



# AADE Operator's Forum ConocoPhillips Alaska, Inc.

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CPA Drilling and Wells

# Alaska Drilling & Wells – North to the Future

## Drill-Site 2S - Sharktooth

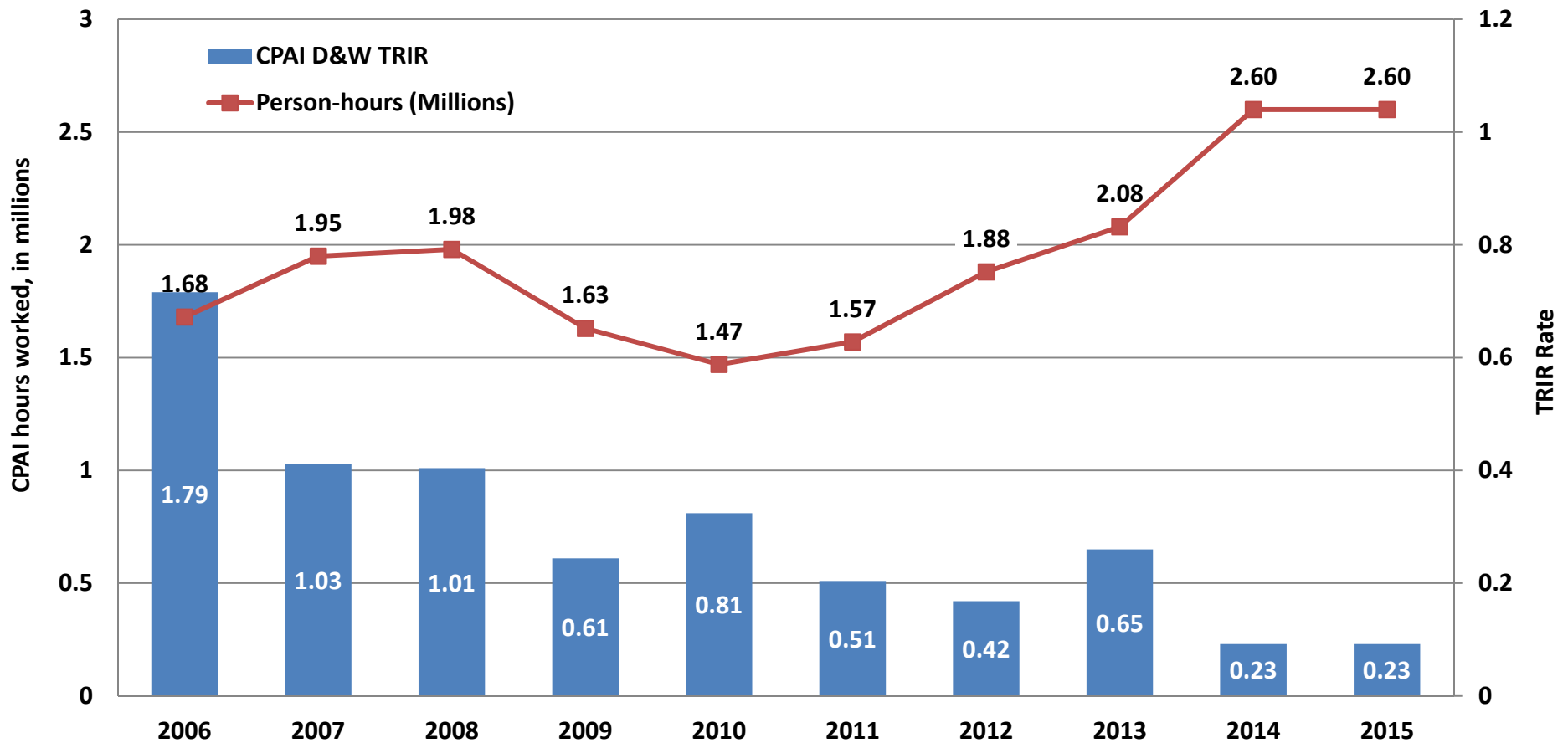


Doyon 25

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# Deliver World Class Safety Performance

