



House Energy Committee Presentation

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President & CEO
February 21, 2023

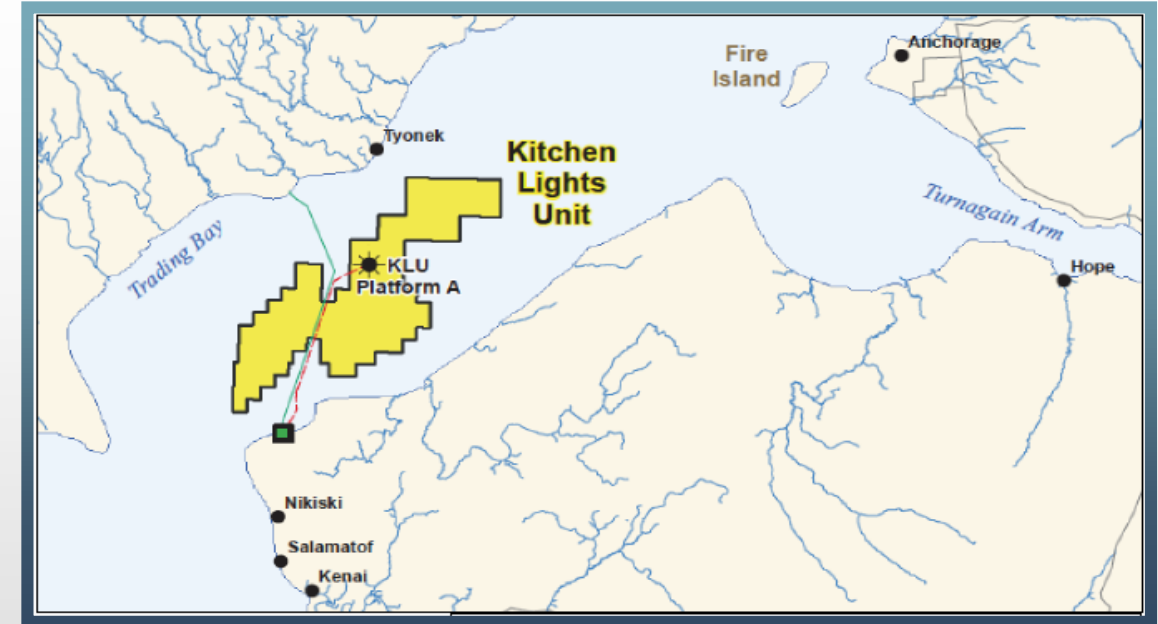


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Furie Operating Alaska, LLC

- Alaska's only locally owned and operated exploration and production company
- HEX Cook Inlet Purchased Furie July 2020
- Operate in Cook Inlet only
- 84,000+ acres in Kitchen Lights Unit
- 4 wells producing natural gas –only



Operatorship	Bcf	%
Hilcorp	59.69	89%
Furie	4.02	6%
AIX	1.17	2%
Vision	1.13	2%
BlueCrest	0.58	1%
Cook Inlet Energy	0.07	0%
Amaroq	0.10	0%
	66.76	100%

Home Grown Energy

- Headquarters in Anchorage, Alaska
- Increased Alaskan Employee and Alaskan contractors
 - 18 Alaskans vs 1 Alaskan
- Eliminated wasteful spending
 - Increased focus on planning
- Stabilized production
- Customers
 - ENSTAR, Marathon Petroleum
 - MEA, HEA, CEA, & IGU
- Current on all loans
- Only Bidder in 2022 Spring Cook Inlet Lease Sale
- Largest Bidder in 2021 Cook Inlet Lease sale
- Potential new Exploration & Developments
- Company History of Exploration
 - 2011 Spartan 151 – 1st Jackup Rig
 - 2017 Randolph Yost

