

Rail's Role in North American Energy Development

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Crude Oil & Refinery Products



BNSF Railway is a Leading U.S. Railroad

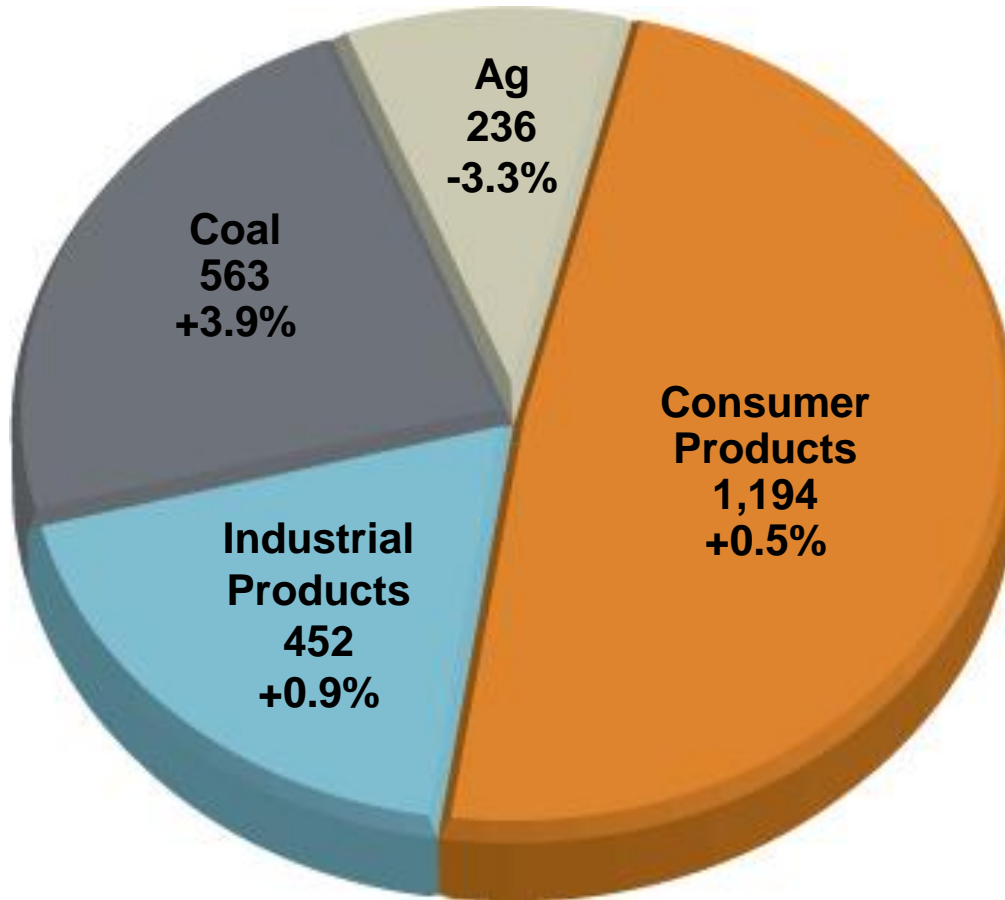
- A Berkshire Hathaway company with **32,500 route miles** in 28 states and two Canadian provinces
- Operates **1,500 freight trains** per day and serves more than **40 ports**
- Has more than **43,000 employees** and is an industry leader in **technological innovation**



