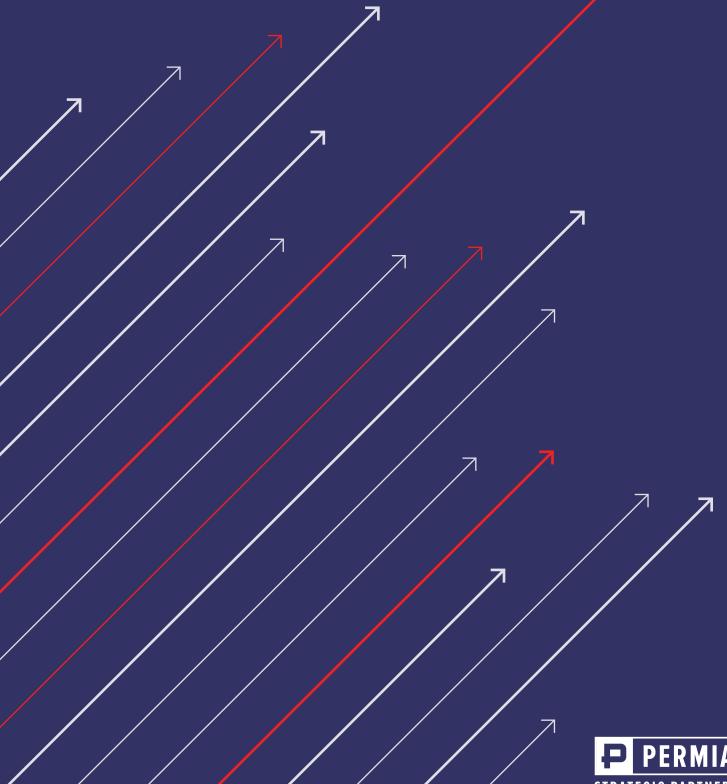
Leading The Way





Individually, the members of the Permian Strategic

Partnership are leading energy companies comprised of responsible people who care about the communities they serve. Together, we are a strong coalition of public-minded organizations with the power to achieve more through partnership than we could alone. We realize the unique value of the Permian Basin as the world's third-largest standalone energy-producing region, providing energy security for the nation and prosperity for the region.

By working in collaboration, we are seeking to improve education, healthcare, infrastructure, and workforce development, making the Permian Basin an even better place to live and work. Together, we have transformed \$93 million in member contributions into nearly \$950 million in collaborative investments.

"The Permian will be the engine for the world economy for decades to come.

It's one of the greatest hydrocarbon basins in the world."

Daniel Yergin

Vice Chairman of IHS Markit and Author of "The New Map: Energy Climate and The Clash of Nations"

A Letter from Our Chairman

The Permian Basin is unlike any other place in the world. Our resources are abundant and reliable, our businesses are committed, and our place on the global stage is growing. Still, as our regional population expands, we continue to face challenges that beg for innovative solutions.

The past year brought obstacles, exposed vulnerabilities in our community, and underscored the significance of the gap being filled by the Permian Strategic Partnership (PSP). Texas and New Mexico are still feeling the strain of the pandemic—particularly by the shortage of teachers and nurses. Despite impressive strides made through PSP investments, our region must continue working to ensure all citizens have access to safe roads, quality healthcare, world-class education, affordable housing, and high-speed broadband. Each and every day, PSP is working to resolve these complex issues.

PSP member companies are incredibly committed to the mission of strengthening and improving the quality of life for Permian Basin residents. Their financial commitments and hands-on leadership contributions are making a big impact as the PSP is working to be the bridge which connects resources with needs. I am grateful for the dedication of our President and CEO, Tracee Bentley, and her team. They have worked tirelessly to ensure that PSP is an effective partnership with many Permian Basin communities, and their efforts have made a tremendous difference in the lives of those we serve.

The work we do here could not be possible without the support from our state leaders. We are blessed to have strong partners in Texas Gov. Greg Abbott and New Mexico Gov. Michelle Lujan Grisham. And we are fortunate to have working relationships throughout the two states with trusted leadership such as TxDOT Chairman Bruce Bugg and NMDOT Cabinet Secretary Mike Sandoval. They have been unwavering champions for this region's well-being and helped us make great strides in continuing to deliver on the Permian Promise.

Across our nation and globe, conversations about energy security include the significant role being played out by the Permian Basin, the world's largest secure supply of energy. As domestic supply chain challenges and world affairs grow in their respective complexity, so too will dependence on this region for energy needs. It's imperative that the PSP's community support systems grow, too. The need to work together has never been greater.

As PSP member companies are meeting a great demand for energy resources, they are also stepping up to meet the demand for regional community resources and leadership at this critical time. With this annual report, the PSP is pleased to provide a review of the past year of our efforts – and a forward look into a promising year of collaboration and response.

Don Evans

Chairman, Permian Strategic Partnership

A Letter from Our President & CEO

At the Permian Strategic Partnership (PSP), we are thrilled to present our second annual report, which shares the story of the Permian Basin, our community investments, and the impact of our collaboration beyond the local communities. Despite the challenges posed around the world in 2021, the Permian Basin remains resilient. While oil & natural gas production has returned to pre-pandemic levels, our community still faces significant obstacles exacerbated by the past few years' events. I am incredibly proud of the PSP's work during this tumultuous time. Our 17 member companies have honored our commitment to our communities with support and resources needed at every turn.

