UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2020

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____to_____

Commission file number: 001-07964

NOBLE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware	**73-0785597**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification number)
1001 Noble Energy Way	
Houston, Texas	**77070**
(Address of principal executive offices)	(Zip Code)

(281) 872-3100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	NBL	The Nasdaq Stock Market LLC (NASDAQ Global Select Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

As of June 30, 2020, there were 479,768,764 shares of the registrant's common stock, par value $0.01 per share, outstanding.

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Part I. Financial Information
Item 1. Financial Statements
Noble Energy, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(millions, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Revenues				
Oil, NGL and Gas Sales	$ 493	$ 954	$ 1,387	$ 1,891
Sales of Purchased Oil and Gas	49	103	174	177
Other Revenue	29	36	30	77
Total	571	1,093	1,591	2,145
Costs and Expenses				
Production Expense	214	260	490	565
Exploration Expense	15	33	1,519	57
Depreciation, Depletion and Amortization	320	528	812	1,036
General and Administrative	63	105	148	207
Cost of Purchased Oil and Gas	63	113	202	200
Asset Impairments	51	—	2,754	—
Goodwill Impairment	—	—	110	—
Other Operating Expense, Net	73	22	117	139
Total	799	1,061	6,152	2,204
Operating (Loss) Income	(228)	32	(4,561)	(59)
Other Expense (Income)				
Loss (Gain) on Commodity Derivative Instruments	158	(60)	(231)	152
Interest, Net of Amount Capitalized	87	63	168	129
Other Non-Operating Expense (Income), Net	3	1	(4)	5
Total	248	4	(67)	286
(Loss) Income Before Income Taxes	(476)	28	(4,494)	(345)
Income Tax (Benefit) Expense	(89)	20	(100)	(64)
Net (Loss) Income and Comprehensive (Loss) Income Including Noncontrolling Interests	(387)	8	(4,394)	(281)
Less: Net Income (Loss) and Comprehensive Income (Loss) Attributable to Noncontrolling Interests	21	18	(23)	42
Net Loss and Comprehensive Loss Attributable to Noble Energy	$ (408)	$ (10)	$ (4,371)	$ (323)
Net Loss Attributable to Noble Energy Common Shareholders per Share				
Basic and Diluted	$ (0.85)	$ (0.02)	$ (9.11)	$ (0.68)
Weighted Average Number of Common Shares Outstanding				
Basic and Diluted	479	478	480	478

The accompanying notes are an integral part of these consolidated financial statements.

Noble Energy, Inc.
Consolidated Balance Sheets
(millions)
(unaudited)

	June 30, 2020	December 31, 2019
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 324	$ 484
Accounts Receivable, Net	465	730
Other Current Assets	214	148
Total Current Assets	1,003	1,362
Property, Plant and Equipment		
Oil and Gas Properties (Successful Efforts Method of Accounting)	30,941	30,404
Property, Plant and Equipment, Other	1,089	1,083
Total Property, Plant and Equipment, Gross	32,030	31,487
Accumulated Depreciation, Depletion and Amortization	(19,044)	(14,036)
Total Property, Plant and Equipment, Net	12,986	17,451
Other Noncurrent Assets	1,910	1,834
Total Assets	$ 15,899	$ 20,647
LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable – Trade	$ 676	$ 1,250
Other Current Liabilities	706	719
Total Current Liabilities	1,382	1,969
Long-Term Debt	7,936	7,477
Deferred Income Taxes	518	662
Other Noncurrent Liabilities	1,288	1,378
Total Liabilities	11,124	11,486
Commitments and Contingencies		
Mezzanine Equity		
Redeemable Noncontrolling Interest, Net	113	106
Shareholders’ Equity		
Preferred Stock – Par Value $1.00 per share; 4 Million Shares Authorized; None Issued	—	—
Common Stock – Par Value $0.01 per share; 1 Billion Shares Authorized; 524 Million and 522 Million Shares Issued, respectively	5	5
Additional Paid in Capital	8,966	8,927
Accumulated Other Comprehensive Loss	(29)	(31)
Treasury Stock, at Cost; 39 Million Shares	(741)	(732)
(Accumulated Deficit) Retained Earnings	(4,198)	241
Noble Energy Share of Equity	4,003	8,410
Noncontrolling Interests	659	645
Total Shareholders' Equity	4,662	9,055
Total Liabilities, Mezzanine Equity and Shareholders' Equity	$ 15,899	$ 20,647

The accompanying notes are an integral part of these consolidated financial statements.

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Noble Energy, Inc.
Consolidated Statements of Cash Flows
(millions)
(unaudited)

	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Cash Flows From Operating Activities		
Net Loss Including Noncontrolling Interests	$ (4,394)	$ (281)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities		
Leasehold Impairment	1,488	—
Depreciation, Depletion and Amortization	812	1,036
Deferred Income Tax Benefit	(144)	(101)
(Gain) Loss on Commodity Derivative Instruments	(231)	152
Net Cash Received in Settlement of Commodity Derivative Instruments	314	15
Asset Impairments	2,754	—
Goodwill Impairment	110	—
Finance Lease Impairment	40	—
Firm Transportation Exit Cost	—	92
Other Adjustments for Noncash Items Included in Income	108	59
Changes in Operating Assets and Liabilities		
Decrease in Accounts Receivable	158	35
(Decrease) Increase in Accounts Payable	(296)	126
Increase in Partner Advances	—	132
Other Current Assets and Liabilities, Net	(225)	(108)
Other Operating Assets and Liabilities, Net	(94)	(65)
Net Cash Provided by Operating Activities	400	1,092
Cash Flows From Investing Activities		
Additions to Property, Plant and Equipment	(724)	(1,405)
Additions to Equity Method Investments	(228)	(415)
Proceeds from Divestitures, Net	18	123
Other	(31)	—
Net Cash Used in Investing Activities	(965)	(1,697)
Cash Flows From Financing Activities		
Proceeds from Revolving Credit Facility	1,300	50
Repayment of Revolving Credit Facility	(975)	(50)
Proceeds from Noble Midstream Services Revolving Credit Facility	350	560
Repayment of Noble Midstream Services Revolving Credit Facility	(210)	(250)
Proceeds from Commercial Paper Borrowings, Net	—	240
Dividends Paid, Common Stock	(68)	(111)
Contributions from Noncontrolling Interest Owners	81	21
Proceeds from Issuance of Mezzanine Equity, Net of Offering Costs	—	99
Other	(73)	(71)
Net Cash Provided by Financing Activities	405	488
Decrease in Cash, Cash Equivalents, and Restricted Cash	(160)	(117)
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	484	719
Cash, Cash Equivalents, and Restricted Cash at End of Period	$ 324	$ 602

The accompanying notes are an integral part of these consolidated financial statements.

Noble Energy, Inc.
Consolidated Statements of Shareholders' Equity
(millions)
(unaudited)

	Attributable to Noble Energy						
	Common Stock	Additional Paid in Capital	Accumulated Other Comprehensive Loss	Treasury Stock at Cost	(Accumulated Deficit) Retained Earnings	Non-controlling Interests	Total Equity
December 31, 2019	$ 5	$ 8,927	$ (31)	$ (732)	$ 241	$ 645	$ 9,055
Net Loss	—	—	—	—	(3,963)	(44)	(4,007)
Stock-based Compensation	—	17	—	—	—	—	17
Dividends (12 cents per share)	—	—	—	—	(58)	—	(58)
Distributions to Noncontrolling Interest Owners	—	—	—	—	—	(29)	(29)
Contributions from Noncontrolling Interest Owners	—	—	—	—	—	78	78
Other	—	(2)	1	(8)	—	(1)	(10)
March 31, 2020	$ 5	$ 8,942	$ (30)	$ (740)	$ (3,780)	$ 649	$ 5,046
Net (Loss) Income	—	—	—	—	(408)	21	(387)
Stock-based Compensation	—	26	—	—	—	—	26
Dividends (2 cents per share)	—	—	—	—	(10)	—	(10)
Distributions to Noncontrolling Interest Owners	—	—	—	—	—	(14)	(14)
Contributions from Noncontrolling Interest Owners	—	—	—	—	—	3	3
Other	—	(2)	1	(1)	—	—	(2)
June 30, 2020	$ 5	$ 8,966	$ (29)	$ (741)	$ (4,198)	$ 659	$ 4,662
December 31, 2018	$ 5	$ 8,203	$ (32)	$ (730)	$ 1,980	$ 1,058	$ 10,484
Net (Loss) Income	—	—	—	—	(313)	24	(289)
Stock-based Compensation	—	14	—	—	—	—	14
Dividends (11 cents per share)	—	—	—	—	(53)	—	(53)
Distributions to Noncontrolling Interest Owners	—	—	—	—	—	(17)	(17)
Contributions from Noncontrolling Interest Owners	—	—	—	—	—	10	10
Other	—	2	—	(5)	—	(3)	(6)
March 31, 2019	$ 5	$ 8,219	$ (32)	$ (735)	$ 1,614	$ 1,072	$ 10,143
Net (Loss) Income	—	—	—	—	(10)	18	8
Stock-based Compensation	—	21	—	—	—	—	21
Dividends (12 cents per share)	—	—	—	—	(58)	—	(58)
Distributions to Noncontrolling Interest Owners	—	—	—	—	—	(19)	(19)
Contributions from Noncontrolling Interest Owners	—	—	—	—	—	11	11
Other	—	4	1	—	—	(7)	(2)
June 30, 2019	$ 5	$ 8,244	$ (31)	$ (735)	$ 1,546	$ 1,075	$ 10,104

The accompanying notes are an integral part of these consolidated financial statements.

Note 1. Organization and Nature of Operations

Noble Energy, Inc. (Noble Energy, we or us) is a leading independent energy company engaged in worldwide crude oil and natural gas exploration and production. Our historical operating areas include: US onshore, primarily the Denver-Julesburg (DJ) Basin, Delaware Basin and Eagle Ford Shale; Eastern Mediterranean; and West Africa. Our Midstream segment develops, owns and operates domestic midstream infrastructure assets, as well as invests in other midstream projects, with current focus areas being the DJ and Delaware Basins.

Chevron Merger On July 20, 2020, we entered into a definitive merger agreement (the Chevron Merger Agreement) with Chevron Corporation (NYSE: CVX) pursuant to which, and subject to the conditions of the agreement, all outstanding shares of Noble Energy will be acquired by Chevron in an all-stock transaction valued at $13 billion, including debt, or $10.38 per share. Under the terms of the agreement, Noble Energy shareholders will receive 0.1191 shares of Chevron common stock for each Noble Energy share. The transaction was approved by the Boards of Directors of both companies and is anticipated to close in fourth quarter 2020. The transaction is subject to Noble Energy stockholder approval, regulatory approvals, and other customary closing conditions. See Item 1A. Risk Factors for a discussion of risks related to the Chevron Merger.

Note 2. Basis of Presentation

Presentation The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the US (US GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by US GAAP for complete financial statements. The accompanying consolidated financial statements at June 30, 2020 and December 31, 2019 and for the three and six months ended June 30, 2020 and 2019 contain all normally recurring adjustments considered necessary for a fair presentation of our financial position, results of operations, cash flows and equity for such periods. Certain prior-period amounts have been reclassified to conform to the current period presentation. For the periods presented, net income or loss is materially consistent with comprehensive income or loss.

Operating results for the three and six months ended June 30, 2020 are not necessarily indicative of the results that may be expected for the year ending December 31, 2020.

These consolidated financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2019.

Consolidation Our consolidated financial statements include our accounts, the accounts of subsidiaries which Noble Energy wholly owns, and the accounts of Noble Midstream Partners LP (Noble Midstream Partners). Noble Energy has determined that the partners with equity at risk in Noble Midstream Partners lack the authority, through voting rights or similar rights, to direct the activities that most significantly impact Noble Midstream Partners' economic performance; therefore, Noble Midstream Partners is considered a variable interest entity. Through Noble Energy's ownership interest in Noble Midstream GP LLC (the General Partner to Noble Midstream Partners), Noble Energy has the authority to direct the activities that most significantly affect economic performance and the obligation to absorb losses or the right to receive benefits that could be potentially significant to Noble Midstream Partners. Therefore, Noble Energy is considered the primary beneficiary and consolidates Noble Midstream Partners.

In addition, we use the equity method of accounting for investments in entities that we do not control, but over which we exert significant influence. Amounts recorded within equity method investments, including contributions, include capitalized interest when the primary asset is under construction.

All significant intercompany balances and transactions have been eliminated upon consolidation.

Noncontrolling Interests Our consolidated financial statements include both noncontrolling interests and a redeemable noncontrolling interest. The noncontrolling interests represent the public's ownership in Noble Midstream Partners and third-party ownership in Noble Midstream Partners' consolidated non-wholly owned subsidiaries. Net loss attributable to noncontrolling interests for the six months ended June 30, 2020 includes goodwill impairment expense of $72 million based upon third party ownership interests in the underlying asset. See Note 4. Impairments.

The redeemable noncontrolling interest represents perpetual preferred equity with a 6.5% annual dividend rate. Noble Midstream Partners may redeem the preferred equity in whole or in part at any time for cash at a predetermined redemption price. The preferred equity partner can request redemption at a pre-determined base return on or after March 25, 2025.

Estimates The preparation of consolidated financial statements in conformity with US GAAP requires us to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management evaluates estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic and commodity price environment.

The current commodity price, supply and demand environment coupled with the COVID-19 pandemic have increased uncertainty related to our estimates for the six months ended June 30, 2020. Actual results could differ significantly from those estimates.

Impairments We performed a review for impairment indicators related to our proved and unproved properties on a field-by-field basis as of June 30, 2020, concluding there were no indicators of impairment. Assumptions utilized within this review were consistent with those utilized in first quarter 2020, as outlined further below.

Additionally, we performed impairment assessments over other long-lived assets, including property, plant and equipment, equity method investments, right-of-use assets and intangible assets. No impairment indicators were identified with the exception of certain capitalized exploratory well costs, as discussed below.

We reviewed capitalized exploratory well costs to determine whether facts and circumstances support continued capitalization of such costs. These considerations included management's long-range plans, whether sufficient progress has been made in assessing reserves, and whether each project remains economically and operationally viable. During second quarter 2020, we recognized asset impairment expense related to the Felicita project, Block O, offshore Equatorial Guinea. See Note 4. Impairments and Note 6. Capitalized Exploratory Well Costs and Undeveloped Leasehold Costs.

During first quarter 2020, we identified certain impairment indicators including the significant decrease in commodity prices resulting from the COVID-19 pandemic, which lowered demand for our products, as well as the supply response from the Organization of Petroleum Exporting Countries (OPEC) and non-OPEC producers. Collectively, these factors caused us to change our development plans in first quarter 2020. Due to these impairment indicators, we conducted impairment testing of certain of our assets as of March 31, 2020, as follows:

Proved Properties

- *Asset Recovery Test* We conducted asset recovery testing of our proved properties on a field-by-field basis, inclusive of associated Midstream assets. For each field, we developed estimates of future undiscounted cash flows expected in connection with the property and compared these estimates to the carrying amount of the property. Assumptions used in these estimates included expectations for future commodity prices, development and capital spending plans, reservoir performance and production. Additionally, these estimates included certain asset specific assumptions, such as the political and regulatory impacts on future development activity, exploration plans, our geologists' evaluation of the property and the remaining lease term of the property. An impairment was indicated if, as a result of the assessment, an asset's carrying value exceeds its future net undiscounted cash flows.

  In preparing and reviewing assumptions used in the recovery test, we reassessed our historical methodology and rationale of inputs given the current industry and global environment. We concluded that our historical methodology and inputs were reasonable with the exception of estimating future commodity prices.

  Historically, management has relied on future undiscounted net cash flows which included five-year strip prices for crude oil and natural gas, with prices subsequent to the fifth year held constant, unless contractual arrangements designated the price to be used. This pricing methodology has been similar to pricing assumptions used in creating management's long-range plans for asset development and capital allocation decisions. However, during first quarter 2020, forward five-year strip prices experienced considerable volatility and limited liquidity in the outer years of the forward strip. As such, we concluded that estimating future commodity prices using only five-year strip pricing would not be representative of expected market prices for certain of the years within our undiscounted cash flow models.

  As such, absent contractual arrangements designating the price to be used, we aligned our future commodity price estimates used in the recovery test with those utilized in our updated long-range plans for asset development and capital allocation. This pricing reflects our analysis of market supply and demand considerations and industry cost of supply curve.

  Except for our Delaware Basin proved properties, we determined that the carrying amount of each field was recoverable.

- *Fair Value Determination* We estimated the fair value of our Delaware Basin proved properties using a number of fair value inputs, which are Level 3 on the fair value hierarchy. We utilized a discounted cash flow model, estimating future net cash flows based on our expectations of future crude oil and natural gas production, commodity prices, and operating and development costs and discounted the cash flows using a weighted average cost of capital.

As a result of the fair value determination, we concluded that the carrying amount of our Delaware Basin proved properties was impaired and recognized impairment expense for the excess of the carrying value above the fair value of the properties. See Note 4. Impairments.

Unproved Properties Our unproved properties consist of leasehold costs and value allocated to probable and possible reserves resulting from acquisitions. During first quarter 2020, we assessed our unproved properties for impairment by considering numerous factors including, but not limited to, current development plans, favorable or unfavorable exploration activity on the property being evaluated and/or adjacent properties, our geologists' evaluation of the property, and the remaining months in the lease term for the property.

We determined that the carrying values relating to both our Delaware Basin and Eagle Ford Shale unproved properties were impaired and recognized exploration expense. See Note 4. Impairments.

Other Property, Plant & Equipment Other property includes lease right-of-use assets such as compressors and buildings, leasehold improvements, automobiles, trucks and other fixed assets. During first quarter 2020, we identified certain impairment indicators with regards to a corporate real estate finance lease. We performed an impairment assessment which indicated the right-of-use asset's carrying value exceeded its future net undiscounted cash flows. As such, in first quarter 2020 we estimated the fair value of the asset, recognizing impairment expense for the excess of the carrying value above the fair value of the right-of-use asset. See Note 4. Impairments.

Equity Method Investments We consider our equity method investments to be essential components of our business and necessary and integral elements of our value chain in support of our upstream operations. We considered whether any facts or circumstances suggested that our equity method investments were impaired on an other-than-temporary basis and concluded that the carrying values of our equity method investments were not impaired.

Goodwill Noble Midstream Partners recorded goodwill upon the acquisition of Saddle Butte Rockies Midstream, LLC and affiliates (collectively Saddle Butte and subsequently renamed Black Diamond). In first quarter 2020, the commodity price environment coupled with decreased market capitalization were indicators that goodwill may be impaired. Noble Midstream Partners performed a qualitative assessment, concluding it was more likely than not that the fair value of the reporting unit was less than its carrying value. As a result, Noble Midstream Partners performed a fair value assessment which took into account changes in customer development plans. Based on these assessments, Noble Midstream Partners concluded that the goodwill was fully impaired and recorded goodwill impairment expense in first quarter 2020. See Note 4. Impairments.

Deferred Taxes We record valuation allowances to reduce deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized. In first quarter 2020, we changed our US onshore development plans in response to significant decreases in commodity prices, excess supply and lower demand for commodities resulting from the COVID-19 pandemic, as well as expected slower global economic growth. Additionally, in first quarter 2020 we recorded impairments to our Delaware Basin proved and unproved properties and to our Eagle Ford Shale unproved properties. Collectively, these factors suggested it was more likely than not that our forecasted domestic net deferred tax asset would not be realized and as such, we recorded a valuation allowance in first quarter 2020. See Note 10. Income Taxes.

Revenue Recognition We recognize revenue at an amount that reflects the consideration we expect to be entitled to in exchange for transferring goods or services to a customer. We routinely monitor the credit worthiness of our purchasers. While we maintain credit insurance associated with certain purchasers, we do not carry credit insurance for all purchasers.

In the Eastern Mediterranean, we sell natural gas under natural gas sales and purchase agreements (GSPAs) to customers in Israel, Egypt, and Jordan. The majority of these contracts include total contracted quantities for which we will deliver volumes to customers over the life of the agreements. As of June 30, 2020, a total of approximately 9.5 Tcf, gross (2.6 Tcf, net), of natural gas remained to be delivered under these contracts. Based on current production levels, our available quantities of proved reserves are more than sufficient to meet delivery commitments associated with these sales agreements with minimal additional capital investment.

Certain of our Tamar and Leviathan GSPAs have buyer-minimum take or pay volume-obligations and index prices subject to minimum-price floor supports. In addition, our Egyptian export contracts include provisions which trigger adjustments to either decrease, or increase, fixed minimum take or pay volumes in the event the arithmetic average of daily Brent crude oil prices falls below, or rises above, $50 per barrel for certain periods of time. Our GSPAs do not preclude us from selling natural gas to customers, at amounts which exceed fixed minimum sales volumes. Estimated future net revenues related to remaining performance obligations subject to minimum sales volumes and base pricing as of June 30, 2020 were as follows:

(millions)	Remainder of 2020	2021	2022	2023	2024	Thereafter	Total
Natural Gas Revenues	$ 298	$ 553	$ 546	$ 550	$ 552	$ 5,192	$ 7,691

Our actual future natural gas sales volumes may exceed future minimum volume commitments. Additionally, future natural gas revenues will vary due to variable consideration exceeding the contractual minimum volume or floor price provision. For example, estimates related to our Egyptian export contracts included in the table above calculate minimum fixed volume commitments assuming the arithmetic average of daily Brent crude oil prices are less than $50 per barrel for the remainder of the contract terms, which extend into 2035. In addition, these Egyptian export contracts include increases in minimum volume commitments up to 650 MMcf/d, gross, by mid-2022 once certain conditions precedent are satisfied. As of June 30, 2020, the table above reflects the increase in contractual minimum volumes to 450 MMcf/d, gross, from the Tamar and Leviathan fields. Actual results could differ significantly from these estimates.

