



ENVIRONMENTAL POLICY STATEMENT

It is our policy to conduct our business in a manner that recognizes and reflects the ever-present need to balance the environmental impacts and economic interests of the communities in which we operate. We are committed to continuous efforts to improve environmental performance throughout our operations.

Obsidian Energy will:

- Comply with or exceed all environmental laws, regulations, and requirements in jurisdictions in which we operate. We will evaluate and implement, where appropriate, recognized industry standards and practices applicable to our activities and apply responsible and meaningful standards where laws or regulations do not exist;
- Identify and assess environmental risks and impacts that may arise from our activities and adopt technically sound and economically practicable measures to mitigate risks and negative environmental impacts. Where impacts do occur we will respond in a timely, professional, and effective manner communicating proactively with our stakeholders;
- Integrate environmental stewardship into our business planning and decision-making processes;
- Engage and work with government and industry groups to foster timely development of effective environmental laws, regulations and industry standards based on sound science considering risks, costs, benefits and expected outcomes;
- Encourage concern and respect for the environment by emphasizing our employees, contractors, and vendors' responsibility in improving environmental performance;
- Commit to continual improvement of our environmental programs by setting achievable objectives and targets;
- Ensure appropriate operating practices and audits are developed to support this policy;
- Source, handle, and use water responsibly;
- Minimize pollution and waste generation;
- Undertake review and evaluation of our operations to measure progress, drive improvement and to ensure compliance with this policy; and
- Communicate our commitment and actions to environmental stewardship to our stakeholders, including employees, investors, contractors, landowners, and local communities.

A handwritten signature in black ink, appearing to read "D. L. French", with a long, sweeping underline.

David L. French
President and Chief Executive Officer

June 26, 2017

Date