

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

BY
DAVID WOOD
NOVEMBER 2008

For

State of Alaska
Legislative Budget & Audit Committee

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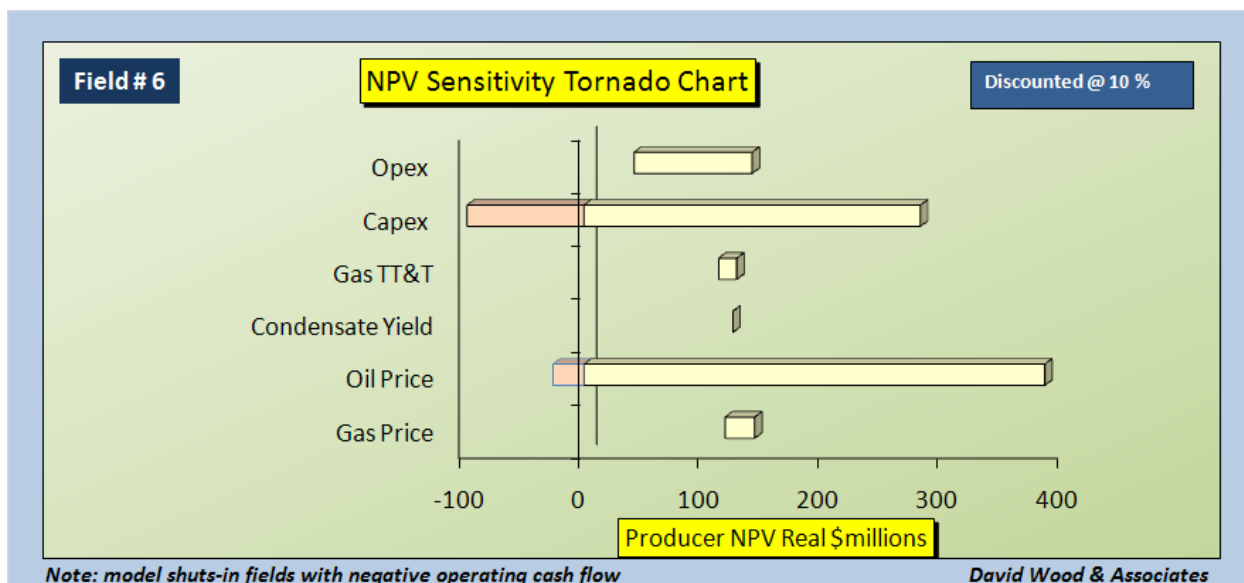
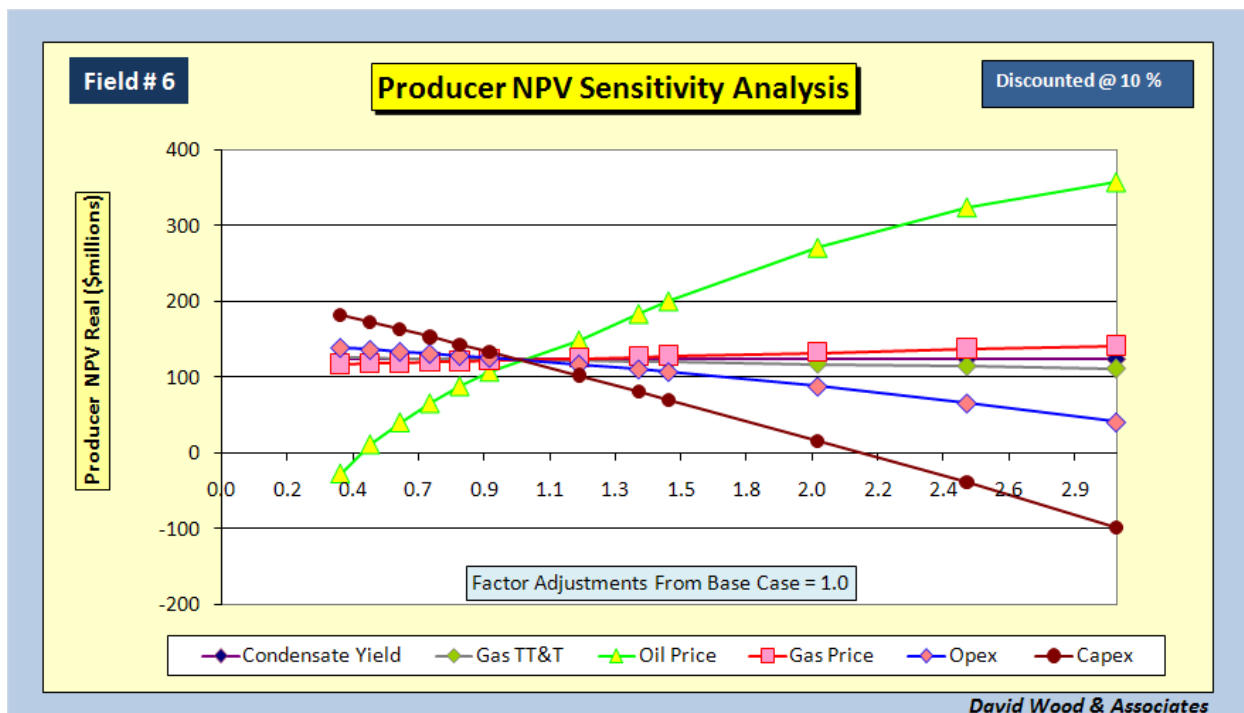
Appendix 6 (Part 2)

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

Appendix 6 (Part 2)

Oil Field #6 (32 million boe produced)

Model Field Number:		6	Base Case Gas Reserves Produced:		19.7 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 # 6	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/mmcft)			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)			10.19	4.07	5.09	6.11	7.13	8.15	9.17	12.22	14.26	15.28	20.37	25.46	30.56	
Total Opex (\$/boe)			8.72	3.49	4.36	5.23	6.11	6.98	7.85	10.47	12.21	13.09	17.45	21.81	26.17	
Production Startup Accelerated (-) or Delayed (+) by Years			4					-2.0	-1.0	1.0	2.0	3.0				
Producer Base Case NPV Real \$ millions:			124													
			124													
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 # 6	124	118	119	120	121	122	123	126	128	129	134	138	142	
Oil Price			124	-26	13	42	67	90	109	150	185	202	272	326	359	
Condensate Yield			124	124	124	124	124	124	124	124	124	124	124	124	124	
Gas TT&T			124	127	127	126	126	125	125	123	122	122	119	116	112	
Capex			124	183	174	164	155	145	135	104	82	71	17	-38	-98	
Opex			124	140	138	135	132	130	127	118	112	108	89	67	42	
Production Startup Accelerated (-) or Delayed (+) by Years			124	Producer NPV \$ millions:				238	179	75	34	19				
			124					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 # 6	10.1	9.6	9.7	9.8	9.9	9.9	10.0	10.3	10.4	10.5	10.9	11.2	11.6	
Oil Price			10.1	-2.1	1.0	3.4	5.5	7.3	8.8	12.2	15.0	16.4	22.2	26.5	29.2	
Condensate Yield			10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	
Gas TT&T			10.1	10.4	10.3	10.3	10.2	10.2	10.2	10.0	9.9	9.9	9.6	9.4	9.1	
Capex			10.1	14.9	14.1	13.4	12.6	11.8	10.9	8.4	6.6	5.7	1.4	-3.1	-7.9	
Opex			10.1	11.4	11.2	11.0	10.8	10.6	10.3	9.6	9.1	8.8	7.3	5.5	3.4	
Production Startup Accelerated (-) or Delayed (+) by Years			10.1	Producer NPV \$/boe:				14.4	12.5	7.2	3.9	2.3				
			10.1					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 # 6	%	22.8%	22.2%	22.3%	22.4%	22.5%	22.6%	22.7%	23.0%	23.2%	23.3%	23.7%	24.1%	
Oil Price			%	22.8%	7.7%	11.9%	15.0%	17.4%	19.5%	21.3%	25.1%	27.9%	29.1%	34.2%	40.3%	
Condensate Yield			%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	
Gas TT&T			%	22.8%	23.1%	23.0%	23.0%	22.9%	22.9%	22.8%	22.7%	22.6%	22.5%	22.3%	22.0%	
Capex			%	22.8%	43.4%	37.8%	33.5%	30.0%	27.2%	24.8%	19.5%	16.9%	15.7%	11.6%	8.7%	
Opex			%	22.8%	24.3%	24.0%	23.8%	23.6%	23.3%	23.1%	22.2%	21.7%	21.3%	19.6%	17.5%	
Production Startup Accelerated (-) or Delayed (+) by Years			22.8%	%				53.1%	32.3%	17.0%	13.2%	11.8%				
			22.8%					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 # 6	Years	7.34	7.46	7.44	7.42	7.40	7.38	7.36	7.30	7.26	7.24	7.15	7.08	
Oil Price			Years	7.34	40.00	12.38	9.70	8.71	8.08	7.65	6.91	6.53	6.36	5.82	5.48	
Condensate Yield			Years	7.34	7.34	7.34	7.34	7.34	7.34	7.34	7.34	7.34	7.34	7.34	7.34	
Gas TT&T			Years	7.34	7.27	7.28	7.29	7.30	7.31	7.33	7.36	7.38	7.39	7.45	7.51	
Capex			Years	7.34	5.11	5.51	5.88	6.25	6.61	6.97	8.05	8.84	9.29	13.09	40.00	
Opex			Years	7.34	7.05	7.09	7.13	7.18	7.23	7.28	7.45	7.57	7.64	8.05	8.63	
Production Startup Accelerated (-) or Delayed (+) by Years			7.34	Years				4.28	5.64	9.27	11.81	13.56				
			7.34					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 # 6	\$/boe	96.0	92.1	92.7	93.4	94.0	94.7	95.3	97.2	98.5	99.2	102.4	105.7	
Oil Price			\$/boe	96.0	42.3	51.2	60.2	69.1	78.1	87.0	113.8	131.7	140.7	185.4	230.2	
Condensate Yield			\$/boe	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	
Gas TT&T			\$/boe	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	
Capex			\$/boe	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	
Opex			\$/boe	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	96.0	
Production Startup Accelerated (-) or Delayed (+) by Years			95.95	\$/boe				93.85	94.88	97.07	98.25	98.85				
			95.95					Years:	2	3	5	6	7			

