





A conceptual illustration of a road fork. A single road with a white dashed center line leads from the bottom center and splits into two roads that curve outwards to the left and right. The roads are dark grey with white dashed lines. The landscape is a flat, tan-colored plain with a range of snow-capped mountains in the background under a light blue sky. Two grey poles support two green rectangular signs above the fork. The sign on the left says 'ALASKA' and the sign on the right says 'NORTH DAKOTA'. On the right side of the road, a yellow rectangular sign on a grey pole asks 'FUTURE GROWTH AND INVESTMENT?'.

ALASKA

NORTH
DAKOTA

FUTURE GROWTH
AND INVESTMENT?



EASIER
PERMITTING

BUSINESS
FRIENDLY
LEGISLATURE

COMPETITIVE
TAX RATE

OIL PRODUCTION
INCREASING

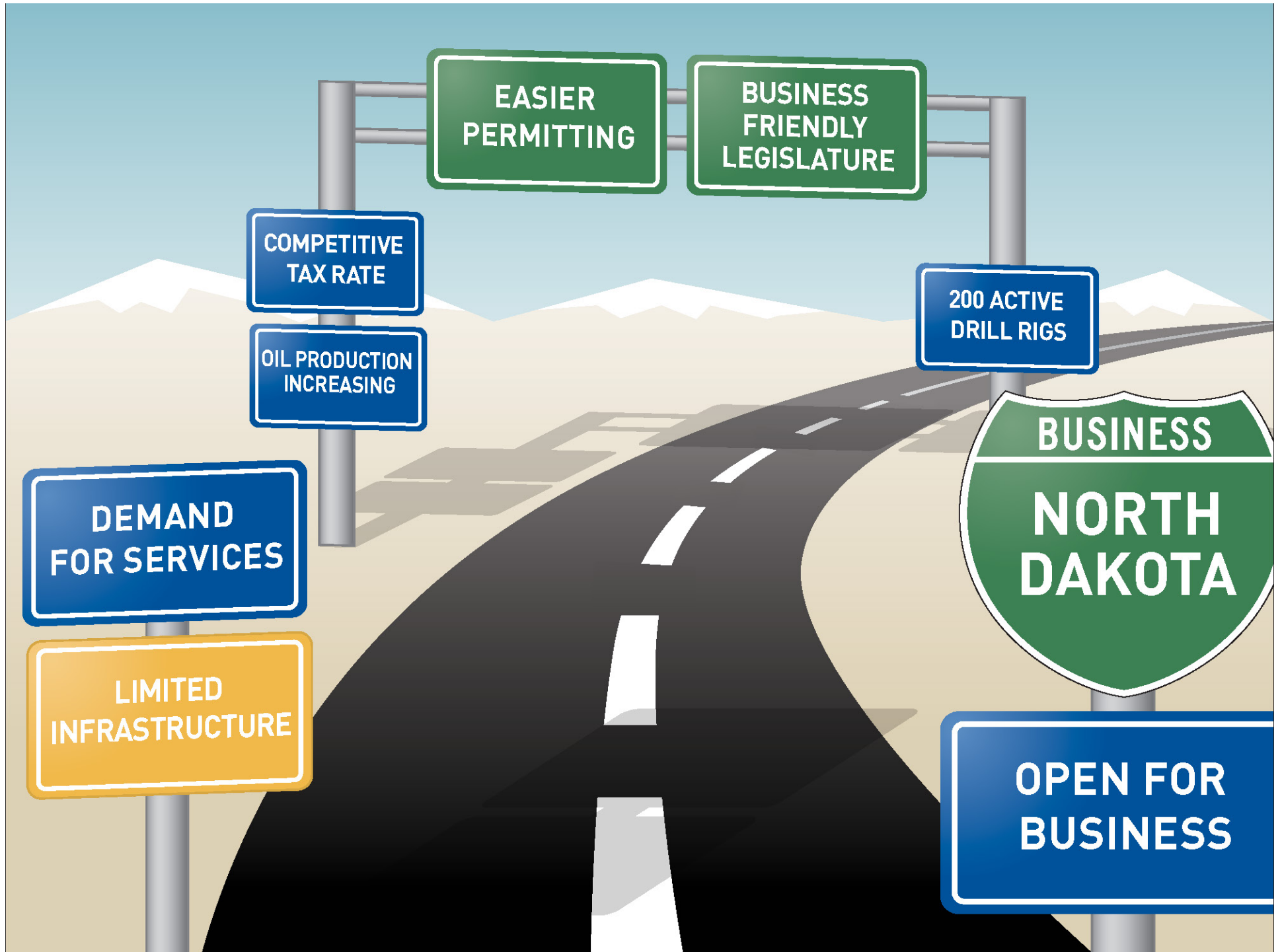
200 ACTIVE
DRILL RIGS

DEMAND
FOR SERVICES

LIMITED
INFRASTRUCTURE

BUSINESS
NORTH
DAKOTA

OPEN FOR
BUSINESS



Alaska North Slope

North Dakota

| | | | |
|--------------------------|---------|---------------------|---------|
| Price of Oil | \$77.96 | Price of Oil | \$77.96 |
| Deduct Opex | \$11.40 | Transit Cost | \$2.00 |
| Deduct Capx | \$11.40 | | |
| Transit Cost | \$6.00 | | |
| Production Value | \$49.20 | Gross Value | \$75.96 |
| | | Production tax 5% | \$3.90 |
| | | Extraction Tax 6.5% | \$4.94 |
| Production Tax Collected | \$13.40 | Total Tax | \$8.84 |

Differential is \$4.56 per barrel or 34%

This is independent of Royalties that are between 12.5% and 27% in Alaska and 15% in North Dakota.

Corporate Income Tax Maximum Rates: Alaska 9.4% North Dakota 5.15%

Alaska Oil Production Decline