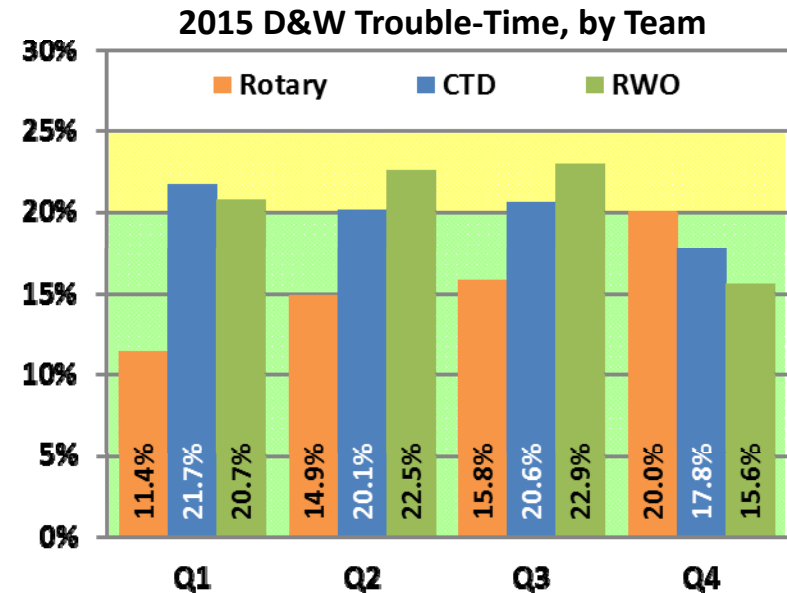
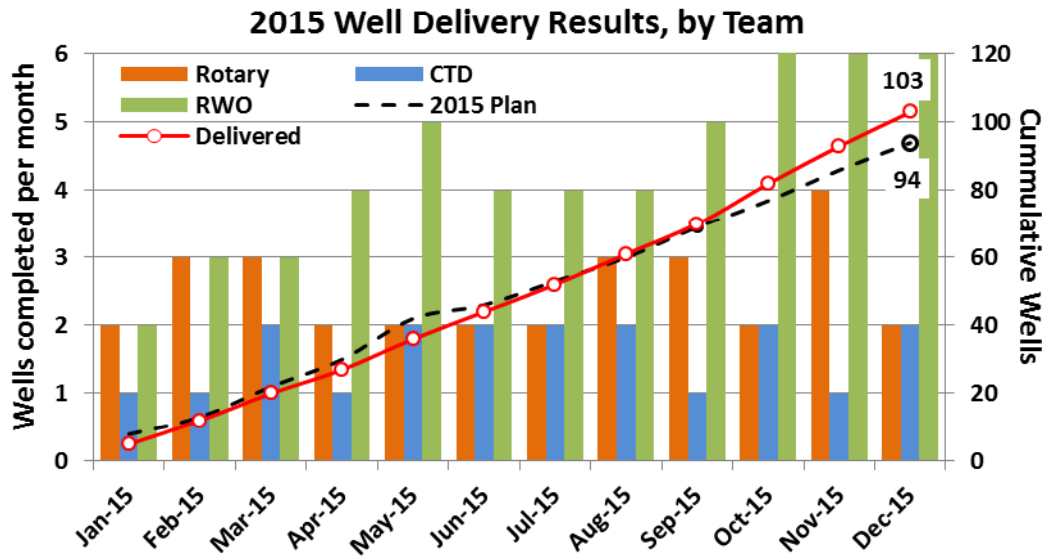
- Best Ever TRIR
- Positive Contribution to all Safety Stats for both BU and Region
- Strong Field Ownership of Safety Program



# 2015 D&W Operational Performance Review

## D&W 2015 Performance Snapshot

- Exceeded well delivery commitments for 2015
  - GKA & WNS Rotary exceeded target wells by +2 (30 total)
  - RWO exceeded target wells by +4 (54 total)
  - CTD exceeded target wells by +3 (19 total)
- Performed well against AFE time/cost estimates
  - Within the  $\pm 10\%$  target band all year – and finished below
- All rigs met controllable Trouble-Time targets

