

Instructions for the 2013 Annual Cost Supplemental Report

Note: The Supplemental Cost Report is due annually from all producers and explorers on March 31 of each year for the previous calendar year. For 2013 reporting, only those costs related to qualified capital expenditures under AS 43.55.023(a) need be reported. The reporting requirements, categories, and definitions for the 2013 Cost Supplemental report are the same as were reported for 2012.

Lines 1 – 8 – Disregard for 2013 reporting

Line 9 – Enter "2013"

Line 11 – Enter the date the report was approved

Line 18 – Enter the company Federal EIN

Line 19 – Enter the company name

Lines 21-22 – Enter the company address

Line 23 – Enter the city where the report is prepared

Line 24 – Enter the state where the report is prepared

Line 25 – Enter the appropriate zip code

Line 26 – Enter the preparer's name

Line 27 – Enter the preparer's contact phone number

Line 28 - Enter the preparer's email address

Line 29 – Enter the signature for the authorized signer

Line 30 – Enter the authorized signer's printed name

Line 31 – Enter the authorized signer's contact phone number

Line 32 – Enter the authorized signer's email address

Line 34 – Enter the total CapEx costs for G&G for 2013

Line 35 – Enter the total CapEx costs for Exploratory Drilling for 2013

Line 36 – Enter the total CapEx costs for Development Drilling for 2013

Line 37 – Enter the total CapEx costs for Facilities for 2013

Line 38 – Enter the total CapEx costs for "Other Costs" as defined in page 2 of the instructions

Line 39 – Enter the amount of Exclusions and Adjustments based on AS 43.55.165(e)(18)&(19)

Line 40 – Report will automatically calculate total for categories identified

NOTE: Category definitions for lines 34-39 are provided on page 2 of these instructions.

Capex Categories and Definitions – For Reporting Calendar Year 2013 Expenditures Related to Credit Applications under AS 43.55.023(a)

Capex Expenditure Categories	Category Definition
G&G	Includes work and or costs associated with the performance or acquisition of seismic and/or geological and geophysical data.
Exploration Drilling	Includes drilling an exploration well, drilling an appraisal well that is post discovery and prior to development and including side tracks on a discovery well, appraisal costs including coring and testing discovery wells.
Development Drilling	Includes costs associated with well drilling, completions, planned multilaterals of development wells, including costs upstream of the christmas tree. Also includes all costs related to well rework or recompletions.
Facilities	Includes well tie-in costs, increases to choke capacity, expansions of existing facilities such as increasing oil, gas or water handling, debottlenecking, or processing facilities, improvements to reliability or reduced operational costs, production control system upgrades; as well as costs for IT, communications equipment, non-production control systems, camp sites or accommodation facilities, medical facilities, laboratories, warehouses, and maintenance buildings; and new or replacement transit lines, gathering lines, and flow lines, or the addition of new production lines and/or pumps to trunk or downstream lines, but does not include repairs to such lines.
Other Capital	Includes significant capital equipment, health, safety, environment, and other non-drilling related costs not captured in other categories.