Recently Issued Accounting Standards

London Interbank Offered Rate (LIBOR) Reform In first quarter 2020, the FASB issued ASU No. 2020-04 (ASU 2020-04): *Reference Rate Reform (Topic 848)*, which provides optional guidance for a limited period of time to ease the transition from LIBOR to an alternative reference rate. The ASU intends to address certain concerns relating to accounting for contract modifications and hedge accounting. These optional expedients and exceptions to applying GAAP, assuming certain criteria are met, are allowed through December 31, 2022. We are currently evaluating the provisions of ASU 2020-04 and have not yet determined whether we will elect the optional expedients. We do not expect the transition to an alternative rate to have a significant impact on our business, operations or liquidity.

Recently Adopted Accounting Standards

Clarifying Certain Accounting Standards Codification (ASC) Topics In first quarter 2020, the FASB issued ASU No. 2020-01: *Investments - Equity Securities (Topic 321), Investments - Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)*, to clarify the interactions between these Topics. The update provides clarifications for entities investing in equity securities accounted for under the ASC 321 measurement alternative and companies that hold certain non-derivative forward contracts and purchased options to acquire equity securities. ASU 2020-01 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. We early adopted this ASU in first quarter 2020. This adoption did not have a material impact on our financial statements.

Statements of Operations Information Other statements of operations information is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions)	2020	2019	2020	2019
Other Revenue				
Income (Loss) from Equity Method Investments and Other	$ 3	$ 16	$ (21)	$ 33
Midstream Services Revenues – Third Party	26	20	51	44
Total	$ 29	$ 36	$ 30	$ 77
Production Expense				
Lease Operating Expense	$ 98	$ 122	$ 236	$ 273
Production and Ad Valorem Taxes	24	41	63	90
Gathering, Transportation and Processing Expense	89	96	184	198
Other Royalty Expense	3	1	7	4
Total	$ 214	$ 260	$ 490	$ 565
Exploration Expense				
Leasehold Impairment (1)	$ 3	$ —	$ 1,488	$ —
Seismic, Staffing Expense and Other	12	33	31	57
Total	$ 15	$ 33	$ 1,519	$ 57
Other Operating Expense, Net				
Finance Lease Right-of-Use Asset Impairment (2)	$ —	$ —	$ 40	$ —
Marketing Expense	10	14	19	19
Firm Transportation Exit Cost	—	—	—	92
Corporate Restructuring (3)	30	1	30	1
Other, Net	33	7	28	27
Total	$ 73	$ 22	$ 117	$ 139

(1) See Note 4. Impairments and Note 6. Capitalized Exploratory Well Costs and Undeveloped Leasehold Costs.
(2) See Note 4. Impairments.
(3) Relates to cash severance, termination benefits and acceleration of stock-based compensation for workforce reduction.

Balance Sheet Information Other balance sheet information is as follows:

(millions)		June 30, 2020		December 31, 2019
Accounts Receivable, Net				
Commodity Sales	$	270	$	446
Joint Interest Billings		115		164
Other		88		128
Current Expected Credit Losses		(8)		(8)
Total	$	465	$	730
Other Current Assets				
Commodity Derivative Assets	$	61	$	14
Inventory - Materials and Supplies		68		59
Assets Held for Sale		2		14
Prepaid Expenses and Other Current Assets		83		61
Total	$	214	$	148
Other Noncurrent Assets				
Equity Method Investments	$	1,246	$	1,066
Operating Lease Right-of-Use Assets, Net (1)		225		227
Customer-Related Intangible Assets, Net (2)		262		278
Goodwill (3)		—		110
Other Assets, Noncurrent		177		153
Total	$	1,910	$	1,834
Other Current Liabilities				
Production and Ad Valorem Taxes	$	109	$	118
Commodity Derivative Liabilities		151		36
Asset Retirement Obligations		89		84
Interest Payable		59		74
Operating Lease Liabilities		79		88
Compensation and Benefits Payable		53		126
Other Liabilities, Current		166		193
Total	$	706	$	719
Other Noncurrent Liabilities				
Deferred Compensation Liabilities	$	121	$	133
Asset Retirement Obligations		732		730
Operating Lease Liabilities		169		164
Firm Transportation Exit Cost Accrual (4)		113		129
Other Liabilities, Noncurrent		153		222
Total	$	1,288	$	1,378

(1) Balance includes a five-year $28 million lease renewal executed in first quarter 2020 for a vessel offshore West Africa.
(2) Balances at June 30, 2020 and December 31, 2019 are net of accumulated amortization of $78 million and $62 million, respectively.
(3) See Note 4. Impairments.
(4) Represents the discounted present value of our remaining obligations to third parties for permanent assignments of capacity on pipelines in the Marcellus Shale.

Reconciliation of Total Cash We define total cash as cash, cash equivalents and restricted cash. Carrying amounts approximate fair value due to the short-term nature. The following table provides a reconciliation of total cash:

	Six Months Ended June 30,	
(millions)	2020	2019
Cash and Cash Equivalents at Beginning of Period	$ 484	$ 716
Restricted Cash at Beginning of Period	—	3
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	**$ 484**	**$ 719**
Cash and Cash Equivalents at End of Period	$ 324	$ 470
Restricted Cash at End of Period	—	132
Cash, Cash Equivalents, and Restricted Cash at End of Period	**$ 324**	**$ 602**

Note 3. Segment Information

We have the following reportable segments: US onshore; Eastern Mediterranean (Israel, Egypt and Cyprus); West Africa (Equatorial Guinea, Cameroon and Gabon until June 2020); Other International (Canada, Colombia and New Ventures); and Midstream. The Midstream segment includes the consolidated accounts of Noble Midstream Partners.

The geographical reportable segments (US onshore, Eastern Mediterranean, West Africa and Other International) are in the business of crude oil and natural gas acquisition and exploration, development, and production (Oil and Gas Exploration and Production). The Midstream reportable segment develops, owns and operates domestic midstream infrastructure assets, as well as invests in other midstream projects, with current focus areas being the DJ and Delaware Basins. Expenses related to debt, such as interest and other debt-related costs, headquarters depreciation, corporate general and administrative expenses, exit costs, corporate restructurings, and certain costs associated with mitigating the effects of our retained Marcellus Shale transportation agreements, are recorded in the Corporate reportable segment.

The chief operating decision maker analyzes (loss) income before income taxes to assess the performance of Noble Energy's reportable segments as management believes this measure provides useful information in assessing our operating and financial performance across periods.

		Oil and Gas Exploration and Production				Midstream		
(millions)	Consolidated	United States	Eastern Mediter-ranean	West Africa	Other Int'l	United States	Intersegment Eliminations and Other[(1)]	Corporate
Three Months Ended June 30, 2020								
Crude Oil Sales	$ 261	$ 230	$ —	$ 31	$ —	$ —	$ —	$ —
NGL Sales	40	40	—	—	—	—	—	—
Natural Gas Sales	192	48	139	5	—	—	—	—
Total Crude Oil, NGL and Natural Gas Sales	493	318	139	36	—	—	—	—
Sales of Purchased Oil and Gas	49	4	—	—	—	29	—	16
Income (Loss) from Equity Method Investments and Other	3	(1)	(1)	8	—	(3)	—	—
Midstream Services Revenues – Third Party	26	—	—	—	—	26	—	—
Intersegment Revenues	—	—	—	—	—	92	(92)	—
Total Revenues	571	321	138	44	—	144	(92)	16
Lease Operating Expense	98	81	15	20	—	(1)	(17)	—
Production and Ad Valorem Taxes	24	23	—	—	—	1	—	—
Gathering, Transportation and Processing Expense	89	133	3	—	—	20	(67)	—
Other Royalty Expense	3	3	—	—	—	—	—	—
Total Production Expense	214	240	18	20	—	20	(84)	—
Exploration Expense	15	5	2	5	3	—	—	—

		Oil and Gas Exploration and Production				Midstream		
(millions)	Consolidated	United States	Eastern Mediter-ranean	West Africa	Other Int'l	United States	Intersegment Eliminations and Other(1)	Corporate
Depreciation, Depletion and Amortization	320	252	16	22	—	26	(8)	12
Cost of Purchased Oil and Gas	63	4	—	—	—	29	—	30
Asset Impairments	51	—	—	51	—	—	—	—
Loss on Commodity Derivative Instruments	158	149	—	9	—	—	—	—
(Loss) Income Before Income Taxes	(476)	(359)	83	(69)	(6)	58	11	(194)
Additions to Long-Lived Assets, Excluding Acquisitions	106	65	13	19	2	5	(4)	6
Additions to Equity Method Investments	3	—	—	—	—	3	—	—
Three Months Ended June 30, 2019								
Crude Oil Sales	$ 688	$ 617	$ 2	$ 69	$ —	$ —	$ —	$ —
NGL Sales	84	84	—	—	—	—	—	—
Natural Gas Sales	182	72	105	5	—	—	—	—
Total Crude Oil, NGL and Natural Gas Sales	954	773	107	74	—	—	—	—
Sales of Purchased Oil and Gas	103	28	—	—	—	52	—	23
Income (Loss) from Equity Method Investments and Other	16	1	—	17	—	(2)	—	—
Midstream Services Revenues – Third Party	20	—	—	—	—	20	—	—
Intersegment Revenues	—	—	—	—	—	91	(91)	—
Total Revenues	1,093	802	107	91	—	161	(91)	23
Lease Operating Expense	122	114	9	10	—	1	(12)	—
Production and Ad Valorem Taxes	41	40	—	—	—	1	—	—
Gathering, Transportation and Processing Expense	96	124	—	—	—	31	(59)	—
Other Royalty Expense	1	1	—	—	—	—	—	—
Total Production Expense	260	279	9	10	—	33	(71)	—
Depreciation, Depletion and Amortization	528	457	17	19	—	26	(6)	15
Cost of Purchased Oil and Gas	113	28	—	—	—	48	—	37
Gain on Commodity Derivative Instruments	(60)	(58)	—	(2)	—	—	—	—
Income (Loss) Before Income Taxes	28	70	65	59	(15)	46	(15)	(182)
Additions to Long-Lived Assets, Excluding Acquisitions	647	478	119	12	2	52	(25)	9
Additions to Equity Method Investments	144	—	—	—	—	144	—	—
Six Months Ended June 30, 2020								
Crude Oil Sales	$ 839	$ 722	$ 1	$ 116	$ —	$ —	$ —	$ —
NGL Sales	102	102	—	—	—	—	—	—
Natural Gas Sales	446	108	329	9	—	—	—	—

		Oil and Gas Exploration and Production				Midstream		
(millions)	Consolidated	United States	Eastern Mediter-ranean	West Africa	Other Int'l	United States	Intersegment Eliminations and Other(1)	Corporate
Total Crude Oil, NGL and Natural Gas Sales	1,387	932	330	125	—	—	—	—
Sales of Purchased Oil and Gas	174	29	—	—	—	112	—	33
Loss from Equity Method Investments and Other	(21)	(1)	(3)	(9)	—	(8)	—	—
Midstream Services Revenues – Third Party	51	—	—	—	—	51	—	—
Intersegment Revenues	—	—	—	—	—	207	(207)	—
Total Revenues	1,591	960	327	116	—	362	(207)	33
Lease Operating Expense	236	189	28	50	—	—	(31)	—
Production and Ad Valorem Taxes	63	60	—	—	—	3	—	—
Gathering, Transportation and Processing Expense	184	279	6	—	—	41	(142)	—
Other Royalty Expense	7	7	—	—	—	—	—	—
Total Production Expense	490	535	34	50	—	44	(173)	—
Exploration Expense	1,519	1,499	4	8	8	—	—	—
Depreciation, Depletion and Amortization	812	671	35	46	—	52	(17)	25
Cost of Purchased Oil and Gas	202	32	—	—	—	109	—	61
Asset Impairments	2,754	2,703	—	51	—	—	—	—
Goodwill Impairment	110	—	—	—	—	110	—	—
(Gain) Loss on Commodity Derivative Instruments	(231)	(240)	—	9	—	—	—	—
(Loss) Income Before Income Taxes	(4,494)	(4,276)	228	(59)	(12)	27	—	(402)
Additions to Long-Lived Assets, Excluding Acquisitions	548	422	44	38	11	48	(28)	13
Additions to Equity Method Investments	155	—	—	—	—	155	—	—
Six Months Ended June 30, 2019								
Crude Oil Sales	$ 1,300	$ 1,162	$ 3	$ 135	$ —	$ —	$ —	$ —
NGL Sales	180	180	—	—	—	—	—	—
Natural Gas Sales	411	180	222	9	—	—	—	—
Total Crude Oil, NGL and Natural Gas Sales	1,891	1,522	225	144	—	—	—	—
Sales of Purchased Oil and Gas	177	42	—	—	—	85	—	50
Income from Equity Method Investments and Other	33	1	—	32	—	—	—	—
Midstream Services Revenues – Third Party	44	—	—	—	—	44	—	—
Intersegment Revenues	—	—	—	—	—	197	(197)	—
Total Revenues	2,145	1,565	225	176	—	326	(197)	50
Lease Operating Expense	273	239	19	34	—	2	(21)	—
Production and Ad Valorem Taxes	90	87	—	—	—	3	—	—
Gathering, Transportation and Processing Expense	198	266	—	—	—	60	(128)	—

(millions)	Consolidated	Oil and Gas Exploration and Production: United States	Eastern Mediter-ranean	West Africa	Other Int'l	Midstream: United States	Intersegment Eliminations and Other[1]	Corporate
Other Royalty Expense	4	4	—	—	—	—	—	—
Total Production Expense	565	596	19	34	—	65	(149)	—
Depreciation, Depletion and Amortization	1,036	896	33	39	—	51	(13)	30
Cost of Purchased Oil and Gas	200	42	—	—	—	79	—	79
Firm Transportation Exit Cost	92	—	—	—	—	—	—	92
Loss on Commodity Derivative Instruments	152	130	—	22	—	—	—	—
(Loss) Income Before Income Taxes	(345)	(177)	149	70	(31)	119	(29)	(446)
Additions to Long-Lived Assets, Excluding Acquisitions	1,359	990	251	18	12	118	(48)	18
Investments in Equity Method Investees	415	—	—	—	—	415	—	—
June 30, 2020								
Property, Plant and Equipment, Net	$ 12,986	$ 7,473	$ 3,058	$ 737	$ 55	$ 1,721	$ (222)	$ 164
December 31, 2019								
Property, Plant and Equipment, Net	$ 17,451	$ 11,859	$ 3,041	$ 793	$ 44	$ 1,721	$ (223)	$ 216

(1) Intersegment eliminations related to loss before income taxes are the result of midstream expenditures. Certain of these expenditures are presented as property, plant and equipment within the E&P business on an unconsolidated basis, in accordance with the successful efforts method of accounting. Other expenditures are presented as production expense. Intercompany revenues and expenses are eliminated upon consolidation.

Note 4. Impairments

The effect of impairments on our consolidated statements of operations and comprehensive loss was as follows:

(millions)	Statement of Operations Location	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Asset Impairment Expense					
Proved Property Impairment - Delaware Basin	Asset Impairments	$ —	$ —	$ 2,703	$ —
Capitalized Exploratory Well Costs - Felicita	Asset Impairments	51	—	51	—
Total Asset Impairment Expense		$ 51	$ —	$ 2,754	$ —
Leasehold Impairment Expense					
Leasehold Impairment - Delaware Basin	Exploration Expense	$ —	$ —	$ 1,385	$ —
Leasehold Impairment - Eagle Ford Shale	Exploration Expense	—	—	100	—
Leasehold Impairment - Gabon	Exploration Expense	3	—	3	—
Total Leasehold Impairment Expense		$ 3	$ —	$ 1,488	$ —
Goodwill Impairment - Noble Midstream Partners	Goodwill Impairment	$ —	$ —	$ 110	$ —
Finance Lease Right-of-Use Asset Impairment	Other Operating Expense, Net	—	—	40	—

Second Quarter 2020 Impairment

In second quarter 2020, we concluded that while our 2008 Felicita discovery, Block O, offshore West Africa was successful in locating hydrocarbons, it was not competitive with other assets in our portfolio being considered for future development. We fully impaired the asset based on management's decision not to move forward with development.

First Quarter 2020 Impairments

We performed a number of impairment assessments during first quarter 2020. These assessments included using various valuation techniques and Level 3 inputs on the fair value hierarchy. See Note 2. Basis of Presentation.

Property Impairments In first quarter 2020, following our impairment analysis, we recorded impairment expense as follows:

- *Delaware Basin Assets* The fair values of our Delaware Basin assets were estimated using the income approach and resulted in fair values of approximately $910 million and $530 million associated with proved properties (inclusive of associated midstream assets) and unproved properties, respectively. As of March 31, 2020, the carrying values of our Delaware Basin proved and unproved properties were $3.6 billion and $1.9 billion, respectively, and as such, we recognized total impairment expense of $4.1 billion for the excess of the carrying value above the fair value of the properties.

- *Eagle Ford Shale Unproved Properties* After assessing future development scenarios and in contemplation of the current commodity and supply/demand environment, we determined that all $100 million of remaining unproved leasehold costs were impaired due to the likelihood of future drilling in certain zones in this area.

Goodwill Impairment Noble Midstream Partners concluded the fair value of its Black Diamond reporting unit was less than its carrying value and therefore performed a fair value assessment. Based on the assessment, Noble Midstream Partners concluded that the entire carrying amount of goodwill was fully impaired and recorded goodwill impairment expense of $110 million in first quarter 2020. Of the $110 million of goodwill impairment expense included in our consolidated statements of operations, approximately $38 million is attributable to Noble Energy relating to our ownership interests in the Black Diamond entity, while the remainder of $72 million is attributable to noncontrolling interests.

Finance Lease Right-of-Use Asset Impairment During first quarter 2020, we recognized $40 million of impairment expense for the excess of the carrying value above the fair value of the right-of-use asset relating to a corporate real estate lease. As of March 31, 2020, the associated carrying value was $88 million. The impairment was the result of economic facts and circumstances and plans pertaining to the future use of the asset.

Note 5. Acquisitions, Divestitures and Equity Method Investments

We maintain an ongoing portfolio management program and have engaged in various transactions over recent years.

2020 Transactions

Saddlehorn In February 2020, Black Diamond Gathering LLC (Black Diamond), in which Noble Midstream Partners owns a 54.4% interest, exercised its option to acquire a 20% ownership interest in Saddlehorn Pipeline Company, LLC (Saddlehorn) for $160 million ($87 million, net to Noble Midstream Partners). Saddlehorn owns a pipeline that transports crude oil and condensate from the DJ and Powder River Basins to storage facilities in Cushing, Oklahoma. Noble Midstream Partners consolidates Black Diamond and the Saddlehorn investment is accounted for using the equity method.

EPIC Pipelines In first quarter 2019, Noble Midstream Partners exercised and closed options with EPIC Midstream Holdings, LP (EPIC) to acquire a 15% equity interest in EPIC Y-Grade, LP (EPIC Y-Grade), which constructed the EPIC Y-Grade pipeline, and a 30% equity interest in EPIC Crude Holdings, which constructed the EPIC crude oil pipeline. The EPIC crude oil pipeline supports transportation of our production from the Delaware Basin to Corpus Christi, Texas. For the first six months of 2020, Noble Midstream Partners made capital contributions to EPIC Y-Grade and EPIC Crude Holdings of $14 million and $33 million, respectively. As of April 1, 2020 the EPIC crude oil pipeline commenced full service. EPIC Y-Grade began the transition to full NGL service in May and completed construction of its new build fractionator in June 2020.

Additionally, in December 2019, Noble Midstream Partners exercised and closed an option with EPIC to acquire an interest in EPIC Propane, which is constructing a propane pipeline that will run from Robstown, Texas to Sweeney, Texas, with additional connectivity to the Markham underground storage caverns. For the first six months of 2020, Noble Midstream Partners made capital contributions to EPIC Propane of $4 million.

Delaware Crossing Joint Venture In February 2019, Noble Midstream Partners executed definitive agreements with Salt Creek Midstream LLC (Salt Creek) to form a 50/50 joint venture, Delaware Crossing LLC (Delaware Crossing), in order to construct a 160 MBbl/d day crude oil pipeline system in the Delaware Basin, which began delivering crude oil into all connection points in April 2020. In the first six months of 2020, Noble Midstream Partners made capital contributions to Delaware Crossing of $17 million.

2019 Transactions

Divestiture of Reeves County Assets In February 2019, we closed the sale of certain proved and unproved non-core acreage in the Delaware Basin totaling approximately 13,000 net acres in Reeves County, Texas. We received cash consideration of approximately $131 million, recognizing no gain or loss on the sale.

