales are short-term in nature with a contract term of one year or less. For those contracts, the Partnership has utilized the practical expedient in ASC 606-10-50-14 exempting the Partnership from disclosures of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original duration of one year or less.

For the Partnership's product sales that have a contract term greater than one year, the Partnership has utilized the practical expedient in ASC 606-10-50-14(a), which states the Partnership is not required to disclose the transaction price allocated to remaining performance obligations if the variable consideration is allocated entirely to a wholly unsatisfied performance obligation. Under these contracts, each unit of product generally represents a separate performance obligation; therefore, future volumes are wholly unsatisfied and disclosure of the transaction price allocated to remaining performance obligation is not required.

14. Accrued Liabilities

Accrued liabilities consist of the following at December 31, 2025 and 2024:

	December 31,	
	2025	2024
Accrued production expenses	$ 27,409	$ 22,818
Accrued capital expenditures	$ 4,826	$ 5,401
Accrued bonuses	$ 6,100	$ 4,841
Accrued ad valorem taxes	$ 3,978	$ 3,056
Accrued severance taxes	$ 2,944	$ 2,567
Other accrued liabilities	$ 519	$ 244
Total accrued liabilities	$ 45,776	$ 38,927

15. Segment Reporting

We have one reportable segment, our exploration and production of oil, natural gas and natural gas liquids segment ("E&P segment"). Our E&P segment derives revenues from customers by selling oil, natural gas and natural gas liquids under contracts of various terms and durations (See Note 13). The operating segments within the reportable segment have been aggregated based on the similarity of their economic and other characteristics, including product type and services. All of our assets are located in the United States, and all revenues are attributable to United States customers.

The Partnership's Chief Operating Decision Maker ("CODM") is a group of executives, including the Co-Chief Executive Officer and the Co-Chief Executive Officer and Chief Financial Officer. The CODM assesses performance for the E&P segment and decides how to allocate resources based on cash provided by operations which is also reported on the statement of cash flows as consolidated cash provided by operations. The measure of segment assets is reported on the balance sheet as total consolidated assets.

The CODM uses net income to evaluate income generated from segment assets in deciding whether to reinvest profits into the E&P segment or to pay distributions.

Selected financial information related to our one reportable segment is included below:

(in thousands)	Year Ended December 31,		
	2025	2024	2023
REVENUES			
Oil and condensate	$ 283,192	$ 198,324	$ 182,733
Natural gas liquids	32,121	29,430	29,193
Gas	85,699	55,056	168,792
Total Revenues	401,012	282,810	380,718
EXPENSES			
Production	186,229	150,295	144,730
Exploration	469	373	151
Taxes, transportation and other	68,781	60,442	75,415
Depreciation, depletion, and amortization	96,574	52,409	44,288
Impairment of long-lived assets	42,425	—	223,384
Accretion of discount in asset retirement obligation	15,651	11,623	8,644
General and administrative	21,464	14,529	7,887
Total Expenses	431,593	289,671	504,499
OPERATING LOSS	(30,581)	(6,861)	(123,781)
OTHER INCOME			
Other income	25,308	37,152	23,756
SEGMENT (LOSS) INCOME FROM OPERATIONS	(5,273)	$ 30,291	$ (100,025)
Reconciliation:			
Interest income	618	1,078	461
Interest expense	(16,964)	(7,873)	(4,423)
Other Expense	(16,346)	(6,795)	(3,962)
NET (LOSS) INCOME	$ (21,619)	$ 23,496	$ (103,987)
CASH PROVIDED BY OPERATING ACTIVITIES	118,187	109,299	77,150

16. Supplemental Cash Flow Information

The statement of cash flows excludes the following non-cash transactions:

- The issuance of 2.5 million common units to partially fund the EMEP Acquisition in 2024 (Note 2).
- The exchange of 2,061.22 Series 5 Preferred Units for 10,644,482 Common Units in 2023 (Note 10).
- Accrued capital expenditures were $4.8 million at December 31, 2025 and $5.4 million at December 31, 2024.

Interest payments totaled $15.4 million in 2025, $7.0 million in 2024 and $3.5 million in 2023. State income tax payments totaled $0.3 million in 2025, $1.9 million in 2024 and $3.6 million in 2023.

17. Subsequent Events

We have evaluated subsequent events through the date the financial statements were available to be issued. See Notes 2 and 12.

18. Supplementary Financial Information for Oil and Gas Producing Activities *(Unaudited)*

All of our operations are directly related to oil and gas producing activities located in the United States primarily in the San Juan Basin of New Mexico and Colorado, the Permian Basin of West Texas and New Mexico and the Williston Basin of Montana and North Dakota.