Over the past year, we forged new partnerships, and we increased investment in our schools, our regional health quality, and the infrastructure that facilitates virtually every aspect of our daily lives. We have demonstrated to stakeholders how public and private sectors can successfully collaborate to address a community's most pressing issues.

Among the PSP's crowning achievements in 2021 were a robust COVID-19 vaccine media campaign, a \$1.9M initiative with The University of Texas Permian Basin to train STEM teachers, and more than \$6M in infrastructure projects. We have worked in every sector to improve millions of lives.

Our region has changed dramatically over the past century, and will continue to evolve throughout the next several decades. Each initiative we invest in, each life we touch is part of that story. We are proud to be an integral part of the Permian Basin's continued development, and look forward to seeing our region's impact locally, nationally, and even globally.

We have made tremendous strides through our programs, but our work is not complete and we intend to build on the support that our communities and neighbors deserve.

We are grateful for the support of our partners, stakeholders, and allies as we continue to invest in the future of West Texas and Southeastern New Mexico. With your help, we can meet the challenges ahead with creative solutions and innovative partnerships that benefit all. Thank you for your continued support as we build a brighter tomorrow for everyone in the Permian Basin.

Tracee Bentley

President & CEO, Permian Strategic Partnership

Investing in the Permian is the right thing to do, for the future of our industry, for the vitality of the region's communities, and for the country. The members of the Permian Strategic Partnership (PSP) feel a social responsibility to give back to this region that has given jobs, energy security, and economic stability to the U.S. The Permian Strategic Partnership is a new organization, formed just three and a half years ago—yet we have directly invested approximately \$93 million in Permian Basin projects, and contributed to collaborative investments totaling nearly \$950 million.

\$16,500,000

IDEA Public School Investment

\$4,000,000

Teach Certification Investment

\$10,000,000

Midland College Teacher Excellence and Pre-K Lab Investment

\$775,000

Catalyst Investment

\$1,900,000

UTeach Investment

\$900,000

Education Technology Investment



\$2,300,000

Permian Basin Counseling and **Guidance Investment**

\$5,900,000

Texas Tech Family Medicine Residency Investment

<u>\$12,800,</u>000

Texas Tech Surgery Residency and Sub-Specialty Program Investment

\$2,500,000

Other Healthcare-Related Investments

\$10,700,000

University of Texas Permian Basin Nursing and Pre-Med Program Investment

\$2,500,000

Texas Tech Regional Physician Assistant Investment

\$4,000,000

Odessa College Nursing **Program Investment**

\$950 mm

in collaborative investments

Workforce

\$10,000,000

Hobbs Career Technical Education Program

\$800,000

Permian Basin Community Grants

\$2,600,000

Skillpoint Alliance Investment

\$1,300,000

America's Warrior Partnership Investment

Housing

\$700,000

Teacher Housing Investment

Road Safety

\$1,100,000

First Responder Equipment Investment

Initiative Support

\$1,500,000

Data, Research, & Outreach

OUR MISSION

To strengthen and improve quality of life for Permian Basin residents by partnering with federal, state, and local leaders to develop and implement strategic plans that foster superior schools, safer roads, quality healthcare, affordable housing, and a trained workforce. The companies involved with the Permian Strategic Partnership bring people, expertise, resources, and leadership to develop solutions in partnership with local leaders and communities.

Since our founding, we have also worked to expand broadband access, and have helped spearhead a number of community-focused studies and campaigns.





INVESTMENT IN EDUCATION

Investing in the next generation through education

Education provides pathways to prosperity for families, an educated workforce for employers, and a prosperous economy for the future of the Permian Basin. The Permian Strategic Partnership seeks to improve education outcomes and advance quality of life by investing in educational initiatives across West Texas and Southeast New Mexico.

Our efforts over the past year include supporting local public schools, universities, teachers, and students. One way we are making an impact is by funding educational programs for high-paying careers that are in high demand in our region, including career and technical education, nursing and healthcare, and STEM programs. We are also investing in our teachers, with programs for National Board Certification & Early Childhood and Teaching Excellence. By partnering with our member organizations, as well as education and industry stakeholders, we are making a difference through education in the Permian Basin.



"The thoughtful and impactful investment that the PSP made for the UTeach program at UT Permian Basin is already paying dividends. We all know how important teachers are to our community, and the ability to train the very best STEM teachers will truly make a difference for so many students. We are humbled and honored to be a part of this important initiative. The PSP continues to show the community who they are, and we all benefit from their vision and action."

Dr. Sandra Woodley

President, The University of Texas Permian Basin

Training STEM Teachers and Encouraging STEM Students

Science, Technology, Engineering, and Math, or STEM, careers lead to higher earning potential, greater innovation, and a stronger economy. Here in the Permian Basin, our workforce is highly dependent on STEM-trained professionals—and to encourage interest in these technical jobs, we need more experienced teachers. To strengthen the regional pipeline of STEM educators, the Permian Strategic Partnership has invested \$1.9 million to bring UTeach, a prestigious program that recruits and trains STEM majors for the teaching field, to The University of Texas Permian Basin (UTPB).