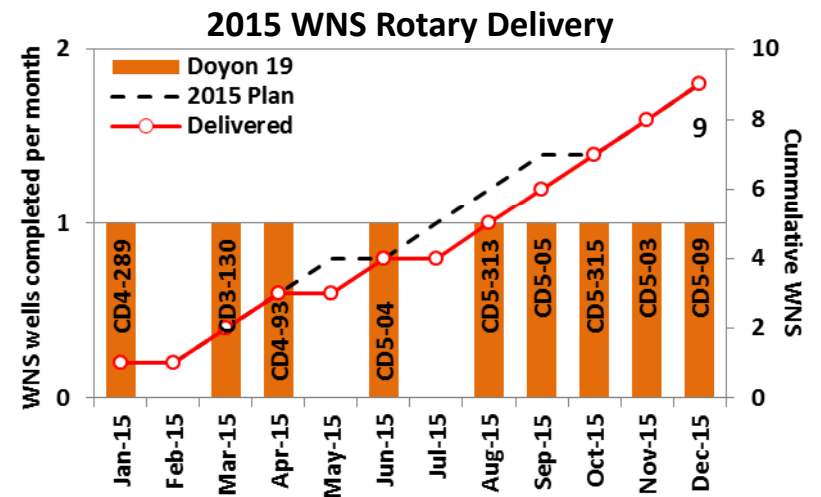


# 2015 D&W Operational Performance Review

## WNS Rotary Performance Snapshot

- WNS delivered all budgeted wells for 2015
- All CD5 wells were delivered under AFE time/cost
- Exceeding 20% trouble-time target – 15.5% YTD
- First oil from CD5 – October 27, 2015
- Employed new drilling practices, which enabled 11 successful casing runs through the shales

### 2015 WNS Rotary Time Breakdown

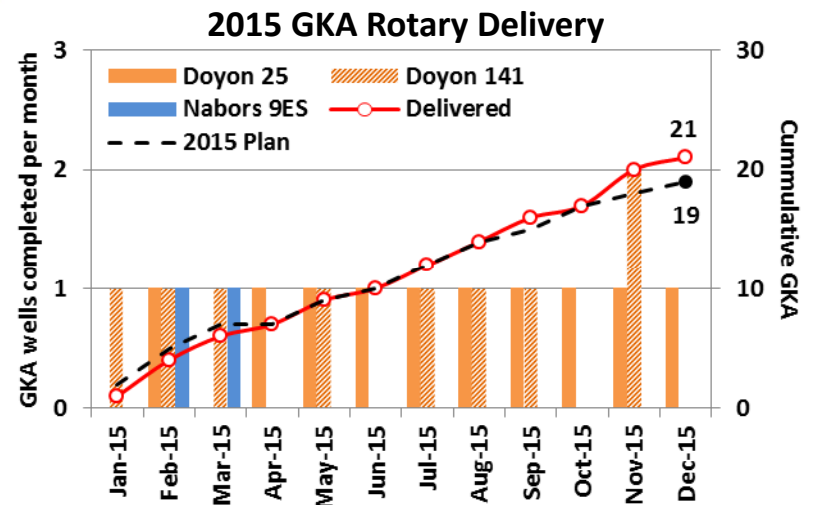
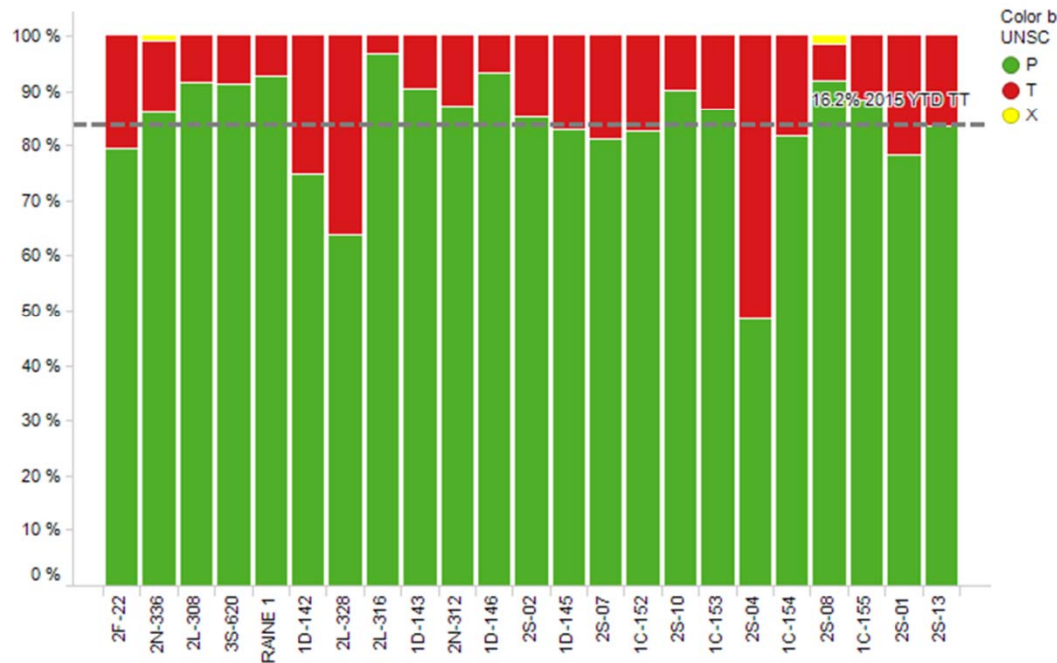


