

CERTIFICATION-DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior under the Outer Continental Shelf Lands Act, approved August 7, 1953, 67 Stat. 462; 43 U.S.C. 1331 et seq., and delegated to the Oil and Gas Supervisor of the Geological Survey (33 F.R. 5812, April 16, 1968), I do hereby:

- A. Approve the attached Agreement for the development and operation of the Grand Isle Block 43 KJ Sand Reservoir FG Unit Area, Gulf of Mexico, offshore Louisiana.
- B. Certify and determine that the unit plan of development and operation contemplated in the attached Agreement is in the interest of conservation.

Dated:

JUN 26 1969

Robert F. Sand
Oil and Gas Supervisor

United States Geological Survey

Contract No. 14-08-0001-11658

SCANNED



GRAND ISLE BLOCK 43

KJ SAND - RESERVOIR FG

UNIT AGREEMENT (WEST DELTA AREA)

GULF OF MEXICO - OFFSHORE LOUISIANA

WHEREAS, Humble Oil & Refining Company, hereinafter referred to as "Humble" or "Unit Operator", pursuant to the provisions of the Outer Continental Shelf Lands Act of August 7, 1953, 67 Stat. 462, hereinafter referred to as the "Act", is the owner of oil and gas leases within the Unit Area subject to this Agreement and embracing lands in the Outer Continental Shelf, which lands are hereinafter more particularly described; and

WHEREAS, the Act authorizes the Secretary of the Interior in the interest of conservation to provide for unitization, pooling, and drilling agreements for oil and gas; and

WHEREAS, Humble deems it in the interest of conservation to unitize the leases insofar as the "KJ" Sand, Reservoir FG, as hereinafter defined, is concerned, with the consent of the Secretary of the Interior or his duly authorized representative, and the Louisiana State Mineral Board, the latter hereinafter referred to as the "Board", for the purpose of initiating a reservoir pressure maintenance program and increasing the ultimate recovery of oil and gas therefrom by proper development and operation of the leases for production of oil and gas from the "KJ" Sand, Reservoir FG, under the provisions of Section 5(a)(1) of the Act; and

WHEREAS, the Unit Area embraces lands within Zone 3 as defined and delineated in the Interim Agreement between the United States and the State of Louisiana, dated October 12, 1956, as amended; and

WHEREAS, Humble owns 100 per cent of the working interest in the oil and gas leases within the Unit Area.

NOW, THEREFORE, in consideration of the premises and promises herein contained, Humble commits to this Agreement all its right, title and interest in and to oil and gas in the "KJ" Sand, Reservoir FG, in accordance with the following terms and conditions:

1. ENABLING ACT AND REGULATIONS.

Said Act and all valid pertinent regulations are accepted and made a part of this Agreement, insofar as same are applicable hereto.

2. UNIT AREA.

The area specified on the plat attached hereto marked Exhibit A is hereby designated and recognized as constituting the Unit Area containing 394.55 acres.

The above Unit Area may, subject to appropriate approvals, be expanded to include therein additional acreage whenever such expansion is necessary or advisable to conform with the purposes of this Agreement.

Exhibit A, attached hereto and made a part hereof, is a plat showing the Unit Area, boundaries, and oil and gas leases in said area to the extent known to the Unit Operator. Exhibit B, attached hereto and made a part hereof, is a schedule showing, to the extent known to the Unit Operator, the acreage and percentage and kind of ownership of oil and gas interest in all land in the Unit Area. Exhibits A and B shall be revised by the Unit Operator whenever changes render such revision necessary, and four (4) copies shall be filed with the Oil and Gas Supervisor of the United States Geological Survey, hereinafter called "Supervisor" and the Board.

3. UNITIZED LAND AND UNITIZED SUBSTANCES.

All land committed to this Agreement shall constitute land referred to herein as "Unitized Land" or "Unitized Acreage". All oil and gas in the "KJ" Sand, Reservoir FG of the Unitized Land are uni-

tized under the terms of this Agreement and are referred to herein as "Unitized Substances". The "KJ" Sand in Reservoir FG, is defined as follows:

The "KJ" Sand in Reservoir FG in the Grand Isle Block 43 Field is the stratigraphic equivalent of that productive sand occurring within the interval of 11,008 feet and 11,126 feet (electric log depth) in CAGC's OCS-0838, Well B-1, hereinafter referred to as "Unitized Sand" or "Unitized Formation".

4. UNIT OPERATOR.

Humble is hereby designated as Unit Operator and by signature hereto as Unit Operator agrees and consents to accept the duties and obligations of Unit Operator for the development and production of Unitized Substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interest in Unitized Substances; and the term "working interest owner" when used herein shall include the Unit Operator as the owner of a working interest when such an interest is owned by it. A successor Unit Operator may be designated by the owners of the working interest in the Unitized Substances, and four (4) executed copies of the designation of successor Unit Operator shall be filed with the Supervisor and the Board. Such designation shall not become effective until (a) a Unit Operator so designated shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Supervisor and the Board.

