ConocoPhillips
Alaska

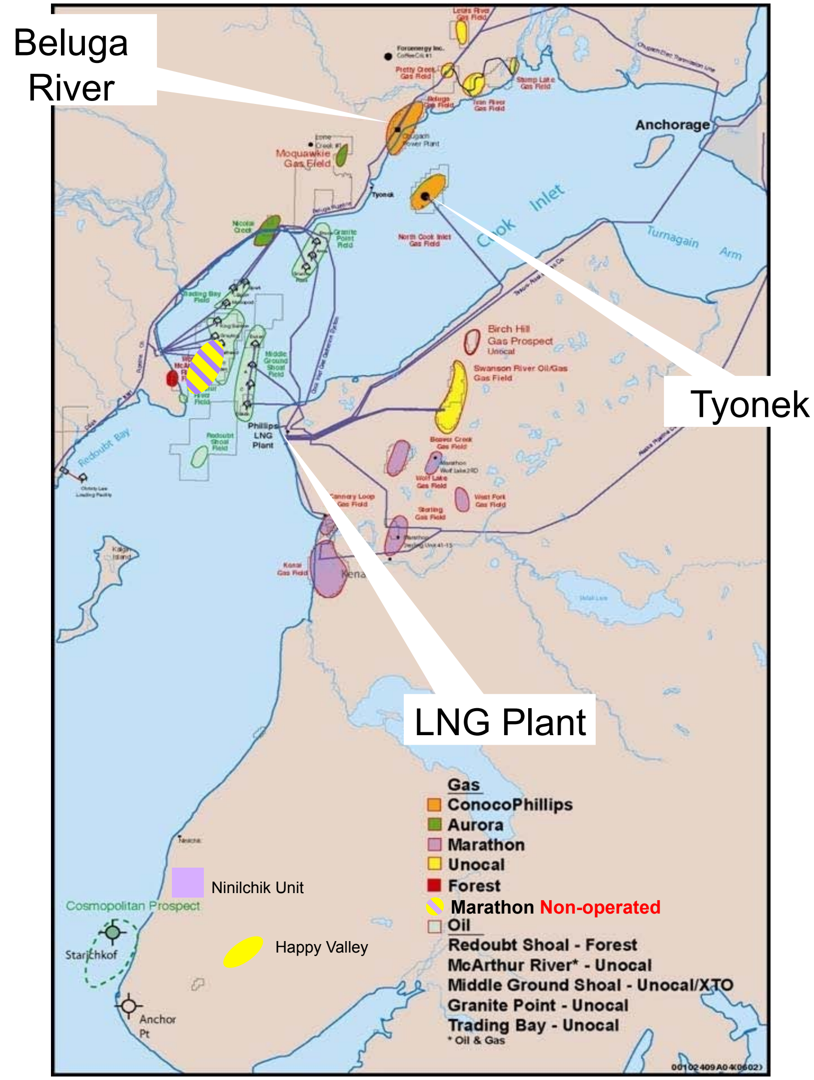
Kenai LNG Export Extension

April 1, 2011, up to March 31, 2013

ConocoPhillips Cook Inlet Assets

ConocoPhillips Alaska

- **Kenai LNG Plant - 1969**
  - 70% COP, 30% Marathon
  - 1.3 million tons per year capacity (~240 MMSCFD)
  - Currently a 1-ship operation
  - Export license ends March 2011
- **North Cook Inlet Unit (NCIU) – 1969**
  - 100 % COP
  - Produced from Tyonek Platform (16 wells, 12 producing), 40 mile pipeline to LNG plant
  - 50-60 MMSCFD gross production
- **Beluga River Unit (BRU) – 1968**
  - 33% COP (Chevron, Municipal Light & Power each 33%)
  - Onshore operation (19 wells, 12 producing)
  - 100 – 120 mmscfd gross production
- **Customers**
  - LNG – Tokyo Electric and Tokyo Gas
  - Local sales primarily to Enstar and Chugach



