



CRUDEAWAKENING

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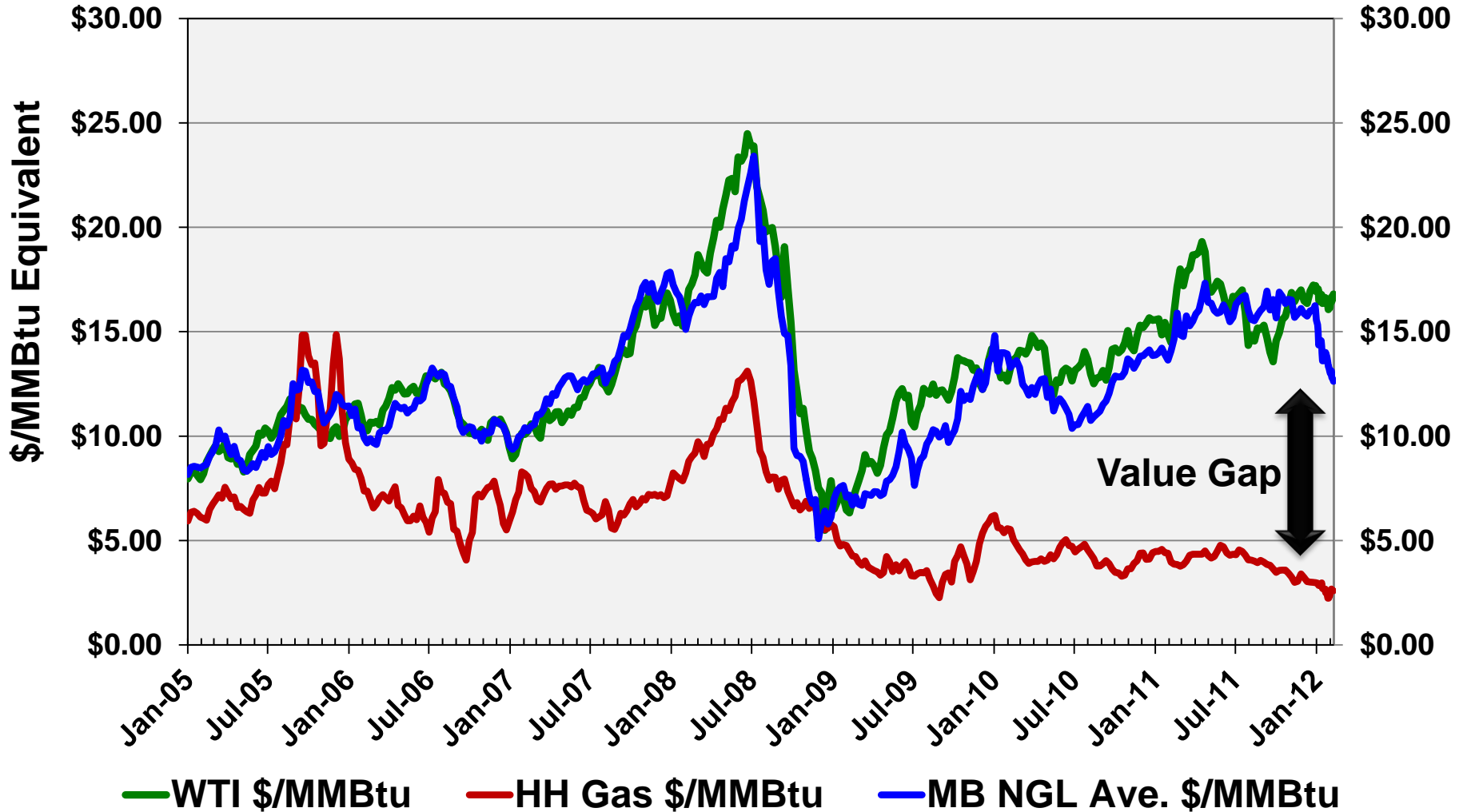
Shale Boom Hits Oil
SECTION 1 OF 6: PADD4 ROCKIES



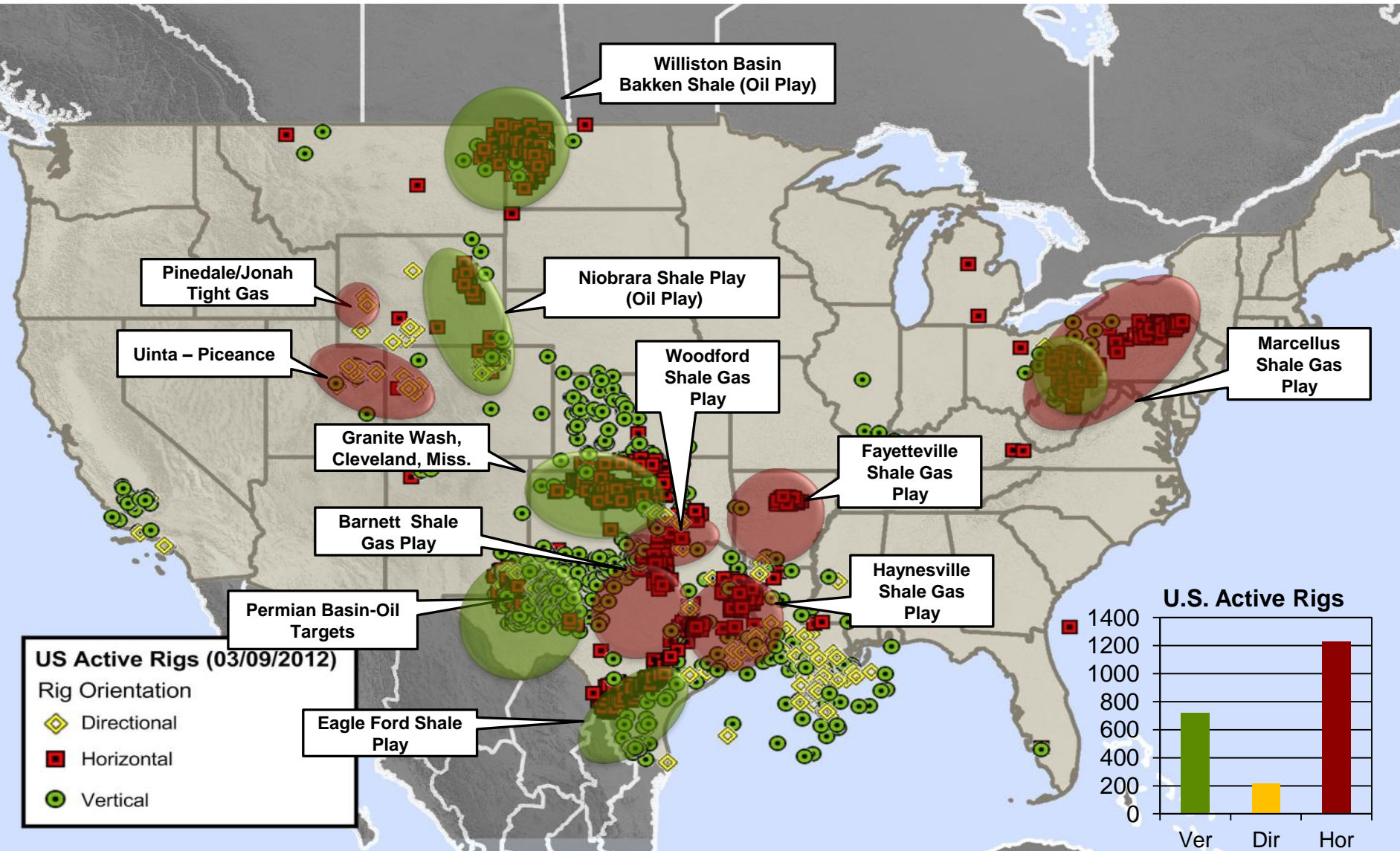
Crude Awakening Series

- 6 Parts
- 300+ Pages
- In Depth Analysis Of Each PADD and Canada By Fundamental
 - Supply
 - Demand
 - Transportation
 - Storage
 - Price
- 10 Year Outlook Conclusion

