



THE FAIR SHARE ACT ALASKA'S FUTURE

VOTE YES ON 1 FOR ALASKA'S FAIR SHARE

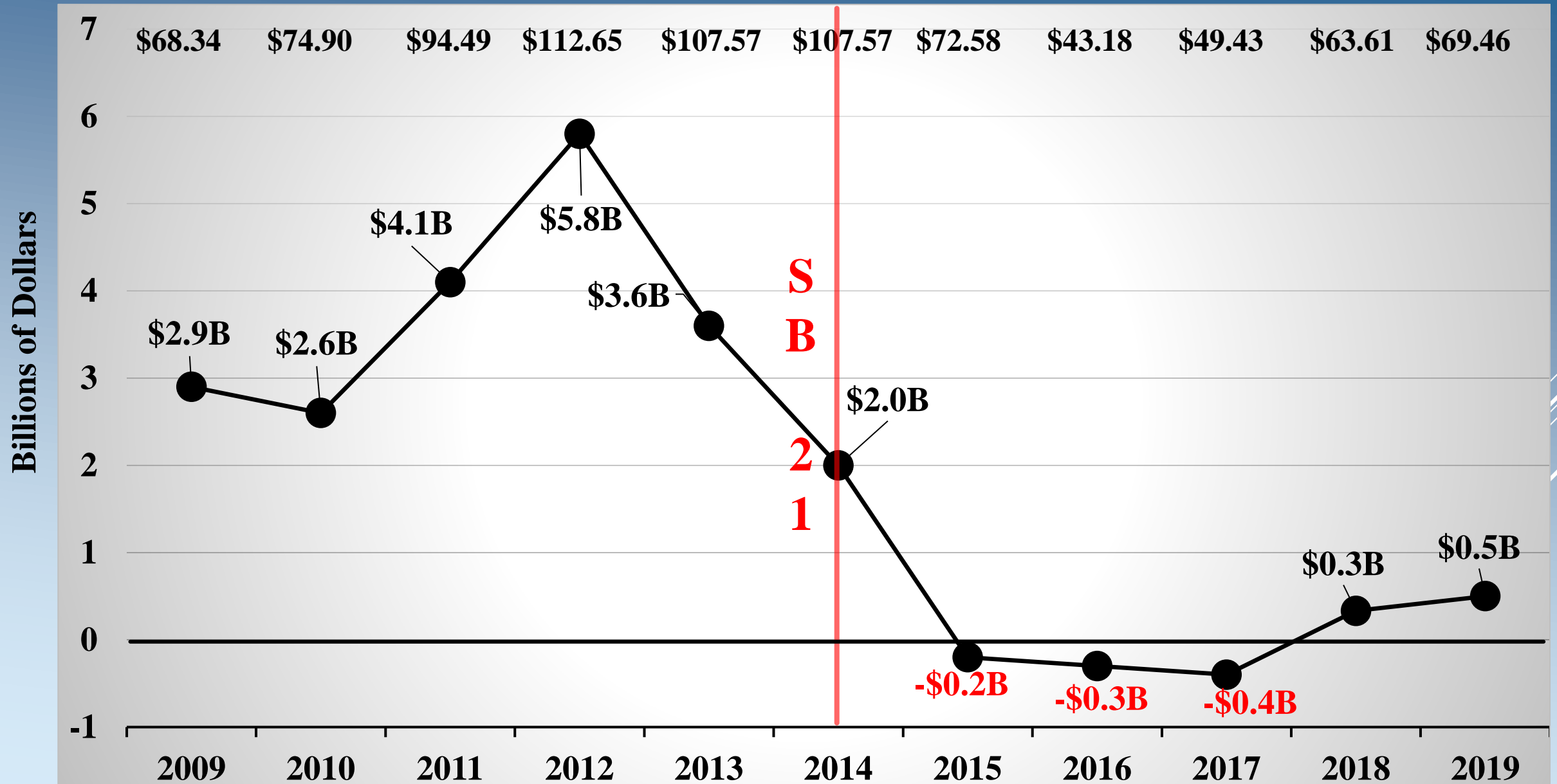
Paid for by Vote Yes For Alaska's Fair Share, 921 W. 6th Ave Ste 100 Anchorage, AK 99501, Robin Brena Chair, Robin Brena (Anchorage), David Carter (Anchorage), RSD Properties LLC (Anchorage)

