

# APC Opinions and Bases of Opinions

## Opinions

- APC can pay the maximum penalty under the Clean Water Act without causing a long term negative impact on their ongoing operations
- APC has the financial flexibility to pay the maximum penalty from a variety of sources

## Bases of Opinions

- APC's Balance Sheets
- APC's financial performance reflected in its Income Statements, Cash Flow Statements and EBITDAX calculations
- APC's projections and a comparison of those projections to its historical operating results
- APC's historical and projected dividend payments
- Past transactions that are similar in scope and size to a potential maximum Clean Water Act penalty