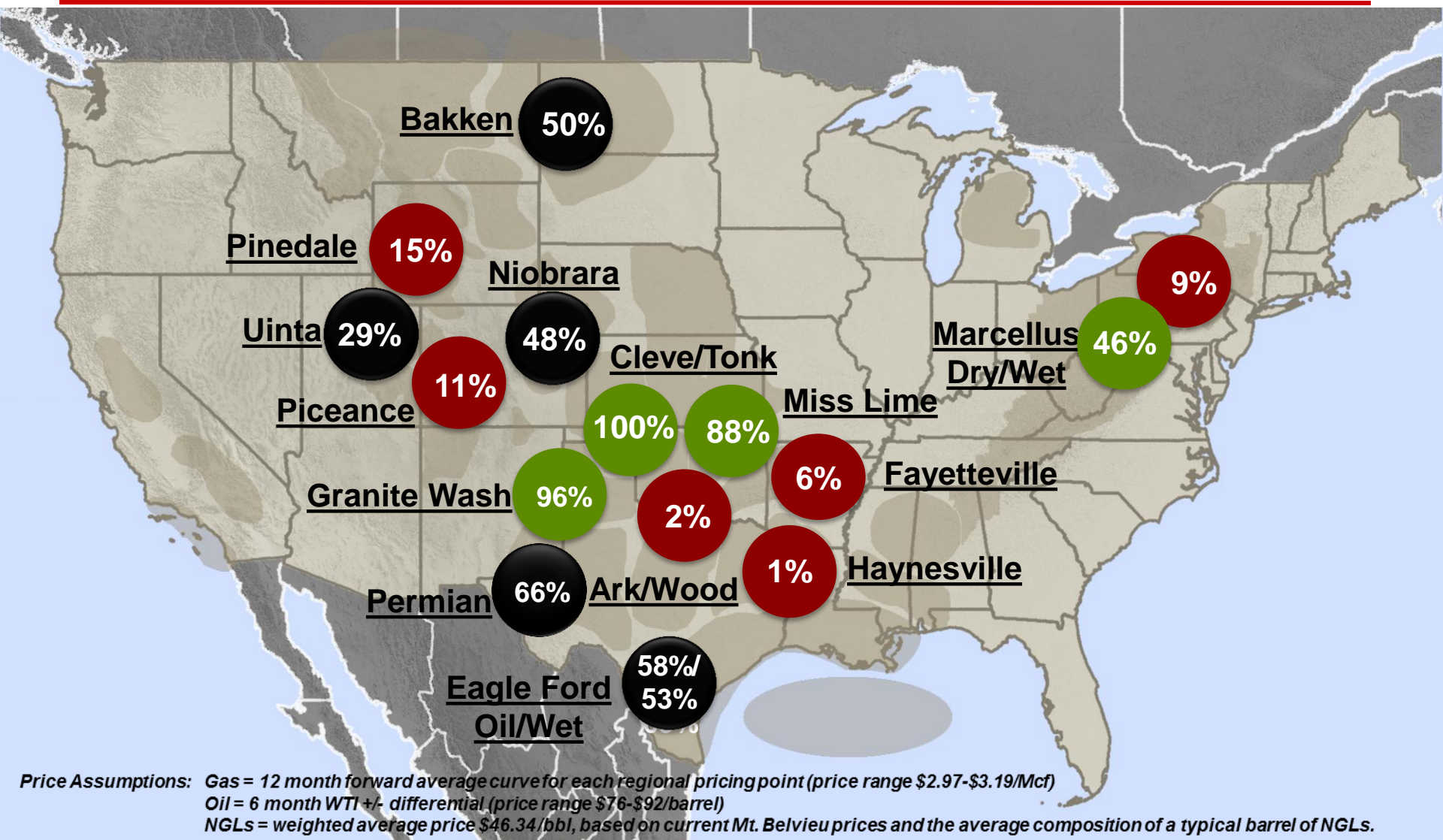
Gas, Oil and NGL Price Comparison: MMBTU Equivalent



