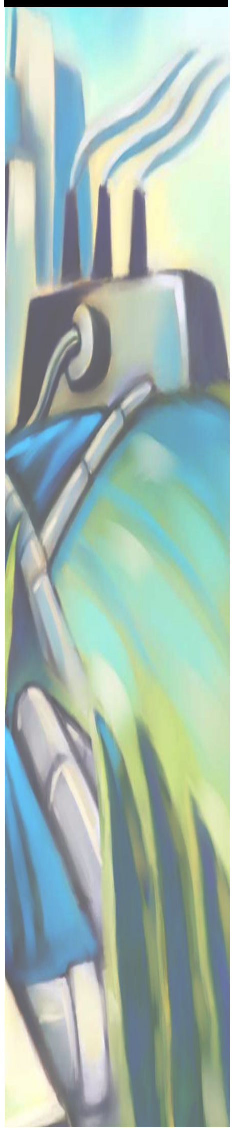


Hart Energy's

Commercializing Methane Hydrates Conference

Houston, Texas

December 5, 2006

North American Gas Supply Outlook

Richard M. Tucker

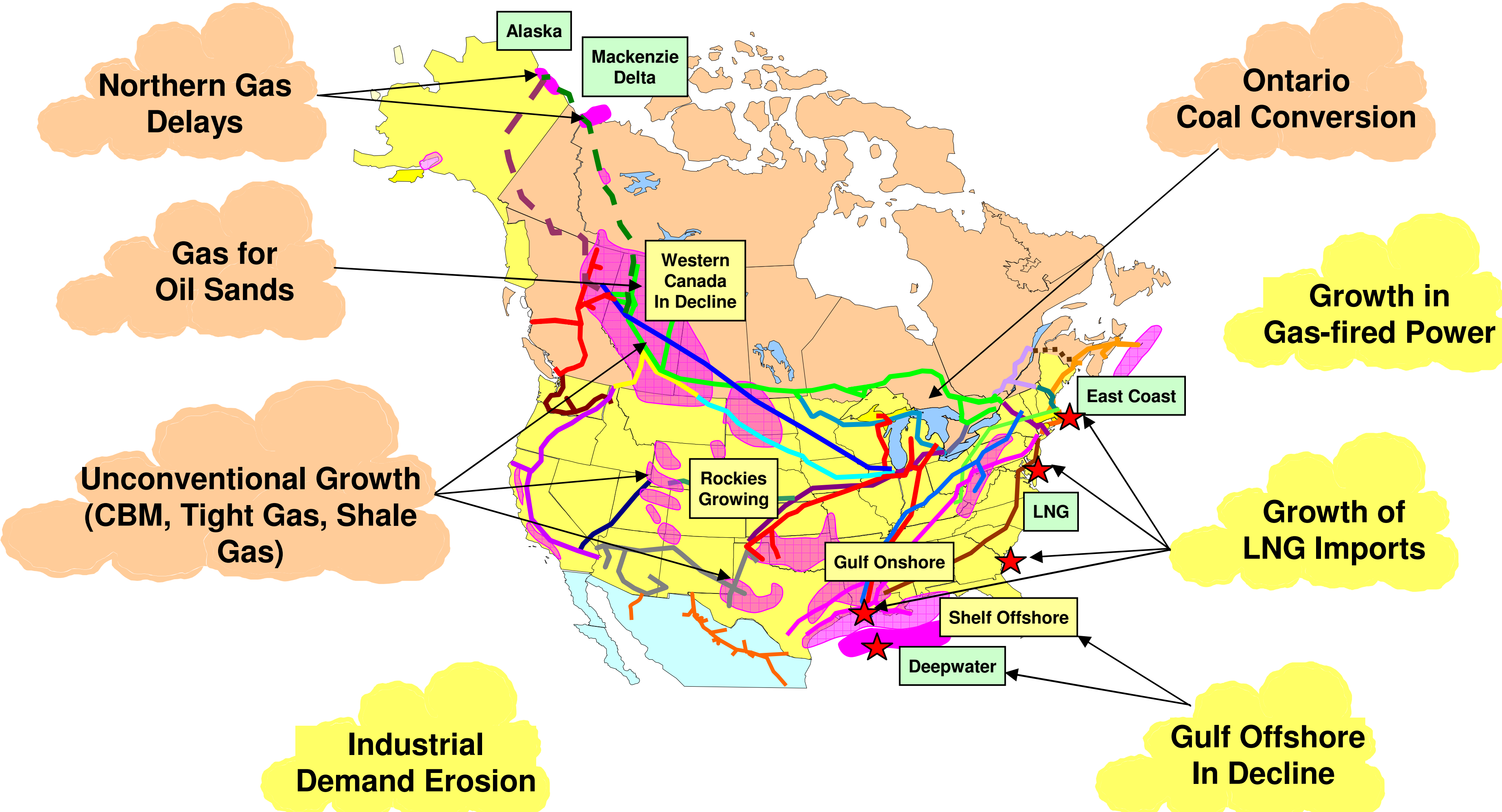
Vice President

Ziff Energy Group

