

Fall 2025 Oil Production Forecast

House Finance Committee



Presented by

Derek Nottingham, Director, Division of Oil & Gas

Travis Peltier, Petroleum Reservoir Engineer, Division of Oil & Gas

Alaska Department of Natural Resources

January 21, 2026



Reference List of Acronyms



Units	Bn or b : Billion	Federal	BLM : US Department of Interior (DOI) Bureau of Land Management
	MM or mm : Million; M or m : Thousand		BOEM : US DOI Bureau of Ocean Energy Management
Volumes	BO or bbbl : Barrels of Oil (e.g. mmbo = million barrels of oil)	State of Alaska	BSEE : US DOI Bureau of Safety and Environmental Enforcement
	BOPD or bopd : Barrels Oil per Day		(S)EIS : (Supplemental) Environmental Impact Statement
	BCPD : Barrels Condensate per Day		IAP : Integrated Activity Plan
	BWPD : Barrels Water per Day		NPRA : National Petroleum Reserve in Alaska
	BCF/D : Billion Cubic Feet per Day		OCS : Outer Continental Shelf
	EUR : Expected Ultimate Recovery		ROD : Record of Decision
	GOR : Gas Oil Ratio		
	OOIP : Original Oil in Place		
Project Terms	OGIP : Original Gas in Place	Areas, Units, and Facilities	AOGCC : Alaska Oil and Gas Conservation Commission
	TCF : Trillion Cubic Feet (usually a reference for natural gas)		DOG : Alaska Division of Oil and Gas
	FEED : Front End Engineering Design		DNR : Alaska Department of Natural Resources
	FID : Final Investment Decision		DOR : Alaska Department of Revenue
	POD : Plan of Development		RSB : Revenue Sources Book
Other	POE : Plan of Exploration		ANS : Alaska North Slope
	DS : Drill-Site		CI : Cook Inlet
	RWO : Rig Workover		CRU : Colville River Unit
	NPSL : Net Profit Sharing Lease		• CD8 : CRU Drillsite 8
	NGL : Natural Gas Liquids; WF : Waterflood; EOR : Enhanced Oil Recovery		GMT : Greater Mooses Tooth Unit
	OPEX : Operating Expense		KRU : Kuparuk River Unit
	Q : Quarter; H : Half; Y : Year; YE : Year End		MPU : Milne Point Unit
	FY : Fiscal Year		NPF : Nanushuk Processing Facility
	ESG : Environmental, Social, and Governance		• NDB : Nanushuk Development Pad B
	CP : Currently Producing; UD : Under Development; UE : Under Evaluation		PBU : Prudhoe Bay Unit
			PTU : Point Thomson Unit
			SMU : Southern Miluvealch Unit; also known as Mustang
			TAPS : Trans-Alaska Pipeline System
			WCF : Willow Central Facility

Agenda



- Introduction & Forecast Preview
- Fiscal Year (FY) 2025 in Review
- DNR Fall 2025 Production Forecasting Approach
- Fall 2025 Forecast Results & Summary
- Appendix

List of Acronyms:

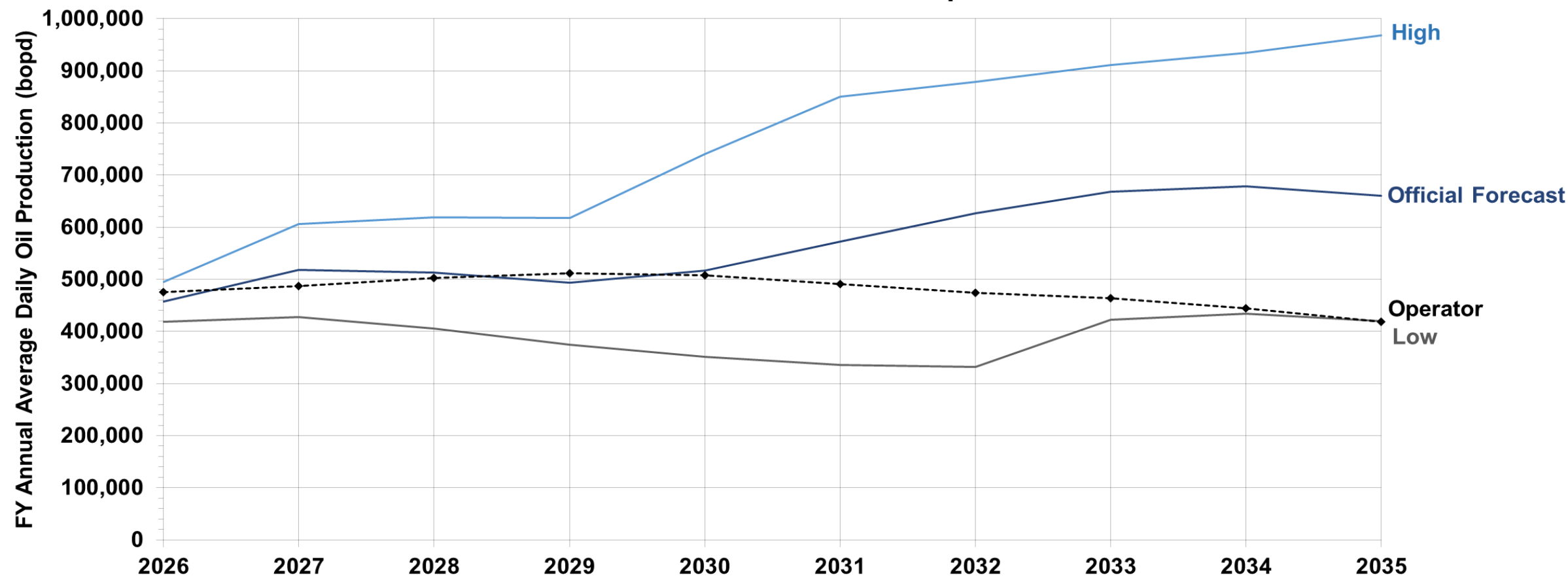
FY: Fiscal Year (July 1 of the previous year to June 30 of the listed year.)

DNR: Alaska Department of Natural Resources

Fall 2025: North Slope Annualized Forecast



Fall 2025 Forecast: North Slope



Data sourced from the **Operator(s)** does not include future projects outside of currently producing units, while the **Official Forecast** includes production from all future projects.

