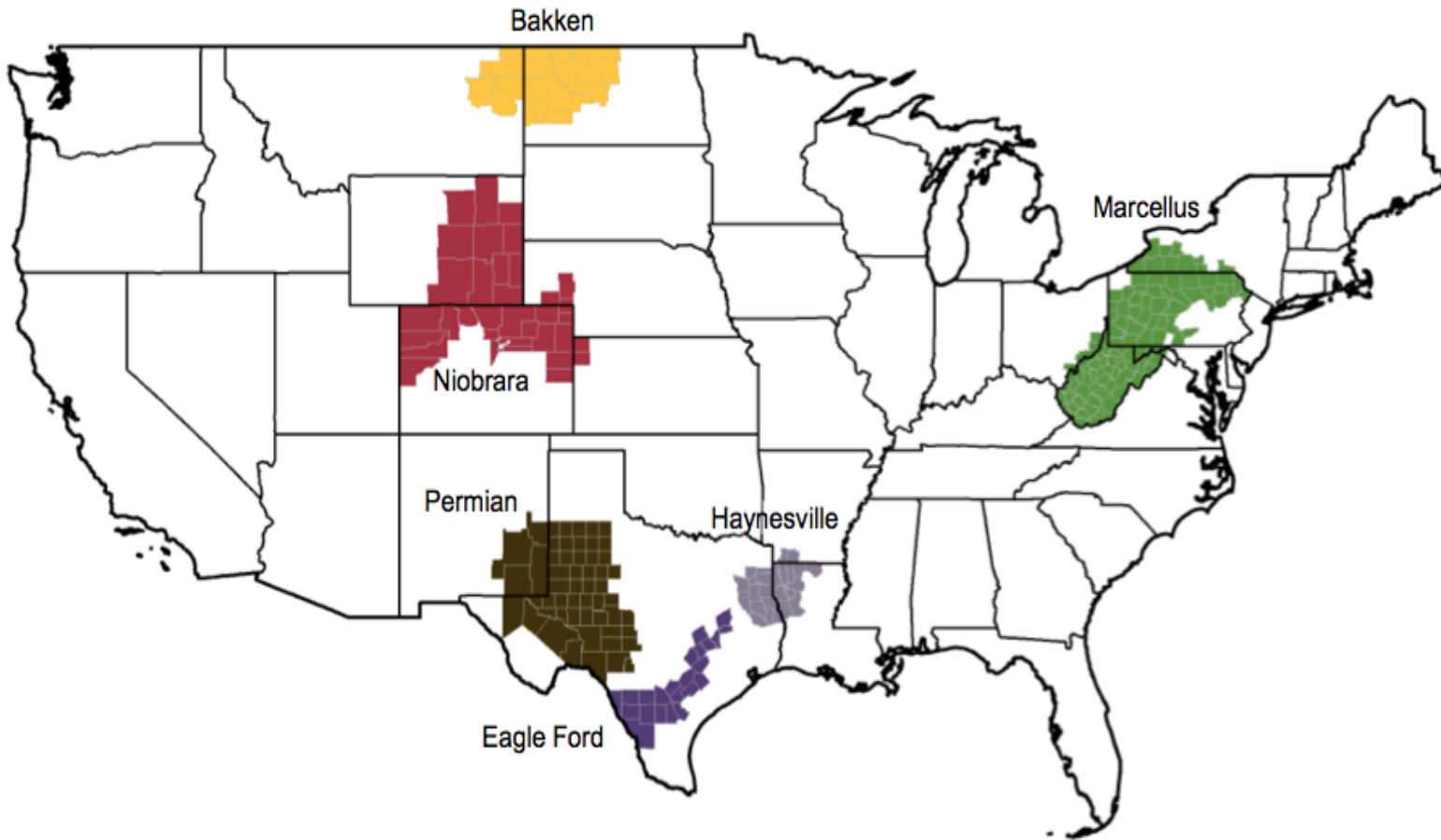


Boom without Bust: Breaking the Cycle to Encourage Long-term Prosperity and Opportunity