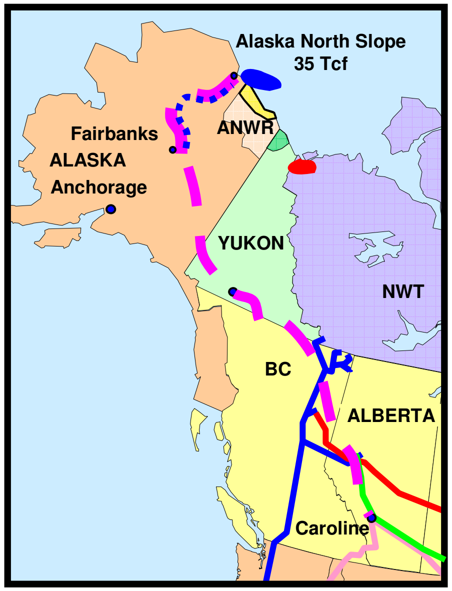
Houston **Calgary**

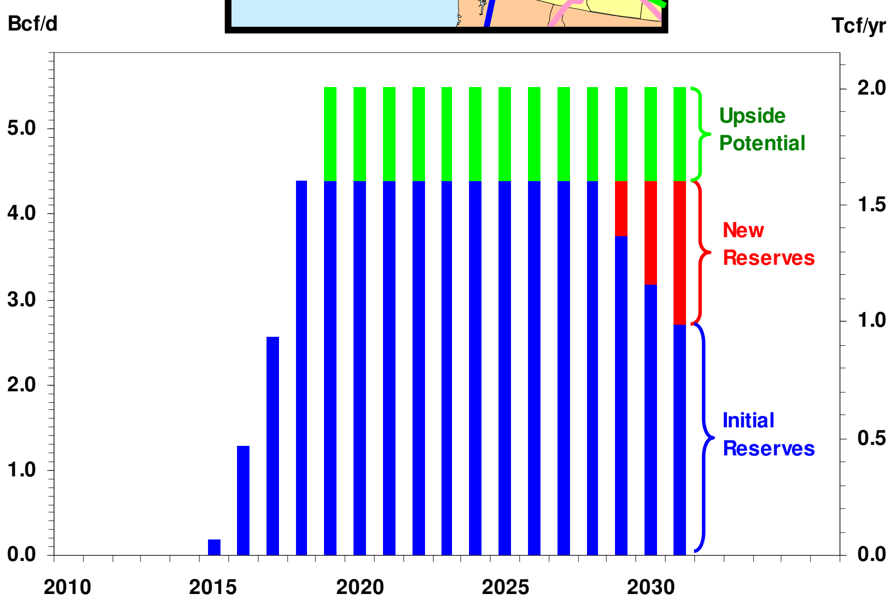
www.ziffenergy.com

Gas Overview



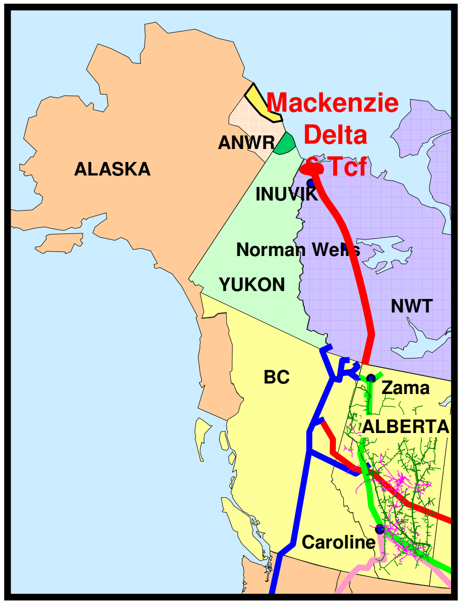
Alaska Gas Project

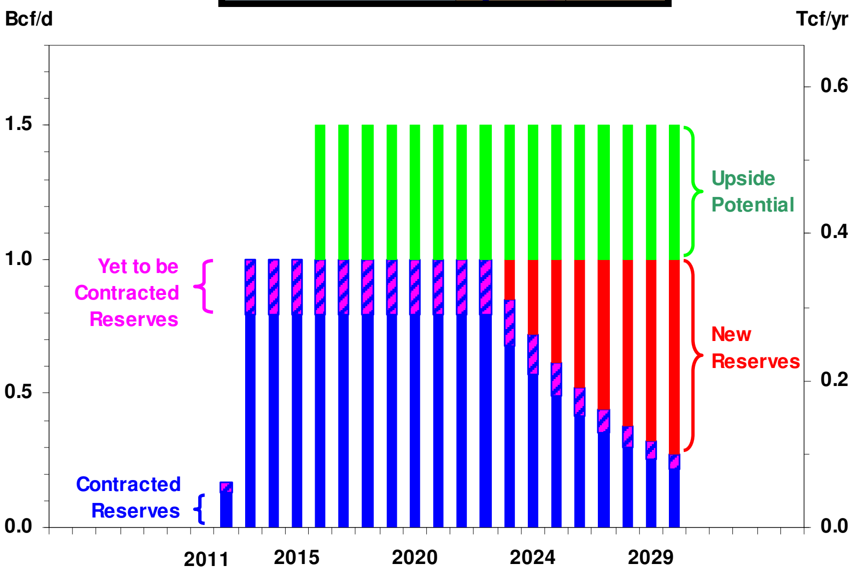




- Both candidates for governor will open project to competition
  - not limited to BP, ExxonMobil, and ConocoPhillips
  - project delays
- Canadian Pipeline Regulatory process still outstanding
- Initial Pipeline Capacity
  - 4.5 Bcf/d
  - 1 Bcf/d expansion
- In-service – Nov. 2016?