The purpose of the program is to prepare highly qualified and specialized teachers right here in the Permian Basin. One of the most important and intriguing components of UTeach is a paid internship. Students who enroll in UTeach Permian Basin at UTPB will complete a four-year bachelor's degree in a Science or Math field, while simultaneously earning a secondary teacher certification. The curriculum is designed specifically for Science and Math teachers. The UTeach Permian Basin program has the potential to effectively double the number of STEM teachers in our region annually, with an even broader impact through professional development, coaching, and the modeling of best practices in the classroom.

UTeach Permian Basin has an excellent track record of success. The program was developed at the University of Texas in Austin, and has since expanded to include 49 sites across the country. Based on four years of retention data from UTeach partner universities, 88% of graduates enter the classroom, and 87% are still teaching at the four-year mark. The program also has a robust alumni network, with 6,000 graduates nationwide. The first cohort of UTeach Permian Basin students at UTPB will start in the fall of 2022.





Investing in Early Childhood Education and Teacher Training

Early childhood education provides a foundation for academic success—but with a shortage in programs and teachers, it is challenging to provide the resources young students need. That's why the Permian Strategic Partnership is investing in the construction of the Midland College Pre-K Academy and Center for Teaching Excellence.

The PSP has committed \$10,000,000 over 3 years to support the ~\$30,000,000 initiative. The investment will provide professional development for teachers through its Center for Teaching Excellence, while expanding preschool programming through the Midland College Pre-K Academy, a partnership school established in collaboration with Midland Independent School District in 2018. The school currently serves 68 students, and the new facility will allow it to accommodate 288 students. The Center for Teaching Excellence will be home to Midland College's new Early Childhood Education Bachelor's Degree program. With strong scholarship support, many students will be able to complete the degree with little to no debt. The program will also provide dual credit courses in Teaching and Education for high school students.

The initial design, site survey, and engineering phases of the building are complete, and construction will begin in spring of 2022, with its opening planned for August of 2023.

A rendering of the Midland College Pre-K Academy and Center for Teaching Excellence facility.

"The Midland College Pre-K Academy and Center for Teaching Excellence addresses two major challenges facing our community—a shortage of teachers, and a shortage of available childcare and quality early childhood opportunities. Part of Midland College's mission is to provide education and training that help our community grow and prosper. We are certainly grateful to PSP, Scharbauer Foundation, other organizations, and various individuals for partnering with us and providing resources to help address these challenges."

Dr. Steve Thomas President, Midland College



Making healthcare more accessible

Keeping an entire community healthy is a sizable task—especially when it is continually growing. As more people move to the Permian Basin, we need more hospitals, doctors, nurses, and healthcare workers to care for them. The Permian Strategic Partnership is working to improve access to care across our region by investing in programs that serve patients, as well as initiatives that provide education and training for healthcare professionals.

Over the past year, we funded a program to provide access to mental health care for Permian residents at little to no cost, and supported mobile clinics to bring basic care to people who need it most. We also supported scholarships for students pursuing healthcare degrees, and provided funding to expand healthcare education programs at local colleges and universities. Improving healthcare access in the Permian Basin will take time—but by working together with our partners, we are making a significant impact.



PSP partnered with FMH **Foundation and West Texas** Counseling & Guidance to raise



for Mental and Behavioral **Health Services Across** the Permian Basin

Prioritizing Mental and Behavioral Health in the Permian

In the Permian Basin, there has always been a need for mental and behavioral health care—but in recent years, it has become even more critical, with a dire shortage of providers. Over the past year, the impacts of COVID-19, including job loss, the strain on the healthcare system, educational disruption, and housing and economic challenges, have increased demand for mental and behavioral health services. The average wait to receive mental or behavioral health treatment in the region is eight months to a year—and in some areas of the Basin, suicide rates are more than 50% higher than the U.S. average.

To help address this important need, the Permian Strategic Partnership partnered with FMH Foundation and West Texas Counseling & Guidance to establish Permian Basin Counseling & Guidance (PBCG), providing a six-year commitment to fund expanded mental and behavioral health services across the Permian Basin. The PSP is providing \$2,267,446 in funding support for the program, with a focus on Lea and Eddy counties in New Mexico. The FMH Foundation is providing an additional \$770,805 to cover mental health services for residents of Howard County, Texas. Together, both organizations are also expanding access to telehealth services for rural Permian Basin counties of West Texas.

Permian Basin Counseling & Guidance began offering services in 2021, and has already seen high demand from patients. In addition to providing no-cost care for patients, PBCG will also accelerate its efforts to recruit and develop behavioral health professionals in regions where there are healthcare shortages.



across the region. This partnership with PSP and the FMH Foundation allows us to further this mission into the Permian Basin and make a direct, immediate impact on patient care, while building a stronger mental health services network for years to come."

