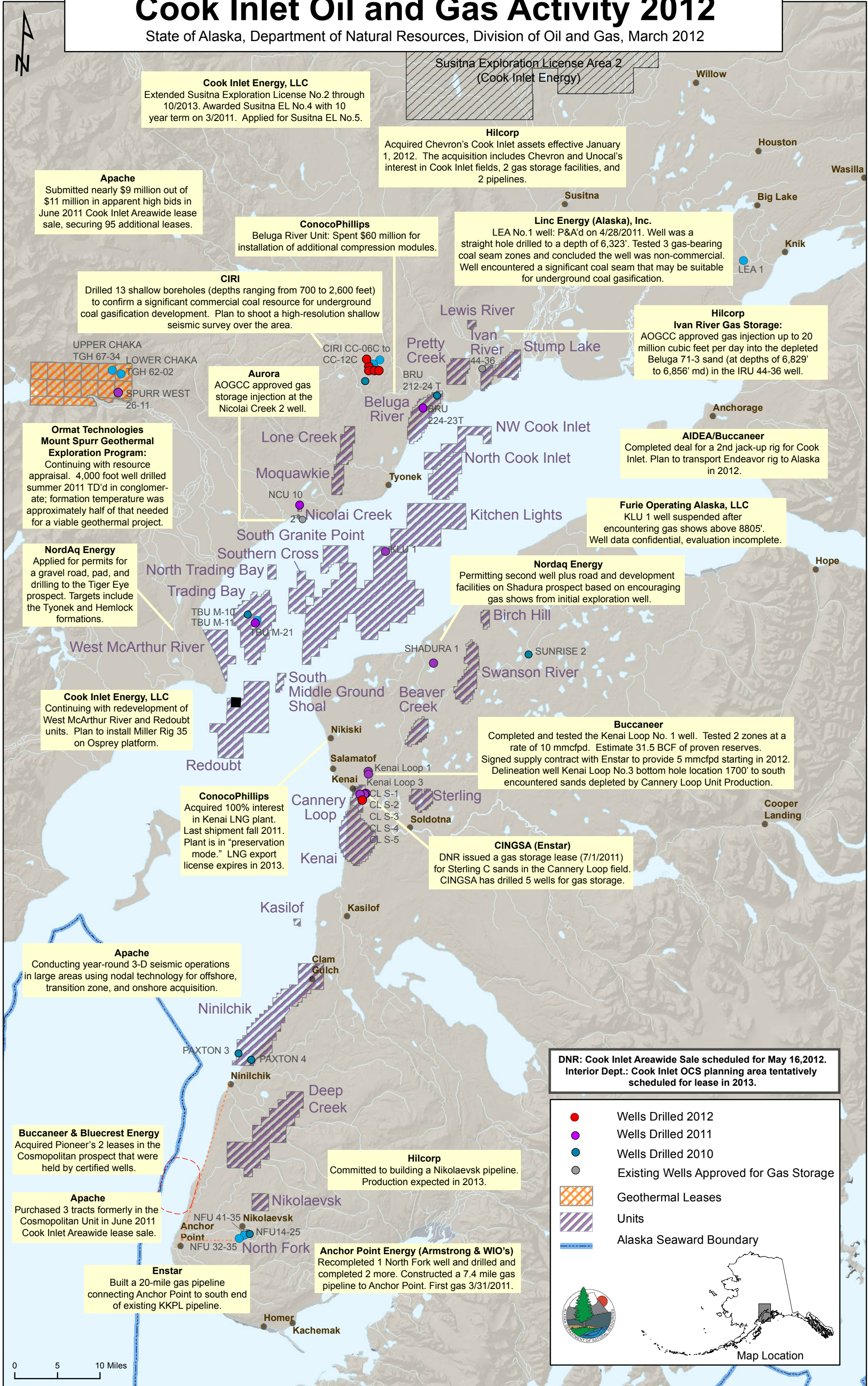


# Cook Inlet Oil and Gas Activity 2012

State of Alaska, Department of Natural Resources, Division of Oil and Gas, March 2012



**Cook Inlet Energy, LLC**  
 Extended Susitna Exploration License No.2 through 10/2013. Awarded Susitna EL No.4 with 10 year term on 3/2011. Applied for Susitna EL No.5.

