



Hilcorp

Integrity • Urgency • Ownership • Alignment • Innovation



The Past

ENERGY WATCH

Stable CAUTION ALERT

YOU CAN HELP IN A NATURAL GAS EMERGENCY. HERE'S HOW.

If a gas delivery problem develops, emergency managers might issue an alert using this Energy Watch chart.

Organizations throughout the Railbelt are making plans to deal with a potential natural gas shortfall this winter. While it's not considered likely, all agree that it is important to be prepared. Nobody wants to be caught unprepared on a cold, dark winter evening. That's why the electric utilities in the Railbelt, ENSTAR, the Municipality of Anchorage, and the Kenai Peninsula and Mat-Su boroughs have been working together on a collective approach to the situation.

Energy Disruption Customer Action Plan		CUSTOMER ACTION
CONDITION	MEANING	
Green	Stable	Use energy wisely; be conservation minded Your utilities can provide tips on saving energy Set thermostat to 65 degrees in living areas, and 40 in the garage
Yellow	Caution	Lower water heater setting to "warm" or "vacation" Minimize usage of natural gas range Postpone doing laundry and dishes Turn off unnecessary lights and electronics
Red	Alert	Set thermostat at 60 degrees in living areas (55 if away) Turn water heater gas valve to "pilot" Do not use natural gas fireplaces, decorative heaters or gas grills Consolidate household activities into as few rooms as possible

**EVERY LITTLE BIT COUNTS.
TOGETHER WE CAN MAKE A DIFFERENCE.**

Warning for Alaska over gas shortage

SOUTH-central Alaska is in danger of running out of natural gas by 2015 if new reserves are not discovered, according to an assessment by Petrotechnical Resources of Alaska.

Southcentral Alaska residents warn of potential shortage of natural gas

The Associated Press Sep 23, 2010 (0)

