

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LAFAYETTE COPY - DIST. NO. 2

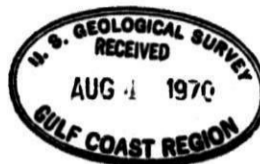
1985 Carres.

Office	New Orleans, La.
Serial Number	OCB-C 1985
Cash Bonus	\$2,726,050.00
Rental Rate	\$10.00 per acre
Minimum Royalty Rate	\$10.00 per acre
Royalty Rate	1/8%

OIL AND GAS LEASE OF SUBMERGED LANDS
UNDER THE OUTER CONTINENTAL SHELF LANDS ACT

This lease is made and effective as of August 1, 1970 (hereinafter called the Effective Date) by and between the United States of America (hereinafter called the Lessor), by the Acting Manager, Bureau of Land Management, its authorized officer, and

Tenneco Inc.
P. O. Box 60252
New Orleans, Louisiana 70160



(hereinafter called the Lessee). In consideration of the cash payment heretofore made by the Lessee to the Lessor and in consideration of the promises, terms, conditions and covenants contained herein, the parties hereto agree as follows:
Sec. 1. Statutes and Regulations. This lease is made pursuant to the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 462; 43 U.S.C. Secs. 1331, *et seq.*) (hereinafter called the Act). This lease is subject to all the provisions of the Act and to all the terms, conditions and requirements of the valid regulations promulgated by the Secretary of the Interior (hereinafter called the Secretary) thereunder in existence upon the effective date of this lease, all of which are incorporated herein and, by reference, made a part hereof. This lease shall also be subject to regulations hereafter issued by the Secretary pursuant to his authority under section 5(a)(1) of the Act to prescribe and amend at any time such rules and regulations as he may determine to be necessary and proper in order to provide for the prevention of waste and for the conservation of the natural resources of the Outer Continental Shelf, and for the protection of correlative rights therein, which regulations shall be deemed incorporated herein and, by reference, made a part hereof when promulgated.

Sec. 2. Rights of Lessee. The Lessor hereby grants and leases to the Lessee the exclusive right and privilege to drill for, mine, extract, remove and dispose of oil and gas deposits, except helium gas, in or under the following-described area of the Outer Continental Shelf of the United States:

Block 27, Ship Shoal Area, South Addition, Official Leasing Map, Louisiana Map No. 2A

BEST AVAILABLE COPY

containing approximately **2,250** acres (hereinafter referred to as the leased area), together with:

- (a) the nonexclusive right to conduct within the leased area geological and geophysical explorations in accordance with applicable regulations;
- (b) the nonexclusive right to drill water wells within the leased area and to use water produced therefrom for operations pursuant to the Act free of cost, provided that such drilling is conducted in accordance with procedures approved by the Regional Oil and Gas Supervisor of the Geological Survey (hereinafter called the "Supervisor"); and
- (c) the right to construct or erect and to maintain within the leased area all artificial islands, platforms, fixed or floating structures, sea walls, docks, dredged channels and spaces, buildings, plants, telegraph or telephone lines and cables, pipelines, reservoirs, tanks, pumping stations, and other works and structures necessary to the full enjoyment of the rights granted by this lease, subject to compliance with applicable laws and regulations.

- royalties as follows:
- Rentals.* With respect to each lease year commencing prior to a discovery of oil or gas on the leased area, to pay the Lessor on or before the first day of each such year, a rental of **\$10.00** per acre or fraction thereof.
 - Minimum royalty.* To pay the Lessor at the expiration of each lease year commencing after discovery a minimum royalty of **\$10.00** per acre or fraction thereof or, if there is production, the difference between the actual royalty required to be paid with respect to such lease year and the prescribed minimum royalty, if the actual royalty paid is less than the minimum royalty.
 - Royalty on production.* To pay the Lessor a royalty of **16 2/3** percent in amount or value of production saved, removed, or sold from the leased area. Gas of all kinds (except helium and gas used for purposes of production from and operations upon the leased area or unavoidably lost) is subject to royalty.

Sec. 3. Obligations of Lessee. The Lessee agrees:
(a) *Rentals and royalties.* (1) To pay rentals and

(2) It is expressly agreed that the Secretary may establish minimum values for purposes of computing

royalty on products obtained from this lease, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, or area, to the price received by the Lessee, to posted prices, and to other relevant matters. Each such determination shall be made only after due notice to the Lessee and a reasonable opportunity has been afforded the Lessee to be heard.

(3) When paid in value, royalties on production shall be due and payable monthly on the last day of the month next following the month in which the production is obtained. When paid in production, such royalties shall be delivered at pipeline connections or in tanks provided by the Lessee. Such deliveries shall be made at reasonable times and intervals and, at the Lessor's option, shall be effected either (i) on or immediately adjacent to the leased area, without cost to the Lessor, or (ii) at a more convenient point closer to shore or on shore, in which event the Lessee shall be entitled to reimbursement for the reasonable cost of transporting the royalty substance to such delivery point. The Lessee shall not be required to provide storage for royalty taken in kind in excess of tankage required when royalty is paid in value. When payments are made in production the Lessee shall not be held liable for the loss or destruction of royalty oil or other liquid products in storage from causes over which the Lessee has no control.

