

# Production Overview: North Slope Oil and Cook Inlet Gas House Resources Committee

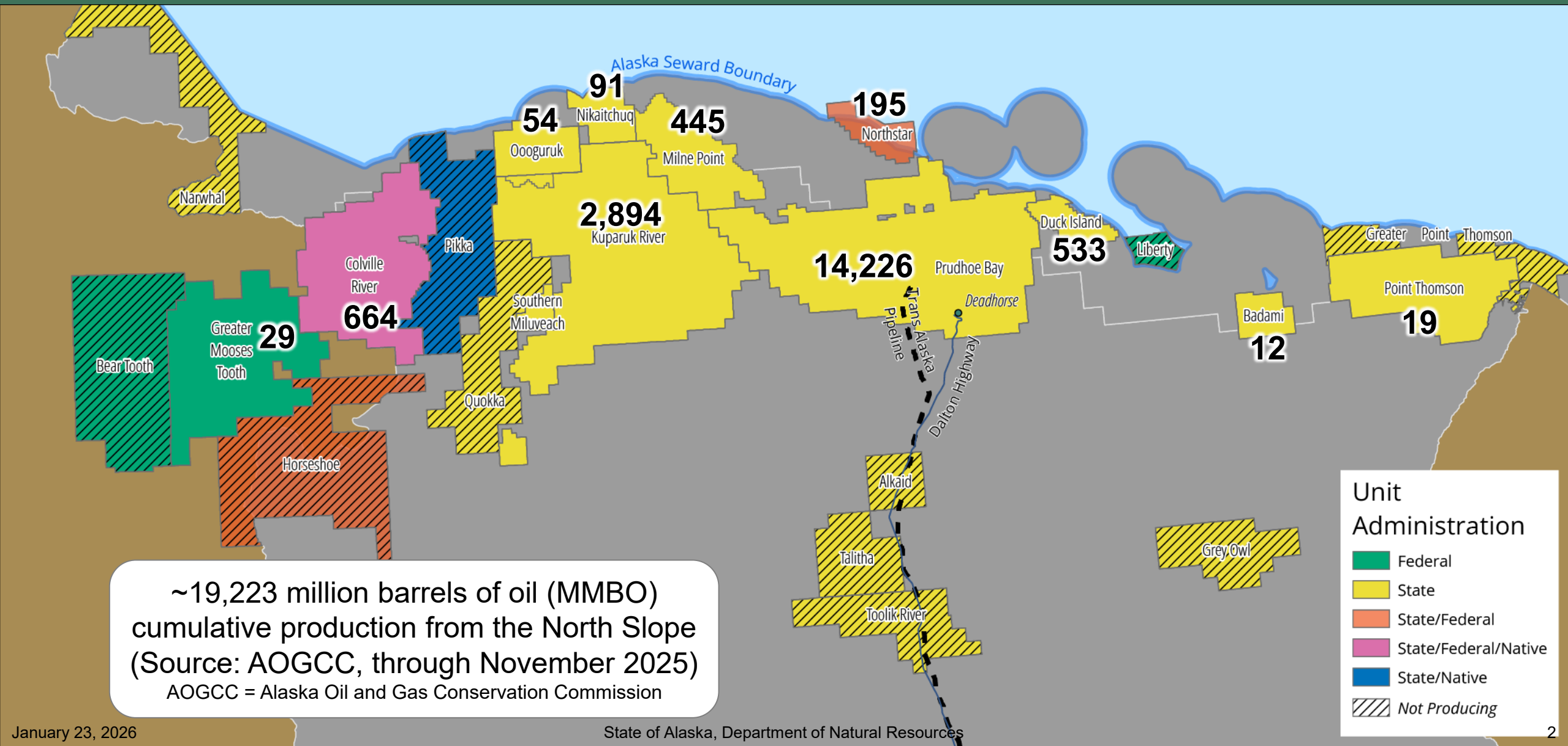


Presented by:  
John Crowther, Commissioner-designee  
Derek Nottingham, Director, Division of Oil & Gas  
Alaska Department of Natural Resources  
January 23, 2026