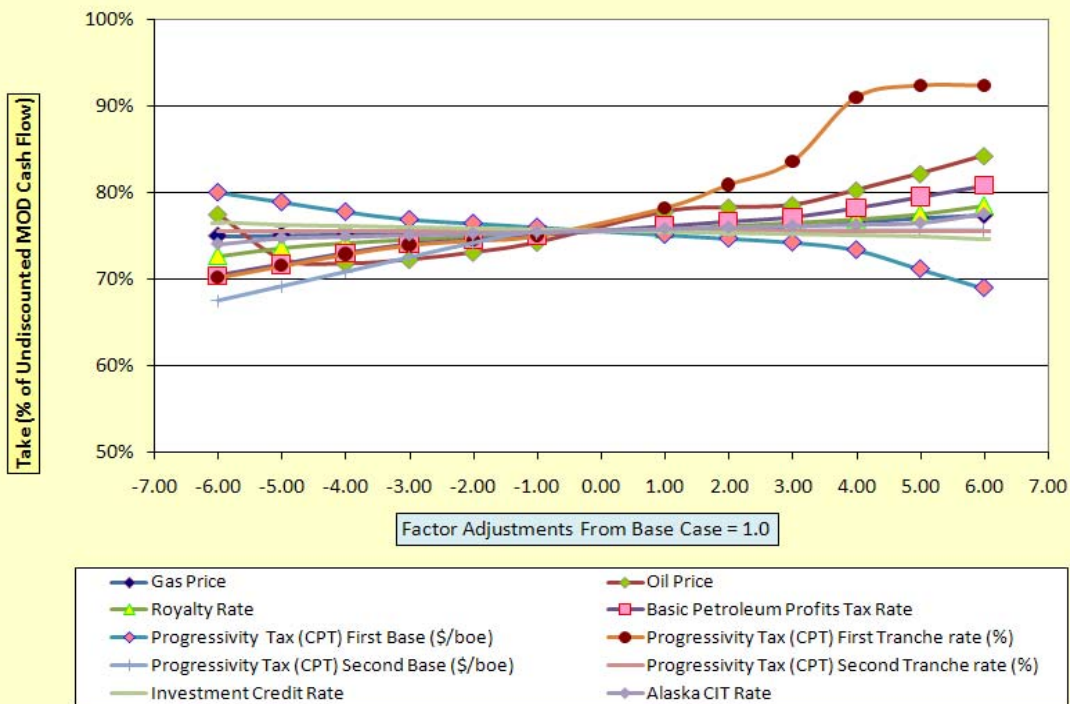


Oil Field #6

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	7.2	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	80.0	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%	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%	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	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%	0.50%	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	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%	0.15%	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%	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%	10.00%	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	%	75.6%	75.0%	75.1%	75.2%	75.3%	75.4%	75.5%	75.8%	76.0%	76.1%	76.6%	77.1%	77.4%
Oil Price	%	75.6%	77.5%	72.3%	71.8%	72.3%	73.1%	74.2%	77.8%	78.3%	78.5%	80.3%	82.2%	84.2%
Royalty Rate	%	75.6%	72.7%	73.6%	74.2%	74.6%	75.0%	75.4%	75.8%	76.2%	76.6%	77.0%	77.5%	78.5%
Basic Petroleum Profits Tax Rate	%	75.6%	70.4%	71.7%	73.0%	74.0%	74.6%	75.1%	76.1%	76.6%	77.1%	78.2%	79.5%	80.7%
Progressivity Tax (CPT) First Base (\$/boe)	%	75.6%	80.0%	78.9%	77.8%	76.9%	76.5%	76.0%	75.1%	74.7%	74.3%	73.4%	71.2%	69.0%
Progressivity Tax (CPT) First Tranche rate (%)	%	75.6%	70.2%	71.6%	72.9%	74.0%	74.5%	75.1%	78.3%	80.9%	83.6%	91.0%	92.4%	92.4%
Progressivity Tax (CPT) Second Base (\$/boe)	%	75.6%	67.6%	69.2%	70.9%	72.5%	74.2%	75.4%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%
Progressivity Tax (CPT) Second Tranche rate (%)	%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%	75.6%
Investment Credit Rate	%	75.6%	76.6%	76.2%	76.1%	76.0%	75.3%	75.7%	75.5%	75.3%	75.2%	75.1%	74.9%	74.6%
Alaska CIT Rate	%	75.6%	74.1%	74.8%	74.9%	75.1%	75.3%	75.4%	75.8%	76.0%	76.1%	76.3%	76.5%	77.5%
		75.6%												
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	%	60.4%	59.4%	59.5%	59.7%	59.9%	60.1%	60.2%	60.8%	61.1%	61.3%	62.2%	62.9%	63.5%
Oil Price	%	60.4%	56.6%	51.7%	52.5%	54.0%	55.9%	58.0%	64.2%	65.2%	65.8%	68.7%	71.9%	75.2%
Royalty Rate	%	60.4%	55.9%	57.4%	58.3%	58.9%	59.5%	60.1%	60.7%	61.3%	61.9%	62.5%	63.4%	64.9%
Basic Petroleum Profits Tax Rate	%	60.4%	52.5%	54.4%	56.4%	58.0%	58.8%	59.6%	61.2%	62.0%	62.8%	64.4%	66.4%	68.3%
Progressivity Tax (CPT) First Base (\$/boe)	%	60.4%	67.2%	65.5%	63.8%	62.4%	61.8%	61.1%	59.7%	59.1%	58.4%	57.0%	53.6%	50.3%
Progressivity Tax (CPT) First Tranche rate (%)	%	60.4%	52.2%	54.2%	56.3%	57.9%	58.8%	59.6%	64.5%	68.6%	72.7%	84.1%	86.2%	86.2%
Progressivity Tax (CPT) Second Base (\$/boe)	%	60.4%	48.1%	50.6%	53.1%	55.7%	58.2%	60.1%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%
Progressivity Tax (CPT) Second Tranche rate (%)	%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%	60.4%
Investment Credit Rate	%	60.4%	61.9%	61.4%	61.2%	61.0%	60.8%	60.6%	60.2%	60.0%	59.8%	59.6%	59.4%	58.9%
Alaska CIT Rate	%	60.4%	58.1%	59.1%	59.4%	59.7%	59.9%	60.2%	60.7%	61.0%	61.2%	61.5%	61.8%	63.4%
		60.4%												
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	32.58	30.23	30.62	31.01	31.40	31.79	32.19	33.38	34.19	34.60	36.66	38.73	40.77
Oil Price	\$/boe	32.58	7.32	10.09	13.79	17.92	22.38	27.27	43.77	53.77	58.86	85.91	115.21	147.03
Royalty Rate	\$/boe	32.58	29.98	30.85	31.37	31.72	32.06	32.41	32.76	33.10	33.45	33.80	34.32	35.19
Basic Petroleum Profits Tax Rate	\$/boe	32.58	28.36	29.41	30.47	31.32	31.74	32.16	33.01	33.43	33.85	34.70	35.75	36.81
Progressivity Tax (CPT) First Base (\$/boe)	\$/boe	32.58	36.34	35.39	34.45	33.69	33.32	32.95	32.21	31.85	31.48	30.74	28.90	27.08
Progressivity Tax (CPT) First Tranche rate (%)	\$/boe	32.58	28.21	29.30	30.39	31.27	31.71	32.15	34.78	36.97	39.16	45.39	46.89	46.89
Progressivity Tax (CPT) Second Base (\$/boe)	\$/boe	32.58	26.05	27.41	28.78	30.16	31.55	32.48	32.58	32.58	32.58	32.58	32.58	32.58
Progressivity Tax (CPT) Second Tranche rate (%)	\$/boe	32.58	32.58	32.58	32.58	32.58	32.58	32.58	32.58	32.58	32.58	32.58	32.58	32.58
Investment Credit Rate	\$/boe	32.58	33.70	33.33	33.18	33.03	32.88	32.73	32.43	32.29	32.14	31.99	31.85	31.51
Alaska CIT Rate	\$/boe	32.58	31.22	31.84	32.00	32.15	32.31	32.46	32.77	32.92	33.08	33.23	33.39	34.31
		32.58												
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	623	578	585	593	600	608	615	638	654	662	701	741	780
Oil Price	\$millions	623	140	193	264	343	428	521	837	1028	1125	1643	2203	2811
Royalty Rate	\$millions	623	573	590	600	606	613	620	626	633	640	646	656	673
Basic Petroleum Profits Tax Rate	\$millions	623	542	562	583	599	607	615	631	639	647	663	684	704
Progressivity Tax (CPT) First Base (\$/boe)	\$millions	623	695	677	659	644	637	630	616	609	602	588	553	518
Progressivity Tax (CPT) First Tranche rate (%)	\$millions	623	539	560	581	598	606	615	665	707	749	868	897	897
Progressivity Tax (CPT) Second Base (\$/boe)	\$millions	623	498	524	550	577	603	621	623	623	623	623	623	623
Progressivity Tax (CPT) Second Tranche rate (%)	\$millions	623	623	623	623	623	623	623	623	623	623	623	623	623
Investment Credit Rate	\$millions	623	644	637	634	632	629	626	620	617	614	612	609	602
Alaska CIT Rate	\$millions	623	597	609	612	615	618	621	627	629	632	635	638	656
		623												
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	%	25.7%	26.4%	26.3%	26.1%	26.0%	25.9%	25.8%	25.4%	25.2%	25.1%	24.5%	24.0%	23.7%
Oil Price	%	25.7%	44.9%	40.2%	35.5%	32.1%	29.6%	27.5%	23.2%	22.2%	21.8%	20.1%	18.8%	17.7%
Royalty Rate	%	25.7%	11.0%	16.1%	19.1%	21.0%	22.9%	24.7%	26.6%	28.3%	30.1%	31.8%	34.3%	38.3%
Basic Petroleum Profits Tax Rate	%	25.7%	29.5%	28.5%	27.5%	26.7%	26.3%	26.0%	25.3%	25.0%	24.7%	24.1%	23.4%	22.7%
Progressivity Tax (CPT) First Base (\$/boe)	%	25.7%	23.0%	23.6%	24.3%	24.8%	25.1%	25.4%	25.9%	26.2%	26.5%	27.2%	28.9%	30.8%
Progressivity Tax (CPT) First Tranche rate (%)	%	25.7%	29.7%	28.6%	27.5%	26.7%	26.4%	26.0%	24.0%	22.6%	21.3%	18.4%	18.0%	18.0%
Progressivity Tax (CPT) Second Base (\$/boe)	%	25.7%	32.2%	30.6%	29.2%	27.8%	26.6%	25.8%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%
Progressivity Tax (CPT) Second Tranche rate (%)	%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%	25.7%
Investment Credit Rate	%	25.7%	25.0%	25.2%	25.3%	25.4%	25.5%	25.6%	25.7%	25.8%	25.9%	26.0%	26.1%	26.3%
Alaska CIT Rate	%	25.7%	26.7%	26.2%	26.1%	26.0%	25.9%	25.7%	25.5%	25.4%	25.3%	25.2%	25.1%	24.5%
		25.7%												

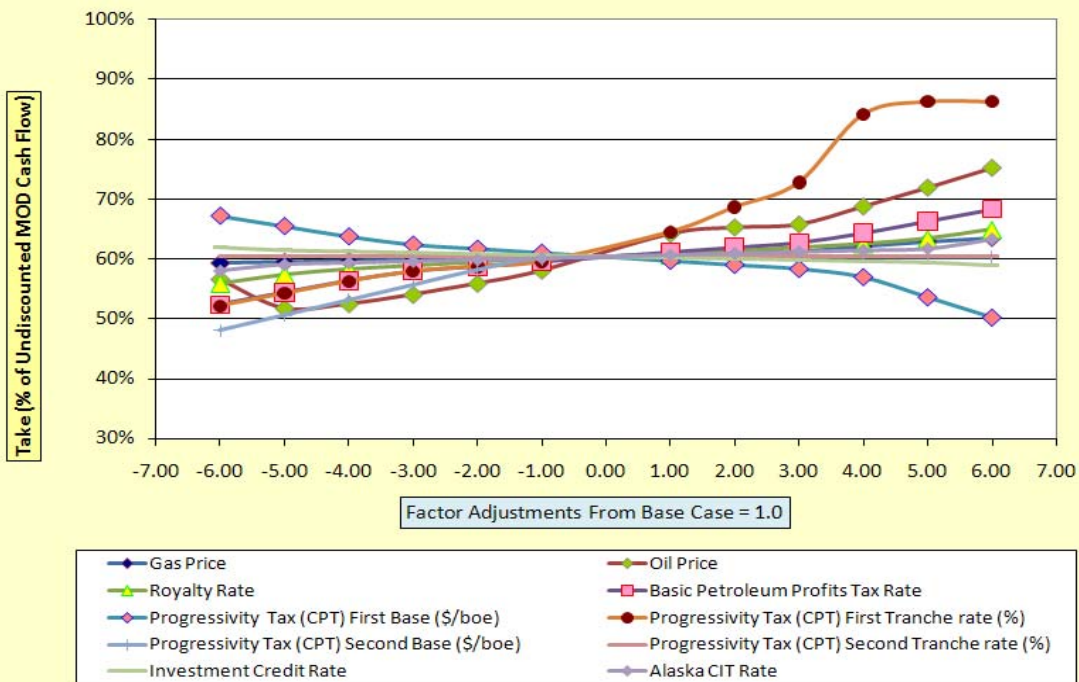
Field # 6

Total Government Take of Cash Flow



Field # 6

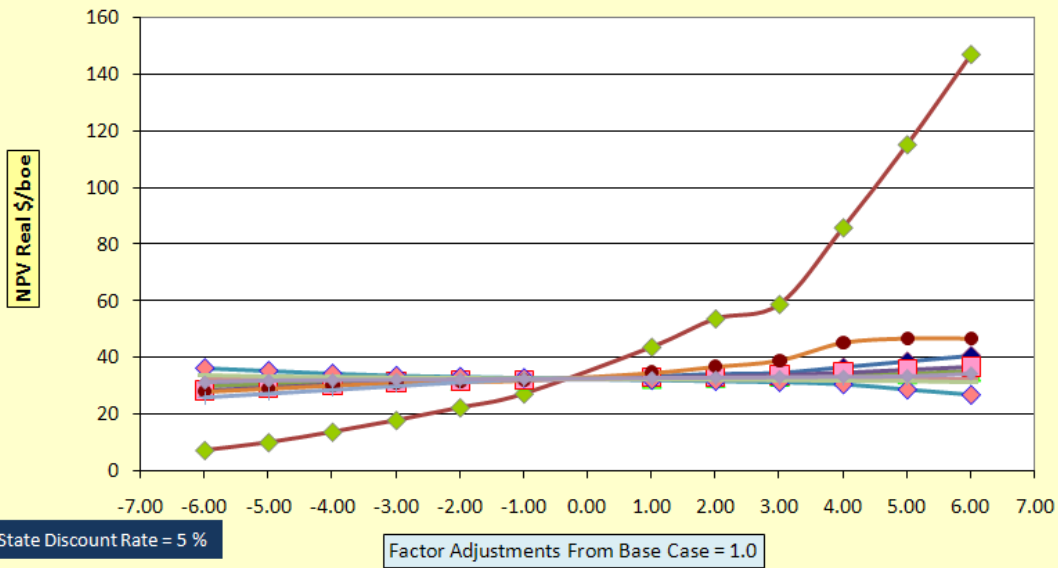
Alaska State Take of Cash Flow (%)



David Wood & Associates

Field # 6

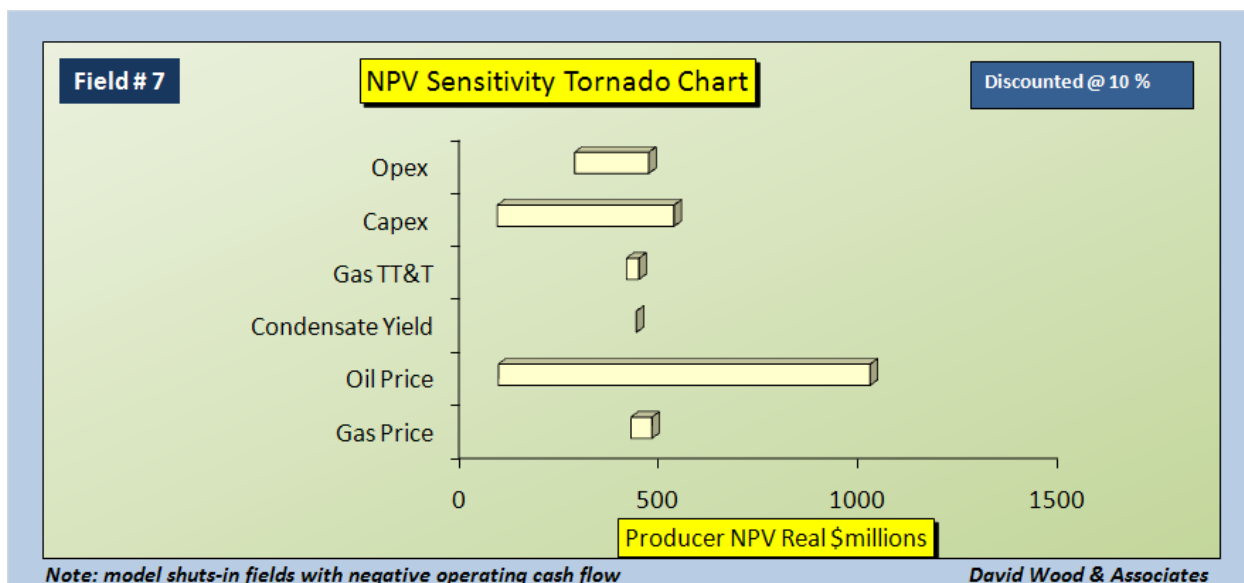
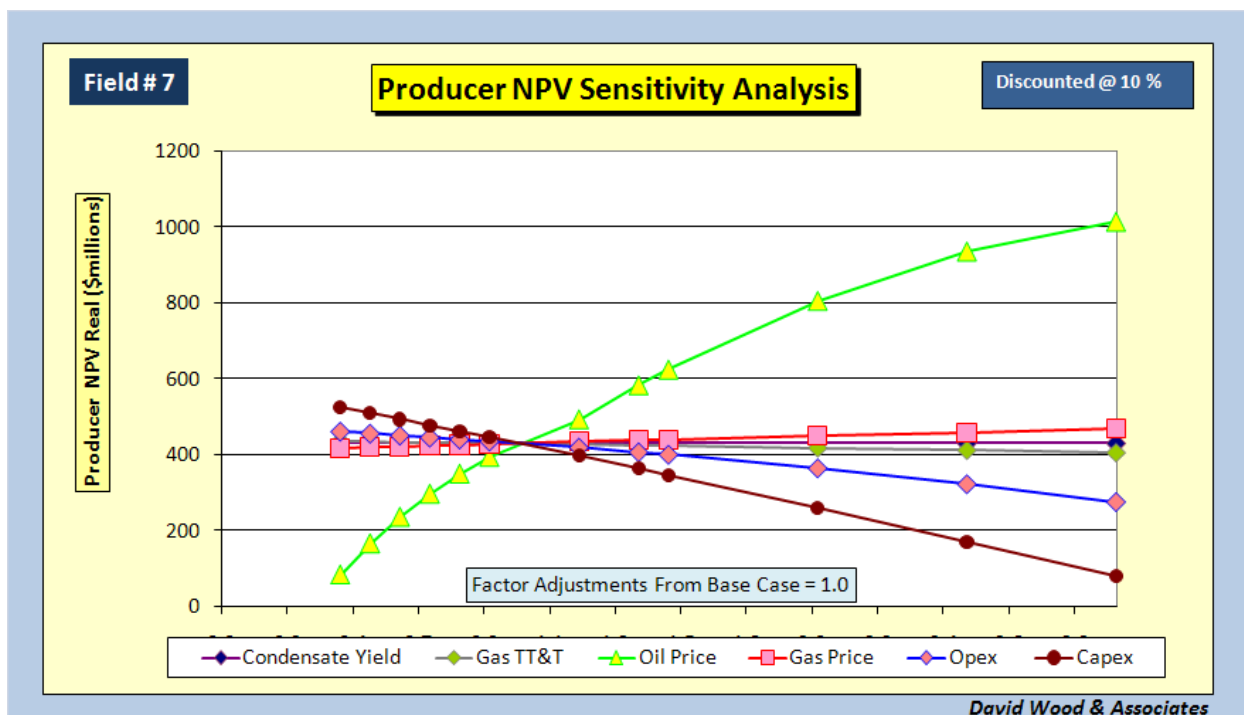
Total Alaska State NPV (Real) \$/boe



David Wood & Associates

Oil Field #7 (85 million boe produced)

