



# BlueCrest Energy

## Cosmopolitan Development Project

Honor. Stewardship. Fidelity

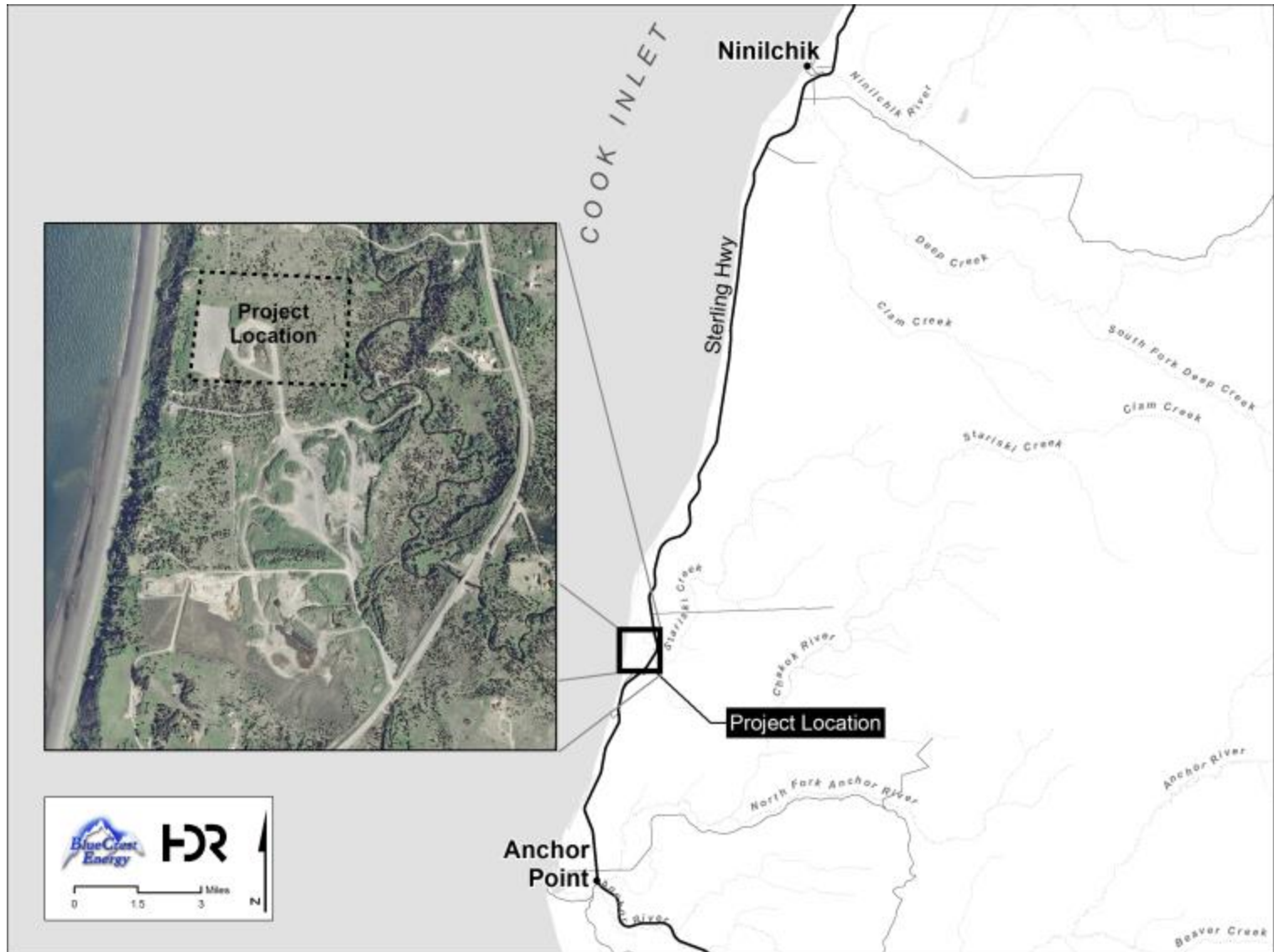


# Business Overview



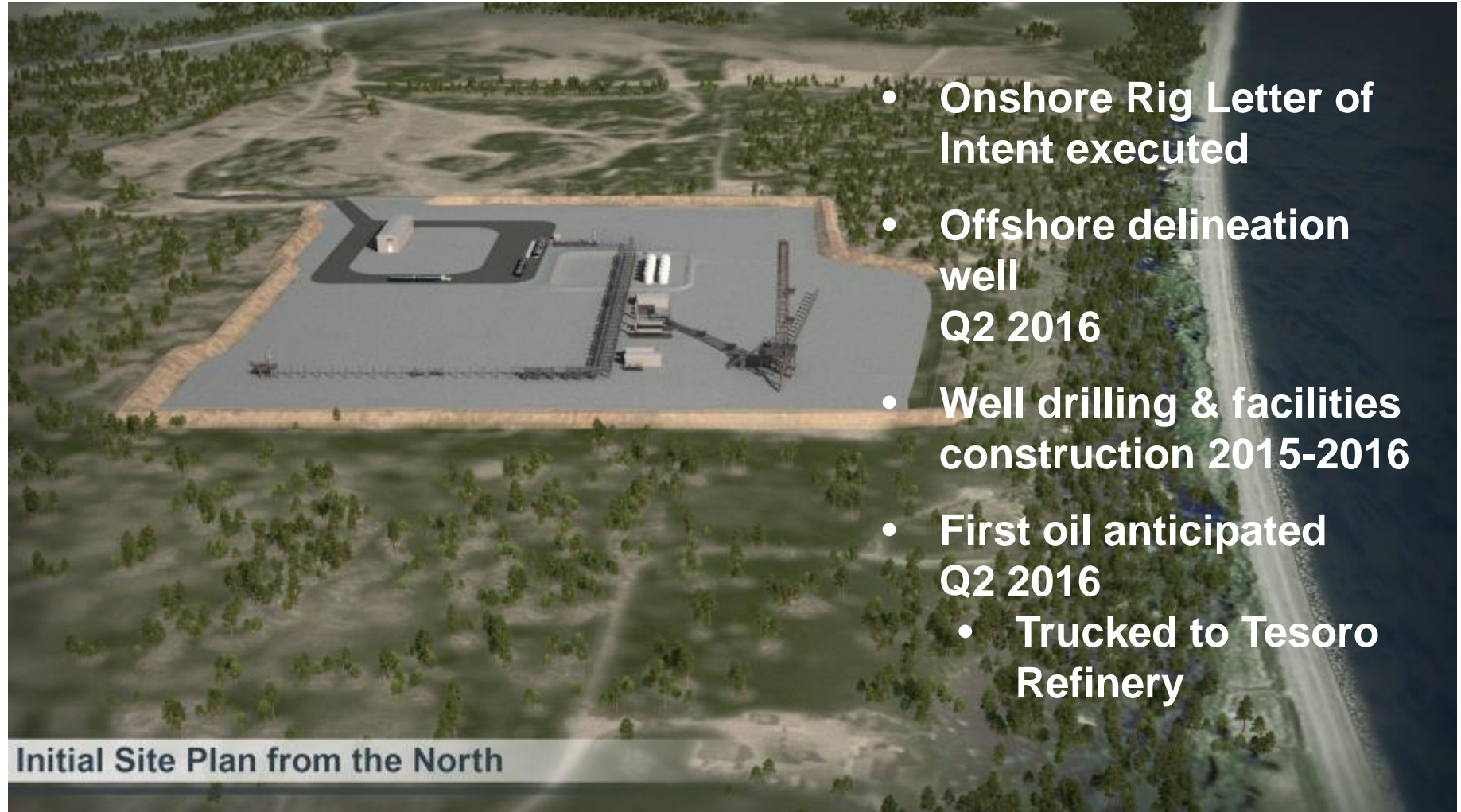
- **Small privately-held oil and gas development company**
  - Based in Fort Worth, TX
  - Local office in Anchorage, AK
- **Alaska experienced directors and management team**
- **Project located about six miles north of Anchor Point**
  - 100% lease ownership in Cosmopolitan Unit
- **Over \$200 million invested in Cosmo Unit to date**
- **Emphasis on personnel safety and environmental stewardship**

