

Section Two: Royalty Production and Revenue

Introduction

The state of Alaska receives a royalty of approximately 12.5 percent of the oil and gas produced from its leases. The state may take its share of oil production “in-kind” or “in-value.” When the state takes its royalty share in-kind (RIK), it assumes possession of the oil or gas. The commissioner of Natural Resources may sell the RIK oil or gas in a competitive auction or through a noncompetitive sale negotiated with a single buyer. When the state takes its royalty in-value (RIV), the state’s lessees who produce the oil or gas market the state’s share along with their own share of production. The lessees remit cash payments on a monthly basis for the state’s RIV share.

Over the last 30 years the state has taken about one-half of its royalty oil as RIK. The state has sold nearly 800 million barrels of RIK oil during this time, nearly all of it in-state. Pricing terms have been targeted to provide the state at least as great a price as would have been received had the royalty been taken in value. Volumes to be delivered are typically cast as targets within a defined range, rather than precise specifications of barrels. Lease terms require that when the state elects to take RIK it must provide 90-180 days notice (depending upon the lease) of a percentage of royalty to be taken in kind, rather than a specific number of barrels to be taken in kind; the uncertainty as to future production volumes makes a precise specification of RIK deliveries impossible.”

These in-state sales have provided an important supply security, thereby stimulating Alaska’s refining industry by providing long-term supplies of oil to each of the state’s four refineries. Over the years, state RIK sales fueled many controversies and policy debates over the appropriate use of the state’s natural resources.

Cook Inlet

In 1969 the commissioner of Natural Resources negotiated a sale of 100 percent of the state’s royalty from Cook Inlet to the Alaska Oil and Refining Company. Within months of signing the contract, Alaska Oil and Refining Company merged with the Tesoro Petroleum Company. Tesoro subsequently built a new refinery in Nikiski on the Kenai Peninsula next to Chevron’s refinery, built in 1964. Between 1969 and 1985 the state sold all of its Cook Inlet royalty oil to the Tesoro refinery. By 1980, the production decline in Cook Inlet prompted Tesoro to negotiate the first of several sales contracts with the state for supplies of RIK oil from the North Slope. By the end of 1985 Tesoro had replaced its Cook Inlet RIK volumes with supplies of RIK from the North Slope.

In 1987 the state began to export Cook Inlet RIK oil to the Chinese Petroleum Company. These volumes were produced from fields on the west side of the Cook Inlet after the federal government exempted Cook Inlet production from export administration regulations. The state sold 97 percent of the royalty production from the McArthur River, Trading Bay, North Trading Bay, and Granite Point fields in a series of one-year competitive auctions. In 1991 deliveries under the last Chinese Petroleum contract were halted under force majeure following the December 1989 eruption of the Mount Redoubt volcano. There have been no Cook Inlet RIK sales since (See Table IV.8).

North Slope

Over the past 25 years, the state has held nine RIK sales involving portions of its Alaska North Slope (ANS) royalty oil production. These sales are summarized in Table IV.7 and Figure IV.3. In 1976, the state signed a six-year contract with Golden Valley Electric Association (GVEA), the electric utility in Fairbanks, to sell approximately 3,300 barrels of ANS crude oil per day as turbine fuel. GVEA did not exercise its option to take RIK until 1981 and it traded these volumes with Mapco (now Williams Alaska) in exchange for refined fuel. The state subsequently sold RIK ANS to GVEA in two other contracts until 1992. As in the first contract, GVEA traded these volumes with Mapco.

In 1978 the state contracted with Earth Resources Company of Alaska, predecessor to Mapco Alaska and Williams Alaska Petroleum Company, to supply 15 percent of Prudhoe Bay RIK oil production less the quantity dedicated to GVEA. This 25-year contract expired in December 2003. Williams received a maximum of 35,000 barrels per day of RIK

oil produced from the Prudhoe Bay Unit under this contract and supplemented this supply with new agreements for another 28,000 barrels per day.

In September 2003, the state negotiated a temporary contract with Williams for the period January 1, 2004, through March 31, 2004. The state also negotiated a new 10-year contract with Flint Hills Resources Alaska, LLC (FHR), signed by the Governor on March 9, 2004, enabling FHR to take over the Williams' North Pole refinery on March 31. Deliveries of royalty oil under the new RIK contract began April 1, 2004. The state sold approximately 57,537 barrels per day to FHR, or more than 64 percent of the total royalty oil produced on the North Slope for the period January 1 through December 31, 2008.

The contract contained special conditions which serve as additional consideration for FHR's purchase of the state's royalty oil. FHR will maintain gasoline wholesale rack price parity between Anchorage and Fairbanks. FHR has invested approximately \$100 million to install clean fuels processing equipment and facilities in the North Pole Refinery and/or elsewhere in Alaska. It has fulfilled and enhanced the previous commitments made by Williams to the Government Hill Community Council in Anchorage to address concerns about gasoline storage tanks near Government Hill and has undertaken additional projects to improve the Anchorage Tank Farm Facility. FHR will also continue to ship refined products to Anchorage via the Alaska Railroad, (FHR shipments represented 41 percent of the total freight loadings for the Alaska Railroad for 2008).

In Fairbanks, FHR has studied the use and viability of the hydrant fueling system at the Fairbanks International airport (FIA), concentrating on promoting FIA to cargo carriers, evaluating and upgrading FIA fuel distribution facilities, and charging a jet fuel customer in Fairbanks the same or lower price as FHR charges that same customer in Anchorage. FHR met all of these conditions for 2008 and has performed upgrades of their fueling facilities at FIA, primarily related to environmental remediation and compliance on their lease lot.

Tesoro has been an important North Slope RIK customer. Tesoro negotiated and bid for several contracts that supplied it with RIK supplies from 1980 to 1998. Chevron was another big purchaser of North Slope RIK for oil supplied to its Nikiski refinery from 1980 through 1991, when it finally shut down its Nikiski refinery. Petro Star Inc. purchased North Slope RIK from 1986 through 1991 for its new refinery at North Pole. In 1992 Petro Star negotiated a 10-year contract with the state for a supply of RIK from the Kuparuk River Unit. With this contract in hand, Petro Star was able to build the state's newest refinery in Valdez. As it happened, Petro Star elected to take no oil under this contract and the contract expired automatically nine months after it had been signed.

The state also held competitive auctions of RIK oil during the early 1980s as part of a program to routinely offer RIK short-term contracts. Winners of these sales included in-state refineries but also several refineries located outside the state. Many of these buyers were also ANS producers. About 46 million barrels of Alaska North Slope RIK crude oil were sold in these auctions but the program was interrupted after the general collapse of oil prices in the mid-1980s. In January 2000, the Division of Oil and Gas published a Notice of Interest in Sale of State Royalty Oil. The response to this notice by prospective RIK purchasers prompted the division to plan for a competitive bid auction for volumes of RIK oil produced from several North Slope fields. The sale was subsequently held in August 2000 but no bids were offered.

Royalty-in-Kind Policy

The earliest RIK sales, notably Tesoro's first Cook Inlet contract, the first GVEA contract, and the Alpetco contract, generated controversy and debate in the state. Several issues arose as the RIK program evolved. Is the state better off negotiating sales one-on-one or auctioning RIK through competitive tenders? How much public input should be encouraged? Should the state subsidize the local refining industry through price breaks? What kind of oversight should be required? The debates of these questions led to the present program as set out in statutes and regulations.

When disposing royalty oil or gas, the commissioner is bound by AS 38.05.182 and AS 38.05.183. Further, the Legislature established the Alaska Royalty Oil and Gas Development Board (Royalty Board) under AS 38.06 to oversee the department's RIK program. Regulations under Title 11, Chapters 3 and 26 govern the actual disposition of royalty and the sale of RIK. (See <http://www.legis.state.ak.us/folhome.htm> for more information).

The rules that govern the sale of RIK may be reduced to a few principles:

- Any disposition of the state's royalty must be in the state's best interest. The state should sell its royalty rather than take it in-value as long as the best interests of the state are served.

