ABSTRACT THIS REPORT

The Alaska Hire Report is an annual update to Alaskans of BP’s Alaska recruiting, training and purchasing initiatives. All data reflects 2014 calendar year except where otherwise noted.

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COVER: BP is one of the largest private sector investors in Alaska. Our investments extend well beyond our business to the communities where our employees and their families live and play.

INSIDE COVER: BP headquarters in Anchorage.
Our commitment

Operating in Alaska for 56 years, BP remains committed to building a sustainable oil and gas industry for the state. The current low oil price environment is challenging. We believe it is lower-for-longer, and we are adjusting our work activity while keeping after the goals of staying safe and getting competitive.

Another major goal at this time is a successful Alaska LNG project that includes the State of Alaska as a partner and co-investor. Together with our co-venturers, we continue to make progress with first commercial gas currently estimated in 2025. The Alaska LNG project would provide significant economic benefits to Alaskans including state revenues, new job opportunities, and decades of access to in-state natural gas for Alaska.

Our Alaska workforce remains strong with roughly 2,000 employees; 6,000 contractors; and an Alaska hire rate at 79 percent. We know our employees are our best asset, and we continue to help educate, recruit and hire as many as we can from our own backyard. Please enjoy this publication and know BP Alaska is a partner in securing a bright future for this great state.

Regards,
Janet Weiss
President, BP Exploration (Alaska) Inc.

Investing in Alaska’s Future

Beyond its operations on Alaska’s North Slope, BP invests millions of dollars in Alaskans and their communities across the state every year. We know healthy, strong communities lead to a sustainable future.

In 2014, BP contributed over $5 million to more than 800 non-profit, educational organizations and programs all around Alaska. Our employees are equally generous contributing thousands of volunteer hours to numerous community organizations and sports teams. Additionally, the BP Energy Center provides free meeting space to non-profit organizations, with more than 800 different groups using the facility since its doors opened in 2002.

Supporting quality education is a priority for BP in Alaska. The BP Teachers of Excellence and the BP Principals’ Scholarship awards are two key programs impacting hundreds of Alaskans. Over the course of 20 years, BP Teachers of Excellence has honored over 650 Alaska teachers with monetary awards and community recognition; and the BP Principals’ Scholarship - the longest running scholarship program in Alaska - has given $3.5 million to 775 graduating high school seniors since starting nearly 30 years ago.
BP’s Challengers and summer interns get an opportunity to showcase their creative minds and innovative skills at the annual Technofest, held each year in the BP headquarters building in Anchorage. The 45 projects presented in the summer of 2015 reflected the technical and economic challenges of the current oil price climate, and the Alaska Region’s imperative to achieve its business plan and targets within that environment.

The presentations covered petroleum and reservoir engineering; geophysics and petrophysics; surface facilities; finance; Procurement and Supply Chain Management (PSCM) and Human Resources. Projects described methods for enhancing efficiency and reliability in Greater Prudhoe Bay, both in surface and subsurface activities, increasing production from existing reservoirs, and identifying areas where new production could be optimized.

Intern Nathan Sutton presented a study of piping repair and replacement projects across Greater Prudhoe Bay, and identified a process to make these activities more efficient. Intern Amy Fox focused on practical projects to ensure infrastructure reliability, providing a comprehensive report on monitoring and mitigating corrosion at the Seawater Treatment Plant.

Several presentations focused on the Sag reservoir, which is believed to contain about 25 billion barrels of oil in place and a current recovery factor of about 10 percent. One effort, by Rishi Joshi, identified areas that have been previously swept by water and gas injection patterns, and listed new potential drilling targets.

Reservoir Management/East Area Manager Scott Digert commented on the high quality of the Technofest presentations and their importance to the company’s future.

“We’re often limited in budgets and human resources to complete studies and other analyses that we know could help the business. Having interns and Challengers move these along and put them to the forefront is quite valuable to the region, and the work I’ve seen at Technofest is top-quality,” Digert said. “I believe that many of this year’s projects will go into the hopper for serious consideration.”
Alaska new hires

The BP Challenge program is a 3-4 year development program for full-time college graduate hires in engineering, science and business.

Dakota Chastain works as a finance analyst with the Greater Prudhoe Bay planning and performance team, supporting business planning for the greater Prudhoe area. Born and raised in Anchorage, Chastain graduated from West Anchorage High School. He worked as a BP summer intern in 2014 with the asset management team, and graduated with a B.S. in finance from the University of Denver. “I was drawn to work for a major oil company because of the types of projects we work on and the positive impacts our investments have on the state of Alaska.”

