PRELIMINARY REPORT ON FISCAL DESIGNS FOR THE DEVELOPMENT OF ALASKA NATURAL GAS

BY
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For

State of Alaska
Legislative Budget & Audit Committee

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Appendix 6 (Part 1)

Sensitivity Analysis: Prices, Yields, Costs & Fiscal Terms for Ten Hypothetical Fields

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Sensitivity Analysis:
Prices, Yields, Costs & Fiscal Terms for Ten Hypothetical Fields

The sensitivity of the economic performance and fiscal contributions of each of the ten hypothetical gas fields modelled in this studied is illustrated in this appendix as a series of graphs and tables applying a wide range of production, cost, price, liquid yield and fiscal assumptions modifying the base case values.

This information makes it possible to evaluate the impact of a wide range of economic and fiscal variables applied to the wide range of oil and gas field sizes and types used for this study.

See discussion in **section 4.5** of this report for a more detailed interpretation of the performance sensitivity analysis focused on the large gas field #4.

Base Case Fiscal terms

Case Fiscal Terms Applied for these Sensitivity Runs:	
Royalty Rate (%)	12.50%
Alaska Petroleum Profits Tax (%)	25.00%
Investment Credit (%) of Capex	20.00%
Approximate Alaska CIT Rate (%)	9.40%
Federal Corporate Income Tax Rate (%)	35.00%
Combined Federal + State CIT Rate (%)	41.11%
Oil (CPT) Progressivity Threshold ($/boe)	30.00
Oil (CPT) Progressivity First Rate (%)	0.40%
Oil (CPT) Progressivity Upper Band ($/boe)	92.50
Oil (CPT) Progressivity Second Rate (%)	0.10%

Gas Field #1 (92 million boe produced)

Model Field Number:	1	Base Case Gas Reserves Produced:	490.2 bcf											
Sensitivity Analysis - changing selected input metrics by a factor to analyse field profitability														
Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)	Field # 1	7.5	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil Price ($ / Barrel)		80.0	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Condensate Yield (barrels/mmcf)		20.0	8.0	10.0	12.0	14.0	16.0	18.0	24.0	28.0	30.0	40.0	50.0	60.0
Gas TT&T ($/ mcf)		4.5	1.8	2.3	2.7	3.2	3.6	4.1	5.4	6.3	6.8	9.0	11.3	13.5
Total Capex ($/boe)		9.05	3.62	4.53	5.43	6.34	7.24	8.15	10.86	12.67	13.58	18.10	22.63	27.16
Total Opex ($/boe)		5.97	2.39	2.99	3.58	4.18	4.78	5.38	7.17	8.36	8.96	11.95	14.94	17.92
Production Startup Accelerated (-) or Delayed (+) by Years		4					-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real $ millions:		-45												
		-45												

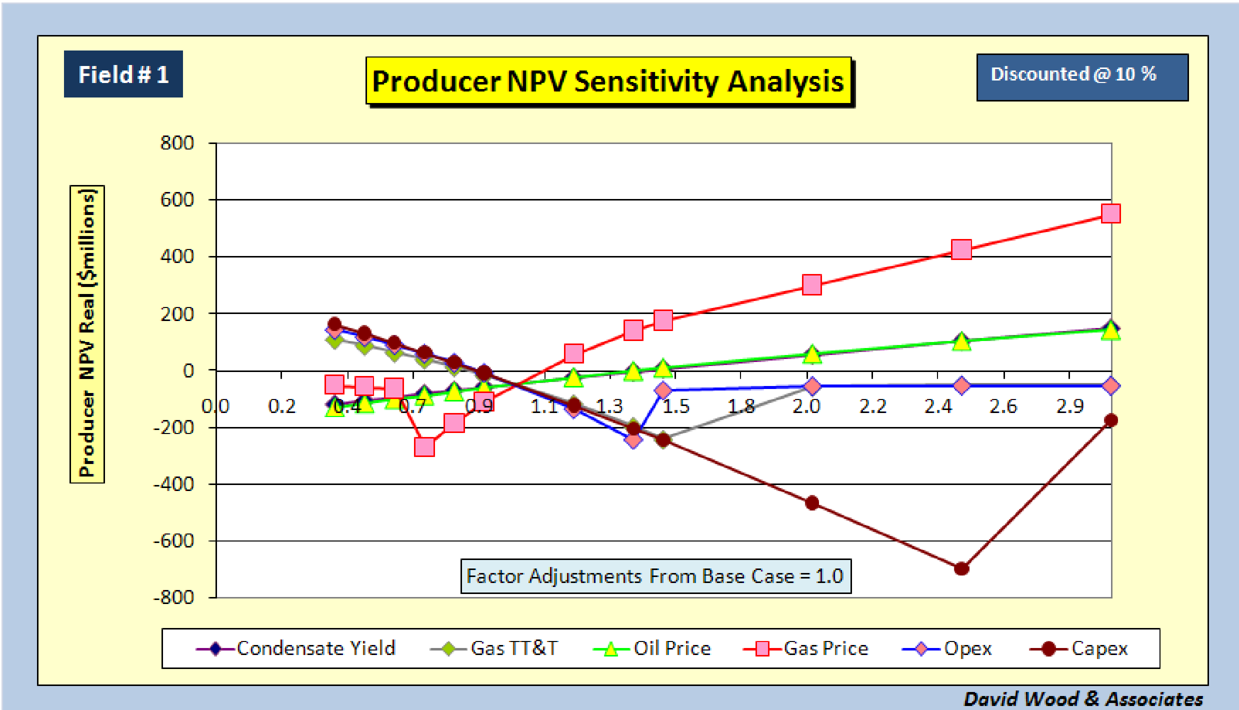
Impacts on Producer NPV (Real) @	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 1)	Producer NPV $ millions:	-45	-51	-56	-62	-268	-184	-110	59	142	177	302	427	552
Oil Price	Producer NPV $ millions:	-45	-127	-113	-98	-85	-71	-57	-21	2	13	63	108	148
Condensate Yield	Producer NPV $ millions:	-45	-117	-105	-92	-80	-68	-56	-22	-1	9	58	106	151
Gas TT&T	Producer NPV $ millions:	-45	112	90	66	41	15	-14	-115	-195	-240	-54	-49	-49
Capex	Producer NPV $ millions:	-45	163	130	98	63	29	-7	-123	-203	-244	-467	-697	-174
Opex	Producer NPV $ millions:	-45	144	118	91	60	28	-7	-134	-241	-69	-54	-52	-52
Production Startup Accelerated (-) or Delayed (+) by Years		-45	Producer NPV $ millions:				80	15	-99	-148	-193			
		-45				Years:	2	3	5	6	7			

Impacts Producer NPV (Real) $/boe	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 1)	Producer NPV $/boe:	-1.4	0.0	0.0	0.0	-8.7	-6.0	-3.6	1.9	4.6	5.8	9.8	13.8	17.9
Oil Price	Producer NPV $/boe:	-1.4	-4.1	-3.7	-3.2	-2.7	-2.3	-1.9	-0.7	0.1	0.4	2.0	3.5	4.8
Condensate Yield	Producer NPV $/boe:	-1.4	-4.1	-3.6	-3.1	-2.7	-2.3	-1.8	-0.7	0.0	0.3	1.7	2.9	4.0
Gas TT&T	Producer NPV $/boe:	-1.4	3.6	2.9	2.1	1.3	0.5	-0.4	-3.7	-6.3	-7.8	0.0	0.0	0.0
Capex	Producer NPV $/boe:	-1.4	5.3	4.2	3.2	2.1	0.9	-0.2	-4.0	-6.6	-7.9	-15.1	-22.6	0.0
Opex	Producer NPV $/boe:	-1.4	4.7	3.8	2.9	1.9	0.9	-0.2	-4.3	-7.8	0.0	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		-1.4	Producer NPV $/boe:				2.0	0.4	-3.7	-6.2	-9.3			
		-1.4				Years:	2	3	5	6	7			

Impacts Producer IRR (Real)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 1)	%	8.6%	0.0%	0.0%	0.0%	0.0%	3.5%	6.3%	12.2%	15.0%	16.2%	20.3%	23.8%	27.2%
Oil Price	%	8.6%	5.6%	6.2%	6.7%	7.2%	7.7%	8.2%	9.5%	10.3%	10.7%	12.4%	13.9%	15.2%
Condensate Yield	%	8.6%	6.0%	6.5%	6.9%	7.4%	7.8%	8.2%	9.4%	10.1%	10.5%	12.2%	13.8%	15.2%
Gas TT&T	%	8.6%	14.0%	13.3%	12.5%	11.6%	10.7%	9.7%	6.1%	3.0%	1.2%	0.0%	0.0%	0.0%
Capex	%	8.6%	21.9%	18.2%	15.4%	13.2%	11.4%	9.9%	6.5%	4.9%	4.3%	1.4%	0.0%	0.0%
Opex	%	8.6%	15.1%	14.2%	13.3%	12.3%	11.2%	10.0%	5.4%	1.2%	0.0%	0.0%	0.0%	0.0%
Production Startup Accelerated (-) or Delayed (+) by Years		8.6%	%				13.9%	10.8%	7.0%	5.6%	4.5%			
		8.6%				Years:	2	3	5	6	7			

Impacts Producer Payback (Real / Discounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 1)	Years	40.00	40.00	40.00	40.00	40.00	40.00	40.00	14.44	11.46	10.67	8.94	8.09	7.46
Oil Price	Years	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	18.92	17.45	14.27	12.47	11.33
Condensate Yield	Years	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	37.63	17.90	14.52	12.60	11.36
Gas TT&T	Years	40.00	12.32	13.07	14.11	15.42	17.27	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Capex	Years	40.00	8.63	9.81	11.25	13.26	15.79	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Opex	Years	40.00	11.42	12.14	13.06	14.40	16.25	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Production Startup Accelerated (-) or Delayed (+) by Years		40.00	Years				12.19	16.92	40.00	40.00	40.00			
		40.00				Years:	2	3	5	6	7			

Impacts Total Destination Value (MOD / Undiscounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 1)	$/boe	69.0	0.0	0.0	0.0	51.9	57.6	63.3	80.5	91.9	97.6	126.2	154.8	183.4
Oil Price	$/boe	69.0	61.9	63.1	64.3	65.5	66.7	67.8	71.4	73.8	75.0	80.9	86.8	92.7
Condensate Yield	$/boe	69.0	66.5	67.0	67.4	67.8	68.2	68.6	69.8	70.5	70.9	72.5	74.0	75.4
Gas TT&T	$/boe	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	0.0	0.0	0.0
Capex	$/boe	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	0.0
Opex	$/boe	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	69.0	0.0	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		69.03	$/boe				67.74	68.38	69.69	70.35	71.03			
		69.03				Years:	2	3	5	6	7			



Field # 1
Producer NPV Sensitivity Analysis
Discounted @ 10 %
Producer NPV Real ($millions)
800
600
400
200
0
-200
-400
-600
-800
0.0
0.2
0.4
0.7
0.9
1.1
1.3
1.5
1.8
2.0
2.2
2.4
2.6
2.9
Factor Adjustments From Base Case = 1.0
Condensate Yield
Gas TT&T
Oil Price
Gas Price
Opex
Capex
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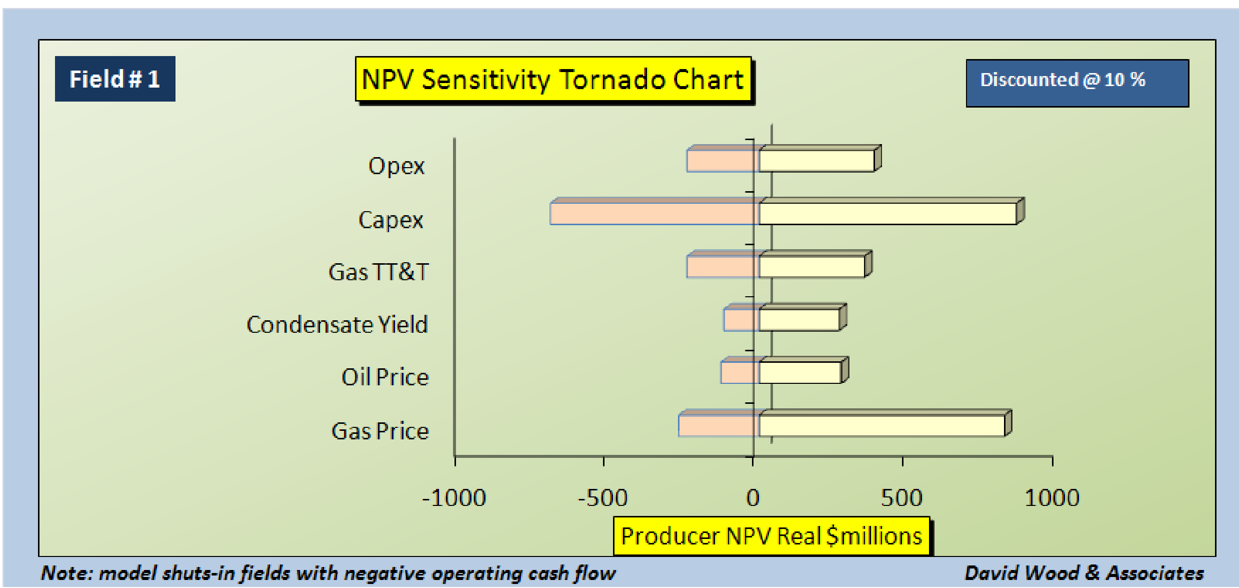

Field # 1
NPV Sensitivity Tornado Chart
Discounted @ 10 %
Opex
Capex
Gas TT&T
Condensate Yield
Oil Price
Gas Price
-1000
-500
0
500
1000
Producer NPV Real $millions
Note: model shuts-in fields with negative operating cash flow
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Gas Field #1

Sensitivity Analysis - changing selected input metrics by a factor to analyse impact of fiscal terms														
Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)		8	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil (C5+) Price ($ / Barrel)		80	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Royalty Rate (%)		12.5%	5.0%	7.5%	9.0%	10.0%	11.0%	12.0%	13.0%	14.0%	15.0%	16.0%	17.5%	20.0%
Basic Petroleum Profits Tax Rate		25.0%	15.0%	17.5%	20.0%	22.0%	23.0%	24.0%	26.0%	27.0%	28.0%	30.0%	32.5%	35.0%
Progressivity Tax (CPT) First Base ($/boe)		30.00	10.00	15.00	20.00	24.00	26.00	28.00	32.00	34.00	36.00	40.00	50.00	60.00
Progressivity Tax (CPT) First Tranche rate (%)		0.40%	0.20%	0.25%	0.30%	0.34%	0.36%	0.38%	0.50%	0.60%	0.70%	1.00%	2.00%	3.00%
Progressivity Tax (CPT) Second Base ($/boe)		92.50	30.00	40.00	50.00	60.00	70.00	80.00	95.00	100.00	110.00	120.00	130.00	150.00
Progressivity Tax (CPT) Second Tranche rate (%)		0.10%	0.02%	0.04%	0.05%	0.07%	0.08%	0.09%	0.15%	0.20%	0.25%	0.30%	0.40%	0.50%
Investment Credit Rate (%)		20.0%	5.0%	10.0%	12.0%	14.0%	16.0%	18.0%	22.0%	24.0%	26.0%	28.0%	30.0%	35.0%
Alaska CIT Rate (%)		9.40%	5.00%	7.00%	7.50%	8.00%	8.50%	9.00%	10.00%	10.50%	11.00%	11.50%	12.00%	15.00%
Sensitivity Case Number (for graphic displays):		0	-6	-5	-4	-3	-2	-1	1	2	3	4	5	6

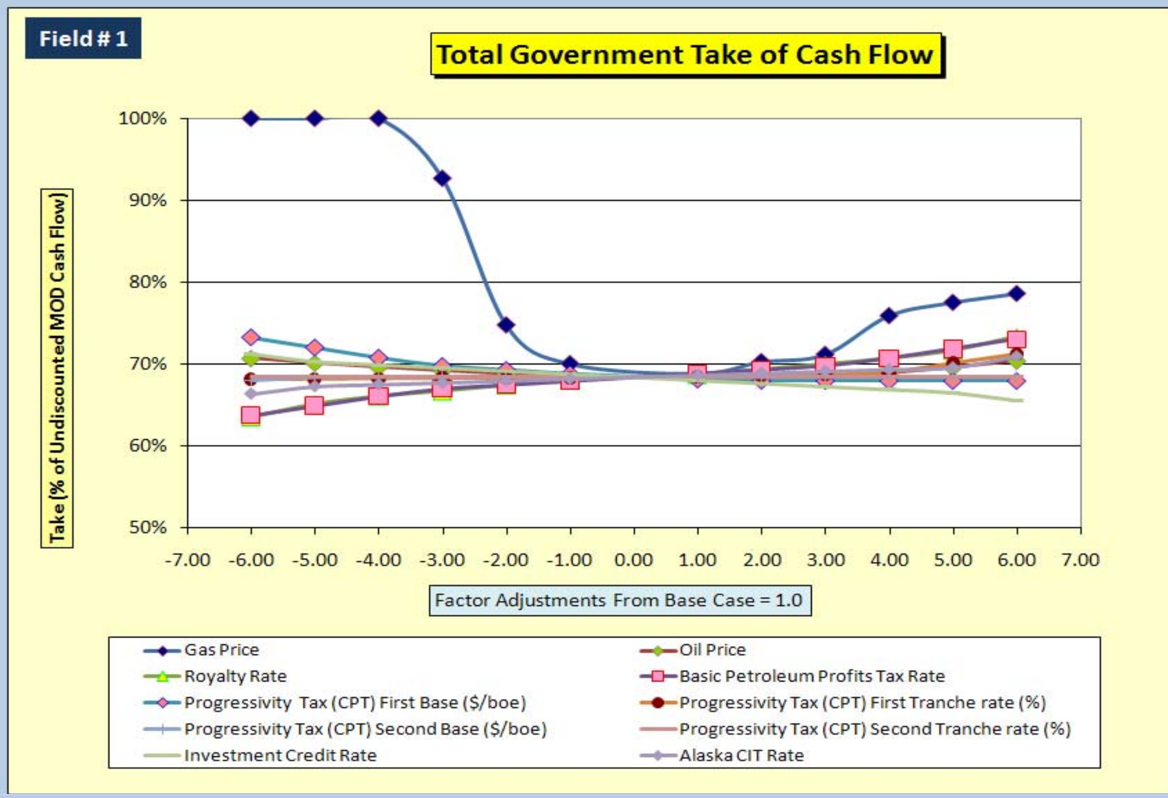
Impacts on Total Gov Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price Field # 1	%	68.4%	100.0%	100.0%	100.0%	92.7%	74.8%	70.1%	68.9%	70.3%	71.2%	75.9%	77.5%	78.6%
Oil Price	%	68.4%	70.7%	70.2%	69.7%	69.2%	68.8%	68.6%	68.3%	68.4%	68.4%	68.9%	69.6%	70.4%
Royalty Rate	%	68.4%	63.6%	65.2%	66.1%	66.8%	67.5%	68.1%	68.7%	69.4%	70.0%	70.7%	71.7%	73.3%
Basic Petroleum Profits Tax Rate	%	68.4%	63.8%	64.9%	66.1%	67.0%	67.5%	68.0%	68.9%	69.3%	69.8%	70.7%	71.9%	73.0%
Progressivity Tax (CPT) First Base ($/boe)	%	68.4%	73.3%	72.1%	70.8%	69.8%	69.3%	68.8%	68.1%	68.0%	68.0%	68.0%	68.0%	68.0%
Progressivity Tax (CPT) First Tranche rate (%)	%	68.4%	68.2%	68.2%	68.3%	68.3%	68.4%	68.4%	68.5%	68.6%	68.7%	69.1%	70.2%	71.3%
Progressivity Tax (CPT) Second Base ($/boe)	%	68.4%	68.1%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%
Progressivity Tax (CPT) Second Tranche rate (%)	%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%	68.4%
Investment Credit Rate	%	68.4%	71.3%	70.3%	69.9%	69.6%	69.2%	68.8%	68.0%	67.6%	67.3%	66.9%	66.5%	65.5%
Alaska CIT Rate	%	68.4%	66.4%	67.3%	67.5%	67.8%	68.0%	68.2%	68.7%	68.9%	69.2%	69.4%	69.6%	71.0%
		68.4%												

