

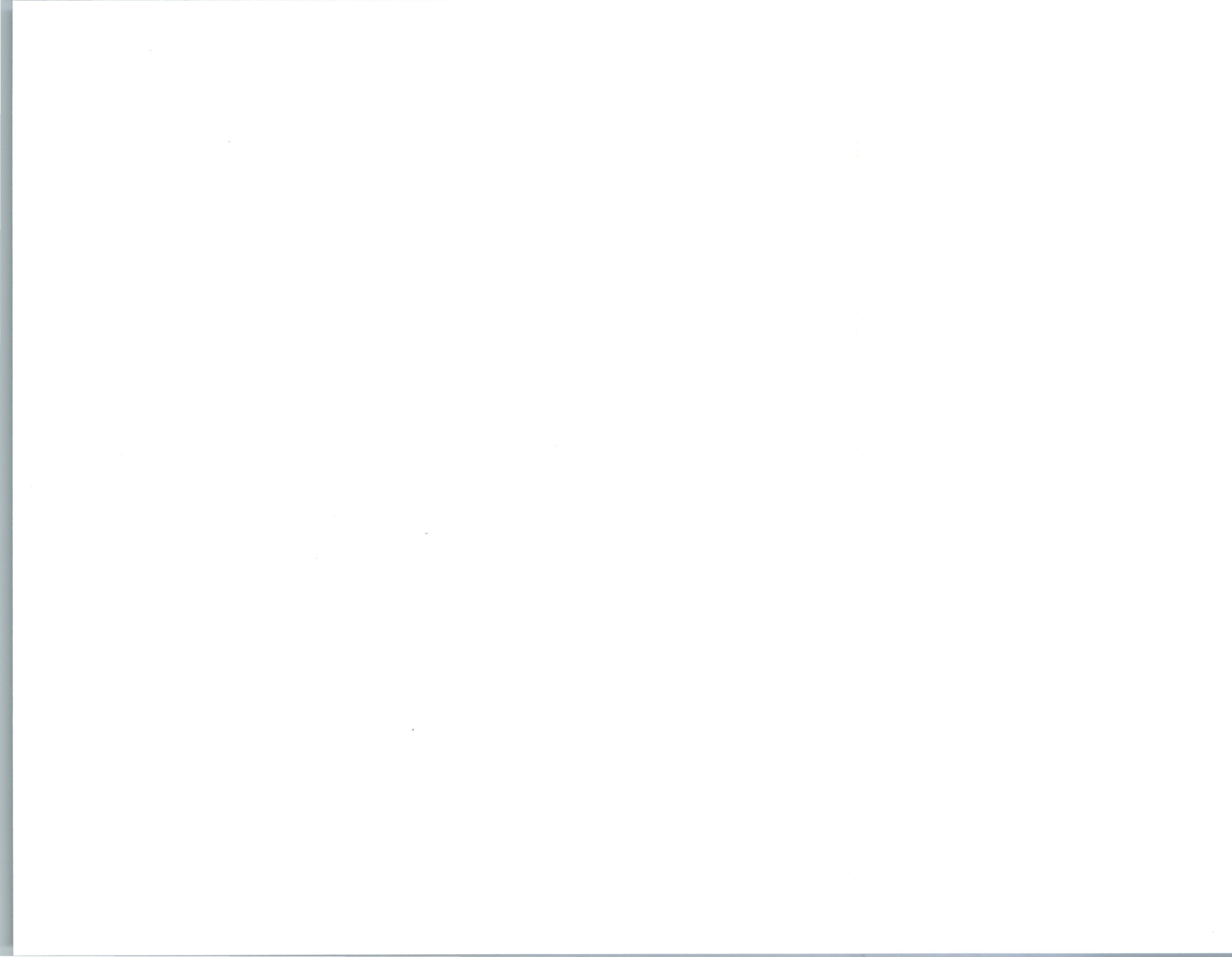
**02-24-15**

**LUNCH &**

**LEARN:**

**HILCORP**

<TARGET><BILL></BILL><SUBJECT>02-24-15 LUNCH and LEARN  
HILCORP</SUBJECT><COMM>HRES29</COMM></TARGET>



[Home](#) [Legislature\(2015 - 2016\)](#) [Meetings](#)

Legislature(2015 - 2016)  
**02/24/2015 12:00 PM RESOURCES**

CAPITOL 106

\* first hearing in first committee of referral  
+ teleconferenced  
= bill was previously heard/scheduled

[Schedule](#)

[Documents](#)

Document Name	Date/Time	Subjects
<a href="#">Hilcorp Lunch and Learn 1.24.15 final.pdf</a>	HRES 2/24/2015 12:00:00 PM	



Integrity • Urgency • Ownership • Alignment • Innovation

# Hilcorp







# Independent Producer

- Typically defined as exploration and production company with no downstream (refining, marketing or transportation) operations.
- Usually smaller than an integrated company, though many integrated companies have separated from their downstream operations.
- Sole business focus is on upstream (exploration and production) operations.