Gas shortage stirs pols

Governor, mayor, senator seek energy security as CI natural gas runs low

Utilities plan for gas shortage



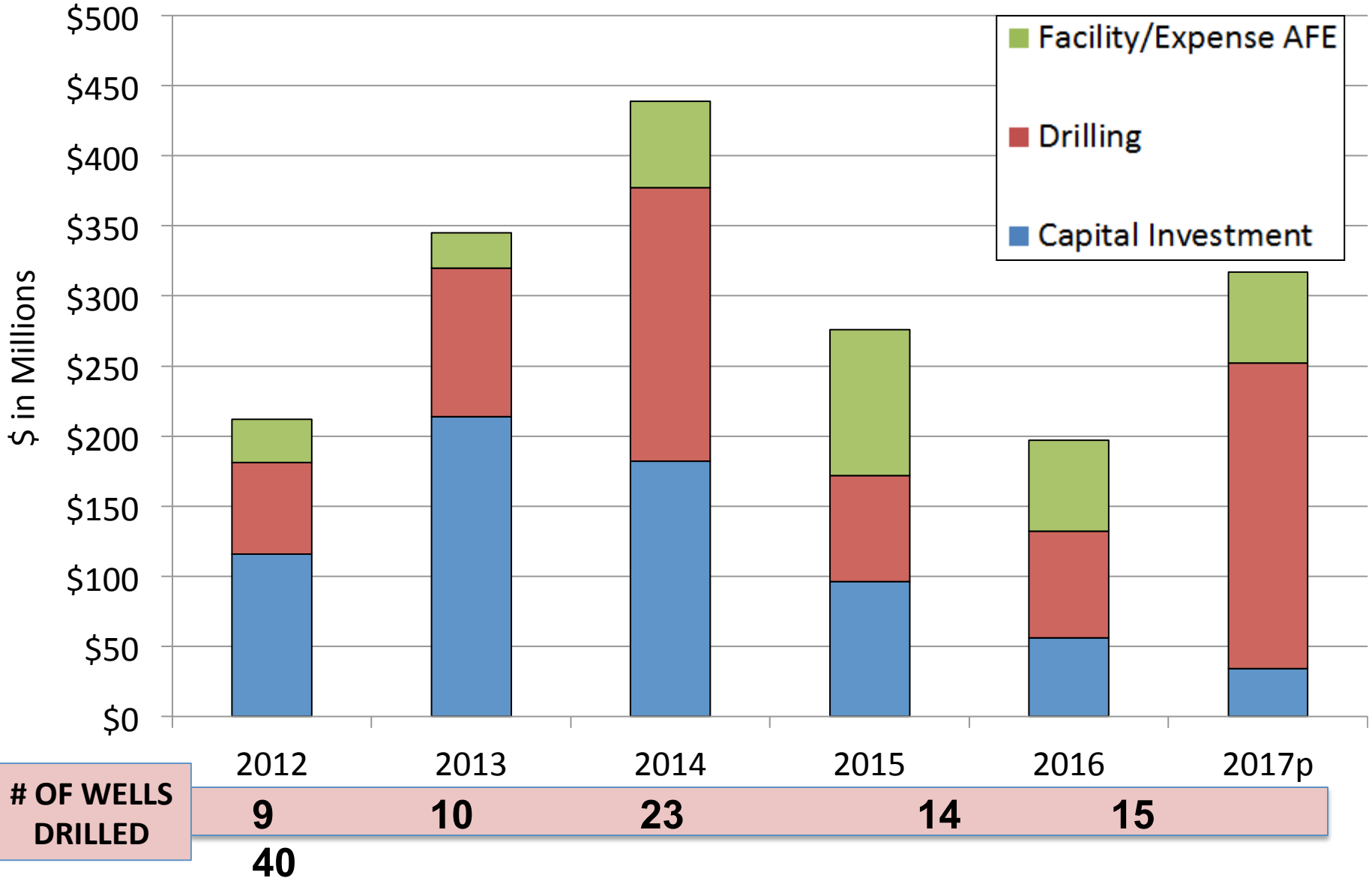
The Present

- No Gas Shortages
- No Supply Interruption
- Gas contracts into the next decade
- Collective partnership with local utilities supports long-term planning
- Providing energy to more Alaskans