# Project Location





# Cosmo Oil Plan of Development – Onshore Well



# Project History & Schedule

## Previous Owners

- 1967 - Pennzoil
- 1994 - ARCO
- 2001 - 2007 - ConocoPhillips Alaska, Inc.
- 2007 - 2011 - Pioneer Natural Resources

**2012**

BlueCrest acquires majority interest in Cosmo Unit

**2013**

Cosmo State #1 vertical well drilled offshore, proving up six new gas zones and four new oil zones

**2014**

BlueCrest acquires all interests in Cosmo leases and begins development activities

**Q2**

- Flow tests for sampling purposes
- Civil and facility construction

**Q3**

- Exploration Jack-up rig

**Q4**

- Drill rig onsite
- Spud initial well

**Q2**

- Production and operations

**2015**

**2016**

# Exploration Jack-up Rig

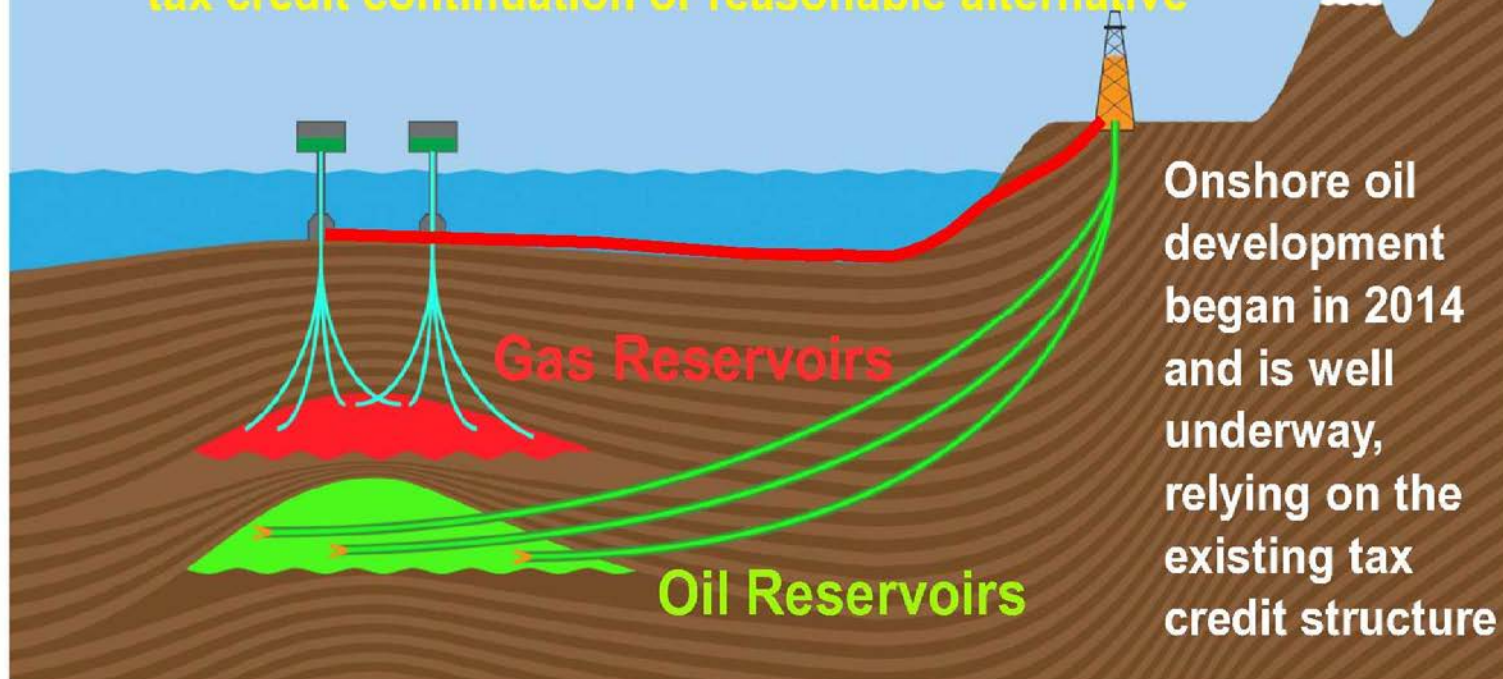


- **2<sup>nd</sup> offshore delineation well**
- **Secure Spartan 151 jack-up rig to further delineate the reservoir boundary**
- **This well and the 2013 delineation well will help determine locations for both onshore oil and offshore natural gas production**