Royalty-In-Kind

- The state must receive a price for its RIK that is at least as much as it receives when the state takes its royalty in-value.
- Under certain circumstances, the state may sell its oil in a negotiated sale, but competitive sales are preferred.
- Although the price of RIK must equal or exceed the price of RIV, a review of each sale must consider economic, social, and environmental effects. In this way, benefits may be attributed to the sale of RIK to local refineries that would not be generated by sales to outside purchases.
- The public is a part of the process. Depending on the terms of the sale, the commissioner will publish best interest findings and solicit comments on the sale from the public.
- The Royalty Board must be notified of any disposition of RIK. For supply contracts of more than one year, the Royalty Board must evaluate the economic, social, and environmental effects of the sale, convene a public hearing, and recommend approval of the sale to the Legislature.
- The Legislature approves long-term contracts by enacting legislation
- The near-universal practice of the Department is to make its sales at or near the location of production. The RIK buyers take title upstream of necessary transportation infrastructure, and must arrange for transportation themselves. In this way, transportation risks are borne by the purchaser, and the state minimizes its need for staffing to administer RIK sales.

Table II.1 Recent Royalty Oil Production & Revenues

Lease Operation	Badami Unit RIV	Badami Unit RIK	TOTAL Badami Unit	Colville River Unit RIV	Colville River Unit RIK	TOTAL Colville River Unit	Duck Island Unit RIV	"Duck Island Unit RIK"	"TOTAL Duck Island Unit"	"Kuparuk River Unit RIV	"Kuparuk River Unit RIK"	"TOTAL Kuparuk River Unit"	
Production (Thousands of Barrels)													
1997	-	-	-	-	-	-	3,324.4	-	3,324.4	10,978.3	-	10,978.3	
1998	-	106.1	-	106.1	-	-	2,692.5	-	2,692.5	10,886.2	-	10,886.2	
1999	-	179.2	-	179.2	1.3	-	1.3	2,263.3	-	2,263.3	10,822.0	-	10,822.0
2000	-	144.6	-	144.6	196.6	-	196.6	1,943.1	-	1,943.1	9,897.9	-	9,897.9
2001	-	104.0	-	104.0	2,785.5	-	2,785.5	1,696.9	-	1,696.9	9,076.4	-	9,076.4
2002	-	87.0	-	87.0	3,403.4	-	3,403.4	1,483.5	-	1,483.5	8,921.6	-	8,921.6
2003	0.6	42.1	-	42.1	3,777.1	-	3,777.1	1,535.1	-	1,535.1	8,905.8	-	8,905.8
2004	-	-	-	-	3,642.3	-	3,642.3	834.3	390.2	1,224.5	7,976.8	305.3	8,282.1
2005	2.1	22.2	-	22.2	4,262.4	-	4,262.4	51.2	1,026.3	1,077.5	4,498.6	3,138.0	7,636.6
2006	-	56.3	15.9	72.2	3,273.9	404.6	3,678.5	43.8	819.3	863.1	2,120.3	5,080.6	7,200.8
2007	-	33.7	-	33.7	3,469.1	936.4	4,405.5	27.1	752.1	779.3	918.0	5,693.7	6,611.7
2008	-	-	-	-	2,320.5	1,587.3	3,907.8	29.1	761.9	790.9	402.0	5,695.7	6,097.7
Revenues (Thousands of Dollars)													
1997	-	-	-	-	-	-	\$42,866	-	\$42,866	\$150,137	-	\$150,137	
1998	-	\$572	-	\$572	-	-	\$18,147	-	\$18,147	\$82,772	-	\$82,772	
1999	-	\$1,992	-	\$1,992	\$57	-	\$57	\$26,461	-	\$26,461	\$136,802	-	\$136,802
2000	-	\$2,612	-	\$2,612	\$4,539	-	\$4,539	\$42,350	-	\$42,350	\$220,539	-	\$220,539
2001	-	\$1,051	-	\$1,051	\$47,972	-	\$47,972	\$31,796	-	\$31,796	\$160,694	-	\$160,694
2002	-	\$108	-	\$108	\$62,818	-	\$62,818	\$27,128	-	\$27,128	\$173,379	-	\$173,379
2003	\$15	\$46	-	\$46	\$89,684	-	\$89,684	\$35,753	-	\$35,753	\$211,369	-	\$211,369
2004	-	-\$0	-	-\$0	\$122,667	-	\$122,667	\$24,455	\$14,219	\$38,674	\$255,120	\$11,578	\$266,699
2005	\$85	\$876	-	\$876	\$201,866	-	\$201,866	\$6,831	\$47,365	\$54,197	\$186,238	\$159,863	\$346,101
2006	-	\$2,070	\$484	\$2,554	\$193,449	\$21,825	\$215,274	-\$2,937	\$46,279	\$43,343	\$109,198	\$295,880	\$405,078
2007	\$25	\$899	-	\$899	\$248,989	\$72,853	\$321,843	\$1,451	\$48,036	\$49,486	\$56,131	\$373,458	\$429,589
2008	-	\$273	\$1	\$274	\$207,408	\$155,372	\$362,779	\$7,161	\$71,112	\$78,273	\$47,425	\$515,948	\$563,372

Revenues include interest from revisions and settlements in the year received.

"Milne Point Unit RIV"	"Milne Point Unit RIK"	"TOTAL Milne Point Unit"	Northstar Unit RIV	Northstar Unit RIK	TOTAL Northstar Unit	"Prudhoe Bay Unit RIV"	"Prudhoe Bay Unit RIK"	"TOTAL Prudhoe Bay Unit"	"TOTAL North Slope"	
Production (Thousands of Barrels)										
1997	2,657.0	-	2,657.0	-	-	-	18,399.6	26,139.6	44,539.2	61,498.8
1998	2,833.4	-	2,833.4	-	-	-	11,810.5	27,981.6	39,792.1	56,310.2
1999	2,699.2	-	2,699.2	-	-	-	15,508.5	19,070.7	34,579.2	50,544.1
2000	2,613.9	-	2,613.9	-	-	-	13,053.5	19,290.3	32,343.8	47,140.0
2001	2,687.9	-	2,687.9	212.9	-	212.9	13,643.5	15,187.0	28,830.6	45,394.3
2002	2,570.7	-	2,570.7	4,009.3	-	4,009.3	11,794.8	15,509.5	27,304.4	47,779.8
2003	2,569.7	-	2,569.7	5,236.7	-	5,236.7	5,489.2	20,630.5	26,119.8	48,186.9
2004	1,534.2	1,039.7	2,573.9	2,661.6	3,004.6	5,666.2	5,641.0	18,478.1	24,119.2	45,508.2
2005	111.5	2,088.1	2,199.7	5,065.9	-	5,065.9	5,547.1	16,545.2	22,092.3	42,358.7
2006	193.4	1,635.8	1,829.2	1,235.8	3,030.4	4,266.2	6,467.6	11,287.2	17,754.8	35,665.0
2007	527.4	1,158.0	1,685.3	1,786.3	1,349.1	3,135.4	345,910.4	846,510.8	18,286.2	34,937.2
2008	58.7	1,563.1	1,621.7	2,325.1	-	2,325.1	568,727.7	1,054,475.7	18,025.0	32,800.3
Revenues (Thousands of Dollars)										
1997	\$33,777	-	\$33,777	-	-	-	\$242,341	\$383,701	\$626,042	\$852,822
1998	\$18,608	-	\$18,608	-	-	-	\$73,462	\$227,032	\$296,313	\$416,413
1999	\$31,596	-	\$31,596	-	-	-	\$170,204	\$259,246	\$429,450	\$626,358
2000	\$56,730	-	\$56,730	-	-	-	\$275,928	\$461,464	\$737,392	\$1,064,162
2001	\$47,356	-	\$47,356	\$1,584	-	\$1,584	\$236,464	\$279,804	\$516,268	\$806,722
2002	\$48,818	-	\$48,818	\$75,797	-	\$75,797	\$201,726	\$320,378	\$522,104	\$910,151
2003	\$61,255	-	\$61,255	\$123,753	-	\$123,753	\$114,558	\$507,952	\$622,509	\$1,144,385
2004	\$44,971	\$37,287	\$82,258	87,502	109,196	196,698	\$172,637	\$631,864	\$804,501	\$1,511,495
2005	\$4,786	\$94,638	\$99,424	243,095	104	243,199	\$239,535	\$805,939	\$1,045,474	\$1,991,222
2006	\$9,858	\$92,003	\$101,860	73,483	183,156	256,639	\$369,888	\$651,728	\$1,021,616	\$2,046,364
2007	\$35,921	\$69,239	\$105,160	148,025	88,623	236,647	\$345,910	\$846,511	\$1,192,421	\$2,336,071
2008	\$12,494	\$142,604	\$155,098	221,582	2,184	223,767	\$568,728	\$1,054,476	\$1,623,203	\$3,008,793