Costs Incurred Related to Oil and Gas Producing Activities

The following table summarizes costs incurred whether such costs are capitalized or expensed for financial reporting purposes for each year:

(in thousands)	2025	2024	2023
Acquisition of proved properties, net	$ 334,932	$ 317,684	$ 8,895
Acquisition of unproved properties	157	227	72
Development	71,138	27,967	29,820
Asset retirement obligation incurred upon acquisition	9,209	18,408	1,420
Total costs incurred	$ 415,436	$ 364,286	$ 40,207

Proved Reserves

Our proved oil and gas reserves have been estimated by independent petroleum engineers. Proved reserves are those quantities of oil and natural gas, which, by analysis of geoscience and engineering data can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs and under existing economic conditions, operating methods, and government regulation before the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain. Proved developed reserves are the quantities expected to be recovered through existing wells with existing equipment and operating methods in which the cost of the required equipment is relatively minor compared with the cost of a new well. Due to the inherent uncertainties and the limited nature of reservoir data, such estimates are subject to change as additional information becomes available. The reserves actually recovered and the timing of production of these reserves may be substantially different from the original estimate. Revisions result primarily from new information obtained from development drilling and production history and from changes in economic factors. Proved reserves exclude volumes deliverable to others under production payments or retained interests.

Standardized Measure

The standardized measure of discounted future net cash flows and changes in such cash flows are prepared using assumptions required by the Financial Accounting Standards Board. Such assumptions include the use of 12-month average prices for oil and gas, based on the first-day-of-the-month price for each month in the period, and year end costs for estimated future development and production expenditures to produce year-end estimated proved reserves. Discounted future net cash flows are calculated using a 10% rate. No provision is included for federal income taxes since our future net cash flows are not subject to taxation. Limited liability companies are subject to the Texas margin tax.

Estimated well abandonment costs, net of salvage values, are deducted from the standardized measure using year-end costs and discounted at the 10% rate. Such abandonment costs are recorded as a liability on the consolidated balance sheet, using estimated values as of the projected abandonment date and discounted using a risk-adjusted rate at the time the well is drilled or acquired (Note 7).

The standardized measure does not represent management’s estimate of our future cash flows or the value of proved oil and natural gas reserves. Probable and possible reserves, which may become proved in the future, are excluded from the calculations.

Furthermore, prices used to determine the standardized measure are influenced by supply and demand as effected by recent economic conditions as well as other factors and may not be the most representative in estimating future revenues or reserve data.

Proved Reserves *(in thousands)*	**Oil (Bbls)**	**Natural Gas Liquids (Bbls)**	**Gas (Mcf)**	**Oil Equivalents (Boe)**
December 31, 2022	53,509.2	21,932.4	407,877.2	143,421.1
Extensions, additions and discoveries	71.7	—	7,050.2	1,246.7
Revisions	(11,628.5)	(5,245.0)	(121,848.5)	(37,181.5)
Production	(2,375.6)	(1,231.8)	(28,738.7)	(8,397.2)
Purchase in place	876.3	27.4	1,487.4	1,151.6
December 31, 2023	40,453.1	15,483.0	265,827.6	100,240.7
Extensions, additions and discoveries	22.5	0.6	2,400.1	423.1
Revisions	(1,521.1)	(2,841.5)	(56,249.2)	(13,737.3)
Production	(2,716.4)	(1,211.4)	(27,789.8)	(8,559.5)
Purchase in place	10,953.8	2,363.7	12,847.0	15,458.6
December 31, 2024	47,191.9	13,794.4	197,035.7	93,825.6
Extensions, additions and discoveries	1,868.1	305.6	47,872.2	10,152.4
Revisions	(4,615.6)	2,253.0	75,099.5	10,153.8
Production	(4,173.7)	(1,497.0)	(27,883.8)	(10,317.9)
Purchase in place	19,080.4	3,863.8	14,112.1	25,296.2
December 31, 2025	59,351.1	18,719.8	306,235.7	129,110.1

Proved Developed Reserves *(in thousands)*	**Oil (Bbls)**	**Natural Gas Liquids (Bbls)**	**Gas (Mcf)**	**Oil Equivalents (Boe)**
December 31, 2022	34,672.0	20,723.6	385,188.6	119,593.7
December 31, 2023	30,959.4	15,110.9	264,934.4	90,226.0
December 31, 2024	37,894.6	13,194.9	196,013.7	83,758.5
December 31, 2025	44,974.0	16,383.1	254,095.1	103,706.3