U.S. Active Rig Locations: Resource Plays Dominate

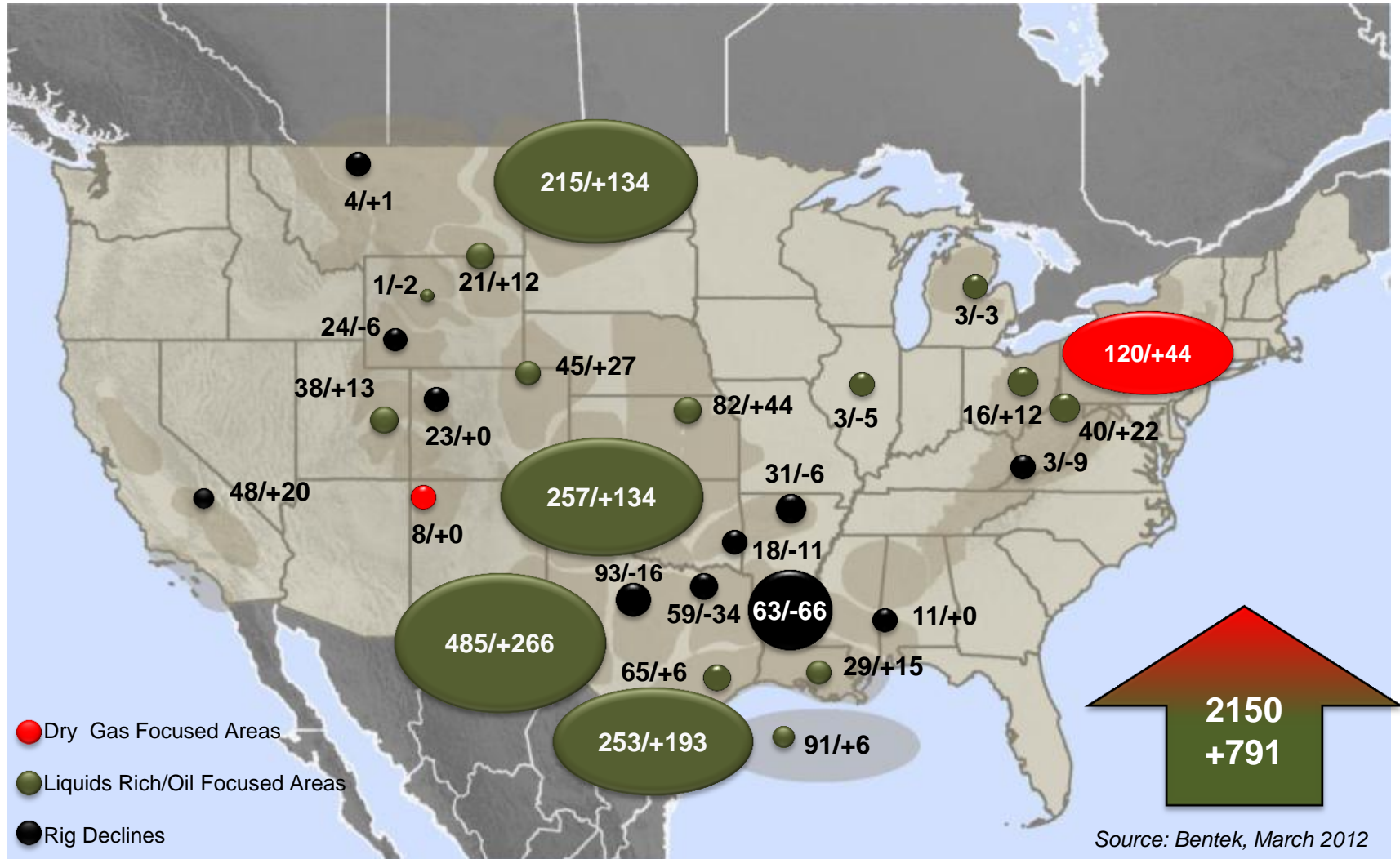


Oil Plays Provide Superior Returns



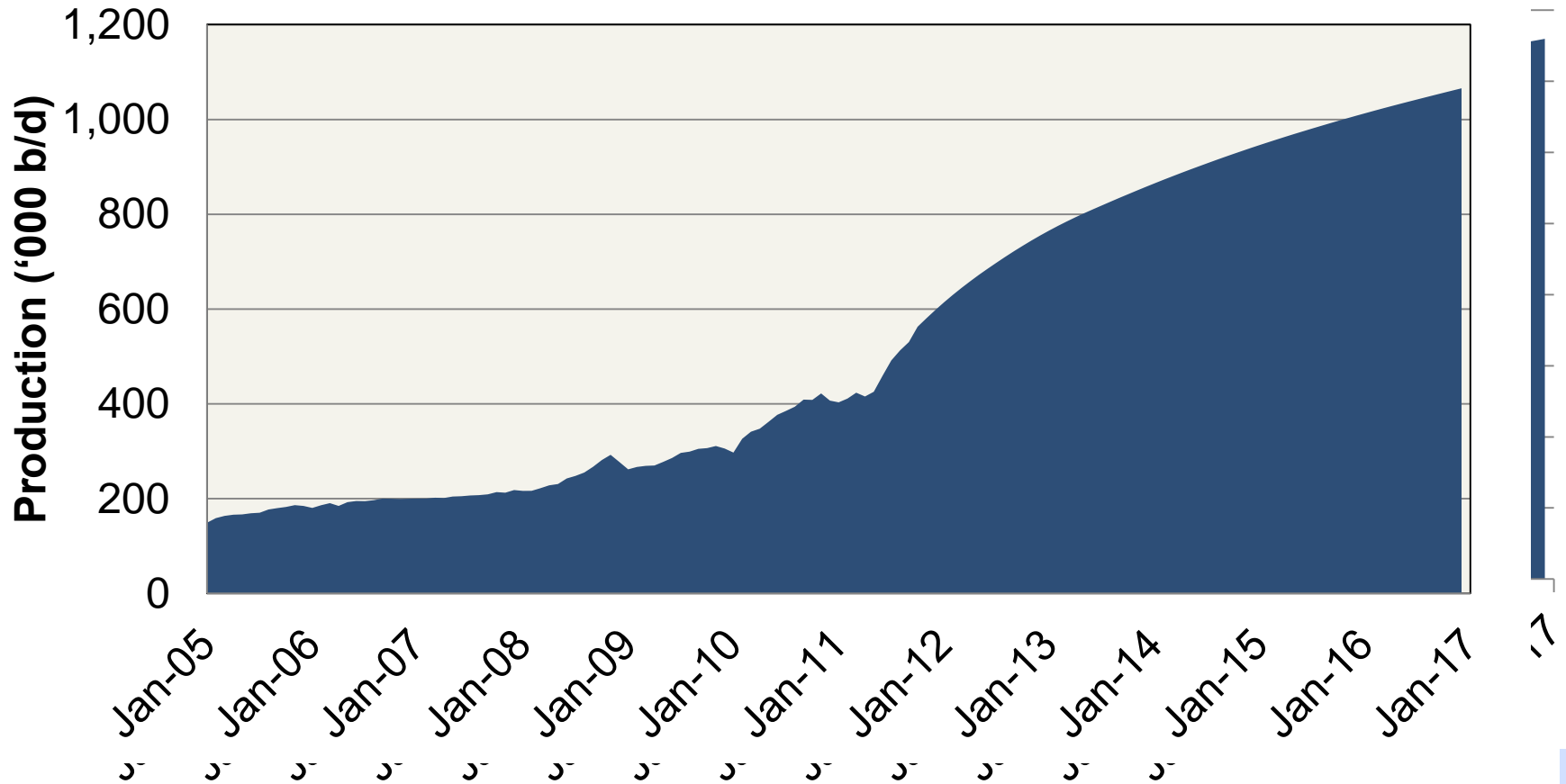
Price Assumptions: Gas = 12 month forward average curve for each regional pricing point (price range \$2.97-\$3.19/Mcf)
 Oil = 6 month WTI +/- differential (price range \$76-\$92/barrel)
 NGLs = weighted average price \$46.34/bbl, based on current Mt. Belvieu prices and the average composition of a typical barrel of NGLs.