Royalties

- **Not a Tax, Rent for Lease**
- **Typical Royalties**
 - **25%** **Texas/Arkansas/Private**
 - **20-25%** **Louisiana/Colorado/New Mexico**
 - **16.7-20%** **North Dakota/Wyoming/Utah/Fed Offshore**

 - **12.5%** **Alaska**

Production Revenues After Credits 2009-2019



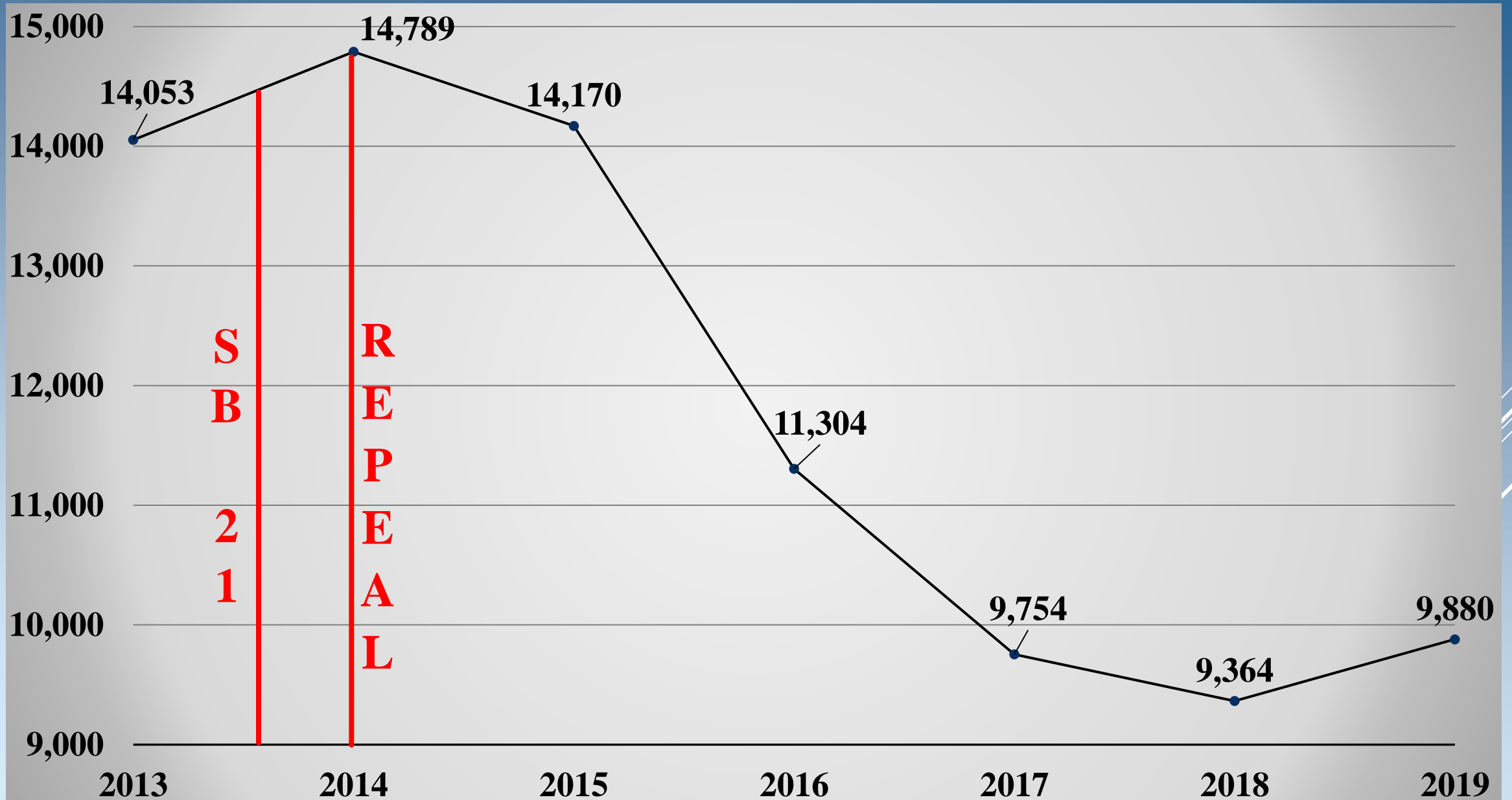
Comparative Production Revenue



Prudhoe Bay Unit Net Production Value (2018)

	Price (per bbl)	Barrels (Thousands)	Value (Millions)
Gross Revenue	\$63.61	106,033	\$6,744.7
Less: Transportation PBU to West Coast	(\$9.12)	106,033	(\$967.0)
Less: PBU Royalty Barrels (12.5%)	\$54.49	13,254	(\$722.2)
Less: PBU Operating Costs	\$12.61	92,778	(\$1,170.0)
Less: PBU Capital Costs	\$2.18	92,778	(\$202.0)
Net Production Value	\$39.70	92,778	\$3,683.5
Total Production Taxes Paid			\$229.7