Table II.1 Recent Royalty Oil Production & Revenues

	"Granite Point Field"	"South Granite Point Unit"	"North Middle Ground Shoal"	"Middle Ground Shoal"	"South Middle Ground Shoal"	"Trading Bay Field"	"Trading Bay Unit"	"West McArthur Unit"	Redoubt Unit	Cosmopolitan Unit	"TOTAL Cook Inlet"	TOTAL STATE
Production (Thousands of Barrels)												
1997	303.5	-	42.0	150.6	26.8	75.1	632.4	80.6	-	-	1,311.0	62,809.8
1998	259.8	-	44.7	196.0	28.8	87.1	602.4	116.2	-	-	1,335.0	57,645.2
1999	172.4	51.0	38.2	181.9	24.6	82.7	587.2	114.3	-	-	1,252.2	51,796.3
2000	119.2	98.5	43.5	170.5	22.8	79.6	602.8	111.6	-	-	1,248.6	48,388.5
2001	109.3	92.9	39.7	194.4	19.8	72.3	671.1	152.9	-	-	1,352.4	46,746.7
2002	105.2	85.8	27.1	197.1	20.8	74.6	697.0	127.3	2.3	-	1,337.2	49,117.1
2003	98.8	80.0	11.8	177.4	-	68.7	538.6	106.1	45.5	1.0	1,127.9	49,314.8
2004	84.0	77.4	-	165.3	-	58.0	424.6	83.7	28.0	-	920.8	46,429.0
2005	75.2	67.5	-	164.7	-	51.8	340.3	64.6	15.6	-	779.7	43,138.4
2006	73.7	46.9	-	148.9	-	49.1	284.0	54.6	13.4	-	670.6	36,335.5
2007	64.1	48.6	-	114.0	-	34.4	230.5	48.1	7.7	-	547.3	35,484.5
2008	61.3	44.9	-	109.2	-	19.9	174.7	39.6	4.7	-	454.4	33,254.7
Revenues (Thousands of Dollars)												
1997	\$5,175	-	\$764	\$3,655	\$490	\$1,192	\$10,561	\$1,795	-	-	\$23,633	\$876,456
1998	\$2,813	-	\$544	\$2,244	\$346	\$853	\$5,902	\$1,107	-	-	\$13,809	\$430,222
1999	\$2,090	\$1,388	\$662	\$3,073	\$406	\$1,261	\$8,917	\$1,583	-	-	\$19,380	\$645,738
2000	\$4,201	\$3,840	\$1,491	\$4,647	\$821	\$2,632	\$17,073	\$2,790	-	-	\$37,495	\$1,101,657
2001	\$2,515	\$2,051	\$959	\$4,338	\$476	\$1,522	\$13,908	\$2,941	-	-	\$28,710	\$835,432
2002	\$2,337	\$1,850	\$619	\$5,428	\$494	\$1,609	\$14,992	\$2,680	\$54	-	\$30,062	\$940,214
2003	\$2,633	\$2,249	\$349	\$5,103	\$2	\$1,876	\$14,693	\$2,736	\$1,140	\$19	\$30,801	\$1,175,186
2004	\$3,066	\$2,764	-	\$11,544	-	\$2,021	\$14,732	\$2,807	\$900	-	\$37,835	\$1,549,330
2005	\$3,712	\$3,354	-	\$8,710	-	\$2,509	\$16,641	\$3,089	\$802	-	\$38,819	\$2,030,041
2006	\$4,287	\$2,855	-	\$9,328	-	\$2,905	\$17,020	\$3,299	\$754	-	\$40,449	\$2,086,813
2007	\$4,591	\$3,259	-	\$8,028	-	\$1,632	\$15,851	\$3,098	\$485	-	\$36,944	\$2,373,015
2008	\$5,974	\$4,485	-	\$10,880	-	\$2,104	\$17,483	\$3,929	\$521	-	\$45,406	\$3,054,199

Revenues include interest from revisions and settlements in the year received.

Table II.2 Recent Royalty Oil Production by Lessee

NORTH SLOPE												
Production (Thousands of Barrels)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Amerada Hess	-	-	-	-	-	-	-	-	-	-	-	-
Amoco	297	237	199	119	-	-	-	-	-	-	-	-
Anadarko	-	-	\$0	43	613	749	831	801	938	720	763	511
Arco	11,120	9,522	10,729	-	-	-	-	-	-	-	-	-
Armstrong	-	-	-	-	-	-	<1	<1	1	-	-	-
BPAmerica Prod Co.	-	-	-	-	-	95	165	-	-	-	-	-
BP Exploration	16,683	13,595	14,233	11,869	11,075	14,451	13,898	9,555	8,527	4,109	4,282	4,409
Chevron	99	64	91	77	81	116	66	60	59	66	52	69
CIRI	30	1	-	-	-	-	-	-	-	-	-	-
ConocoPhillips AK	-	-	-	-	-	11,225	9,250	9,145	7,912	6,269	5,363	4,571
DOYON	6	5	4	4	3	3	3	1	<1	<1	<1	\$0
ENI Petroleum US LLC	-	-	-	-	-	-	-	-	-	-	<1	\$10
Exxon	5,571	3,563	4,815	-	-	-	-	-	-	-	-	-
ExxonMobil	-	-	-	4,596	5,287	4,284	-	-	-	-	-	-
ExxonMobil AK Production	-	-	-	-	-	-	1,926	1,899	1,886	2,118	1,649	2,192
Forest Oil	5	3	4	2	2	2	1	1	1	1	-	-
Kerr McGee	-	-	-	-	-	-	-	1	1	-	5	1
Mapco 1978 Contract	12,652	11,148	12,442	12,718	12,522	12,167	12,583	-	-	-	-	-
Mapco 1997 Contract	466	4,451	-	-	-	-	-	-	-	-	-	-
Marathon	-	-	-	-	-	-	-	-	-	-	-	-
Mobil	237	155	195	-	-	-	-	-	-	-	-	-
NANA	18	14	12	11	8	8	8	4	<1	<1	<1	\$0
Oxy	208	224	212	189	-	-	-	-	-	-	-	-
Petrofina	-	32	54	43	31	-	-	-	-	-	-	-
Phuntllc	190	113	151	10,201	12,482	-	-	-	-	<1	<1	\$0
Phillips	-	-	-	-	-	-	-	-	-	-	-	-
Phillips Alpine Alaska	-	-	-	-	-	749	831	352	-	-	-	-
Pioneer	-	-	-	-	-	-	<1	-	-	-	-	-
Tesoro	13,022	11,498	-	-	-	-	-	-	-	-	-	-
Texaco	52	31	41	35	38	18	-	-	-	-	-	-
TotalFina ELF	-	-	-	-	-	-	-	-	-	-	-	-
Union Texas Petroleum	-	-	-	-	-	-	-	-	-	-	-	-
Unocal	842	771	732	659	587	570	576	468	227	108	85	23
Williams 98 Contract	-	884	6,628	6,572	2,665	3,342	8,056	5,582	-	-	-	-
Flint Hills Resources AK, LLC	-	-	-	-	-	-	-	17,632	22,797	22,274	22,775	20,993
XTOE	-	-	-	-	-	-	-	2	-	-	-	-
North Slope TOTAL	61,499	56,312	50,544	47,140	45,394	47,780	48,194	45,505	42,349	35,665	34,974	32,778

COOK INLET												
Production (Thousands of Barrels)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Conoco Phillips AK	-	-	-	-	-	-	1	-	-	-	-	-
Cross Timbers/XTO	-	-	182	170	194	197	177	165	165	149	114	109
Devon	-	-	-	-	-	-	<1	-	-	-	-	-
Forcenergy/Forest Oil	377	436	425	428	495	491	436	337	264	224	180	-
Marathon	-	-	-	-	-	-	-	-	-	-	-	-
Mobil/Exxon Mobil AK Prod	110	91	76	74	70	64	60	58	51	35	36	34
Pacific Energy AK	-	-	-	-	-	-	-	-	-	-	-	142
Pioneer	-	-	-	-	-	-	-	-	-	-	-	<1
Shell	151	196	-	-	-	-	-	-	-	-	-	-
Stewart	30	-	-	-	-	-	-	-	-	-	-	-
Unocal	643	612	569	576	593	585	454	360	301	263	217	169
XTOE	-	-	-	-	-	-	-	-	-	-	-	-
Cook Inlet TOTAL	1,311	1,335	1,252	1,249	1,352	1,337	1,128	921	780	671	547	454

