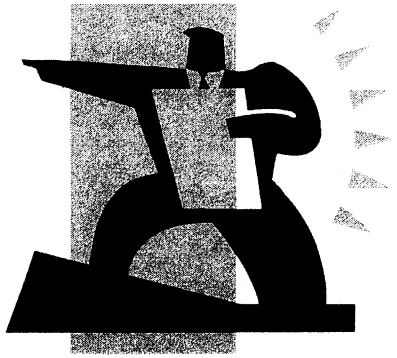
EDUCATION AND LOCAL GOV'T
November 17, 2011
EXHIBIT 5

"ELG PRESENTATION"

Topics for the Day



- Summarize Legislative Tour-Nov. 5th
- Oil and Gas Production
- Increased demands on Services and Infrastructure

MSU-Billings Economic Study Points

- $9 BILLION: Total economic impact
- 12,000 TOTAL JOBS
  - 4,500: Direct jobs
  - 7,500: Indirectly supported jobs
- Economic impact of an additional 1 million barrels of oil produced
  - 86 Full time positions
  - $18.5 million in labor income
- A 10% increase in drilling activity could lead to 315 additional jobs.

Industry Economic Impacts 2009

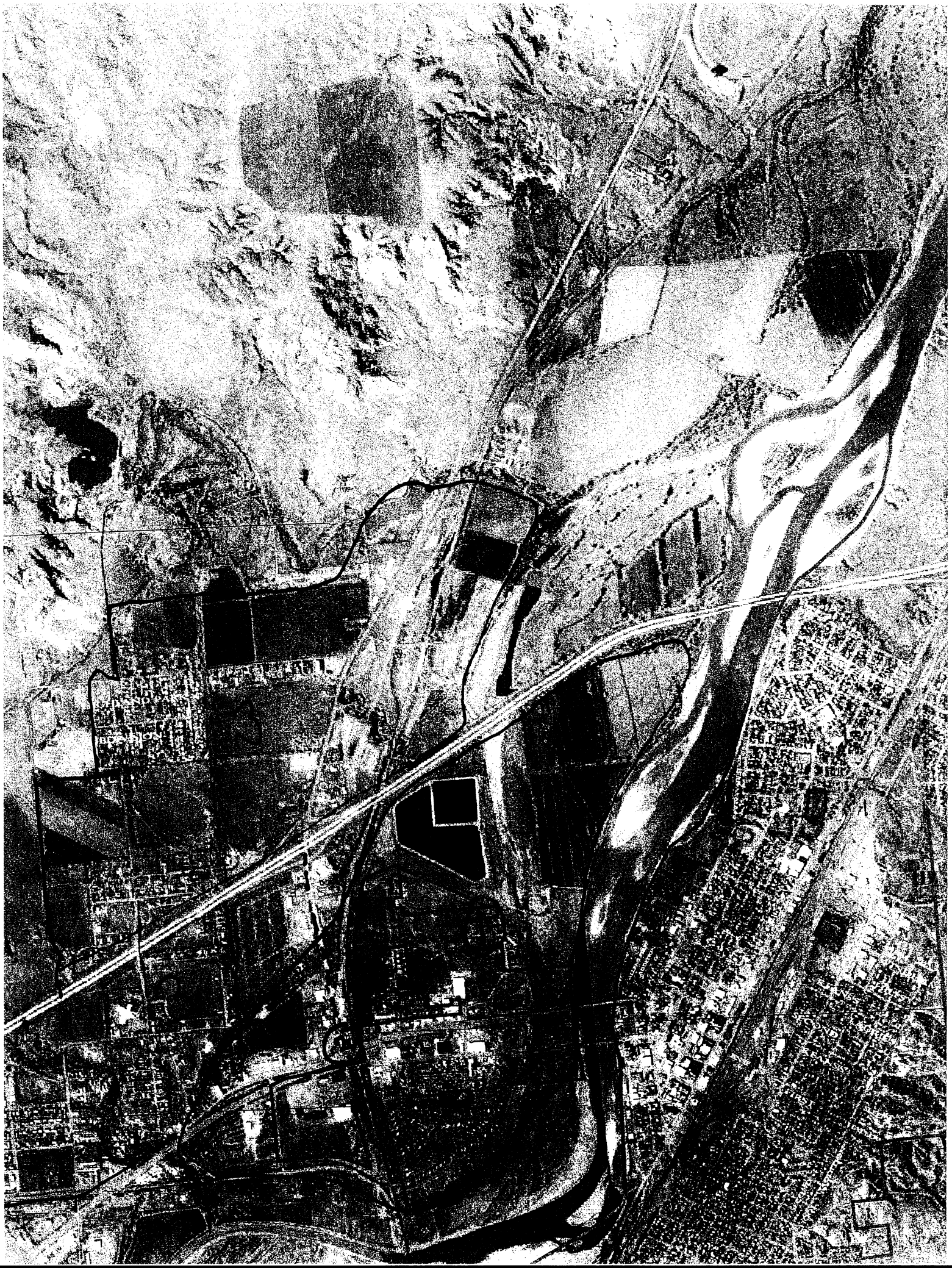
- 0.7% of MT's Jobs
- Three-Times MT's Average Annual Wage (with Benefits)
- One-Eighth of MT's Total Value Added
- 4,600 Employees in Exploration, Production, or Refining
- Average Annual Refining Wage: $91,000
- $1.7 Billion Upstream, $8.2 Billion Refining

