

**02/26/13
LUNCH &
LEARN:
HILCORP -
UPDATE &
OUTLOOK FOR
COOK INLET
OPERATIONS**

<TARGET><BILL></BILL><SUBJECT>02-26-13 LUNCH and LEARN
HILCORP - UPDATE and OUTLOOK FOR COOK INLET
OPERATIONS</SUBJECT><COMM>HRES28</COMM></TARGET>

Lunch and Learn

Tuesday at Noon

Capitol Room 106

An In-depth Look at Alaska's Resources

Lunch provided by presenters

**HOSTED BY
REP. ERIC FEIGE &
REP. DAN SADDLER
CO-CHAIRS
House Resources**

**Contact:
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465-3715**

Tuesday, Feb. 26, 2013

Program Title: **Hilcorp—Update & Outlook for
Cook Inlet Operations**

Presenters: Greg Lalicker, President, Hilcorp Energy

Sponsor: Alaska Oil & Gas Association

Greg Lalicker (pronounced Lie-lacker)

President of Hilcorp Energy Company

Joined the leadership team in March, 2006 as Executive Vice President where he was responsible for all exploration and production activities.

Graduated in 1982 as a Petroleum Engineer from the University of Tulsa

Spent 15 years working for BHP Petroleum in Midland & Houston, Texas; London and Melbourne. Left BHP in 1997 to join McKinsey & Company where he worked in their Houston, Abu Dhabi and London offices prior to joining Hilcorp Energy.

Greg also has an MBA and a law degree



Hilcorp

A Company Built on Energy

Integrity ★ Urgency ★ Ownership ★ Alignment ★ Innovation

AOGA Lunch & Learn
February 26, 2013

Hilcorp Overview



- **Who are we?**
 - One of the largest US based private E&P companies, based on production
 - Founded in 1988
 - Fortune Magazine’s Top 100 “Best Places To Work” in America - #7
 - ** 2013: Top Ranked Oil & Gas company AND Alaskan Employer **

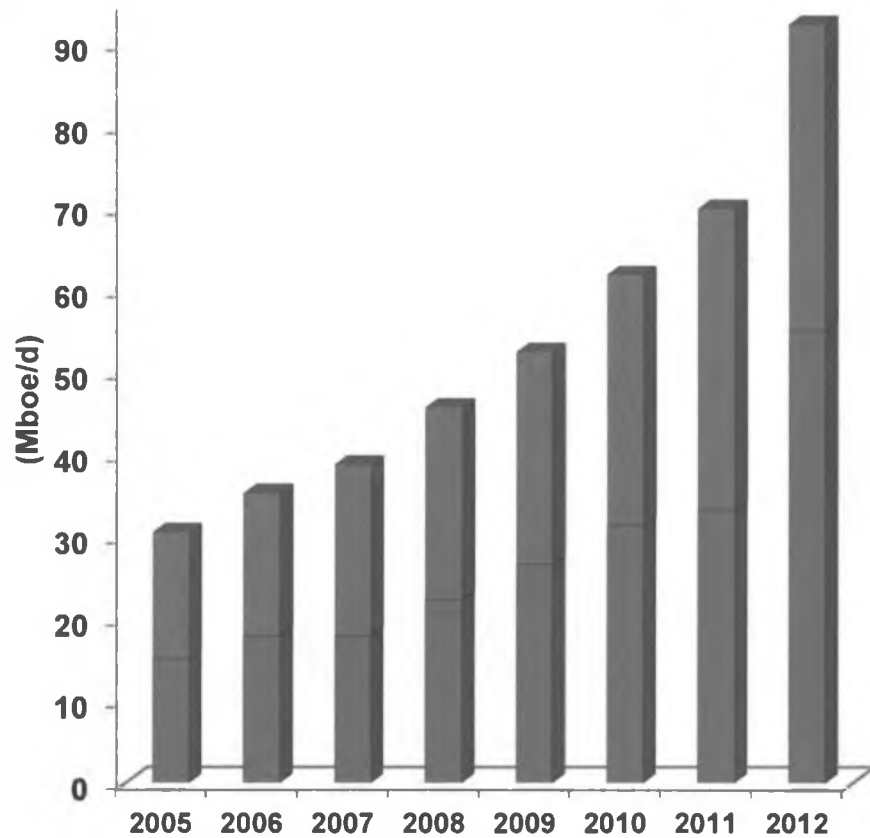
- **What do we do?**
 - Core focus is acquiring and further developing mature assets
 - Expanding into resource plays and EOR opportunities

