Cook Inlet SB 309 Credit v Royalty Cash Flow Analysis by Michael Pawlowski, Office of Senator McGuire									
Production Decline:	40%								
Wellhead (mcf):	$4								
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Cash Flow	($20,000,000)	$24,000,000	$14,400,000	$8,640,000	$5,184,000	$3,110,400	$1,866,240	$1,119,744	$671,846
Production (bcf/yr)	0	6	3.6	2.16	1.296	0.7776	0.46656	0.279936	0.1679616
Royalties:	$0.000	$3,000,000.000	$1,800,000.000	$1,080,000.000	$648,000.000	$388,800.000	$233,280.000	$139,968.000	$83,980.800
	Year 10	Year 11	Year 12	Year 13	Year 14				
Cash Flow:	$403,108	$241,865	$145,119	$87,071	$52,243				
Production (bcf/yr)	0.10077696	0.060466176	0.036279706	0.021767823	0.013060694				
Royalties:	$50,388.480	$30,233.088	$18,139.853	$10,883.912	$6,530.347				
Credit (25%):	($5,000,000.00)								
NPV Royalties (10%)	$5,411,806.19								
State NPV:	$411,806.19								