Refinery Production

- 8.2 Million Gallons of Products per Day
  - 40% Distributed in Montana
  - 60% Exported to 7 Other States
- Value of Oil and Gas Extracted $1.9 Billion

Fuels Production

- Value of Refined Products Produced $7.3 Billion
- 50% of the total Manufacturing Production
- 10% of the total Industrial Production



PLAY VIDEO: OIL WELL DEVELOPMENT

Glendive

- Water
  - With minor changes can produce 7MGD. Currently highest days around 3.5 MGD-Plant is sized for more production
  - #2 is currently where City water main ends-12" main
  - City hire engineering firm to develop model of where water could go with existing infrastructure
  - Talk of placing water line up Highway 16 which will allow for development within #3 including north of the highway
  - City has constructed a separate bulk water station north of the interstate in an attempt to keep truck traffic off City streets

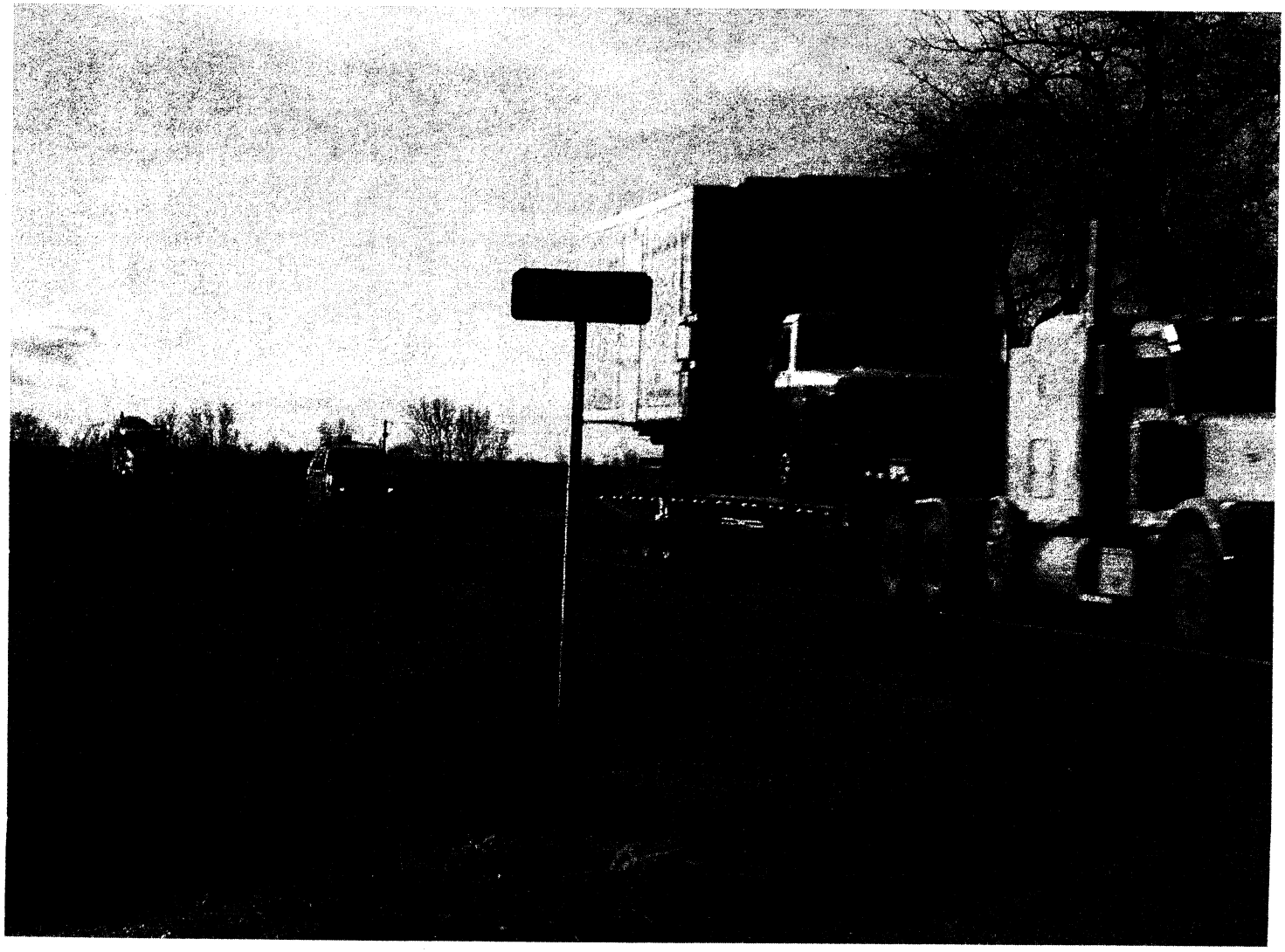
Glendive

- Wastewater
  - EPA and DEQ requiring changes to future discharge permits requiring major changes to the wastewater treatment system.
  - The City has just completed a PER and it appears that a treatment plant will be required at a cost of $7 to $9 million dollars
  - Current populations of the City requires approximately 800,000 to 900,000 gallons of discharge
  - County is also faced with a similar problem and is currently in the PER process
  - Engineer estimates indicate that a City County plant would need to be sized at 1.2 MGD
  - City looking at separate discharge station with separate analyzer for Man Camps, etc
  - Big question is do we build for anticipated growth and how much extra do we build