EPIC Pipelines In first quarter 2019, Noble Midstream Partners exercised and closed options with EPIC totaling $227 million. In second quarter 2019, Noble Midstream Partners contributed $28 million and $114 million to EPIC Y-Grade and EPIC Crude Holdings, respectively.

Delaware Crossing Joint Venture During the first six months of 2019, Noble Midstream Partners made capital contributions of $39 million to Delaware Crossing.

Note 6. Capitalized Exploratory Well Costs and Undeveloped Leasehold Costs

Capitalized Exploratory Well Costs Changes in capitalized exploratory well costs are as follows and exclude amounts that were capitalized and subsequently expensed in the same period:

(millions)		Six Months Ended June 30, 2020
Capitalized Exploratory Well Costs, Beginning of Period	$	280
Additions to Capitalized Exploratory Well Costs Pending Determination of Proved Reserves		15
Capitalized Exploratory Well Costs Charged to Expense [1]		(51)
Capitalized Exploratory Well Costs, End of Period	$	244

[1] Relates to second quarter 2020 impairment of Felicita discovery, Block O, offshore Equatorial Guinea; see Note 2. Basis of Presentation and Note 4. Impairments.

The following table provides an aging of capitalized exploratory well costs based on the date that drilling commenced:

(millions, except number of projects)		June 30, 2020		December 31, 2019
Exploratory Well Costs Capitalized for a Period of One Year or Less	$	30	$	22
Exploratory Well Costs Capitalized for a Period Greater Than One Year Since Commencement of Drilling		214		258
Capitalized Exploratory Well Costs, End of Period	$	244	$	280
Number of Projects with Exploratory Well Costs That Have Been Capitalized for a Period Greater Than One Year Since Commencement of Drilling		4		5

Undeveloped Leasehold Costs Changes in undeveloped leasehold costs are as follows:

(millions)		Six Months Ended June 30, 2020
Undeveloped Leasehold Costs, Beginning of Period	$	2,152
Additions to Undeveloped Leasehold Costs		2
Impairment [1]		(1,488)
Other		(2)
Undeveloped Leasehold Costs, End of Period	$	664

[1] Includes first quarter 2020 impairments of undeveloped leasehold costs for unproved properties in the Delaware Basin and Eagle Ford Shale of $1.5 billion collectively and $3 million related to our decision not to pursue lease renewal of undeveloped acreage in Gabon. See Note 2. Basis of Presentation and Note 4. Impairments.

As of June 30, 2020, undeveloped leasehold costs included $530 million, $80 million, and $54 million attributable to the Delaware Basin, other US onshore properties and international properties, respectively. Certain of these costs pertain to acquired leases or licenses that are subject to expiration over the next several years unless production is established on the acreage, while other costs pertain to acreage that is being held by production.

Note 7. Asset Retirement Obligations

Asset retirement obligations (ARO) consist primarily of estimated costs of dismantlement, removal, site reclamation and similar activities associated with our oil and gas properties. Changes in ARO are as follows:

	Six Months Ended June 30,	
(millions)	2020	2019
Asset Retirement Obligations, Beginning Balance	$ 814	$ 880
Liabilities Incurred	19	15
Liabilities Settled	(42)	(56)
Revisions of Estimates	9	(70)
Accretion Expense	21	23
Asset Retirement Obligations, Ending Balance	$ 821	$ 792

Six Months Ended June 30, 2020 Liabilities incurred primarily relate to properties in Israel and the DJ Basin. Liabilities settled primarily relate to abandonment of US onshore properties, with $35 million in the DJ Basin where we have engaged in a program to plug and abandon older vertical wells. Costs associated with these abandonment activities will be incurred over several years. The revision of estimates is due to changes in both timing of spend and cost in the DJ Basin.

Six Months Ended June 30, 2019 Liabilities settled relate to abandonment of US onshore properties, primarily in the DJ Basin where we have engaged in a program to plug and abandon older vertical wells. Costs associated with these abandonment activities will be incurred over several years. Revisions of estimates primarily relate to a decrease of $73 million in the DJ Basin as a result of improved cycle times and cost reductions for vertical wells.

Note 8. Debt

Debt consists of the following:

	June 30, 2020		December 31, 2019	
(millions, except percentages)	Debt	Interest Rate	Debt	Interest Rate
Noble Energy, Excluding Noble Midstream Partners				
Revolving Credit Facility, due March 9, 2023	$ 325	1.41%	$ —	—%
Senior Notes and Debentures	5,884	(1)	5,884	(1)
Finance Lease Obligations	193	—%	205	—%
Total Noble Energy Debt, Excluding Noble Midstream Partners Debt	6,402		6,089	
Noble Midstream Partners				
Noble Midstream Services Revolving Credit Facility, due March 9, 2023	735	1.61%	595	3.11%
Noble Midstream Services Term Loan Credit Facility, due July 31, 2021	500	1.36%	500	2.85%
Noble Midstream Services Term Loan Credit Facility, due August 23, 2022	400	1.24%	400	2.74%
Total Noble Midstream Partners Debt	1,635		1,495	
Total Debt	8,037		7,584	
Net Unamortized Discounts and Debt Issuance Costs	(63)		(65)	
Total Debt, Net of Unamortized Discounts and Debt Issuance Costs	7,974		7,519	
Less Amounts Due Within One Year				
Finance Lease Obligations	(38)		(42)	
Long-Term Debt Due After One Year	$ 7,936		$ 7,477	

(1) The Senior Notes and Debentures have weighted average interest rates of 4.93% at June 30, 2020 and December 31, 2019.

Revolving Credit Facilities and Commercial Paper Program We have total borrowing capacity of $4.0 billion across our Revolving Credit Facility and our commercial paper program, which is backed by our Revolving Credit Facility. We choose to borrow under the commercial paper program or Revolving Credit Facility based on market availability and interest rates at the time of borrowing. During first quarter 2020, we borrowed $1.0 billion, net, on our Revolving Credit Facility to increase our cash on hand balance to mitigate potential future issues in the global financial system. During second quarter 2020, we reduced our outstanding borrowings by $675 million, net, leaving $325 million outstanding as of June 30, 2020. As of June 30, 2020 and December 31, 2019, the Revolving Credit Facility had $3.7 billion and $4.0 billion available for borrowing, respectively.

As of June 30, 2020 and December 31, 2019, the Noble Midstream Services Revolving Credit Facility had $415 million and $555 million available for borrowing, respectively.

Fair Value of Debt The fair value of fixed-rate, public debt is estimated based on observable and available market information. As such, we consider the fair value of this debt to be a Level 1 measurement on the fair value hierarchy. Our non-public debt outstanding, including our Revolving Credit Facility, Noble Midstream Services Revolving Credit Facility and Noble Midstream Services term loans are subject to variable interest rates. The fair value is estimated based on significant other observable inputs; thus, we consider the fair values to be Level 2 measurements on the fair value hierarchy. Fair value information regarding our debt, which excludes finance lease obligations, is as follows:

	June 30, 2020		December 31, 2019	
(millions)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Debt	$ 7,844	$ 7,529	$ 7,379	$ 8,033

Note 9. Commitments and Contingencies

Legal Proceedings We are involved in various legal proceedings in the ordinary course of business. These proceedings are subject to the uncertainties inherent in any litigation. We are defending ourselves vigorously in all such matters, and we believe that the ultimate disposition of such proceedings will not have a material adverse effect on our financial position, results of operations or cash flows.

Bureau of Safety and Environmental Enforcement Penalty Assessment In July 2020, we received a penalty assessment of approximately $136,000 from the federal Bureau of Safety and Environmental Enforcement related to an alleged unauthorized discharge from an offshore platform located in the Gulf of Mexico, formerly owned by Noble Energy and sold to Fieldwood Energy, Inc. (Fieldwood), in April 2018. The unauthorized discharge is alleged to have occurred in May 2018, during the transition period when Noble Energy operated the platform on behalf of Fieldwood. Fieldwood is required to fully indemnify Noble Energy for any liabilities that arose during the transition period. Noble Energy has notified Fieldwood of the penalty and is currently seeking a resolution of this matter with Fieldwood. While we cannot predict the outcome of this matter, we do not believe the resolution will have a material adverse effect on our financial position, results of operations or cash flows.

MOEP Notifications In April and May 2020, we received two separate notices of intent (NOIs) from Israel’s Ministry of Environmental Protection (MOEP), notifying us of potential enforcement and imposition of monetary sanctions for alleged violations of Israeli environmental laws relating to our Leviathan facility. MOEP’s April NOI alleges breaches of the Leviathan facility’s effluent discharge permit for discharges that occurred primarily before startup of the Leviathan facility and seeks a penalty of approximately $1.2 million, net to the Company's interest in the Leviathan facility, pursuant to Israel’s Prevention of Sea Pollution from Land-Based Sources Law. In the May NOI, MOEP alleges violations of the Leviathan facility's air permit for the alleged failure to transmit to MOEP continuous monitoring data for flares, along with other alleged administrative infractions of Israel's Clean Air Law. Pursuant to Israel's Clean Air Law, MOEP seeks a penalty of approximately $147,000, net to the Company's interest in the Leviathan facility.

In July 2020, a NOI was received from the MOEP notifying us of a potential enforcement and imposition of a monetary sanction of approximately $632,000, net to the Company's interest in the Leviathan facility, pursuant to the Clean Air Law following alleged violations of the emissions permit during the activation of the Leviathan facility's flares.

We have discussed the NOIs with MOEP enforcement staff and anticipate further meetings regarding a potential settlement of the alleged violations. Given the ongoing status of settlement discussions, we are currently unable to predict the ultimate outcome of this action, but believe the resolution will not have a material adverse effect on our financial position, results of operations or cash flows.

Colorado FracFocus Matter In July 2019, we received a Notice of Alleged Violation (NOAV) from the Colorado Oil and Gas Conservation Commission (COGCC) advising us of alleged violations of COGCC rules for delinquent disclosures to the FracFocus Chemical Disclosure Registry following commencement of certain hydraulic fracturing activities. We responded to the NOAV in July 2019, confirming with the COGCC that required disclosures had been made prior to issuance of the NOAV. In May 2020, COGCC enforcement staff proposed an administrative penalty in the amount of approximately $149,000 to resolve the enforcement of this matter. We are in the process of reviewing the proposed settlement document. Given the ongoing status of settlement discussions, we are currently unable to predict the ultimate outcome of this action, but believe the resolution will not have a material adverse effect on our financial position, results of operations or cash flows.

Colorado Clean Water Act Referral Notice In September 2018, we received a letter from the Department of Justice (DOJ) providing notification of referral from the Environmental Protection Agency (EPA) of alleged Clean Water Act violations at an upstream production facility and a midstream gathering facility in Weld County, Colorado. In April 2019, we met with the DOJ and EPA enforcement personnel to discuss potential settlement of the alleged violations. Given the ongoing status of settlement discussions, we are currently unable to predict the ultimate outcome of this action, but believe the resolution will not have a material adverse effect on our financial position, results of operations or cash flows.

Note 10. Income Taxes

Income tax (benefit) expense consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions, except percentages)	2020	2019	2020	2019
Current	$ 7	$ 21	$ 44	$ 37
Deferred	(96)	(1)	(144)	(101)
Total Income Tax (Benefit) Expense	$ (89)	$ 20	$ (100)	$ (64)
Effective Tax Rate	18.7%	71.4%	2.2%	18.6%

Effective Tax Rate (ETR) At the end of each interim period, we apply a forecasted annualized ETR to current period earnings or loss before tax, which can produce interim ETR fluctuations. We have concluded that the annual ETR is a reliable estimate considering recent economic and financial market effects of decreased commodity prices and COVID-19.

In first quarter 2020, as a result of impairments recorded during the quarter, we further evaluated our ability to utilize domestic federal and state net operating loss (NOL) and credit carryforwards prior to expiration, concluding a valuation allowance should be recorded for the associated deferred tax assets. See Note 4. Impairments.

The ETR for the six months ended June 30, 2020 decreased as compared with the same period 2019, primarily due to the valuation allowance discussed above which significantly reduced the deferred tax benefit recorded for the current year loss. The deferred tax benefit was further reduced by the $470 million of deferred tax expense associated with the valuation allowance on losses generated in prior years recorded as a discrete item in first quarter 2020.

Impact of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) We evaluated provisions of the CARES Act, signed into law on March 27, 2020. Certain provisions of the CARES Act include modifications to NOL limitations and business interest expense limitations, which are expected to impact utilization of future NOL carryovers. The provisions did not have a material impact on our financial statements for the period ended June 30, 2020.

Tax Examinations In our major tax jurisdictions, the earliest years remaining open to examination are as follows: US – 2014, Israel – 2015 (2013 with respect to Israel Oil Profits Tax) and Equatorial Guinea – 2013.

Note 11. Derivative Instruments and Hedging Activities

Objective and Strategies for Using Derivative Instruments We enter into price hedging arrangements to mitigate effects of commodity price volatility and enhance the predictability of cash flows for a portion of our production. While these instruments mitigate the cash flow risk of future decreases in commodity prices, they may also curtail benefits from future increases in commodity prices.

Unsettled Commodity Derivative Instruments As of June 30, 2020, we had entered into the following crude oil derivative instruments:

					Swaps		Collars		
Settlement Month	Settlement Year	Type of Contract	Index	Bbls Per Day	Weighted Average Differential	Weighted Average Fixed Price	Weighted Average Short Put Price	Weighted Average Floor Price	Weighted Average Ceiling Price
Jul-Sept	2020	Swaps	NYMEX WTI	37,500	$ —	$ 36.80	$ —	$ —	$ —
Oct-Dec	2020	Swaps	NYMEX WTI	14,500	—	51.91	—	—	—
Jul-Dec	2020	Three-Way Collars	NYMEX WTI	53,000	—	—	10.00	25.00	37.20
Jul-Dec	2020	Sold Calls	NYMEX WTI	8,000	—	65.59	—	—	—
Jul-Sept	2020	Basis Swaps	Midland [1]	27,000	(4.03)	—	—	—	—
Oct-Dec	2020	Basis Swaps	Midland [1]	22,000	(4.21)	—	—	—	—
Jul-Sept	2020	Basis Swaps	WTI Roll [2]	78,000	(2.28)	—	—	—	—
Oct-Dec	2020	Basis Swaps	WTI Roll [2]	64,000	(2.19)	—	—	—	—

[1] These contracts establish a fixed amount for the differential between pricing in Midland, Texas, and Cushing, Oklahoma. The weighted average differential represents the amount of reduction to Cushing, Oklahoma, prices for the notional volumes covered by the basis swap contracts.
[2] Represents the value differential associated with NYMEX West Texas Intermediate (WTI) futures delivery months and prompt month physical delivery.

As of June 30, 2020, we had entered into the following natural gas liquid (NGL) derivative instruments:

					Swaps
Settlement Month	Settlement Year	Type of Contract	Index	Bbls per Day	Weighted Average Fixed Price
Jul	2020	Ethane Swaps	Mont Belvieu	6,500	$ 8.39
Aug	2020	Ethane Swaps	Mont Belvieu	8,500	8.39
Sept	2020	Ethane Swaps	Mont Belvieu	10,500	8.45
Oct-Dec	2020	Ethane Swaps	Mont Belvieu	8,500	8.60
Jul-Sept	2020	Propane Swaps	Mont Belvieu	5,000	21.04
Jul-Sept	2020	Isobutane Swaps	Mont Belvieu	1,000	25.36
Jul-Sept	2020	Butane Swaps	Mont Belvieu	1,500	24.31

As of June 30, 2020, we had entered into the following natural gas derivative instruments:

					Swaps		Collars		
Settlement Month	Settlement Year	Type of Contract	Index	MMBtu Per Day	Weighted Average Differential	Weighted Average Fixed Price	Weighted Average Short Put Price	Weighted Average Floor Price	Weighted Average Ceiling Price
Jul-Dec	2020	Swaps	NYMEX HH	90,000	$ —	$ 2.60	$ —	$ —	$ —
Jul-Dec	2020	Sold Puts	NYMEX HH	90,000	—	—	2.15	—	—
Jul-Oct	2020	Three-Way Collars	NYMEX HH	40,000	—	—	2.25	2.70	2.85
Jul-Dec	2020	Basis Swaps	CIG (1)	139,000	(0.57)	—	—	—	—
Jul-Dec	2020	Basis Swaps	WAHA (1)	49,500	(1.05)	—	—	—	—
Jan-Dec	2021	Swaps	NYMEX HH	70,000	—	2.42	—	—	—
Jan-Dec	2021	Sold Call Swaptions	NYMEX HH	70,000	—	2.42	—	—	—
Jan-Dec	2021	Three-Way Collars	NYMEX HH	62,000	—	—	1.90	2.40	2.88
Jan-Dec	2021	Basis Swaps	CIG (1)	114,000	(0.44)	—	—	—	—
Jan-Dec	2021	Basis Swaps	WAHA (1)	32,000	(0.71)	—	—	—	—
Jan-Dec	2021	Swaps	ICE TTF (2)	35,000	—	4.15	—	—	—
Jan-Dec	2022	Swaps	ICE TTF (2)	49,000	—	4.26	—	—	—

(1) These contracts establish a fixed amount for the differential between index pricing for Colorado Interstate Gas (CIG) and Waha Hub versus NYMEX Henry Hub (HH). The weighted average differential represents the amount of reduction to NYMEX HH prices for the notional volumes covered by the basis swap contracts.

(2) In second quarter 2020, we entered into derivative instruments for price hedging protection related to our future production of liquified natural gas (LNG) from our Alen natural gas monetization project, offshore West Africa. The swaps, which were entered into in US dollars per MMBtu, are indexed to ICE Dutch Title Transfer Facility (TTF), an international natural gas benchmark.

Fair Value Amounts The fair values of commodity derivative instruments on our consolidated balance sheets were as follows (in millions):

Asset Derivative Instruments			Liability Derivative Instruments		
Balance Sheet Location	June 30, 2020	December 31, 2019	Balance Sheet Location	June 30, 2020	December 31, 2019
Other Current Assets	$ 61	$ 14	Other Current Liabilities	$ 151	$ 36
Other Noncurrent Assets	—	1	Other Noncurrent Liabilities	15	1
Total	$ 61	$ 15		$ 166	$ 37

We estimate the fair values of these instruments using published forward commodity price curves as of the date of the estimate. The discount rate used in the discounted cash flow projections is based on published LIBOR rates, Eurodollar futures rates and interest swap rates. The fair values of commodity derivative instruments in an asset position include a measure of counterparty nonperformance risk, and instruments in a liability position include a measure of our own nonperformance risk, each based on the current published credit default swap rates. In addition, for collars, we estimate the values of put options sold and contract floors and ceilings using an option pricing model which considers market volatility, market prices and contract terms. Amounts include the impact of netting clauses within our master agreements that allow us to net cash settle asset and liability positions with the same counterparty.

Gains and Losses on Commodity Derivative Instruments The effect of commodity derivative instruments on our consolidated statements of operations and comprehensive loss was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions)	2020	2019	2020	2019
Cash (Received) Paid in Settlement of Commodity Derivative Instruments				
Crude Oil [1]	$ (103)	$ 7	$ (313)	$ (2)
NGL	(3)	—	(3)	—
Natural Gas	—	(8)	2	(13)
Total Cash Received in Settlement of Commodity Derivative Instruments	$ (106)	$ (1)	$ (314)	$ (15)
Non-cash Portion of Loss (Gain) on Commodity Derivative Instruments				
Crude Oil	$ 226	$ (54)	$ 39	$ 169
NGL	10	—	—	—
Natural Gas	28	(5)	44	(2)
Total Non-cash Portion of Loss (Gain) on Commodity Derivative Instruments	$ 264	$ (59)	$ 83	$ 167
Loss (Gain) on Commodity Derivative Instruments				
Crude Oil	$ 123	$ (47)	$ (274)	$ 167
NGL	7	—	(3)	—
Natural Gas	28	(13)	46	(15)
Total Loss (Gain) on Commodity Derivative Instruments	$ 158	$ (60)	$ (231)	$ 152

[1] Six months ended June 30, 2020 includes first quarter 2020 monetization of certain crude oil derivative instruments by settling the instruments prior to their original settlement dates. Additionally, in first quarter 2020 we entered into certain new instruments for the remainder of the year. Certain of this activity was intraperiod and related to crude oil instruments that were not part of our derivative portfolio as of December 31, 2019 and March 31, 2020. Net cash received in first quarter 2020 for these transactions was $160 million.

Note 12. Net Loss Per Share Attributable to Noble Energy Common Shareholders

Noble Energy's basic loss per share of common stock is computed by dividing net loss attributable to Noble Energy by the weighted average number of shares of Noble Energy common stock outstanding during each period. The following table summarizes the calculation of basic and diluted loss per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions, except per share amounts)	2020	2019	2020	2019
Net Loss and Comprehensive Loss Attributable to Noble Energy	$ (408)	$ (10)	$ (4,371)	$ (323)
Weighted Average Number of Shares Outstanding, Basic	479	478	480	478
Incremental Shares from Assumed Conversion of Dilutive Stock Options, Restricted Stock, and Shares of Common Stock in Rabbi Trust	—	—	—	—
Weighted Average Number of Shares Outstanding, Diluted	479	478	480	478
Loss Per Share, Basic and Diluted	$ (0.85)	$ (0.02)	$ (9.11)	$ (0.68)
Number of Antidilutive Stock Options, Shares of Restricted Stock, and Shares of Common Stock in Rabbi Trust Excluded from Calculation Above	16	15	16	15

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to provide a narrative about our business from the perspective of management. We use common industry terms, such as thousand barrels of oil equivalent per day (MBoe/d) and million cubic feet equivalent per day (MMcfe/d), to discuss production and sales volumes. Our MD&A is presented in the following sections:

- Executive Overview & Operating Outlook;
- Results of Operations – Exploration and Production;
- Results of Operations – Midstream;

- Results of Operations – Corporate; and
- Liquidity and Capital Resources.