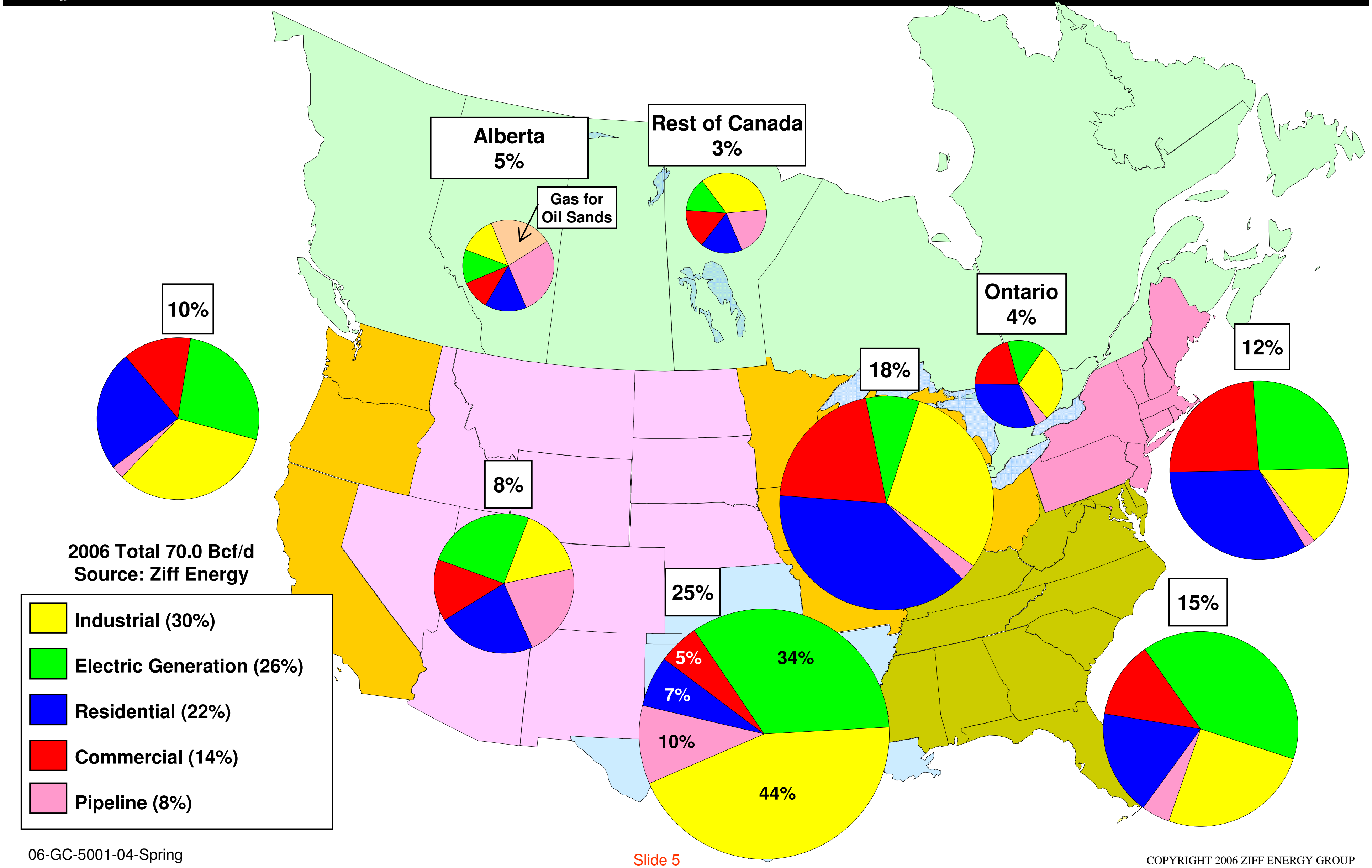
Mackenzie Gas Project





- Current Cost Estimate $7+ billion
  - New estimates Fall 2006
  - Expected to be $10+ billion
- Initial Volume – 0.8 to 1 Bcf/d
  - Pipeline Capacity – 1.9 Bcf/d
- Joint Review Panel meetings
  - Delayed – end of Q1 2007
- In-service – Nov. 2012?