Dusty McCoy Executive Director, West Texas Counseling & Guidance





Delivering Healthcare Where It's Needed Most

In remote regions of the Permian Basin, accessing healthcare can be a challenge. When the nearest doctor or clinic is hours away, patients may delay care—or avoid medical visits altogether. Issues with mobility, a lack of insurance, and inability to afford treatments may also prevent patients from seeking care. To help improve healthcare outcomes in the Permian Basin, the Permian Strategic Partnership is partnering with Texas Tech University Health Sciences Center (TTUHSC) and The Caring Foundation of Texas (CFT) to bring healthcare where it is needed most, through mobile clinics and telemedicine.

This new partnership will expand access to high-quality, affordable healthcare for the Permian Basin and surrounding rural communities. Funding will support TTUHSC's Medicine on the Move program, which will provide mobile health clinics and telemedicine clinics; improve access to basic healthcare and entry into the system; and provide primary care visits, mental and behavioral health, and chronic disease management. Scheduled clinics will offer immunizations, preventative screenings, and ongoing patient care. Permian Basin residents will benefit from low-cost, accessible healthcare, and stronger relationships with local providers—and students at TTUHSC, who will participate in the program, will gain firsthand knowledge and experience serving local patients.

To deliver healthcare services where they are needed most, this partnership will leverage The Caring Foundation's signature Care Van® program. Care Vans are mobile medical vans outfitted with specially designed equipment to serve patient needs. Care Vans travel to schools, churches, shopping malls, and community events to conduct health outreach services. Through partnership with the TTUHSC, the vans will be staffed by healthcare professionals and used to provide mobile clinic services.

Improving healthcare in the Permian Basin is a long-range goal—but with mobile clinics, we are moving closer to achieving it.

Partnership announcement for the Medicine on the Move initiative, featuring the Caring Foundation of Texas' signature Care Van®.

"Our passion is improving health outcomes in the most unreached, underserved communities of West Texas and Southeastern New Mexico. This partnership with PSP and The Caring Foundation will transform healthcare by allowing us to serve patients and communities that delay seeking care or might not otherwise."

Dr. Timothy Benton

Regional Dean for School of Medicine, Texas Tech University Health Sciences Center

Preparing Tomorrow's Healthcare Professionals with Partners in Higher Education

Nurses, doctors, and healthcare workers dedicate their lives to caring for others—and now, the healthcare profession needs our support. In the Permian Basin, as in many regions across the nation, a shortage of nurses and healthcare workers is affecting hospitals and patients, and creating significant staffing challenges that have been exacerbated by COVID-19. Healthcare workers are feeling stressed, overworked, and burnt-out, and patients are facing reduced access to care.

To help address the healthcare shortage, the Permian Strategic Partnership is donating \$10.7 million to the University of Texas Permian Basin, to fund scholarships for students pursuing degrees in healthcare-related fields. The scholarships will cover tuition and fees for undergraduates majoring in Nursing, Pre-Med, Pre-Dental, and Pre-Pharmacy.

Scholarships will be competitive, and candidates will be required to have a GPA of 2.5 or higher, be permanent residents of the Permian Basin, and agree to work three years after graduation in a health-related field for an employer in the Permian Basin. Funding will be awarded through a combination of federal, state, and institutional funds to qualifying students. Once established, this program will add up to 60 nursing graduates and 60 pre-med graduates by 2027, and annually thereafter.

To help address the healthcare shortage, PSP is donating

\$10.7_{mm}

to Fund Scholarships for Students Pursuing Degrees in Healthcare

"Our goal is to grow the next generation of healthcare providers in the Permian Basin. This funding will allow so many students the opportunity to earn a high-quality education – with little to no debt! The thought of student loans and massive debt can deter many qualified students from following their passion of becoming a doctor, nurse, dentist, or pharmacist. Thanks to the support of the PSP, we can now remove that burden, so they can focus on being excellent medical professionals."

Dr. Donna Beuk

Dean of the College of Health Sciences and Human Performance, The University of Texas Permian Basin





Investing in Healthcare Education

There are more than 1,000 nursing vacancies in the Permian Basin, leading to delayed procedures, closed hospital floors, and high recruitment costs. It's a substantial healthcare gap—but by working together, we can help to bridge it. In 2021, the Permian Strategic Partnership made a \$4 million contribution to Odessa College's new Wood Health Sciences Building, an 83,000-square-foot facility that will allow more students to enroll in the School of Health Sciences programs and healthcare continuing education programs, with an estimated 64% increase in graduates.

The total cost for the new building is about \$40 million, and PSP's investment, when added to funds contributed by other partners, brought the College to 94% of its goal. The new facility will include four floors of instruction and community space, enabling the College to accept more students and expand its programs. The building will host an additional registered nursing program, a licensed vocational nursing program, programs in dental hygiene, respiratory therapy, health information management, physician therapist assistants, and more. The new Wood Health Sciences Building will boast the first simulation hospital in the state of Texas. The expansion is also expected to produce a minimum of 171 more highly skilled health science graduates per year.

