• Typically defined as exploration and production company with no downstream (refining, marketing or transportation) operations.

• Usually smaller than an integrated company, though many integrated companies have separated from their downstream operations.

• Sole business focus is on upstream (exploration and production) operations.
Creating efficiencies that extend field life and increase asset values

Increasing capital investment to develop additional oil and gas reserves

Capturing adjacent opportunities for additional value creation potential

Hilcorp creates value within the communities in which we operate, provides local jobs, extends the life of legacy assets and efficiently captures needed energy resources that would otherwise be lost.
January 2012: Entered Cook Inlet

**Increased Cash Investment**
January 2012: $11MM/month Spend
Today: ~$20MM/month Spend

**Increased Contractor Activity**
2012: 1.34MM Man Hours
2013: 1.67MM Man Hours
2014: ~ 2MM Man Hours

January 2012 – Paid 100 vendors
July 2014 – Paid 300 vendors
Increased Field Activity

- New Drill Wells
- Workovers
Hilcorp on the North Slope

ENDICOTT
100% of BP’s interest
Hilcorp operated

NORTHSTAR
100% of BP’s interest
Hilcorp operated

MILNE POINT
50% of BP’s interest
Hilcorp operated

LIBERTY
DEVELOPMENT
Operatorship and 50% of BP’s interest.
Advancement of Liberty development subject to regulatory approval

Acquisition fields outlined in RED
OUR GOALS
- Reworking existing wells to increase production
- Improve and maintain infrastructure
- Drill more wells
- Book more reserves

THE BENEFITS
- Extend the life of existing fields
- Increase property values
- Increased royalty payments
- Small projects adding up to big results
- More oil in TAPS