

PROJECT CANARY

TrustWell® Rating Summary

Independence. Intelligence. Integrity

Producer: Standard Energy

TrustWell Version ID: TWRG Standard v10.2 – 2 with Low Methane VA

Issue Date: January 1st, 20XX

Context

TrustWell Responsibly Sourced Gas is natural gas which has been produced from a well which has gone through the TrustWell evaluation and verification process and has a current TrustWell rating.

Responsibility, particularly in the oil & gas industry, is highly complex with numerous performance metrics and an even larger number of ways to achieve that performance and those metrics.

Goals

The purpose of the overall TrustWell Rating system is to provide a robust, credible and quantified view of overall responsibility in the production of hydrocarbons. In order to deliver this, the TrustWell Rating process includes the following standards, components and processes.



A TrustWell Rating is the most robust mark of quality and achievement in oil & gas operations, risk mitigation and environmental responsibility. TrustWell is underpinned by Project Canary company values, as follows:

- Independence:** Independent company. Leading experts in engineering, responsibility, and stakeholder engagement.
- Intelligence:** Robust, engineering and performance driven approach. Developed through iteration with numerous industry clients.
- Integrity:** Diverse engagement from numerous credible stakeholders.

Standards: What Does A TrustWell Rating Mean?

TrustWell Evaluated



Actively Improving
Score: <75

Demonstrated dedication to continuous improvement.

TrustWell Silver



Good
Score: 75-100

Second quartile performance going above and beyond basic requirements.

TrustWell Gold



Very Good
Score: 100-125

First quartile performance with highly effective risk management practices.

TrustWell Platinum



Best-in-Class
Score: 125+

Top 10% of peers with a demonstrated mastery over risk control and implementation.

Step 1: Inherent Profile

Unique assessment based on the type of operation and location. Includes over 4.5 million benchmark facilities and risk data points such as:

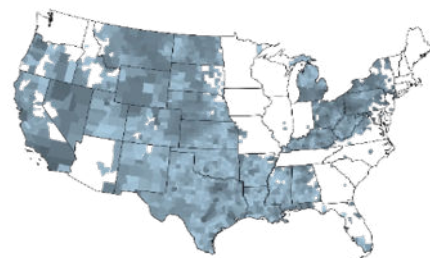
Operation type...

Well complexity

- Well age and type (vertical, directional, horizontal)
- ...and more.

Location proximity to...

- Flow paths
- Communities
- Sensitive areas (environmental, biodiversity)
- ...and more.



Step 2: Control Measures



Controls are evaluated at the levels of policy, plan, and execution. We use technical scoring rubrics and compile these rubrics to compose a view of aggregate control systems in place. Project Canary scoring libraries and rubrics include:

Rubrics 1-10: Downhole

- Surface, Intermediate, and Production Casing
- Surface, Intermediate, and Production Cement
- Subsurface integrity Monitoring
- Well Integrity
- Wellhead/Tree
- ...and more

Rubrics 11-18: Surface Ops

- Spill Prevention and Response
- Pits-Tanks-Impoundments
- Facilities Piping & Equipment
- Well Control (Drilling, Completions)
- Frac Operations
- Emergency Response
- ... and more.

Rubrics 19-26+: Impacts

- Emissions (Exhaust, Flaring, Venting)
- Water Programs
- Community Engagement
- Waste Management
- Reclamation
- ...and more

Step 3: Performance Rating



Project Canary evaluates numerous impact and risk events, which vary depending on the type of facilities. The primary categories are as follows:

Water



Air



Land



Community



Within each of these categories is a range of topics (events) which map to anywhere from 1 to 4 of the categories, depending on the type of scale of event. Some examples included in the analysis are:

- | | | |
|--------------------------|----------------------------|-----------------------|
| • Aquifer Contamination | • Subsurface Contamination | • Water Resources |
| • Excessive Venting | • Blowout | • Spills and Leaks |
| • Wellhead Release | • Storage Vessel Release | • Noxious Emissions |
| • Equipment Corrosion | • Road Disturbance | • Waste Disposal |
| • Operations Disturbance | • Excessive Flaring | • Offset Well Release |
| | | • ... and more. |