Table II.3 Recent Royalty Oil Revenues by Lessee

NORTH SLOPE													
Revenues (Thousands of Dollars)													
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	
Amerada Hess	\$34	-	-	-	-	-	-	-	-	-	-	-	
Amoco	\$3,674	\$1,556	\$2,404	\$2,562	-\$0	-	-	-	-	-	-	-	
Anadarko	-	-	\$12	\$982	\$10,374	\$14,180	\$20,057	\$27,427	\$45,375	\$43,352	\$44,825	\$44,803	
Arco	\$155,281	\$72,786	\$135,879	-	-	-	-	-	-	-	-	-	
Armstrong	-	-	-	-	-	-	\$4	-	\$26	-	-	-	
BPAmerica Prod Co.	-	-	-	-	-	-	\$3,934	-	-	-	-\$266	\$399	
BP Exploration	\$216,022	\$85,263	\$158,955	\$249,682	\$208,250	\$267,287	\$325,241	\$301,848	\$391,141	\$318,659	\$295,849	\$463,851	
Chevron	\$1,274	\$368	\$1,044	\$1,608	\$1,422	\$2,070	\$1,437	\$1,745	\$2,650	\$10,694	\$2,834	\$6,452	
CIRI	\$423	\$12	-	-	-	\$160	-	-	-	-	-	-	
ConocoPhillips AK	-	-	-	-	-	\$211,239	\$214,806	\$297,445	\$353,413	\$337,580	\$329,594	\$414,119	
DOYON	\$83	\$41	\$39	\$82	\$54	\$44	\$64	\$40	\$4	\$125	\$3	\$5	
ENI Petroleum US LLC	-	-	-	-	-	-	-	-	-	-	\$8	\$516	
Exxon	\$71,707	\$19,733	\$52,342	-	-	-	-	-	-	-	-	\$7	\$34
ExxonMobil	-	-	-	\$98,415	\$83,945	-	-	-	-	-	\$5,312	-\$1,899	
ExxonMobil AK Production	-	-	-	-	-	\$69,780	\$37,737	\$54,093	\$81,549	\$130,038	\$86,726	\$200,463	
Forest Oil	\$63	\$17	\$43	\$50	\$38	\$37	\$18	\$29	\$43	\$19,759	-	-	
Kerr McGee	-	-	-	-	-	-	-	\$22	\$60	-	\$372	\$46	
Mapco 1978 Contract	\$185,000	\$90,752	\$166,427	\$304,389	\$223,123	\$247,246	\$310,960	-\$179	-	-	-	-	
Mapco 1997 Contract	\$6,032	\$38,590	-\$60	\$90	\$1,075	-	-	-	-	-	-	-	
Marathon	\$1	-	-	-	-	-	-	-	-	-	-	-	
Mobil	\$3,026	\$851	\$2,166	-	-	-	-	-	-	-	-	-	
NANA	\$255	\$122	\$120	\$220	\$163	\$131	\$221	\$121	\$12	\$455	\$78	\$14	
Oxy	\$2,778	\$1,533	\$2,626	\$4,290	-	-	-	-	-	-	-	-	
Petrofina	-	\$185	\$616	\$807	\$284	-	-	-	-	-	-	-	
Phuntlc	\$2,377	\$752	\$1,379	\$228,306	\$211,865	-	-	-	-	\$97	\$7	\$11	
Phillips	-	-	-	-	-	-	-	-	-	-	-	-	
Phillips Alpine Alaska	-	-	-	-	-	\$13,718	\$19,638	\$10,244	-	-	\$4,274	-	
Pioneer	-\$5	-	-	-	-	-	\$10	-	-	-	-	\$1,231	
Tesoro	\$192,669	\$92,288	\$191	-\$623	\$1,632	\$887	-	-	-	-	-	-	
Texaco	\$664	\$149	\$398	\$842	\$653	\$270	-	-	-	-	\$7	\$38	
TotalFina ELF	-	-	-	-	-	-	-	-	-	-	-	-	
Union Texas Petroleum	-	-	\$12	-	-	-	-	-	-	-	-	-	
Unocal	\$11,463	\$6,013	\$9,078	\$14,851	\$9,868	\$10,858	\$13,265	\$14,250	\$8,962	\$5,897	\$4,694	\$2,509	
Williams 98 Contract	-	\$5,402	\$92,688	\$157,608	\$53,975	\$72,245	\$196,991	\$162,716	-	-	\$15,012	\$21,895	
Flint Hills Resources AK, LLC	-	-	-	-	-	-	-	\$641,607	\$1,107,909	\$1,179,502	\$1,483,777	\$1,933,190	
XTOE	-	-	-	-	-	-	-	\$87	\$78	\$205	\$6	-	
North Slope TOTAL	\$852,822	\$416,412	\$626,358	\$1,064,162	\$806,721	\$910,151	\$1,144,385	\$1,511,495	\$1,991,222	\$2,046,364	\$2,273,118	\$3,087,678	

COOK INLET												
Revenues (Thousands of Dollars)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2007
Conoco Phillips AK	-	-	-	-	-	-	\$13	-	-	-	-	-
Cross Timbers/XTO	-	-	\$3,073	\$4,647	\$4,338	\$5,428	\$5,103	\$6,406	\$8,710	\$8,695	-	-
Devon	-	-	-	-	-	-	\$1	-	-	-	-	-
Forcenergy/Forest Oil	\$6,166	\$4,209	\$6,296	\$10,950	\$9,831	\$10,522	\$11,521	\$11,509	\$12,867	\$13,696	\$7,318	\$767
Marathon	-\$7	-	-	-	-	-	-	-	-	-	-	-
Mobil/Exxon Mobil AK Prod	\$1,882	\$1,094	\$1,165	\$1,824	\$1,525	\$1,348	\$1,692	\$2,068	\$2,511	\$2,253	\$2,361	\$3,542
Pacific Energy AK	-	-	-	-	-	-	-	-	-	-	\$4,685	\$14,565
Pioneer	-	-	-	-	-	-	-	-	-	-	-	<1
Shell	\$3,655	\$2,244	-	-	-	-	-	\$5,138	-	-	-	-
Stewart	\$1,104	-	-	-	-	-	-	-	-	-	-	-
Unocal	\$10,834	\$6,262	\$8,846	\$20,074	\$13,016	\$12,764	\$12,471	\$12,714	\$14,731	\$15,805	\$13,933	\$17,637
XTOE	-	-	-	-	-	-	-	-	-	-	\$7,879	\$11,370
Cook Inlet TOTAL	\$23,633	\$13,809	\$19,380	\$37,495	\$28,710	\$30,062	\$30,801	\$37,835	\$38,819	\$40,449	\$36,177	\$47,880

Revenues include principal and interest from revisions and settlements in the year received.

Table II.4 Recent Royalty Gas Production and Revenues

NORTH SLOPE						
	Duck Island Unit	Colville River Unit	Kuparuk River Unit	Milne Point Unit	Prudhoe Bay Unit	TOTAL North Slope
Production (Thousand Cubic Feet)						
1997	35,605	-	90,487	26,034	1,337,301	1,489,427
1998	36,255	-	79,552	27,156	1,178,761	1,321,724
1999	168,919	-	78,783	27,611	1,092,217	1,367,530
2000	31,785	-	135,929	27,436	1,061,761	1,256,911
2001	30,780	-	98,806	28,978	1,341,442	1,500,006
2002	32,108	-	82,610	29,718	3,711,424	3,855,861
2003	33,192	-	79,039	28,845	5,572,705	5,713,781
2004	29,424	-	76,746	29,639	5,260,659	5,396,467
2005	36,975	-	70,082	29,362	4,872,422	5,008,840
2006	33,750	56,501	56,033	28,612	4,509,689	4,684,585
2007	45,234	53,053	57,481	28,273	3,854,182	4,038,223
2008	35,722	58,797	74,246	29,664	3,011,092	3,209,521
Revenues (Thousands of Dollars)						
1997	\$31	-	\$63	\$28	\$1,155	\$1,278
1998	\$28	-	\$32	\$24	\$950	\$1,033
1999	\$150	-	\$51	\$26	\$938	\$1,165
2000	\$40	-	\$161	\$34	\$1,156	\$1,390
2001	\$33	-	\$119	\$32	\$1,114	\$1,298
2002	\$37	-	\$79	\$34	\$3,592	\$3,742
2003	\$45	-	\$91	\$40	\$6,508	\$6,685
2004	\$57	-	\$123	\$54	\$8,296	\$8,529
2005	\$87	-	\$163	\$72	\$10,801	\$11,123
2006	\$104	\$33	\$154	\$84	\$11,943	\$12,318
2007	\$127	\$102	\$184	\$95	\$11,395	\$11,903
2008	\$162	\$78	\$343	\$132	\$12,110	\$12,825

Revenues include principal and interest from revisions and settlements in the year received.