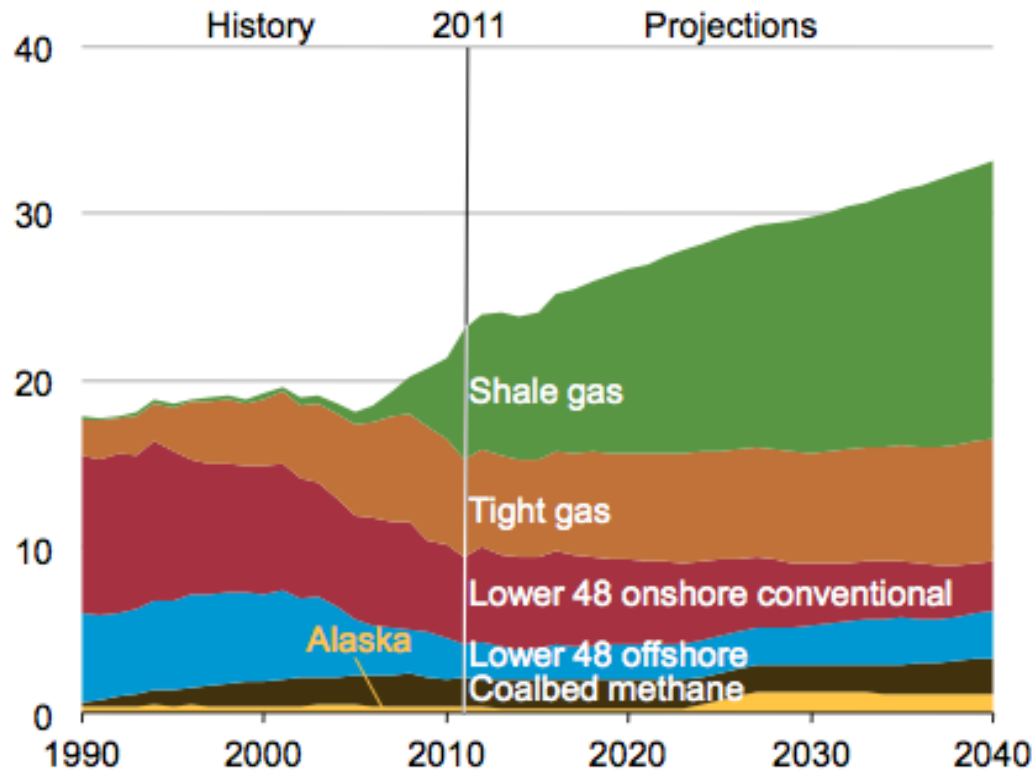
Top Producing Oil and Gas Formations



Shale Gas Largest Supply Source

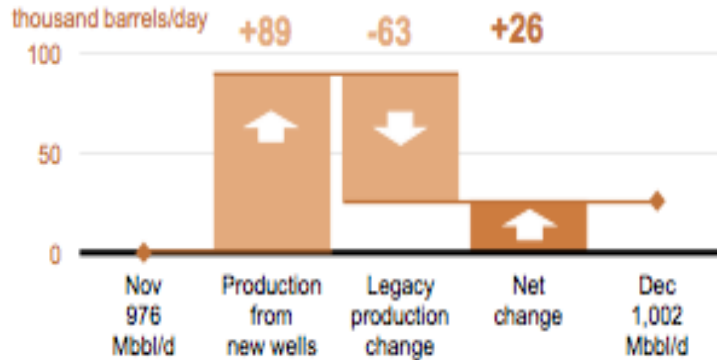
Shale gas provides the largest source of growth in U.S. natural gas supply

Figure 91. Natural gas production by source, 1990-2040 (trillion cubic feet)