# Hilcorp Production Growth







# Our Success Story

Creating efficiencies that extend field life and increase asset values

Increasing capital investment to develop additional oil and gas reserves

Capturing adjacent opportunities for additional value creation potential







# January 2012: Entered Cook Inlet

## Increased Cash Investment

January 2012: \$11MM/month Spend

Today: ~\$20MM/month Spend

## Increased Contractor Activity

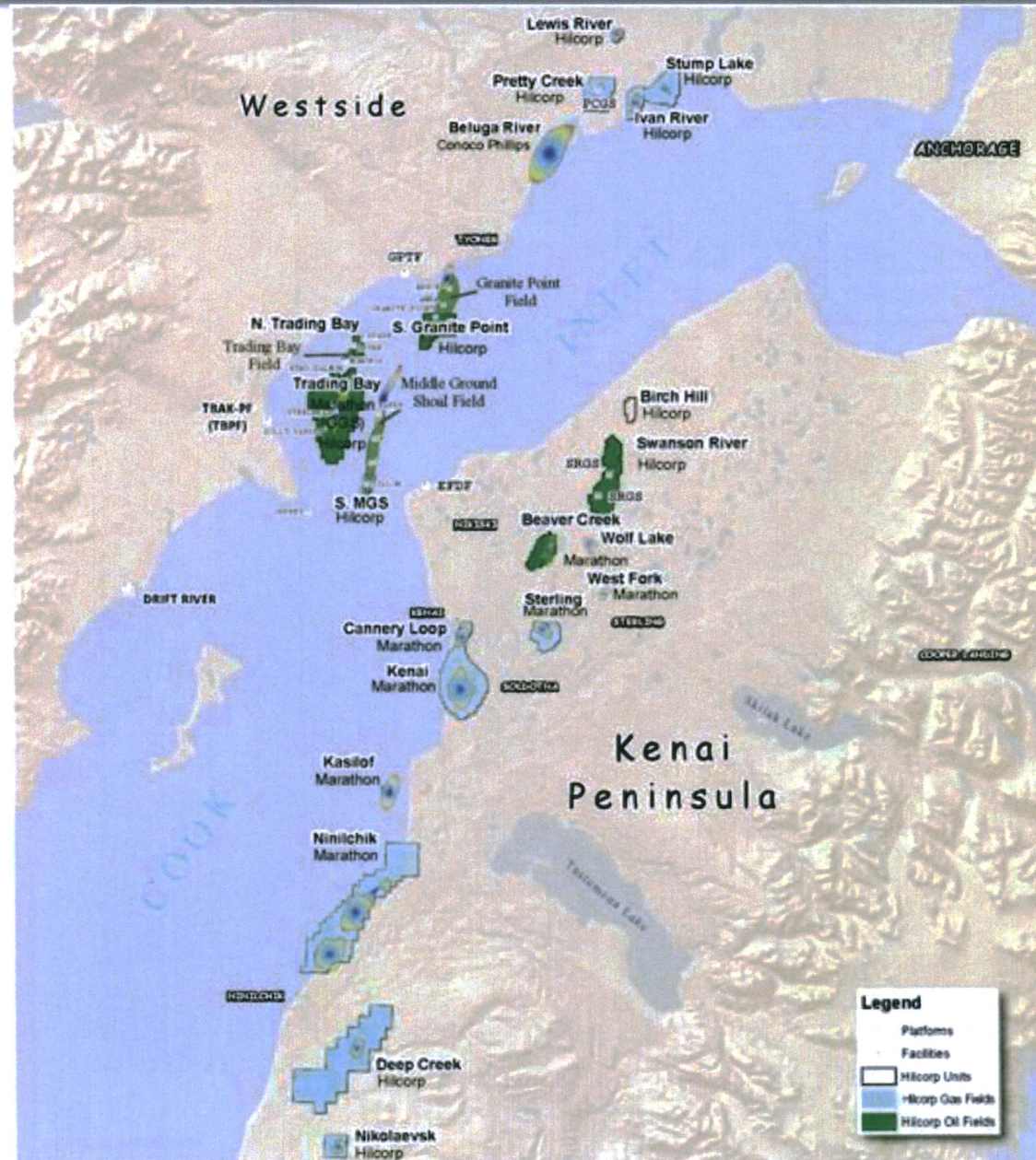