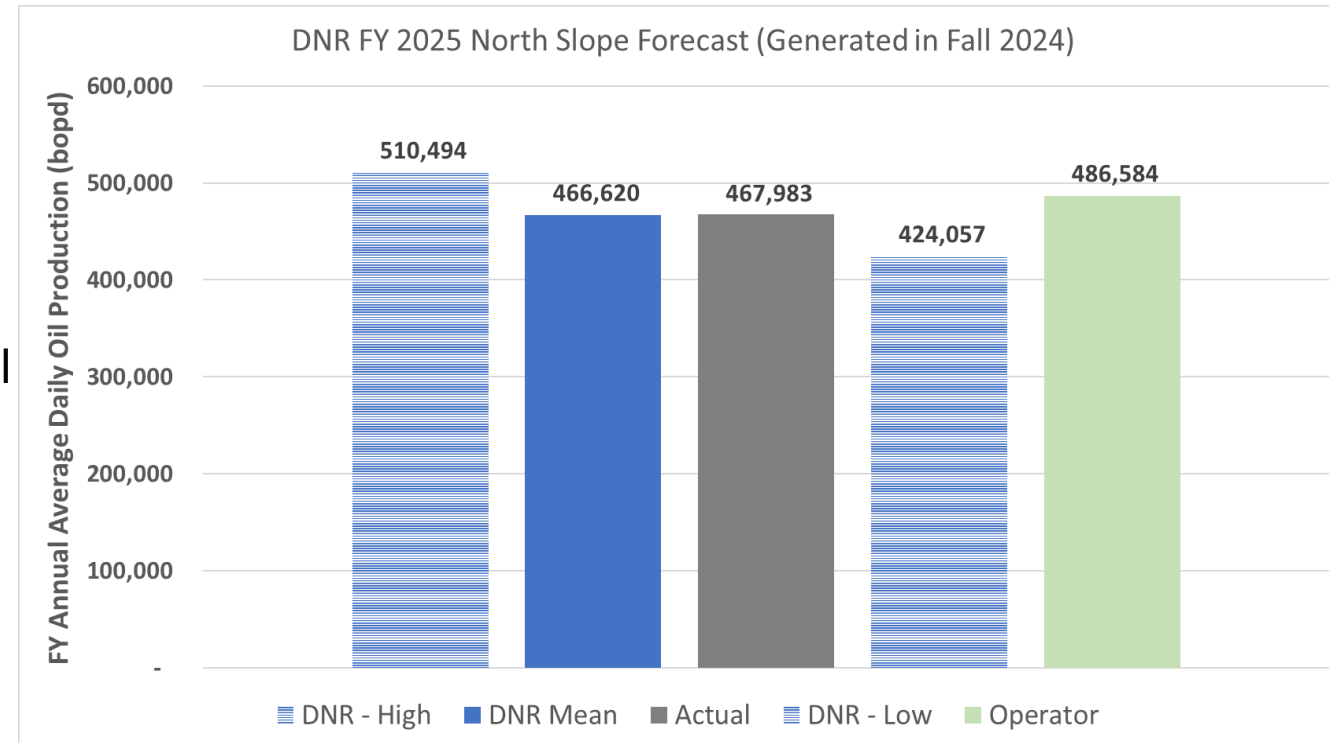
List of Acronyms:
bopd: barrels of oil per day

FY2025 in Review

FY2025 Forecast Performance



- **Actual FY2025 production was within DNR's forecasted range**
- **Actual FY2025 production ~0.3 percent greater than DNR mean forecast**
- **Factors shaping the forecast horizon:**
 - Industry interest in Brookian topset prospects on both state and federal land continues, as exemplified by Sockeye-2A
 - Exploration activities and opportunities on federal leases have increased with the current administration
 - Moderate oil prices and capital discipline across the industry are headwinds for development generally
 - Inflation, relatively high interest rates, and insurance challenges are affecting North Slope exploration project costs and operations

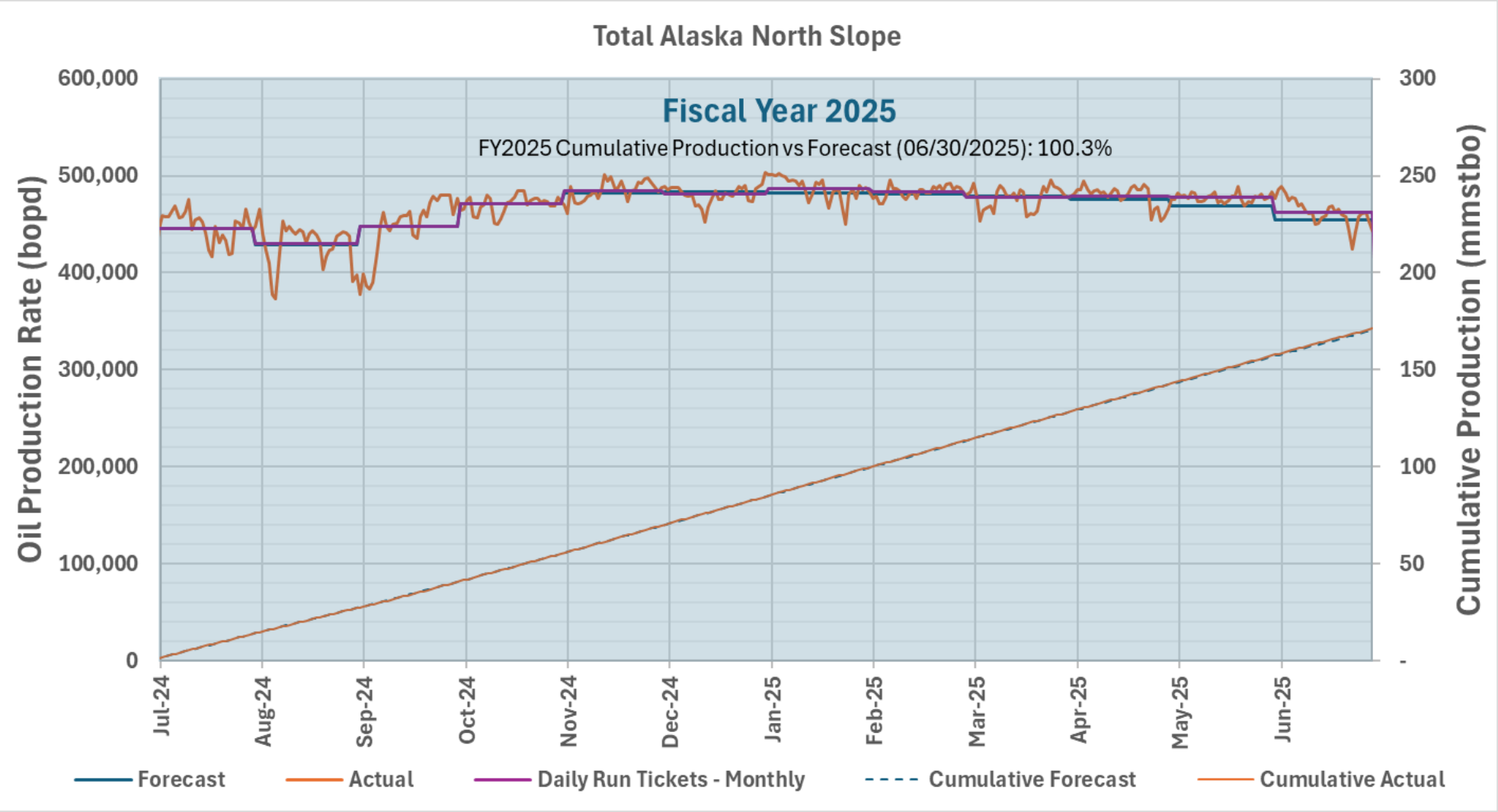


List of Acronyms:

DNR: Alaska Department of Natural Resources

FY: Fiscal Year

FY2025 as Forecasted by DNR in Fall 2024: Monthly Forecast with Daily Actuals



List of Acronyms:

bopd: barrels of oil per day

mmstbo: million stock tank barrels oil

FY: Fiscal Year

FY2025 Summary: North Slope



Highlights (FY2025 vs FY2024)

- All fields are generally expected to see a year-on-year decline
- Compared to FY2024, in FY2025 North Slope production increased by ~1.5 percent (+7,029 bopd)
- **Decreases**
 - Colville River, Greater Mooses Tooth, and Prudhoe Bay: Natural decline offset with development drilling
 - Endicott and Northstar: Natural reservoir decline
- **Increases**
 - Badami: B1-33A new well
 - Kuparuk River: Excellent base performance plus drilling
 - Milne Point: Production growth due to infill drilling
 - Nikaitchuq and Oooguruk: Excellent base performance
 - Point Thomson: Pipeline service restoration
 - Southern Miluveach: New field online

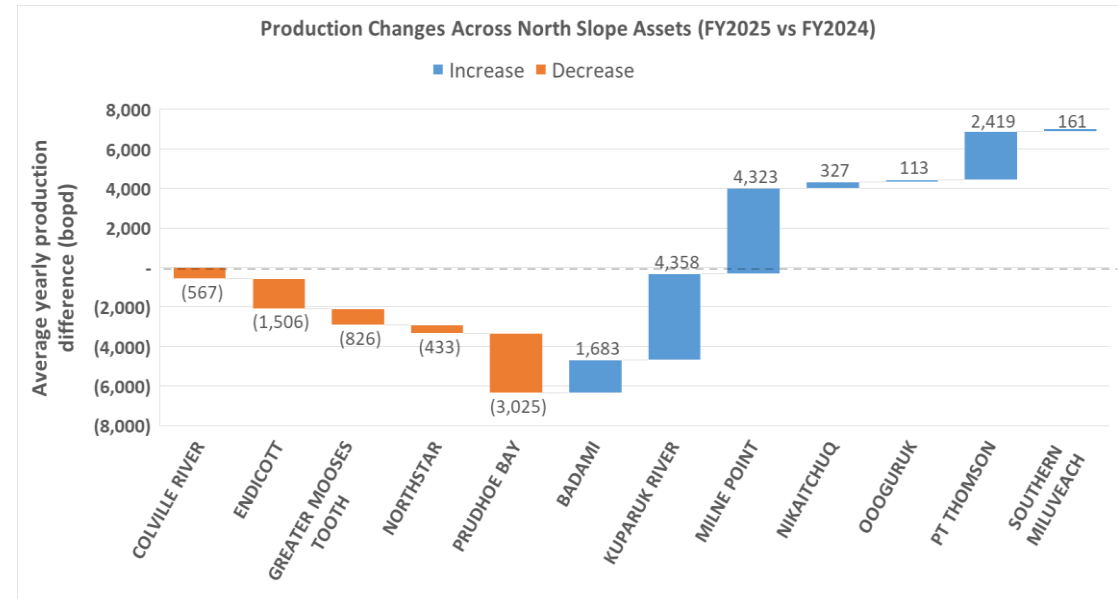
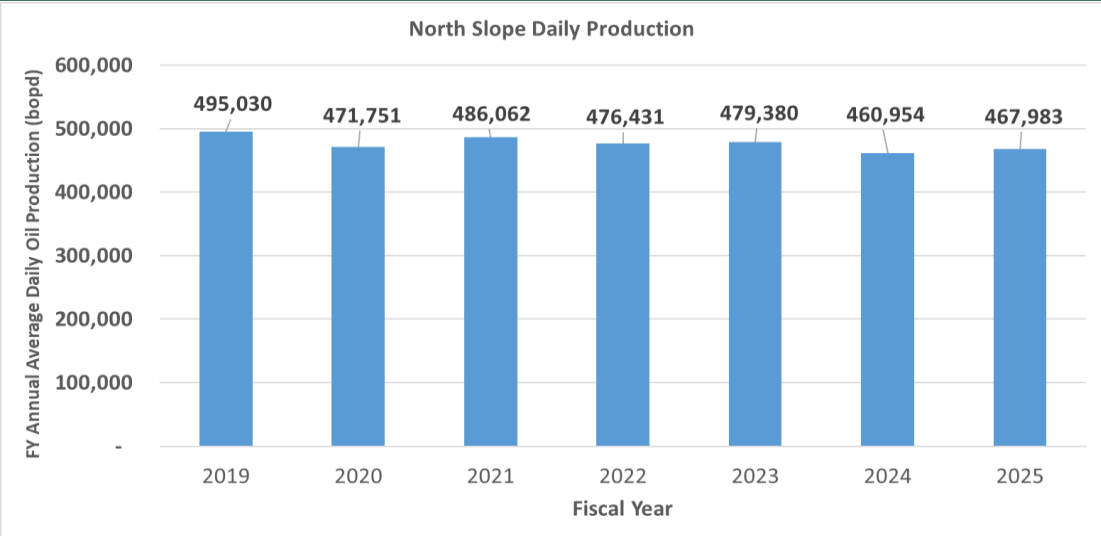
Detailed Field Charts:

<https://dog.dnr.alaska.gov/Information/NSandCIFieldsDashboard>

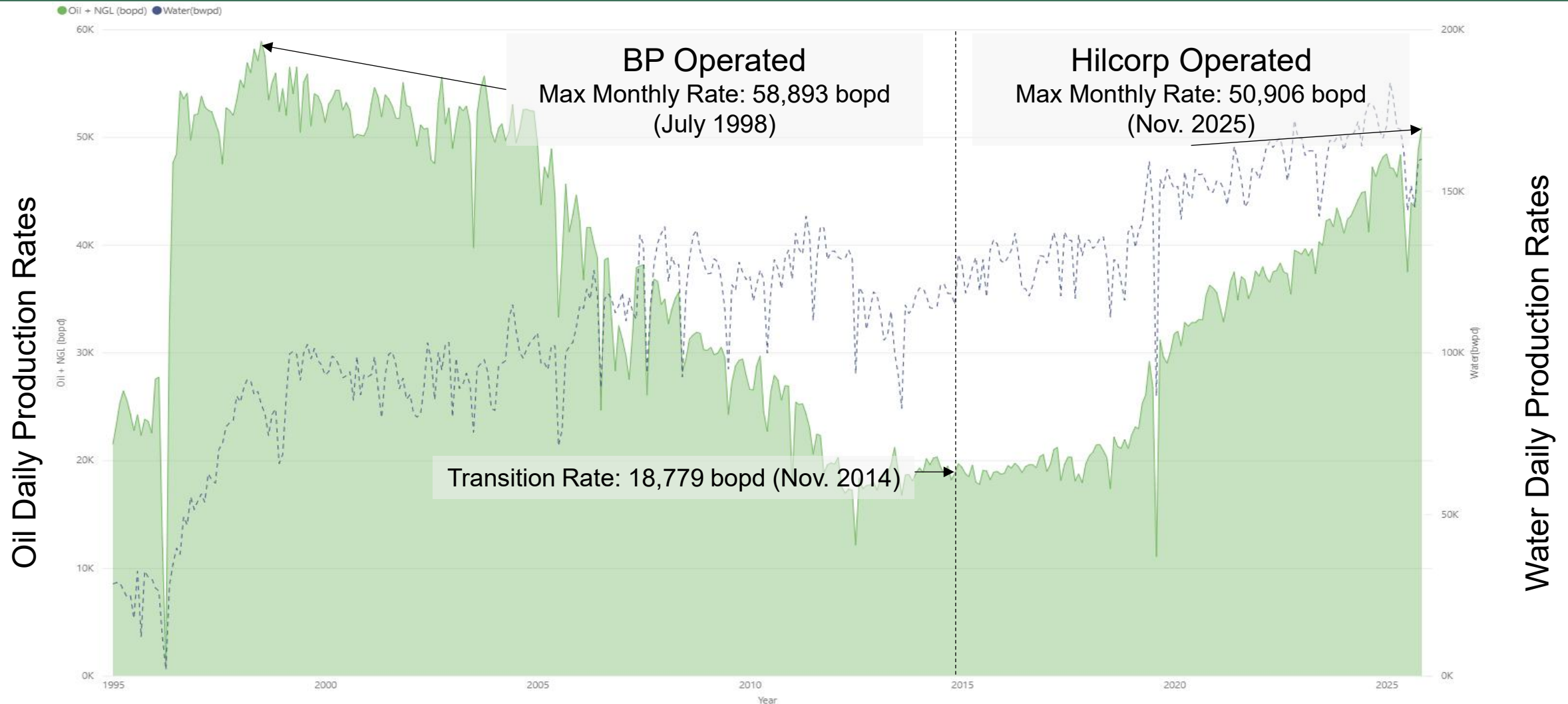
List of Acronyms:

FY: Fiscal Year

bopd: barrels of oil per day



Status Update: Milne Point Unit



List of Acronyms:

bopd: barrels of oil per day

bwpd: barrels of water per day

Detailed Field Charts:

<https://dog.dnr.alaska.gov/Information/NSandCIFieldsDashboard>

Status Update of Key Future Projects: North Slope



	Status: January 2025	Status: January 2026	Production Rate Estimates
Pikka Phase 1	Santos construction and drilling activities ongoing, and project first oil anticipated in Q2 of 2026	Pikka Phase 1 is more than 95 percent complete, commissioning works are now underway in advance of first oil. Project first oil anticipated in Q1 of 2026	Peak rate: 80,000 bopd
Pikka Phase 2	Conceptual engineering, cost estimation, and schedule development activities on-going. Plan to move to FEED stage in 2025 and FID 2027	Santos focus is on Pikka Phase 1 first oil before proceeding to Phase 2 project development	Peak rate: 80,000 bopd in addition to Phase 1, for a total of 160,000 bopd when both projects are online and at peak
Willow	ConocoPhillips project construction is ongoing. Project first oil anticipated in 2029	Project is now more than 50 percent completed and remains on track for first oil in early 2029. Willow Central Facility modules are currently under construction, planned for transit to the North Slope in 2027	Peak rate: ~180,000 bopd
CRU CD8	ConocoPhillips project permitting is expected to commence in late Q1 to early Q2 of 2025. An EIS will be undertaken by the US Army Corps of Engineers as the lead agency	ACE Notice of Intent created on Sept. 9, 2025, and stakeholder engagement ongoing. Draft EIS comment period to be in Fall 2026 and a ROD planned for early 2027. First oil in 2030	DNR rate estimate: ~20,000 bopd
PBU Project Taiga (Omega Pad and I-Pad)	This Hilcorp project was not included in the Fall 2024 forecast by the Alaska Division of Oil and Gas	Conceptual engineering, cost estimation, and schedule development activities on-going. Plan to FID Omega Pad in 2026 with first oil in 2028. FID for I-Pad between 2028 – 2030, with first oil two years after FID	Peak rate: 40,000 bopd when both pads are online

List of Acronyms:

POD: Plan of Development
FEED: Front End Engineering Design
FID: Final Investment Decision

ACE: US Army Corps of Engineers
ROD: Record of Decision
EIS: Environmental Impact Statement

CRU: Colville River Unit
PBU: Prudhoe Bay Unit
DNR: Department of Natural Resources