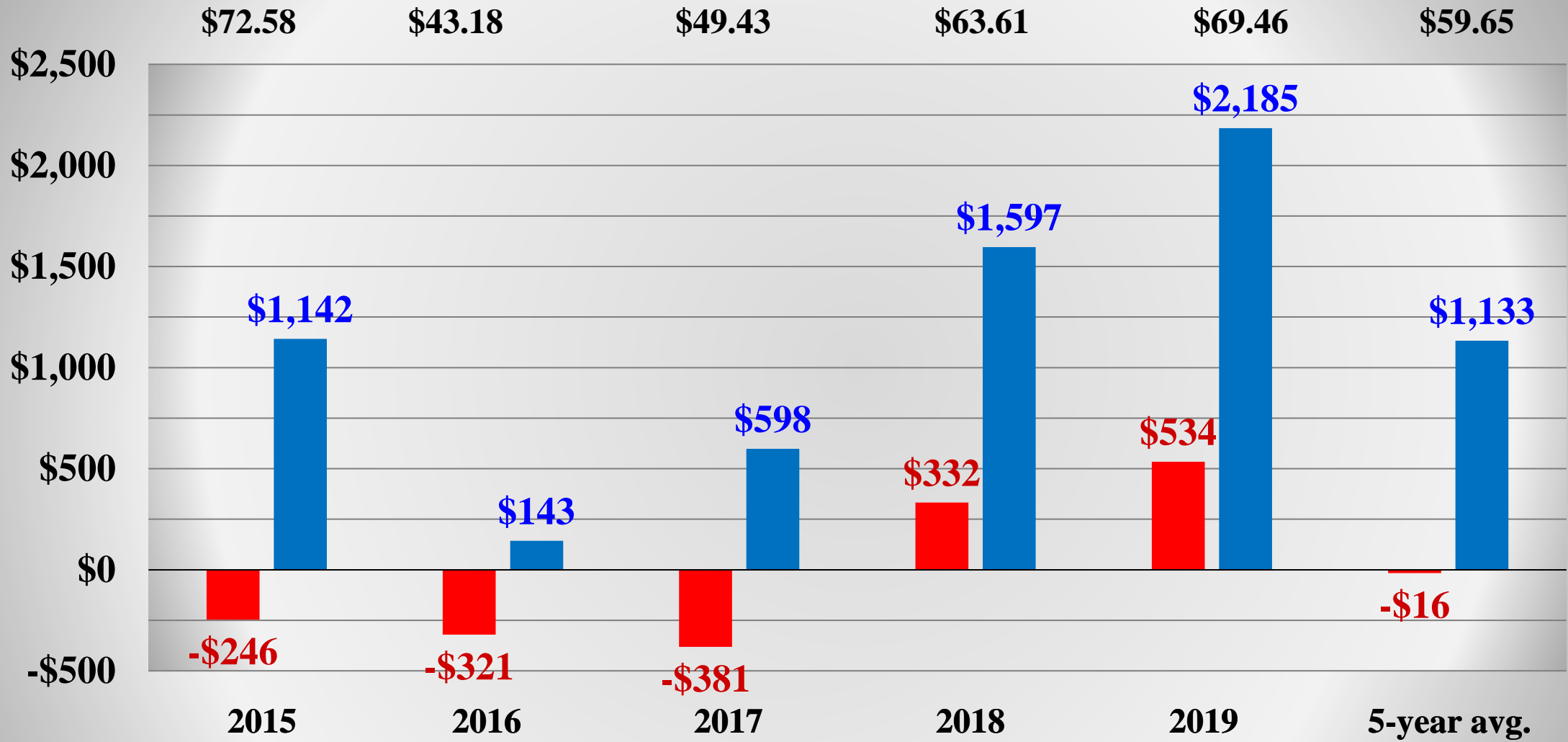
Alaska Oil and Gas Jobs 2013-2019



Ballot Measure 1 (The Fair Share Act)

Major Feature	Change	Policy
Applicability	Only Applies to the Prudhoe Bay Unit, the Kuparuk River Unit, and the Coleville River Unit	Only Applies to Largest and Most Profitable Fields and Not to New and Developing Fields
Minimum Rate	Increases Minimum Rate From 4% to 10%	Raises Minimum Rate to a Reasonable Level
Tax Credits	Eliminates the \$8 bbl Credits for Production From Our Major Fields	No Economic Justification for Existing Credits, Production Required, Produced for Decades Without Credits
Cost Deductions	Requires Deductions to be Related to the Major Fields	Unrelated Costs Should Not Be Deducted From Our Share of the Major Fields
Progressivity	Increases Rates as the Price of Oil and Producer Profits Increase	Alaskans' Share Should Increase as the Price of Oil or Producer Profits Increase
Transparency	Requires Tax Filings to Be Public	Alaskans Should Know the Revenues, Costs, and Profits for Our Major Fields