2012: 1.34MM Man Hours

2013: 1.67MM Man Hours

2014: ~ 2MM Man Hours

January 2012 – Paid 100 vendors

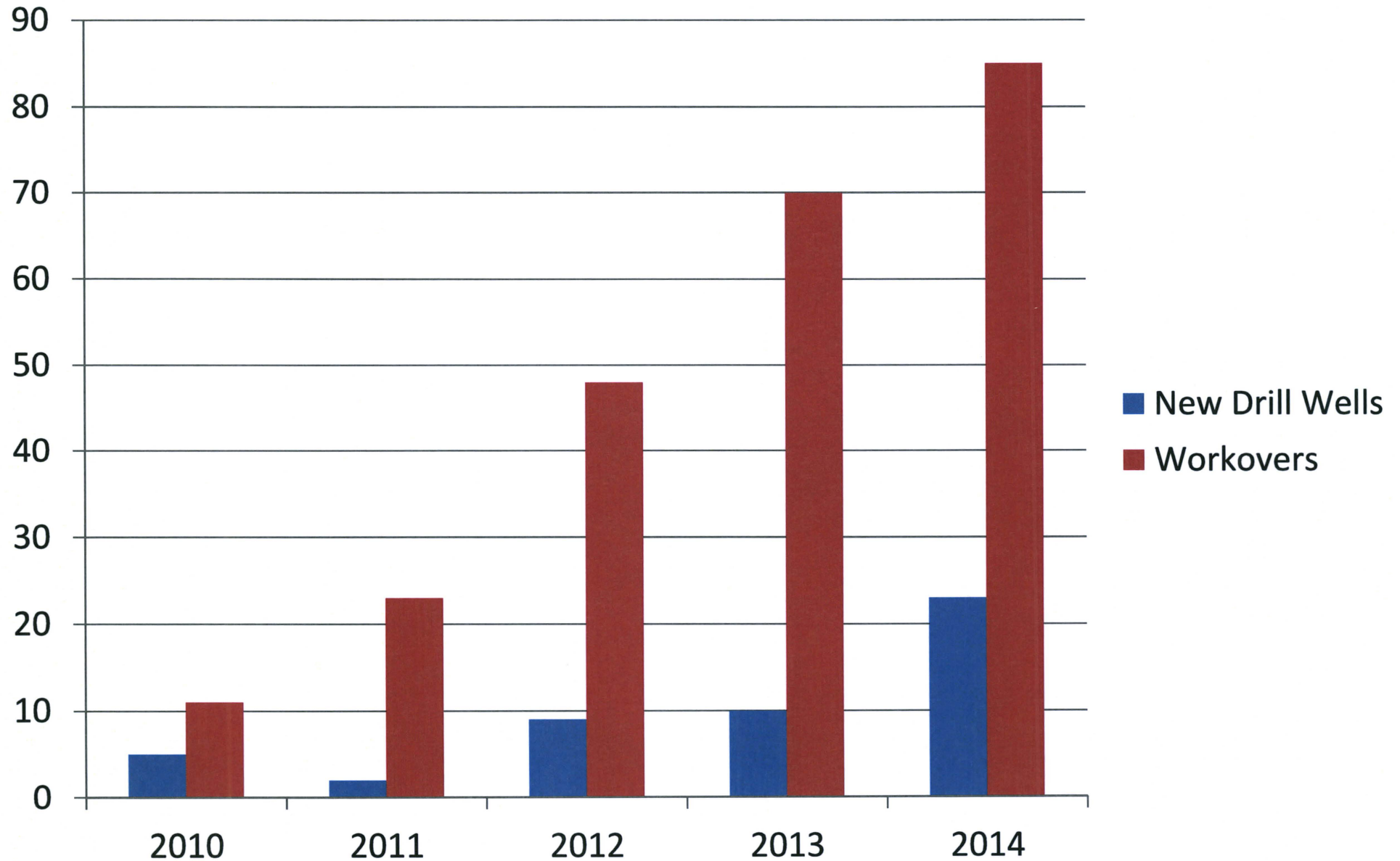
July 2014 – Paid 300 vendors







# Cook Inlet: Increased Field Activity







# Hilcorp on the North Slope

## MILNE POINT

50% of BP's interest  
Hilcorp operated

## NORTHSTAR

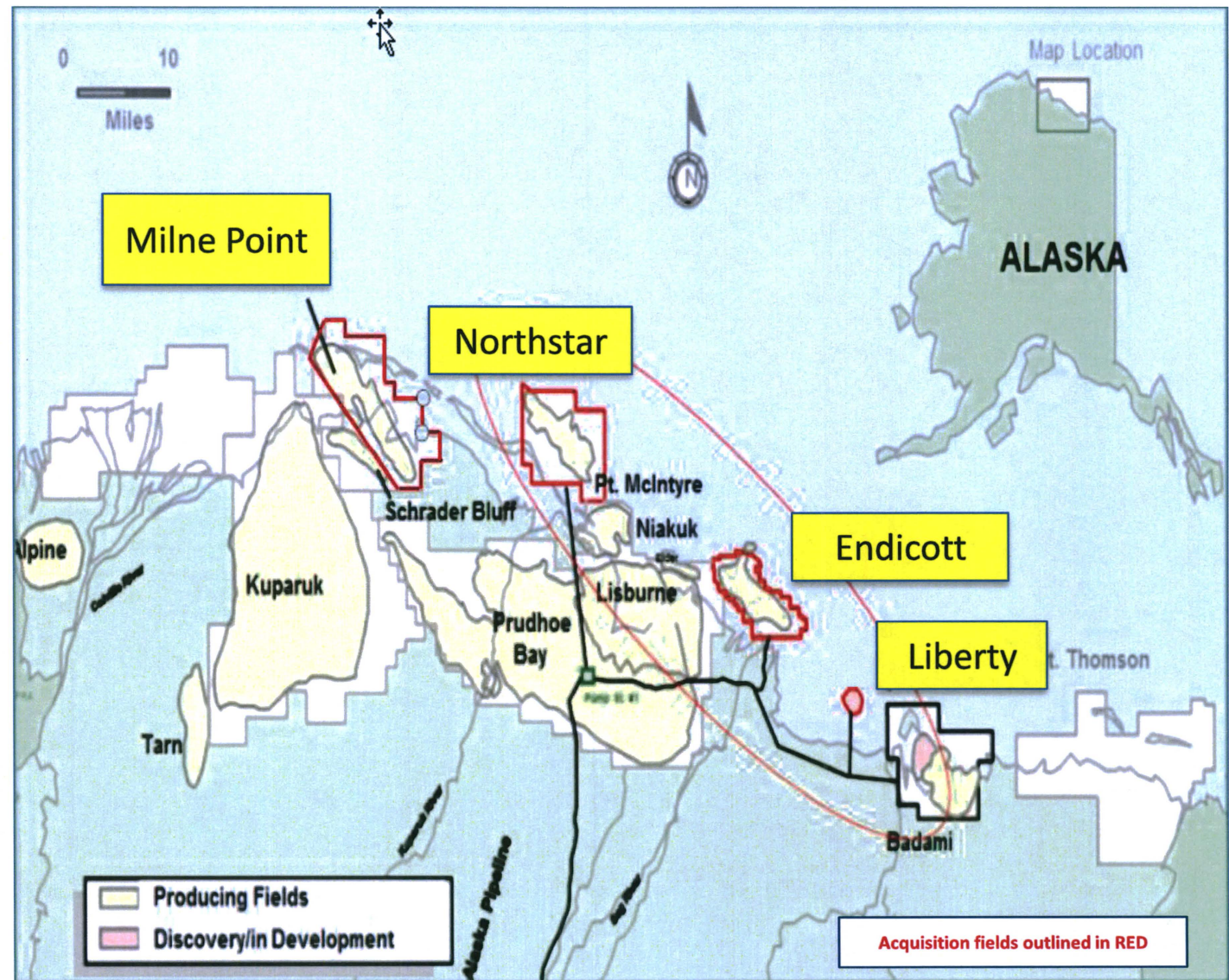
100% of BP's interest  
Hilcorp operated