YE: Year End
Q: Quarter

FY2025 Summary: Cook Inlet

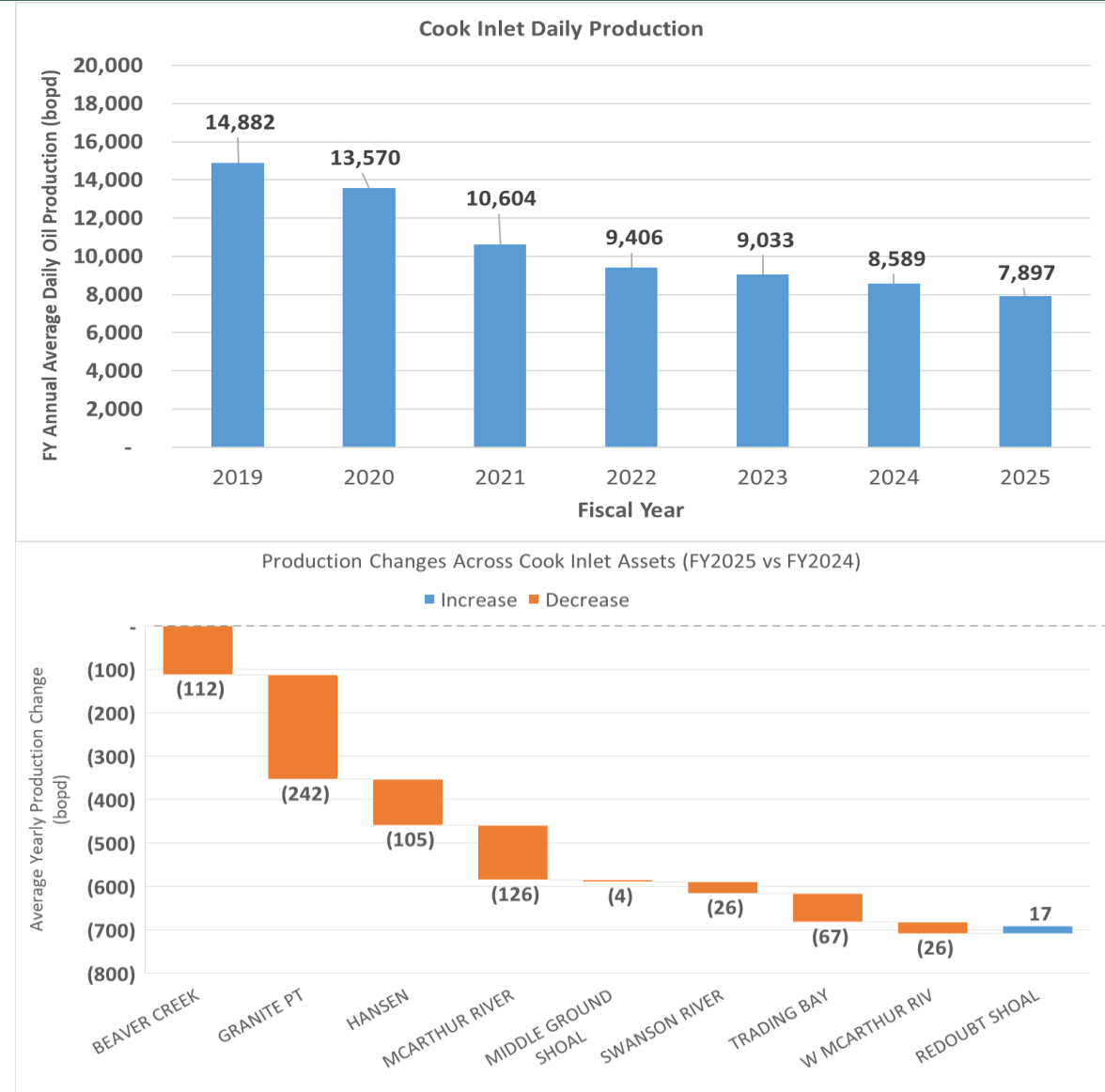


Highlights (FY2025 vs FY2024)

- All fields are generally expected to see a year-on-year decline
- Compared to FY2024, in FY2025 Cook Inlet production decreased by ~8 percent (-692 bopd)
- Oil from the Cook Inlet basin critical to the supply of in-state refineries. However, Hilcorp is prioritizing natural gas development out of necessity
- **Decreases**
 - Beaver Creek, McArthur River and Swanson River experiencing natural decline
 - Granite Point, Hansen experiencing natural decline combined with some well attrition
 - Middle Ground Shoal is offline
 - Trading Bay and West McArthur River natural decline offset with rate-adding wellwork and added water handling equipment
- **Increases**
 - Redoubt Shoal rate-adding wellwork offset by natural decline and well attrition

Detailed Field Charts:

<https://dog.dnr.alaska.gov/Information/NSandCIFieldsDashboard>



DNR Fall 2025 Production Forecasting Approach

No changes in methods used from Fall 2022/Spring 2023 through Fall 2025

DNR Forecast Process: Projects/Pools Included in Forecast



- **DOG performed bottoms-up decline curve forecasts for all producing pools**
 - Forecast of current production uses AOGCC *publicly available data*
 - ~41 pools (ANS and CI), producing as of June 30, 2025
- **DOG engaged with operators through DOR-arranged in-person and in-writing interviews**
- **13 projects under development/under evaluation were researched/reviewed**
 - Forecasts for these projects use *confidential information* from operators
 - Future production from these projects was adjusted and risked for scope of contribution, chance of occurrence and start date
 - 12 located in ANS, one located in CI

List of Acronyms:

DOG: Alaska Division of Oil and Gas, within the Alaska Department of Natural Resources

AOGCC: Alaska Oil and Gas Conservation Commission

ANS: Alaska North Slope

CI: Cook Inlet

DOR: Alaska Department of Revenue

Categories of Production: Ongoing/Current vs Future Production



Current Production (CP):

- Ongoing production from existing fields
- Features and considerations:
 - Well and facility uptime
 - Operator spending to maintain base production
 - Reservoir management

Projects Under Development (UD) and Under Evaluation (UE):

- Future production requiring new investments
- Rate contribution:
 - Uncertainty in future well performance
 - Uncertainty in project scope
- Project occurrence and timing:
 - Uncertainty in timing (including outright project cancellation/deferral)
 - Commercial risk (economic, regulatory, etc.)

Major Projects Under Evaluation (UE) Considered in Fall 2025 Forecast

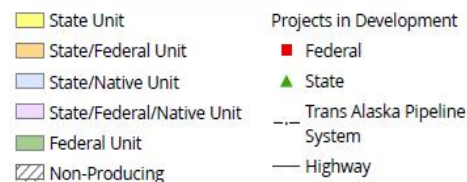
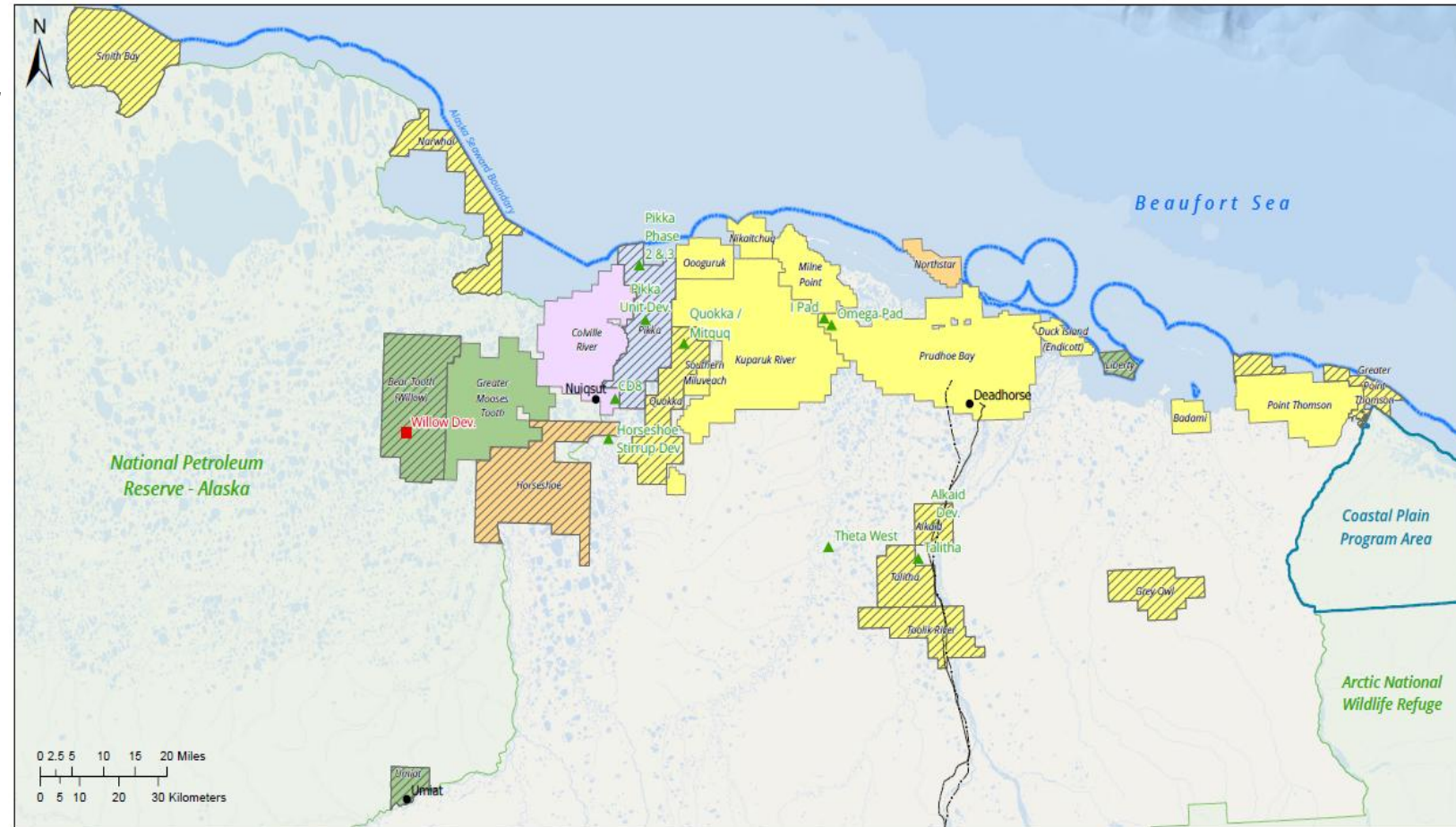


