



## MEMORANDUM

**To:** Board Members  
Alaska Industrial Development and Export Authority (AIDEA)

**From:** Tom Boutin  
Executive Director

**Date:** March 27, 2020

**Subject:** BlueCrest Energy Loan Modification  
Resolution G20-09

### GENERAL

BlueCrest Energy Inc. (“BlueCrest”) has requested AIDEA to implement a modification to the Loan Agreement allowing for a forbearance of principal payments for 12 months, effectively as of the April 1, 2020 payment date through the March 1, 2021 payment date.

This request is being made by BlueCrest to allow the company needed flexibility in weathering the recent severe downturn in crude oil pricing, specifically Alaska crude, which benchmarks off of Brent. Current price index for Brent has traded below \$30/bbl, representing a more than 55% decline in the oil price since the start of the year.

### LAST REVIEW

The Investment Committee and the AIDEA Board last reviewed this credit in July 2019 and the board approved a modification to the loan allowing for the release of the \$6.1 million Reserve Account as a negotiated pre-payment of the loan. At that time, the principal balance of the loan was \$22.9 million. It has since reduced to \$13.2 million as of the last payment date March 1, 2020.

### COLLATERAL

AIDEA’s collateral for the loan concluded in December 2016 is the BlueCrest Rig #1, a 50-person man camp, and associated pipe, equipment and tools.

### PROPOSAL

Amend the existing loan agreement to change BlueCrest’s payments to interest only beginning on April 1, 2020 through the March 1, 2021 payment. Principal payments will begin again on April 1, 2020. The loan maturity will be extended an additional year from July 1, 2022 to July 1, 2023.

### RECOMMENDATION

BlueCrest has been extremely diligent in its payment obligations to AIDEA. In keeping with our mission, AIDEA staff recommends approval of the loan modification to provide the requested flexibility to BlueCrest in the near term in order to allow the oil markets to stabilize. This action will support the retention of the existing 10-person operation staff and lead to the employment of over 150 persons with the continued development of the field by BlueCrest later this year per the plan of development.

**ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY**

**RESOLUTION NO. G20-09**

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY APPROVING AMENDMENTS TO  
LOAN AGREEMENT WITH BLUECREST ALASKA OPERATING  
LLC AND CO-BORROWERS**

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**WHEREAS**, in Resolution No. G15-14, adopted on April 30, 2015, the Alaska Industrial Development and Export Authority (the “Authority”) approved a loan of up to \$30 million to BlueCrest Energy, Inc. and its affiliates under the Authority’s development finance program (AS 44.88.172);

**WHEREAS**, on July 24, 2015, the Authority, as Lender, entered into a Loan Agreement with BlueCrest Alaska Operating LLC, as Borrower, and BlueCrest Alaska Oil & Gas LLC, BlueCrest Cosmopolitan, LLC, and BlueCrest Energy, Inc., as Co-Borrowers, under which the Authority agreed to provide a line of credit of up to \$30 million to finance the acquisition, transportation, set up and commissioning of an on-shore drilling rig, associated equipment and a camp facility;

**WHEREAS**, the Authority fully disbursed the \$30 million line of credit and the Borrower and Co-Borrowers used the loan proceeds to acquire the desired drilling rig and camp, both which have been installed on-site and are in operation;

**WHEREAS**, in Resolution No. G16-14, adopted on December 1, 2016, and in Resolution No. G19-17, adopted June 26, 2019, the Authority approved certain amendments to the Loan Agreement related to the reserve account for the loan;

**WHEREAS**, the collapse in oil prices due to actions of foreign governments, exacerbated by the economic downturn from the COVID-19 pandemic, has resulted in the Borrower encountering severe cash flow problems, and oil prices are not expected to recover in the immediate future;

**WHEREAS**, Staff of the Authority has recommended amending the Loan Agreement again to provide for a one-year period of interest-only payments on the loan and to extend the amortization period and maturity date of the loan for one year; and

**WHEREAS**, the recommended loan amendments are prudent and reasonable in view of the global economic crisis that exists, the amendments may assist the Borrower in remaining in business until oil prices recover, and the amendments are in the best interests of the Authority and the State of Alaska.

**NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY AS FOLLOWS:**

Section 1. The recommended amendments to the loan agreement between the Authority, as Lender, BlueCrest Alaska Operating LLC, as Borrower, and BlueCrest Alaska Oil & Gas LLC, BlueCrest Cosmopolitan, LLC, and BlueCrest Energy, Inc., are approved. Starting with the payment due April 1, 2020 and continuing through March 2021, the Authority shall accept interest-only payments on the loan, and the amortization period and maturity date for the loan shall be extended for one year.

Section 2. The Executive Director is authorized to complete the negotiations with the Borrower regarding the amendments to the loan agreement. The Executive Director is authorized to execute on behalf of the Authority the final amendments to the loan agreement approved in

Section 1 above, with any other non-material modifications to loan terms and conditions that the Executive Director determines to be appropriate.

Dated at Anchorage, Alaska, this 27<sup>th</sup> day of March 2020.

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Chair

ATTEST  
[SEAL]

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Secretary



# Division of Oil & Gas

Alaska Department of Natural Resources

## Monthly Weighted Average - Royalty Value Report

Report Code: OIL

Starting Production Month: 202001 Through 201401

Latest Revision - Reports processed as of Report Month: 202002

Units: Beluga River Unit, Cannery Loop Unit, Cosmopolitan Unit, Deep Creek Unit, Granite Point Unit, Ivan River Unit, Kenai Unit, Kitchen Lights Unit, Lewis River Unit, Middle Ground Shoal Unit, Nicolai Creek Unit, Nikolaevsik Unit, Ninilchik Unit, Nonunitized Production, North Cook Inlet Unit, North Fork Unit, North Trading Bay Unit, Pretty Creek Unit, Redoubt Unit, Trading Bay Unit, West McArthur River Unit

### Production Month: 202001

Unit Name: Cosmopolitan Unit			WIO	RIV	RIK	Weighted Average	Weighted	RIV	Weighted
Accounting Unit Description	Acct Unit	Lessee	Volume	Volume	Volume	Royalty Rate (RIV + RIK) / WIO	Average RIV RV by Lessee	Royalty Due	Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	34,256.00	4,281.99	0.00		57.21851	\$245,009.09	
<b>CPSH Accounting Unit 202001 Total:</b>			<b>34,256.00</b>	<b>4,281.99</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$245,009.09</b>	<b>\$57.21851</b>
<b>Cosmopolitan Unit 202001 Total:</b>			<b>34,256.00</b>	<b>4,281.99</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$245,009.09</b>	<b>\$57.21851</b>

### Production Month: 201912

Unit Name: Cosmopolitan Unit			WIO	RIV	RIK	Weighted Average	Weighted	RIV	Weighted
Accounting Unit Description	Acct Unit	Lessee	Volume	Volume	Volume	Royalty Rate (RIV + RIK) / WIO	Average RIV RV by Lessee	Royalty Due	Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	35,677.00	4,459.61	0.00		58.88668	\$262,611.63	
<b>CPSH Accounting Unit 201912 Total:</b>			<b>35,677.00</b>	<b>4,459.61</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$262,611.63</b>	<b>\$58.88668</b>
<b>Cosmopolitan Unit 201912 Total:</b>			<b>35,677.00</b>	<b>4,459.61</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$262,611.63</b>	<b>\$58.88668</b>

### Production Month: 201911

Unit Name: Cosmopolitan Unit			WIO	RIV	RIK	Weighted Average	Weighted	RIV	Weighted
Accounting Unit Description	Acct Unit	Lessee	Volume	Volume	Volume	Royalty Rate (RIV + RIK) / WIO	Average RIV RV by Lessee	Royalty Due	Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	35,172.00	4,396.49	0.00		56.49521	\$248,380.63	
<b>CPSH Accounting Unit 201911 Total:</b>			<b>35,172.00</b>	<b>4,396.49</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$248,380.63</b>	<b>\$56.49521</b>
<b>Cosmopolitan Unit 201911 Total:</b>			<b>35,172.00</b>	<b>4,396.49</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$248,380.63</b>	<b>\$56.49521</b>

