



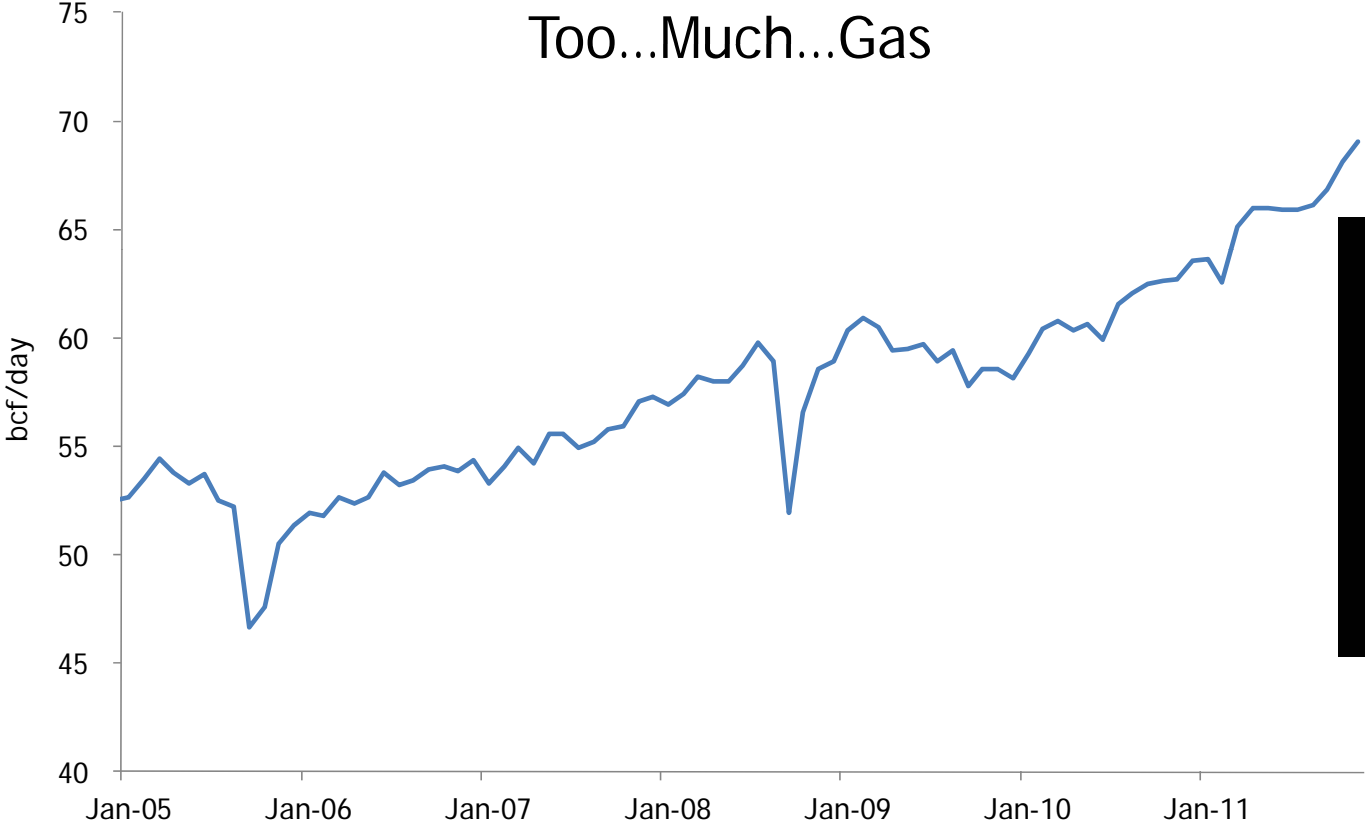
## Montana Oil & Gas

# Montana Legislative Services

David Pursell  
September 14, 2012

# Shalemania

Growth  
Too...Much...Gas



Source: EIA