"The Permian Strategic Partnership's investment in the Wood Health Sciences Building helped Odessa College reach a major milestone in the capital campaign. We are thankful for the PSP's endorsement of this important project, and appreciate their focus on healthcare infrastructure in the Permian Basin. The expanded capacity in our instructional space will allow OC to accept more students in the School of Health Sciences, which will result in more graduates going to work here in the Permian Basin."

Dr. Greg Williams President, Odessa College

Growing Our Own Surgeons and Specialists

Texas has a growing physician shortage—and surgeons are a critical need. In the Permian Basin, there are only 14 active general surgeons, leading to extended wait times for important surgeries. There is also a regional shortage of cardiologists and gastroenterologists. Following a "Grow Your Own" strategy, Texas Tech University Health Sciences Center (TTUHSC) has secured funding for the first-ever Permian Basin Rural Surgical Resident Training program, which will draw surgical residents to the Permian Basin to work in regional hospitals. PSP is partnering with TTUHSC by providing \$12,800,000, over six years, to support the \$17,540,000 initiative.

The program will include a Surgery Residency, Cardiology Fellowship, Gastroenterology Fellowship, and Critical Care Fellowship. Once established, it will add 15 surgery residents by 2025, four cardiologist fellows by 2023, four gastroenterology fellows by 2023, and four critical care fellows by 2024.

As discussed in a 2021 community roundtable conference presented by PSP, the Scharbauer Foundation, TTUHSC, and The University of Texas System, approximately 27% of Permian Basin patients leave the area to receive healthcare. Heart disease is the leading cause of death in our region, and gastroenterology concerns are a common cause of hospital admission.¹ Increasing the number of regional general surgeons, cardiologists, gastroenterologists, and critical care physicians will reduce the need to travel for healthcare, and could have a major impact on healthcare outcomes.

Retention of physicians is vital, and residency programs can attract more physicians to the areas where they are located, and aid in retention. National statistics indicate that up to 60% of trained residents will remain within a 50-mile radius of the region in which they served a residency to establish their medical practice.² In supporting this program, PSP seeks to strengthen the physician pipeline for our region's hospitals and clinics, which already have strong relationships with TTUHSC.

TTUHSC's Permian Basin Rural **Surgical Resident Training** Program will provide:

Surgery Residents by 2025

Cardiology and Gastroenterology Fellows by 2023

Critical Care Fellows by 2024

¹ Arnold, E., Bentley, T., Billingsley, G., Evans, D., Johnson, C., Kazmi, Z., Narcross, J., Zerwas, J., Spearman, L. (2021, August 3). Elevating Healthcare in the Permian Basin [Conference presentation]. Community Roundtable, Permian Strategic Partnership, Scharbauer Foundation, Texas Tech University Health Sciences Center, The University of Texas System, Midland, Texas, United States.

² Goodfellow, A., Ulloa, J. G., Dowling, P. T., Talamantes, E., Chheda, S., Bone, C., & Moreno, G. (2016). Predictors of Primary Care Physician Practice Location in Underserved Urban or Rural Areas in the United States: A Systematic Literature Review. Academic medicine: journal of the Association of American Medical Colleges, 91(9), 1313–1321. https://doi.org/10.1097/ACM.0000000000001203

"West Texas and S Mexico are the heart Permian Basin reside pioneering spirit fo known. Their tireles country, and help stre economic, and ene **United States** Southeastern New of our great nation. ents demonstrate the or which America is s efforts power our engthen the national, ergy security of the of America."

Don Evans

Chairman, Permian Strategic Partnership Former United States Secretary of Commerce INVESTMENT IN INFRASTRUCTURE

Providing support for first responders

Safety is a high priority for our member companies—which makes it a high priority for the Permian Strategic Partnership. We are committed to investing in public safety initiatives, including first responder support and road safety infrastructure.

In 2021, we supported local police, sheriff, and fire departments by providing life-saving equipment to first responders across the Permian Basin. We also invested in the construction of a new volunteer fire department facility in Midland that will serve a large geographic area. These initiatives will improve emergency services on roadways, and expand fire protection services across several counties. Together with our partners, we are making the Permian Basin roadways and communities safer.





Answering the Call from First Responders

First responders answer 911 calls and save lives day in and day out—so when they made the call for assistance with emergency equipment, the Permian Strategic Partnership and the Permian Road Safety Coalition (PRSC) were happy to help. In 2020, the two organizations announced a partnership to provide nearly \$1.1 million in life-saving equipment to first responders in 22 counties across West Texas and Southeast New Mexico.

In May of 2021, the PSP and the PRSC officially kicked off the physical distribution of the equipment with an event and demonstration at the Northeast Midland Volunteer Fire Department. Distribution events in counties across the region followed. All in all, the PSP will provide 158 kits to 22 counties in the Permian Basin.

Many emergency service agencies in the Permian Basin are staffed by volunteers, and have limited resources and infrastructure to serve large areas. Given the rural nature of many of our communities, it is not uncommon to see first responders travel over an hour once dispatched. By providing emergency equipment such as battery-powered "jaws of life," fire extinguishers, mobile lighting tools, and rescue helicopter landing zone kits, the equipment distribution benefits law enforcement and firefighters. This initiative gives them the tools they need to help respond to crises more efficiently, thereby strengthening the emergency response system and saving lives.