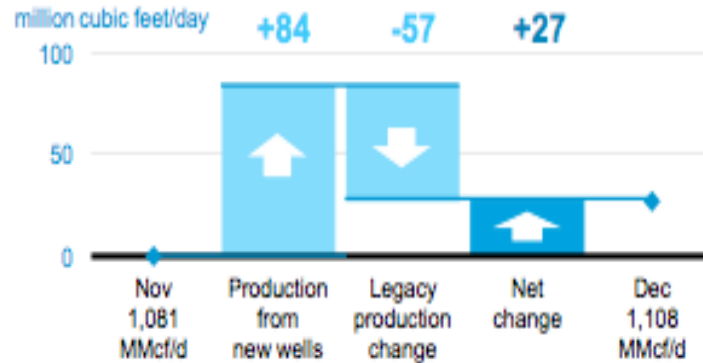


Bakken Shale Hits Million Bpd

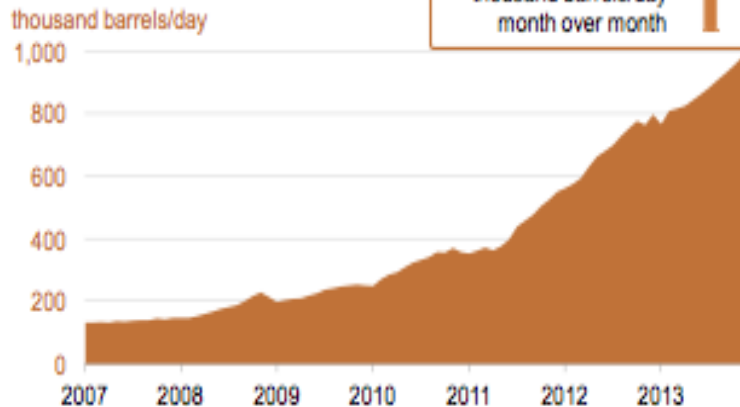
Bakken
Indicated change in oil production (Dec vs. Nov)



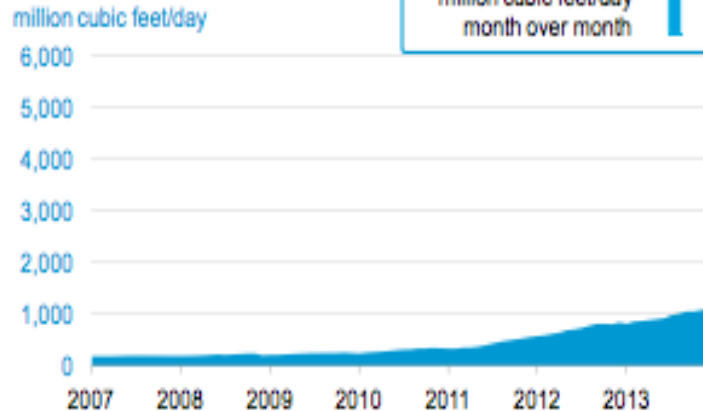
Bakken
Indicated change in natural gas production (Dec vs. Nov)