- **Where are we going?**
 - Vision: to be the premier private energy company in the industry
 - In the midst of a 5-year plan to double the size of the company

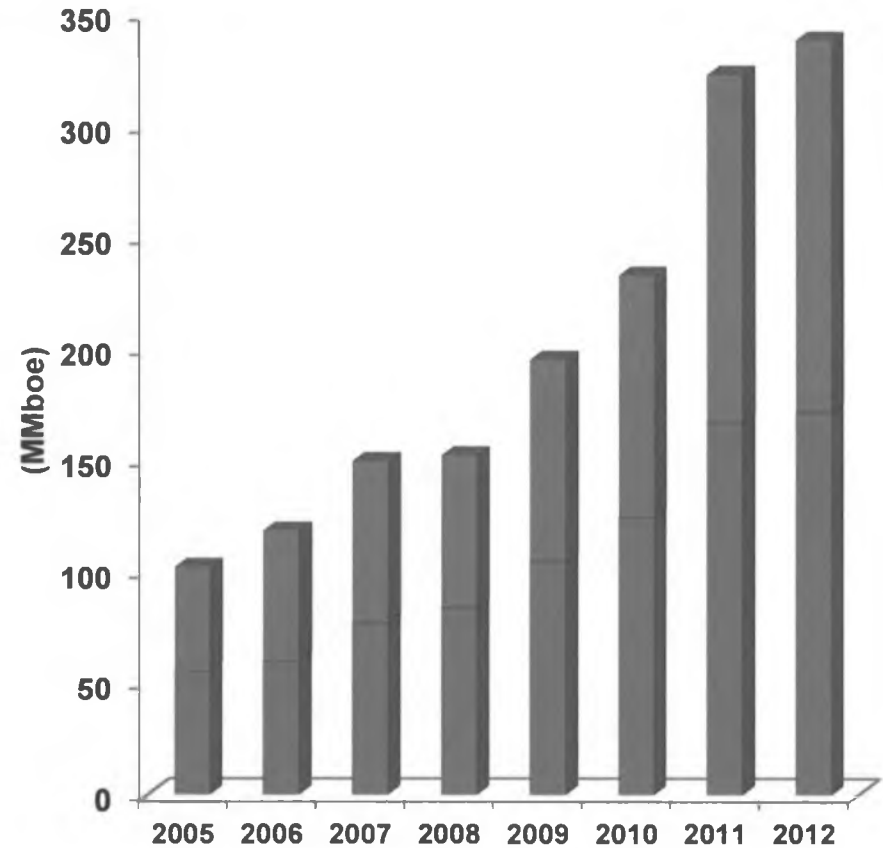