Proved Undeveloped Reserves *(in thousands)*	**Oil (Bbls)**	**Natural Gas Liquids (Bbls)**	**Gas (Mcf)**	**Oil Equivalents (Boe)**
December 31, 2022	18,837.2	1,208.8	22,688.6	23,827.4
December 31, 2023	9,493.7	372.1	893.2	10,014.7
December 31, 2024	9,297.3	599.5	1,022.0	10,067.1
December 31, 2025	14,377.0	2,336.7	52,140.6	25,403.8

In 2025, the 25.3 Mboe of purchases in place represent the reserves acquired from White Rock (25.3 MBoe). The 10.2 MBoe of extensions, additions and discoveries in proved reserves in 2025 did not result in the conversion of any proved undeveloped reserves to proved developed reserves because they were primarily related to drilling wells in the San Juan Basin, Permian Basin and Williston Basin that did not have proved undeveloped reserves assigned at the beginning of the year, and which resulted in additional proved developed reserves. The 10.2 MBoe of upward revisions in proved reserves for 2025 were the result of higher commodity prices (9.8 MBoe) and changes in the development plan (0.4 MBoe).

In 2024, the 15.5 Mboe of purchases in place represent the reserves acquired primarily from Eagle Mountain (14.2 MBoe) and Kaiser Francis (1.3 Mboe). The 0.4 MBoe of extensions, additions and discoveries in proved reserves in 2024 did not result in the conversion of any proved undeveloped reserves to proved developed reserves because they were primarily related to drilling in the San Juan Basin and Permian Basin that did not have proved undeveloped reserves assigned at the beginning of the year, and which resulted in additional proved developed reserves. The 13.7 MBoe of downward revisions in proved reserves for 2024 were the result of lower commodity prices (10.0 MBoe) and changes in the development plan (3.7 MBoe).

In 2023, the 1.2 Mboe of purchases in place represent the reserves acquired from multiple acquisitions. The 1.2 MBoe of extensions, additions and discoveries in proved reserves in 2023 did not result in the conversion of any proved undeveloped reserves to proved developed reserves because they were primarily related to drilling in the San Juan Basin and Permian Basin that did not have proved undeveloped reserves assigned at the beginning of the year, and which resulted in additional proved developed reserves. The (37.2 MBoe) of downward revisions in proved reserves for 2023 were the result of a combination of lower commodity prices and higher costs (22.6 MBoe) and changes in the development plan (14.6 MBoe).

Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Reserves	**December 31, 2025**	**December 31, 2024**	**December 31, 2023**
(in thousands)			
Future cash inflows	$ 4,849,920	$ 4,187,103	$ 4,101,171
Future costs:			
Production	(2,300,106)	(2,077,469)	(2,091,880)
Development	(719,027)	(450,156)	(353,191)
Future income tax	(1,286)	(1,738)	(2,143)
Future net cash flows	1,829,501	1,657,740	1,653,957
10% annual discount	(734,008)	(681,153)	(763,365)
Standardized measure	$ 1,095,493	$ 976,587	$ 890,592

Changes in Standardized Measure of Discounted Future Net Cash Flows	**For the Year Ended December 31,**		
	2025	**2024**	**2023**
(in thousands)			
Standardized measure, beginning of period	$ 976,587	$ 890,592	$ 1,969,818
Revisions:			
Prices and costs	(87,185)	(187,581)	(1,053,775)
Quantity estimates	(126,411)	(11,034)	(147,398)
Income tax	217	67	2,250
Future development costs	(8,058)	7,054	(106)
Accretion of discount	97,659	89,059	196,982
Production rates and other	(68,292)	(2,940)	22,868
Net revisions	(192,070)	(105,375)	(979,179)
Additions and discoveries	(15,442)	(4,279)	(8,047)
Production	(108,136)	(74,639)	(137,393)
Development costs	71,138	27,967	29,820
Purchases in place	363,416	242,321	15,573
Net change	118,906	85,995	(1,079,226)
Standardized measure, December 31	$ 1,095,493 (a)	$ 976,587 (b)	$ 890,592

(a) The December 31, 2025 standardized measure includes a reduction of $450.2 million ($450.8 million before income tax) for estimated property abandonment costs. These estimated property abandonment costs are not included in the reserves report prepared by our third-party engineer. The consolidated balance sheet at December 31, 2025 includes a liability of $221.1 million for the same asset retirement obligation, which was calculated using different cost and present value assumptions.

