

August 29, 2023

#### Dear Neighbor,

We are writing to notify you that Kerr McGee Oil & Gas Onshore, LP, an Oxy USA Inc. subsidiary, is preparing to submit an application for a Weld County Oil and Gas Location Assessment (WOGLA) for a project in your community. In our commitment to being a good neighbor, we provide frequent and transparent information, seek community feedback, safeguard the environment, and protect the health and safety of employees and communities.

#### Description of the project

The proposed CYPRESS 22-14HZ project, as described in the following pages, consists of 12 oil and natural gas wells and a production facility. The timeline for development is based on obtaining the required permits and drilling rig availability. At this time, we estimate that drilling will start sometime in late 2025. However, we commit to keeping you updated throughout the permitting process and providing a detailed timeline before beginning construction. You can find project updates at <a href="https://www.oxyColoradoStakeholder.com/project-updates">www.oxyColoradoStakeholder.com/project-updates</a>.

#### Standard practices and mitigation strategies

Our standard practices align with the guidelines of Weld County, the Energy & Carbon Management Commission (ECMC), and the Colorado Department of Public Health and Environment (CDPHE). We carefully planned this location's development and mitigation techniques to minimize any temporary impacts from our operations. Currently, mitigations during development include a robust traffic management plan as well as continuous sound and air monitoring. The ECMC was known as the Colorado Oil and Gas Conservation Commission (COGCC) prior to July 2023.

Our team members will continue to work diligently to plan construction and operations with you in mind. We welcome your feedback and can be contacted anytime for questions and comments by email, phone, or mail. We will also consider all reasonable mitigation measures proposed to minimize adverse impacts of the proposed oil and gas location.

#### Next steps

This project must undergo a comprehensive permitting process at both the local and state level. We will keep our website updated, and you will be notified by mail throughout the process. Please reach out to us or Weld County to discuss this project or to set up a meeting. We look forward to working with you.

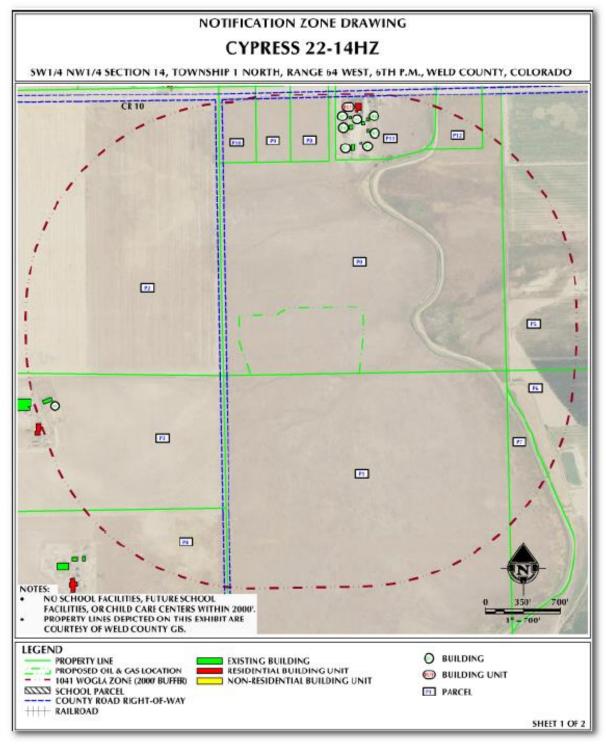
#### **Oxy Stakeholder Relations**

1099 18th Street, Suite 700 Denver, CO 80202 866.248.9577 ColoradoStakeholder@oxy.com www.OxyColoradoStakeholder.com

# New Energy Development



Project Location-Cypress 22-14HZ



Pad Name	Parcel #	Location	Disturbed Acreage	Operation Acreage
CYPRESS 22- 14HZ	147514200042	SW1/4, NW 1/4, SECTION 14, TOWNSHIP 1 NORTH, RANGE 64 WEST, 6TH P.M., WELD COUNTY, COLORADO	15.33 ACRES (During Development)	4.00 (For life of wells)

