

[illegible]

|                                    | VOLUMES FROM THE OPERATOR REPORT-01 *1 |               |                       |              | VALUES FROM THE LESSEE'S ROYALTY VALUATION REPORT-A1 |                |                   |           |          |        |                |                 |
|------------------------------------|--|---------------|-----------------------|--------------|--|----------------|-------------------|-----------|----------|--------|----------------|-----------------|
|                                    | TOTAL SUBJECT TO ROYALTIES             |               | STATE'S ROYALTY SHARE |              | December-05  | December-05    | RIK               | REVISION/ |          |        | TOTAL          | REPORTED        |
|                                    | December-05                            | CALENDAR      | December-05           | CALENDAR     | \$ PER BBL/MCF                                       | MONTHLY        | (ROYALTY-IN-KIND) | OTHER     | INTEREST | LATE   | December-05    | CALENDAR        |
|                                    | VOLUME (MCF)                           | YEAR TO DATE  | VOLUME (MCF)          | YEAR TO DATE | BEFORE FC *2   | PRODUCTION     | FIELD COSTS       | AMOUNT    | AMOUNT   | REPORT | REPORTED       | YEAR TO DATE    |
|                                    |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| BELUGA RIVER UNIT                  |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| Beluga Sterling Gas Pool PA (BLGA) |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| CONOCO PHILLIPS AK                 | 1,238,858.73                           | 14,469,060.37 | 154,857.44            | 1,808,633.74 | \$3.47668  | \$538,389.10   | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$538,389.10   | \$6,766,101.26  |
| CHEVRON                            | 1,191,221.16                           | 14,150,740.12 | 148,902.74            | 1,768,843.68 | \$3.83143  | \$570,511.00   | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$570,511.00   | \$6,292,591.99  |
| MUNICIPAL LIGHT + POWER            | 531,015.16                             | 5,031,385.85  | 66,376.94             | 628,923.65   | \$3.61252  | \$239,788.32   | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$239,788.32   | \$2,198,107.22  |
| TOTAL BELUGA RIVER UNIT            | 2,961,095.05                           | 33,651,186.34 | 370,137.12            | 4,206,401.07 |  | \$1,348,688.42 | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$1,348,688.42 | \$15,256,800.47 |
| CANNERY LOOP UNIT                  |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| Beluga PA (CANB)                   |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| MARATHON                           | 293,436.91                             | 3,036,402.91  | 36,833.14             | 381,139.00   | \$3.24526  | \$119,533.11   | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$119,533.11   | \$1,336,361.62  |
| TOTAL BELUGA PA                    | 293,436.91                             | 3,036,402.91  | 36,833.14             | 381,139.00   |  | \$119,533.11   | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$119,533.11   | \$1,336,361.62  |
| Upper Tyonek PA (UPTY)             |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| MARATHON                           | 117,320.42                             | 1,549,510.56  | 14,787.90             | 195,311.32   | \$3.29885  | \$48,783.03    | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$48,783.03    | \$761,616.62    |
| TOTAL UPPER TYONEK PA              | 117,320.42                             | 1,549,510.56  | 14,787.90             | 195,311.32   |  | \$48,783.03    | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$48,783.03    | \$761,616.62    |
| Sterling Sands PA (CLST)           |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| MARATHON                           | 135,508.28                             | 1,547,077.56  | 16,938.53             | 193,384.65   | \$3.29888  | \$55,878.17    | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$55,878.17    | \$739,432.95    |
| TOTAL STERLING SANDS PA            | 135,508.28                             | 1,547,077.56  | 16,938.53             | 193,384.65   |  | \$55,878.17    | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$55,878.17    | \$739,432.95    |
| TOTAL CANNERY LOOP UNIT            | 546,265.61                             | 6,132,991.03  | 68,559.57             | 769,834.97   |  | \$224,194.31   | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$224,194.31   | \$2,837,411.19  |
