



COOK INLET DEVELOPMENT

The Alaska Support Industry Alliance
Kenai, Alaska

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Alaska Department of Natural Resources
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COOK INLET OVERVIEW

1959

- Kenai Gas field discovered in by Unocal & Ohio Oil

1960s

- Offshore North Cook Inlet field and the Beluga River field on the west side discovered
- Unocal started operations at the Kenai fertilizer plant
- The Kenai LNG export facility, a joint venture of Phillips Petroleum and Marathon Oil (formerly Ohio Oil), commenced operations

2000s

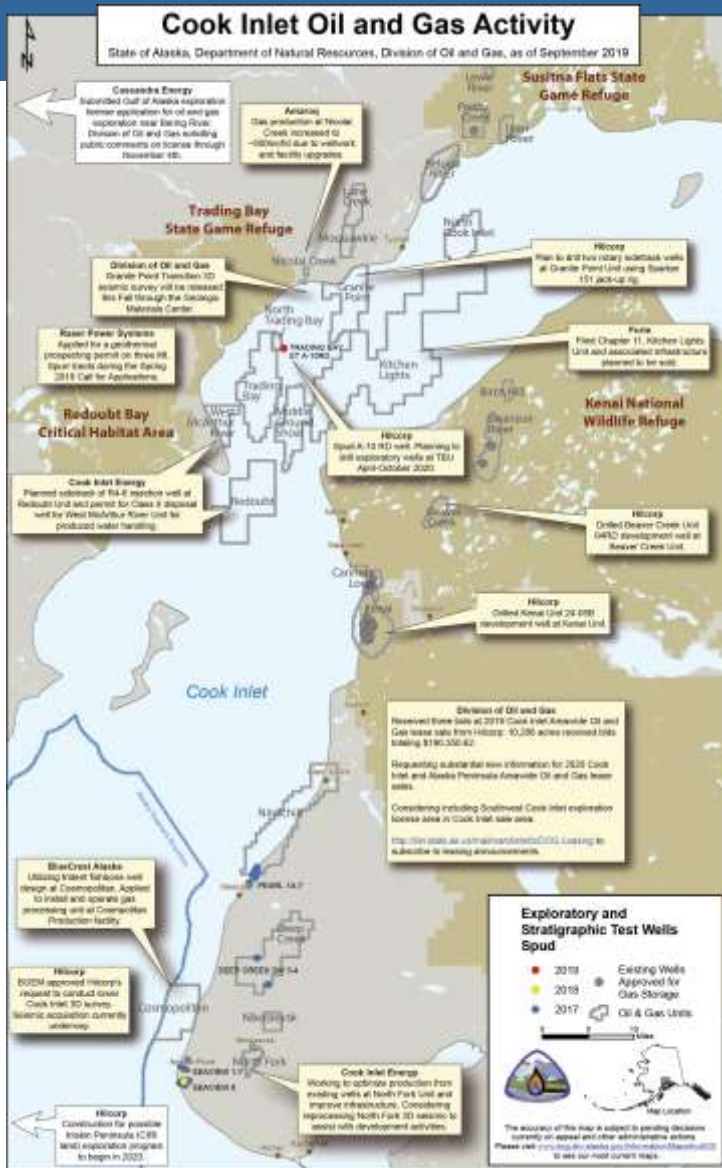
- Gas production began to decline and prices started to climb
- No exports occurred in 2013 or 2016
- ConocoPhillips sold the mothballed LNG facility to Andeavor in 2018

Present

- Hilcorp is the dominant producer in the CI basin
- Home of one of the three active refineries in the state
- Industry upholds the highest regulatory standards to minimize impact on marine life

Natural gas from the Cook Inlet basin is essential to meeting the energy needs of Alaska's Railbelt region. It generates 70% of the Railbelt's electricity, heats over 140,000 homes and businesses, and supplies fuel needed by industrial users

COOK INLET ACTIVITIES



Current activity maps can be found on the [Division of Oil & Gas website](http://dnr.state.ak.us/naturalresources/2019/Leasing%20to%20begin%20announcements)

COOK INLET PRODUCERS



AIX Energy

Gas Producers	Gas (MMCF)	MMCFD
Hilcorp Alaska	74900	5762
Furie	5689	438
Bluecrest Energy	3640	280
AIX Energy	2091	161
Cook Inlet Energy	1691	130
Amaroq Resources	152	12
Grand Total	88164	

Oil Producers	Oil (MBOB)	BOPD
Hilcorp Alaska	4544	11835
Cook Inlet Energy	698	1433
Bluecrest Energy	550	1472
Grand Total	5792	

Note: Production figures are for last 12 months (October 2018 – September 2019) reported by AOGCC. See [their website](#) for more information.