## ENDICOTT

100% of BP's interest  
Hilcorp operated

## LIBERTY DEVELOPMENT

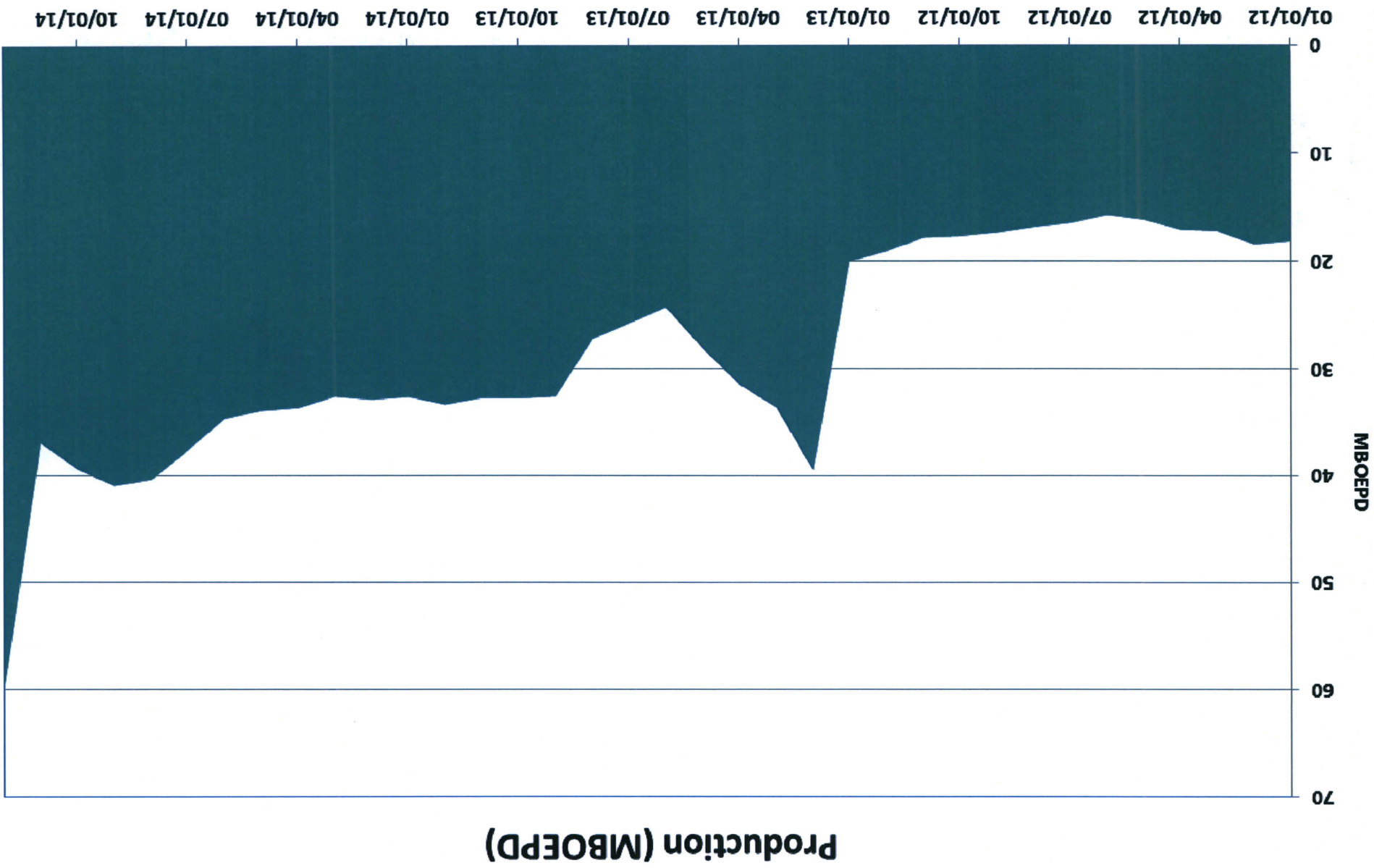
Operatorship and 50% of BP's interest.  
Advancement of Liberty development subject to regulatory approval