Table II.4 Recent Royalty Gas Production and Revenues

COOK INLET												
	Beluga River Unit	Cannery Loop Unit	South Granite Point Unit	Granite Point Field	Ivan River Unit	Kenai Unit	Lewis River Unit	Nicolai Creek Unit	Kasilof Unit	North Middle Ground Shoal Unit	North Cook Inlet Unit	Pretty Creek Unit
Production (Thousand Cubic Feet)												
1997	2,628,297	186,477	-	141,763	935,228	140,655	7,057	-	-	17,965	6,490,318	53,928
1998	2,508,785	163,775	1,127	162,690	800,046	111,751	11,959	-	-	131,092	6,665,243	61,640
1999	2,704,980	167,759	28,102	67,573	631,597	111,459	29,916	-	-	246,030	6,372,036	3,982
2000	2,913,658	236,492	55,787	73,754	461,437	149,187	16,232	-	-	72,167	6,548,758	-
2001	3,143,083	318,033	5,491	59,671	667,307	234,786	26,852	32,297	-	52,739	6,732,002	11,471
2002	3,313,302	286,118	3,859	34,936	756,028	233,375	111,535	28,957	-	14,404	6,537,260	193,370
2003	4,236,014	395,810	2,042	10,580	432,649	321,372	71,284	9,601	-	11,688	5,773,799	60,292
2004	4,339,085	745,310	169	15,573	289,865	191,573	45,255	29,235	-	-	5,012,401	93,122
2005	4,206,401	767,320	-	5,717	206,552	170,820	39,710	5,369	-	-	5,457,333	57,945
2006	4,167,893	593,894	-	4,374	191,634	136,643	5,227	15,193	107,898	-	4,566,013	1,311
2007	3,573,844	455,194	-	753	157,080	105,502	-	17,367	217,101	-	3,457,438	8,643
2008	3,181,489	323,424	-	-	80,285	40,391	28,718	7,102	63,813	-	2,776,690	3,737
Revenues (Thousands of Dollars)												
1997	\$4,598	\$325	-	\$192	\$1,319	\$249	\$10	-	-	\$24	\$12,054	\$76
1998	\$4,265	\$232	\$1	\$221	\$1,071	\$157	\$16	-	-	\$160	\$8,874	\$82
1999	\$3,783	\$272	\$30	\$82	\$758	\$294	\$36	-	-	\$301	\$8,914	\$5
2000	\$4,657	\$483	\$58	\$215	\$5,339	\$298	\$508	-	-	\$808	\$14,058	\$678
2001	\$6,947	\$1,216	\$6	\$82	\$933	\$476	\$38	\$62	-	\$89	\$14,301	\$18
2002	\$7,586	\$748	\$4	\$50	\$1,057	\$454	\$160	\$18	-	\$21	\$12,562	\$276
2003	\$9,479	\$836	\$6	\$179	\$2,904	\$701	\$335	\$17	-	\$60	\$12,159	\$379
2004	\$11,706	\$1,984	\$1	\$44	\$814	\$460	\$126	\$38	-	-	\$11,600	\$263
2005	\$15,257	\$2,837	<1	\$20	\$742	\$534	\$139	\$35	-	-	\$14,987	\$196
2006	\$15,275	\$3,139	-	\$19	\$1,171	\$502	\$18	\$60	\$463	-	\$14,546	\$13
2007	\$14,892	\$1,991	-	\$4	\$1,249	\$467	-	\$105	\$877	-	\$8,601	\$158
2008	\$14,263	\$1,609	-	-\$0	\$618	\$197	\$221	\$42	\$129	-	\$13,564	\$29

	Spark Platform	Sterling Unit	North Trading Bay Unit	Stump Lake Unit	Trading Bay Field	Trading Bay Unit	Redoubt Unit	Ninilchik Unit	West McArthur River Unit	Deep Creek Unit	Three Mile Creek Unit	TOTAL Cook Inlet	TOTAL State
Production													
1997	62,872	81	-	30,942	19,031	6,982,452	-	-	-	-	-	17,697,067	19,186,494
1998	85,882	4	-	18,332	-	7,841,950	-	-	-	-	-	18,564,277	19,886,001
1999	28,044	15	-	11,978	-	7,333,019	-	-	-	-	-	17,736,489	19,104,019
2000	-	4,384	18,632	6,839	-	6,802,700	-	-	-	-	-	17,360,027	18,616,938
2001	-	8,820	-	56	-	6,509,275	-	-	-	-	-	17,801,883	19,301,889
2002	-	11,655	-	-	-	5,198,621	-	-	2,655	-	-	16,726,074	20,581,934
2003	-	7,195	11,954	69	-	4,016,601	12,954	287,241	19,673	-	-	15,680,818	21,394,599
2004	-	6,921	2,130	-	-	3,360,804	-	1,094,310	22,119	4,191	-	15,252,063	20,648,530
2005	-	60,491	50,616	-	-	3,155,258	5,299	1,225,767	38,432	54,600	48,533	15,556,163	20,565,004
2006	-	71,748	210	-	-	2,500,006	29,082	1,701,051	58,436	48,568	67,010	14,266,190	18,950,775
2007	-	56,191	92	-	-	2,116,402	5,664	1,877,107	34,700	42,572	33,253	12,158,901	16,197,125
2008	-	41,873	-	-	-	2,112,878	1,600	1,841,946	15,785	34,557	28,275	10,582,563	13,792,084
Revenues													
1997	\$94	\$0	-	-	\$23	\$10,148	-	-	-	-	-	29,112	\$30,390
1998	\$118	\$8	-	\$0	-	\$10,769	-	-	-	-	-	25,974	\$27,007
1999	\$32	\$0	-	\$13	-	\$8,918	-	-	-	-	-	23,436	\$24,601
2000	-	\$7	\$26	\$1,254	\$2	\$10,743	-	-	-	-	-	39,134	\$40,524
2001	-	\$16	\$6	\$0	-	\$12,636	-	-	-	-	-	36,826	\$38,124
2002	-	\$26	-	-	-	\$9,632	-	-	-	-	-	32,595	\$36,337
2003	-	\$16	\$28	\$5	-	\$14,806	\$16	\$681	-	-	-	42,606	\$49,290
2004	-	\$19	\$5	-	-	\$9,042	-	\$3,165	\$90	\$17	-	39,373	\$47,903
2005	-	\$209	\$161	-	-	\$10,787	\$19	\$4,302	\$117	\$235	\$143	50,721	\$61,844
2006	-	\$337	\$4	-	-	\$10,761	\$128	\$8,014	\$247	\$240	\$221	55,157	\$67,475
2007	-	\$304	\$0	-	-	\$10,808	\$31	\$10,833	\$188	\$313	\$233	51,055	\$62,958
2008	-	-\$288	-	-	-	\$12,105	\$9	\$8,528	\$144	\$211	\$113	51,492	\$64,316

Revenues include principal and interest from revisions and settlements in the year received.

