

FINANCIAL RESPONSIBILITY CTV III

CLASS VI INJECTION WELL PLUGGING, CORRECTIVE ACTION AND POST- INJECTION SITE CARE AND CLOSURE LETTER OF CREDIT 40 CFR 146.85

Letter of Credit Description

Carbon TerraVault Holdings LLC (CTV) will provide financial assurance for Injection Well Plugging, Corrective Action and Post-injection Site Care and Site Closure by posting a letter of credit. The amount of each letter of credit would be determined by a reasonable estimate of the cost of these activities. CTV will provide an updated estimate from a third party prior to project approval.

The letter of credit will be backed by California Resources Corporation's (CRC) Credit Agreement with Citibank, N.A., as administrative agent, and certain other lenders as participants. This credit agreement consists of a senior revolving loan facility (Revolving Credit Facility) with an aggregate commitment of \$492 million, which CRC is permitted to increase if CRC obtains additional commitments from new or existing lenders. The Revolving Credit Facility also includes a sub-limit of \$200 million for the issuance of letters of credit. The letters of credit were issued to support ordinary course marketing, insurance, regulatory and other matters.

As of June 30, 2021, CRC had an undrawn Revolving Credit Facility, approximately \$75 million available in letter of credit issuance capacity and \$151 million of cash. CRC is currently making efforts to add to the aggregate commitment and the sub-limit for letters of credit.