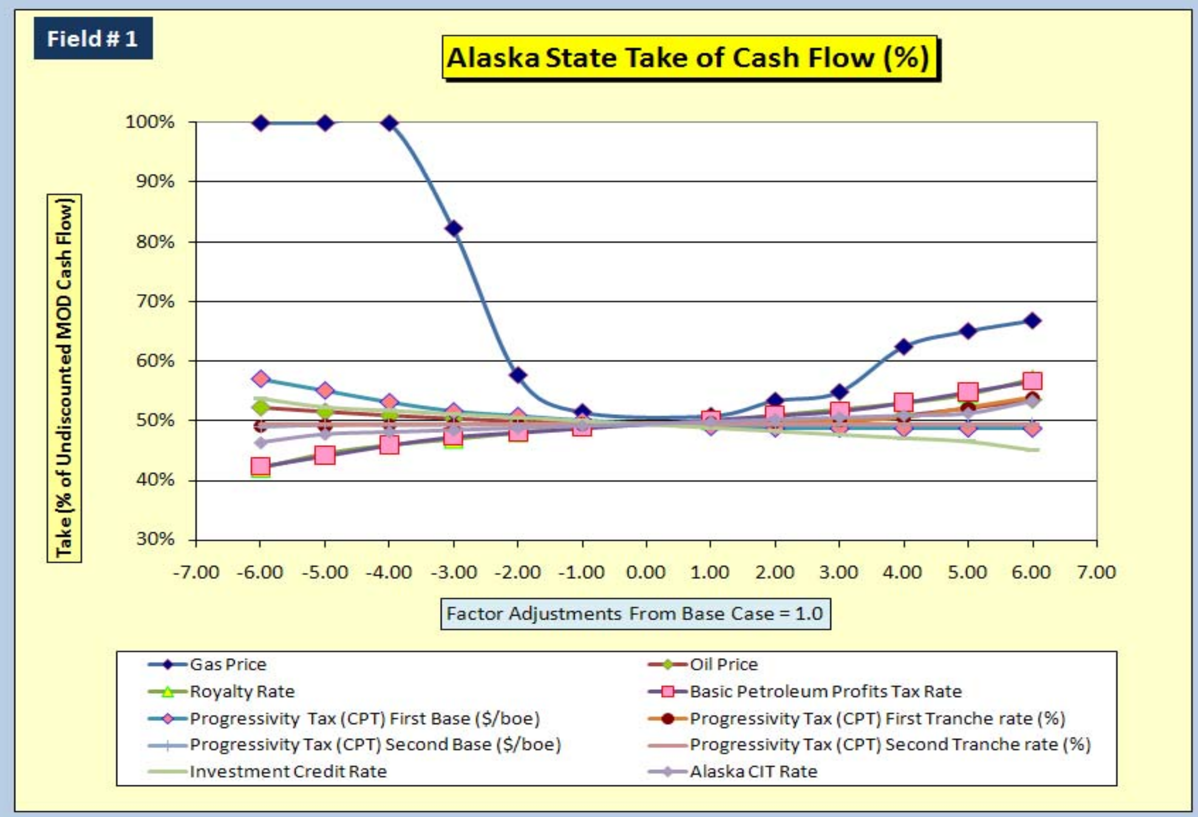
Impacts on Alaska Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price Field # 1	%	49.4%	100.0%	100.0%	100.0%	82.3%	57.6%	51.4%	50.7%	53.3%	54.7%	62.4%	65.0%	66.8%
Oil Price	%	49.4%	52.2%	51.5%	50.9%	50.3%	49.9%	49.5%	49.4%	49.7%	49.8%	50.8%	52.1%	53.5%
Royalty Rate	%	49.4%	42.0%	44.4%	45.9%	46.9%	47.9%	48.9%	49.9%	50.9%	51.9%	53.0%	54.4%	57.0%
Basic Petroleum Profits Tax Rate	%	49.4%	42.3%	44.1%	45.9%	47.3%	48.0%	48.7%	50.1%	50.8%	51.6%	53.0%	54.8%	56.5%
Progressivity Tax (CPT) First Base ($/boe)	%	49.4%	57.0%	55.0%	53.1%	51.6%	50.8%	50.1%	49.0%	48.8%	48.7%	48.7%	48.7%	48.7%
Progressivity Tax (CPT) First Tranche rate (%)	%	49.4%	49.1%	49.2%	49.3%	49.3%	49.4%	49.4%	49.6%	49.8%	49.9%	50.4%	52.1%	53.8%
Progressivity Tax (CPT) Second Base ($/boe)	%	49.4%	48.9%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%
Progressivity Tax (CPT) Second Tranche rate (%)	%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%	49.4%
Investment Credit Rate	%	49.4%	53.8%	52.4%	51.8%	51.2%	50.6%	50.0%	48.8%	48.2%	47.7%	47.1%	46.5%	45.0%
Alaska CIT Rate	%	49.4%	46.3%	47.7%	48.1%	48.4%	48.8%	49.1%	49.8%	50.2%	50.6%	50.9%	51.3%	53.4%
		49.4%												

Impacts on Alaska NPV Real ($/boe)@ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price Field # 1	$/boe	9.38	0.00	0.00	0.00	5.43	6.38	7.74	13.69	18.83	21.68	38.20	54.24	70.32
Oil Price	$/boe	9.38	7.37	7.69	8.01	8.34	8.66	9.00	10.17	11.05	11.47	13.87	16.44	19.24
Royalty Rate	$/boe	9.38	7.79	8.31	8.62	8.83	9.06	9.27	9.48	9.69	9.90	10.14	10.46	11.02
Basic Petroleum Profits Tax Rate	$/boe	9.38	8.40	8.62	8.86	9.06	9.17	9.27	9.48	9.59	9.70	9.92	10.20	10.48
Progressivity Tax (CPT) First Base ($/boe)	$/boe	9.38	10.60	10.28	9.96	9.71	9.59	9.47	9.32	9.29	9.28	9.28	9.28	9.28
Progressivity Tax (CPT) First Tranche rate (%)	$/boe	9.38	9.33	9.34	9.35	9.36	9.37	9.37	9.40	9.43	9.45	9.52	9.76	10.00
Progressivity Tax (CPT) Second Base ($/boe)	$/boe	9.38	9.31	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38
Progressivity Tax (CPT) Second Tranche rate (%)	$/boe	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38	9.38
Investment Credit Rate	$/boe	9.38	10.17	9.89	9.78	9.68	9.57	9.47	9.28	9.19	9.10	9.02	8.93	8.73
Alaska CIT Rate	$/boe	9.38	8.80	9.06	9.13	9.19	9.26	9.33	9.46	9.52	9.59	9.65	9.72	10.12
		9.38												

Impacts on Alaska NPV Real ($ million) @ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price Field # 1	$millions	483	4	4	4	280	329	399	705	970	1117	1968	2795	3623
Oil Price	$millions	483	380	396	413	430	446	464	524	569	591	715	847	991
Royalty Rate	$millions	483	402	428	444	455	467	478	489	499	510	522	539	568
Basic Petroleum Profits Tax Rate	$millions	483	433	444	457	467	472	478	489	494	500	511	526	540
Progressivity Tax (CPT) First Base ($/boe)	$millions	483	546	530	513	501	494	488	480	478	478	478	478	478
Progressivity Tax (CPT) First Tranche rate (%)	$millions	483	481	481	482	482	483	483	484	486	487	491	503	515
Progressivity Tax (CPT) Second Base ($/boe)	$millions	483	480	483	483	483	483	483	483	483	483	483	483	483
Progressivity Tax (CPT) Second Tranche rate (%)	$millions	483	483	483	483	483	483	483	483	483	483	483	483	483
Investment Credit Rate	$millions	483	524	510	504	499	493	488	478	474	469	465	460	450
Alaska CIT Rate	$millions	483	453	467	470	474	477	480	487	491	494	497	501	521
		483												

Impacts on Royalty as % of Alaska Take (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price Field # 1	%	37.2%	0.0%	0.0%	0.0%	37.5%	40.4%	39.1%	32.6%	29.3%	27.9%	22.9%	21.3%	20.3%
Oil Price	%	37.2%	39.7%	39.2%	38.8%	38.5%	38.1%	37.7%	36.2%	35.2%	34.7%	32.5%	30.7%	29.1%
Royalty Rate	%	37.2%	17.2%	24.6%	28.7%	31.3%	33.7%	36.1%	38.3%	40.5%	42.6%	44.6%	47.5%	51.9%
Basic Petroleum Profits Tax Rate	%	37.2%	43.5%	41.7%	40.1%	38.9%	38.3%	37.8%	36.7%	36.2%	35.7%	34.7%	33.6%	32.5%
Progressivity Tax (CPT) First Base ($/boe)	%	37.2%	32.3%	33.4%	34.6%	35.7%	36.2%	36.7%	37.5%	37.7%	37.7%	37.7%	37.7%	37.7%
Progressivity Tax (CPT) First Tranche rate (%)	%	37.2%	37.5%	37.4%	37.3%	37.3%	37.3%	37.2%	37.1%	37.0%	36.8%	36.5%	35.3%	34.2%
Progressivity Tax (CPT) Second Base ($/boe)	%	37.2%	37.6%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%
Progressivity Tax (CPT) Second Tranche rate (%)	%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%	37.2%
Investment Credit Rate	%	37.2%	34.2%	35.1%	35.5%	35.9%	36.4%	36.8%	37.7%	38.1%	38.6%	39.1%	39.6%	40.9%
Alaska CIT Rate	%	37.2%	39.7%	38.5%	38.3%	38.0%	37.7%	37.4%	36.9%	36.6%	36.4%	36.1%	35.9%	34.5%
		37.2%												





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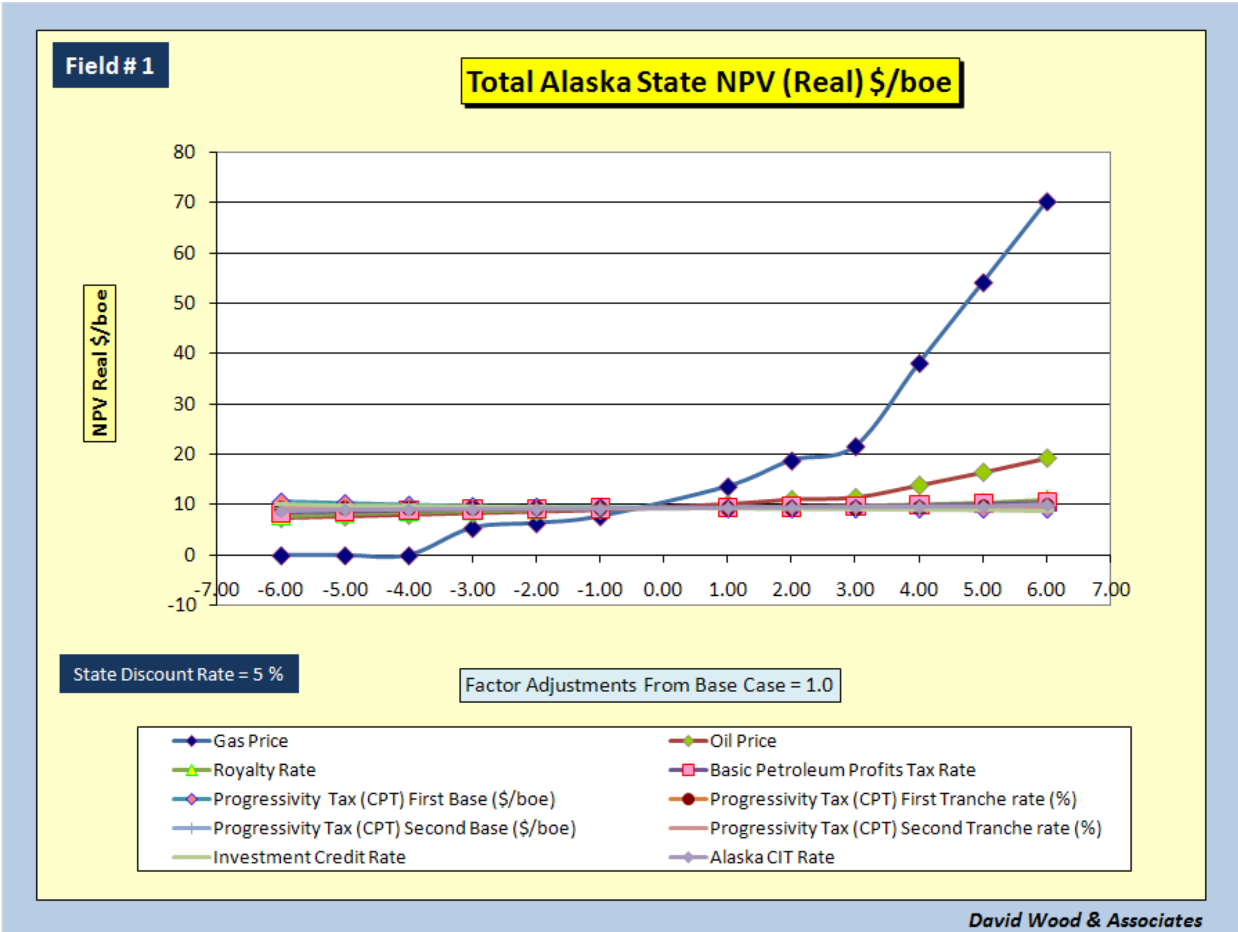
Field # 1
Total Alaska State NPV (Real) $/boe
NPV Real $/boe
80
70
60
50
40
30
20
10
0
-10
-7.00
-6.00
-5.00
-4.00
-3.00
-2.00
-1.00
0.00
1.00
2.00
3.00
4.00
5.00
6.00
7.00
State Discount Rate = 5 %
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
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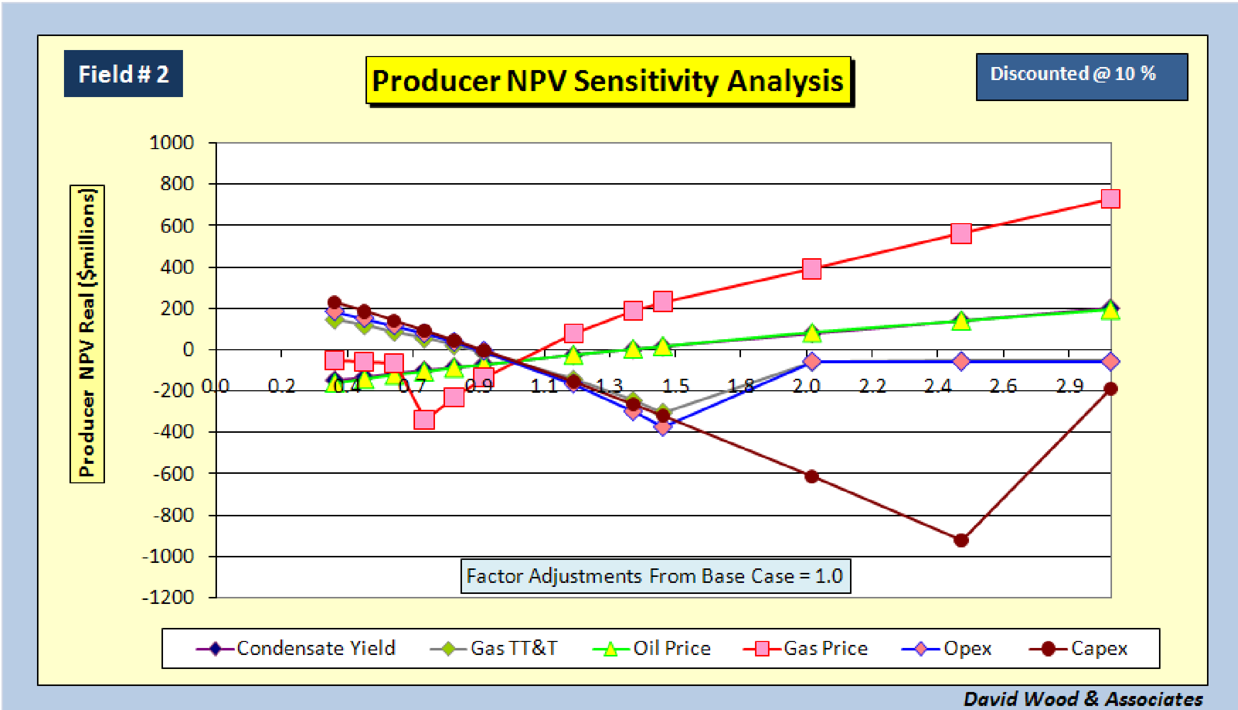
Gas Field #2 (135 million boe produced)

Model Field Number:	2	Base Case Gas Reserves Produced:	715.4 bcf											
Sensitivity Analysis - changing selected input metrics by a factor to analyse field profitability														
Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)	Field # 2	7.5	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil Price ($ / Barrel)		80.0	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Condensate Yield (barrels/mmcf)		20.0	8.0	10.0	12.0	14.0	16.0	18.0	24.0	28.0	30.0	40.0	50.0	60.0
Gas TT&T ($/ mcf)		4.5	1.8	2.3	2.7	3.2	3.6	4.1	5.4	6.3	6.8	9.0	11.3	13.5
Total Capex ($/boe)		8.72	3.49	4.36	5.23	6.11	6.98	7.85	10.47	12.21	13.08	17.44	21.81	26.17
Total Opex ($/boe)		5.16	2.07	2.58	3.10	3.62	4.13	4.65	6.20	7.23	7.75	10.33	12.91	15.49
Production Startup Accelerated (-) or Delayed (+) by Years		5					-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real $ millions:		-51												
		-51												
Impacts on Producer NPV (Real) @	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 2)	Producer NPV $ millions:	-51	-52	-59	-67	-339	-229	-135	82	189	234	393	565	734
Oil Price	Producer NPV $ millions:	-51	-157	-138	-119	-101	-84	-67	-21	8	21	86	144	196
Condensate Yield	Producer NPV $ millions:	-51	-145	-128	-112	-97	-81	-66	-23	5	18	83	146	206
Gas TT&T	Producer NPV $ millions:	-51	150	121	90	58	24	-12	-141	-244	-303	-57	-52	-52
Capex	Producer NPV $ millions:	-51	229	185	140	93	46	-2	-154	-262	-316	-611	-920	-188
Opex	Producer NPV $ millions:	-51	186	153	118	80	39	-4	-163	-296	-371	-56	-55	-56
Production Startup Accelerated (-) or Delayed (+) by Years		-51	Producer NPV $ millions:				122	32	-128	-198	-261			
		-51				Years:	3	4	6	7	8			
Impacts Producer NPV (Real) $/boe	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 2)	Producer NPV $/boe:	-1.2	0.0	0.0	0.0	-8.1	-5.4	-3.2	1.9	4.5	5.6	9.3	13.4	17.4
Oil Price	Producer NPV $/boe:	-1.2	-3.7	-3.3	-2.8	-2.4	-2.0	-1.6	-0.5	0.2	0.5	2.0	3.4	4.6
Condensate Yield	Producer NPV $/boe:	-1.2	-3.7	-3.2	-2.8	-2.4	-2.0	-1.6	-0.5	0.1	0.4	1.8	2.9	4.0
Gas TT&T	Producer NPV $/boe:	-1.2	3.6	2.9	2.1	1.4	0.6	-0.3	-3.4	-5.8	-7.2	0.0	0.0	0.0
Capex	Producer NPV $/boe:	-1.2	5.4	4.4	3.3	2.2	1.1	0.0	-3.7	-6.2	-7.5	-14.5	-21.8	0.0
Opex	Producer NPV $/boe:	-1.2	4.4	3.6	2.8	1.9	0.9	-0.1	-3.9	-7.0	-8.8	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		-1.2	Producer NPV $/boe:				2.2	0.7	-3.5	-6.2	-9.4			
		-1.2				Years:	3	4	6	7	8			
Impacts Producer IRR (Real)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 2)	%	8.9%	0.0%	0.0%	0.0%	0.9%	4.2%	6.8%	12.1%	14.5%	15.5%	18.8%	21.9%	24.7%
Oil Price	%	8.9%	6.2%	6.7%	7.2%	7.6%	8.1%	8.5%	9.6%	10.3%	10.6%	12.2%	13.5%	14.6%
Condensate Yield	%	8.9%	6.5%	6.9%	7.3%	7.7%	8.1%	8.5%	9.6%	10.2%	10.6%	12.1%	13.5%	14.8%
Gas TT&T	%	8.9%	13.6%	13.0%	12.3%	11.5%	10.7%	9.8%	6.6%	3.8%	2.0%	0.0%	0.0%	0.0%
Capex	%	8.9%	21.0%	17.7%	15.2%	13.1%	11.5%	10.1%	6.9%	5.3%	4.7%	1.9%	0.0%	0.0%
Opex	%	8.9%	14.4%	13.7%	12.9%	12.0%	11.1%	10.0%	6.0%	2.3%	0.0%	0.0%	0.0%	0.0%
Production Startup Accelerated (-) or Delayed (+) by Years		8.9%	%				13.9%	11.0%	7.2%	5.8%	4.6%			
		8.9%				Years:	3	4	6	7	8			
Impacts Producer Payback (Real / Discounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 2)	Years	40.00	40.00	40.00	40.00	40.00	40.00	40.00	15.03	12.47	11.75	10.16	9.30	8.66
Oil Price	Years	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	18.70	17.60	14.90	13.36	12.35
Condensate Yield	Years	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	19.00	17.83	15.03	13.40	12.28
Gas TT&T	Years	40.00	13.24	13.91	14.77	15.88	17.45	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Capex	Years	40.00	9.56	10.67	12.00	13.77	15.94	37.99	40.00	40.00	40.00	40.00	40.00	40.00
Opex	Years	40.00	12.52	13.17	13.99	15.10	16.66	38.72	40.00	40.00	40.00	40.00	40.00	40.00
Production Startup Accelerated (-) or Delayed (+) by Years		40.00	Years				12.56	16.65	40.00	40.00	40.00			
		40.00				Years:	3	4	6	7	8			
Impacts Total Destination Value (MOD / Undiscounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price (Field # 2)	$/boe	69.7	0.0	0.0	0.0	52.4	58.2	63.9	81.3	92.8	98.6	127.5	156.3	185.2
Oil Price	$/boe	69.7	62.5	63.7	64.9	66.1	67.3	68.5	72.1	74.5	75.7	81.7	87.7	93.7
Condensate Yield	$/boe	69.7	67.2	67.6	68.1	68.5	68.9	69.3	70.5	71.2	71.6	73.2	74.8	76.1
Gas TT&T	$/boe	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	0.0	0.0	0.0
Capex	$/boe	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	0.0
Opex	$/boe	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		69.72	$/boe				68.41	69.06	70.39	71.07	71.76			
		69.72				Years:	3	4	6	7	8			