Model Field Number:		7	Base Case Gas Reserves Produced:		49.7 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 # 7	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/mmcft)				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)				6.62	2.65	3.31	3.97	4.64	5.30	5.96	7.95	9.27	9.94	13.25	16.56	19.87
Total Opex (\$/boe)			6.34	2.53	3.17	3.80	4.44	5.07	5.70	7.60	8.87	9.50	12.67	15.84	19.01	
Production Startup Accelerated (-) or Delayed (+) by Years			5						-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real \$ millions:			431													
			431													
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 # 7	431	418	420	423	425	427	429	435	439	441	451	460	470
Oil Price				431	85	168	238	299	352	396	495	585	627	808	938	1017
Condensate Yield				431	431	431	431	431	431	431	431	431	431	431	431	431
Gas TT&T				431	438	436	435	434	433	432	429	427	425	419	413	407
Capex				431	525	510	494	479	463	447	398	365	348	262	171	83
Opex			431	462	457	452	447	441	436	420	408	401	366	324	277	
Production Startup Accelerated (-) or Delayed (+) by Years			431	Producer NPV \$ millions:					736	577	299	190	163			
			431						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 # 7	13.4	13.0	13.1	13.2	13.2	13.3	13.4	13.5	13.7	13.7	14.0	14.3	14.6
Oil Price				13.4	2.7	5.2	7.4	9.3	10.9	12.3	15.4	18.2	19.5	25.1	29.2	31.7
Condensate Yield				13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4	13.4
Gas TT&T				13.4	13.6	13.6	13.6	13.5	13.5	13.5	13.3	13.3	13.2	13.1	12.9	12.7
Capex				13.4	16.4	15.9	15.4	14.9	14.4	13.9	12.4	11.4	10.8	8.1	5.3	2.6
Opex			13.4	14.4	14.2	14.1	13.9	13.7	13.6	13.1	12.7	12.5	11.4	10.1	8.6	
Production Startup Accelerated (-) or Delayed (+) by Years			13.4	Producer NPV \$/boe:					16.4	15.1	11.3	8.8	7.8			
			13.4						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			Field # 7	% 32.1%	31.6%	31.7%	31.8%	31.9%	32.0%	32.0%	32.3%	32.5%	32.5%	32.9%	33.3%	33.6%
Oil Price				% 32.1%	15.8%	20.2%	23.6%	26.4%	28.7%	30.6%	34.5%	37.5%	38.9%	44.3%	47.9%	50.1%
Condensate Yield				% 32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%
Gas TT&T				% 32.1%	32.4%	32.4%	32.3%	32.3%	32.2%	32.2%	32.0%	31.9%	31.9%	31.6%	31.4%	31.1%
Capex				% 32.1%	54.9%	48.8%	44.0%	40.2%	37.1%	34.4%	28.3%	25.2%	23.9%	18.8%	15.1%	12.5%
Opex			% 32.1%	33.3%	33.1%	32.9%	32.8%	32.5%	32.3%	31.7%	31.2%	30.9%	29.4%	27.6%	25.6%	
Production Startup Accelerated (-) or Delayed (+) by Years			32.1%	%						71.8%	45.3%	23.9%	18.5%	16.8%		
			32.1%						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 # 7	Years 6.84	6.90	6.89	6.88	6.87	6.86	6.85	6.83	6.81	6.80	6.76	6.73	6.69
Oil Price				Years 6.84	9.74	8.48	7.87	7.48	7.21	7.00	6.64	6.42	6.33	6.01	5.80	5.68
Condensate Yield				Years 6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84
Gas TT&T				Years 6.84	6.81	6.82	6.82	6.83	6.83	6.84	6.85	6.86	6.87	6.89	6.92	6.95
Capex				Years 6.84	5.51	5.78	6.01	6.23	6.44	6.64	7.22	7.59	7.77	8.75	9.99	11.78
Opex			Years 6.84	6.72	6.74	6.76	6.78	6.80	6.82	6.89	6.94	6.97	7.13	7.33	7.58	
Production Startup Accelerated (-) or Delayed (+) by Years			6.84	Years						3.83	5.47	8.32	9.85	10.45		
			6.84						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 # 7	\$/boe 96.3	92.6	93.3	93.9	94.5	95.1	95.7	97.5	98.7	99.3	102.4	105.4	108.5
Oil Price				\$/boe 96.3	42.2	51.2	60.2	69.2	78.3	87.3	114.3	132.4	141.4	186.5	231.6	276.7
Condensate Yield				\$/boe 96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3
Gas TT&T				\$/boe 96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3
Capex				\$/boe 96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3
Opex			\$/boe 96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	
Production Startup Accelerated (-) or Delayed (+) by Years			96.30	\$/boe						94.10	95.18	97.50	98.80	99.30		
			96.30						Years:	3	4	6	7	8		

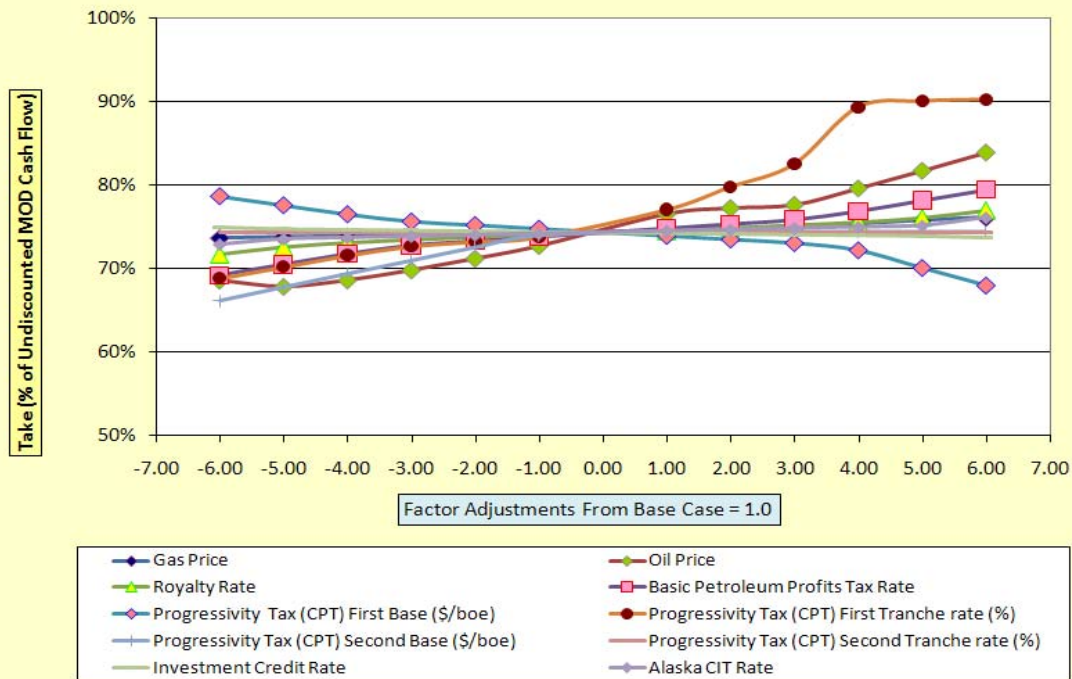


Oil Field #7

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 #7	%	74.3%	73.7%	73.8%	73.9%	74.0%	74.1%	74.2%	74.6%	74.8%	74.9%	75.4%	75.8%	76.1%
Oil Price		%	74.3%	68.6%	67.8%	68.6%	69.8%	71.2%	72.7%	76.5%	77.2%	77.6%	79.6%	81.7%	83.9%
Royalty Rate		%	74.3%	71.7%	72.6%	73.1%	73.4%	73.8%	74.2%	74.5%	74.9%	75.2%	75.6%	76.1%	77.0%
Basic Petroleum Profits Tax Rate		%	74.3%	69.2%	70.5%	71.8%	72.8%	73.3%	73.8%	74.8%	75.4%	75.9%	76.9%	78.2%	79.5%
Progressivity Tax (CPT) First Base (\$/boe)		%	74.3%	78.6%	77.6%	76.5%	75.6%	75.2%	74.8%	73.9%	73.5%	73.0%	72.2%	70.0%	67.9%
Progressivity Tax (CPT) First Tranche rate (%)		%	74.3%	68.9%	70.2%	71.6%	72.7%	73.2%	73.8%	77.1%	79.8%	82.5%	89.3%	90.1%	90.2%
Progressivity Tax (CPT) Second Base (\$/boe)		%	74.3%	66.1%	67.7%	69.3%	70.9%	72.5%	73.9%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%
Progressivity Tax (CPT) Second Tranche rate (%)		%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%
Investment Credit Rate		%	74.3%	74.9%	74.7%	74.7%	74.6%	74.5%	74.4%	74.2%	74.2%	74.1%	74.0%	73.9%	73.7%
Alaska CIT Rate		%	74.3%	72.9%	73.6%	73.7%	73.9%	74.0%	74.2%	74.5%	74.7%	74.8%	75.0%	75.2%	76.1%
			74.3%												
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	Field #7	%	59.5%	58.4%	58.6%	58.8%	58.9%	59.1%	59.3%	59.8%	60.2%	60.4%	61.1%	61.8%	62.4%
Oil Price		%	59.5%	48.0%	47.9%	49.7%	51.9%	54.3%	56.8%	63.1%	64.3%	64.9%	68.1%	71.5%	74.9%
Royalty Rate		%	59.5%	55.4%	56.7%	57.6%	58.1%	58.7%	59.2%	59.7%	60.3%	60.8%	61.4%	62.2%	63.6%
Basic Petroleum Profits Tax Rate		%	59.5%	51.6%	53.5%	55.5%	57.1%	57.9%	58.7%	60.3%	61.0%	61.8%	63.4%	65.4%	67.4%
Progressivity Tax (CPT) First Base (\$/boe)		%	59.5%	66.1%	64.5%	62.8%	61.5%	60.8%	60.1%	58.8%	58.1%	57.5%	56.1%	52.9%	49.6%
Progressivity Tax (CPT) First Tranche rate (%)		%	59.5%	51.1%	53.2%	55.3%	56.9%	57.8%	58.6%	63.7%	67.9%	72.1%	82.5%	83.7%	83.9%
Progressivity Tax (CPT) Second Base (\$/boe)		%	59.5%	46.8%	49.3%	51.8%	54.2%	56.6%	58.8%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%
Progressivity Tax (CPT) Second Tranche rate (%)		%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%	59.5%
Investment Credit Rate		%	59.5%	60.4%	60.1%	60.0%	59.8%	59.7%	59.6%	59.3%	59.2%	59.1%	59.0%	58.8%	58.5%
Alaska CIT Rate		%	59.5%	57.3%	58.3%	58.5%	58.8%	59.0%	59.3%	59.8%	60.0%	60.3%	60.5%	60.7%	62.2%
			59.5%												
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	Field #7	\$/boe	35.30	32.98	33.36	33.75	34.13	34.52	34.91	36.08	36.88	37.28	39.25	41.22	43.15
Oil Price		\$/boe	35.30	8.21	11.55	15.47	19.82	24.56	29.71	46.62	56.74	61.96	89.37	119.24	151.65
Royalty Rate		\$/boe	35.30	32.77	33.61	34.12	34.45	34.79	35.13	35.47	35.80	36.14	36.48	36.99	37.83
Basic Petroleum Profits Tax Rate		\$/boe	35.30	30.62	31.79	32.96	33.90	34.36	34.83	35.77	36.23	36.70	37.64	38.80	39.97
Progressivity Tax (CPT) First Base (\$/boe)		\$/boe	35.30	39.31	38.31	37.31	36.50	36.10	35.70	34.90	34.50	34.09	33.29	31.34	29.42
Progressivity Tax (CPT) First Tranche rate (%)		\$/boe	35.30	30.37	31.60	32.83	33.82	34.31	34.80	37.77	40.24	42.71	49.20	50.10	50.33
Progressivity Tax (CPT) Second Base (\$/boe)		\$/boe	35.30	27.91	29.41	30.87	32.32	33.77	35.02	35.30	35.30	35.30	35.30	35.30	35.30
Progressivity Tax (CPT) Second Tranche rate (%)		\$/boe	35.30	35.30	35.30	35.30	35.30	35.30	35.30	35.30	35.30	35.30	35.30	35.30	35.30
Investment Credit Rate		\$/boe	35.30	36.06	35.81	35.70	35.60	35.50	35.40	35.20	35.10	34.99	34.90	34.80	34.57
Alaska CIT Rate		\$/boe	35.30	33.94	34.56	34.71	34.87	35.02	35.17	35.48	35.64	35.79	35.95	36.10	37.02
			35.30												
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 #7	\$millions	1797	1679	1699	1718	1738	1758	1777	1837	1878	1898	1999	2099	2197
Oil Price		\$millions	1797	418	588	788	1009	1251	1513	2374	2889	3155	4551	6072	7722
Royalty Rate		\$millions	1797	1669	1711	1737	1754	1772	1789	1806	1823	1840	1858	1883	1926
Basic Petroleum Profits Tax Rate		\$millions	1797	1559	1619	1678	1726	1750	1774	1821	1845	1869	1916	1976	2035
Progressivity Tax (CPT) First Base (\$/boe)		\$millions	1797	2002	1951	1900	1859	1838	1818	1777	1756	1736	1695	1596	1498
Progressivity Tax (CPT) First Tranche rate (%)		\$millions	1797	1546	1609	1672	1722	1747	1772	1923	2049	2175	2505	2551	2563
Progressivity Tax (CPT) Second Base (\$/boe)		\$millions	1797	1421	1497	1572	1645	1719	1783	1797	1797	1797	1797	1797	1797
Progressivity Tax (CPT) Second Tranche rate (%)		\$millions	1797	1797	1797	1797	1797	1797	1797	1797	1797	1797	1797	1797	1797
Investment Credit Rate		\$millions	1797	1836	1823	1818	1813	1808	1803	1792	1787	1782	1777	1772	1760
Alaska CIT Rate		\$millions	1797	1728	1760	1768	1775	1783	1791	1807	1815	1822	1830	1838	1885
			1797												
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 #7	%	24.1%	24.7%	24.6%	24.5%	24.4%	24.3%	24.2%	23.9%	23.8%	23.7%	23.3%	22.9%	22.6%
Oil Price		%	24.1%	39.4%	35.6%	32.3%	29.6%	27.5%	25.7%	22.2%	21.4%	21.0%	19.6%	18.4%	17.4%
Royalty Rate		%	24.1%	10.3%	15.1%	17.9%	19.7%	21.5%	23.3%	25.0%	26.7%	28.3%	30.0%	32.4%	36.2%
Basic Petroleum Profits Tax Rate		%	24.1%	27.8%	26.8%	25.9%	25.1%	24.8%	24.5%	23.8%	23.5%	23.2%	22.6%	22.0%	21.3%
Progressivity Tax (CPT) First Base (\$/boe)		%	24.1%	21.7%	22.3%	22.9%	23.4%	23.6%	23.9%	24.4%	24.7%	25.0%	25.6%	27.1%	28.9%
Progressivity Tax (CPT) First Tranche rate (%)		%	24.1%	28.1%	27.0%	26.0%	25.2%	24.8%	24.5%	22.5%	21.1%	19.9%	17.4%	17.2%	17.1%
Progressivity Tax (CPT) Second Base (\$/boe)		%	24.1%	30.6%	29.1%	27.7%	26.5%	25.3%	24.4%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%
Progressivity Tax (CPT) Second Tranche rate (%)		%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%
Investment Credit Rate		%	24.1%	23.8%	23.9%	23.9%	24.0%	24.0%	24.1%	24.2%	24.2%	24.3%	24.3%	24.4%	24.5%
Alaska CIT Rate		%	24.1%	25.1%	24.6%	24.5%	24.4%	24.3%	24.2%	24.0%	23.9%	23.8%	23.7%	23.6%	23.1%
			24.1%												