(b) *Bonds*. To maintain at all times the bond required prior to the issuance of this lease and to furnish such additional security as may be required by the Lessor if, after operations or production have begun, the Lessor deems such additional security to be necessary.

(c) *Wells*. (1) To diligently drill and produce such wells as are necessary to protect the Lessor from loss by reason of production on other properties or, in lieu thereof, with the consent of the Supervisor, to pay a sum determined by the Supervisor as adequate to compensate the Lessor for failure to drill and produce any such well. In the event that this lease is not being maintained in force by other production of oil or gas in paying quantities or by other approved drilling or reworking operations, such payments shall be considered as the equivalent of production in paying quantities for all purposes of this lease.

(2) After due notice in writing, to diligently drill and produce such other wells as the Secretary may reasonably require in order that the leased area or any part thereof may be properly and timely developed and produced in accordance with good operating practice.

(3) At the election of the Lessee, to drill and produce other wells in conformity with any system of well spacing or production allotments affecting the area, field, or pool in which the leased area or any part thereof is situated, which is authorized or sanctioned by applicable law or by the Secretary.

(d) *Payments*. To make all payments to the Lessor by check, bank draft or money order payable as indicated herein unless otherwise provided by regulations or by direction of the Secretary. Rental, royalties, and other payments shall be made payable to the United States Geological Survey and tendered to the Supervisor, except that filing charges, bonuses, and first year's rental shall be made payable to the Bureau of Land Management and remitted to the Manager of the appropriate field office of that Bureau.

(e) *Inspection*. To keep open at all reasonable times for the inspection of any duly authorized representative of the Lessor, the leased area and all wells, improvements, machinery and fixtures thereon and all books, accounts, and records relative to operations and surveys or investigations on or with regard to the leased area or under the lease.

(f) *Conduct of operations*. To conduct all operations under this lease in accordance with applicable law and regulations.

(g) *Indemnification*. To indemnify and save the Lessor harmless against and from any and all claims of any nature whatever, including without limitation claims for loss or damage to property or injury to persons, caused by, or resulting from, any operation on the leased area conducted by or on behalf of the Lessee; provided that the Lessee shall not be held responsible to the Lessor under this subsection for any loss, damage, or injury caused by, or resulting from: (1) any negligent action of the Lessor other than the exercise or performance of (or the failure to exercise or perform) a discretionary function or duty on the part of a Federal agency or an employee of such an agency, whether or not the discretion involved is abused; or (2) the Lessee's compliance with an order or directive of the Lessor against which an appeal by the Lessee under 30 CFR 250.81 is filed before the cause of action for such a claim arises and is pursued diligently thereafter.

(h) *Equal Opportunity Clause*. The Lessee agrees that, during the performance of this lease:

(1) The Lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Lessor setting forth the provisions of this Equal Opportunity clause.

(2) The Lessee will, in all solicitations or advertisements for employees placed by or on behalf of the Lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The Lessee will send to each labor union or representative of workers with which Lessee has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Lessor, advising the labor union or workers' representative of the Lessee's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Lessee will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Secretary of the Interior and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Lessee's noncompliance with the Equal Opportunity clause of this lease or with any of said rules, regulations, or orders, this lease may be canceled, terminated or suspended in whole or in part and the Lessee may be declared ineligible for further Federal government contracts or leases in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Lessee will include the provisions of Paragraphs (1) through (7) of this subsection 3(h) in

every contract, subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each contractor, subcontractor or vendor. The Lessee will take such action with respect to any contract, subcontract or purchase order as the Secretary may direct as a means of enforcing such provisions including sanctions for noncompliance; *provided, however*, that in the event the Lessee becomes involved in, or is threatened with, litigation with a contractor, subcontractor or vendor as a result of such direction by the Secretary, the Lessee may request the Lessor to enter into such litigation to protect the interests of the Lessor.

(i) *Certification of nonsegregated facilities* By entering into this lease, the Lessee certifies that Lessee does not and will not maintain or provide for Lessee's employees any segregated facilities at any of Lessee's establishments, and that Lessee does not and will not permit Lessee's employees to perform their services at any location, under Lessee's control, where segregated facilities are maintained. The Lessee agrees that a breach of this certification is a violation of the Equal Opportunity clause in this lease. As used in this certification, the term "segregated facilities" means, but is not limited to, any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. Lessee further agrees that (except where Lessee has obtained identical certifications from proposed contractors and subcontractors for specific time periods) Lessee will obtain identical certifications from proposed contractors and subcontractors prior to the award of contracts or subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause; that Lessee will retain such certifications in Lessee's files; and that Lessee will forward the following notice to such proposed contractors and subcontractors (except where the proposed contractor or subcontractor has submitted identical certifications for specific time periods): Notice to prospective contractors and subcontractors of requirement for certification of nonsegregated facilities. A Certification of Nonsegregated Facilities, as required by the May 9, 1967, order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a contract or subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each contract and subcontract or for all contracts and subcontracts during a period (i.e., quarterly, semiannually, or annually).