2006 North American Gas Market Share



2006 North American LNG Imports

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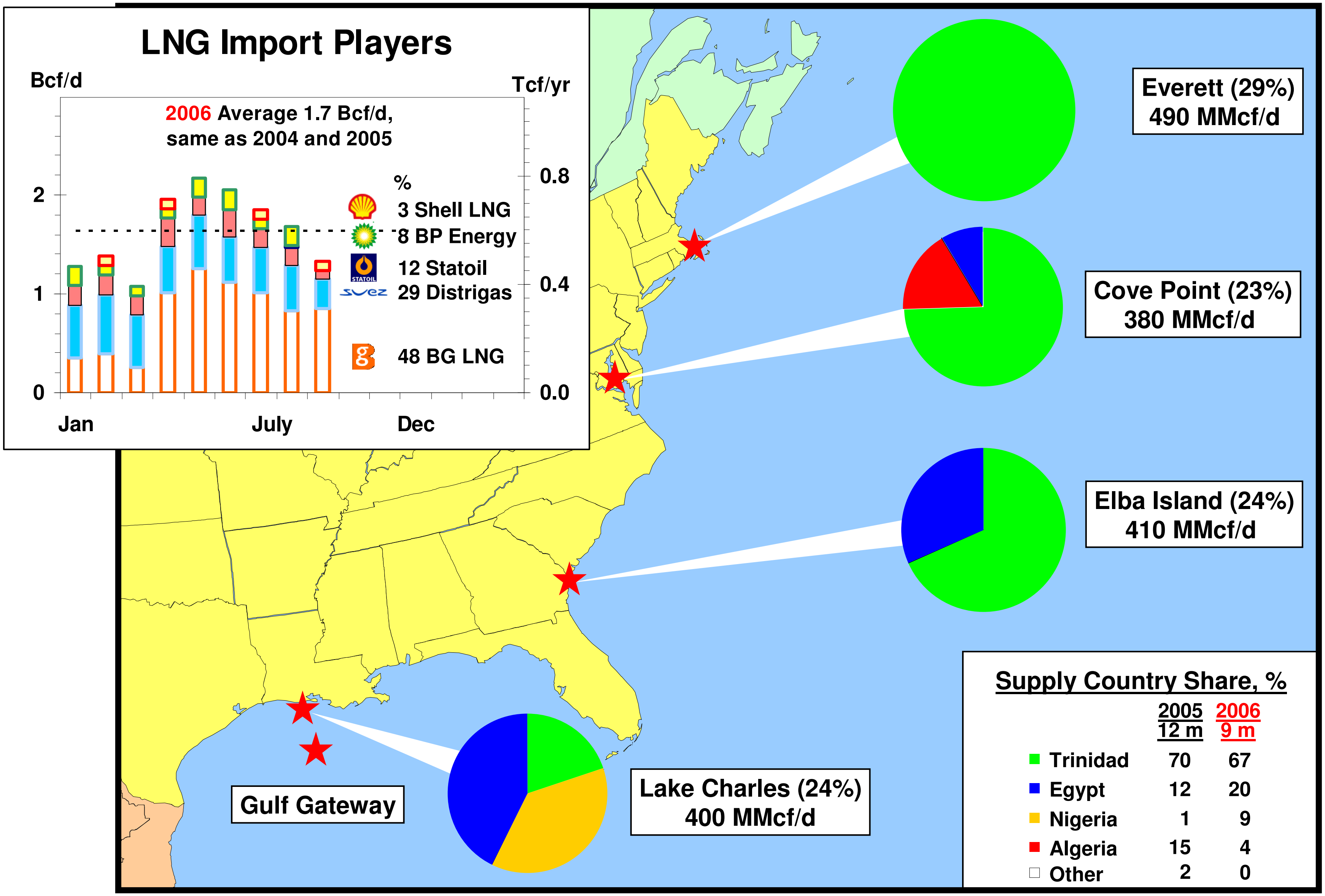
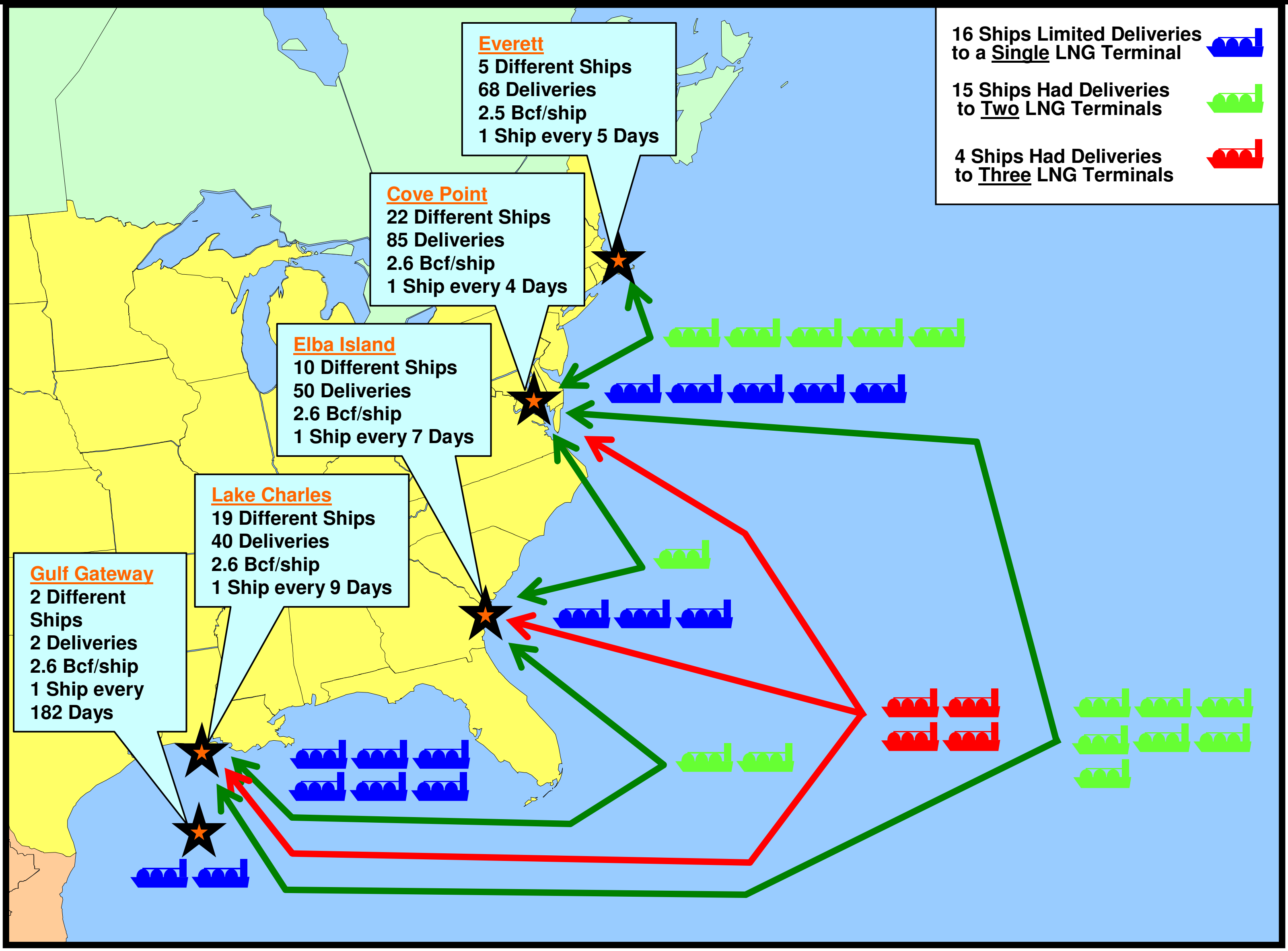