Production Revenues SB21 vs. Fair Share Act

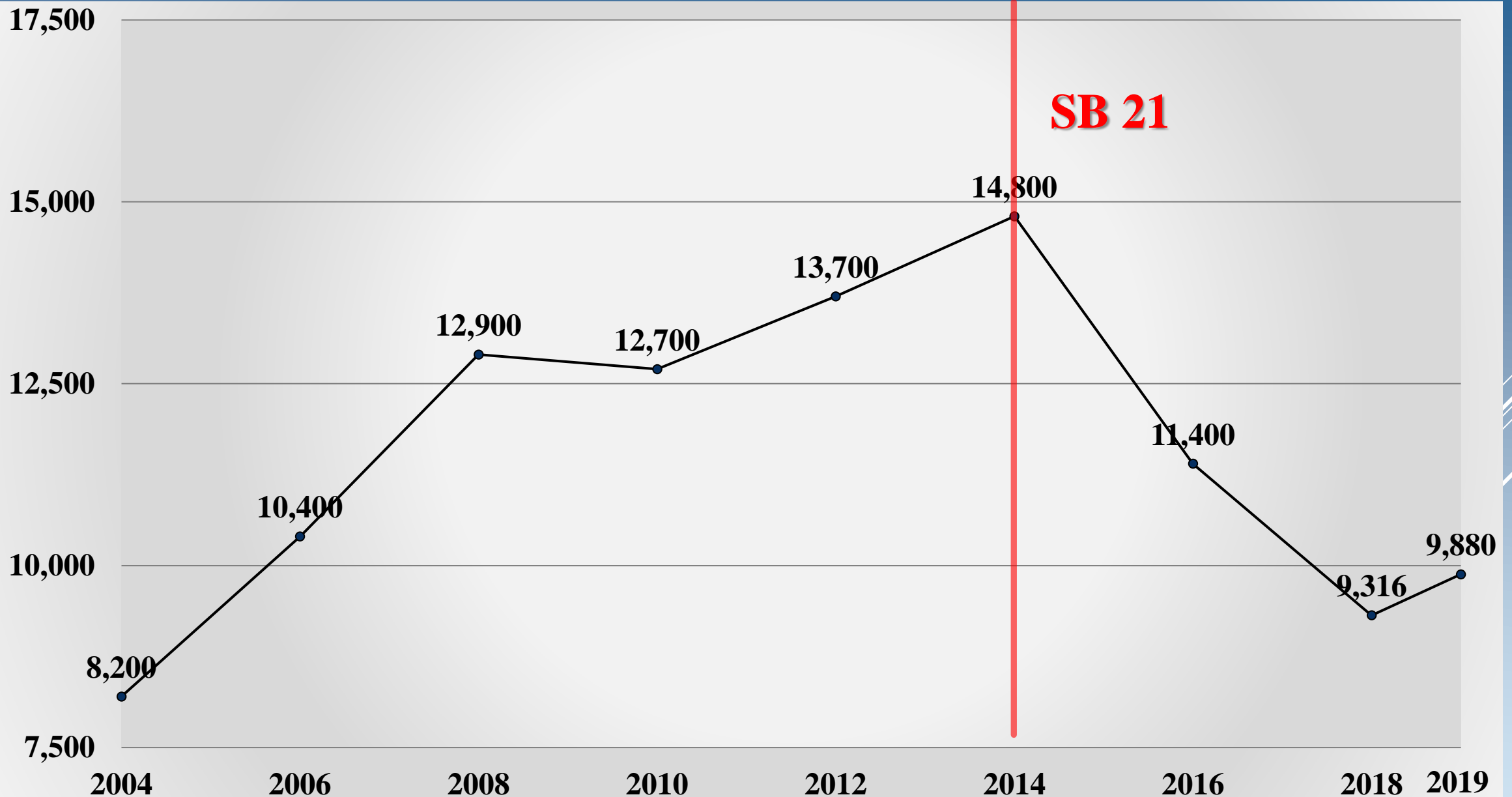


■ SB21 Revenue (less earned credits)