BNSF Volume – 1st Quarter 2014

Total units and % change from Q1 2013

In Thousands

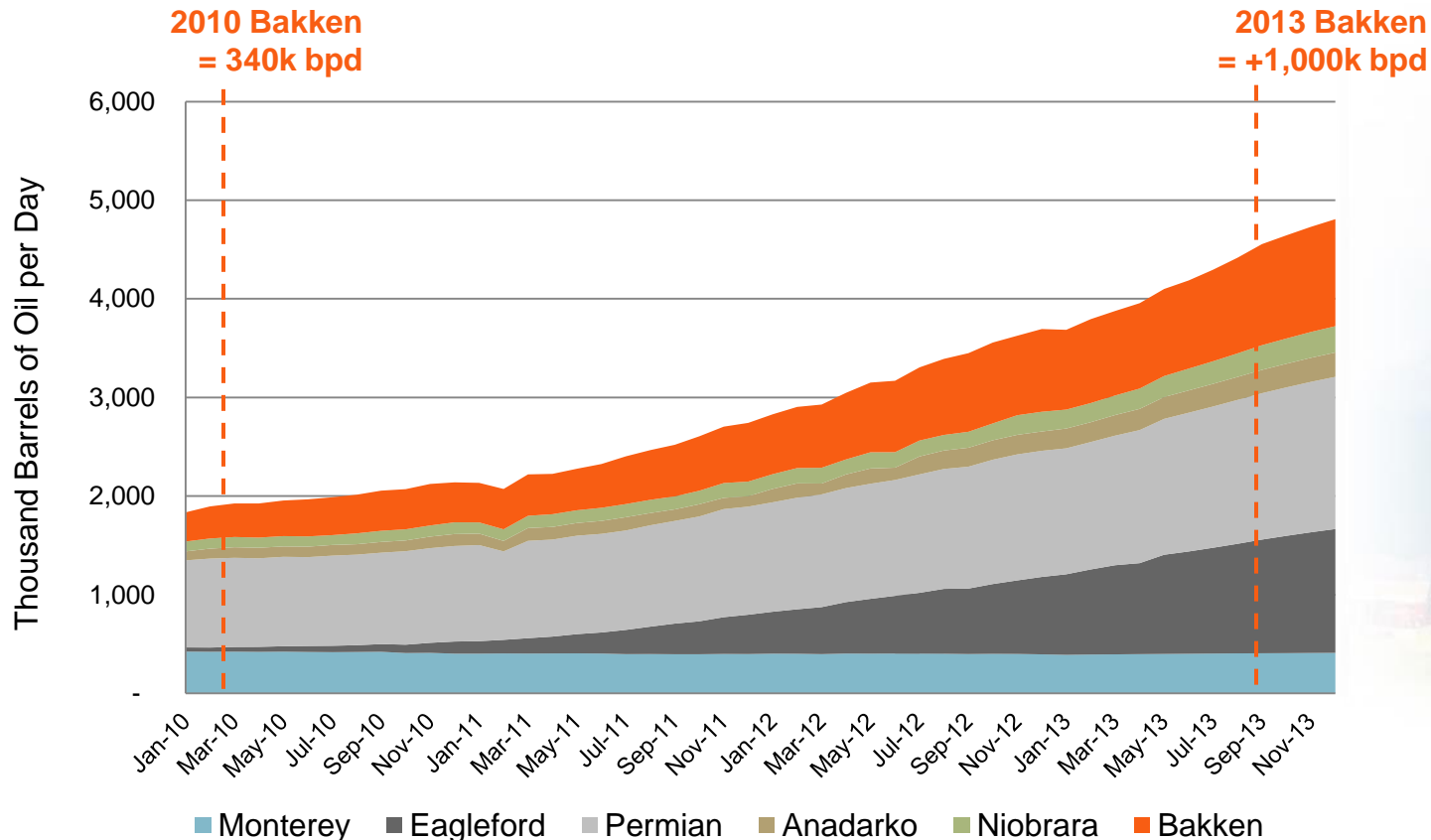


Q1 2014 Total BNSF Volume 2,445 +0.9%

Growth in U.S. Unconventional Oil Production