Plays With High Returns Attract Drilling Rigs



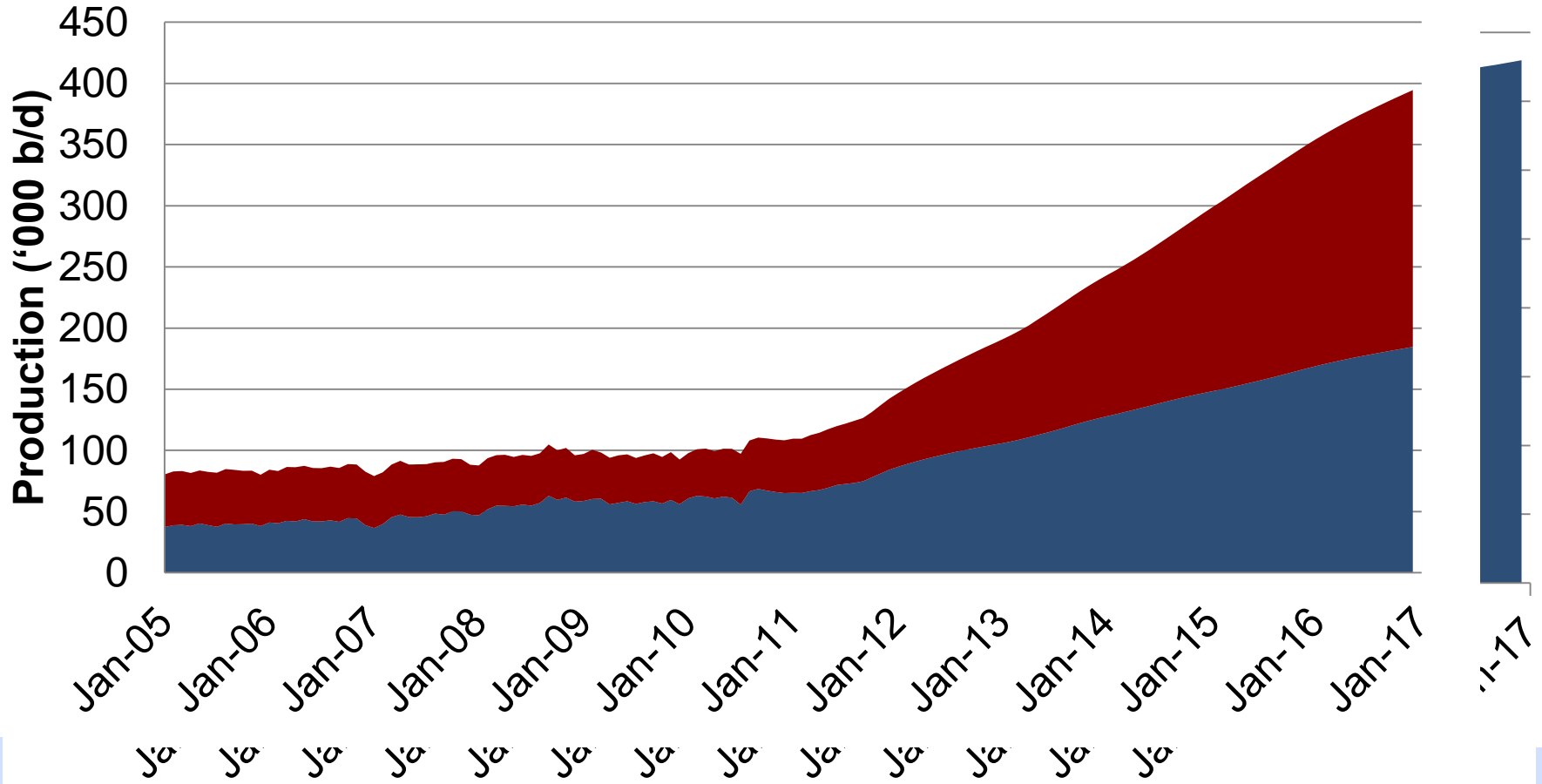
U.S. Crude Oil Supply Growth

Williston



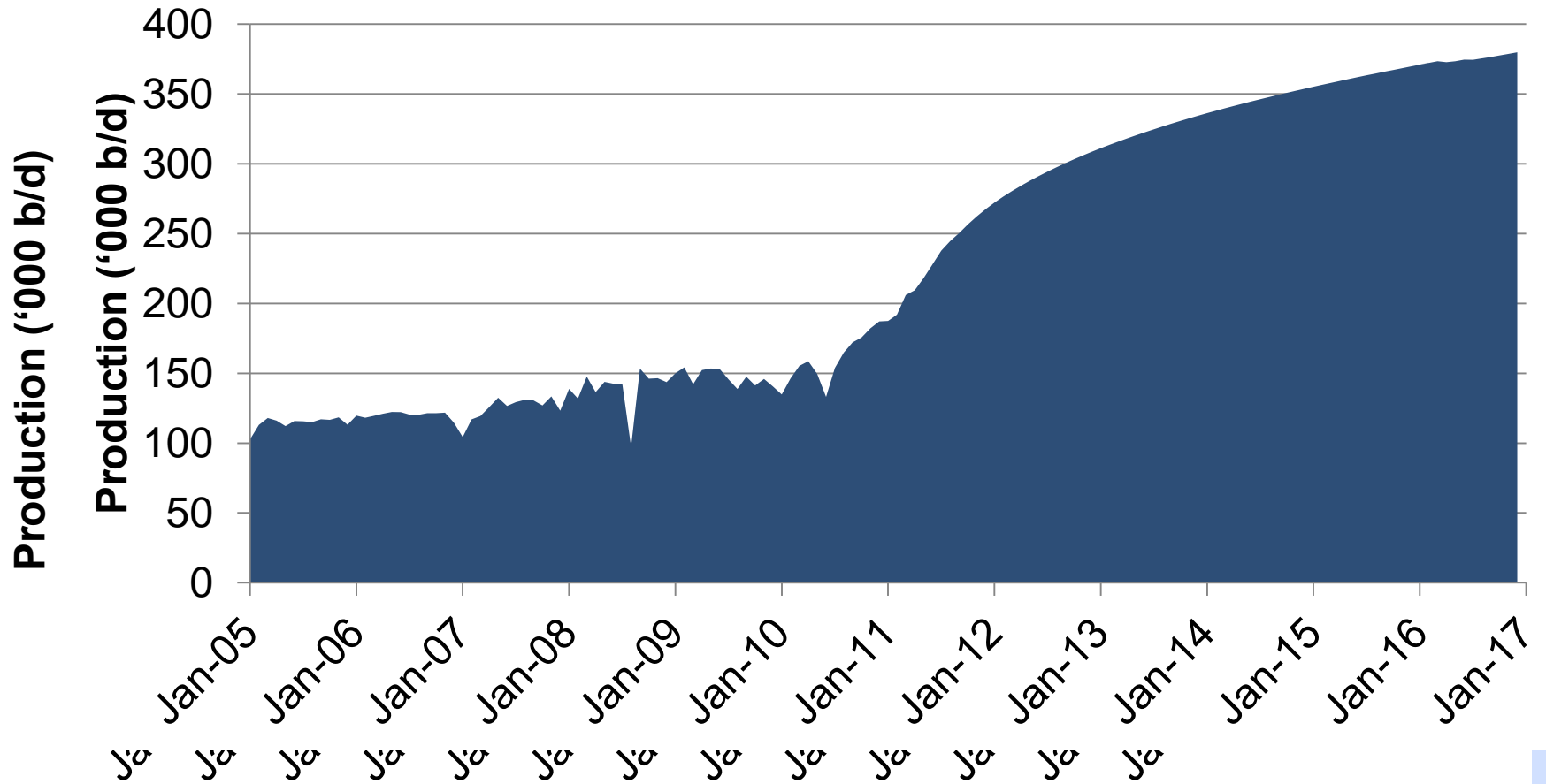
U.S. Crude Oil Supply Growth

Niobrara Shale (DJ+PRB)



