

Upper Green River Conservancy™

Habitat Credit Market Demand Summary

Oil and gas activities are the primary market for the Upper Green River Conservancy™ (UGRC) credits. A proprietary study by B & H, Geologists for UGRC concludes the following:

- The natural gas resource in the UGRC service territory is vast and long-lived.
- Markets for the natural gas are stable and secured by long-term contracts.
- Pipeline infrastructure is established and competitive.
- Oil and gas operators are for the most part well-financed, long-term players.
- New drilling is required to sustain production levels.
- The price of natural gas is expected to recover in the time frame to develop the Project.
- Over 1/3 of California's natural gas is supplied from the UGRC service territory, having grown consistently since the 1990's from nothing.

The complete study is available subject to a non-compete, confidentiality agreement. B & H has prepared resource assessments and projections of future drilling and production for all natural gas pipelines from the Rockies serving markets throughout the U.S. Policy makers, regulators, and industry have relied on this work to make successful investments in drilling, production, and infrastructure activity.