Furie Operating Alaska, LLC & HEX Cook Inlet Opportunities

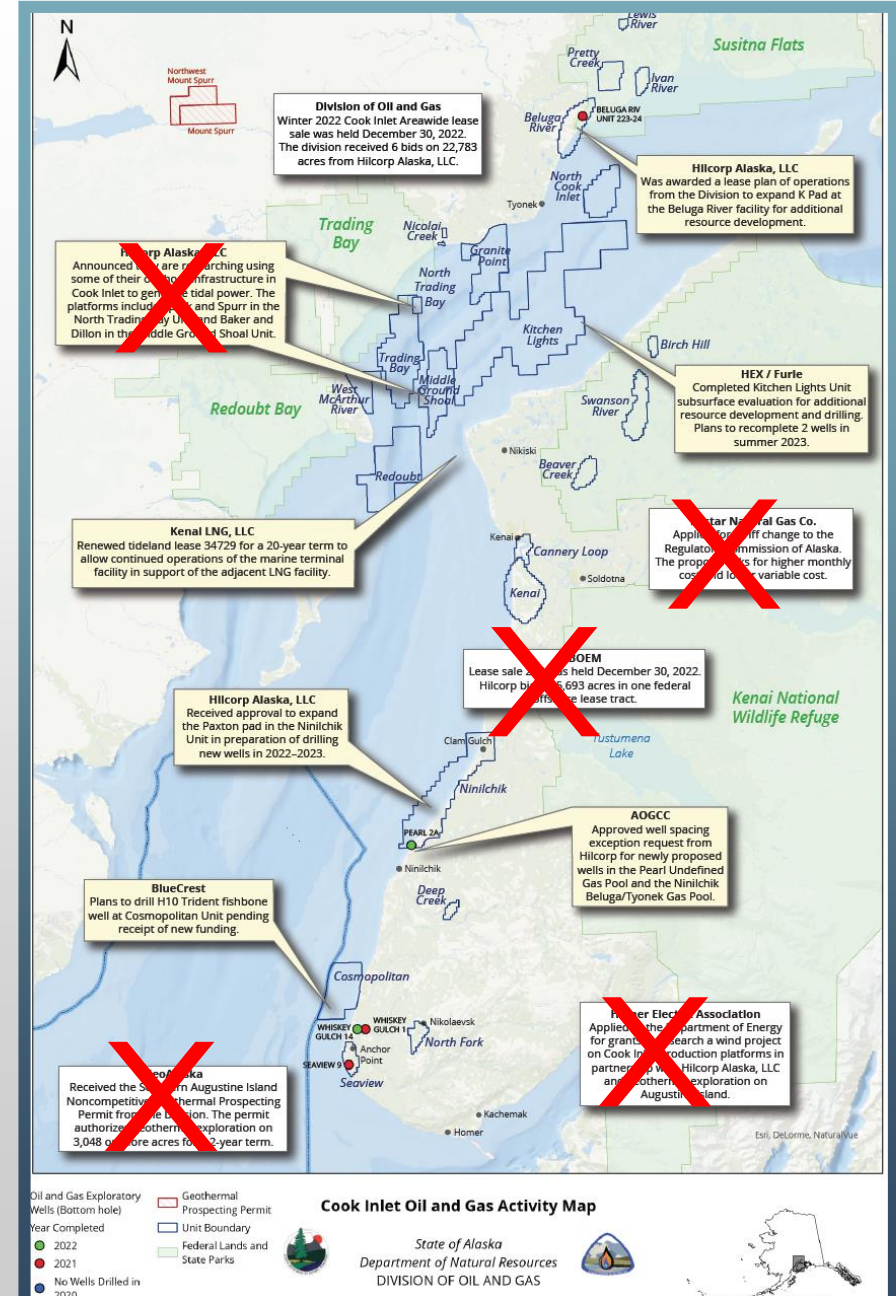
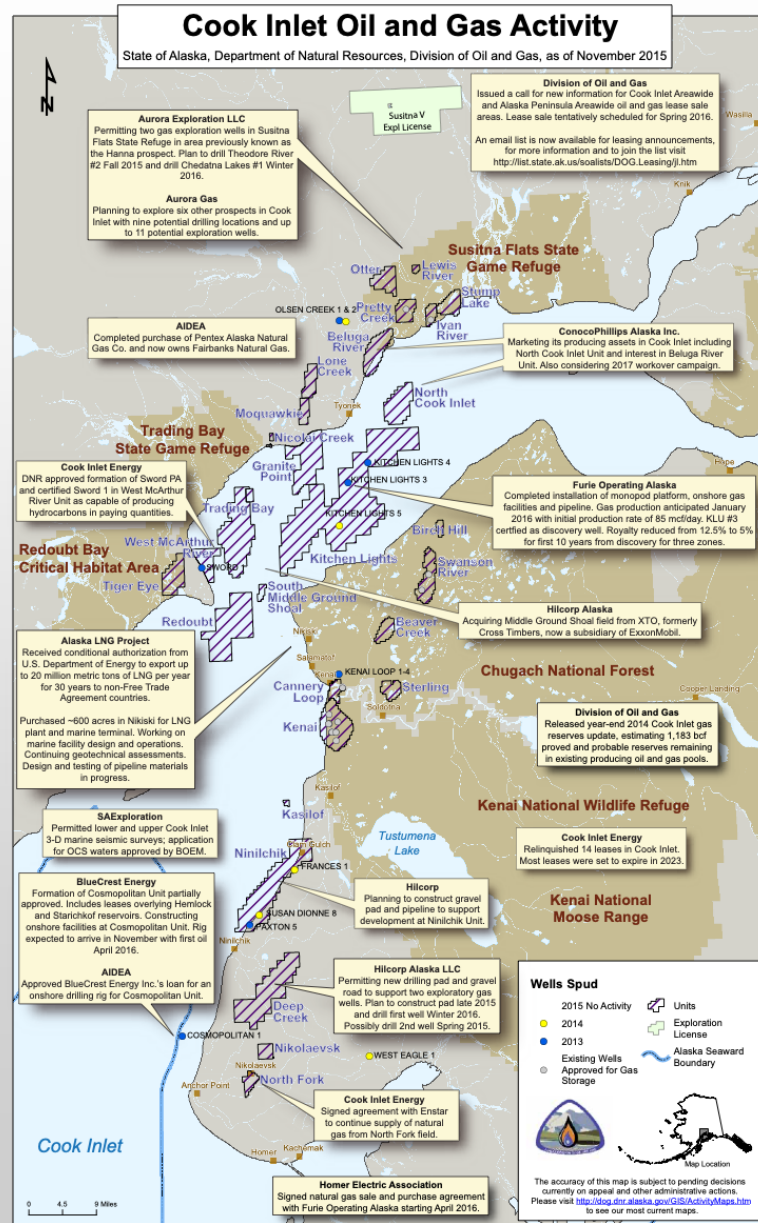
- 2023 Plans
 - Finalize re-processing of 3D Seismic & Well Data
 - Mobilization of new workover rig to Alaska
 - Work Over & Repair 2 wells
 - KLU A-4 & KLU A-1 (50% of our producing wells)
 - Removal of downhole completion equipment
 - Perforations
 - Install new partial sand control
 - Increase Production for Winter 2023-2024 +