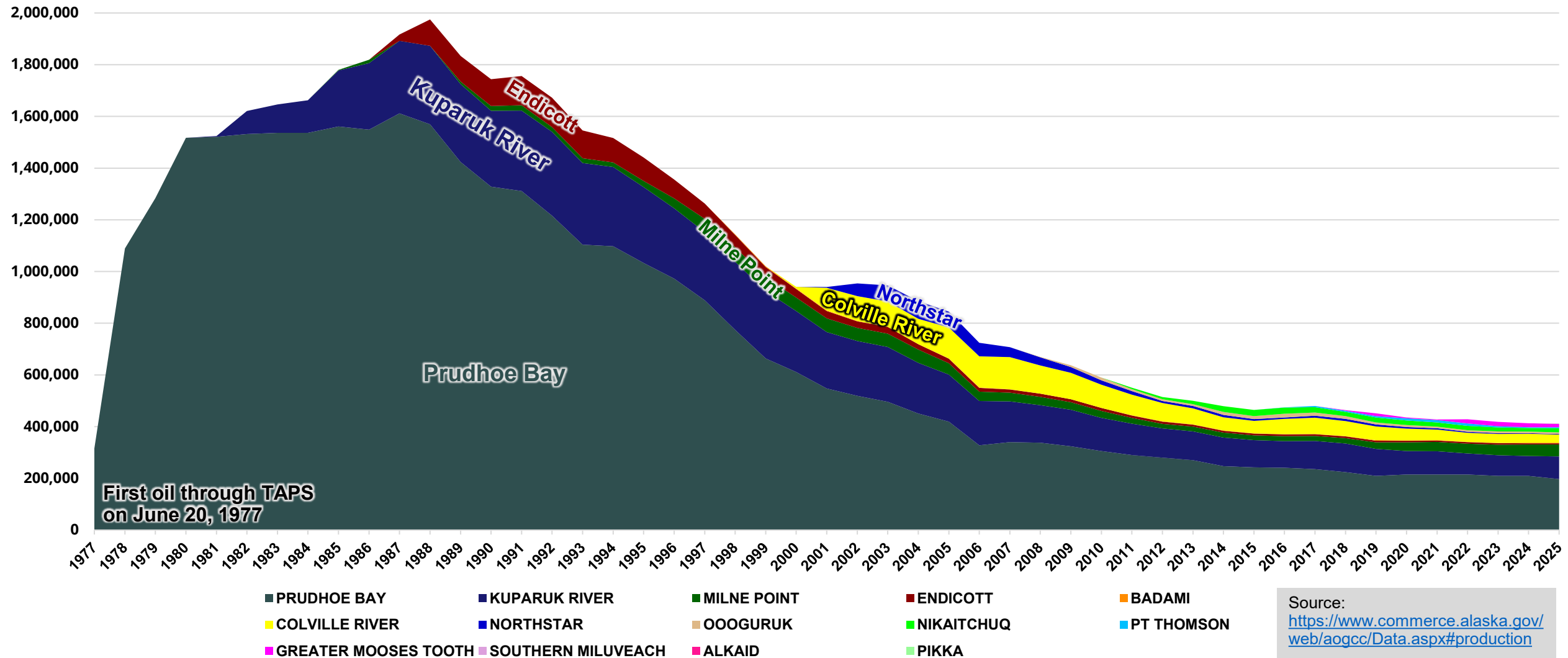
# North Slope Cumulative Oil Production



# North Slope Historical Production



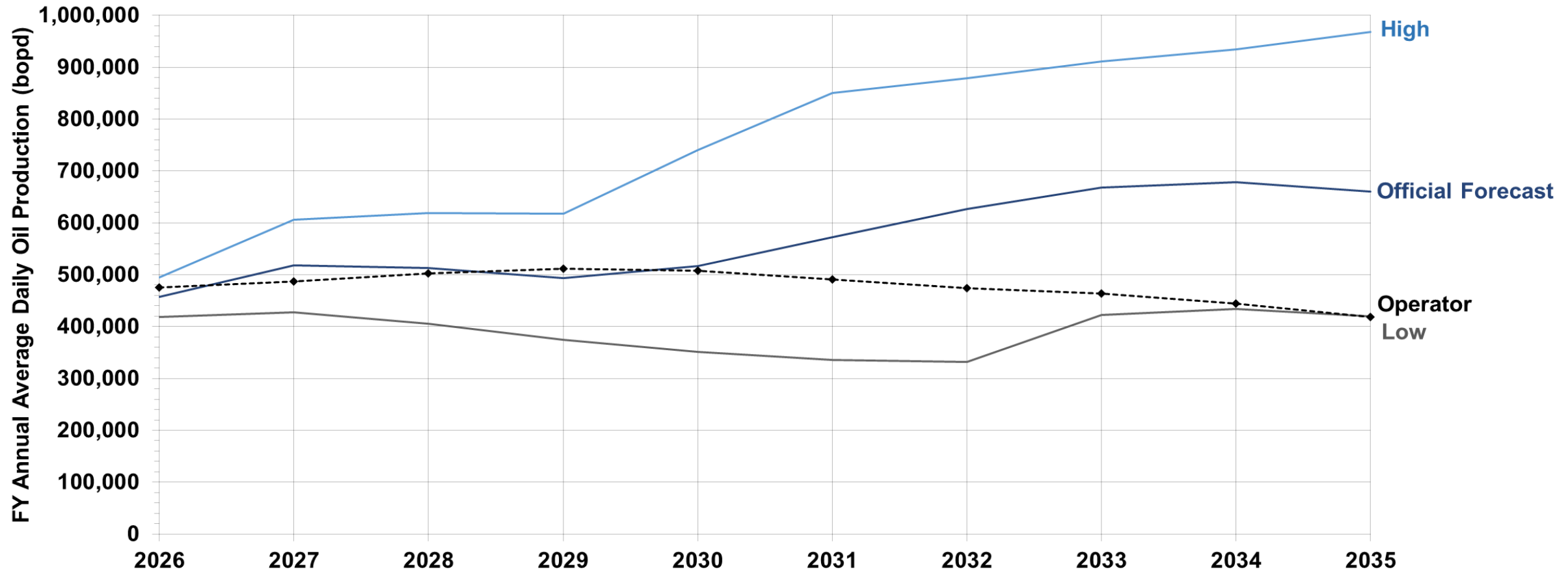
North Slope Production History (barrels per day average)



# 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.

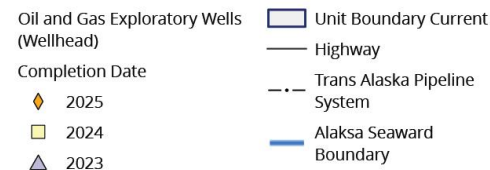
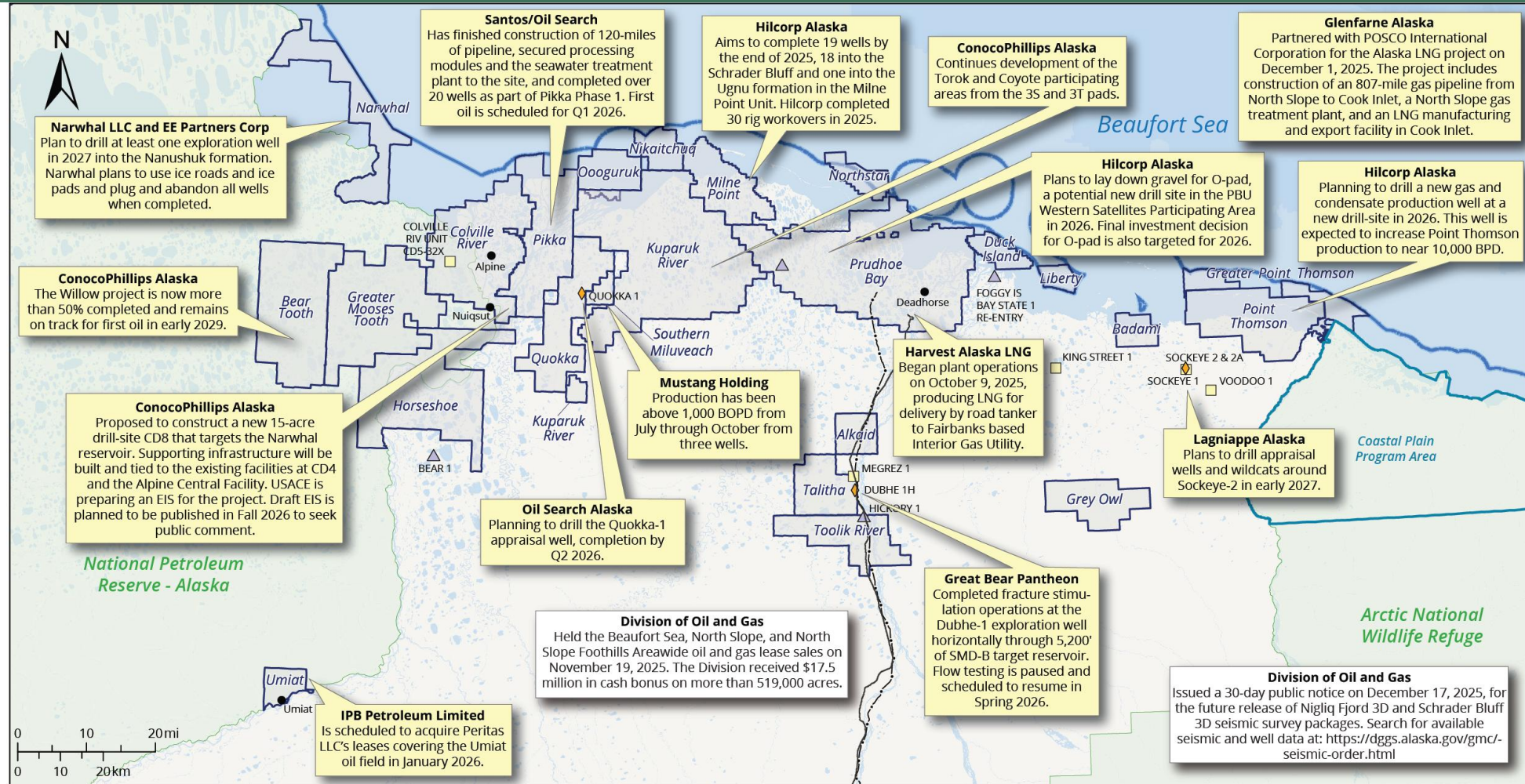
List of Acronyms:

bopd: barrels of oil per day

FY: fiscal year



# North Slope Activity



North Slope Oil and Gas Activity Map



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



January 2026

State of Alaska, Department of Natural Resources



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: <https://dggg.alaska.gov/Information/MapsAndGIS>. Map updated January 13, 2026, 09:05:05.

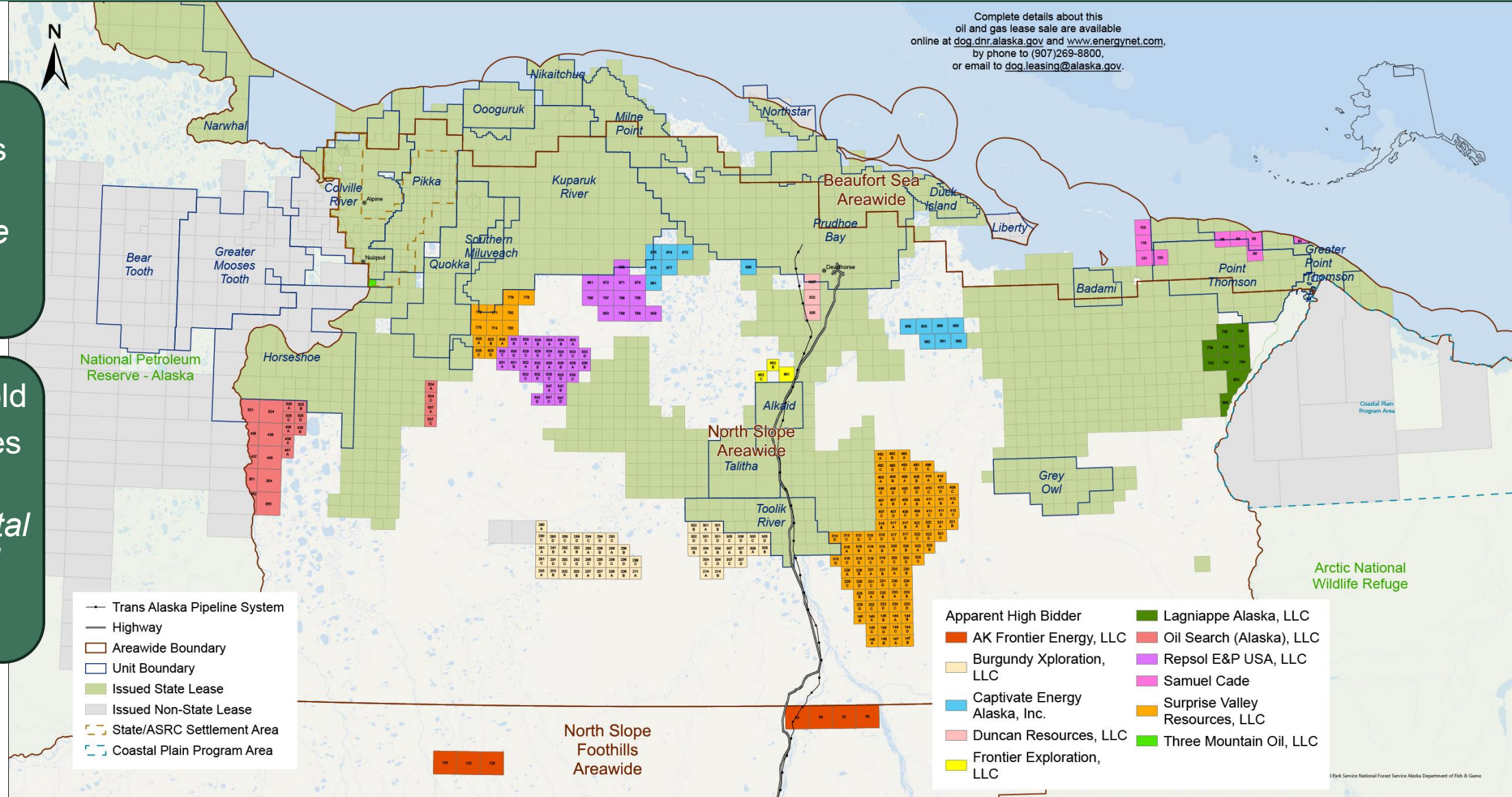




# North Slope 2025 Lease Sale

\$17.5 million in bonus bids  
*The highest amount since the 2018 annual sale*

287 tracts sold  
519,000 acres  
*The most tracts and total acres leased since 2014*





# Federal Lease Sales

The One Big Beautiful Bill Act compelled the U.S. Department of Interior to resume lease sales in federal areas, including Alaska, and offer more competitive and developable terms.

