



BlueCrest Energy

Cosmo Project Update

September 2016

Honor. Stewardship. Fidelity

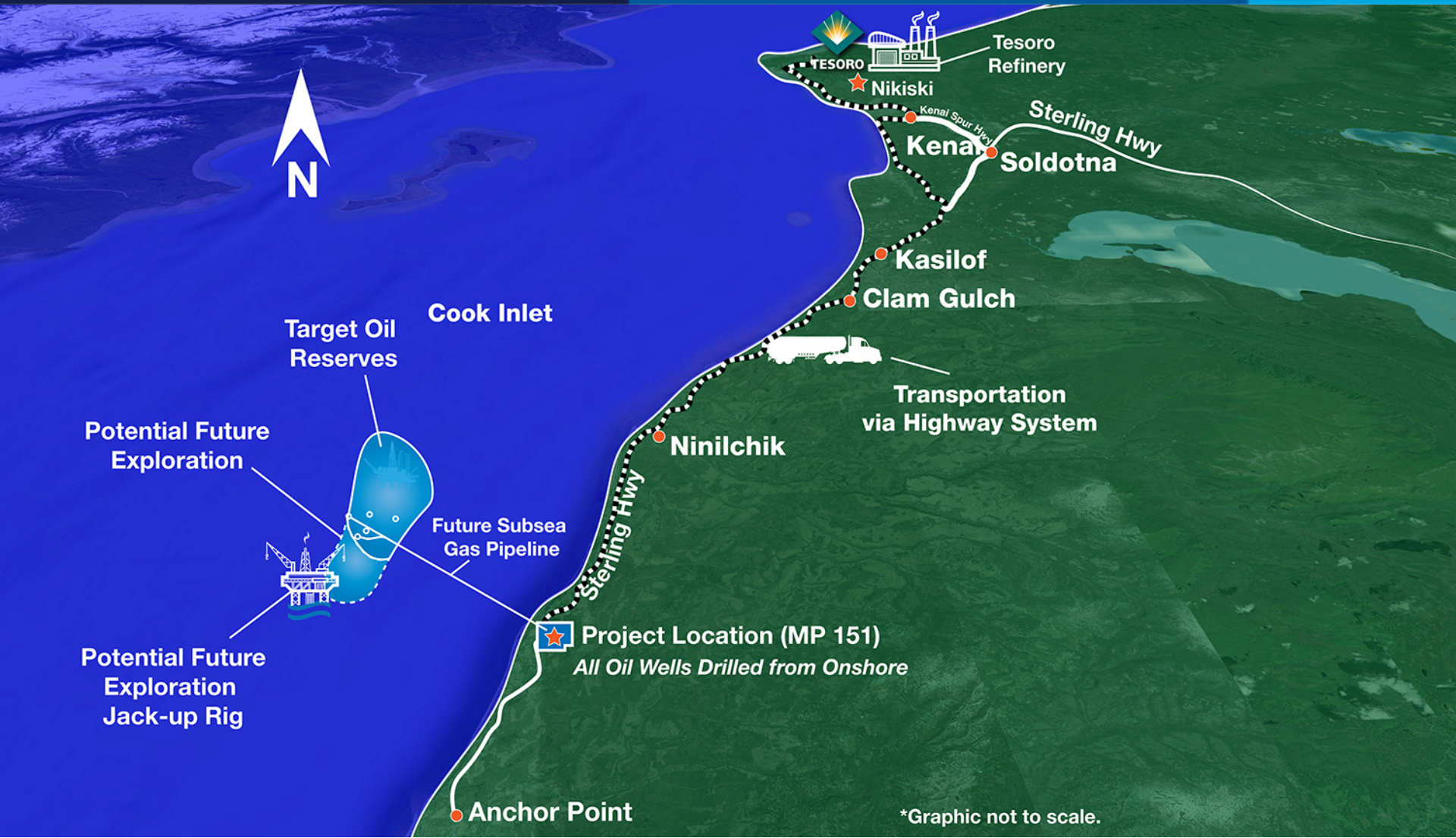


Business Overview



- **Small, privately-held oil and gas development company**
 - Corporate Office in Fort Worth, TX
 - Operations Headquarters in Anchorage, AK
 - Directors and management team with Alaska experience
- **100% lease ownership in Cosmopolitan Unit**
 - Cosmo is currently BlueCrest's only project
- **Emphasis on personnel safety and environmental integrity**