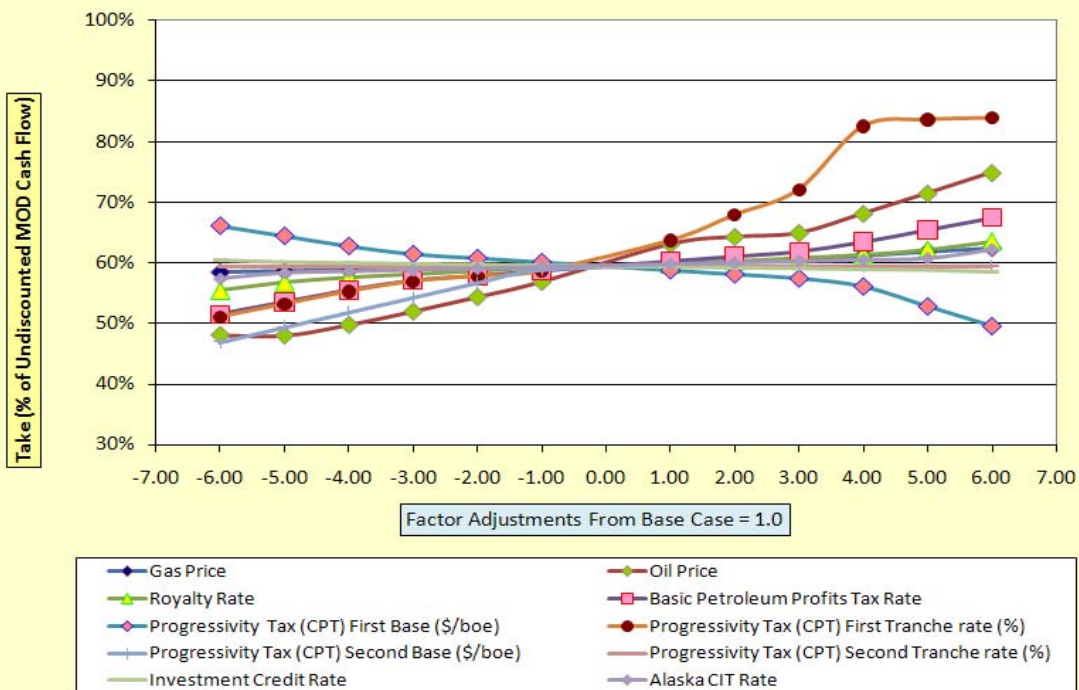
Field # 7

Total Government Take of Cash Flow



Field # 7

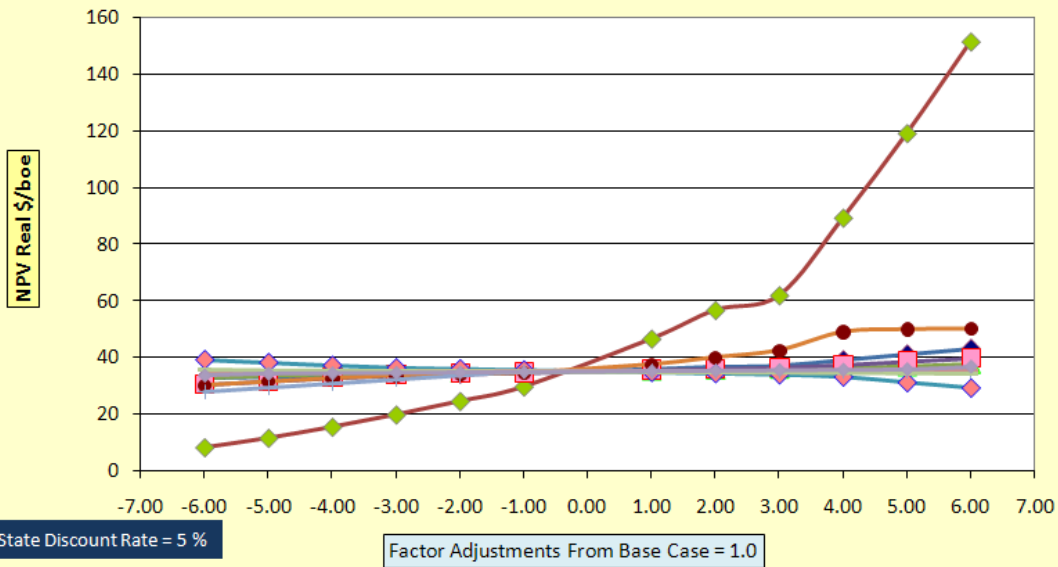
Alaska State Take of Cash Flow (%)



David Wood & Associates

Field # 7

Total Alaska State NPV (Real) \$/boe

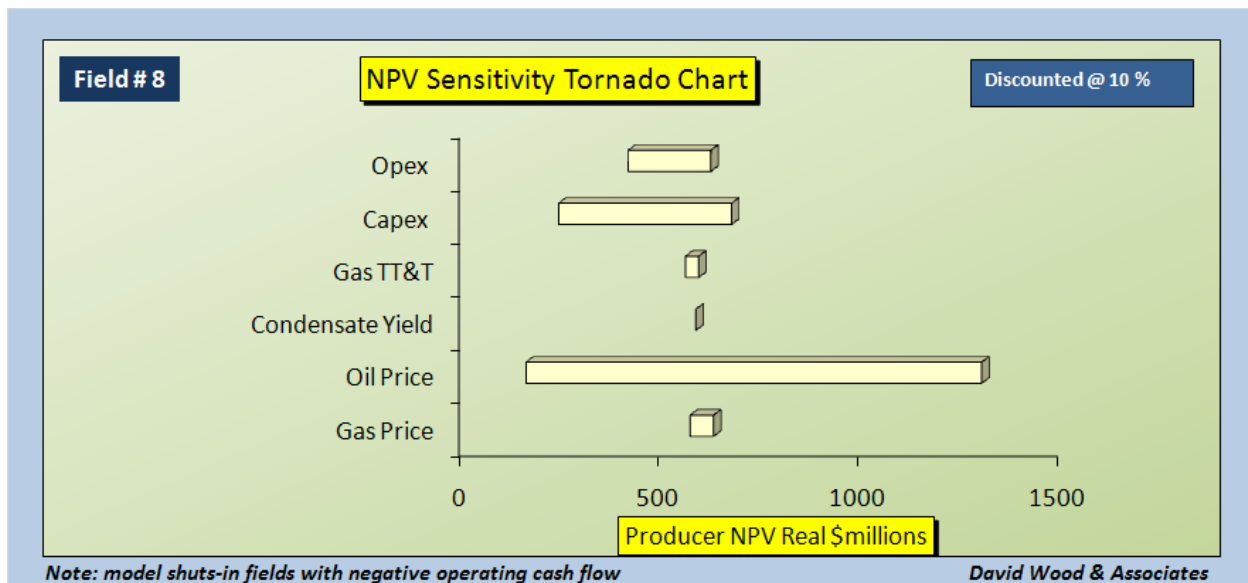
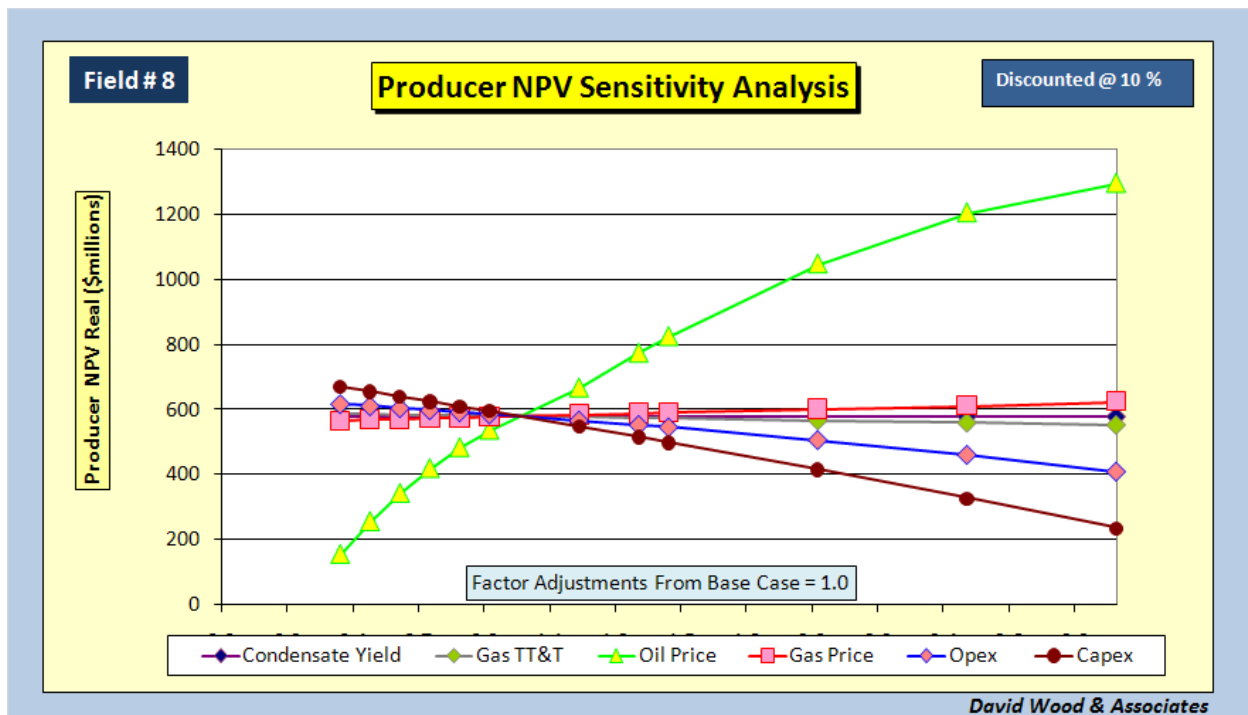


- Gas Price
- Royalty Rate
- Progressivity Tax (CPT) First Base (\$/boe)
- Progressivity Tax (CPT) Second Base (\$/boe)
- Investment Credit Rate
- Oil Price
- Basic Petroleum Profits Tax Rate
- Progressivity Tax (CPT) First Tranche rate (%)
- Progressivity Tax (CPT) Second Tranche rate (%)
- Alaska CIT Rate

David Wood & Associates

Oil Field #8 (113 million boe produced)

Model Field Number:	8	Base Case Gas Reserves Produced:	57.3 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)		Field # 8	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)			5.52	2.21	2.76	3.31	3.86	4.41	4.97	6.62	7.72	8.28	11.04	13.79	16.55	
Total Opex (\$/boe)		5.90	2.36	2.95	3.54	4.13	4.72	5.31	7.09	8.27	8.86	11.81	14.76	17.71		
Production Startup Accelerated (-) or Delayed (+) by Years		5						-2.0	-1.0	1.0	2.0	3.0				
Producer Base Case NPV Real \$ millions:		580														
		580														
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 # 8	580	566	569	571	573	576	578	585	589	591	602	613	625	
Oil Price			580	155	256	343	419	484	537	667	774	825	1049	1206	1296	
Condensate Yield			580	580	580	580	580	580	580	580	580	580	580	580	580	
Gas TT&T			580	587	586	585	584	583	581	578	575	574	568	561	554	
Capex			580	670	655	641	626	610	595	548	516	499	416	328	237	
Opex		580	618	611	605	599	593	586	567	554	547	508	462	411		
Production Startup Accelerated (-) or Delayed (+) by Years		580	Producer NPV \$ millions:					925	745	429	294	264				
		580	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 # 8	14.6	14.2	14.3	14.4	14.4	14.5	14.5	14.7	14.8	14.9	15.1	15.4	15.7	
Oil Price			14.6	3.9	6.4	8.6	10.5	12.2	13.5	16.8	19.5	20.8	26.4	30.3	32.6	
Condensate Yield			14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	
Gas TT&T			14.6	14.8	14.7	14.7	14.7	14.6	14.6	14.5	14.5	14.4	14.3	14.1	13.9	
Capex			14.6	16.8	16.5	16.1	15.7	15.4	15.0	13.8	13.0	12.6	10.5	8.2	6.0	
Opex		14.6	15.5	15.4	15.2	15.1	14.9	14.7	14.3	13.9	13.7	12.8	11.6	10.3		
Production Startup Accelerated (-) or Delayed (+) by Years		14.6	Producer NPV \$/boe:					16.9	15.9	12.9	10.7	9.9				
		14.6	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 # 8	%	36.5%	36.0%	36.1%	36.2%	36.3%	36.4%	36.5%	36.7%	36.8%	36.9%	37.3%	37.6%	38.0%
Oil Price			%	36.5%	19.0%	23.7%	27.3%	30.4%	32.8%	34.8%	39.2%	42.1%	43.5%	49.0%	52.8%	55.0%
Condensate Yield			%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%	36.5%
Gas TT&T			%	36.5%	36.8%	36.7%	36.7%	36.7%	36.6%	36.6%	36.4%	36.4%	36.3%	36.1%	35.8%	35.5%
Capex			%	36.5%	59.8%	53.8%	48.9%	45.0%	41.7%	38.9%	32.4%	29.2%	27.8%	22.3%	18.4%	15.5%
Opex		%	36.5%	37.8%	37.6%	37.4%	37.2%	37.0%	36.8%	36.0%	35.5%	35.2%	33.8%	32.1%	30.2%	
Production Startup Accelerated (-) or Delayed (+) by Years		36.5%	%						79.4%	50.8%	27.6%	21.3%	19.4%			
		36.5%	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		Field # 8	Years	6.67	6.73	6.72	6.71	6.70	6.69	6.68	6.66	6.64	6.64	6.60	6.57	6.55
Oil Price			Years	6.67	9.07	8.12	7.64	7.26	7.01	6.84	6.47	6.33	6.25	5.95	5.71	5.58
Condensate Yield			Years	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67
Gas TT&T			Years	6.67	6.65	6.65	6.66	6.66	6.66	6.67	6.68	6.69	6.69	6.72	6.75	6.77
Capex			Years	6.67	5.41	5.67	5.94	6.14	6.32	6.50	7.01	7.32	7.48	8.25	9.13	10.24
Opex		Years	6.67	6.56	6.58	6.60	6.61	6.63	6.65	6.72	6.77	6.80	6.94	7.09	7.29	
Production Startup Accelerated (-) or Delayed (+) by Years		6.67	Years						3.59	5.23	8.06	9.57	10.02			
		6.67	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 # 8	\$/boe	98.7	95.5	96.0	96.5	97.1	97.6	98.2	99.8	100.9	101.4	106.8	109.5	
Oil Price			\$/boe	98.7	42.7	52.1	61.4	70.7	80.0	89.4	117.4	136.0	145.4	192.0	238.7	285.3
Condensate Yield			\$/boe	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7
Gas TT&T			\$/boe	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7
Capex			\$/boe	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7
Opex		\$/boe	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	98.7	
Production Startup Accelerated (-) or Delayed (+) by Years		98.71	\$/boe						96.40	97.53	99.97	101.32	101.72			
		98.71	Years:					3	4	6	7	8				