The preceding consolidated financial statements, including the notes thereto, contain detailed information that should be read in conjunction with our MD&A. See also Item 1A. Risk Factors and Disclosure Regarding Forward-Looking Statements.

EXECUTIVE OVERVIEW AND OPERATING OUTLOOK

The following discussion highlights the current operating environment as well as significant operating and financial results for second quarter 2020. This discussion should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2019, which includes disclosures regarding our critical accounting policies as part of "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The impacts on our business of both the significant decline in commodity prices and the COVID-19 pandemic are unprecedented. While we continue actions to address the severe decline in revenues that began in March 2020, including reductions in capital spending, cost controls and changes to our long-term cost structure, the impact of the reduction of development activities will have a significant negative multi-year impact on our production and cash flows and leverage levels and impair the future growth trajectory of the business. Our largely suspended US development activity levels will lead to near-term declines in production, sales volumes and cash flows from operations. This impact will carry into 2021 and, likely, until more constructive commodity prices and the commodity price outlook economically justify new investment. This situation, coupled with SEC reserves prices, will also likely result in a lower level of proved hydrocarbon reserves.

Chevron Merger

On July 20, 2020, we entered into a definitive merger agreement (the Chevron Merger Agreement) with Chevron Corporation (NYSE: CVX) pursuant to which, and subject to the conditions of the agreement, all outstanding shares of Noble Energy will be acquired by Chevron in an all-stock transaction valued at $13 billion, including debt, or $10.38 per share. Under the terms of the agreement, Noble Energy shareholders will receive 0.1191 shares of Chevron common stock for each Noble Energy share. The transaction was approved by the Boards of Directors of both companies and is anticipated to close in fourth quarter 2020. The transaction is subject to Noble Energy stockholder approval, regulatory approvals, and other customary closing conditions.

For additional information regarding the Chevron Merger Agreement and the Board of Director's process and rationale for the Chevron Merger, please see the proxy statement and other documents filed with the Securities and Exchange Commission when they become available.

Second Quarter 2020 Operating Highlights

While the global economies have been significantly impacted from the COVID-19 pandemic, we continue actions to address the severe decline in revenues resulting from the current market conditions while progressing certain offshore projects.

Reduced the 2020 Capital Program The 2020 organic capital investment program was reduced approximately 55% from the initial budget, with the reductions coming primarily from the US onshore business.

Significantly Reduced Cost During the quarter, we significantly reduced our costs in response to current market conditions. We reduced capital and operating costs, with unit production costs per BOE well below 2019 levels. General and administrative (G&A) expenses were also reduced almost 40% from second quarter 2019, primarily as a result of workforce reduction initiatives and reduced travel costs.

Voluntarily Curtailed US Onshore Production In May and June 2020, we voluntarily curtailed certain of our US onshore production, which contributed to significantly reducing costs incurred during the period. See *Results of Operations*, below.

Progressed Capacity Increases from Leviathan and Tamar Installation of compression equipment onshore at the Ashkelon metering station in Israel progressed during second quarter 2020 and commissioning was finalized in July, enabling increased volumes from Leviathan and the start of supply from Tamar into Egypt via the EMG Pipeline.

Progressing Natural Gas Monetization Offshore West Africa During second quarter 2020, we progressed the Alen natural gas monetization project and we currently plan to install the offshore pipeline in third quarter 2020. During the quarter, we also entered into international natural gas hedges for a portion of our 2021 and 2022 LNG production. The project is on schedule with first production expected early 2021.

Exploration Program Update In June 2020, we were awarded concessions on two exploration blocks offshore Egypt, which encompass 800,000 square acres. We will hold a 27% non-operated working interest in the position and we, along with our partners, have a three-year initial phase of exploration during which we plan to conduct a seismic program targeting deepwater oil and natural gas prospects.

Additionally, during the quarter we made the decision not to pursue lease renewal of our undeveloped acreage in Gabon.

Commodity Prices

Market Conditions The COVID-19 pandemic has continued to cause unprecedented and prolonged reductions in the global demand for crude oil and natural gas. While the relaxation of certain virus containment measures in the second quarter to support the resumption of economic activity resulted in increased commodity demand and modest improvement in commodity prices, commodity demand continues to be significantly lower than levels experienced prior to the COVID-19 pandemic. Even as commodity prices began to turn in June 2020, additional virus outbreaks and/or a return of containment measures or further restrictions could negatively impact commodity prices moving forward. The uncertainty regarding the longevity and severity of the impacts of COVID-19 to the oil and gas industry, including the reduced demand for crude oil and natural gas commodities and its resulting impact on commodity prices, may continue until a vaccine or alternative treatment is made widely available across the globe.

Contemporaneously with the COVID-19 pandemic, the oil and gas industry continues to be impacted by excess global supply. The Organization of Petroleum Exporting Countries (OPEC) and certain non-OPEC producers agreed to production cuts beginning in May 2020 which extend through first quarter 2022. While these production cuts have proven unable to sufficiently offset the ongoing decreases in demand caused by COVID-19, production from these producers has fallen to its lowest levels in decades.

These factors have caused a number of producers, including many operating in the US, to reduce capital spending levels and shut-in production at certain fields. While these shut-ins have decreased operating cash flows for producers, they have also served to lower inventory levels and thereby alleviate some of the crude oil storage constraints experienced in the beginning of second quarter 2020.

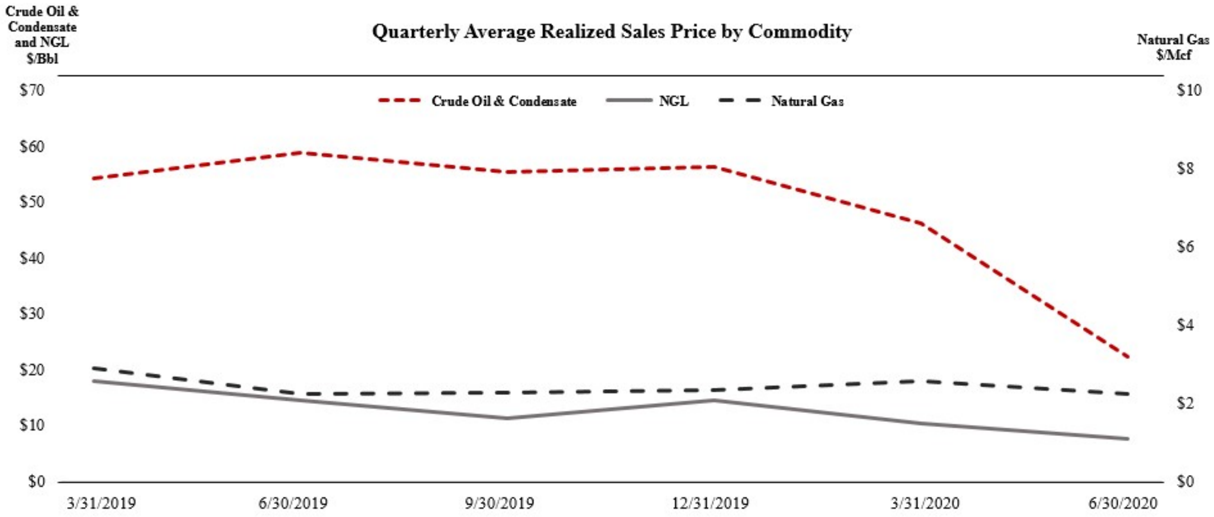
In addition to the US crude oil market, the US domestic natural gas market and US natural gas liquid (NGL) market continue to be oversupplied, with the NGL market also being impacted by export capacity constraints. These factors have contributed to depressed pricing for both US domestic natural gas and US NGLs. We expect that if US development activity remains at the current lower levels, it will result in reduced crude oil and associated natural gas production, leading to the eventual adjustment of US domestic natural gas prices as supply and demand levels equalize.

Reduced demand and resulting commodity price volatility driven by factors discussed above have also contributed to increased short-term competition amongst fuel alternatives to crude oil and natural gas. For example, in the Eastern Mediterranean, spot LNG prices have recently traded below prices in our long-term natural gas GSPAs leading to an increase in our customers' use of spot LNG cargoes as an alternative to our natural gas. Where applicable, we believe that in certain instances purchase of spot LNG is in breach of the relevant agreement and we are exploring all legal avenues available under our contractual arrangements and by law.

Certain of our Tamar and Leviathan GSPAs have buyer-minimum take or pay volume-obligations and index prices subject to minimum-price floor supports. In addition, our Egyptian export contracts include provisions which trigger adjustments to either decrease, or increase, fixed minimum take or pay volumes in the event the arithmetic average of daily Brent crude oil prices falls below, or rises above, $50 per barrel for certain periods of time. Our GSPAs do not preclude us from selling natural gas to customers, at amounts which exceed fixed minimum sales volumes.

The commodity price environment may continue to remain depressed for an extended period of time based on oversupply and/or sustained decreases in demand and global economic instability caused by COVID-19, discussed further below.

Our average realized sales prices, which exclude the impacts of hedges settled in the respective periods, are as follows:



Current and Future Expected Impact to Noble Energy The sustained decline in commodity prices adversely affected our realized prices in second quarter 2020. Prolonged lower commodity prices would impact the amount of cash generated from our operating activities, results of operations and our financial position. In response to the current environment, we executed the following actions in first half 2020:

- **Reduced our 2020 organic capital investment program** - In May 2020, we revised our planned 2020 organic capital investment program to a range of $750 million to $850 million from $1.6 billion to $1.8 billion. The majority of these reductions are attributed to our US onshore business, resulting in a higher concentration of production from our international assets. Additionally, we have deferred spending on the offshore Colombia exploration well. We are continuing to progress the Alen natural gas monetization project, with first production expected in early 2021.

- **Voluntary production curtailments** - In our US onshore business, we voluntarily curtailed an average of 30 MBoe/d, 11 MBbl/d of which was crude oil production. With improvements to operating costs and commodity pricing, the majority of these curtailed volumes were brought back online in July 2020. Our reduced production levels did not impact our ability to deliver volumes under our firm sales or processing commitments during second quarter 2020.

- **Reduced our quarterly dividend** - We reduced our quarterly cash dividend to $0.02, down from $0.12 per Noble Energy common share in first quarter 2020, which is expected to preserve approximately $195 million in annualized cash flow. See Liquidity and Capital Resources below.

- **Assessed long-lived assets for impairment** - We performed impairment assessments in light of the current commodity price environment, concluding our Felicita discovery, offshore Equatorial Guinea, was fully impaired. See Item 1. Financial Statements – Note 4. Impairments.

- **Reduced employee headcount** - In response to the current environment, we have also reduced our employee workforce and, as a result, in second quarter 2020 recorded $30 million of corporate restructuring expense associated with severance, termination benefits and accelerated stock-based compensation. We also reduced our contractor workforce to align with operational activities. Additionally, certain employees are still participating in the furlough and part-time work programs implemented in first quarter 2020. We expect these actions will reduce future G&A and operational spend.

- **Lowered executive leadership salaries and director cash retainers** - Salaries for the Chief Executive Officer, Senior Officers and Vice Presidents were lowered by 20%, 15% and 10%, respectively. In addition, cash retainers for members of the Board of Directors were lowered by 25%. These reductions continued throughout second quarter 2020 and are expected to extend through the end of 2020.

COVID-19

Market Conditions Continued containment measures and responsive actions to the COVID-19 pandemic, while aiding in the prevention of further outbreak, continue to result in volatile general economic activity and energy demand. As a result, the global economy has experienced a slowing of economic growth, disruption of global manufacturing supply chains, stagnation of oil and gas consumption and interference with workforce continuity.

Current and Future Expected Impact to Noble Energy Although certain restrictions related to the COVID-19 pandemic have been relaxed, the virus continues to impact the global demand for commodities, a trend we expect to continue into the third quarter, and, perhaps, beyond. Additionally, the risks associated with the virus have impacted our workforce and the way we meet our business objectives. In response to this, we executed the following actions:

- **Remote workforce and personnel management** - Due to concerns over health and safety, the majority of our global workforce continues to work remotely until further notice. As of June 30, 2020, working remotely has not significantly impacted our ability to maintain operations, including use of financial reporting systems, nor has it significantly impacted our internal control environment. In addition, certain of our employees and contractors work in remote field locations or on offshore platforms. We have implemented various health and safety protocols including, among others, reduction of certain operational workloads to critical maintenance and personnel, mandating use of certain secure travel options, review of critical medical supplies and procedures and implementation of other safeguards to protect operational personnel. We have not incurred, and in the future do not expect to incur, significant expenses related to business continuity as employees work from home.

- **Mobilized our Crisis Management Team (CMT)** - Our corporate CMT is responsible for ensuring the organization implements our corporate Employee Health and Wellness plan elements pertaining to pandemic response. This plan follows Center for Disease Control and Prevention (CDC), national, state and local guidance in preparing and responding to COVID-19. The CMT implemented communication protocols should an employee become sick, and we continue to follow CDC guidance, which is subject to change in the future. To date, we have not experienced significant business or operational interruption due to workforce health or safety concerns pertaining to COVID-19.

Regarding our supply chain, the structure of the global oilfield material and services supply chain provides us flexibility in sourcing equipment and services for our international development projects. However, the global nature of our supply chains, particularly in relation to our major international construction projects, exposes us to the risk of dispersed supply chain disruptions. We have experienced some delays in deliveries, as well as international travel restrictions impacting service providers, and are monitoring the situation to mitigate impacts on development projects. In the US, while certain of our oilfield service providers and suppliers have become financially distressed and/or experienced bankruptcies, we have been able to utilize alternative suppliers without business interruptions.

The COVID-19 pandemic and impact of lower commodity prices have also caused disruptions in our distribution networks, including, among other things, storage and pipeline constraints and decreased demand from downstream consumers. These have the potential to result in claims of force majeure from transportation, processing, or other downstream service providers, as well as customers and other entities with which we conduct business. Prolonged constraints to the distribution chain could lead to repeated shut-ins and/or other production curtailment from certain of our US onshore wells in the future, further preventing us from producing our proved reserves. Additionally, we will continue to evaluate the amount and duration of any future voluntary production curtailments, which could be shortened or extended depending on commodity markets.

Should our US production be shut-in or curtailed for an extended period of time, we would experience declines in cash flows attributable to both our US onshore and Midstream segments. Our capital spending and development plans are flexible and we have already curtailed the majority of near-term US onshore development. As our pace of development slows, our inventory of drilled but uncompleted wells is expected to increase in the DJ Basin.

Global Economic Instability

Market Conditions COVID-19, coupled with the drop in commodity prices, have contributed to equity market volatility and what experts now conclude amounted to a recession in first quarter 2020. Estimated ranges of the duration of these impacts to equity markets and the global economy vary widely, especially given the continued impacts of COVID-19 are unknown.

In recent months, the US government has passed a series of stimulus packages which, collectively, have provided the largest relief packages in US history. These packages include various provisions intended to provide relief to individuals and businesses in the form of tax changes, loans and grants, among others. At this time, we do not believe these stimulus measures will have a material impact on Noble Energy; however, we do believe they could aid the economy by providing relief to certain individuals and smaller businesses.

Current and Future Expected Impact to Noble Energy The decline in our stock price and the corresponding reduction in our market capitalization were sustained throughout second quarter 2020, a condition that is consistent across our sector. We do not have any debt covenants or other lending arrangements that depend upon our stock price. As of June 30, 2020, we are in compliance with the financial covenant contained in our Revolving Credit Facility which provides that our total debt to capitalization ratio, as defined in the Revolving Credit Facility agreement, may not exceed 65% at any time. As of June 30, 2020, this total debt to capitalization ratio was below 40%.

Our consolidated financial statements include the accounts of Noble Midstream Partners. Noble Midstream Partners is subject to financial covenants under the Noble Midstream Services Revolving Credit Facility and term loans, for which the outstanding debt is non-recourse to Noble Energy. As of June 30, 2020, Noble Midstream Partners is in compliance with these financial covenants. We receive limited partnership cash distributions from Noble Midstream Partners. Changes in Noble Midstream Partners' covenant compliance or changes in distributions to us would not have a material impact to Noble Energy. See Item 1. Financial Statements – Note 8. Debt and Liquidity and Capital Resources.

As cities, states and countries continue relaxing confinement restrictions, the risk for the resurgence and recurrence of COVID-19 remains. The reinstatement of containment measures could potentially lead to an extended period of reduced demand for crude oil and natural gas commodities, as well as assert further pressure on the global economy.

Potential for Future Reserves Reductions

Decreased capital expenditures for 2020 may result in reductions to our proved reserves quantities and/or delays in timing of additional proved reserves being recognized. For example, the reduction in planned capital funding in 2020 for the DJ and Delaware Basins may result in future negative revisions in proved undeveloped reserves quantities as of December 31, 2020. In addition, while we have implemented measures to reduce our cost structure, should the current low commodity price environment continue, it is likely that proved reserves quantities would decrease primarily across our US onshore asset portfolio where economic limits are negatively affected. The impact of the reduction in capital expenditures, decrease in commodity prices, and their combined effects on proved reserves will be assessed in fourth quarter 2020 consistent with our annual reserves process. We cannot predict the amounts or timing of future reserves revisions. If such revisions are significant, they could alter future depletion and result in impairment of long-lived assets that may be material.

Potential for Future Impairments

We performed impairment assessments as of June 30, 2020, including assessments of proved and unproved properties, other long-lived assets, including property, plant and equipment and equity method investments, right-of-use assets and customer relationship intangible assets. Other than an impairment to our Felicita discovery, Block O, offshore Equatorial Guinea, we concluded that there were no indicators of impairment for the second quarter 2020. See Item 1. Financial Statements – Note 4. Impairments.

Impairment testing involves uncertainties related to key assumptions such as expectations for future commodity prices, development and capital spending plans, reservoir performance and production, among others. These assumptions are relevant to all of the Company’s operating segments and a significant number of interdependent variables are derived from these key assumptions. There is a high degree of complexity in their application in determining use and value in asset recovery tests and fair value determinations.

Given the inherent volatility of the current market conditions driven by the COVID-19 pandemic and crude oil and natural gas supply dynamics, there exists the potential for future conditions to deviate from our current assumptions. For example, properties that have been previously reduced to fair value, such as our Eagle Ford Shale proved properties in 2019, could become further impaired, or certain other assets, including capitalized exploratory well costs and undeveloped leasehold costs, could become impaired in a future environment. Further, it is likely additional impairments could be triggered if the COVID-19 pandemic leads to a continued and sustained reduction in global economic activity and demand for crude oil and natural gas.

Additionally, our industry is subject to complex laws and regulations adopted or promulgated by international, federal, state and local authorities. These various authorities have the ability to issue or rescind various regulations which, at times, can prevent us from accessing land for which we own mineral rights, surface rights or surface leases.

Recently Issued Accounting Standards

See Item 1. Financial Statements – Note 2. Basis of Presentation.

RESULTS OF OPERATIONS – EXPLORATION AND PRODUCTION (E&P)

US Onshore

During second quarter 2020, our US onshore E&P activities consisted of the following:

Location	Average Rigs Operated	Wells Completed [1]	Wells Brought Online	Average Sales Volumes (MBoe/d)
DJ Basin	1	4	16	144
Delaware Basin	0.5	2	6	63
Eagle Ford Shale	—	—	—	41
Total	1.5	6	22	248

(1) Refers to the number of wells completed, regardless of when drilling was initiated.

DJ Basin During second quarter 2020, our activities were primarily focused in the Mustang area, where we ran one drilling rig. During the quarter, we set record low drilling times and costs, averaging $57 per total foot drilled, a decrease of 15% from the 2019 average.

In addition, our operational personnel performed a strategic review of our producing wells and implemented voluntary curtailments averaging approximately 24 MBoe/d in response to commodity prices and supply and demand dynamics. The majority of curtailed production came back online in July 2020. Immaterial amounts of production related to older, less economic vertical wells will be permanently shut-in.

Delaware Basin (Permian Basin) During second quarter 2020, our operational personnel set a new drilling record with a spud to rig release date of approximately 10 days. In addition, we focused on the safe and strategic ramp down of certain activity as we reduced our capital spend and activity levels. During second quarter 2020, we voluntarily curtailed production averaging 6 MBoe/d due to commodity prices and supply and demand dynamics. This reduced activity and lower production did not impact our ability to meet any transportation, processing or sales commitments and the majority of curtailed production came back online in July 2020.

Eagle Ford Shale During second quarter 2020, we focused on maximizing cash flows from existing production and continued to evaluate and assess our development plan for the area. There was no material curtailment impact during second quarter 2020 on production from the Eagle Ford Shale.