Production and Reserve History



Production

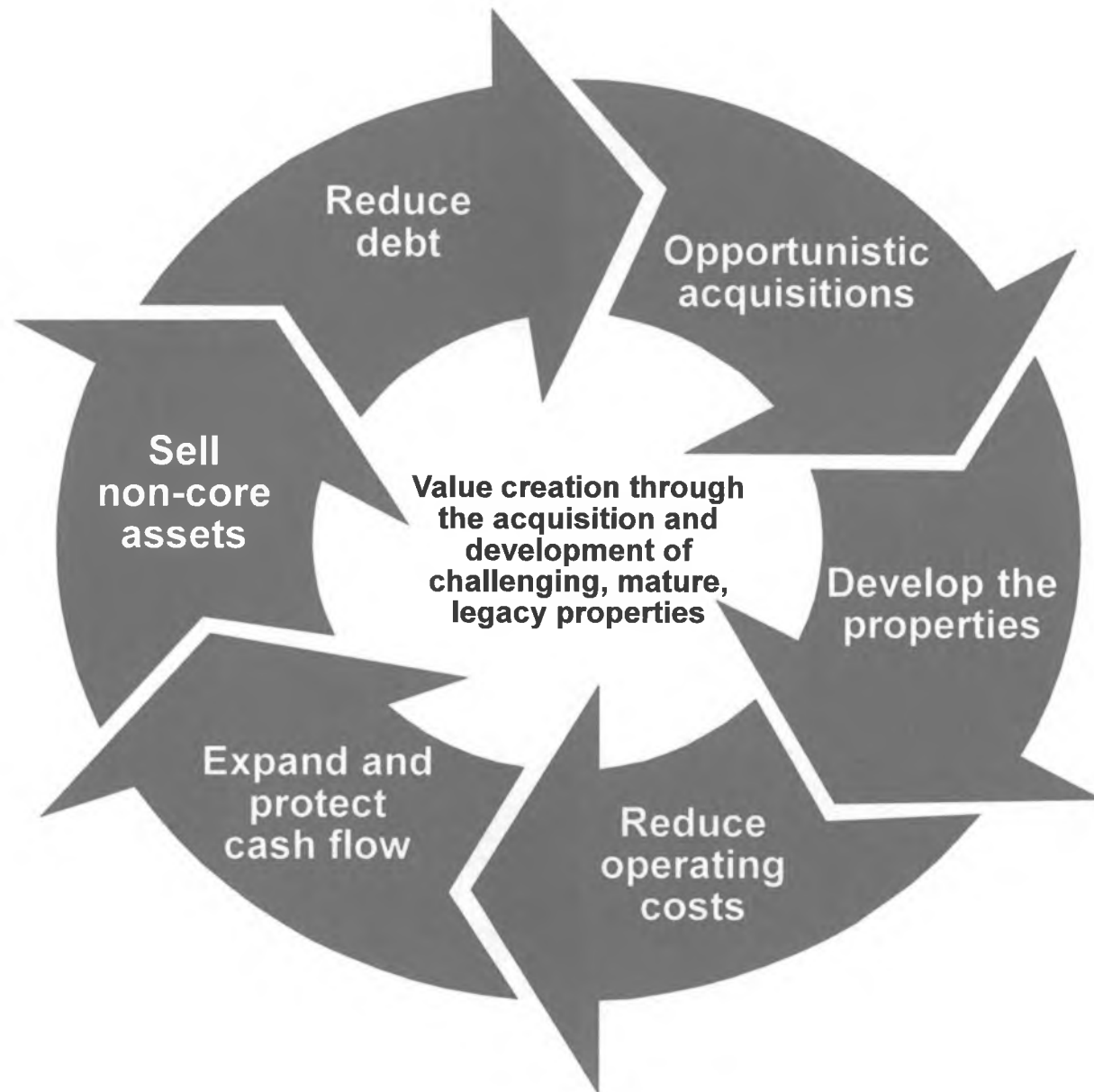


Proved Reserves



■ Gas ■ Oil

Acquire & Develop Strategy (2007 – 2011)