# Notification Zone



ID	BUILDING UNIT NUMBER	BUILDING UNIT DISTANCE		BUILDING DISTANCE	PARCEL #	OWNER	MAILING ADDRESS	MAIL CITY	MAIL STATE	MAIL ZIP
PO		-	-	-	147514200042	MICHAEL J. & BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	со	806439415
P1					147514000027	BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	со	806439415
P2					147515000007	WILLIAM W. & SUSAN J. WARREN	27570 COUNTY ROAD 10	KEENESBURG	со	806439441
Р3			B8	±1833¹ W	147515400028	TRAVIS J. & ANDREA L. ANDERSEN	27550 COUNTY ROAD 10	KEENESBURG	со	806439441
P4					147515400031	SOCIETAS MATRIS DOLOROSISSIMAE	3510 COUNTY ROAD 55	KEENESBURG	со	806439410
P5					147514000024	STEPHEN J. & KRISTINE M. SCHREIBVOGEL	3747 COUNTY ROAD 59	KEENESBURG	со	806439428
P6					147514000025	STEPHEN J. & KRISTINE M. Schreibvogel	3747 COUNTY ROAD 59	KEENESBURG	со	806439428
P7		-	-		147514000003	BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	co	806439415
P8					147514200041	MICHAEL J. & BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	со	806439415
P9		-			147514200040	MICHAEL J. & BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	со	806439415
P10					147514200008	MICHAEL J. & BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	со	806439415
P11	BU1	±1830¹ N	81, 82, 83, 84, 85, 86,	±1468' N, ±1531' N, ±1639' N, ±1667' N, ±1707' N, ±1740' N,	147514200009	MICHAEL J. & BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	со	806439415
P12					147514200010	MICHAEL J. & BETTY A. COAN	28242 COUNTY ROAD 10	KEENESBURG	co	806439415

# Our Commitment To You



## Our Best Practices and Mitigation Measures

We strive to make our activities compatible with the surrounding community and use various mitigation techniques to reduce the temporary impacts associated with development. Our team designs each location after careful consideration of the area's specific attributes. Although some of our operations are conducted 24/7, we aim to minimize non-essential work during the night. For each well pad, we deploy the following strategies to mitigate possible impacts including:

## Noise



We use upgraded drilling rigs with noise-reducing features and quiet hydraulic fracturing technology. These features reduce the noise from our operations.



Light

We use Light-emitting Diode (LED) lights strategically oriented away from homes, making our operations less visible to our neighbors.

#### Odor



To counteract any potential hydrocarbon odor during our drilling operations, we use Group III drilling mud.

### Dust



We work to mitigate dust by applying dust suppression to the roads as needed. Various techniques to be used include installing tracking pads and sediment traps, hydro mulching and/or hydroseeding topsoil piles, seeding disturbed soils, and placing and compacting a gravel layer on the working pad surfaces and access roads.

# Our Commitment To You



## Our Best Practices and Mitigation Measures

## Traffic Management Plan

One part of the comprehensive permitting process is developing a traffic management plan. This includes specific routes for all traffic coming to and leaving the proposed project locations. To access and leave the location drivers will utilize an access road, County Road 10, and County Road 53 to Highway 52. Speed limits will be reduced to 10 mph on the access road and 5 mph once vehicles reach the well pad/facility.

We reduce traffic as much as possible through oil transfer and Water-On-Demand systems. The oil produced from our horizontal locations is transported off-site through a pipeline, eliminating the need for trucks. We transport the water used in hydraulic fracturing through our innovative Water-On-Demand pipeline system, further reducing truck traffic. Since its inception in 2012, these technologies have enabled us to eliminate 60 million miles of truck traffic from the roads in Weld County, reducing emissions, dust, road wear, and inconvenience to our neighbors. This system also mitigates our surface footprint by significantly reducing the tanks needed for water storage onsite during well completion. At this location, we estimate that our Water-On-Demand system will eliminate 90,667 truck trips.



# Our Commitment To You



# Our Best Practices and Mitigation Measures

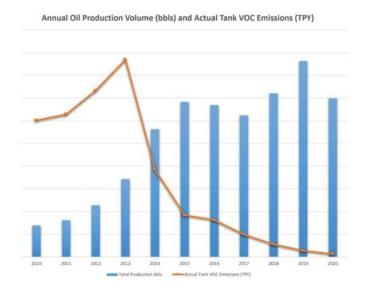
## Air Quality

To ensure the wellbeing of you and your family and those living and working near our operations, we take action to reduce emissions and monitor air quality.

#### **Reducing Emissions**

To reduce greenhouse gas emissions and utilize the valuable energy resources we produce, we select equipment and design our locations and procedures to minimize emissions. As you can see in the graph, we have been successful in our efforts.

- 1.Occidental is the first U.S. oil and gas company to endorse <u>The World Bank's Zero Routine Flaring by 2030 initiative</u>. In Colorado, we have already achieved zero routine flaring.
- 2.During drilling, over 90% of the power comes from natural gas engines. In addition, the hydraulic fracturing pumping equipment is 100% powered by Tier IV diesel engines. Tier IV engines meet the latest and most stringent requirements for off-road diesel engines as designated by the U.S. Environmental Protection Agency (EPA).
- 3.Our innovative tankless production facility reduces air emissions in several ways. Tankless means we eliminated oil storage tanks, which significantly lowers facility emissions. Transporting oil off-site through a pipeline further reduces emissions associated with truck traffic. The design also uses compressed air to operate pneumatic controllers, which regulate pressure, flow, temperature, and liquid levels, on over 90% of our production. Using compressed air eliminates emissions that typically come from natural gas-driven pneumatic controllers.