(b) The December 31, 2024 standardized measure includes a reduction of $392.1 million ($392.9 million before income tax) for estimated property abandonment costs. These estimated property abandonment costs are not included in the reserves report prepared by our third-party engineer. The consolidated balance sheet at December 31, 2024 includes a liability of $190.9 million for the same asset retirement obligation, which was calculated using different cost and present value assumptions.

(c) The December 31, 2023 standardized measure includes a reduction of $292.0 million ($292.5 million before income tax) for estimated property abandonment costs. These estimated property abandonment costs are not included in the reserves report prepared by our third-party engineer. The consolidated balance sheet at December 31, 2023 includes a liability of $154.0 million for the same asset retirement obligation, which was calculated using different cost and present value assumptions.

Price and cost revisions are primarily the net result of changes in prices, based on beginning of year reserve estimates. Quantity estimate revisions are primarily the result of the extended economic life of proved reserves and proved undeveloped reserve additions attributable to increased development activity.

Average realized oil prices used in the estimation of proved reserves and calculation of the standardized measure were $62.02 for 2025, $73.73 for 2024 and $76.58 for 2023. Average realized natural gas liquids prices were $15.78 for 2025, $17.70 for 2024 and

$18.44 for 2023. Average realized gas prices were $2.11 for 2025, $1.14 for 2024 and $1.58 for 2023. We used 12-month average oil and gas prices, based on the first-day-of-the-month price for each month in the period.

Part IV

Item 15. Exhibits, Financial Statement Schedules

3.1	Amended and Restated Certificate of Limited Partnership of TXO Partners, L.P. (incorporated by reference to Exhibit 3.1 to Quarterly Report on Form 10-Q filed on May 9, 2023)
3.2	Amended and Restated Certificate of Formation of TXO Partners, GP, LLC (incorporated by reference to Exhibit 3.2 to Quarterly Report on Form 10-Q filed on May 9, 2023)
3.3	Seventh Amended and Restated Agreement of Limited Partnership of TXO Partners, L.P. (incorporated by reference to Exhibit 3.2 to Current Report on Form 8-K filed on January 31, 2023)
3.4	Amendment No. 1 to the Seventh Amended and Restated Agreement of Limited Partnership of TXO Partners, L.P. (incorporated by reference to Exhibit 3.3 to Quarterly Report on Form 10-Q filed on May 9, 2023)
3.5	Amended and Restated Limited Liability Company Agreement of TXO Partners GP, LLC (incorporated by reference to Exhibit 3.4 to Annual Report on Form 10-K filed on March 31, 2023)
3.6	Amendment No. 1 to the Amended and Restated Limited Liability Company Agreement of TXO Partners GP, LLC (incorporated by reference to Exhibit 3.4 to Quarterly Report on Form 10-Q filed on May 9, 2023)
4.1	Description of Common Units (incorporated by reference to Exhibit 4.1 to Annual Report on Form 10-K filed on March 31, 2023)
10.1#	Credit Agreement, among MorningStar Partners, L.P., the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent, dated November 1, 2021 (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1/A filed on January 18, 2023)
10.2#	Amendment No. 1 to the Credit Agreement and Borrowing Base Agreement (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1/A filed on January 18, 2023)
10.3#	Amendment No. 2 to the Credit Agreement (incorporated by reference to Exhibit 10.1 to Quarterly Report on Form 10-Q filed on August 8, 2023)
10.4	Amendment No. 3 to the Credit Agreement (incorporated by reference to Exhibit 10.4 to Annual Report on Form 10-K filed on March 5, 2024)
10.5^	Amendment No. 4 to the Credit Agreement (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on August 30, 2024)
10.6	Amendment No. 5 and Borrowing Base Agreement, dated July 31, 2025, among TXO Partners, LP., the guarantors party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to Form 8-K filed August 5, 2025)
10.7	TXO Partners GP, LLC 2023 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K filed on January 31, 2023)
10.8	Form of 2023 Long-Term Incentive Plan Phantom Unit Agreement (Directors) (incorporated by reference to Exhibit 10.4 to Current Report on Form 8-K filed on January 31, 2023)
10.9	Form of 2023 Long-Term Incentive Plan Phantom Unit Agreement (Executives) (incorporated by reference to Exhibit 10.5 to Current Report on Form 8-K filed on January 31, 2023)
10.10#^	Limited Liability Company Agreement of Cross Timbers Energy, LLC, dated as of June 13, 2013, by and among XTO Energy Inc., XH LLC, HHE Energy Company and TXO Partners, L.P. (incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-1/A filed on January 18, 2023)
10.11	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed on January 31, 2023)
10.12	Registration Rights Agreement, dated as of August 30, 2024, among TXO Partners, L.P., EMEP Acquisitions, LLC, and VR4-ELM, LP (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on August 30, 2024)

