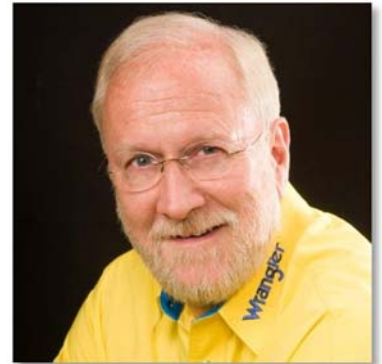


TRANSPORTATION UPDATE

From: Terry Whiteside

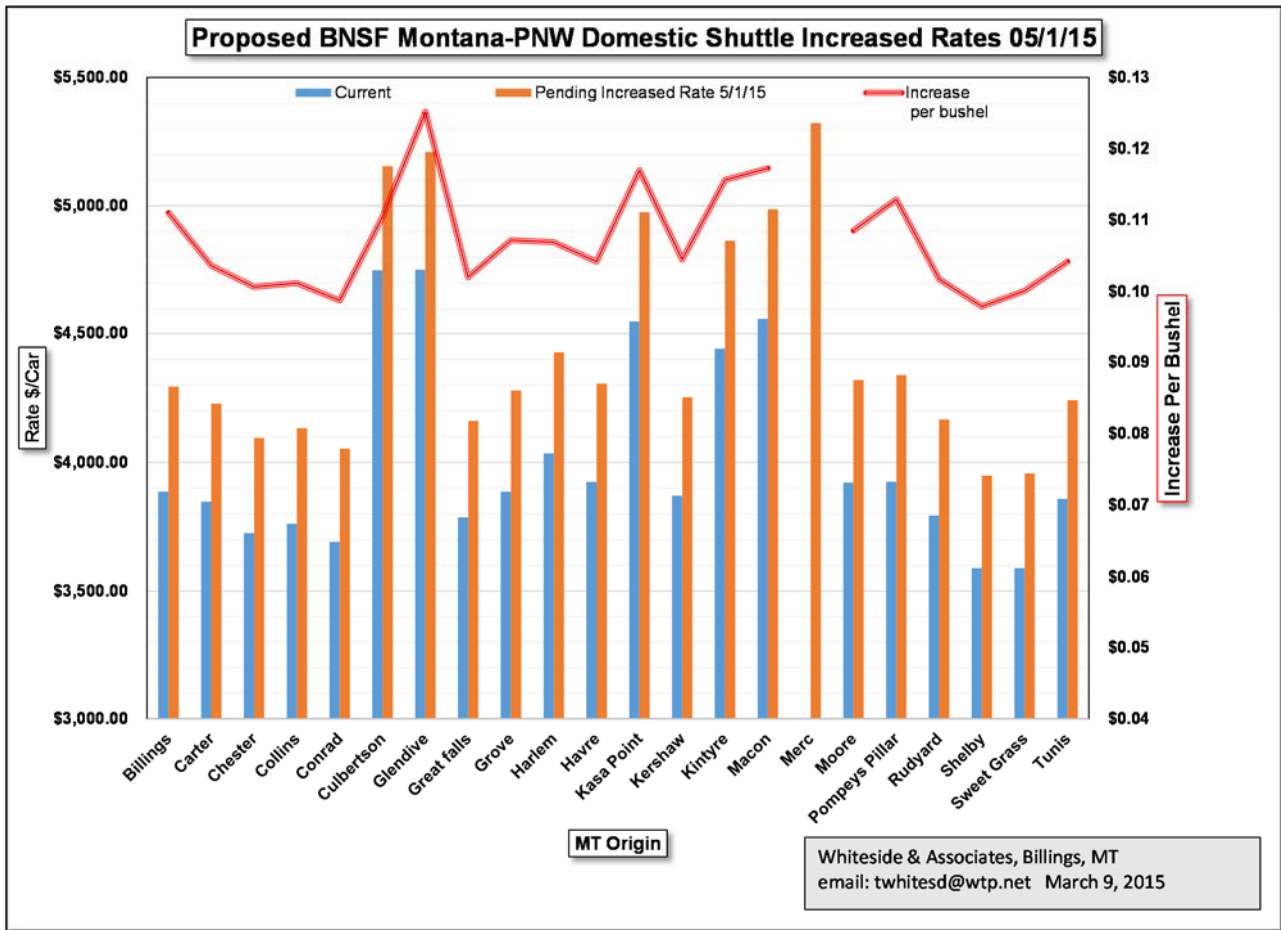
Date: March 9, 2015



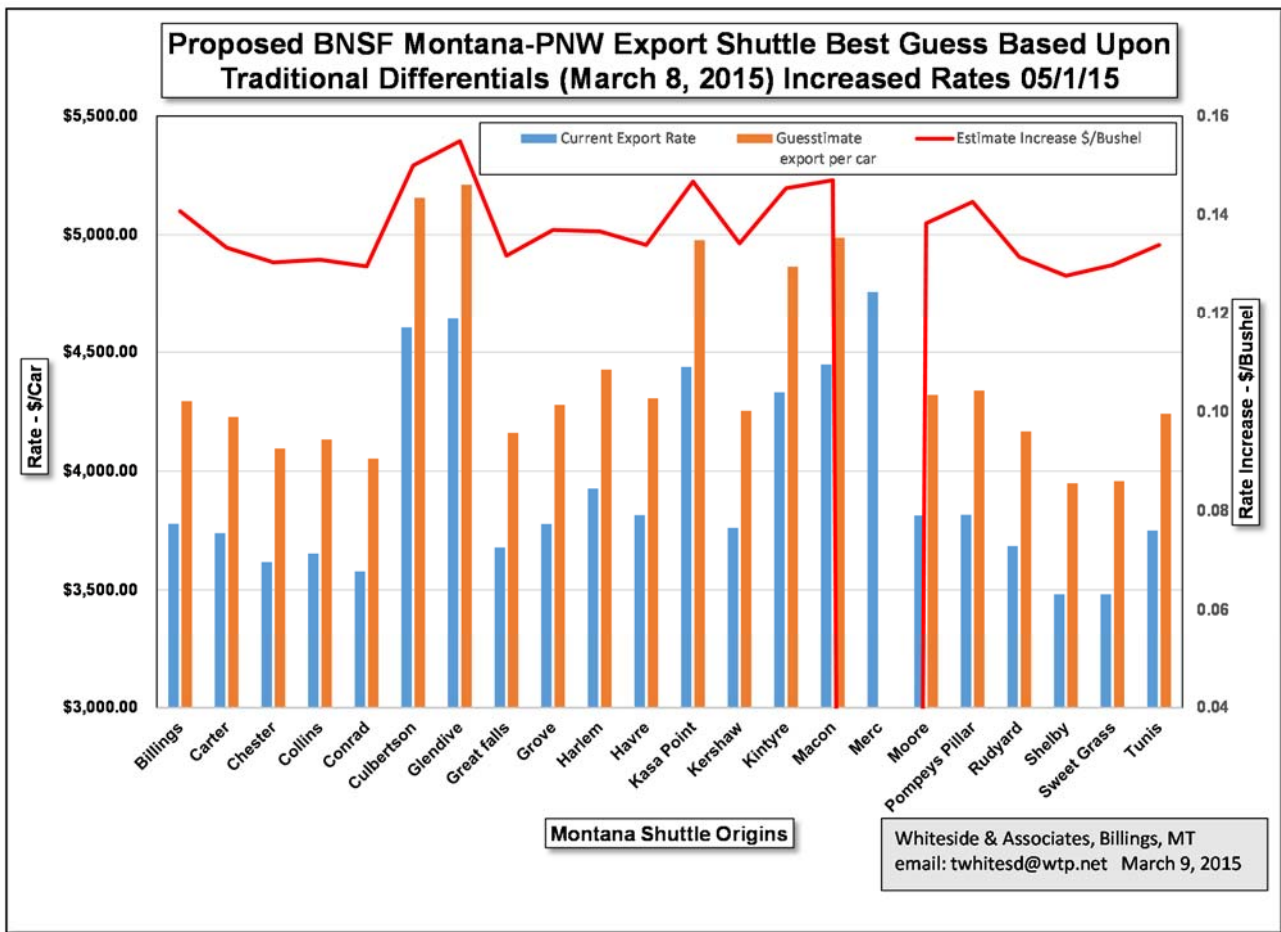
SUMMARY OF BNSF FREIGHT RATE INCREASES THAT ARE SCHEDULED FOR MAY 1, 2015

While the BNSF has not published all of the anticipated increases, a number of them have been noticed in the pending BNSF files. Caution should be taken in viewing these numbers, as they are subject change before they are put into effect, however it is evident that the railroad is looking at major increases into the PNW and Gulf Coast markets.