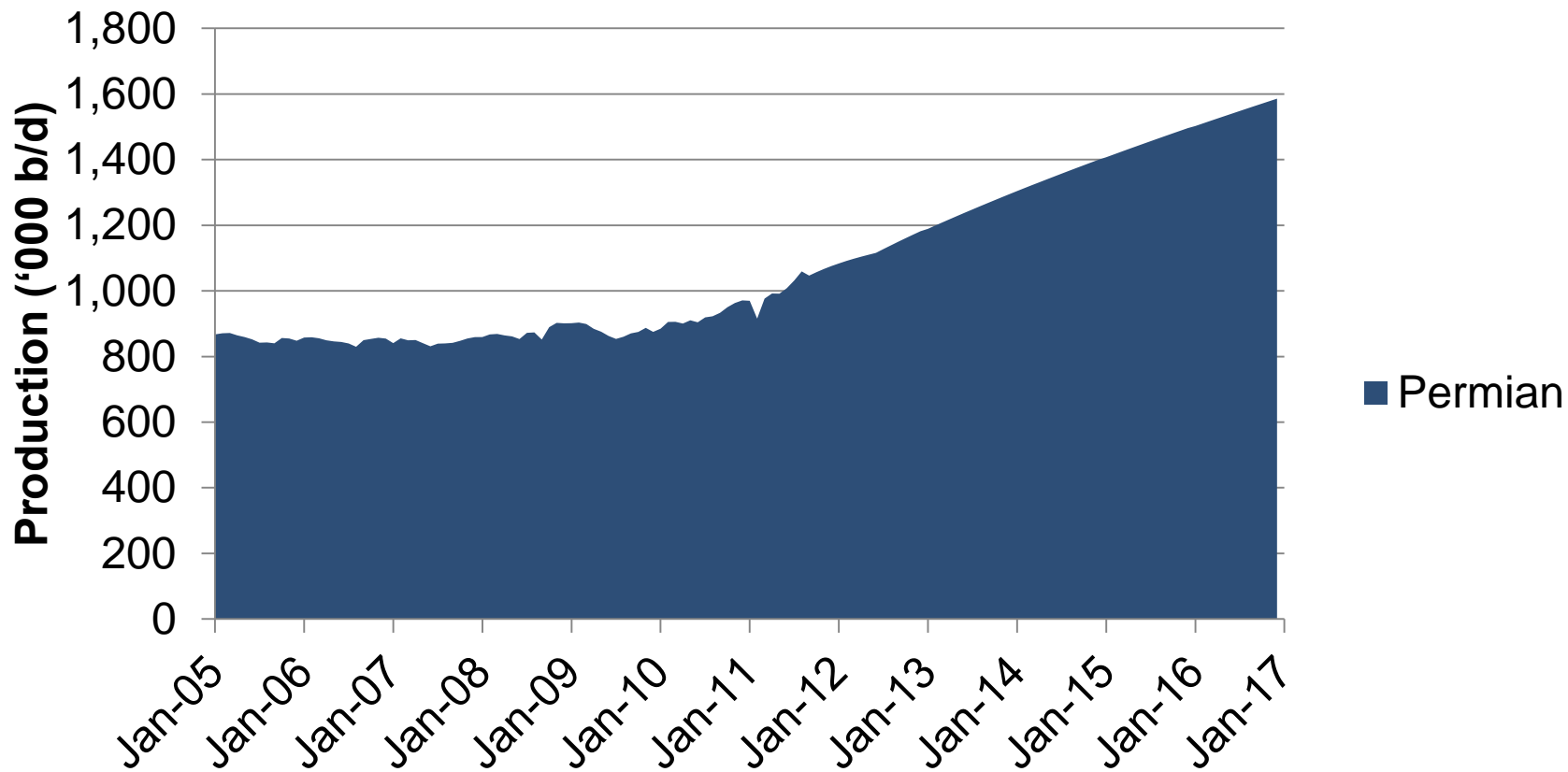
U.S. Crude Oil Supply Growth

Anadarko



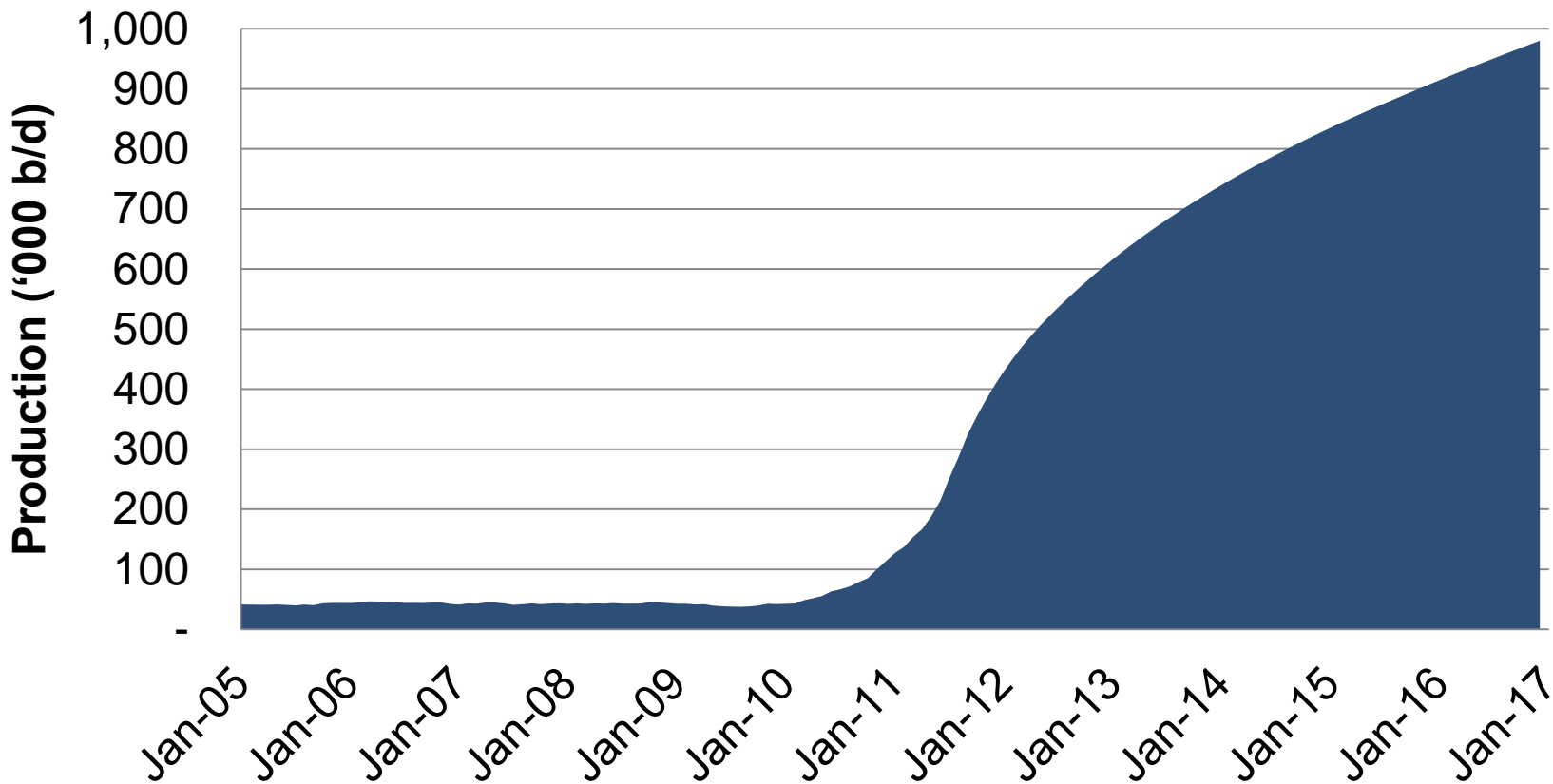
U.S. Crude Oil Supply Growth

Permian

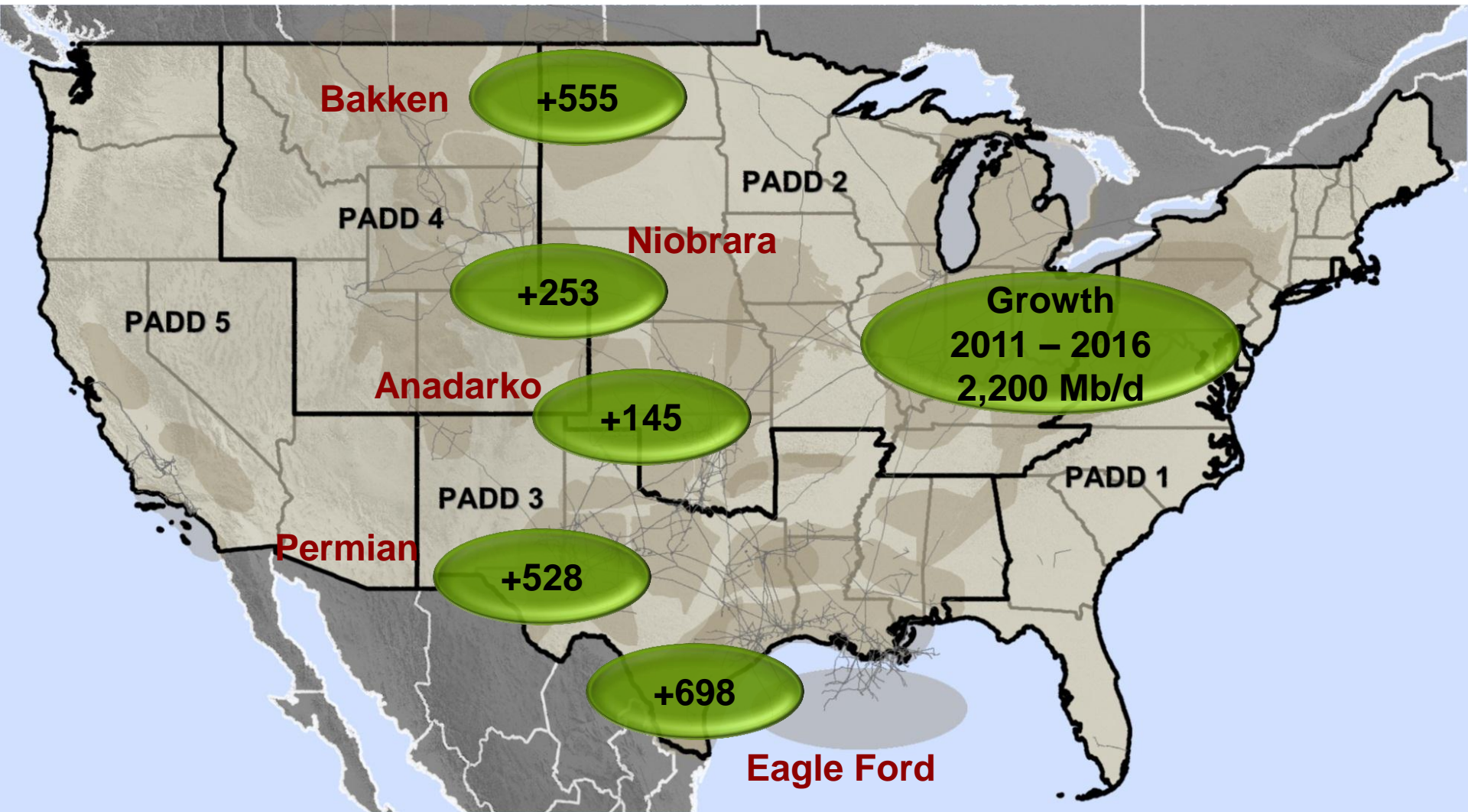


U.S. Crude Oil Supply Growth

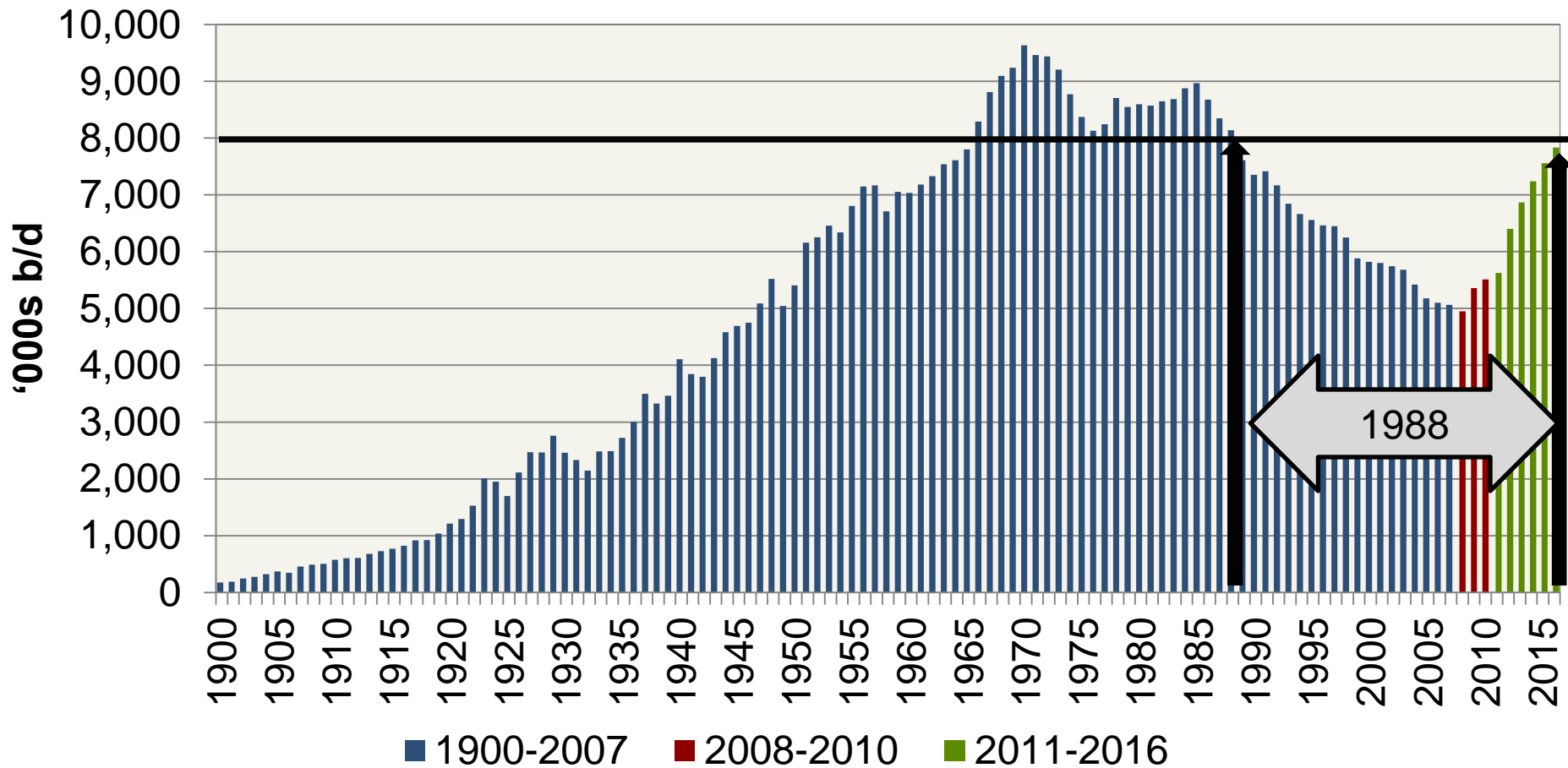
Eagle Ford



Unconventional Oil Plays – Turning The Corner

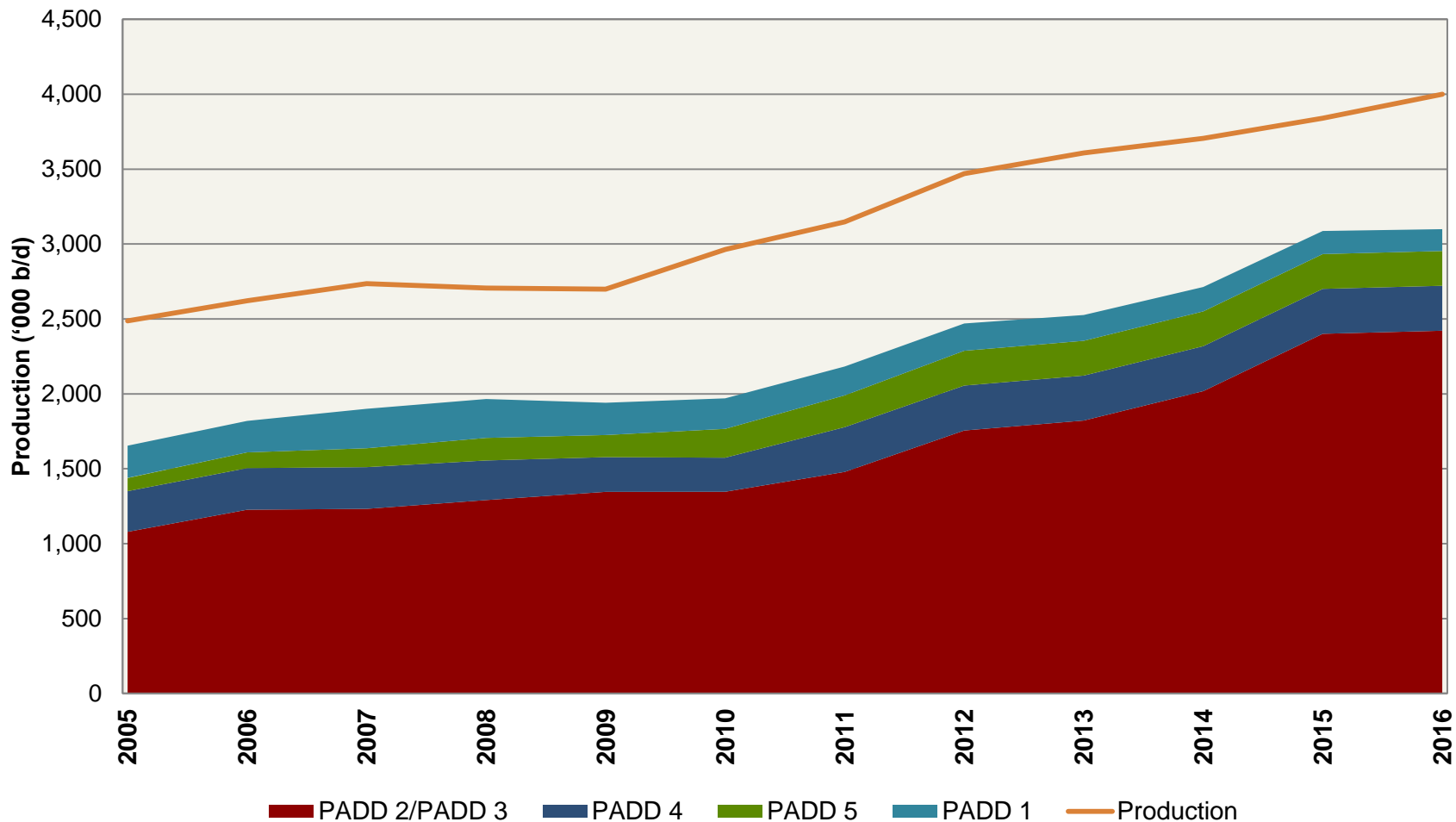