LOWER KENAI PENINSULA

BlueCrest

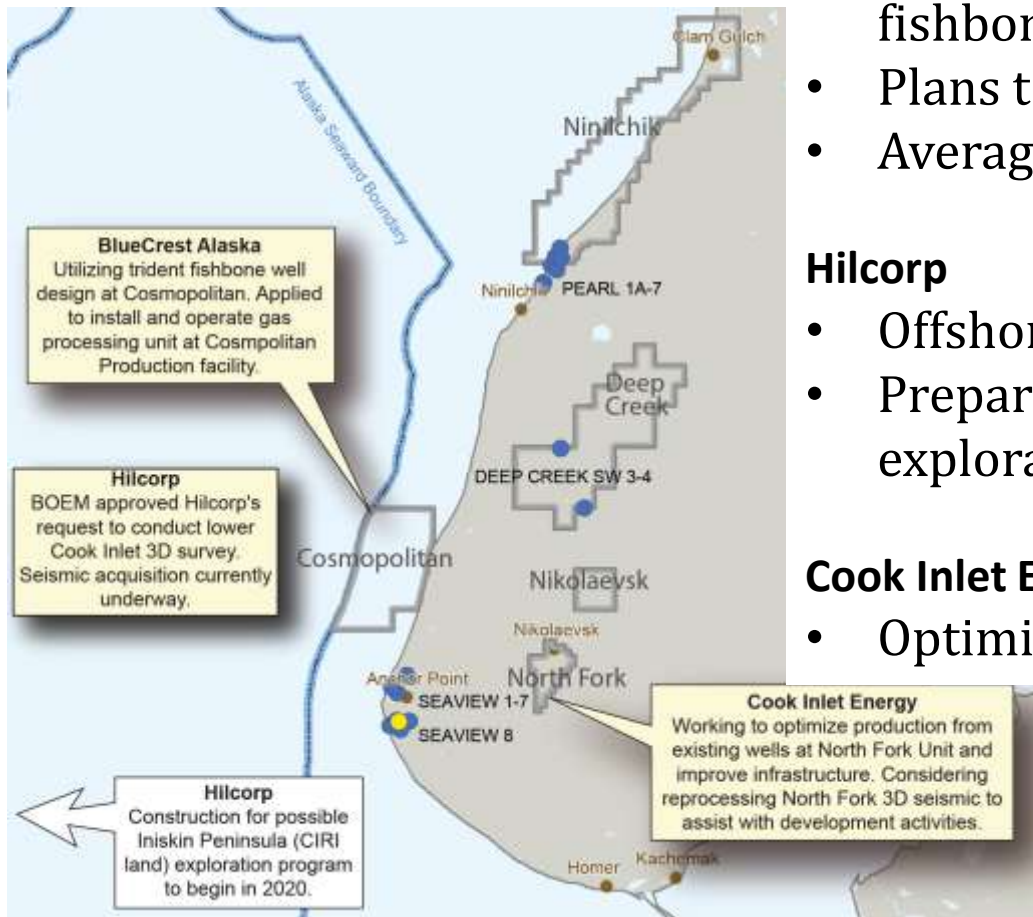
- Continues to drill multi-lateral “trident fishbone” oil wells
- Plans to develop gas production system
- Averaged 1589 BOPD over last 12 months

Hilcorp

- Offshore seismic survey underway
- Preparing for Iniskin Peninsula exploration in 2020

