

Minimized Footprint. Maximized Value.

The DJ Basin, where Noble Energy has an acreage position of approximately 750,000 net acres, is an important U.S. crude oil play that is key to the company's production growth. We strive to improve our operational performance in the basin while minimizing environmental impacts.

Respecting the Environment

Reducing Truck Traffic

To reduce truck traffic and noise, cut emissions and minimize land use in the DJ Basin, Noble Energy has installed underground pipelines and gathering systems to transport oil and recycled or sourced water from public or private supplies to well sites. In 2012, we eliminated 42,000 water truck trips by transporting 28 percent of the water used for our hydraulic fracturing through pipelines. Over the next decade, the use of EcoNodes and pipelines in our operations are expected to reduce oil and hydraulic fracturing water truck trips by more than 200 million road miles, eliminating approximately 700,000 tons of carbon dioxide (CO₂) emissions.

Respecting Water Resources

Noble Energy's Life-Cycle Water Management Program helps the company identify and implement responsible water sourcing, transport, use, treatment, recycling and disposal methods. Since 2011, the company's efforts have resulted in a reduction of more than 10 percent in the volume of water consumed per well. The decrease in water consumption provides another opportunity to reduce truck mileage. This would lead to an average annual reduction of approximately 45,000 tons of CO₂ emissions. For more information about our approach to water management and our involvement in local research activities, see discussion beginning on page 25.

Utilizing Natural Gas

Compared to other fuels, natural gas emits relatively low levels of pollutants such as sulfur oxide (SO_x), nitrogen oxide (NO_x) and carbon compounds. In addition to being cleaner sources of energy, compressed natural gas (CNG) and liquefied natural gas (LNG) are affordable, domestic alternatives to imported fuels. As part of Noble Energy's strategy to reduce GHG emissions, we continue to support the expanded use of CNG and LNG. In 2012, the company utilized one LNG rig in Colorado and four dual-fuel (diesel and LNG) rigs in its other U.S. operations.

In 2012, Noble Energy converted 19 trucks in the DJ Basin to run on CNG. In total, we have 33 bi-fuel trucks, representing more than 10 percent of our total fleet in the DJ Basin. The goal is to convert all the trucks in our fleet to CNG as fueling station accessibility allows.

In addition to converting the Noble Energy fleet, the company encourages its service providers to utilize CNG and LNG. Noble Energy partnered with Renewable Fiber, one of its water haulers in the DJ Basin, to help it purchase 10 LNG-powered trucks to haul water. These trucks help Renewable Fiber reduce its emissions, while also reducing costs since LNG fuel is less expensive than traditional diesel fuel.

Noble Energy also announced the construction of a \$50 million LNG plant in conjunction with the company's Keota gas processing plant in Weld County. This LNG facility, the first of its kind in Colorado, will have the capacity to produce up to 100,000 gallons of LNG per day. We plan

to use production from the facility to fuel the company's rigs and other heavy equipment used in DJ Basin operations.

Bettering People's Lives

Noble Energy continues to support the DJ Basin community through local educational and business development opportunities. The company committed \$5 million over five years to two Weld County school districts to support the conversion and purchase of new CNG school buses. The lower cost of CNG is expected to save the districts an average of \$3,500 per bus each year. This project supports the school districts as they replace aging buses, reduces emissions and helps the region expand the market for CNG. The first seven buses will be delivered in early 2013.

2012 DJ Basin Operational Highlights

Financial (U.S. dollars)

Revenues from sales of oil, natural gas and natural gas liquids (NGLs)	\$ 1,390 million
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Capital expenditures	\$ 1,448 million
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Local Statistics

Employees	807*
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Average number of rigs running in 2012	10
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Small, minority- and women-owned suppliers	103
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Community investments	\$ 2.50 million
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**Includes employees that support DJ Basin activities less than 100% of the time.*

In any industry there are good companies, there are bad companies and there are a few great companies. And I don't know of another oil and gas company that holds themselves to higher standards than Noble Energy does. They're running this company the way every company should be run.

- Colorado Governor John Hickenlooper,
Greeley Operations Center
Grand Opening Event,
May 22, 2012