



Adam Bedard, CEO ARB Midstream, LLC

Platts Pipeline Development and Expansion
Conference

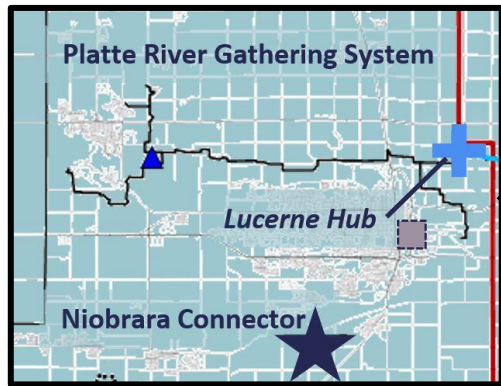
September 30, 2016

WHO WE ARE

- ARB Midstream is a privately-held, growth-oriented company, providing complete midstream and marketing solutions for crude oil, LPGs and refined products
- ARB is building a portfolio of midstream assets that resolve infrastructure bottlenecks in the most profitable North American oil plays
- ARB is supported by a management team and Board of Directors with combined energy industry experience of over 150 years



ARB's Operational Footprint Focuses on the North American Inland Corridor



ARB Operates in Three Segments



Gathering & Transportation

Description

- Crude oil, LPGs and refined product pipelines, and crude oil gathering systems

ARB Assets/Capabilities

- 157,000 bbl/d crude gathering system in the Niobrara and Wattenberg plays in Weld County, Colorado
- Evaluating several other development opportunities

Marketing & Logistics

- Marketing and logistics for crude oil, LPGs and refined products

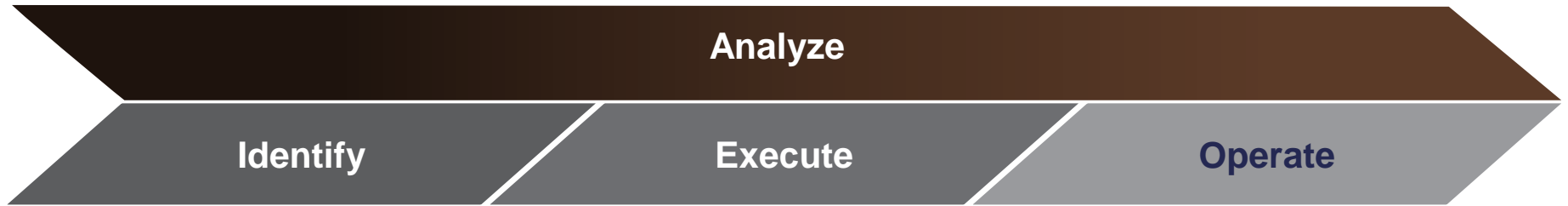
- 5,000+ bbl/d of truck unload capacity at Lucerne Hub
- ~8,000 crude barrels per day of lease purchasing and bulk marketing volumes in the Rockies and the Midcontinent
- Crude capacity on multiple pipelines and ~120,000 barrels of storage

Storage & Terminals

- Energy logistics terminals and storage facilities for crude oil, LPGs, and oilfield commodities

- 6,500 bbl/d of truck and rail transload crude terminal capacity in the Niobrara
- Incremental 145,000 bbl/d crude terminal capacity planned
- Up to 850,000 bbl of crude storage planned, incl. 600,000 bbl at Lucerne Hub
- Evaluating several other development opportunities

Creating Value in Midstream Markets



- **Analyze:** Every step in ARB's strategy is rooted in proprietary analytics that are used to understand and predict market opportunities, and to reduce risk and improve capital efficiency within individual projects. ARB's analytics are complemented by the extensive industry experience of the company's leadership team.
 - **Identify:** ARB uses proprietary, in-house research to pinpoint infrastructure bottlenecks and under-served regions that are backed by oil plays with long-term, sustainable production economics.
 - **Execute:** ARB efficiently deploys capital as an early mover in its target markets by utilizing private financial backing, an experienced management team and custom analytics.
 - **Operate:** ARB develops assets with the intent of generating long-term, sustainable returns. ARB leverages an experienced operations team to run its assets safely and efficiently.

