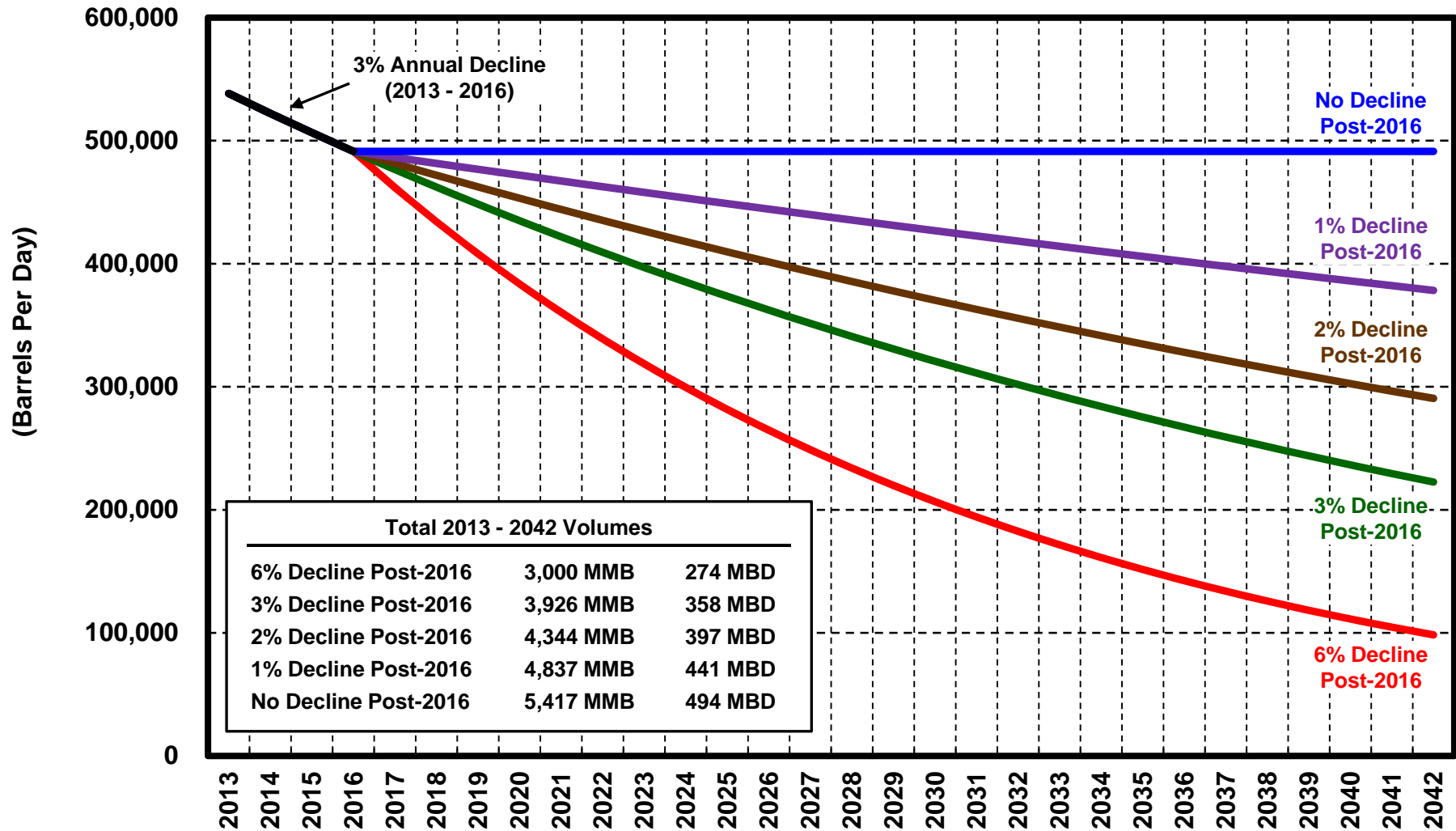

Additional Comments on HCS CS SB21 (RES)