Kenai LNG Plant

ConocoPhillips Alaska

Export Authorization Request to DOE

ConocoPhillips Alaska

Current

<u>Period</u>: April 1, 2009 – March 31, 2011

<u>Amount</u>: 99 TBtu's (~99 Bcf)

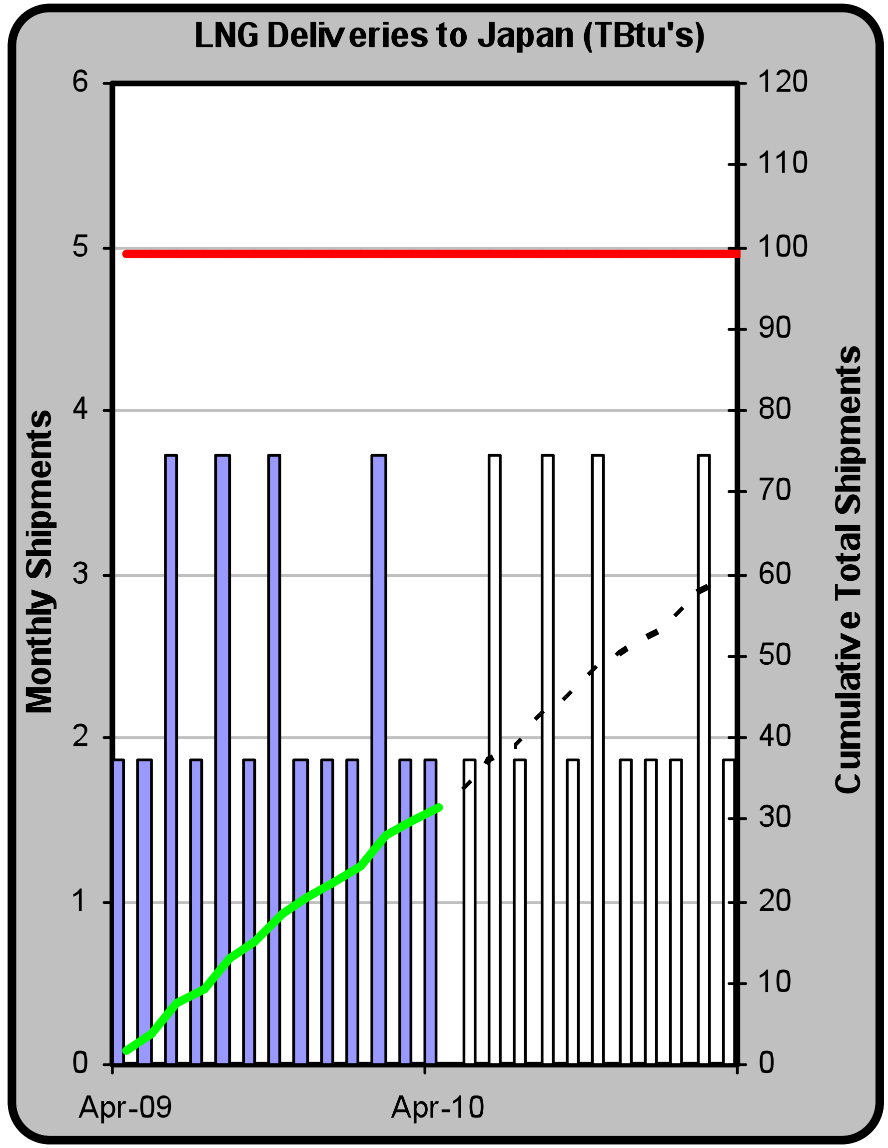
New

<u>Period</u>: April 1, 2011 – March 31, 2013

<u>Amount</u>: Unutilized portion of 99 TBtu's

- ~40 – 45 TBtu's (see chart)

