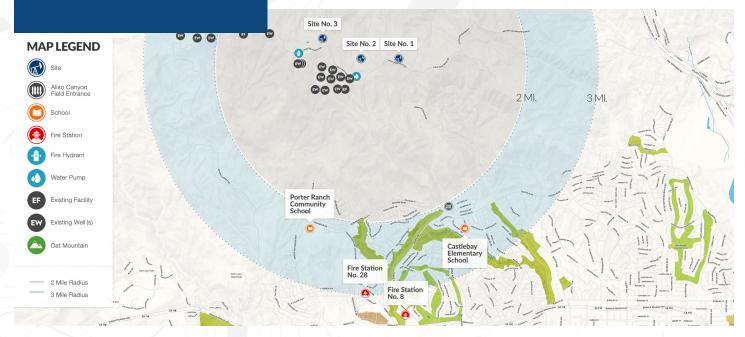


North Aliso Canyon



ENVIRONMENTAL IMPACT REPORT

Termo is proposing a small addition to existing operations. As submitted, the project would add three new pads for oil and gas operations to the existing oilfield operations on private property in the northern portion of the Aliso Canyon Oil Field—a private oil field that has been in consistent use since 1938. Each pad will be roughly an acre in size and is designed to have a minimal impact on the surrounding area.

A "conventional" drilling program has been proposed by Termo and guaranteed—in writing—that hydraulic fracturing will not be used on any of the new wells. The three proposed well pad locations are more than 1.5 miles from the closest residence and on the other side of the ridge from Porter Ranch. The operations will not be visible to the public.

The project uses electric motors for the wells and other Best Available Control Technology (BACT) to minimize or eliminate air and noise emissions.

The project will use existing roads and be contained entirely on private property. It will have no impact on public recreation. At its operational peak, the project is expected to add less than six daily truck trips to the oil field.

The project is designed with the environment and natural habitat in mind. Independent analysis is being conducted to verify that no natural habitats are being overly impacted. Moreover, it is not located on a groundwater basin, therefore posing no threat to ground water contamination.

Public meetings hosted by Los Angeles County will take place to give citizens the opportunity to voice their concerns on the project directly to decision-makers.

Receive up to date information on the project website:

www.northalisoproject.com

THE TERMO COMPANY

For 26 years, Termo has safely operated oil and gas facilities in the Aliso Canyon Oil Field. The company is proud to have been a part of the Porter Ranch community since 1989, and remains committed to ensuring that its newly

proposed expansion moves forward in the same respectful manner with regards to the community and the natural habitat that the company has consistently employed.

North Aliso Canyon

EIR REVIEW AND COMMUNITY COLLABORATION PROCESS

Although not required on this project, Termo has agreed to conduct a full Environmental Impact Report (EIR). This will allow the greatest opportunity for the community to be involved in the discussion and to have their questions answered. An EIR is a structured environmental analysis under the California Environmental Quality Act (CEQA) that ensures all potential environmental impacts of a proposed project are studied and that the community and stakeholders have a chance to offer input and review alternatives.

The Significant Ecological Areas Technical Advisory Committee (SEATAC) is an expert advisory committee that assists the L.A. County Department of Regional Planning (DRP) in assessing a project's impact on biological resources within a Significant Ecological Area (SEA). Project review before the SEATAC requires input from a DRP staff biologist and may include submittal of Biological Constraints Analysis and a Biota Report. This proposed project was found to be compatible with the Santa Susana Mountains SEA by the SEATAC on April 7, 2014.

Termo is committed to full transparency on the environmental impacts and mitigation efforts. The EIR process will provide multiple opportunities for the community, elected leaders and regulators to review and weigh in on the project and its mitigated impacts. The process provides an ideal opportunity for the Porter Ranch community and Termo to collaborate and ensure the project design and approach addresses all concerns.

While the areas to be developed are more than a mile from the nearest residence, and will not be visible or audible to the Porter Ranch community, Termo wants to ensure a collaborative process for engaging with the community is in place.

Termo has been engaged with L.A. County Supervisor Mike Antonovich, L.A. City Councilmember Mitch Englander, the Porter Ranch Neighborhood Council and the L.A. County Department of Regional Planning, to ensure that a complete and thorough EIR is conducted.

STAY INFORMED:

Learn more, sign up and stay connected via the Project Website: www.northalisoproject.com

EIR dates and public meeting locations will be announced at: www.northalisoproject.com/project/timeline

Connect with us on Facebook and Twitter

LA County Department of Regional Planning Project No. R2013-00614-(5) Conditional Use Permit 201300111



PUBLIC DRAFT EIR SCHEDULE

The steps below illustrate the Los Angeles County EIR process and estimated schedule:

APRIL 13 2015

Notice of Preparation (NOP): Public informed that a draft EIR will be prepared.

APRIL 27-MAY 27

Public Comment on Scoping Doc.

MAY 20 6:30-8:30 PM

Scoping Hearing: Porter Ranch Community School. Public input on Scoping Doc.

A Draft EIR is prepared.

SUMMER 2015

Notice of Availability: The draft EIR is made available for public review and comment. (45-Day Review)

FALL 2015

Preparation of Final EIR and response to comments.

WINTER 2015

Public hearings to certify EIR and approve project. Responsible agencies also make decisions.

*Blue boxes indicate opportunities for public review.