General Characteristics:

- Projects that were not online by end of FY2025 (data cut-off date of 6/2025)
- Higher risk factors than currently producing fields
- Known discoveries with identifiable operators
- Require major investments

North Slope Major Projects:

- Willow
- CRU Narwhal CD8
- Horseshoe Stirrup
- Pikka Unit Development
- Pikka Phase 2
- Pikka Phase 3
- Quokka/Mitquq
- Prudhoe Bay Omega
- Prudhoe Bay I-Pad
- Theta West
- Talitha
- Alkaid



North Slope Projects in Development

State of Alaska
Department of Natural Resources
Division of Oil and Gas



List of Acronyms:

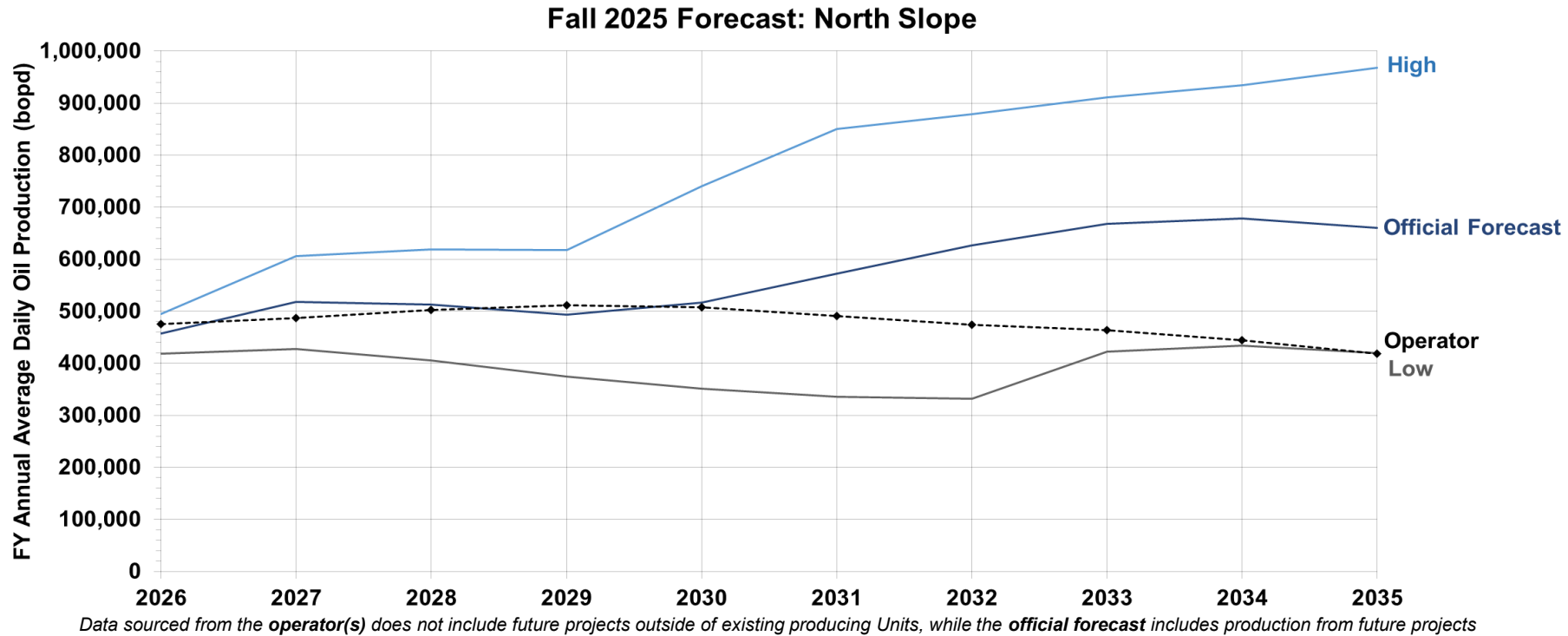
CRU: Colville River Unit

This map was created, edited, and published by the State of Alaska, Department of Natural Resources (DNR), Division of Oil & Gas (DOG). The information displayed is for graphic illustration only. Discrepancies in boundaries, pipeline alignment, or infrastructure are the result of merging data sets from multiple sources. To see current maps and data, please visit www.dnr.alaska.gov/Information/MapsAndGIS/. Map Updated 06/16/2022. DOG 06