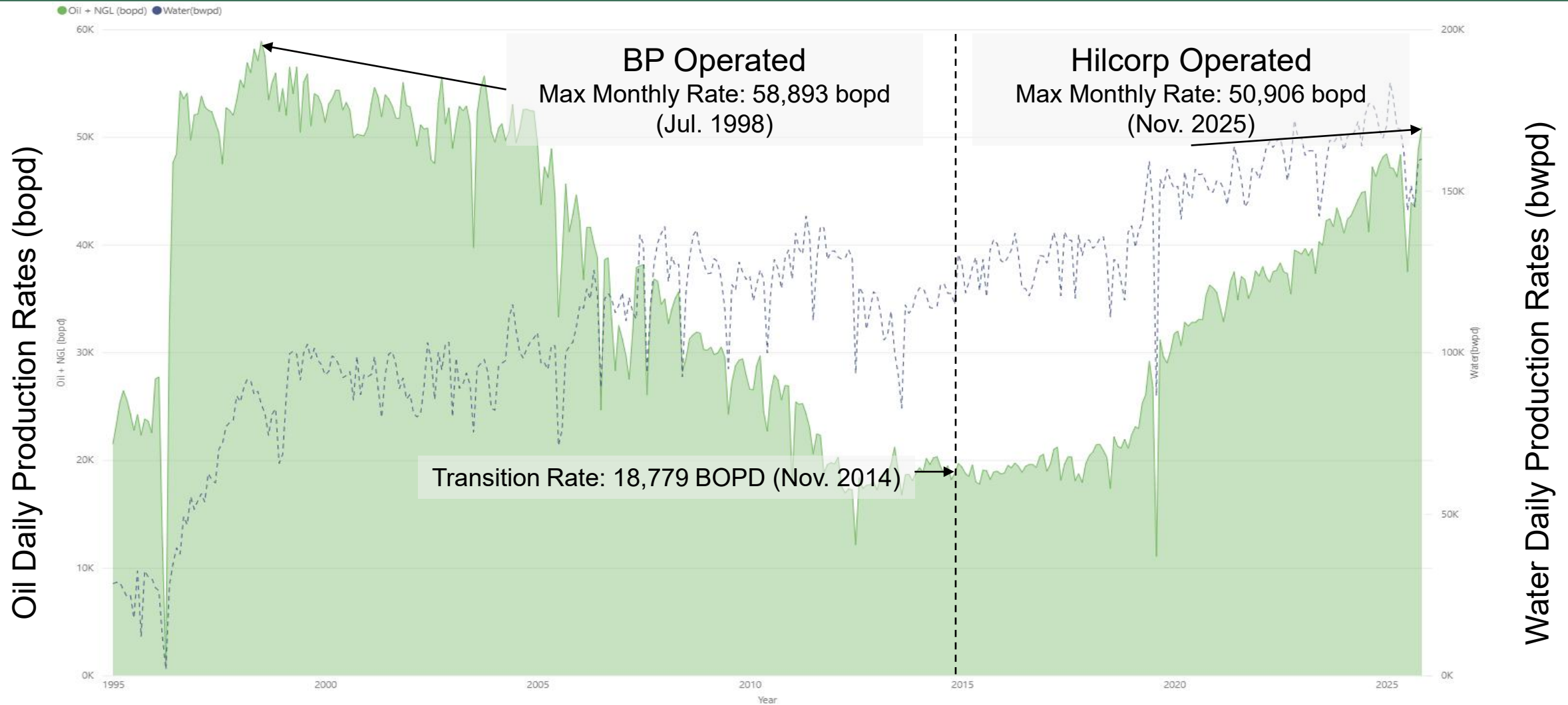
| Bureau of Ocean Energy Management (BOEM)   |  | Bureau of Land Management (BLM)  |   |
|--|--|--|---|
| Cook Inlet   |  | National Petroleum Reserve in Alaska (NPR-A)   | Arctic National Wildlife Refuge (ANWR) Coastal Plain (1002 Area)  |
| <ul style="list-style-type: none"><li>• First sale announced as Big Beautiful Cook Inlet (BBC1) Oil and Gas Lease Sale</li><li>• 12.5% royalty (reduced from 18.75%)</li></ul> |  | <ul style="list-style-type: none"><li>• New Record of Decision issued</li><li>• Sale announcement pending</li></ul>          | <ul style="list-style-type: none"><li>• New Record of Decision issued</li><li>• Sale announcement pending</li></ul>           |
| <ul style="list-style-type: none"><li>• First sale scheduled March 4, 2026</li><li>• Five more sales through 2032</li></ul>  |  | <ul style="list-style-type: none"><li>• First sale required by July 4, 2026</li><li>• Four more sales through 2032</li></ul> | <ul style="list-style-type: none"><li>• First sale required by July 4, 2026</li><li>• Three more sales through 2032</li></ul> |

\*DNR Cook Inlet Lease Sale coincides with BOEM's 2026 Lease Sale

\*DNR may hold a 'Special Sale' to coincide with BLM North Slope Lease Sales



# 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: Pikka

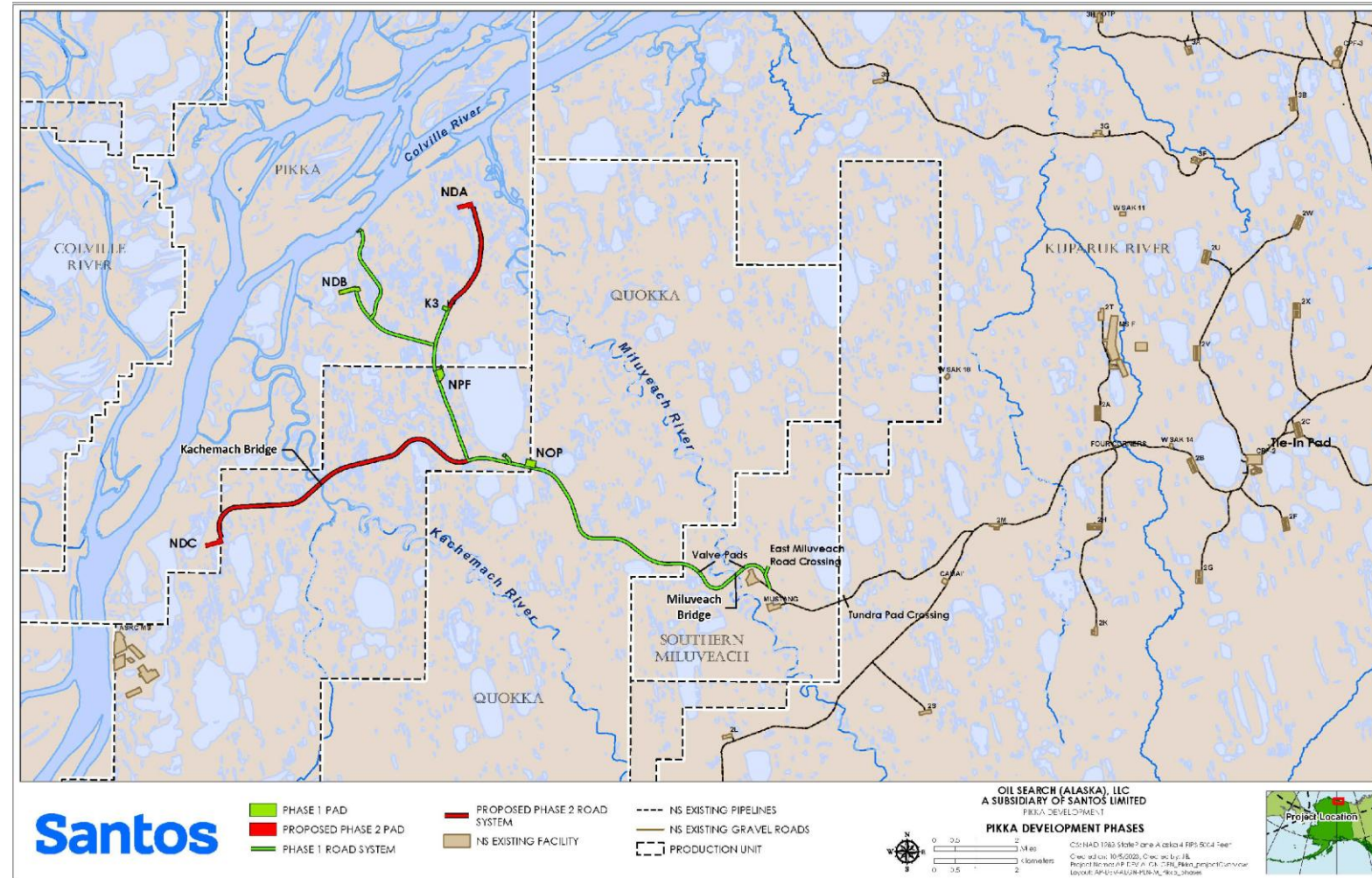


## Project Vicinity Map with Constructed and Future Project Phase Proposed Infrastructure

Pikka Phase 1 is more than 95 percent complete, and commissioning works are now underway in advance of first oil. Project first oil is anticipated in Q1 of 2026.

