



2019 UPDATE ON ALASKA'S OIL AND GAS INDUSTRY

PRESENTED TO THE SUPPORT INDUSTRY ALLIANCE

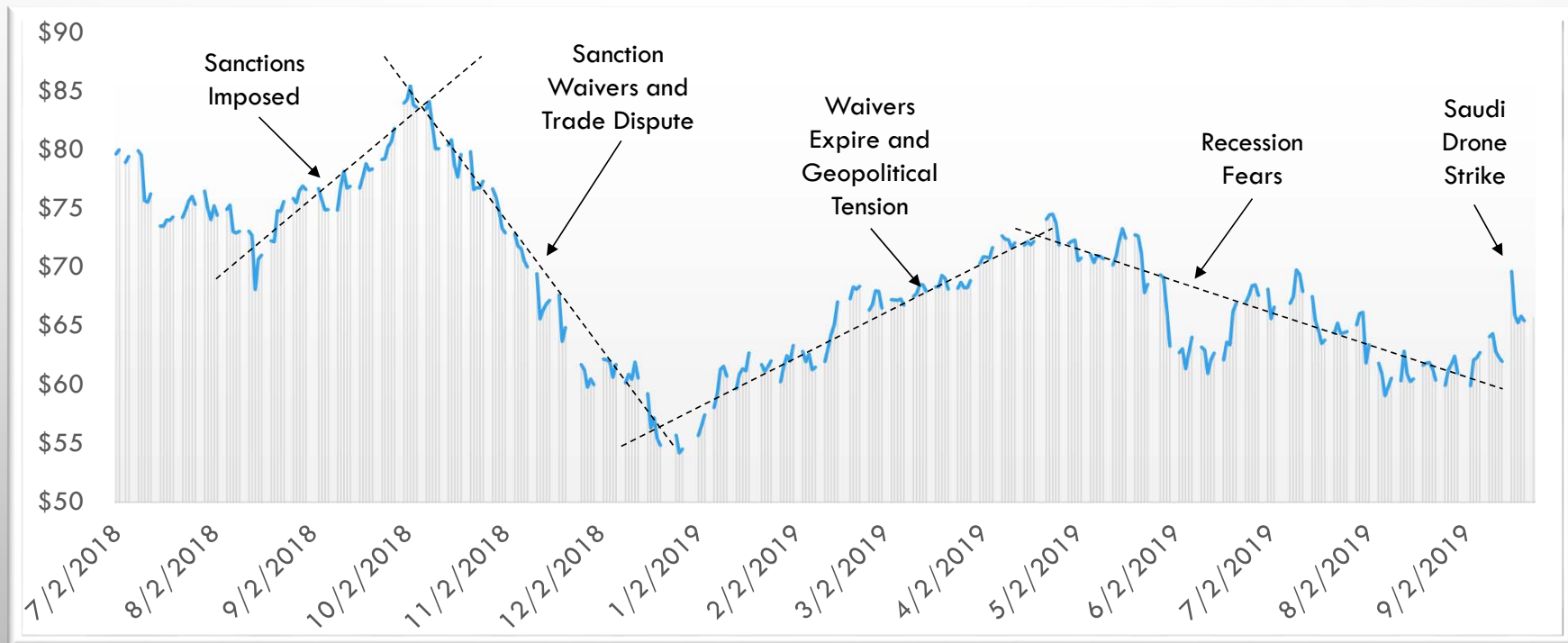
OCTOBER 10TH, 2019

BY: ED KING, PRINCIPAL ECONOMIST

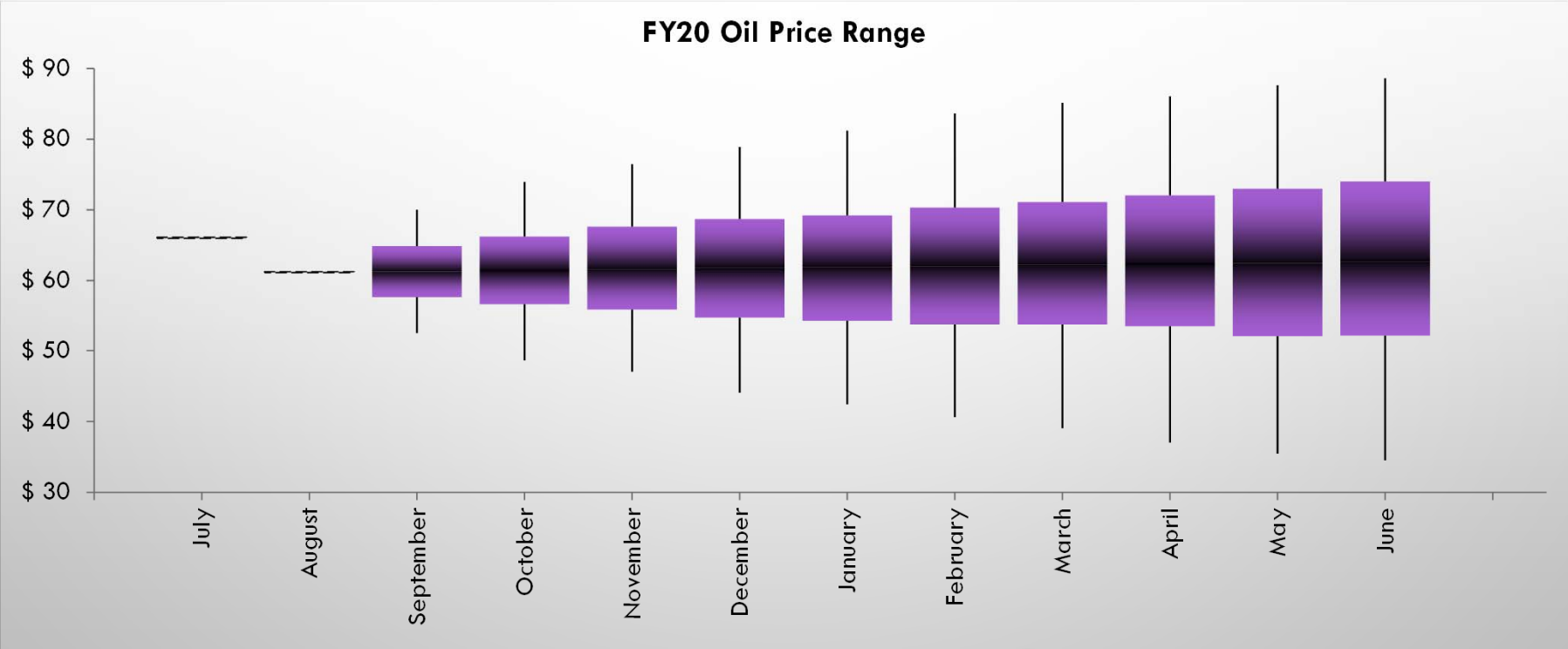
WHAT HAPPENED IN FY19

- MOST ACTIVE EXPLORATION SEASON IN YEARS
- CONOCO BEGAN PRODUCING WEST SAK OIL FROM THE 1H PAD
- GMT1 ENTERED PRODUCTION, DRILLING CONTINUES
- GMT2 COMPLETED PERMITTING AND WAS SANCTIONED
- WILLOW RECEIVED DRAFT EIS
- MOOSE PAD WAS COMPLETED AND IS NOW PRODUCING
- LIBERTY RECEIVED RECORD OF DECISION (SANCTION DECISION IMMINENT)
- PIKKA RECEIVED ROD, NEW FIRST OIL TARGET OF 2022
- AK LNG PERMITTING PROGRESSED, BUT OUTLOOK IS PESSIMISTIC
- ANWR LEASE SALE FINAL EIS WAS ISSUED, ROD IMMINENT - TARGETING DECEMBER SALE