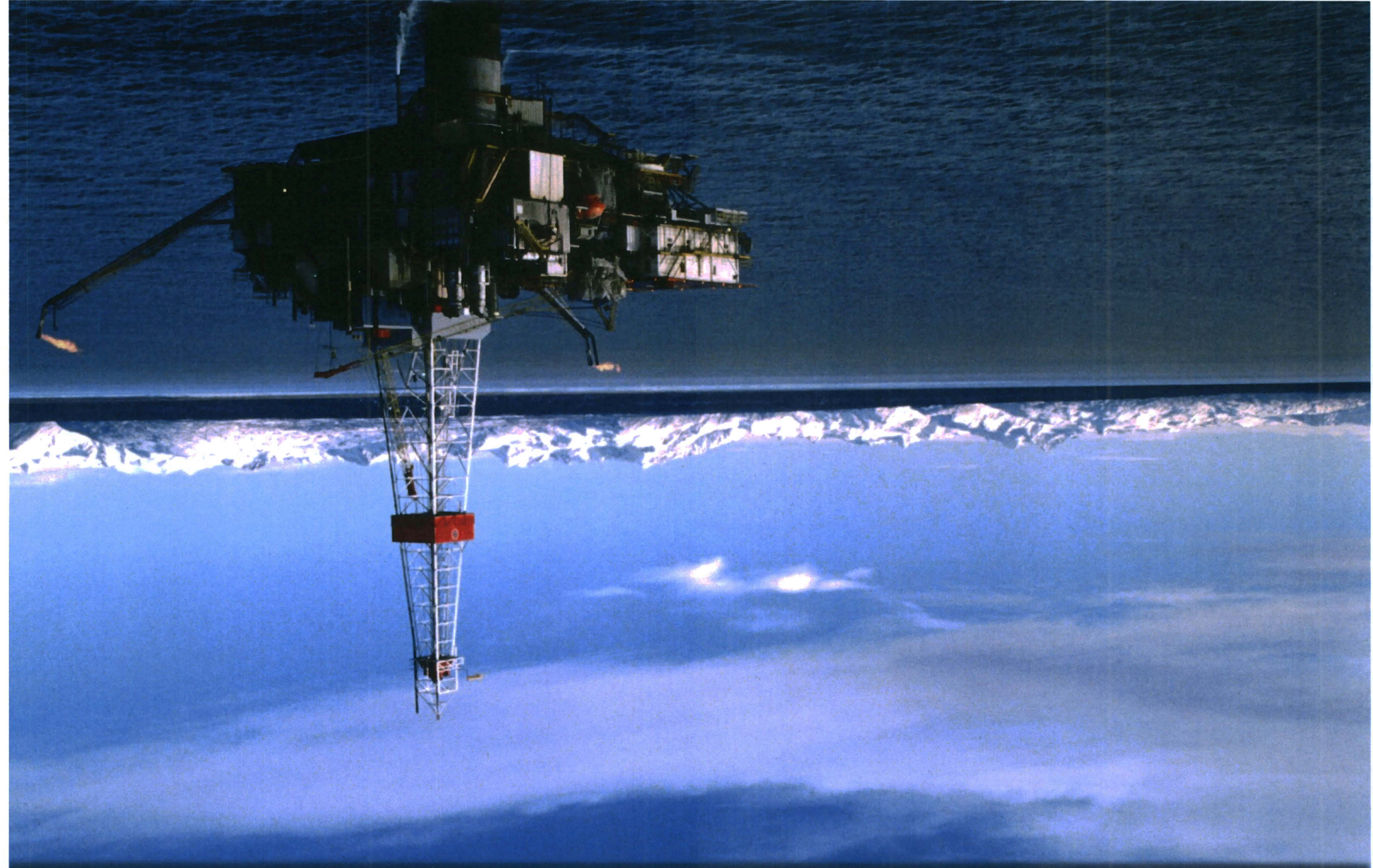




# Hilcorp Alaska Track Record







Trading Bay Field







# Trading Bay Production



## OUR GOALS

- Reworking existing wells to increase production
- Improve and maintain infrastructure
- Drill more wells
- Book more reserves