**Barry Pulliam
Managing Director
Econ One Research, Inc.**

April 9, 2013

North Slope Production Scenarios 2013 - 2042

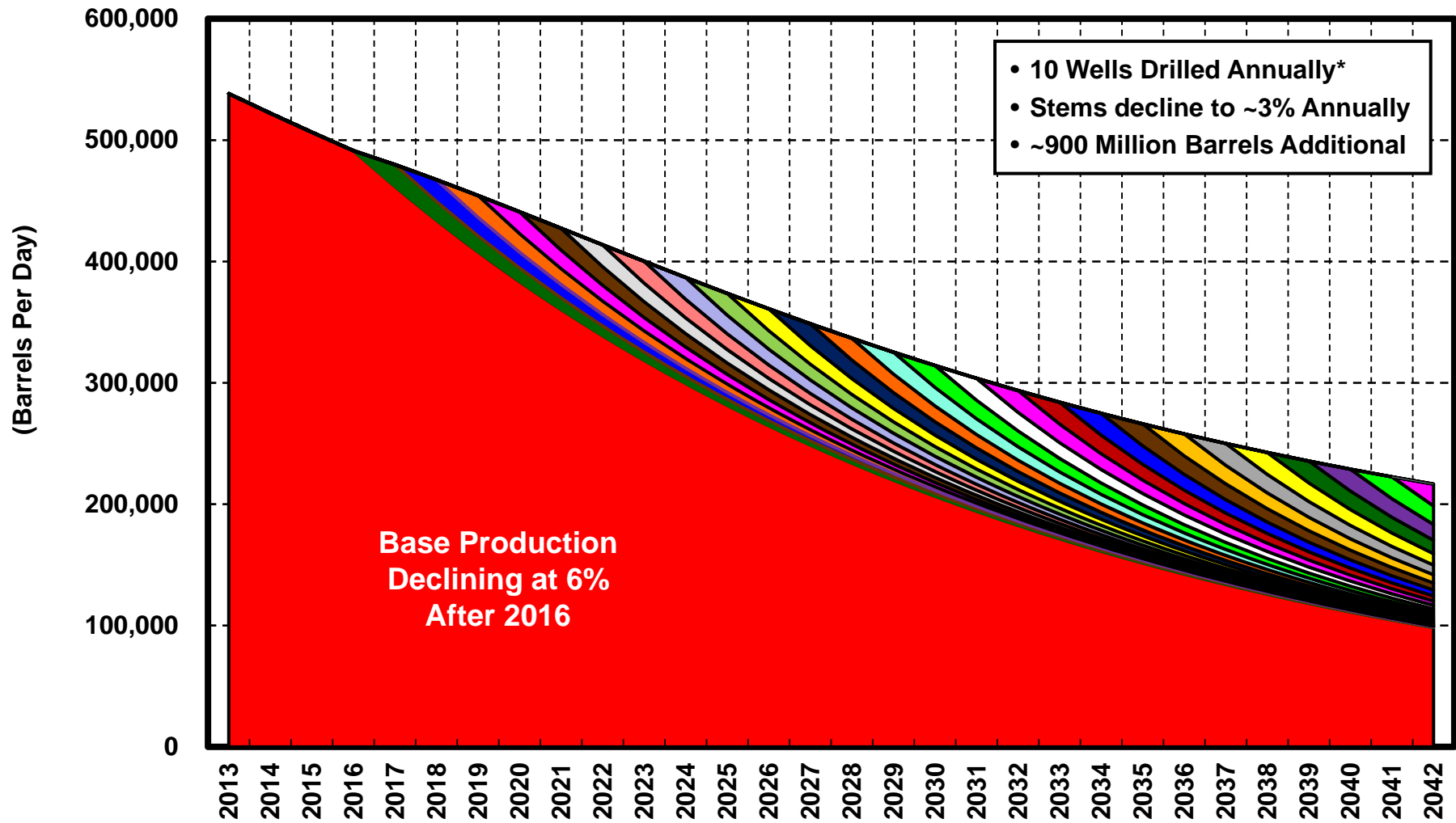


Note: These are intended to illustrate potential production scenarios. They are not a forecast of actual production.