International

In the Eastern Mediterranean, we continue to focus on reliably supplying the region with natural gas from our Leviathan and Tamar fields. During the quarter, we commenced commissioning of turbo expanders to bring the Leviathan platform to maximum production capacity of 1.2 Bcf/d, with expected completion in August 2020. We continued increasing reliability of the Leviathan platform as commissioning continues with June uptime almost 100%. Additionally, installation of compression equipment onshore at the Ashkelon metering station in Israel progressed during second quarter 2020 and commissioning was finalized in July, enabling increased volumes from Leviathan and the start of supply from Tamar into Egypt via the EMG Pipeline.

In June 2020, we were awarded concessions on two exploration blocks offshore the Western Desert area of Egypt. See *Exploration Program Update* in Executive Overview and Operating Outlook.

Our West Africa segment continues to benefit from reliable operations at Aseng, Alen and Alba fields. We further progressed the Alen Gas Monetization project, which we expect will create a regional natural gas hub able to supply a number of markets with LNG.

Results of Operations

Second Quarter 2020 Significant E&P Highlights:

- organic capital expenditures of $95 million, compared to $596 million in second quarter 2019;
- US onshore average sales volumes of 248 MBoe/d, reflecting curtailment of 30 MBoe/d, primarily in the DJ and Delaware Basins;
- total production expense per BOE, gross of intersegment eliminations, of $8.88 for second quarter 2020, compared to $9.54 in second quarter 2019;
- offshore Israel sales volumes of 1.1 Bcfe/d, gross; and
- impairment expense of $51 million related to the Felicita discovery, Block O, offshore Equatorial Guinea.

The following is a summarized statement of operations for our E&P business:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions)	2020	2019	2020	2019
Oil, NGL and Gas Sales to Third Parties	$ 493	$ 954	$ 1,387	$ 1,891
Sales of Purchased Oil and Gas	4	28	29	42
Income (Loss) from Equity Method Investments and Other	6	18	(13)	33
Total Revenues	503	1,000	1,403	1,966
Production Expense	278	298	619	649
Exploration Expense	15	33	1,519	57
Depreciation, Depletion and Amortization	290	493	752	968
Cost of Purchased Oil and Gas	4	28	32	42
Asset Impairments	51	—	2,754	—
Loss (Gain) on Commodity Derivative Instruments	158	(60)	(231)	152
(Loss) Income Before Income Taxes	(351)	179	(4,119)	11

Average Oil, NGL and Gas Sales Volumes and Prices Average daily sales volumes from our share of production and average realized sales prices were as follows:

	Average Sales Volumes [1]				Average Realized Sales Prices [1]		
	Crude Oil & Condensate (MBbl/d)	NGLs (MBbl/d)	Natural Gas (MMcf/d)	Total (MBoe/d)	Crude Oil & Condensate (Per Bbl)	NGLs (Per Bbl)	Natural Gas (Per Mcf)
Three Months Ended June 30, 2020							
United States	113	59	457	248	$ 22.30	$ 7.51	$ 1.16
Eastern Mediterranean	1	—	307	52	N/M	—	5.00
West Africa [2]	14	—	178	44	23.87	—	0.27
Total Consolidated Operations	128	59	942	344	22.36	7.51	2.24
Equity Investments [3]	2	4	—	6	22.77	21.02	—
Total [4]	130	63	942	350	$ 22.36	$ 8.40	$ 2.24
Three Months Ended June 30, 2019							
United States	117	64	495	263	$ 58.13	$ 14.54	$ 1.61
Eastern Mediterranean	—	—	209	35	—	—	5.53
West Africa [2]	11	—	199	45	66.61	—	0.27
Total Consolidated Operations	128	64	903	343	58.88	14.54	2.22
Equity Investments [3]	2	4	—	6	65.75	31.22	—
Total [4]	130	68	903	349	$ 58.98	$ 15.47	$ 2.22
Six Months Ended June 30, 2020							
United States	115	63	487	259	$ 34.40	$ 8.99	$ 1.22
Eastern Mediterranean	1	—	348	59	N/M	—	5.20
West Africa [2]	16	—	178	46	37.42	—	0.27
Total Consolidated Operations	132	63	1,013	364	34.68	8.99	2.43
Equity Investments [3]	2	4	—	6	34.91	24.95	—
Total [4]	134	67	1,013	370	$ 34.68	$ 10.00	$ 2.43
Six Months Ended June 30, 2019							
United States	115	62	489	258	$ 55.84	$ 16.12	$ 2.04
Eastern Mediterranean	—	—	220	37	—	—	5.55
West Africa [2]	11	—	184	42	63.74	—	0.27
Total Consolidated Operations	126	62	893	337	56.57	16.12	2.55
Equity Investments [3]	2	4	—	6	61.02	34.11	—
Total [4]	128	66	893	343	$ 56.62	$ 17.21	$ 2.55

N/M amount is not meaningful.

(1) Natural gas is converted on the basis of six Mcf of gas per one barrel of crude oil equivalent (BOE). This ratio reflects an energy content equivalency and not a price or revenue equivalency. Given commodity price disparities, the prices for a barrel of crude oil equivalent for US natural gas and NGLs are significantly less than the price for a barrel of crude oil. In Israel, we sell natural gas under contracts where the majority of the price is fixed, resulting in less commodity price disparity between reporting periods.

(2) Natural gas from the Alba field is sold under contract for $0.25 per MMBtu to a methanol plant, an LPG plant, an LNG plant and a power generation plant. The methanol and LPG plants are owned by affiliated entities accounted for under the equity method.

(3) Volumes represent sales of condensate and LPG from the LPG plant in Equatorial Guinea. See *Income (Loss) from Equity Method Investments, below.*

(4) Includes an immaterial amount of condensate sales from offshore Israel assets.

An analysis of revenues from sales of crude oil, NGLs and natural gas is as follows:

(millions)		Crude Oil & Condensate		NGLs		Natural Gas		Total
Three Months Ended June 30, 2019	$	688	$	84	$	182	$	954
Changes due to								
(Decrease) Increase in Sales Volumes		(9)		(8)		38		21
Decrease in Sales Prices [1]		(418)		(36)		(28)		(482)
Three Months Ended June 30, 2020	$	261	$	40	$	192	$	493
Six Months Ended June 30, 2019	$	1,300	$	180	$	411	$	1,891
Changes due to								
Increase in Sales Volumes		52		1		122		175
Decrease in Sales Prices [1]		(513)		(79)		(87)		(679)
Six Months Ended June 30, 2020	$	839	$	102	$	446	$	1,387

(1) Changes exclude gains and losses related to commodity derivative instruments. See Item 1. Financial Statements – Note 11. Derivative Instruments and Hedging Activities.

Crude Oil and Condensate Sales Revenues Revenues from crude oil and condensate sales decreased second quarter 2020 as compared with second quarter 2019 primarily due to the following:

- a 61% decrease in the total consolidated average realized price (see Executive Overview & Operating Outlook – Commodity Prices);
- voluntary curtailment of approximately 11 MBbl/d as DJ and Delaware Basin production was temporarily shut-in in response to the low commodity price environment; and
- lower volumes in the Eagle Ford Shale due to reduced activity and natural field decline;

partially offset by:

- higher pre-curtailment production rates in the DJ and Delaware Basins due to increased development activity that had occurred prior to the commodity price decline; and
- higher West Africa sales volumes due to Aseng 6P coming online in fourth quarter 2019 and timing of liftings.

Revenues from crude oil and condensate sales decreased for the first six months of 2020 as compared with the first six months of 2019 primarily due to the following:

- a 38% decrease in the total consolidated average realized price (see Executive Overview & Operating Outlook – Commodity Prices);
- voluntary curtailment of approximately 5 MBbl/d, as DJ and Delaware Basin production was temporarily shut-in in response to the low commodity price environment;
- lower volumes in the Eagle Ford Shale due to reduced activity and natural field decline;

partially offset by:

- first quarter 2020 sales volume increases in the DJ and Delaware Basins due to increased development activity; and
- higher West Africa sales volumes due to Aseng 6P coming online in fourth quarter 2019 and timing of liftings.

NGL Sales Revenues Revenues from NGL sales decreased in second quarter 2020 as compared with second quarter 2019 primarily due to the following:

- a 48% decrease in the total consolidated average realized price (see Executive Overview & Operating Outlook – Commodity Prices); and
- voluntary curtailment of approximately 8 MBbl/d as DJ and Delaware Basin production was temporarily shut-in in response to the low commodity price environment; and
- reduced activity and natural field decline in the Eagle Ford Shale;

partially offset by:

- higher pre-curtailment production rates in the DJ and Delaware Basins due to increased development activity that had occurred prior to the commodity price decline.

Revenues from NGL sales decreased for the first six months of 2020 as compared with the first six months of 2019 primarily due to the following:

- a 44% decrease in the total consolidated average realized price (see Executive Overview & Operating Outlook – Commodity Prices);

- voluntary curtailment of approximately 4 MBbl/d as DJ and Delaware Basin production was temporarily shut-in in response to the low commodity price environment; and
- lower volumes in the Eagle Ford Shale due to reduced activity and natural field decline;

partially offset by:

- first quarter 2020 sales volume increases in the DJ and Delaware Basin due to increased development activity.

Natural Gas Sales Revenues Revenues from natural gas sales increased in second quarter 2020 as compared with second quarter 2019 primarily due to the following:

- higher sales volumes of 98 MMcf/d offshore Israel primarily due to the commencement of production from the Leviathan field in late December 2019; and
- higher pre-curtailment production rates in the DJ and Delaware Basins due to increased development activity that had occurred prior to the commodity price decline;

partially offset by:

- a 28% decrease and a 10% decrease in US and Israel average realized prices, respectively (see Executive Overview & Operating Outlook – Commodity Prices); and
- voluntary curtailment of approximately 70 MMcf/d as DJ and Delaware Basin production was temporarily shut-in in response to the low commodity price environment; and
- lower Eagle Ford Shale sales volumes of 35 MMcf/d due to reduced activity and natural field decline.

Revenues from natural gas sales increased for the first six months of 2020 as compared with the first six months of 2019 primarily due to the following:

- higher sales volumes of 128 MMcf/d offshore Israel primarily due to the commencement of production from the Leviathan field in late December 2019; and
- higher sales volumes in the DJ and Delaware Basins of 26 MMcf/d for the first six months of 2020, primarily driven by higher first quarter volumes in both basins due to increased development activities;

partially offset by:

- a 40% decrease and a 6% decrease in US and Israel average realized prices, respectively (see Executive Overview & Operating Outlook – Commodity Prices);
- voluntary curtailment of approximately 34 MMcf/d in the DJ and Delaware Basins; and
- lower Eagle Ford Shale sales volumes of 25 MMcf/d due to reduced activity and natural field decline.

Sales and Cost of Purchased Oil and Gas Sales and purchases of crude oil decreased in second quarter and the first six months of 2020 as compared with 2019 primarily due to lower prices for crude oil and reduced sales and purchase activity related to build of shipper history in the DJ Basin.

Income (Loss) from Equity Method Investments and Other Income (loss) from equity method investments and other decreased in second quarter and the first six months of 2020 as compared with 2019. The decrease includes impacts of approximately $30 million from the first quarter 2020 turnaround at Atlantic Methanol Production Company, LLC (AMPCO), our methanol investment, as well as the impact of lower methanol prices. These losses were partially offset by income of $12 million for the first six months of 2020 from Alba Plant, our LPG investment.

Production Expense Components of production expense were as follows:

(millions, except unit rate)	Total per BOE (1)(2)	Total	United States (2)	Eastern Mediterranean	West Africa
Three Months Ended June 30, 2020					
Lease Operating Expense (3)	$ 3.70	$ 116	$ 81	$ 15	$ 20
Production and Ad Valorem Taxes	0.73	23	23	—	—
Gathering, Transportation and Processing	4.35	136	133	3	—
Other Royalty Expense	0.10	3	3	—	—
Total Production Expense	$ 8.88	$ 278	$ 240	$ 18	$ 20
Total Production Expense per BOE		$ 8.88	$ 10.63	$ 3.82	$ 4.98
Three Months Ended June 30, 2019					
Lease Operating Expense (3)	$ 4.26	$ 133	$ 114	$ 9	$ 10
Production and Ad Valorem Taxes	1.28	40	40	—	—
Gathering, Transportation and Processing	3.97	124	124	—	—
Other Royalty Expense	0.03	1	1	—	—
Total Production Expense	$ 9.54	$ 298	$ 279	$ 9	$ 10
Total Production Expense per BOE		$ 9.54	$ 11.64	$ 2.82	$ 2.47
Six Months Ended June 30, 2020					
Lease Operating Expense (3)	$ 4.03	$ 267	$ 189	$ 28	$ 50
Production and Ad Valorem Taxes	0.90	60	60	—	—
Gathering, Transportation and Processing	4.30	285	279	6	—
Other Royalty Expense	0.11	7	7	—	—
Total Production Expense	$ 9.34	$ 619	$ 535	$ 34	$ 50
Total Production Expense per BOE		$ 9.34	$ 11.36	$ 3.19	$ 5.88
Six Months Ended June 30, 2019					
Lease Operating Expense (3)	$ 4.78	$ 292	$ 239	$ 19	$ 34
Production and Ad Valorem Taxes	1.42	87	87	—	—
Gathering, Transportation and Processing	4.35	266	266	—	—
Other Royalty Expense	0.07	4	4	—	—
Total Production Expense	$ 10.62	$ 649	$ 596	$ 19	$ 34
Total Production Expense per BOE		$ 10.62	$ 12.75	$ 2.83	$ 4.44

(1) Consolidated unit rates exclude sales volumes and expenses attributable to equity method investments.
(2) US production expense includes charges from our midstream operations that are eliminated on a consolidated basis.
(3) Lease operating expense includes oil and gas operating costs (labor, fuel, repairs, replacements, saltwater disposal and other related lifting costs) and workover expense.

Production expense for second quarter and the first six months of 2020 decreased as compared with 2019, primarily due to the following:

- decrease in US onshore due to production curtailments, as discussed further above;
- decrease in US onshore lease operating expense (LOE) due to reductions in leased assets and lower labor and workover costs based on lower activity levels; and
- decrease in US onshore production and ad valorem taxes due to lower commodity price realizations and assessed taxes;

partially offset by:

- increase in West Africa LOE due to an increase in sales volumes and timing of expenses;
- increase in LOE and gathering, transportation and processing expenses in Eastern Mediterranean due to Leviathan commencing production in late December 2019; and
- increase in US onshore GTP due to second quarter 2020 costs relating to minimum processing fees not associated with minimum volume commitments in the DJ Basin.

The unit rate per BOE decreased for second quarter and the first six months of 2020 as compared with 2019 primarily due to the decrease in production expenses and the total increase in sales volumes.

Exploration Expense See Item 1. Financial Statements – Note 4. Impairments.

Depreciation, Depletion and Amortization (DD&A) Expense DD&A expense was as follows:

(millions, except unit rate)		Total		United States		Eastern Mediterranean		West Africa
Three Months Ended June 30, 2020								
DD&A Expense	$	290	$	252	$	16	$	22
Unit Rate per BOE [1]	$	9.26	$	11.16	$	3.39	$	5.48
Three Months Ended June 30, 2019								
DD&A Expense	$	493	$	457	$	17	$	19
Unit Rate per BOE [1]	$	15.80	$	19.07	$	5.33	$	4.69
Six Months Ended June 30, 2020								
DD&A Expense	$	752	$	671	$	35	$	46
Unit Rate per BOE [1]	$	11.35	$	14.25	$	3.28	$	5.41
Six Months Ended June 30, 2019								
DD&A Expense	$	968	$	896	$	33	$	39
Unit Rate per BOE [1]	$	15.84	$	19.17	$	4.92	$	5.10

(1) Consolidated unit rates exclude sales volumes and expenses attributable to equity method investments.

DD&A expense for second quarter and the first six months of 2020 decreased as compared with 2019, primarily due to the following:

- decreases in the Delaware Basin due to the first quarter 2020 impairment of proved properties;
- decreases in the DJ Basin primarily due to year-end 2019 reserves additions and capital efficiencies; and
- decreases in the Eagle Ford Shale due to the fourth quarter 2019 impairment of proved properties;

partially offset by:

- increases in West Africa due to higher sales volumes.

The unit rate per BOE for second quarter and the first six months of 2020 decreased as compared with 2019, primarily due to the decrease in total DD&A expense and an increase in total sales volumes.

Asset Impairments See Item 1. Financial Statements – Note 4. Impairments.

Loss (Gain) on Commodity Derivative Instruments We incurred a gain on commodity derivative instruments for the first six months of 2020 as compared with a loss on commodity derivative instruments for the first six months of 2019.

For the first six months of 2020, gain on commodity derivative instruments included:

- net cash receipts of $314 million; and
- net non-cash increase of $83 million in the fair value of our net commodity derivative liability, primarily driven by changes in the forward commodity price curves for crude oil.

For the first six month of 2019, loss on commodity derivative instruments included:

- net cash settlement receipts of $15 million; and
- net non-cash decrease of $167 million in the fair value of our net commodity derivative liability, primarily driven by changes in the forward commodity price curves for crude oil.

See Item 1. Financial Statements – Note 11. Derivative Instruments and Hedging Activities.

RESULTS OF OPERATIONS – MIDSTREAM

Second Quarter 2020 Significant Midstream Highlights:

- total revenues of $144 million, as compared with $161 million for second quarter 2019;
- commenced full service on the EPIC crude oil pipeline;
- began transition to full NGL service on EPIC Y-Grade; and
- commenced crude oil service on Delaware Crossing.

The following is a summarized statement of operations for our Midstream segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions)	2020	2019	2020	2019
Midstream Services Revenues – Third Party	$ 26	$ 20	$ 51	$ 44
Sales of Purchased Oil and Gas	29	52	112	85
Loss from Equity Method Investments	(3)	(2)	(8)	—
Intersegment Revenues	92	91	207	197
Total Revenues	144	161	362	326
Operating Costs and Expenses	31	41	64	77
Depreciation, Depletion and Amortization	26	26	52	51
Cost of Purchased Oil and Gas	29	48	109	79
Goodwill Impairment	—	—	110	—
Total Expense	86	115	335	207
Income Before Income Taxes	$ 58	$ 46	$ 27	$ 119

Midstream Revenues Midstream services revenues - third party are generated from Noble Midstream Partners' gathering and processing and fresh water delivery services provided to third parties. Amounts in 2020 exceed those of 2019 due to an increase in throughput volumes from additional well connections in the DJ and Delaware Basins.

Intersegment revenues generated by the Midstream segment depend primarily on the volumes of crude oil, natural gas and water for which services are provided to dedicated acreage for our E&P business. These volumes are affected by the level of drilling and completion activity and by changes in the supply of, and demand for, crude oil, NGLs and natural gas in the markets served directly or indirectly by our midstream assets.

Sales and Costs of Purchased Oil and Gas Sales and costs of purchased oil for the six months ended June 30, 2020 increased as compared with 2019 due to an increase in throughput volumes driven by additional well connections in first quarter 2020 as compared to 2019. Sales and costs of purchased oil for the three months ended June 30, 2020 decreased as compared to 2019 due to the significant drop in oil prices in second quarter 2020.

Operating Costs and Expenses Operating costs and expenses are lower in 2020 as compared to 2019 as a result of cost reduction initiatives, particularly for the three months ended June 30, 2020.

Loss from Equity Method Investments Loss from equity method investments for all periods presented are due to operating losses incurred by certain of Noble Midstream Partners' equity method investments prior to the projects fully coming online. These losses, which primarily relate to EPIC crude oil pipeline and EPIC Y-Grade, are partially offset by income from the Saddlehorn Pipeline beginning in first quarter 2020 and earnings from Advantage Pipeline for both 2020 and 2019.

Goodwill Impairment See Item 1. Financial Statements – Note 4. Impairments.

RESULTS OF OPERATIONS – CORPORATE

Expenses related to debt, such as interest and other debt-related costs, headquarters depreciation, corporate general and administrative (G&A) expenses, exit costs, corporate restructurings and certain costs associated with mitigating the effects of our retained Marcellus Shale transportation agreements, are recorded at the Corporate level.

Transportation Exit Cost Revenues and expenses associated with retained Marcellus Shale transportation contracts were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions)	2020	2019	2020	2019
Sales of Purchased Gas [1]	$ 16	$ 23	$ 33	$ 50
Cost of Purchased Gas [1]	30	37	61	79
Firm Transportation Exit Cost [2]	—	—	—	92

(1) Relates to third party mitigation activities we engage in to utilize a portion of our Marcellus Shale transportation commitments. Cost of purchased gas includes utilized and unutilized transportation expense. Decreases in sales and cost of purchased gas related to lower natural gas prices in 2020 compared to 2019.

(2) Represents exit costs related to future commitments to a third party resulting from a permanent capacity assignment.

General and Administrative Expense G&A expense was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions, except unit rate)	2020	2019	2020	2019
G&A Expense	$ 63	$ 105	$ 148	$ 207
Unit Rate per BOE (1)	$ 2.01	$ 3.36	$ 2.23	$ 3.39

(1) Consolidated unit rates exclude sales volumes and expenses attributable to equity method investments.