Jacob Eisses graduated from West High School in Anchorage and went on to earn a B.S. in chemical engineering from Purdue University. Born and raised in Anchorage, Eisses always intended to return to Alaska’s oil and gas industry. After interning for BP Alaska in 2013 and BP Amoco in South Carolina in 2014, he returned home and was hired by BP in the summer of 2015. Working as a surface engineer, Eisses does process engineering support for the central area of Prudhoe Bay.

Cody Klingman graduated from the University of Alaska Fairbanks in 2015 with degrees in mechanical engineering and English. He has also studied at China University of Petroleum Beijing. In summer 2014, Klingman worked as a surface intern with the BP’s Global Projects Organization in Anchorage. He began his current role as a pipeline engineer with Safety & Operational Risk Pipeline Assurance a year later. Klingman’s current projects include improving pipeline documentation, tracking subsidence of pipeline supports, experimentally analyzing slug flow, and developing vehicle barriers for pipelines. “I’m delighted to work on interesting and challenging projects with the great people in my department at BP,” he says.

Hannah Foreman earned a B.A. in economics at the University of Alaska Anchorage. After working as a summer intern for BP Alaska in 2014, she was hired full-time as a planning and performance analyst in 2015. Foreman moved to Eagle River, Alaska in 2006 after living wherever her family’s military assignment took her growing up. Foreman says she has learned a strong oil and gas industry has great significance in Alaska, and she is proud to be a member of the BP team.

Buddy Miller

Habitat for Humanity is one of the many organizations BP employees support.

Applying for a job with BP

It’s easy to apply for internships or jobs with BP.

Check out alaska.bp.com

BP’s employment needs are mainly in technical fields like process control operators and engineering disciplines in petroleum, process and mechanical engineering. The company also recruits commercial analysts, environmental scientists and professionals in a number of other fields. BP’s contractors are also actively recruiting, and most jobs in the oil and gas industry are with contractors, not the producing companies. To see a list of contractors, their needs and requirements, go to the Alaska Support Industry Alliance website at www.alaskaalliance.com

GROUP PHOTO: From left to right, Anna Best, Dakota Chastain, Hannah Foreman, Cody Klingman, Rana Elghonimy, Jacob Eisses, Hannah Law and Matthew Bergene.
BP Interns challenged in and out of the office

BP Alaska’s 23 summer interns were put to the test in June 2015 during an intensive, day-long BP asset management class at the Anchorage office. The class was designed to provide an overview of BP’s Alaska business, and to help interns develop strategies and plans for running a successful business. The class included work sessions where intern teams were required to make presentations that addressed business challenges.

“The interns participated with enthusiasm and demonstrated an ability to think on their feet, work as a team, and connect business decisions to strategy,” said BP Alaska Director of Business Development Damian Bilbao, who designed this year’s course model and helped facilitate the class.

This year’s focus was on effectively operating a business, including developing business plans and strategies; creating health, safety, security and environment programs; developing an oil field and building facilities; workforce development; financial management and accounting.

“This year there was an emphasis on teamwork and communication, with obstacles and challenges thrown into the mix,” said JoAnna Tomuro, intern program coordinator. Following the lessons, interns broke into teams and were given assignments that included all of those subject areas. The teams were challenged to turn around their respective company’s stock price amidst a host of unpredictable events such as oil price collapse and hostile business environments of foreign countries. Presentations or deliverables were then made to a board of directors, comprised of Janet Weiss, Alaska Region President; Eric West, Vice President Non-Operating Businesses; and Stan Benion, Vice President, Human Resources.

“I found the asset management course to be very beneficial because it allowed me to step back and view the business as a whole instead of focusing on just the financial aspect of it. Ensuring that a company’s decisions tie back to its overarching vision and strategy was the biggest takeaway for me because it’s not an easy thing to do,” said Intern Misha Sajjad, an MBA student at the University of Alaska Anchorage who worked with the planning and performance team.

Additionally, a field trip to Seward included a series of lectures by BP staff on the 1964 earthquake and impacts to Seward; Arctic engineering; wells; petroleum and reservoir engineering; facilities and operations; geology and geophysics.

All of the interns agreed that a sunny day in Seward, with kayaking on Resurrection Bay and informative lectures on each of BP’s disciplines, was a great finale to the two-day program.

“This year there was an emphasis on teamwork and communication, with obstacles and challenges thrown into the mix.” - JoAnna Tomuro

Kayaking was a great way to get to know the interns and some of the Challengers outside of work—and the weather was absolutely beautiful all day,” said intern Amy Fox.

Tomuro says she was excited to see how the interns responded to the challenges of the BP asset management course. She also complimented BP staff and management during the course and at the Seward Away Day.