Bakken
Oil production



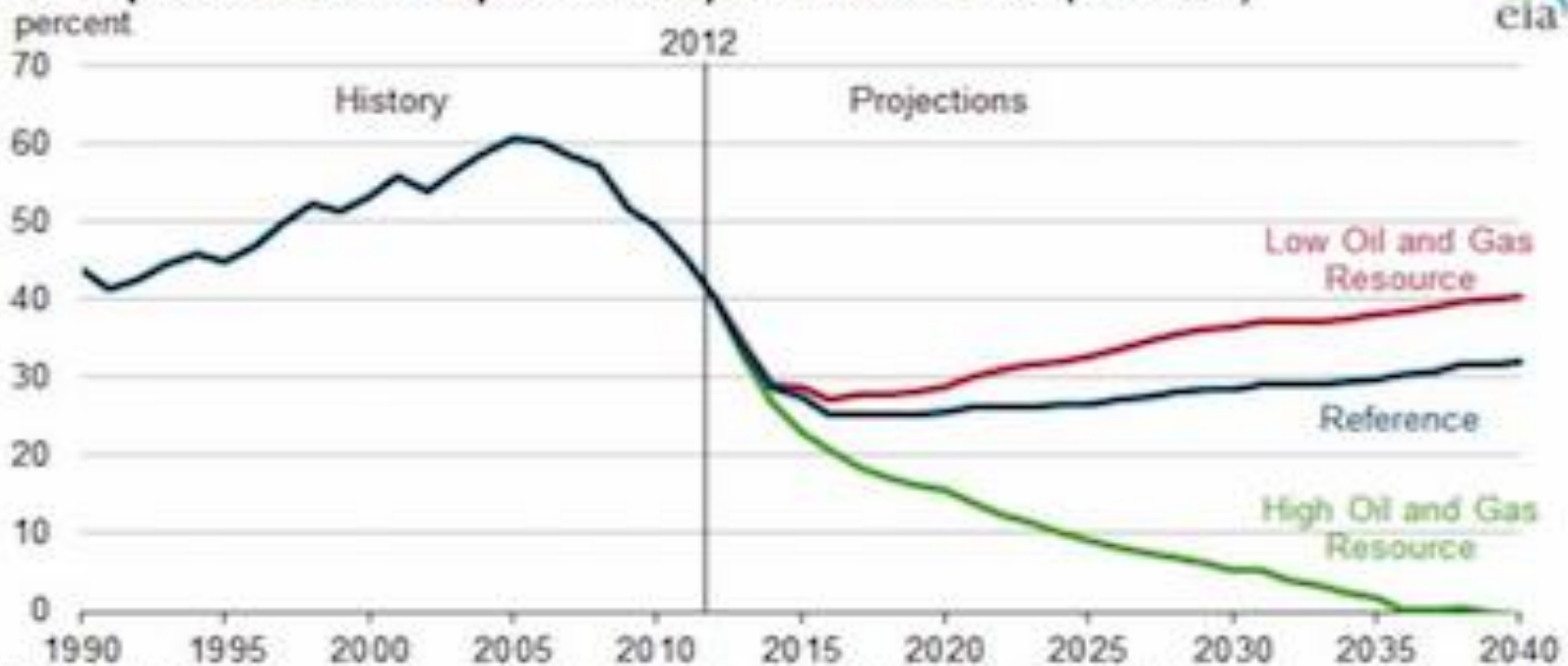
Bakken
Natural gas production



Domestic Energy Growth Provides Economic Options with Planning

Tight oil-driven production growth reduces need for U.S. oil imports

Net import share of U.S. liquids consumption in three cases (1990-2040)



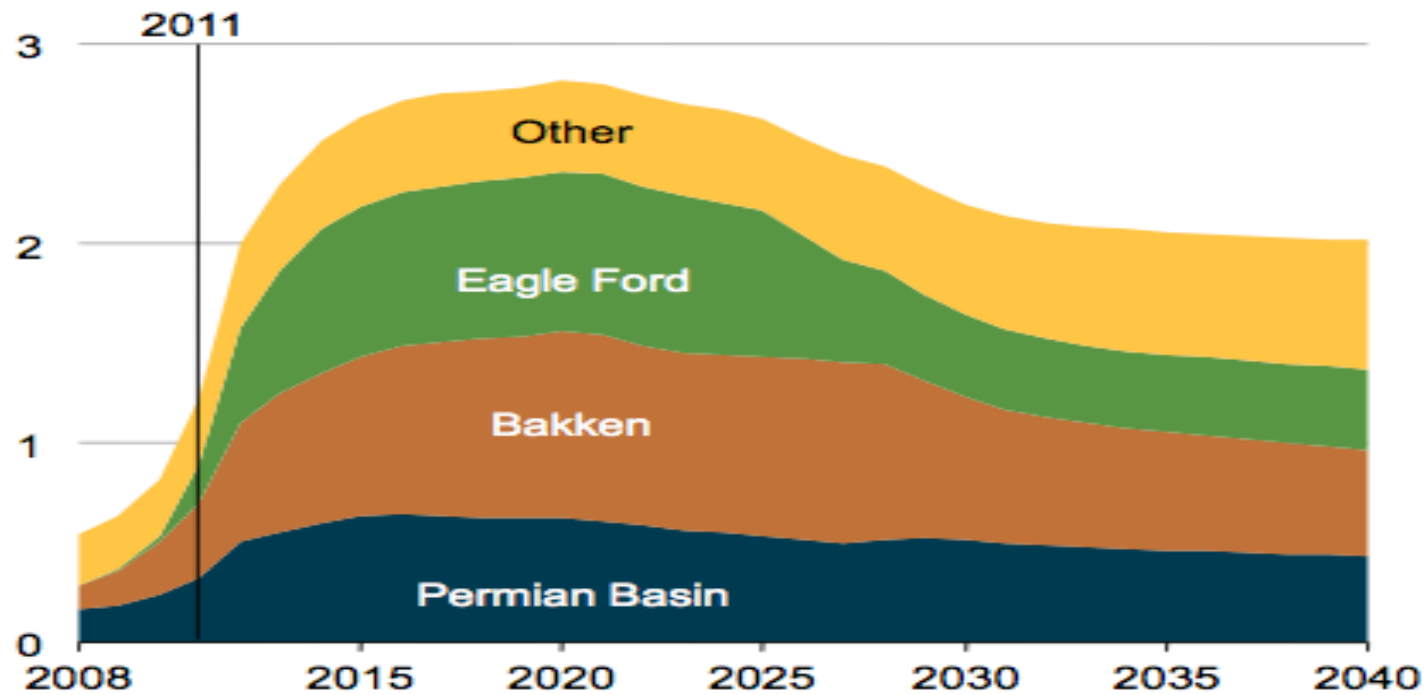
Source: U.S. Energy Information Administration, Annual Energy Outlook 2014