| SOUTH GRANITE POINT UNIT           |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| GRANITE PT SANDS PA (SGPT)         |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| EXXONMOBIL AK PRODUCTION           | 0.00                                   | 0.00          | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | \$0.00          |
| UNOCAL                             | 0.00                                   | 0.00          | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | (\$362.75)      |
| TOTAL SO GRANITE PT PA             | 0.00                                   | 0.00          | 0.00                  | 0.00         |  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | (\$362.75)      |
| HEMLOCK PA (SGHM)                  |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| EXXONMOBIL AK PRODUCTION           | 0.00                                   | 0.00          | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | \$0.00          |
| UNOCAL                             | 0.00                                   | 0.00          | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | \$399.71        |
| TOTAL HEMLOCK PA (SGHM)            | 0.00                                   | 0.00          | 0.00                  | 0.00         |  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | \$399.71        |
| TOTAL SOUTH GRANITE PT UNIT        | 0.00                                   | 0.00          | 0.00                  | 0.00         |  | \$0.00         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.00         | \$36.96         |
| GRANITE POINT FIELD                |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| ADL 17586 (GR2A)                   |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| UNOCAL                             | 26.00                                  | 9,214.00      | 3.25                  | 1,151.76     | \$4.16040  | \$6.24         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$6.24         | \$3,430.64      |
| TOTAL ADL 17586                    | 26.00                                  | 9,214.00      | 3.25                  | 1,151.76     |  | \$6.24         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$6.24         | \$3,430.64      |
| ADL 17587 (GR2B)                   |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| UNOCAL                             | 2.00                                   | 196.00        | 0.25                  | 24.52        | \$4.16040  | \$0.54         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.54         | (\$101.91)      |
| TOTAL ADL 17587                    | 2.00                                   | 196.00        | 0.25                  | 24.52        |  | \$0.54         | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$0.54         | (\$101.91)      |
| ADL 18742 (GR2C)                   |  |               |                       |              |  |                |                   |           |          |        |                |                 |
| UNOCAL                             | 330.00                                 | 36,537.00     | 41.25                 | 4,567.15     | \$4.16040  | \$69.19        | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$69.19        | \$16,752.98     |
| TOTAL ADL 18742                    | 330.00                                 | 36,537.00     | 41.25                 | 4,567.15     |  | \$69.19        | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$69.19        | \$16,752.98     |
| TOTAL GRANITE POINT FIELD          | 358.00                                 | 45,947.00     | 44.75                 | 5,743.43     |  | \$75.97        | \$0.00            | \$0.00    | \$0.00   | \$0.00 | \$75.97        | \$20,081.71     |

|   |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
|---|--|----------------------|-----------------------|--------------|--|----------------|-------------------|------------|-----------|--------|----------------|-----------------|
|   |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
|   | VOLUMES FROM THE OPERATOR REPORT-01 *1 |                      |                       |              | VALUES FROM THE LESSEE'S ROYALTY VALUATION REPORT-A1 |                |                   |            |           |        |                |                 |
|   | TOTAL                                  | SUBJECT TO ROYALTIES | STATE'S ROYALTY SHARE |              | December-05  | December-05    | RIK               | REVISION/  |           |        | TOTAL          | REPORTED        |
|   | December-05                            | CALENDAR             | December-05           | CALENDAR     | \$ PER BBL/MCF                                       | MONTHLY        | (ROYALTY-IN-KIND) | OTHER      | INTEREST  | LATE   | December-05    | CALENDAR        |