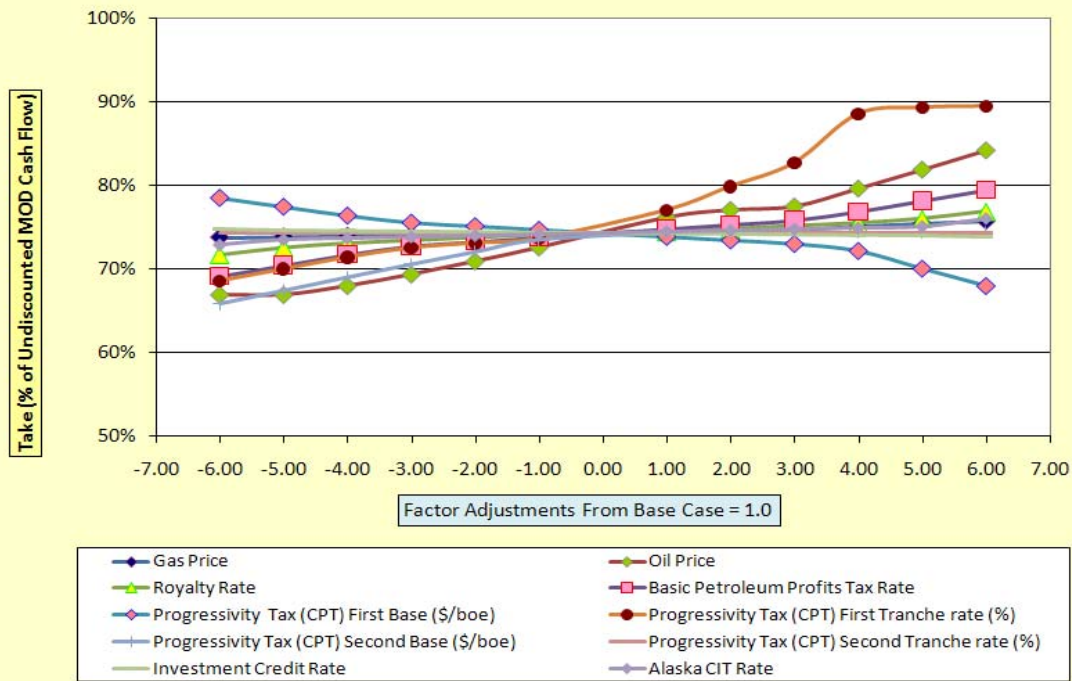


Oil Field #8

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 # 8	74.3%	73.7%	73.8%	73.9%	74.0%	74.1%	74.2%	74.5%	74.6%	74.7%	75.1%	75.4%	75.7%
Oil Price	%		74.3%	66.9%	67.0%	68.0%	69.4%	70.9%	72.6%	76.2%	77.1%	77.5%	79.6%	81.8%	84.1%
Royalty Rate	%		74.3%	71.7%	72.6%	73.1%	73.4%	73.8%	74.1%	74.5%	74.8%	75.1%	75.5%	76.0%	76.9%
Basic Petroleum Profits Tax Rate	%		74.3%	69.2%	70.4%	71.7%	72.8%	73.3%	73.8%	74.8%	75.3%	75.8%	76.9%	78.1%	79.4%
Progressivity Tax (CPT) First Base (\$/boe)	%		74.3%	78.5%	77.5%	76.4%	75.6%	75.1%	74.7%	73.9%	73.4%	73.0%	72.2%	70.1%	68.0%
Progressivity Tax (CPT) First Tranche rate (%)	%		74.3%	68.7%	70.1%	71.5%	72.6%	73.2%	73.7%	77.1%	79.9%	82.7%	88.6%	89.3%	89.5%
Progressivity Tax (CPT) Second Base (\$/boe)	%		74.3%	65.8%	67.4%	69.0%	70.6%	72.1%	73.5%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%
Progressivity Tax (CPT) Second Tranche rate (%)	%		74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.3%	74.4%
Investment Credit Rate	%		74.3%	74.8%	74.6%	74.5%	74.5%	74.4%	74.4%	74.2%	74.2%	74.1%	74.0%	74.0%	73.8%
Alaska CIT Rate	%		74.3%	72.9%	73.5%	73.7%	73.9%	74.0%	74.2%	74.5%	74.6%	74.8%	74.9%	75.1%	76.0%
			74.3%												
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	%	Field # 8	59.7%	58.8%	58.9%	59.1%	59.2%	59.4%	59.5%	59.9%	60.2%	60.3%	60.9%	61.5%	61.9%
Oil Price	%		59.7%	46.6%	47.3%	49.3%	51.7%	54.3%	57.0%	62.7%	64.2%	64.9%	68.3%	71.8%	75.4%
Royalty Rate	%		59.7%	55.7%	57.0%	57.8%	58.3%	58.9%	59.4%	59.9%	60.5%	61.0%	61.5%	62.3%	63.6%
Basic Petroleum Profits Tax Rate	%		59.7%	51.8%	53.8%	55.7%	57.3%	58.1%	58.9%	60.5%	61.2%	62.0%	63.6%	65.6%	67.5%
Progressivity Tax (CPT) First Base (\$/boe)	%		59.7%	66.2%	64.6%	62.9%	61.6%	61.0%	60.3%	59.0%	58.4%	57.7%	56.4%	53.2%	50.0%
Progressivity Tax (CPT) First Tranche rate (%)	%		59.7%	51.0%	53.2%	55.3%	57.1%	57.9%	58.8%	64.0%	68.3%	72.7%	81.6%	82.8%	83.0%
Progressivity Tax (CPT) Second Base (\$/boe)	%		59.7%	46.7%	49.1%	51.5%	53.9%	56.2%	58.5%	59.7%	59.7%	59.7%	59.7%	59.7%	59.7%
Progressivity Tax (CPT) Second Tranche rate (%)	%		59.7%	59.6%	59.6%	59.7%	59.7%	59.7%	59.7%	59.7%	59.7%	59.7%	59.7%	59.7%	59.8%
Investment Credit Rate	%		59.7%	60.4%	60.2%	60.1%	60.0%	59.9%	59.8%	59.6%	59.5%	59.4%	59.3%	59.2%	58.9%
Alaska CIT Rate	%		59.7%	57.6%	58.5%	58.8%	59.0%	59.2%	59.5%	60.0%	60.2%	60.4%	60.7%	60.9%	62.3%
			59.7%												
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	Field # 8	36.42	34.40	34.74	35.07	35.41	35.74	36.08	37.09	37.77	38.11	39.80	41.48	43.12
Oil Price	\$/boe		36.42	8.55	12.03	16.05	20.49	25.38	30.70	47.59	58.07	63.39	91.38	121.96	155.19
Royalty Rate	\$/boe		36.42	33.89	34.73	35.24	35.58	35.91	36.25	36.59	36.92	37.26	37.60	38.11	38.96
Basic Petroleum Profits Tax Rate	\$/boe		36.42	31.60	32.80	34.01	34.97	35.45	35.93	36.90	37.38	37.87	38.83	40.04	41.25
Progressivity Tax (CPT) First Base (\$/boe)	\$/boe		36.42	40.47	39.46	38.45	37.63	37.23	36.82	36.01	35.61	35.21	34.40	32.39	30.43
Progressivity Tax (CPT) First Tranche rate (%)	\$/boe		36.42	31.26	32.55	33.84	34.87	35.38	35.90	39.01	41.59	44.18	50.12	51.21	51.41
Progressivity Tax (CPT) Second Base (\$/boe)	\$/boe		36.42	28.68	30.19	31.69	33.16	34.55	35.87	36.44	36.44	36.44	36.44	36.44	36.44
Progressivity Tax (CPT) Second Tranche rate (%)	\$/boe		36.42	36.41	36.41	36.41	36.42	36.42	36.42	36.42	36.43	36.43	36.43	36.44	36.45
Investment Credit Rate	\$/boe		36.42	37.08	36.86	36.77	36.68	36.59	36.51	36.33	36.25	36.17	36.08	36.00	35.80
Alaska CIT Rate	\$/boe		36.42	35.05	35.67	35.83	35.98	36.14	36.29	36.60	36.76	36.91	37.07	37.22	38.16
			36.42												
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	Field # 8	2363	2232	2253	2275	2297	2319	2341	2406	2450	2472	2582	2691	2798
Oil Price	\$millions		2363	555	780	1041	1329	1646	1992	3087	3767	4113	5928	7912	10068
Royalty Rate	\$millions		2363	2199	2253	2286	2308	2330	2352	2374	2395	2417	2439	2472	2527
Basic Petroleum Profits Tax Rate	\$millions		2363	2050	2128	2206	2269	2300	2331	2394	2425	2457	2519	2598	2676
Progressivity Tax (CPT) First Base (\$/boe)	\$millions		2363	2626	2560	2494	2442	2415	2389	2336	2310	2284	2232	2101	1974
Progressivity Tax (CPT) First Tranche rate (%)	\$millions		2363	2028	2111	2195	2262	2296	2329	2531	2698	2866	3252	3322	3336
Progressivity Tax (CPT) Second Base (\$/boe)	\$millions		2363	1860	1958	2056	2151	2241	2327	2364	2364	2364	2364	2364	2364
Progressivity Tax (CPT) Second Tranche rate (%)	\$millions		2363	2362	2362	2362	2362	2362	2363	2363	2363	2363	2364	2364	2365
Investment Credit Rate	\$millions		2363	2405	2391	2385	2380	2374	2368	2357	2352	2346	2341	2336	2322
Alaska CIT Rate	\$millions		2363	2274	2314	2324	2334	2344	2355	2375	2385	2395	2405	2415	2475
			2363												
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 # 8	23.5%	24.0%	23.9%	23.8%	23.8%	23.7%	23.6%	23.4%	23.3%	23.2%	22.9%	22.6%	22.4%
Oil Price	%		23.5%	37.9%	34.2%	31.2%	28.8%	26.7%	25.0%	21.9%	21.1%	20.8%	19.4%	18.2%	17.2%
Royalty Rate	%		23.5%	10.0%	14.7%	17.5%	19.2%	21.0%	22.7%	24.4%	26.0%	27.7%	29.3%	31.6%	35.4%
Basic Petroleum Profits Tax Rate	%		23.5%	27.1%	26.1%	25.2%	24.5%	24.2%	23.9%	23.2%	22.9%	22.6%	22.1%	21.4%	20.8%
Progressivity Tax (CPT) First Base (\$/boe)	%		23.5%	21.2%	21.8%	22.3%	22.8%	23.0%	23.3%	23.8%	24.1%	24.3%	24.9%	26.4%	28.1%
Progressivity Tax (CPT) First Tranche rate (%)	%		23.5%	27.5%	26.4%	25.4%	24.6%	24.2%	23.9%	21.9%	20.6%	19.3%	17.2%	17.0%	16.9%
Progressivity Tax (CPT) Second Base (\$/boe)	%		23.5%	30.1%	28.6%	27.2%	26.0%	25.0%	24.0%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
Progressivity Tax (CPT) Second Tranche rate (%)	%		23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
Investment Credit Rate	%		23.5%	23.2%	23.3%	23.4%	23.4%	23.5%	23.5%	23.6%	23.6%	23.7%	23.7%	23.7%	23.8%
Alaska CIT Rate	%		23.5%	24.4%	24.0%	23.9%	23.8%	23.7%	23.6%	23.4%	23.3%	23.2%	23.1%	23.1%	22.5%
			23.5%												

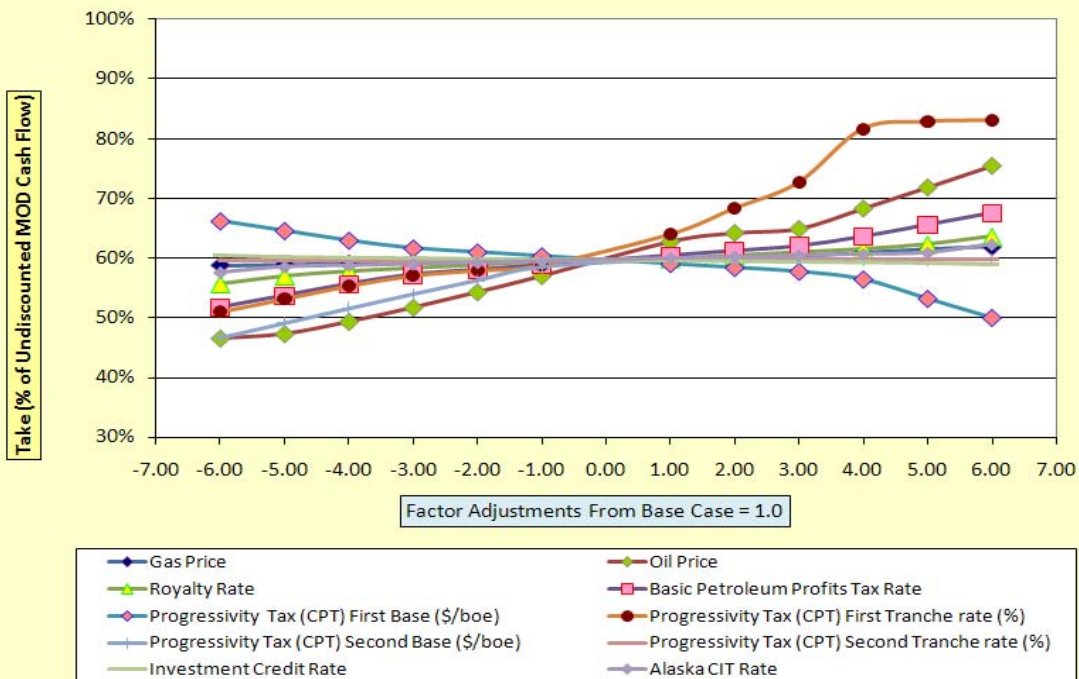
Field # 8

Total Government Take of Cash Flow



Field # 8

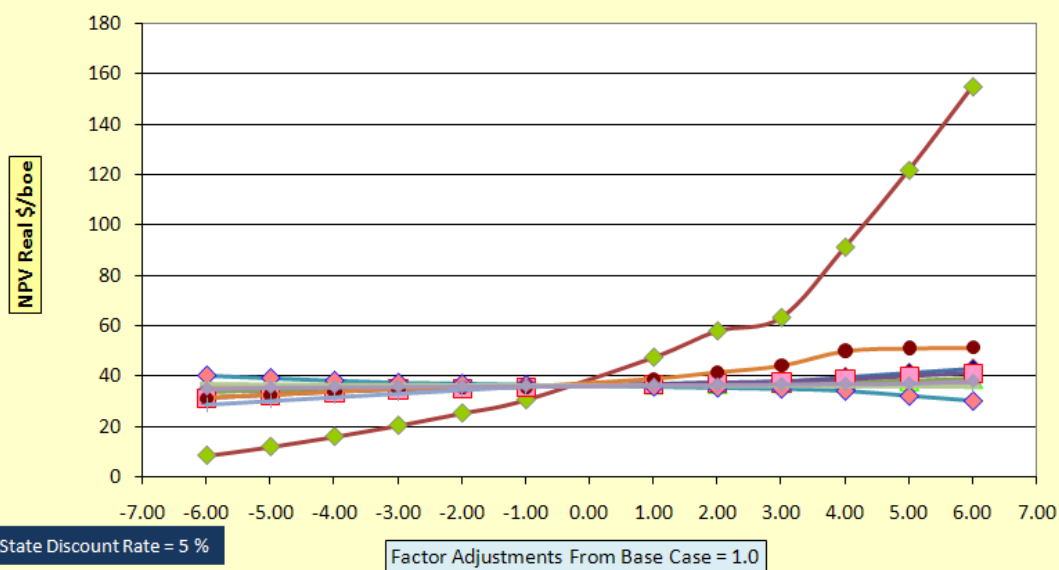
Alaska State Take of Cash Flow (%)



David Wood & Associates

Field # 8

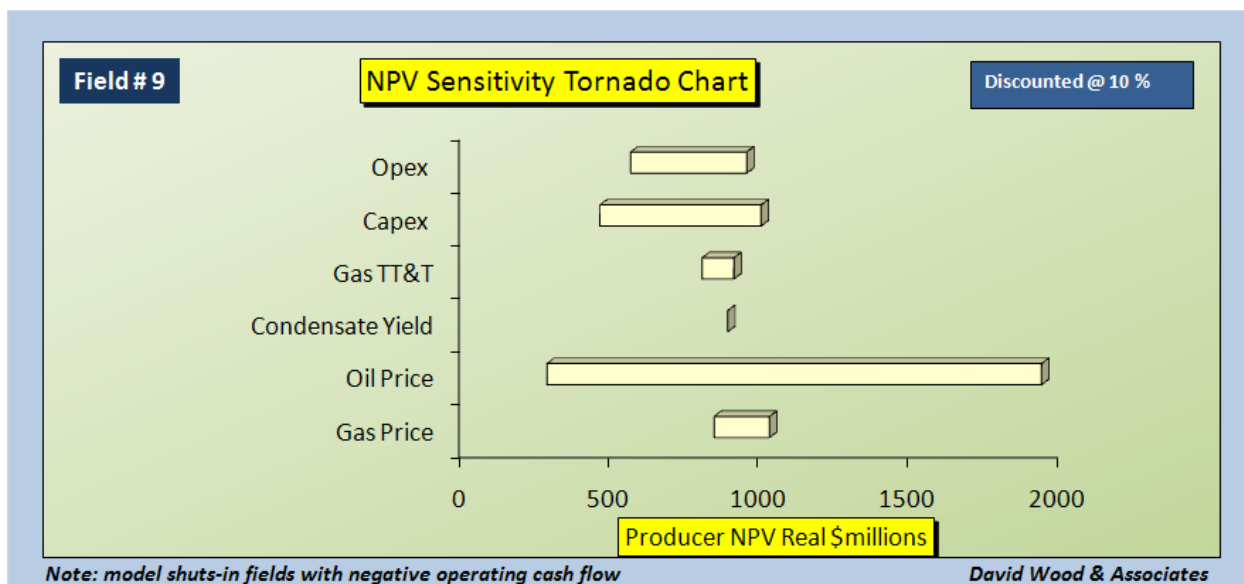
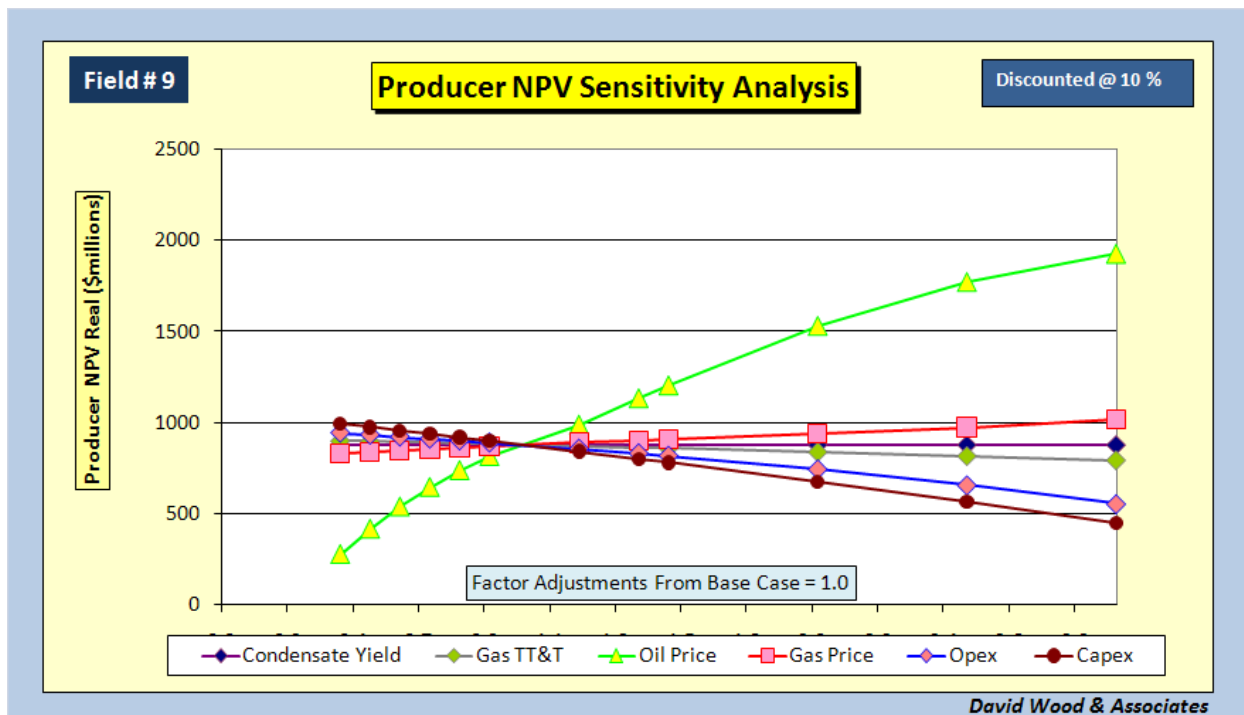
Total Alaska State NPV (Real) \$/boe