Impact of New Drilling* on Production

10 New Wells Drilled Annually

2013 - 2042



- 10 Wells Drilled Annually*
- Stems decline to ~3% Annually
- ~900 Million Barrels Additional

Base Production
Declining at 6%
After 2016

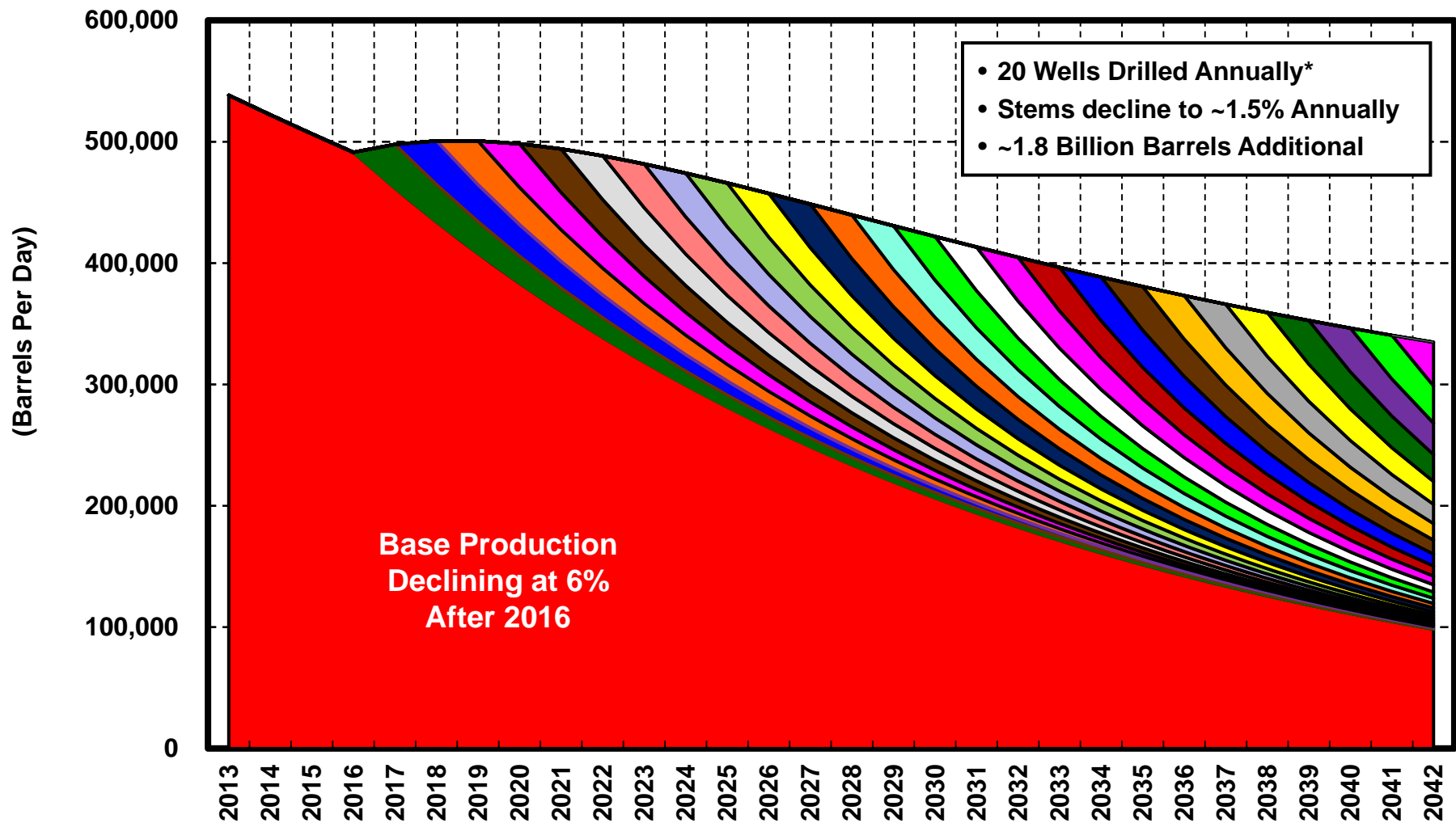
New field development: 1,800 BPD Initial Rate, 15% Decline Rate.

Note: This is intended to illustrate potential production scenarios. It is not a forecast of actual production.