### Anticipated Performance

- Phase 1: Peak production is expected to 80,000 barrels of oil per day
- Phase 2: Santos continues to mature plans for more wells and additional production. The focus is on Pikka Phase 1 first oil before proceeding to Phase 2 project development







# Status Update: Willow

The Willow Project is now more than 50 percent completed and remains on track for first oil in early 2029.

## 2025 milestones included:

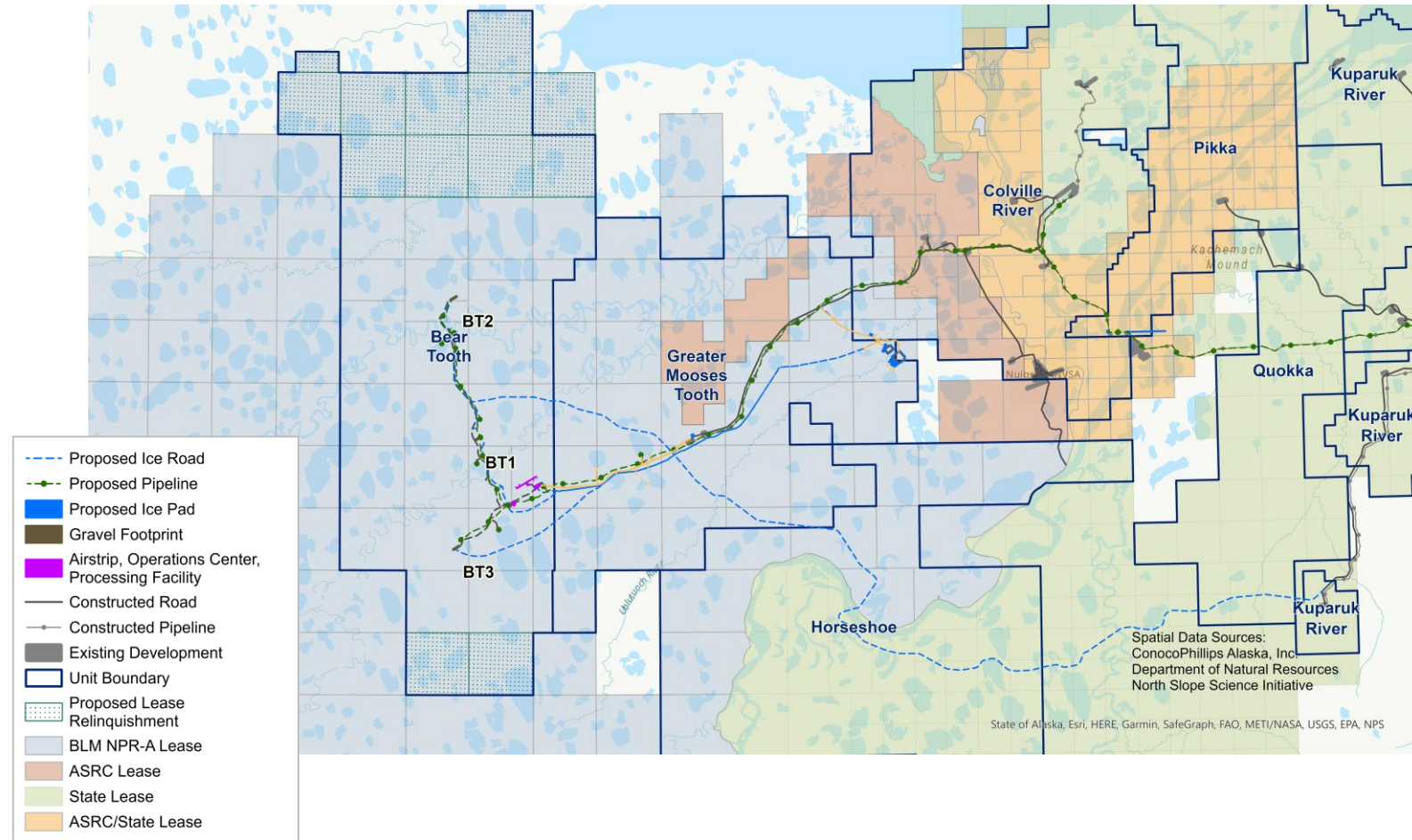
- Constructed two bridges totaling 500 feet – Judy Creek and Judy Creek Kayyaaq
- Installed 72 miles of pipelines west of Kuparuk

## 2026 milestones anticipated:

- Gravel for remaining drill sites and airstrip
- Install two remaining bridges
- Continue pipeline installation
- Opening of the 250-bed Willow Permanent Camp (bringing the Willow bed count total to 500)
- Major progress on the Willow Central Facility modules, currently under construction in Texas, readying them for transit to the North Slope in 2027

## Anticipated Performance

- Expected peak of 180,000 barrels of oil per day
- 600 million barrels of oil estimated over project life



# Status Update of Key Future Projects: North Slope Overview



|  | Status: January 2025   | Status: January 2026  | Production Rate Estimates  |
|--|--|---|--|
| <b>Pikka Phase 1</b>                           | 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   |
| <b>Pikka Phase 2</b>                           | 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 |
| <b>Willow</b>                                  | 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 in Texas, planned for transit to the North Slope in 2027 | Peak rate: 180,000 bopd  |
| <b>CRU CD8</b>                                 | 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   |
| <b>PBU Project Taiga (Omega Pad and I-Pad)</b> | 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