Dream 2015

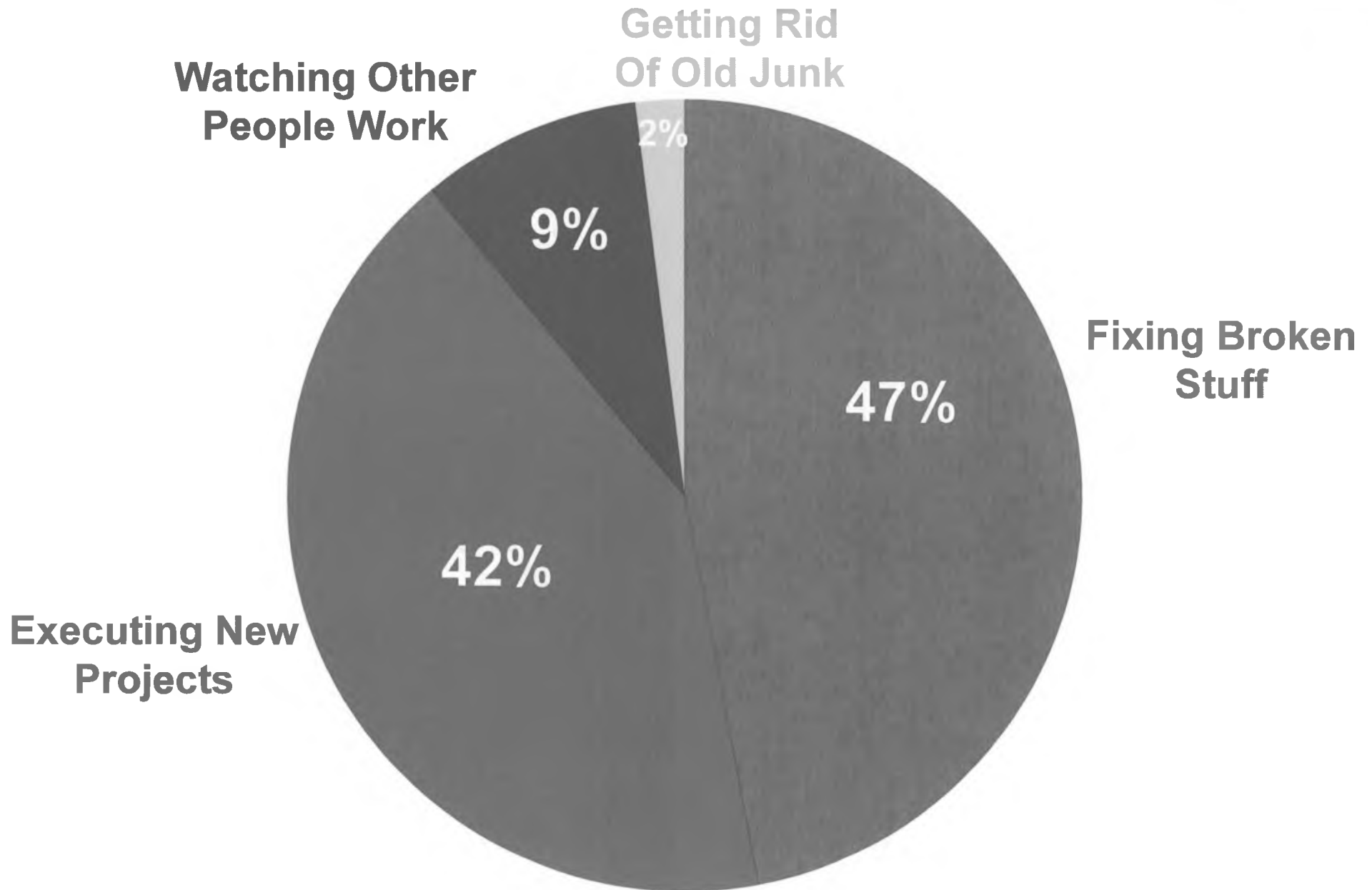


**Goal: Double the size of Hilcorp again
over 5 years (2011 to 2015)**

- **5-year plan termed “Dream 2015” well underway**
 - Metrics: (1) production, (2) reserves, and (3) equity value
- **HEILP growth plan:**
 - Doubling over 5 years assumes a 15% CAGR
 - To achieve that, we project the following:
 - Continued exploitation of existing properties
 - Acquisitions in existing core areas
 - Acquisitions in new core areas
 - Resource plays
 - EOR projects
- **We plan to achieve that growth while maintaining prudent leverage targets**
 - Debt / proved reserves of less than \$4.00/boe
 - Debt / adjusted EBITDA of less than 2.0x



