

May 10 2018

In Reply Refer To: GE 973E

Mr. Rian Riche  
Shell Offshore Inc.  
Post Office Box 61933  
New Orleans, Louisiana 70161-1933

Dear Mr. Riche:

By letter dated February 6, 2018, with additional information received by multiple submittals dated April 20, 2017, through May 2, 2018, Shell Offshore Inc. (Shell) requests approval of a Suspension of Production (SOP) and an activity schedule for the Mississippi Canyon (MC) Block 525 Unit, Agreement No. 754317003. The unit consists of portions of MC Blocks 525, 569, 524, and 568, Leases OCS-G 31507, 31513, 33161, and 33163, respectively, from 18,000 feet SSTVD down to and including 50,000 feet SSTVD.

Shell has commenced integration of the topsides and hull for the host facility. Production is expected to commence following developmental well drilling and fabrication, installation, and commissioning of the host facility and subsea production systems.

In accordance with Articles IX, XVI, and XVII of the Unit Agreement, 30 CFR 250.174(a), and NTL No. 2000-G17, an SOP and activity schedule for the MC Block 525 Unit are hereby approved from March 1 through December 31, 2018. The primary term for Leases OCS-G 31507 and 31513 expired February 28, 2018, and these same leases will be included in the unit SOP. This unit suspension excludes Leases OCS-G 33161 and 33163, since their primary terms extend beyond the expiration of the SOP. Shell is expected to follow the enclosed SOP activity schedule and must notify this office in writing (progress report) by the end of each month in which a deadline is scheduled. The SOP activity schedule and any approved revisions made thereto will satisfy the Unit Agreement requirements of Article 9.3 for a plan of operations. Once production commences, an approved unit plan of operation pursuant to the Unit Agreement shall be required.

If you have any questions, contact Mr. Mike Nixdorff at (504) 736-2660 or [michael.nixdorff@bsee.gov](mailto:michael.nixdorff@bsee.gov).

Sincerely,

Richie D. Baud  
Regional Supervisor  
Production and Development

Enclosure

bc: Leases OCS-G 31507, 31513, 33161, and 33163-Public (GE 555A)