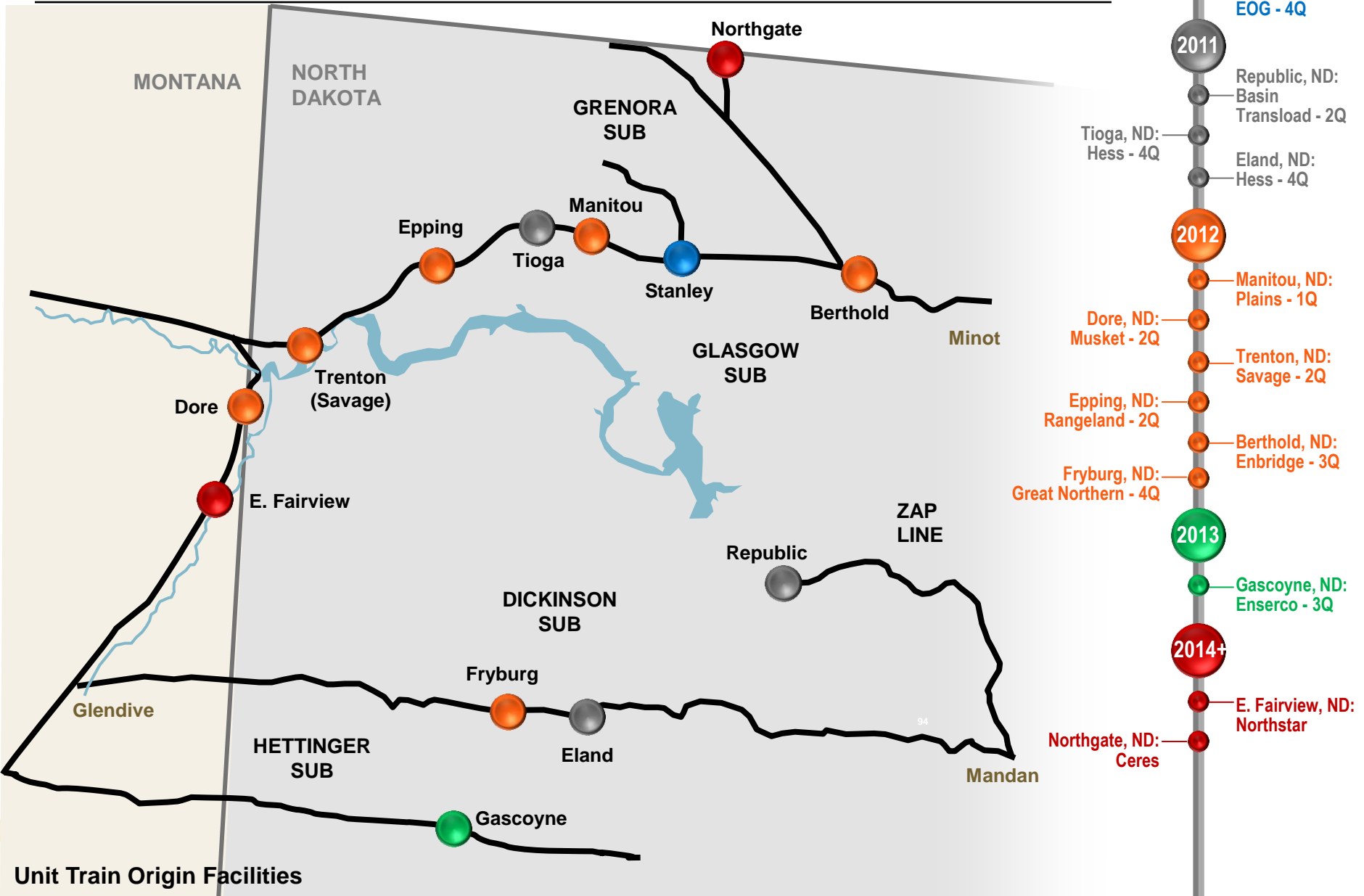
Production has **increased more than 250%** over the last three years and is exceeding 1,000,000 barrels per day in the Williston Basin