Glendive

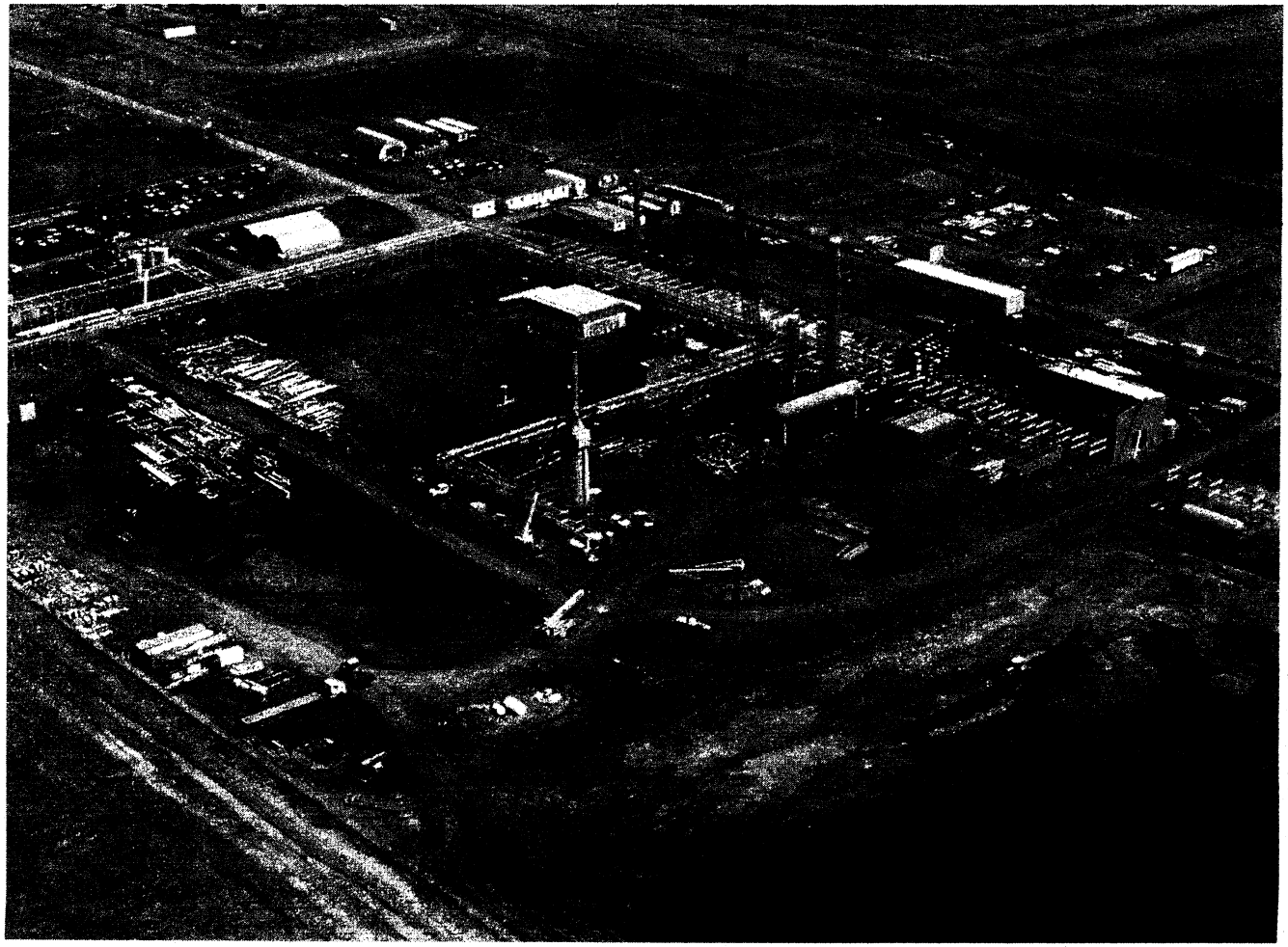
- Land use issues
  - Numerous land use issues are arising
  - Dept. of Commerce bringing in people to help with land use issues
  - Discussions on annexations and zoning
  - Discussions surrounding whether or not to allow Man Camps in City Limits

Montana Department of Transportation Documents dramatically increased traffic.