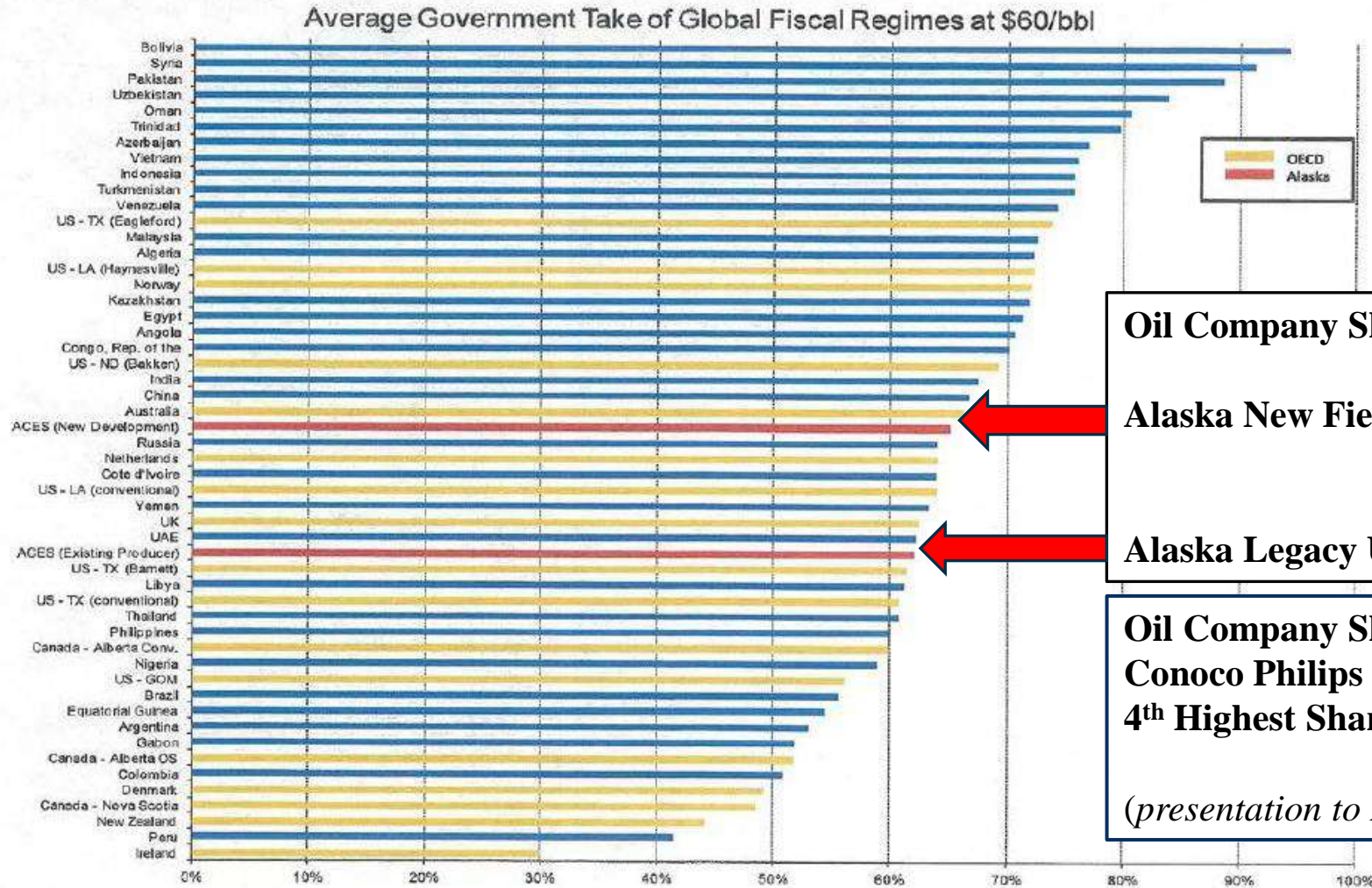
■ Fair Share Revenue (less earned credits)

ALASKA OIL JOBS BY YEAR

ESTIMATED LABOR WORKFORCE



Regime Competitiveness: Average Government Take at \$60/bbl



Oil Company Share under ACES @ \$60/bbl
Alaska New Fields = 35%
Alaska Legacy Units = 33%

Oil Company Share under SB 21 @ \$60/bbl
Conoco Philips = 48%
4th Highest Share in the world
(presentation to House Resources 1/20/18)