Cosmo Project Components



Cosmo Oil – Plan and Progress



Project Milestones	2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
First oil from Hansen well (3/31/16)	█							
Construction completion	█	█						
Oil trucked by Carlile to Tesoro Refinery		Ongoing						
Drill rig arrives at the Ports of Anchorage and Seward; trucked to site			█					
Rig assembled on site			█					
Begin drilling new wells			2016- 2022					
Oil Production from new wells					2047			

Cosmo Oil – Construction Completion



Contractors & Vendors

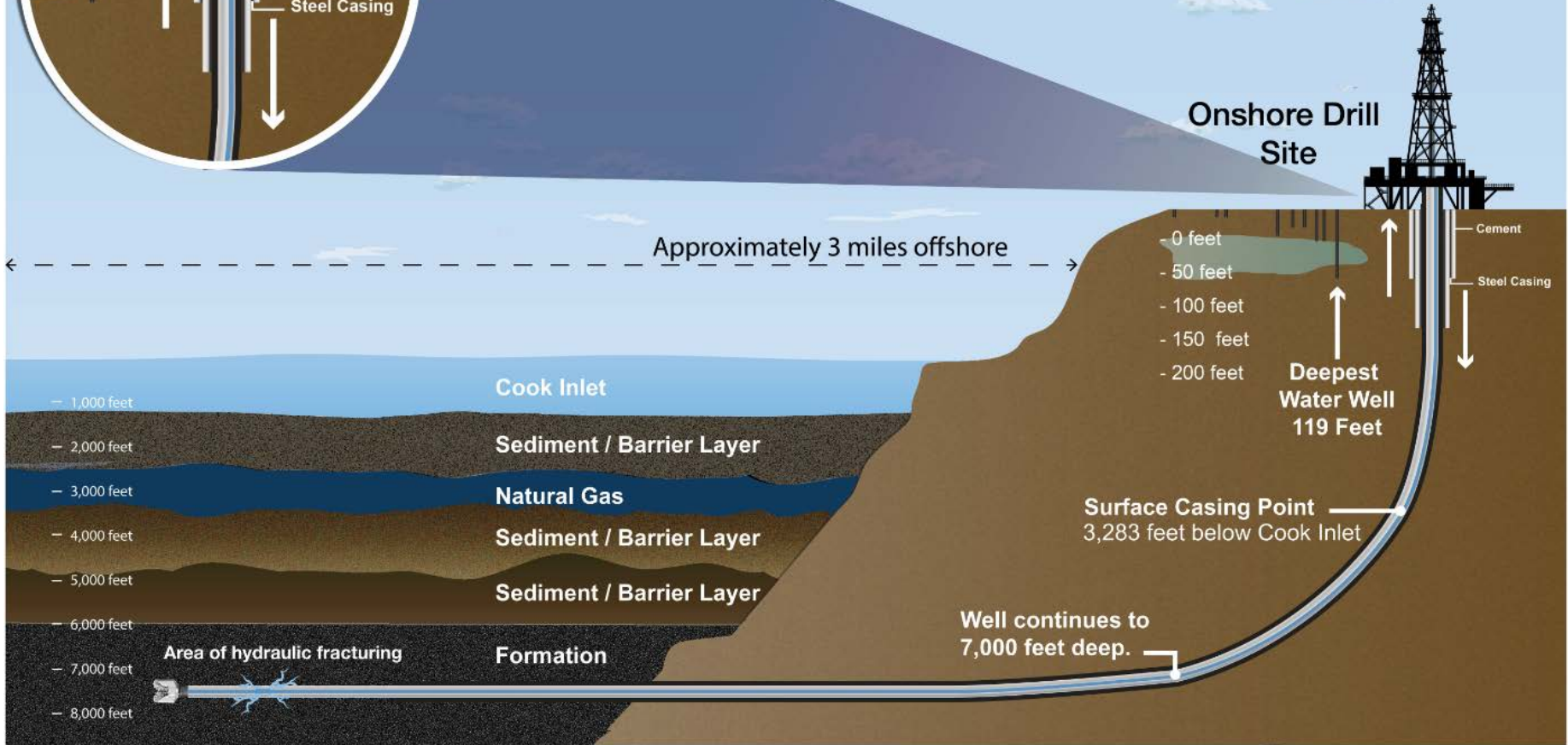
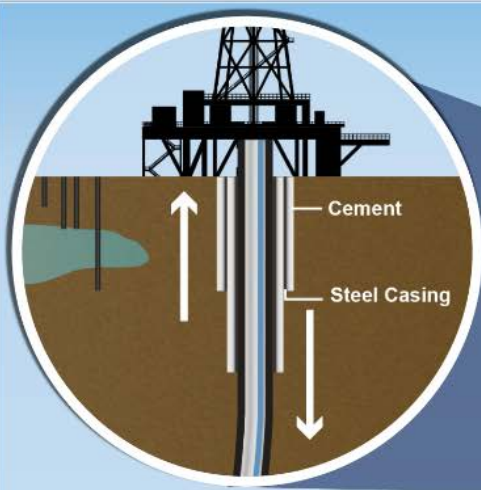
- **Over 90 vendors statewide**
- **75 Kenai Peninsula vendors**
- **Services include:**
 - Lodging and meals
 - Construction supplies
 - Site survey
 - Pad expansion
 - Pile driving
 - Crane services
 - Weld inspections
 - Geotechnical compactions
 - Tank farm liners
 - Equipment rentals
 - Health care facilities