Field # 2
Producer NPV Sensitivity Analysis
Discounted @ 10 %
Producer NPV Real ($millions)
1000
800
600
400
200
0
-200
-400
-600
-800
-1000
-1200
0.0
0.2
0.4
0.7
0.9
1.1
1.3
1.5
1.8
2.0
2.2
2.4
2.6
2.9
Factor Adjustments From Base Case = 1.0
Condensate Yield
Gas TT&T
Oil Price
Gas Price
Opex
Capex
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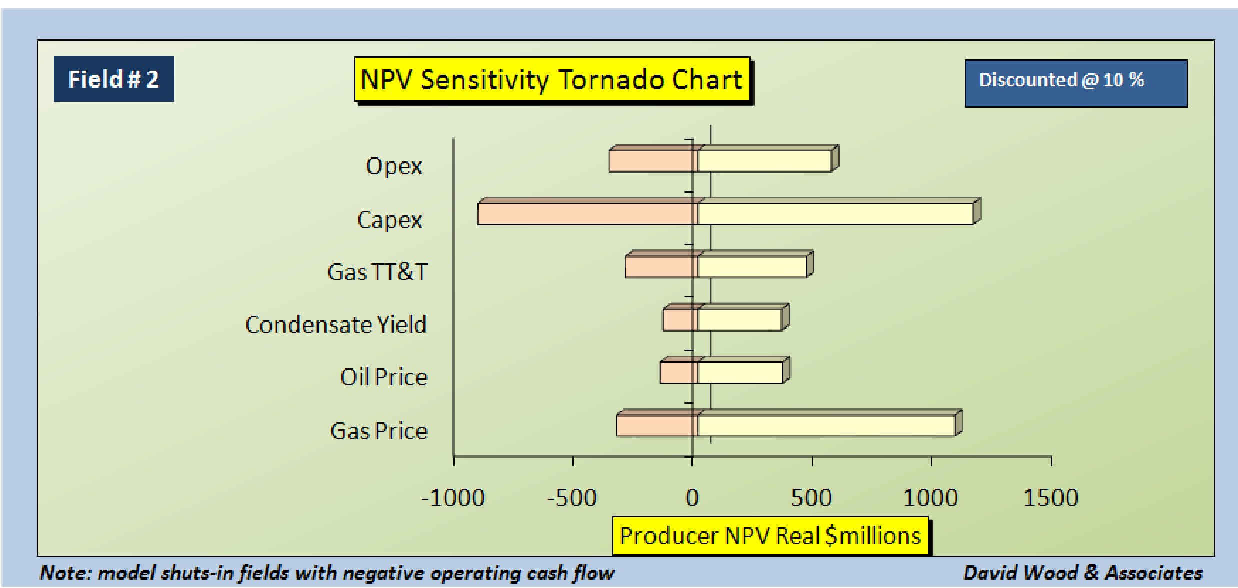


Field # 2
NPV Sensitivity Tornado Chart
Discounted @ 10 %
Opex
Capex
Gas TT&T
Condensate Yield
Oil Price
Gas Price
-1000
-500
0
500
1000
1500
Producer NPV Real $millions
Note: model shuts-in fields with negative operating cash flow
David Wood & Associates

Gas Field #2

Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)		8	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil (C5+) Price ($ / Barrel)		80	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Royalty Rate (%)		12.5%	5.0%	7.5%	9.0%	10.0%	11.0%	12.0%	13.0%	14.0%	15.0%	16.0%	17.5%	20.0%
Basic Petroleum Profits Tax Rate		25.0%	15.0%	17.5%	20.0%	22.0%	23.0%	24.0%	26.0%	27.0%	28.0%	30.0%	32.5%	35.0%
Progressivity Tax (CPT) First Base ($/boe)		30.00	10.00	15.00	20.00	24.00	26.00	28.00	32.00	34.00	36.00	40.00	50.00	60.00
Progressivity Tax (CPT) First Tranche rate (%)		0.40%	0.20%	0.25%	0.30%	0.34%	0.36%	0.38%	0.50%	0.60%	0.70%	1.00%	2.00%	3.00%
Progressivity Tax (CPT) Second Base ($/boe)		92.50	30.00	40.00	50.00	60.00	70.00	80.00	95.00	100.00	110.00	120.00	130.00	150.00
Progressivity Tax (CPT) Second Tranche rate (%)		0.10%	0.02%	0.04%	0.05%	0.07%	0.08%	0.09%	0.15%	0.20%	0.25%	0.30%	0.40%	0.50%
Investment Credit Rate (%)		20.0%	5.0%	10.0%	12.0%	14.0%	16.0%	18.0%	22.0%	24.0%	26.0%	28.0%	30.0%	35.0%
Alaska CIT Rate (%)		9.40%	5.00%	7.00%	7.50%	8.00%	8.50%	9.00%	10.00%	10.50%	11.00%	11.50%	12.00%	15.00%
Sensitivity Case Number (for graphic displays):		0	-6	-5	-4	-3	-2	-1	1	2	3	4	5	6

Field # 2

Impacts on Total Gov Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	67.2%	100.0%	100.0%	100.0%	83.1%	71.0%	68.1%	68.3%	70.0%	70.9%	75.9%	77.4%	78.6%
Oil Price	%	67.2%	68.7%	68.2%	67.8%	67.5%	67.4%	67.2%	67.4%	67.5%	67.6%	68.3%	69.2%	70.1%
Royalty Rate	%	67.2%	62.7%	64.2%	65.1%	65.7%	66.3%	66.9%	67.5%	68.1%	68.7%	69.3%	70.3%	71.8%
Basic Petroleum Profits Tax Rate	%	67.2%	62.6%	63.8%	64.9%	65.8%	66.3%	66.8%	67.7%	68.2%	68.6%	69.5%	70.7%	71.9%
Progressivity Tax (CPT) First Base ($/boe)	%	67.2%	72.1%	70.9%	69.7%	68.7%	68.2%	67.7%	66.9%	66.7%	66.6%	66.6%	66.6%	66.6%
Progressivity Tax (CPT) First Tranche rate (%)	%	67.2%	66.9%	67.0%	67.1%	67.1%	67.2%	67.2%	67.4%	67.6%	67.7%	68.2%	69.9%	71.5%
Progressivity Tax (CPT) Second Base ($/boe)	%	67.2%	66.7%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%
Progressivity Tax (CPT) Second Tranche rate (%)	%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%	67.2%
Investment Credit Rate	%	67.2%	69.9%	69.0%	68.7%	68.3%	67.9%	67.6%	66.9%	66.5%	66.2%	65.8%	65.4%	64.5%
Alaska CIT Rate	%	67.2%	65.3%	66.2%	66.4%	66.6%	66.8%	67.1%	67.5%	67.7%	67.9%	68.1%	68.4%	69.7%
		67.2%												

Field # 2

Impacts on Alaska Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	48.3%	100.0%	100.0%	100.0%	70.1%	52.9%	49.3%	50.3%	53.1%	54.7%	62.4%	64.9%	66.8%
Oil Price	%	48.3%	50.1%	49.3%	48.8%	48.5%	48.3%	48.2%	48.6%	48.9%	49.1%	50.4%	51.8%	53.3%
Royalty Rate	%	48.3%	41.2%	43.6%	45.0%	45.9%	46.9%	47.8%	48.7%	49.7%	50.6%	51.5%	53.0%	55.3%
Basic Petroleum Profits Tax Rate	%	48.3%	41.2%	42.9%	44.7%	46.1%	46.8%	47.6%	49.0%	49.7%	50.4%	51.8%	53.6%	55.4%
Progressivity Tax (CPT) First Base ($/boe)	%	48.3%	55.8%	53.9%	52.0%	50.5%	49.7%	49.0%	47.7%	47.4%	47.3%	47.3%	47.3%	47.3%
Progressivity Tax (CPT) First Tranche rate (%)	%	48.3%	47.8%	47.9%	48.0%	48.1%	48.2%	48.2%	48.5%	48.8%	49.0%	49.8%	52.3%	54.9%
Progressivity Tax (CPT) Second Base ($/boe)	%	48.3%	47.5%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%
Progressivity Tax (CPT) Second Tranche rate (%)	%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%	48.3%
Investment Credit Rate	%	48.3%	52.4%	51.0%	50.5%	49.9%	49.4%	48.8%	47.7%	47.2%	46.6%	46.1%	45.5%	44.1%
Alaska CIT Rate	%	48.3%	45.3%	46.7%	47.0%	47.3%	47.7%	48.0%	48.7%	49.0%	49.3%	49.7%	50.0%	52.0%
		48.3%												

Field # 2

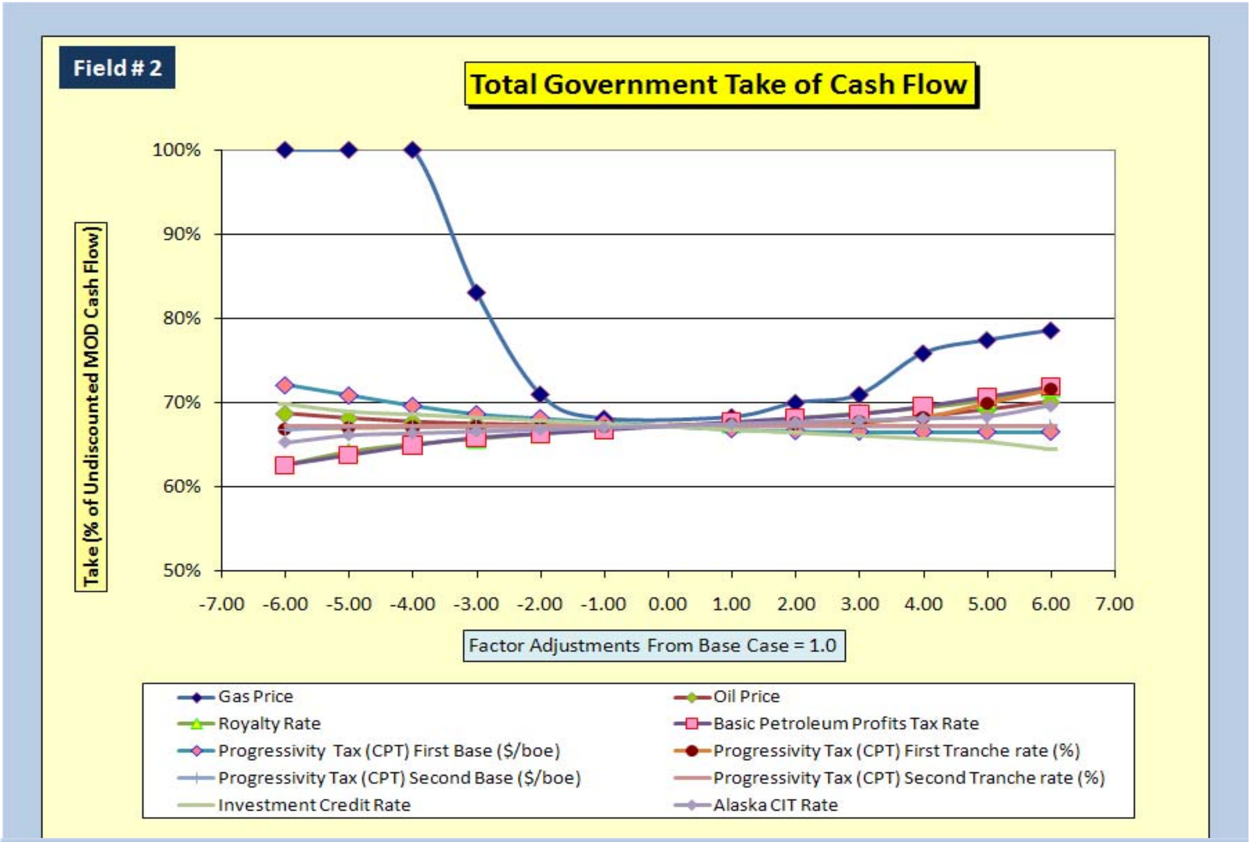
Impacts on Alaska NPV Real ($/boe)@ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$/boe	9.59	0.00	0.00	0.00	5.31	6.34	7.84	14.09	19.37	22.28	39.08	55.06	71.25
Oil Price	$/boe	9.59	7.48	7.78	8.10	8.45	8.81	9.18	10.45	11.35	11.81	14.28	16.93	19.79
Royalty Rate	$/boe	9.59	8.04	8.57	8.88	9.08	9.28	9.49	9.69	9.90	10.11	10.31	10.64	11.16
Basic Petroleum Profits Tax Rate	$/boe	9.59	8.49	8.75	9.02	9.24	9.36	9.47	9.71	9.83	9.95	10.18	10.49	10.79
Progressivity Tax (CPT) First Base ($/boe)	$/boe	9.59	10.92	10.58	10.24	9.97	9.84	9.71	9.50	9.45	9.43	9.43	9.43	9.43
Progressivity Tax (CPT) First Tranche rate (%)	$/boe	9.59	9.51	9.53	9.55	9.57	9.57	9.58	9.63	9.67	9.71	9.83	10.24	10.64
Progressivity Tax (CPT) Second Base ($/boe)	$/boe	9.59	9.47	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59
Progressivity Tax (CPT) Second Tranche rate (%)	$/boe	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59	9.59
Investment Credit Rate	$/boe	9.59	10.41	10.12	10.01	9.90	9.79	9.69	9.49	9.40	9.30	9.21	9.12	8.91
Alaska CIT Rate	$/boe	9.59	9.02	9.28	9.34	9.41	9.47	9.54	9.67	9.73	9.80	9.86	9.93	10.32
		9.59												

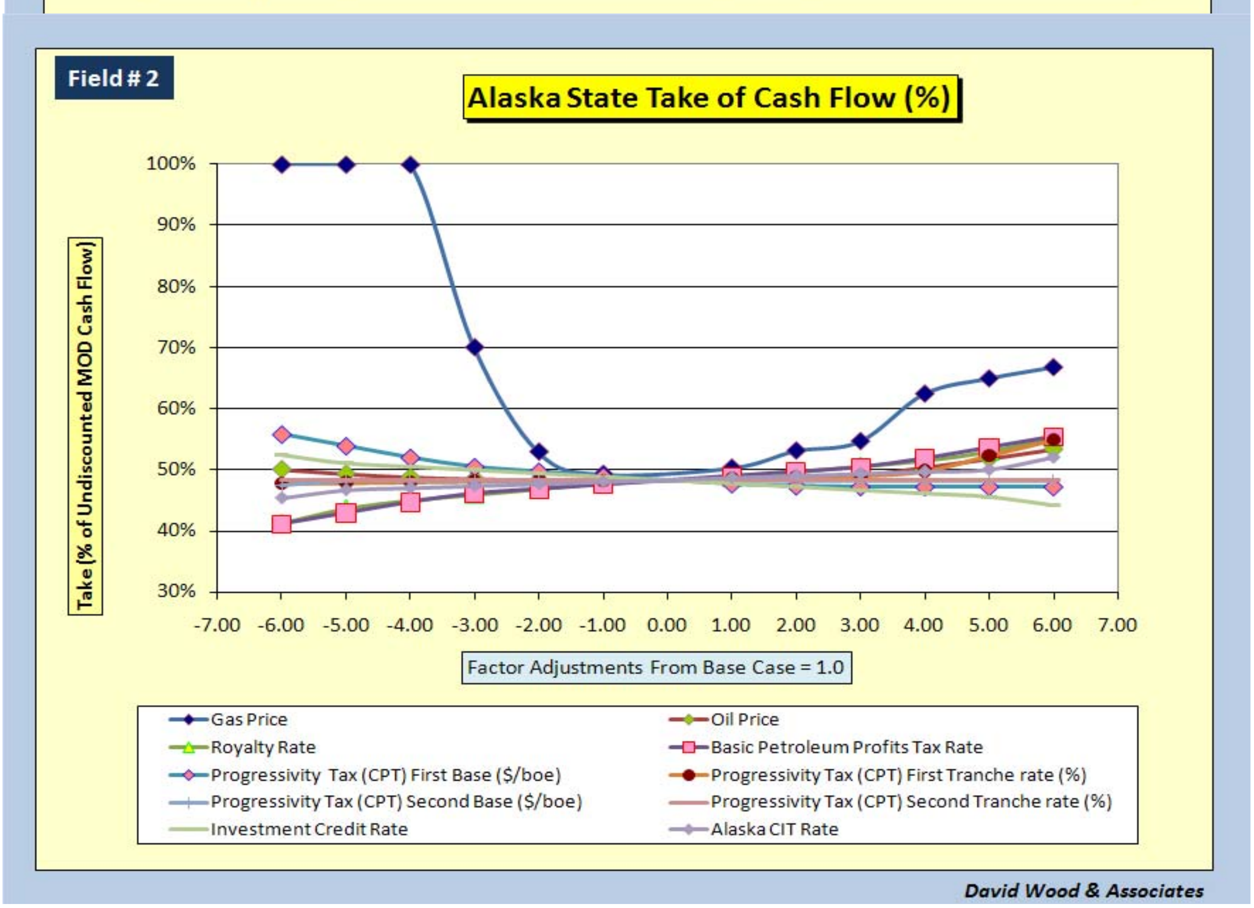
Field # 2

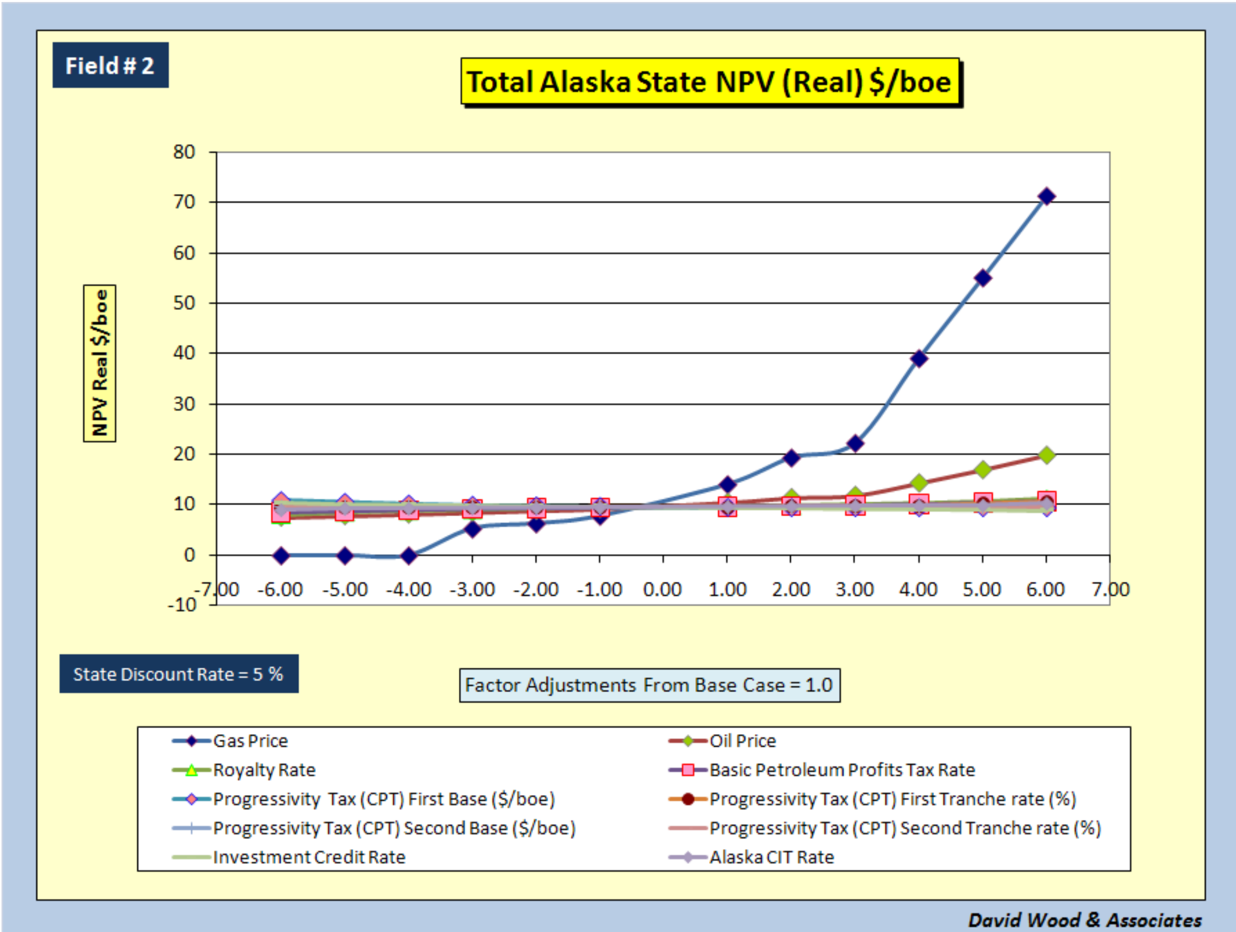
Impacts on Alaska NPV Real ($ million) @ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$millions	700	4	4	4	388	462	572	1028	1414	1626	2851	4018	5199
Oil Price	$millions	700	545	568	591	616	643	670	763	828	862	1042	1235	1444
Royalty Rate	$millions	700	587	625	648	663	677	692	707	722	737	752	776	814
Basic Petroleum Profits Tax Rate	$millions	700	620	638	658	675	683	691	708	717	726	743	765	787
Progressivity Tax (CPT) First Base ($/boe)	$millions	700	797	772	747	728	718	709	693	689	688	688	688	688
Progressivity Tax (CPT) First Tranche rate (%)	$millions	700	694	695	697	698	699	699	703	706	709	717	747	776
Progressivity Tax (CPT) Second Base ($/boe)	$millions	700	691	700	700	700	700	700	700	700	700	700	700	700
Progressivity Tax (CPT) Second Tranche rate (%)	$millions	700	700	700	700	700	700	700	700	700	700	700	700	700
Investment Credit Rate	$millions	700	759	738	730	722	715	707	693	686	679	672	666	650
Alaska CIT Rate	$millions	700	658	677	682	686	691	696	705	710	715	720	724	753
		700												

