

## **Initial Project Summary**

**Project Location:** On-shore Oil and Natural Gas Development Projects in Nuequen (Argentina)

**Names of Applicants:** Vista Oil & Gas Argentina S.A. and Aleph Midstream S.A.

**Names of Projects:** Bajada de Polo Oeste and Vista Midstream Capex

**Projects Description:** The Projects include drilling and completion of 110 wells in the next 4 to 5 years as well as the construction, installation, operation and maintenance of midstream facilities (i.e., gathering lines; early production facilities and systems; oil, gas and water pipelines; central processing facilities, etc.) necessary to process and transport non-conventional oil and gas production from Bajada de Polo Oeste. In addition, some existing facilities at Entre Lomas, where Vista Oil & Gas is currently operating, will be revamped in order to support the new non-conventional production.

**Environmental and Social Categorization and Rationale:** The Project has been screened as Category A because it has the potential to adversely impact the nearby environment and the onshore area surrounding the wells and processing facilities. Major impacts include the potential for accidental releases of oil and natural gas which could adversely impact the safety of both drilling and plant personnel and the communities during product transport. The potential environmental and social risks associated with the Projects include:

- Particulate matter, nitrogen oxides, and sulfur oxides releases to be transported beyond the Projects' boundaries;
- Inappropriate handling, management and/or disposal of produced water, sanitary wastes, and other effluent discharges, drilling muds, and hazardous and solid wastes;
- Spills of oil and diesel into the nearby environment;
- Surface and groundwater impacts associated with drilling and plant operations;
- Occupational health and safety risks associated with the handling of hazardous materials (including oil, natural gas, LPG, and diesel);
- Fires at Projects' facilities;
- Community safety during Projects construction and operations (from product transport) phases; and
- Stakeholder engagement, including management of land access and expectations of stakeholders.

If these potential risks are not addressed, they could impact community health, safety and security. The Projects plan to manage archaeological finds in accordance with the national regulations.

**Environmental and Social Standards:** International Finance Corporation's (IFC) Performance Standards (April 2012) 1 (Assessment and Management of Environmental and Social Risks and Impacts), 2 (Labor and Working Conditions), 3 (Resource

Efficiency and Pollution Prevention), 4 (Community Health, Safety, and Security), 5 (Land Acquisition and Involuntary Resettlement), 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources), and 8 (Cultural Heritage) are applicable. No indigenous populations have been identified within or near the Projects' sites. Therefore, PS 7 (Indigenous Peoples) is not triggered by the Projects at this time.

IFC's Guidelines applicable to the Project include: General Environmental, Health, and Safety (EHS) (2007); and Onshore Oil and Gas Development (2015) EHS Guidelines.

Location of Local Access to Project Information: A copy of the Environmental and Social Impact Assessment (ESIA) may be found at the following location:

Biblioteca Central Francisco P. Moreno  
UNIVERSIDAD NACIONAL DEL COMAHUE  
Sede Central - Rectorado  
Buenos Aires 1400, Neuquén  
PO: Q83000  
Provincia de Neuquén  
Argentina