Table II.5 Recent Royalty Gas Production by Lessee

NORTH SLOPE												
Revenue (Thousands of Dollars)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Anadarko	-	-	-	-	-	-	-	-	-	\$7	\$15	\$17
Arco	\$325	\$297	\$344	-	-	-	-	-	-	-	-	-
BP Am Prod. Co	-	-	-	-	-	-	\$3	-	-	-	-	-
BPXA	\$543	\$451	\$540	\$539	\$593	\$3,054	\$5,844	\$7,527	\$9,750	\$10,835	\$9,868	\$11,225
Chevron	\$33	\$7	-	-	<1	<1	<1	<1	-	-	-	-
ConocoPhillips AK	-	-	-	-	-	\$446	\$538	\$643	\$865	\$983	\$1,187	\$1,679
Exxon	\$207	\$183	\$185	-	-	-	-	-	-	-	-	-
ExxonMobil	-	-	-	\$318	\$265	\$242	\$300	\$360	\$508	\$493	\$526	\$704
Forest Oil	-	-	-	-	-	-	-	-	-	-	-	-
Kerr-McGee	-	-	-	-	-	-	-	-	-	-	\$1	\$1
Mobil	\$128	\$80	\$87	-	-	-	-	-	-	-	-	-
NANA	\$23	-	-	-	-	-	-	-	-	-	-	-
Oxy	\$2	\$2	\$2	\$2	-	-	-	-	-	-	-	-
PetroHunt	-	-	-	-	-	-	-	-	-	<1	-	-
Phillips	\$15	\$13	\$7	\$531	\$440	-	-	-	-	-	-	-
Unocal	-	-	-	-	-	-	<1	<1	<1	<1	-	-
North Slope TOTAL	\$1,278	\$1,033	\$1,165	\$1,390	\$1,298	\$3,742	\$6,685	\$8,529	\$11,123	\$12,318	\$11,596	\$13,625
COOK INLET												
Revenue (Thousands of Dollars)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Arco	\$1,411	\$1,262	\$1,170	-	-	-	-	-	-	-	-	-
Aurora Power	-	-	-	-	\$62	\$18	\$17	\$38	\$135	\$222	\$289	\$113
Chevron	\$1,551	\$1,560	\$1,605	\$1,698	\$3,136	\$3,740	\$4,373	\$5,020	\$6,293	\$5,516	\$6,725	\$4,354
ConocoPhillips AK	-	-	-	-	-	\$2,530	\$3,747	\$4,562	\$6,766	\$6,491	\$5,070	\$5,318
ConocoPhillips Co.	-	-	-	-	-	-	\$12,159	\$11,600	\$14,987	\$14,546	\$8,870	\$12,926
Forest Oil	-	-	-	-	-	-	\$16	\$90	\$179	\$433	\$219	\$39
Marathon	\$6,061	\$5,737	\$5,557	\$6,795	\$10,429	\$7,433	\$6,777	\$8,761	\$12,113	\$14,982	\$14,708	\$11,104
ExxonMobil	\$47	\$55	\$22	-\$0	\$4	\$3	\$2	\$0	-	-	-	-
Anchorage M, L & P	-	\$1,443	\$1,008	\$1,082	\$1,416	\$1,316	\$1,358	\$2,022	\$2,198	\$3,268	\$3,251	\$4,398
Pacific Energy AK	-	-	-	-	-	-	-	-	-	-	\$80	\$157
Phillips	\$12,054	\$8,874	\$8,914	\$15,934	\$16,697	\$12,562	-	-	-	-	-	-
Shell	\$1,636	-	-	-	-	-	-	\$103	-	-	-	-
Unocal	\$6,351	\$7,035	\$5,161	\$13,624	\$5,083	\$4,993	\$14,157	\$7,178	\$8,050	\$9,699	\$12,412	\$12,599
Cook Inlet TOTAL	\$29,112	\$25,966	\$23,436	\$39,134	\$36,826	\$32,595	\$42,606	\$39,373	\$50,721	\$55,157	\$51,622	\$51,008

Revenues include principal and interest from revisions and settlements in the year received.

Table II.6 Recent Royalty Gas Revenues by Lessee

NORTH SLOPE

Revenue (Thousands of Dollars)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Anadarko	-	-	-	-	-	-	-	-	-	\$7	\$15	\$17
Arco	\$325	\$297	\$344	-	-	-	-	-	-	-	-	-
BP Am Prod. Co	-	-	-	-	-	-	\$3	-	-	-	-	-
BPXA	\$543	\$451	\$540	\$539	\$593	\$3,054	\$5,844	\$7,527	\$9,750	\$10,835	\$9,868	\$11,225
Chevron	\$33	\$7	-	-	<1	<1	<1	<1	-	-	-	-
ConocoPhillips AK	-	-	-	-	-	\$446	\$538	\$643	\$865	\$983	\$1,187	\$1,679
Exxon	\$207	\$183	\$185	-	-	-	-	-	-	-	-	-
ExxonMobil	-	-	-	\$318	\$265	\$242	\$300	\$360	\$508	\$493	\$526	\$704
Forest Oil	-	-	-	-	-	-	-	-	-	-	-	-
Kerr-McGee	-	-	-	-	-	-	-	-	-	-	\$1	\$1
Mobil	\$128	\$80	\$87	-	-	-	-	-	-	-	-	-
NANA	\$23	-	-	-	-	-	-	-	-	-	-	-
Oxy	\$2	\$2	\$2	\$2	-	-	-	-	-	-	-	-
PetroHunt	-	-	-	-	-	-	-	-	-	<1	-	-
Phillips	\$15	\$13	\$7	\$531	\$440	-	-	-	-	-	-	-
Unocal	-	-	-	-	-	-	<1	<1	<1	<1	-	-
North Slope TOTAL	\$1,278	\$1,033	\$1,165	\$1,390	\$1,298	\$3,742	\$6,685		\$11,123	\$12,318	\$11,596	\$13,625

COOK INLET

Revenue (Thousands of Dollars)												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Arco	\$1,411	\$1,262	\$1,170	-	-	-	-	-	-	-	-	-
Aurora Power	-	-	-	-	\$62	\$18	\$17	\$38	\$135	\$222	\$289	\$113
Chevron	\$1,551	\$1,560	\$1,605	\$1,698	\$3,136	\$3,740	\$4,373	\$5,020	\$6,293	\$5,516	\$6,725	\$4,354
ConocoPhillips AK	-	-	-	-	-	\$2,530	\$3,747	\$4,562	\$6,766	\$6,491	\$5,070	\$5,318
Conoco Phillips Co.	-	-	-	-	-	-	\$12,159	\$11,600	\$14,987	\$14,546	\$8,870	\$12,926
Forest Oil	-	-	-	-	-	-	\$16	\$90	\$179	\$433	\$219	\$39
Marathon	\$6,061	\$5,737	\$5,557	\$6,795	\$10,429	\$7,433	\$6,777	\$8,761	\$12,113	\$14,982	\$14,708	\$11,104
ExxonMobil	\$47	\$55	\$22	-\$0	\$4	\$3	\$2	\$0	-	-	-	-
Anchorage M, L & P	-	\$1,443	\$1,008	\$1,082	\$1,416	\$1,316	\$1,358	\$2,022	\$2,198	\$3,268	\$3,251	\$4,398
Pacific Energy AK	-	-	-	-	-	-	-	-	-	-	\$80	\$157
Phillips	\$12,054	\$8,874	\$8,914	\$15,934	\$16,697	\$12,562	-	-	-	-	-	-
Shell	\$1,636	-	-	-	-	-	-	\$103	-	-	-	-
Unocal	\$6,351	\$7,035	\$5,161	\$13,624	\$5,083	\$4,993	\$14,157	\$7,178	\$8,050	\$9,699	\$12,412	\$12,599
Cook Inlet TOTAL	\$29,112	\$25,966	\$23,436	\$39,134	\$36,826	\$32,595	\$42,606	\$39,373	\$50,721	\$55,157	\$51,622	\$51,008

Revenues include principal and interest from revisions and settlements in the year received.