Shale Oil Production Projected to Decline Over Time

Tight oil formations account for a significant portion of total U.S. production

Figure 97. Total U.S. tight oil production by geologic formation, 2008-2040 (million barrels per day)



Growth Of Natural Gas Fuels Dramatic Economic Opportunities

Figure 39. U.S. production of natural gas liquids by type, 2005-2012 (million barrels per day)

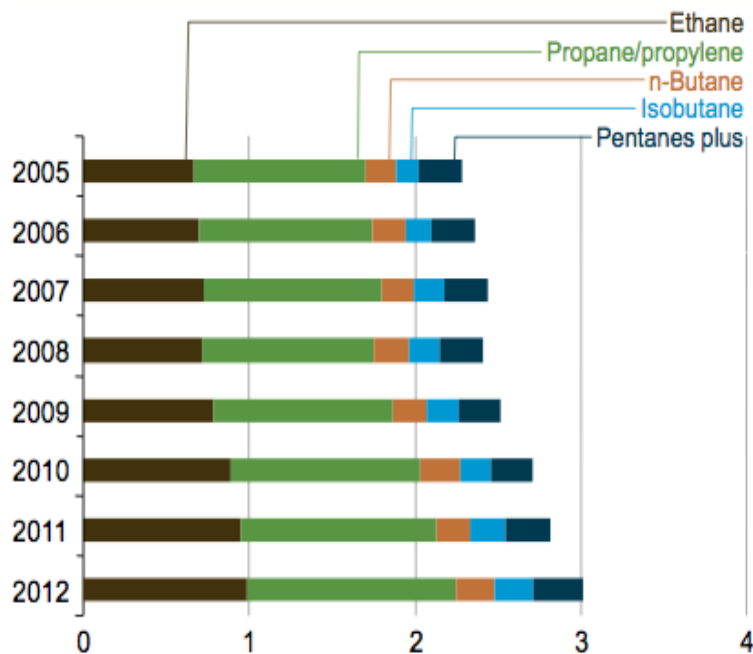
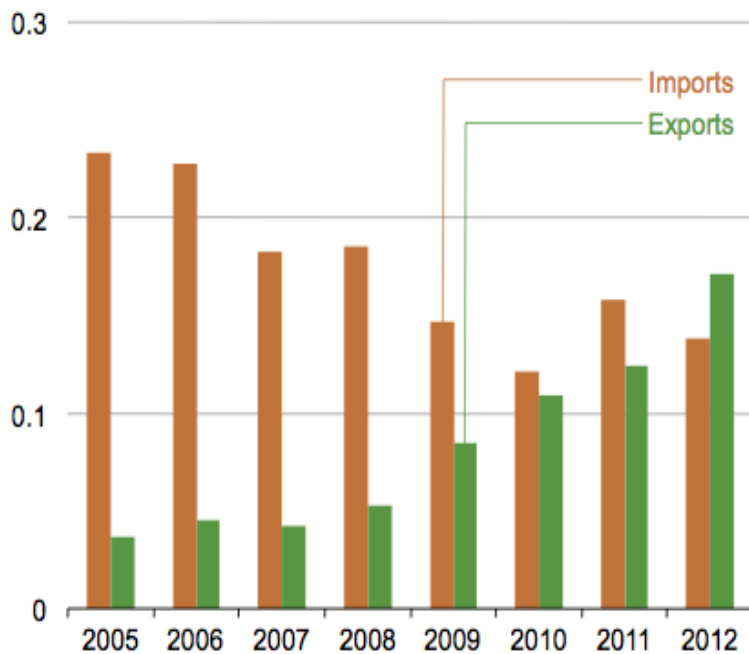