**Hilcorp**  
 Acquired Chevron's Cook Inlet assets effective January 1, 2012. The acquisition includes Chevron and Unocal's interest in Cook Inlet fields, 2 gas storage facilities, and 2 pipelines.

**Apache**  
 Submitted nearly \$9 million out of \$11 million in apparent high bids in June 2011 Cook Inlet Area-wide lease sale, securing 95 additional leases.

**ConocoPhillips**  
 Beluga River Unit: Spent \$60 million for installation of additional compression modules.

**Linc Energy (Alaska), Inc.**  
 LEA No.1 well: P&A'd on 4/28/2011. Well was a straight hole drilled to a depth of 6,323'. Tested 3 gas-bearing coal seam zones and concluded the well was non-commercial. Well encountered a significant coal seam that may be suitable for underground coal gasification.

**CIRI**  
 Drilled 13 shallow boreholes (depths ranging from 700 to 2,600 feet) to confirm a significant commercial coal resource for underground coal gasification development. Plan to shoot a high-resolution shallow seismic survey over the area.

**Hilcorp Ivan River Gas Storage:**  
 AOGCC approved gas injection up to 20 million cubic feet per day into the depleted Beluga 71-3 sand (at depths of 6,829' to 6,856' md) in the IRU 44-36 well.

**UPPER CHAKA TGH 67-34**  
**LOWER CHAKA TGH 62-02**  
**SPURR WEST 26-11**

**Aurora**  
 AOGCC approved gas storage injection at the Nicolai Creek 2 well.

**Ormat Technologies Mount Spurr Geothermal Exploration Program:**  
 Continuing with resource appraisal. 4,000 foot well drilled summer 2011 TD'd in conglomerate; formation temperature was approximately half of that needed for a viable geothermal project.

**NordAq Energy**  
 Applied for permits for a gravel road, pad, and drilling to the Tiger Eye prospect. Targets include the Tyonek and Hemlock formations.

**AIDEA/Buccaneer**  
 Completed deal for a 2nd jack-up rig for Cook Inlet. Plan to transport Endeavor rig to Alaska in 2012.

**Furie Operating Alaska, LLC**  
 KLU 1 well suspended after encountering gas shows above 8805'. Well data confidential, evaluation incomplete.

**Nordaq Energy**  
 Permitting second well plus road and development facilities on Shadura prospect based on encouraging gas shows from initial exploration well.

**Cook Inlet Energy, LLC**  
 Continuing with redevelopment of West McArthur River and Redoubt units. Plan to install Miller Rig 35 on Osprey platform.

**Buccaneer**  
 Completed and tested the Kenai Loop No. 1 well. Tested 2 zones at a rate of 10 mmcfpd. Estimate 31.5 BCF of proven reserves. Signed supply contract with Enstar to provide 5 mmcfpd starting in 2012. Delineation well Kenai Loop No.3 bottom hole location 1700' to south encountered sands depleted by Cannery Loop Unit Production.

**ConocoPhillips**  
 Acquired 100% interest in Kenai LNG plant. Last shipment fall 2011. Plant is in "preservation mode." LNG export license expires in 2013.

**CINGSA (Enstar)**  
 DNR issued a gas storage lease (7/1/2011) for Sterling C sands in the Cannery Loop field. CINGSA has drilled 5 wells for gas storage.

**Apache**  
 Conducting year-round 3-D seismic operations in large areas using nodal technology for offshore, transition zone, and onshore acquisition.

**DNR: Cook Inlet Area-wide Sale scheduled for May 16, 2012.**  
 Interior Dept.: Cook Inlet OCS planning area tentatively scheduled for lease in 2013.

- Wells Drilled 2012
- Wells Drilled 2011
- Wells Drilled 2010
- Existing Wells Approved for Gas Storage
- ▨ Geothermal Leases
- ▨ Units
- Alaska Seaward Boundary

**Anchor Point Energy (Armstrong & WIO's)**  
 Recompleted 1 North Fork well and drilled and completed 2 more. Constructed a 7.4 mile gas pipeline to Anchor Point. First gas 3/31/2011.

**Enstar**  
 Built a 20-mile gas pipeline connecting Anchor Point to south end of existing KKPL pipeline.

**Hilcorp**  
 Committed to building a Nikolaevsk pipeline. Production expected in 2013.

**Nikolaevsk**  
 NFU 41-35 Nikolaevsk  
 NFU 14-25  
 NFU 32-35

**Map Location**

0 5 10 Miles