STAKEHOLDER ENGAGEMENT
Our History

- Noble Energy goes where others have not to create exceptional opportunities.

- Journey began in 1932 with the vision of Lloyd Noble, who recognized our business is about more than oil and natural gas exploration and production.

- Transformed into a leading global independent exploration and production company.

- NYSE: NBL
- Global Employees: ~ 2,500
- Market Capitalization: ~ $27 Billion
- Projected 2014 Capital Program: $4.8 Billion

“The land must continue to provide for our food, clothing and shelter, long after the oil is gone.”

– Lloyd Noble
Core and New Ventures

**core operating areas**

1. Denver-Julesberg Basin
2. Marcellus Shale
3. Gulf of Mexico
4. West Africa
5. Eastern Mediterranean

**new ventures**

- Nevada
- Nicaragua
- Falkland Islands
- Sierra Leone
Our Purpose: *Energizing the World, Bettering People’s Lives®*

- Sustainable, extraordinary performance is about more than operational and financial results
- Committed to safely and responsibly delivering needed energy supplies, while improving lives in our communities
- Sustainability report demonstrates how we strive to deliver on our purpose
  - We proactively engage with local communities
  - We utilize best management practices to reduce impact
  - We strive for no harm in all operations
Building Partnerships

Long-term success depends on our ability to build trust with our stakeholders. We believe our core values provide the foundation upon which trust can be built.

**Communities**
Strive to be active members of our communities.

**Contractors**
Strive to provide contractors with same work environment our employees enjoy, and we hold them to the same standards.

**Employees**
Aim to create an inclusive, creative culture where our employees can make a difference.

**Governments**
Approach engagements with governments as opportunities to advocate positions that mutually benefit communities, industry and government.

**Nongovernmental Organizations**
Seek to build partnerships and working relationships with NGOs most relevant to our business.

**Shareholders**
Transparency is important.
Marcellus Shale

**ROAD SAFETY**

We created a “Marcellus Road Use” plan to address traffic concerns and ensure policies and expectations are understood and followed by our employees and contractors.

**WATER MANAGEMENT**

Our water management and reuse program eliminates the need for water disposal and reduces truck traffic.

**LOCAL WORKFORCE**

More than 85% of our new hires are from our surrounding communities. Their local knowledge is a great resource for our development of this core area.

>85%

New hires from local communities

>85%
Marcellus Shale Overview

Premier acreage position in the heart of the southwest fairway

- 50% of 690,000 Gross Acres in the Southwest Fairway
  - Primary focus of industry activity

- 87% HBP Acreage Position Provides Development Flexibility

- Currently Producing >200 MMcf/d, Up 65% Over Last Year

- West Virginia
  - Marshall, Tyler, Doddridge, Ritchie, and Gilmer Counties

- Pennsylvania
  - Washington and Greene Counties
Living Our Purpose

Responsible development and community support

- Efficient Development Planning
- Take Trucks Off the Road
- No Trucks During School Bus Hours
- Converting Rigs to LNG to Reduce Emissions and Costs
- Supporting Local Schools Through “Energizing Our Youth”
- Noble Neighbor Outreach Meetings
- Community Picnic and Rig Tours
- Bettering People’s Lives:
  - ~$1m to over 100 organizations in the Marcellus
  - Identify needs and address them
  - Partner in Education
  - Assist with Volunteer Fire Department needs
  - Workforce development programs
  - Junior Achievement “2014 Impact Company of the Year”
Understanding Stakeholder Concerns

- Why does the public seem to have concerns with this industry?

- **Basic relationship tools**
  - Be empathetic
  - Respect their concerns
  - Do not be dismissive
  - Listen
  - Find answers to the questions

- **Provide resources for information**
Available and Credible Resources

- **Who do people trust?**
  - Survey in Energy Research and Social Science
    - Most trusted sources of information
      - 1. University Professors
      - 2. Environmental Groups
      - 3. Newspapers...
    - Least Trusted
      - 7. Natural Gas Industry
      - 8. Gasland

- **Have sources of information available**
  - Have a toolkit of good information
    - Paul Ziemkiewicz – WVU Professor
    - Shale Alliance for Energy Research – Pennsylvania Water Well Handbook
    - Trade Groups – Marcellus Shale Coalition (MSC), Pennsylvania Independent Oil and Gas Association (PIOGA), WV Oil and Natural Gas Association (WVONGA), WV Independent Oil and Gas Association (WVIOGA)
Steps Involved in Natural Gas and Natural Gas Liquids Production

- Leasing, Seismic, Surveying and Permitting
- Site Construction
- Drilling
- Well Completion and Hydraulic Fracturing
- Production and Reclamation
We Protect Water Aquifers

How deep is our well?

The height of the Empire State building (1,454 feet)

5.5x

* This graphic represents a generic depiction of our onshore well depth and casing.

At various stages of the drilling and completion process, mechanical integrity of the casing and cement are tested to ensure proper installation. We use best management practices installing and cementing multiple strings of casing to prevent gas migration or drinking water contamination.
Noble Energy actively participates in a national publicly accessible web-based registry found at www.fracfocus.org to report additives used for hydraulic fracturing stimulation on a well-by-well basis.

Key Components

- **Component**
  - Gelling Agent
  - Friction Reducer
  - Acid
  - Antibacterial Agent
  - Corrosion Inhibitor
  - Crosslinker
  - pH Adjusting Agent
  - Inhibitor
  - Surfactant
  - Breaker
  - Iron Control
  - Clay Stabilizer

- **Purpose**
  - Thickens Water
  - Minimizes Friction
  - Dissolves Minerals
  - Eliminates Bacteria
  - Prevents Corrosion
  - Fluid Viscosity
  - Effectiveness
  - Prevents deposits
  - Increase Viscosity
  - Delays Gel Breakdown
  - Prevents Precipitation
  - Prevents Swelling

- **Everyday Purpose**
  - Ice Cream
  - Cosmetics
  - Swimming Pool Cleaner
  - Disinfectant
  - Pharmaceuticals
  - Hand soap, cosmetics
  - Laundry Detergent Scale
  - Household Cleaners
  - Antiperspirant
  - Hair Color
  - Food Additive
  - Table Salt

Note: Not all chemicals are used in every well.

~ 98% Water and Sand

~ 2% Additives
Unprecedented Opportunity

Fuel cost is ~40-50% less than gasoline and 30% less CO₂
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