Along with the Permian Road Safety Coalition (PRSC), PSP will provide \$1.1_{mm}

in Life-Saving Equipment 158

Emergency Equipment Kits to 22 Counties in the Permian Basin



"We are proud to have the PSP as a partner for our new fire station build. Their contribution, along with contributions from many of their member companies, helped make this project possible. Our volunteers will soon have a new space for training and rehab, as well as space for all the fire apparatus and equipment that keeps our community safe."

Fire Chief, Northeast Midland Volunteer Fire Department



Bringing a New Volunteer Fire Station to Northeast Midland

Firefighters save lives and protect property for everyone in their community—and when the region they serve begins to grow, the need for life-saving services grows too. In early 2021, the Northeast Midland Volunteer Fire Department (NMVFD) was serving a response area of 33 square miles. Before they knew it, they were asked to respond to all major fires outside of the city limits, increasing their response area to 826 square miles. To meet this growing need, the Department went out into the community with a capital campaign request to fund a new fire department and training facility. The Permian Strategic Partnership supported their effort with a donation of \$100,000.

NMVFD currently responds to an average of 300 emergency calls a year, responding to grass fires, structure fires, oil-field-related fires, controlled burns, gas leaks, vehicle accidents, high water rescues, and more. Most calls are in Midland County, but the department's expanded service area also includes Ector County, Martin County, and Crane County. Because it has the largest water supply in Midland County, with the only foam unit in Midland and Ector County, NMVFD has been designated as the responder to all major fires. Calls for grass fires have increased significantly in recent years due to continuous dry summers. The region has also seen growth in development, including the building of homes and businesses. Together, these factors have created an urgent need for the NMVFD to expand.

The new fire station will increase the Department's building capacity by 150%, from 6,000 to 15,000 square feet, providing much-needed space to park fire trucks, repair and maintain equipment, and hold volunteer trainings. The impact will be great, helping the Department to recruit and retain volunteers, store and protect vehicles and equipment, host community educational events, and be better prepared to meet the increasing demand for fire protection services.

Members of PSP attended a groundbreaking for the facility on December 2, 2021, joining other organizations working to close the gap in funding to keep the community safe. Construction of the new facility is expected to be complete by the end of 2022.

The Northeast Midland Volunteer Fire Department ground breaking, including Chief Jimmy Don Evans and team.

To support the Northeast Midland Volunteer Fire Department (NMVFD), PSP donated

\$100k

to Fund a New Fire Department and Training Facility

This new fire station will increase the Department's building capacity by

150%

to Provide **Essential Space for** New Responsibilities







Serving Those Who Served

After bravely serving our country, veterans now need the support of our communities. To increase services for the 20,000 veterans in the Permian Basin, the Permian Strategic Partnership has joined forces with America's Warrior Partnership (AWP), a national veteran organization that connects veterans with local resources and opportunities. AWP partners with communities, empowering them to serve veterans proactively and holistically. PSP's goal in working with AWP is to make the Permian Basin the most veteran-friendly region in the country.

The PSP supported implementation of AWP's Community Integration Program in the Permian Basin, a four-step plan that includes connecting veterans with services; educating veterans about available programs, and educating the community about veterans' needs; advocating on behalf of veterans, and collaborating to ensure the success of veterans within the community.

The PSP's joint effort with AWP began with a community analysis, which revealed the need for a new program customized to the needs of local veterans. Through this partnership, AWP will build and implement customized programming to proactively connect with the veteran population, ensure access to quality services and opportunities, and create a strong and engaged military community that keeps veterans connected and thriving.

"One of the things we find is that most veterans don't really have a very good understanding of what they have earned in terms of VA benefits, community benefits, and state benefits. We're here to educate them about those opportunities to improve their quality of life and move forward."

Jim Lorraine

President and CEO, America's Warrior Partnership

Skills for Success and Careers for the Region

Careers in trades like electrical, plumbing, and HVAC provide high-paying jobs that are in high demand—but to enter these fields, professional training is required. Recent studies show that by 2025, the Permian Basin will require an additional 50,000 skilled workers in order to meet the needs of continued industry growth and the shift toward a more residential workforce. To help workers gain the skills to be successful in essential trades, the Permian Strategic Partnership is supporting Skillpoint Alliance in expanding its services to the Permian Basin in 2022.

Skillpoint Alliance is a Central Texas 501(c)3 nonprofit organization that provides fast-paced, no-cost job training in the skilled trades to lower-income, underserved, and under-accessed populations. There are several occupations in the region that are considered to be in high demand, including electricians, with 22% growth through 2028; plumbers, pipefitters, and steamfitters, with 20% growth through 2028; and HVAC mechanics and installers, with 19% growth through 2028. Skillpoint Permian Basin will offer rapid training programs in Electrical, HVAC, and Plumbing, among other skills, to Permian Basin communities in West Texas and Southeast New Mexico, with programming launched by the end of 2022.

Through this partnership, the PSP seeks to help people who want to enter the workforce by providing foundational knowledge in the skilled trades. Learning these skills will prepare these individuals for successful employment within the energy industry or with other companies that support the local economy.