Table II.7 North Slope Royalty-in-Kind Sales

	Alpetco	Chevron	Total GVEA	Total Williams (Mapco)	Flint Hills Resources, (FHR)	Tesoro	PetroStar	1st Competitive Sale	2nd Competitive Sale	Quasi-Competitive Sale	Total ANS RIK by year
1979	0	0	0	446,996	0	0	0	0	0	0	446,996
1980	12,020,950	882,414	0	5,976,024	0	3,427,388	0	0	0	0	22,306,777
1981	26,046,878	859,928	398,051	8,808,400	0	1,661,385	0	14,046,953	0	0	51,821,595
1982	898,714	0	764,762	9,632,099	0	36,841	0	1,432,108	0	0	12,764,524
1983	0	11,674,998	1,208,406	11,723,755	0	5,793,973	0	0	0	0	30,401,132
1984	0	14,053,279	1,870,505	13,093,397	0	7,531,155	0	0	0	0	36,548,337
1985	0	7,804,392	1,928,544	13,260,754	0	17,218,912	0	0	22,511,409	1,716,754	64,440,765
1986	0	6,934,482	1,881,232	13,168,483	0	23,538,192	52,667	0	4,686,801	1,862,051	52,123,908
1987	0	9,330,563	2,013,539	14,094,537	0	18,404,806	539,575	0	0	0	44,383,020
1988	0	9,315,264	1,981,998	13,814,522	0	18,307,014	590,833	0	0	0	44,009,631
1989	0	8,611,606	1,784,782	12,529,175	0	16,387,093	607,467	0	0	0	39,920,122
1990	0	8,099,292	1,670,494	12,735,412	0	15,368,565	621,220	0	0	0	38,494,983
1991	0	6,290,546	1,670,699	11,183,462	0	15,336,301	618,247	0	0	0	35,099,255
1992	0	0	803,407	6,285,005	0	14,412,460	0	0	0	0	21,500,872
1993	0	0	0	9,086,282	0	9,812,084	0	0	0	0	18,898,367
1994	0	0	0	11,986,495	0	10,452,726	0	0	0	0	22,439,220
1995	0	0	0	12,680,470	0	13,703,946	0	0	0	0	26,384,415
1996	0	0	0	13,027,646	0	14,345,621	0	0	0	0	27,373,267
1997	0	0	0	13,117,503	0	13,021,628	0	0	0	0	26,139,130
1998	0	0	0	16,483,695	0	11,497,629	0	0	0	0	27,981,324
1999	0	0	0	19,070,664	0	0	0	0	0	0	19,070,664
2000	0	0	0	19,290,297	0	0	0	0	0	0	19,290,297
2001	0	0	0	15,187,012	0	0	0	0	0	0	15,187,012
2002	0	0	0	15,509,591	0	0	0	0	0	0	15,509,591
2003	0	0	0	22,749,221	0	0	0	0	0	0	22,749,221
2004	0	0	0	5,582,299	17,639,276	0	0	0	0	0	23,221,574
2005	0	0	0	0	22,803,644	0	0	0	0	0	22,803,644
2006	0	0	0	0	22,186,071	0	0	0	0	0	22,186,071
2007	0	0	0	0	22,779,999	0	0	0	0	0	22,779,999
2008					21,001,166						21,001,166
Cumulative	38,966,543	83,856,765	17,976,419	320,523,196	106,410,155	230,257,719	3,030,009	15,479,061	27,198,210	3,578,805	847,276,881

