

PROJECT CANARY

TrustWell® Rating Summary

Independence. Intelligence. Integrity

Producer: Standard Energy

TrustWell Version ID: TWRG Standard v10.2

Issue Date: January 1st, 2023



Well Count: 4



Scoring and Analytics Summary – Patriot Pad

Inherent Profile

37.2**What Could Happen?**

Relative measure of relevant local and asset risk factors.

Control Measures

3.4**How Well Is It Controlled?**

Measure of quality of policy, plan and execution framework to control risk

Performance Rating

116.2**What Is Overall Performance?**

Performance rating for the specific set of assets and operations

Water

**115.9****What Is Performance for Water?**

Performance rating for the events that specifically impact water.

Air

**116.5****What Is Performance for Air?**

Performance rating for the events that specifically impact air.

Land

**117.5****What Is Performance for Land?**

Performance rating for the events that specifically impact land.

Community

**124.5****What Is Performance for Community?**

Performance rating for the events that specifically impact community

Context

Responsibility, particularly in the oil and gas industry, is highly complex with numerous performance metrics. Project Canary's TrustWell® assessments strive to provide a robust, credible, and quantified evaluation of overall responsibility during the production of oil and gas. Safety and environmental stewardship is an essential metric in evaluating responsibly sourced gas; consequently, Recordable incidents are assessed and impact performance scoring.

OSHA score reductions are outlined below, utilizing classifications developed by the US Occupational Safety and Health Administration (OSHA). Incidents resulting in a three percent (3%) score reduction will be amortized over a one-year period, while those resulting in a ten percent (10%) reduction will be amortized over a three-year period. Point amortization begins at the start of the assessment, not at the date of violation. If a well receives multiple reductions, all percent deductions will be calculated off the base score.

Well Name	Deduction Amount (%)	Final Score	Rating	Amortization Period (Years)	Date of Incident	Description
Patriot 1H	3	XXX	Gold	1	xx/xx/xxxx	XXXXXX
Patriot 2H	10	XXX	Gold	3	xx/xx/xxxx	XXXXXX
Patriot 3H	17	99	Silver	Not Eligible for Amortization	xx/xx/xxxx	XXXXXX

PROJECT CANARY

01/01/2023

Pad Deduction Summary – Spills

TW-2021-v10.2

Context

Responsibility, particularly in the oil and gas industry, is highly complex with numerous performance metrics. Project Canary’s TrustWell® assessments strive to provide a robust, credible, and quantified evaluation of overall responsibility during the production of oil and gas. Safety and environmental stewardship is an essential metric in evaluating responsibly sourced gas; consequently, Recordable incidents are assessed and impact performance scoring.

Spill score reductions are listed below utilizing classifications outlined on the document titled TrustWell_Spill_Guidelines . Point amortization begins once the regulatory state deems the spill remediated, not at the date of violation. Spills that are deemed remediated within the assessment year will begin amortization during the subsequent reassessment. If a well receives multiple reductions, all percent deductions will be calculated off the base score. Incidents eligible for amortization resulting in a three percent (3%) score reduction will be amortized over a one-year period, while those resulting in a ten percent (10%) and seventeen percent (17%) score reduction will be amortized over a three-year period.

Well Name	Deduction Amount (%)	Final Score	Rating	Amortization Period (Years)	Date of Incident	Description
Patriot 1H	3	XXX	Gold	1	xx/xx/xxxx	XXXXXX
Patriot 2H	10	XXX	Gold	3	xx/xx/xxxx	XXXXXX
Patriot 3H	17	99	Silver	3	xx/xx/xxxx	XXXXXX
Patriot 4H	17	99	Silver	Not Eligible for Amortization	xx/xx/xxxx	XXXXXX

Context

Responsibility, particularly in the oil and gas industry, is highly complex with numerous performance metrics. Project Canary’s TrustWell® assessments strive to provide a robust, credible, and quantified evaluation of overall responsibility during the production of oil and gas. Safety and environmental stewardship is an essential metric in evaluating responsibly sourced gas; consequently, Well Control incidents are assessed and impact performance scoring.

Well Control score reductions are outlined below, incidents resulting in loss of well control will receive a pad-wide reduction of seventeen percent (17%) with a maximum score of 99 and a cap at Silver rating. These deductions will not be eligible for amortization.

Well Name	Deduction Amount (%)	Final Score	Rating	Date of Incident	Description
Patriot 1H	17	99	Silver	xx/xx/xxxx	XXXXXX
Patriot 2H	17	99	Silver	xx/xx/xxxx	XXXXXX
Patriot 3H	17	99	Silver	xx/xx/xxxx	XXXXXX
Patriot 4H	17	99	Silver	xx/xx/xxxx	XXXXXX

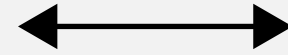
The below table provides a detailed breakdown of the underlying impact and risk drivers and controls which aggregate into the overall Performance Score.

