

State of Alaska
Department of Revenue

Commissioner Bryan Butcher



SEAN PARNELL, GOVERNOR

333 Willoughby Avenue, 11th Floor
P.O. Box 110400
Juneau, Alaska 99811-0400
Phone: (907) 465-2300
Fax: (907) 465-2389

The Honorable Joe Paskvan
The Honorable Tom Wagoner
Co-Chairs, Senate Resources Committee
Alaska State Senate
Juneau, AK 99801

March 21, 2011

The Honorable Eric Feige
The Honorable Paul Seaton
Co-Chairs, House Resources Committee
Alaska State House
Juneau, AK 99801

The Honorable Bill Stoltze
The Honorable Bill Thomas
Co-Chairs, House Finance Committee
Alaska State House
Juneau, AK 99801

SUBJECT: Corrected Well Data from Alaska Oil & Gas Conservation Commissioner (AOGCC)

Dear State Legislators:

It has been brought to our attention that the drilling activity charts presented by the Department of Revenue on the basis of AOGCC data contained some inaccuracies. Simply put, we received different sets of data from different people within AOGCC and we realized there was a problem because the data sets didn't match. It has to do with what is and is not included as you work through the well data. Once we realized there was a problem, we worked with AOGCC to determine the correct data and it is enclosed herein. These updated slides have been based on AOGCC data and their staff have cross-checked the numbers with their internal, confidential database. What has not changed is the fact that exploration is down in 2010 and that only one exploration well is expected in 2011 by the Alaska Department of Natural Resources.

We would like to apologize for this error and provide assurance to the committees that we will be more diligent in cross checking information before providing it to any legislative body.