Figure 40. U.S. imports and exports of propane/propylene, 2005-2012 (million barrels per day)



Oil Boom Places Unique Stress on Communities and Infrastructure



Transportation Infrastructure Cannot Keep Up with Demand

U.S. Rail Traffic¹

Week 4, 2015 – Ended January 31, 2015

	This Week		Year-To-Date		
	Cars	vs 2014	Cumulative	Avg/wk ²	vs 2014
Total Carloads	298,568	10.2%	1,160,842	290,211	5.6%
Chemicals	31,070	2.7%	122,678	30,670	4.0%
Coal	116,794	10.5%	452,594	113,149	4.4%
Farm Products excl. Grain, and Food	18,084	7.9%	69,141	17,285	2.3%
Forest Products	12,134	8.5%	45,086	11,272	3.6%
Grain	24,225	15.7%	94,650	23,663	10.4%
Metallic Ores and Metals	24,634	8.7%	96,155	24,039	5.8%
Motor Vehicles and Parts	17,529	11.0%	62,020	15,505	6.8%
Nonmetallic Minerals	31,725	18.4%	127,837	31,959	13.6%
Petroleum and Petroleum Products	15,503	17.0%	62,040	15,510	6.9%
Other	6,870	-10.7%	28,641	7,160	-7.9%
Total Intermodal Units	249,910	1.1%	1,005,067	251,267	0.9%
Total Traffic	548,478	5.9%	2,165,909	541,477	3.4%

¹ Excludes U.S. operations of CN and Canadian Pacific.

² Average per week figures may not sum to totals as a result of independent rounding.

Association of American Railroads



Growth of Oil by Rail

Average weekly U.S. rail carloads of crude oil and petroleum products

number of rail carloads per week

million barrels per day



Source: U.S. Energy Information Administration, based on Association of American Railroads

Note: Values in graph represent monthly averages of weekly rail carloadings.



Growth in Employment

Percent change in employment, oil and natural gas industry and all private sector employment
percent change from 2007

