



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Revenue
COMMISSIONER'S OFFICE

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January 29, 2020

The Honorable Cathy Giessel
Alaska Senate President
State Capitol Room 111
Juneau, AK 99801

The Honorable Bryce Edgmon
Alaska Speaker of the House of Representatives
State Capitol Room 208
Juneau, AK 99801

Dear Senate President Giessel & House Speaker Edgmon:

In 2016, the legislature passed, and the governor signed HB247, an act related to oil and gas tax credits. Section 9 of this bill added a new annual report requirement from the Department of Revenue regarding tax credit certificates purchased in the previous calendar year:

Sec. 9. AS 43.05.230 is amended by adding a new subsection to read:

(l) For tax credit certificates purchased by the department in the preceding calendar year under AS 43.55.028, the department shall make the following information public by April 30 of each year:

- (1) the name of each person from whom the department purchased a transferable tax credit certificate; and
- (2) the aggregate amount of the tax credit certificates purchased from the person in the preceding calendar year.

We are providing this report in satisfaction of this requirement. This is the entirety of oil and gas tax credit certificates purchased by the Department of Revenue in calendar year 2019. The total amount purchased was \$101,001,391:

Taxpayer Name	Total 2019 Payment under AS 43.55.028
ACCUMULATE ENERGY ALASKA, INC.	\$ 1,575,296
APACHE ALASKA CORPORATION	157,250
ARCTIC SLOPE REGIONAL CORPORATION	1,202,525
ASRC EXPLORATION, LLC	390,039
BLUECREST ENERGY, INC.	8,418,882

Taxpayer Name	Total 2019 Payment under AS 43.55.028
BOREALIS ALASKA OIL, INC. (FORMERLY NORDAQ)	\$ 1,888,640
CAELUS ALASKA EXPLORATION COMPANY, LLC	2,057,471
CAELUS ENERGY ALASKA SMITH BAY, LLC	3,503,691
CAELUS NATURAL RESOURCES ALASKA LLC	16,899,138
CARACOL PETROLEUM LLC	2,572,830
CHAP – KDL	46,928
COLT ALASKA LLC	238,231
COOK INLET REGION, INC	1,064,002
CORNUCOPIA OIL GAS COMPANY LLC	21,544,235
DOYON, LIMITED	755,622
EASTLAND OIL COMPANY	15,259
GREAT BEAR PETROLEUM OPERATING, LLC	6,691,494
JAN D. O'NEILL	12,241
JOHN SEARLS	21,365
KINGDON R HUGHES FAMILY LIMITED	73,868
LINDA L. SEARLS-NEIDERT	4,312
MEP ALASKA LLC	489,977
MUNICIPALITY OF ANCHORAGE	26,848
MUSTANG OPERATIONS CENTER 1, LLC	4,159,365
PETRO CANADA (ALASKA) INC	1,404,179
PINTA REAL DEVELOPMENT LLC	9,742
REPSOL E&P USA INC	23,594,885
ROBERT R. DONNELLY	10,340
SUSAN SEARLS-COLLIER	20,104
TP NORTH SLOPE DEVELOPMENT LLC	2,152,632
Grand Total	\$101,001,391

As of January 1, 2020, the total of tax credit certificates for which purchase had been requested is \$726,267,010. This is broken out as follows:

2016 Certificates	\$ 290,177,516
2017 Certificates	338,113,182
Conditional 2017 Certificates	39,265,103
2018 Certificates	52,906,166
2019 Certificates	5,806,043
Total	\$726,267,010

In addition, as of January 1, 2020, there were \$156,354,493 in certificates outstanding that fall into one of three categories:

- 1) Received by companies but purchase had not been requested by December 31, 2019;
- 2) Transferred to another taxpayer who intends to use them to offset tax liability; or
- 3) Held by a taxpayer ineligible for cash purchase due to producing more than 50,000 barrels of taxable oil equivalent per day.

I hope you find this information to be useful. Please do not hesitate to contact me if you have further questions.

Sincerely,

A handwritten signature in blue ink that reads "Michael A. Barnhill". The signature is written in a cursive, flowing style.

Michael A. Barnhill
Acting Revenue Commissioner