# 2015 D&W Operational Performance Review

## GKA Rotary Performance Snapshot

- GKA delivered 21 wells vs 19 planned
- Besting 20% trouble-time goal – 16.2% YTD
- 1D-143 West Sak quad-lateral (1H NEWS prototype)
- First oil from Sharktooth – October 8, 2015

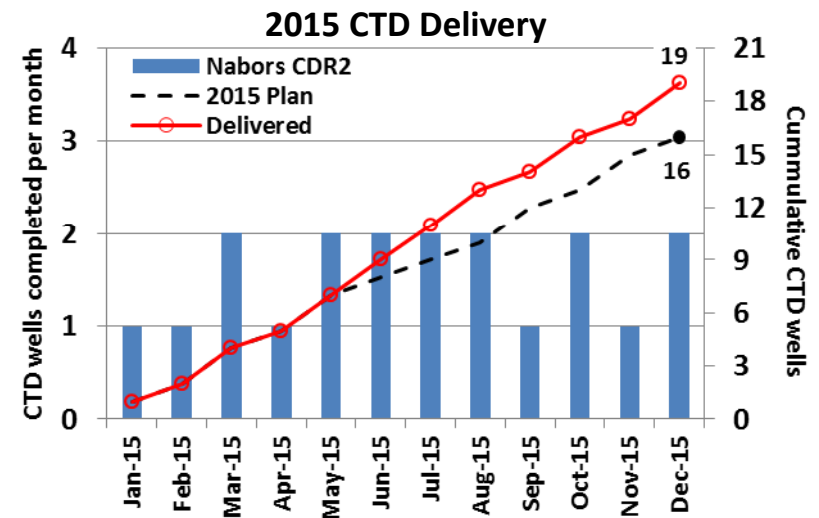
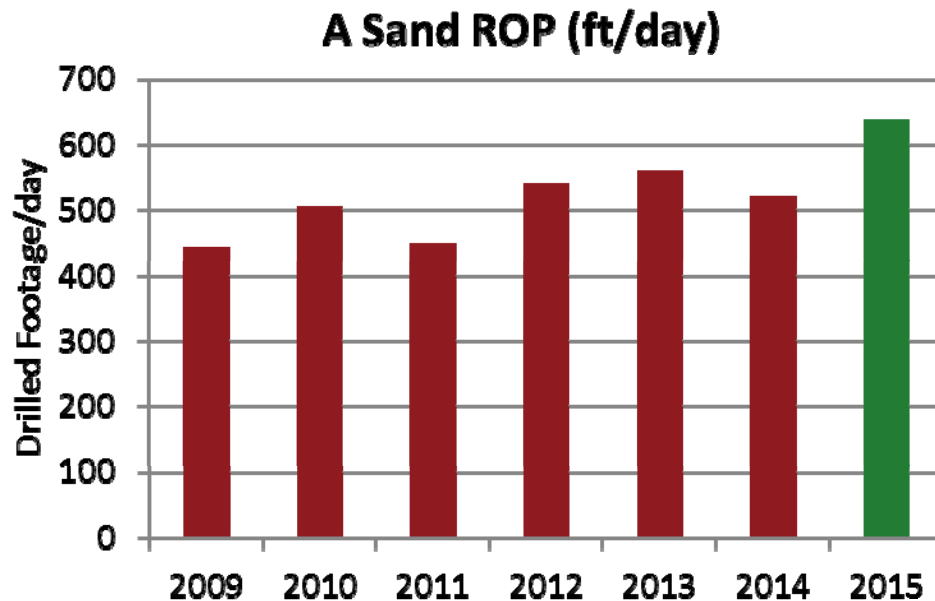
## 2015 GKA Rotary Time Breakdown



