



August 14, 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 ALDER 23-16HZ project, as described in the following pages, consists of 19 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 between October and December 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 www.OxyColoradoStakeholder.com/project-updates.

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 and 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

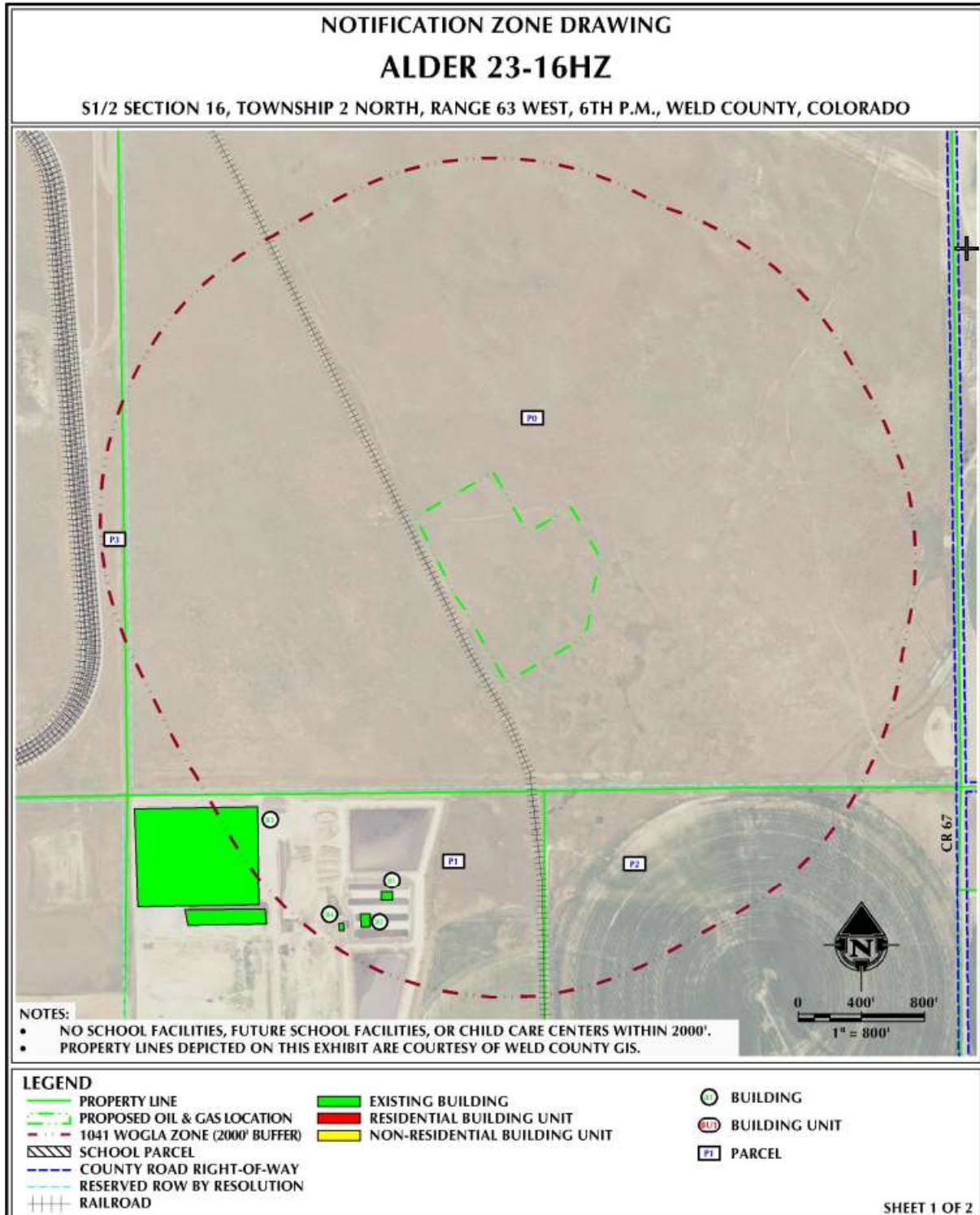
ColoradoStakeholder@oxy.com

www.OxyColoradoStakeholder.com

New Energy Development



Project Location



Pad Name	Parcel #	Location	Disturbed Acreage	Operation Acreage
ALDER 23-16HZ	130316000001	S1/2 SECTION 16, TOWNSHIP 2 NORTH, RANGE 63 WEST, 6TH P.M., WELD COUNTY, COLORADO	20.06 ACRES (During Development)	5.38 ACRES (For life of wells)

Notification Zone



ID	PARCEL #	OWNER	MAILING ADDRESS	MAIL CITY	MAIL STATE	MAIL ZIP
P0	130316000001	STATE OF COLORADO	1127 N SHERMAN ST STE 300	DENVER	CO	802032398
P1	130321000002	PROSPECT VALLEY DAIRY LLC	15857 BEAR MOUNTAIN BLVD	BAKERSFIELD	CA	933119413
P2	130321000003	PROSPECT VALLEY DAIRY LLC	15857 BEAR MOUNTAIN BLVD	BAKERSFIELD	CA	933119413
P3	130317000009	PLAINS MARKETING L P	333 CLAY ST STE 1600 PO BOX 4648	HOUSTON	TX	770024101

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 proactively add an odor neutralizer to the drilling fluid system.