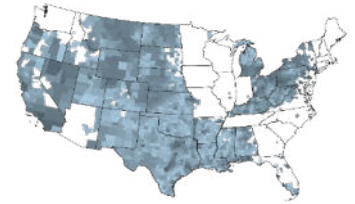
Step 1: Inherent Profile

Every location and type of operation has different risk factors and drivers, our assessment starts by understanding how this type of operation and locations compare to others via systematically evaluating against our facility datasets.

Example: Based on the type of operations, the applicable inherent profile range is narrowed from 0-100 (higher is worse) to 18-67. Then based on local factors exposure, the inherent profile score is determined within that applicable range to be 41.0.

Applicable Range: 18-67

Relative measure of relevant local and asset risk factors



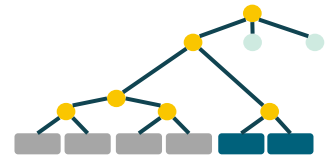
Step 2: Control Measures

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 and score that control system.

Example: Based on the combination of controls in place, and evaluating with technical rubrics, the controls in place merit a 3.4 overall score out of 5.0 (higher is better).

Max Score: 5.0

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



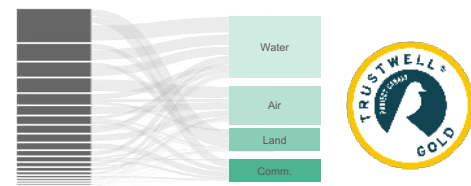
Step 3: Performance Rating

Inherent profile factors and control measures are mapped to specific events. From their combination we calculate a performance score. This is done on the event level, as well as in aggregate for the facility. Events are mapped to the categories of Water, Air, Land and Community, to allow category scoring as well.

Example: The reasonably low inherent risk profile score of 41.0, combined with strong control measures combines for an overall performance score of 112, corresponding to TrustWell Gold.

Max Score: 150

Performance rating for the specific set of assets and operations.



Step 4: Continuous Improvement

A range of analytics is provided which are intended to assist the producer to identify, prioritize and implement actions for continuous risk and impact reduction, and operational improvement.

Examples include risk reduction vs. cost grids, and prioritization bubble charts.

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.

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 certification, not at the date of violation. If a well receives multiple reductions, all percent deductions will be calculated off the base score.

Pad	Well Name	Deduction Amount (%)	Final Score	Rating	Amortization Period (Years)	Classification
Patriot Pad	Patriot 1H	3	XXX	Gold	1	Medical Aid
Patriot Pad	Patriot 2H	10	XXX	Gold	3	Temporary Partial Disability
Apollo Pad	Apollo 1H	17	87	Silver	Not Eligible for Amortization	Permanent Total Disability

Context

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Spill score reductions are listed below utilizing classifications outlined on the document titled TrustWell_Spill_Guidelines . Point amortization will occur once the regulatory body deems the spill remediated, not at the date of violation. Spills that are deemed remediated within the certification year will begin amortization during the subsequent recertification. 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.

Pad Name	Well Name	Deduction Amount (%)	Final Score	Rating	Amortization Period (Years)	Date of Incident	Classification
Patriot Pad	Patriot 1H	3	XXX	Gold	1	xx/xx/xxxx	<1 BBL Spill Outside of Containment.
Patriot Pad	Patriot 2H	10	XXX	Gold	3	xx/xx/xxxx	>1 BBL Spill Outside of Containment.
Patriot Pad	Patriot 3H	17	99	Silver	3	xx/xx/xxxx	Off-site Non-Hazardous Spill.
Patriot Pad	Patriot 4H	17	99	Silver	Not Eligible for Amortization	xx/xx/xxxx	Spill that has entered an Off-site Body of Water
Apollo Pad	Apollo 1H	17	99	Silver	Not Eligible for Amortization	xx/xx/xxxx	Spill that has entered an Off-site Body of Water