In the coming days, we will publish more charts on proposed increases by individual states.

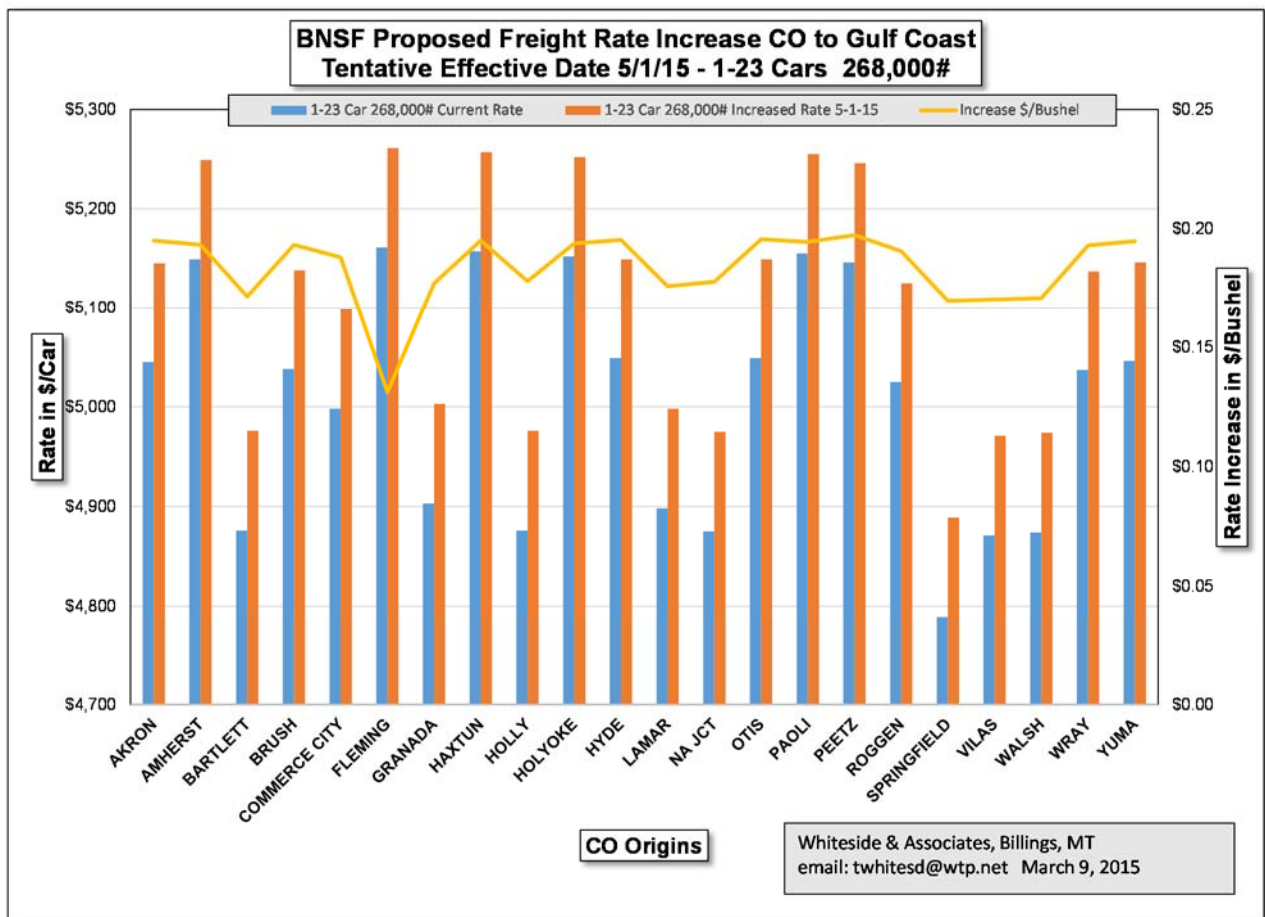


Montana shuttle rates are published to the PNW for both domestic and export movements. The proposed domestic shuttle rates have been published and they are outlined above. The export shuttle rates have not as of this date been published. Traditionally, the export rates are published at \$109/car less than domestic rates, and based on the traditional differential, the chart below reflects a best 'guess' at the yet-to-be proposed export rates from MT to PNW.