Field # 2

Impacts on Royalty as % of Alaska Take (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	36.4%	0.0%	0.0%	0.0%	38.4%	40.5%	38.5%	31.9%	28.7%	27.3%	22.6%	21.1%	20.1%
Oil Price	%	36.4%	38.9%	38.6%	38.3%	37.9%	37.4%	37.0%	35.3%	34.4%	33.9%	31.8%	30.0%	28.5%
Royalty Rate	%	36.4%	16.8%	24.0%	28.0%	30.5%	33.0%	35.3%	37.5%	39.7%	41.8%	43.8%	46.6%	51.1%
Basic Petroleum Profits Tax Rate	%	36.4%	42.7%	41.0%	39.3%	38.1%	37.5%	37.0%	35.9%	35.4%	34.9%	33.9%	32.8%	31.7%
Progressivity Tax (CPT) First Base ($/boe)	%	36.4%	31.5%	32.6%	33.8%	34.8%	35.3%	35.9%	36.8%	37.1%	37.2%	37.2%	37.2%	37.2%
Progressivity Tax (CPT) First Tranche rate (%)	%	36.4%	36.8%	36.7%	36.6%	36.5%	36.5%	36.5%	36.2%	36.0%	35.9%	35.3%	33.6%	32.0%
Progressivity Tax (CPT) Second Base ($/boe)	%	36.4%	37.0%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%
Progressivity Tax (CPT) Second Tranche rate (%)	%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%	36.4%
Investment Credit Rate	%	36.4%	33.6%	34.5%	34.8%	35.2%	35.6%	36.0%	36.8%	37.3%	37.7%	38.2%	38.6%	39.8%
Alaska CIT Rate	%	36.4%	38.8%	37.7%	37.4%	37.1%	36.9%	36.6%	36.1%	35.9%	35.6%	35.4%	35.2%	33.8%
		36.4%												

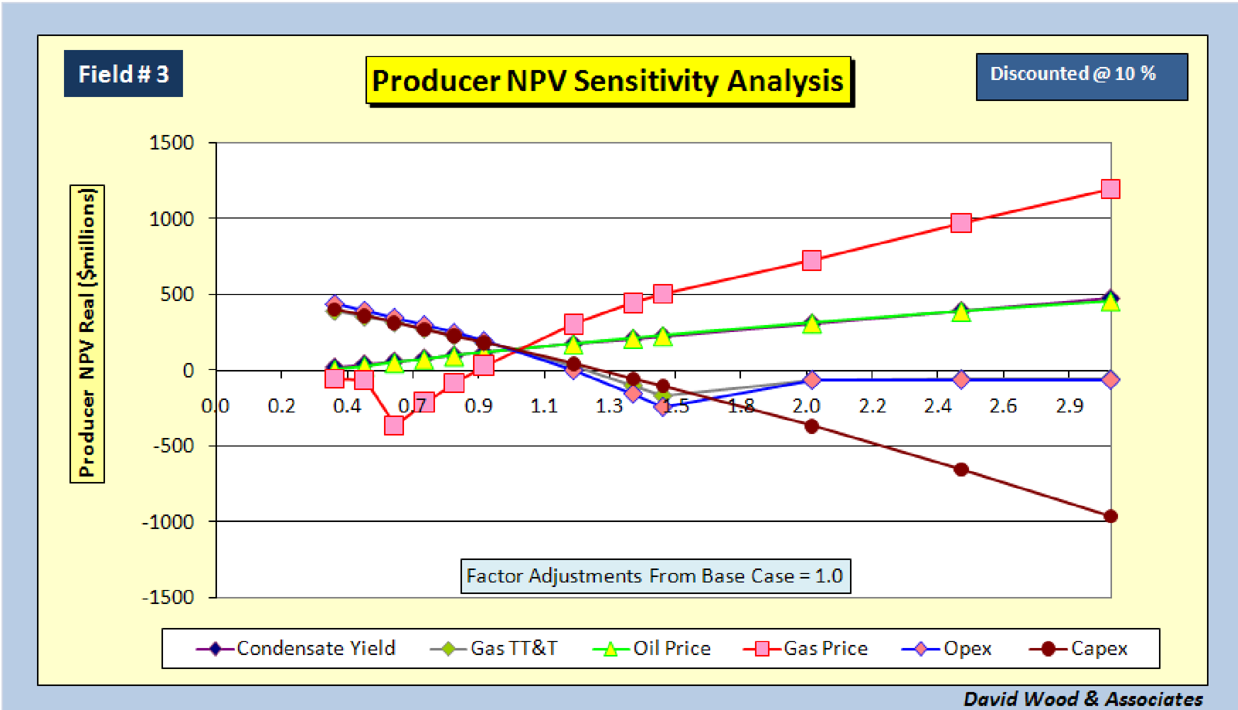

Field # 2
Total Government Take of Cash Flow
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate


Field # 2
Alaska State Take of Cash Flow (%)
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
40%
30%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates

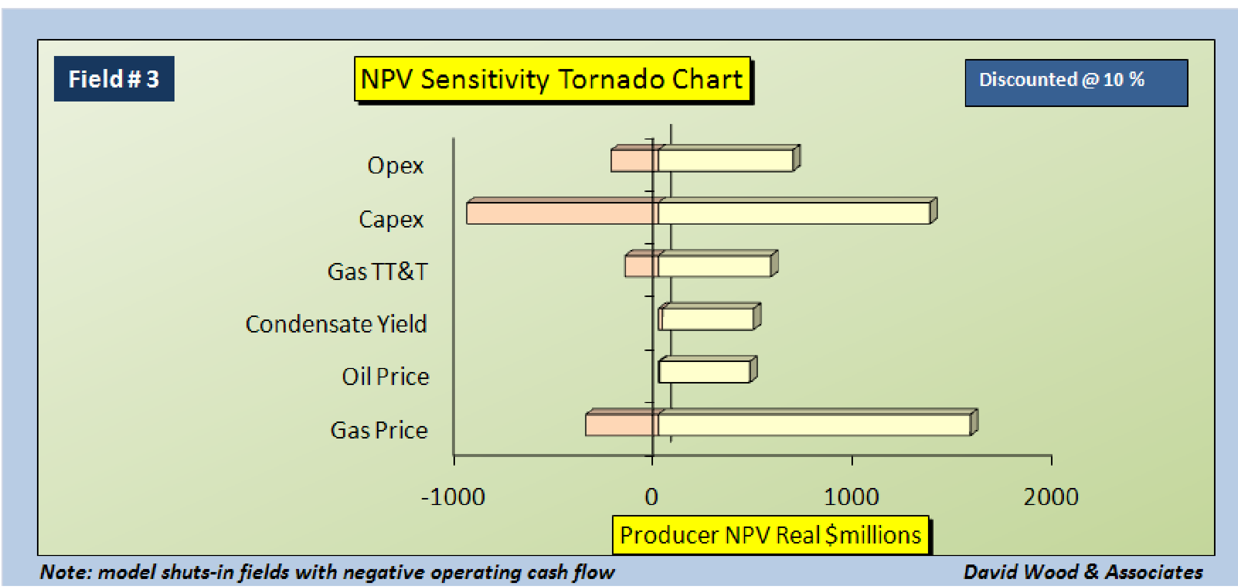

Field # 2
Total Alaska State NPV (Real) $/boe
NPV Real $/boe
80
70
60
50
40
30
20
10
0
-10
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
State Discount Rate = 5 %
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates

Gas Field #3 (188 million boe produced)

Model Field Number:	3	Base Case Gas Reserves Produced:	995.3 bcf											
Sensitivity Analysis - changing selected input metrics by a factor to analyse field profitability														
Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)		7.5	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil Price ($ / Barrel)	Field # 3	80.0	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Condensate Yield (barrels/mmcf)		20.0	8.0	10.0	12.0	14.0	16.0	18.0	24.0	28.0	30.0	40.0	50.0	60.0
Gas TT&T ($/ mcf)		4.5	1.8	2.3	2.7	3.2	3.6	4.1	5.4	6.3	6.8	9.0	11.3	13.5
Total Capex ($/boe)		6.88	2.75	3.44	4.13	4.81	5.50	6.19	8.25	9.63	10.32	13.76	17.20	20.64
Total Opex ($/boe)		4.36	1.75	2.18	2.62	3.06	3.49	3.93	5.24	6.11	6.55	8.73	10.91	13.09
Production Startup Accelerated (-) or Delayed (+) by Years		5					-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real $ millions:		138												
		138												
Impacts on Producer NPV (Real) @	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	Producer NPV $ millions:	138	-54	-64	-362	-209	-81	35	307	448	510	730	975	1201
Oil Price	Field # 3 Producer NPV $ millions:	138	8	31	53	76	97	118	176	212	230	313	389	457
Condensate Yield	Producer NPV $ millions:	138	21	41	61	81	100	119	174	210	227	313	395	476
Gas TT&T	Producer NPV $ millions:	138	396	359	318	277	233	187	27	-99	-167	-60	-54	-54
Capex	Producer NPV $ millions:	138	401	359	315	273	228	184	44	-54	-103	-366	-654	-959
Opex	Producer NPV $ millions:	138	438	395	350	301	250	196	4	-149	-236	-59	-58	-59
Production Startup Accelerated (-) or Delayed (+) by Years		138 Producer NPV $ millions:					360	245	38	-54	-136			
		138				Years:	3	4	6	7	8			
Impacts Producer NPV (Real) $/boe	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	Producer NPV $/boe:	2.4	0.0	0.0	-6.2	-3.6	-1.4	0.6	5.3	7.7	8.7	12.5	16.7	20.6
Oil Price	Field # 3 Producer NPV $/boe:	2.4	0.1	0.5	0.9	1.3	1.7	2.0	3.0	3.6	3.9	5.4	6.7	7.8
Condensate Yield	Producer NPV $/boe:	2.4	0.4	0.7	1.1	1.4	1.8	2.1	2.9	3.4	3.7	4.8	5.8	6.6
Gas TT&T	Producer NPV $/boe:	2.4	6.8	6.1	5.5	4.7	4.0	3.2	0.5	-1.7	-2.9	0.0	0.0	0.0
Capex	Producer NPV $/boe:	2.4	6.9	6.2	5.4	4.7	3.9	3.1	0.7	-0.9	-1.8	-6.3	-11.2	-16.4
Opex	Producer NPV $/boe:	2.4	7.5	6.8	6.0	5.2	4.3	3.4	0.1	-2.6	-4.0	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		2.4 Producer NPV $/boe:					4.8	3.7	0.8	-1.2	-3.6			
		2.4				Years:	3	4	6	7	8			
Impacts Producer IRR (Real)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	%	13.5%	0.0%	0.0%	0.0%	4.7%	8.1%	11.1%	17.2%	20.0%	21.2%	25.4%	29.3%	32.5%
Oil Price	Field # 3 %	13.5%	10.4%	11.0%	11.5%	12.0%	12.5%	13.0%	14.4%	15.2%	15.5%	17.3%	18.9%	20.2%
Condensate Yield	%	13.5%	10.7%	11.2%	11.7%	12.2%	12.6%	13.1%	14.3%	15.1%	15.5%	17.2%	18.9%	20.4%
Gas TT&T	%	13.5%	19.0%	18.3%	17.4%	16.5%	15.6%	14.6%	10.9%	7.7%	5.8%	0.0%	0.0%	0.0%
Capex	%	13.5%	28.0%	24.1%	21.0%	18.6%	16.6%	14.9%	11.1%	9.2%	8.4%	5.3%	2.9%	1.1%
Opex	%	13.5%	19.9%	19.0%	18.1%	17.1%	16.0%	14.8%	10.3%	6.3%	3.9%	0.0%	0.0%	0.0%
Production Startup Accelerated (-) or Delayed (+) by Years		13.5% %					21.6%	16.8%	11.0%	9.1%	7.4%			
		13.5%				Years:	3	4	6	7	8			
Impacts Producer Payback (Real / Discounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	Years	13.56	40.00	40.00	40.00	40.00	40.00	16.74	11.05	9.98	9.63	8.63	8.05	7.69
Oil Price	Field # 3 Years	13.56	18.39	16.91	15.98	15.23	14.58	14.01	12.78	12.18	11.93	10.99	10.39	9.93
Condensate Yield	Years	13.56	17.43	16.45	15.69	15.04	14.48	13.97	12.82	12.23	11.98	11.03	10.40	9.89
Gas TT&T	Years	13.56	10.34	10.62	10.94	11.37	11.89	12.59	17.11	40.00	40.00	40.00	40.00	40.00
Capex	Years	13.56	8.38	9.00	9.78	10.52	11.37	12.35	16.63	40.00	40.00	40.00	40.00	40.00
Opex	Years	13.56	10.04	10.34	10.68	11.11	11.68	12.44	18.66	40.00	40.00	40.00	40.00	40.00
Production Startup Accelerated (-) or Delayed (+) by Years		13.56 Years					9.13	10.95	16.92	40.00	40.00			
		13.56				Years:	3	4	6	7	8			
Impacts Total Destination Value (MOD / Undiscounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	$/boe	69.7	0.0	0.0	46.6	52.4	58.2	64.0	81.3	92.8	98.6	127.5	156.4	185.3
Oil Price	Field # 3 $/boe	69.7	62.6	63.8	65.0	66.1	67.3	68.5	72.1	74.5	75.7	81.7	87.7	93.7
Condensate Yield	$/boe	69.7	67.2	67.7	68.1	68.5	68.9	69.3	70.5	71.2	71.6	73.3	74.8	76.1
Gas TT&T	$/boe	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	0.0	0.0	0.0
Capex	$/boe	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7
Opex	$/boe	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	69.7	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		69.74 $/boe					68.43	69.08	70.41	71.09	71.78			
		69.74				Years:	3	4	6	7	8			



Field # 3
Producer NPV Sensitivity Analysis
Discounted @ 10 %
Producer NPV Real ($millions)
1500
1000
500
0
-500
-1000
-1500
0.0
0.2
0.4
0.7
0.9
1.1
1.3
1.5
1.8
2.0
2.2
2.4
2.6
2.9
Factor Adjustments From Base Case = 1.0
Condensate Yield
Gas TT&T
Oil Price
Gas Price
Opex
Capex
David Wood & Associates



Field # 3
NPV Sensitivity Tornado Chart
Discounted @ 10 %
Opex
Capex
Gas TT&T
Condensate Yield
Oil Price
Gas Price
-1000
0
1000
2000
Producer NPV Real $millions
Note: model shuts-in fields with negative operating cash flow
David Wood & Associates

Gas Field #3

Sensitivity Analysis - changing selected input metrics by a factor to analyse impact of fiscal terms													
Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)		8	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil (C5+) Price ($ / Barrel)		80	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Royalty Rate (%)		12.5%	5.0%	7.5%	9.0%	10.0%	11.0%	12.0%	13.0%	14.0%	15.0%	16.0%	17.5%	20.0%
Basic Petroleum Profits Tax Rate		25.0%	15.0%	17.5%	20.0%	22.0%	23.0%	24.0%	26.0%	27.0%	28.0%	30.0%	32.5%	35.0%
Progressivity Tax (CPT) First Base ($/boe)		30.00	10.00	15.00	20.00	24.00	26.00	28.00	32.00	34.00	36.00	40.00	50.00	60.00
Progressivity Tax (CPT) First Tranche rate (%)		0.40%	0.20%	0.25%	0.30%	0.34%	0.36%	0.38%	0.50%	0.60%	0.70%	1.00%	2.00%	3.00%
Progressivity Tax (CPT) Second Base ($/boe)		92.50	30.00	40.00	50.00	60.00	70.00	80.00	95.00	100.00	110.00	120.00	130.00	150.00
Progressivity Tax (CPT) Second Tranche rate (%)		0.10%	0.02%	0.04%	0.05%	0.07%	0.08%	0.09%	0.15%	0.20%	0.25%	0.30%	0.40%	0.50%
Investment Credit Rate (%)		20.0%	5.0%	10.0%	12.0%	14.0%	16.0%	18.0%	22.0%	24.0%	26.0%	28.0%	30.0%	35.0%
Alaska CIT Rate (%)		9.40%	5.00%	7.00%	7.50%	8.00%	8.50%	9.00%	10.00%	10.50%	11.00%	11.50%	12.00%	15.00%
Sensitivity Case Number (for graphic displays):		0	-6	-5	-4	-3	-2	-1	1	2	3	4	5	6

Field # 3

Impacts on Total Gov Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	67.0%	100.0%	100.0%	94.7%	73.5%	69.5%	67.4%	68.1%	69.8%	70.7%	75.4%	77.0%	78.2%
Oil Price	%	67.0%	67.8%	67.5%	67.2%	67.1%	67.0%	67.0%	67.1%	67.4%	67.5%	68.2%	69.0%	69.9%
Royalty Rate	%	67.0%	62.8%	64.2%	65.1%	65.6%	66.2%	66.7%	67.3%	67.9%	68.4%	69.0%	69.8%	71.2%
Basic Petroleum Profits Tax Rate	%	67.0%	62.2%	63.4%	64.6%	65.6%	66.0%	66.5%	67.5%	67.9%	68.4%	69.4%	70.6%	71.8%
Progressivity Tax (CPT) First Base ($/boe)	%	67.0%	71.5%	70.4%	69.2%	68.3%	67.9%	67.4%	66.6%	66.3%	66.2%	66.2%	66.2%	66.2%
Progressivity Tax (CPT) First Tranche rate (%)	%	67.0%	66.6%	66.7%	66.8%	66.9%	66.9%	66.9%	67.2%	67.4%	67.6%	68.2%	70.2%	72.2%
Progressivity Tax (CPT) Second Base ($/boe)	%	67.0%	66.4%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Progressivity Tax (CPT) Second Tranche rate (%)	%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Investment Credit Rate	%	67.0%	68.9%	68.2%	68.0%	67.7%	67.5%	67.2%	66.7%	66.5%	66.2%	66.0%	65.7%	65.1%
Alaska CIT Rate	%	67.0%	65.1%	66.0%	66.2%	66.4%	66.6%	66.8%	67.2%	67.4%	67.7%	67.9%	68.1%	69.3%
		67.0%												

Field # 3

Impacts on Alaska Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	47.9%	100.0%	100.0%	85.4%	56.0%	50.9%	48.2%	50.1%	52.8%	54.3%	61.8%	64.2%	66.3%
Oil Price	%	47.9%	48.7%	48.3%	48.0%	47.9%	47.8%	47.8%	48.3%	48.7%	48.9%	50.2%	51.6%	53.0%
Royalty Rate	%	47.9%	41.5%	43.7%	45.0%	45.8%	46.7%	47.5%	48.4%	49.3%	50.1%	50.9%	52.2%	54.3%
Basic Petroleum Profits Tax Rate	%	47.9%	40.6%	42.5%	44.3%	45.7%	46.5%	47.2%	48.7%	49.4%	50.2%	51.6%	53.4%	55.3%
Progressivity Tax (CPT) First Base ($/boe)	%	47.9%	54.9%	53.1%	51.4%	50.0%	49.3%	48.6%	47.3%	46.9%	46.7%	46.7%	46.7%	46.7%
Progressivity Tax (CPT) First Tranche rate (%)	%	47.9%	47.3%	47.5%	47.6%	47.7%	47.8%	47.9%	48.2%	48.6%	48.9%	49.8%	52.9%	56.0%
Progressivity Tax (CPT) Second Base ($/boe)	%	47.9%	47.0%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%
Progressivity Tax (CPT) Second Tranche rate (%)	%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%	47.9%
Investment Credit Rate	%	47.9%	50.8%	49.9%	49.5%	49.1%	48.7%	48.3%	47.5%	47.2%	46.8%	46.4%	46.0%	45.0%
Alaska CIT Rate	%	47.9%	45.1%	46.4%	46.7%	47.0%	47.4%	47.7%	48.3%	48.6%	49.0%	49.3%	49.6%	51.5%
		47.9%												

