

Aera Energy LLC



About Aera

- Began operating June 1, 1997
- Consists of the California onshore exploration and production (E&P) assets formerly operated by Shell, Mobil and Arco
- Jointly owned by affiliates of Shell and ExxonMobil
- A California company with global ties



About Aera

- Headquarters in Bakersfield
- 80% of production comes from the oilfields of Kern County
- Stakeholder engagement efforts

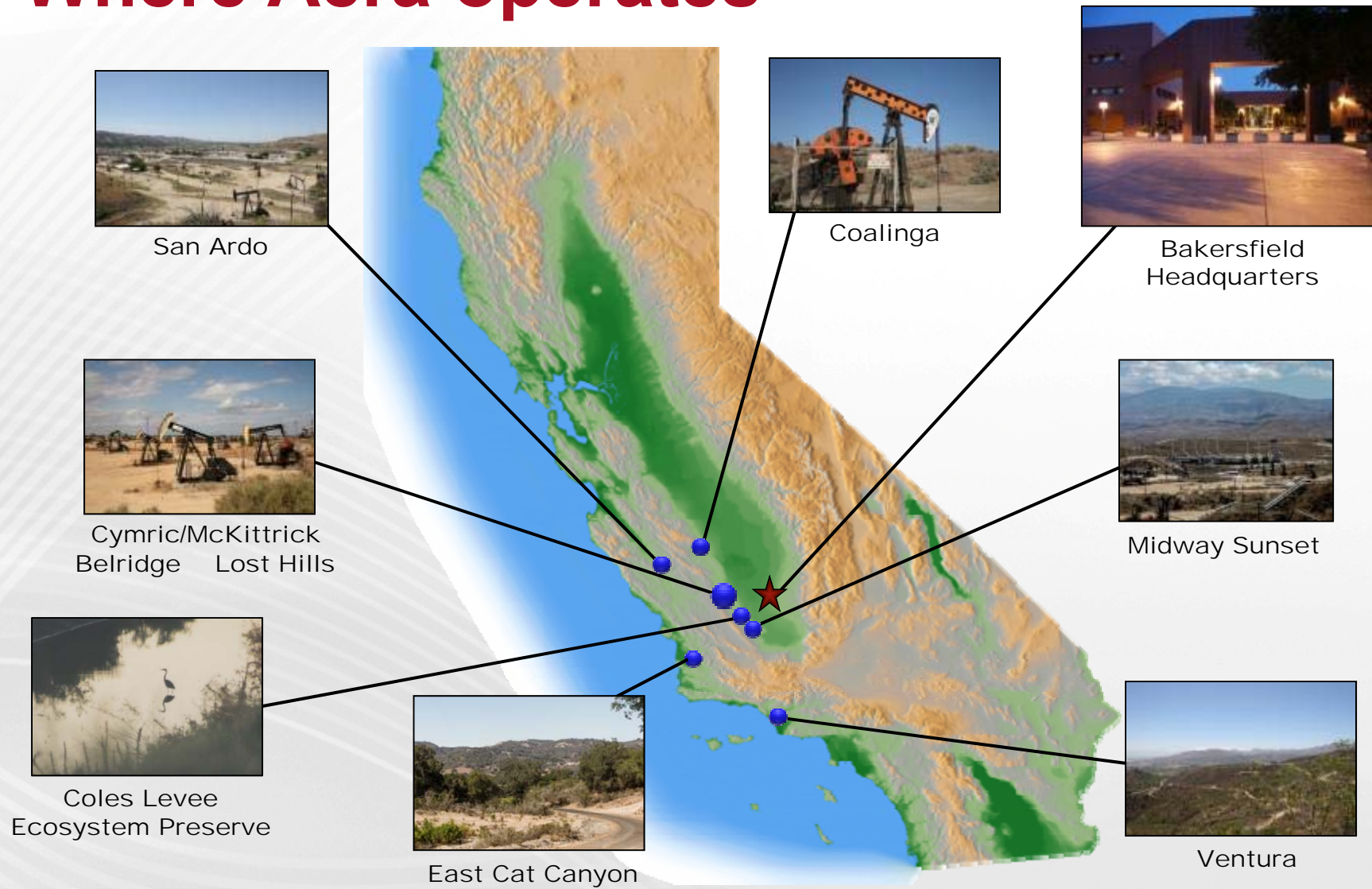


About Aera

- Daily production
 - 126,300 barrels of oil/day
 - 32 mmcf of natural gas/day
 - 431,000 barrels of steam/day
- Oil and gas reserves
approximately 535 million barrels of oil equivalent
- Wells
 - Producing wells 11,049
 - Injection wells 3,635
- Wells drilled: About 1,000 per year from 2000 - 2015



Where Aera operates



Economic impact