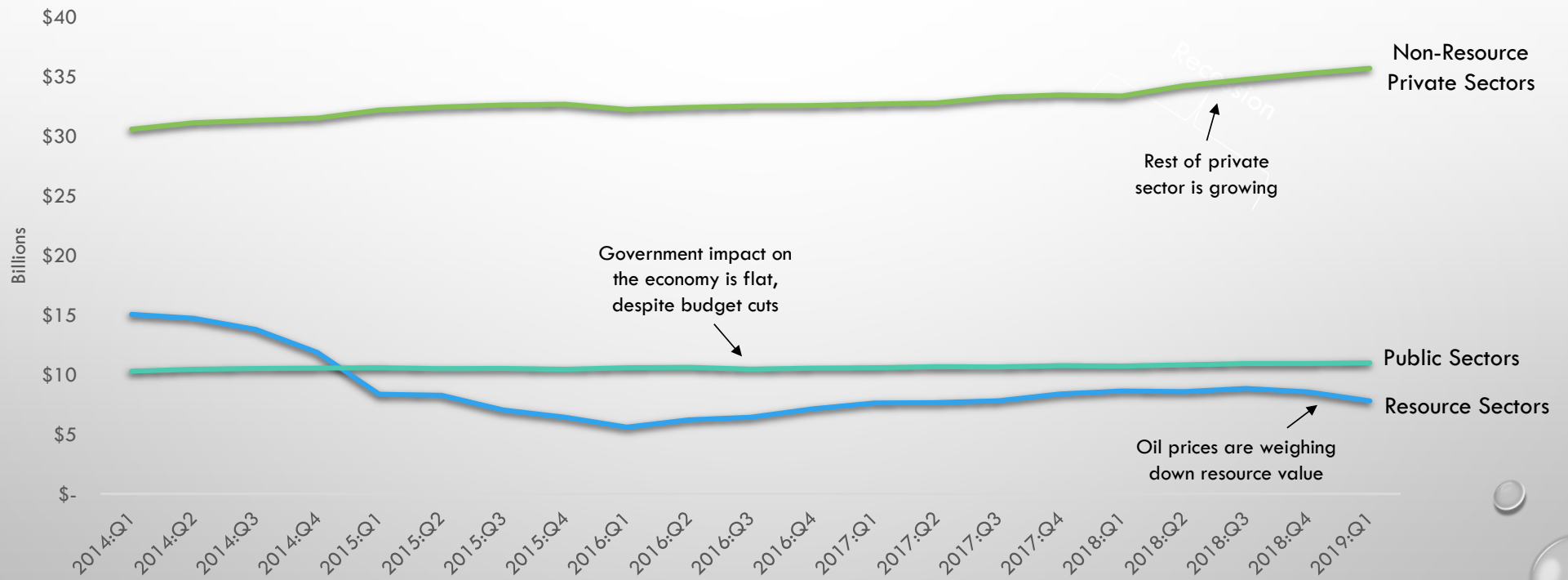
OIL PRICES



PRICE FORECAST

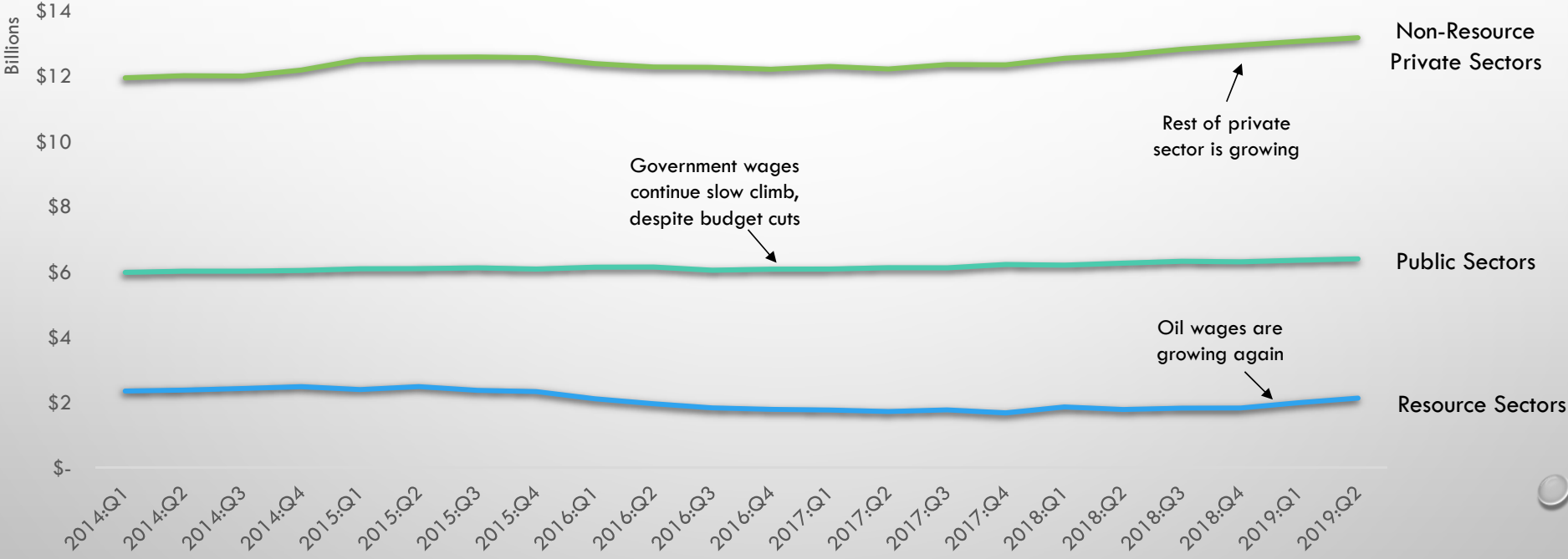


ALASKA'S QUARTERLY GDP



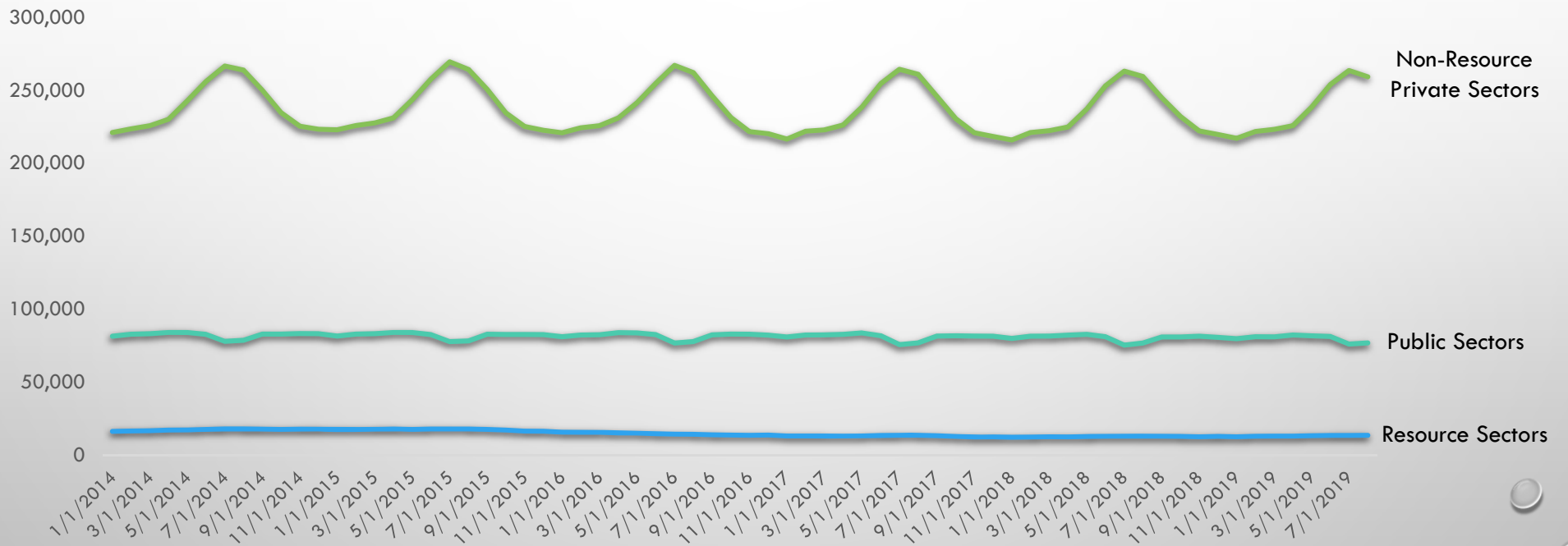
Source: Bureau of Economic Analysis

