

Denali – The Alaska Gas Pipeline LLC January 2010

- Denali was formed in June 2008 by BP (50%) and ConocoPhillips (50%). Denali is uniquely qualified to build the Alaska gas line.
 - BP/COP secondees have mega project experience as well as extensive North Slope operations and construction experience.
 - BP and ConocoPhillips have managed the vast majority of the construction projects on the North Slope and operate all but 1% of the production.
 - BP and ConocoPhillips hold leases for over 50% of the known North Slope natural gas resources.
- Since its formation in 2008, Denali has spent \$130 million and has:
 - Mobilized its core project team with headquarters in Anchorage and Calgary.
 - Gained FERC pre-filing approval and filed with the BLM for a right of way on federal lands.
 - Conducted an Alaska field program in 2008.
 - Conducted a Canadian field program in 2009.
 - Conducted community/stakeholder outreach meetings.
 - Signed Cooperation/Contribution Agreements with several First Nations.
 - Met with all Aboriginal groups along the pipeline route in Yukon & BC.
 - Initiated discussions with the FERC, Office of the Federal Coordinator (OFC), BLM, the NEB, NRCan, MPMO, CEAA, YESAB and other agencies in the U.S. and Canada.
 - Pre-filing has allowed for constructive engagement with FERC.
 - Argonne National Laboratory selected for FERC third party contractor.
 - Informal discussions with the NEB.
 - Denali is moving forward outside of the Alaska Gasline Inducement Act (AGIA) process.
 - Major Project Management Office (MPMO) to serve as the single window coordinator for federal regulatory review in Canada.
 - There is no exclusive right to build an Alaska gas pipeline through Canada or in the U.S.
 - Hired Fluor/WorleyParsons to estimate the cost and develop the project execution schedule for the Gas Treatment Plant (GTP). Hired Bechtel to do the same for the pipeline.
 - First cost estimate since 2001. Significant advancement in GTP design and planning.
 - Refined pipeline route, redesigned compressor stations, developed construction schedule, identified construction requirements/techniques. At least 5 offtake points will be incorporated into the design.
- Denali plans to initiate its open season by early April 2010.