Context

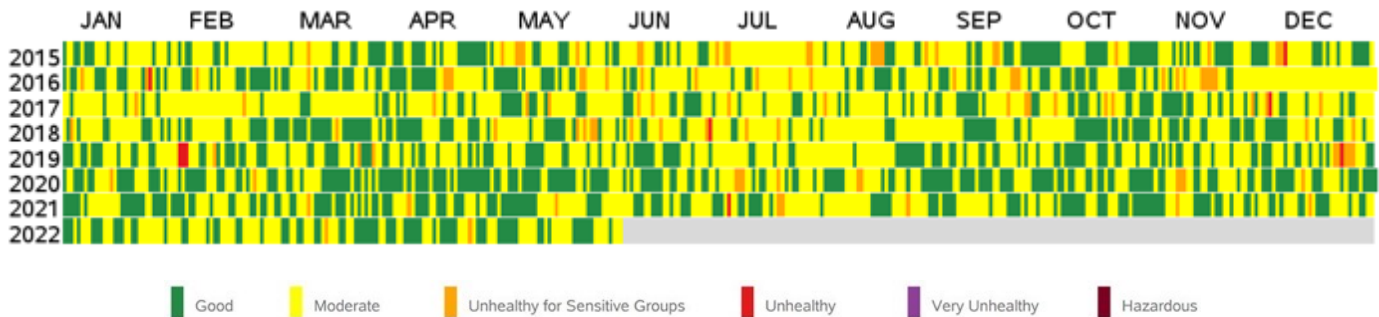
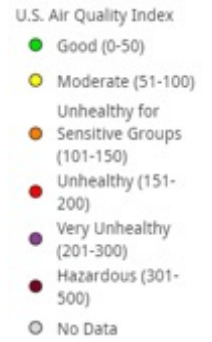
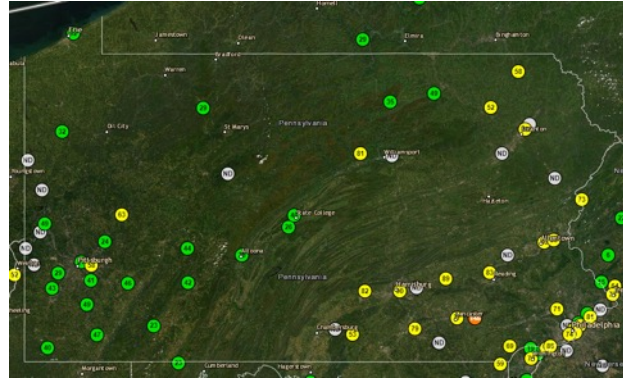
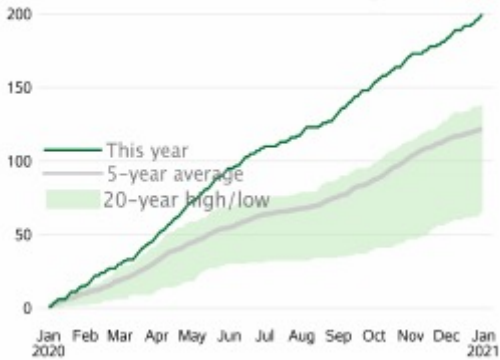
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Well Control score reductions are outlined below, incidents resulting in loss of well control will receive a pad-wide reduction of seventeen percent (17%) with a maximum score of 99 and a cap at Silver rating. These deductions will not be eligible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

Pad Name	Deduction Amount (%)	Final Score	Rating	Date of Incident	Description
Patriot Pad	17	99	Silver	xx/xx/xxxx	XXXXXX
Apollo Pad	17	99	Silver	xx/xx/xxxx	XXXXXX

Every location and type of operation has different risk factors and drivers, our assessment starts by understanding how this type of operation and locations compare to others via systematically evaluating against our facility datasets, leveraging public and proprietary data.