|   | VOLUME (MCF)                           | YEAR TO DATE         | VOLUME (MCF)          | YEAR TO DATE | BEFORE FC *2   | PRODUCTION     | FIELD COSTS       | AMOUNT     | AMOUNT    | REPORT | REPORTED       | YEAR TO DATE    |
| <b>IVAN RIVER UNIT</b>                          |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>Ivan River Gas Pool PA (IVAN)</b>            |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| UNOCAL  | 108,769.00                             | 1,203,833.00         | 19,259.78             | 213,164.94   | \$4.63110  | \$58,570.71    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$58,570.71    | \$742,456.46    |
| <b>TOTAL IVAN RIVER UNIT</b>                    | 108,769.00                             | 1,203,833.00         | 19,259.78             | 213,164.94   |  | \$58,570.71    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$58,570.71    | \$742,456.46    |
| <b>KENAI UNIT</b>                               |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>Sterling PA (STRL)</b>                       |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| MARATHON  | 201,829.37                             | 1,366,556.83         | 25,228.67             | 170,819.60   | \$3.34619  | \$84,419.91    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$84,419.91    | \$533,830.77    |
| <b>TOTAL KENAI UNIT</b>                         | 201,829.37                             | 1,366,556.83         | 25,228.67             | 170,819.60   |  | \$84,419.91    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$84,419.91    | \$533,830.77    |
| <b>LEWIS RIVER UNIT</b>                         |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>LR PA#1 (LWS1)</b>                           |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| UNOCAL  | 0.00                                   | 0.00                 | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$0.00          |
| <b>TOTAL LR PA#1</b>                            | 0.00                                   | 0.00                 | 0.00                  | 0.00         |  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$0.00          |
| <b>LR PA #2 (LWS2)</b>                          |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| UNOCAL  | 11,759.00                              | 304,518.00           | 1,469.88              | 38,064.77    | \$4.63110  | \$14,428.19    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$14,428.19    | \$139,179.17    |
| <b>TOTAL LR PA#2</b>                            | 11,759.00                              | 304,518.00           | 1,469.88              | 38,064.77    |  | \$14,428.19    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$14,428.19    | \$139,179.17    |
| <b>TOTAL LEWIS RIVER UNIT</b>                   | 11,759.00                              | 304,518.00           | 1,469.88              | 38,064.77    |  | \$14,428.19    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$14,428.19    | \$139,179.17    |
| <b>N. MIDDLE GROUND SHOAL UNIT/ADL 17595</b>    |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>OIL POOL PA (MGS1)</b>                       |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| UNOCAL  | 0.00                                   | 0.00                 | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$0.00          |
| <b>TOTAL OIL POOL PA</b>                        | 0.00                                   | 0.00                 | 0.00                  | 0.00         |  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$0.00          |
| <b>NORTH COOK INLET UNIT</b>                    |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>North Cook Inlet PA (NCIN)</b>               |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| CONOCO PHILLIPS CO.                             | 3,817,303.00                           | 43,658,665.00        | 477,162.88            | 5,457,333.15 | \$3.19800  | \$1,525,966.87 | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$1,525,966.87 | \$14,987,415.67 |
| <b>TOTAL N. COOK INLET UNIT</b>                 | 3,817,303.00                           | 43,658,665.00        | 477,162.88            | 5,457,333.15 |  | \$1,525,966.87 | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$1,525,966.87 | \$14,987,415.67 |
| <b>PRETTY CREEK UNIT</b>                        |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>Beluga PA (PRTY)</b>                         |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| UNOCAL  | 0.00                                   | 403,626.12           | 0.00                  | 57,945.25    | #DIV/0!  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$195,566.28    |
| <b>TOTAL PRETTY CREEK UNIT</b>                  | 0.00                                   | 403,626.12           | 0.00                  | 57,945.25    |  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$195,566.28    |