### Production Month: 201910

Unit Name: Cosmopolitan Unit			WIO	RIV	RIK	Weighted Average	Weighted	RIV	Weighted
Accounting Unit Description	Acct Unit	Lessee	Volume	Volume	Volume	Royalty Rate (RIV + RIK) / WIO	Average RIV RV by Lessee	Royalty Due	Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	38,613.00	4,826.62	0.00		54.61377	\$263,599.91	
<b>CPSH Accounting Unit 201910 Total:</b>			<b>38,613.00</b>	<b>4,826.62</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$263,599.91</b>	<b>\$54.61377</b>
<b>Cosmopolitan Unit 201910 Total:</b>			<b>38,613.00</b>	<b>4,826.62</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$263,599.91</b>	<b>\$54.61377</b>

**Production Month: 201909**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	37,578.00	4,697.24	0.00		54.18042	\$254,498.44	
<b>CPSH Accounting Unit 201909 Total:</b>			<b>37,578.00</b>	<b>4,697.24</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$254,498.44</b>	<b>\$54.18042</b>
<i>Cosmopolitan Unit 201909 Total:</i>			<i>37,578.00</i>	<i>4,697.24</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$254,498.44</i>	<i>\$54.18042</i>

**Production Month: 201908**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	38,080.00	4,759.99	0.00		51.20253	\$243,723.53	
<b>CPSH Accounting Unit 201908 Total:</b>			<b>38,080.00</b>	<b>4,759.99</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$243,723.53</b>	<b>\$51.20253</b>
<i>Cosmopolitan Unit 201908 Total:</i>			<i>38,080.00</i>	<i>4,759.99</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$243,723.53</i>	<i>\$51.20253</i>

**Production Month: 201907**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	42,426.00	5,303.24	0.00		55.65051	\$295,128.01	
<b>CPSH Accounting Unit 201907 Total:</b>			<b>42,426.00</b>	<b>5,303.24</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$295,128.01</b>	<b>\$55.65051</b>
<i>Cosmopolitan Unit 201907 Total:</i>			<i>42,426.00</i>	<i>5,303.24</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$295,128.01</i>	<i>\$55.65051</i>

**Production Month: 201906**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	45,066.00	5,633.24	0.00		53.41710	\$300,911.34	
<b>CPSH Accounting Unit 201906 Total:</b>			<b>45,066.00</b>	<b>5,633.24</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$300,911.34</b>	<b>\$53.41710</b>
<i>Cosmopolitan Unit 201906 Total:</i>			<i>45,066.00</i>	<i>5,633.24</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$300,911.34</i>	<i>\$53.41710</i>

**Production Month: 201905**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	51,205.00	6,400.61	0.00		59.82364	\$382,907.79	
<b>CPSH Accounting Unit 201905 Total:</b>			<b>51,205.00</b>	<b>6,400.61</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$382,907.79</b>	<b>\$59.82364</b>
<i>Cosmopolitan Unit 201905 Total:</i>			<i>51,205.00</i>	<i>6,400.61</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$382,907.79</i>	<i>\$59.82364</i>

**Production Month: 201904**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	52,775.00	6,596.86	0.00		61.95265	\$408,692.96	
CPSH Accounting Unit 201904 Total:			52,775.00	6,596.86	0.00	12.50000%		\$408,692.96	\$61.95265
Cosmopolitan Unit 201904 Total:			52,775.00	6,596.86	0.00	12.50000%		\$408,692.96	\$61.95265

**Production Month: 201903**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	36,614.00	4,576.74	0.00		57.55641	\$263,420.72	
CPSH Accounting Unit 201903 Total:			36,614.00	4,576.74	0.00	12.50000%		\$263,420.72	\$57.55641
Cosmopolitan Unit 201903 Total:			36,614.00	4,576.74	0.00	12.50000%		\$263,420.72	\$57.55641