Drilling and Investment





Alaska is Important to Hilcorp

\$1.8 Billion - Acquisitions

\$1.3 Billion - Investments

\$1.4 Billion - Operating Cost

\$4.5 Billion Spend in Alaska since 2012



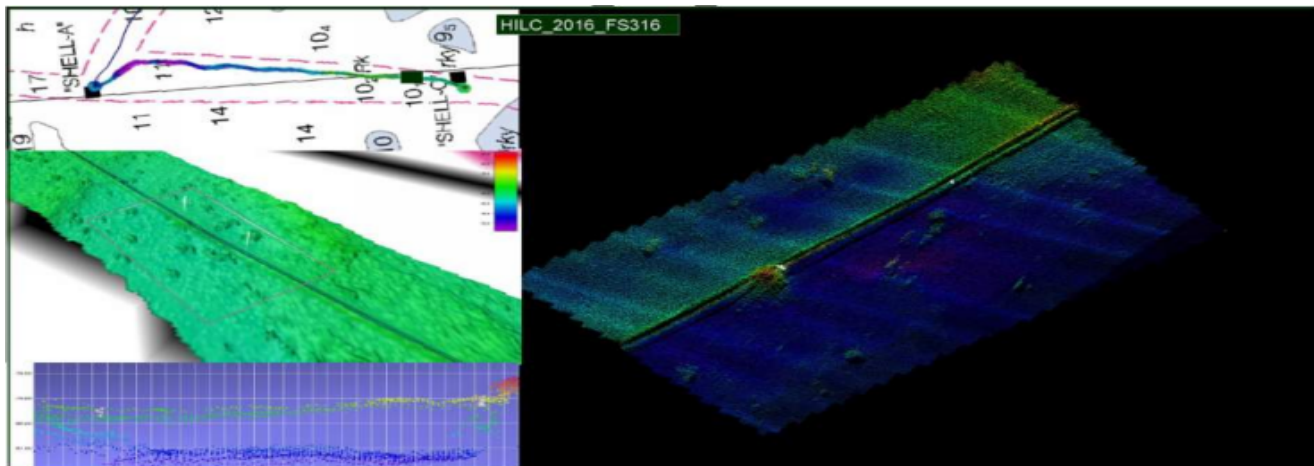
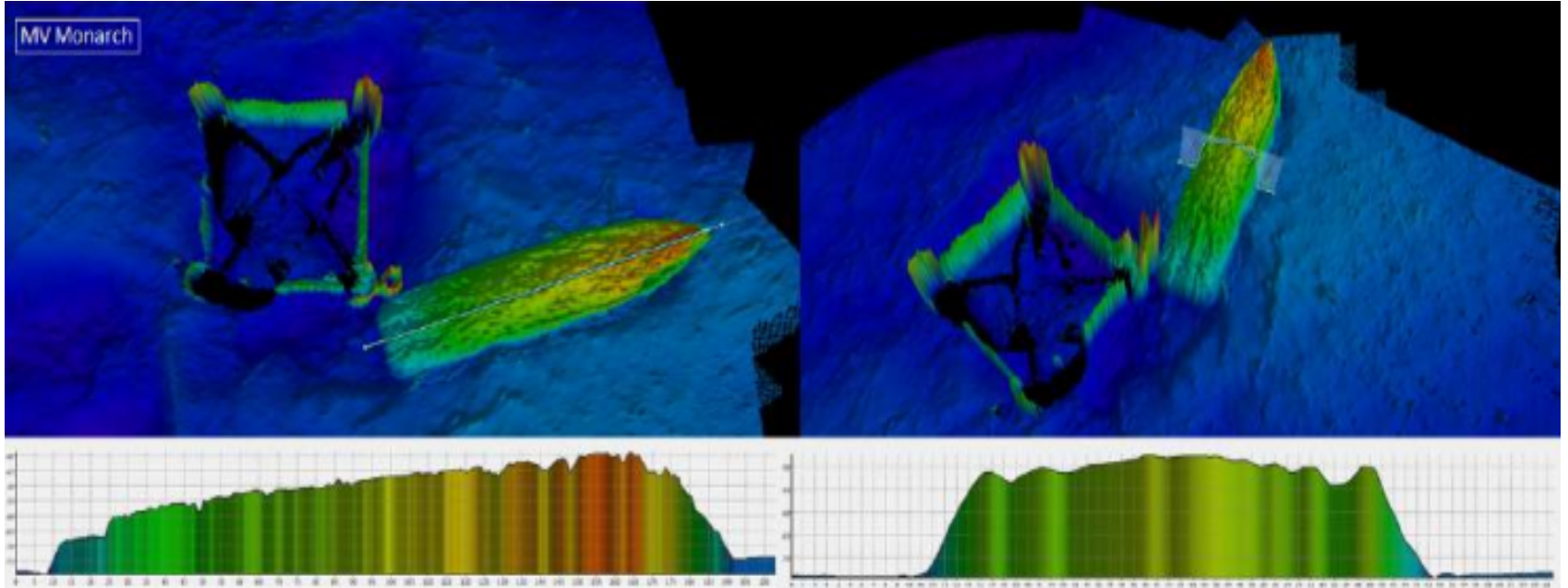
Integrity & Maintenance

- New Technology
 - Drones
 - Inertial mapping
 - Inline inspection tools
- Risk Based Process Safety program for NS and Cook Inlet
- Performing sonar multi-beam survey of all Cook Inlet subsea pipelines
- Performing Fire & Gas upgrades at North Slope and Cook Inlet facilities
- Robust Inline Inspection (ILI) Program