ARB's Acquisition and Development Timeline



Sept. 2014: ARB founded by Adam Bedard and Rogan McGillis along with Cortney Liddiard of Ball Ventures

May 2015: announced Permian Gateway rail terminal in Big Spring, TX

April 2016: Niobrara Connector in service



Nov. 2014: announced Niobrara Connector rail terminal in Evans, CO



Sept. 2015: acquired Sunwest Energy Canada, Ltd, established Canadian marketing desk in Calgary



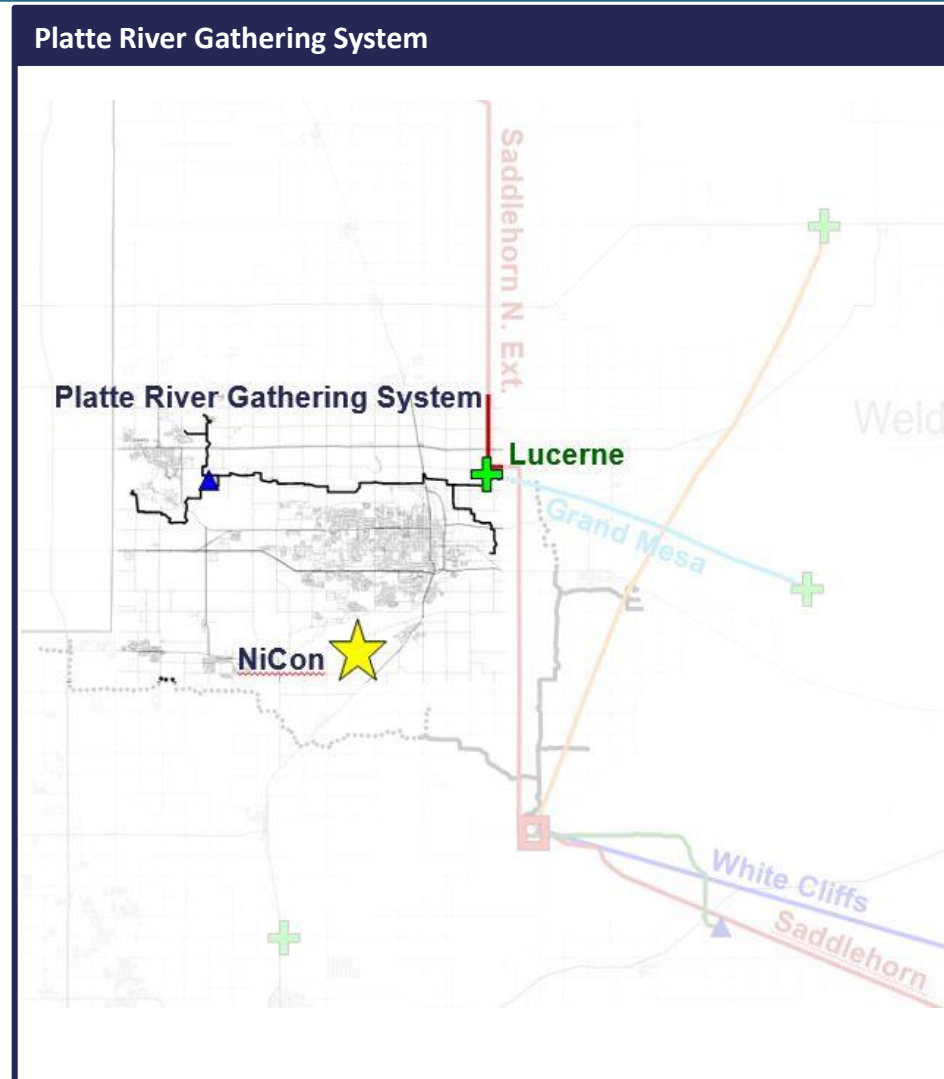
Jan. 2016: acquired InCorr Energy Group, LLC, established US marketing desk in Denver

Sept. 2016: acquired Platte River Gathering crude oil gathering system in the DJ/Niobrara