U.S. Unconventional Crude Oil Production

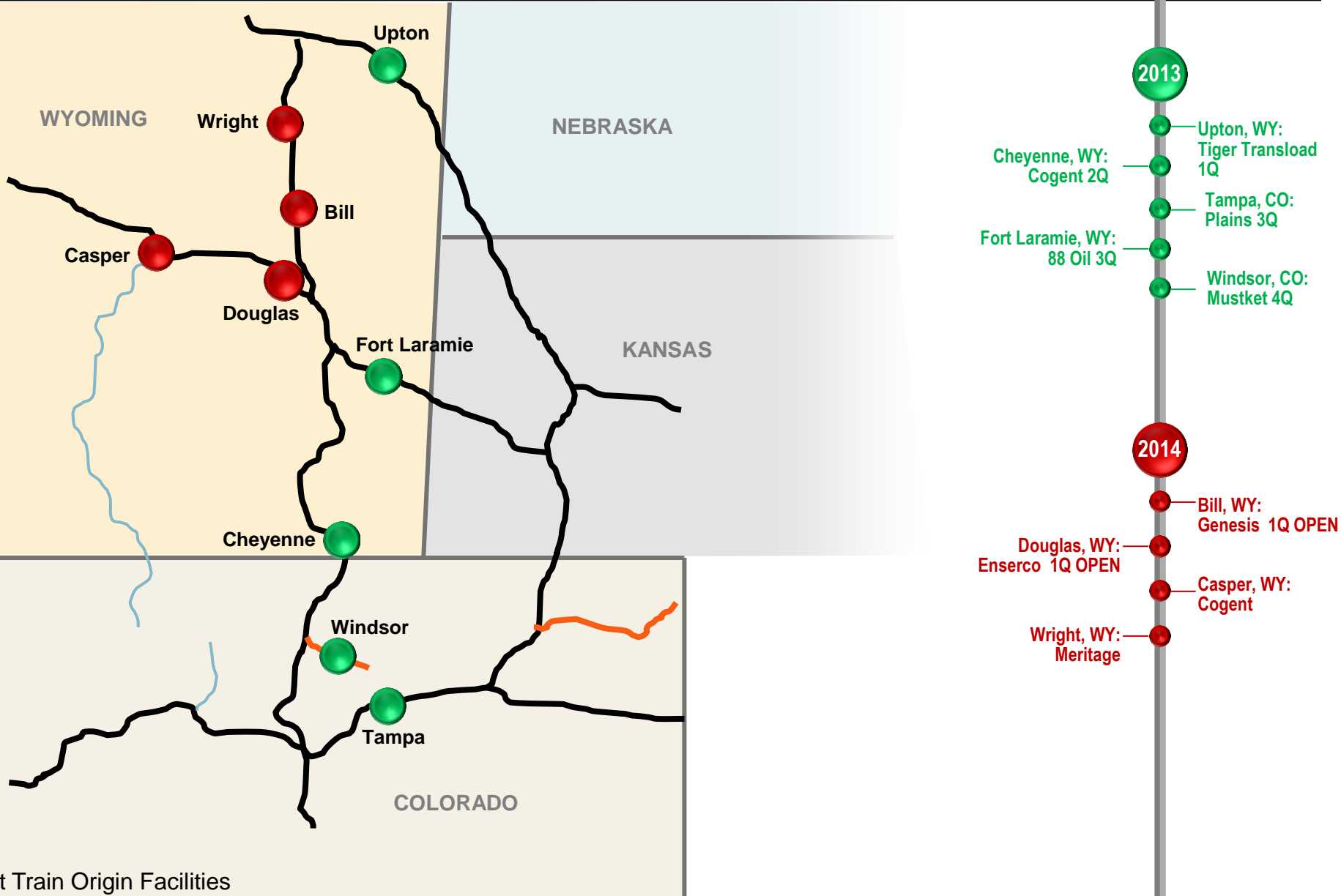


Source: Bentek Energy

Bakken Crude-by-Rail Growth

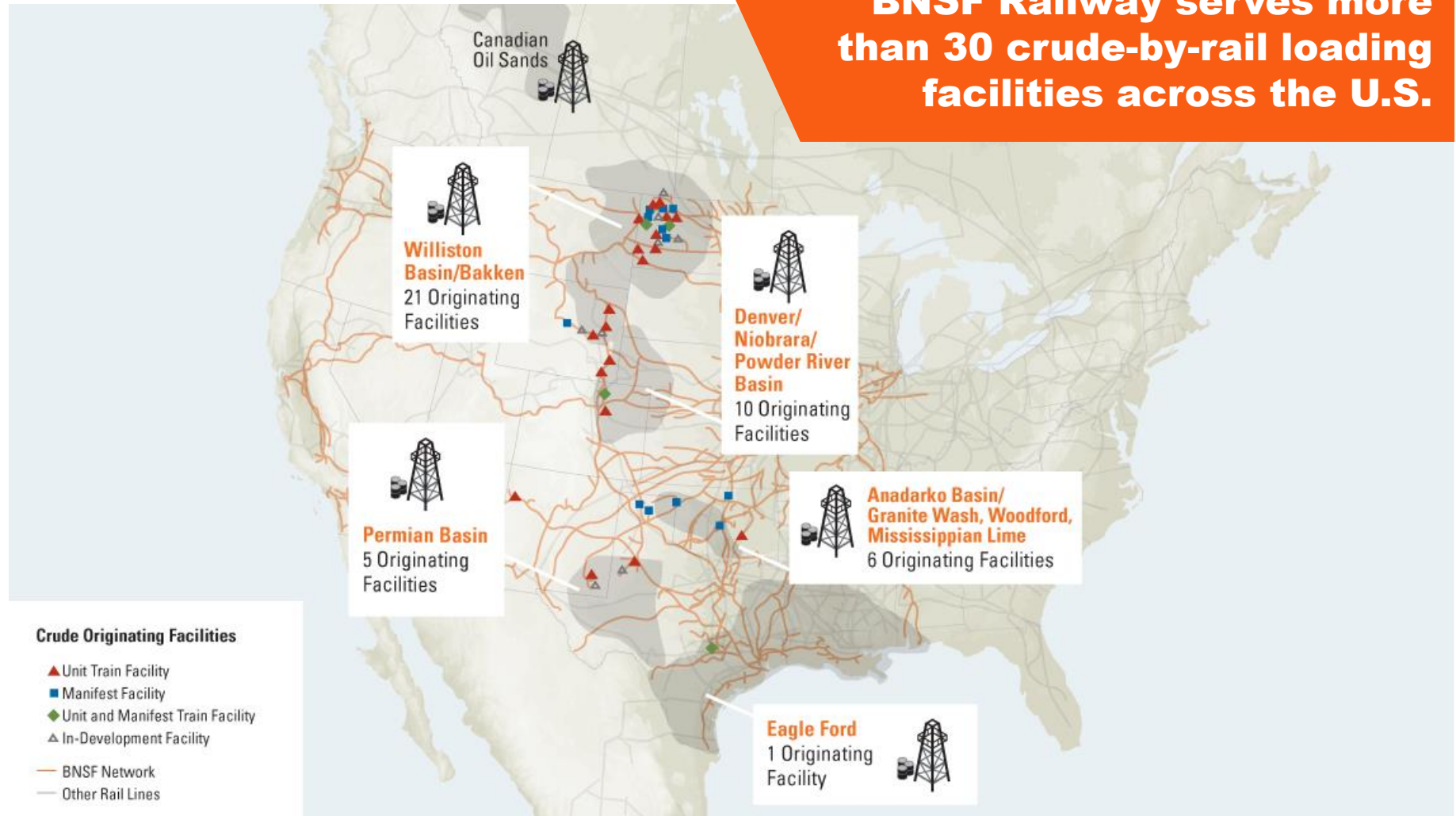


Niobrara Crude-by-Rail Growth



Originating Crude-by-Rail Loading Facilities

BNSF Railway serves more than 30 crude-by-rail loading facilities across the U.S.