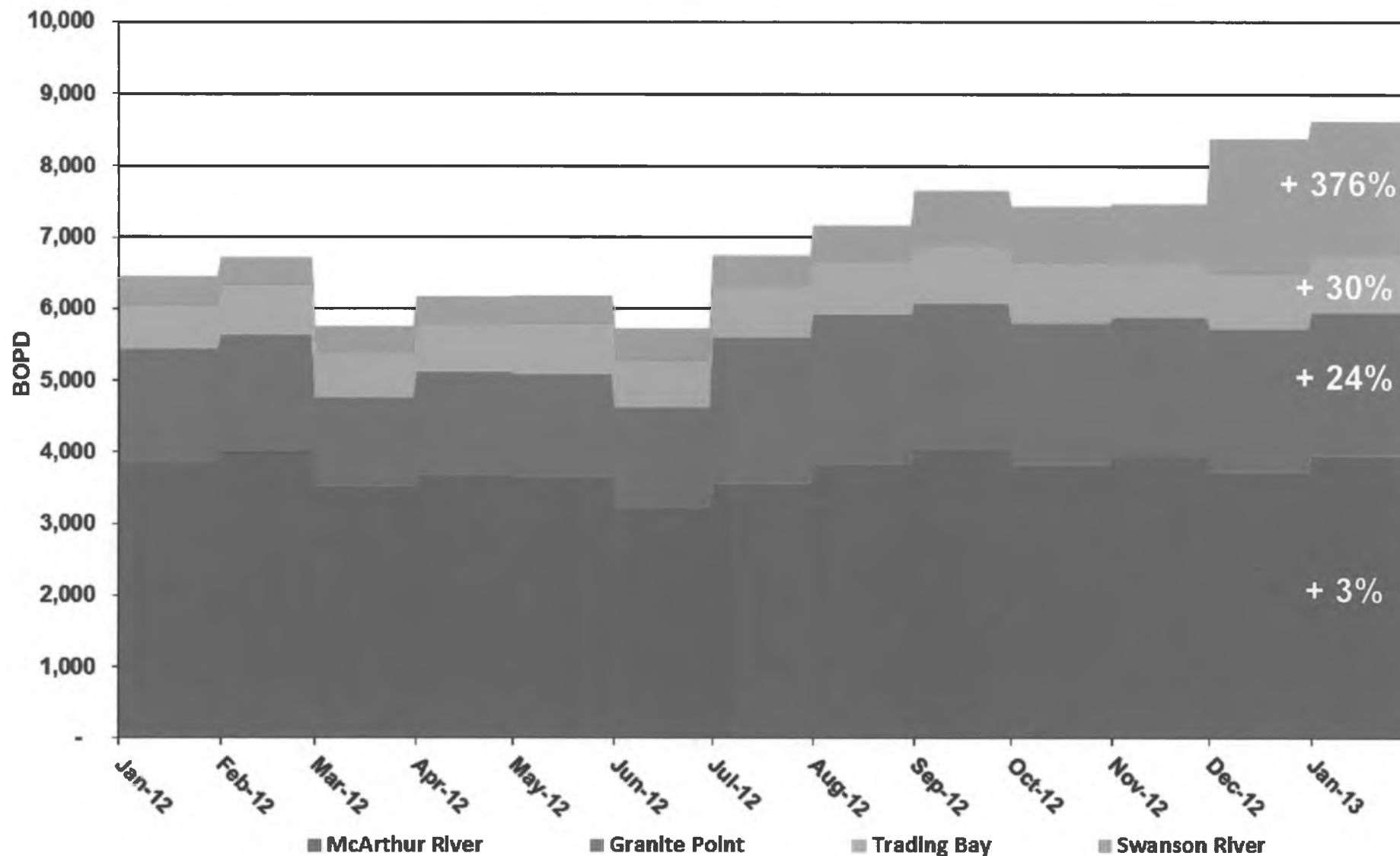
2012 AK Investment Spend - \$238MM



Results so far

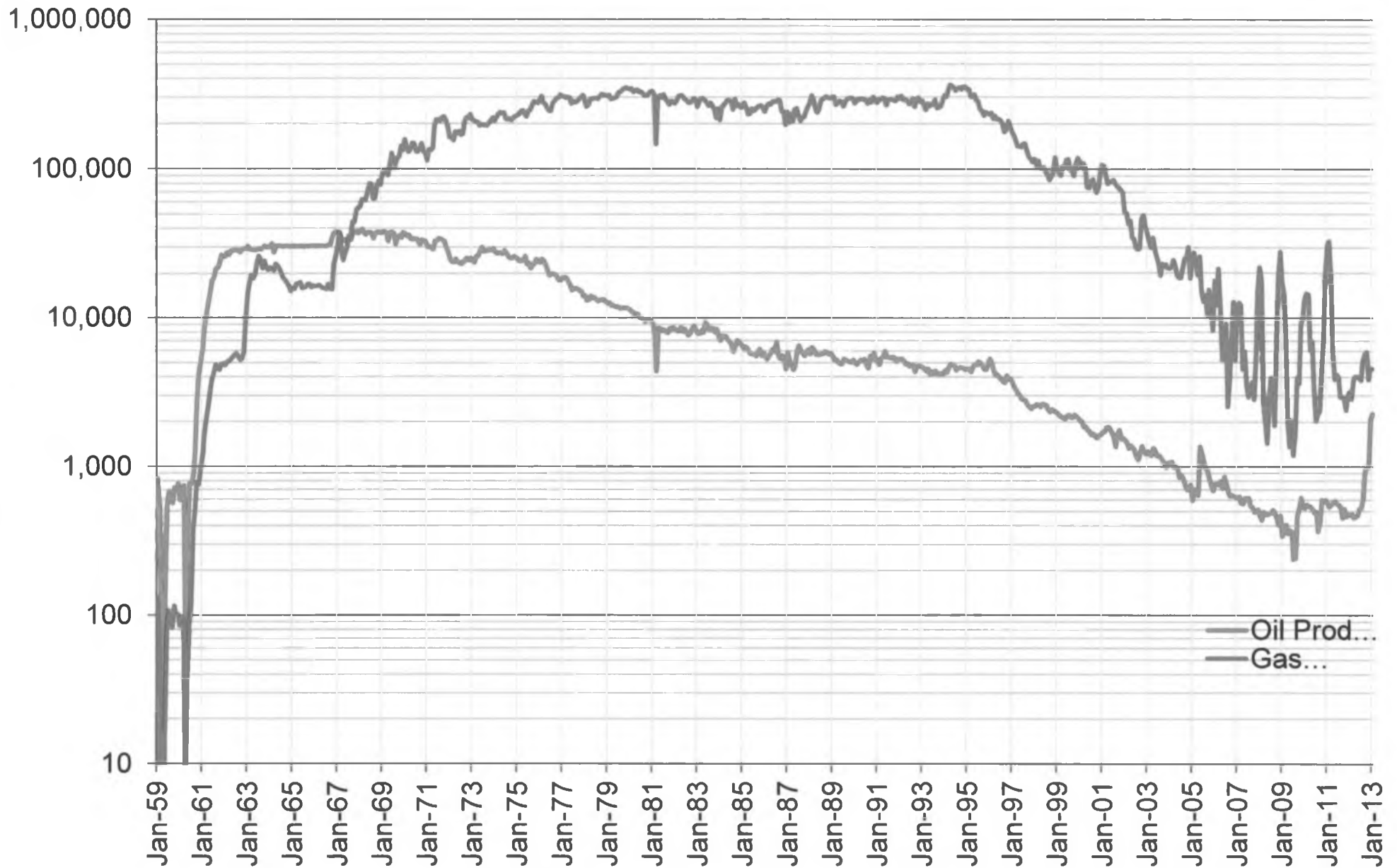