(j) *Assignment of lease* To file for approval with the appropriate office of the Bureau of Land Management any instrument of transfer of this lease, or any interest therein, required to be filed under applicable regulations, within the time and in the manner prescribed by the applicable regulations.

Sec. 4. Term. This lease shall continue for a period of 5 years from the effective date of this lease and so long thereafter as oil or gas may be produced from the leased area in paying quantities, or drilling or well reworking operations, as approved by the Secretary, are conducted thereon.

Sec. 5. Cooperative or Unit Plan. Lessee agrees that, within 30 days after demand by Lessor, Lessee will subscribe to and operate under such cooperative or unit plan for the development and operation of the area, field,

or pool, or part thereof, embracing lands subject to this lease as the Secretary may determine to be practicable and necessary or advisable in the interest of conservation. Where any provision of a cooperative or unit plan of development which has been approved by the Secretary, and which by its terms affects the leased area or any part thereof, is inconsistent with a provision of this lease, the provision of such cooperative or unit plan shall govern.

Sec. 6. Reservations to Lessor. All rights in the leased area not expressly granted to the Lessee by the Act, the regulations, or this lease are hereby reserved to the Lessor. Without limiting the generality of the foregoing, such reserved rights include:

(a) *Geological and geophysical exploration, rights-of-way* The right to authorize the conduct of geological and geophysical exploration in the leased area which does not interfere with or endanger actual operations under this lease, and the right to grant such easements or rights-of-way upon, through, or in the leased area as may be necessary or appropriate to the working of other lands or to the treatment and shipment of products thereof by or under authority of the United States, its Lessees or Permittees.

(b) *Leases of sulfur and other minerals* The right to grant leases of any mineral other than oil and gas within the leased area or any part thereof. No lease of other mineral shall authorize or permit the Lessee thereunder unreasonably to interfere with or endanger operations under this lease.

(c) *Purchase of production* In time of war, or when the President of the United States shall so prescribe, the right of first refusal to purchase at the market price all or any portion of the oil or gas produced from the leased area, as provided in Section 12(b) of the Act.

(d) *Taking of royalties* The right to determine whether royalty will be taken in the amount or the value of production.

(e) *Helium* Pursuant to Section 12(f) of the Act, the ownership of and the right to extract helium from all gas produced under this lease.

(f) *Suspension of operations during war or national emergency* Upon recommendation of the Secretary of Defense, during a state of war or national emergency declared by the Congress or President of the United States after August 7, 1953, the authority of the Secretary to suspend any or all operations under this lease, as provided in Section 12(c) of the Act. *Provided*, That just compensation shall be paid by the Lessor to the Lessee.

(g) *Restriction of exploration and operations* The right, as provided in Section 12(d) of the Act, to restrict from exploration and operations the leased area or any part thereof which may be designated by and through the Secretary of Defense, with the approval of the President, as, or as part of, an area of the Outer Continental Shelf needed for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on the surface of the leased area or the part thereof included within the designation except with the concurrence of the Secretary of Defense; and if operations or production under this lease within any such restricted area shall be suspended, any payments of rentals and royalty prescribed by this lease likewise shall be suspended during such period of suspension of operations and production, and the term of this lease shall be extended by adding thereto any such suspension period, and the Lessor shall be liable to the Lessee for such compensation as is required to be paid under the Constitution of the United States.

Sec. 7. Directional Drilling. A directional well drilled under the leased area from a surface location on nearby land not covered by this lease shall be deemed to have the same effect for all purposes of this lease as a well drilled from a surface location on the leased area. In such circumstances, drilling shall be considered to have

been commenced on the leased area when drilling is commenced on the nearby land for the purpose of directionally drilling under the leased area, and production of oil or gas from the leased area through any directional well surfaced on nearby land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations (as the case may be) on the leased area for all purposes of this lease. Nothing contained in this paragraph is intended or shall be construed as granting to the Lessee any leasehold interests, licenses, easements, or other rights in or with respect to any such nearby land in addition to any such leasehold interests, licenses, easements, or other rights which the Lessee may have lawfully acquired under the Act or from the Lessor or others.

Sec. 8. Surrender of Lease. The Lessee may surrender this entire lease or any officially designated subdivision of the leased area by filing with the appropriate office of the Bureau of Land Management a written relinquishment, in triplicate, which shall be effective as of the date of filing. No surrender of this lease or of any portion of the leased area shall relieve the Lessee or his surety of the obligation to make payment of all accrued rentals and royalties or to abandon all wells on the area to be surrendered in a manner satisfactory to the Supervisor.

Sec. 9. Removal of property on termination of lease. Upon the termination of this lease in whole or in part, or the surrender of the lease in whole or in part, as herein provided, the Lessee shall within a period of 1 year thereafter remove from the premises no longer subject to the lease all structures, machinery, equipment, tools, and materials in accordance with applicable regulations and orders of the Supervisor; *provided, however,* that the Lessee may continue to maintain any such property on the leased area for whatever longer period it may be needed, as determined by the Supervisor, for producing wells or for drilling or producing on other leases.