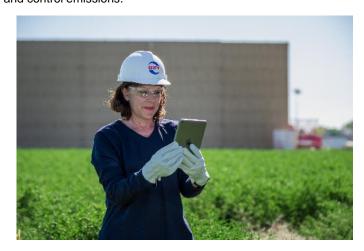
#### **Monitoring Emissions**

During drilling and completions, independent third-party environmental air quality experts perform continuous air quality monitoring. The Colorado Department of Public Health and Environment (CDPHE) and the Colorado Oil and Gas Conservation Commission (COGCC) approve our air monitoring program and receive monthly reports. You can find the monthly monitoring reports created by the third-party consultant on our webpage under Project Updates.

Independent third-party air quality experts use traditional and innovative technologies to add context to and validate the data collected. Air monitoring stations include a weather station, a hydrocarbon analyzer, and carbon sorbent tubes. In addition, strategically placed air canisters may supplement data from the air monitoring stations. Air samples are collected and analyzed according to EPA standards. The results are compared to health quideline values set by the CDPHE.

Air monitoring data is collected continuously and is monitored 24/7 by our Integrated Operations Center (IOC). Our monitoring program establishes response and investigation levels designed to protect the health, safety, and welfare of communities, our employees, and the environment. Additionally, our 24/7 IOC ensures responses are both timely and effective.

To monitor emissions near our production facilities, we have an in-house emissions team that conducts leak detection and repair inspections. During the production phase, every facility is inspected periodically by trained individuals using a handheld infrared camera. We also use infrared camera-equipped drones and conduct frequent audio/visual/olfactory inspections to detect and control emissions.



## **Groundwater Protection**

We conduct baseline water-quality sampling and construct double-walled produced water sumps and secondary containment for operations. Sensors between the walls of the water sumps and additional automation allow us to remotely monitor fluid levels and remotely shut in the wells if we detect an issue.

# Phases of Energy Development





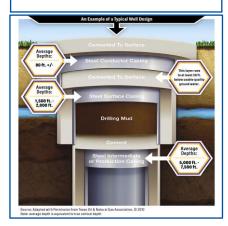
Pad Construction (30-45 days per pad)

1

Standard construction equipment prepares the well site. A wall may be installed to reduce or minimize noise and light during development.

Surface Casing Set (1-2 days per well)

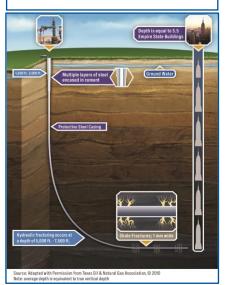




A drilling rig begins the underground construction process by installing steel pipe and cement (surface casing) to protect groundwater. Surface casing is set at least 50' below the aquifer, typically about 1,000' below the surface.

Horizontal Drilling (4-6 days per well)

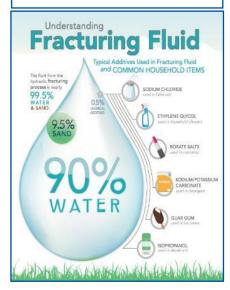
3



A production rig arrives and drills to a depth of 7,000 to 8,000 feet. The horizontal portion of the wellbore can extend more than two miles. Additional layers of protective steel casing and cement are installed.

Well Completions (6-9 days per well)

4



Hydraulic Fracturing: A safe, highly engineered technology developed in the 1940s. Fluid is pumped over a mile below the earth's surface under pressure to create hairline fractures in the rocks.

**Flowback:** After fracturing, the wells are opened, and oil and gas flow into the mobile production facility.

Well clean-out and Tubing: The wells are cleaned out to remove excess sand and install the production tubing.

Production Facility
Construction
(30-45 days per facility)





Production facilities are constructed adjacent to the wells to collect and separate the oil, natural gas, and water that are produced. Facility production is 30-45 days of work, completed in stages over about four months.

Reclaim Well Site (60 days per pad)





Once development phases are complete, the pad is reclaimed to the largest extent possible to match the existing landscape. Each well will produce energy vital to the health and welfare of our communities for decades to come.



# Contacts



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### **Oxy Integrated Operations Center (IOC)**

970.515.1500 Real-time monitoring of wells, water tanks, and production facilities 24 hours a day, 365 days a year



### Weld County Oil and Gas Energy **Department**

970.400.3580 | oged@weldgov.com www.weldgov.com/Government/Departments /Oil-and-Gas-Energy

For information about this project, please contact us regarding Cypress 22-14HZ location



**Management Commission** Department of Natural Resources

#### **Energy & Carbon Management Commission** (ECMC)

303.894.2100

ecmc.state.co.us