Electrical panel for microturbines

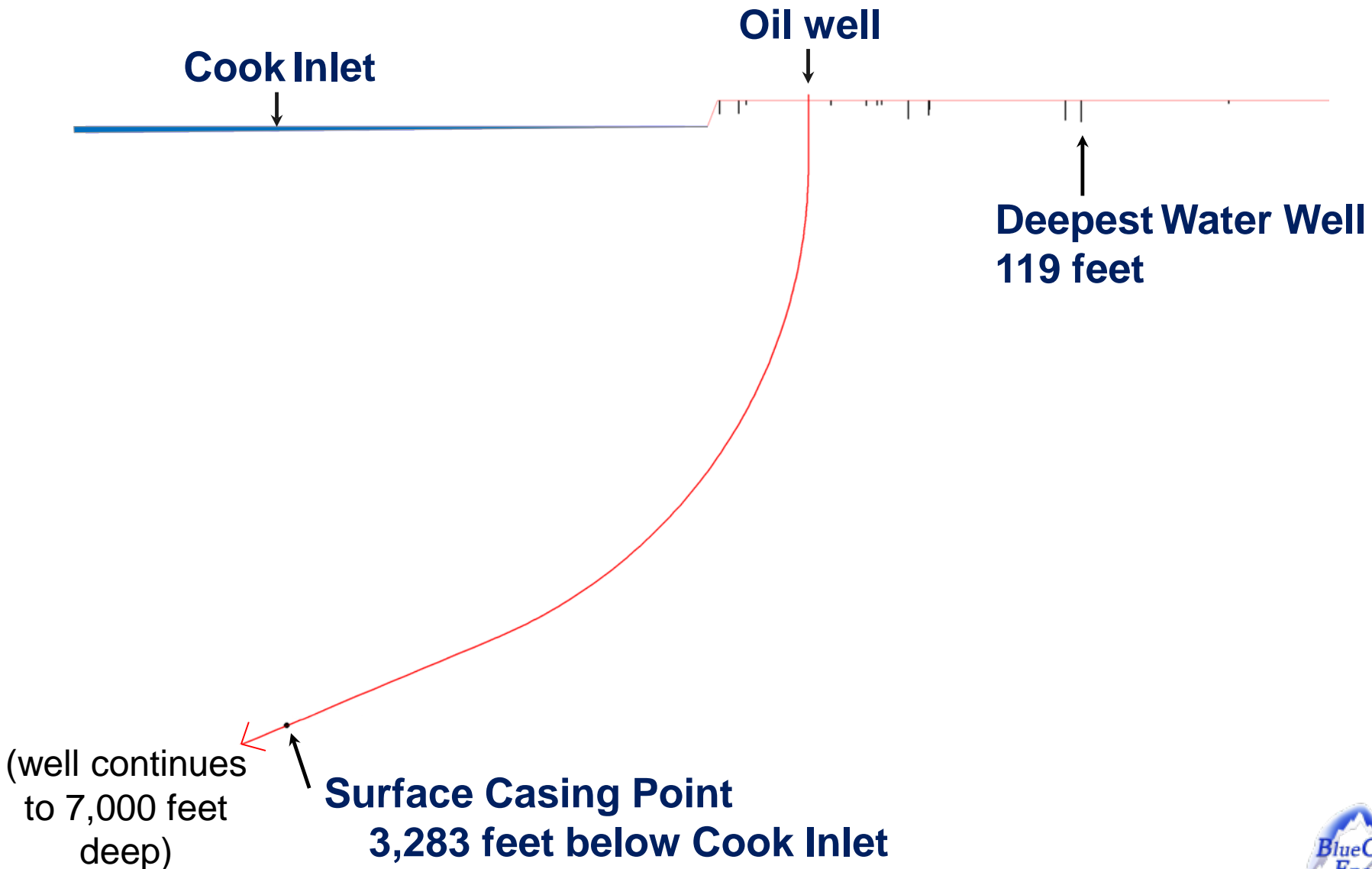
Hydraulic Fracturing Environmental Protection

Cement and steel barriers prevent any fracturing fluids from reaching surrounding groundwater aquifers.