## THE BENEFITS

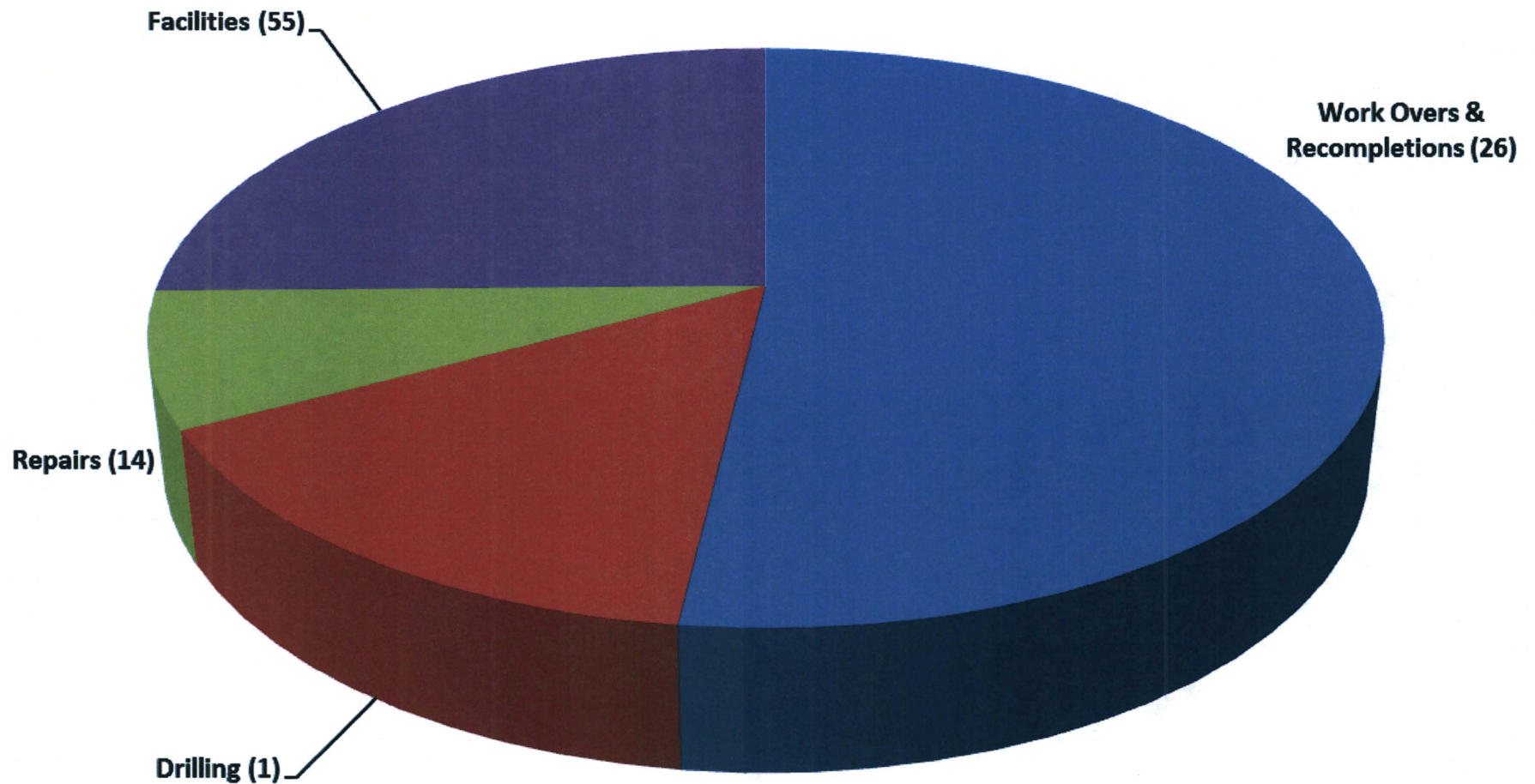
- Extend the life of existing fields
- Increased natural gas production for Alaskans
- Increased property values
- Increased royalty payments
- Small projects adding up to big results
- More oil in TAPS