David Wood & Associates

Oil Field #9 (180 million boe produced)

Model Field Number:		9	Base Case Gas Reserves Produced:		177.4 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 # 9	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/mmcft)			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)			5.09	2.04	2.55	3.05	3.56	4.07	4.58	6.11	7.13	7.64	10.18	12.73	15.27	
Total Opex (\$/boe)			6.11	2.44	3.06	3.67	4.28	4.89	5.50	7.33	8.56	9.17	12.22	15.28	18.33	
Production Startup Accelerated (-) or Delayed (+) by Years		6							-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real \$ millions:		880														
		880														
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 # 9	880	835	843	851	858	866	873	893	905	912	943	977	1020	
Oil Price			880	277	416	539	646	738	816	989	1134	1205	1532	1774	1929	
Condensate Yield			880	880	880	880	880	880	880	880	880	880	880	880	880	
Gas TT&T			880	901	897	894	890	887	883	872	865	861	840	818	795	
Capex			880	991	973	955	937	918	899	841	801	780	675	567	453	
Opex			880	943	933	922	912	901	890	857	832	818	745	658	556	
Production Startup Accelerated (-) or Delayed (+) by Years		880 Producer NPV \$ millions:						1341	1102	676	492	338				
		880							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 # 9	14.6	13.9	14.0	14.2	14.3	14.4	14.5	14.9	15.1	15.2	15.7	16.3	17.0	
Oil Price			14.6	4.6	6.9	9.0	10.7	12.3	13.6	16.5	18.9	20.0	25.5	29.5	32.1	
Condensate Yield			14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	
Gas TT&T			14.6	15.0	14.9	14.9	14.8	14.8	14.7	14.5	14.4	14.3	14.0	13.6	13.2	
Capex			14.6	16.5	16.2	15.9	15.6	15.3	15.0	14.0	13.3	13.0	11.2	9.4	7.5	
Opex			14.6	15.7	15.5	15.3	15.2	15.0	14.8	14.2	13.8	13.6	12.4	10.9	9.2	
Production Startup Accelerated (-) or Delayed (+) by Years		14.6 Producer NPV \$/boe:						16.5	15.7	13.2	11.5	9.6				
		14.6							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 # 9	%	41.2%	39.9%	40.1%	40.4%	40.6%	40.8%	41.0%	41.5%	41.9%	42.1%	42.9%	43.6%	44.5%
Oil Price			%	41.2%	22.5%	27.3%	31.3%	34.5%	37.2%	39.4%	43.9%	46.6%	47.8%	53.8%	57.9%	60.6%
Condensate Yield			%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%	41.2%
Gas TT&T			%	41.2%	41.8%	41.7%	41.6%	41.5%	41.4%	41.3%	41.0%	40.7%	40.6%	40.1%	39.5%	38.8%
Capex			%	41.2%	65.3%	59.1%	54.3%	50.3%	46.8%	43.8%	36.8%	33.3%	31.7%	25.6%	21.4%	18.1%
Opex			%	41.2%	42.8%	42.6%	42.3%	42.0%	41.8%	41.5%	40.5%	39.9%	39.5%	37.5%	35.1%	32.2%
Production Startup Accelerated (-) or Delayed (+) by Years		41.2%	%							87.1%	57.3%	31.1%	24.3%	19.4%		
		41.2%							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 # 9	Years	7.18	7.26	7.25	7.23	7.22	7.20	7.19	7.15	7.13	7.12	7.06	7.02	6.97
Oil Price			Years	7.18	9.31	8.51	7.97	7.71	7.48	7.30	7.00	6.87	6.80	6.47	6.29	6.18
Condensate Yield			Years	7.18	7.18	7.18	7.18	7.18	7.18	7.18	7.18	7.18	7.18	7.18	7.18	7.18
Gas TT&T			Years	7.18	7.14	7.14	7.15	7.16	7.16	7.17	7.19	7.21	7.21	7.25	7.30	7.34
Capex			Years	7.18	6.05	6.24	6.44	6.63	6.85	7.03	7.45	7.74	7.87	8.59	9.37	10.25
Opex			Years	7.18	7.07	7.08	7.10	7.12	7.14	7.16	7.22	7.27	7.29	7.46	7.67	7.90
Production Startup Accelerated (-) or Delayed (+) by Years		7.18	Years							4.02	5.64	8.49	9.89	11.32		
		7.18							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 # 9	\$/boe	97.3	91.0	92.0	93.1	94.1	95.2	96.2	99.4	101.5	102.5	107.7	113.0	118.2
Oil Price			\$/boe	97.3	45.2	53.9	62.5	71.2	79.9	88.6	114.6	132.0	140.7	184.1	227.5	270.9
Condensate Yield			\$/boe	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3
Gas TT&T			\$/boe	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3
Capex			\$/boe	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3
Opex			\$/boe	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3
Production Startup Accelerated (-) or Delayed (+) by Years		97.27	\$/boe							95.10	96.16	98.43	99.66	100.98		
		97.27							Years:	4	5	7	8	9		

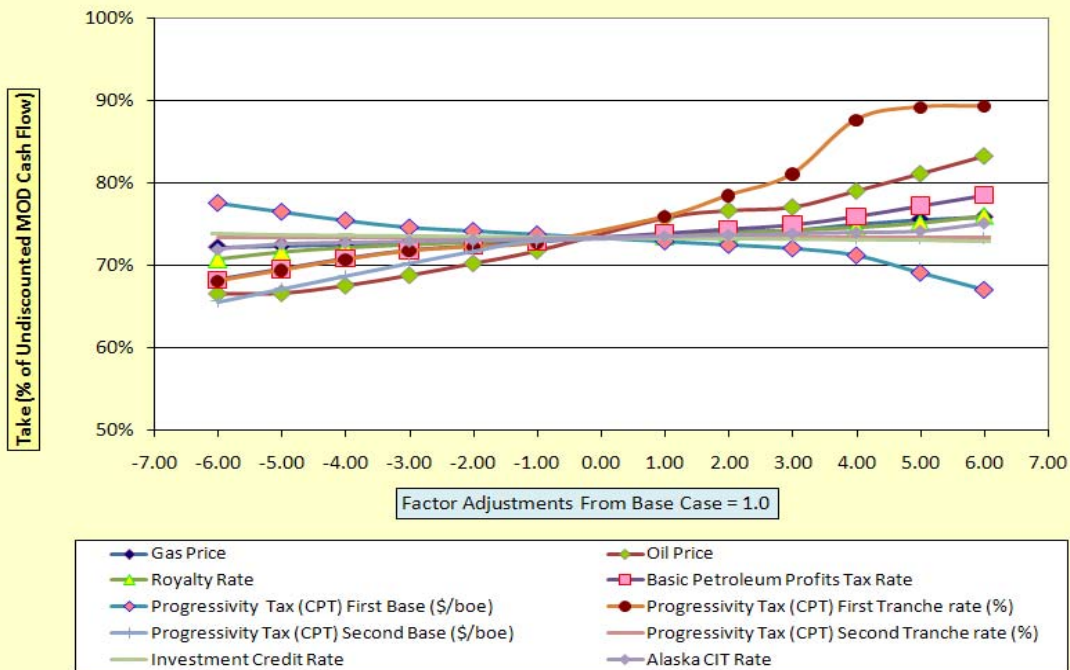


Oil Field #9

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	%	73.4%	72.2%	72.4%	72.6%	72.8%	73.0%	73.2%	73.8%	74.1%	74.3%	75.1%	75.9%	
Oil Price	%	73.4%	66.6%	66.6%	67.5%	68.8%	70.2%	71.8%	75.7%	76.6%	77.0%	79.0%	81.1%	83.2%
Royalty Rate	%	73.4%	70.7%	71.6%	72.1%	72.5%	72.8%	73.2%	73.5%	73.9%	74.2%	74.6%	75.1%	76.0%
Basic Petroleum Profits Tax Rate	%	73.4%	68.3%	69.5%	70.8%	71.8%	72.3%	72.9%	73.9%	74.4%	74.9%	75.9%	77.2%	78.5%
Progressivity Tax (CPT) First Base (\$/boe)	%	73.4%	77.6%	76.5%	75.5%	74.6%	74.2%	73.8%	72.9%	72.5%	72.1%	71.3%	69.2%	67.1%
Progressivity Tax (CPT) First Tranche rate (%)	%	73.4%	68.2%	69.5%	70.8%	71.8%	72.3%	72.8%	76.0%	78.5%	81.1%	87.7%	89.2%	89.3%
Progressivity Tax (CPT) Second Base (\$/boe)	%	73.4%	65.6%	67.2%	68.8%	70.3%	71.7%	73.0%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%
Progressivity Tax (CPT) Second Tranche rate (%)	%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%	73.4%
Investment Credit Rate	%	73.4%	73.8%	73.7%	73.6%	73.6%	73.5%	73.4%	73.3%	73.2%	73.2%	73.1%	73.0%	72.9%
Alaska CIT Rate	%	73.4%	72.0%	72.6%	72.8%	72.9%	73.1%	73.2%	73.6%	73.7%	73.9%	74.0%	74.2%	75.1%
		73.4%												
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	%	58.3%	56.5%	56.8%	57.1%	57.4%	57.7%	58.0%	59.0%	59.6%	59.8%	61.0%	61.9%	62.4%
Oil Price	%	58.3%	46.4%	47.1%	48.8%	50.9%	53.3%	55.8%	62.1%	63.6%	64.2%	67.4%	70.6%	74.0%
Royalty Rate	%	58.3%	54.3%	55.6%	56.5%	57.0%	57.5%	58.1%	58.6%	59.1%	59.7%	60.2%	61.0%	62.4%
Basic Petroleum Profits Tax Rate	%	58.3%	50.5%	52.4%	54.4%	56.0%	56.8%	57.5%	59.1%	59.9%	60.7%	62.3%	64.2%	66.2%
Progressivity Tax (CPT) First Base (\$/boe)	%	58.3%	64.8%	63.2%	61.6%	60.3%	59.6%	59.0%	57.7%	57.0%	56.4%	55.1%	51.9%	48.7%
Progressivity Tax (CPT) First Tranche rate (%)	%	58.3%	50.4%	52.4%	54.4%	55.9%	56.7%	57.5%	62.3%	66.3%	70.3%	80.4%	82.7%	82.9%
Progressivity Tax (CPT) Second Base (\$/boe)	%	58.3%	46.4%	48.8%	51.3%	53.6%	55.8%	57.8%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%
Progressivity Tax (CPT) Second Tranche rate (%)	%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%	58.3%
Investment Credit Rate	%	58.3%	59.1%	58.8%	58.7%	58.6%	58.5%	58.4%	58.2%	58.1%	58.0%	57.9%	57.8%	57.6%
Alaska CIT Rate	%	58.3%	56.2%	57.2%	57.4%	57.7%	57.9%	58.1%	58.6%	58.9%	59.1%	59.4%	59.6%	61.1%
		58.3%												
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	33.71	29.97	30.58	31.19	31.82	32.44	33.07	35.00	36.31	36.96	40.19	43.31	46.24
Oil Price	\$/boe	33.71	8.61	11.81	15.42	19.43	23.82	28.58	44.27	53.89	58.75	83.93	111.33	140.97
Royalty Rate	\$/boe	33.71	31.28	32.09	32.57	32.90	33.22	33.55	33.87	34.20	34.52	34.85	35.34	36.15
Basic Petroleum Profits Tax Rate	\$/boe	33.71	29.15	30.29	31.43	32.34	32.80	33.26	34.17	34.62	35.08	35.99	37.13	38.27
Progressivity Tax (CPT) First Base (\$/boe)	\$/boe	33.71	37.52	36.57	35.62	34.85	34.47	34.09	33.33	32.95	32.57	31.81	29.90	28.07
Progressivity Tax (CPT) First Tranche rate (%)	\$/boe	33.71	29.22	30.34	31.46	32.36	32.81	33.26	35.96	38.21	40.46	46.48	48.43	48.56
Progressivity Tax (CPT) Second Base (\$/boe)	\$/boe	33.71	26.97	28.40	29.82	31.20	32.46	33.50	33.71	33.71	33.71	33.71	33.71	33.71
Progressivity Tax (CPT) Second Tranche rate (%)	\$/boe	33.71	33.71	33.71	33.71	33.71	33.71	33.71	33.71	33.71	33.71	33.71	33.71	33.71
Investment Credit Rate	\$/boe	33.71	34.31	34.11	34.03	33.95	33.87	33.79	33.63	33.55	33.47	33.39	33.31	33.12
Alaska CIT Rate	\$/boe	33.71	32.40	32.99	33.14	33.29	33.44	33.59	33.89	34.04	34.19	34.34	34.49	35.39
		33.71												
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	3421	3041	3103	3165	3228	3292	3356	3552	3684	3750	4078	4395	4692
Oil Price	\$millions	3421	874	1198	1565	1972	2417	2900	4493	5469	5962	8517	11297	14305
Royalty Rate	\$millions	3421	3174	3256	3306	3338	3371	3404	3437	3470	3503	3536	3586	3668
Basic Petroleum Profits Tax Rate	\$millions	3421	2958	3074	3190	3282	3328	3375	3467	3513	3560	3652	3768	3884
Progressivity Tax (CPT) First Base (\$/boe)	\$millions	3421	3807	3711	3614	3537	3498	3460	3382	3344	3305	3228	3034	2848
Progressivity Tax (CPT) First Tranche rate (%)	\$millions	3421	2965	3079	3193	3284	3330	3375	3649	3877	4105	4717	4915	4927
Progressivity Tax (CPT) Second Base (\$/boe)	\$millions	3421	2737	2881	3026	3166	3294	3399	3421	3421	3421	3421	3421	3421
Progressivity Tax (CPT) Second Tranche rate (%)	\$millions	3421	3421	3421	3421	3421	3421	3421	3421	3421	3421	3421	3421	3421
Investment Credit Rate	\$millions	3421	3481	3461	3453	3445	3437	3429	3413	3405	3397	3389	3381	3361
Alaska CIT Rate	\$millions	3421	3287	3348	3363	3378	3394	3409	3439	3454	3469	3485	3500	3591
		3421												
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	%	24.1%	25.1%	24.9%	24.8%	24.6%	24.4%	24.3%	23.8%	23.5%	23.3%	22.7%	22.3%	22.0%
Oil Price	%	24.1%	37.4%	34.2%	31.4%	29.2%	27.2%	25.5%	22.2%	21.3%	21.0%	19.6%	18.5%	17.5%
Royalty Rate	%	24.1%	10.3%	15.1%	17.9%	19.7%	21.5%	23.2%	24.9%	26.6%	28.3%	29.9%	32.3%	36.1%
Basic Petroleum Profits Tax Rate	%	24.1%	27.8%	26.8%	25.8%	25.1%	24.8%	24.4%	23.8%	23.5%	23.2%	22.6%	21.9%	21.2%
Progressivity Tax (CPT) First Base (\$/boe)	%	24.1%	21.7%	22.2%	22.8%	23.3%	23.6%	23.8%	24.4%	24.6%	24.9%	25.5%	27.1%	28.9%
Progressivity Tax (CPT) First Tranche rate (%)	%	24.1%	27.9%	26.8%	25.9%	25.1%	24.8%	24.4%	22.6%	21.2%	20.0%	17.5%	17.0%	17.0%
Progressivity Tax (CPT) Second Base (\$/boe)	%	24.1%	30.3%	28.8%	27.4%	26.2%	25.2%	24.3%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%
Progressivity Tax (CPT) Second Tranche rate (%)	%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%	24.1%
Investment Credit Rate	%	24.1%	23.8%	23.9%	23.9%	24.0%	24.0%	24.0%	24.1%	24.2%	24.2%	24.3%	24.3%	24.4%
Alaska CIT Rate	%	24.1%	25.0%	24.6%	24.5%	24.4%	24.3%	24.2%	24.0%	23.9%	23.8%	23.7%	23.6%	23.0%
		24.1%												