10.13	TXO Partners GP, LLC Executive Severance Plan (incorporated by reference to Exhibit 10.13 to Annual Report on Form 10-K filed on February 26, 2026)
19.1#	Insider Trading Policies and Procedures (incorporated by reference to Exhibit 19.1 to Annual Report on Form 10-K filed on March 4, 2025)
21.1	List of Subsidiaries of TXO Partners, L.P. (incorporated by reference to Exhibit 21.1 to Annual Report on Form 10-K filed on February 26, 2026)
23.1	Consent of Cawley, Gillespie & Associates (incorporated by reference to Exhibit 23.1 to Annual Report on Form 10-K filed on February 26, 2026)
23.2	Consent of KPMG LLP (incorporated by reference to Exhibit 23.2 to Annual Report on Form 10-K filed on February 26, 2026)
31.1*	Certification of Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a) and Rule 15d-14(a)
31.2*	Certification of Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a) and Rule 15d-14(a)
32.1**	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350
97.0	TXO Partners, L.P. Policy for Recovery of Erroneously Awarded Compensation (incorporated by reference to Exhibit 97.0 to Annual Report on Form 10-K filed on March 5, 2024)
99.1	Report of Cawley, Gillespie & Associates of reserves as of December 31, 2025 (incorporated by reference to Exhibit 99.1 to Annual Report on Form 10-K filed on February 26, 2026)

* Filed herewith.
** Furnished herewith.
# The schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.
^ Portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Act of 1933, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Fort Worth, State of Texas, on March 25, 2026.

TXO Partners, L.P.

By: TXO Partners GP, LLC, its general partner

By: /s/ Brent W. Clum
Name: Brent W. Clum
Title: Co-Chief Executive Officer and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this report has been signed below by the following persons in the capacities and the dates indicated.

Name	Title	Date
/s/ Bob R. Simpson Bob R. Simpson	Chairman	March 25, 2026
/s/ Brent W. Clum Brent W. Clum	Co-Chief Executive Officer, Chief Financial Officer and Director (principal financial officer)	March 25, 2026
/s/ Gary D. Simpson Gary D. Simpson	Co-Chief Executive Officer and Director (principal executive officer)	March 25, 2026
/s/ Scott T. Agosta Scott T. Agosta	Chief Accounting Officer (principal accounting officer)	March 25, 2026
/s/ Phillip R. Kevil Phillip R. Kevil	Director	March 25, 2026
/s/ Keith A. Hutton Keith A. Hutton	Director	March 25, 2026
/s/ Rick J. Settle Rick J. Settle	Director	March 25, 2026
/s/ J. Luther King, Jr. J. Luther King, Jr.	Director	March 25, 2026
/s/ William H. Adams III William H. Adams III	Director	March 25, 2026
/s/ Lawrence S. Massaro Lawrence S. Massaro	Director	March 25, 2026

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary D. Simpson, certify that:

(1) I have reviewed this Annual Report on Form 10-K of TXO Partners, L.P.;

(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: March 25, 2026

By: /s/ Gary D. Simpson
Gary D. Simpson
Co-Chief Executive Officer
TXO Partners GP, LLC, its general partner

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brent W. Clum, certify that:

(1) I have reviewed this Annual Report on Form 10-K of TXO Partners, L.P.;

(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: March 25, 2026

By: /s/ Brent W. Clum

Brent W. Clum
Co-Chief Executive Officer and Chief Financial Officer
TXO Partners GP, LLC, its general partner

Exhibit 32.1

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of TXO Partners, L.P. (the "***Partnership***") hereby certifies, to such officer's knowledge, that:

(i) the Annual Report on Form 10-K of the Partnership for the annual period ended December 31, 2025 (the "***Report***") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: March 25, 2026

By: /s/ Gary D. Simpson

Gary D. Simpson
Co-Chief Executive Officer
TXO Partners GP, LLC, its general partner

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 Partnership, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of TXO Partners, L.P. (the "***Partnership***") hereby certifies, to such officer's knowledge, that:

(i) the Annual Report on Form 10-K of the Partnership for the annual period ended December 31, 2025 (the "***Report***") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: March 25, 2026

By: /s/ Brent W. Clum

Brent W. Clum
Co-Chief Executive Officer and Chief Financial Officer
TXO Partners GP, LLC, its general partner

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 Partnership, whether made before or after the date hereof, regardless of any general incorporation language in such filing.