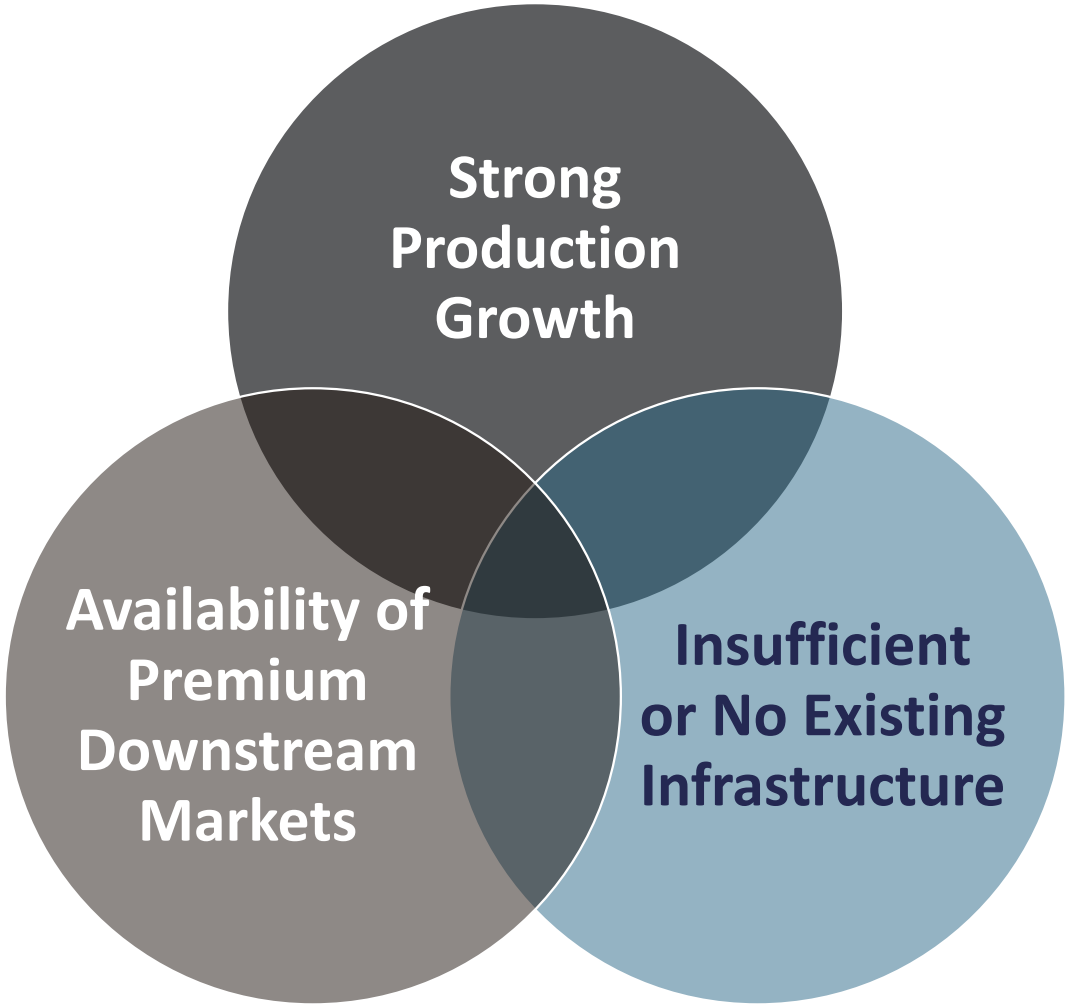
Platte River Gathering System Overview



- The Platte River Gathering (PRG) system provides gathering for crude oil production in the fast-growing Niobrara and Wattenberg plays in Weld County, Colorado
- PRG provides market access to Cushing, via NGL's Grand Mesa pipeline at the Lucerne Hub, which is expected to be in-service by Nov. 2016
- PRG started transporting crude in April 2016, and Phase I will be fully online by the time Grand Mesa is in-service by Nov. 2016
- **Size:**
 - Capacity: 157,000 bbl/d
 - Diameter: 4.5 to 12.75 inches
 - Phase I: 40+ miles
 - Phase II (planned): ~30.0 +/- miles
- **Storage:**
 - Phase I: 20x 1,000-barrel tanks
 - Phase II (planned): 4x 150,000-barrel tanks
- **Customers:**
 - PRG is backed by multiple long-term producer commitments
 - ARB is developing gathering plans with several other producers to support growing production in the region

