

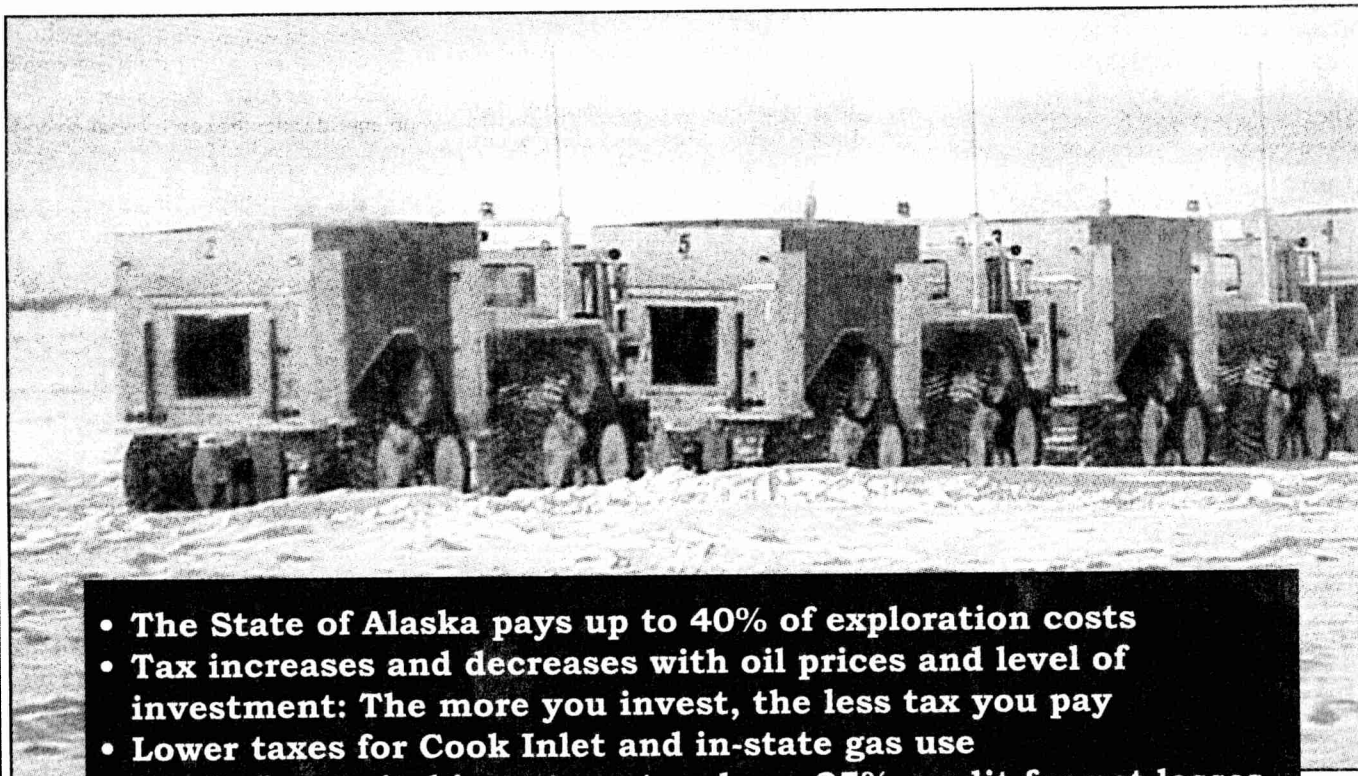
voir integrity question is pertinent to RCA certification of CINGSA's facility, in that a lack of reservoir integrity would undermine

wise defective," the commission said in a March 17 order. "Therefore, we deny the petition for consideration."

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"For someone new to the state or for a company that does not already have a large production base ... credits for capital investment and the credit for net operating losses are very advantageous."

Savant Resources, 2009



- **The State of Alaska pays up to 40% of exploration costs**
- **Tax increases and decreases with oil prices and level of investment: The more you invest, the less tax you pay**
- **Lower taxes for Cook Inlet and in-state gas use**
- **Credit for capital investments, plus a 25% credit for net losses**

Alaska is successfully encouraging investment from companies that are new to the state, with the number of petroleum companies doing business in the state almost doubling between 2006 and 2008.

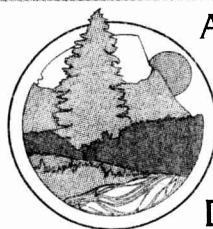
Legacy producers on the North Slope are investing in their own assets, leaving room for new players, as evidenced by Pioneer's Oooguruk (production started in 2008) and ENI's Nikaitchuq (expected to start production in 2010).

The past two years of lease sales on the North Slope successfully leased a total of 1,276,207 acres, all to smaller companies.

"[T]he state has been a good partner for new explorers."

(Brooks Petroleum Corporation, 2008)

Alaska: We're Open For Business!



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