Sec. 10. Remedies in case of default. (a) Whenever the Lessee fails to comply with any of the provisions of the Act, or of this lease, or of the regulations issued under the Act and in force and effect on the effective date of this lease, the lease shall be subject to can-

cellation in accordance with the provisions of Section 5(b) of the Act; *provided, however,* that the 30-day notice provision applicable to non-producing leases under Section 5(b)(1) of the Act shall also apply as a prerequisite to the institution of any legal action by the Lessor to cancel this lease while it is in a producing status. Nothing in this subsection shall be construed to apply to, or require any notice with respect to, any legal action instituted by the Lessor other than an action to cancel the lease pursuant to Section 5(b) of the Act.

(b) Whenever the Lessee fails to comply with any of the provisions of the Act, or of this lease, or of any regulations promulgated by the Secretary under the Act, the Lessor may exercise any legal or equitable remedy or remedies which the Lessor may have, including appropriate action under the penalty provisions of Section 5(a)(2) of the Act; *however,* the remedy of cancellation of the lease may be exercised only under the provisions of Section 5(b) and Section 8(i) of the Act.

(c) A waiver of any particular violation of the provisions of the Act, or of this lease, or of any regulations promulgated by the Secretary under the Act, shall not prevent the cancellation of this lease or the exercise of any other remedy or remedies under paragraphs (a) and (b) of this section by reason of any other such violation or for the same violation occurring at any other time.

Sec. 11. Heirs and successors in interest. Each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns, of the respective parties hereto.

Sec. 12. Unlawful interest. No member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Section 3741 of the Revised Statutes (41 U.S.C. Sec. 22), as amended, and Sections 431, 432, and 433 of Title 18 of the United States Code, relating to contracts made or entered into, or accepted by or on behalf of the United States, form a part of this lease so far as the same may be applicable.

THE UNITED STATES OF AMERICA

TEXACO INC.

/s/ J. H. Gibbens

(Signature of Lessee)
Attorney-in-Fact

(Signature of Lessee)

(Signature of Lessee)

(Signature of Lessee)

By/s/ Donald P. Truesdell

(Authorized Officer)

Acting Manager,

New Orleans Outer Continental Shelf Office

(Title)

August 3, 1970

(Date)

If this lease is executed by a corporation, it must bear the corporate seal



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OUTER CONTINENTAL SHELF OFFICE
P O Box 53226
New Orleans, La. 70150

IN REPLY REFER TO:

OCS-G 1985

Date		July 21, 1970	
State		Louisiana	
Area		Ship Shoal - South Add.	
Tract Number	Block Number		
La. 2092	291		
Description		SW $\frac{1}{4}$	
Rental	Balance of Bonus		
\$ 12,500.00	\$2,180,840.00		

DECISION

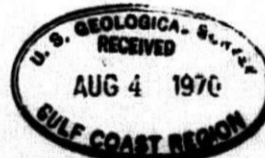
Name	Texaco Inc. P. O. Box 60252 New Orleans, La. 70160
------	--

LEASE FORMS TRANSMITTED FOR EXECUTION

Pursuant to Section 8 of the Outer Continental Shelf Lands Act (67 Stat. 462; 43 U.S.C. 1337), and the regulations pertaining thereto (43 CFR 3300 *et seq.*), your bid for the above tract is accepted.

Your qualifications have been examined and are satisfactory. Accordingly, in order to perfect your rights hereunder, the following action *must* be taken:

- 1. Execute and return the three copies of attached lease. (If lease is executed by an agent, evidence must be furnished of agent's authorization.)
- 2. Pay the balance of bonus bid and the first year's rental indicated above.



Thirty days from receipt of this decision are allowed for compliance with the above requirements, failing in which your rights to acquire a lease and the deposit of 1/5 of the bonus bid will be forfeited.

IMPORTANT: The lease form requires the attachment of the CORPORATE SEAL to all leases executed by corporations.

Attachments

John L. Rankin (Manager)

Lafayette 002-6
1985

DEPARTMENT OF THE ARMY



PERMIT

LMNOD-SP (Gulf of Mexico) 1567

US ARMY ENGR DISTRICT, NEW ORLEANS
NEW ORLEANS, LOUISIANA 1 September, 1970

Terraco Inc.
P. O. Box 60272
New Orleans, La. 70160



Referring to written request dated **27 July 1970,**

upon the recommendation of the Chief of Engineers, and under the provisions of Section 10 of the Act of Congress approved March 3, 1899 (U.S.C. §403), entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," you are hereby authorized by the Secretary of the Army

to construct, maintain, operate and remove structures and appurtenances required for oil, gas, or other mineral exploration, production, storage and transportation operations,

in the Gulf of Mexico,

BEST AVAILABLE COPY

at a location within a rectangular area about 7,800 feet long and 6,901 feet wide, extending longitudinally easterly and westerly, central to a point about S. 07°23'12" W., 337,395 feet from U.S. Coast and Geodetic Survey Station "St. Morris", approximately 89.5 miles southeasterly from Houma, La., in Terrebonne Parish,

in accordance with the plans and drawings attached hereto in two sheets, titled "Proposed Blanket Permit Area * * *", dated 26 July 1970,

subject to the following conditions:

U. S. Geological Survey
Branch of Oil and Gas Operations
✓ Gulf Coast Regional Office
P. O. Box 546
Metairie, Louisiana 70004
LMN Form 991 (Temp)
Jun 70

NOTED-BOURSEOIS
NOTED-SANDRIDGE

L 110D-SP (Gulf of Mexico)1567
1 September 1970



(a) That this instrument does not convey any property rights either in real estate or material, or any exclusive privileges; and that it does not authorize any injury to private property or invasion of private rights, or any infringement of Federal, State or local laws or regulations, nor does it obviate the necessity of obtaining State or local assent required by law for the structure or work authorized.

(b) That the structure or work authorized herein shall be in accordance with the plans and drawings attached hereto and construction shall be subject to the supervision and approval of the District Engineer, Corps of Engineers, in charge of the District in which the work is to be performed.

(c) That the District Engineer may at any time make such inspections as he may deem necessary to assure that the construction or work is performed in accordance with the conditions of this permit and all expenses thereof shall be borne by the permittee.

(d) That the permittee shall comply promptly with any lawful regulations, conditions, or instructions affecting the structure or work authorized herein if and when issued by the Federal Water Quality Administration and/or the State water pollution control agency having jurisdiction to abate or prevent water pollution, including thermal or radiation pollution. Such regulations, conditions or instructions in effect or hereafter prescribed by the Federal Water Quality Administration and/or the State agency are hereby made a condition of this permit.

(e) That the permittee will maintain the work authorized herein in good condition in accordance with the approved plans.

(f) That this permit may, prior to the completion of the structure or work authorized herein, be suspended by authority of the Secretary of the Army if it is determined that suspension is in the public interest.*

(g) That this permit may at any time be modified by authority of the Secretary of the Army if it is determined that, under existing circumstances, modification is in the public interest.* The permittee, upon receipt of a notice of modification, shall comply therewith as directed by the Secretary of the Army or his authorized representative.

(h) That this permit may be revoked by authority of the Secretary of the Army if the permittee fails to comply with any of its provisions or if the Secretary determines that, under the existing circumstances, such action is required in the public interest.*

*A judgment as to whether or not suspension, modification or revocation is in the public interest involves a consideration of the impact that any such action or the absence of any such action may have on factors affecting the public interest. Such factors include, but are not limited to navigation, fish and wildlife, water quality, economics, conservation, aesthetics, recreation, water supply, flood damage prevention, ecosystems and, in general, the needs and welfare of the people.

LMNOD-SP (Gulf of Mexico)1567
1 September 1970



(i) That any modification, suspension or revocation of this permit shall not be the basis for a claim for damages against the United States.

(j) That the United States shall in no way be liable for any damage to any structure or work authorized herein which may be caused by or result from future operations undertaken by the Government in the public interest.

(k) That no attempt shall be made by the permittee to forbid the full and free use by the public of all navigable waters at or adjacent to the structure or work authorized by this permit.

(l) That if the display of lights and signals on any structure or work authorized herein is not otherwise provided for by law, such lights and signals as may be prescribed by the United States Coast Guard shall be installed and maintained by and at the expense of the permittee.

(m) That the permittee shall notify the District Engineer at what time the construction or work will be commenced, as far in advance of the time of commencement as the District Engineer may specify, and of its completion.

(n) That if the structure or work herein authorized is not completed on or before the thirtieth day of September, 19 80, this permit, if not previously revoked or specifically extended, shall cease and be null and void.

(o) That the legal requirements of all Federal agencies be met.

(p) That this permit does not authorize or approve the construction of particular structures, the authorization or approval of which may require action by the Congress or other agencies of the Federal Government.

(q) That all the provisions of this permit shall be binding on any assignee or successor in interest of the permittee.

(r) That if the recording of this permit is possible under applicable State or local law, the permittee shall take such action as may be necessary to record this permit with the Registrar of Deeds or other appropriate official charged with the responsibility for maintaining records of title to and interests in real property.

(s) That the permittee agree to make every reasonable effort to prosecute the construction or work authorized herein in a manner so as to minimize any adverse impact of the construction or work on fish, wildlife and natural environmental values.

LMNOD-SP (Gulf of Mexico)1567
1 September 1970



(t) That the permittee agrees that it will prosecute the construction of work authorized herein in a manner so as to minimize any degradation of water quality.

(u) That the permittee, upon receipt of a notice of revocation of this permit or upon its expiration before completion of the authorized structure or work, shall, without expense to the United States, at the direction of the Secretary of the Army and in such time and manner as the Secretary or his authorized representative may direct, restore the waterway to its former condition. If the permittee fails to comply with the direction of the Secretary of the Army or his authorized representative, the Secretary or his designee may restore the waterway to its former condition, by contract or otherwise, and recover the cost thereof from the permittee.