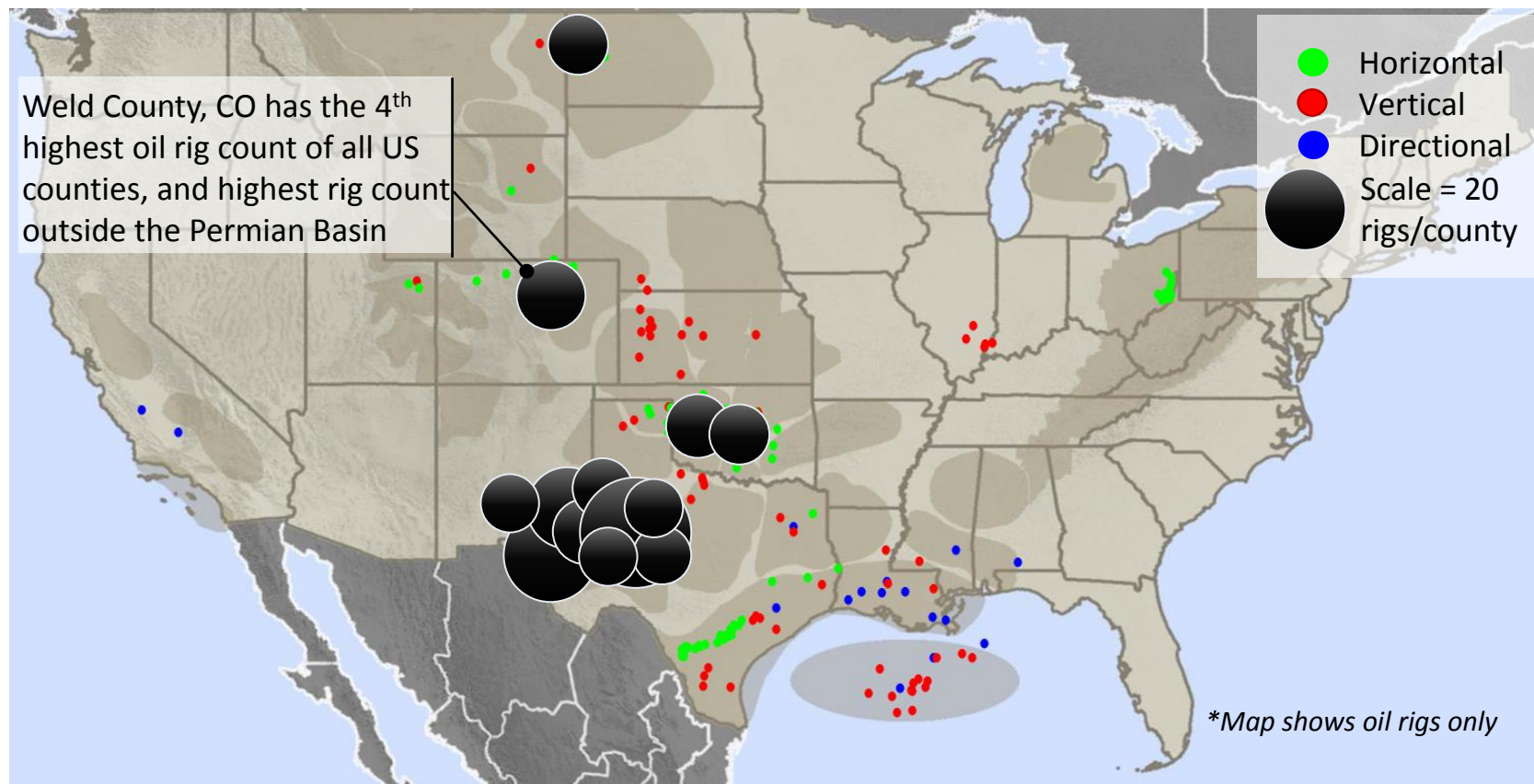


Three Factors Are Critical for Successful Midstream Opportunities



The Inland Corridor of DJ, SCOOP/STACK and Permian Continue to Attract the Most Drilling Activity