Cumulative Number of Good AQI Days (AQI<50)



Summary

Standard Energy has placed significant emphasis on emissions reductions across their assets.

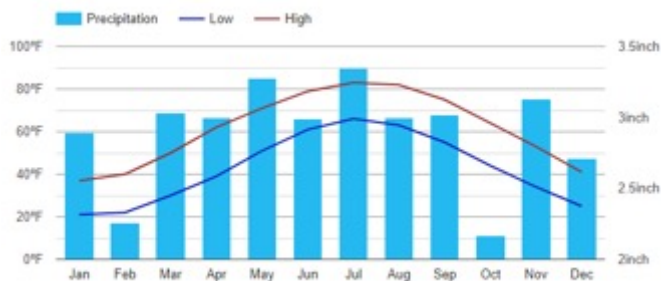
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Documentation

Documentation Reviewed during the TrustWell Certification includes:

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Standard Energy’s area of operations has a very low water stress index, suggesting that the use of freshwater would have a limited impact on the local area.



Annual Precipitation: 34.83”

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	99.79	0.21	0.00	0.00	0.00	0.00
Last Week 05-24-2022	99.79	0.21	0.00	0.00	0.00	0.00
3 Months Ago 03-01-2022	86.33	13.67	0.00	0.00	0.00	0.00
Start of Calendar Year 01-04-2022	87.66	12.34	0.00	0.00	0.00	0.00
Start of Water Year 09-28-2021	100.00	0.00	0.00	0.00	0.00	0.00
One Year Ago 06-01-2021	86.30	13.70	0.00	0.00	0.00	0.00

Intensity:

None	D2 Severe Drought
D0 Abnormally Dry	D3 Extreme Drought
D1 Moderate Drought	D4 Exceptional Drought

Summary

Standard Energy operates in a region that generally lacks significant water stress. That said, significant water challenges exist as a result of topography, spill pathways, and precipitation severity.

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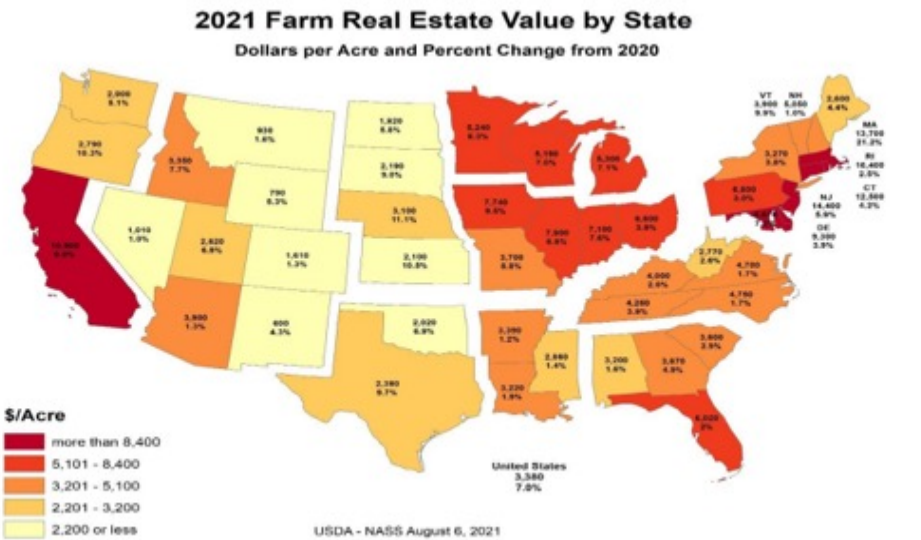
Documentation

Documentation reviewed during the TrustWell Certification includes:

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Land values in Pennsylvania are relatively consistent. The localized area is predominately rural, with small towns appearing throughout the region.

Pennsylvania provides unique topographical challenges for operations.