# 2012 – 2014 Trading Bay Investments

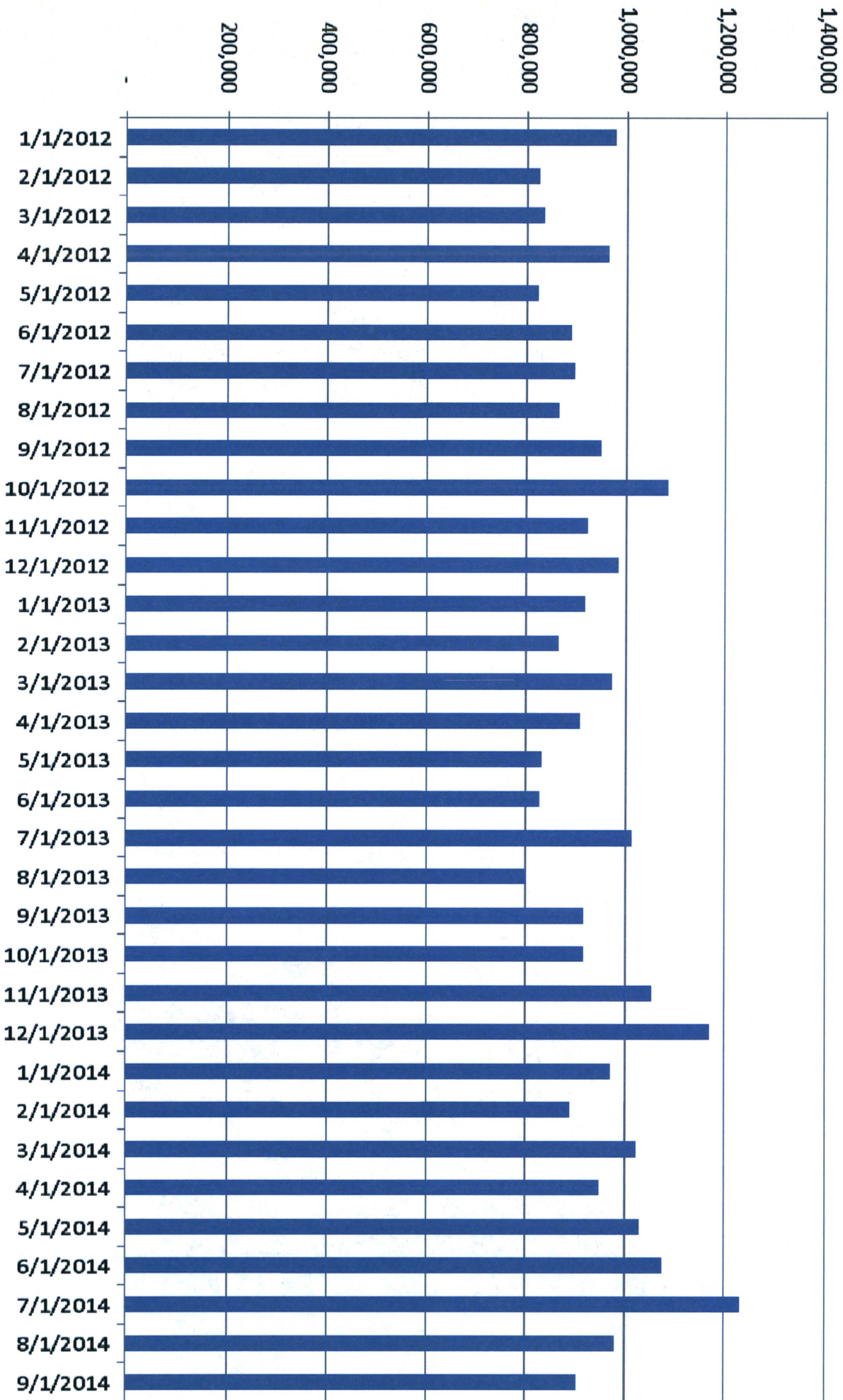
**Total Trading Bay Investments \$73 MM**







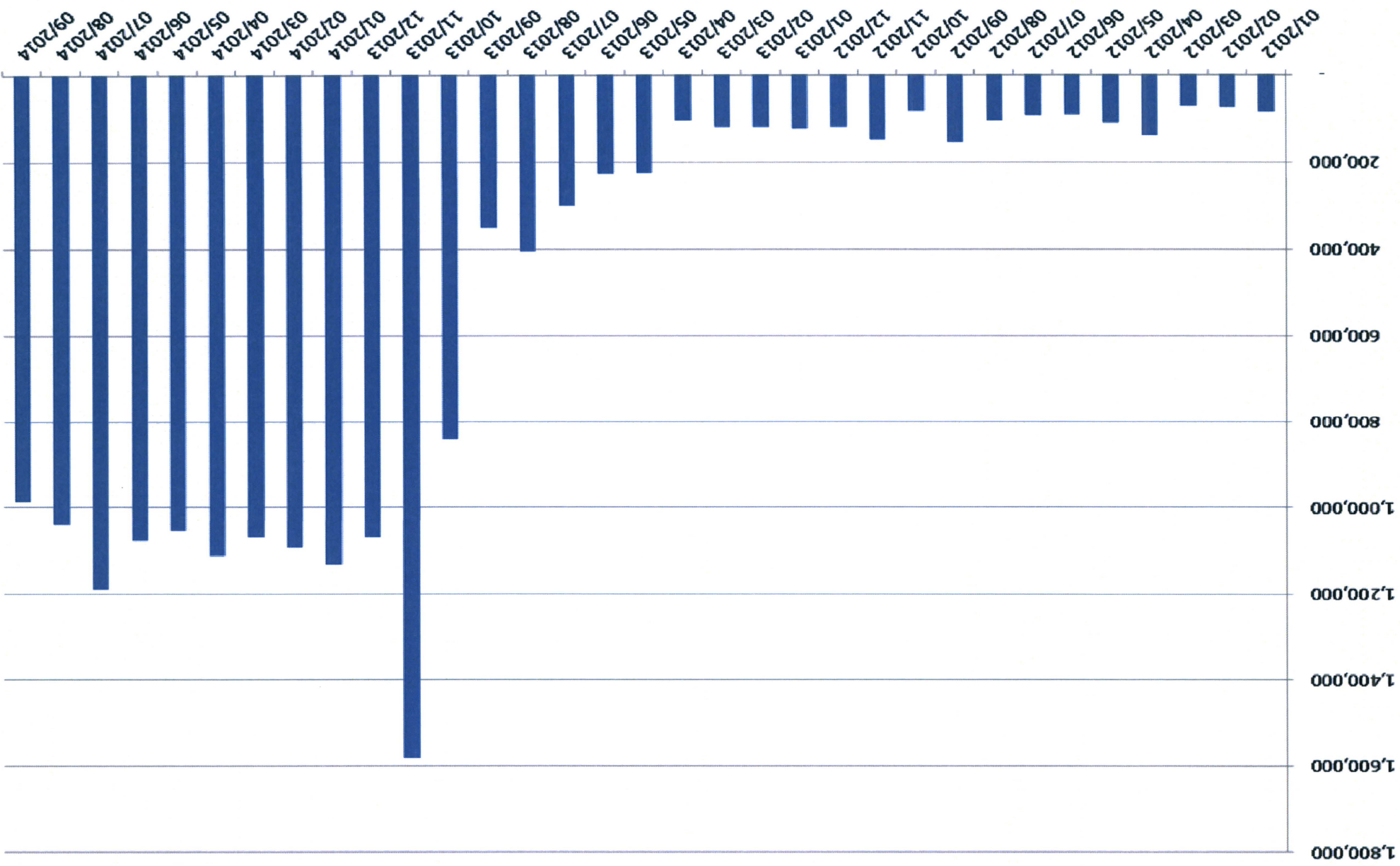
# 2012 - 2014 Trading Bay Operating Expense