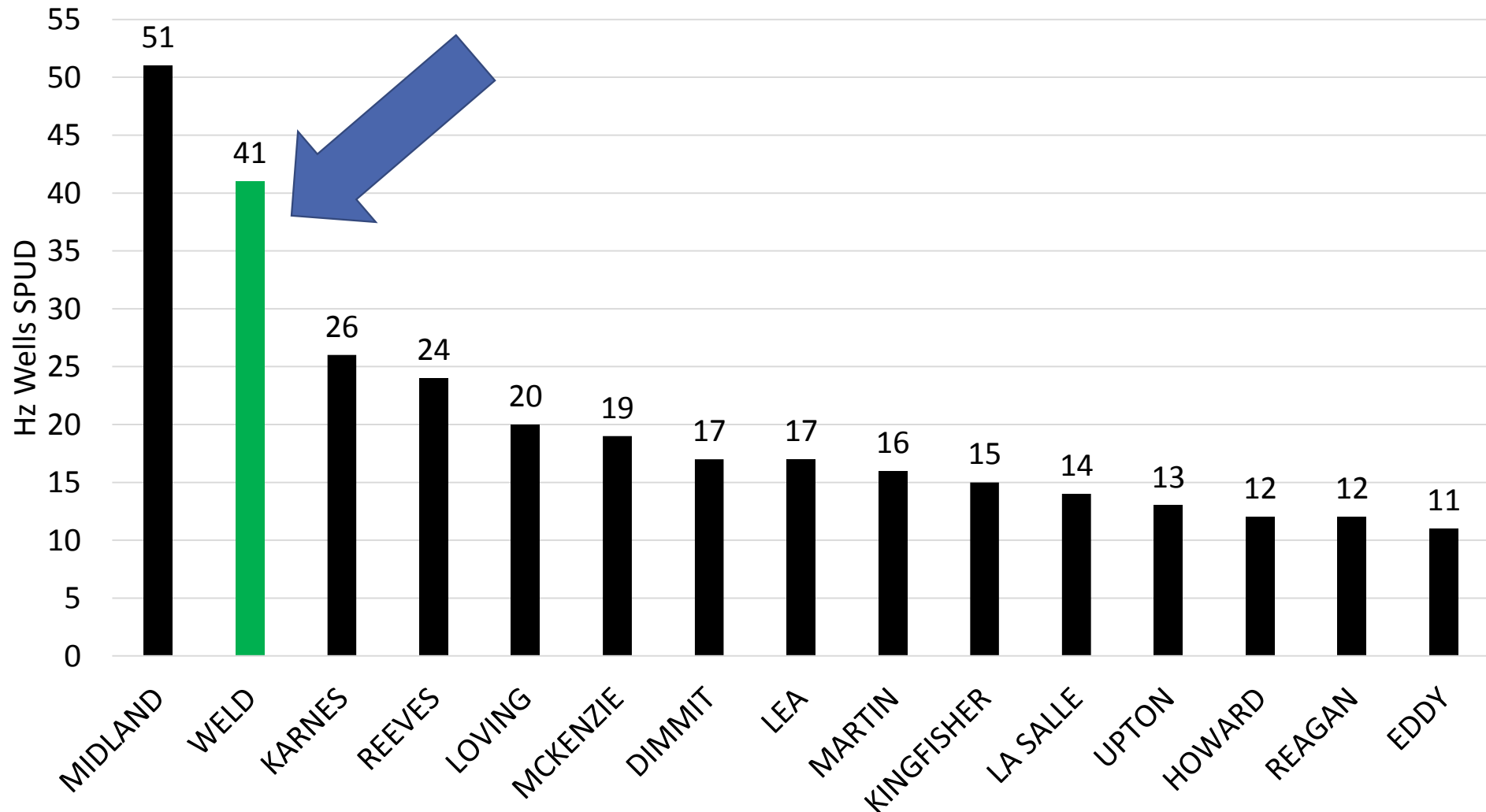
Oil Rig Concentration by County (counties with ≥ 10 rigs)



Weld County Is the Second Most Actively Drilled County in the US in Well Spuds



Wells SPUD per Month- Top Counties in U.S.