The significant decrease in G&A expense in 2020 compared to 2019 primarily relates to reduced employee costs, as well as a reduction in travel, office expenses and contractor costs. The unit rate per BOE for second quarter and the first six months of 2020 also decreased as compared with 2019 due to the reduction in G&A expense and the increase in the total sales volumes.

Other Operating Expense, Net Other operating expense, net includes $40 million of impairment expense for a finance lease right-of-use asset relating to a corporate real estate lease. See Item 1. Financial Statements – Note 4. Impairments. Additionally, other operating expense, net, includes $30 million of corporate restructuring costs including cash severance, termination benefits and acceleration of stock-based compensation for workforce reductions.

Interest Expense and Capitalized Interest Interest expense and capitalized interest were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions, except unit rate)	2020	2019	2020	2019
Interest Expense, Gross	$ 90	$ 90	$ 181	$ 177
Capitalized Interest	(3)	(27)	(13)	(48)
Interest Expense, Net	$ 87	$ 63	$ 168	$ 129
Unit Rate per BOE (1)	$ 2.78	$ 2.02	$ 2.54	$ 2.11

(1) Consolidated unit rates exclude sales volumes and expenses attributable to equity method investments.

Interest expense, gross, for second quarter and the first six months of 2020 remained relatively flat as compared with 2019. See Item 1. Financial Statements – Note 8. Debt. Capitalized interest for second quarter and the first six months of 2020 decreased as compared with 2019, primarily due to lower work in progress amounts with Leviathan commencing production late December 2019.

The unit rate per BOE for second quarter and the first six months of 2020 increased as compared with 2019, primarily due to the increase in net interest expense partially offset by the increase in total sales volumes.

LIQUIDITY AND CAPITAL RESOURCES

Impact of Commodity Price Environment and COVID-19

Recent events, as further described in Management's Discussion & Analysis - Executive Overview and Operating Outlook, have significantly impacted our financing strategy. The magnitude of lower commodity prices, combined with continued global uncertainty surrounding the COVID-19 pandemic, is unprecedented. Additionally, on July 20, 2020, the Chevron Merger Agreement was announced. See Management's Discussion & Analysis - Executive Overview and Operating Outlook.

Due to the current commodity price environment, the duration of which could be prolonged, we have delayed certain development projects and exploration activities in order to preserve our financial liquidity. Additionally, we have adjusted our shareholder return initiatives, including our dividend, when determining how to best allocate our capital and cash resources to maintain maximum liquidity. In April 2020, we announced a reduction of our quarterly dividend to $0.02 per Noble Energy common share, which is expected to preserve approximately $195 million in annualized cash flow.

Our liquidity is also impacted by our credit rating which along with our competitors in the oil and gas industry is periodically reviewed by the various credit rating agencies. Given current market conditions, credit rating agencies have increased the frequency and number of negative outlooks and/or downgrades to companies in our industry. We expect the rating agencies will continue to review our credit ratings in light of the current economic environment and our indebtedness levels, and we can provide no assurance that we will not be downgraded from investment grade or other by one or more agencies in the future. A downgrade in our credit rating below investment grade could, among other things, restrict our access to the commercial paper market, increase the interest rate and fees we pay on our $4.0 billion Revolving Credit Facility, and increase the costs of future borrowings. Further, a downgrade could limit the size and availability of future borrowings and those borrowings could include much more restrictive terms than our previous borrowings, such as posting of collateral, cash or other security. A credit rating downgrade could impact the counterparties with which we can transact, including current and potential partners with which we develop long-term projects. See Item 1A. Risk Factors.

Our liquidity could also be impacted by counterparty credit risk. We closely monitor the credit worthiness of all counterparties with whom we do business. When considered necessary, we obtain letters of credit or other credit enhancements to mitigate risks associated with certain counterparties.

Additionally, our liquidity is impacted by the amount of distributions we receive from Noble Midstream Partners. In March 2020, Noble Midstream Partners announced a reduction in their quarterly distribution to $0.1875 per unit which reduced cash received from distributions beginning in second quarter 2020.

Our focus on liquidity is allowing us to address current volatility and risk. During the first six months of 2020, our primary sources of liquidity were cash flows from operations, cash on hand and borrowings under our Revolving Credit Facility, which does not mature until 2023. Cash flows from operations includes $314 million of cash received in the settlement of derivative instruments, which we utilize to protect liquidity, provide risk mitigation and support cash flow predictability.

In March 2020, we borrowed $1.0 billion, net, on our $4.0 billion Revolving Credit Facility. These borrowings were used to increase our cash on hand balance in an abundance of caution to mitigate potential future issues in the global financial system. In June 2020, we repaid $675 million, net, of borrowings under the Revolving Credit Facility, leaving $325 million outstanding at June 30, 2020. As of June 30, 2020, we are in compliance with the financial covenant contained in our Revolving Credit Facility which provides that our total debt to capitalization ratio, as defined in the Revolving Credit Facility agreement, may not exceed 65% at any time. As of June 30, 2020, our total debt to capitalization ratio was below 40%.

A few of our commercial agreements contain the obligation to provide assurances in the event certain financial triggers are met. Potential collateral requirements could be triggered by a downgrade of our credit rating to non-investment grade or other financial triggers. We anticipate meeting any collateral obligations through bi-lateral letters of credit facilities and/or our Revolving Credit Facility. We have sufficient capacity under such facilities to meet potential collateral obligations. Posting of collateral through the use of our bilateral facilities and other instruments would not impact our available borrowing capacity under our Revolving Credit Facility, while issuance of letters of credit under our Revolving Credit Facility would reduce available borrowing capacity by an equivalent amount.

Subject to certain limitations under the Chevron Merger Agreement, we will continue to consider strategic farm-out arrangements of our working interests for reimbursement of our capital spending. Additionally, we consider repatriations of foreign cash to increase our financial flexibility and fund our capital investment program.

We believe these factors position us to have sufficient liquidity to address the current downturn in commodity prices. However, we are unable to predict how long commodity demand and prices will continue to be depressed, nor are we able to predict whether prices will continue to decline. Our financing strategy in future periods could include further reductions to capital spending, additional borrowings under our $4.0 billion Revolving Credit Facility, further changes to our dividend, proceeds from asset divestitures, or issuance of new debt or equity securities and/or extension of debt maturities, among others. In addition, we may from time to time seek to retire or purchase our outstanding senior notes through cash purchases in the open market, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual requirements and other factors. These actions to our financing strategy are subject to certain limitations under the Chevron Merger Agreement.

Available Liquidity

The following table summarizes our cash, debt balances and available liquidity:

	June 30, 2020			December 31, 2019		
(millions, except percentages)	Noble Energy Excluding Noble Midstream Partners	Noble Midstream Partners	Total	Noble Energy Excluding Noble Midstream Partners	Noble Midstream Partners	Total
Cash and Cash Equivalents	$ 311	$ 13	$ 324	$ 471	$ 13	$ 484
Amounts Available for Borrowing [1]	3,675	—	3,675	4,000	—	4,000
Total Liquidity [1]	$ 3,986	$ 13	$ 3,999	$ 4,471	$ 13	$ 4,484
Total Debt [2]	$ 6,402	$ 1,635	$ 8,037	$ 6,089	$ 1,495	$ 7,584
Noble Energy Share of Equity			$ 4,003			$ 8,410
Ratio of Debt-to-Book Capital [3]			67%			47%

(1) Excludes $415 million available for borrowing under the Noble Midstream Services Revolving Credit Facility, which is not available to Noble Energy for general corporate purposes.

(2) Excludes unamortized debt discount/premium and debt issuance costs. See Item 1. Financial Statements – Note 8. Debt.

(3) We define our ratio of debt-to-book capital as total debt divided by the sum of total debt plus Noble Energy's share of equity. This ratio is not used in determining compliance with the financial covenant in our $4.0 billion Revolving Credit Facility. As of June 30, 2020, we are in compliance with the financial covenant contained in our Revolving Credit Facility which provides that our total debt to capitalization ratio, as defined in the Revolving Credit Facility agreement, may not exceed 65% at any time. As of June 30, 2020, our total debt to capitalization ratio, as defined in the Revolving Credit Facility agreement, was below 40%. See *Impact of Commodity Price Environment and COVID-19*, above.

Cash and Cash Equivalents We had approximately $324 million in cash and cash equivalents at June 30, 2020, primarily denominated in US dollars and invested in money market funds and short-term deposits with major financial institutions. Approximately $272 million of this cash is attributable to our foreign subsidiaries. We do not expect to incur significant US income tax expense with respect to future repatriation of foreign cash.

Revolving Credit Facilities Noble Energy's $4.0 billion Revolving Credit Facility and the Noble Midstream Services Revolving Credit Facility of nearly $1.2 billion both mature in 2023. These committed facilities are used to fund capital investment programs, acquisitions and amounts for working capital purposes.

At June 30, 2020, $325 million was outstanding under the Noble Energy Revolving Credit Facility, leaving $3.7 billion available for borrowing, and $735 million was outstanding under the Noble Midstream Services Revolving Credit Facility, leaving $415 million available for borrowing.

See Item 1. Financial Statements – Note 8. Debt.

Cash Flows

The following table summarizes our total cash provided by (used in) operating, investing and financing activities:

	Six Months Ended June 30,	
(millions)	2020	2019
Operating Activities	$ 400	$ 1,092
Investing Activities	(965)	(1,697)
Financing Activities	405	488
Decrease in Cash, Cash Equivalents and Restricted Cash	$ (160)	$ (117)

Operating Activities Cash provided by operating activities for the first six month of 2020 decreased $692 million as compared with 2019. The decrease was primarily driven by reductions in revenues as a result of the current commodity price environment. These impacts were partially offset by cash received for settlements of commodity derivatives of $314 million, as compared with cash receipts of $15 million in the prior year.

Investing Activities Cash used in investing activities decreased approximately $732 million for the first six months of 2020 as compared with 2019, primarily due to decreases of $681 million in capital spending for property, plant and equipment due to reduced capital spend for Leviathan, which came online late December 2019, and reduced spending primarily in our US onshore business as a result of the current commodity price environment and the COVID-19 pandemic. During the first six months of 2020, cash used for additions to equity method investments was $187 million lower than in the first six months of 2019. These decreases were partially offset by reductions in proceeds from divestitures, as we had $18 million of proceeds in the first six months of 2020 as compared to $123 million in the prior year.

Financing Activities Our financing activities during the first six months of 2020 primarily included net borrowings of $325 million under our $4.0 billion Revolving Credit Facility and net borrowings of $140 million on the Noble Midstream Services Revolving Credit Facility. Additionally, we received contributions from noncontrolling interest owners of $81 million, which primarily related to external funding received for Noble Midstream Partners' investment in Saddlehorn. During the first six months of 2020, we paid $68 million of cash dividends to Noble Energy shareholders.

Our financing activities during the first six months of 2019 included net borrowings of $240 million under the commercial paper program, net borrowings of $310 million on the Noble Midstream Services Revolving Credit Facility and the receipt of $99 million of preferred equity, net of offering costs. In addition, we paid $111 million of cash dividends to Noble Energy shareholders.

See Item 1. Financial Statements – Consolidated Statements of Cash Flows.

Capital Expenditure Activities

Our capital expenditures (on an accrual basis) were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(millions)	2020	2019	2020	2019
Unproved Property Acquisition [1]	$ —	$ 4	$ —	$ 39
Proved Property Acquisition [1]	1	—	7	4
Exploration	3	4	15	18
Development	91	578	431	1,192
Midstream	5	52	48	118
Corporate	4	9	11	18
Other Exploration & Production[2]	3	4	43	13
Total	$ 107	$ 651	$ 555	$ 1,402
Additions to Equity Method Investments				
Saddlehorn Pipeline [3]	$ —	$ —	$ 87	$ —
EPIC Y-Grade	—	28	14	151
EPIC Crude Holdings	—	114	33	218
Delaware Crossing	—	1	17	39
Other	3	1	4	7
Total Additions to Equity Method Investments [4]	$ 3	$ 144	$ 155	$ 415
Increase in Finance Lease Obligations	$ 2	$ 1	$ 10	$ 3

(1) Costs relate to US onshore leasehold activity.
(2) 2020 amount includes $34 million of linefill purchased in first quarter 2020 for start-up of the EPIC crude oil and Delaware Crossing pipelines. This amount is included within our US onshore segment.
(3) Represents amount contributed by Noble Midstream Partners and excludes $73 million of externally funded capital.
(4) Includes an immaterial amount of capitalized interest. See Item 1. Financial Statements – Note 5. Acquisitions, Divestitures and Equity Method Investments.

Development costs decreased significantly compared to 2019 due to decreased capital spend for the Leviathan project, which commenced production in late December 2019, as well as decreases in our US onshore capital spending in response to the current commodity price environment and impacts from the COVID-19 pandemic. For the six months ended June 30, 2020, development costs included approximately $384 million for US onshore, prior to intersegment eliminations, $41 million for Eastern Mediterranean and $34 million for West Africa.

Capital spending by our Midstream segment also decreased compared with 2019, primarily due to reduced spend in response to the commodity price environment and COVID-19 pandemic.

Dividends

In July 2020, our Board of Directors declared a quarterly cash dividend of $0.02 per Noble Energy common share, which will be paid on August 24, 2020 to shareholders of record on August 10, 2020. The amount of future dividends will be determined on a quarterly basis at the discretion of our Board of Directors and will depend on earnings, financial condition, capital requirements and other factors.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Commodity Price Risk

We are exposed to market risk in the normal course of business operations and the volatility of commodity prices continues to impact the oil and gas industry. For discussion of current and anticipated impacts of the current commodity price environment and the COVID-19 pandemic, see Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations – Executive Overview & Operating Outlook.

At June 30, 2020, our open commodity derivative instruments were in a net liability position with a fair value of $105 million. Based on the June 30, 2020 published commodity futures price curves for the underlying commodities, a hypothetical price increase of 10% per Bbl for both crude oil and NGLs and 10% per MMBtu for natural gas would increase the fair value of our net commodity derivative liability by approximately $84 million. Even with certain hedging arrangements in place to mitigate the risk of commodity price volatility, our 2020 revenues and results of operations will be adversely affected if commodity prices continue to decline. See Item 1. Financial Statements – Note 11. Derivative Instruments and Hedging Activities.

Interest Rate Risk

Changes in interest rates affect the amount of interest we pay on certain of our borrowings. Outstanding borrowings under the Noble Revolving Credit Facility, Noble Midstream Services Revolving Credit Facility, and Noble Midstream Services Term Loan Credit Facilities, which as of June 30, 2020 total nearly $2.0 billion and have a weighted average interest rate of 1.44%, are subject to variable interest rates which expose us to the risk of earnings or cash flow loss due to potential increases in market interest rates. While we currently have no interest rate derivative instruments as of June 30, 2020, we may invest in such instruments in the future in order to mitigate interest rate risk.

Disclosure Regarding Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements give our current expectations or forecasts of future events. These forward-looking statements include, among others, the following:

- our growth strategies;
- our future results of operations;
- our liquidity and ability to finance our exploration and development activities;
- our ability to successfully and economically explore for and develop crude oil, NGL and natural gas resources;
- anticipated trends in our business;
- market conditions in the oil and gas industry;
- the impact of governmental regulation, including US federal, state, local, and foreign host government tax regulations, fiscal policies and terms, as well as that involving the protection of the environment or marketing of production and other regulations;
- our ability to make and integrate acquisitions or execute divestitures;
- access to resources;
- the adverse impact of the COVID-19 pandemic on our business, financial condition and results of operations, and the markets and communities in which we operate; and
- the completion of the Chevron Merger Agreement.

Any such projections or statements reflect Noble Energy's views (as of the date such projections were published or such statements were made) about future events and financial performance, and we undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this report. No assurances can be given that such events or performance will occur as projected, and actual results may differ materially from those projected. Important factors that could cause the actual results to differ materially from those projected include, without limitation, the volatility in commodity prices for crude oil and natural gas, the presence or recoverability of estimated reserves, the ability to replace reserves, environmental risks, drilling and operating risks, exploration and development risks, information technology and security risks, competition, government regulation or other action, the ability of management to execute its plans to meet its goals and other risks inherent in Noble Energy's business that are detailed in its Securities and Exchange Commission filings.

Forward-looking statements are typically identified by use of terms such as "may," "will," "expect," "believe," "anticipate," "estimate," "intend," and similar words, although some forward-looking statements may be expressed differently. These forward-looking statements are made based upon our current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. You should consider carefully the statements under Item 1A. Risk Factors included in our Annual Report on Form 10-K for the year ended December 31, 2019 and in the quarterly report on Form 10-Q for the quarter ended March 31, 2020 and in this quarterly report on Form 10-Q for the quarter ended June 30, 2020, which describe factors that could cause our actual results to differ from those set forth in the forward-looking statements. Our Annual Report on Form 10-K for the year ended December 31, 2019 is available on our website at www.nblenergy.com.

Item 4. Controls and Procedures

Based on the evaluation of our disclosure controls and procedures by our principal executive officer and our principal financial officer, as of the end of the period covered by this quarterly report, each of them has concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act)), are effective. There were no changes in internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) that occurred during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. These forms can also be obtained from the SEC by calling 1-800-SEC-0330. Alternatively, you may access these reports at the SEC's website at www.sec.gov.

Part II. Other Information

Item 1. Legal Proceedings

See discussion of legal proceedings in Part I. Financial Information, Item 1. Financial Statements – Note 9. Commitments and Contingencies of this Form 10-Q, which is incorporated by reference into this Part II. Item 1, as well as discussion in Item 3. Legal Proceedings, of our Annual Report on Form 10-K for the year ended December 31, 2019.

Item 1A. Risk Factors

Due to the Company's proposed Chevron Merger, and due to the current environment, there have been material changes to the risk factors included under Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2019. For a complete discussion of the Company's risk factors, refer to the risk factors included under Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and the following risk factors:

We will be subject to business uncertainties while the Chevron Merger is pending, which could adversely affect our businesses.

Uncertainty about the effect of the Chevron Merger on employees and those that do business with us may have an adverse effect on Noble Energy. These uncertainties may impair our ability to attract, retain and motivate key personnel until the Chevron Merger is completed and for a period of time thereafter, and could cause those that transact with us to seek to change their existing business relationships with us. Employee retention at Noble Energy may be challenging during the pendency of the Chevron Merger, as employees may experience uncertainty about their roles. In addition, the Chevron Merger Agreement restricts us from entering into certain corporate transactions, entering into certain material contracts, making certain changes to our capital budget, incurring certain indebtedness and taking other specified actions without the consent of Chevron, and generally requires us to continue our operations in the ordinary course of business during the pendency of the Chevron Merger. These restrictions may prevent us from pursuing attractive business opportunities or adjusting our capital plan prior to the completion of the Chevron Merger.

We may be subject to lawsuits relating to the Chevron Merger, which could adversely affect our business, financial condition and operating results.

Noble Energy, Chevron and/or their respective directors and officers may be subject to lawsuits relating to the Chevron Merger. Such litigation is very common in connection with acquisitions of public companies, regardless of any merits related to the underlying acquisition. While we will evaluate and defend against any actions vigorously, the costs of the defense of such lawsuits and other effects of such litigation could have an adverse effect on our business, financial condition and operating results.

Completion of the Chevron Merger is subject to a number of conditions, and if these conditions are not satisfied or waived, the Chevron Merger will not be completed. Failure to complete, or significant delays in completing, the Chevron Merger could negatively affect the trading prices of our common stock and our future business and financial results.

Completion of the Chevron Merger is subject to satisfaction or waiver of certain closing conditions, including (1) the adoption of the Chevron Merger Agreement by Noble Energy stockholders, (2) the expiration or termination of the waiting period under the Hart-Scott-Rodino Act, as amended, applicable to the Chevron Merger and the receipt of other applicable customary regulatory approvals, (3) the absence of any order or law prohibiting consummation of the Chevron Merger, (4) the effectiveness of the Registration Statement on Form S-4 to be filed by Chevron pursuant to which the shares of Chevron common stock to be issued in connection with the Chevron Merger will be registered with the Securities and Exchange Commission and (5) the authorization for listing on the New York Stock Exchange of the shares of Chevron common stock to be issued in connection with the Chevron Merger. There can be no assurance that the conditions to the completion of the Chevron Merger will be satisfied or waived or that the Chevron Merger will be completed.

If the Chevron Merger is not completed, or if there are significant delays in completing the Chevron Merger, the trading prices of our common stock and our future business and financial results could be negatively affected, and we may be subject to several risks, including the following:

- the requirement that we pay Chevron a termination fee of approximately $176 million under certain circumstances provided in the Chevron Merger Agreement;
- negative reactions from the financial markets, including declines in the prices of our common stock due to the fact that current prices may reflect a market assumption that the Chevron Merger will be completed;
- having to pay certain significant costs relating to the Chevron Merger; and
- the attention of our management will have been diverted to the Chevron Merger rather than our own operations and pursuit of other opportunities that could have been beneficial to us.

The Chevron Merger Agreement limits our ability to pursue alternatives to the Chevron Merger.

The Chevron Merger Agreement contains provisions that may discourage a third party from submitting a competing proposal that might result in greater value to our stockholders than the Chevron Merger, or may result in a potential competing acquirer of the Company proposing to pay a lower per share price to acquire us than it might otherwise have proposed to pay. These provisions include a general prohibition on us from soliciting or, subject to certain exceptions relating to the exercise of fiduciary duties by our Board, entering into discussions with any third party regarding any competing proposal or offer for a competing transaction.