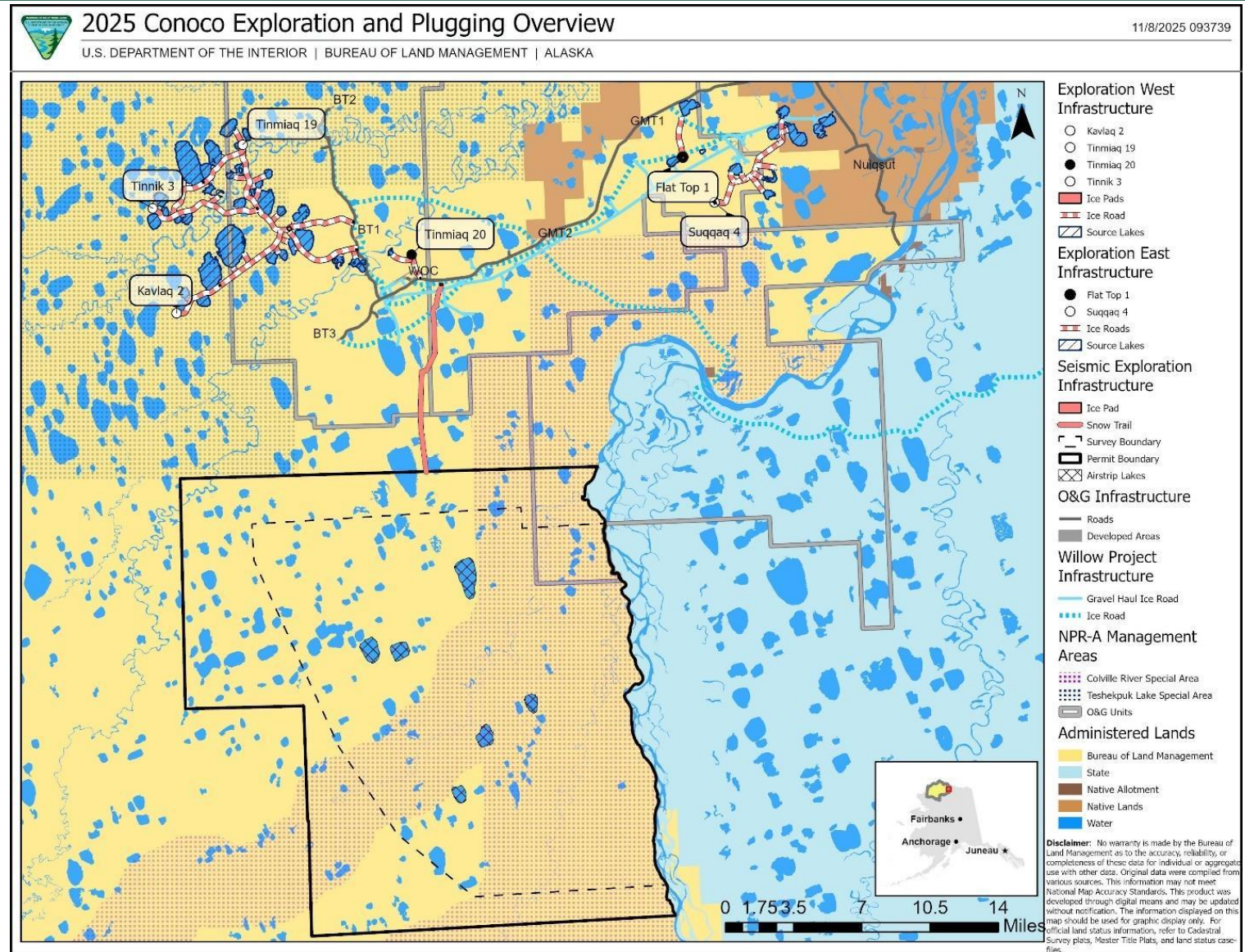
CRU: Colville River Unit  
PBU: Prudhoe Bay Unit  
DNR: Department of Natural Resources  
YE: Year End  
Q: Quarter  
bopd: barrels of oil per day



# Status Update: ConocoPhillips NPR-A Exploration



- Four proposed exploration wells, including two outside of the Bear Tooth (Willow) unit
- Plugging two older exploration wells
- Seismic survey south of established units
- Environmental groups have challenged BLM's decisions authorizing Conoco's exploration program in federal court, seeking to halt the program. The State intervened in the case in support of BLM's decisions and has opposed the preliminary injunction sought. A decision is imminent



# Why is Cook Inlet Gas Important?



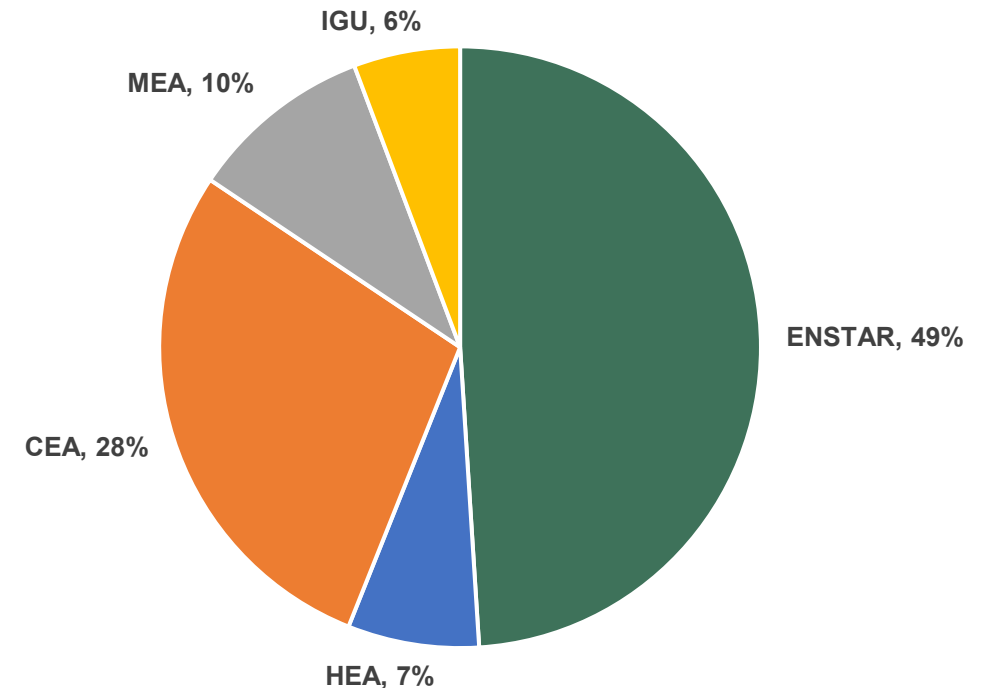
## Natural Gas Utilities

- **Enstar** serves over 440,000 people and operates in over 25 communities throughout Southcentral Alaska
  - Long-term, firm contracts expire March 2033
- **Interior Gas Utility (IGU)** serves over 2,400 people
  - Harvest LNG now supplying IGU with North Slope gas

