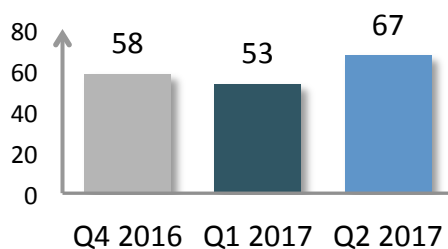


Upper Green River Conservancy™

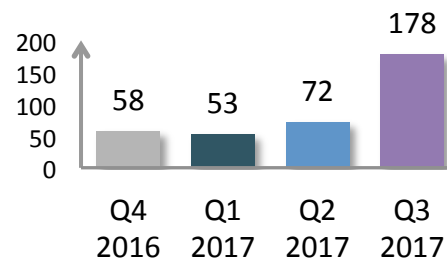
Oil & Gas Report – October 2017

Oil and gas activities are the primary market for the Upper Green River Conservancy™ (UGRC) credits. This report is an update of oil and gas activity for the third quarter of 2017 in the UGRC service territory of southwest Wyoming in Sweetwater and Sublette counties.

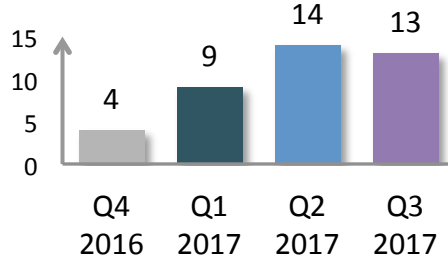
Well Completions



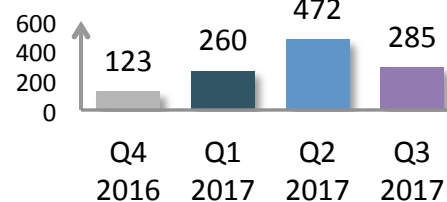
Well Spuds



Rig Count



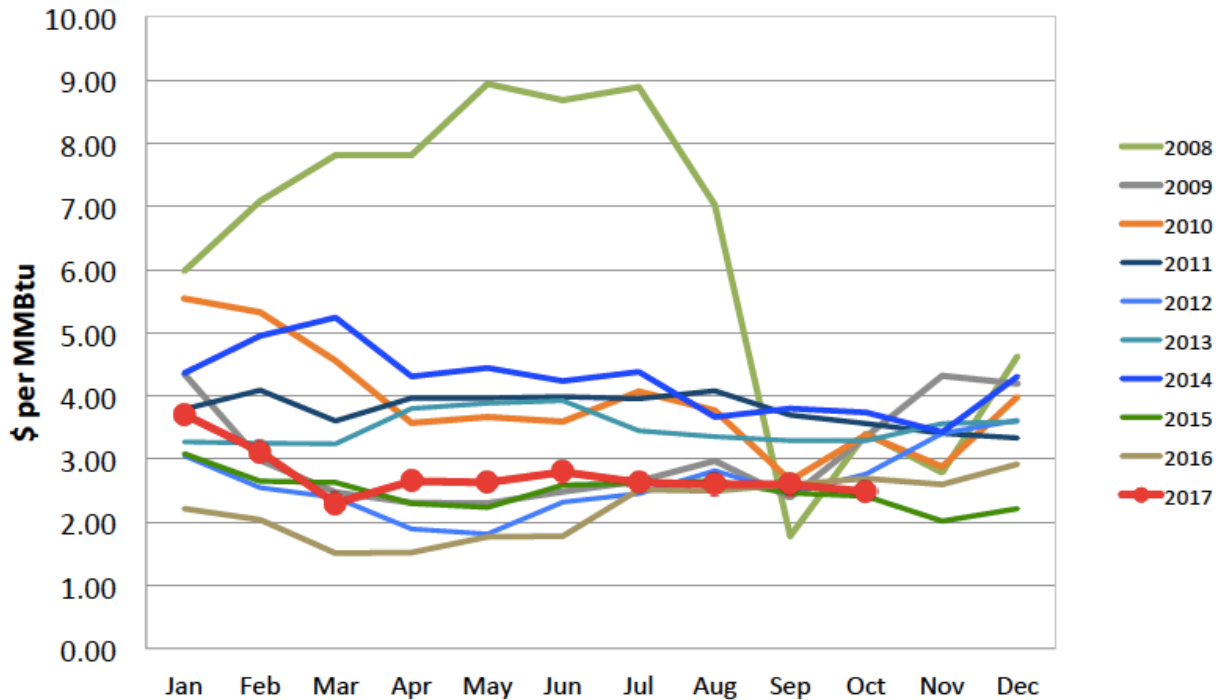
Applications for Permits to Drill



Definitions:

- A well is “spud” when a small rig is used to commence drilling operation prior to a drilling rig move-in.
- All operators are required to file an Application for Permit to Drill (APD) with the Wyoming Oil and Gas Conservation Commission, which when approved grants the applicant the right to drill for oil and gas according to the approved well design.
- Well spuds, rig counts, and APD’s signal the level of industry activity in the future.

Representative Wyoming Natural Gas Price by Month



*Graph reprinted with permission from the Wyoming Pipeline Authority

Price: CIG Monthly Index prior to 2012, average of CIG, KERN and NWPL thereafter

Production: In 2016, 1.1 trillion cubic feet (Tcf) of natural gas was produced from the subject area, accounting for 65% of Wyoming’s total natural gas production.

Summary: The above data indicates an overall increase in activity is expected in 2017, reflecting the strong market for natural gas in California as detailed in the proprietary report prepared by B & H, Geologists.

Report prepared by B & H, Geologists.

Data Sources: Wyoming Oil and Gas Conservation Commission, Wyoming Pipeline Authority, and Baker Hughes.