- Second largest oil producer in California (over 25 percent of state total)
- 2015 revenues of more than \$2 billion
- Over 1,000 employees and thousands of contractors
- Third largest property tax payer in Kern County



Aera in the community

Vision:

Respected community member

Accomplished by:

- Safe and environmentally responsible operations
- Donations and sponsorships
- Employee volunteerism
 - Partnership A.E.R.A.
 - Team Aera
 - Mentoring activities



Total water stewardship

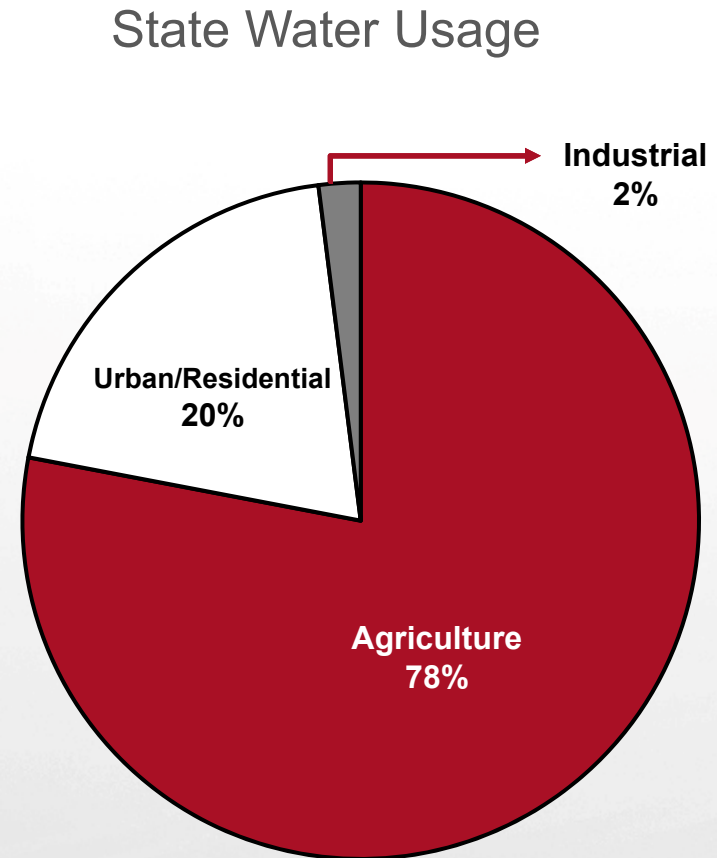


Goal: To be self sufficient in water use

- Aera is currently self sufficient in water used in several of our field locations
- Over 99% of Area's EOR water is recycled produced water
- Less than 1% is freshwater
 - ~150 acre feet/year for EOR
 - ~ 3,000 acre feet/year for remaining field use