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

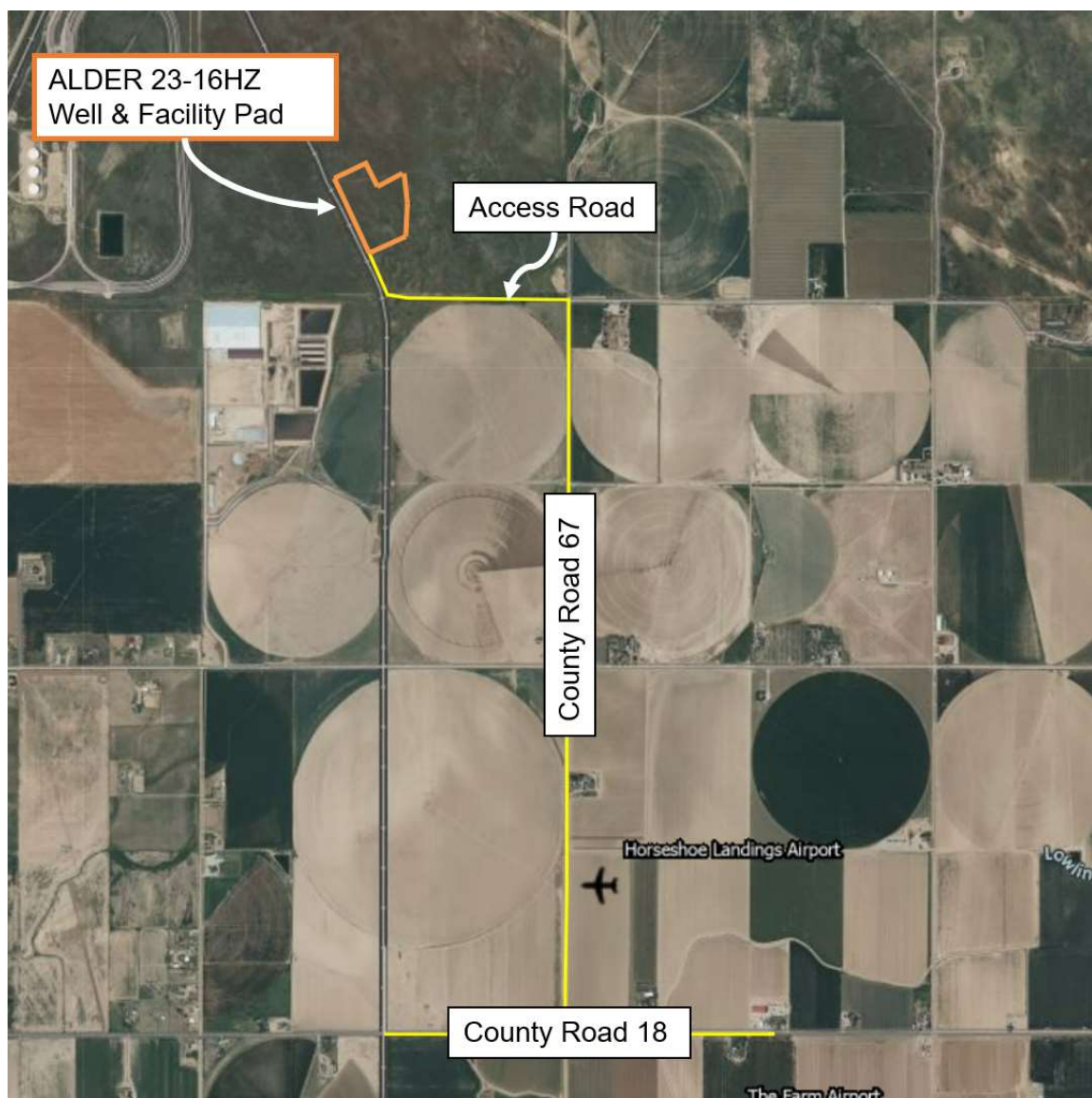
Our Best Practices and Mitigation Measures