Because the exchange ratio in the Chevron Merger Agreement is fixed and because the market price of Chevron common stock will fluctuate prior to the completion of the Chevron Merger, our stockholders cannot be sure of the market value of the Chevron common stock they will receive as consideration in the Chevron Merger.

Under the terms of the Chevron Merger Agreement, our stockholders will receive consideration consisting of 0.1191 of a share of Chevron common stock for each share of Noble Energy common stock, based on the closing price of Chevron common stock on July 17, 2020, the last trading day prior to the announcement of the Chevron Merger. The exchange ratio for the stock component of the merger consideration is fixed, and there will be no adjustment to the merger consideration for changes in the market price of Chevron common stock or our common stock prior to the completion of the Chevron Merger.

If the Chevron Merger is completed, there will be a time lapse between the date of signing of the Chevron Merger Agreement and the date on which our stockholders who are entitled to receive the merger consideration actually receive the merger consideration. The respective market values of Chevron common stock and our common stock have fluctuated and may continue to fluctuate during this period as a result of a variety of factors, including general market and economic conditions, changes in each company’s business, operations and prospects, commodity prices, regulatory considerations, and the market’s assessment of Chevron’s business and the Chevron Merger. Such factors are difficult to predict and in many cases may be beyond the control of Chevron and us. The actual value of the stock component of any merger consideration received by our stockholders at the completion of the Chevron Merger will depend on the market value of Chevron common stock at that time. This market value may differ, possibly materially, from the market value of Chevron common stock at the time the Chevron Merger Agreement was entered into or at any other time.

Our level of indebtedness, combined with the COVID-19 pandemic and recent developments in the global crude oil markets, may make us increasingly vulnerable to a downgrade in our credit rating. A downgrade in our credit rating below investment grade could have a material adverse impact on our financial condition, results of operations and cash flows.

From time to time, we have relied on access to capital markets for funding of certain of our operations. A downgrade in our credit rating could increase our cost of borrowings under our existing Revolving Credit Facility, limit access to our commercial paper program and limit access to private and public markets to raise debt.

A downgrade in our credit rating below investment grade could impact our access to, and terms available to us, with regards to future revolving credit facilities. For example, a downgrade in our credit rating could reduce the size of future revolving credit facilities and could require additional covenants, collateral requirements, and/or a number of other terms that are more restrictive than those currently included within our $4.0 billion Revolving Credit Facility.

These factors could significantly impact our ability to access capital markets, making it more difficult for us to fund our capital exploration and development programs, especially those related to our longer-term offshore projects.

Additionally, credit ratings are often analyzed by suppliers and other counterparties when they seek to engage in various transactions with us. A downgrade below investment grade may require us to post collateral, letters of credit, cash, and/or other forms of security as financial assurance of our performance under various contractual arrangements. A downgrade in our credit rating could limit counterparties willing to transact with us in the short-term, as well as counterparties willing to partner with us in development of long-term projects.

The occurrence of any of the foregoing could have a material adverse impact on our financial condition, results of operations and cash flows.

The COVID-19 pandemic and recent developments in the global crude oil markets have had, and may continue to have, material adverse consequences for the global economy, which have impacted our planned operational activities, and have had, and may continue to have, a material adverse impact on our financial condition, results of operations and cash flows.

The responses of governmental authorities and companies across the world to reduce the spread of the COVID-19 pandemic have significantly reduced global economic activity. Ongoing containment measures, which have included business closures, work stoppages, shuttering of public spaces and events and/or severe restrictions of global and regional travel, among others, while aiding in the prevention of further spread of the virus, have resulted in the slowing of economic growth, reduced demand for crude oil and natural gas and the disruption of global manufacturing supply chains. While certain containment measures have been relaxed, the remaining risks and uncertainty surrounding resurgence and reinstitution of more severe containment measures continue to reduce demand for crude oil and natural gas commodities. The longevity and severity of the impact of COVID-19 on the oil and gas industry, including the reduced demand for crude oil and natural gas commodities and its resulting impact on commodity prices, may continue until a vaccine or alternative treatment is made widely available across the globe. We are unable to predict when, and if, an effective vaccine for COVID-19 will become available.

Additionally, in March 2020, OPEC and non-OPEC producers failed to agree to production cuts, causing a significant drop in crude oil prices. Also, Saudi Arabia recently reduced its export prices to certain markets, while increasing its prices in others. Subsequently, in April 2020, members of OPEC and certain non-OPEC producers agreed to production cuts through first quarter 2022. While these production cuts are expected to reduce excess global crude oil inventories in 2021, they are unlikely to be sufficient to offset the sharp demand decreases caused by COVID-19 in the near-term.

Collectively, these factors have contributed to significant negative global economic impacts, including a significant drop in demand for hydrocarbon products. In second quarter 2020, experts concluded that the United States fell into a recession beginning in first quarter 2020. Currently, estimates as to the duration of these impacts to the equity markets and global economy vary widely. These impacts could extend the time for the current crude oil markets to absorb excess supplies, resulting in suppressed crude oil prices for a number of future quarters.

Our profitability has been and will likely continue to be significantly affected by this decreased demand and lower commodity price environment. The decline in commodity prices and our future estimated production levels could lead to additional material impairments of our long-lived assets, intangible assets, equity method investments and right-of-use assets. It is likely additional impairments could be triggered if the COVID-19 pandemic leads to a continued and sustained reduction in global economic activity and demand for energy.

The COVID-19 pandemic and impact of lower commodity prices have also caused disruptions in our distribution networks, including, among other things, storage and pipeline constraints and decreased demand from downstream consumers. These have the potential to result in claims of force majeure from transportation, processing, or other downstream service providers, as well as customers and other entities with which we conduct business. Prolonged constraints to the distribution chain could lead to repeated shut-ins and/or other production curtailment from certain of our US onshore wells in the future, further preventing us from producing our proved reserves. Additionally, these supply and demand dynamics have, and could again in the future, lead to negative commodity prices in the US, such as was the case with the May 2020 futures contracts whereby NYMEX WTI crude oil futures pricing was negative for one day in April 2020 driven by the contracts trading deadline with a physical settlement and buyers with available crude oil storage capacity being limited. In response to the current environment, certain domestic state regulators and commissions are considering measures that could, among other things, enforce state-wide limitations on crude oil production. Our future production levels could be negatively impacted if state or federal governments were to implement such production limitations in the future.

Additionally, reduced demand and increased commodity price volatility have contributed to increased short-term competition amongst fuel alternatives in the Eastern Mediterranean, where spot LNG prices have recently traded below prices in our long-term natural gas sales and purchase agreements.

Our future access to capital, as well as that of our partners and contractors, could be limited due to tightening capital markets that could delay or inhibit development of our property interests. Some of our longer-term projects require significant investment and, as a result of the current commodity price environment, we have delayed the majority of expenditures under our exploration program. If commodity prices do not improve, our long-term projects may be further delayed due to capital constraints. In addition to the delay of certain projects, if commodity prices do not improve, we could choose not to develop certain of our reserves, even in areas where reserves are known to exist.

The COVID-19 pandemic could potentially further impact our global workforce and operations. The infection of key personnel, and/or the infection of a significant portion of our workforce, could result in business continuity and productivity disruptions. In addition, certain of our personnel and contractors work in field or remote locations, including offshore platforms and facilities. An outbreak of COVID-19 at one of these locations, such as on an offshore platform or facility, could result in the cessation of operations to protect personnel and assets. Any such events could have a material adverse impact on our business, financial condition and results of operations.

The majority of our workforce continues to work remotely until the risks of COVID-19 are minimized. Additionally, in response to reduced development and activity levels stemming from the commodity price environment, we have placed a number of employees on furlough or part-time work programs. A remote workforce, combined with employee workforce reduction programs, could introduce risks to achieving business objectives and/or the ability to maintain our controls and procedures.

Further, containment measures have been implemented to mitigate the spread of COVID-19, there is the risk that reduced demand could continue should there be wide-spread and sustained adoption of certain behavioral changes, such as reduced travel and work from home policies, among others. Such behavioral changes, and perceived benefits to the environment, have recently been cited by groups opposing the oil and gas industry as cause for future long-term global adoption. We could be negatively impacted should there be wide-spread and sustained changes in consumer behavioral patterns that result in reduced demand for and consumption of energy commodities.

The impacts of COVID-19 and the significant drop in commodity prices have had an unprecedented impact on the global economy and our business. Impacts of the COVID-19 pandemic and/or any worsening of the global business and economic environment, may heighten or exacerbate many of the other risks disclosed in Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2019. We are unable to predict all potential impacts to our business, the severity of such impacts or the duration. These risks could have a material adverse impact on our financial position, results of operations and cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth, for the periods indicated, our share repurchase activity:

Period	Total Number of Shares Purchased[1]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[2]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
				(millions)
4/1/2020 - 4/30/2020	16,799	$ 9.52	—	
5/1/2020 - 5/31/2020	3,143	8.80	—	
6/1/2020 - 6/30/2020	—	—	—	
Total	19,942	$ 9.40	—	$ 455

(1) Stock repurchases during the period related to common stock received by us from employees for the payment of withholding taxes due on shares of common stock issued under stock-based compensation plans.

(2) During second quarter 2020, we did not repurchase shares under the $750 million share repurchase program, authorized by the Board of Directors and announced on February 15, 2018, which expires December 31, 2020.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit
2.1	Agreement and Plan of Merger dated as of July 20, 2020, by and among Chevron Corporation, Chelsea Merger Sub Inc. and Noble Energy, Inc. (filed as Exhibit 2.1 to Form 8-K/A filed on July 22, 2020 (File No. 001-07964) and incorporated herein by reference)
3.1	Restated Certificate of Incorporation of Noble Energy Inc. (filed as Exhibit 3.3 to the Registrant’s Current Report on Form 8-K filed on July 28, 2016 (File No. 001-07964) and incorporated herein by reference).
3.2	By-Laws of Noble Energy, Inc. (as amended through February 15, 2019) (filed as Exhibit 3.2 to the Registrant’s Annual Report on Form 10-K for the year ended December 31, 2018 (File No. 001-07964) and incorporated herein by reference).
10.1*	Noble Energy, Inc. 2020 Long-Term Incentive Plan (filed as Exhibit 10.1 to the Registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (File No. 001-07964) and incorporated herein by reference).
10.2*	Noble Energy, Inc. Short-Term Incentive Plan (Amended and Restated Effective January 1, 2020) (filed as Exhibit 10.2 to the Registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (File No. 001-07964) and incorporated herein by reference).
10.3*	Noble Energy, Inc. Amended and Restated 2020 Change of Control Severance Plan for Executives, filed herewith.
10.4*	Noble Energy, Inc. 2020 Executive Severance Plan (filed as Exhibit 10.4 to the Registrant’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 (File No. 001-07964) and incorporated herein by reference).
31.1	Certification of the Company’s Chief Executive Officer Pursuant To Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 7241), filed herewith.
31.2	Certification of the Company’s Chief Financial Officer Pursuant To Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 7241), filed herewith.
32.1	Certification of the Company’s Chief Executive Officer Pursuant To Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), furnished herewith.
32.2	Certification of the Company’s Chief Financial Officer Pursuant To Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), furnished herewith.
101	The following materials from Noble Energy, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Statements of Operations and Comprehensive Loss; (ii) Consolidated Balance Sheets; (iii) Consolidated Statements of Cash Flows; (iv) Consolidated Statements of Equity; and (v) Notes to Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101).

* Management contract or compensatory plan or arrangement required to be filed as an exhibit hereto.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NOBLE ENERGY, INC.
(Registrant)

Date August 3, 2020

By: /s/ Kenneth M. Fisher

Kenneth M. Fisher
Executive Vice President, Chief Financial Officer

NOBLE ENERGY, INC.
AMENDED AND RESTATED
2020 CHANGE OF CONTROL SEVERANCE PLAN FOR EXECUTIVES

THIS AMENDED AND RESTATED 2020 CHANGE OF CONTROL SEVERANCE PLAN FOR EXECUTIVES, made and executed at Houston, Texas, by Noble Energy, Inc., a Delaware corporation (the "Company").

WITNESSETH THAT:

WHEREAS, the Company maintains the Noble Energy, Inc. 2020 Change of Control Severance Plan for Executives, effective as of April 27, 2020 (the "Prior Plan"), to provide for the payment of severance benefits to certain executives of the Company and its participating affiliates whose employment with the Company or such an affiliate terminates under certain circumstances following a Change of Control of the Company;

WHEREAS, Section 4.5 of the Prior Plan provides that the Prior Plan may be amended by resolution adopted by the Board, provided that no such amendment that would adversely affect the benefits or protections provided under the Prior Plan to any individual who is a Covered Employee on the date the amendment is adopted shall be effective as it relates to such individual unless no Change of Control occurs within one year after such adoption; and

WHEREAS, the Company now desires to amend, restate and rename the Prior Plan and has determined that such action to amend, restate and rename would not adversely affect the benefits or protections provided under the Prior Plan to any individual who is a Covered Employee on the Effective Date (as defined below) such that the action to amend, restate and rename shall be effective regardless of whether a Change of Control occurs within one year after the Effective Date.

NOW, THEREFORE, in consideration of the premises, the Prior Plan is hereby amended and restated in its entirety and renamed as the Noble Energy, Inc. Amended and Restated 2020 Change of Control Severance Plan for Executives, effective as of July 19, 2020, to read as follows:

ARTICLE I .

DEFINITIONS

1.1 **Definitions**. Where the following words and phrases appear in the Plan, they shall have the respective meanings set forth below, unless their context clearly indicates to the contrary.

(a) ***"Administrator"*** shall mean the Chief Executive Officer or his or her designee.

(b) ***"Affiliated Company"*** shall mean any incorporated or unincorporated trade or business or other entity or person, other than the Company, that along with the Company is considered a single employer under Code section 414(b) or Code section 414(c); provided, however, that (i) in applying Code section 1563(a)(1), (2), and (3) for the purposes of determining a controlled group of corporations under Code section 414(b), the phrase “at least 50 percent” shall be used instead of the phrase “at least 80 percent” in each place the phrase “at least 80 percent” appears in Code section 1563(a)(1), (2), and (3), and (ii) in applying Treas. Reg. section 1.414(c)-2 for the purposes of determining trades or businesses (whether or not incorporated) that are under common control for the purposes of Code section 414(c), the phrase “at least 50 percent” shall be used instead of the phrase “at least 80 percent” in each place the phrase “at least 50 percent” appears in Treas. Reg. section 1.414(c)-2.

(c) ***“Annual Cash Compensation”*** shall mean, with respect to a Covered Employee, such Covered Employee’s highest annualized salary during the period beginning immediately prior to the date on which a Change of Control occurs and ending on the date of such Covered Employee’s Qualifying Termination, plus the greater of (1) such Covered Employee’s annual target bonus for the then-current annual bonus period, or (2) the average annual bonus paid or payable by the Employer to such Covered Employee for the three (3)-year period immediately preceding the date of such Change of Control (or, if such Covered Employee has not been employed for all of such three (3)-year period, for the number of years in which such Covered Employee has been employed by the Employer, with such number of years of employment being annualized for any partial years), provided that, for a Covered Employee who has not been employed for all of such three (3)-year period, the amount of the annual bonus, if any, paid to such Covered Employee in respect of such Covered Employee’s year of hire shall be annualized for this purpose. Annual Cash Compensation shall be determined prior to the impact of any temporary reduction in annualized salary or annual target bonus imposed on the Covered Employee in connection with an across the board reduction in annualized salaries and/or target bonus amounts of similarly-situated employees of the Company.

(d) ***“Applicable Factor”*** shall mean the factor specified as applicable to the Chief Executive Officer, a Senior Executive and a Key Executive, respectively, on the attached Schedule A.

(e) ***“Board”*** shall mean the Board of Directors of the Company.

(f) ***“Cause”*** shall mean, with respect to a Covered Employee, “Cause” as set forth in any employment, severance or other individual agreement with a Covered Employee or, if no such agreement exists, shall mean a determination by the Employer that the Covered Employee has engaged in any action or omission that:

(1) constitutes gross negligence or willful misconduct in the performance of the Covered Employee’s duties with respect to the Employer or an Affiliated Company;

(2) constitutes a material breach of any provision of the Covered Employee’s Participation Agreement or any other agreement between the Covered Employee and the Employer;

(3) constitutes an act of theft, fraud, embezzlement, misappropriation, or willful breach of a fiduciary duty with respect to the Employer of an Affiliated Company; or

(4) results in the Covered Employee's conviction of, plea of no contest to, or receipt of adjudicated probation or deferred adjudication in connection with a crime involving fraud, dishonesty, or moral turpitude, or any felony (or a crime of similar import in a foreign jurisdiction).

(g) A ***"Change of Control"*** shall be deemed to have occurred if:

(1) individuals who, as of the Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least fifty--one percent (51%) of the Board, provided that any person becoming a director subsequent to the Effective Date whose election, or nomination for election, by the Company's stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of the Plan, considered as though such person were a member of the Incumbent Board;

(2) the consummation of a reorganization, merger or consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own outstanding voting securities representing at least fifty-one percent (51%) of the combined voting power entitled to vote generally in the election of directors ("Voting Securities") of the reorganized, merged or consolidated company;

(3) the stockholders of the Company shall approve a liquidation or dissolution of the Company or a sale of all or substantially all of the stock or assets of the Company; or

(4) any "person," as that term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than the Company, any of its subsidiaries, any employee benefit plan of the Company or any of its subsidiaries, or any entity organized, appointed or established by the Company for or pursuant to the terms of such a plan), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) of such person (as well as any "Person" or "group" as those terms are used in Sections 13(d) and 14(d) of the Exchange Act), shall become the "beneficial owner" or "beneficial owners" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of securities of the Company representing in the aggregate twenty-five percent (25%) or more of either the then outstanding shares of common stock of the Company ("Common Stock") or the Voting Securities of the Company, in either such case other than solely as a result of acquisitions of such securities directly from the Company. Without limiting the foregoing, a person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares the power to vote, or to direct the voting of,

or to dispose, or to direct the disposition of, Common Stock or other Voting Securities of the Company shall be deemed the beneficial owner of such Common Stock or Voting Securities.

Notwithstanding the foregoing, a “Change of Control” of the Company shall not be deemed to have occurred for purposes of paragraph (4) of this Section 1.1(g) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Common Stock or other Voting Securities of the Company outstanding, increases (i) the proportionate number of shares of Common Stock beneficially owned by any person to twenty-five percent (25%) or more of the shares of Common Stock then outstanding or (ii) the proportionate voting power represented by the Voting Securities of the Company beneficially owned by any person to twenty-five percent (25%) or more of the combined voting power of all then outstanding Voting Securities; provided, however, that if any person referred to in clause (i) or (ii) of this sentence shall thereafter become the beneficial owner of any additional shares of Common Stock or other Voting Securities of the Company (other than a result of a stock split, stock dividend or similar transaction), then a Change of Control of the Company shall be deemed to have occurred for purposes of paragraph (4) of this Section 1.1(g)

(h) ***“Chief Executive Officer”*** shall mean the individual who is the Chief Executive Officer of the Company.

(i) ***“Code”*** shall mean the Internal Revenue Code of 1986, as amended.

(j) ***“Company”*** shall mean Noble Energy, Inc., a Delaware corporation.

(k) ***“Covered Employee”*** shall mean an individual who is the Chief Executive Officer, a Senior Executive or a Key Executive, excluding, however, any individual who is a party to an individual written change of control agreement with the Employer providing severance payments upon such individual’s termination of employment with the Employer.

(l) ***“Disability”*** shall mean a medically determinable physical or mental impairment for which the Covered Employee is eligible to receive disability income benefits as defined under a long-term disability insurance plan maintained by the Company.

(m) ***“Effective Date”*** shall mean July 19, 2020.

(n) ***“Employer”*** shall include the Company, Noble Energy Services, Inc. and each other entity or organization that adopts the Plan in accordance with the provisions of Section 4.4 of the Plan and their successors.

(o) ***“Good Reason”*** shall mean, with respect to a Covered Employee, “Good Reason” or similar term as set forth in any employment, severance or other individual agreement with the Covered Employee or, if no such agreement exists, shall mean any of the following actions if taken by the Employer with respect to and without the prior consent of a Covered Employee:

(1) within two (2) years after a Change of Control occurs, a material diminution in (i) the Covered Employee’s authority, duties or responsibilities, (ii) the authority, duties or responsibilities of the supervisor to whom the Covered Employee is required to report, including the requirement that the Covered Employee report to a corporate officer or employee instead of reporting directly to the Board, or (iii) the budget over which the Covered Employee retains authority;

(2) within two (2) years after a Change of Control occurs, a reduction in such Covered Employee’s total annual compensation (i.e., the sum of his or her annual salary, his or her target bonus opportunity under the Employer’s annual incentive bonus plan or similar plan in effect at the applicable time and the value of other employment benefits provided to such Covered Employee by the Employer) below the level in effect at the earlier of the occurrence of a Change of Control or the date on which a tentative agreement is reached by the Employer or a public announcement is made regarding a proposed Change of Control that ultimately occurs, if such reduction in total annual compensation is a material negative change to the Covered Employee in his or her employment relationship with the Employer;

(3) within two (2) years after a Change of Control occurs, a significant reduction in the level, or a significant increase in the cost to such Covered Employee, of the employee benefits (including but not limited to medical, dental vision, life insurance, accidental death and dismemberment, and long-term disability benefits) and perquisites being provided to or for the benefit of such Covered Employee from the level or cost applicable to him or her immediately prior to the Change of Control; or

(4) within two (2) years after a Change of Control occurs, a requirement that such Covered Employee relocate to a principal place of employment that is more than fifty (50) miles from the location where he or she was principally employed immediately prior to the Change of Control.