Freshwater use is minimal

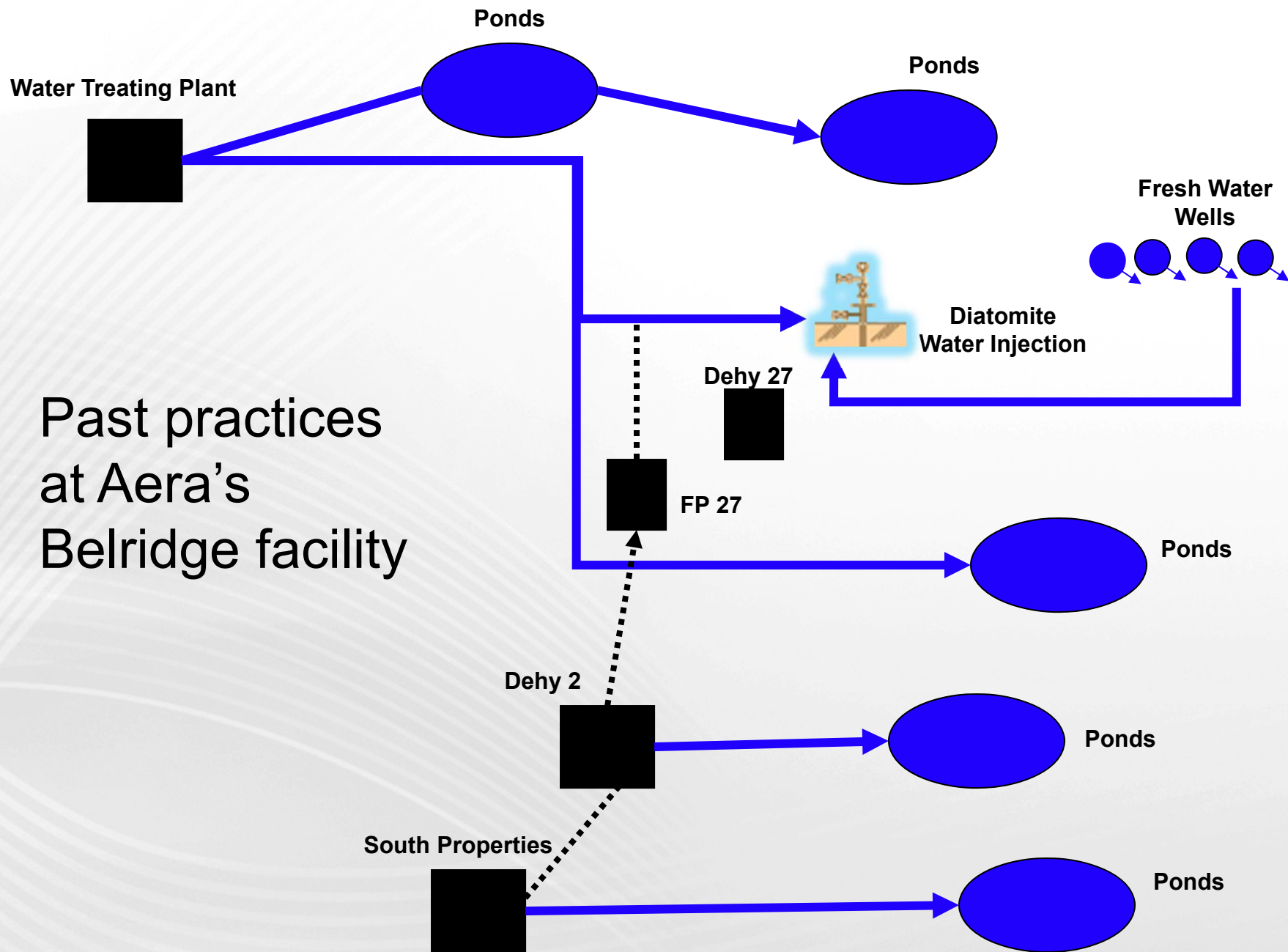
- Aera uses freshwater for:
 - Dust suppression
 - Equipment and process cooling
 - Drilling
 - Hydraulic fracturing
 - Domestic / Potable Use
- Aera's Ventura field now uses recycled water for dust suppression
 - Joint project between the City of Ventura and Aera



Water conservation at Belridge

- Technology and ingenuity
 - Over the past decade, reduced reliance on aquifer source water for injection
- Closed system
- Eliminated fresh water supplemental use for waterflood