Hilcorp Alaska Net Oil Production





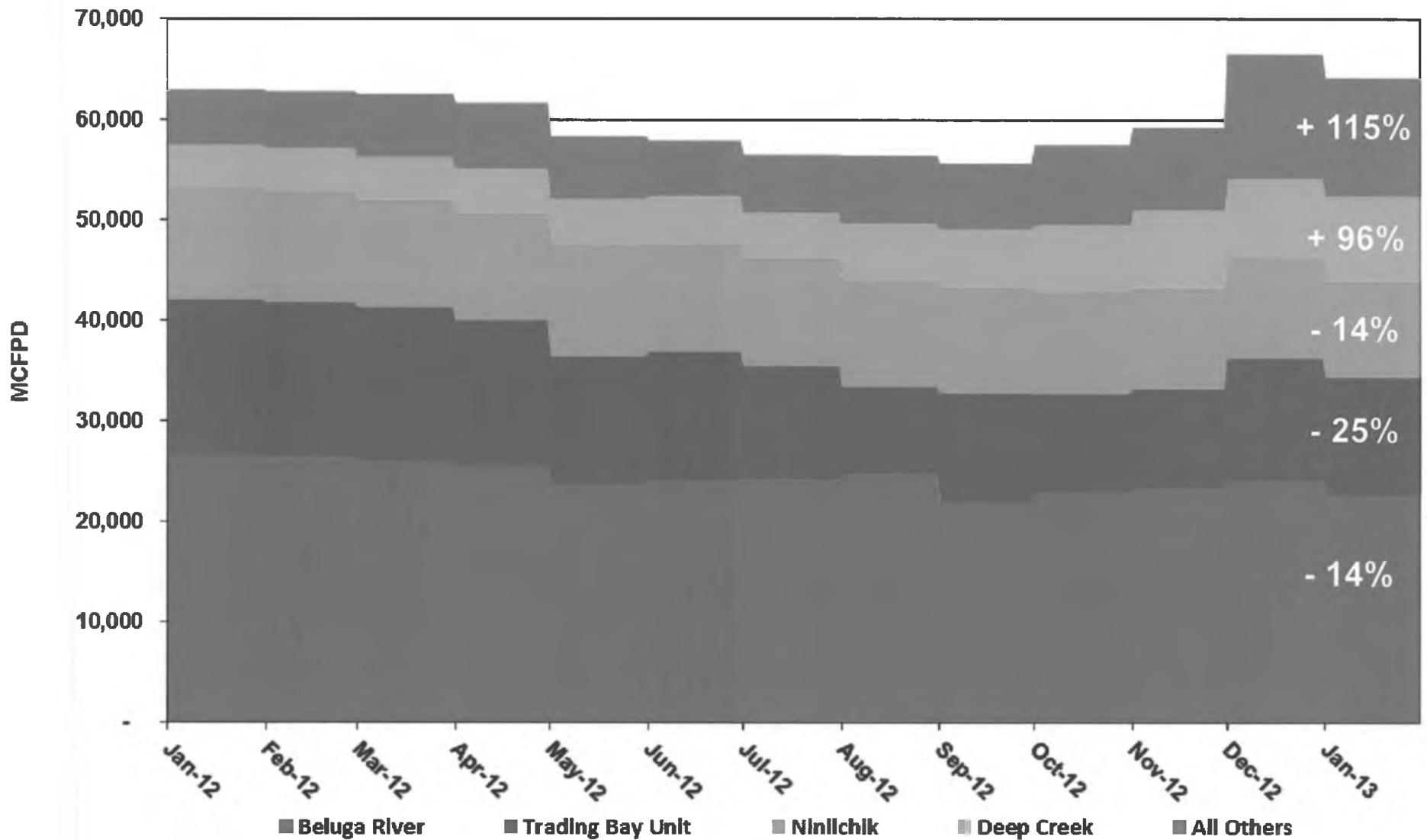
Spotlight: Swanson River Production