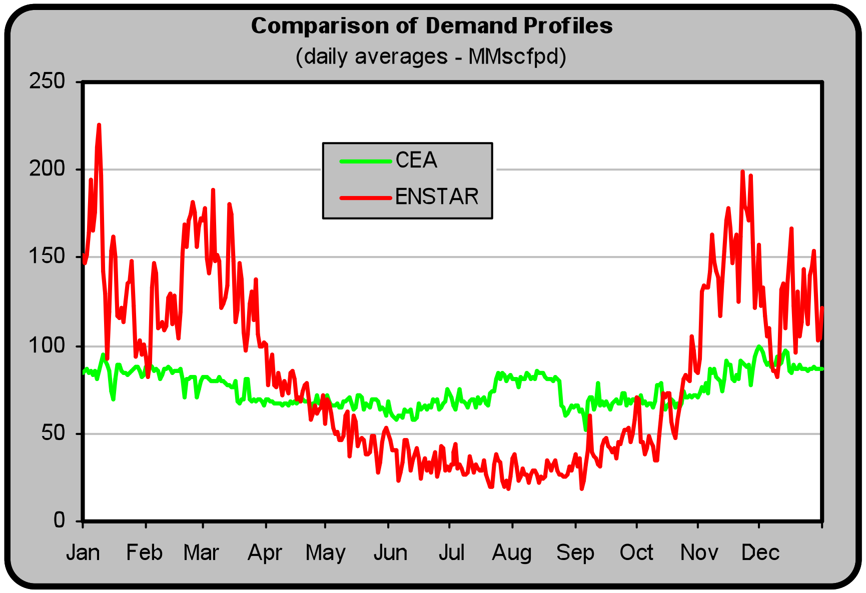
<u>Filing Date</u>: Anticipate June 1, 2010

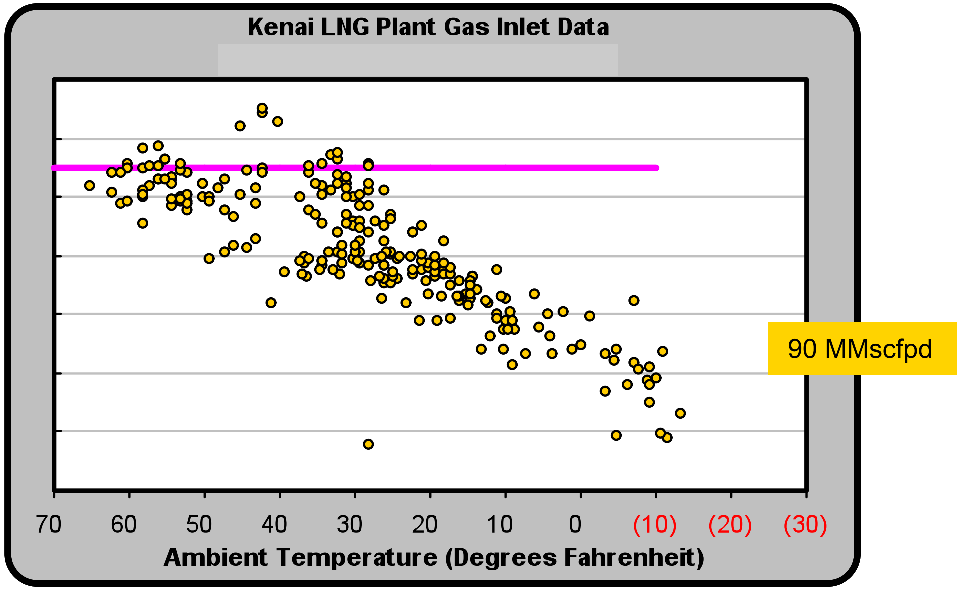


<u>Footnote</u>:

Arctic Spirit LNG tanker left Kenai service April of 2009.

