WTI Price Decline

Cushing, OK WTI Spot Price FOB

Source: US. EIA – Monthly data/11/20/2015 Bloomberg
U.S. Production and Rig Counts
Steep Rig Count Decline/Production Relatively Level

Sources: EIA, Baker Hughes
Volume of Crude by Rail Carloads

Originated Carloads on US Class I Railroads (1,000’s)

Note: AAR reported 3Q 2015 actual 101,167 carloads

Source: US - Association of American Railroads – 2015 estimate is 3Q actual annualized
ND Rail Destinations Market Share (May 2015)

Source: North Dakota Pipeline Authority, August, 2015 Update
Data for Rail Destination Market Share Provided by the US Energy Information Administration
Current ND Price Environment Impact

“The number of oil wells in North Dakota that have been drilled but not fracked eclipsed 1,000 for the first time in September…” Reuters 11/13/2015

Source: North Dakota Pipeline Authority
North Dakota Rig Count

Is This the Bottom?

Source: Baker Hughes
North Dakota Oil Production Change

September First Decline in a Decade

Source: North Dakota Industrial Commission
Estimated ND Rail Export Volumes

Barrels Per Day

Source: North Dakota Pipeline Authority
Estimated Williston Basin Modal Share

Source: North Dakota Pipeline Authority, August, 2015 Update,
Williston Basin Crude Oil Share

<table>
<thead>
<tr>
<th></th>
<th>Average Production/BPO</th>
<th>Rail/BPOD est.</th>
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<tbody>
<tr>
<td>2012</td>
<td>733,600</td>
<td>322,800</td>
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<tr>
<td>2013</td>
<td>973,500</td>
<td>662,000</td>
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<tr>
<td>2014</td>
<td>1,167,100</td>
<td>688,600</td>
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<tr>
<td>2015</td>
<td>1,245,700</td>
<td>585,500</td>
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Source: North Dakota Pipeline Authority August Updates – June data for all years
Williston Basin Crude Oil Export Options
(Reported Capacity – Not Market Share)

Source: North Dakota Pipeline Authority – April, 2015
Closing Thoughts

• Oil has responded quickly to price pressure by focusing on efficiency and cost reduction

• Oil continues pursuit of zero defects in the safe and compliant shipping of crude oil by rail

• National production of crude oil is relatively stable/production in North Dakota leveled in 2Q and 3Q 2015 as predicted; declined year-over-year for the first time in September

• Unconventional production continues to contribute materially to employment, GDP & energy independence

• The rail mode alternative will remain important; particularly to the east and west coasts

• Marketplace seeks the finalization of DOT Rule challenges