



LEADER in All We Do

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**FOR IMMEDIATE RELEASE**

**Doyon to Drill New Exploration Well in Nenana Basin**

*Fairbanks, Alaska* – Today, Doyon, Limited announced that it intends to drill a new oil and gas exploration well in the Nenana basin west of Fairbanks during the summer of 2018. The well, to be called Totchaket #1, will be drilled on one of several promising areas identified from a 64 square mile 3D seismic program conducted earlier this year.

Prior drilling by Doyon in the basin has demonstrated the presence of both natural gas and oil, although those results were not commercial.

According to Doyon President and CEO Aaron Schutt, “we are especially excited about the recent seismic results because for the first time in this basin we see trapped hydrocarbons. This could be a game-changer.”

James Mery, Doyon Senior Vice-President of Lands and Natural Resources, noted that the Doyon Nunivak #2 well drilled in 2013 encountered several hundred feet of propane rich, gas saturated sandstone. However, the trap holding the gas had apparently failed millions of years ago resulting in leaks that lowered saturation to levels that could not be produced economically. Had the trap not failed, the Doyon team believes that approximately 150 BCF to 180 BCF of natural gas could have been produced, which is enough to supply Fairbanks for more than 25 years. If Totchaket #1 is a success, Doyon estimates that similar amounts of gas could be present.

Mr. Schutt also stated that “seeing trapped gas and possibly light oil really helps reduce the risk of trap failure we encountered at Nunivak #2, so it is time to drill again.”

“Although our primary target is oil” said Mery, “our gas prospects are greater, so it is unfortunate timing to see the Interior Gas Utility ready now to commit to a course of action with AIDEA which will tie Fairbanks for at least a generation to imported LNG by truck at much less favorable price projections. This potential IGU purchase also eliminates the option



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for use of future Nenana gas as well as foreclosing future opportunities to tap into any North Slope gas export line.”

Totchaket #1 will be drilled to a depth of 12,500 feet from a location approximately 20 miles north of the city of Nenana on the east side of the Tanana River. Previous wells have been drilled west of the Tanana River and farther south.

Doyon leases State of Alaska and Mental Health Trust oil and gas interests in 240,000 acres in the Nenana basin and owns subsurface mineral rights to an adjacent 40,000 acres. The Toghothele Corporation owns the surface interests above the Doyon owned mineral rights.

Doyon, headquartered in Fairbanks and Alaska’s largest private landowner, has been actively exploring for oil and gas resources in the Nenana basin for more than a decade. It has acquired several sets of 2D and 3D seismic data and drilled three exploration wells in the basin to date.

#### *About Doyon, Limited*

Headquartered in Fairbanks, Doyon, Limited has more than 19,700 shareholders and was established under the 1971 Alaska Native Claims Settlement Act. Doyon, consistently one of the top 10 Alaskan-owned companies, is also the largest private landowner in Alaska and one of the largest in North America. Its mission is to continually enhance its position as a financially strong Native corporation in order to promote the economic and social well-being of its shareholders and future shareholders, to strengthen its Native way of life, and to protect and enhance its land and resources. For more information, visit [www.doyon.com](http://www.doyon.com).

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