Flexible and Growing Network of Destinations

Our network plans to reach more than 50 destination facilities for unloading crude by the end of 2014



Pacific Northwest:
8 Destination Facilities



West Coast:
6 Destination Facilities



East Coast:
10 Destination Facilities

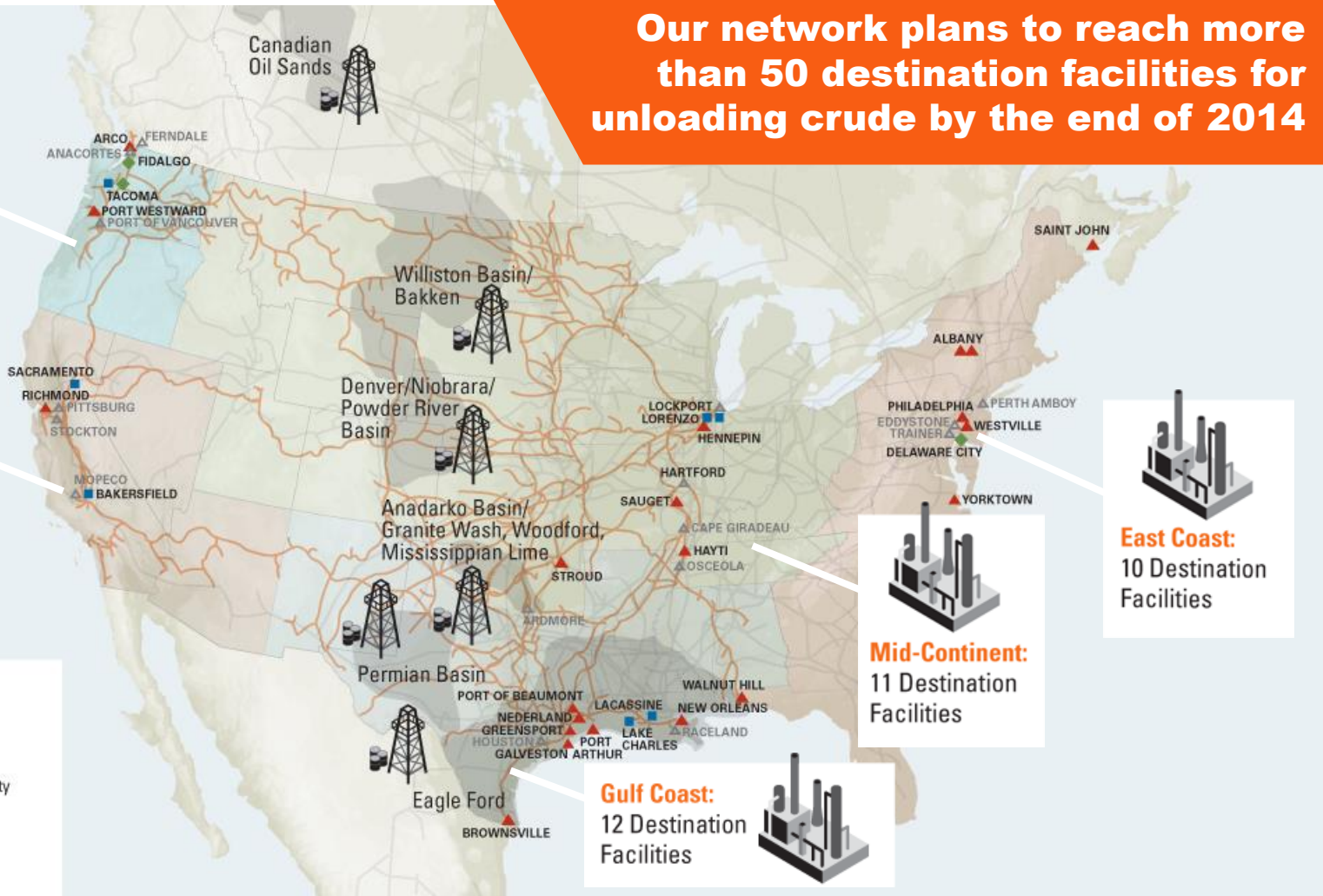
Mid-Continent:
11 Destination Facilities