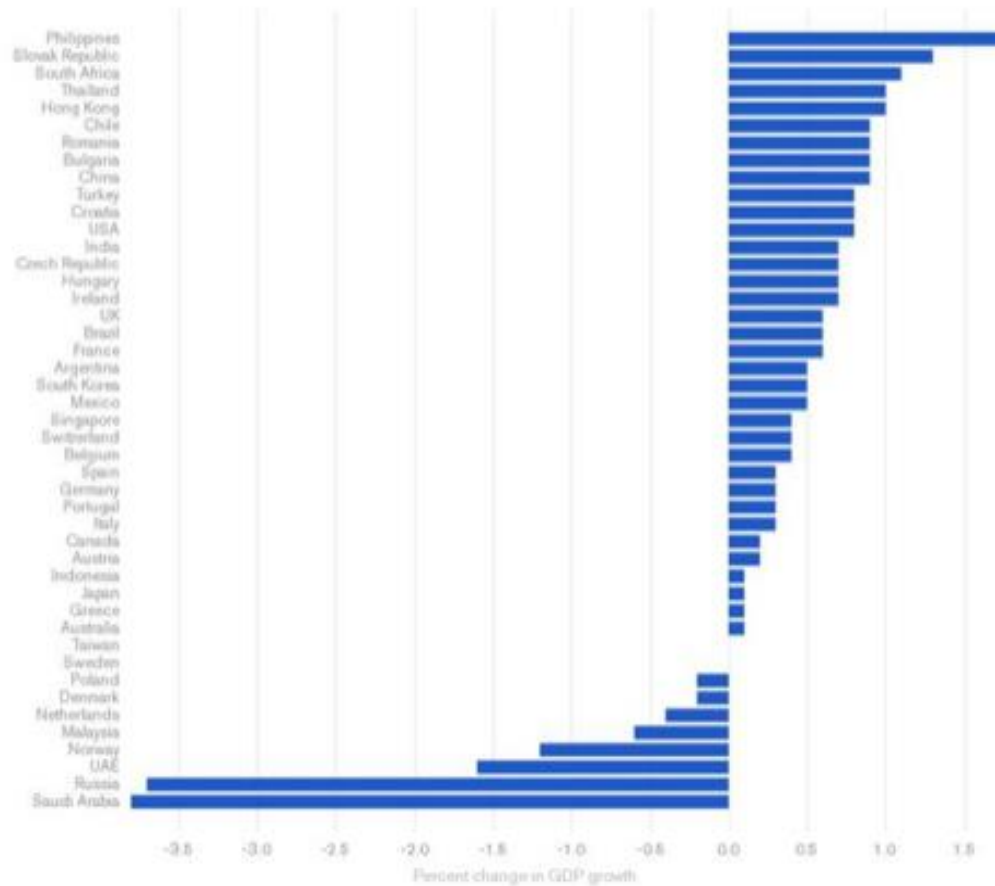


Source: U.S. Bureau of Labor Statistics



The World With \$40 Oil

Effect on GDP growth in 2015-'16 of oil at \$40 a barrel vs. \$84



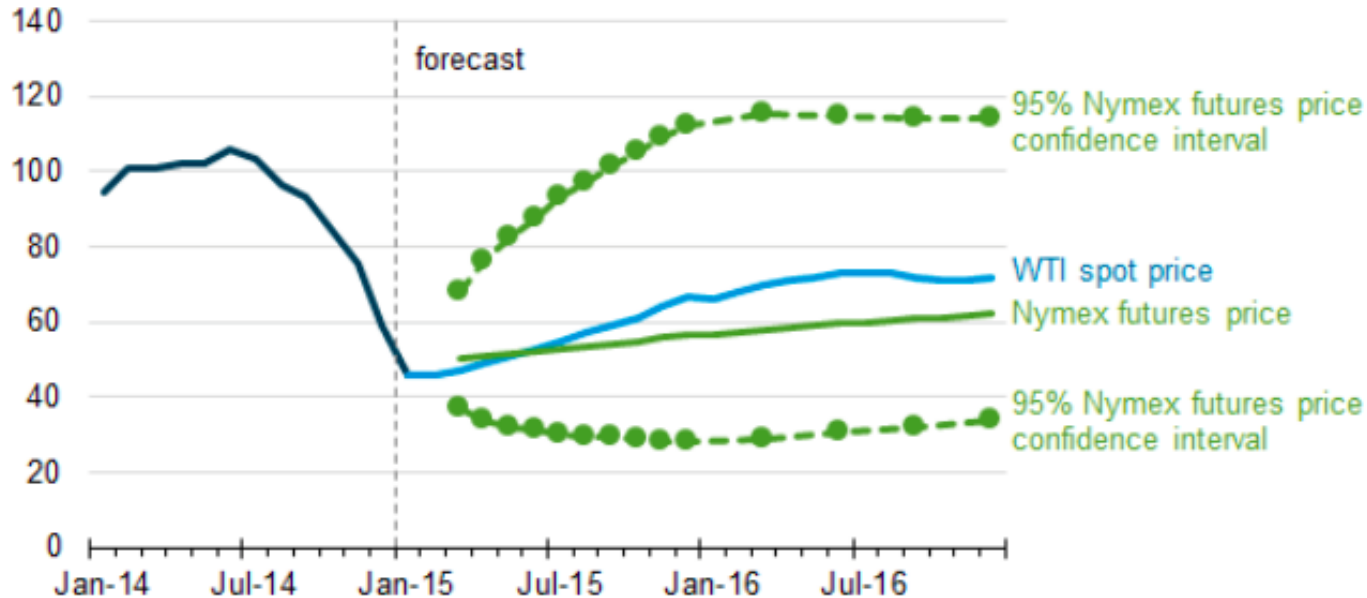
Source: Oxford Economics Ltd.