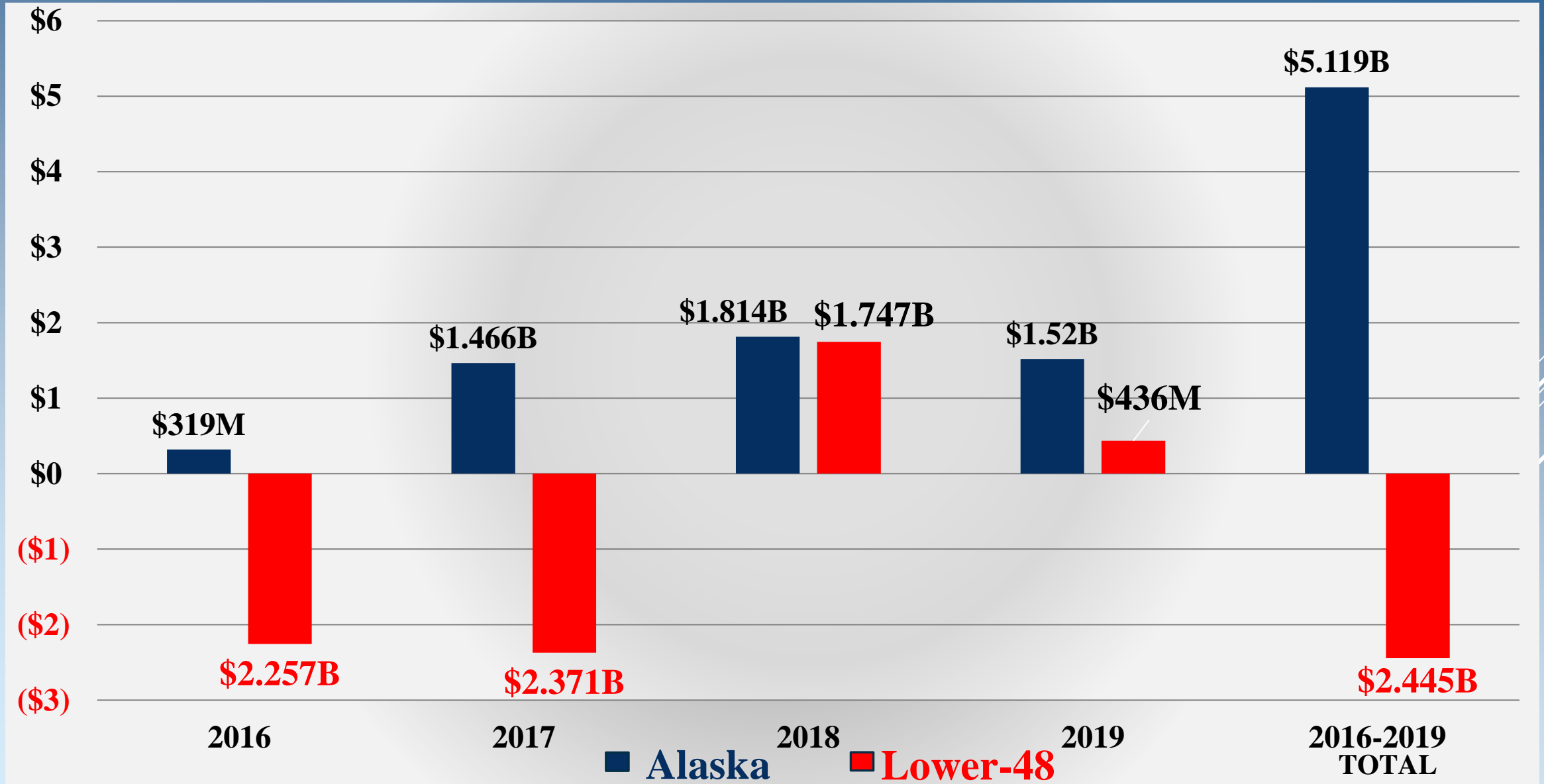
FY 2018 State/Fed/Producer Share vs ANS WC - Fall 2017 RSB Assumptions



Estimate generated using Fall 2017 Revenue Source Book assumptions and a 21% federal tax rate for entire fiscal year. State share shown excludes tax credits other than per barrel tax credits. State revenue includes income tax, property tax royalty and production tax.

Alaska Oil *More Profitable* than Lower-48

Billions of Dollars



Alaska Receives Less Than Other Major Oil Producing States

Combined Royalty and Production Taxes at Current Prices