Farm Real Estate Average Value per Acre – Regions, States, and United States: 2017-2021

Region and State	2017	2018	2019	2020	2021	Change 2020-2021
	(dollars)	(dollars)	(dollars)	(dollars)	(dollars)	(percent)
Northeast	5,380	5,550	5,690	5,710	6,000	5.1
Connecticut	12,100	12,300	12,200	12,000	12,500	4.2
Delaware	8,250	8,410	8,950	8,950	9,300	3.9
Maine	2,370	2,370	2,410	2,490	2,600	4.4
Maryland	7,620	7,860	8,060	8,080	8,670	7.3
Massachusetts	10,800	10,900	11,100	11,300	13,700	21.2
New Hampshire	4,860	4,900	4,980	5,000	5,050	1.0
New Jersey	13,400	13,500	13,500	13,600	14,400	5.9
New York	3,160	3,230	3,250	3,150	3,270	3.8
Pennsylvania	6,030	6,250	6,470	6,600	6,800	3.0
Rhode Island	14,900	15,200	15,600	16,000	16,400	2.5
Vermont	3,470	3,540	3,630	3,550	3,900	9.9

Summary

Local topography has a significant impact on operations both from a site selection standpoint and EHS perspective. Standard Energy has appropriately mitigated the risks affiliated with operational impacts.

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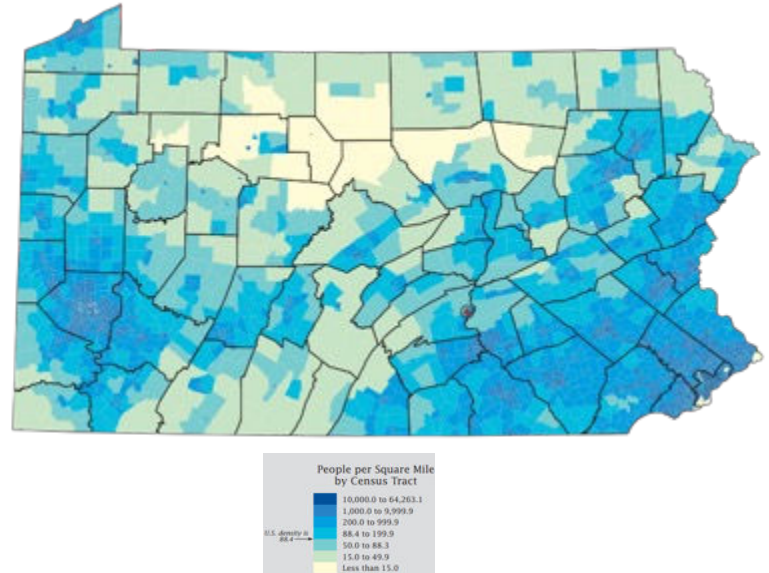
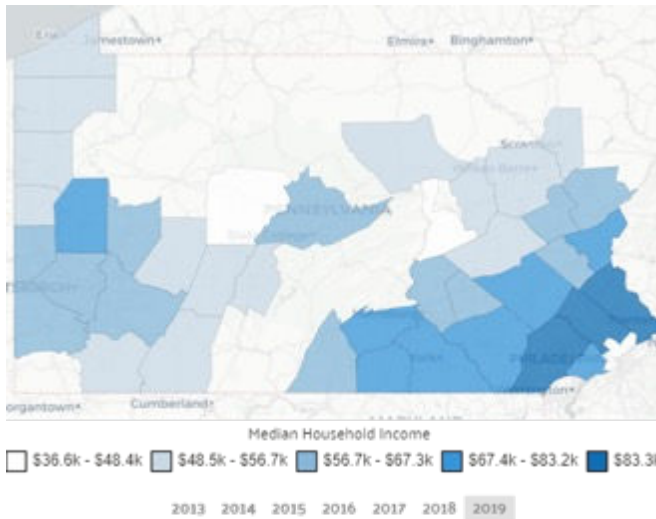
Documentation

Documentation reviewed during the TrustWell Certification includes:

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Standard Energy's operations have limited urban interaction outside of traffic & hauling considerations, but nearby landowners are prevalent.

