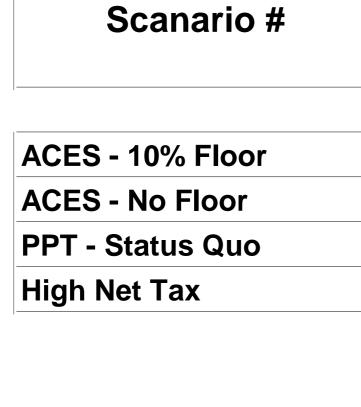
# **ACES PRESERVES NEW FIELD INVESTMENT CLIMATE**

## **Characteristics of the Seven Fields**

	Field A	Field B	Field C	Field D	Field E	Field F	Field G
Legacy Field							
Satellite							
Stand Alone							
Heavy Oil							
Reserves (MMB)	80	60	40	200	100	120	320
Capital (\$ / B)	<b>\$11</b>	<b>\$10</b>	<b>\$11</b>	<b>\$13</b>	\$16	\$8	\$5
Expense (\$ / B)	\$7	<b>\$9</b>	\$8	<b>\$12</b>	\$8	\$5	\$6



#### Scenario #

Low Rate - No Credits Medium Rate Former Tax - No ELF High Rate - Flat Tax Sliding Scale

New Field Tax Analysis - Net Present Value Effects

### **NET PRODUCTION TAX SCENARIOS**

Rate		Drogro	ccivity	Capital	Inductry NDV @ 10% at \$40/bbl real ANS MC (mm\$)							
MatureOtherFieldsFields	Progressivity		Investment	Industry NPV @ 10% at \$40/bbl real ANS WC (mm\$)								
	Trigger	Rate	Credit	Field A	Field B	Field C	Field D	Field E	Field F	Field G		
25.0%	25.0%	\$30	0.0020	20%	10	60	40	40	(540)	210	970	
25.0%	25.0%	\$30	0.0020	20%	120	60	40	40	(260)	210	970	
22.5%	22.5%	\$40	0.0025	20%	180	50	60	10	(180)	220	1,100	
35.0%	22.5%	\$30	0.0030	20%	150	50	50	0	(170)	140	1,100	

### **GROSS PRODUCTION TAX SCENARIOS**

Tax Rate (All Fields)Other Incentive	Other	Progressivity		Capital Investment	Industry NPV @ 10% at \$40/bbl real ANS WC (mm\$)							
	Incentives	Trigger	Rate	Credit	Field A	Field B	Field C	Field D	Field E	Field F	Field G	
13%		\$40	0.0020	None	(30)	(40)	(30)	(450)	(590)	80	740	
16%		\$40	0.0020	20%	30	0	0	(290)	(460)	130	830	
16%		NA	NA	none	(40)	(50)	(30)	(440)	(580)	80	760	
19%		NA	NA	20%	20	(10)	0	(270)	(450)	130	850	
Price / Yrs in Svc	5-Yr Holiday	NA	NA	20%	130	40	40	20	(360)	180	1,100	



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