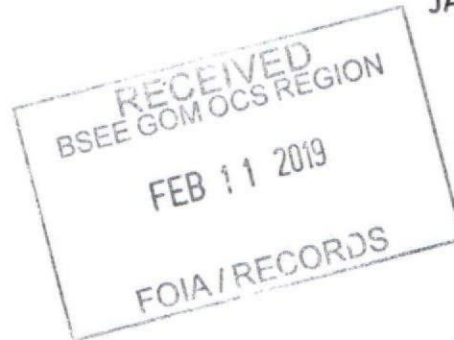


In Reply Refer To: GE 973E

JAN 29 2019

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



Dear Mr. Riche:

By letter dated October 17, 2018, Shell Offshore Inc. (Shell) requests approval of the Alaminos Canyon (AC) Block 380 Unit. A request for a Suspension of Operations (SOO) was received by letter dated January 18, 2019. Three original executed copies of the Unit Agreement, two original executed copies of the Unit Operating Agreement, an initial plan of operation, technical data, and related materials were received by submittals dated November 13, December 6, 2018, and January 18, 2019. The proposed unit area consists of AC Blocks 380, 381, 424, and a portion of AC Block 423 (E/2), Leases OCS-G 32954, 36104, 32964 and 32963, respectively.

We agree that the area is logically subject to unitization and the formation of this unit will promote and expedite exploration and development of the natural resources of the Outer Continental Shelf, in accordance with 30 CFR 250.1301. The executed Unit Agreement is hereby approved effective January 1, 2019, and has been assigned Unit Agreement No. 754319001. Also, the initial plan of operation is approved from January 1 through December 31, 2019. Subsequent plans of operation shall be submitted in the manner prescribed in Article IX of the Unit Agreement.

Drilling operations were expected to commence on or before January 31, 2019, on Lease OCS-G 32954, Well No. 1. The contracted rig has been delayed at its current drilling location due to drilling/operational delays. Unit drilling operations are now expected to commence prior to the end of February 2019, after current operations are completed and rig mobilization to AC Block 380. In accordance with Articles IX, XVI and XVII of the Unit Agreement and 30 CFR 250.175(a), an SOO for the AC Block 380 Unit is hereby approved from February 1 through February 28, 2019. This unit suspension excludes Lease OCS-G 36104, since the primary term extends beyond the expiration of this SOO. Shell must notify this office in writing upon the commencement of drilling operations on Lease OCS-G 32954.

Enclosed herewith is an approved copy of the Unit Agreement with our Certification-Determination bearing the Unit Agreement number and the Unit Operating Agreement. If you have any questions, contact Mr. Brant Cole at (504) 736-2635 or at Brant.Cole@bsee.gov.

Sincerely,

(Orig. Sgd.) Richie D. Baud

Richie D. Baud  
Regional Supervisor  
Production and Development

Enclosures

bc:

[REDACTED]

✓ Leases OCS-G 32954, 36104, 32964 and 32963 – Public (GE 555A)

[REDACTED]

[REDACTED]