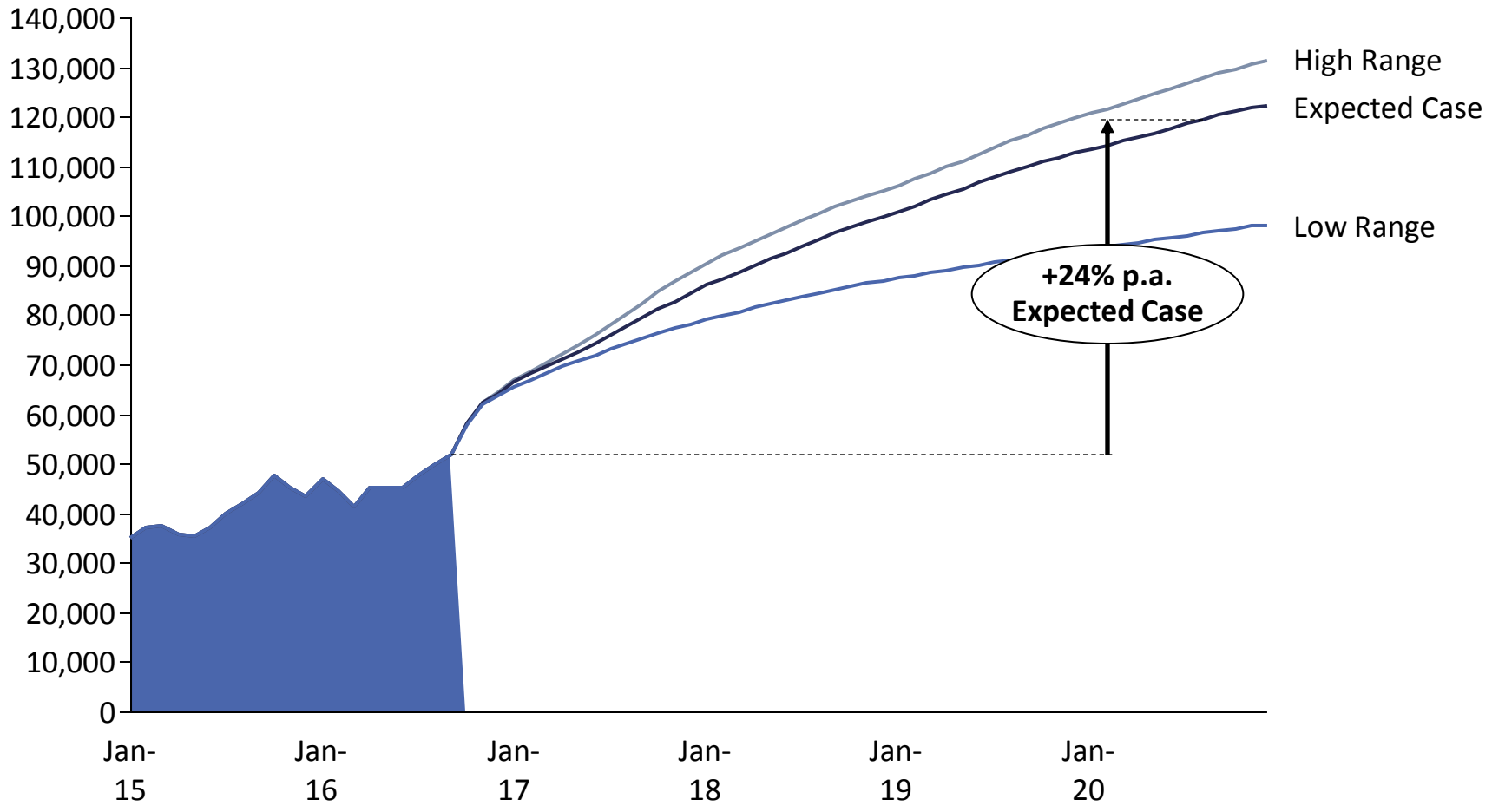


Source: RigData

Production Outlook for Outer Wattenberg Core Region in Weld County



Outer Wattenberg Core Production Outlook (barrels per day)

