

Our Commitment and Beliefs

We are committed to high standards of water stewardship and conservation, efficiently recycling, reusing and disposing of water in a manner sensitive to local environmental, economic and regulatory concerns. We recognize and respect the importance of water to each of our communities, and partner with stakeholders to protect water resources.

We believe:

- Water is essential to both our communities and the future of energy development.
- Responsible water management includes both sourcing and usage.
- Water stewardship and conservation begins at the local level. Our water management practices must adapt for each community in which we operate.
- Key water management considerations include the regulatory, sourcing and operational needs of each basin.
- Water usage is a community issue and transparency with our stakeholders is key.

Water Sustainability

Water and energy supply have an interdependency likely to be tested as both face future rising demands and constraints, according to the [International Energy Agency \(IEA\)](#). As growing populations consume more energy and water resources, energy efficiency and water stewardship and conservation will remain of critical importance to a sustainable future. Climate change is also impacting water security as certain extreme weather, such as droughts, reduce the amount of water available to both local communities and energy production.

Water Strategy

We regularly assess water-related risks associated with freshwater use, water stress, extreme weather and water disposal through our operational planning. Key risk impacts include project delays, interruptions or cancellations; increased operational costs (supply or discharge/disposal); increased regulatory requirements and/or negative stakeholder or reputation concerns that affect our license to operate or access local water resources.

We work to mitigate these concerns through strategic and highly localized water use planning, logistics and reporting, as well as forecasting water needs. We are also environmentally sensitive when sourcing and disposing of water and continue to adopt new technology for operational and water efficiency and water recycling.

Some of our operating areas, such as the Eagle Ford Shale, periodically experience varying levels of drought or water scarcity; however, we source our water from private water supplies as to not impact public water availability. We also monitor water stress levels as published through the [World Resources Institute \(WRI\)'s Aqueduct Water Risk Atlas](#).

Water Management Best Practices

Our responsible water management program mitigates or controls risks across the company, from well planning to 'end of life' for our water resources. We integrate sustainable water management in our asset planning and project design and share key learnings and innovations with peers through water committees and organizations.

Water Management Best Practices, continued

In addition to the best practices below, we consider new technologies to minimize freshwater consumption, optimize water use and enhance water recycling and/or disposal options.

<p>Well Planning and Construction</p> <ul style="list-style-type: none"> • Conduct thorough site assessment, including wetlands and floodplain delineations • Perform baseline water quality assessment in all operating areas • Install 3 – 5 layers of steel well casing and cement for well integrity • Incorporate secondary containment • Comply with local, state and federal regulations 	<p>Water Acquisition</p> <ul style="list-style-type: none"> • Seek to use non-potable water first • Permit withdrawals from freshwater sources • Certify the environmental and safety performance of all suppliers before work • Comply with local, state and federal regulations
<p>Storage and Transportation</p> <ul style="list-style-type: none"> • Store produced water in API-certified tanks made of either steel or fiberglass • Coat tanks and use sacrificial anodes to resist corrosion • Transport by pipeline when and where feasible • Comply with local, state and federal regulations 	<p>Reduce, Recycle or Dispose</p> <ul style="list-style-type: none"> • Recycle produced water and evaluate freshwater use alternatives • Transfer produced water via pipelines, when possible • Participate in peer committees and academic research to increase knowledge and improve water stewardship efforts • Comply with local, state and federal regulations

Oversight

Our Operations teams own water-related risks and their respective management or mitigation plans, reporting regularly to their business unit vice presidents as needed. Should environmental impact be a concern, we also involve Health, Safety, Environmental and Regulatory (HSER) team members.

This water stewardship position document is reviewed regularly by Operations subject matter experts and confirmed annually by the ESG Advisory Board.

Reviewed on August 16, 2022