# 2015 D&W Operational Performance Review

## CTD Performance Snapshot

- Delivered 19 wells (record) vs budget of 16
- Delivered better than AFE time/cost estimates
- Trouble time just above goal 21% vs 20% goal
- Set footage, lined footage, and ROP records



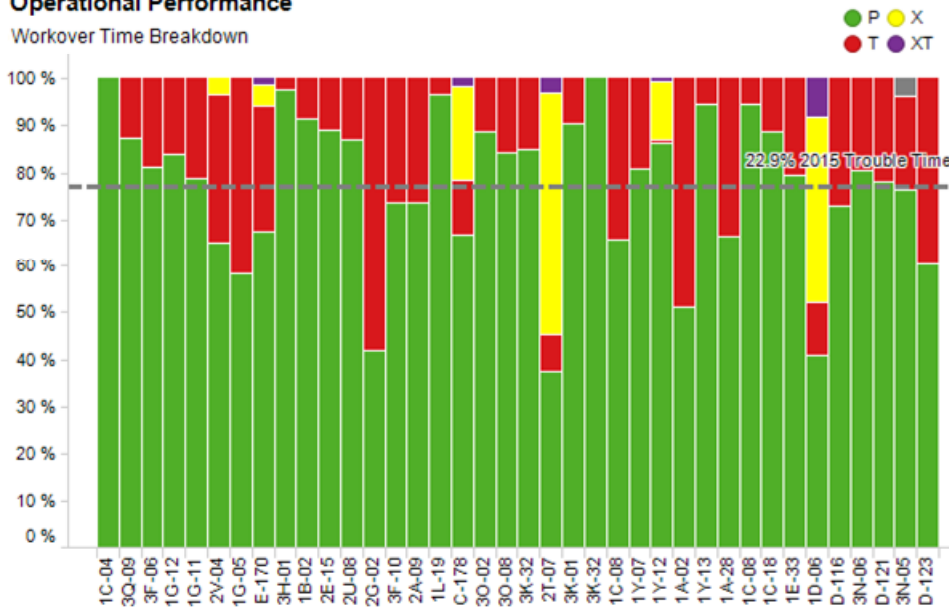
# 2015 D&W Operational Performance Review