PSP is supporting Skillpoint Alliance in expanding its services to bring training for high-demand fields in the Permian Basin such as:

Electrical

Plumbing

HVAC



"Skillpoint Alliance is excited to partner with the Permian Strategic Partnership to expand our programs that produce skilled professionals for some of the country's fastest-growing industries, including the energy industry, to West Texas and Southeastern New Mexico. There is a critical need for experienced labor in the skilled trades in the region, as well as a need for programs that focus on rapid workforce development and employability skill-building. Skillpoint training is a starting point that can lead to on-the-job training or additional education opportunities."

Kevin Brackmeyer Executive Director, Skillpoint Alliance

"For over 75 years, PETEX has been dedicated to bringing industry-aligned talent development resources to the oil and gas community to help proficiently prepare individuals to enter, advance, and excel in the workforce. With the PSP Catalyst Project, we gain an acute understanding of both the industry's current and projected workforce competencies, and the learning outcomes and capacities of the education and training providers in the Permian Basin. We are proud to be a part of this collaborative project and look forward to serving and supporting industry and education to prepare and sustain the energy workforce."

Dr. Eric Roe

Executive Director, The University of Texas Petroleum Extension; Assistant Dean, Cockrell School of Engineering

Aligning Education with Workforce Needs

Students in the Permian Basin want to graduate with the assurance that great career options lie ahead. Employers in the region want to hire employees with the education and skills to meet ever-evolving industry needs. The Catalyst Workforce Development program, a new initiative launched by the Permian Strategic Partnership, PetroSkills, and The University of Texas Petroleum Extension (PETEX), seeks to fill gaps in the workforce by aligning the needs of the industry with the educational and training system's ability to teach in-demand skills. The Permian Strategic Partnership has invested \$775,000 into the initiative.

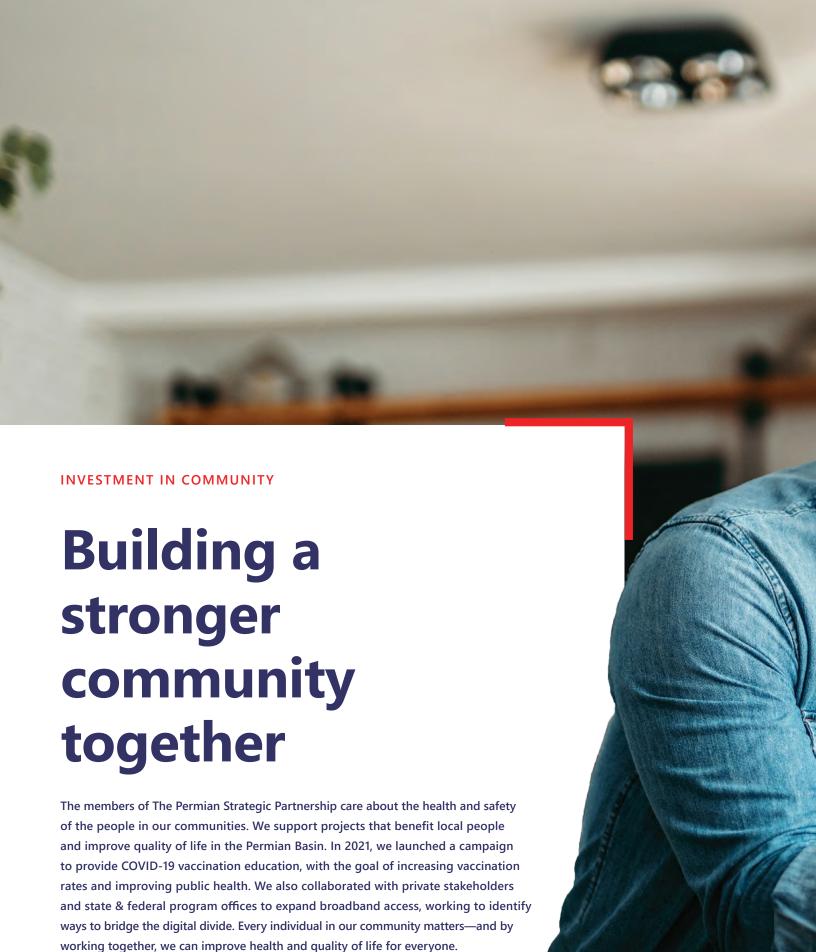
PetroSkills and PETEX are leaders in industry education and skill development. PetroSkills provides courses and learning tools to educate petroleum professionals about critical technical processes. PETEX, a unit of the Cockrell School of Engineering at The University of Texas at Austin, is a leading producer of reliable learning resources and training for the oil and gas industry. Catalyst connects these educators with the potential industry workforce, helping to cultivate a pool of qualified, well-prepared, immediately employable candidates, and building a more resilient workforce.

The program will bring together educational institutions and providers, assess the current state of programs available in the Permian Basin, and define the skills necessary for the region's future workforce.