Cook Inlet Energy

- Optimizing production at North Fork



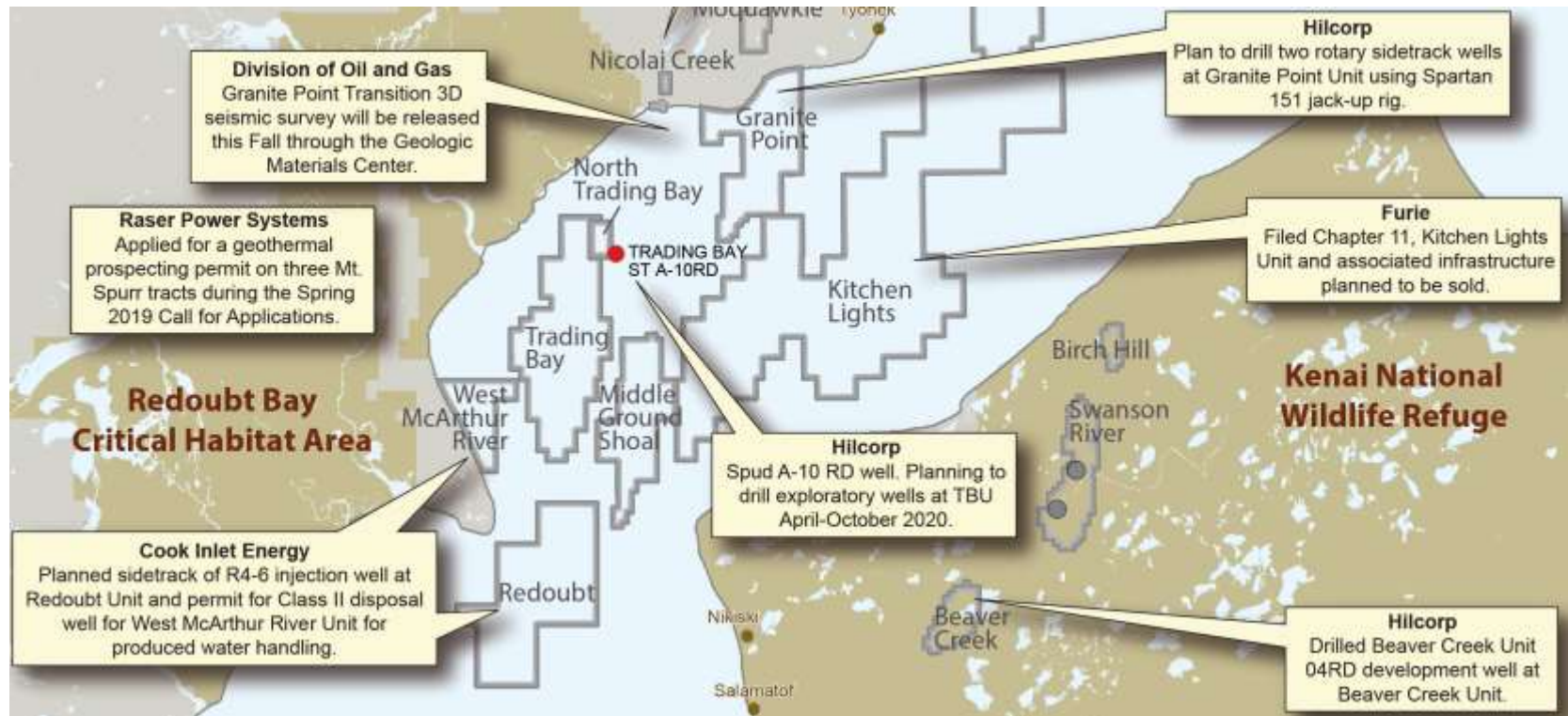
OFFSHORE

Hilcorp

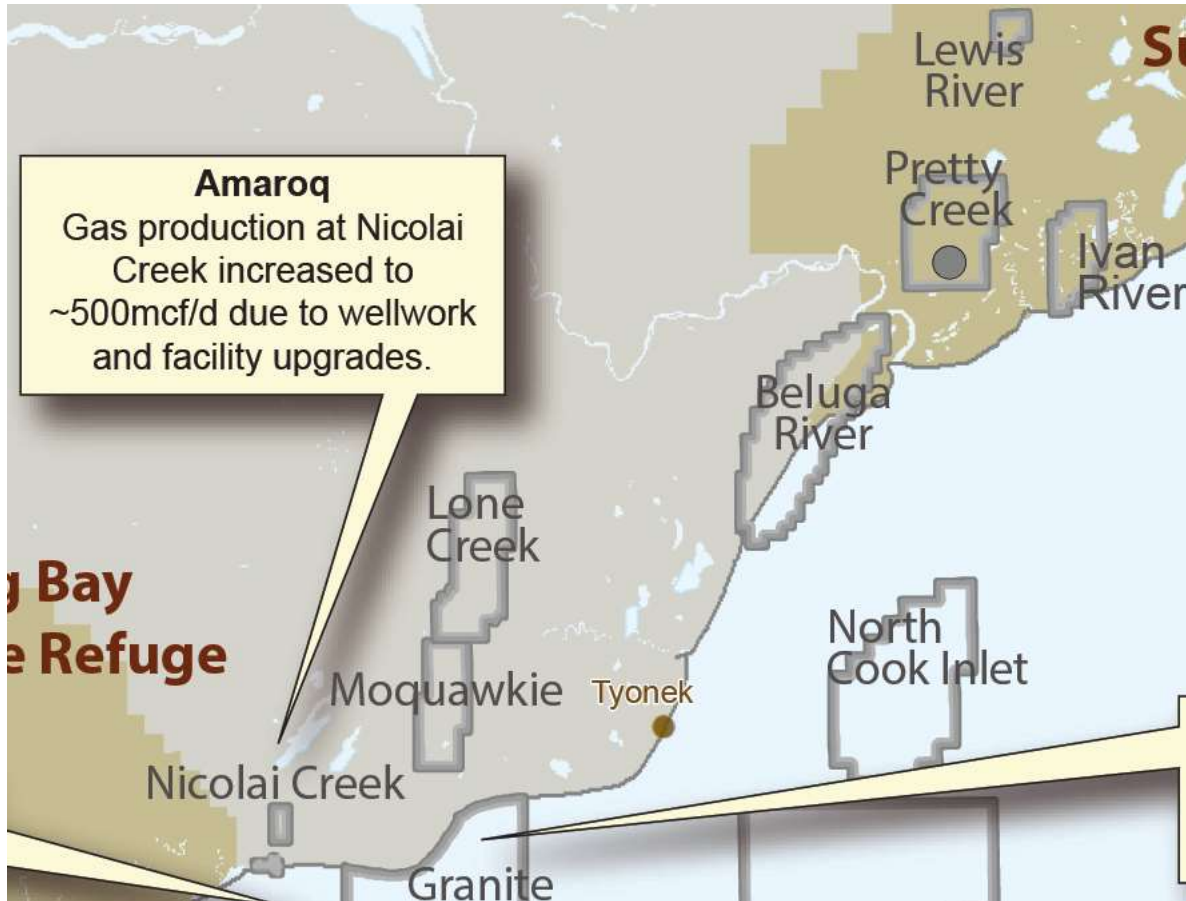
- Development and exploration wells planned in multiple units