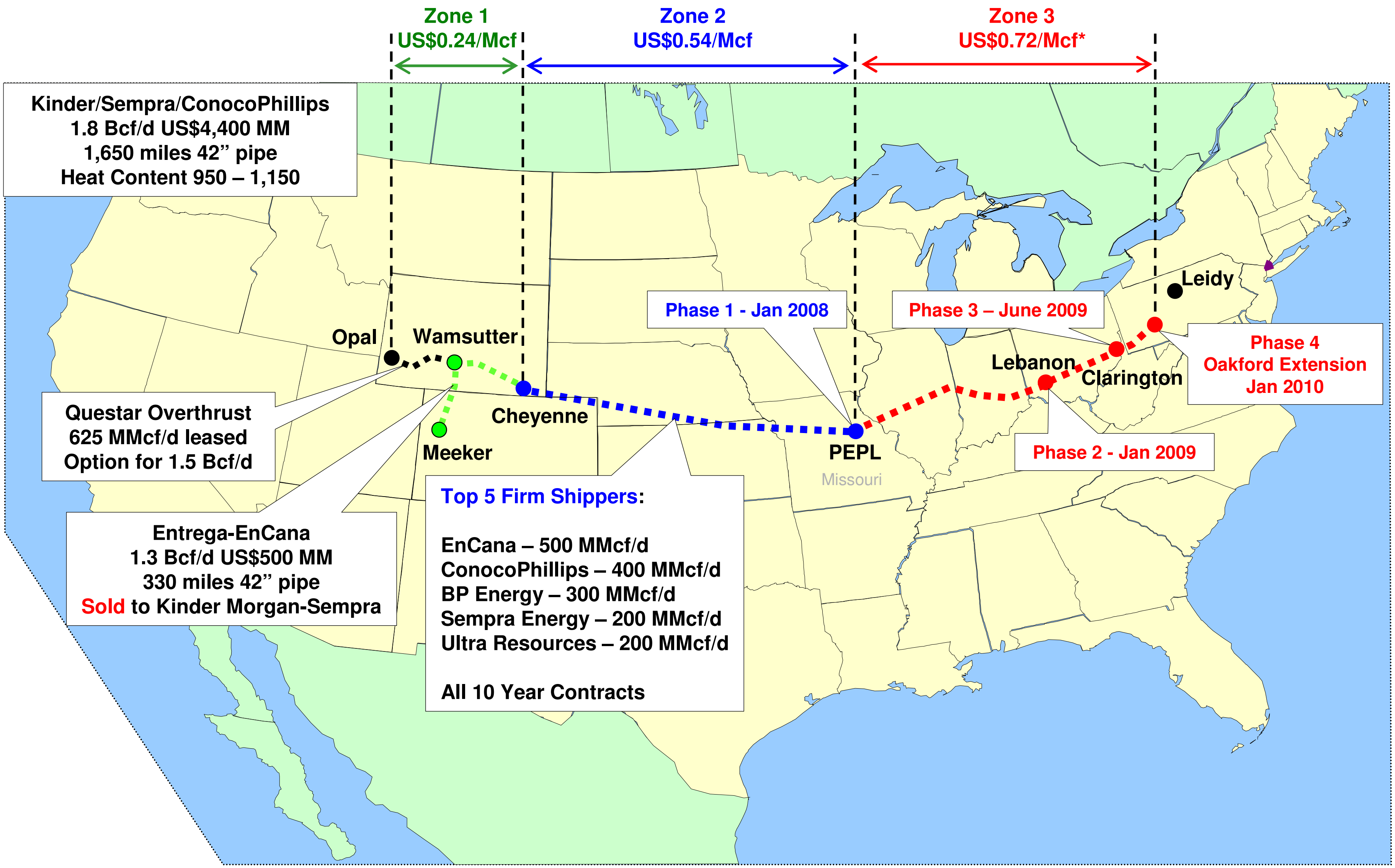
Supply Country Share, %

	2005 12 m	2006 9 m
Trinidad	70	67
Egypt	12	20
Nigeria	1	9
Algeria	15	4
Other	2	0

2005 LNG Shipping to North America



Rockies Express Pipeline