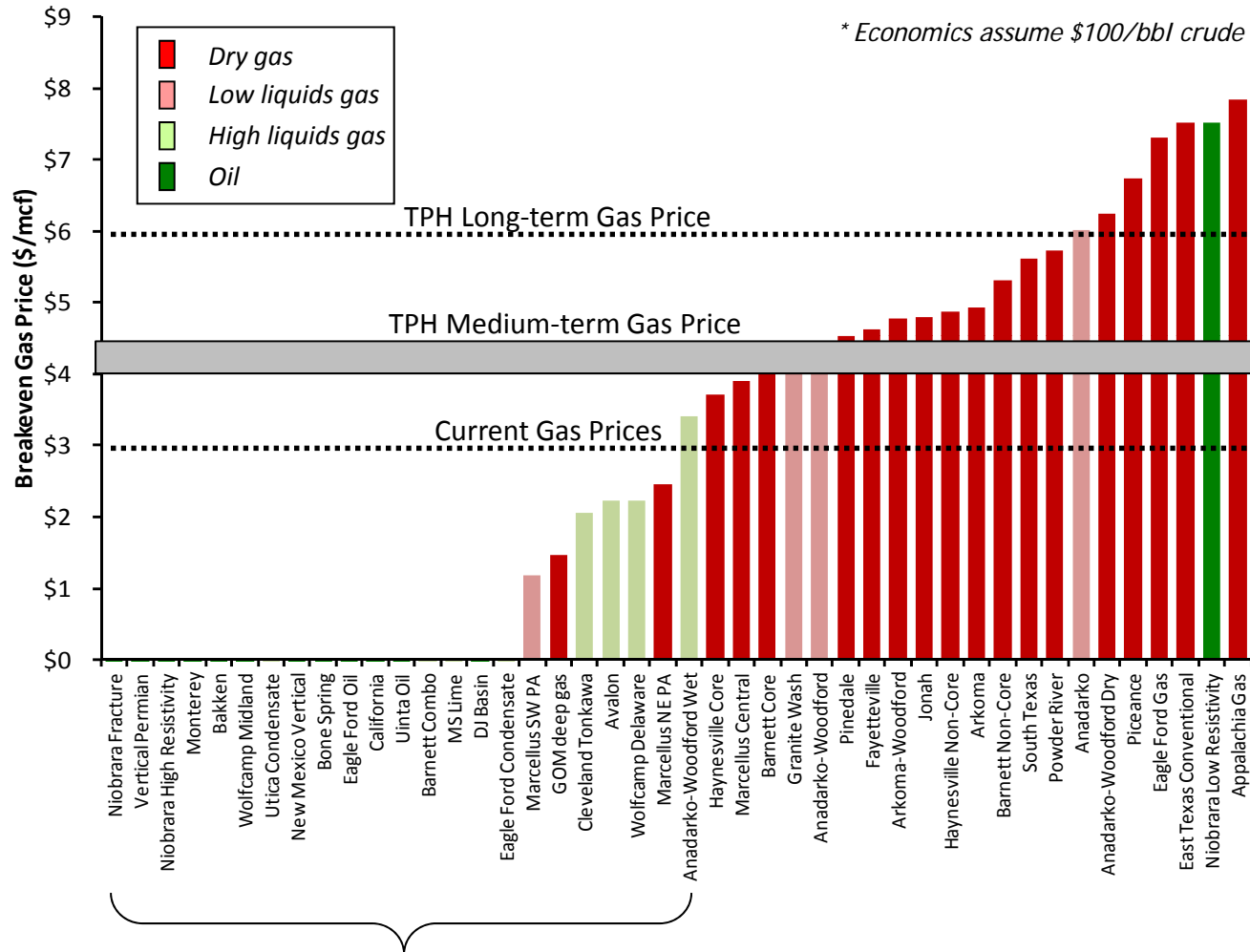
# Resource Triangle



*Old: Hard to find...easy to produce*

*New: Easy to find...hard to produce*

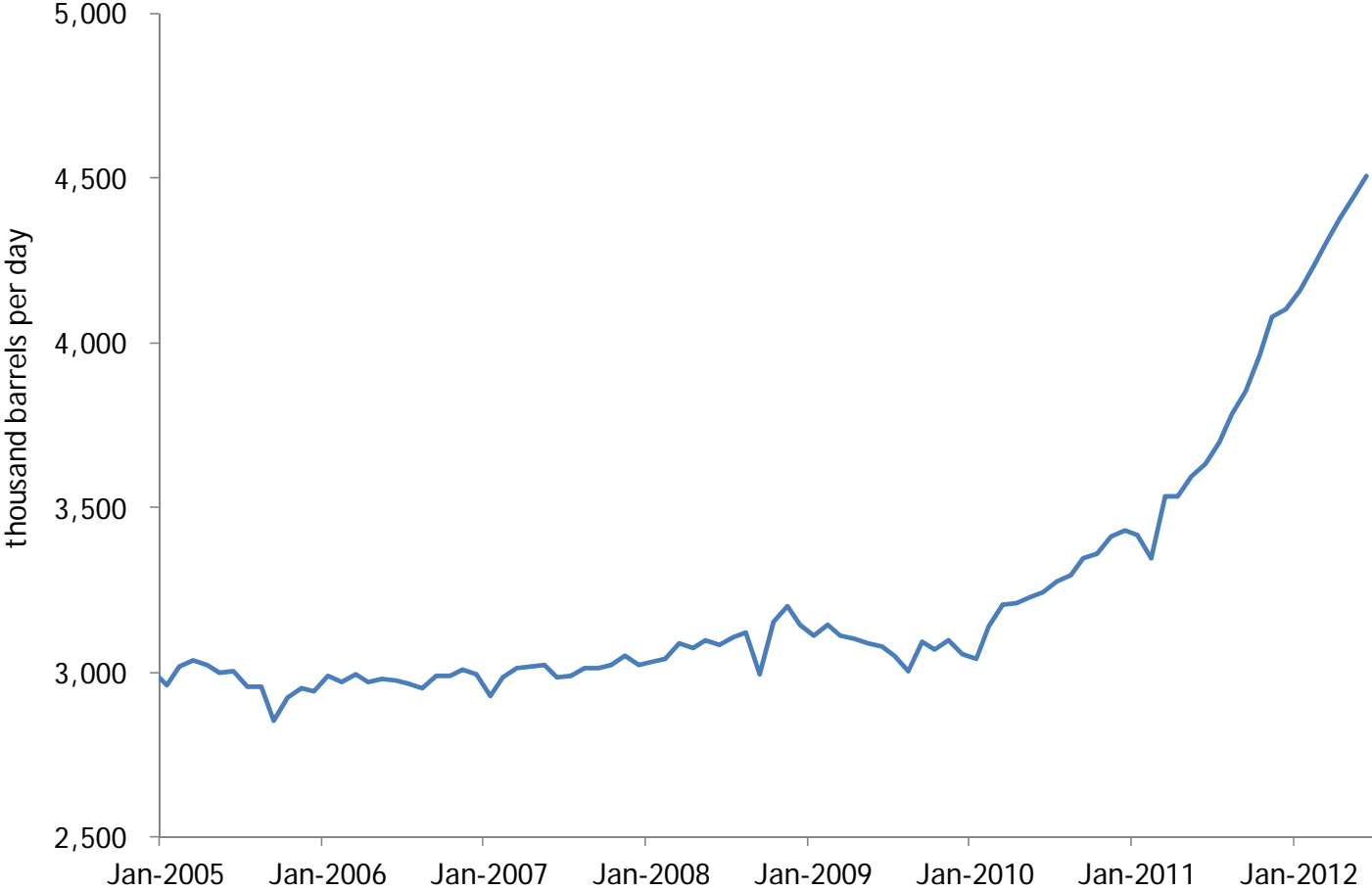
# Basin Economics - Gas Price Required for 10% ATROR



Gas produced from oil and liquids-rich plays is ~17% of the total the gas stack. These plays account for ~35% of the gas growth going forward.

