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Highpoint Operating Corporation
Location: Dutch Lake 09-11H
Wellhead API: 05-123-33450

Initial Action Summary

On August 8, 2024, Highpoint Operating Corporation, LLC (Highpoint), a wholly-owned subsidiary of Civitas Resources, Inc. was informed of a data integrity issue that was conducted by an employee of Eagle Environmental, LLC (Eagle) and after gathering some initial data to determine the extent of the issues, Highpoint notified Colorado's Energy and Carbon Management Commission (ECMC). An internal audit was conducted, and a list of impacted projects were disclosed to the ECMC. This project is being reopened to reinvestigate and remediate any remaining impacts.

Please see documents #402993780 and 403284515 for a summary of initial actions completed by Eagle Environmental pertaining to the cut/cap of the Dutch Lake 9-11H wellhead (API: 05-123-33450), removal of all on-location flowlines,. On June 3, 2022, six (6) soil samples were collected beneath the above ground oil tank, water tank, separator, and wellhead and eleven (11) other locations were field screened using a field calibrated photo-ionization detector (PID). Additionally, two (2) background soil samples were collected. Upon receipt of the results, Eagle Environmental (Eagle) manipulated the analytical report and led Highpoint personnel to believe the results were in compliance with ECMC Table 915 standards. A No Further Action (NFA) request was submitted, and the project was deemed closed.

Thorough analysis of the laboratory results indicated a single discrepancy between the original Origins Laboratory, Inc. (Origins) laboratory report and what was reported by Eagle. Please see the Operator Comments Section of this Form for a detailed description of the discrepancies. After further review, the following Table 915-1 Protection of Groundwater Soil Screening Levels (GWSSLs) exceedances are present in the site assessment soil samples:

- Arsenic was detected at concentrations above ECMC Table 915-1 GWSSLs and background ranges at one soil sample location collected from within the investigation area (TB-SS-05@3').

Excluding arsenic in the sample detailed above, all other constituents of concern were compliant with ECMC Table 915-1 GWSSLs.