* Ziff Energy estimate

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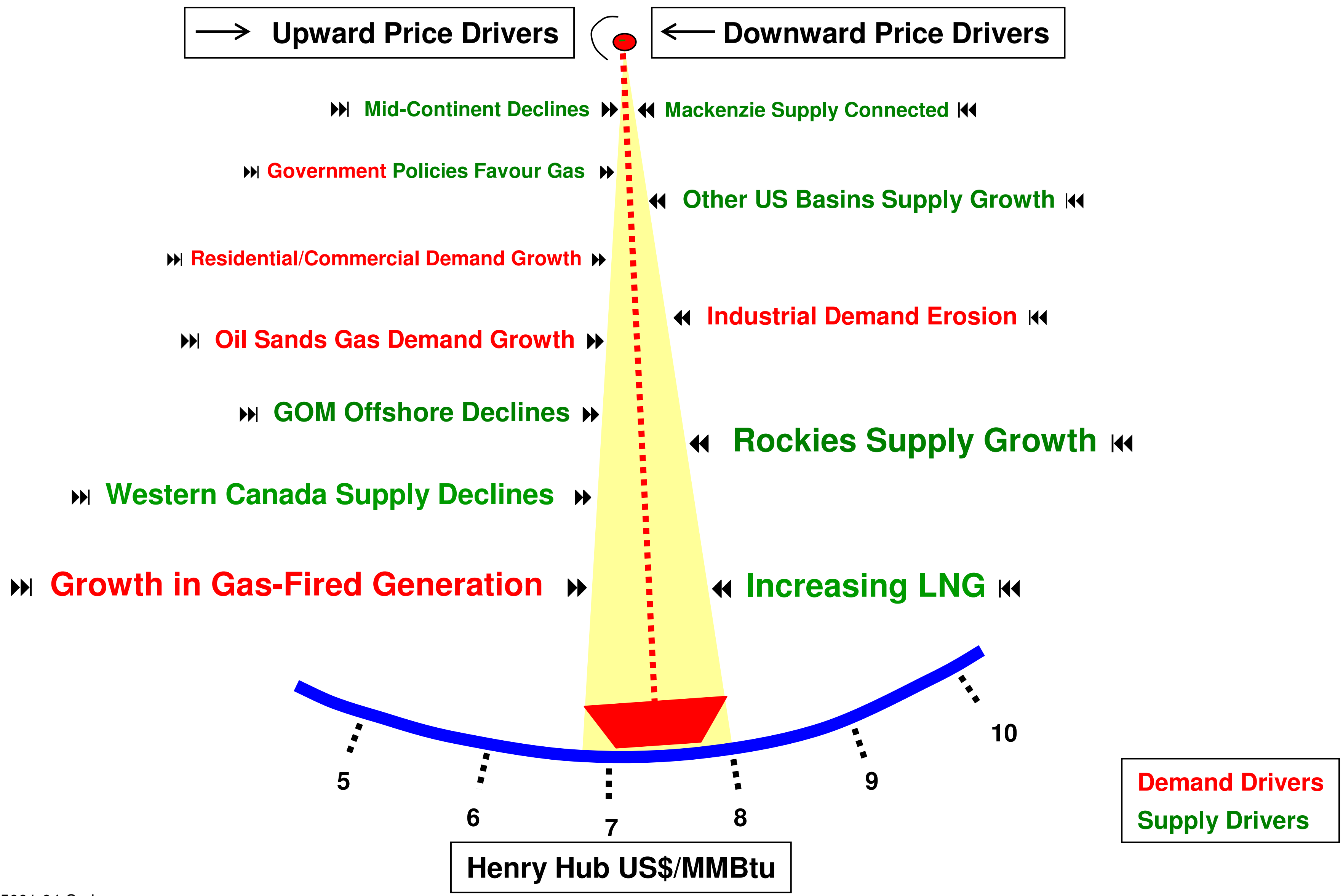
2007-2014 Gas Price Influences



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