(See attached sheet for additional conditions)

By authority of the Secretary of the Army:

1 September 1970

Date

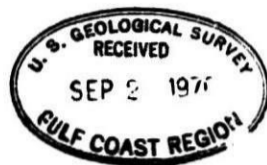
2 Encl
1. Add Cond
2. Set of Dwg (2 sheets)

C. J. Nettles
C. J. NETTLES
Asst Ch. of, Operations Division
for
HERBERT R. HAAR, JR.
Colonel, CE
District Engineer

Permittee hereby accepts the terms and conditions of this permit.

Permittee

Date



LM80D-SP (Gulf of Mexico)1567

TO ACCOMPANY:

**Permit issued 1 September 1970
to Texaco Inc. for oil well
structures in the Gulf of Mexico**

(v) The location and plans of all structures or work authorized by this permit shall be submitted to and approved by the District Engineer, Corps of Engineers, U.S. Army, in charge of the area in which the work is located before work thereon is commenced.

(w) The structures and other work authorized herein are included in the coverage of the blanket bond dated 9 August 1969, in the penal sum of Fifty Thousand Dollars (\$50,000), heretofore furnished by the permittee and approved by the Department of the Army 22 September 1969 to insure compliance with all the conditions of this permit.

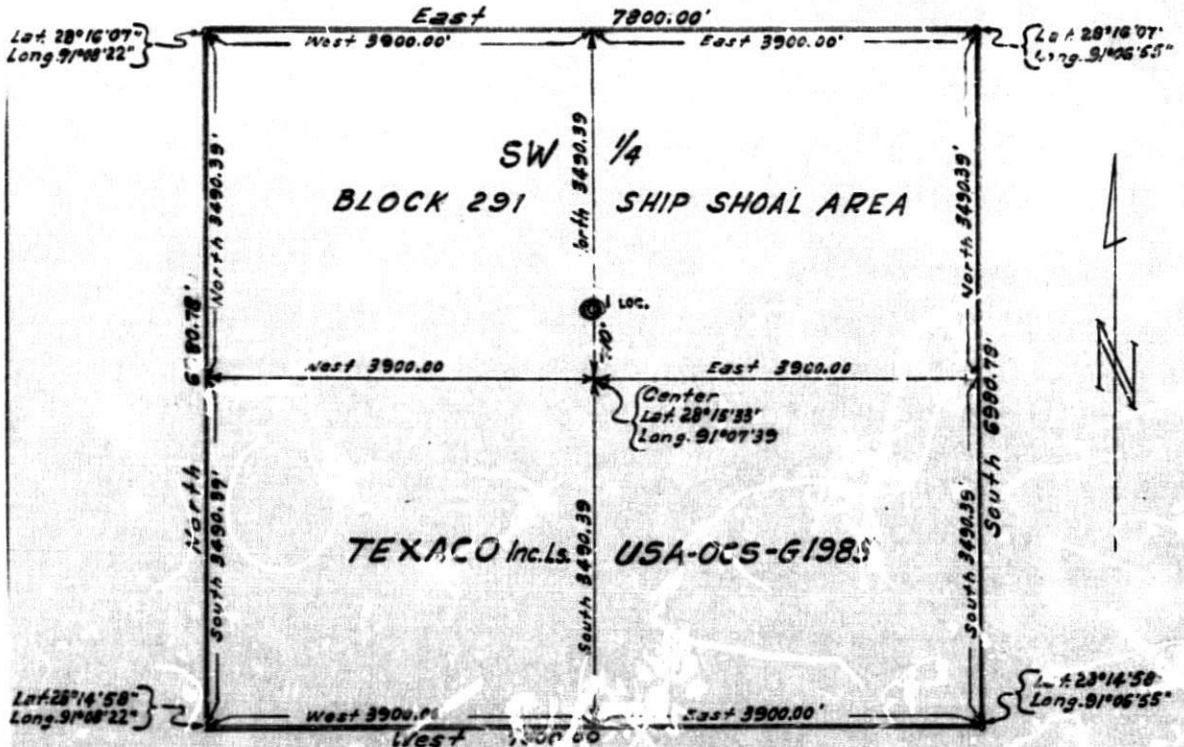
(x) If, in the judgment of the Chief of Engineers, the said permittee does not at all times exercise due caution in the handling of oil, gas, or other pollutive, noxious, or lethal substances to prevent conditions deleterious to health or sea food, or hazardous to navigation, or dangerous to persons or property engaged in commerce or otherwise on said waters, or fails on demand to remove promptly any structure or structures or parts thereof, no longer used for the purpose for which they are constructed, this permit may be revoked and all operations authorized by it may be terminated.

(y) This authorization is wholly unconnected and unconcerned with the ownership of or rights in the underlying soil and creates no property rights.

(z) Fog signals as may be prescribed by the United States Coast Guard shall be installed and maintained by and at the expense of the owner.

