

# House Rules Committee

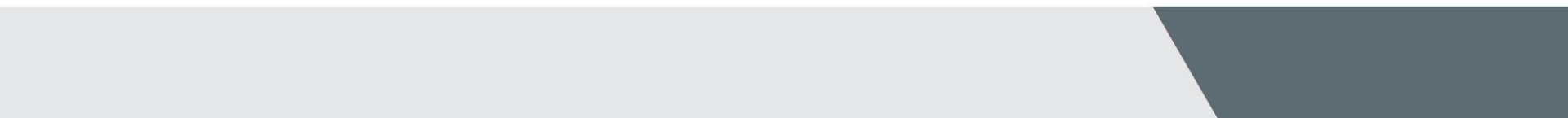
## CSHB247(RLS)\ D

Scott Jepsen, VP External Affairs

Paul Rusch, VP Finance

**ConocoPhillips Alaska**

May 11, 2016

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# Tax Credits and Applicability to COP

Tax Credit Type	Total FY17 estimate, \$MM	Total reimbursable	COP reimbursement	Total used against severance tax liability	COP used against severance tax liability
Net operating loss	452	370	<b>0 – Not eligible</b>	82	<b>0.</b> Possible for calendar year '16, but self correcting.
Exploration	76	76	<b>0 – Not eligible</b>	0	Possible for 2016. Expires this year.
Small producer	27	NA	NA	27	<b>0 – Not eligible</b>
Per barrel production credit	16	NA	NA	16	<b>Depends</b> upon oil price and expenditures.
Cook Inlet and Middle Earth	337	326	<b>0 – Not eligible</b>	11	<b>0.</b> Assumes sale of Tyonek. Kenai LNG not deductible.
Total	908	772	<b>0 – Not eligible</b>	136	Potential for an NOL. Dependent upon oil price and expenditures.

- In 2015, COP incurred obligations to the SoA of \$665MM. Negative cash flow in excess of \$100MM.
- In 1Q 2016, incurred obligations of \$77MM. Cash flow approximately -\$100MM.