Gulf Coast:
12 Destination Facilities



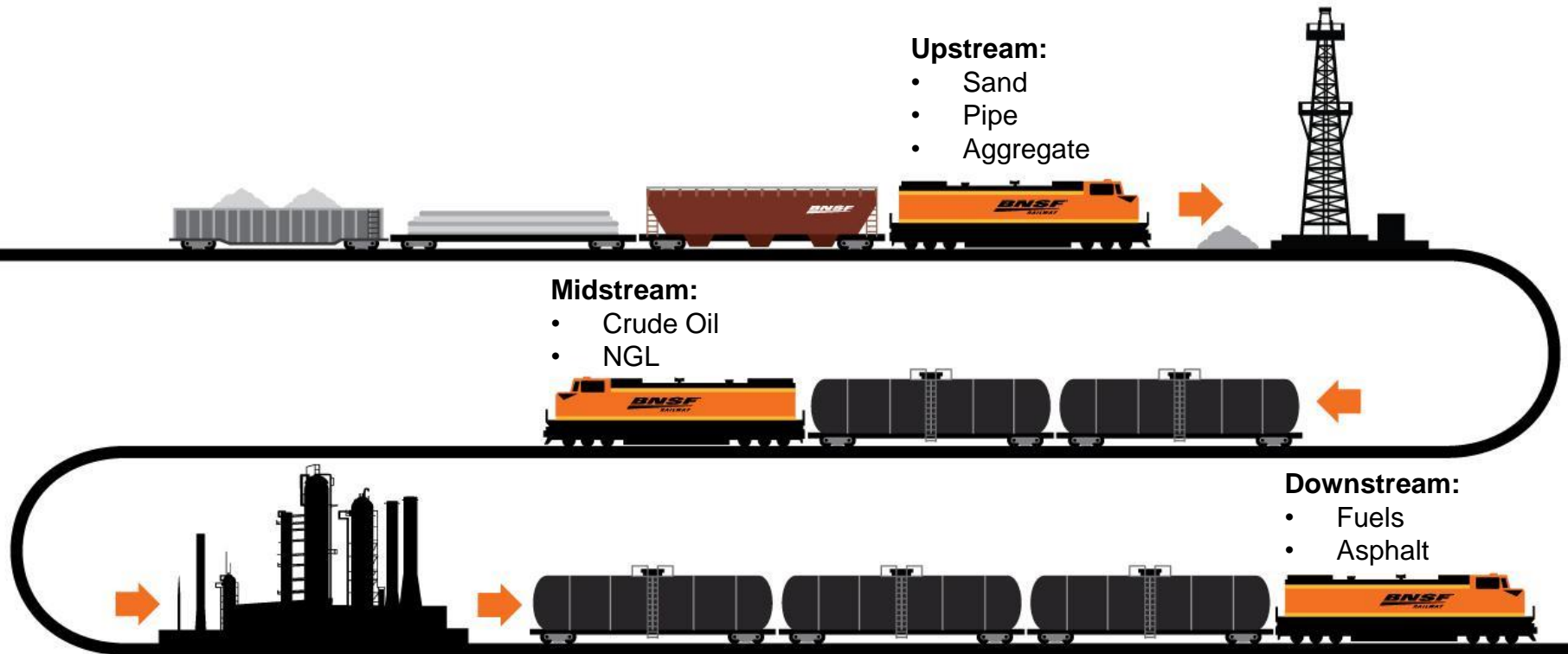
Crude Destination Facilities

- ▲ Unit Train Facility
- Manifest Facility
- ◆ Unit and Manifest Train Facility
- ▲ In-Development Facility
- BNSF Network
- Other Rail Lines