“The staff that presented technical talks ranged from a new first-year employee to a six-year experienced employee,” she said. “Their ability to communicate subject knowledge to the interns—and in a highly understandable way—was terrific.”
Recruiting & Interns

Recruiting and training skilled workers to fill jobs in Alaska remains a top priority for BP. The opportunities for graduates are many in the oil and gas industry, and BP has been actively recruiting Alaska graduates since the mid-1990s. BP hosted 23 summer interns in 2015, and over the past 10 years has hired 111 full-time employees from UAA and UAF with degrees in engineering, business, and geoscience.

BP 2015 summer interns engineering, business, and sciences

- Joyell Acuna UAA
- Sarah Albert UAF
- Sterling Anderson MT Tech
- Daniel Baklanov UAF
- Trevor Clayton MSU
- Bree Cooper OU
- Joshua Day UAA
- Leah Droege UAF
- J. Hunter Drozd TX A&M
- Amy Fox MSU
- Bryan Maley Wagner
- Joshua McFarland UT El Paso
- Robert Monfore UAF
- Alana Novosad U MN
- Jesse Pisel CSM
- Wilson Royer UAF
- Misha Sajjad UAA
- Erin Shade Marietta
- William Sirola CSM
- Lauren Summers WSU
- Nathan Sutton MT Tech
- Anna-Marie Weed WSU
- Douglas Wilson CSM

Bryan Maley is pursuing degrees in finance and computer science from Wagner College in NYC where he also is the place kicker for the Wagner Seahawks football team. Born and raised in Eagle River, Alaska, Maley graduated from Chugiak High School. His 2015 internship was spent working with the Greater Prudhoe Bay commercial analysis team. Maley’s project was to modernize and validate a financial model that dealt with crude oil quality differentials between various fields on the North Slope. “My internship at BP allowed me to get great exposure to the oil & gas industry, and receive outstanding guidance from employees throughout the Alaska office. It is a very rewarding feeling coming back home and working on issues that directly pertain to your state,” Maley said.

Leah Droege is a junior at the University of Alaska Fairbanks, currently pursuing a B.S. in petroleum engineering. A lifelong Alaskan, Droege graduated from East Anchorage High School. As a reservoir engineering intern in 2015 with the base management optimization team, she refined and further developed a process for calculating voidage replacement ratios and generating injection targets, with a focus on the Aurora Borealis area. “Working at BP provided me with functional knowledge and allowed me to develop relationships with creative, intelligent professionals from many different backgrounds. It was truly an unforgettable experience,” Droege said.

Sarah Albert graduated from the University of Alaska Fairbanks in August 2015 with a Master’s Degree in geophysics. Born in Illinois, Albert moved to Fairbanks in 2007 for education and adventure. As a BP intern she worked with the seismic delivery team on reservoir presence and quality in the Borealis field. Albert says that her time at BP was challenging and rewarding. “The internship was fun and challenging. My favorite part was applying the skills I’ve learned in school in new and exciting ways. My results contributed to BP’s exploration efforts, which made the internship even more rewarding.”

Misha Sajjad is in her final year at the University of Alaska Anchorage, working towards an MBA with an emphasis on accounting. Born and raised in Dhahran, Saudi Arabia, Sajjad is a graduate of Dhahran High School and also studied at McMaster University in Canada before moving to Anchorage in 2013. In the summer of 2015, Sajjad worked as a finance intern with the planning and performance team and networked with BP employees across various disciplines to develop a flowchart illustrating the flow of financial data between BP Alaska’s many financial systems. “This project was an integral step for the finance group to begin exploring options for streamlining their systems moving forward, and it was very rewarding for me to be able to work on something so relevant,” she said.

GROUP PHOTO:

More than $1.6 billion spent with Alaska companies in 2014

BP Alaska remains one of the top investors in Alaska. Of the $2.2 billion BP spent in Alaska in 2014, $1.6 billion was with Alaska companies - 72% of overall spending. That spending supports more than 300 vendors statewide.

BP’s spending in Alaska touches many corners of the state. From the major turnarounds each summer on the North Slope, to buying goods and services for daily operations; the impact is far reaching. In the summer of 2015, BP had two major maintenance projects - called turnarounds (TARS) - at key processing facilities. Work at Gathering Center 1 and Flow Station 1 focused on facility maintenance, vessel repairs, and other improvements designed to improve efficiency and reliability.

The 2015 TARS had a total cost of over $100 million and included hundreds of employees and contractors. The work done each year at facilities on the North Slope is designed to increase efficiency and safety, and is critical to ensuring a sustainable future for the Alaska region.

The turnarounds at Flow Station 1 and Gathering Center 1 were among the major projects on the North Slope in the summer of 2015.
Hiring Alaskans is a top priority for BP in Alaska

Recruiting, training, and hiring Alaskans remain top priorities for BP Alaska. With a workforce numbering roughly 2,000 employees in the state, BP’s Alaska hire percentage is still strong at 79 percent. Recognizing Alaskans know their state best, BP also encourages its contractors to hire Alaskans.