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 the locations, drivers will utilize County Road 18, County Road 67, and an access road. 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 149,140 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 [The World Bank's Zero Routine Flaring by 2030 initiative](#). 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

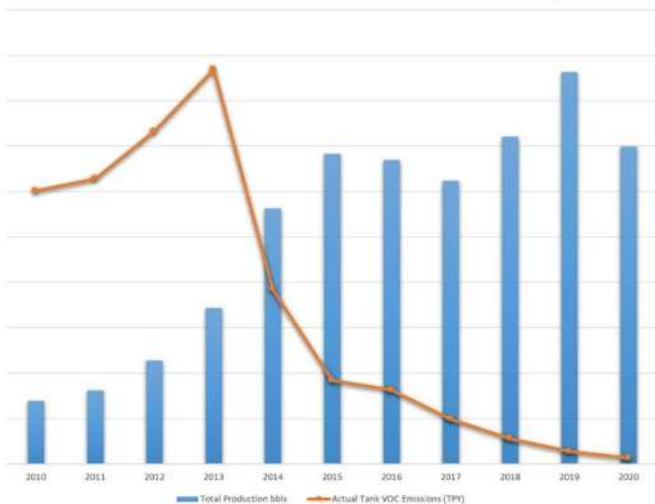
During drilling and completions, independent third-party environmental air quality experts perform continuous air quality monitoring. The Colorado Department of Public Health and Environment (CDPHE) and the Colorado Oil and Gas Conservation Commission (COGCC) approve our air monitoring program and receive 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 guideline 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.

Annual Oil Production Volume (bbls) and Actual Tank VOC Emissions (TPY)



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



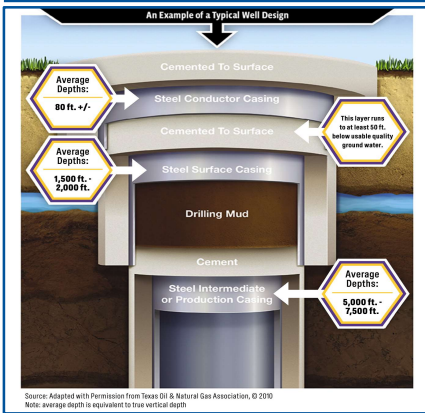
For more information, please visit www.OxyColoradoStakeholder.com/Oil-and-Gas-101

1 Pad Construction (30-45 days per pad)



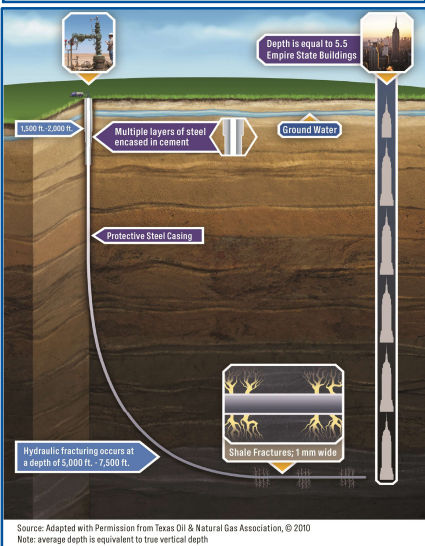
Standard construction equipment prepares the well site. A wall may be installed to reduce or minimize noise and light during development.

2 Surface Casing Set (1-2 days per well)



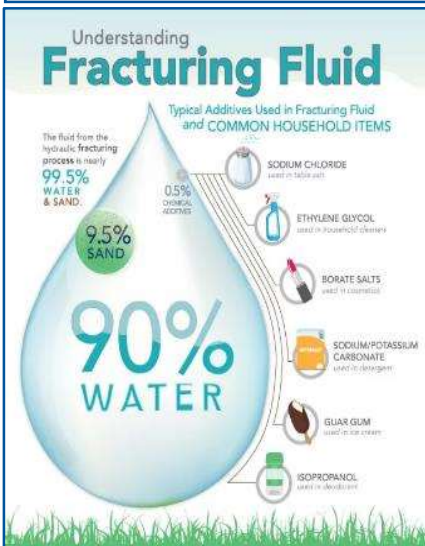
A drilling rig begins the underground construction process by installing steel pipe and cement (surface casing) to protect groundwater. Surface casing is set at least 50' below the aquifer, typically about 1,000' below the surface.

3 Horizontal Drilling (4-6 days per well)



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.

4 Well Completions (6-9 days per well)



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.

5 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.

6 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**
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www.weldgov.com/Government/Departments/Oil-and-Gas-Energy

For information about this project, please
 contact us regarding ALDER 23-16HZ



**Energy & Carbon Management Commission
 (ECMC)**
 303.894.2100
ecmc.state.co.us