Field # 3

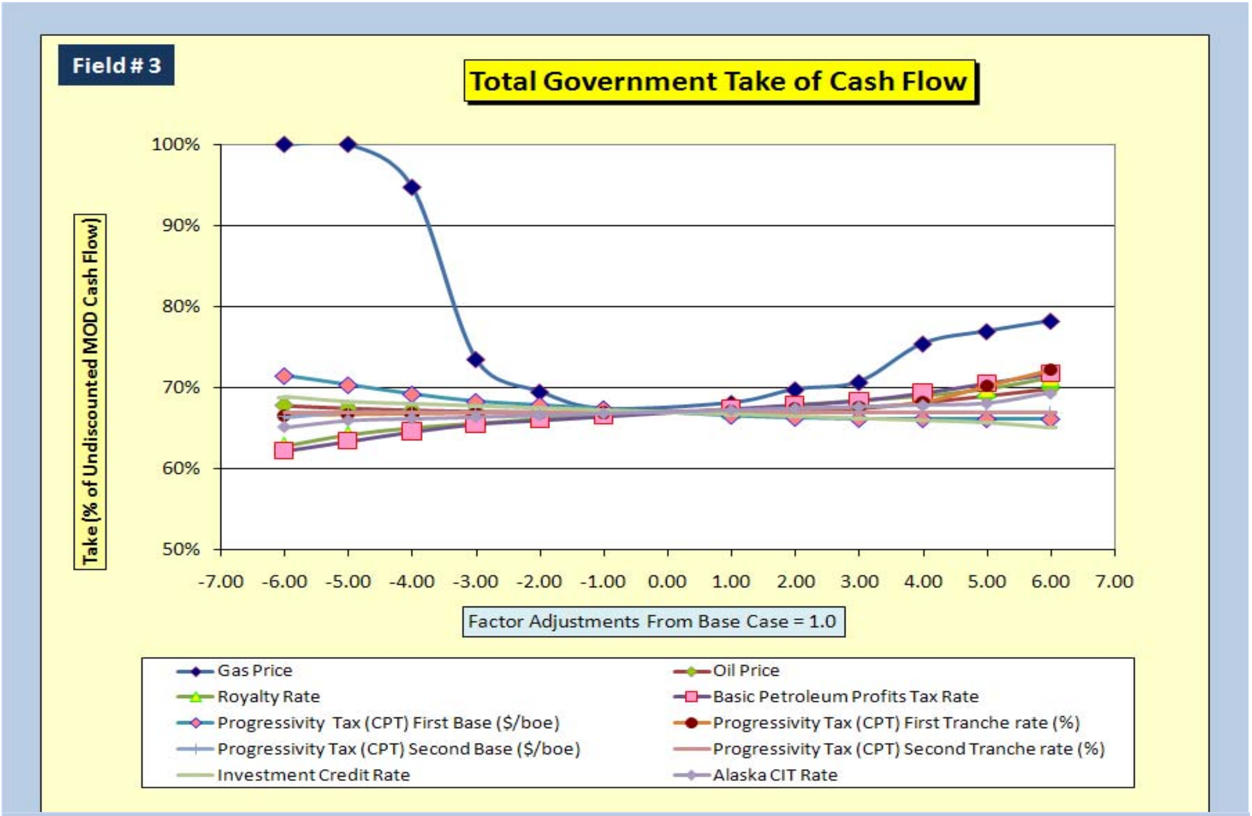
Impacts on Alaska NPV Real ($/boe)@ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$/boe	10.34	0.00	0.00	4.23	5.24	6.78	8.41	15.03	20.39	23.29	39.97	55.78	72.08
Oil Price	$/boe	10.34	8.00	8.35	8.71	9.09	9.49	9.91	11.24	12.19	12.67	15.21	17.93	20.81
Royalty Rate	$/boe	10.34	8.84	9.34	9.65	9.84	10.04	10.24	10.44	10.64	10.84	11.04	11.34	11.84
Basic Petroleum Profits Tax Rate	$/boe	10.34	8.97	9.30	9.64	9.92	10.06	10.20	10.48	10.63	10.77	11.06	11.42	11.78
Progressivity Tax (CPT) First Base ($/boe)	$/boe	10.34	11.77	11.41	11.05	10.76	10.62	10.48	10.22	10.15	10.12	10.11	10.11	10.11
Progressivity Tax (CPT) First Tranche rate (%)	$/boe	10.34	10.23	10.25	10.28	10.31	10.32	10.33	10.40	10.45	10.51	10.68	11.25	11.82
Progressivity Tax (CPT) Second Base ($/boe)	$/boe	10.34	10.17	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34
Progressivity Tax (CPT) Second Tranche rate (%)	$/boe	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34	10.34
Investment Credit Rate	$/boe	10.34	11.05	10.80	10.71	10.61	10.52	10.43	10.25	10.17	10.08	10.00	9.92	9.72
Alaska CIT Rate	$/boe	10.34	9.72	10.00	10.07	10.14	10.21	10.28	10.42	10.49	10.56	10.63	10.70	11.13
		10.34												

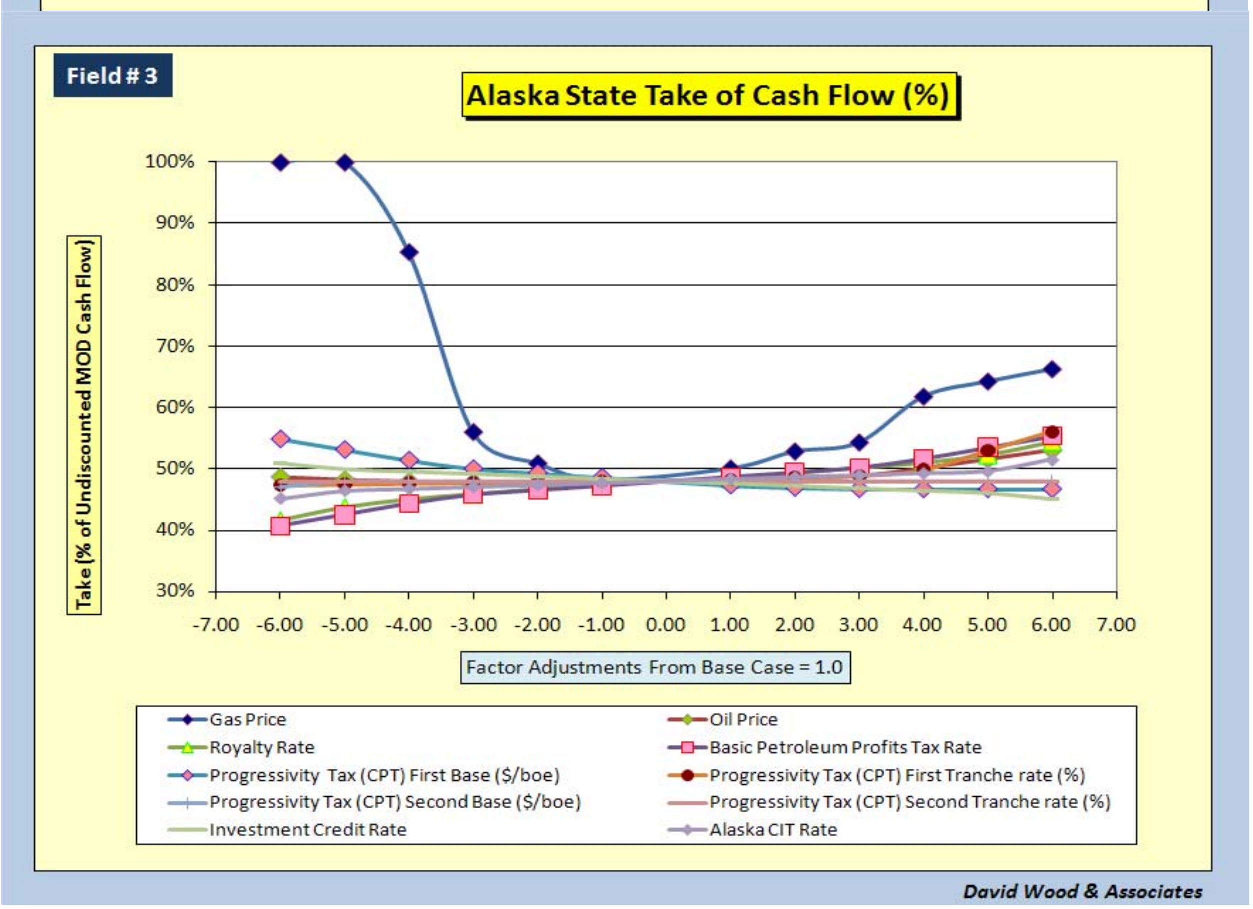
Field # 3

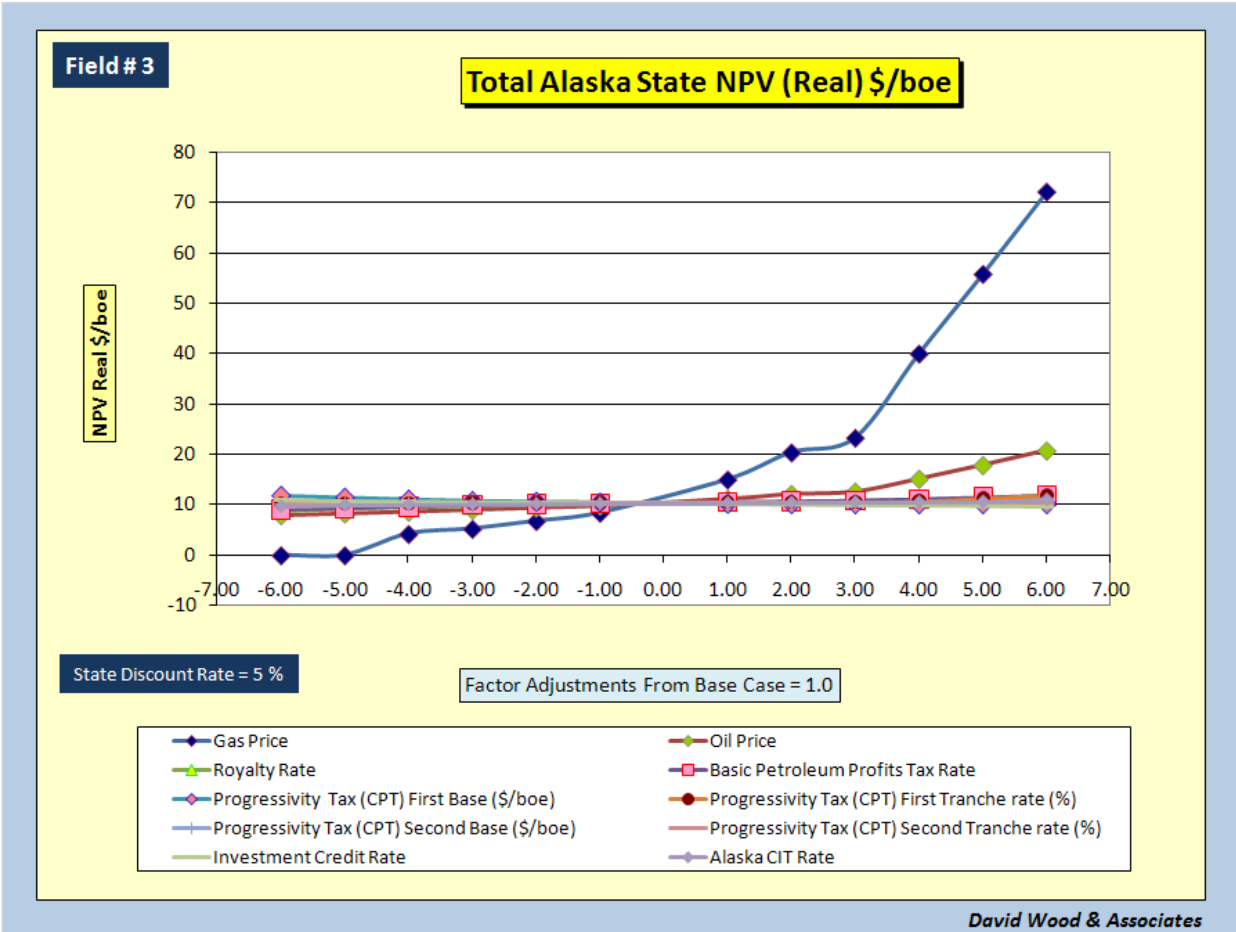
Impacts on Alaska NPV Real ($ million) @ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$millions	1048	4	4	428	532	687	853	1523	2067	2361	4052	5654	7307
Oil Price	$millions	1048	811	847	883	922	962	1004	1139	1235	1285	1542	1818	2109
Royalty Rate	$millions	1048	896	946	978	998	1018	1038	1058	1079	1099	1119	1150	1201
Basic Petroleum Profits Tax Rate	$millions	1048	909	942	977	1005	1019	1034	1063	1077	1092	1121	1158	1195
Progressivity Tax (CPT) First Base ($/boe)	$millions	1048	1193	1156	1120	1091	1077	1062	1036	1029	1026	1025	1025	1025
Progressivity Tax (CPT) First Tranche rate (%)	$millions	1048	1037	1040	1042	1045	1046	1047	1054	1060	1065	1083	1140	1198
Progressivity Tax (CPT) Second Base ($/boe)	$millions	1048	1031	1048	1048	1048	1048	1048	1048	1048	1048	1048	1048	1048
Progressivity Tax (CPT) Second Tranche rate (%)	$millions	1048	1048	1048	1048	1048	1048	1048	1048	1048	1048	1048	1048	1048
Investment Credit Rate	$millions	1048	1120	1095	1085	1076	1066	1057	1039	1031	1022	1014	1005	985
Alaska CIT Rate	$millions	1048	986	1014	1021	1028	1035	1042	1057	1064	1071	1078	1085	1128
		1048												

Field # 3

Impacts on Royalty as % of Alaska Take (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	33.6%	0.0%	0.0%	34.6%	38.0%	36.3%	35.2%	30.1%	27.5%	26.4%	22.2%	20.9%	20.0%
Oil Price	%	33.6%	35.4%	35.2%	35.0%	34.7%	34.3%	34.0%	32.8%	32.0%	31.7%	30.0%	28.6%	27.3%
Royalty Rate	%	33.6%	15.3%	22.0%	25.7%	28.0%	30.3%	32.5%	34.6%	36.6%	38.6%	40.5%	43.3%	47.6%
Basic Petroleum Profits Tax Rate	%	33.6%	39.6%	37.9%	36.4%	35.2%	34.6%	34.1%	33.1%	32.6%	32.1%	31.2%	30.1%	29.1%
Progressivity Tax (CPT) First Base ($/boe)	%	33.6%	29.3%	30.3%	31.3%	32.2%	32.6%	33.1%	34.0%	34.3%	34.5%	34.5%	34.5%	34.5%
Progressivity Tax (CPT) First Tranche rate (%)	%	33.6%	34.0%	33.9%	33.8%	33.7%	33.7%	33.6%	33.4%	33.2%	32.9%	32.3%	30.4%	28.7%
Progressivity Tax (CPT) Second Base ($/boe)	%	33.6%	34.3%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%
Progressivity Tax (CPT) Second Tranche rate (%)	%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%	33.6%
Investment Credit Rate	%	33.6%	31.7%	32.3%	32.5%	32.8%	33.1%	33.3%	33.9%	34.1%	34.4%	34.7%	35.0%	35.7%
Alaska CIT Rate	%	33.6%	35.7%	34.7%	34.5%	34.2%	34.0%	33.8%	33.3%	33.1%	32.9%	32.7%	32.5%	31.2%
		33.6%												


Field # 3
Total Government Take of Cash Flow
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate


Field # 3
Alaska State Take of Cash Flow (%)
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
40%
30%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates


Field # 3
Total Alaska State NPV (Real) $/boe
NPV Real $/boe
80
70
60
50
40
30
20
10
0
-10
-7.00
-6.00
-5.00
-4.00
-3.00
-2.00
-1.00
0.00
1.00
2.00
3.00
4.00
5.00
6.00
7.00
State Discount Rate = 5 %
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates

Gas Field #4 (941 million boe produced)

Model Field Number:	4	Base Case Gas Reserves Produced:	4994.5 bcf

Sensitivity Analysis - changing selected input metrics by a factor to analyse field profitability

Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)	Field # 4	7.5	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil Price ($ / Barrel)		80.0	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Condensate Yield (barrels/mmcf)		20.0	8.0	10.0	12.0	14.0	16.0	18.0	24.0	28.0	30.0	40.0	50.0	60.0
Gas TT&T ($/ mcf)		4.5	1.8	2.3	2.7	3.2	3.6	4.1	5.4	6.3	6.8	9.0	11.3	13.5
Total Capex ($/boe)		4.37	1.75	2.18	2.62	3.06	3.49	3.93	5.24	6.12	6.55	8.74	10.92	13.11
Total Opex ($/boe)		3.05	1.22	1.52	1.83	2.13	2.44	2.74	3.66	4.27	4.57	6.10	7.62	9.14
Production Startup Accelerated (-) or Delayed (+) by Years		6					-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real $ millions:		1,508												
		1,508												

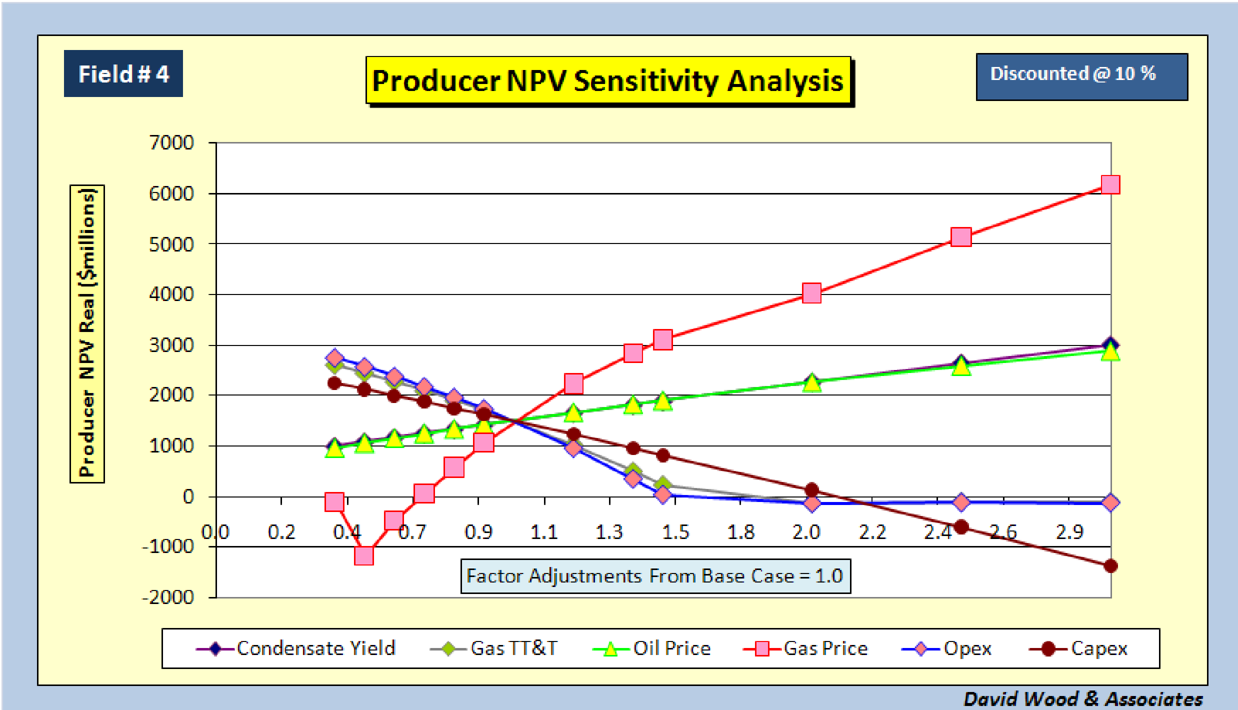
Impacts on Producer NPV (Real) @	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price Field # 4	Producer NPV $ millions:	1508	-92	-1157	-465	79	586	1077	2242	2850	3111	4031	5146	6171
Oil Price	Producer NPV $ millions:	1508	959	1059	1156	1250	1339	1424	1672	1828	1904	2267	2594	2891
Condensate Yield	Producer NPV $ millions:	1508	1009	1096	1181	1264	1346	1427	1669	1825	1903	2284	2657	3020
Gas TT&T	Producer NPV $ millions:	1508	2626	2463	2291	2108	1917	1718	1042	513	242	-121	-89	-89
Capex	Producer NPV $ millions:	1508	2261	2140	2019	1894	1767	1640	1244	975	839	139	-594	-1363
Opex	Producer NPV $ millions:	1508	2759	2579	2389	2186	1971	1746	972	367	54	-116	-101	-105
Production Startup Accelerated (-) or Delayed (+) by Years		1508	Producer NPV $ millions:				2535	2001	1056	642	268			
		1,508				Years:	4	5	7	8	9			