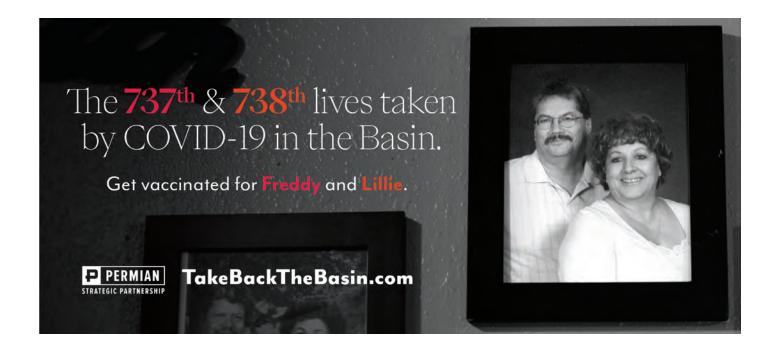
To support industry needs in the Permian Basin, and teach in-demand skills, PSP invested

\$775k

to Fund The Catalyst Workforce **Development Program**







A snapshot of one of the "Take Back the Basin" campaign ads, featuring a Midland couple's story.

"PSP is a wonderful organization that supports the communities in which they are functioning. The vaccination campaign was a very positive initiative in Carlsbad, and a lot of our community took advantage of the vaccination services offered to them at no cost. We have gotten back to being America, and it just lightens my heart."

Eddy Rodriquez

Mayor Pro Tem, Carlsbad, New Mexico

Encouraging Vaccination in the Permian Basin

The member companies of the Permian Strategic Partnership are among the largest employers in West Texas and Southeast New Mexico—and protecting employee health and safety is their top priority. So when the region became inundated with hospitalizations and deaths caused by COVID-19, the PSP decided to do something about it. In November of 2021, the Permian Strategic Partnership launched a comprehensive vaccine education campaign, which included digital, social media, TV, video, and print outlets. The goal of the campaign was to boost vaccination rates across the region.

The campaign was spurred by public health concerns around low vaccination rates in the Permian Basin. In the Midland-Odessa area, only 43% of those eligible are fully vaccinated. Over 2,200 people in the Basin have died of COVID-19, and the majority of those deaths could have been prevented by vaccination. The leadership of PSP consulted with local hospitals prior to the campaign's launch, and learned that COVID-19 hospitalization rates in the region have continued to increase, and more children and younger adults are being admitted as variants spread.

The Permian Strategic Partnership invested \$1.2 million into the campaign, which was rolled out in two phases. The first phase was educational, focusing on vaccine safety and hospital capacity, and encouraging people to take care of themselves and one another by getting vaccinated. The second phase, called "Take Back the Basin," focused on how personal the virus has been for the Permian community by remembering and honoring those who have died from COVID-19. Ads in the campaign include links to help people find COVID-19 vaccine and testing sites, or coordinate an at-home vaccination.





"The work of the Permian Strategic Partnership has reinforced the purpose of the Texas Transportation Commission's \$600 million special funding commitment to the Permian Promise to support infrastructure development in Texas' energy sector. As Chairman of TxDOT, we are proud to partner with Secretary Don Evans and PSP leadership as the Permian Basin plays an increasingly vital role in the security of our state, nation, and world."

J. Bruce Bugg, Jr. Chairman, Texas Department of Transportation



"The Permian Strategic Partnership knows that road safety in Southeast New Mexico is critical for industry, families, and everyone on the road. Partnering with PSP has helped the New Mexico Department of Transportation advance the road safety needs in the Permian Basin. We look forward to continuing to work with PSP to make the region's roads cleaner, safer, and ready for community and industry needs for years to come."

Michael Sandoval Secretary, New Mexico Department of Transportation

ABOUT THE PERMIAN STRATEGIC PARTNERSHIP

It's rare to see competitors working together. But that's exactly what we're doing. The Permian Strategic Partnership is a first-of-its-kind alliance between 17 leading energy companies: Apache, BPX Energy, Chevron, Colgate Energy, ConocoPhillips, Coterra Energy, Devon Energy, Diamondback Energy, Endeavor Energy Resources, EOG Resources, ExxonMobil, Halliburton, Occidental Petroleum, Ovintiv, Pioneer Natural Resources, Plains All American Pipeline, and Schlumberger. True, our partners are competitors. However, we choose to work together toward a common goal: to make a lasting impact in the Permian Basin.

With its vast reserves, the region has the potential to improve energy security for decades—but to keep pace with growth, investment in infrastructure is critical. Founded in 2018, the Permian Strategic Partnership focuses on addressing challenges to the responsible development of the Permian Basin in New Mexico and Texas. By supporting the development of safer roads, innovative schools, accessible healthcare, affordable housing, a trained workforce, and other vital infrastructure needs, we can strengthen the Permian today, and ensure its success well into the future. The needs are great, and we can't do it alone. Together, we can.

OUR MEMBERS

Apache EOG Resources

BPX Energy ExxonMobil

Chevron Halliburton

Colgate Energy Occidental Petroleum

ConocoPhillips Ovintiv

Coterra Energy Pioneer Natural Resources

Devon Energy Plains All American Pipeline

Diamondback Energy Schlumberger

Endeavor Energy Resources





www.permianpartnership.org