**Production Month: 201902**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	41,245.00	5,155.61	0.00		54.80565	\$282,556.56	
CPSH Accounting Unit 201902 Total:			41,245.00	5,155.61	0.00	12.50000%		\$282,556.56	\$54.80565
Cosmopolitan Unit 201902 Total:			41,245.00	5,155.61	0.00	12.50000%		\$282,556.56	\$54.80565

**Production Month: 201901**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	48,613.00	6,076.62	0.00		50.35734	\$306,002.42	
CPSH Accounting Unit 201901 Total:			48,613.00	6,076.62	0.00	12.50000%		\$306,002.42	\$50.35734
Cosmopolitan Unit 201901 Total:			48,613.00	6,076.62	0.00	12.50000%		\$306,002.42	\$50.35734

**Production Month: 201812**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	36,302.00	4,537.75	0.00		48.19196	\$218,683.07	
CPSH Accounting Unit 201812 Total:			36,302.00	4,537.75	0.00	12.50000%		\$218,683.07	\$48.19196
Cosmopolitan Unit 201812 Total:			36,302.00	4,537.75	0.00	12.50000%		\$218,683.07	\$48.19196

**Production Month: 201811**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	32,186.00	4,023.25	0.00		56.76380	\$228,374.96	
CPSH Accounting Unit 201811 Total:			32,186.00	4,023.25	0.00	12.50000%		\$228,374.96	\$56.76380
Cosmopolitan Unit 201811 Total:			32,186.00	4,023.25	0.00	12.50000%		\$228,374.96	\$56.76380

**Production Month: 201810**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	36,422.00	4,552.75	0.00		70.55122	\$321,202.07	
CPSH Accounting Unit 201810 Total:			36,422.00	4,552.75	0.00	12.50000%		\$321,202.07	\$70.55122
Cosmopolitan Unit 201810 Total:			36,422.00	4,552.75	0.00	12.50000%		\$321,202.07	\$70.55122

**Production Month: 201809**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	35,684.00	4,460.50	0.00		69.16303	\$308,501.70	
CPSH Accounting Unit 201809 Total:			35,684.00	4,460.50	0.00	12.50000%		\$308,501.70	\$69.16303
Cosmopolitan Unit 201809 Total:			35,684.00	4,460.50	0.00	12.50000%		\$308,501.70	\$69.16303

**Production Month: 201808**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	20,703.00	2,587.87	0.00		65.00413	\$168,222.24	
CPSH Accounting Unit 201808 Total:			20,703.00	2,587.87	0.00	12.50000%		\$168,222.24	\$65.00413
Cosmopolitan Unit 201808 Total:			20,703.00	2,587.87	0.00	12.50000%		\$168,222.24	\$65.00413

**Production Month: 201807**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	24,253.89	3,031.74	0.00		67.85086	\$205,706.17	
CPSH Accounting Unit 201807 Total:			24,253.89	3,031.74	0.00	12.50000%		\$205,706.17	\$67.85086
Cosmopolitan Unit 201807 Total:			24,253.89	3,031.74	0.00	12.50000%		\$205,706.17	\$67.85086



**Production Month: 201806**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	23,592.56	2,949.07	0.00		66.53493	\$196,216.17	
<b>CPSH Accounting Unit 201806 Total:</b>			<b>23,592.56</b>	<b>2,949.07</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$196,216.17</b>	<b>\$66.53493</b>
<i>Cosmopolitan Unit 201806 Total:</i>			<i>23,592.56</i>	<i>2,949.07</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$196,216.17</i>	<i>\$66.53493</i>

**Production Month: 201805**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	26,561.00	3,320.13	0.00		66.80911	\$221,814.93	
<b>CPSH Accounting Unit 201805 Total:</b>			<b>26,561.00</b>	<b>3,320.13</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$221,814.93</b>	<b>\$66.80911</b>
<i>Cosmopolitan Unit 201805 Total:</i>			<i>26,561.00</i>	<i>3,320.13</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$221,814.93</i>	<i>\$66.80911</i>