Event	1	2	3	Water 	Air 	Land 	Community 
	Inherent Profile	Control Measures	Performance Rating				
	What Could Happen?	How Well is it Controlled?	What is Overall Performance?				
OVERALL	37.2	3.4	116.2	115.9	116.5	117.5	124.5
Annular Migration	36.0	3.5	117.4	117.4			
Auto	23.7	3.3	122.3		122.3		122.3
Chemical Release	36.7	3.5	116.7	116.7		116.7	
Chemical Waste	33.8	3.2	113.8	113.8		113.8	
Drilling Fluid Contamination	30.0	3.2	116.5	116.5		116.5	
Equipment Release	45.7	3.5	112.2	112.2	112.2	112.2	
Exhaust	19.7	2.8	114.0		114.0		
Flowback Fluids	50.0	3.3	106.4	106.4		106.4	
Fluid Transfer Release	31.7	3.5	120.2	120.2		120.2	
Impoundment Release	40.0	3.3	111.3	111.3		111.3	
Operations Disturbance	30.8	3.9	127.8		127.8	127.8	
Personnel Safety	61.5	3.4	101.1				101.1
Produced Water	27.0	3.2	118.6	118.6		118.6	
Storage Vessel Release	30.0	3.4	119.9	119.9	119.9	119.9	
Storm Water Run-off	18.0	4.0	136.0	136.0		136.0	
Subsurface Well Control	38.0	3.5	116.1	116.1			
Surface Well Control	64.1	3.5	101.7	101.7	101.7	101.7	
Uncontrolled Fracture	55.3	3.2	102.0	102.0			
Vessel Corrosion	29.0	3.4	120.6	120.6		120.6	
VOC Emissions	33.0	3.4	117.8		117.8		
Water Resources	34.6	5.0	150.0	150.0		150.0	150.0
Well Intersection	24.0	3.2	120.6				
Wellhead LOPC	63.3	3.0	90.5	90.5		90.5	

Controls are evaluated at the levels of Policy, Plan, and Execution. We assess control quality versus a range of industry practices which we have distilled into approximately 20 technical scoring libraries and rubrics. We then map how controls interact with one another to form a control system, score that control system, and map which control systems control different events.

Legend: Component Scores

1



5

Below
Expectations

Exemplary

	1.0-5.0 Control Quality	Components			Comments
		Policy	Plan	Execution	
Surface Casing	3.00	3.0	3.0	3.0	Standard Surface Casing Practices.
Intermediate Casing	3.00	3.0	3.0	3.0	Standard Intermediate Casing Practices.
Production Casing	3.67	3.0	4.0	4.0	Gas-Tight premium threads utilized for Production Casing.
Surface Cement	3.67	4.0	4.0	3.0	Lab testing performed at actual bottom-hole temperature and pressure obtained through measurements.
Intermediate Cement	4.00	5.0	4.0	3.0	Open-hole Caliper log was run to verify hole volumes prior to cementing.
Production Cement	4.00	5.0	4.0	3.0	Cementing Best Practices Document provided outlines a high level of cementing considerations.
Emergency Response	3.67	4.0	4.0	3.0	No-Notice drills are outlined in Company policy, however there is no evidence of field-level implementation.
Environmental Programs (Exhaust)	3.00	3.0	3.0	3.0	Standard exhaust mitigation practices.
Frac Ops	3.33	3.0	3.0	4.0	Standard Frac Ops practices.
Pits-Tanks-Impoundments	2.67	4.0	2.0	2.0	Tanks are located on adequately sized containment; however, evidence of vegetation and tears are present.
Reclamation	3.00	3.0	3.0	3.0	Standard Reclamation practices.
Spill Response	5.00	5.0	5.0	5.0	In-depth Spill Response plan outlines approved spill response equipment and contractors.
Well Control (Completions)	3.67	4.0	4.0	3.0	Barriers and transitions accounted for in the completions plans.
Well Control (Drilling)	3.33	4.0	4.0	2.0	BOP requirements and testing procedures are outlined in the Drilling Program.
Well Collision	3.00	3.0	3.0	3.0	Standard Anti-Collision Practices.
Well Integrity	3.00	3.0	3.0	3.0	Annuli are monitored through SCADA.
Environmental Programs (Venting)	4.00	4.0	4.0	4.0	Implementation of Instrument air.
Spill Prevention	4.33	5.0	5.0	3.0	In-depth Spill Prevention Plan outlining types on containment on each pad, as well as required training for operators.
Environmental Programs (Water)	5.00	5.0	5.0	5.0	Reports water usage metrics to Colorado State University as a part of the Freshwater Verified Attribute. Recycles 100% of produced water.
Operational Impacts	3.50	3.0	3.5	4.0	Operator implements voluntary operating hours.
Waste Management	2.77	3.3	3.0	2.0	Waste Management Plan outlines required training, however there is no evidence of participation.
Wellhead	3.00	3.0	3.0	3.0	Wellhead utilizes dual master valves.

Summary: The table above is designed to illustrate key categories within the TrustWell assessment. Each category is reviewed at the Policy, Plan, and Execution level.