Impacts Producer NPV (Real) $/boe	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price Field # 4	Producer NPV $/boe:	5.5	0.0	-4.2	-1.7	0.3	2.1	3.9	8.2	10.4	11.3	14.7	18.7	22.5
Oil Price	Producer NPV $/boe:	5.5	3.5	3.9	4.2	4.5	4.9	5.2	6.1	6.7	6.9	8.3	9.4	10.5
Condensate Yield	Producer NPV $/boe:	5.5	3.9	4.2	4.5	4.8	5.0	5.3	5.9	6.4	6.5	7.5	8.2	8.9
Gas TT&T	Producer NPV $/boe:	5.5	9.6	9.0	8.3	7.7	7.0	6.3	3.8	1.9	0.9	0.0	0.0	0.0
Capex	Producer NPV $/boe:	5.5	8.2	7.8	7.4	6.9	6.4	6.0	4.5	3.5	3.1	0.5	-2.2	-5.0
Opex	Producer NPV $/boe:	5.5	10.0	9.4	8.7	8.0	7.2	6.4	3.5	1.3	0.2	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		5.5	Producer NPV $/boe:				7.1	6.4	4.4	3.1	1.5			
		5.5				Years:	4	5	7	8	9			

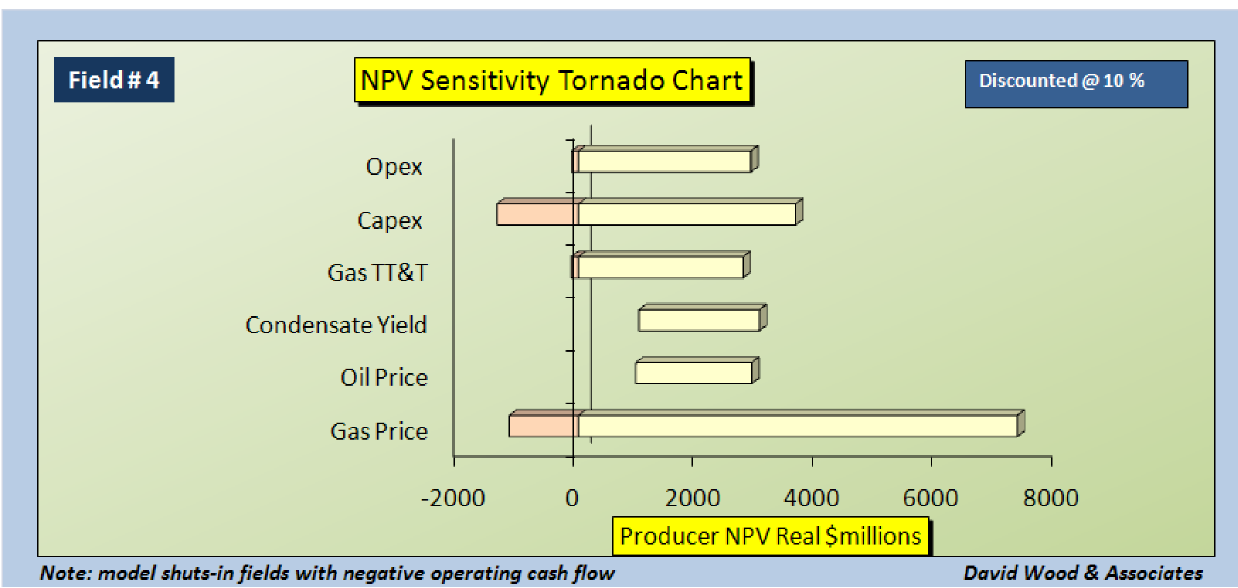
Impacts Producer IRR (Real)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price Field # 4	%	20.1%	0.0%	0.0%	6.0%	10.7%	14.5%	17.6%	24.0%	26.8%	28.0%	31.9%	35.6%	38.9%
Oil Price	%	20.1%	16.9%	17.5%	18.1%	18.6%	19.2%	19.6%	21.0%	21.9%	22.2%	24.1%	25.7%	27.0%
Condensate Yield	%	20.1%	17.2%	17.7%	18.2%	18.7%	19.2%	19.7%	21.0%	21.8%	22.2%	24.1%	25.8%	27.4%
Gas TT&T	%	20.1%	25.8%	25.0%	24.2%	23.3%	22.3%	21.3%	17.4%	14.0%	12.0%	0.0%	0.0%	0.0%
Capex	%	20.1%	36.1%	31.9%	28.6%	25.9%	23.6%	21.8%	17.4%	15.2%	14.3%	10.6%	8.0%	6.1%
Opex	%	20.1%	26.4%	25.6%	24.7%	23.7%	22.6%	21.4%	17.0%	12.9%	10.5%	0.0%	0.0%	0.0%
Production Startup Accelerated (-) or Delayed (+) by Years		20.1%	%				32.3%	24.9%	16.6%	13.9%	11.6%			
		20.1%				Years:	4	5	7	8	9			

Impacts Producer Payback (Real / Discounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price Field # 4	Years	10.83	40.00	40.00	40.00	17.69	13.38	11.71	9.86	9.34	9.15	8.68	8.38	8.16
Oil Price	Years	10.83	12.00	11.75	11.52	11.31	11.12	10.96	10.56	10.34	10.24	9.84	9.54	9.31
Condensate Yield	Years	10.83	11.86	11.64	11.44	11.26	11.10	10.95	10.57	10.35	10.25	9.85	9.53	9.27
Gas TT&T	Years	10.83	9.52	9.65	9.81	9.99	10.22	10.49	11.79	13.76	15.72	40.00	40.00	40.00
Capex	Years	10.83	8.45	8.80	9.13	9.57	9.95	10.37	11.75	12.81	13.44	17.84	40.00	40.00
Opex	Years	10.83	9.41	9.55	9.72	9.92	10.16	10.45	11.97	14.69	18.12	40.00	40.00	40.00
Production Startup Accelerated (-) or Delayed (+) by Years		10.83	Years				7.93	9.28	12.56	14.54	16.81			
		10.83				Years:	4	5	7	8	9			

Impacts Total Destination Value (MOD / Undiscounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price Field # 4	$/boe	70.5	0.0	41.3	47.1	52.9	58.8	64.6	82.1	93.8	99.6	128.8	158.0	187.2
Oil Price	$/boe	70.5	63.2	64.4	65.6	66.8	68.0	69.2	72.9	75.3	76.5	82.6	88.6	94.7
Condensate Yield	$/boe	70.5	67.9	68.3	68.8	69.2	69.6	70.1	71.2	72.0	72.3	74.0	75.5	76.9
Gas TT&T	$/boe	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	0.0	0.0	0.0
Capex	$/boe	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5
Opex	$/boe	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	70.5	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		70.46	$/boe				69.12	69.78	71.14	71.83	72.53			
		70.46				Years:	4	5	7	8	9			



Field # 4
Producer NPV Sensitivity Analysis
Discounted @ 10 %
Producer NPV Real ($millions)
7000
6000
5000
4000
3000
2000
1000
0
-1000
-2000
0.0
0.2
0.4
0.7
0.9
1.1
1.3
1.5
1.8
2.0
2.2
2.4
2.6
2.9
Factor Adjustments From Base Case = 1.0
Condensate Yield
Gas TT&T
Oil Price
Gas Price
Opex
Capex
David Wood & Associates



Field # 4
NPV Sensitivity Tornado Chart
Discounted @ 10 %
Opex
Capex
Gas TT&T
Condensate Yield
Oil Price
Gas Price
-2000
0
2000
4000
6000
8000
Producer NPV Real $millions
Note: model shuts-in fields with negative operating cash flow
David Wood & Associates

Gas Field #4

Sensitivity Analysis - changing selected input metrics by a factor to analyse impact of fiscal terms													
Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)		8	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil (C5+) Price ($ / Barrel)		80	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Royalty Rate (%)		12.5%	5.0%	7.5%	9.0%	10.0%	11.0%	12.0%	13.0%	14.0%	15.0%	16.0%	17.5%	20.0%
Basic Petroleum Profits Tax Rate		25.0%	15.0%	17.5%	20.0%	22.0%	23.0%	24.0%	26.0%	27.0%	28.0%	30.0%	32.5%	35.0%
Progressivity Tax (CPT) First Base ($/boe)		30.00	10.00	15.00	20.00	24.00	26.00	28.00	32.00	34.00	36.00	40.00	50.00	60.00
Progressivity Tax (CPT) First Tranche rate (%)		0.40%	0.20%	0.25%	0.30%	0.34%	0.36%	0.38%	0.50%	0.60%	0.70%	1.00%	2.00%	3.00%
Progressivity Tax (CPT) Second Base ($/boe)		92.50	30.00	40.00	50.00	60.00	70.00	80.00	95.00	100.00	110.00	120.00	130.00	150.00
Progressivity Tax (CPT) Second Tranche rate (%)		0.10%	0.02%	0.04%	0.05%	0.07%	0.08%	0.09%	0.15%	0.20%	0.25%	0.30%	0.40%	0.50%
Investment Credit Rate (%)		20.0%	5.0%	10.0%	12.0%	14.0%	16.0%	18.0%	22.0%	24.0%	26.0%	28.0%	30.0%	35.0%
Alaska CIT Rate (%)		9.40%	5.00%	7.00%	7.50%	8.00%	8.50%	9.00%	10.00%	10.50%	11.00%	11.50%	12.00%	15.00%
Sensitivity Case Number (for graphic displays):		0	-6	-5	-4	-3	-2	-1	1	2	3	4	5	6

Field # 4

Impacts on Total Gov Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	65.5%	100.0%	98.0%	71.6%	67.8%	66.1%	65.2%	67.1%	69.0%	70.1%	75.1%	76.6%	78.0%
Oil Price	%	65.5%	65.3%	65.2%	65.2%	65.2%	65.3%	65.4%	65.8%	66.1%	66.3%	67.2%	68.2%	69.2%
Royalty Rate	%	65.5%	61.8%	63.0%	63.8%	64.3%	64.8%	65.3%	65.7%	66.2%	66.7%	67.2%	68.0%	69.2%
Basic Petroleum Profits Tax Rate	%	65.5%	60.7%	61.9%	63.1%	64.1%	64.5%	65.0%	66.0%	66.5%	66.9%	67.9%	69.1%	70.3%
Progressivity Tax (CPT) First Base ($/boe)	%	65.5%	69.7%	68.7%	67.6%	66.8%	66.3%	65.9%	65.1%	64.8%	64.5%	64.4%	64.4%	64.4%
Progressivity Tax (CPT) First Tranche rate (%)	%	65.5%	65.0%	65.1%	65.2%	65.3%	65.4%	65.4%	65.8%	66.0%	66.3%	67.1%	69.9%	72.6%
Progressivity Tax (CPT) Second Base ($/boe)	%	65.5%	64.7%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%
Progressivity Tax (CPT) Second Tranche rate (%)	%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%	65.5%
Investment Credit Rate	%	65.5%	66.6%	66.2%	66.1%	65.9%	65.8%	65.7%	65.4%	65.2%	65.1%	64.9%	64.8%	64.4%
Alaska CIT Rate	%	65.5%	63.8%	64.6%	64.8%	65.0%	65.1%	65.3%	65.7%	65.9%	66.1%	66.3%	66.5%	67.7%
		65.5%												

Field # 4

Impacts on Alaska Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	46.6%	100.0%	93.9%	55.1%	49.7%	47.3%	46.0%	49.1%	52.2%	53.8%	61.5%	64.0%	66.1%
Oil Price	%	46.6%	46.2%	46.0%	46.0%	46.0%	46.2%	46.4%	47.0%	47.5%	47.8%	49.3%	50.8%	52.4%
Royalty Rate	%	46.6%	40.9%	42.8%	43.9%	44.7%	45.4%	46.2%	47.0%	47.7%	48.5%	49.2%	50.4%	52.2%
Basic Petroleum Profits Tax Rate	%	46.6%	39.2%	41.1%	42.9%	44.4%	45.1%	45.8%	47.3%	48.0%	48.8%	50.2%	52.1%	53.9%
Progressivity Tax (CPT) First Base ($/boe)	%	46.6%	53.0%	51.4%	49.8%	48.5%	47.9%	47.2%	45.9%	45.4%	45.1%	44.9%	44.9%	44.9%
Progressivity Tax (CPT) First Tranche rate (%)	%	46.6%	45.7%	45.9%	46.2%	46.3%	46.4%	46.5%	47.0%	47.4%	47.8%	49.1%	53.3%	57.6%
Progressivity Tax (CPT) Second Base ($/boe)	%	46.6%	45.3%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%
Progressivity Tax (CPT) Second Tranche rate (%)	%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%	46.6%
Investment Credit Rate	%	46.6%	48.3%	47.7%	47.5%	47.3%	47.0%	46.8%	46.3%	46.1%	45.9%	45.7%	45.4%	44.8%
Alaska CIT Rate	%	46.6%	43.9%	45.1%	45.4%	45.7%	46.0%	46.3%	46.9%	47.2%	47.5%	47.8%	48.1%	50.0%
		46.6%												

Field # 4

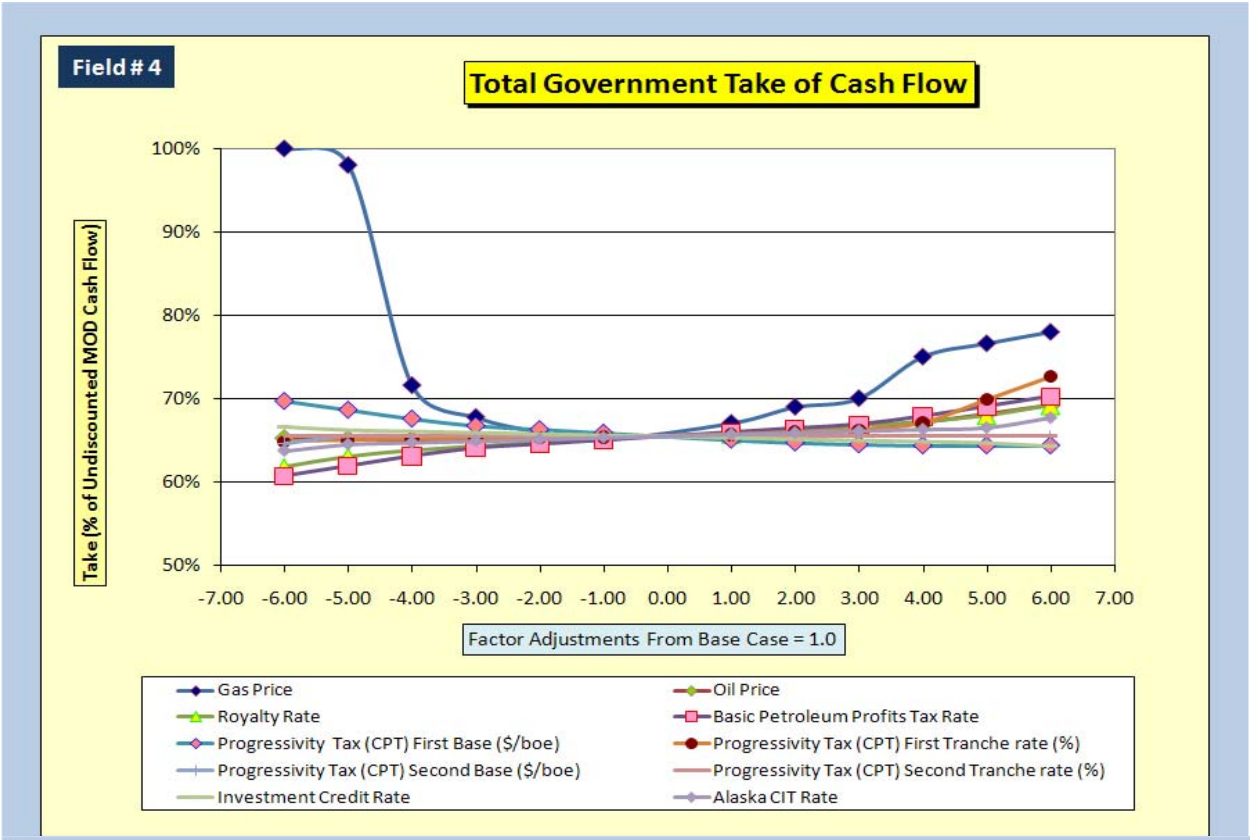
Impacts on Alaska NPV Real ($/boe)@ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$/boe	11.40	0.00	3.06	4.18	5.81	7.53	9.30	16.28	21.84	24.85	41.98	57.88	74.37
Oil Price	$/boe	11.40	8.85	9.23	9.63	10.05	10.48	10.94	12.35	13.34	13.84	16.47	19.29	22.27
Royalty Rate	$/boe	11.40	9.94	10.43	10.72	10.91	11.11	11.30	11.50	11.70	11.89	12.09	12.38	12.87
Basic Petroleum Profits Tax Rate	$/boe	11.40	9.69	10.11	10.54	10.89	11.06	11.23	11.57	11.75	11.92	12.27	12.70	13.14
Progressivity Tax (CPT) First Base ($/boe)	$/boe	11.40	12.98	12.59	12.19	11.87	11.71	11.56	11.25	11.13	11.07	11.03	11.03	11.03
Progressivity Tax (CPT) First Tranche rate (%)	$/boe	11.40	11.22	11.26	11.31	11.35	11.37	11.38	11.50	11.59	11.68	11.96	12.90	13.84
Progressivity Tax (CPT) Second Base ($/boe)	$/boe	11.40	11.12	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Progressivity Tax (CPT) Second Tranche rate (%)	$/boe	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Investment Credit Rate	$/boe	11.40	11.93	11.75	11.68	11.61	11.54	11.47	11.34	11.27	11.20	11.14	11.07	10.91
Alaska CIT Rate	$/boe	11.40	10.74	11.04	11.12	11.19	11.27	11.34	11.49	11.57	11.64	11.72	11.79	12.24
		11.40												

Field # 4

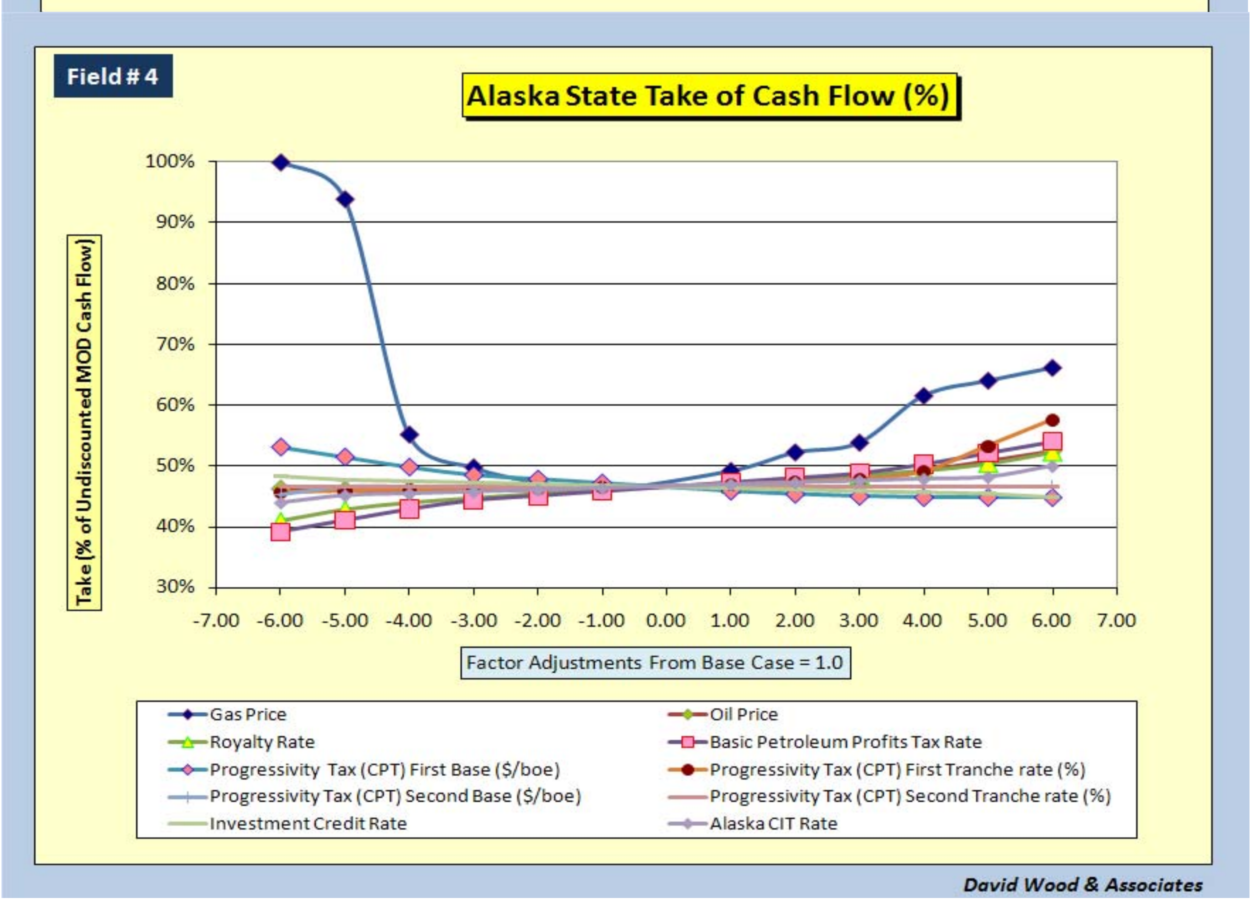
Impacts on Alaska NPV Real ($ million) @ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$millions	5629	4	1510	2063	2870	3718	4591	8037	10780	12268	20724	28574	36713
Oil Price	$millions	5629	4370	4557	4753	4959	5174	5400	6098	6584	6834	8133	9522	10996
Royalty Rate	$millions	5629	4907	5147	5292	5388	5484	5581	5677	5774	5870	5967	6111	6352
Basic Petroleum Profits Tax Rate	$millions	5629	4784	4993	5204	5374	5459	5544	5714	5799	5884	6056	6271	6487
Progressivity Tax (CPT) First Base ($/boe)	$millions	5629	6409	6213	6017	5861	5783	5706	5553	5496	5463	5445	5445	5445
Progressivity Tax (CPT) First Tranche rate (%)	$millions	5629	5537	5560	5583	5601	5611	5620	5675	5721	5767	5905	6369	6834
Progressivity Tax (CPT) Second Base ($/boe)	$millions	5629	5491	5629	5629	5629	5629	5629	5629	5629	5629	5629	5629	5629
Progressivity Tax (CPT) Second Tranche rate (%)	$millions	5629	5629	5629	5629	5629	5629	5629	5629	5629	5629	5629	5629	5629
Investment Credit Rate	$millions	5629	5887	5800	5765	5730	5695	5662	5596	5564	5531	5498	5465	5388
Alaska CIT Rate	$millions	5629	5303	5451	5488	5525	5562	5599	5674	5711	5748	5785	5822	6044
		5629												