December 2025

Fall 2025 Production Forecast Results & Summary

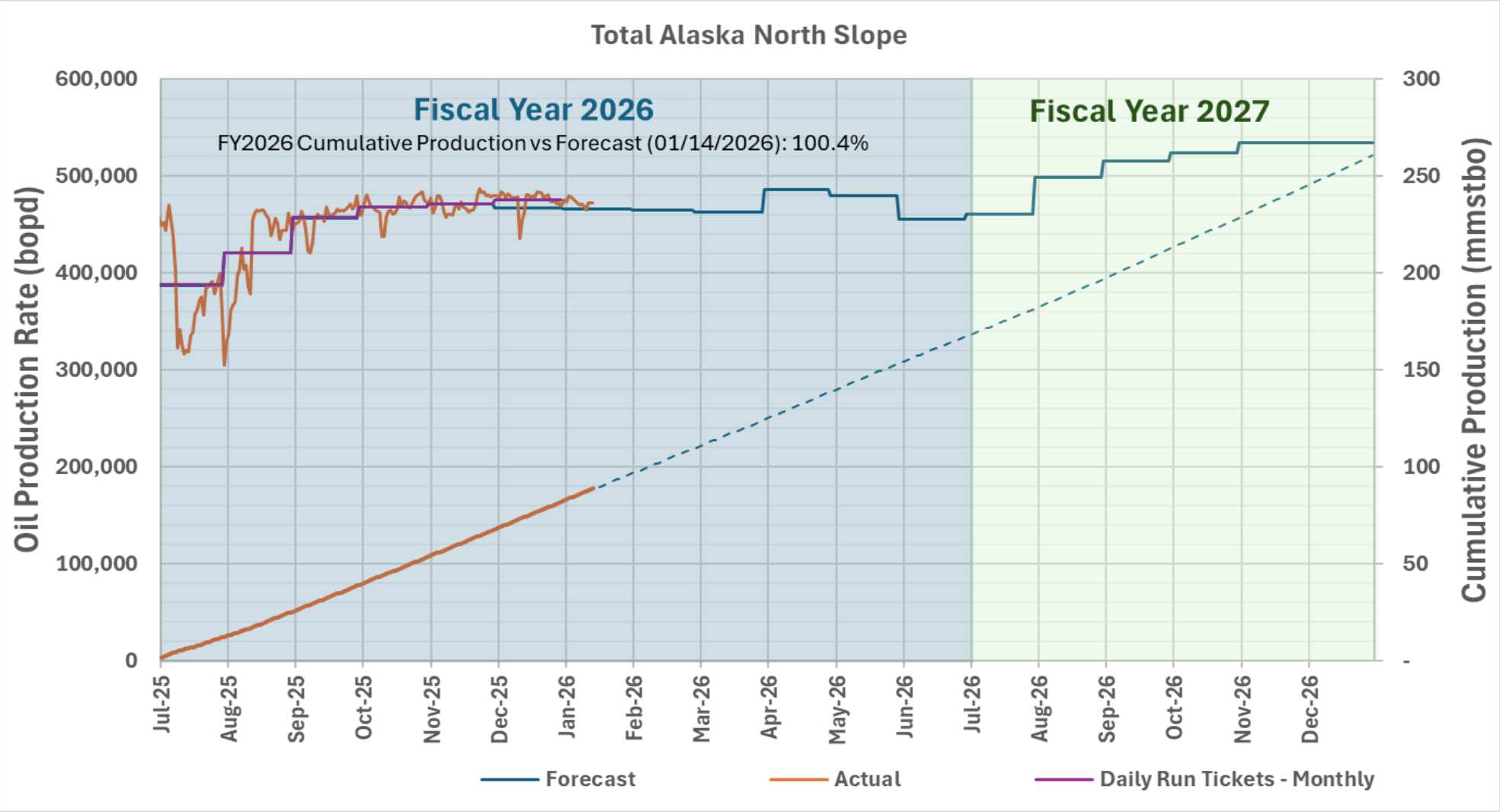
Fall 2025: North Slope Annualized Forecast



- **Short-term:**
 - DNR forecasts FY2026 annualized average daily statewide production at 464,500 bopd, and North Slope production at 457,000 bopd, with a range of 418,400 bopd and 495,300 bopd. Operator line for FY2026 sums to 476,000 bopd
- **Long-term:**
 - Long-term forecast reliability is gauged by general comparison between DNR and operators' aggregate forecasts. Operators' long-term outlook falls within DNR's long-term forecast range
 - Specific differences are expected and highlight DNR's ground-up uncertainty analysis on all included projects
- Outlook on production assumes that operators' plans and other project drivers remain unchanged

List of Acronyms:
bopd: barrels of oil per day

FY2026 as Forecasted by DNR in Fall 2025: Monthly Forecast with Daily Actuals

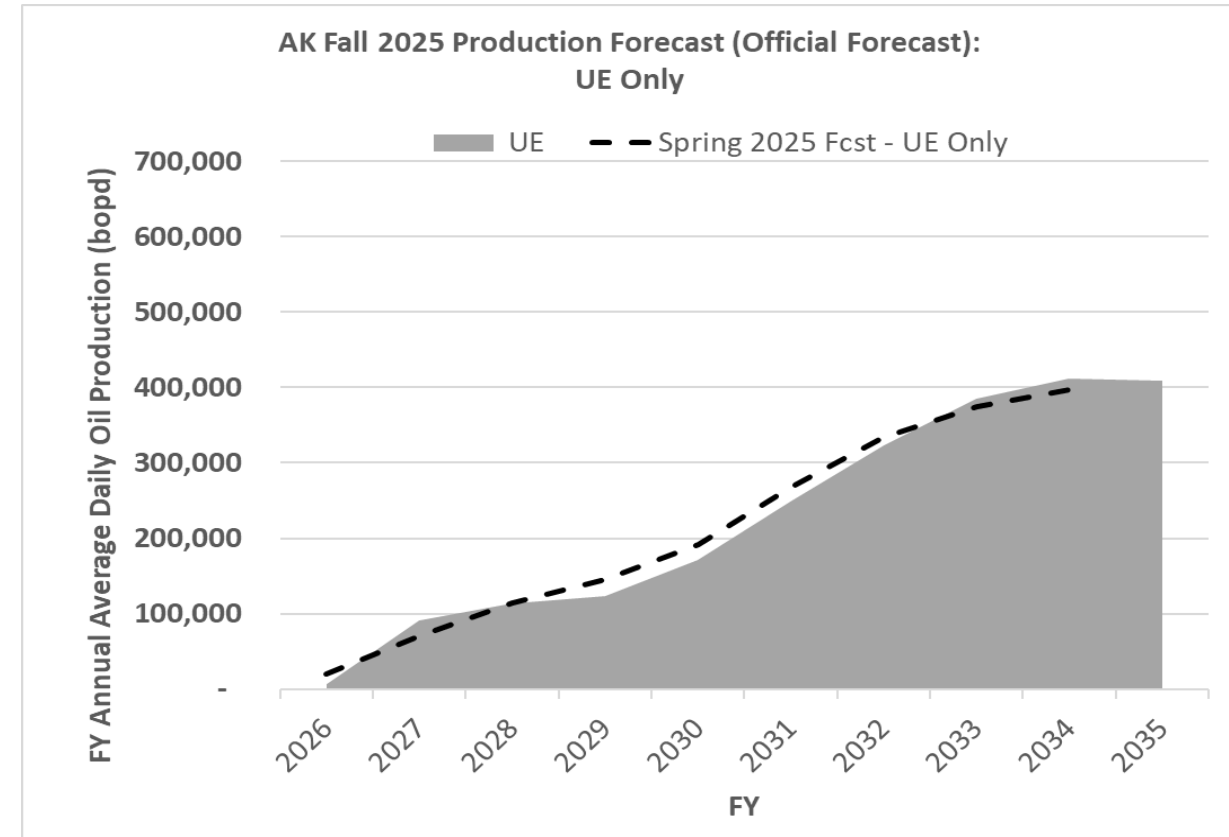
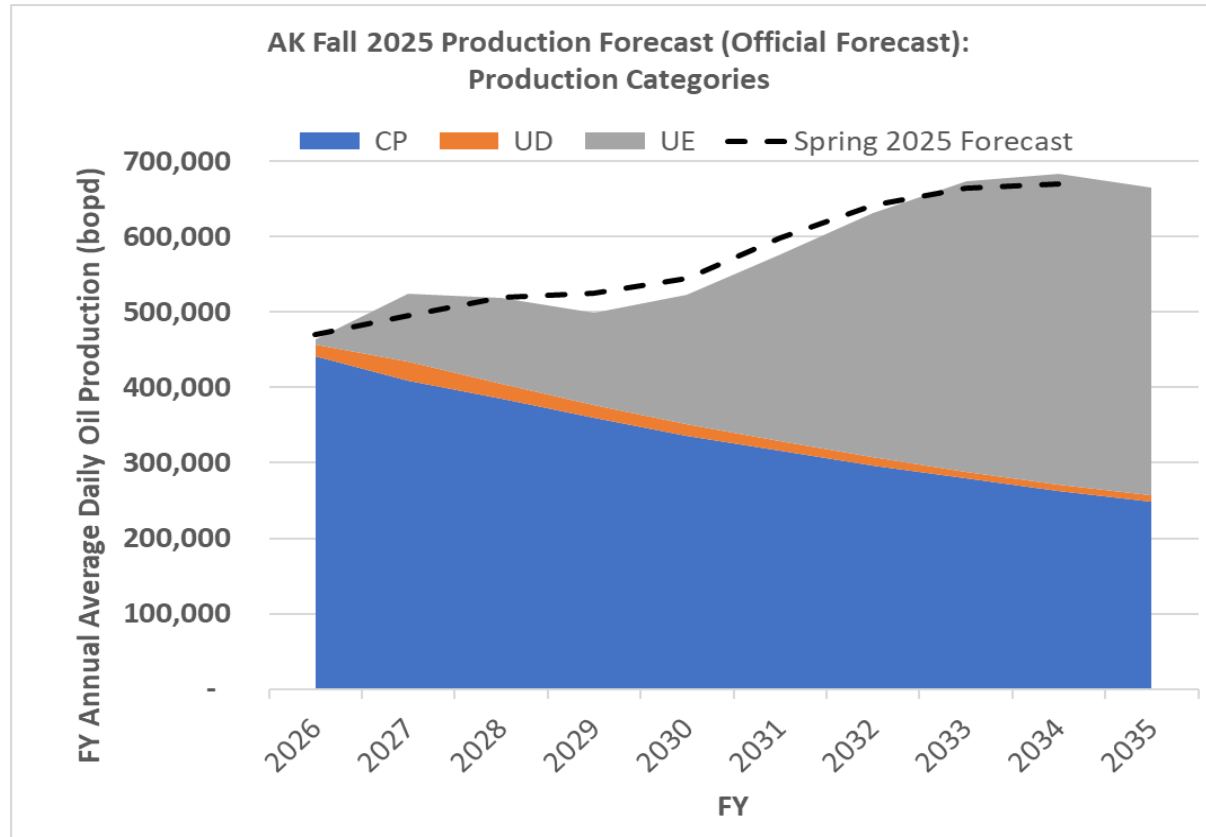