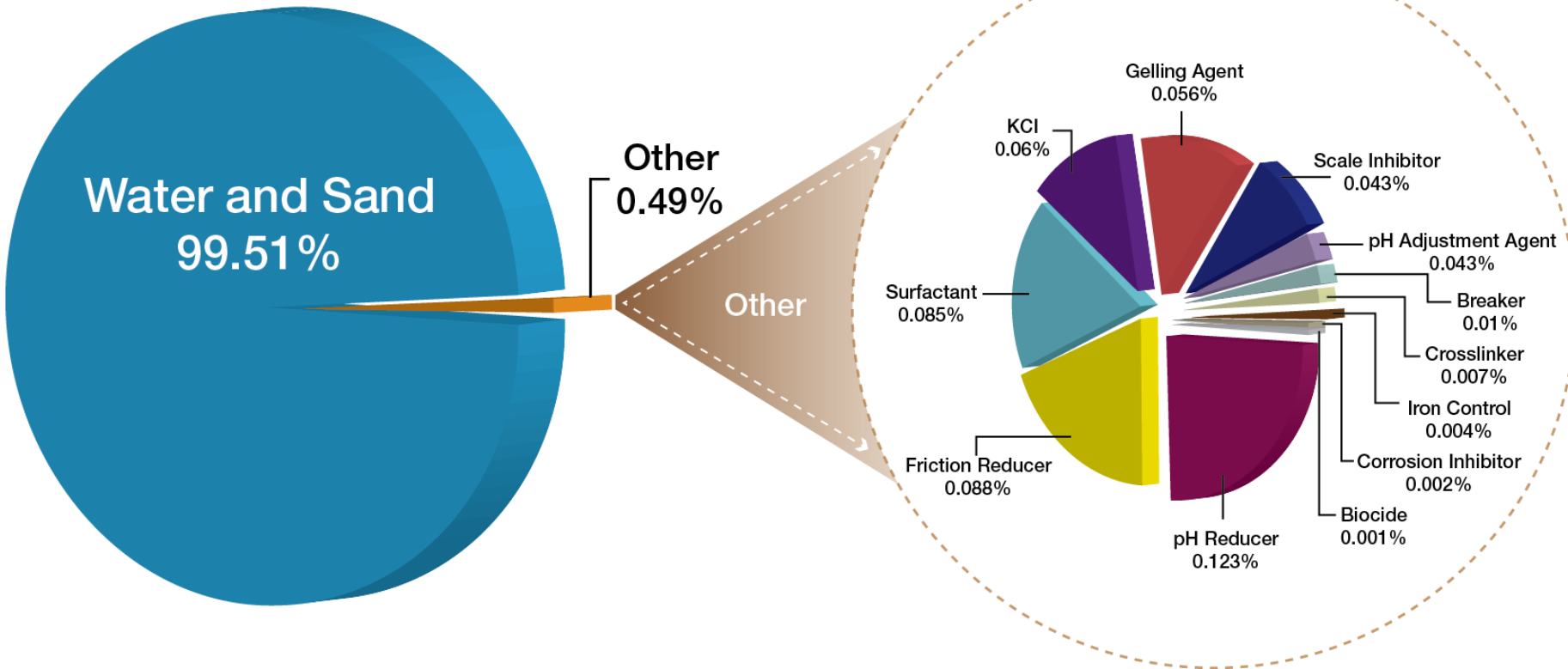


Graphic depiction not to scale

Side View of Drilling Plan (to scale)



What's in Fracking Fluids?



Emerging Operations Events



- **Site access authorization**
- **Uncertainty of payments for state tax credits owed**
 - Impacts to potential future exploration
 - Changes to number of initial wells drilled onshore



Questions?

Larry Burgess (907) 754-9552

lburgess@bluecrestenergy.com

Honor. Stewardship. Fidelity