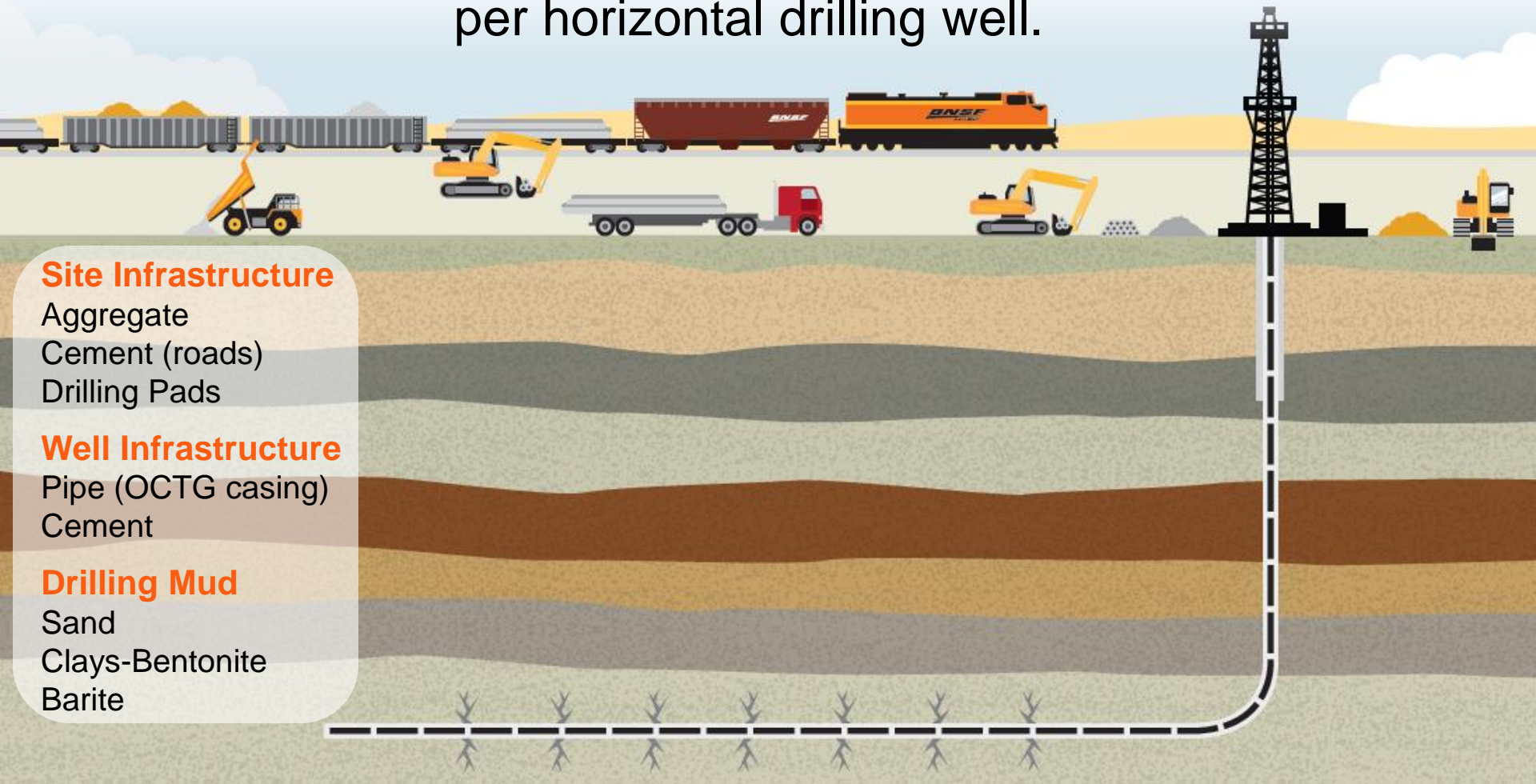
Total Transportation Package for Energy

BNSF is helping to relieve the transportation bottlenecks **throughout the drilling process** for the oil and gas industry