Bloomberg



What the Future Holds--Oil Price Forecast

West Texas Intermediate (WTI) crude oil price
dollars per barrel

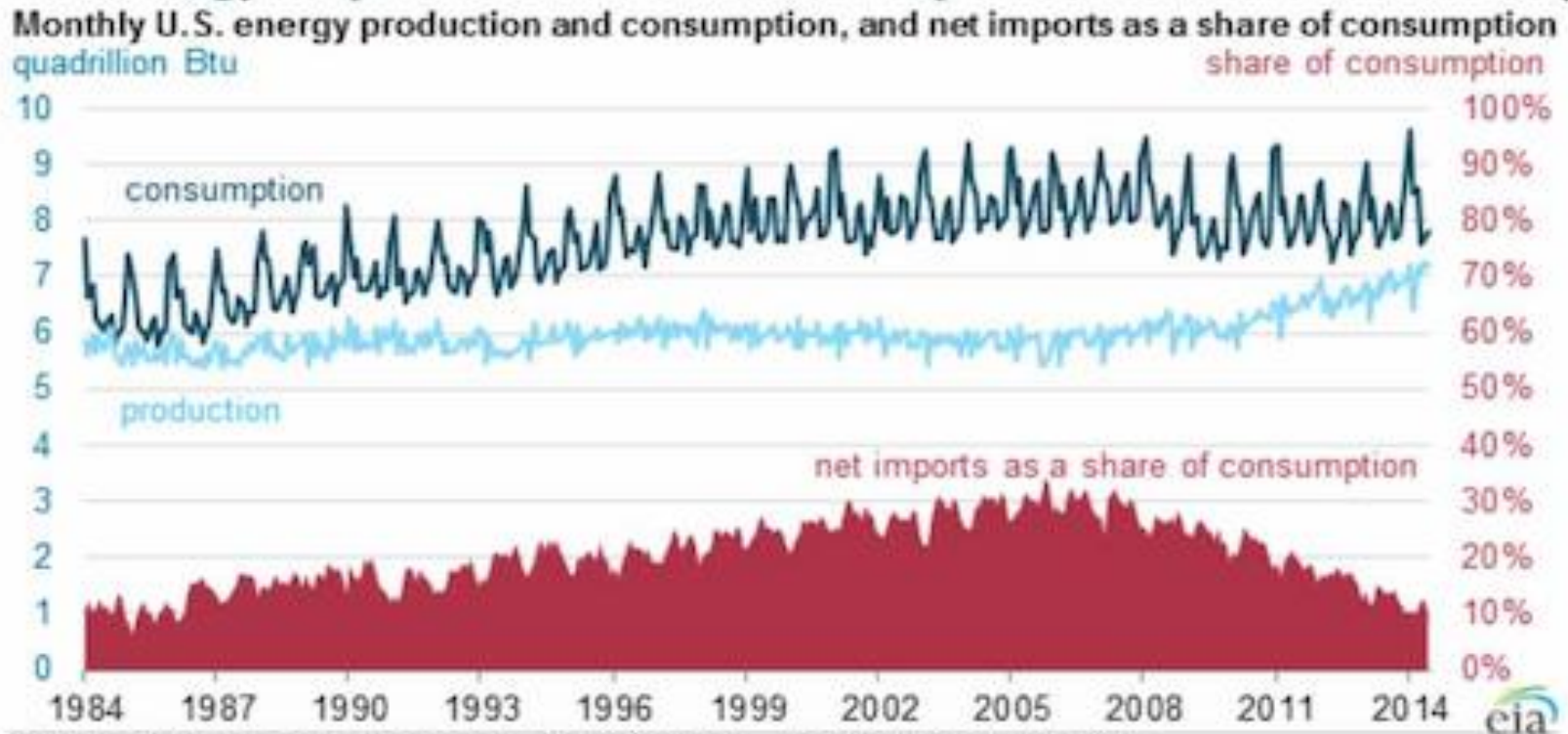


Source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, January 2015

Note: Confidence interval derived from options market information for the five trading days ending Jan. 8, 2015. Intervals not calculated for months with sparse trading in near-the-money options contracts.



Energy Imports At Lowest Level in 30 Years



Source: U.S. Energy Information Administration, *Monthly Energy Review*



