

LETTER FROM LEE K. BOOTHBY

NEWFIELD'S CHAIRMAN, PRESIDENT AND CEO



Lee K. Boothby
Chairman, President & CEO

Each year as I reflect over the many actions that the Company and our employees take to deliver environmentally-responsible performance, I am amazed at the extent of what our team continues to accomplish each year.

Our commitment to corporate responsibility and sustainable business practices has been a part of the Company's DNA since its inception almost 30 years ago. Sustainability is not something we just talk about, it's something we practice every day at Newfield. We proactively track, measure, analyze and capture our data and the resulting information consistently.

Developing our nation's abundant natural energy resources while maintaining the ecological balance of our operating areas is an enduring commitment we've made to our stockholders, employees and the communities where we operate. Corporate responsibility is fundamental to our license to operate—ensuring we manage our risks effectively and enhance our operating processes.

Providing quantifiable and qualifiable information in the form of a corporate responsibility report has been one way we continuously connect with our stakeholders to demonstrate our commitment to operating sustainably.

This year we're presenting our corporate responsibility content in an online format to make it more accessible to our stakeholders. This "evergreen" style of reporting means we can quickly and easily update relevant data as it becomes available, streamlining the reporting process. We've also consolidated text to facilitate online readability and highlight what's most important.

Today, as you look through our corporate responsibility content, you'll find the latest facts and statistics on the sustainability actions we have taken to date. In addition, you will find information on future steps we are taking to improve our technologies, processes and approaches—all with a focus on health and safety, regulatory compliance and environmental stewardship throughout our operational focus areas.

A few of our significant accomplishments over the past year include:

- Delivered zero fatalities on our sites, maintained a low total recordable incident rate and no reportable violations;
- Decreased reportable releases to the environment for all fluids categories;
- Amplified reporting efforts significantly in our air quality category with emphasis on new programs to reduce greenhouse gas emissions;
- Increased utilization of closed-loop drilling systems to reduce waste and use of reserve pits;
- Matched nearly \$165,000 in charitable donations to 199 organizations; and
- Donated nearly \$1 million in grants from The Newfield Foundation to non-profit organizations.

We have some major goals defined as we move into the future that consist of

- Expanded leak detection and repair program in every operating area;
- Utilization of additional pipelines to further decrease truck traffic in the Anadarko Basin;
- Increased focus on water recycling in 2017 in the Anadarko Basin;
- Increased tracking of NORM wastes;
- Continued collaboration with researchers and regulators to study both produced water and seismicity in Oklahoma;
- Development of tracking process for community impacts across our plays; and
- Continual community support in the areas in which we operate.

We understand that advancing corporate responsibility requires a pledge to sound environmental principles and policies in a manner that makes good business sense and adds value for our stockholders, employees and communities. I am proud of the men and women at Newfield who come to work each and every day dedicated to this philosophy.

This is the true meaning of corporate responsibility at Newfield.

Lee K. Boothby
Chairman, President & CEO