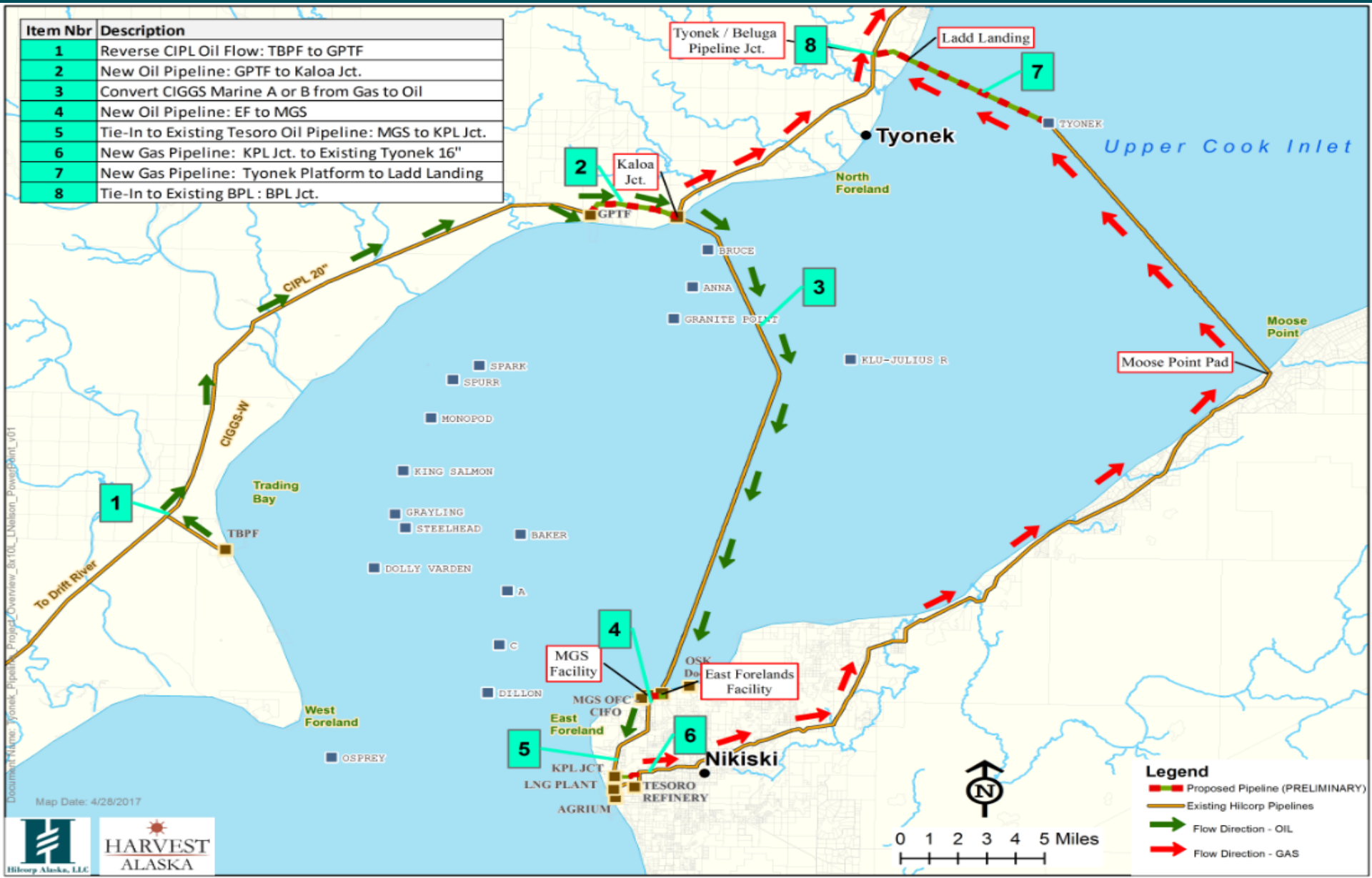
Multi-Beam Sonar Surveys





CIPL: X-Inlet Extension

Item Nbr	Description
1	Reverse CIPL Oil Flow: TBPF to GPTF
2	New Oil Pipeline: GPTF to Kaloa Jct.
3	Convert CIGGS Marine A or B from Gas to Oil
4	New Oil Pipeline: EF to MGS
5	Tie-In to Existing Tesoro Oil Pipeline: MGS to KPL Jct.
6	New Gas Pipeline: KPL Jct. to Existing Tyonek 16"
7	New Gas Pipeline: Tyonek Platform to Ladd Landing
8	Tie-In to Existing BPL: BPL Jct.



Document File Name: Tyonek_Pipeline_Project_Overview_Br10C_Libison_PowerPlant_01



Moose Pad



Drilling:

~70 Producers and Injectors
Schrader and Kuparuk

Estimated ultimate recovery:

30MMBO – 50 MMBO

First production:

~Q4 of 2018

Peak 12,000 – 18,000 BOPD



2017 CONSTRUCTION SEASON

Summer

- Continue design and procurement for pipeline and facilities
- “Turn” road and pad in August

2018 CONSTRUCTION SEASON

Winter (from ice road)

- Construct pipeline
- Install on pad VSMs as needed

Spring /Summer

- ~March - May – transport modules to slope
- ~April– September - install facilities on pad during summer months



Moose Pad



**70,000+ BOPD
Peak
Production**

**\$1 Billion+
Investment**

**Modeled after
proven
technology**

**20-30 Years
Field Life**

DRAFT ENVIRONMENTAL IMPACT STATEMENT TO BE ISSUED ~1 MONTH



Swanson River Field

60 Years Strong

