Additional Comments on HCS CS SB21 (RES)

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North Slope Production Scenarios
2013 - 2042

Note: These are intended to illustrate potential production scenarios. They are not a forecast of actual production.
Impact of New Drilling* on Production
10 New Wells Drilled Annually
2013 - 2042

- 10 Wells Drilled Annually*
- Stems decline to ~3% Annually
- ~900 Million Barrels Additional

Base Production
Declining at 6%
After 2016

New field development: 1,800 BPD Initial Rate, 15% Decline Rate.
Note: This is intended to illustrate potential production scenarios. It is not a forecast of actual production.
Impact of New Drilling* on Production
20 New Wells Drilled Annually
2013 - 2042

• 20 Wells Drilled Annually*
• Stems decline to ~1.5% Annually
• ~1.8 Billion Barrels Additional

Base Production Declining at 6%
After 2016

New field development: 1,800 BPD Initial Rate, 15% Decline Rate.

Note: This is intended to illustrate potential production scenarios. It is not a forecast of actual production.
Estimated Average 2013 - 2042 State Oil Revenues ($2012 Billion Dollars) Under Potential Production and Tax Scenarios

ACES v. HCS CS SB21 (RES) $100 West Coast ANS ($2012)
Estimated Average 2013 - 2042 State Oil Revenues ($2012 Billion Dollars) Under Potential Production and Tax Scenarios
ACES v. HCS CS SB21 (RES)
$100 West Coast ANS ($2012)

(2012 Billion Dollars)

ACES (3% Base Decline)
HCS CS SB21 (RES) (1% Decline)
HCS CS SB21 (RES) (0% Decline)
HCS CS SB21 (RES) (1% Decline)
HCS CS SB21 (RES) (0% Decline)

33% Base Tax Rate
35% Base Tax Rate