Lost Hills

Water Treating Plant with new filter plant

Water Injection

Current
practice at
Aera's Belridge
facility

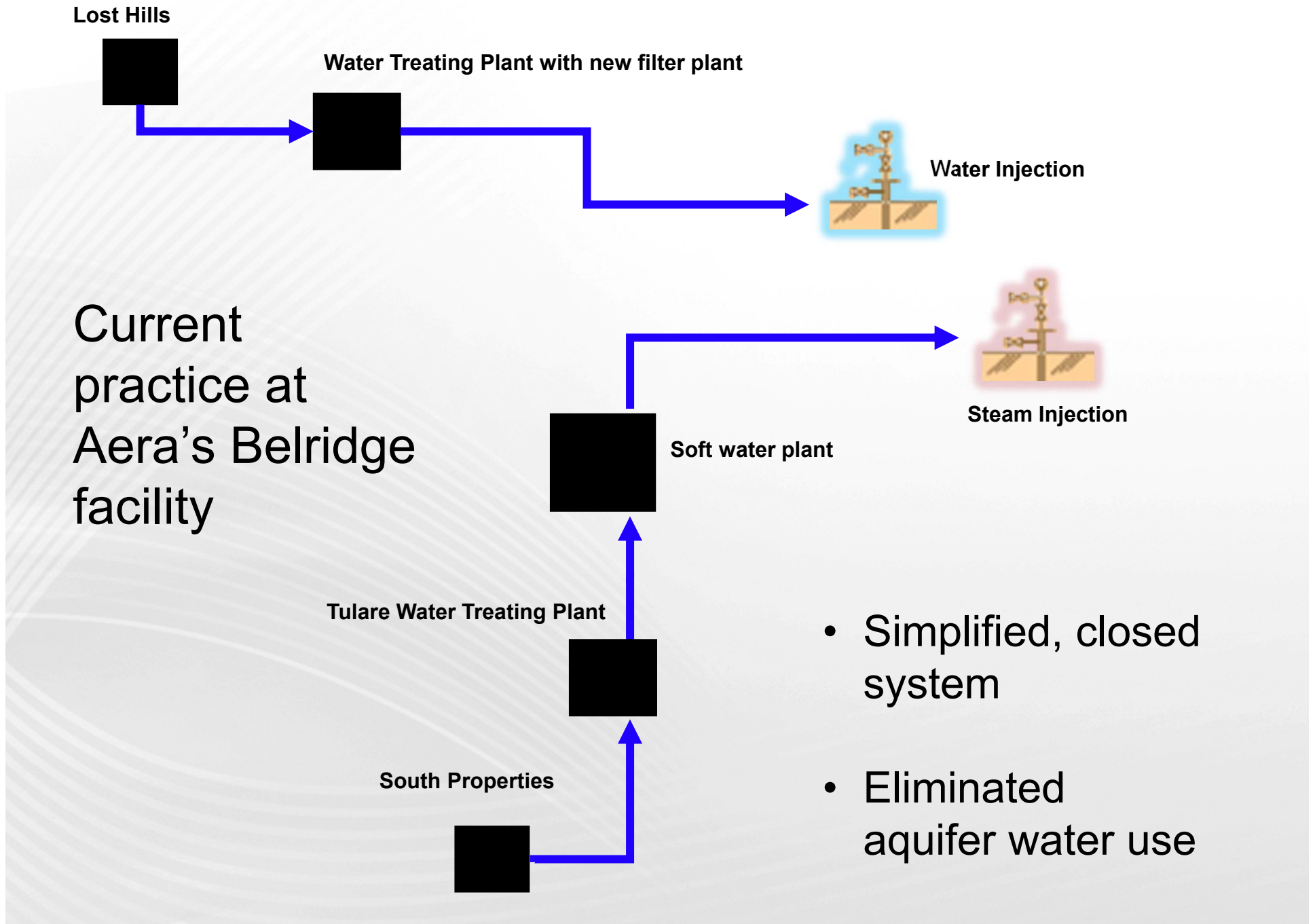
Steam Injection

Soft water plant

Tulare Water Treating Plant

South Properties

- Simplified, closed system
- Eliminated aquifer water use



Tomorrow's tour



Tour: Belridge Producing Complex

Presentations

- Belridge overview
- Water management
- Connecting with communities

Driving tour

- Typical oilfield equipment and facilities
- Injection systems
- Water treatment plants
- Co-existence with neighboring ag activities