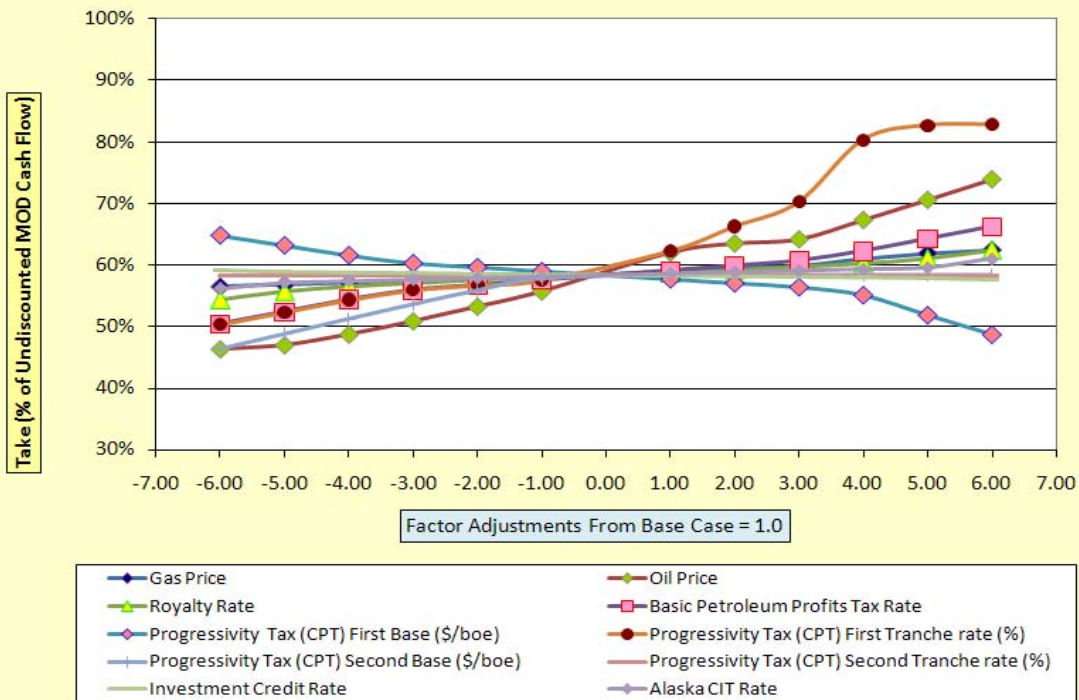
Field #9

Total Government Take of Cash Flow



Field #9

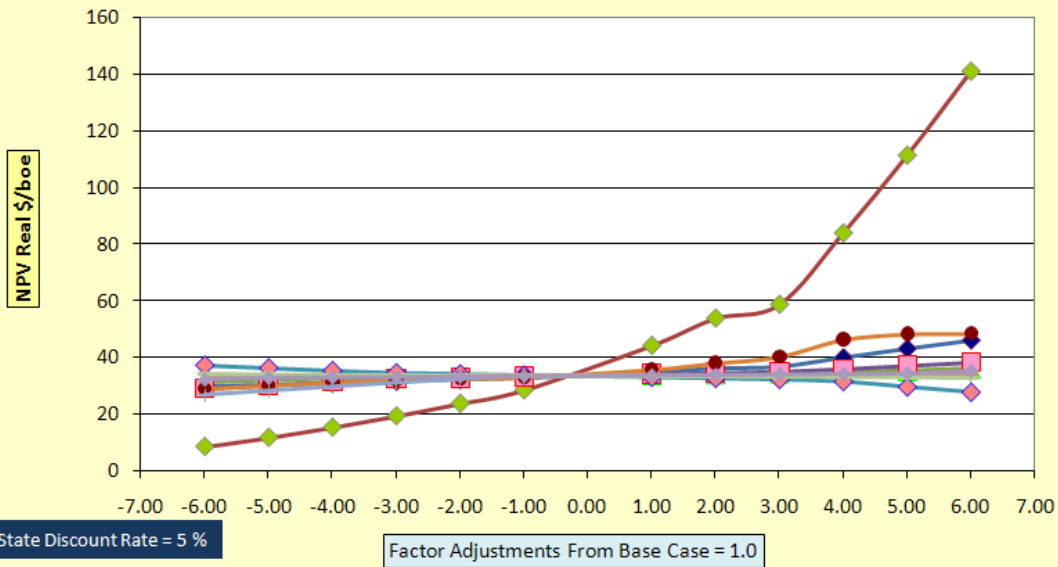
Alaska State Take of Cash Flow (%)



David Wood & Associates

Field # 9

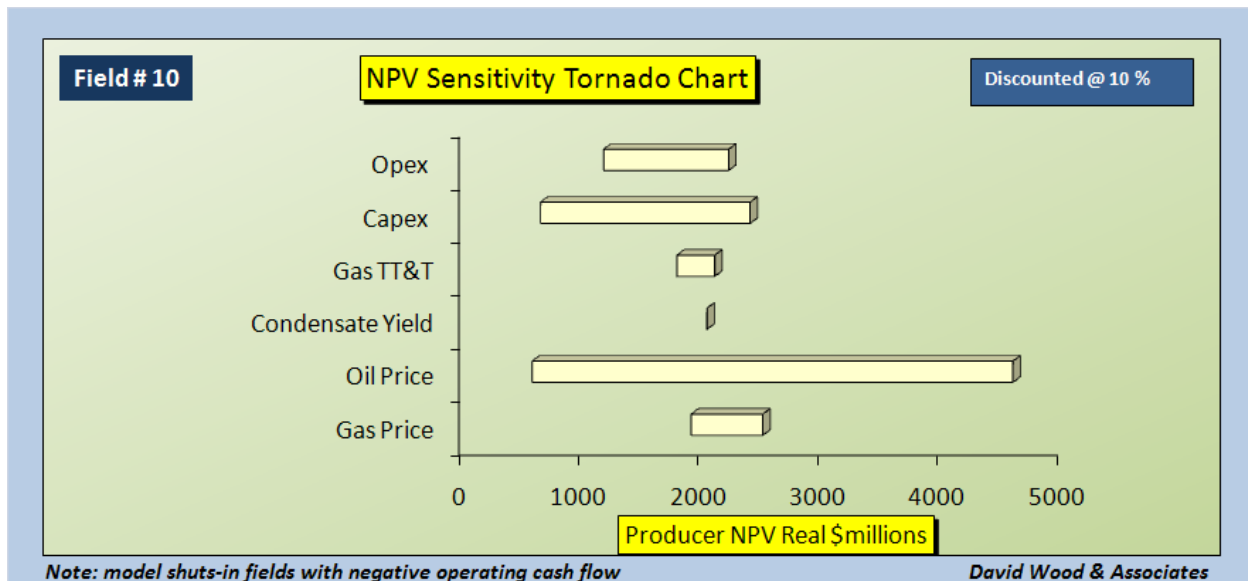
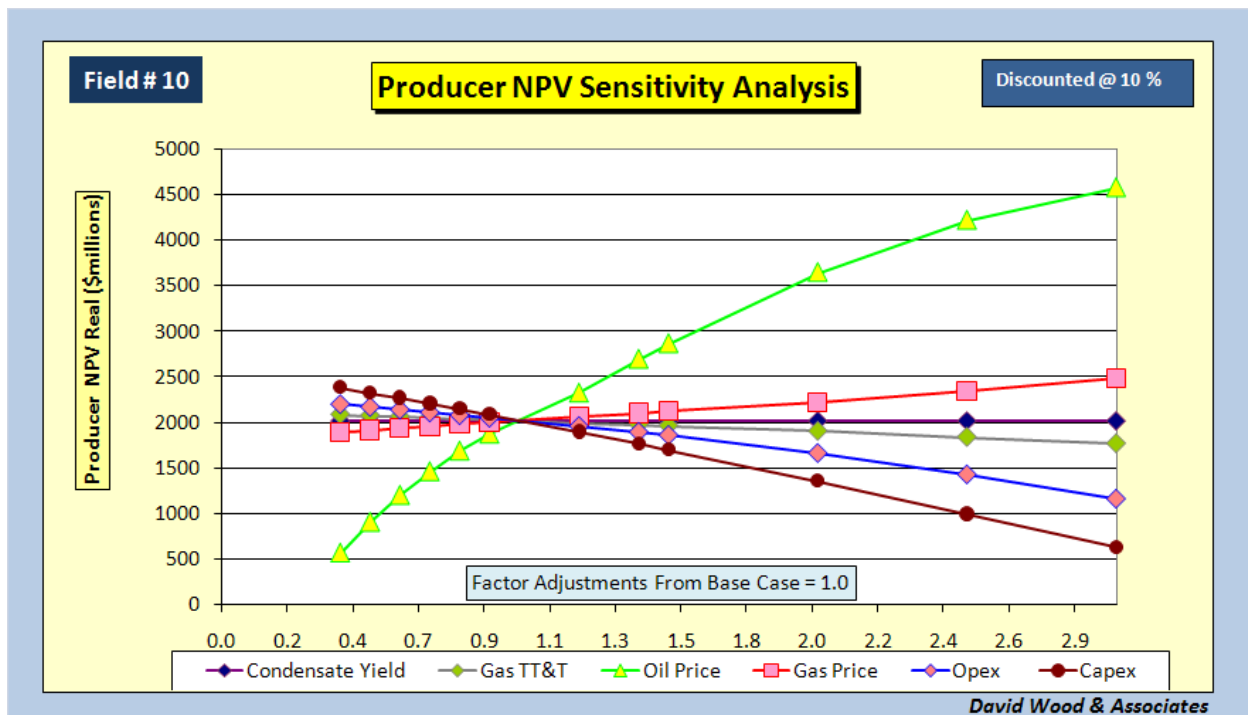
Total Alaska State NPV (Real) \$/boe



David Wood & Associates

Oil Field #10 (615 million boe produced)

Model Field Number:		10	Base Case Gas Reserves Produced:		690.0 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 # 10	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)			5.53	2.21	2.77	3.32	3.87	4.42	4.98	6.64	7.74	8.30	11.06	13.83	16.59	
Total Opex (\$/boe)		7.11	2.84	3.55	4.26	4.97	5.68	6.40	8.53	9.95	10.66	14.21	17.76	21.32		
Production Startup Accelerated (-) or Delayed (+) by Years		7							-2.0	-1.0	1.0	2.0	3.0			
Producer Base Case NPV Real \$ millions:		2,027														
		2,027														
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 # 10	2027	1896	1919	1942	1964	1985	2006	2067	2107	2127	2233	2355	2493	
Oil Price			2027	567	905	1202	1462	1687	1874	2325	2697	2869	3649	4224	4582	
Condensate Yield			2027	2027	2027	2027	2027	2027	2027	2027	2027	2027	2027	2027	2027	
Gas TT&T			2027	2091	2081	2070	2059	2048	2038	2004	1982	1971	1911	1846	1776	
Capex			2027	2387	2329	2271	2212	2152	2089	1900	1771	1704	1362	1001	636	
Opex		2027	2208	2177	2146	2116	2087	2057	1966	1901	1866	1668	1433	1164		
Production Startup Accelerated (-) or Delayed (+) by Years		2027 Producer NPV \$ millions:						3061	2524	1576	1171	830				
		2,027	Years:						5	6	8	9	10			
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 # 10	13.3	12.4	12.6	12.7	12.9	13.0	13.1	13.5	13.8	13.9	14.6	15.4	16.3	
Oil Price			13.3	3.7	5.9	7.9	9.6	11.1	12.3	15.2	17.7	18.8	23.9	27.7	30.0	
Condensate Yield			13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	
Gas TT&T			13.3	13.7	13.6	13.6	13.5	13.4	13.4	13.1	13.0	12.9	12.5	12.1	11.6	
Capex			13.3	15.6	15.3	14.9	14.5	14.1	13.7	12.4	11.6	11.2	8.9	6.6	4.2	
Opex		13.3	14.5	14.3	14.1	13.9	13.7	13.5	12.9	12.5	12.2	10.9	9.4	7.7		
Production Startup Accelerated (-) or Delayed (+) by Years		13.3	Producer NPV \$/boe:						15.4	14.5	11.9	10.2	8.5			
		13.3	Years:						5	6	8	9	10			
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 # 10	%	31.5%	30.3%	30.5%	30.7%	31.0%	31.2%	31.3%	31.9%	32.3%	32.4%	33.3%	34.1%	35.1%
Oil Price			%	31.5%	17.3%	20.9%	23.9%	26.3%	28.4%	30.1%	33.9%	36.4%	37.5%	42.3%	45.6%	47.8%
Condensate Yield			%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%
Gas TT&T			%	31.5%	32.1%	32.0%	31.9%	31.8%	31.7%	31.6%	31.3%	31.1%	31.0%	30.5%	29.9%	29.2%
Capex			%	31.5%	52.5%	47.0%	42.6%	39.2%	36.2%	33.7%	28.0%	25.2%	23.9%	19.2%	15.8%	13.3%
Opex		%	31.5%	33.1%	32.8%	32.6%	32.3%	32.1%	31.8%	31.0%	30.4%	30.1%	28.3%	26.2%	23.7%	
Production Startup Accelerated (-) or Delayed (+) by Years		31.5%	%							61.8%	42.1%	25.0%	20.3%	17.0%		
		31.5%	Years:						5	6	8	9	10			
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 # 10	Years	9.27	9.45	9.41	9.38	9.36	9.33	9.30	9.22	9.17	9.15	9.05	8.96	8.88
Oil Price			Years	9.27	12.53	11.29	10.59	10.10	9.75	9.48	8.98	8.77	8.69	8.30	8.06	7.88
Condensate Yield			Years	9.27	9.27	9.27	9.27	9.27	9.27	9.27	9.27	9.27	9.27	9.27	9.27	9.27
Gas TT&T			Years	9.27	9.19	9.21	9.22	9.23	9.24	9.26	9.30	9.33	9.35	9.43	9.51	9.61
Capex			Years	9.27	7.62	7.99	8.26	8.52	8.78	9.03	9.75	10.22	10.45	11.67	13.03	14.82
Opex		Years	9.27	9.07	9.10	9.13	9.16	9.20	9.23	9.35	9.44	9.49	9.78	10.14	10.65	
Production Startup Accelerated (-) or Delayed (+) by Years		9.27	Years							5.99	7.85	10.81	12.43	14.00		
		9.27	Years:						5	6	8	9	10			
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 # 10	\$/boe	103.6	95.7	97.0	98.3	99.6	100.9	102.3	106.2	108.8	110.1	116.7	123.2	129.7
Oil Price			\$/boe	103.6	49.1	58.3	67.4	76.4	85.5	94.5	121.7	139.8	148.8	194.0	239.3	284.5
Condensate Yield			\$/boe	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6
Gas TT&T			\$/boe	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6
Capex			\$/boe	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6
Opex		\$/boe	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.6	103.4	102.8	102.4	
Production Startup Accelerated (-) or Delayed (+) by Years		103.57	\$/boe							101.30	102.41	104.76	106.02	107.33		
		103.57	Years:						5	6	8	9	10			