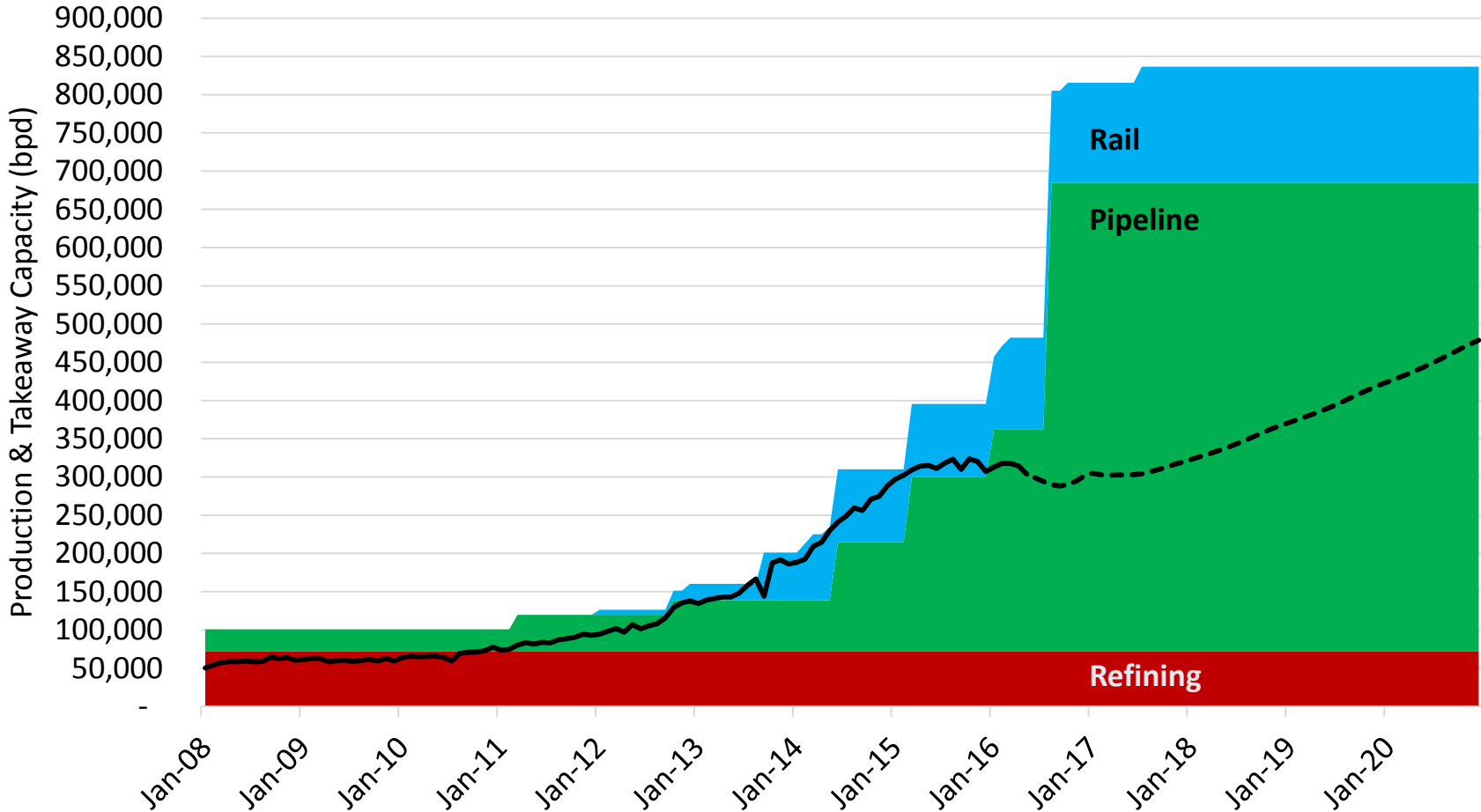


Source: ARB Analytics

Multiple Pipeline Projects Provide Access to Cushing for DJ/Niobrara Production



DJ Basin Production and Midstream Takeaway Capacity (barrels per day)