## RWO Performance Snapshot

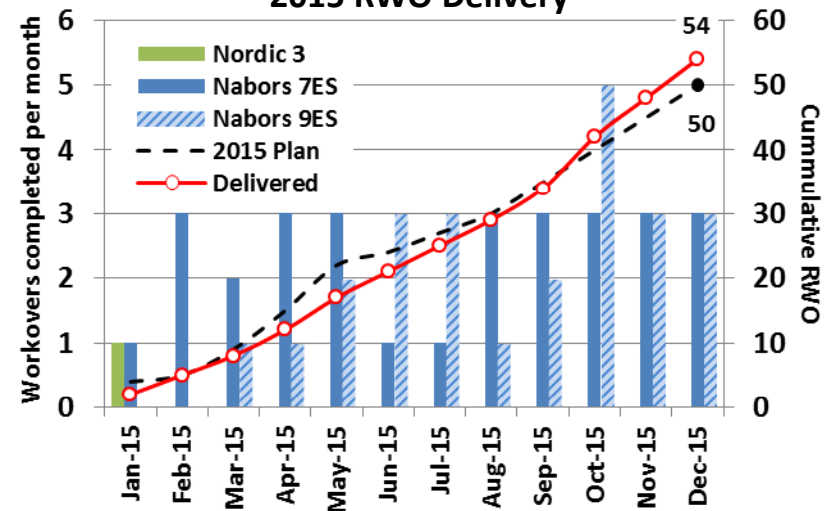
- RWO exceeded budgeted wells (+4 over plan)
- Performing well against AFE time/cost estimates
  - ~13% over AFE days (historical average 18%)
- CTD Set-Ups, Subsidence W/O and Tubing Swaps

### Operational Performance

Workover Time Breakdown



### 2015 RWO Delivery



# 2016 Pillar Goals – Grow Production

## Grow Production

Champion: Chip Alvord

### Goals

#### Deliver Drilling & Wells program:

- WNS Rotary
- GKA Rotary
- Coiled Tubing Drilling
- Rig Workovers
- Capital Stimulation
- Exploration