ALASKA WAGES



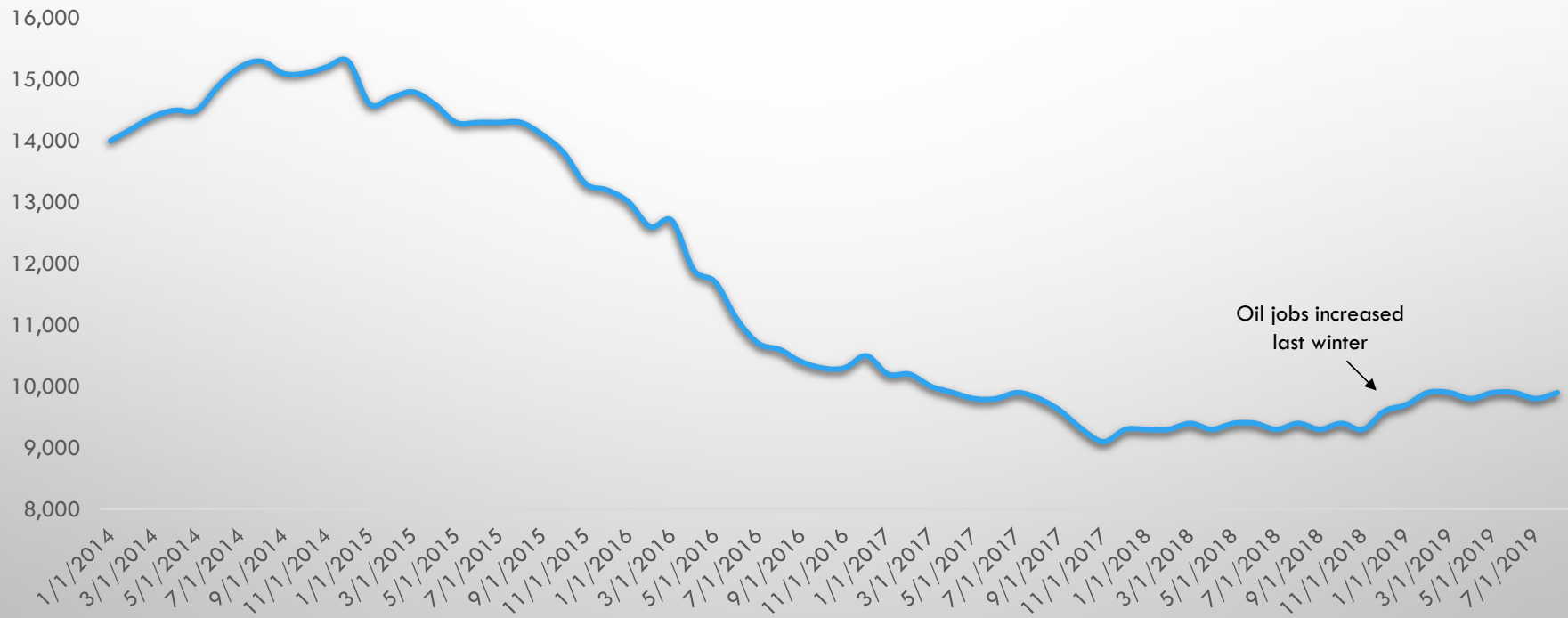
Source: Bureau of Economic Analysis

ALASKA JOBS



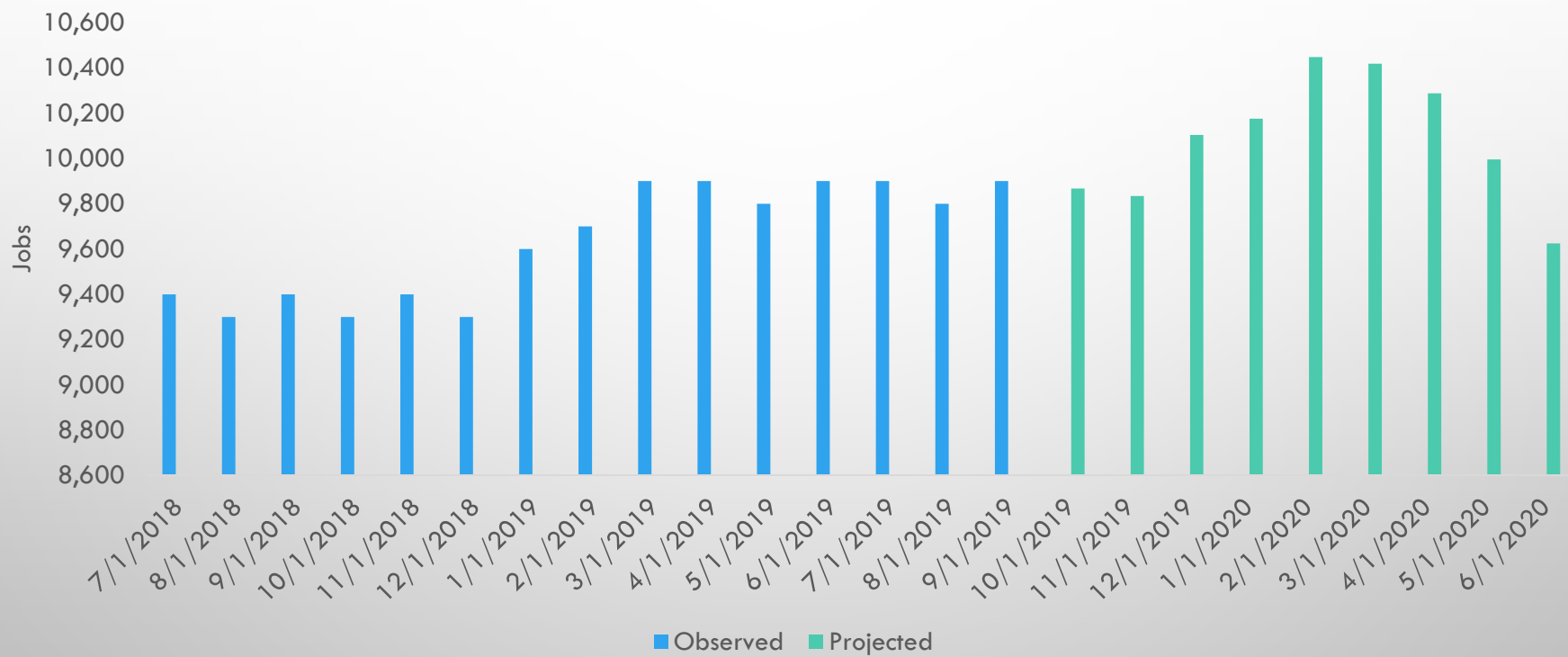
Source: Bureau of Economic Analysis

ALASKA OIL AND GAS JOBS