## Electric Utilities

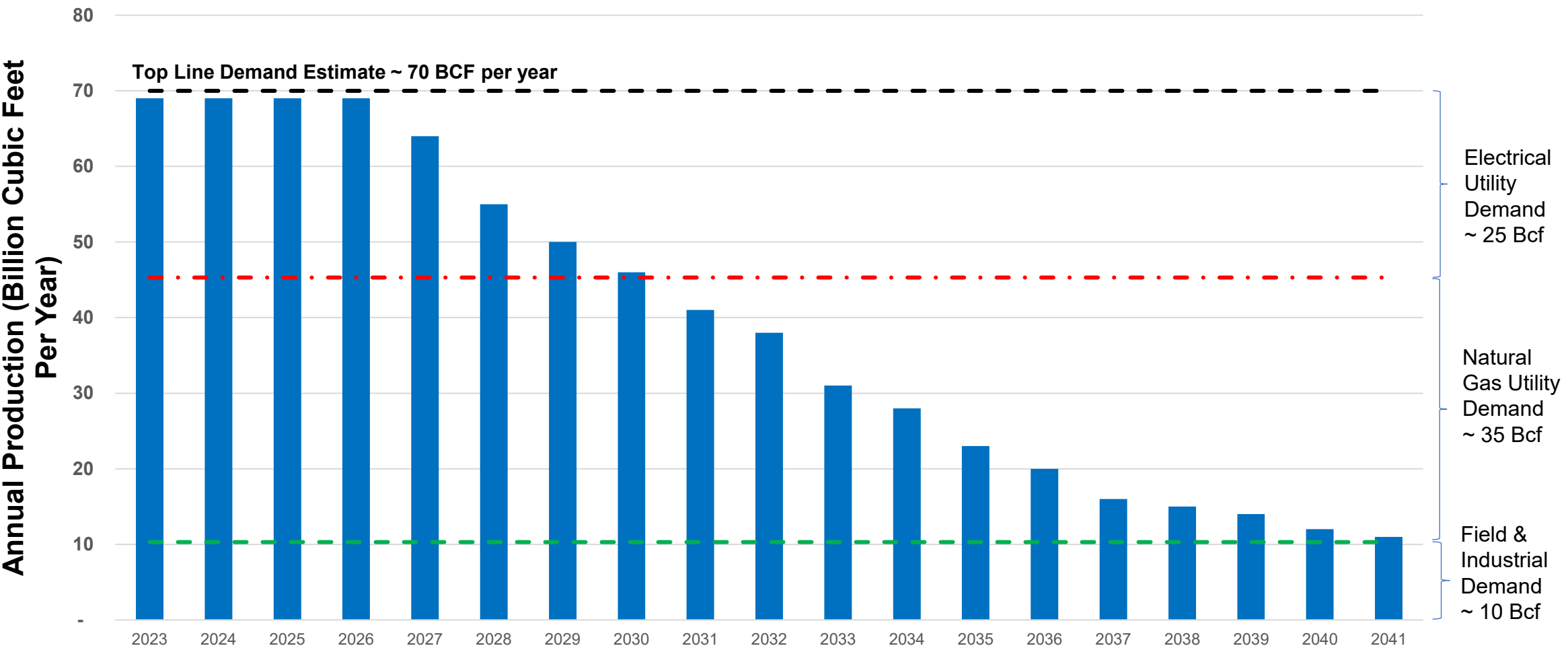
- **Chugach Electric (CEA)** serves over 302,000 people in Anchorage, Whittier, and Girdwood
  - Long-term, firm contracts expire March 2028
- **Matanuska Electric (MEA)** serves the Mat-Su Borough and Chugiak and Eagle River, over 180,000 people
  - Long-term, firm contracts expire March 2028
- **Homer Electric (HEA)** serves nearly 36,000 people

2025 Utility Gas Contract Percentages  
(Firm and Optional)



Percentages of ~ 60 Billion Cubic Feet (BCF) per year utility requirements

# Cook Inlet Gas Supply and Demand 2022 Forecast



DNR 2022 Forecast: Base wells + Ongoing Development Drilling, Economically Truncated