Summer 2023 Well Work Risks and Uncertainties

- Cost uncertainty, duration of work
 - Mobilization of new rig to Cook Inlet
 - Packer removal difficulties/sand
 - Lost circulation
 - Weather impacts, especially later in season
- Screen plugging / filter sizing
- Downhole equipment arrival times
- Contractor Risk
- Delays and cost in materials & shipping

Cook Inlet Oil & Gas Activity Maps 2015 vs 2022



Actions the State can take:

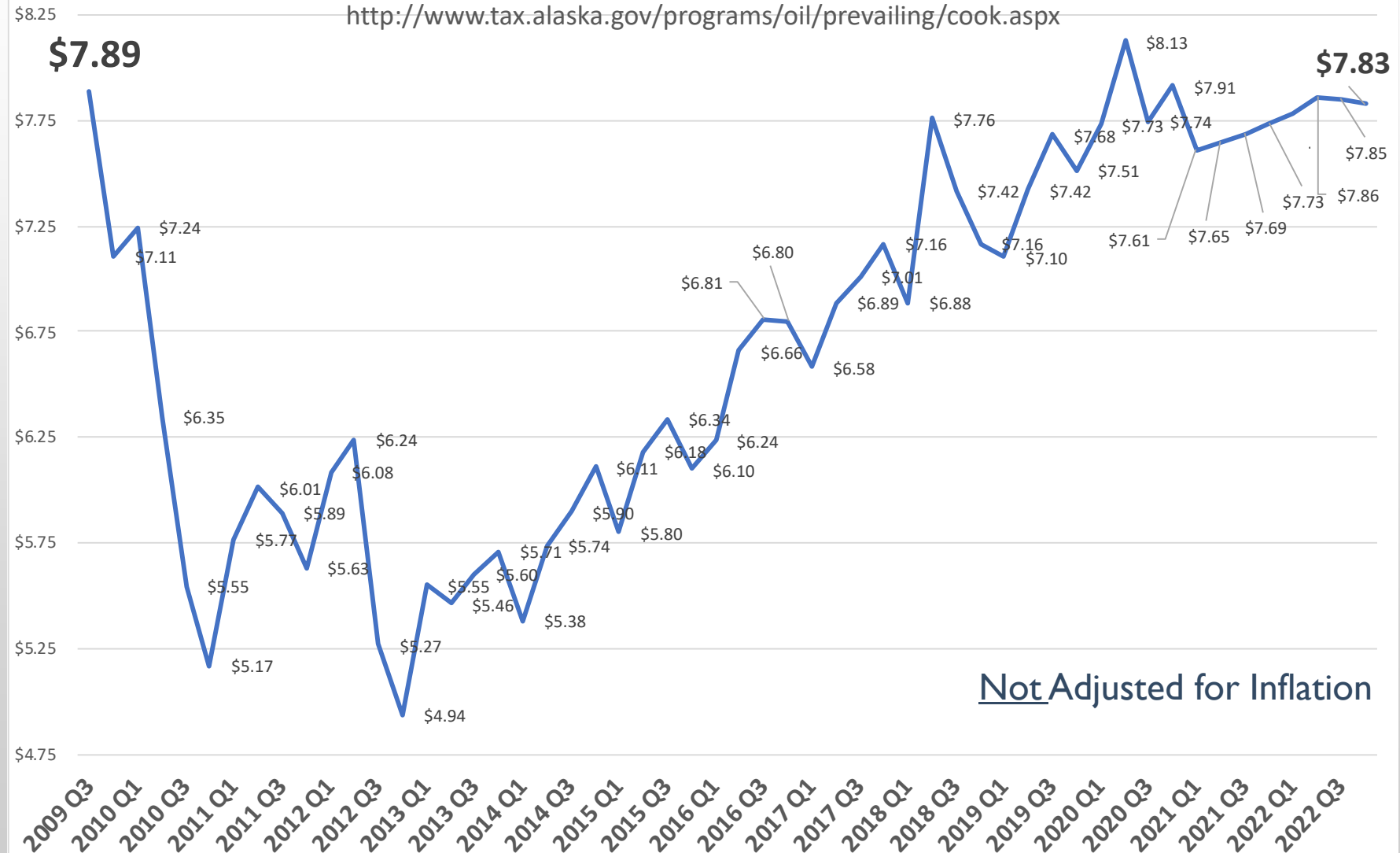
- Reduced Royalties – currently 12.5% - of Gross Revenues
- Production Tax Relief \$0.177/mcf
- Release Seismic Data Early
 - Many entities no longer operate in Alaska
 - State to interpret the seismic data and combine with lease sales
- Property Tax – Just and Fair
- Reduction of Bonding Obligations
- Eliminate Duplicative Bonding Requirements
- Facilitate Access to Federal Onshore Lands
- Accelerate Permitting Process
- Enhance Alignment Between Utilities & Producers