U. S. GEOLOGICAL SURVEY
 RECEIVED
 SEP 4 1970
 LAFAYETTE, LA.

U. S. GEOLOGICAL SURVEY
 RECEIVED
 SEP 2 1970
 GULF COAST REGION



Note: All bearings and distances are based on the Louisiana Lambert's Azimuth Coordinate System, South Zone. Water depth in the area is approximately 240'.

**PROPOSED
 BLANKET PERMIT AREA
 GULF OF MEXICO**

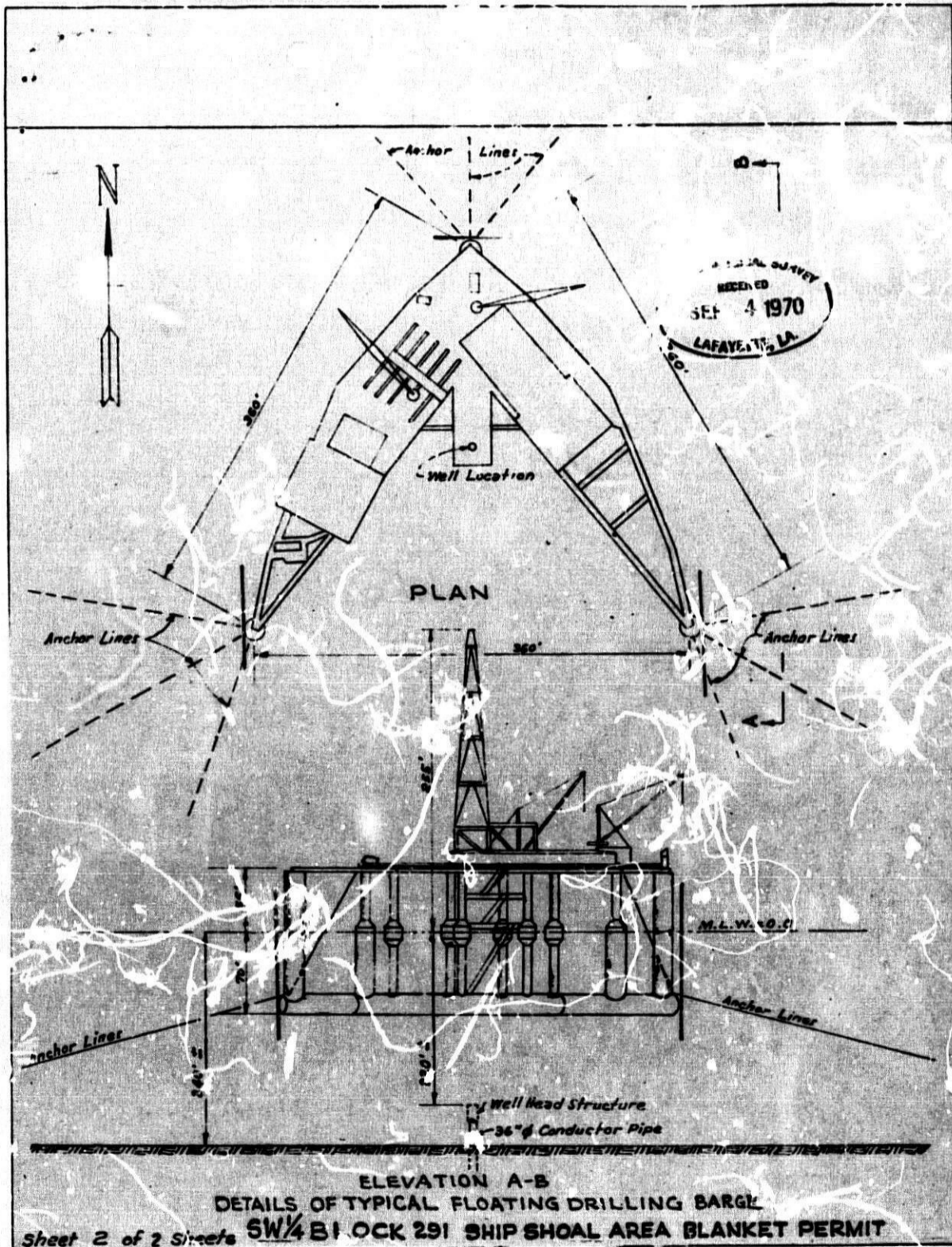
Located central to a point approximately 85.5 miles Southwesterly from Houma, Louisiana.

MASTER SHEET
 TEXACO INC
 New Orleans, La. July 24, 1970



LOCATION PLAT
 Traced from C of E map of
 NEW ORLEANS DIST.
 Scale: 1" = 750,000

Sheet 1 of 2 Sheets
 SW 1/4 Ship Shoal Area Block 291
 SCALE: 1" = 1500'





PRODUCING DEPARTMENT - UNITED STATES NEW OIL AND GAS DIVISION

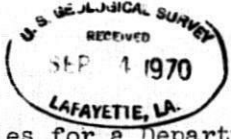
PETROLEUM PRODUCTS TEXACO INC.