Field # 4

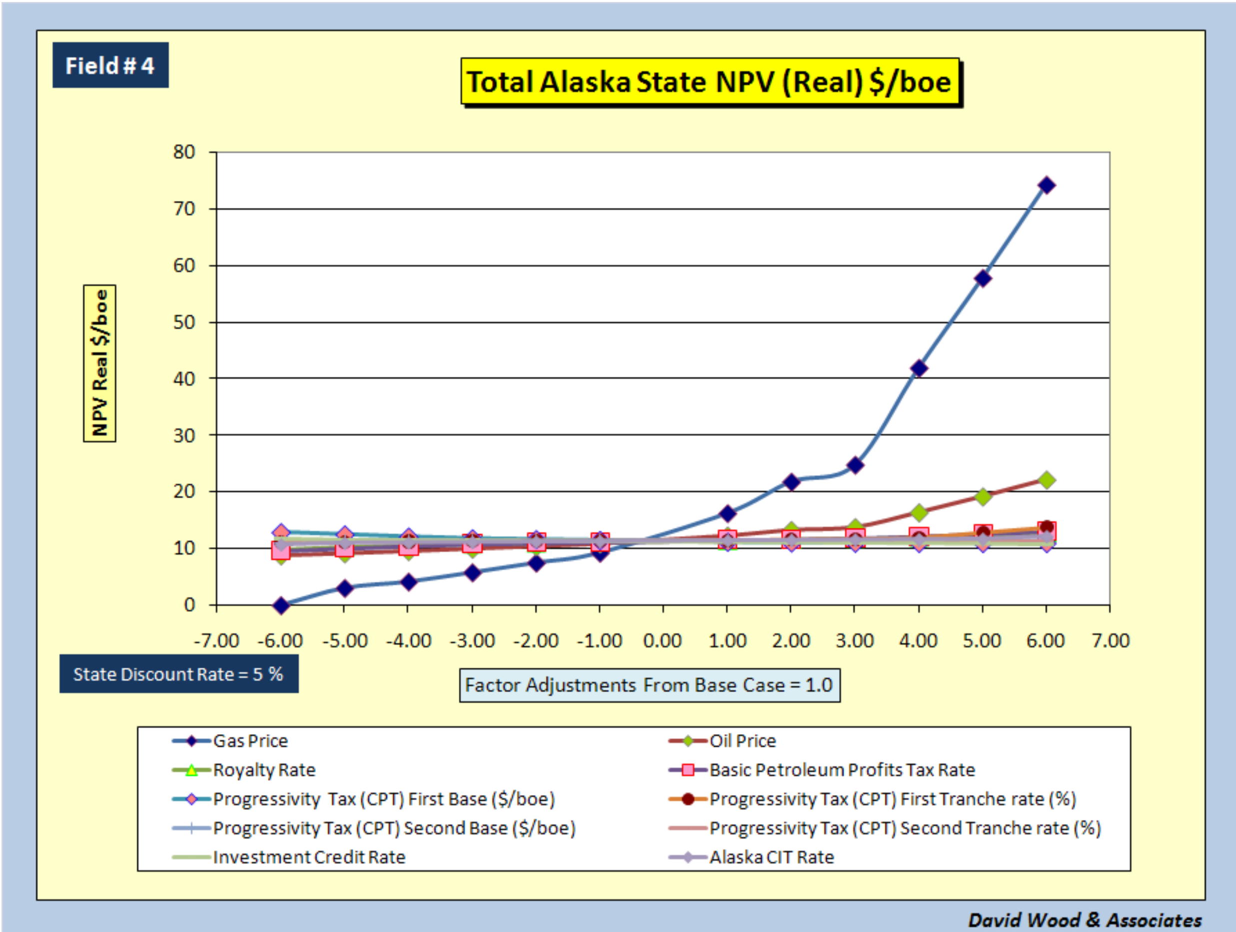
Impacts on Royalty as % of Alaska Take (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	30.8%	0.0%	29.0%	33.8%	32.9%	32.4%	32.0%	28.2%	26.0%	25.1%	21.4%	20.3%	19.5%
Oil Price	%	30.8%	32.2%	32.0%	31.8%	31.6%	31.4%	31.1%	30.2%	29.7%	29.4%	28.1%	26.9%	25.9%
Royalty Rate	%	30.8%	13.9%	20.0%	23.4%	25.6%	27.7%	29.8%	31.7%	33.7%	35.5%	37.3%	39.9%	44.0%
Basic Petroleum Profits Tax Rate	%	30.8%	36.5%	34.9%	33.4%	32.3%	31.8%	31.3%	30.3%	29.8%	29.4%	28.5%	27.5%	26.6%
Progressivity Tax (CPT) First Base ($/boe)	%	30.8%	27.0%	27.9%	28.8%	29.5%	29.9%	30.3%	31.2%	31.6%	31.8%	31.9%	31.9%	31.9%
Progressivity Tax (CPT) First Tranche rate (%)	%	30.8%	31.3%	31.2%	31.1%	30.9%	30.9%	30.8%	30.5%	30.2%	30.0%	29.2%	26.9%	24.9%
Progressivity Tax (CPT) Second Base ($/boe)	%	30.8%	31.6%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%
Progressivity Tax (CPT) Second Tranche rate (%)	%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%
Investment Credit Rate	%	30.8%	29.7%	30.0%	30.2%	30.3%	30.5%	30.6%	30.9%	31.1%	31.2%	31.4%	31.5%	32.0%
Alaska CIT Rate	%	30.8%	32.6%	31.8%	31.5%	31.3%	31.1%	30.9%	30.5%	30.3%	30.1%	30.0%	29.8%	28.7%
		30.8%												



Field # 4
Total Government Take of Cash Flow
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate



Field # 4
Alaska State Take of Cash Flow (%)
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
40%
30%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates


Field # 4
Total Alaska State NPV (Real) $/boe
NPV Real $/boe
80
70
60
50
40
30
20
10
0
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
State Discount Rate = 5 %
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates

Gas Field #5 (1861 million boe produced)

Model Field Number:	5	Base Case Gas Reserves Produced:	9879.7 bcf

Sensitivity Analysis - changing selected input metrics by a factor to analyse field profitability

Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)	Field # 5	7.5	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil Price ($ / Barrel)		80.0	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Condensate Yield (barrels/mmcf)		20.0	8.0	10.0	12.0	14.0	16.0	18.0	24.0	28.0	30.0	40.0	50.0	60.0
Gas TT&T ($/ mcf)		4.5	1.8	2.3	2.7	3.2	3.6	4.1	5.4	6.3	6.8	9.0	11.3	13.5
Total Capex ($/boe)		4.35	1.74	2.17	2.61	3.04	3.48	3.91	5.22	6.09	6.52	8.70	10.87	13.05
Total Opex ($/boe)		2.46	0.98	1.23	1.48	1.72	1.97	2.21	2.95	3.44	3.69	4.92	6.15	7.38
Production Startup Accelerated (-) or Delayed (+) by Years		6					-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real $ millions:		2,374												
		2,374												

Impacts on Producer NPV (Real) @	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	Producer NPV $ millions:	2374	-131	-2051	-910	21	881	1680	3585	4580	5003	6584	8394	10036
Oil Price	Producer NPV $ millions:	2374	1493	1652	1807	1956	2098	2237	2643	2901	3027	3626	4163	4646
Condensate Yield	Producer NPV $ millions:	2374	1555	1696	1835	1972	2106	2241	2640	2900	3029	3665	4280	4882
Gas TT&T	Producer NPV $ millions:	2374	4216	3949	3665	3366	3049	2720	1625	758	299	-176	-123	-123
Capex	Producer NPV $ millions:	2374	3732	3517	3296	3073	2844	2612	1897	1410	1158	-149	-1530	-3001
Opex	Producer NPV $ millions:	2374	4392	4103	3795	3470	3121	2757	1534	558	41	-169	-138	-143
Production Startup Accelerated (-) or Delayed (+) by Years		2374	Producer NPV $ millions:				3887	3104	1696	1085	523			
		2,374				Years:	4	5	7	8	9			

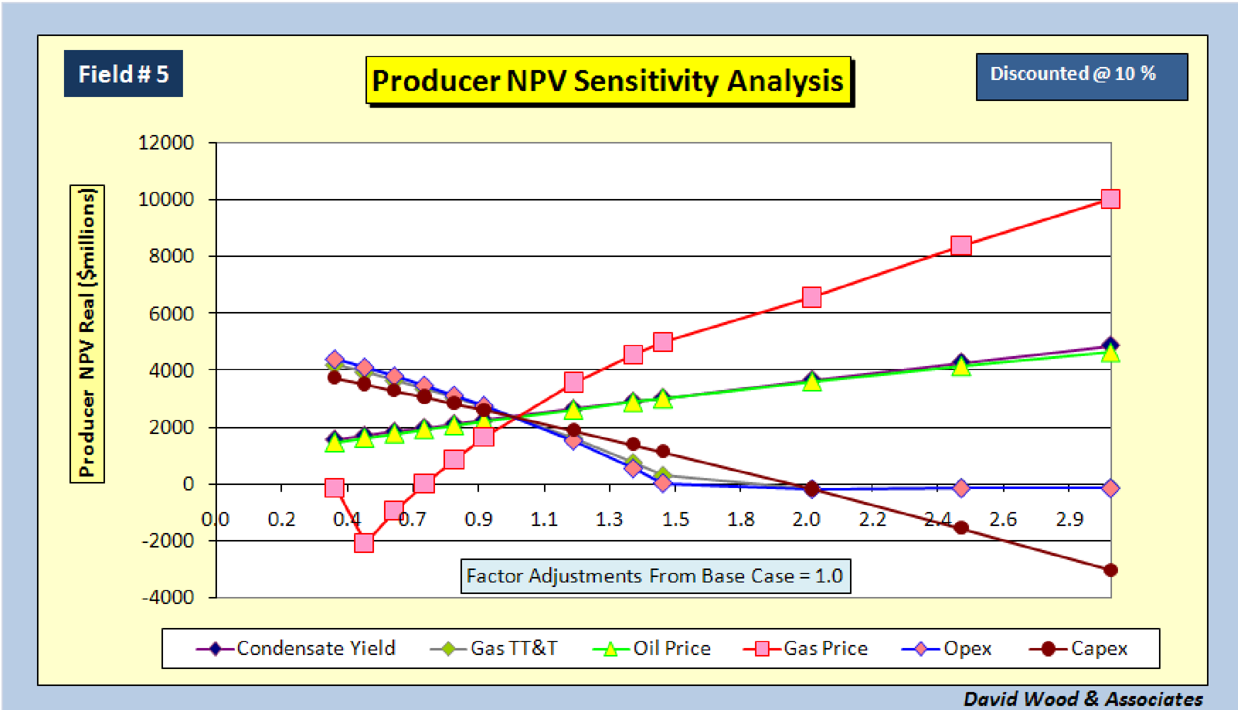
Impacts Producer NPV (Real) $/boe	10.0%	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	Producer NPV $/boe:	5.3	0.0	-4.5	-2.0	0.0	1.9	3.7	7.9	10.1	11.1	14.6	18.6	22.2
Oil Price	Producer NPV $/boe:	5.3	3.3	3.7	4.0	4.3	4.6	4.9	5.8	6.4	6.7	8.0	9.2	10.3
Condensate Yield	Producer NPV $/boe:	5.3	3.7	4.0	4.3	4.5	4.8	5.0	5.7	6.1	6.3	7.3	8.1	8.8
Gas TT&T	Producer NPV $/boe:	5.3	9.3	8.7	8.1	7.4	6.7	6.0	3.6	1.7	0.7	0.0	0.0	0.0
Capex	Producer NPV $/boe:	5.3	8.3	7.8	7.3	6.8	6.3	5.8	4.2	3.1	2.6	-0.3	-3.4	-6.6
Opex	Producer NPV $/boe:	5.3	9.7	9.1	8.4	7.7	6.9	6.1	3.4	1.2	0.1	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		5.3	Producer NPV $/boe:				6.8	6.1	4.2	3.1	1.7			
		5.3				Years:	4	5	7	8	9			

Impacts Producer IRR (Real)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	%	18.5%	0.0%	0.0%	6.0%	10.1%	13.5%	16.3%	22.1%	24.9%	26.0%	29.9%	33.4%	36.5%
Oil Price	%	18.5%	15.6%	16.2%	16.7%	17.2%	17.6%	18.1%	19.3%	20.1%	20.5%	22.2%	23.7%	25.0%
Condensate Yield	%	18.5%	15.8%	16.3%	16.8%	17.2%	17.7%	18.1%	19.3%	20.1%	20.4%	22.2%	23.8%	25.4%
Gas TT&T	%	18.5%	23.9%	23.1%	22.3%	21.5%	20.5%	19.6%	16.1%	13.0%	11.3%	0.0%	0.0%	0.0%
Capex	%	18.5%	33.9%	29.7%	26.5%	23.9%	21.8%	20.0%	16.0%	14.0%	13.1%	9.7%	7.3%	5.5%
Opex	%	18.5%	24.3%	23.5%	22.7%	21.8%	20.8%	19.7%	15.8%	12.3%	10.2%	0.0%	0.0%	0.0%
Production Startup Accelerated (-) or Delayed (+) by Years		18.5%	%				28.7%	22.5%	15.6%	13.4%	11.6%			
		18.5%				Years:	4	5	7	8	9			

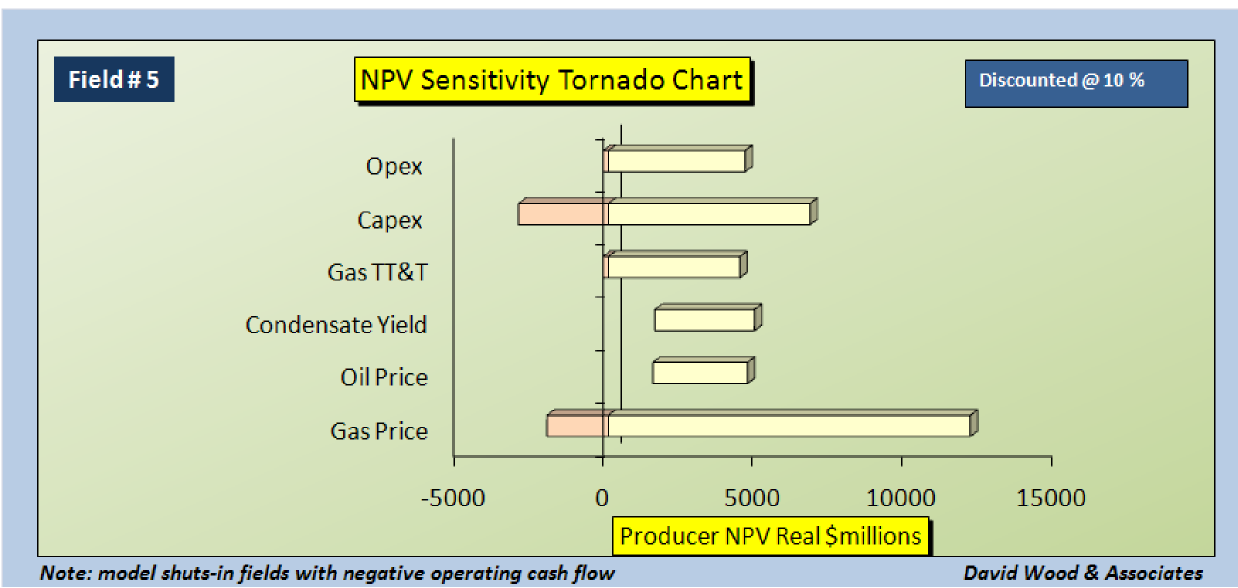
Impacts Producer Payback (Real / Discounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	Years	11.96	40.00	40.00	40.00	23.90	15.83	13.20	10.68	9.98	9.75	9.07	8.74	8.49
Oil Price	Years	11.96	13.68	13.27	12.92	12.64	12.39	12.16	11.62	11.33	11.19	10.65	10.25	9.94
Condensate Yield	Years	11.96	13.47	13.13	12.84	12.60	12.37	12.15	11.63	11.35	11.21	10.68	10.25	9.93
Gas TT&T	Years	11.96	10.21	10.40	10.62	10.87	11.17	11.53	13.34	16.44	19.74	40.00	40.00	40.00
Capex	Years	11.96	8.82	9.29	9.79	10.28	10.82	11.37	13.35	15.10	16.19	40.00	40.00	40.00
Opex	Years	11.96	10.09	10.29	10.52	10.78	11.09	11.49	13.57	17.64	23.30	40.00	40.00	40.00
Production Startup Accelerated (-) or Delayed (+) by Years		11.96	Years				8.82	10.27	14.05	16.60	19.70			
		11.96				Years:	4	5	7	8	9			

Impacts Total Destination Value (MOD / Undiscounted)		1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Gas Price	$/boe	74.2	0.0	43.5	49.6	55.8	61.9	68.0	86.5	98.8	104.9	135.6	166.4	197.1
Oil Price	$/boe	74.2	66.5	67.8	69.1	70.4	71.6	72.9	76.7	79.3	80.6	86.9	93.3	99.7
Condensate Yield	$/boe	74.2	71.5	72.0	72.4	72.9	73.3	73.8	75.0	75.8	76.2	77.9	79.5	81.0
Gas TT&T	$/boe	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	0.0	0.0	0.0
Capex	$/boe	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2
Opex	$/boe	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	74.2	0.0	0.0	0.0
Production Startup Accelerated (-) or Delayed (+) by Years		74.19	$/boe				72.81	73.49	74.89	75.60	76.32			
		74.19				Years:	4	5	7	8	9			

Field # 5



Field # 5
Producer NPV Sensitivity Analysis
Discounted @ 10 %
Producer NPV Real ($millions)
12000
10000
8000
6000
4000
2000
0
-2000
-4000
0.0
0.2
0.4
0.7
0.9
1.1
1.3
1.5
1.8
2.0
2.2
2.4
2.6
2.9
Factor Adjustments From Base Case = 1.0
Condensate Yield
Gas TT&T
Oil Price
Gas Price
Opex
Capex
David Wood & Associates



Field # 5
NPV Sensitivity Tornado Chart
Discounted @ 10 %
Opex
Capex
Gas TT&T
Condensate Yield
Oil Price
Gas Price
-5000
0
5000
10000
15000
Producer NPV Real $millions
Note: model shuts-in fields with negative operating cash flow
David Wood & Associates

Gas Field #5

Sensitivity Analysis - changing selected input metrics by a factor to analyse impact of fiscal terms

Input Variables	Base Case =1.00	1.00	0.40	0.50	0.60	0.70	0.80	0.90	1.20	1.40	1.50	2.00	2.50	3.00
Year 1 Gas Price ($/mmbtu)		8	3.0	3.8	4.5	5.3	6.0	6.8	9.0	10.5	11.3	15.0	18.8	22.5
Year 1 Oil (C5+) Price ($ / Barrel)		80	32.0	40.0	48.0	56.0	64.0	72.0	96.0	112.0	120.0	160.0	200.0	240.0
Royalty Rate (%)		12.5%	5.0%	7.5%	9.0%	10.0%	11.0%	12.0%	13.0%	14.0%	15.0%	16.0%	17.5%	20.0%
Basic Petroleum Profits Tax Rate		25.0%	15.0%	17.5%	20.0%	22.0%	23.0%	24.0%	26.0%	27.0%	28.0%	30.0%	32.5%	35.0%
Progressivity Tax (CPT) First Base ($/boe)		30.00	10.00	15.00	20.00	24.00	26.00	28.00	32.00	34.00	36.00	40.00	50.00	60.00
Progressivity Tax (CPT) First Tranche rate (%)		0.40%	0.20%	0.25%	0.30%	0.34%	0.36%	0.38%	0.50%	0.60%	0.70%	1.00%	2.00%	3.00%
Progressivity Tax (CPT) Second Base ($/boe)		92.50	30.00	40.00	50.00	60.00	70.00	80.00	95.00	100.00	110.00	120.00	130.00	150.00
Progressivity Tax (CPT) Second Tranche rate (%)		0.10%	0.02%	0.04%	0.05%	0.07%	0.08%	0.09%	0.15%	0.20%	0.25%	0.30%	0.40%	0.50%
Investment Credit Rate (%)		20.0%	5.0%	10.0%	12.0%	14.0%	16.0%	18.0%	22.0%	24.0%	26.0%	28.0%	30.0%	35.0%
Alaska CIT Rate (%)		9.40%	5.00%	7.00%	7.50%	8.00%	8.50%	9.00%	10.00%	10.50%	11.00%	11.50%	12.00%	15.00%
Sensitivity Case Number (for graphic displays):		0	-6	-5	-4	-3	-2	-1	1	2	3	4	5	6