Gas Price Awareness

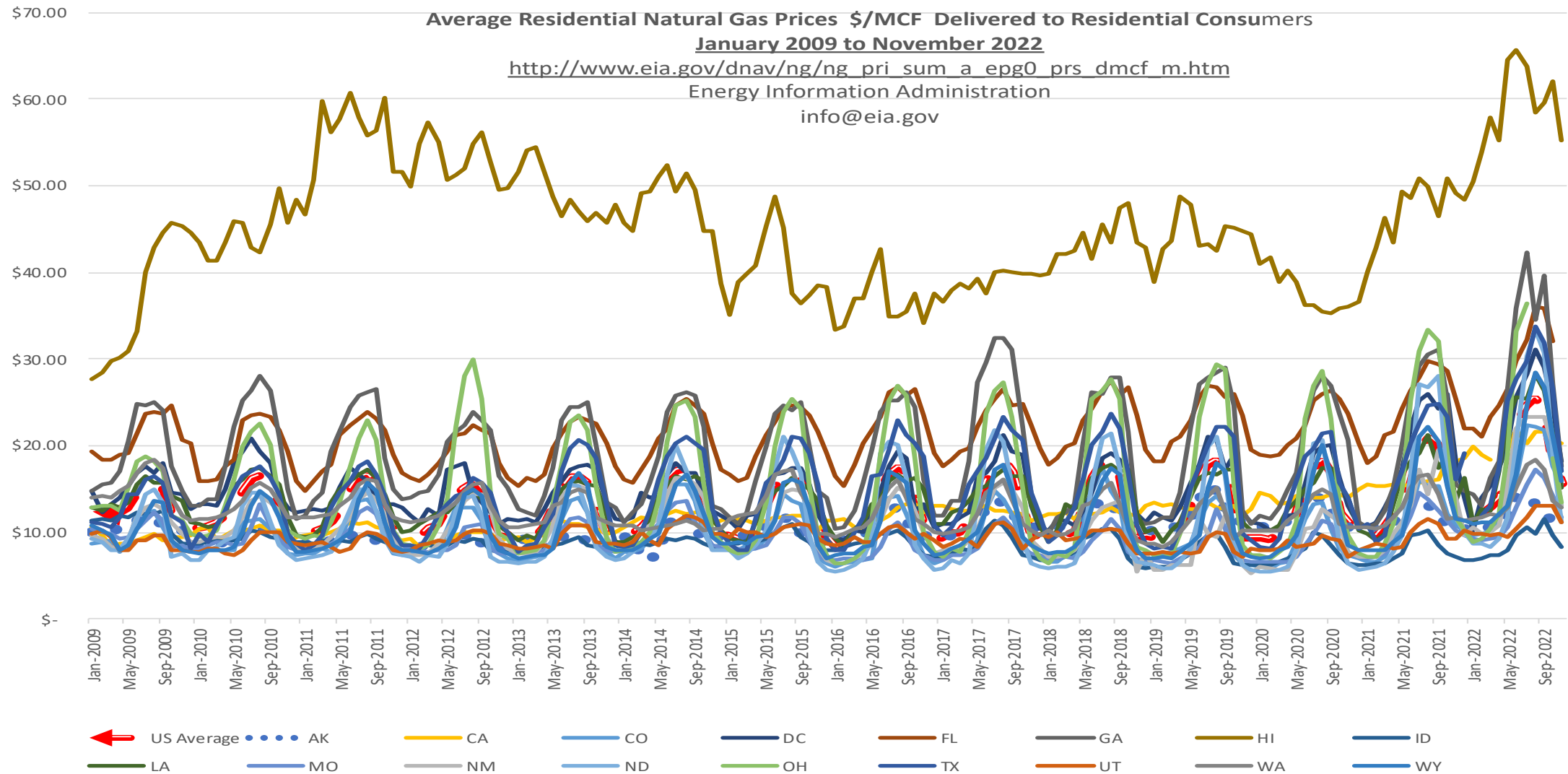
Last 13 Year of Cook Inlet Prevailing value
Q 3 2009 - Q4 2022

Weighted Average price of significant sales of gas to publicly regulated utilities in Cook Inlet.

<http://www.tax.alaska.gov/programs/oil/prevailing/cook.aspx>



Not Adjusted for Inflation



Residential Natural Gas Prices – November 2022

Source: US Energy Information Administration

Rank	State		
1	Hawaii	55.14	
2	New Hampshire	26.93	
3	Massachusetts	21.79	
4	North Carolina	20.75	
5	Maine	20.61	
6	Oklahoma	20.55	
7	California	20.34	
8	Rhode Island	20.16	
8	Connecticut	20.16	
10	Alabama	19.80	
11	New York	19.28	
12	Delaware	18.89	
13	Vermont	18.85	
14	Maryland	18.43	
15	Arkansas	18.39	
16	District of Columbia	18.28	
17	Virginia	17.63	
18	Georgia	17.60	
19	Arizona	17.45	
20	Texas	17.10	
21	Pennsylvania	16.90	
22	South Carolina	16.36	
23	Illinois	16.29	
24	Kentucky	16.12	

25	Wyoming	15.84	
26	Colorado	15.57	
27	Mississippi	15.37	
28	Louisiana	15.23	
29	New Jersey	15.19	
30	Missouri	15.11	
31	Tennessee	14.54	
32	Nebraska	13.58	
33	Ohio	13.47	
34	Oregon	13.18	
35	New Mexico	13.11	
36	Washington	12.82	
37	Michigan	12.37	
38	West Virginia	11.77	
39	Montana	11.67	
40	Indiana	11.48	
41	Minnesota	11.46	
42	North Dakota	11.09	
42	Wisconsin	11.09	
44	Utah	11.08	
45	Alaska	10.77	
46	Iowa	9.94	
47	South Dakota	9.40	
48	Idaho	8.32	

Questions ?