Notwithstanding the foregoing, “Good Reason” shall exist hereunder only if the Covered Employee provides written notice to the Employer of his or her belief that Good Reason exists within sixty (60) days of the initial existence of the Good Reason condition, and that notice must describe in reasonable detail the condition(s) believed to constitute Good Reason. The Employer then shall have thirty (30) days to remedy the Good Reason condition(s). If not remedied within that thirty (30)-day period, the Covered Employee may submit a notice of termination to the Employer; provided, however, that the notice of termination invoking the option to terminate employment for Good Reason must be given no later than one-hundred (100) days after the date the Good Reason condition first arose; otherwise, the Covered Employee shall be deemed to have accepted the condition(s), or the correction of such condition(s) that may have given rise to the existence of Good Reason.

(p) ***“Key Executive”*** shall mean a Covered Employee who is employed by the Employer in a job category or position specified as a Key Executive job category or position on the attached Schedule A.

(q) ***"Payment Date"*** shall mean the date chosen by the Employer that is no later than seventy (70) days after the date of such Covered Employee's Qualifying Termination.

(r) ***"Plan"*** shall mean the Noble Energy, Inc. Amended and Restated 2020 Change of Control Severance Plan for Executives. The Plan as set forth herein shall supersede and replace in its entirety the Prior Plan.

(s) ***"Qualifying Termination"*** shall mean a termination of a Covered Employee's employment with, or service to, the Employer that occurs within two (2) years after a Change of Control occurs and which is either: (1) by the Employer for any reason other than Cause (and not due to the Covered Employee's Retirement, death or Disability) or (2) by a Covered Employee for Good Reason.

(t) ***"Retirement"*** shall mean a Covered Employee's termination of employment with the Employer for reasons other than for Cause or Good Reason that occurs on or after the date such Covered Employee (1) attains at least fifty-five (55) years of age and has completed at least five (5) years of credited service with the Employer or (2) attains age sixty-five (65) years of age (regardless of the length of his or her credited service with the Employer or in such other circumstances as the Company may determine in its sole discretion.

(u) ***"Senior Executive"*** shall mean a Covered Employee who is employed by the Employer in a job category or position specified as a Senior Executive job category or position on the attached Schedule A.

(v) ***"Separation from Service"*** shall mean, with respect to a Covered Employee, such Covered Employee's separation from service (within the meaning of Code Section 409A and the regulations and other guidance promulgated thereunder) with the group of employers that includes the Company and each Affiliated Company. With respect to services as an employee, an employee's Separation from Service shall be deemed to occur on the date as of which the employee and his or her employer reasonably anticipate that no further services will be performed after such date or that the level of bona fide services the employee will perform after such date (whether as an employee or an independent contractor) will permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36)-month period (or the full period of services to the employer if the employee has been providing services to the employer less than thirty-six (36) months).

(w) ***"Welfare Benefit Coverages"*** shall mean the medical, dental, vision and life insurance coverages provided by the Employer to its active employees.

1.2 **Number and Gender.** Wherever appropriate herein, words used in the singular shall be considered to include the plural and the plural to include the singular. The masculine gender, where appearing in the Plan, shall be deemed to include the feminine gender.

1.3 **Headings.** The headings of Articles and Sections herein are included solely for convenience and if there is any conflict between such headings and the text of the Plan, the text shall control.

ARTICLE II .

SEVERANCE BENEFITS

2.1 **Severance Benefits.** Subject to the further provisions of this Article II, if a Covered Employee's Separation from Service occurs by reason of a Qualifying Termination, the Employer shall:

(a) pay to such Covered Employee (or such Covered Employee's estate, as applicable) when due under the Employer's normal payroll procedures all unpaid salary due to such Covered Employee in the performance of his or her duties for the Employer through the date of such Qualifying Termination;

(b) subject to Section 2.2 hereof, pay to such Covered Employee (or such Covered Employee's estate, as applicable) on his or her Payment Date an amount in cash equal to such Covered Employee's Annual Cash Compensation multiplied by the Applicable Factor that applies to such Covered Employee;

(c) subject to Section 2.2 hereof, pay to such Covered Employee (or such Covered Employee's estate, as applicable) on his or her Payment Date an amount in cash equal to such Covered Employee's prorata (measured as the number of days expired, as of the date of such Qualifying Termination, in the then-current annual bonus period, divided by 365) target bonus for the then-current annual bonus period;

(d) subject to Section 2.2 hereof, within thirty (30) days of receiving a detailed invoice for same, reimburse such Covered Employee, up to a maximum cumulative amount of $15,000, for the reasonable fees of no more than one (1) out-placement or similar service provider engaged by such Covered Employee to assist in finding employment opportunities for such Covered Employee during the one (1)-year period following the date of such Qualifying Termination, provided that all reimbursements to be made pursuant to this Section 2.1(d) shall be made to such Covered Employee no later than the end of the second calendar year following the calendar year in which such Covered Employee's Separation from Service occurs;

(e) subject to Section 2.2 hereof, pay to such Covered Employee (or such Covered Employee's estate, as applicable) on his or her Payment Date an amount in cash equal to (i) the period of months specified for Welfare Benefit Coverages for the Covered Employee set forth on Schedule A hereto multiplied by (ii) the difference between (x) the monthly cost of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), paid or payable by the Covered Employee (or such Covered Employee's estate, as applicable) for the Welfare Benefit Coverages elected by the Covered Employee (or such Covered Employee's estate, as applicable) under the applicable plans providing medical, dental, vision and life insurance coverages that are maintained by the Employer for the Covered Employee and the Covered

Employee's dependents as of immediately prior to the Qualifying Termination and (y) the monthly premium amount paid by similarly situated active employees under the applicable benefit package and coverage tier elected by the Covered Employee (or such Covered Employee's estate, as applicable), without regard to any rate reductions that active Covered Employees may be entitled to receive for wellness program participation and whether or not the Covered Employee (or such Covered Employee's estate, as applicable) elects continuation coverage pursuant to COBRA; and

(f) subject to Section 2.2 hereof, each equity or equity-based award (an "Equity Award") outstanding and held by the Covered Employee (or such Covered Employee's estate, as applicable) as of the Qualifying Termination shall immediately become vested and fully exercisable upon such Qualifying Termination, and any restrictions applicable to the Equity Award shall lapse as of such date with (1) any outstanding performance conditions associated with an Equity Award deemed achieved as of the date of such Qualifying Termination assuming all performance criteria and other conditions to payment of such Equity Awards are achieved at target performance and (2) the exercise period of any vested Equity Awards that are options to purchase stock or units (each, an "Option") extended to the fifth (5th) anniversary of the Qualifying Termination, or, if sooner, the original expiration date of the Option.

The severance benefits payable under this Section 2.1 shall be deemed to be severance pay subject to any required tax withholding, and shall not constitute compensation that is taken into account for the purposes of determining benefits or allocating contributions under any employee benefit plan maintained by the Employer. For the avoidance of doubt, to the extent that a Covered Employee dies after his or her Separation from Service that occurs by reason of a Qualifying Termination but prior to his or her Payment Date, the Covered Employee's estate shall receive the severance benefits payable under this Section 2.1.

2.2 **Release and Full Settlement.** Any provision of the Plan to the contrary notwithstanding, as a condition to the receipt of any severance benefit set forth in Sections 2.1(b), (c), (d), (e), and (f) hereunder, a Covered Employee whose Separation from Service occurs by reason of a Qualifying Termination shall, or such Covered Employee's estate (as applicable) shall, execute a release of claims in substantially the form attached hereto as Schedule B (the "Release"). The receipt by such Covered Employee (or such Covered Employee's estate, as applicable) of any benefit provided hereunder shall constitute full settlement of all such claims and causes of action of such Covered Employee (or such Covered Employee's estate, as applicable).

2.3 **Mitigation.** A Covered Employee shall not be required to mitigate the amount of any payment provided for in this Article II by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Article II be reduced by any compensation or benefit earned by the Covered Employee as the result of employment by another employer or by retirement benefits. The benefits under the Plan are in addition to any other benefits to which a Covered Employee is otherwise entitled.

2.4 **Parachute Payment Limitation**. Any provision of the Plan to the contrary notwithstanding, if a Covered Employee is a "disqualified individual" (as defined in Section 280G of the Code), and the severance benefits provided in Section 2.1, together with any other payments which the Covered Employee has the right to receive, would constitute a “parachute payment” (as defined in Section 280G of the Code), the severance benefits provided hereunder that constitute a parachute payment and are exempt from the requirements of Section 409A of the Code shall be either (a) reduced (but not below zero) so that the aggregate present value of such payments received by the Covered Employee from the Employer will be one dollar ($1.00) less than three times the Covered Employee’s “base amount” (as defined in Section 280G of the Code) and so that no portion of such payments received by the Covered Employee shall be subject to the excise tax imposed by Section 4999 of the Code, or (b) paid in full, whichever produces the better net after-tax result for the Covered Employee (taking into account any applicable excise tax under Section 4999 of the Code and any applicable income tax). The determinations as to the benefit to be reduced and the amount of reduction shall be made by the Employer in good faith, and such determinations shall be conclusive and binding on the Covered Employee. If a reduced payment is made and through error or otherwise that payment, when aggregated with other payments from the Employer (or its affiliates) used in determining if a “parachute payment” exists, exceeds one dollar ($1.00) less than three (3) times the Covered Employee’s base amount, the Covered Employee shall immediately repay such excess to the Employer upon notification that an overpayment has been made.

2.5 **Six-Month Lookback Alternate Benefits.** Any provision of the Plan to the contrary notwithstanding, if during the six-month period immediately prior to a Change of Control a Covered Employee was employed by the Employer in a job category or position that would provide greater benefits under the Plan than would be provided under the Plan for such Covered Employee with respect to his or her job category or position with the Employer immediately prior to such Change of Control, then in lieu of the benefits applicable under the Plan to such Covered Employee’s job category or position with the Employer immediately prior to such Change of Control, such Covered Employee shall be entitled to receive under the Plan the benefits under the Plan that apply to such Covered Employee’s job category or position with the Employer during the six-month period immediately prior to such Change of Control that provides the greatest benefits to such Covered Employee.

ARTICLE III .

ADMINISTRATION OF PLAN

3.1 **Plan Administration.** This Plan shall be administered by the Administrator. The Administrator shall have discretionary and final authority to interpret and implement the provisions of this Plan and to determine eligibility for benefits under the Plan. The Administrator shall perform all of the duties and exercise all of the powers and discretion that he or she deems necessary or appropriate for the proper administration of this Plan. Every interpretation, choice, determination or other exercise by the Administrator of any power or discretion given either expressly or by implication to it shall be conclusive and binding upon all parties having or claiming to have an interest under this Plan or otherwise directly or indirectly affected by such action, without restriction, however, upon the right of the Administrator to reconsider or redetermine such action. The Administrator may adopt such rules and regulations for the administration of this Plan as are consistent with the terms hereof, and shall keep adequate records of its proceedings and acts. The Administrator may employ such agents, accountants and legal counsel (who may be agents, accountants and legal counsel for an Employer) as may be appropriate for the administration of the Plan. All reasonable administration expenses incurred by the Administrator in connection with the administration of the Plan shall be paid by the Employer.

3.2 **Mandatory Arbitration.** Any dispute arising in connection with this Plan shall be finally resolved by arbitration in Houston, Texas pursuant to and in accordance with the National Rules for the Resolution of Employment Disputes of the American Arbitration Association. Such arbitration shall be the sole and exclusive procedure available to a Covered Employee for resolving a dispute regarding a denied claim by the Administrator. The Covered Employee and the Employer shall share equally the cost of such arbitration, including but not limited to the fees of the arbitrator and reasonable attorneys' fees, unless the arbitrator determines otherwise. The arbitrator's decision shall be final and legally binding on both parties. Judgment upon the arbitrator's decision may be entered in any court of appropriate jurisdiction, and may not be challenged in any court, either at the place of arbitration or elsewhere. This Section shall be governed by the provisions of the Federal Arbitration Act.

ARTICLE IV .

GENERAL PROVISIONS

4.1 **Funding.** The benefits provided under the Plan shall be unfunded and shall be provided from the Employer's general assets.

4.2 **Cost of Plan.** The entire cost of the Plan shall be borne by the Employer and no contributions shall be required of the Covered Employees.

4.3 **Plan Year.** The Plan shall operate on a plan year consisting of the twelve consecutive month period commencing on January 1 of each year.

4.4 **Other Participating Employers.** With the written consent of the Administrator, any entity or organization eligible by law to participate in the Plan may adopt the Plan and become a participating Employer hereunder by executing and delivering a written instrument evidencing such adoption to the Secretary of the Company. Such written instrument shall specify the effective date of the adoption of the Plan by such adopting Employer, may incorporate specific provisions relating to the operation of the Plan which apply to the adopting Employer only, and shall become, as to such adopting Employer and its employees, a part of the Plan. Each adopting Employer shall be conclusively presumed to have agreed to be bound by the terms of the Plan as amended from time to time. The provisions of the Plan shall be applicable with respect to each Employer separately, and amounts payable hereunder shall be paid by the Employer which employs the particular Covered Employee.

4.5 **Amendment and Termination.**

(a) Prior to a Change of Control, the Plan may be amended or modified in any respect and may be terminated, on behalf of all Employers, by resolution adopted by the Board; provided, however, that:

(1) no such amendment, modification or termination which would adversely affect the benefits or protections provided under the Plan to any

individual who is a Covered Employee on the date such amendment, modification or termination is adopted shall be effective as it relates to such individual unless no Change of Control occurs within one year after such adoption, and any such attempted amendment, modification or termination adopted within one year prior to a Change of Control shall be null and void ab initio as it relates to such individual (it being understood that the removal of a Covered Employee from participation in the Plan shall, for the purposes of this Section 4.5, constitute an adverse effect to the benefits or protections provided under the Plan to any Covered Employee so removed); and

(2) the Plan may not be amended, modified or terminated (i) at the request of a third party who has indicated an intention or taken steps to effect a Change of Control, or who effectuates a Change of Control, or (ii) in connection with, or in anticipation of, a Change of Control which actually occurs, if such amendment, modification or termination would adversely affect the benefits or protections provided under the Plan to any individual who is a Covered Employee on the date such amendment, modification or termination is adopted, and in either case, any such attempted amendment, modification or termination shall be null and void ab initio as it relates to such individual. Any action taken to amend, modify or terminate the Plan that is taken after the execution of an agreement providing for a transaction or transactions that, if consummated, would constitute a Change of Control, shall conclusively be presumed to have been taken in connection with a Change of Control.

(b) Upon and after the occurrence of a Change in Control, the Plan may not be amended or modified in any manner which would adversely affect the benefits or protections provided under the Plan to any individual who is a Covered Employee on the date the Change of Control occurred, and any such attempted amendment, modification or termination shall be null and void ab initio as it relates to such individual.

(c) Notwithstanding the foregoing provisions of this Section 4.5, if any compensation or benefit provided by the Plan may result in being subject to the tax imposed by Section 409A of the Code, the Board may modify the Plan as necessary or appropriate in the best interests of the Covered Employees (1) to exclude such compensation or benefit from being deferred compensation within the meaning of Section 409A of the Code, or (2) to comply with the provisions of Section 409A of the Code and its related Code provisions (and the rules, regulations and other regulatory guidance relating thereto); provided, however, that no amendment made pursuant to the provisions of this Section 4.5(c) shall reduce the value of the compensation or benefits that would be payable to a Covered Employee in connection with his or her Qualifying Termination following a Change of Control without the written consent of such Covered Employee.

4.6 **No Contract of Employment.** The adoption and maintenance of the Plan shall not be deemed to be a contract of employment between the Employer and any person or to be consideration for the employment of any person. Nothing herein contained shall be deemed to give any person the right to be retained in the employ of the Employer or to restrict the right of the Employer to discharge any person at any time nor shall the Plan be deemed to give the Employer the right to require any person to remain in the employ of the Employer or to restrict any person's right to terminate his or her employment at any time.

4.7 **<u>Severability</u>.** Any provision in the Plan that is prohibited or unenforceable in any jurisdiction by reason of applicable law shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating or affecting the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

4.8 **<u>Nonalienation</u>.** A Covered Employee shall have no right or ability to pledge, hypothecate, anticipate, assign or otherwise transfer any benefit, interest or right under the Plan, except by will or the laws of descent and distribution, and no benefit, interest or right of a Covered Employee under the Plan shall be liable for or subject to any debt, obligation or liability of such Covered Employee.

4.9 **<u>Effect of Plan</u>.** This Plan shall take effect on the Effective Date and, effective as of such date, this Plan, the Noble Energy, Inc. Amended and Restated 2020 Change of Control Severance Plan, the Noble Energy, Inc. 2016 Severance Benefit Plan, and the Noble Energy, Inc. 2020 Executive Severance Plan, in each case, as such may be amended and restated from time to time, shall be the sole and exclusive plans, programs and agreements providing severance benefits to Covered Employees of the Employers. All oral or written policies of the Employer and all oral or written communications to Covered Employees with respect to the subject matter of the Plan that were written or communicated prior to the Effective Date are hereby null and void and of no further force and effect. The Plan shall be binding upon the Employer and any successor of the Employer, by merger or otherwise, and shall inure to the benefit of and be enforceable by the Covered Employees. In addition, upon the occurrence of a Change of Control, all rights of a Covered Employee to eligibility and participation under the Plan shall vest and shall be considered a contract right enforceable against the Employer and any successors thereto, subject to the terms and conditions of the Plan.

4.10 **<u>Code Section 409A</u>.** The Plan is intended to provide compensation and benefits that are not subject to the tax imposed under Section 409A of the Code, and shall be interpreted and administered to the extent possible in accordance with such intent, and any reimbursements or in-kind benefits provided under this Plan that are not exempt from the application of Section 409A of the Code shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the period of time specified in this Plan, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made no later than the last day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit. Notwithstanding the preceding, no persons connected with this Plan in any capacity, including but not limited to the Company, the Employers, and any Affiliated Company, and their respective directors, officers, agents and employees, makes any representation, commitment or guarantee that any tax treatment, including but not limited to, federal, state and local income, estate and gift tax treatment, will be applicable with respect to any amounts payable under the Plan or that such tax treatment will apply to a Covered Employee.

4.11 **Governing Law.** The Plan shall be governed and construed in accordance with the laws of the State of Texas (without giving effect to any choice-of-law rules that may require the application of the laws of another jurisdiction).

[Signature Page Follows]

IN WITNESS WHEREOF, this restated Plan has been executed by the Company on this 19th day of July, 2020.

NOBLE ENERGY, INC.

By:	/s/ David L. Stover
Name:	David L. Stover
Title:	Chairman and Chief Executive Officer

Signature Page to Amended and Restated 2020 Change of Control Severance Plan for Executives

SCHEDULE A FOR THE
NOBLE ENERGY, INC.
AMENDED AND RESTATED
2020 CHANGE OF CONTROL SEVERANCE PLAN
FOR EXECUTIVES

The Applicable Factor for the Chief Executive Officer is **2.99**, the Applicable Factor for a Senior Executive is **2.5**, and the Applicable Factor for a Key Executive is **2.0**.

The period of months specified for Welfare Benefit Coverages for the purposes of Section 2.1(e) are: twenty-four (24) months for a Key Executive; thirty (30) months for a Senior Executive; and thirty-six (36) months for the Chief Executive Officer.

A Covered Employee employed by the Employer in one of the following positions is a **Senior Executive**:

President and Chief Operating Officer
Executive Vice President, Chief Financial Officer
Sr. Vice President, General Counsel and Secretary
Sr. Vice President, US Onshore
Sr. Vice President, Corporate Development
Sr. Vice President, Human Resources and Administration
Sr. Vice President, Offshore
Sr. Vice President, Midstream

A Covered Employee employed by the Employer in one of the following positions is a **Key Executive**:

None

Exhibit 31.1

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 7241)

I, David L. Stover, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noble Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2020

/s/ David L. Stover

David L. Stover
Chief Executive Officer

Exhibit 31.2

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 7241)

I, Kenneth M. Fisher, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noble Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2020

/s/ Kenneth M. Fisher

Kenneth M. Fisher
Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)

In connection with the accompanying Quarterly Report of Noble Energy, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2020 (the “Report”), I, David L. Stover, Chief Executive Officer of the Company, hereby certify that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	August 3, 2020	*/s/ David L. Stover*
		David L. Stover
		Chief Executive Officer

Exhibit 32.2

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)

In connection with the accompanying Quarterly Report of Noble Energy, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2020 (the "Report"), I, Kenneth M. Fisher, Chief Financial Officer of the Company, hereby certify that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	August 3, 2020	*/s/ Kenneth M. Fisher*
		Kenneth M. Fisher
		Chief Financial Officer