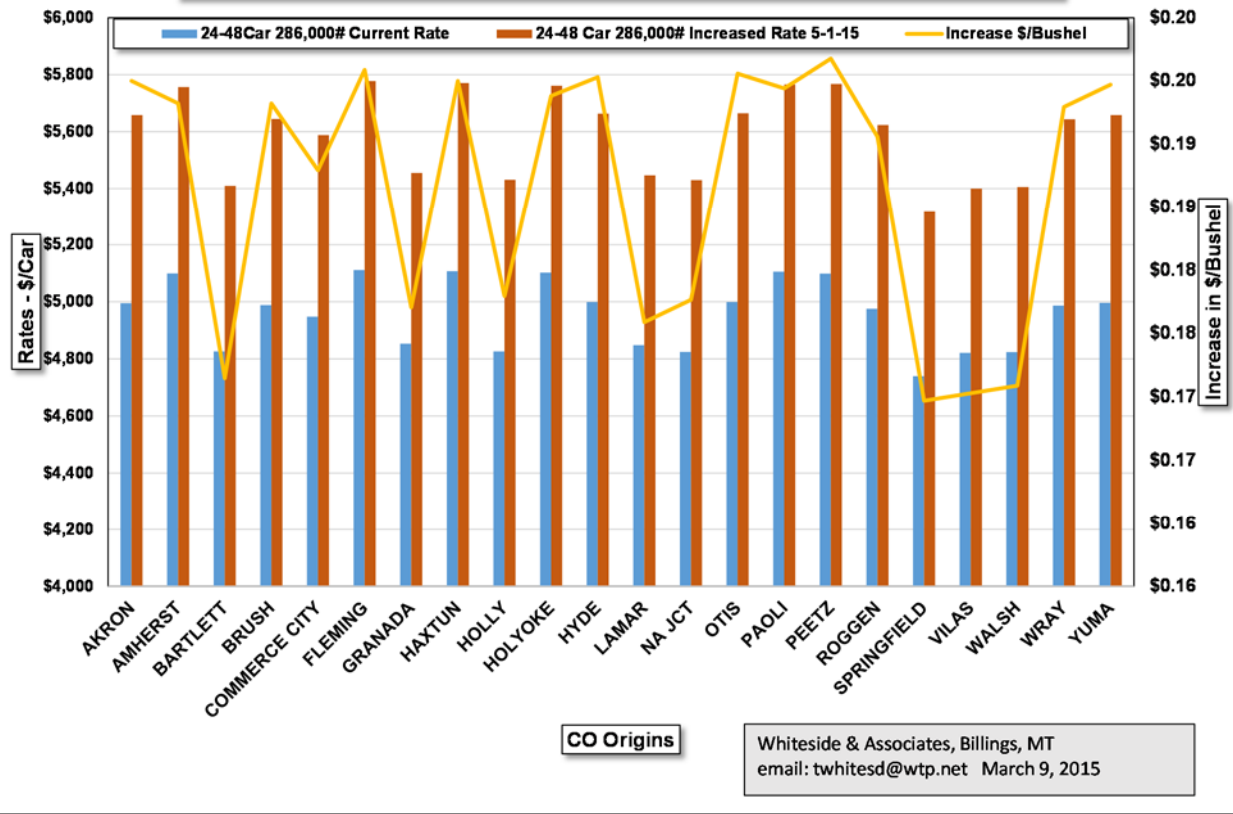
The CO to Gulf Coast increases have been published and they are reflected below for both the 1-23 and 24-48 car levels.

Also it should be noted any change to the CO to PNW rate structures have not been published as of this date.



Above, the proposed increase in rates for the 1-23 cars are published in the C6 (268,000 #) cars.

**BNSF Proposed Freight Rate Increase CO to Gulf Coast
Tentative Effective Date 5/1/15 - 24-48 Cars 286,000#**



Above, the proposed increase in rates for the 24-48 cars are published in the C6X (286,000 #) cars.