#### Deliver project milestones:

- 1N/P NEWS
- 3R Expansion
- GMT2
- Exploration

Deliver NSOD rig fleet key milestones on schedule

### Measure

Wells delivered

Milestone execution

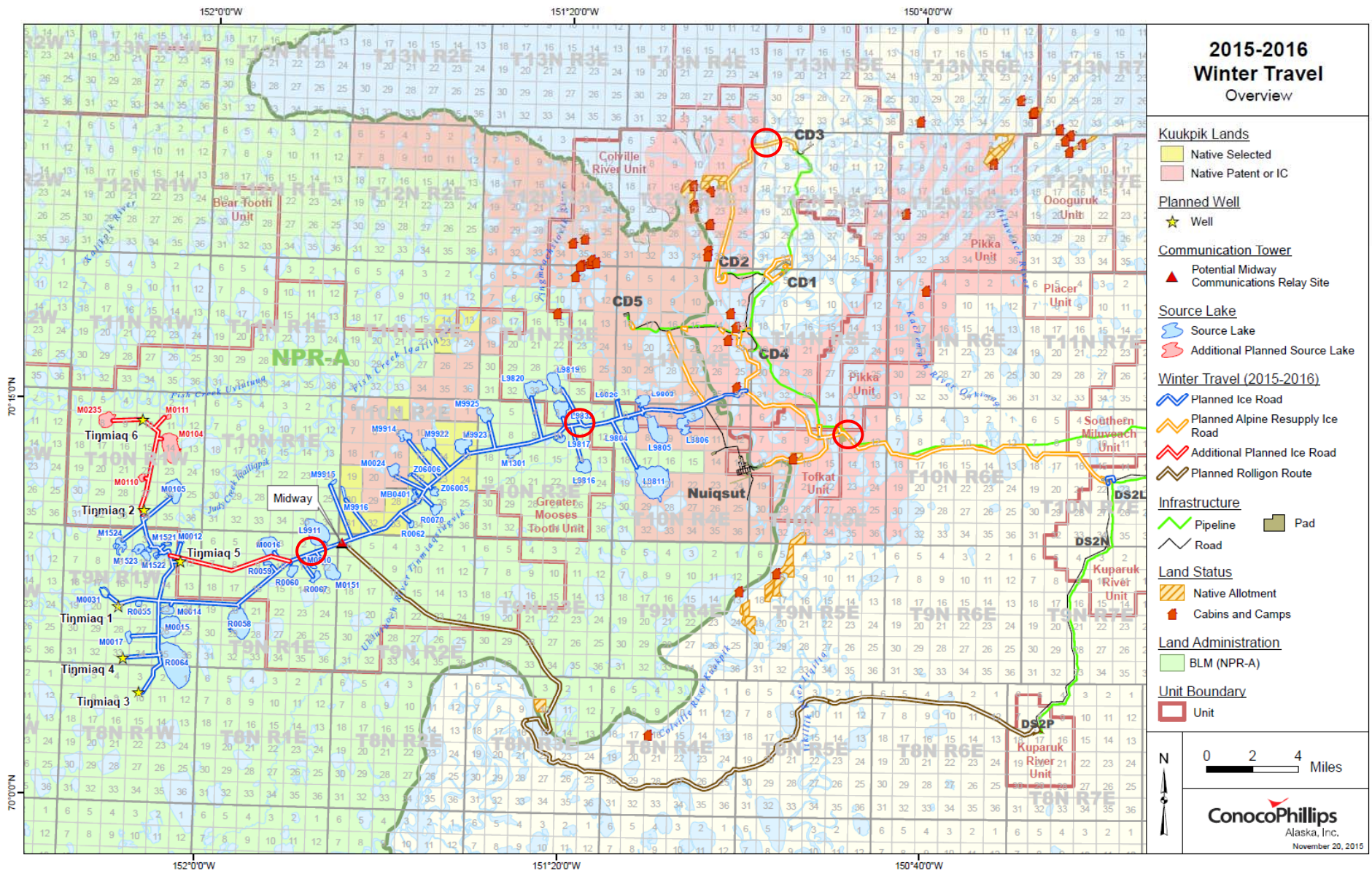
Milestone execution

### Target

11 (WNS Rotary)  
 14 (GKA Rotary)  
 20 (CTD)  
 32 (RWO)  
 17 (Cap Stimulation)  
 2 (Exploration)

FEL 1 (1N/P NEWS)  
 FEL 1 (3R Expansion)  
 FEL 2 (GMT2)  
 FEL Gates (Exploration)

3



## 2015-2016 Winter Travel Overview

- Kuukpik Lands**
  - Native Selected
  - Native Patent or IC
- Planned Well**
  - ★ Well
- Communication Tower**
  - ▲ Potential Midway Communications Relay Site
- Source Lake**
  - ☾ Source Lake
  - ☾ Additional Planned Source Lake
- Winter Travel (2015-2016)**
  - ↔ Planned Ice Road
  - ↔ Planned Alpine Resupply Ice Road
  - ↔ Additional Planned Ice Road
  - ↔ Planned Rolligon Route
- Infrastructure**
  - Pipeline
  - Road
  - Pad
- Land Status**
  - Native Allotment
  - Cabins and Camps
- Land Administration**
  - BLM (NPR-A)
- Unit Boundary**
  - Unit

N

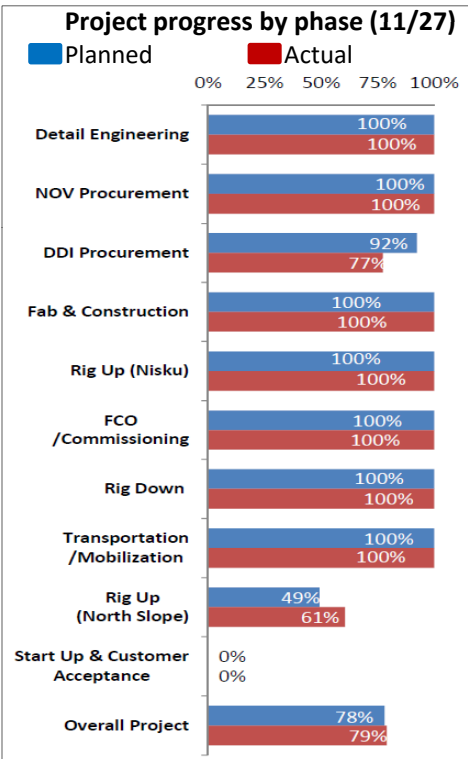
0 2 4 Miles

**ConocoPhillips**  
Alaska, Inc.  
November 20, 2015

# Rig Expansion Program

## Doyon 142

- Transportation phase completed.
- Rig up on NS ongoing. COP supervisors on site. Engines synchronized & mast raised: 12/9.
- Expected acceptance: End of Feb.