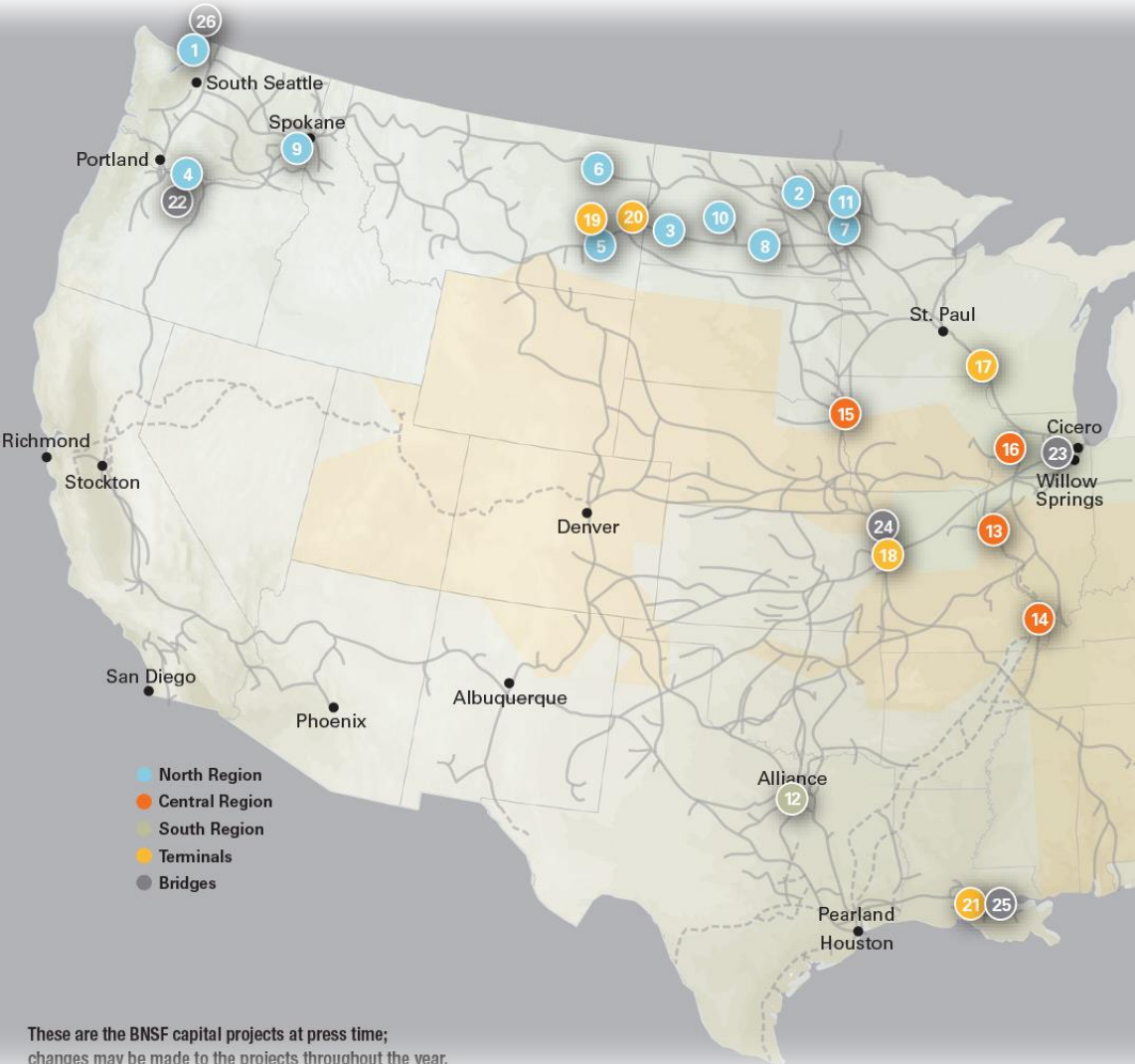


Drilling Materials by Rail

It takes up to **40 railcars** of drilling materials per horizontal drilling well.



2014 \$5 Billion Record Capital Plan



These are the BNSF capital projects at press time; changes may be made to the projects throughout the year.

Terminal & Line Capacity Expansion Projects

Major line and terminal projects by region, route and subdivision (sub)

North Region

- 1 **Bellingham Sub:** two staging tracks and one power switch project
- 2 **Devils Lake Sub:** three siding projects
- 3 **Dickinson Sub:** four siding tracks
- 4 **Fallbridge Sub:** two siding projects
- 5 **Forsyth Sub:** six siding projects
- 6 **Glasgow Sub:** six segments of double track
- 7 **Hillsboro Sub:** four siding projects
- 8 **Jamestown Sub:** one siding project plus CTC (centralized track control) across subdivision
- 9 **Lakeside Sub:** five double-track projects and one siding project
- 10 **Zap Sub:** one siding project
- 11 **Noyes Sub:** interchange tracks and siding project between Noyes and Noyes Junction

South Region

- 12 **Fort Worth Sub:** completion of the multi-year Tower 55 project

Central Region

- 13 **Hannibal Sub:** one siding project
- 14 **River Sub:** one double-track and one siding project
- 15 **Sioux City Sub:** one bypass track and one siding project
- 16 **Barstow Sub:** one siding project

Terminals

- 17 **LaCrosse, Wis:** continue double tracking and signaling improvements through terminal (project started 2013)
- 18 **Argentine Yard at Kansas City, Kan:** reconfigure portion of yard to accommodate more automotive car switching and increase overall terminal throughput
- 19 **Forsyth, Mont:** extend track lengths at terminal
- 20 **Glendive, Mont:** extend track lengths at terminal
- 21 **Lafayette Sub:** continue construction of new terminal to serve customers in the Lake Charles, La., area

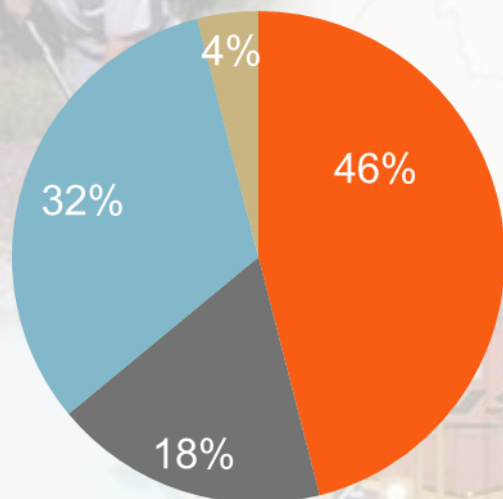
Bridges

Construction work is underway on some of the largest bridges on BNSF, including:

- 22 **Fallbridge Sub:** Bridge 24.8 over Washougal River in Camas, Wash.; replacement of river bridge will take more than two years to complete due to the permitting and right-of-way constraints
- 23 **Mendota Sub:** Bridges 106.58 and 110.26 near Princeton, Ill.; replacement of both double-track bridges is being combined as one project
- 24 **St. Joe Sub:** Bridge 160.76 in Tecumseh, Neb.; replace bridge across North Fork of the Nemaha River
- 25 **Lafayette Sub:** Bridge 32.06 in Des Allemands, La.; major work to the moveable bridge that crosses Bayou Des Allemands
- 26 **New Westminster Sub:** Bridge 129.3 near Colebrook, B.C.; continue work from 2013 on bridge over Serpentine River

Record Capital Investment Ensures Capability and Reliability

BNSF's 2014 Capital Commitment \$5B



- Core Network and Related Assets
- Expansion and Efficiency
- Locomotive, Freight Car, and Other Equip
- PTC



\$2.3 billion
Core Network &
Related Assets



\$1.6 billion
Loco, Freight Car,
& Other Equip



\$900 million
Expansion &
Efficiency



\$200 million
PTC

Thank you.

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