

ATTACHMENT A

PRINCIPLES GOVERNING COMMISSION ACCESS TO PRUDHOE BAY UNIT RESERVOIR STUDY PROCESS

Principles Applicable to the Study Process

1. Paragraphs 2 through 6, below, apply to the study process developed and carried out by the Prudhoe Bay Unit working interest owners (“Owners”) and Prudhoe Bay Unit Operator (“Operator”) for the purpose of analyzing gas offtake rates for the Prudhoe Oil Pool in anticipation of a major gas pipeline (“Study”).
2. Without cost to the Commission or its consultants, the Operator shall provide Commission staff and consultants access during reasonable working hours to a Data Room equipped with computers and software that will allow review, analysis, model visualizations, and report preparation with respect to Prudhoe Oil Pool reservoir simulations and related studies. Accordingly, Commission staff and consultants shall be given access to data inputs and outputs and underlying engineering, geologic, and geophysical information, including petrophysical data, rock and fluid properties, and operating assumptions for the simulations (altogether, “Data Room Information”). The Operator may condition Commission staff’s and consultants’ entry into the Data Room on their execution and provision to the Operator of a confidentiality agreement, in a form that the Commission reasonably finds to be acceptable, and on their signing in on a log. Subject to available resources and without cost to the Commission or its consultants, the

Operator and Owners shall honor all reasonable requests by Commission staff to simulate additional cases beyond those initiated by the Owners or Operator.

3. Commission staff and consultants may take and retain notes during their review of Data Room Information. In addition, Commission staff and consultants may copy in electronic form and remove from the Data Room the following categories of Data Room Information without additional permission by the Owners or Operator:

(a) simulation predictions from all simulation runs conducted during the Study, including

(i) projected yearly oil, condensate, gas, NGL, produced water, and source water production and injection volumes, for the pool and for each pad;

(ii) composition of gas produced, sold, re-injected or used by year;

(iii) average pool and area reservoir pressures by calendar year, starting at initial conditions immediately prior to the commencement of regular production from the Prudhoe Oil Pool;

(b) comparisons of actual vs. model historical performance of the Prudhoe Oil Pool for purposes of history match; and

(c) major assumptions used in simulations such as

- (i) offsite disposition assumptions for production volumes (e.g., sales and EOR fluids to other pools) for the Prudhoe Oil Pool by year; and
- (ii) fuel usage assumptions.

If Commission staff or consultants make written request of the Operator for permission to copy and remove other Data Room Information, the Operator, after consultation with the Owners, shall respond in writing on behalf of the Owners within 10 working days of receiving the request.

4. The Owners have voluntarily offered to make Data Room Information available, subject to a request that the Data Room Information be held confidential under the provisions of AS 31.05.035(d) and 20 AAC 25.537(b). The Commission agrees that, unless held otherwise by a court of competent jurisdiction, the Data Room Information meets the standards of AS 31.05.035(d) and 20 AAC 25.537(b) entitling it to be held confidential. However, those confidentiality provisions do not apply to Data Room Information that is the same as information that has been otherwise submitted to the Commission without a claim of confidentiality, independently obtained by the Commission without a confidentiality obligation, or submitted to or obtained by the Commission subject to different confidentiality requirements, such as well data required to be filed with the Commission under AS 31.05.035(a).

5. Notwithstanding the provisions of paragraph 4, the Commission may make public periodic progress reports on the Study and the Commission's review of it if

(1) public notice has been given under AS 43.82.410 relating to a proposed fiscal contract between the State of Alaska and a sponsor or sponsor group; and (2) the reports do not disclose substantive details of the interim Study results or of any Data Room Information. If the Commission desires to disclose in a progress report substantive details of the interim study results or of any Data Room Information, it will seek the written authorization of the Operator after consultation with the Owners, which authorization shall not be unreasonably withheld. The Operator shall, after consulting with the Owners, respond in writing to a request from the Commission for authorization within 10 working days of receiving the request.

6. The Operator shall provide written notice to the Commission when the Study begins and access to the Data Room is first available, which shall be not later than 30 days after the Commission issues its report incorporating this Attachment A. The Study shall continue without interruption for six months from the date it begins, unless extended by the Operator in writing with the consent of the Owners at the request of the Commission.

**Relationship of the Study and Study Process Principles
to Other Commission Responsibilities and Actions**

7. Nothing related to the Commission's access to and review of the Study -- including access to reservoir simulations and related studies, requests and suggestions with respect to reservoir simulations, and review of Data Room Information -- shall limit the Commission's ability to independently evaluate

evidence submitted in future proceedings to determine the allowable gas offtake rates from the Prudhoe Oil Pool (“Proceedings”). Further, nothing in the principles stated in this Attachment A shall limit the Commission’s exercise of any of its statutory powers and responsibilities under AS 31.05, including but not limited to its right to undertake its own independent reservoir simulation studies.

8. Whether Proceedings are initiated by a petition by the Operator to revise Rule 9 of Conservation Order No. 341D, are initiated by the Commission on its own motion, or are otherwise initiated, the Operator and Owners shall introduce as evidence in the Proceedings their Prudhoe Oil Pool reservoir studies that best reflect a reasonable range of offtake options and their effects. The evidence shall include the data inputs and output, underlying engineering, geologic and geophysical information including petrophysical data, rock and fluid properties, and operating assumptions for the simulations. The Operator and Owners acknowledge that the Commission may request (including by subpoena) any other pertinent information, including other Prudhoe Oil Pool reservoir studies that have been performed in the Study that were not included in their original submission of evidence in the Proceedings.

9. The confidentiality of Data Room Information as addressed in paragraph 4 above shall not affect whether any evidence introduced in the Proceedings will be entitled to confidentiality, even as to evidence whose contents are identical to that of Data Room Information. Claims of confidentiality for evidence in the

Proceedings shall be determined by the Commission during the Proceedings under governing law.