Cook Inlet Energy

- Development injection well planned



WEST SIDE



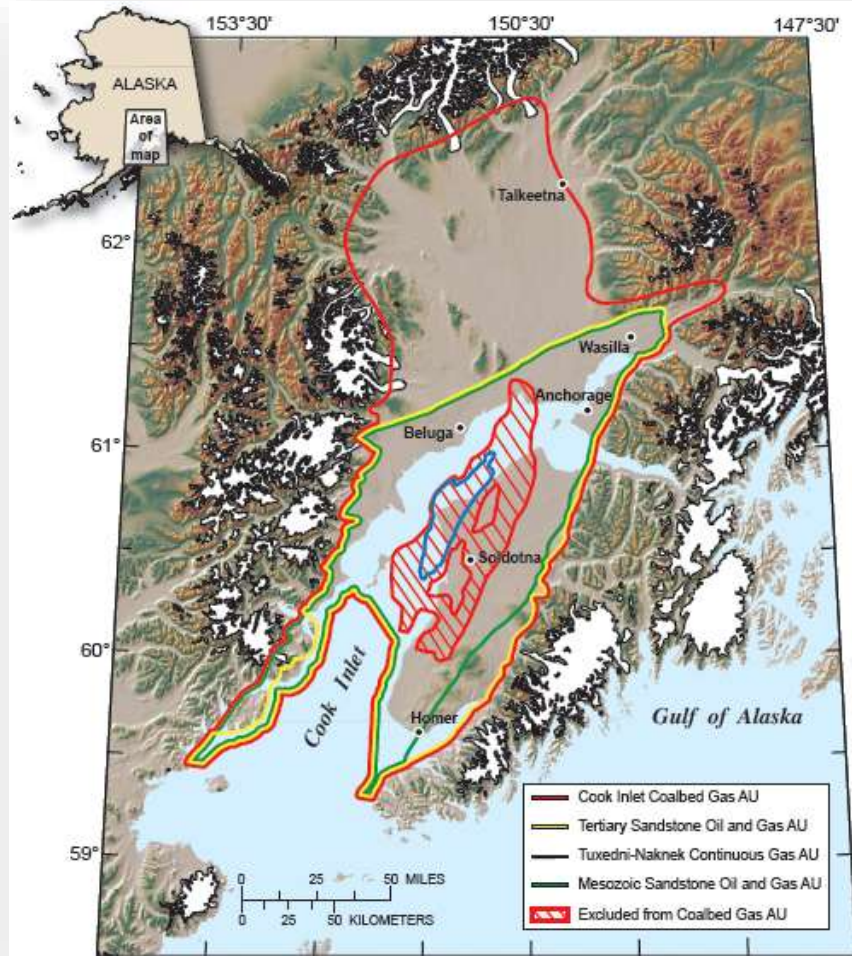
Amaroq

- Boosting production at Nicolai Creek

Raser Power Systems

- May begin geothermal prospecting around Mount Spurr in 2020

COOK INLET OIL AND GAS - UNDISCOVERED RESOURCES (USGS) -



Undiscovered, Technically Recoverable Oil and Gas

- Mean conventional oil 599 MMBO.
 - 372 MMBO in Tertiary Ss play.
- Mean Conventional gas 13.7 TCF.
 - 12.2 TCF in Tertiary Ss play.
 - 1.5 in Mesozoic Ss play.
- Mean unconventional gas 5.3 TCF.
 - 0.6 TCF Mesozoic tight ss play.
 - 4.7 TCF tertiary Coalbed play.

Next Lease Sale in May 2020

Note: 1.2 TCF additional mean resource assessed in OCS waters (BOEM, 2011)

QUESTIONS



This presentation may be downloaded from the [Division of Oil & Gas website](#)