

Dear Senators,

I'm concerned with the current version of HB 111. Baker Hughes employees over 150 employees in the state and I'm very worried that implementation of current version HB 111 will create further hardship on our industry and potential further business decline.

We believe that the state should encourage investments into the Oil and Gas industry. The current version applies taxation that hinders smaller, yet critically important, operators from entering the market and put investments into the state. The frequency of Alaska's O&G taxation changes are concerning when compared to other states of our nation. The many flaws of the current HB 111 have been communicated (preferred treatment for legacy fields, limited time of loss deductions, and many more).

I thank you for reviewing HB 111 and to find a better solution for all possible investors into the state.

Best regards,

Christian Klotz | Area Manager

Baker Hughes | Alaska