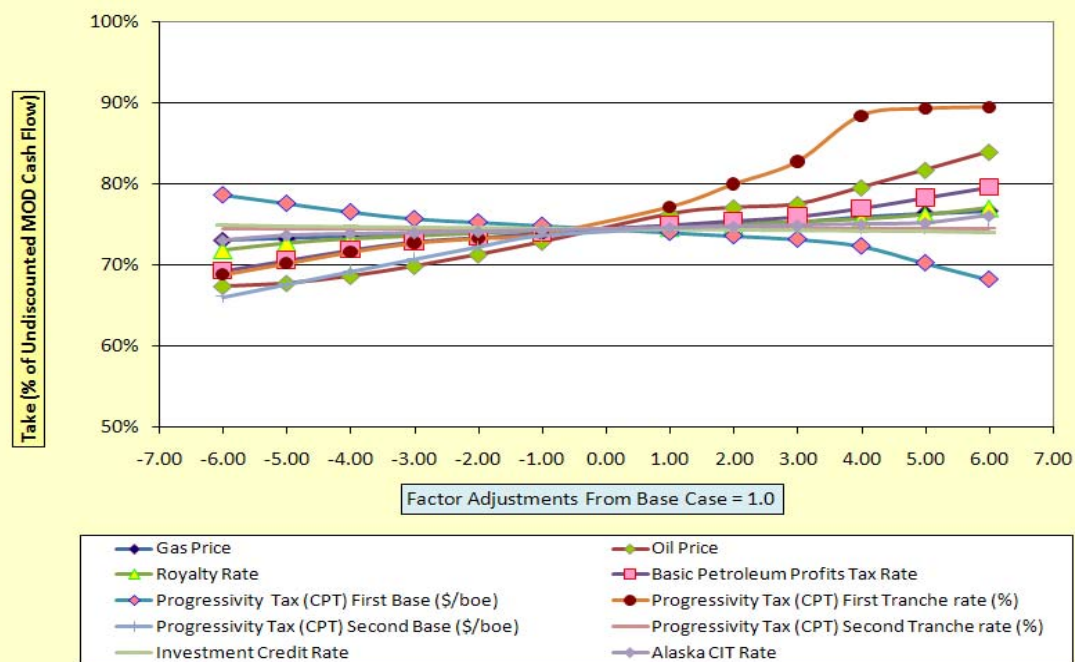


Oil Field #10

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		%	74.4%	73.1%	73.3%	73.5%	73.8%	74.0%	74.2%		74.8%	75.2%	75.3%	75.9%	76.3%	76.6%
Oil Price		%	74.4%	67.3%	67.7%	68.6%	69.8%	71.3%	72.8%		76.3%	77.1%	77.5%	79.6%	81.7%	84.0%
Royalty Rate		%	74.4%	71.8%	72.7%	73.2%	73.6%	73.9%	74.3%		74.6%	74.9%	75.3%	75.6%	76.2%	77.0%
Basic Petroleum Profits Tax Rate		%	74.4%	69.3%	70.6%	71.9%	72.9%	73.4%	73.9%		74.9%	75.5%	76.0%	77.0%	78.3%	79.5%
Progressivity Tax (CPT) First Base (\$/boe)		%	74.4%	78.6%	77.6%	76.5%	75.7%	75.3%	74.9%		74.0%	73.6%	73.2%	72.3%	70.2%	68.2%
Progressivity Tax (CPT) First Tranche rate (%)		%	74.4%	68.9%	70.2%	71.6%	72.8%	73.3%	73.9%		77.2%	80.0%	82.8%	88.4%	89.3%	89.5%
Progressivity Tax (CPT) Second Base (\$/boe)		%	74.4%	66.1%	67.6%	69.2%	70.7%	72.2%	73.6%		74.5%	74.5%	74.5%	74.5%	74.5%	74.5%
Progressivity Tax (CPT) Second Tranche rate (%)		%	74.4%	74.4%	74.4%	74.4%	74.4%	74.4%	74.4%		74.4%	74.5%	74.5%	74.5%	74.5%	74.5%
Investment Credit Rate		%	74.4%	74.9%	74.7%	74.7%	74.6%	74.6%	74.5%		74.4%	74.3%	74.2%	74.2%	74.1%	74.0%
Alaska CIT Rate		%	74.4%	73.1%	73.7%	73.9%	74.0%	74.2%	74.3%		74.6%	74.8%	74.9%	75.1%	75.2%	76.1%
			74.4%													
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		%	59.8%	57.6%	58.0%	58.4%	58.8%	59.1%	59.5%		60.4%	61.0%	61.2%	62.3%	62.9%	63.4%
Oil Price		%	59.8%	47.2%	48.4%	50.2%	52.3%	54.7%	57.3%		62.8%	64.2%	64.8%	68.2%	71.6%	75.1%
Royalty Rate		%	59.8%	55.8%	57.2%	58.0%	58.5%	59.0%	59.6%		60.1%	60.6%	61.2%	61.7%	62.5%	63.8%
Basic Petroleum Profits Tax Rate		%	59.8%	52.0%	53.9%	55.9%	57.5%	58.3%	59.0%		60.6%	61.4%	62.2%	63.8%	65.7%	67.7%
Progressivity Tax (CPT) First Base (\$/boe)		%	59.8%	66.3%	64.7%	63.1%	61.8%	61.1%	60.5%		59.2%	58.5%	57.9%	56.6%	53.4%	50.3%
Progressivity Tax (CPT) First Tranche rate (%)		%	59.8%	51.2%	53.4%	55.5%	57.3%	58.1%	59.0%		64.1%	68.4%	72.7%	81.4%	82.7%	83.0%
Progressivity Tax (CPT) Second Base (\$/boe)		%	59.8%	47.0%	49.4%	51.8%	54.1%	56.5%	58.6%		59.9%	59.9%	59.9%	59.9%	59.9%	59.9%
Progressivity Tax (CPT) Second Tranche rate (%)		%	59.8%	59.8%	59.8%	59.8%	59.8%	59.8%	59.8%		59.8%	59.9%	59.9%	59.9%	59.9%	60.0%
Investment Credit Rate		%	59.8%	60.6%	60.3%	60.2%	60.1%	60.0%	59.9%		59.7%	59.6%	59.5%	59.4%	59.3%	59.1%
Alaska CIT Rate		%	59.8%	57.8%	58.7%	58.9%	59.2%	59.4%	59.6%		60.1%	60.3%	60.6%	60.8%	61.0%	62.4%
			59.8%													
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	33.30	28.92	29.63	30.36	31.09	31.83	32.56		34.78	36.25	36.99	40.59	44.02	47.31
Oil Price		\$/boe	33.30	8.56	11.73	15.32	19.27	23.58	28.27		43.23	52.43	57.18	81.83	108.63	137.66
Royalty Rate		\$/boe	33.30	30.94	31.73	32.20	32.51	32.83	33.14		33.46	33.77	34.09	34.40	34.87	35.66
Basic Petroleum Profits Tax Rate		\$/boe	33.30	28.89	29.99	31.10	31.98	32.42	32.86		33.74	34.18	34.62	35.51	36.61	37.71
Progressivity Tax (CPT) First Base (\$/boe)		\$/boe	33.30	37.00	36.08	35.15	34.41	34.04	33.67		32.93	32.56	32.19	31.45	29.63	27.88
Progressivity Tax (CPT) First Tranche rate (%)		\$/boe	33.30	28.65	29.81	30.97	31.91	32.37	32.84		35.63	37.95	40.28	45.62	46.78	47.04
Progressivity Tax (CPT) Second Base (\$/boe)		\$/boe	33.30	26.32	27.71	29.07	30.39	31.68	32.81		33.32	33.33	33.33	33.33	33.33	33.33
Progressivity Tax (CPT) Second Tranche rate (%)		\$/boe	33.30	33.29	33.30	33.30	33.30	33.30	33.30		33.31	33.31	33.31	33.32	33.33	33.34
Investment Credit Rate		\$/boe	33.30	33.92	33.72	33.63	33.55	33.47	33.38		33.22	33.14	33.05	32.97	32.89	32.68
Alaska CIT Rate		\$/boe	33.30	32.08	32.64	32.77	32.91	33.05	33.19		33.47	33.61	33.75	33.88	34.02	34.85
			33.30													
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	9691	8415	8624	8835	9047	9262	9477		10121	10551	10765	11812	12811	13769
Oil Price		\$millions	9691	2485	3414	4458	5607	6861	8227		12580	15259	16640	23815	31614	40063
Royalty Rate		\$millions	9691	9005	9234	9371	9462	9554	9646		9737	9829	9920	10012	10149	10378
Basic Petroleum Profits Tax Rate		\$millions	9691	8408	8729	9050	9307	9435	9563		9820	9948	10076	10333	10654	10975
Progressivity Tax (CPT) First Base (\$/boe)		\$millions	9691	10769	10499	10230	10015	9907	9799		9584	9476	9368	9153	8623	8115
Progressivity Tax (CPT) First Tranche rate (%)		\$millions	9691	8337	8676	9014	9285	9421	9556		10368	11046	11723	13278	13613	13691
Progressivity Tax (CPT) Second Base (\$/boe)		\$millions	9691	7660	8064	8461	8843	9221	9549		9698	9699	9699	9699	9699	9699
Progressivity Tax (CPT) Second Tranche rate (%)		\$millions	9691	9689	9690	9690	9691	9691	9691		9693	9694	9695	9696	9699	9701
Investment Credit Rate		\$millions	9691	9873	9812	9788	9764	9740	9716		9667	9643	9619	9595	9571	9511
Alaska CIT Rate		\$millions	9691	9336	9498	9538	9578	9619	9659		9740	9780	9821	9861	9901	10143
			9691													
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		%	23.7%	24.9%	24.7%	24.5%	24.3%	24.1%	23.9%		23.4%	23.1%	22.9%	22.4%	22.0%	21.7%
Oil Price		%	23.7%	37.0%	33.7%	31.0%	28.7%	26.8%	25.1%		22.1%	21.3%	20.9%	19.5%	18.3%	17.3%
Royalty Rate		%	23.7%	10.1%	14.8%	17.6%	19.3%	21.1%	22.8%		24.5%	26.2%	27.8%	29.4%	31.8%	35.6%
Basic Petroleum Profits Tax Rate		%	23.7%	27.3%	26.3%	25.4%	24.7%	24.3%	24.0%		23.4%	23.1%	22.8%	22.2%	21.6%	20.9%
Progressivity Tax (CPT) First Base (\$/boe)		%	23.7%	21.4%	21.9%	22.5%	22.9%	23.2%	23.4%		23.9%	24.2%	24.5%	25.0%	26.5%	28.2%
Progressivity Tax (CPT) First Tranche rate (%)		%	23.7%	27.7%	26.5%	25.5%	24.8%	24.4%	24.0%		22.1%	20.7%	19.5%	17.4%	17.1%	17.1%
Progressivity Tax (CPT) Second Base (\$/boe)		%	23.7%	30.2%	28.7%	27.4%	26.2%	25.1%	24.2%		23.7%	23.6%	23.6%	23.6%	23.6%	23.6%
Progressivity Tax (CPT) Second Tranche rate (%)		%	23.7%	23.7%	23.7%	23.7%	23.7%	23.7%	23.7%		23.7%	23.7%	23.7%	23.7%	23.6%	23.6%
Investment Credit Rate		%	23.7%	23.4%	23.5%	23.5%	23.6%	23.6%	23.6%		23.7%	23.8%	23.8%	23.8%	23.9%	24.0%
Alaska CIT Rate		%	23.7%	24.5%	24.1%	24.0%	23.9%	23.9%	23.8%		23.6%	23.5%	23.4%	23.3%	23.2%	22.7%
			23.7%													

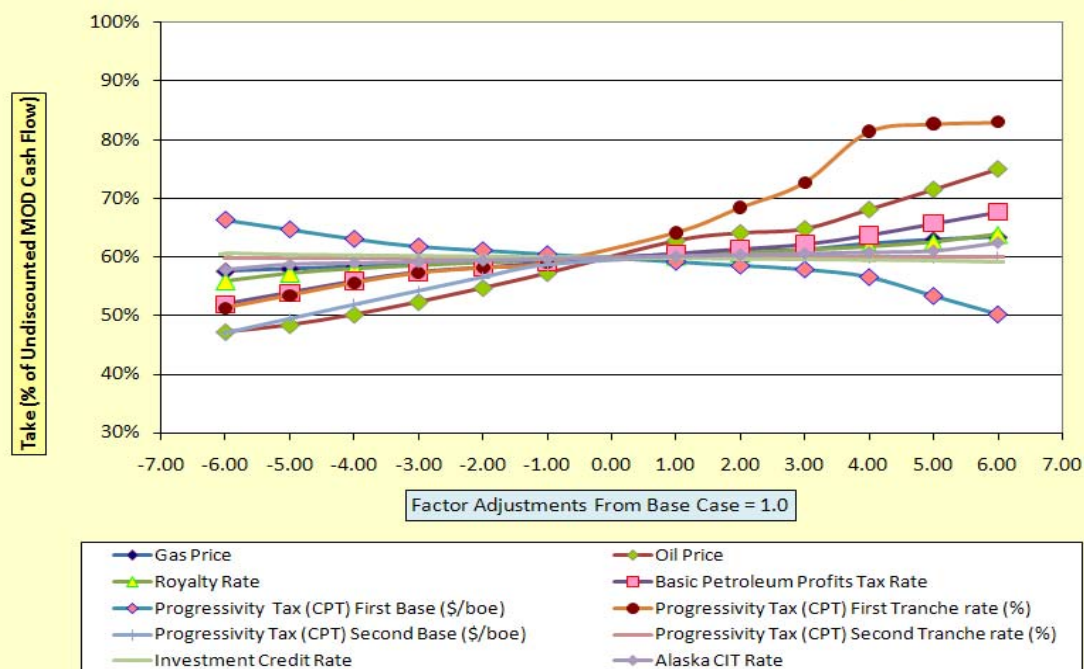
Field # 10

Total Government Take of Cash Flow



Field # 10

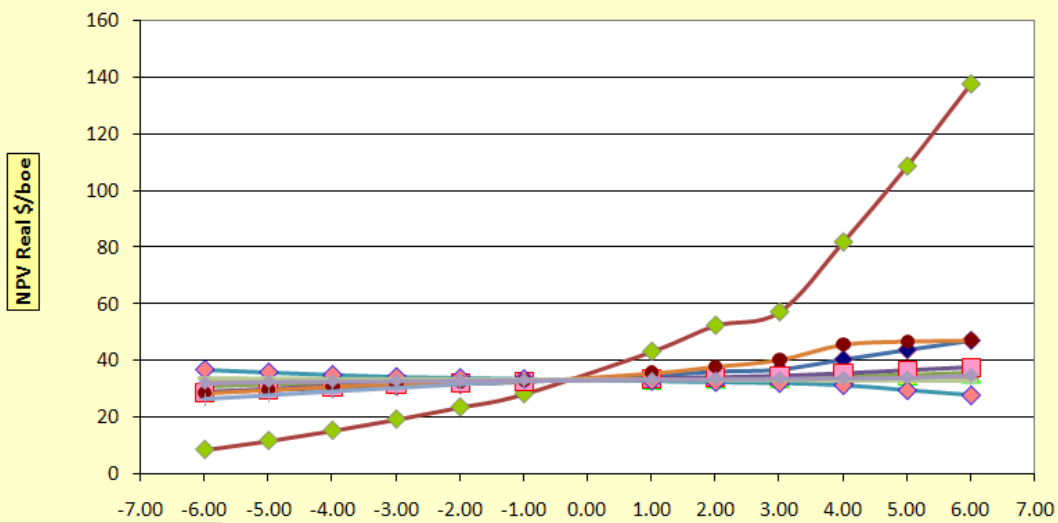
Alaska State Take of Cash Flow (%)



David Wood & Associates

Field # 10

Total Alaska State NPV (Real) \$/boe



- Gas Price
- Royalty Rate
- Progressivity Tax (CPT) First Base (\$/boe)
- Progressivity Tax (CPT) Second Base (\$/boe)
- Investment Credit Rate
- Oil Price
- Basic Petroleum Profits Tax Rate
- Progressivity Tax (CPT) First Tranche rate (%)
- Progressivity Tax (CPT) Second Tranche rate (%)
- Alaska CIT Rate

David Wood & Associates