5. PARTICIPATION BETWEEN WORKING INTEREST OWNERS.

Humble presently owns all of the leases covering Unitized Substances in the Unitized Interval within the Unitized Acreage, and Humble shall pay all costs and expenses incurred by it as Unit Operator in conducting unit operations. If any Unit Operating Agreement or Amendments thereto are adopted as a result of other parties joining

the Unit Agreement, four (4) true copies of such Agreement or Amendments shall be filed with the Supervisor and with the Board prior to the effective date of the new joinders. Nothing contained in such Unit Operating Agreement, or any Amendment thereto, shall be deemed either to modify any of the terms and conditions of this Unit Agreement or to relieve the Unit Operator of any right or obligation established under this Unit Agreement, but such Unit Operating Agreement, or any Amendments thereto, shall prescribe the cost arrangements and the method of participation in Unitized Substances between working interest owners.

6. HISTORY OF DEVELOPMENT.

There have been four (4) wells in the Unit Area which have been completed and produced from the Unitized Sand and four (4) of these wells are presently capable of production. The Unitized Sand is considered fully developed and these wells are considered sufficient to produce all of the primary recoverable oil and gas from the Unit Area. With the use of pressure maintenance techniques and secondary recovery methods as provided for herein, it is not contemplated that it will be necessary to drill any additional wells to produce all of the recoverable oil and gas from the Unitized Sand using proper conservation practices.

7. PLANS OF OPERATIONS.

Although the Unitized Sand is now believed to be fully developed, nevertheless, the Unit Operator may drill other wells on his own initiative by filing plans of development subject to the approval of the Supervisor and the Board.

The Unit Operator concurrently herewith shall submit for the approval of the Supervisor and the Board an acceptable plan of development and operation of the Unitized Land including a pressure maintenance operation, which, when approved by the Supervisor and the Board,

shall constitute the further drilling and operating obligations of the Unit Operator under this Agreement for the period specified therein. All plans of operation filed by the Unit Operator shall be as complete and adequate as the Supervisor and the Board may determine to be necessary for timely development, prudent operation, and proper conservation of the oil and gas resources of the Unit Area. Such plans shall (a) specify the number and locations of any wells to be drilled and the proposed order and time for such drilling; and (b) to the extent practicable specify the operating practices regarded as necessary and advisable for proper operation and conservation of natural resources. Said plan or plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this Agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of operation.

8. ROYALTIES AND ALLOCATION.

Royalty payable on Unitized Substances from the Unit Area shall be allocated on a surface acreage basis, that is to say, there shall be allocated to the acreage covered by each lease and included in the Unit Area that pro rata portion of the oil and gas, or either of them, produced from the Unit Area which the number of surface acres covered by such lease and included in the Unit Area bears to the total number of surface acres included in the Unit Area. Oil and gas produced from the Unit Area prior to the effective date of this Agreement shall not be allocated under this Agreement. Royalty payments shall be based and calculated upon the production allocated to the tracts as specifically provided herein and it is understood and agreed that said ownership interest as to each tract shall be as shown in Exhibit B.

The Unit Area so established may be revised from time to time, subject to appropriate approvals, whenever such action appears

proper as a result of further drilling operations or otherwise to include additional lands. The effective date of any revision of the Unit Area shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, provided, however, that a more appropriate effective date may be used if justified.

In the event any lands are added to the Unit Area, a reasonable and fair participation shall be allocated to the new lands on a surface acreage basis. The determination of such basis for such lands shall be done in the same manner and by the same procedures used to determine the tract percentages of participation as shown on Exhibit C. The only change will be to increase the total number of acres in the Unit Area by adding to the original total the total number of acres allocated to new lands.

Exhibit C also sets out the number of productive acres under each lease and the tract participation in the Unit Area. The tract participations as shown are accepted and approved as being correct, fair and equitable, provided, however, that such tract percentages of participations may be revised and Exhibit C will be revised to show any such changes resulting from an expanded Unit Area.

Except as otherwise specifically provided herein, Unit Operator shall have the right, privilege and duty of exercising any and all rights which are necessary for producing, storing, handling, allocating and distributing Unitized Substances including, though not by way of limitation, the right, subject to the applicable governmental regulations and prior approval of a plan of operation by the Supervisor, and the Board, to institute and conduct pressure maintenance and secondary recovery operations and to inject Unitized Substances and other gaseous and liquid substances, herein-

after referred to as "Outside Substances", or any combination thereof, into the Unit Area as Unit Operator may deem advisable in conformity with good operating practices.