LNG Plant Diversion Capability





ENSTAR

- Large annual swings
- Peak winter day can exceed typical summer day by 12:1

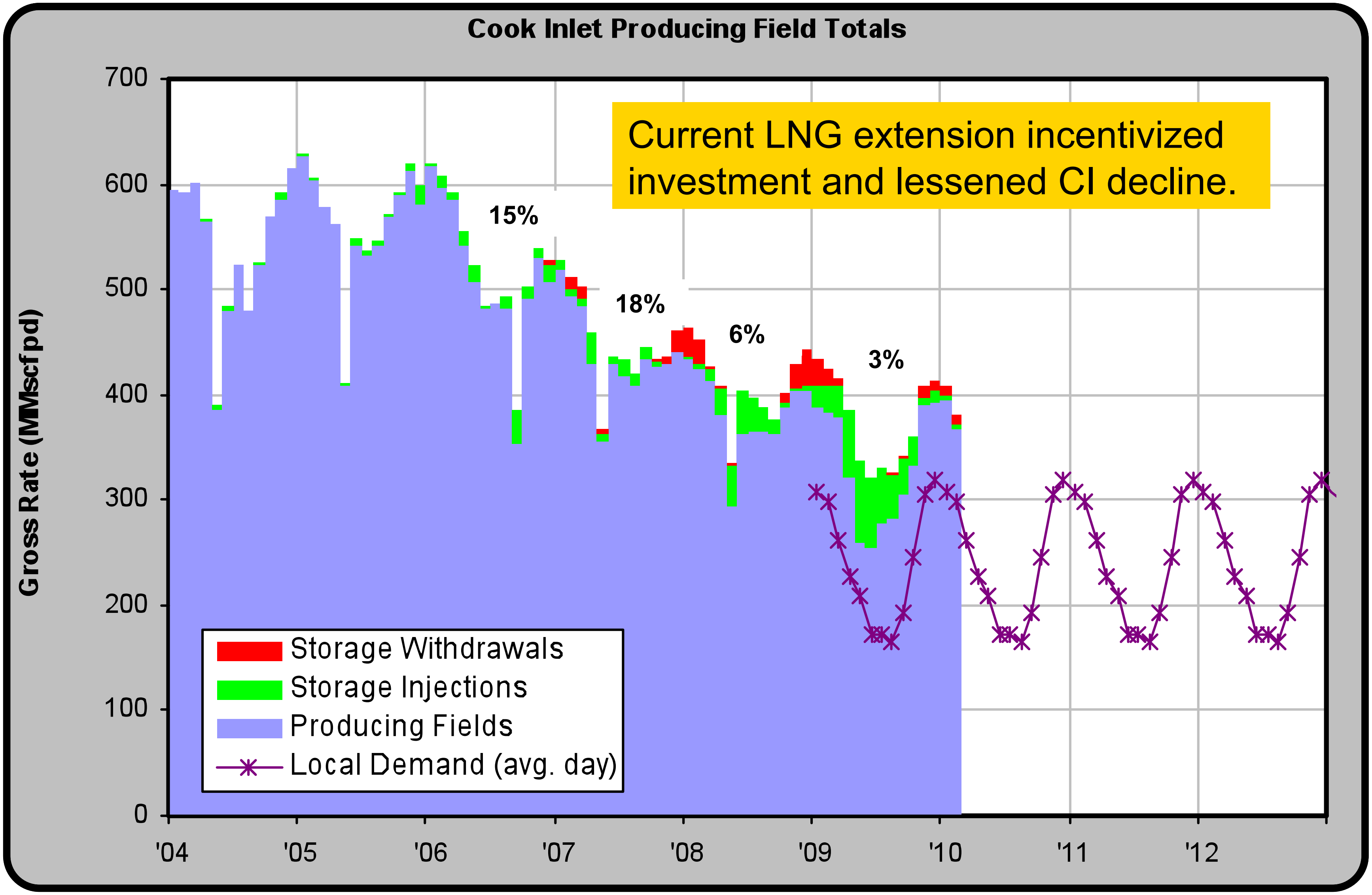
Chugach

- Much flatter annual profile
- Hourly swings make load following difficult

LNG Plant

- Flexible in handling load variation
- Acting as virtual gas storage for the Cook Inlet

Cook Inlet Gas Market History



Benefits of Kenai LNG Plant Operations

ConocoPhillips Alaska

- Facilitates a stable production environment which allows for highest well deliverability at any given time

- Provides critical back-up gas supply for the local market during times of peak needs

- $130 million/year of economic impact

- Over a 100 jobs paying approximately $17 million/year

Questions?

ConocoPhillips Alaska