

United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

Gulf of Mexico OCS Region 1201 Elmwood Park Boulevard New Orleans, LA 70123-2394

In Reply Refer To: GM 235D June 23, 2016

Ms. Ivory Veley BHP Billiton Petroleum (Deepwater) Inc. 1360 Post Oak Boulevard Suite 150 Houston, Texas 77056-3020

Dear Ms. Veley,

Reference is made to the following plan:

Control No. N-09943

Type Initial Exploration Plan

Received April 7, 2016, amended April 12, 21, 28 and May 16, 2016

Lease(s) OCS-G 35753, Block 82, Alaminos Canyon Area (AC)

OCS-G 35754, Block 83, Alaminos Canyon Area (AC) OCS-G 35755, Block 125, Alaminos Canyon Area (AC) OCS-G 35756, Block 126, Alaminos Canyon Area (AC)

You are hereby notified that the approval of the subject plan has been granted as of June 23, 2016, in accordance with 30 CFR 550.233(b)(1).

This approval includes the activities proposed for Subsea Wells A1, A2, B1, B2, C1, and C2 in AC Block 82; Subsea Wells A1, A2, B1, B2, C1, and C2 in AC Block 83; Subsea Wells A1, A2, B1, and B2 in AC Block 125; and Subsea Wells A1, A2, B1, B2, C1, C2, D1, D2, E1, and E2 in AC Block 126.

Drilling permits cannot be issued for the proposed wells until concurrence with your coastal zone management consistency certification has been received by this office from the Texas General Land Office or until concurrence with the certification has been conclusively presumed.

In response to the request accompanying your plan for a hydrogen sulfide ($\rm H_2S$) classification, the area in which the proposed drilling operations are to be conducted is hereby classified, in accordance with 30 CFR 250.490(c), as " $\rm H_2S$ absent."

Exercise caution while drilling due to indications of shallow gas, faulting, and possible water flow and sutures within the salt body.

Our review indicates that the proposed operations have the potential to impact submerged archaeological resources that could be in the area of potential effect (APE), which encompasses all portions of the seafloor where bottom-disturbing activities are to occur. Before conducting any authorized, bottom disturbing activities, the company will follow the guidance provided at

http://www.boem.gov/uploadedFiles/BOEM/Environmental Stewardship/Archaeology/Guidance.pdf, which includes minimum survey recommendations, requisite certification submittals, and post-activity reporting standards needed to ensure compliance with the regulations under 30 CFR 550.194.

You must comply with the following species protective measures in all activities conducted pursuant to the plan:

- Joint Notice to Lessees and Operators (NTL) No. 2012-G01, "Vessel Strike Avoidance and Injured/Dead Protected Species Reporting" (available at http://www.boem.gov/Regulations/Notices-To-Lessees/2012/2012-JOINT-G01-pdf.aspx);
- Joint NTL No. 2012-G02, "Implementation of Seismic Survey Mitigation Measures and Protected Species Observer Program" (available at http://www.boem.gov/Regulations/Notices-To-Lessees/2012/2012-JOINT-G02-pdf.aspx); and
- BSEE NTL No. 2015-03, "Marine Trash and Debris Awareness and Elimination" (available at http://www.bsee.gov/uploadedFiles/BSEE/Regulations and Guidance/Notice s to Lessees/2015/NTL%202015-G03.pdf>).

These measures are designed to promote environmental protection, consistent environmental policy, compliance with environmental laws, and safety.

If you have any questions or comments concerning this approval, please contact Tommy Hoke at (504)736-2996.

Sincerely,

Michelle Uli Picou Digitally signed by Michelle Uli Picou DN: cn=Michelle Uli Picou, o=U.S. Government, ou=Bureau of Ocean Energy Managment, email=michelle.picou@boem.gov, c=US Date: 2016.06.23 17:22:31 -05'00'

for Jaron E. Ming
Regional Supervisor
Leasing and Plans