Impact of New Drilling* on Production

20 New Wells Drilled Annually

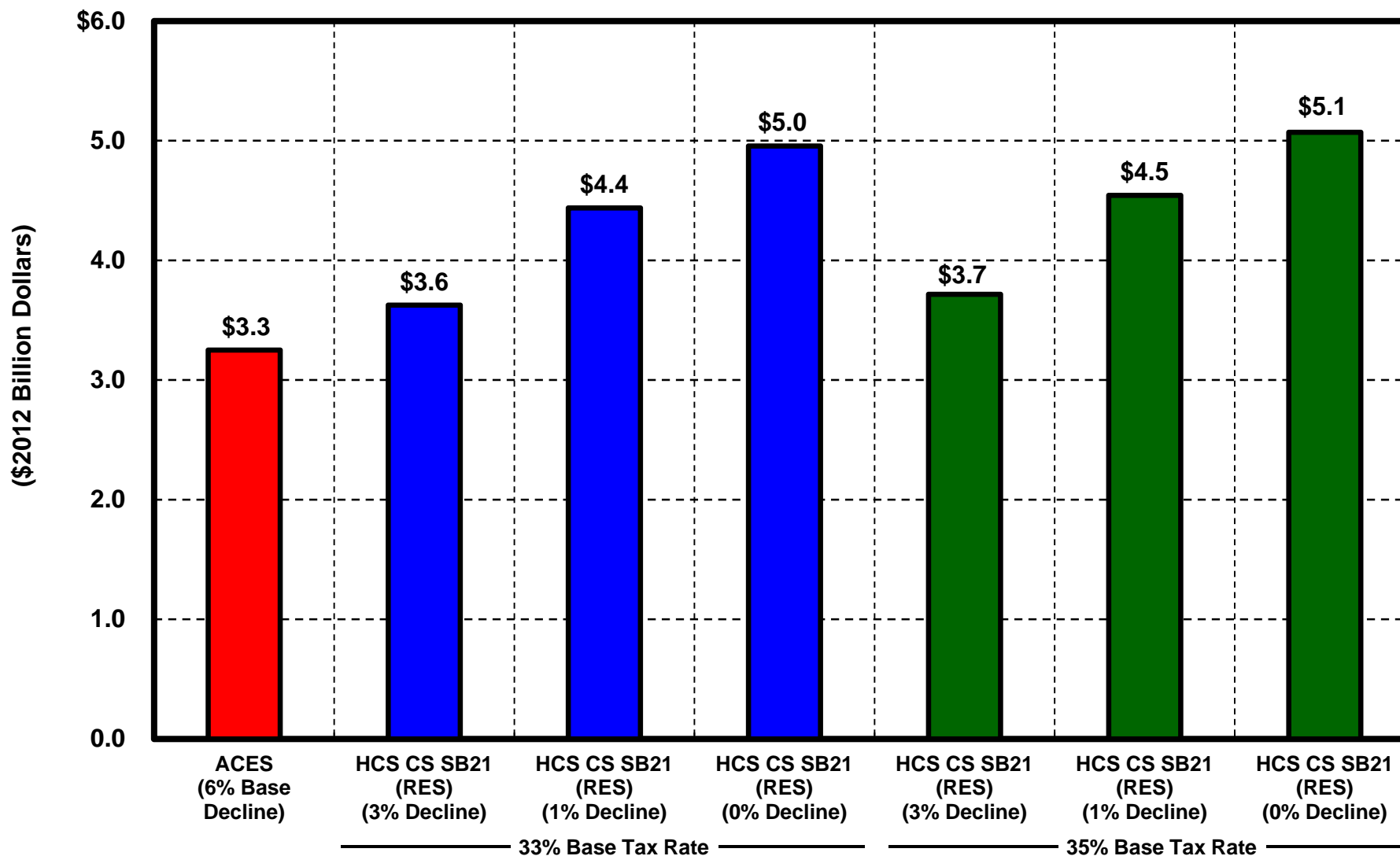
2013 - 2042



New field development: 1,800 BPD Initial Rate, 15% Decline Rate.

Note: This is intended to illustrate potential production scenarios. It is not a forecast of actual production.

**Estimated Average 2013 - 2042 State Oil Revenues (\$2012 Billion Dollars)
 Under Potential Production and Tax Scenarios
 ACES v. HCS CS SB21 (RES)
 \$100 West Coast ANS (\$2012)**



**Estimated Average 2013 - 2042 State Oil Revenues (\$2012 Billion Dollars)
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