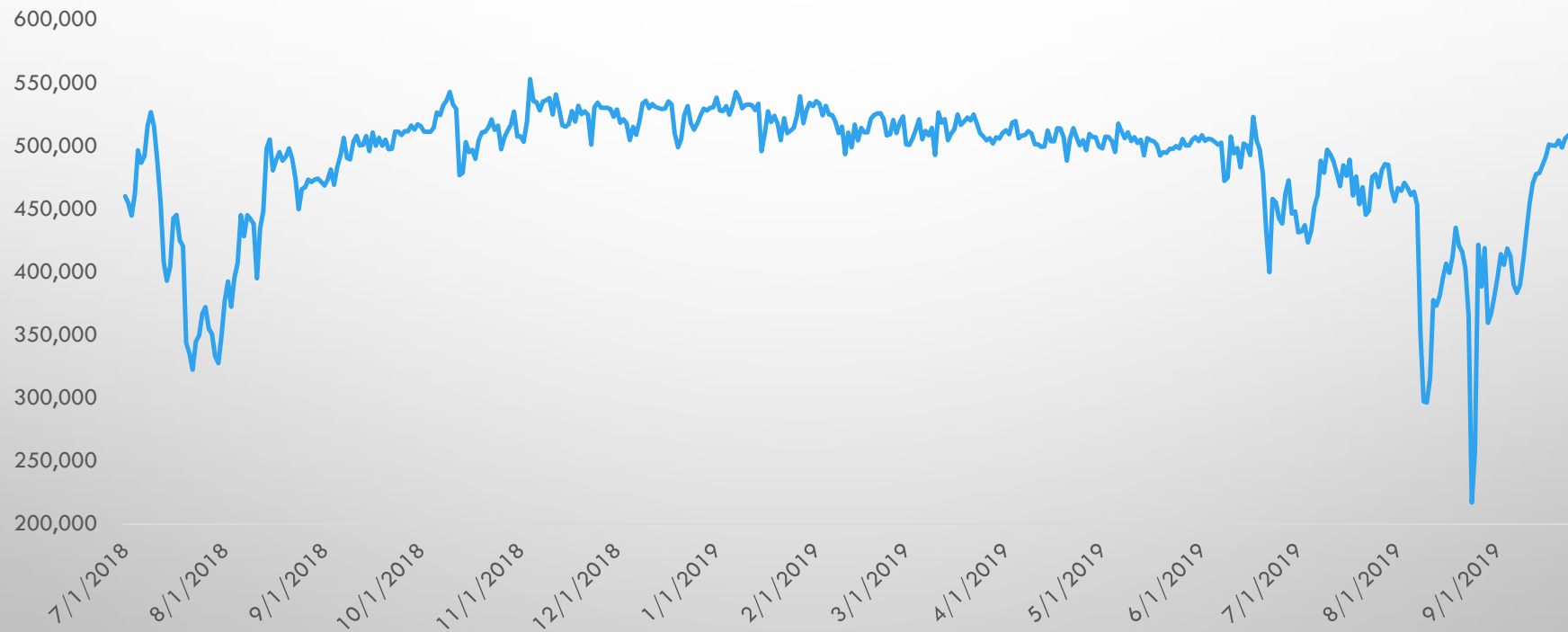


Source: Department of Labor

FY20 OIL INDUSTRY JOBS PROJECTION

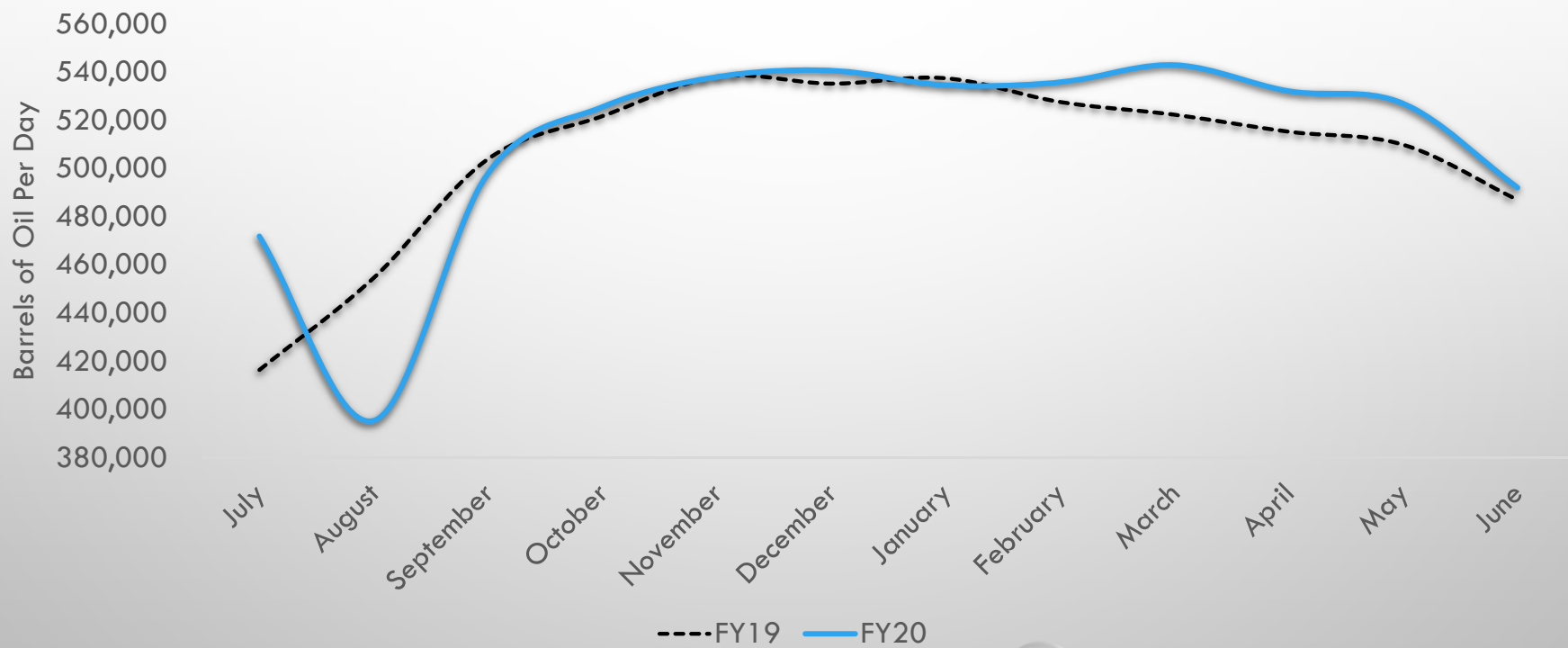


NORTH SLOPE OIL PRODUCTION




Source: Department of Revenue

NORTH SLOPE OIL PRODUCTION FORECAST





WHAT TO WATCH FOR IN FY20

- THE COMPLETION OF BP/HILCORP SALE AND ITS IMPACT ON JOBS
 - ANOTHER ACTIVE EXPLORATION SEASON WITH MORE EXCITING ANNOUNCEMENTS
 - ERD RIG WILL BEGIN DRILLING IN COLVILLE RIVER
 - CD5 SECOND EXPANSION TO BE DRILLED
 - GMT2 AND LIBERTY DEVELOPMENT SHOULD MAKE FOR BUSY WINTER
 - PIKKA FID EXPECTED NEXT SUMMER
 - WILLOW ROD SHOULD BE ISSUED
 - ANWR LEASE SALE SHOULD BRING STRONG SHOWING
 - OIL TAX INITIATIVE WILL CREATE CONFUSION
 - CLIMATE CHANGE DIALOGUE AROUND PRESIDENTIAL CAMPAIGN WILL DAMAGE INVESTOR SENTIMENT
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QUESTIONS?