Results so far



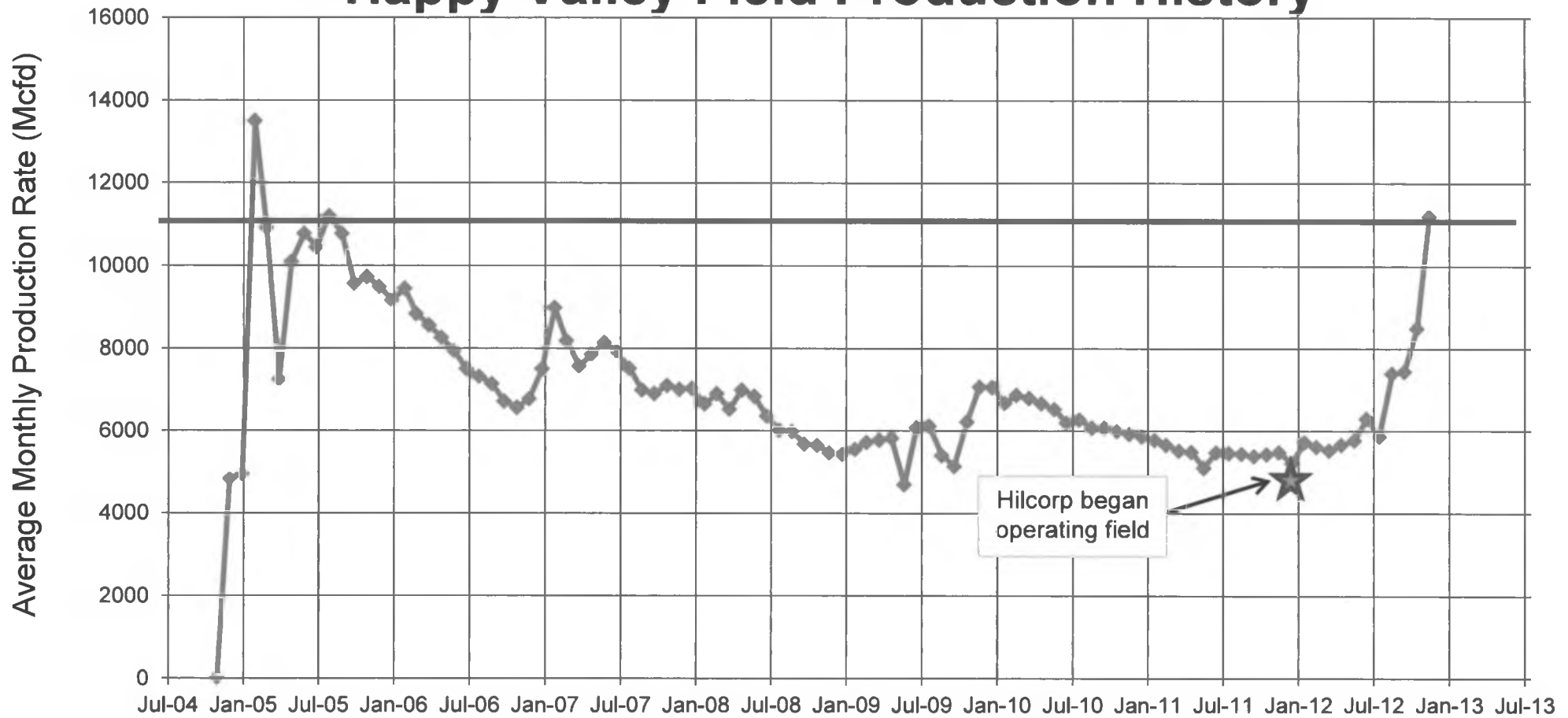
Hilcorp Alaska Net Gas Production



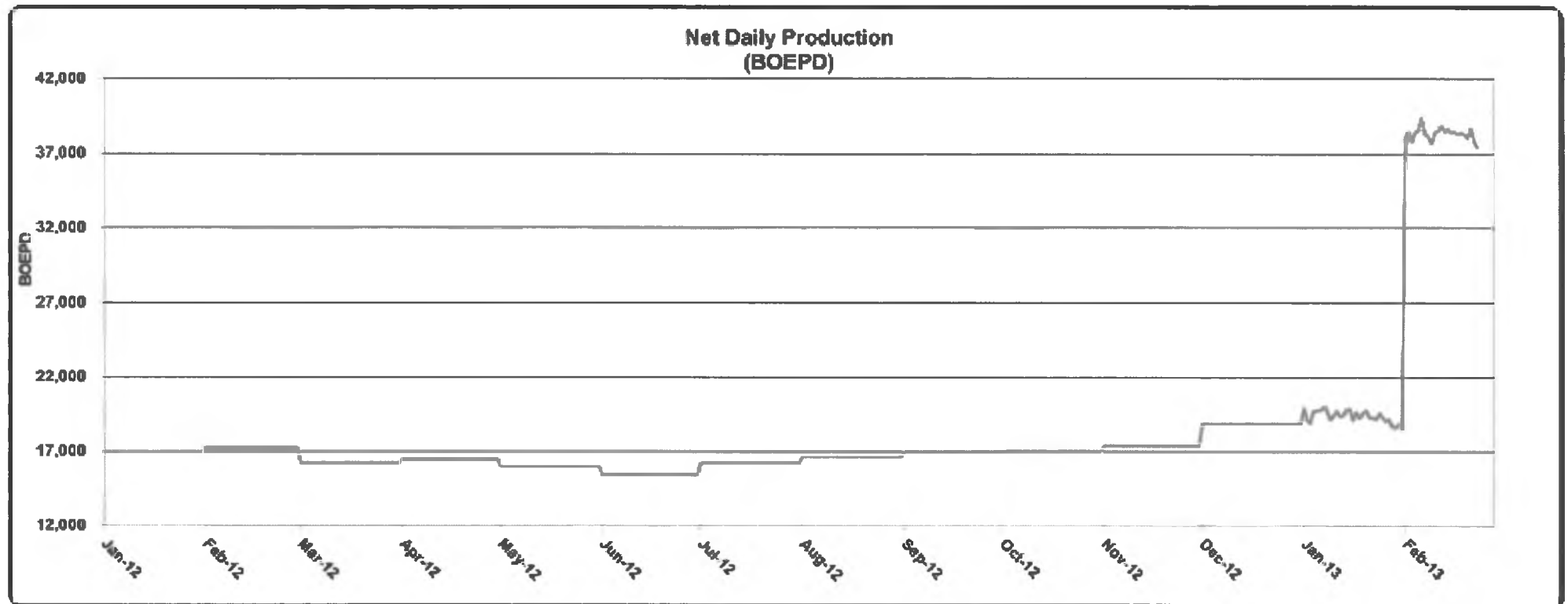
AK Year in Review: Happy Valley



Happy Valley Field Production History



2012 – 2013 Production



Questions?