Source: ARB Analytics; Genscape

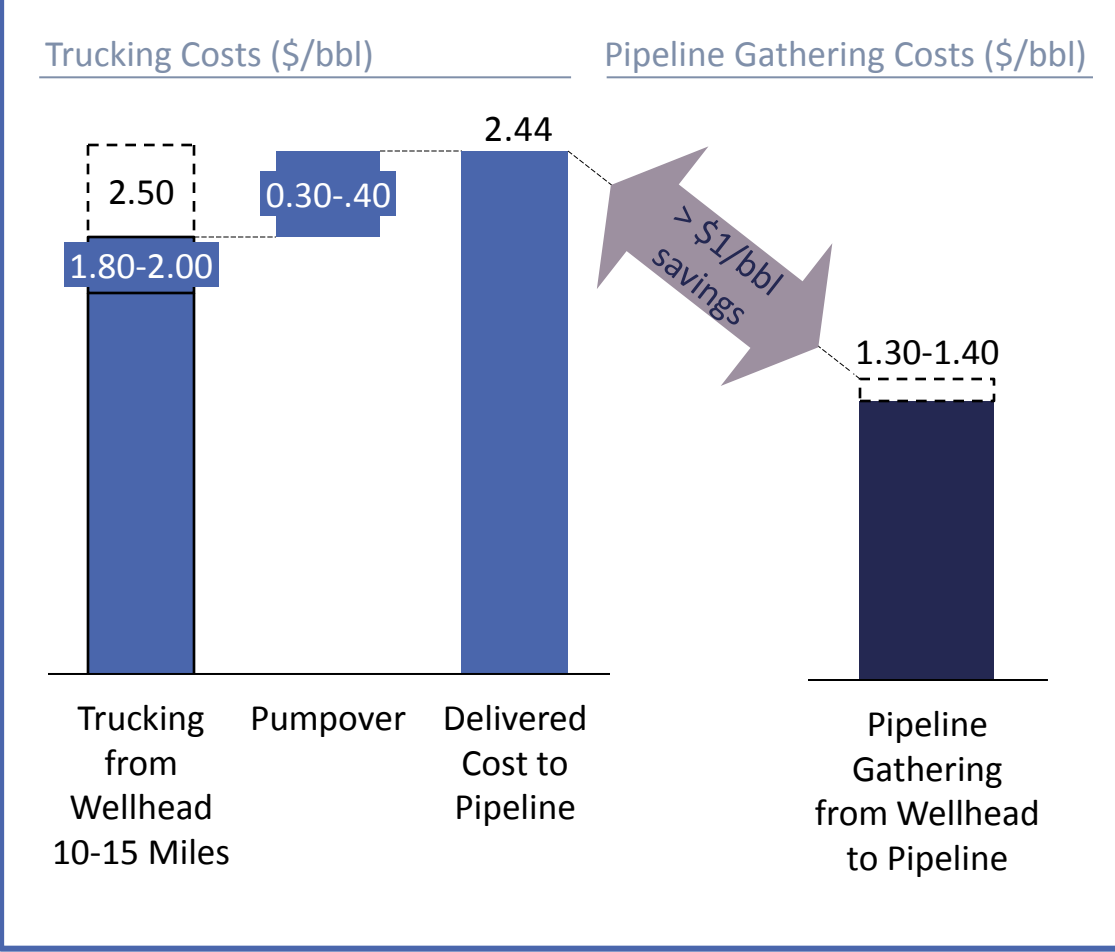
Gathering Infrastructure Can Replace Crude Trucking in Weld County at a Much Lower Cost



Gathering Infrastructure Is Needed in Weld County

- In the outer Wattenberg Core region of Weld County, crude production is highly-concentrated, and significant volumes are located just 10-20 miles from trunkline receipt points
- Significant volumes of crude are still being trucked from the wellhead to pipeline receipt points
- Due to short-haul trucking costs, pipeline gathering in Weld County can generate significant value for producers

Wellhead to Pipeline Receipt Costs for Outer Wattenberg Core



Source: ARB Analytics; regional trucking quotes for the DJ/Niobrara basin

END

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