| <b>NORTH TRADING BAY UNIT</b>                   |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>HEMLOCK &amp; G FORM PA (NBAY)</b>           |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| MARATHON  | 72.00                                  | 327,710.00           | 9.00                  | 40,963.78    | \$2.70750  | \$24.37        | \$0.00            | (\$420.58) | (\$14.55) | \$0.00 | (\$410.76)     | \$128,012.51    |
| UNOCAL  | 71.00                                  | 78,836.00            | 8.88                  | 9,854.53     | \$4.16040  | \$37.44        | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$37.44        | \$33,084.88     |
| <b>TOTAL NO TRADING BAY UNIT</b>                | 143.00                                 | 406,546.00           | 17.88                 | 50,818.31    |  | \$61.81        | \$0.00            | (\$420.58) | (\$14.55) | \$0.00 | (\$373.32)     | \$161,097.39    |
| <b>STERLING UNIT</b>                            |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>STERLING UNIT A ZONE PA (STER-STTY-STBL)</b> |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| MARATHON  | 57,335.03                              | 483,925.90           | 7,166.88              | 60,490.74    | \$3.50158  | \$25,095.40    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$25,095.40    | \$208,761.85    |
| <b>TOTAL STERLING UNIT</b>                      | 57,335.03                              | 483,925.90           | 7,166.88              | 60,490.74    |  | \$25,095.40    | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$25,095.40    | \$208,761.85    |
| <b>STUMP LAKE UNIT</b>                          |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| <b>Stump Lake Gas Pool #1 PA (STMP)</b>         |  |                      |                       |              |  |                |                   |            |           |        |                |                 |
| UNOCAL  | 0.00                                   | 0.00                 | 0.00                  | 0.00         | \$0.00000  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$0.00          |
| <b>TOTAL STUMP LAKE UNIT</b>                    | 0.00                                   | 0.00                 | 0.00                  | 0.00         |  | \$0.00         | \$0.00            | \$0.00     | \$0.00    | \$0.00 | \$0.00         | \$0.00          |

|   | VOLUMES FROM THE OPERATOR REPORT-01 *1 |                      |                       |              | VALUES FROM THE LESSEE'S ROYALTY VALUATION REPORT-A1 |              |                   |              |            |        |              |                 |
|---|--|----------------------|-----------------------|--------------|--|--------------|-------------------|--------------|------------|--------|--------------|-----------------|
|   | TOTAL                                  | SUBJECT TO ROYALTIES | STATE'S ROYALTY SHARE |              | December-05  | December-05  | RIK               | REVISION/    |            |        | TOTAL        | REPORTED        |
|   | December-05                            | CALENDAR             | December-05           | CALENDAR     | \$ PER BBL/MCF                                       | MONTHLY      | (ROYALTY-IN-KIND) | OTHER        | INTEREST   | LATE   | December-05  | CALENDAR        |
|   | VOLUME (MCF)                           | YEAR TO DATE         | VOLUME (MCF)          | YEAR TO DATE | BEFORE FC *2   | PRODUCTION   | FIELD COSTS       | AMOUNT       | AMOUNT     | REPORT | REPORTED     | YEAR TO DATE    |
| <b>TRADING BAY FLD ADL 18731 (TRBF)</b> |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| UNOCAL                                  | 0.00                                   | 0.00                 | 0.00                  | 0.00         | \$0.00000  | \$0.00       | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$0.00       | \$0.00          |
| <b>TOTAL TRADING BAY FIELD</b>          | 0.00                                   | 0.00                 | 0.00                  | 0.00         |  | \$0.00       | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$0.00       | \$0.00          |
| <b>TRADING BAY UNIT</b>                 |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>Grayling Gas Sands PA (STHD)</b>     |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| MARATHON                                | 964,090.00                             | 13,232,743.00        | 120,511.00            | 1,654,093.00 | \$3.50776  | \$528,464.91 | \$0.00            | \$5,938.47   | \$4.34     | \$0.00 | \$534,407.72 | \$5,655,919.41  |