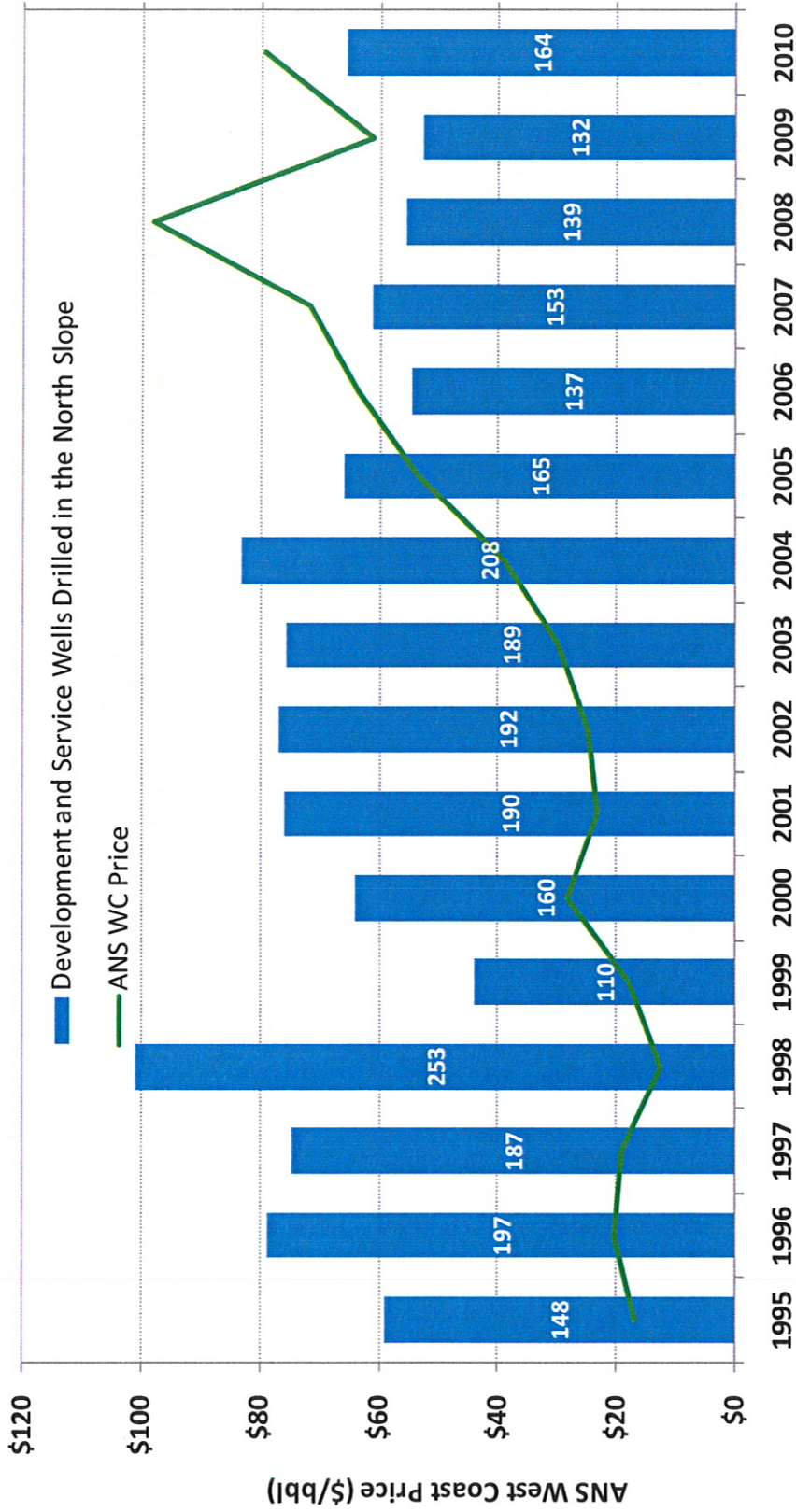
Sincerely,

Bruce Tangeman
Deputy Commissioner

Enclosure



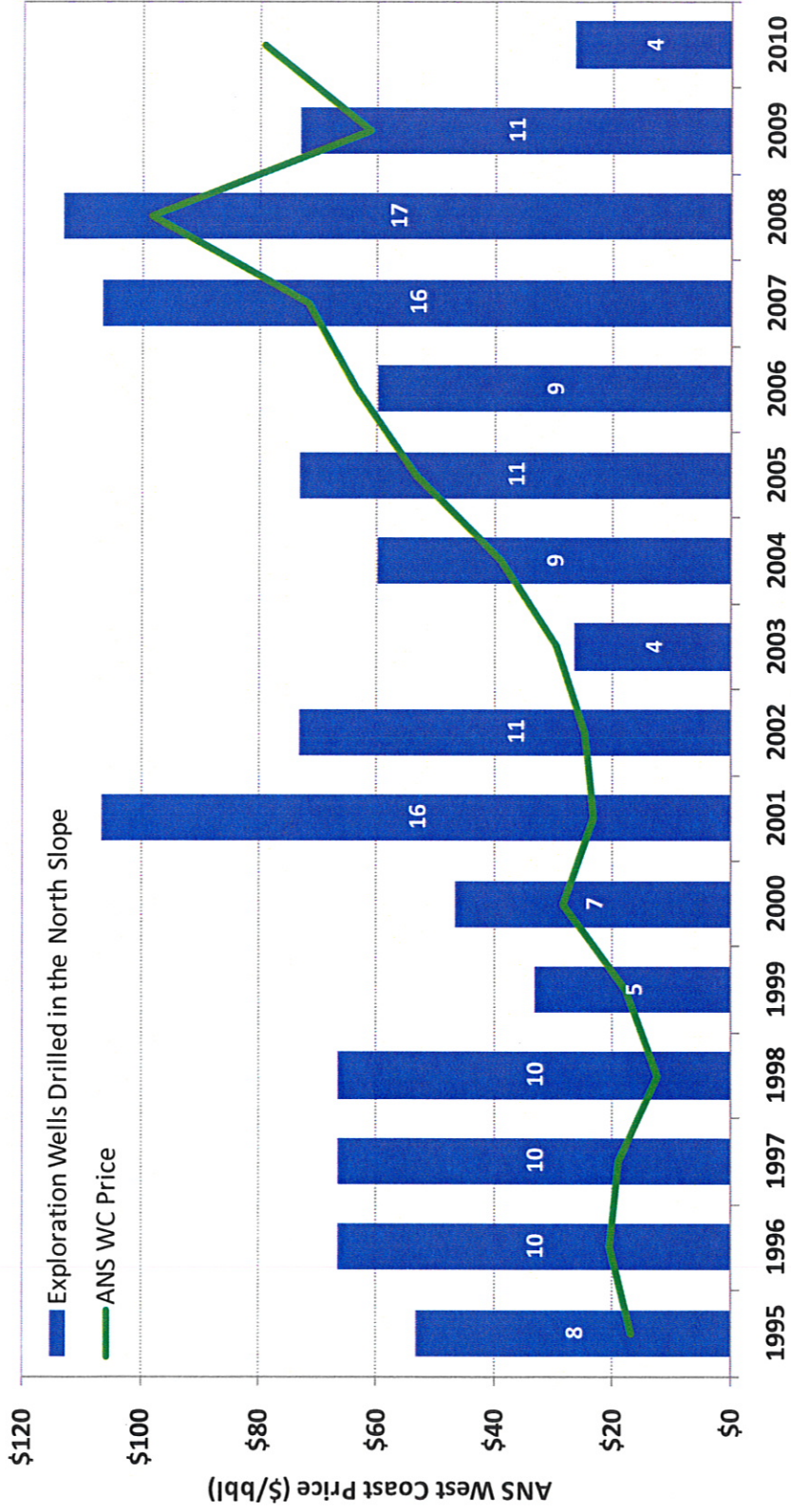
North Slope Development Drilling



Source: Alaska Oil and Gas Conservation Commission



North Slope Exploration Drilling



Source: Alaska Oil and Gas Conservation Commission