# Onshore Oil Production

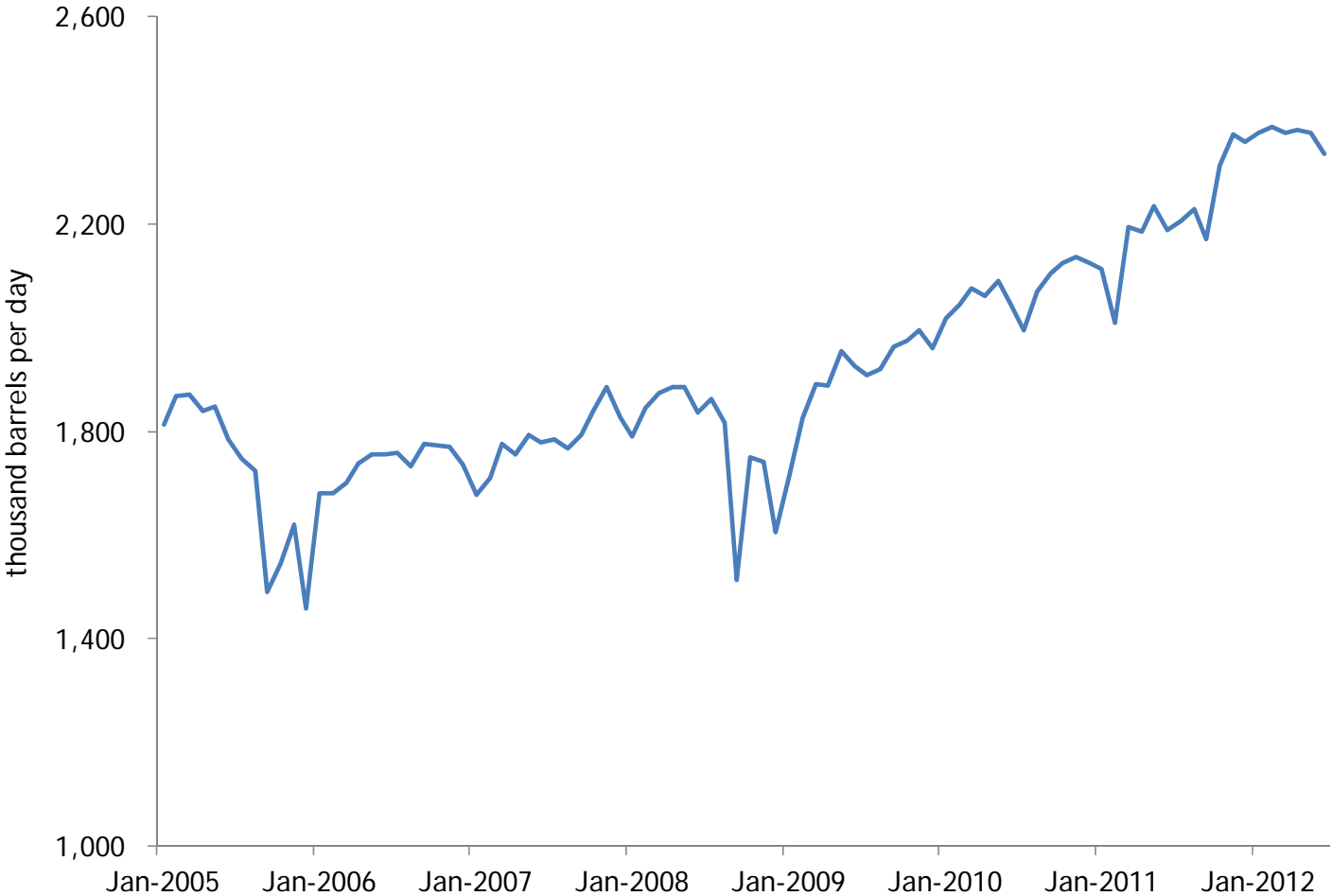
## U.S. Onshore Oil Production *(excludes Alaska)*