## Nabors CDR3

- COPA – Management visit to Greenberry/NAD (12/1).
- Fab & Construction activities by subcontractors are nearing completion.
- Greenberry/NAD – Rig up ongoing. Barge contract negotiations ongoing.
- Expect Start-up 3Qtr 2016

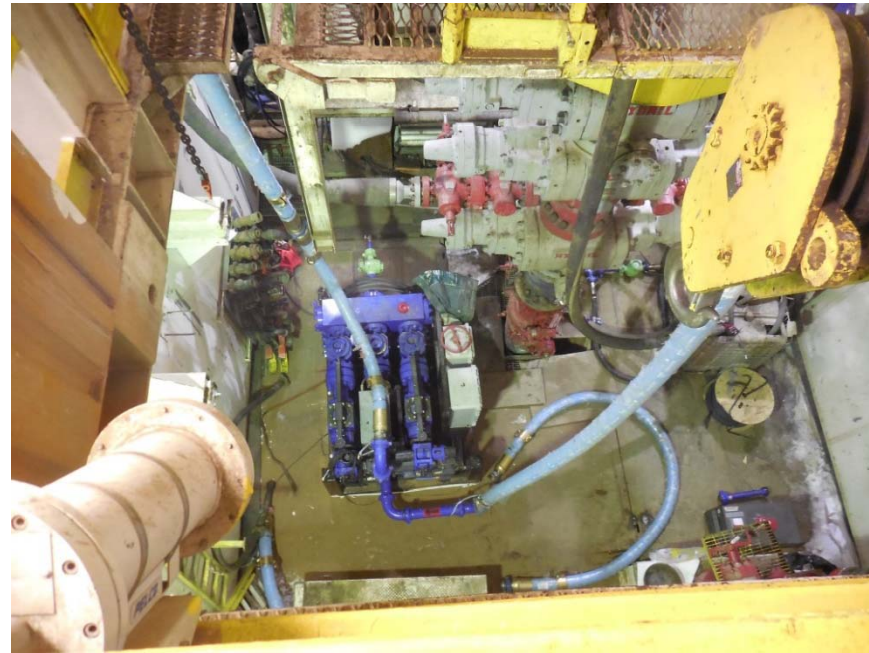
All Projects	Rig/Well	RFI	Select Vendor	Draft Business Case	RFP	Negotiate	RFA	ATT	Project Approval	Execute Project	Begin Drilling ops
	142*	✓	✓	✓	✓	✓	✓	✓	CEO	✓	Q1 '16
	CDR3*	✓	✓	✓	✓	✓	✓	✓	CEO	✓	Q3 '16

\*New Builds

# Impactful Technologies: MPD

## ➤ Managed Pressure Drilling (MPD)

- 1<sup>st</sup> global rotary drilling operation (NSOD) with automated MPD system run by the rig crews
- Use to mitigate shale stability and narrow pore pressure/frac gradient windows with 100% success rate to date
- Delivering wells that were not previously able to complete



# D&W Operational Performance Review



## Questions?

ConocoPhillips	
<b>Ratelt - evaluate Service Provider performance &amp; overall service quality</b> <a href="#">Email to Ratelt Coordinator</a>	
Well Name: _____	Service Provider Name: _____
Ratelt Initiator: _____	Service Provided: _____
NPT Hours: _____	Service Date: _____ <small>*1 To be determined by Ratelt Coordinator</small>
NPT Cost/Hr: _____	Extended Due Date: _____ <small>*1 To be determined by Ratelt Coordinator</small>
NPT Cost: _____	
<b>Describe the circumstances that lead to the non-productive time or subpar performance associated with the above listed service.</b>	
<b>Service Provider Response</b>	
<b>ROOT CAUSE - provide results from any analysis or diagnostics performed.</b>	
<b>CORRECTIVE ACTION - provide steps taken to avoid recurrence.</b>	