Field # 5

Impacts on Total Gov Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	65.8%	100.0%	86.9%	70.3%	67.2%	65.6%	65.2%	67.6%	69.7%	70.8%	75.3%	76.9%	78.4%
Oil Price	%	65.8%	65.2%	65.2%	65.3%	65.4%	65.5%	65.7%	66.2%	66.5%	66.7%	67.7%	68.7%	69.8%
Royalty Rate	%	65.8%	62.3%	63.5%	64.2%	64.6%	65.1%	65.6%	66.1%	66.5%	67.0%	67.5%	68.2%	69.3%
Basic Petroleum Profits Tax Rate	%	65.8%	61.0%	62.2%	63.4%	64.4%	64.9%	65.3%	66.3%	66.8%	67.3%	68.2%	69.4%	70.6%
Progressivity Tax (CPT) First Base ($/boe)	%	65.8%	69.9%	68.9%	67.9%	67.0%	66.6%	66.2%	65.4%	65.0%	64.7%	64.3%	64.2%	64.2%
Progressivity Tax (CPT) First Tranche rate (%)	%	65.8%	65.0%	65.2%	65.4%	65.6%	65.7%	65.7%	66.2%	66.7%	67.1%	68.3%	72.5%	76.7%
Progressivity Tax (CPT) Second Base ($/boe)	%	65.8%	64.6%	65.7%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%
Progressivity Tax (CPT) Second Tranche rate (%)	%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%	65.8%
Investment Credit Rate	%	65.8%	66.9%	66.5%	66.4%	66.2%	66.1%	66.0%	65.7%	65.5%	65.4%	65.3%	65.1%	64.8%
Alaska CIT Rate	%	65.8%	64.1%	64.9%	65.1%	65.3%	65.5%	65.7%	66.1%	66.2%	66.4%	66.6%	66.8%	68.0%
		65.8%												

Field # 5

Impacts on Alaska Take of Undisc. Mod Cash Flow (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	47.1%	100.0%	77.6%	53.2%	48.8%	46.6%	46.1%	49.9%	53.2%	54.9%	61.9%	64.4%	66.7%
Oil Price	%	47.1%	46.0%	46.1%	46.2%	46.4%	46.6%	46.8%	47.6%	48.2%	48.5%	50.0%	51.7%	53.4%
Royalty Rate	%	47.1%	41.7%	43.5%	44.6%	45.3%	46.0%	46.7%	47.5%	48.2%	48.9%	49.6%	50.7%	52.5%
Basic Petroleum Profits Tax Rate	%	47.1%	39.7%	41.6%	43.4%	44.9%	45.6%	46.4%	47.8%	48.6%	49.3%	50.8%	52.6%	54.5%
Progressivity Tax (CPT) First Base ($/boe)	%	47.1%	53.4%	51.8%	50.2%	49.0%	48.4%	47.7%	46.5%	45.9%	45.4%	44.8%	44.5%	44.5%
Progressivity Tax (CPT) First Tranche rate (%)	%	47.1%	45.8%	46.1%	46.5%	46.7%	46.8%	47.0%	47.7%	48.4%	49.0%	50.9%	57.4%	63.8%
Progressivity Tax (CPT) Second Base ($/boe)	%	47.1%	45.2%	46.9%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%
Progressivity Tax (CPT) Second Tranche rate (%)	%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%
Investment Credit Rate	%	47.1%	48.7%	48.2%	47.9%	47.7%	47.5%	47.3%	46.9%	46.7%	46.5%	46.3%	46.0%	45.5%
Alaska CIT Rate	%	47.1%	44.5%	45.7%	46.0%	46.3%	46.6%	46.9%	47.5%	47.8%	48.0%	48.3%	48.6%	50.4%
		47.1%												

Field # 5

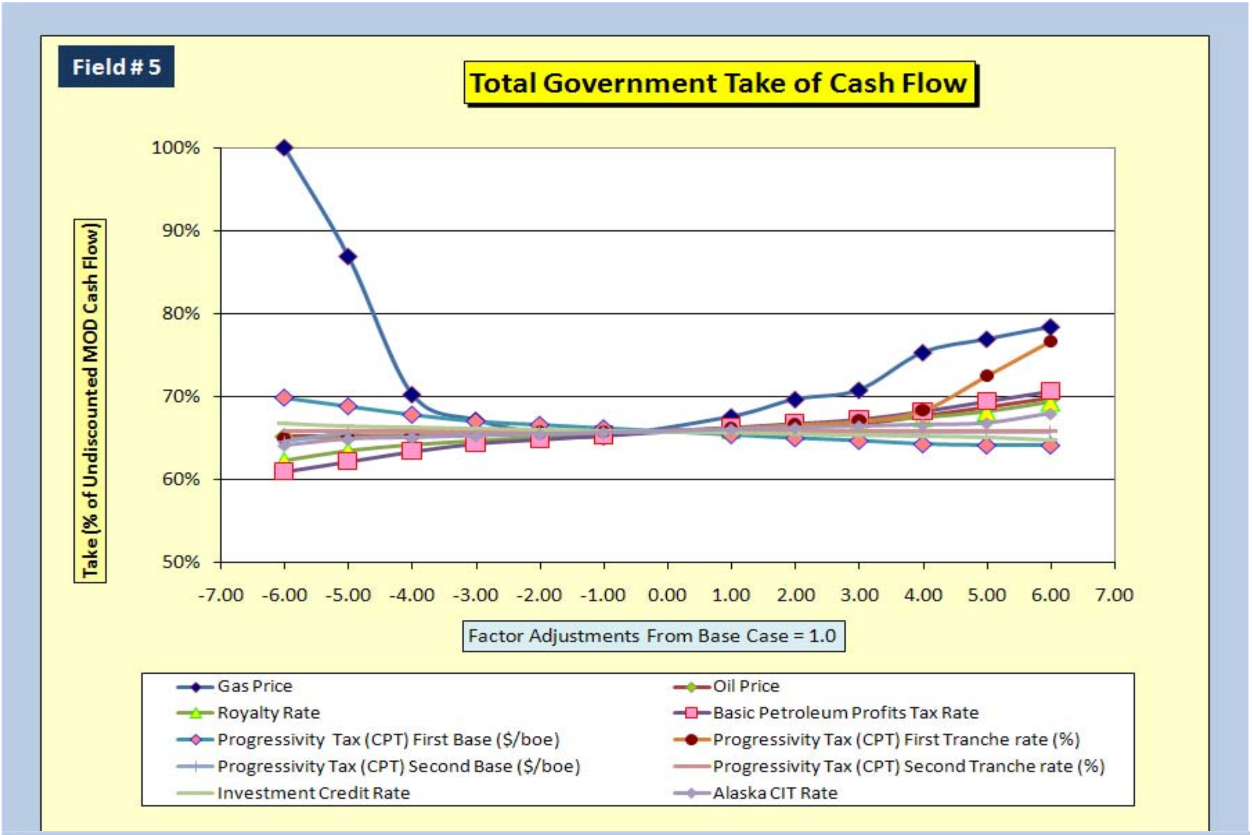
Impacts on Alaska NPV Real ($/boe)@ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$/boe	11.62	0.00	3.07	4.30	5.91	7.59	9.43	16.55	22.19	25.27	42.20	58.18	74.86
Oil Price	$/boe	11.62	8.95	9.36	9.78	10.21	10.67	11.14	12.59	13.59	14.10	16.75	19.60	22.64
Royalty Rate	$/boe	11.62	10.17	10.66	10.95	11.14	11.33	11.52	11.72	11.91	12.10	12.29	12.58	13.06
Basic Petroleum Profits Tax Rate	$/boe	11.62	9.89	10.32	10.75	11.10	11.27	11.45	11.79	11.97	12.14	12.50	12.94	13.38
Progressivity Tax (CPT) First Base ($/boe)	$/boe	11.62	13.16	12.77	12.38	12.07	11.92	11.77	11.47	11.33	11.22	11.11	11.07	11.07
Progressivity Tax (CPT) First Tranche rate (%)	$/boe	11.62	11.35	11.41	11.48	11.54	11.57	11.59	11.76	11.89	12.03	12.44	13.82	15.20
Progressivity Tax (CPT) Second Base ($/boe)	$/boe	11.62	11.21	11.59	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62
Progressivity Tax (CPT) Second Tranche rate (%)	$/boe	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62	11.62
Investment Credit Rate	$/boe	11.62	12.16	11.97	11.90	11.83	11.76	11.69	11.55	11.48	11.42	11.35	11.29	11.13
Alaska CIT Rate	$/boe	11.62	10.96	11.26	11.34	11.41	11.49	11.56	11.71	11.78	11.86	11.93	12.01	12.45
		11.62												

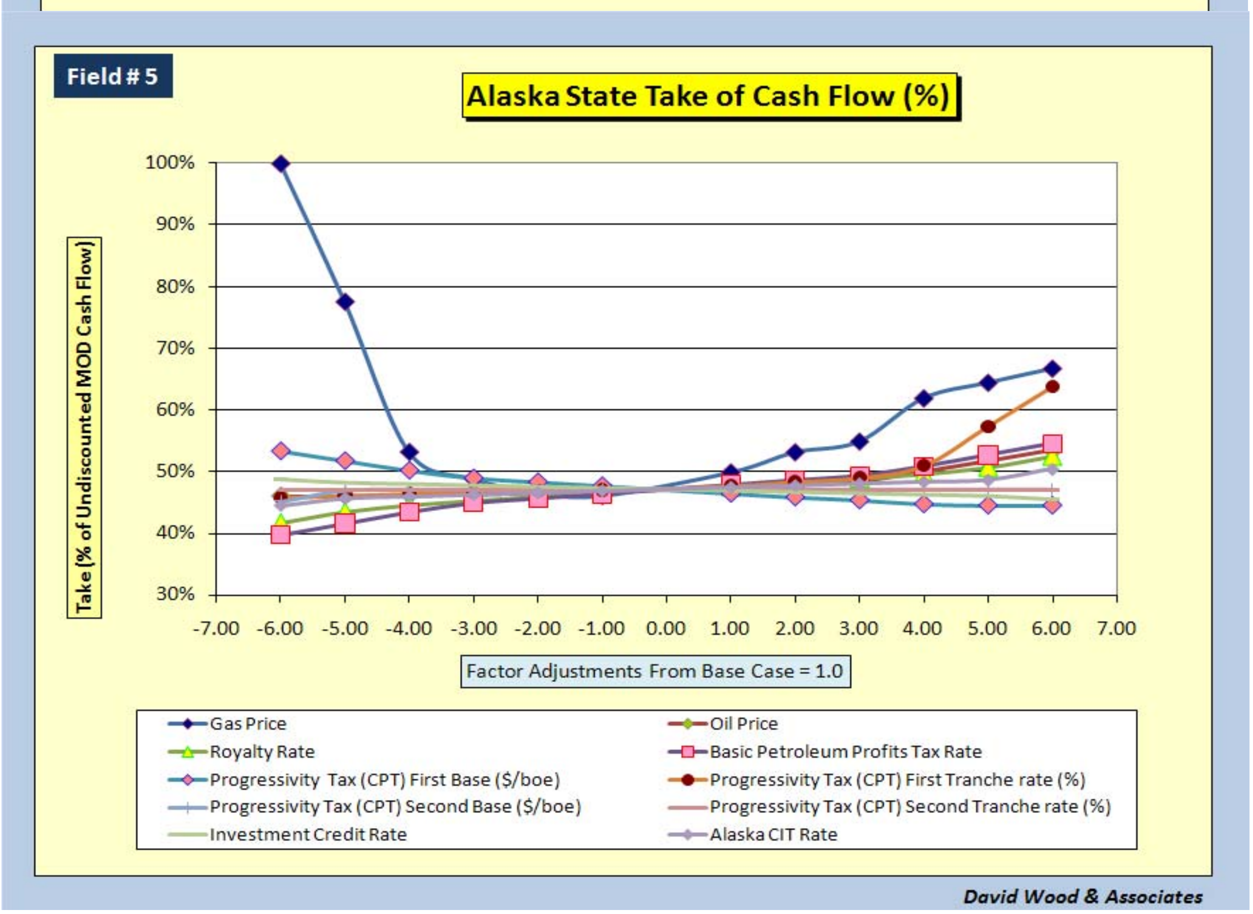
Field # 5

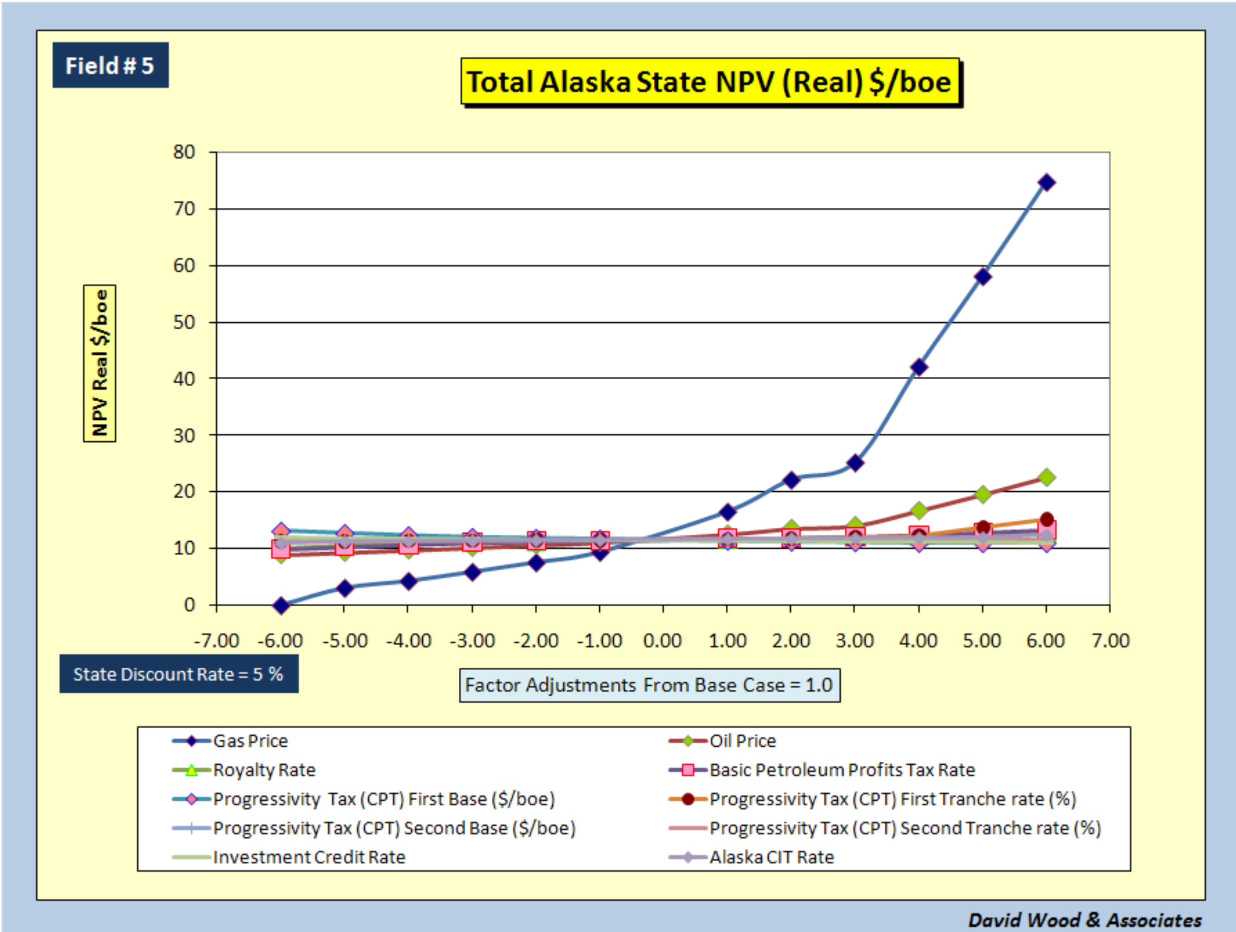
Impacts on Alaska NPV Real ($ million) @ 5.0%	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	$millions	10195	4	2692	3773	5189	6659	8274	14521	19471	22172	37020	51047	65677
Oil Price	$millions	10195	7855	8209	8578	8961	9366	9777	11045	11921	12367	14694	17194	19861
Royalty Rate	$millions	10195	8926	9349	9604	9773	9942	10110	10279	10448	10617	10785	11038	11460
Basic Petroleum Profits Tax Rate	$millions	10195	8677	9052	9429	9735	9888	10042	10348	10501	10654	10963	11351	11738
Progressivity Tax (CPT) First Base ($/boe)	$millions	10195	11546	11201	10863	10593	10460	10327	10062	9938	9848	9744	9714	9714
Progressivity Tax (CPT) First Tranche rate (%)	$millions	10195	9954	10014	10074	10123	10147	10171	10315	10435	10555	10916	12126	13337
Progressivity Tax (CPT) Second Base ($/boe)	$millions	10195	9834	10172	10195	10195	10195	10195	10195	10195	10195	10195	10195	10195
Progressivity Tax (CPT) Second Tranche rate (%)	$millions	10195	10195	10195	10195	10195	10195	10195	10195	10195	10195	10195	10195	10195
Investment Credit Rate	$millions	10195	10665	10504	10441	10378	10315	10254	10135	10076	10017	9959	9904	9765
Alaska CIT Rate	$millions	10195	9620	9881	9946	10012	10077	10142	10273	10338	10404	10469	10534	10927
		10195												

Field # 5

Impacts on Royalty as % of Alaska Take (%)	Case:	0	-6.00	-5.00	-4.00	-3.00	-2.00	-1.00	1.00	2.00	3.00	4.00	5.00	6.00
Gas Price	%	29.7%	0.0%	29.0%	32.2%	31.8%	31.6%	31.0%	27.3%	25.2%	24.2%	21.1%	20.0%	19.2%
Oil Price	%	29.7%	31.2%	31.0%	30.8%	30.5%	30.2%	29.9%	29.1%	28.6%	28.4%	27.2%	26.1%	25.0%
Royalty Rate	%	29.7%	13.3%	19.2%	22.5%	24.6%	26.7%	28.7%	30.6%	32.5%	34.3%	36.1%	38.6%	42.7%
Basic Petroleum Profits Tax Rate	%	29.7%	35.2%	33.6%	32.2%	31.1%	30.6%	30.1%	29.2%	28.8%	28.3%	27.5%	26.5%	25.6%
Progressivity Tax (CPT) First Base ($/boe)	%	29.7%	26.2%	27.0%	27.8%	28.5%	28.9%	29.3%	30.1%	30.5%	30.8%	31.2%	31.4%	31.4%
Progressivity Tax (CPT) First Tranche rate (%)	%	29.7%	30.5%	30.3%	30.1%	29.9%	29.8%	29.8%	29.3%	28.9%	28.5%	27.4%	24.4%	21.9%
Progressivity Tax (CPT) Second Base ($/boe)	%	29.7%	30.9%	29.8%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%
Progressivity Tax (CPT) Second Tranche rate (%)	%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%
Investment Credit Rate	%	29.7%	28.7%	29.0%	29.1%	29.3%	29.4%	29.5%	29.8%	29.9%	30.1%	30.2%	30.4%	30.7%
Alaska CIT Rate	%	29.7%	31.4%	30.6%	30.4%	30.2%	30.0%	29.8%	29.4%	29.3%	29.1%	28.9%	28.7%	27.7%
		29.7%												


Field # 5
Total Government Take of Cash Flow
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate


Field # 5
Alaska State Take of Cash Flow (%)
Take (% of Undiscounted MOD Cash Flow)
100%
90%
80%
70%
60%
50%
40%
30%
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates


Field # 5
Total Alaska State NPV (Real) $/boe
NPV Real $/boe
80
70
60
50
40
30
20
10
0
-7.00 -6.00 -5.00 -4.00 -3.00 -2.00 -1.00 0.00 1.00 2.00 3.00 4.00 5.00 6.00 7.00
State Discount Rate = 5 %
Factor Adjustments From Base Case = 1.0
Gas Price
Oil Price
Royalty Rate
Basic Petroleum Profits Tax Rate
Progressivity Tax (CPT) First Base ($/boe)
Progressivity Tax (CPT) First Tranche rate (%)
Progressivity Tax (CPT) Second Base ($/boe)
Progressivity Tax (CPT) Second Tranche rate (%)
Investment Credit Rate
Alaska CIT Rate
David Wood & Associates