**Production Month: 201804**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	22,834.00	2,854.25	0.00		61.27267	\$174,887.52	
<b>CPSH Accounting Unit 201804 Total:</b>			<b>22,834.00</b>	<b>2,854.25</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$174,887.52</b>	<b>\$61.27267</b>
<i>Cosmopolitan Unit 201804 Total:</i>			<i>22,834.00</i>	<i>2,854.25</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$174,887.52</i>	<i>\$61.27267</i>

**Production Month: 201803**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	25,947.47	3,243.43	0.00		57.08089	\$185,137.88	
<b>CPSH Accounting Unit 201803 Total:</b>			<b>25,947.47</b>	<b>3,243.43</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$185,137.88</b>	<b>\$57.08089</b>
<i>Cosmopolitan Unit 201803 Total:</i>			<i>25,947.47</i>	<i>3,243.43</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$185,137.88</i>	<i>\$57.08089</i>

**Production Month: 201802**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	20,588.25	2,573.53	0.00		56.49870	\$145,401.10	
<b>CPSH Accounting Unit 201802 Total:</b>			<b>20,588.25</b>	<b>2,573.53</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$145,401.10</b>	<b>\$56.49870</b>
<i>Cosmopolitan Unit 201802 Total:</i>			<i>20,588.25</i>	<i>2,573.53</i>	<i>0.00</i>	<i>12.50000%</i>		<i>\$145,401.10</i>	<i>\$56.49870</i>

**Production Month: 201801**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	8,652.64	1,081.58	0.00		59.47422	\$64,326.13	
CPSH Accounting Unit 201801 Total:			8,652.64	1,081.58	0.00	12.50000%		\$64,326.13	\$59.47422
Cosmopolitan Unit 201801 Total:			8,652.64	1,081.58	0.00	12.50000%		\$64,326.13	\$59.47422

**Production Month: 201712**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	1,138.38	142.30	0.00		54.23650	\$7,717.85	
CPSH Accounting Unit 201712 Total:			1,138.38	142.30	0.00	12.50000%		\$7,717.85	\$54.23650
Cosmopolitan Unit 201712 Total:			1,138.38	142.30	0.00	12.50000%		\$7,717.85	\$54.23650

**Production Month: 201711**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	7,441.98	930.25	0.00		53.37408	\$49,651.24	
CPSH Accounting Unit 201711 Total:			7,441.98	930.25	0.00	12.50000%		\$49,651.24	\$53.37408
Cosmopolitan Unit 201711 Total:			7,441.98	930.25	0.00	12.50000%		\$49,651.24	\$53.37408

**Production Month: 201710**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	7,122.00	890.25	0.00		47.79288	\$42,547.61	
CPSH Accounting Unit 201710 Total:			7,122.00	890.25	0.00	12.50000%		\$42,547.61	\$47.79288
Cosmopolitan Unit 201710 Total:			7,122.00	890.25	0.00	12.50000%		\$42,547.61	\$47.79288

**Production Month: 201709**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	9,593.67	1,199.21	0.00		45.39070	\$54,432.98	
CPSH Accounting Unit 201709 Total:			9,593.67	1,199.21	0.00	12.50000%		\$54,432.98	\$45.39070
Cosmopolitan Unit 201709 Total:			9,593.67	1,199.21	0.00	12.50000%		\$54,432.98	\$45.39070

**Production Month: 201707**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	8,071.70	1,008.95	0.00		39.51348	\$39,867.13	
CPSH Accounting Unit 201707 Total:			8,071.70	1,008.95	0.00	12.50000%		\$39,867.13	\$39.51348
Cosmopolitan Unit 201707 Total:			8,071.70	1,008.95	0.00	12.50000%		\$39,867.13	\$39.51348