# Trading Bay Royalties 2012 - 2014







# Hilcorp Alaska Workforce

## **Year End 2012**

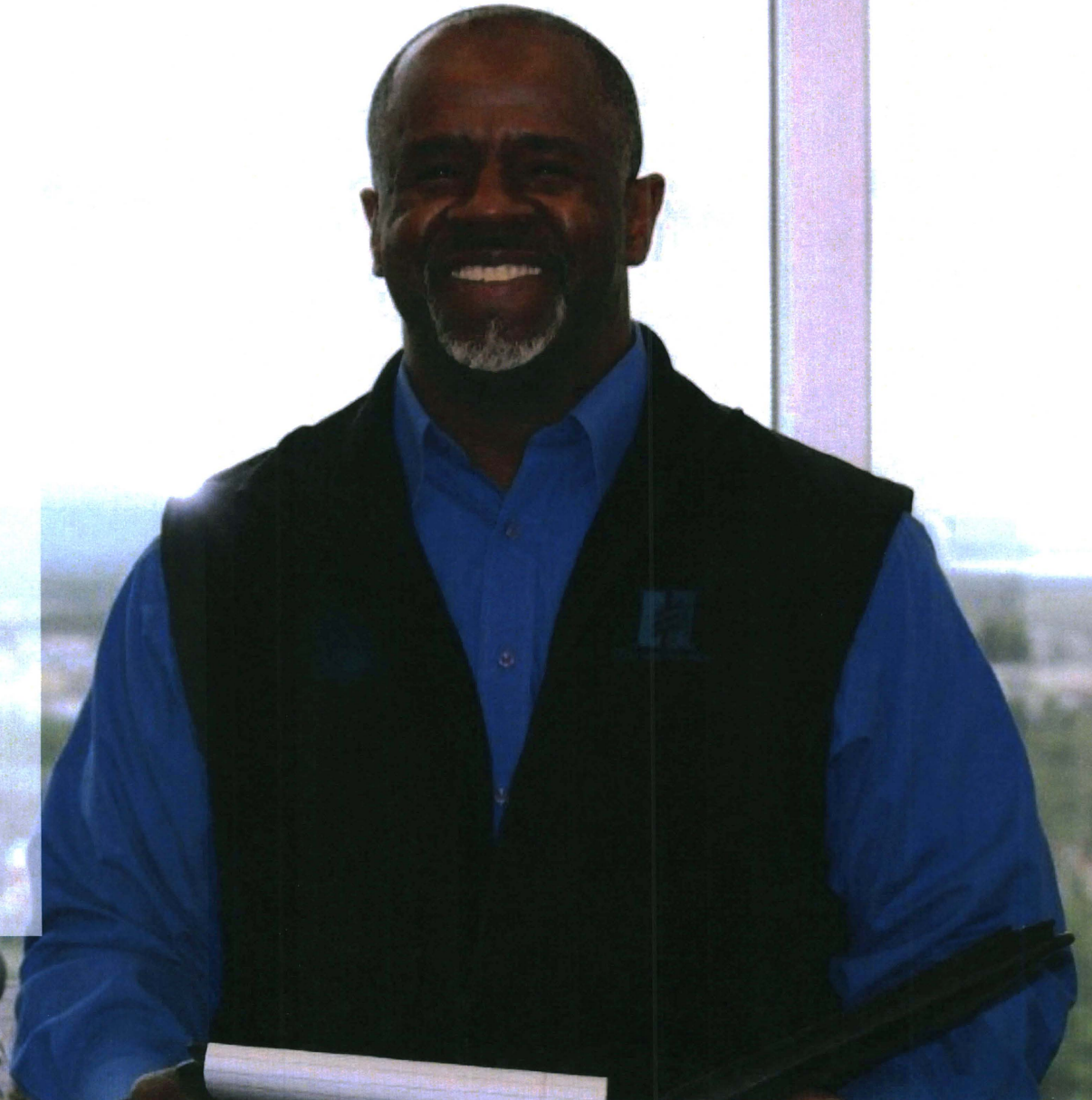
255 Employees  
96% Alaska Residents

## **Year End 2013**

316 Employees  
97% Alaska Residents

## **Year End 2014**

505 Employees  
88% Alaska Residents







*Thank You!*



