CDL Warrior
Truck Driver Communication & Safety (TDCS) System

May 12, 2015
Background

• Estimated that 4,000 to 9,000 trucks used over the life of a well.

• This volume, combined with the remote location, cause a number of issues outside of the perimeter of the site:
  • Safety
    • 2% increase in truck accidents / well
  • Road Damage
    • Up to $23,000 reconstruction cost / well
  • Environmental
  • Public Relations
Problem

• The Oil & Gas industry mitigates these risks using (among other things)
  • Communication with suppliers of site requirements (safety, routes)
  • Road bonds, insurance and defined routing into site
  • Supplier safety criteria and evaluation

• But...Communication, acknowledgement and enforcement of requirements to truck drivers is difficult:
  • Trucking is highly fragmented and has high driver turnover
  • Trucking companies selected by suppliers who do not have access to the driver
  • Information is passed to drivers in various formats
  • Drivers’ understanding / acknowledgement of the requirements is not visible
Opportunity

• 80% of truck drivers own (and use) a smart device.

• Device capabilities create an opportunity for more effective and highly efficient communication

• New ability to connect and engage with drivers before they arrive at the well site creates an opportunity to improve:
  • Better communication of requirements increases compliance with them
  • Better control of flow decrease congestion at site and along last mile routes
  • Better tracking of actual routes and times of truck flow
  • Pro-active communication from drivers of potential safety issues
CDL Warrior Mobile Apps

• Smartphone tools designed for truck drivers
• Solves the problem of communication, visibility and compliance for small fleet and independent truck drivers
• Mobile apps released in 1Q 2015
• 4,000 registered driver users

CDL Warrior smartphone tools provide the connection to the driver.
Truck Driver Communication & Safety (TDCS)

• A web based platform used by Oil and Gas Shippers, Suppliers or Site Coordinators to connect and communicate with truck drivers

• Customizable solution for:
  • Communication of site safety requirements
  • Communication and monitoring of route
  • Communication of site specific conditions
  • Scheduling of inbound drivers
  • Document send and retrieve
  • Post-trip driver safety feedback
TDCS Communication Platform

- Pre Trip Communication
  - Site requirements
  - Acknowledgement for drivers
  - Standard location info

- Trip Communication
  - ETA/ Tracking
  - Arrival sequencing

- Post Trip
  - Safety survey
  - Feedback
Benefits

• Better communication of requirements increases compliance (Safety)
• Better control on vehicle flow decreases congestion at site (Safety)
• Better tracking of actual routes (Safety, Cost)
• Pro-active communication from drivers of potential safety issues via Post Trip Surveys (Safety)
• Faster document flow (Cost, Productivity)
• Better visibility to inventory (Productivity)
# Commercialization Timeline

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<th>Task Name</th>
<th>Start</th>
<th>Finish</th>
<th>Duration</th>
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<th>Q3 15</th>
<th>Q4 15</th>
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TDCS Pricing Model

- Flexible, transactional pricing per shipment
- E&P can pay directly or require site suppliers to pay for use

**Base**

- $3.00 / Shipment
  - Rig Site Requirements
  - Shipment Tracking
  - Driver Messaging
  - Documents

**Enhanced**

- $5.00 / Shipment
  - Base Features
  - Inbound Scheduling
  - Driver Feedback
  - Driver Ratings
Alternatives

• To get this visibility, the current option is:
  • Require all trucking companies used to have the same telematics system
    • Highly impractical: Only 40% of drivers have these systems and they are not standard
    • Even if this was possible, this would limit the supply of capacity leading to higher costs and worse service

• Cost of alternative system:
  • Hardware: $800 - $1,500 per truck
  • Monthly Subscription: $35 - $50 per month
  • Installation: $200 - $300 one time
  • Connectivity to Partners’ Supply Chain Systems: ????
Thanks

Jim Ruiz
Founder and CEO
Next Gauge, Inc. (Developers of CDL Warrior TDCS)