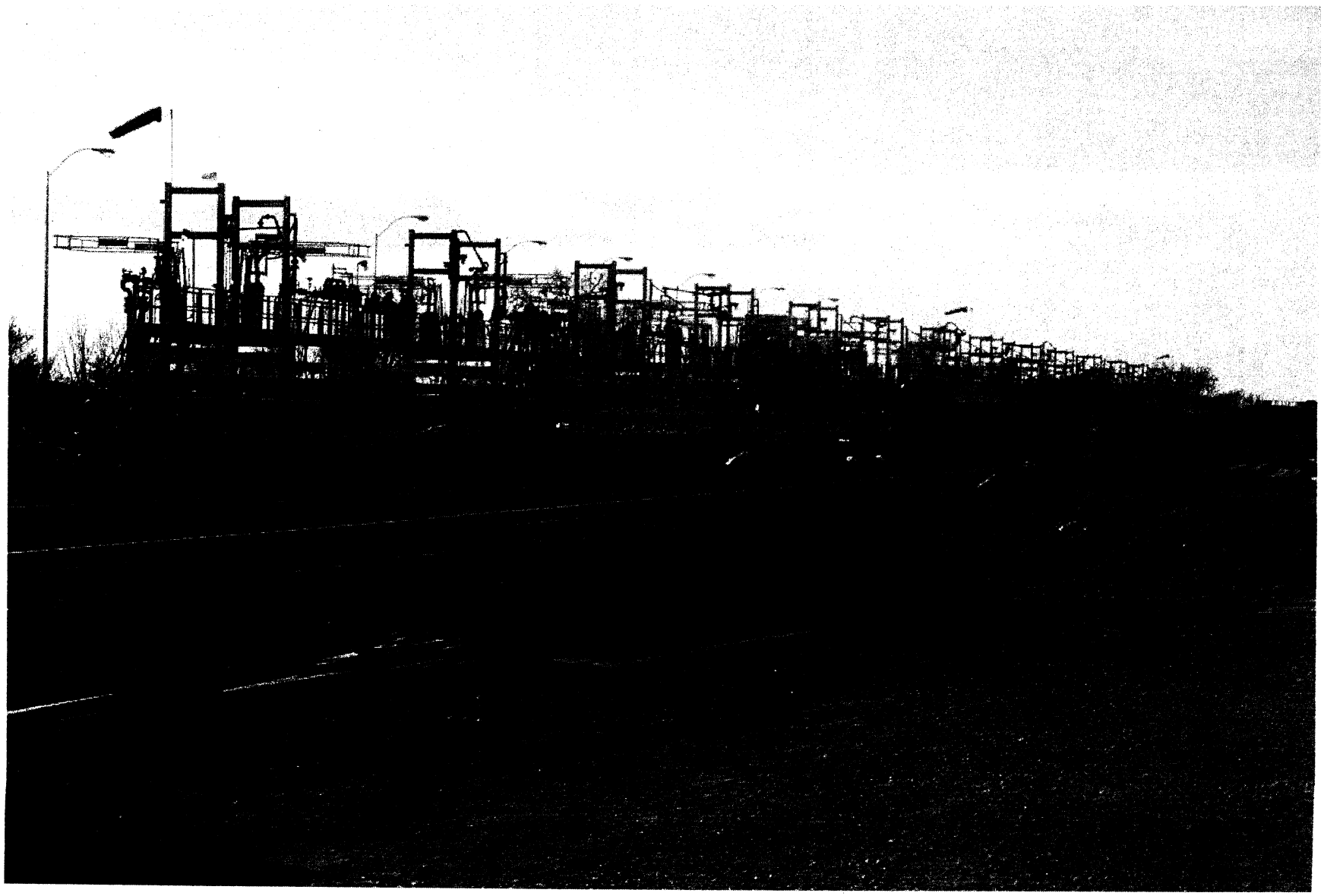
Garden Creek Construction

July 8, 2011



ONEOK PARTNERS

Oneok Rail Facility



Sidney Public Schools

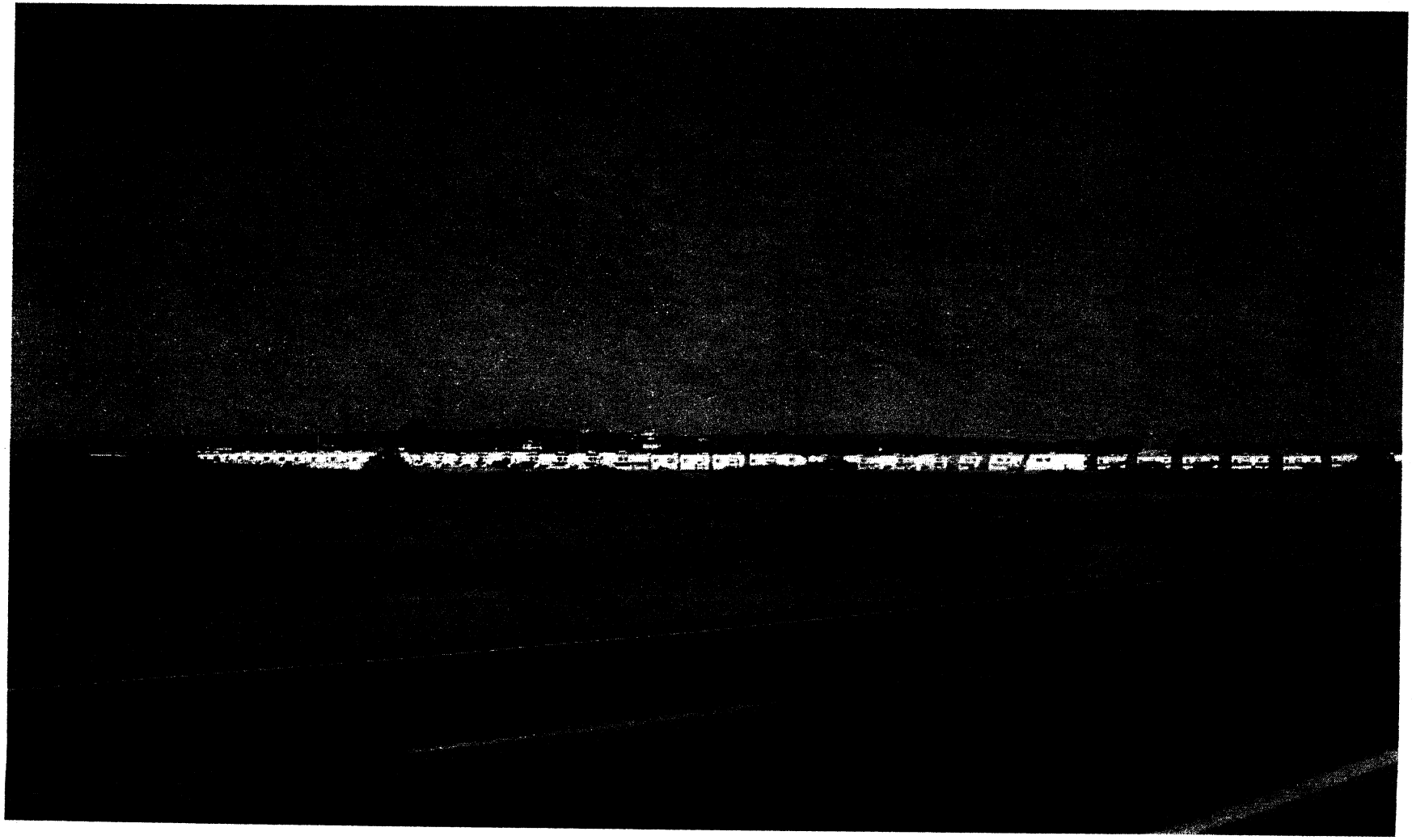
- Enrollment increases
  - 2011-2012: 101 new students (K-8)
  - Projected: 741 news students due to residential developments
- K-12 Staffing Concerns (certified and classified)
  - 37 of 93 staff eligible to retire under TRS
  - 10-15 new staff projected for 2012-2013 school year
  - Affordable Housing
- Academic Impacts: sharp increases in Special Education and Title I students
- Budget Concerns
  - Direct State Aid and incurred enrollment increases—monetary relief is one year out due to funding structure
  - Flexibility with Oil and Gas Revenue between districts-Elementary/High School