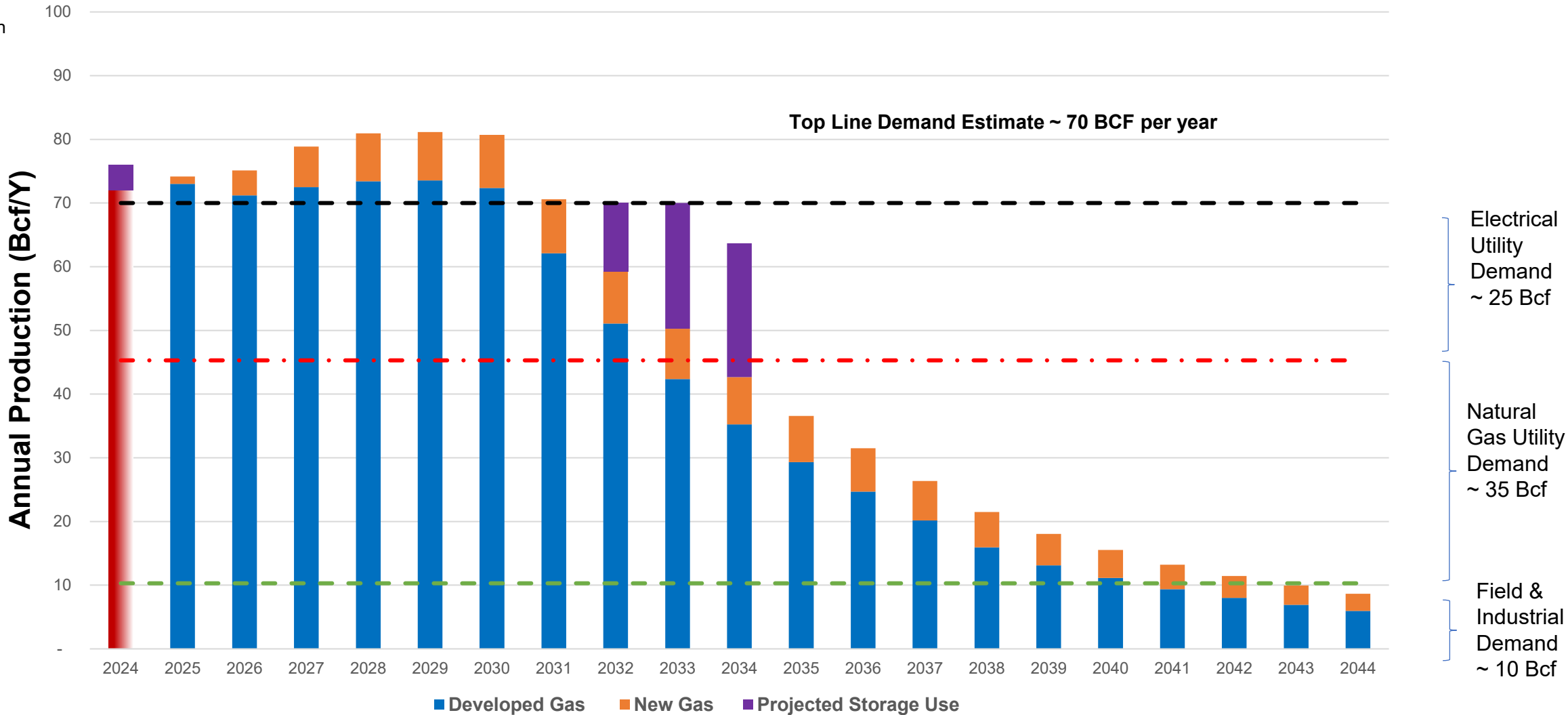
BCF: billion  
cubic feet



# Cook Inlet Gas Supply and Demand 2025 Update



BCF: billion  
cubic feet

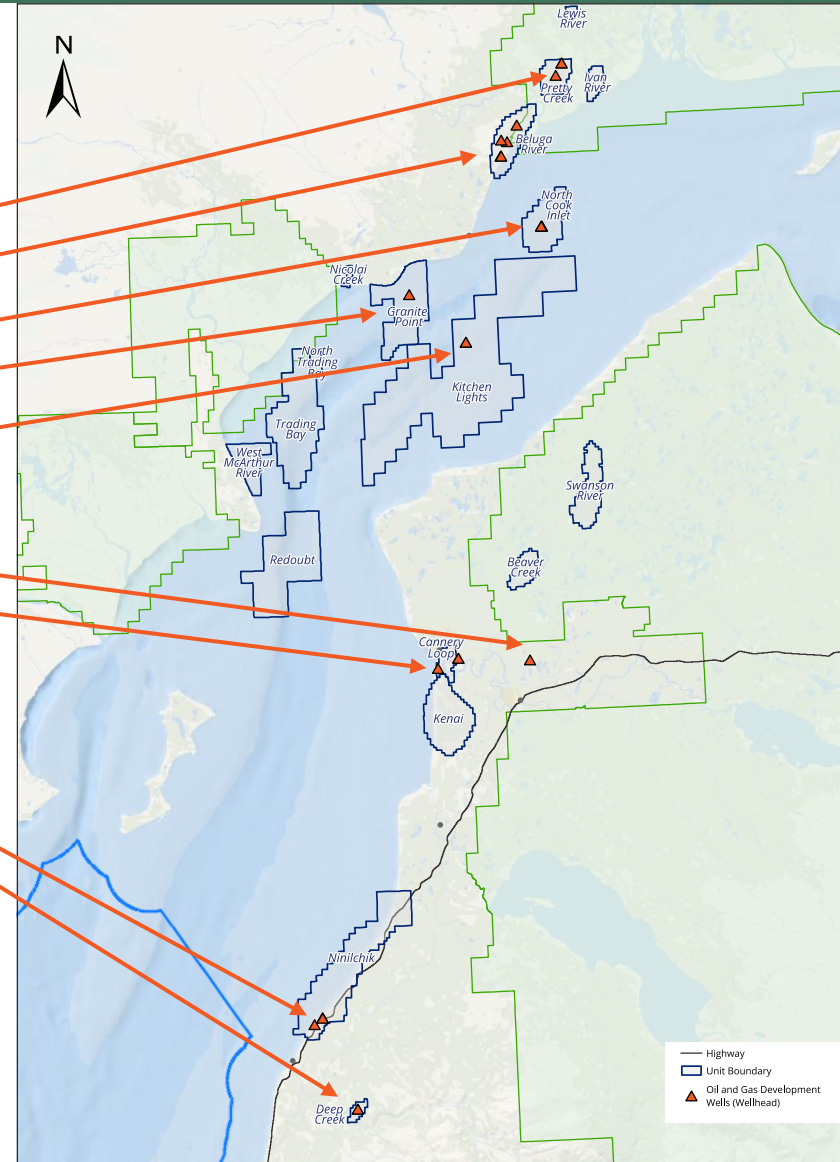


DNR 2025 Fall Forecast: Base wells + Ongoing Development Drilling + New Gas (Economically Truncated & Risked)

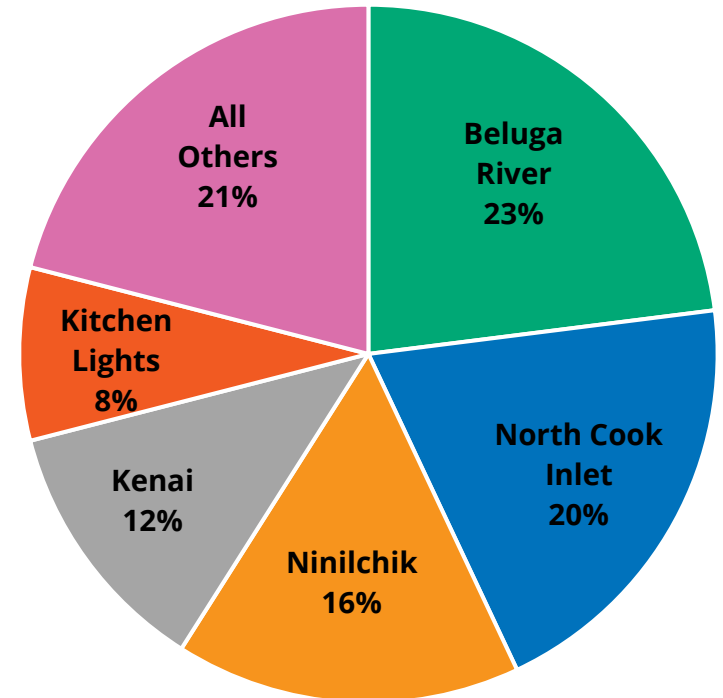
# 2025 Activity Overview

## Well Activity

- **22** development wells have been drilled and completed in 2025:
  - Pretty Creek: 3
  - Beluga River: 5
  - North Cook Inlet: 4
  - Granite Point: 1
  - Kitchen Lights: 2
  - Sterling: 1
  - Cannery Loop: 1
  - Ninilchik: 3
  - Deep Creek: 2
- 2 gas storage wells at CINGSA (Cook Inlet Natural Gas Storage Alaska) drilled in 2024, brought online in 2025



## 2025 Share of Cook Inlet Production



The above percentages are based on gas volumes for sale and discount gas produced from storage as well as gas reinjected for enhanced oil recovery.

# Cook Inlet – What is Happening Now?



- Hilcorp is developing its leases as planned
  - Acquired the North Fork Unit from Gardes Holdings, Inc.
  - Regulatory Commission of Alaska (RCA) approved Kenai Pool 6 for third-party gas storage in August
- Hex/Furie drilled three successful wells, one workover
  - Up to nine wells planned in the next three years
  - Enabled by Department of Natural Resources royalty modification and Alaska Industrial Development and Export Authority (AIDEA) loan
- BlueCrest negotiating with potential investors
  - Unit in default pending commitments to secure funding and develop gas
- Fuel gas for oil production and processing operations is becoming scarce and straining all users



# Thank you



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