Figure II.1 ANS Royalty-in-Kind Contract Volumes

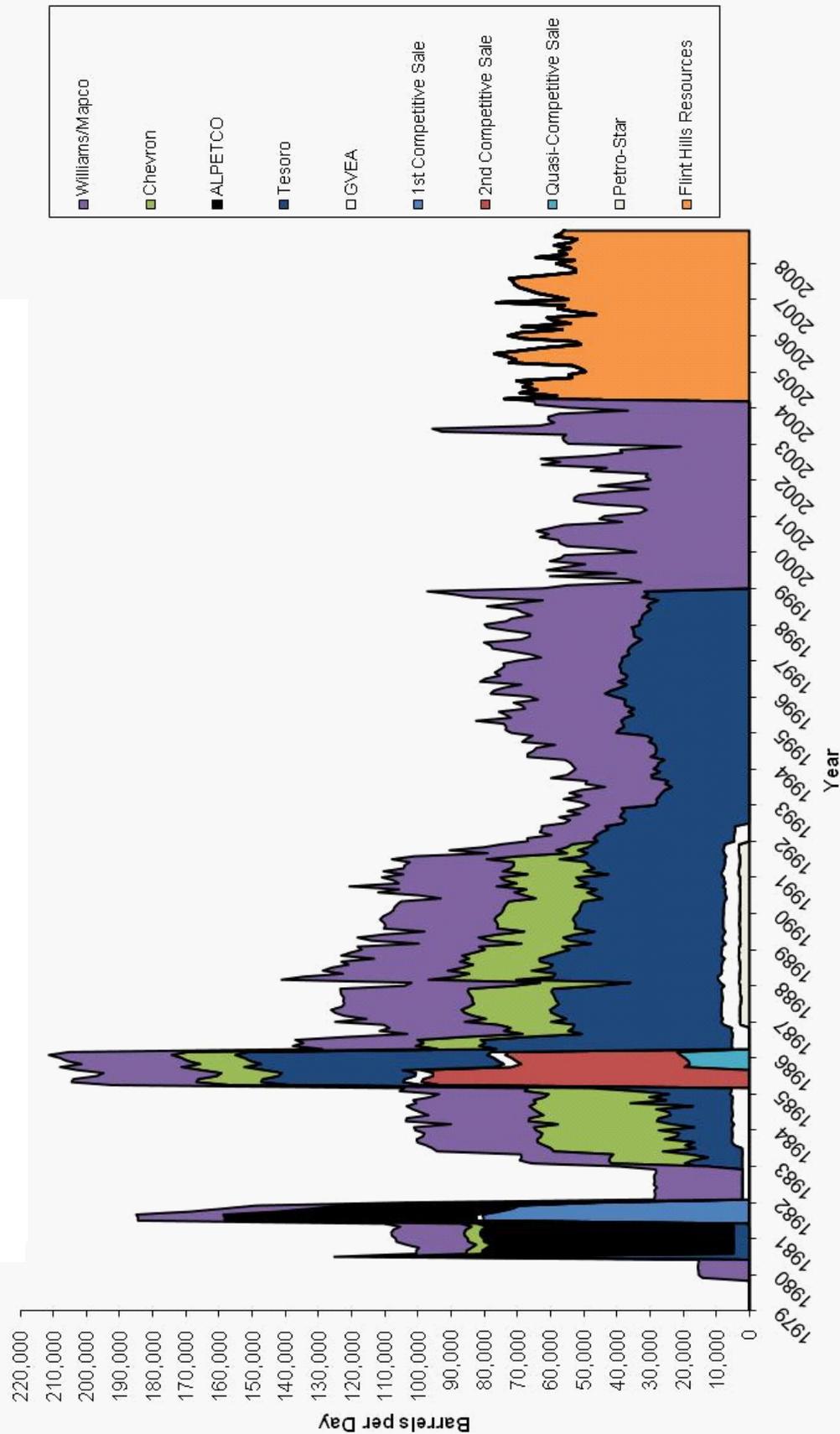


Figure II.2 State of Alaska Royalty Contract Volumes

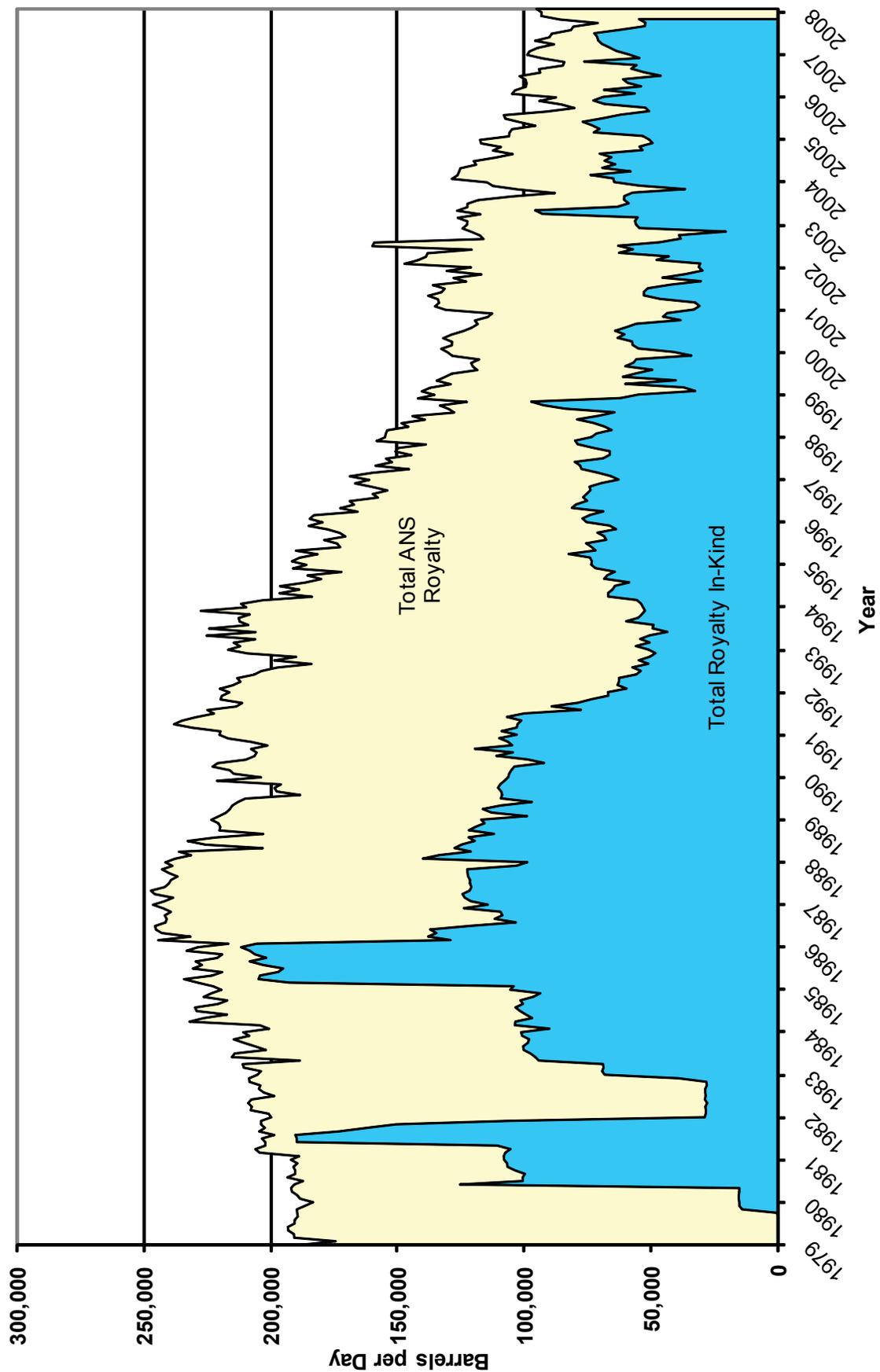


Table II.8 Cook Inlet & Statewide Royalty-in-Kind Sales

	COOK INLET					STATEWIDE		
	Tesoro ¹	Chinese Petroleum ²	Cook Inlet RIK	Cook Inlet RIV	Cook Inlet Total Royalty Volume	ALASKA RIK	ALASKA RIV	ALASKA Total Royalty Volume
1979	4,849,631	-	4,849,631	-	4,849,631	5,296,627	10,584,481	15,881,108
1980	4,094,229	-	4,094,229	-	4,094,229	26,401,006	47,047,583	73,448,589
1981	3,560,736	-	3,560,736	-	3,560,736	55,382,331	17,666,128	73,048,459
1982	3,065,159	-	3,065,159	-	3,065,159	15,829,683	61,136,212	76,965,895
1983	2,719,044	-	2,719,044	-	2,719,044	33,120,176	44,599,235	77,719,411
1984	2,431,987	-	2,431,987	-	2,431,987	38,980,324	39,396,031	78,376,356
1985	1,382,740	-	1,382,740	462,245	1,844,985	65,823,504	17,095,491	82,918,995
1986	-	-	-	1,922,101	1,922,101	52,123,907	32,184,762	84,308,669
1987	-	615,305	615,305	1,113,805	1,729,110	44,998,325	45,013,116	90,011,441
1988	-	799,938	799,938	917,208	1,717,146	44,809,569	44,986,179	89,795,748
1989	-	1,274,479	1,274,479	392,313	1,666,792	41,194,601	41,225,959	82,420,561
1990	-	566,825	566,825	522,456	1,089,282	39,061,808	37,764,947	76,826,755
1991	-	330,540	330,540	1,357,687	1,688,227	35,429,795	43,895,049	79,324,844
1992	-	-	-	1,661,526	1,661,526	21,500,871	54,415,748	75,916,620
1993	-	-	-	1,514,651	1,514,651	18,898,364	50,783,693	69,682,057
1994	-	-	-	1,717,758	1,717,758	22,439,221	52,375,662	74,814,882
1995	-	-	-	1,718,805	1,718,805	26,384,415	45,383,358	71,767,773
1996	-	-	-	1,618,157	1,618,157	27,373,267	41,014,672	68,387,940
1997	-	-	-	1,369,478	1,369,478	26,139,130	36,729,326	62,868,456
1998	-	-	-	1,335,030	1,335,030	27,981,324	29,651,924	57,633,248
1999	-	-	-	1,252,231	1,252,231	19,070,664	32,725,432	51,796,096
2000	-	-	-	1,248,564	1,248,564	19,290,298	29,098,368	48,388,666
2001	-	-	-	1,273,518	1,273,518	15,187,012	31,480,769	46,667,780
2002	-	-	-	1,320,281	1,320,281	15,509,592	33,607,528	49,117,120
2003	-	-	-	1,127,749	1,127,749	22,749,221	26,464,082	49,213,303
2004	-	-	-	920,535	920,535	23,221,574	23,180,685	46,402,259
2005	-	-	-	779,749	779,749	22,803,644	20,332,163	43,135,806
2006	-	-	-	669,212	669,212	22,186,071	13,938,500	36,124,570
2007	-	-	-	551,302	551,302	22,779,999	12,719,397	35,499,396
2008	-	-	-	454,367	454,367	21,001,166	12,260,768	33,261,934
	22,103,526	3,587,088	25,690,614	27,220,729	52,911,342	872,967,491	1,028,757,247	1,901,724,738

Figure II.2A Composition of Total North Slope Royalty Dispositions 1979-2008

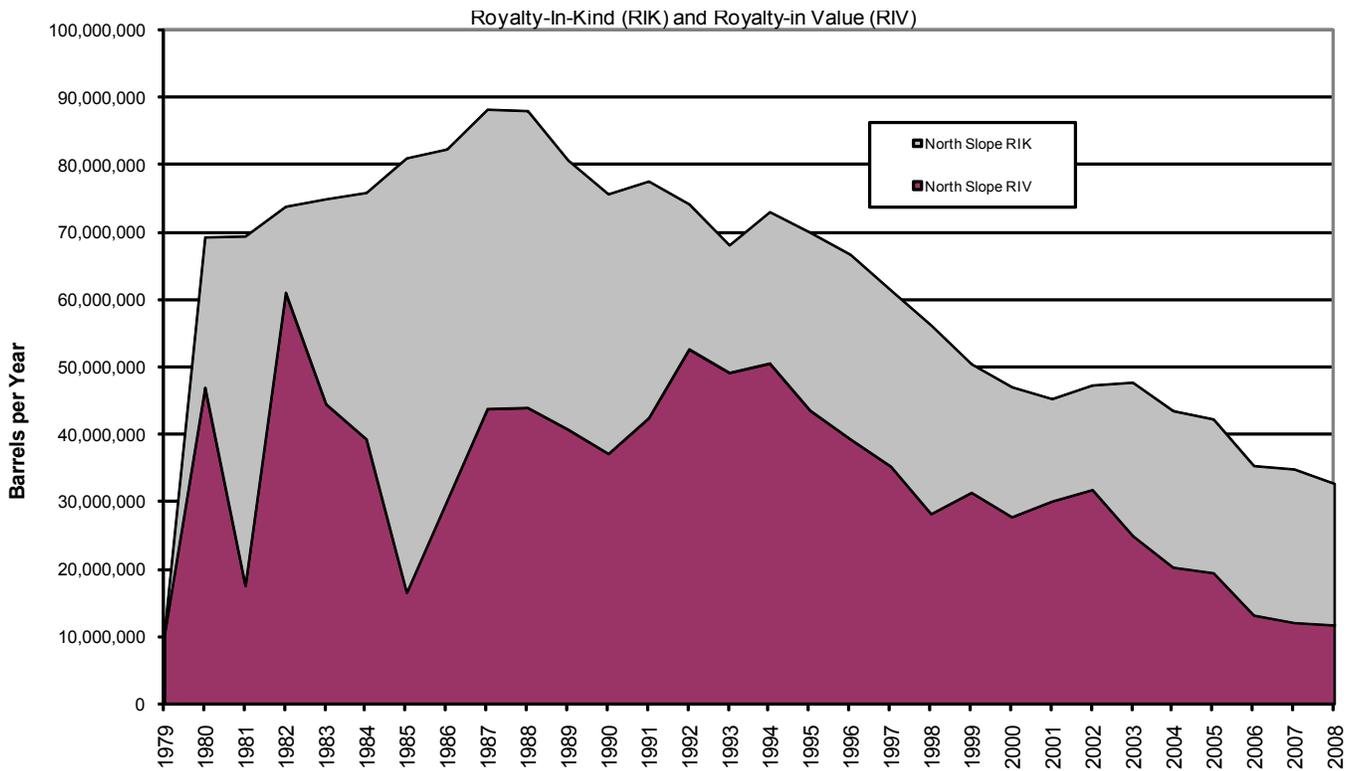


Figure II.2B Composition of Total Cook Inlet Royalty Dispositions 1979-2008