List of Acronyms:

bopd: barrels of oil per day

mmstbo: million stock tank barrels oil

Fall 2025: Alaska Statewide Annualized Forecast Production Categories



- Current Production (CP) remains the backbone of state production in near and medium term
- Under Development (UD) represents production expected from wells drilled in FY2026
- Under Evaluation (UE) the first seven years of the new forecast is first higher, then lower, than the Spring 2025 Forecast due to Pikka Phase 1 startup ramping up sooner, while other future projects shift to later than previously expected

Fall 2025: Production Forecast Summary



- DNR forecast continues to use the best information available to DNR/DOR to generate production outlooks for oil fields within the state, with a focus on generating accurate near-term and realistic long-term forecasts
- Fall 2025 forecast is a static view on production; DNR's outlook is updated annually (Fall and Spring) to incorporate latest operator plans and the State's official updated price outlook at the time of the forecast
- DNR's Fall 2025 outlook shows mean annual production of approximately 465,000 – 525,000 bopd in the first few years of the outlook period, increasing towards the middle and end to 685,000 bopd based on the current snapshot of operators' plans
- Production estimates from projects under evaluation account for several considerations such as technical factors, commercial factors, and project execution risks

Thank You



**Thank you on behalf of the DOG Fall 2025
Production Forecasting Core Team:**

**Bernhard Stechauner, Linda Liu, Shaun Peterson, Chalinda Weerasinghe, Cody Rice,
Ryan Fitzpatrick, and Travis Peltier**



<https://dnr.alaska.gov/>



<https://dog.dnr.alaska.gov/>

Thank you



Raymond Matiashowski
907-317-5183
Raymond.Matiashowski@alaska.gov



Appendix

State Petroleum Revenue by Land Type



Land Lease Status	Revenue Component			
	Production Tax / Credits	Royalty	Corporate Income Tax	Property Tax
Offshore beyond 6 miles Federal OCS	Does not apply	Federal royalties applies; zero shared with state (in Alaska; other states do receive shared royalties)	Not included in apportionment factor	Does not apply
Offshore beyond 6 miles Federal OCS (Cook Inlet Leases issued pursuant to OBBBA)	Does not apply	Federal royalties applies; zero shared with state before Federal Fiscal Year 2034, 70% shared with State beginning in Federal Fiscal Year 2034	Not included in apportionment factor	Does not apply
Offshore 3-6 miles Federal OCS 8(g) area	Does not apply	Federal royalties applies; 27% shared with state	Not included in apportionment factor	Does not apply
Offshore 3-6 miles Federal OCS 8(g) area (Cook Inlet Leases issued pursuant to OBBBA)	Does not apply	Federal royalties applies; 27% shared with state before Federal Fiscal Year 2034, 70% shared with State beginning in Federal Fiscal Year 2034	Not included in apportionment factor	Does not apply
State Lands ¹	All credits available; tax applies to all taxable production	State royalty applies	All property, production, and sales included in apportionment factor	Applies to all oil and gas property
NPR-A Federal owned (Leases issued before 7/4/25)	All credits available; tax applies to all taxable production	Federal royalty applies; 50% of royalties shared with state	All property, production, and sales included in apportionment factor	Applies to all oil and gas property
NPR-A Federal owned (Leases issued after 7/4/25)	All credits available; tax applies to all taxable production	Federal royalty applies; 50% of royalties shared with state before Federal FY 2034, 70% shared with State beginning in Federal FY 2034	All property, production, and sales included in apportionment factor	Applies to all oil and gas property
ANWR Federal owned	All credits available; tax applies to all taxable production	Federal royalty applies; 50% shared with state before Federal Fiscal Year 2034, 70% shared with State beginning in Federal Fiscal Year 2034	All property, production, and sales included in apportionment factor	Applies to all oil and gas property
Other Federal Land	All credits available; tax applies to all taxable production	Federal royalties applies; 90% shared with state	All property, production, and sales included in apportionment factor	Applies to all oil and gas property
Private Land (including Alaska Native Corporations)	All credits available; tax applies to all taxable production	Privately negotiated royalty applies; not shared with state. However state levies 5% (oil) or 1.667% (gas) gross tax on the value of private landowner royalty interest as part of production tax	All property, production, and sales included in apportionment factor	Applies to all oil and gas property

¹Offshore submerged lands in the 0-3 miles category treated same as similar onshore land.

Alaska North Slope Oil and Gas Units

