Diversified Energy Co.

DEC

NYSE; energy; SIC 1311, Crude Petroleum & Natural Gas; CIK 0001922446

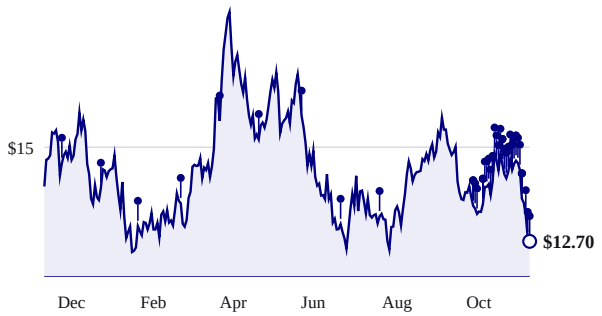
None

No letter

3 of 14 inputs computable; 7 are required, with a score in every sleeve

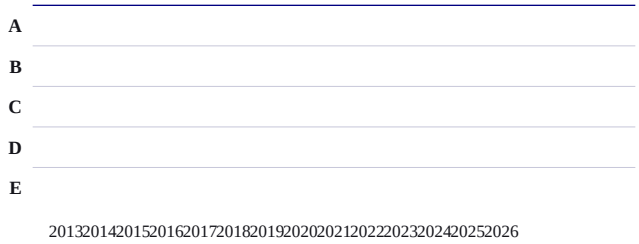
Scoreboard	
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $6.2B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	thin data not computable: dilution, short runway, distress
Inputs computable	3 of 14
Graded from	filings received through Feb 26, 2026 256 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026
Last close	$12.70 2026-11-06; market equity $898.1M; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 26, 2026

and in Supplemental Natural Gas & Oil Information in Part II. We are a party to various routine legal proceedings, disputes and claims arising in the ordinary course of our business, including those that arise from interpretation of federal and state laws and regulations affecting the crude oil and natural gas exploration and development industry, personal injury claims, title disputes, royalty disputes, contract claims, contamination claims relating to crude oil and natural gas exploration and development and environmental claims, including claims involving assets previously sold to third parties and no longer part of our current operations.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability						
Gross profitability	not computable	17.5%				
one or more required annual facts are missing						
Return on invested capital	not computable	6.0%				

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a prior annual debt, equity, and cash observation is required						
Accruals ratio	not computable	(5.0%)				
a prior annual assets observation is required						
Gross margin stability, five years	not computable	4.6 pts				
five annual gross margins are required; found 0						
Solvency, sleeve percentile 63.7						
Twelve-month failure probability	not computable	0.05%				
four consecutive discrete net-income quarters are required; found 3						
Altman Z double-prime	0.06	1.48	72.2	152	2025-12-31	
Net debt to EBITDA	2.83x	3.63x	37.9	117	2025-12-31	
Interest coverage	not computable	2.37x				
one or more required annual facts are missing						
Current ratio	0.60x	0.97x	81.1	281	2025-12-31	
Growth and financing						
Revenue growth, three-year compound	not computable	0.7%				
four annual observations are required; found 1						
Free cash flow growth, three-year compound	not computable	(11.8%)				
four consecutive annual FCF observations are required; found 1						
Reinvestment rate	not computable	59.0%				
a prior annual working-capital observation is required						
Asset growth, three years	not computable	6.4%				
four annual observations are required; found 1						
Net share issuance, one year	not computable	0.4%				
two annual share counts are required; found 1						

Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Thin data	3 of 14 grade factors are computable; minimum is 7

What the price implies

at the 2026-11-06 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	12.4%	6.5%	59
Distance from 52-week high	(30.6%)	(19.3%)	29
EBIT to enterprise value	13.8%	4.6%	95
Free cash flow yield	31.2%	1.6%	100
Book value to price	0.81	0.54	76
Sales to price	2.04	0.48	93
Composite equity issuance, five years	not computable	(7.0%)	
Relative strength against the sector, log excess return	(0.24)	0.02	25

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	pass
Return on assets improved	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail

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No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	n/a
Operating cash flow, four quarters	n/a
Months of runway	not finite
Days since last periodic filing	5 (10-Q received Nov 4, 2026)
Median daily dollar volume, 63 sessions	$10.2M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	operating income	us-gaap:OperatingIncomeLoss	$535.0M	2025-12-31	2026-02-26	10-K	26-000020
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$301.3M	2025-12-31	2026-02-26	10-K	26-000020
3	income tax	us-gaap:IncomeTaxExpenseBenefit	-$40.5M	2025-12-31	2026-02-26	10-K	26-000020
4	total debt	us-gaap:LongTermDebt	$2.7B	2025-12-31	2026-02-26	10-K	26-000020
5	book equity	us-gaap:StockholdersEquity	$984.1M	2025-12-31	2026-02-26	10-K	26-000020
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$29.7M	2025-12-31	2026-02-26	10-K	26-000020
7	net income	us-gaap:NetIncomeLoss	$341.1M	2025-12-31	2026-02-26	10-K	26-000020
8	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$464.6M	2025-12-31	2026-02-26	10-K	26-000020
9	assets	us-gaap:Assets	$6.2B	2025-12-31	2026-02-26	10-K	26-000020
10	current assets	us-gaap:AssetsCurrent	$650.2M	2025-12-31	2026-02-26	10-K	26-000020
11	current liabilities	us-gaap:LiabilitiesCurrent	$1.1B	2025-12-31	2026-02-26	10-K	26-000020
12	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$507.8M	2025-12-31	2026-02-26	10-K	26-000020
13	liabilities	us-gaap:Liabilities	$5.2B	2025-12-31	2026-02-26	10-K	26-000020
14	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$412.5M	2025-12-31	2026-02-26	10-K	26-000020
15	revenue	us-gaap:Revenues	$1.8B	2025-12-31	2026-02-26	10-K	26-000020
16	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$184.6M	2025-12-31	2026-02-26	10-K	26-000020
17	shares outstanding	dei:EntityCommonStockSharesOutstanding	76,070,756	2026-02-25	2026-02-26	10-K	26-000020

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