| UNOCAL                                  | 956,499.00                             | 11,908,607.00        | 119,562.00            | 1,488,576.00 | \$4.20543  | \$429,028.85 | \$0.00            | (\$2,760.95) | (\$103.06) | \$0.00 | \$426,164.84 | \$5,131,483.65  |
| <b>TOTAL TRADING BAY UNIT</b>           | 1,920,589.00                           | 25,141,350.00        | 240,073.00            | 3,142,669.00 |  | \$957,493.76 | \$0.00            | \$3,177.52   | (\$98.72)  | \$0.00 | \$960,572.56 | \$10,787,403.06 |
| <b>REDOUBT UNIT</b>                     |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>HEMLOCK PA (REHM)</b>                |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| FOREST OIL                              | 0.00                                   | 0.00                 | 0.00                  | 0.00         | \$0.000000   | \$0.00       | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$0.00       | \$0.00          |
| <b>TOTAL HEMLOCK PA</b>                 | 0.00                                   | 0.00                 | 0.00                  | 0.00         |  | \$0.00       | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$0.00       | \$0.00          |
| <b>LEASE OPERATION (RE03)</b>           |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| FOREST OIL                              | 34,878.00                              | 42,388.00            | 4,359.75              | 5,298.50     | \$3.551500   | \$15,483.65  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$15,483.65  | \$18,817.62     |
| <b>TOTAL LEASE OPERATIONS</b>           | 34,878.00                              | 42,388.00            | 4,359.75              | 5,298.50     |  | \$15,483.65  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$15,483.65  | \$18,817.62     |
| <b>TOTAL REDOUBT UNIT</b>               | 34,878.00                              | 42,388.00            | 4,359.75              | 5,298.50     |  | \$15,483.65  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$15,483.65  | \$18,817.62     |
| <b>WEST MCARTHUR RIVER UNIT</b>         |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>A1 PA (WMRV)</b>                     |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| FOREST OIL                              | 6,924.00                               | 99,646.00            | 865.50                | 11,001.40    | \$3.55150  | \$3,073.82   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$3,073.82   | \$36,919.10     |
| <b>TOTAL A1 PA</b>                      | 6,924.00                               | 99,646.00            | 865.50                | 11,001.40    |  | \$3,073.82   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$3,073.82   | \$36,919.10     |
| <b>Tract Operation (WM01)</b>           |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| FOREST OIL                              | 78,164.94                              | 536,698.26           | 3,908.25              | 26,834.92    | \$3.41050  | \$13,329.09  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$13,329.09  | \$80,171.71     |
| <b>TOTAL Tract Operation</b>            | 78,164.94                              | 536,698.26           | 3,908.25              | 26,834.92    |  | \$13,329.09  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$13,329.09  | \$80,171.71     |
| <b>TOTAL W MC ARTHUR RIVER UNIT</b>     | 85,088.94                              | 636,344.26           | 4,773.75              | 37,836.32    |  | \$16,402.91  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$16,402.91  | \$117,090.81    |
| <b>NINILCHIK UNIT</b>                   |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>FALLS CREEK PA (NKFC)</b>            |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| MARATHON                                | 285,827.18                             | 3,178,769.94         | 14,291.36             | 158,938.51   | \$3.14845  | \$44,995.68  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$44,995.68  | \$516,105.72    |
| UNOCAL                                  | 186,161.08                             | 1,484,967.74         | 9,308.05              | 74,248.39    | \$4.50182  | \$41,903.17  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$41,903.17  | \$302,307.88    |
| <b>TOTAL FALLS CREEK PA</b>             | 471,988.26                             | 4,663,737.68         | 23,599.41             | 233,186.90   |  | \$86,898.85  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$86,898.85  | \$818,413.60    |
| <b>Susan Dionne PA (NKSD)</b>           |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| MARATHON                                | 328,441.90                             | 3,823,920.64         | 41,055.67             | 477,994.58   | \$3.14845  | \$129,261.90 | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$129,261.90 | \$1,488,141.98  |
