

## Proposed Master Expenditures Categories List

CAPEX Expenditure Categories	Category Definition
G&G	Includes work and or costs associated with the performance or acquisition of seismic and/or geological and geophysical data.
Exploration Drilling	Includes drilling an exploration well, drilling an appraisal well that is post discovery and prior to development and including side tracks on a discovery well, appraisal costs including coring and testing discovery wells.
Development Drilling	Includes costs associated with well drilling, completions, planned multilaterals of development wells, including costs upstream of the christmas tree.
Well Workovers	The process of performing major maintenance or remedial treatments on an oil or gas well to increase production. In many cases, workover implies the removal and replacement of the production tubing string after the well has been killed and a workover rig has been placed on location.
Production Facilities – Rate Increasing	Includes well tie-in costs, increases to choke capacity, expansions of existing facilities such as increasing oil, gas or water handling, debottlenecking, or processing facilities.
Production Facilities – Non-rate Increasing	Includes improvements to reliability or reduced operational costs, costs that do not contribute to the choke capacity of a production facility, and production control system upgrades.
Support Facilities	Includes costs for IT, communications equipment, non-production control systems, camp sites or accommodation facilities, medical facility, laboratories, warehouses, and maintenance buildings.
Transit and gathering/flow lines	Includes transit lines, gathering lines, and flow lines, or the addition of new production lines and/or pumps to trunk or downstream lines.
Transit and gathering/flow lines – Replacement	Includes replacement of transit lines, gathering lines, and flow lines to trunk or downstream lines. Does not include repairs to such lines.

CAPEX Expenditure Categories	Category Definition
Other Capital	Includes significant capital equipment, health, safety, environment, and other non-drilling related costs not captured in other categories.
Exclusions (AS 43.55.165(e))	Include total amount of exclusions as described under AS 43.55.165(e).

OPEX Expenditure Categories	Category Definition
G&G (Geological & Geophysical Work)	Includes work and or costs associated with the performance or acquisition of seismic and/or geological and geophysical data that is not included in CAPEX "G&G" expenditures.
Wellwork	The process of performing major maintenance or remedial treatments on an oil or gas well to restore or maintain production. In many cases, workover implies the removal and replacement of the production tubing string after the well has been killed and a workover rig has been placed on location.
Platforms Operations	Includes operation, maintenance and repair expenditures for platforms and platform facilities for oil and gas production from marine platform operations. This should include lifting, gathering, treating, field processing, on site staff and support facilities, and other services.
Facility - Production – Operations & Maintenance	Includes operation, maintenance and repair expenditures for on-shore facilities for oil and gas production. This should include lifting, gathering, treating, field processing, on-site staff and support facilities, and other services.
Facility - Production – Major Repairs	Includes major repairs of facilities associated with oil and gas production operations. This should include major repair of lifting, gathering, treating, and field processing activities.

OPEX Expenditure Categories	Category Definition
Facility - Support – Operations	Includes on-site housing, medical facilities, testing facilities, warehouse and workshop facilities, emergency services, and equipment fueling facilities, and their maintenance and repairs.
Transit Lines - Operation	Includes all in-field and connecting lines receiving oil or gas from gathering lines and transporting such to trunk and or sales points beyond gathering lines and centers.
Transit Lines - Major Repairs	Includes major repairs of transit and flow lines not covered by CAPEX pipeline expenditures.
Gathering Lines - Operation	Includes all in-field connecting, gathering, and flow lines delivering oil and/or gas to transit/flow lines, trunk lines or sales points.
Gathering Lines – Major Repairs	Includes major repairs of gathering lines and systems delivering oil and/or gas to transit/flow lines, trunk lines or sales points.
Fuel	The volume of gas purchased and used on the producing leases injected for reservoir maintenance or used as gas lift.
Roads, Pads & Runway Maintenance	Includes maintenance and repairs to access roads, pads used in those operations, and heliport or aircraft runway and facility maintenance within the area of oil and gas exploration, development and production activities.
Health, Safety & Environmental	Includes staff, facilities, and activities associated with personnel health, operations safety preservation and support, and maintaining environmental integrity.
Other Operating Expenses	Total other costs incurred in operations that are not included in any of the other categories defined in this list of OPEX expenditures, not to exceed 155 of the total OPEX expenditures.
Taxes - Property	Total ad valorem taxes paid to state and local government entities for facilities and property assessments.

OPEX Expenditure Categories	Category Definition
Taxes - PILT - Payments in Lieu of Taxes	Total payments to a government that are not production or income taxes.
Net-Profit-Share Lease Payments	Total of all net-profit-share lease payments made during the calendar year.
Adjustments - Payments Under 43.55.170 (a)(1) Reimbursed Facility Charges & (a)(2) Reimbursed Lease Expenditures	List a total amount of all payments that were received during the calendar year for the calendar year being report that would be included as described in AS 43.55.170 (a)(1) & (a)(2).
Adjustments - Payments Under 43.55.170 (a)(3) Sale or Transfer of Asset or Oil or Gas	List a total amount of all payments were received during the calendar year for the calendar year being reported that would be included as described in AS 43.55.170(a)(3).
Exclusions - Under 15 AAC 55.520(f)(4)(G) which are the Exclusions under AS 43.44.165 (e)(19)	List a total amount of all expenditures made during the calendar year for the calendar year being reported that would be excluded as described under 15 AAC 55.520(f)(4)(G) that are the Exclusions under AS 43.44.165 (e)(19).