Sidney Public Schools

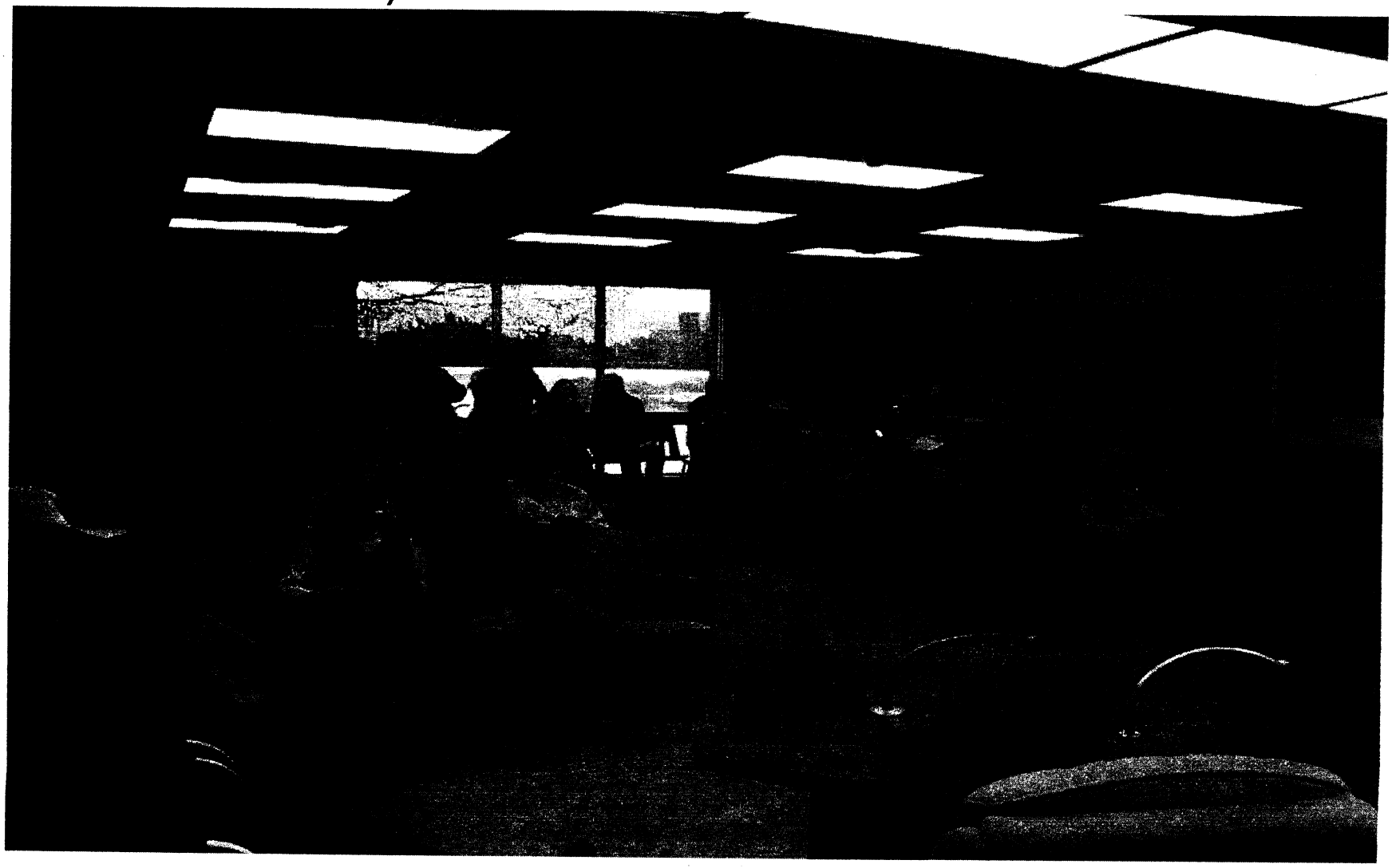
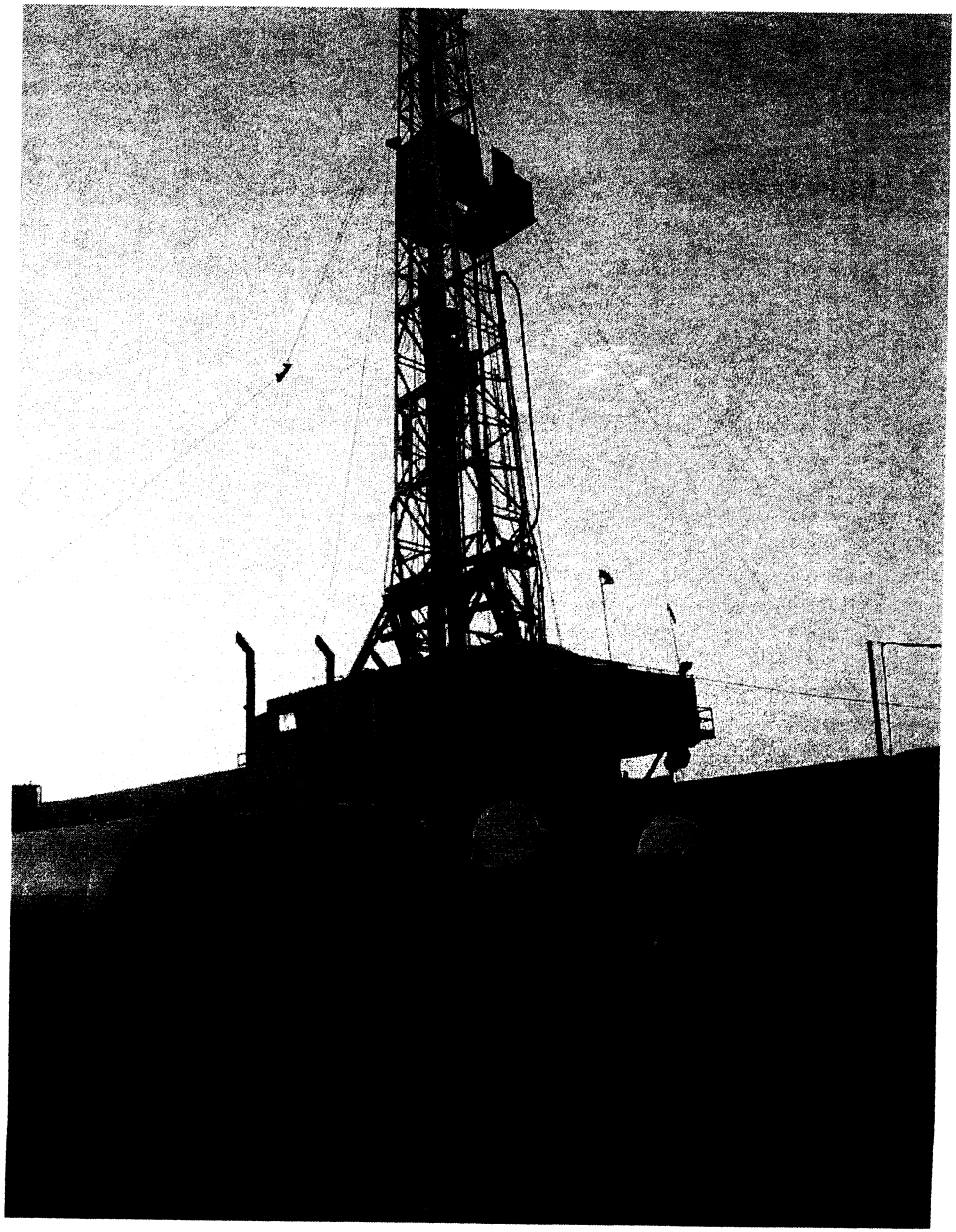
Inadequate Housing

Workforce Housing Facility

Workforce Housing Facility-North Dakota



Williston, North Dakota



Drilling Rig