| UNOCAL                                  | 213,917.24                             | 1,696,333.71         | 26,739.93             | 212,043.75   | \$4.50185  | \$120,379.27 | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$120,379.27 | \$858,936.73    |
| <b>TOTAL SUSAN DIONNE PA</b>            | 542,359.14                             | 5,520,254.35         | 67,795.60             | 690,038.33   |  | \$249,641.17 | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$249,641.17 | \$2,347,078.71  |
| <b>GRASSIM OSKOLKOFF PA (NKGO)</b>      |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| MARATHON                                | 102,540.00                             | 1,342,186.00         | 12,817.50             | 167,773.30   | \$3.14842  | \$40,354.84  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$40,354.84  | \$629,986.34    |
| UNOCAL                                  | 66,785.00                              | 623,394.00           | 8,348.13              | 77,924.28    | \$4.50229  | \$37,585.73  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$37,585.73  | \$324,585.46    |
| <b>TOTAL GRASSIM OSKOLKOFF PA</b>       | 169,325.00                             | 1,965,580.00         | 21,165.63             | 245,697.58   |  | \$77,940.57  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$77,940.57  | \$954,571.80    |
| <b>Tract Operation (NK01)</b>           |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| MARATHON                                | 20,653.80                              | 355,439.43           | 2,580.47              | 44,664.01    | \$3.14836  | \$8,124.24   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$8,124.24   | \$114,936.60    |
| UNOCAL                                  | 13,452.12                              | 142,035.60           | 1,680.69              | 17,746.64    | \$4.50256  | \$7,567.41   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$7,567.41   | \$67,282.91     |
| <b>TOTAL Tract Operation (NK01)</b>     | 34,105.92                              | 497,475.03           | 4,261.16              | 62,410.65    |  | \$15,691.65  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$15,691.65  | \$182,219.51    |
| <b>TOTAL NINILCHIK UNIT</b>             | 1,217,778.32                           | 12,647,047.06        | 116,821.80            | 1,231,333.46 |  | \$430,172.24 | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$430,172.24 | \$4,302,283.62  |
| <b>DEEP CREEK UNIT (DCHV)</b>           |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>HAPPY VALLEY PA</b>                  |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| UNOCAL                                  | 35,245.66                              | 438,744.48           | 4,406.00              | 54,849.01    | \$4.63110  | \$19,249.77  | \$0.00            | (\$493.00)   | (\$4.60)   | \$0.00 | \$18,752.17  | \$234,705.98    |
| <b>TOTAL DEEP CREEK UNIT</b>            | 35,245.66                              | 438,744.48           | 4,406.00              | 54,849.01    |  | \$19,249.77  | \$0.00            | (\$493.00)   | (\$4.60)   | \$0.00 | \$18,752.17  | \$234,705.98    |
| <b>THREE MILE CREEK UNIT</b>            |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>THREE MILE CREEK PA (TMTM)</b>       |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| AURORA                                  | 54,878.17                              | 271,782.81           | 6,859.77              | 33,972.84    | \$3.05771  | \$20,975.16  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$20,975.16  | \$99,842.00     |
| FOREST OIL                              | 23,519.21                              | 116,478.34           | 2,939.90              | 14,559.79    | \$2.97497  | \$8,746.11   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$8,746.11   | \$43,130.69     |
| <b>TOTAL THREE MILE CREEK PA</b>        | 78,397.38                              | 388,261.15           | 9,799.67              | 48,532.63    |  | \$29,721.27  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$29,721.27  | \$142,972.69    |
| <b>TOTAL THREE MILE CREEK UNIT</b>      | 78,397.38                              | 388,261.15           | 9,799.67              | 48,532.63    |  | \$29,721.27  | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$29,721.27  | \$142,972.69    |
| <b>NICOLAI CREEK UNIT</b>               |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| <b>BELUGA PA (NCBE)</b>                 |  |                      |                       |              |  |              |                   |              |            |        |              |                 |
