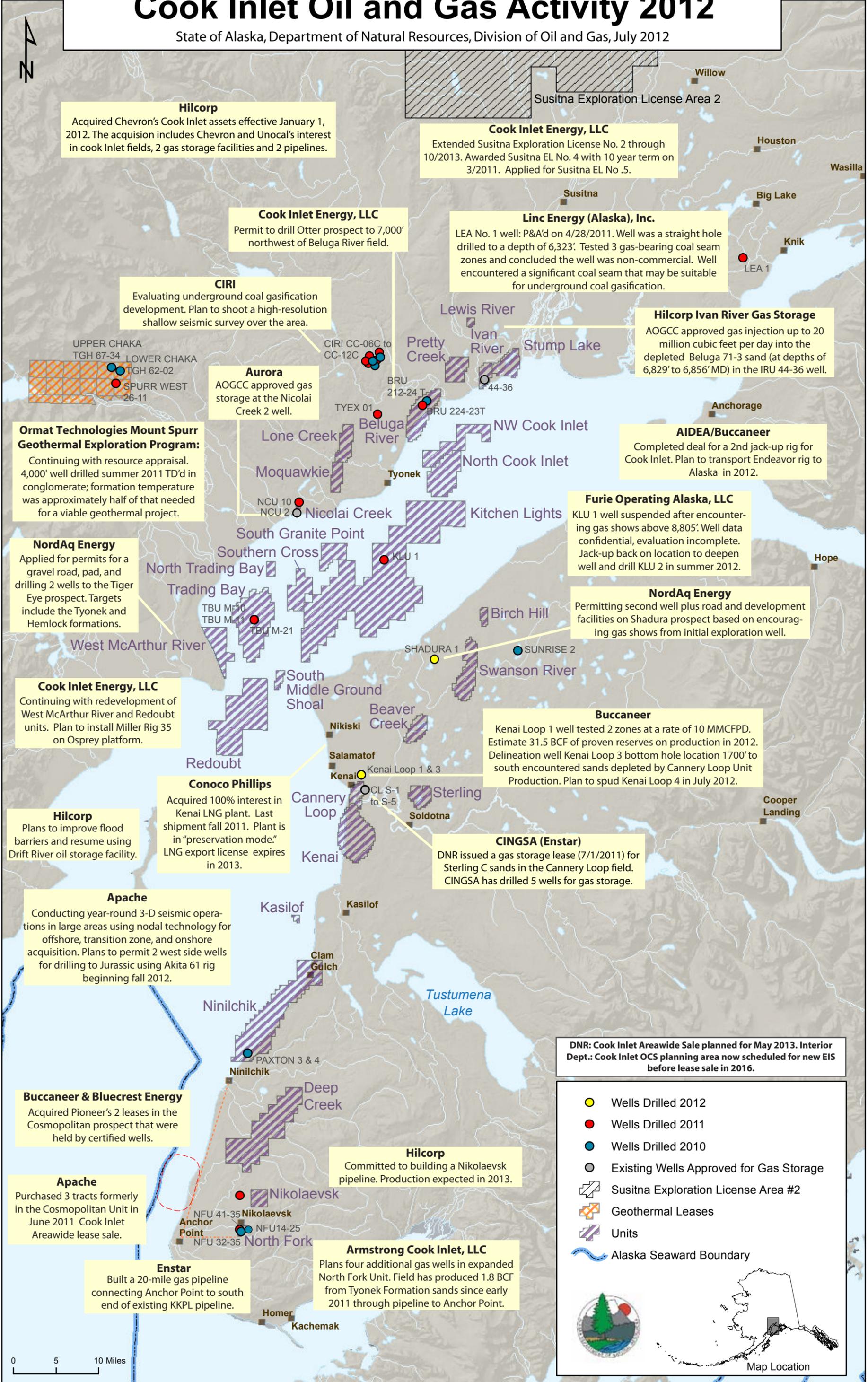


Cook Inlet Oil and Gas Activity 2012

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



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.

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.

Cook Inlet Energy, LLC
Permit to drill Otter prospect to 7,000' northwest of Beluga River field.

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
Evaluating 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.

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

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

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

NordAq Energy
Applied for permits for a gravel road, pad, and drilling 2 wells to the Tiger Eye prospect. Targets include the Tyonek and Hemlock formations.

Furie Operating Alaska, LLC
KLU 1 well suspended after encountering gas shows above 8,805'. Well data confidential, evaluation incomplete. Jack-up back on location to deepen well and drill KLU 2 in summer 2012.

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
Kenai Loop 1 well tested 2 zones at a rate of 10 MMCFPD. Estimate 31.5 BCF of proven reserves on production in 2012. Delineation well Kenai Loop 3 bottom hole location 1700' to south encountered sands depleted by Cannery Loop Unit Production. Plan to spud Kenai Loop 4 in July 2012.

Hilcorp
Plans to improve flood barriers and resume using Drift River oil storage facility.

Conoco Phillips
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. Plans to permit 2 west side wells for drilling to Jurassic using Akita 61 rig beginning fall 2012.

Buccaneer & Bluecrest Energy
Acquired Pioneer's 2 leases in the Cosmopolitan prospect that were held by certified wells.

Hilcorp
Committed to building a Nikolaevsk pipeline. Production expected 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.

Armstrong Cook Inlet, LLC
Plans four additional gas wells in expanded North Fork Unit. Field has produced 1.8 BCF from Tyonek Formation sands since early 2011 through pipeline to Anchor Point.

DNR: Cook Inlet Areawide Sale planned for May 2013. Interior Dept.: Cook Inlet OCS planning area now scheduled for new EIS before lease sale in 2016.

- Wells Drilled 2012
- Wells Drilled 2011
- Wells Drilled 2010
- Existing Wells Approved for Gas Storage
- Susitna Exploration License Area #2
- Geothermal Leases
- Units
- ~ Alaska Seaward Boundary

0 5 10 Miles