



MATERIALS & WASTE MANAGEMENT PRACTICES

Extraction Oil & Gas, Inc. (Extraction) ensures compliance with applicable federal, state, and local materials and waste management regulations by utilizing a comprehensive program of materials handling, and waste minimization, segregation, transportation, and disposal. The program is maintained by environmental professionals employed by Extraction with formal education in materials and waste management, and years of experience in the oil and gas (O&G) industry. These personnel oversee a team of environmental consultants and professionals responsible for implementing the program and ensuring processes are consistent with current regulations.

The following provides a brief overview of Extraction's Materials and Waste Management Practices, and summarizes activities and practices for ensuring compliance with exploration and production (E&P) waste regulations administered by the Colorado Oil & Gas Conservation Commission (COGCC), and applicable solid, hazardous, and universal waste regulations administered by the Colorado Department of Public Health and Environment (CDPHE).

Consistent with good materials and waste management practices, Extraction maintains records of material/waste source, transporter, and final disposition or disposal. These records are maintained under usual and customary practice and are made available as necessary.

E&P Waste

As an upstream O&G operator, most waste streams generated by Extraction are subject to exploration and production (E&P) waste regulations administered by the COGCC and detailed in the 900 Series Rules

Typically, the largest volume of E&P waste generated on an annual basis is drill cuttings. To minimize waste volumes, Extraction separates surface cuttings generated with water-based mud, from production cuttings generated with oil-based mud. Water-based surface cuttings may be applied to farmer's fields with sandy soil to improve soil texture for agricultural use, under an approved COGCC beneficial reuse plan. Oil-based mud is transported offsite with proper manifesting for disposal at landfills permitted to receive E&P waste.

Produced water with no commercial value is disposed of in permitted injection wells. In the event produced water needs to be disposed of at an offsite location, properly permitted disposal facilities are utilized.

Soils impacted with production fluids may be remediated onsite with COGCC, landowner, and if necessary local authority approval, or transported offsite for disposal at landfills permitted to receive E&P waste. All incidents are reported in accordance with COGCC 900 Series Rules.

Solid, Hazardous, and Universal Waste

Extraction minimizes the generation of waste by ensuring that material products are fully used for their intended purpose. If unused materials remain following an activity, contractors are required to take unused product with them for reuse at the next applicable project. Contractors are contractually required to comply with applicable material and waste management practices.

In the event of an unintended release of material by a contractor, Extraction requires the contractor to report the release as needed, and to remediate impacts in accordance with applicable cleanup standards. Extraction tracks all contractor releases to closure by requiring formal documentation, supported by laboratory analysis demonstrating cleanup of site impacts, proper waste characterization as needed, waste disposal approval, and manifests or load tickets tracking waste from source, through transport, to final disposal.

Please direct any questions about this practice to Blake Ford (Environmental Coordinator) at 970-576-3446, or bford@ExtractionOG.com.