| AURORA POWER RESOURCES                  | 23,326.85                              | 50,809.54            | 1,166.34              | 2,540.48     | \$3.15000  | \$3,673.98   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$3,673.98   | \$77,373.37     |
| <b>TOTAL BELUGA PA</b>                  | 23,326.85                              | 50,809.54            | 1,166.34              | 2,540.48     |  | \$3,673.98   | \$0.00            | \$0.00       | \$0.00     | \$0.00 | \$3,673.98   | \$77,373.37     |

|  |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |
|--|--|-----------------------|-----------------------|----------------------|--|-----------------------|-------------------|-------------------|-------------------|---------------|-----------------------|------------------------|
|  |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |
|  | VOLUMES FROM THE OPERATOR REPORT-01 *1 |                       |                       |                      | VALUES FROM THE LESSEE'S ROYALTY VALUATION REPORT-A1 |                       |                   |                   |                   |               |                       |                        |
|  | TOTAL SUBJECT TO ROYALTIES             |                       | STATE'S ROYALTY SHARE |                      | December-05  | December-05           | RIK               | REVISION/         |                   |               | TOTAL                 | REPORTED               |
|  | December-05                            | CALENDAR              | December-05           | CALENDAR             | \$ PER BBL/MCF                                       | MONTHLY               | (ROYALTY-IN-KIND) | OTHER             | INTEREST          | LATE          | December-05           | CALENDAR               |
|  | VOLUME (MCF)                           | YEAR TO DATE          | VOLUME (MCF)          | YEAR TO DATE         | BEFORE FC *2   | PRODUCTION            | FIELD COSTS       | AMOUNT            | AMOUNT            | REPORT        | REPORTED              | YEAR TO DATE           |
| <b>SOUTH PA (NCPA)</b>   |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |
| AURORA POWER RESOURCES   | 22,812.95                              | 56,569.01             | 1,140.65              | 2,828.46             | \$3.15000  | \$3,593.04            | \$0.00            | \$0.00            | \$0.00            | \$0.00        | \$3,593.04            | \$8,766.01             |
| <b>TOTAL SOUTH PA</b>  | 22,812.95                              | 56,569.01             | 1,140.65              | 2,828.46             |  | \$3,593.04            | \$0.00            | \$0.00            | \$0.00            | \$0.00        | \$3,593.04            | \$8,766.01             |
| <b>NORTH PA (NCPB)</b>   |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |
| AURORA POWER RESOURCES   | 0.00                                   | 0.00                  | 0.00                  | 0.00                 | \$0.00000  | \$0.00                | \$0.00            | \$0.00            | \$0.00            | \$0.00        | \$0.00                | (\$50,642.56)          |
| <b>TOTAL NORTH PA</b>  | 0.00                                   | 0.00                  | 0.00                  | 0.00                 |  | \$0.00                | \$0.00            | \$0.00            | \$0.00            | \$0.00        | \$0.00                | (\$50,642.56)          |
| <b>TOTAL NICOLAI CREEK UNIT</b>  | 46,139.80                              | 107,378.55            | 2,306.99              | 5,368.94             | RIV WTD AVG  | \$7,267.02            | \$0.00            | \$0.00            | \$0.00            | \$0.00        | \$7,267.02            | \$35,496.82            |
|  |  |                       |                       |                      | (LESS FIELD COSTS)                                   |                       |                   |                   |                   |               |                       |                        |
| <b>TOTAL COOK INLET GAS</b>  | <b>11,122,974.16</b>                   | <b>127,059,308.72</b> | <b>1,351,588.37</b>   | <b>15,556,504.09</b> | <b>\$3.51978</b>                                     | <b>\$4,757,292.21</b> | <b>\$0.00</b>     | <b>\$2,263.94</b> | <b>(\$117.87)</b> | <b>\$0.00</b> | <b>\$4,759,438.28</b> | <b>\$50,721,408.52</b> |
| <b>FOOTNOTES:</b><br><br>*1 - Volumes include all liquid hydrocarbons.<br>*2 - Cook Inlet Gas fields are not allowed a field cost deduction. |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |
|  |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |
|  |  |                       |                       |                      |  |                       |                   |                   |                   |               |                       |                        |