**Production Month: 201706**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	5,321.62	665.20	0.00		37.65364	\$25,047.20	
CPSH Accounting Unit 201706 Total:			5,321.62	665.20	0.00	12.50000%		\$25,047.20	\$37.65364
Cosmopolitan Unit 201706 Total:			5,321.62	665.20	0.00	12.50000%		\$25,047.20	\$37.65364

**Production Month: 201705**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	5,005.00	625.63	0.00		40.89847	\$25,587.31	
CPSH Accounting Unit 201705 Total:			5,005.00	625.63	0.00	12.50000%		\$25,587.31	\$40.89847
Cosmopolitan Unit 201705 Total:			5,005.00	625.63	0.00	12.50000%		\$25,587.31	\$40.89847

**Production Month: 201704**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	3,965.00	495.63	0.00		43.49865	\$21,559.24	
CPSH Accounting Unit 201704 Total:			3,965.00	495.63	0.00	12.50000%		\$21,559.24	\$43.49865
Cosmopolitan Unit 201704 Total:			3,965.00	495.63	0.00	12.50000%		\$21,559.24	\$43.49865

**Production Month: 201703**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	5,211.00	651.38	0.00		41.87099	\$27,273.93	
CPSH Accounting Unit 201703 Total:			5,211.00	651.38	0.00	12.50000%		\$27,273.93	\$41.87099
Cosmopolitan Unit 201703 Total:			5,211.00	651.38	0.00	12.50000%		\$27,273.93	\$41.87099

**Production Month: 201702**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	4,990.00	623.76	0.00		44.95626	\$28,041.92	
<b>CPSH Accounting Unit 201702 Total:</b>			<b>4,990.00</b>	<b>623.76</b>	<b>0.00</b>		<b>12.50000%</b>	<b>\$28,041.92</b>	<b>\$44.95626</b>
<i>Cosmopolitan Unit 201702 Total:</i>			<i>4,990.00</i>	<i>623.76</i>	<i>0.00</i>		<i>12.50000%</i>	<i>\$28,041.92</i>	<i>\$44.95626</i>

**Production Month: 201701**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	4,694.00	586.76	0.00		43.62204	\$25,595.67	
<b>CPSH Accounting Unit 201701 Total:</b>			<b>4,694.00</b>	<b>586.76</b>	<b>0.00</b>		<b>12.50000%</b>	<b>\$25,595.67</b>	<b>\$43.62204</b>
<i>Cosmopolitan Unit 201701 Total:</i>			<i>4,694.00</i>	<i>586.76</i>	<i>0.00</i>		<i>12.50000%</i>	<i>\$25,595.67</i>	<i>\$43.62204</i>

**Production Month: 201612**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	4,406.00	550.75	0.00		43.03419	\$23,701.08	
<b>CPSH Accounting Unit 201612 Total:</b>			<b>4,406.00</b>	<b>550.75</b>	<b>0.00</b>		<b>12.50000%</b>	<b>\$23,701.08</b>	<b>\$43.03419</b>
<i>Cosmopolitan Unit 201612 Total:</i>			<i>4,406.00</i>	<i>550.75</i>	<i>0.00</i>		<i>12.50000%</i>	<i>\$23,701.08</i>	<i>\$43.03419</i>

**Production Month: 201611**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	4,690.00	586.25	0.00		35.75550	\$20,961.66	
<b>CPSH Accounting Unit 201611 Total:</b>			<b>4,690.00</b>	<b>586.25</b>	<b>0.00</b>		<b>12.50000%</b>	<b>\$20,961.66</b>	<b>\$35.75550</b>
<i>Cosmopolitan Unit 201611 Total:</i>			<i>4,690.00</i>	<i>586.25</i>	<i>0.00</i>		<i>12.50000%</i>	<i>\$20,961.66</i>	<i>\$35.75550</i>