# Cosmopolitan Development Concept

- Separate oil and gas reservoirs are located approximately three miles offshore in the Cook Inlet
- The oil reservoirs can be reached by drilling wells from onshore
- The gas reservoirs are not as deep and can only be reached with offshore wells and platforms
  - Gas development is now on hold, pending confidence of tax credit continuation or reasonable alternative



# Community Outreach

- **Community input has influenced development plans**
  - Water wells won't be drilled to avoid impacts to private wells
  - 14-foot berm around entire pad for light and noise mitigation
  - Emergency Evacuation Notice System to Neighbors
- **We encourage feedback and local engagement**
- **Local hire preference as project develops**
- **Past Community Meetings**
  - June 9, 2015: Anchor Point, Senior Center
  - June 10, 2015: Homer, Land's End
  - June 11, 2015: Ninilchik, Senior Center







## 50 Man Camp





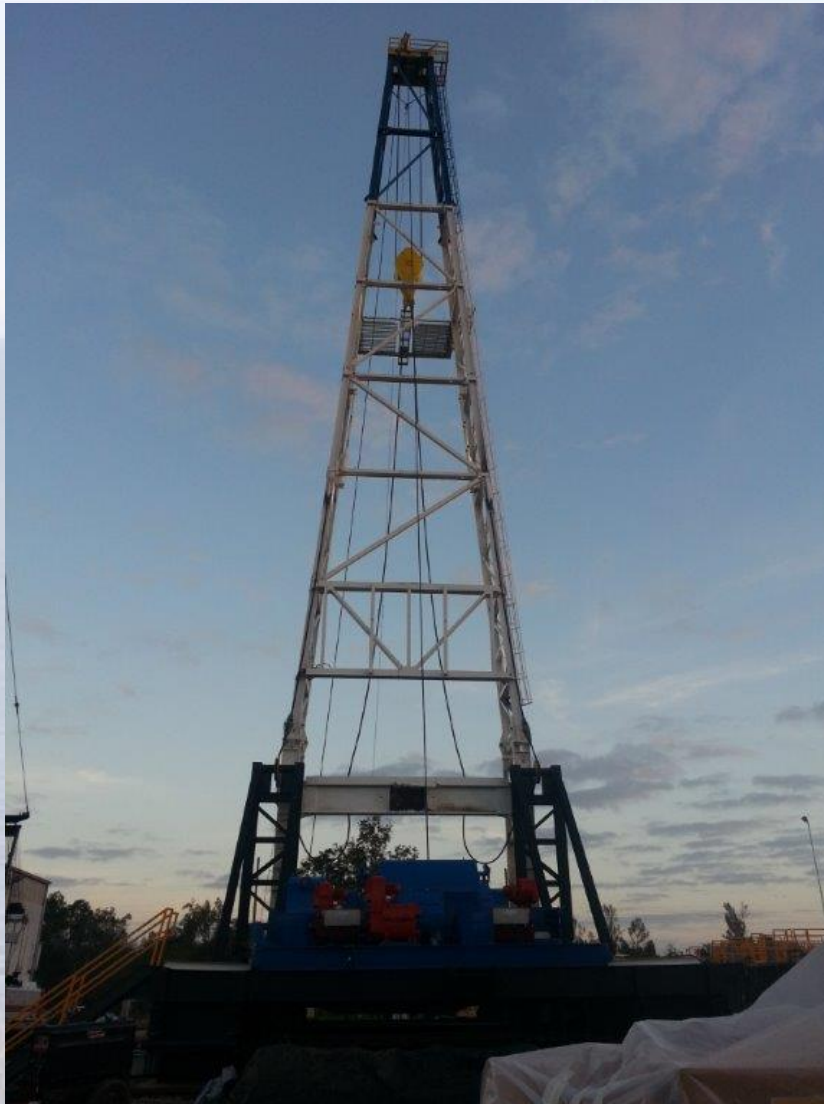
**Pipe Rack - looking South East**



# Morning Safety Meeting







**Rig Mast Raised**







## Questions?

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