P. O. Box 60252 New Orleans, Louisiana 70160 July 27, 1970

SHIP SHOAL BLOCK 291 SW 1/4 BLANKET PERMIT AND "U.S.A. OCS-G-1985" WELL NO. 1

District Engineer U. S. Army Engineer District P. O. Box 60267 New Orleans, Louisiana 70160

0.23
L.M.N.D.-SP (Hull of mine) 1567
P-71-4-23



Dear Sir:

Texaco Inc. hereby applies for Department of the Army Blanket Permit to authorize installation and maintenance of drilling barges, steel pipe platforms and appurtenant structures to be used for oil exploration and production operations in the Gulf of Mexico, SW 1/4 of Block 291 Ship Shoal Area, within an area 7800' East and West and 6980.78' North and South, located central to a point Grid South 7003' 12" West, 335,384' from U.S.C. & G.S. Station "ST. MARIN", 1928, and approximately 85.5 miles South-westerly from Houma, Louisiana, as shown on the attached drawings. The proposed Well No.1 is located North 710' from the center of the proposed Blanket permit area as shown on the attached drawings.

Texaco Inc. is the owner and operator of U.S.A. OCS-G-1985 lease covering the area for which a blanket permit is requested.

Waivers of objection by the Director, Wildlife and Fisheries Commission, New Orleans, Louisiana, and the United States Department of the Interior, Houston, Texas have been requested.

Yours very truly,

TEXACO Inc.
Producing Dept.-United States

By A. F. Higgins
Attorney in Fact

BEST AVAILABLE COPY

SFS:cc



DEPARTMENT OF THE ARMY
NEW ORLEANS DISTRICT, CORPS OF ENGINEERS
P. O. BOX 60287
NEW ORLEANS, LOUISIANA 70160

30 October 1974

DMHOD-SP (Gulf of Mexico) 013

PUBLIC NOTICE

Interested parties are hereby notified that application has been received by the District Engineer for a Department of the Army permit to authorize the following:

OIL WELL STRUCTURES IN THE GULF OF MEXICO

Name of applicant: FIACID OIL COMPANY, 1300 Saratoga Building, New Orleans, Louisiana 70112.

Location of work: In the Gulf of Mexico, in a portion of block 291, Ship Shoal Area, within an irregular area 15,600 feet long and 13,61/2 feet wide, extending lengthwise easterly and westerly, central to a point about S. 08°58'20" W., 287,455 feet from US Coast and Geodetic Survey Station "COGN POINT," at latitude 28°16'43" and longitude 91°06'11", approximately 71 miles southwesterly from Cocodrie, Louisiana, off TERREBONNE PARISH. The corners of the area are as follows:

Latitude	Longitude
28°17'17"	91°08'22"
28°17'16"	91°05'28"
28°14'58"	91°05'28"
28°14'58"	91°06'55"
28°16'08"	91°08'22"

Character of work: Install and maintain drilling barges, platforms and appurtenant structures, all to be used for oil exploration and production operations.

Plans for the proposed work are now on file in Office of the District Engineer, US Army Engineer District, New Orleans, Foot of Prytania Street, New Orleans, Louisiana, and may be seen by anyone having interest in the matter. Protests to the proposed work, suggestions for modification or objections to it, stating reasons therefor, will be received up to and including 14 NOVEMBER 1974.

DM FL 734-1
20 May 70


IMMENSE (Gulf of Mexico) 2013

30 October 1974

The decision as to whether a permit will be issued will be based on an evaluation of the impact of the proposed work on navigation and national security.

You are requested to communicate the information contained in this letter to any other parties whom you deem likely to have interest in the matter.

The work covered by this application has been considered in environmental impact statements prepared by the US Department of the Interior.


E. R. HEIBERG III
Colonel, CE
District Engineer



United States Department of the Interior

HOUMA DISTRICT COPY REPLY REFER TO 3306 (400)

BUREAU OF LAND MANAGEMENT

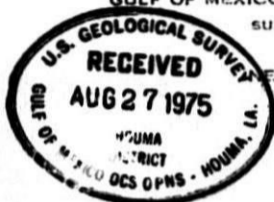
SS 291
OCS-G 1985

GULF OF MEXICO OUTER CONTINENTAL SHELF OFFICE

SUITE 3205 THE PLAZA TOWER

1001 HOWARD AVENUE

NEW ORLEANS, LA. 70113



August 19, 1975

DECISION

Texaco Inc.

Oil and Gas

Relinquishment Accepted
Lease Cancelled

On July 22, 1975, the subject lessee filed in this office relinquishment of all its interest in the above-numbered oil and gas lease.

In memorandum dated August 8, 1975, from the Geological Survey, no objection appears to accepting the relinquishment.

Therefore, the lease is cancelled in its entirety effective as of July 22, 1975, the date the relinquishment was filed in this office (43 CFR 3306.1).

John L. Rankin
John L. Rankin
Manager

cc: Lessee
Geological Survey ✓
Case File

Route

1. ~~Info~~
2. ~~Req~~ - for MER
3. ~~Form~~
4. ~~File~~
5. File lease OCS-G 1985
6. Copy lease expiration

NOTED-DOMINGOS

NOTED-LAMBERT

NOTED-BORNE

NOTED-COURTRIGHT