



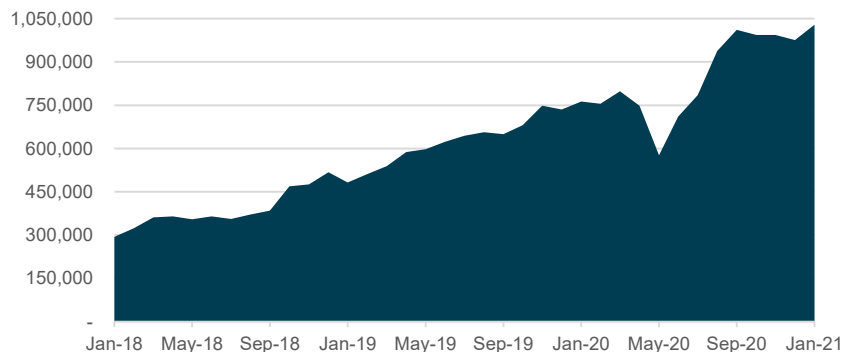
Lucid Energy Group
Carbon Utilization and Storage Partnership of the Southwest Project

Lucid Overview

Summary

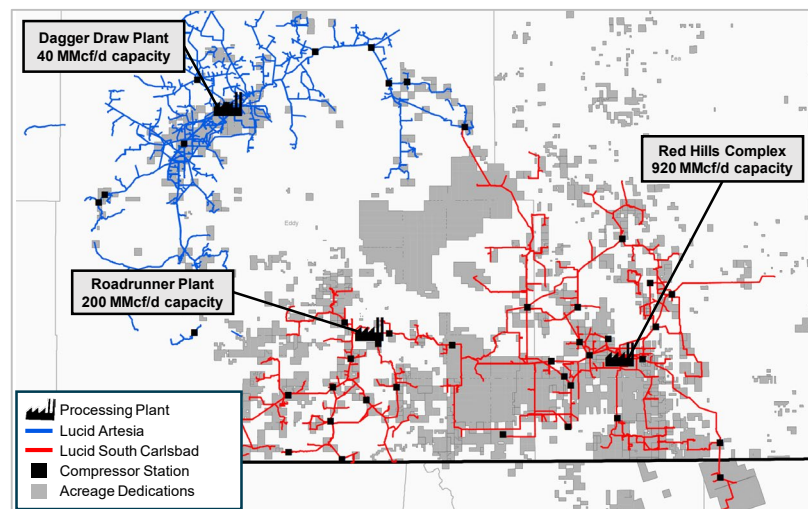
- Lucid is the leading pure-play and fastest growing natural gas gathering & processing midstream company in the Delaware Basin serving the most active upstream companies in the lower 48
- With 1,160 MMcf/d in current processing capacity, Lucid operates the largest processing system in New Mexico and will soon be the largest gas processor in the Delaware Basin
- Since Q1 2018, Lucid has grown throughput on the system from ~320 MMcf/d to ~1,115 MMcf/d (~52% CAGR) ⁽¹⁾
- Lucid commissioned Red Hills V in November 2020
 - Red Hills V has a capacity of 230 MMcf/d

Historical System Volumes (Mcf/d)



(1) Current Volumes as of January 23, 2021.

Lucid Asset Overview Map



Select Lucid Customers



Red Hills Complex



Red Hills Complex Capacity Overview

Plant	Nameplate Capacity (MMcf/d)	Intallted Treating (GPM)	Date Commissioned
① Red Hills I	60	350	Jun-13
② Red Hills II	200	800	May-17
③ Red Hills III	200	800	Aug-18
④ Red Hills IV	230	1,600	Nov-19
⑤ Red Hills V	230	1,800	Nov-20
⑥ Red Hills AGI	-	350	May-18
Total	920	5,700	

Red Hills Acid Gas Facility



- Lucid operates acid gas treating and disposal facilities at its Red Hills gas processing plant complex and Dagger Draw processing plants in Lea and Eddy County, New Mexico, respectively
- The Red Hills facility compresses and injects H_2S and CO_2 concentrations in the raw sour gas it receives into the facility
- Roughly 50% of Lucid's CO_2 emissions are from vented CO_2 resulting from Amine Treating
- Capturing, sequestering and storage of vented CO_2 is the most economic option to capture 45Q tax credits and impact Lucid's carbon footprint
- Lucid might entertain additional sequestering efforts for engine exhaust if economic means of eliminating entrained air and dehydration processes can be developed

CUSP Partnership Value to Lucid

- The CUSP enables Lucid to better perform the permitting work to convert Lucid's existing and future AGI wells at Red Hills and existing AGI well at Dagger Draw to EPA Subpart RR and, subsequently, IRS' 45Q
- Specifically, the CUSP partnership brings the following:
 - Proven knowledge of EPA Subpart RR and IRS' 45Q regulations
 - Formation modeling expertise
 - Monitoring, Reporting and Verification (MRV) plan development expertise
 - Top-level relations with regulatory representatives
- A successful sequestration project delivers a significant reduction to Lucid's carbon oxide footprint
- Lucid's primary investors understand the value of a strong ESG program and are supportive in our demonstrating leadership in this arena, inclusive of carbon oxide emissions reductions