**Production Month: 201610**

Unit Name: Cosmopolitan Unit									
Accounting Unit Description	Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST	4,673.00	584.12	0.00		39.54447	\$23,098.72	
<b>CPSH Accounting Unit 201610 Total:</b>			<b>4,673.00</b>	<b>584.12</b>	<b>0.00</b>		<b>12.50000%</b>	<b>\$23,098.72</b>	<b>\$39.54447</b>
<i>Cosmopolitan Unit 201610 Total:</i>			<i>4,673.00</i>	<i>584.12</i>	<i>0.00</i>		<i>12.50000%</i>	<i>\$23,098.72</i>	<i>\$39.54447</i>

**Production Month: 201609**

Unit Name: Cosmopolitan Unit			Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Accounting Unit Description											
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST			4,936.00	617.00	0.00		34.34542	\$21,191.12	
					<b>4,936.00</b>	<b>617.00</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$21,191.12</b>	<b>\$34.34542</b>
					<i>Cosmopolitan Unit 201609 Total:</i>	<i>4,936.00</i>	<i>617.00</i>	<i>0.00</i>	<i>12.50000%</i>	<i>\$21,191.12</i>	<i>\$34.34542</i>

**Production Month: 201608**

Unit Name: Cosmopolitan Unit			Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Accounting Unit Description											
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST			5,608.00	701.00	0.00		33.99457	\$23,830.19	
					<b>5,608.00</b>	<b>701.00</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$23,830.19</b>	<b>\$33.99457</b>
					<i>Cosmopolitan Unit 201608 Total:</i>	<i>5,608.00</i>	<i>701.00</i>	<i>0.00</i>	<i>12.50000%</i>	<i>\$23,830.19</i>	<i>\$33.99457</i>

**Production Month: 201607**

Unit Name: Cosmopolitan Unit			Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Accounting Unit Description											
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST			4,465.00	558.12	0.00		33.94005	\$18,942.62	
					<b>4,465.00</b>	<b>558.12</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$18,942.62</b>	<b>\$33.94005</b>
					<i>Cosmopolitan Unit 201607 Total:</i>	<i>4,465.00</i>	<i>558.12</i>	<i>0.00</i>	<i>12.50000%</i>	<i>\$18,942.62</i>	<i>\$33.94005</i>

**Production Month: 201606**

Unit Name: Cosmopolitan Unit			Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Accounting Unit Description											
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST			4,016.23	502.03	0.00		37.54590	\$18,849.17	
					<b>4,016.23</b>	<b>502.03</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$18,849.17</b>	<b>\$37.54590</b>
					<i>Cosmopolitan Unit 201606 Total:</i>	<i>4,016.23</i>	<i>502.03</i>	<i>0.00</i>	<i>12.50000%</i>	<i>\$18,849.17</i>	<i>\$37.54590</i>

**Production Month: 201605**

Unit Name: Cosmopolitan Unit			Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Accounting Unit Description											
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST			8,107.49	1,013.44	0.00		37.28047	\$37,781.52	
					<b>8,107.49</b>	<b>1,013.44</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$37,781.52</b>	<b>\$37.28047</b>
					<i>Cosmopolitan Unit 201605 Total:</i>	<i>8,107.49</i>	<i>1,013.44</i>	<i>0.00</i>	<i>12.50000%</i>	<i>\$37,781.52</i>	<i>\$37.28047</i>

**Production Month: 201604**

Unit Name: Cosmopolitan Unit			Acct Unit	Lessee	WIO Volume	RIV Volume	RIK Volume	Weighted Average Royalty Rate (RIV + RIK) / WIO	Weighted Average RIV RV by Lessee	RIV Royalty Due	Weighted Average RIV RV
Accounting Unit Description											
Cosmopolitan Unit Combined Starichkof Hemlock Participating Area	CPSH	BLUECREST			6,615.00	826.87	0.00		32.07814	\$26,524.45	
					<b>6,615.00</b>	<b>826.87</b>	<b>0.00</b>	<b>12.50000%</b>		<b>\$26,524.45</b>	<b>\$32.07814</b>
					<i>Cosmopolitan Unit 201604 Total:</i>	<i>6,615.00</i>	<i>826.87</i>	<i>0.00</i>	<i>12.50000%</i>	<i>\$26,524.45</i>	<i>\$32.07814</i>