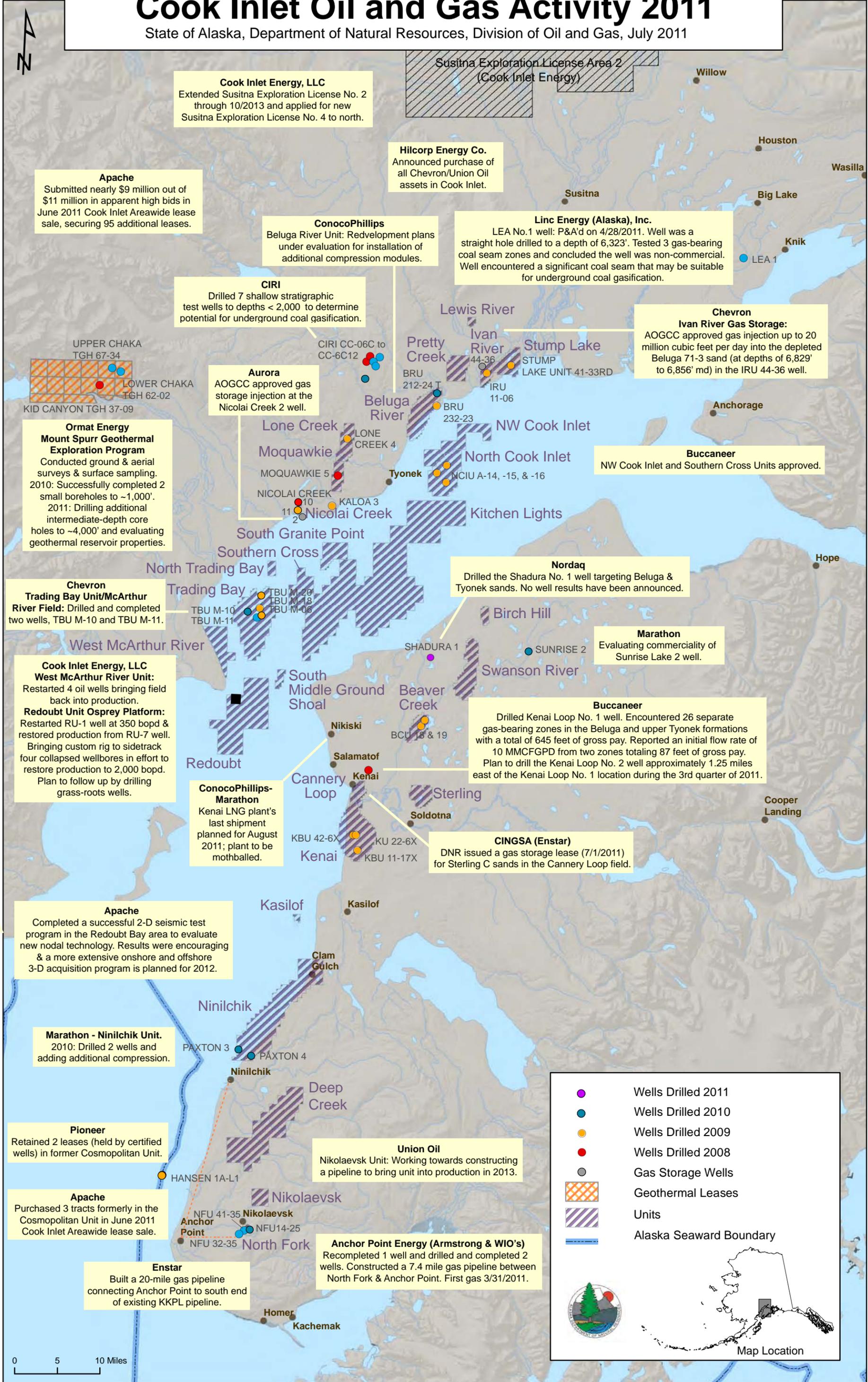


Cook Inlet Oil and Gas Activity 2011

State of Alaska, Department of Natural Resources, Division of Oil and Gas, July 2011



Cook Inlet Energy, LLC
 Extended Susitna Exploration License No. 2 through 10/2013 and applied for new Susitna Exploration License No. 4 to north.

Hilcorp Energy Co.
 Announced purchase of all Chevron/Union Oil assets in Cook Inlet.

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

ConocoPhillips
 Beluga River Unit: Redvelopment plans under evaluation 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 7 shallow stratigraphic test wells to depths < 2,000 to determine potential for underground coal gasification.

Chevron 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.

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

UPPER CHAKA TGH 67-34
 LOWER CHAKA TGH 62-02
 KID CANYON TGH 37-09

Ormat Energy Mount Spurr Geothermal Exploration Program
 Conducted ground & aerial surveys & surface sampling. 2010: Successfully completed 2 small boreholes to ~1,000'. 2011: Drilling additional intermediate-depth core holes to ~4,000' and evaluating geothermal reservoir properties.

Buccaneer
 NW Cook Inlet and Southern Cross Units approved.

Chevron Trading Bay Unit/McArthur River Field: Drilled and completed two wells, TBU M-10 and TBU M-11.

Nordaq
 Drilled the Shadura No. 1 well targeting Beluga & Tyonek sands. No well results have been announced.

Marathon
 Evaluating commerciality of Sunrise Lake 2 well.

Cook Inlet Energy, LLC West McArthur River Unit: Restarted 4 oil wells bringing field back into production.
Redoubt Unit Osprey Platform: Restarted RU-1 well at 350 bopd & restored production from RU-7 well. Bringing custom rig to sidetrack four collapsed wellbores in effort to restore production to 2,000 bopd. Plan to follow up by drilling grass-roots wells.

Buccaneer
 Drilled Kenai Loop No. 1 well. Encountered 26 separate gas-bearing zones in the Beluga and upper Tyonek formations with a total of 645 feet of gross pay. Reported an initial flow rate of 10 MMCFGPD from two zones totaling 87 feet of gross pay. Plan to drill the Kenai Loop No. 2 well approximately 1.25 miles east of the Kenai Loop No. 1 location during the 3rd quarter of 2011.

ConocoPhillips-Marathon
 Kenai LNG plant's last shipment planned for August 2011; plant to be mothballed.

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

Apache
 Completed a successful 2-D seismic test program in the Redoubt Bay area to evaluate new nodal technology. Results were encouraging & a more extensive onshore and offshore 3-D acquisition program is planned for 2012.

Marathon - Ninilchik Unit.
 2010: Drilled 2 wells and adding additional compression.

Pioneer
 Retained 2 leases (held by certified wells) in former Cosmopolitan Unit.

Union Oil
 Nikolaevsk Unit: Working towards constructing a pipeline to bring unit into production in 2013.

Apache
 Purchased 3 tracts formerly in the Cosmopolitan Unit in June 2011 Cook Inlet Areawide lease sale.

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

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

Legend

- Wells Drilled 2011
- Wells Drilled 2010
- Wells Drilled 2009
- Wells Drilled 2008
- Gas Storage Wells
- Geothermal Leases
- Units
- Alaska Seaward Boundary



0 5 10 Miles