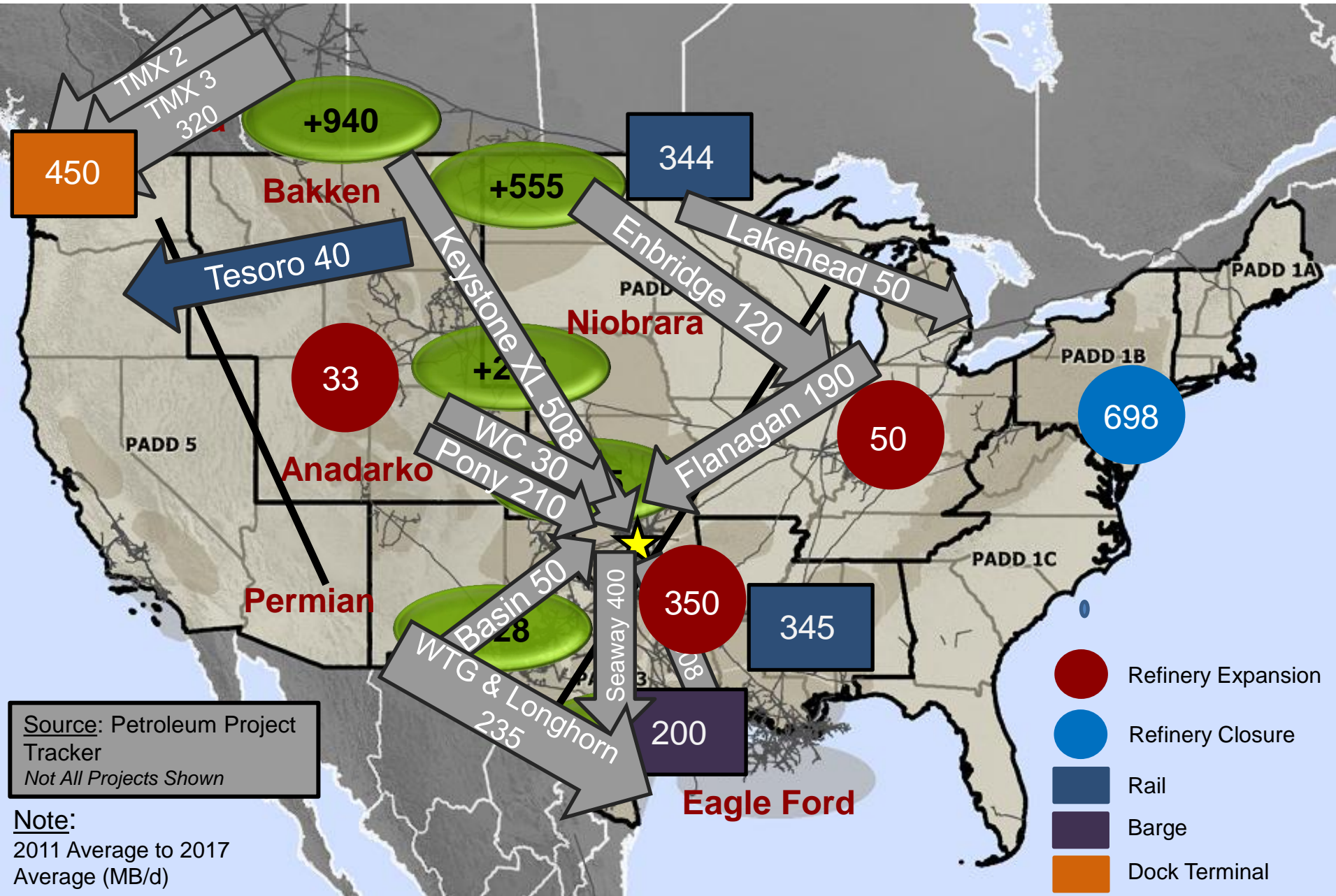
Forecast Through 2016



Adding In Canada

Canadian Production and Imports

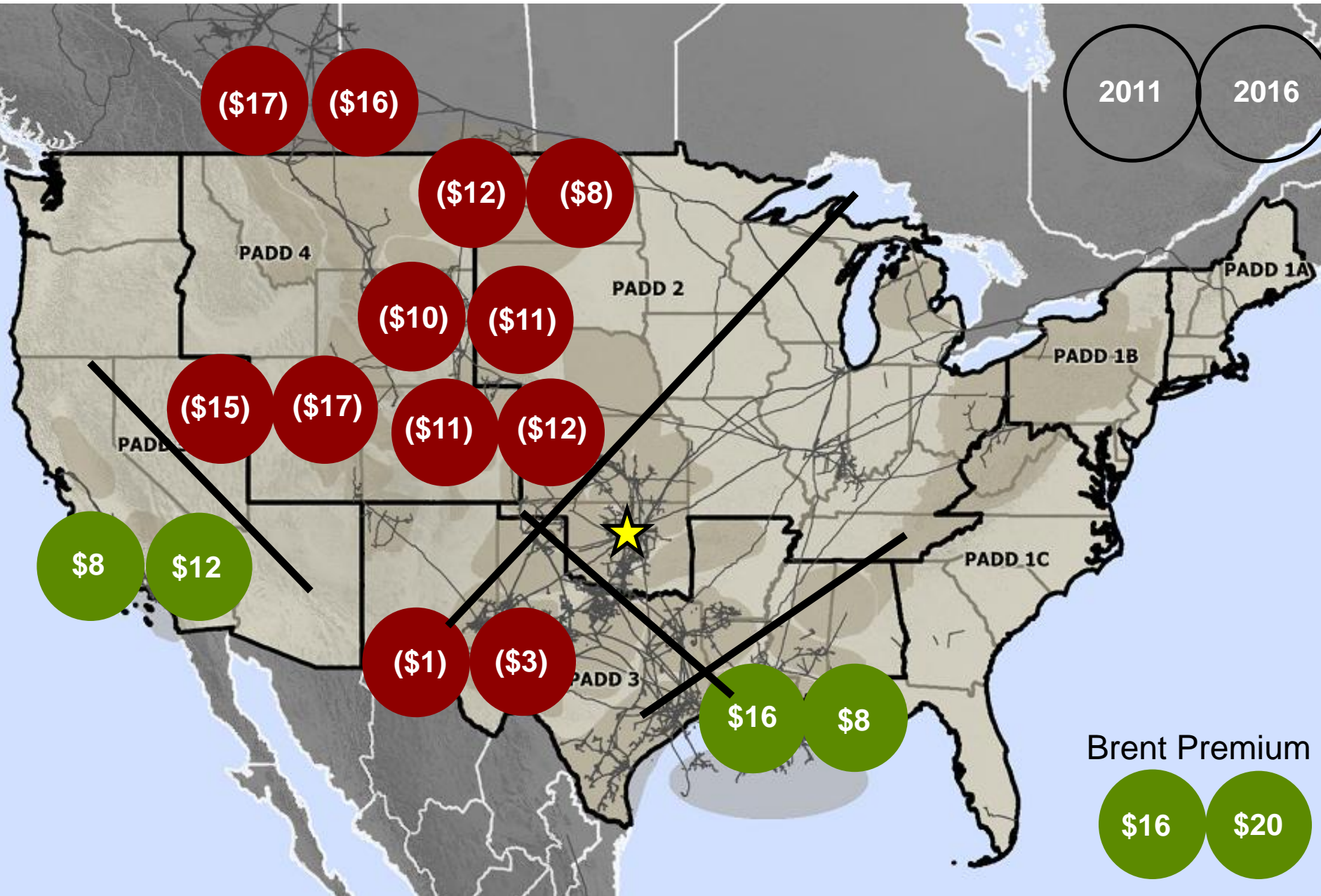




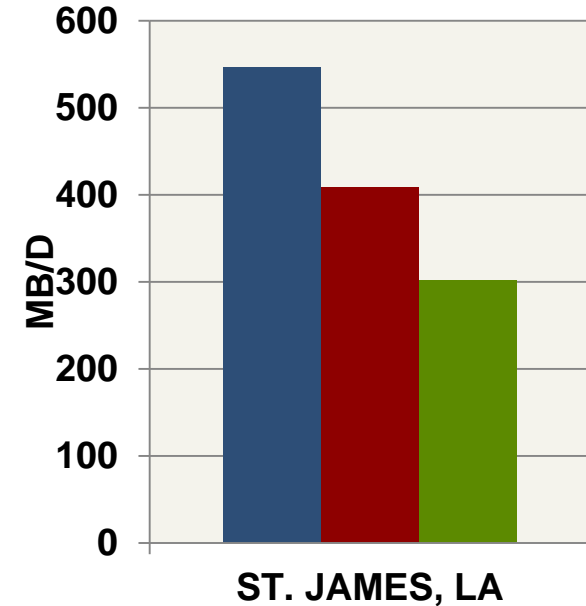
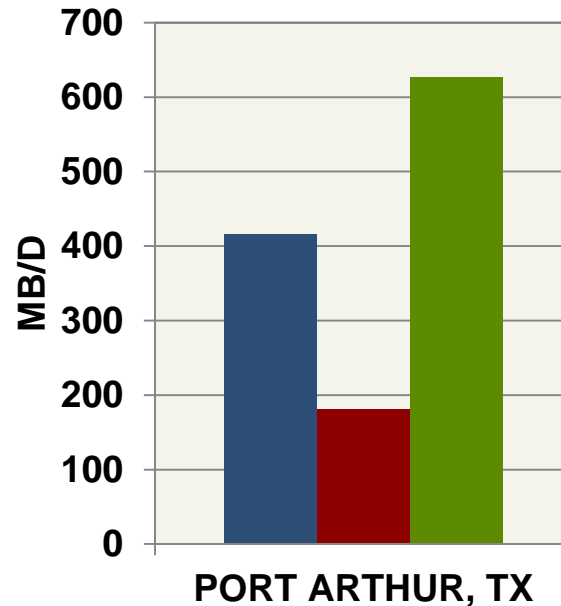
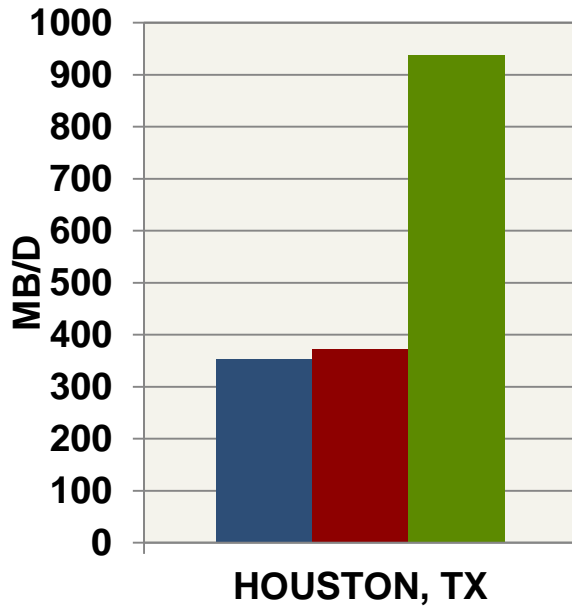
Source: Petroleum Project Tracker
Not All Projects Shown

Note:
2011 Average to 2017
Average (MB/d)

- Refinery Expansion
- Refinery Closure
- Rail
- Barge
- Dock Terminal



U.S. Light Crude Oil Growth Potentially Displaces all Foreign Imports Landing in PADD III



- Light (32⁰⁺)
- Intermediate (28-32⁰)
- Heavy (28⁰⁻)

Conclusions

- ❖ **Supply growth will shape the market.**
- ❖ **US Growth will Displace Foreign Light Oil Imports**
- ❖ **Heavy – Light Spread Set to Tighten with Refinery Upgrades and U.S. Light Oil Growth**
- ❖ **LLS - WTI Spread to Tighten as Projects Reconnect Premium Market to WTI**



BENTEK Energy, LLC

BENTEK is an energy market analytics company, focused on the natural gas market and related energy sectors.



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