A Strong Future in Alaska

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North Slope State and Federal Units

Western North Slope (WNS)
- COP Operated
- 100% WI

Kuparuk River
- COP Operated
- 52-55% WI
- ~95% WI Post BP acquisition

Prudhoe Bay
- 36% WI
2013 Alaska Outlook: Facing Headwinds

- Uncompetitive tax structure
- Declining production profile
- High cost of supply
- Limited investment
- Focus on Lower 48 unconventionals
Current Outlook: Strong Future Spurred by Tax Changes & CoS Focus

Drivers of Transformation

- Senate Bill 21 improved fiscal framework
- Technological advancements and innovations target new and bypassed resources
- Comprehensive effort to capture value from legacy fields and infrastructure
- Renewed focus on exploration yields early success
- Company-wide focus on lowering cost of supply has made Alaska competitive within the portfolio

STRENGTHENED OUTLOOK supported by recent strategic transactions

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1 Assumes a stable and competitive fiscal framework, includes impact of 2018 acquisitions at working interests of: Western North Slope = 100% / Kuparuk = ~95%, and excludes Alaska North Slope gas sales.
Minimizing Footprint Through Technology

Alaska North Slope Reduced Footprint*

65 Acre Gravel Pad (1970)**
12 Acre Gravel Pad (2016)**
12 Acre Gravel Pad (Future ERD)**

Drilling Area Accessible from Pads

~3 sq. miles
~55 sq. miles
~154 sq. miles

*Assumes similar reservoir depth
**1970 drilling radius ~ 5,000 ft
2016 drilling radius ~ 22,000 ft
Future Extended Reach Drilling (ERD) ~ 37,000 ft

Source: The Role of the Oil and Gas Industry in Alaska’s Economy; The McDowell Group; May 2017.
Pipeline of Projects on the Western North Slope

**GMT1**
- ~25,000-30,000 BOPD*
- First oil planned late 2018
- ~700 construction jobs
- ~$1 billion gross

**GMT2**
- ~38,000 BOPD*
- First oil planned late 2021
- ~700 construction jobs
- ~$1.5 billion gross

**Fiord West**
- 20,000 BOPD*
- First oil planned Aug 2020

**Willow Discovery**
- Nominally 100,000 BOPD*
- First oil 2024-2025
- Multi-billion dollar investment
- Potential for hundreds of direct jobs, thousands of construction jobs

*Estimated peak gross production. Updated for increased GMT2 estimate.
The NPR-A Discoveries Open New Westward Frontier

- Industry chases deeper Jurassic targets
- ConocoPhillips evaluates NPR-A Brookian potential

- Willow discovery with identified upside
- Acquired new 3D CSI seismic

- ConocoPhillips increases working interest in Western North Slope to 100%

- Executed largest E&A program since 2002
- Appraised Willow; explored for upside

- 0.5 – 1.1 BBOE gross discovered resource
- 75% of the play remains to be explored
2018 Exploration Program Confirms Stand-Alone Hub at Willow

Preliminary Discovered Resource Range Increased

400 – 750 MMBOE\(^1\)

- 2018 Willow appraisal activities and analysis:
  - Confirmed oil-filled reservoir with 3 new appraisal wells and 3 flow tests
  - API viscosity range: 41° to 44°
  - Facility-limited vertical test rate ~1,000 BOPD
- Appraisal results combined with CSI data indicate more potential on-trend resource to north and south
- Additional oil discovery at West Willow creates possibility for tie-back to Willow hub
- 2019 Greater Willow Area appraisal season needed to optimize development plan

\(^1\)Gross discovered resource in Alaska since 2016.
Significant Future Exploration & Appraisal Planned

2019 Program Focused on Existing Discoveries
Resolve Remaining Uncertainties to Sanction

Greater Willow Appraisal
• Evaluate horizontal well performance
• Determine lateral reservoir connectivity
• Appraise West Willow

Narwhal Appraisal
• Verify recoverable volumes
• Evaluate well performance

500 MMBOE – 1.1 BBOE\(^1\)
discovered resource

2020+ Program Focused on Remaining Potential
Test Full Prospect Inventory

75% PORTFOLIO UNDRILLED
exploration upside

\(^1\)Gross discovered resource in Alaska since 2016.
North Slope Renaissance

**CORE FIELDS**
Alpine, Kuparuk & Prudhoe Bay

Oil Search, Repsol & Armstrong: Pikka exploration & Nanushuk development

Census: Nuna

COPA Development Plans: GMT1-2, CD2/Fiord West

ENI: exploration

Hilcorp: Liberty development

NEW 2016-2017 COPA Leases

NEW 2017-2018 COPA Leases

NEW 2016-2017 COPA Exploration: Willow Appraisal

2018 COPA Exploration: Putu/Stony

2018 COPA Exploration: Seismic Acquisition

Brooks Range Petro Co.: Mustang development and pad expansion

Hundreds of Thousands of New BOPD and more than ~$13 Billion in Capital
• This ballot initiative is really about stopping resource development

• It will add cost, more regulation, litigation, and jeopardize existing projects, with the potential to kill future projects

• Won’t just affect our industry, but also development of roads, mines, ports, and other infrastructure

• Alaska already has world-class, science-based policies, acts, regulations and permit requirements that work together to protect fish habitat

• Contributions to the initiative are coming from Outside environmental interests:
  • John Childs/New Venture Fund, Wash. DC
  • Wild Salmon Center, Portland OR
  • Wealthy donors from NY, CA & FL
  • Trout Unlimited

• Recent Supreme Court decision does not change the damaging effects of the initiative

• Link to State of Alaska FAQ:
  https://aws.state.ak.us/OnlinePublicNotices/Notices/Attachment.aspx?id=114005
Question & Answer