BP defines Alaska residency as having a primary residence in Alaska with the intent to stay, and BP employees are required to certify Alaska residency annually. BP’s Alaska hire numbers include any person who worked for the company during the year and was paid for either full-time or temporary work.

Statistics from the Alaska Department of Labor on Alaska hire are traditionally lower because the department bases the calculation on the number of employees who applied to receive an Alaska Permanent Fund (PFD) check in a particular year. The PFD has a stricter set of requirements for residency, including having lived in the state for more than one full calendar year.

All of the companies here employ a number of workers whose primary residence is in Alaska, but who have not lived in the state long enough to receive or be eligible for a PFD. The Alaska hire percentages are reported annually to the Alaska Department of Labor and Workforce Development.

Alaska Residency 79% (BP data)
PFD eligibility 71% (Alaska Dept. of Labor)

BP’s major contractors

Alaska Hire Annual Average 2014 Alaska Dept. of Labor

<table>
<thead>
<tr>
<th>Company</th>
<th>Alaska Hire</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASRC Energy Services</td>
<td>70%</td>
</tr>
<tr>
<td>CH2M Hill (all Alaska Divisions)</td>
<td>59%</td>
</tr>
<tr>
<td>Doyon Drilling</td>
<td>86%</td>
</tr>
<tr>
<td>NANA Management Services</td>
<td>89%</td>
</tr>
<tr>
<td>Schlumberger</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: Alaska Department of Labor and Workforce Development Research and Analysis Section
New Operators

With the support of BP and other industry partners, The Alaska Process Industry Careers Consortium (APICC) was established in 1999 to create, connect, and enhance the quality of training and educational programs specifically aimed at preparing Alaskans for careers in the process industries. APICC is designed to promote industry careers to Alaskans, create statewide standards, and define workforce needs.

In the summer of 2015, BP Alaska hired 10 entry-level operators and 10 operator interns from the process technology programs at UAA, UAF, and Kenai Peninsula College. In total, BP has hired 177 graduates of the APICC program since the first graduates in 2002. BP also supports APICC with scholarships, and some BP employees teach process technology classes.

The process industries include oil and gas production, transportation and refining, water treatment, mining and power generation. The process technology program is a two-year program that can lead to exciting, interesting, and good-paying jobs.

2015 Operators Interns: left to right, Jeremy Zastrow, Kevin Gormish, Joe Barkley, Twila McClung, Cameron Schneider, Bruce Hass, Brad Fusaro, Phillip Valenta, Gayle Koger and Dasha Badger.

Often due to the challenges of living in remote areas or poor economic conditions, students in rural Alaska can struggle to earn college degrees, despite the fact many of them have records of high academic achievement. Through the University of Alaska, Alaska Native Science & Engineering Program (ANSEP), hundreds of rural students are not only getting into college, but also receiving degrees and finding careers in Alaska's oil and gas industry.

Now in its 21st year, the BP-supported program prepares students academically and socially for careers in science, technology, engineering and math (STEM). Herb Schroeder, founder and vice provost for ANSEP, says that since its inception in 1995, about 1,500 students have either completed the program, are currently enrolled, or in preparatory programs.

“These include students from sixth grade through the PhD program, and according to the Urban Institute, they perform above national averages at every academic level,” Schroeder says.

A Yupik Eskimo from Kwethluk in western Alaska, Mattias Hautala came to ANSEP as a sophomore at Sitka’s Mt. Edgecumbe High School. Because of 2014 budget cuts at the school, he lost the opportunity to take college courses in Sitka. Fortunately, Hautala was one of five ANSEP summer interns at BP in 2015. He got hands-on experience in corrosion engineering, and is working toward a degree in petroleum engineering at the University of Alaska Fairbanks.

ANSEP is a longitudinal model that has proven highly successful. It starts with students in the sixth grade, continuing on through high school, into science and engineering undergraduate degree programs and through to the PhD. For pre-college students the ANSEP components provide an opportunity to live on campus for two-to-eight weeks (depending on age) and get hands-on training from professional scientists and engineers.

BP has supported ANSEP from the beginning and is a founding partner of the ANSEP Summer Bridge component for new high school graduates. Summer Bridge continues today as an intensive summer of advanced mathematics along with a professional paid internship doing real work alongside BP engineers. BP has hosted 81 ANSEP bridge summer interns since 2000.

BP is also one of the companies that funded an endowed Chair for ANSEP—making it possible for a full-time, year-round faculty dedicated to ANSEP students.

**BP 2015 ANSEP INTERNS:** *Top left to right,* Trisha Jimmie, Walter Seeganna, Mattias Hautala, Jesse Puletau and Kiefer Davis.