Seven County Infrastructure Coalition
October 22, 2021
Uinta Basin

Topics

• Uinta Wax / Finley Resources Overview – A Partnership Between CH4 Energy and Finley Resources

• Growth Model of Basin Production and Implications for Basin Stakeholders

• Unique Qualities of Uinta Black & Yellow Wax – A Transition Material
Uinta Wax / Finley Resources

- 339,310 Net Acres
- 28,000 BOPD Wax Production
- 130 employees in Uinta Basin

• First rig brought back into Basin (August 2020)
• 3 rigs running today – likely 4 rigs in 2022
Uinta Wax / Finley Resources

Wildcat Terminal

• Wax volumes exported to Gulf Coast consistently since November 2020

• Wildcat Export Facility upgraded to 30,000 BOPD

• Wildcat Export Facility Phase II upgrade in 2022 to 60,000 BOPD

• 900 Railcars in fleet
The Uinta Basin Community

- Partners and Stakeholders
  - Ute Tribe
  - Tribal Preference Companies
  - Oilfield Service Companies
  - Community Banks
  - Local Government
  - Local Business Owners
  - State of Utah Legislatures
  - Utah Department of Transportation

- Commitment to ESG / Emissions
  - Adherence to Regulations/Guidelines
  - Promoting a Culture of caring about emissions
  - Finding and resolving problems at the field level
  - Compensation tied to ESG goals
Uinta Basin

An Extremely Bright Future

- **Drilling results** have been economically positive
- Uinta Wax will run rigs down to $45.00 – most likely other drillers will too
- **Demand** for the Uinta wax is significant
  - Salt Lake City
  - Texas and Louisiana Gulf Coast Refineries
  - Mid Continent
  - International Refineries
  - Specialty Products
- **Oilfield Service companies** can plan their business on 3 year horizons
  - Capital/Equipment
  - Labor
- **Community Banks** have more confidence in Basin
  - Increased loan capacity available to the community
Uinta Basin

Uinta Basin Export Growth Model
Assumes SLC Market at 80,000 BWxPD

In 3 years

- Total Basin Production 180,000 BPOD
- Exports 100,000 BOPD
- 200 Crude Trucks and 400+ Drivers
- 3000 Rail Cars
Uinta Basin

Severance Tax From Exports

$200M in incremental severance tax from exports over 3 years.

SLC Capacity

Exports

Estimated Severance Tax from Exports (4.6% @ $70/bbl)
## Uinta Basin

### Significant Future Drilling Locations

#### Uinta Basin Well Count

6 Hz Rigs @ 15 wells/year | 2 Vt Rigs @ 72 wells/year

<table>
<thead>
<tr>
<th></th>
<th>Hz Wells</th>
<th>% Developed</th>
<th>Vt Wells</th>
<th>% Developed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Locations in Basin</td>
<td>8208</td>
<td>100%</td>
<td>19008</td>
<td>100%</td>
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<tr>
<td>Current Well Count</td>
<td>348</td>
<td>4.2%</td>
<td>3753</td>
<td>19.7%</td>
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<tr>
<td>New Wells added in 3 years</td>
<td>285</td>
<td>3.5%</td>
<td>456</td>
<td>2.4%</td>
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<tr>
<td>Total Current + 3 yr New Wells</td>
<td>633</td>
<td>7.7%</td>
<td>4209</td>
<td>22.1%</td>
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</tbody>
</table>
Uinta Basin

An Extremely Bright Future

The Basin will need more...
- Hotels
- Restaurants
- All goods & services for consumers
- Lending Capacity from Community Banks

The Basin is challenged to...
- Bring in more labor
- Bring in more oilfield equipment
Uinta Industrial Wax (Paraffins)

A Journey in Discovering our Advantages | Uinta Wax is a Transitional Material

Things we Know

- Excellent source for **Group III** lubricants used in wind turbines and high tolerance machinery
- Paraffins are a **Phase Changing Material**
  - Highly efficient in heat storage
  - Volume increases by 15-20% as wax transitions from a solid to liquid
    - 1 billion automotive thermostats
    - Significant applications in driving pistons to regulating temperatures
- Used in **many applications that raise our standard of living**
  - Building Materials
  - Textiles – Apparel, Bedding
  - Cosmetics/Pharmaceuticals
  - Packaging and Cold Chain
  - Automotive
Uinta Industrial Wax (Paraffins)

A Journey in Discovering our Advantages | Uinta Wax is a Transitional Material

Things we are discovering/researching

- Uinta Industrial Wax has less carbon intensity in its production, refining, and other applications
- 25% of wax is used in non combustibles – lubes, etc.
- Uinta Industrial Wax can be used for direct cat feed
- Low Sulphur, metals and acidity means less energy in the overall refining process
- Uinta Industrial Wax is a critical transition material
  - Lubes
  - Heat Pumps
  - Wax Motors

Maybe, in a decarbonized world, we don’t need crude from oil field, but the world needs Uinta Industrial Wax.