Source: EIA

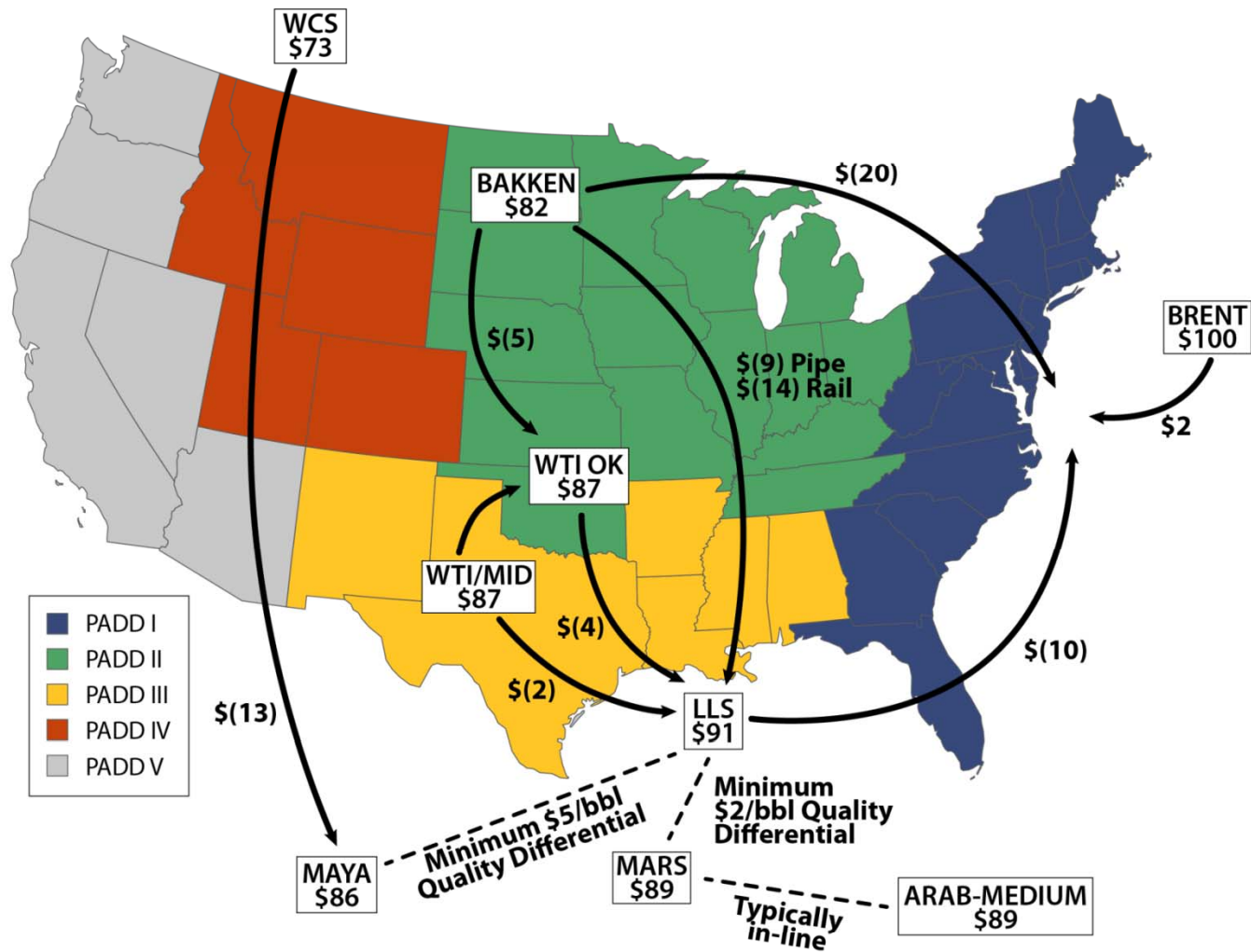
# NGL Production

## U.S. Production of Natural Gas Liquids



Source: EIA

# Long Term Oil Prices



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