OIL INDUSTRY UPDATE

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Alaska Oil and Gas Association

Alaska Trucking Association
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AOGA Member Companies

[Image of various company logos]
Cook Inlet Update

- Significant investment and activity leading to increased production
- Investing $65m in 2015
- Applied for five year offshore seismic period with National Marine Fisheries Service
- Advances in technology will allow them to smartpig their subsea pipelines this summer

Cook Inlet production 2005-2014

- Source: Alaska Dept. of Revenue Fall 2014 RSB
THANK YOU!
North Slope Update

- Conducting seismic within Prudhoe – **adding a new rig in 2015, another in 2016**
- Over $1 billion more
- Filing permits, moving toward development of a processing facility and production pads on Nanushuk project
- Construction of Pt Thomson field – on track for 2016 production
- Construction has begun on the $1.5 billion Nuna project
The next generation of oil and gas development

<table>
<thead>
<tr>
<th>RESOURCE POTENTIAL</th>
<th>STATE LAND</th>
<th>FEDERAL LAND</th>
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<tbody>
<tr>
<td></td>
<td>Cook Inlet</td>
<td>Offshore Arctic</td>
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<tr>
<td></td>
<td>599 mbo and 19 tcf gas</td>
<td>27 bbo and 132 tcf gas</td>
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<td><strong>Onshore North Slope</strong></td>
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<td>Conventional: 5 bbo and 35 tcf gas</td>
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<td>Heavy/Viscous: 24-33 bbo</td>
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<td>Unconventional: 2 bbo and 12 tcf gas</td>
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<td><strong>NPR-A</strong></td>
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<td>896 mbo and 53 tcf gas</td>
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<td><strong>ANWR</strong></td>
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<td>10 bbo and 3.5 tcf gas</td>
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mbo – million barrels of oil  bbo – billion barrels of oil  tcf – trillion cubic feet
Regulatory Issues

- Recently filed comments on:
  - Waters of the United States
  - Critical Habitat for Ringed Seal
  - BOEM Offshore leasing programs

- Upcoming issues:
  - Arctic Regulations
The truth about oil tax credits

- Alaska is receiving more TOTAL oil revenue than paying in credits
- Alaska is receiving more in production tax revenue under SB21
- Credits are generating what Alaska needs = more oil
Work together. Win together.