The local area is relatively familiar with oil & gas activities.



Income & Poverty

Median household income (in 2020 dollars), 2016-2020	\$64,994
Per capita income in past 12 months (in 2020 dollars), 2016-2020	\$35,384
Persons in poverty, percent	11.4%

Summary

Operations are in established rural communities, that have had direct interactions with the oil & gas industry. Observed no immediate issues with landowners, roadways and pads were in excellent condition.

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Documentation

Documentation reviewed during the TrustWell Certification includes:

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Our assessment of Control Measure quality is driven by a number of tangible strengths and opportunities which are highlighted below.

Strengths

Opportunities

Summary: Standard Energy has a demonstrated commitment to environmental stewardship and being a good corporate citizen to the communities it operates in.

The areas highlighted as opportunities may serve to further cement Standard Energy's approach and assist in mitigating any future or potential challenges.

Project Canary recognizes that risk and impact management is an exercise in recognizing and prioritizing tradeoffs. The following lists opportunities and best practices which will have the greatest impact on improvement in the Performance Score.

Frac Ops	<div> <div></div> <div></div> <div></div> <div></div> </div>
Well Control Drilling	<div> <div></div> <div></div> <div></div> </div>
Spill Prevention	<div> <div></div> <div></div> </div>
Spill Response	<div> <div></div> <div></div> <div></div> <div></div> <div></div> </div>
Pits-Tanks-Impoundments	<div> <div></div> </div>
Waste Management	<div> <div></div> <div></div> <div></div> <div></div> </div>
Well Collision	<div> <div></div> <div></div> </div>

PROJECT CANARY

TrustWell® Rating Pad Summary

Independence. Intelligence. Integrity

Producer: Standard Energy

TrustWell Version ID: TWRG Standard v10.2 – 2 with Low Methane VA

Issue Date: January 1st, 2023



Well Count:



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

PROJECT CANARY

01/01/20XX

Pad Deduction Summary – OSHA

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.

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 certification, 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

01/01/20XX

Pad Deduction Summary – Spills

TW-2021-v10.2

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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 certification year will begin amortization during the subsequent recertification. 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.

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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

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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.

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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

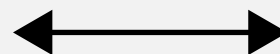
The below table provides a detailed breakdown of the underlying impact and risk drivers and controls which aggregate into the overall Performance Score.

Event	1	2	3				
	Inherent Profile	Control Measures	Performance Rating	Water	Air	Land	Community
	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

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Below
Expectations

Exemplary

	1.0-5.0 Control Quality	Components			Comments
		Policy	Plan	Execution	
Surface Casing	3.00	3.0	3.0	3.0	
Intermediate Casing	3.00	3.0	3.0	3.0	
Production Casing	3.67	3.0	4.0	4.0	
Surface Cement	3.67	4.0	4.0	3.0	
Intermediate Cement	4.00	5.0	4.0	3.0	
Production Cement	4.00	5.0	4.0	3.0	
Emergency Response	3.67	4.0	4.0	3.0	
Environmental Programs (Exhaust)	3.00	3.0	3.0	3.0	
Frac Ops	3.33	3.0	3.0	4.0	
Pits-Tanks-Impoundments	2.67	4.0	2.0	2.0	
Reclamation	3.00	3.0	3.0	3.0	
Spill Response	5.00	5.0	5.0	5.0	
Well Control (Completions)	3.67	4.0	4.0	3.0	
Well Control (Drilling)	3.33	4.0	4.0	2.0	
Well Collision	3.00	3.0	3.0	3.0	
Well Integrity	3.00	3.0	3.0	3.0	
Environmental Programs (Venting)	4.00	4.0	4.0	4.0	
Spill Prevention	4.33	5.0	5.0	3.0	
Environmental Programs (Water)	5.00	5.0	5.0	5.0	
Operational Impacts	3.50	3.0	3.5	4.0	
Waste Management	2.77	3.3	3.0	2.0	
Wellhead	3.00	3.0	3.0	3.0	

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