In the event Unitized Substances are injected into the Unitized Formation, no royalties shall be due thereon. Royalties shall be due on such Unitized Substances if and when the same is later produced.

If Outside Substances are injected into the Unitized Formation, the portion of such Outside Substances recovered may, with appropriate deduction for loss and depletion from any cause, be recovered royalty free pursuant to such conditions and formulas as may be prescribed or approved by the Supervisor and the Board.

9. RELINQUISHMENT OF LEASES.

Pursuant to the provisions of 43 C.F.R. 3386.1, a lessee of record shall have the right to relinquish any and all leases committed hereto, in whole or in part; provided, however, that no relinquishment shall be made without the prior approval of the Supervisor as to the Federal leases and of the Board as to the State leases.

10. LEASES AND CONTRACTS CONFORMED AND EXTENDED.

The terms, conditions and provisions of all leases, subleases and other contracts relating to exploration, drilling, development or operation for oil or gas on lands committed to this Agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect. The Supervisor, by his approval hereof, does hereby establish, alter, suspend, change or revoke the drilling, production, rental, and royalty requirements of Federal leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this Agreement. Further, both the Supervisor and the Board by approval hereof agree that all leases, subleases, and contracts

are particularly modified in accordance with the following:

(a) Drilling and producing operations performed hereunder upon any tract of Unitized Land will be accepted and deemed to be performed upon and for the benefit of each and every tract of Unitized Land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the tracts therein embraced;

(b) Suspension of drilling or producing operations on all Unitized Land pursuant to direction or consent of the Director, or his duly authorized representative, and the Board, shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of Unitized Land; and

(c) Any lease committed hereto shall continue in force beyond the term so provided therein, or as extended by law, for the life of this Agreement. Upon termination of this Agreement, the leases covered hereby may thereafter be maintained and continued in full force and effect in accordance with the original terms, provisions and conditions of the lease or leases and amendments thereto.

11. EFFECTIVE DATE AND TERM.

This Agreement, following approval by the Supervisor and the Board, shall become effective as of August 1, 1968, all in accordance with Louisiana Commissioner of Conservation's Order 422-E-5, and shall continue in full force and effect so long as Unitized Substances can be produced in quantities sufficient to pay current operating costs, and as long thereafter as diligent operations, including secondary recovery, are being conducted, and for so long thereafter as Unitized Substances can be produced as aforesaid. If, pursuant to a suspension approved by the Supervisor, there is neither production nor operation, then this Unit Agreement shall continue as long as the suspension remains in effect.

With the approval of the Supervisor and the Board, this Agreement may be terminated at any time by the owners of 90 per cent of the working interest in the Unitized Substances. An application for termination under this paragraph shall be accompanied by evidence of the giving of at least thirty (30) days' notice of the proposed termination to all parties having an interest in this agreement. Notice of an approved termination hereunder shall be given by Unit Operator to all parties having an interest in this Agreement.

12. METHOD OF MAKING ROYALTY PAYMENTS.

Leases in the Unit Area contain acreage in Zone 3 as set forth in the Interim Agreement dated October 12, 1956. Royalty payable hereunder shall be paid in accordance with the provisions of this Agreement as authorized by said Interim Agreement, as amended by Agreements dated December 11, 1964.

13. APPEARANCES.

Unit Operator shall, after notice to other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Department of the Interior and to appeal from orders issued under the regulations of said Department or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior or any other legally constituted authority; provided, however, that any interested party shall also have the right at its own expense to be heard in any such proceedings.

14. NO WAIVER OF CERTAIN RIGHTS.

Nothing in this Agreement contained shall be construed by any party having interests affected hereby as a waiver of the right to assert any legal or constitutional right or defense pertaining to the validity or invalidity of any law of the United States, or regulations issued hereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

15. UNAVOIDABLE DELAY.

All obligations under this Agreement requiring the Unit Operator to commence or continue drilling or to operate on or produce Unitized Substances from any of the lands covered by this Agreement shall be suspended while, but only so long as, Unit Operator, despite the exercise of due care and diligence, is prevented from complying with such obligations, in whole or in part, by strikes, acts of God, Federal, or other applicable law, Federal or other authorized governmental agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

16. NON-DISCRIMINATION.

In connection with the performance of work under this Agreement, Unit Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246, (30 F.R. 12319), which are hereby incorporated by reference in this Agreement.

17. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument in writing specifically referring hereto and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above described Unit Area.

18. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon the lessees, their successors and assigns.

THUS DONE AND SIGNED by Humble as owner of the leases, and
by Humble as Unit Operator, in the presence of the undersigned compe-
tent witnesses on the day and date set out by its respective name.

WITNESSES:

Maria Wilson
Judith A. Flegg
Date April 16, 1969

HUMBLE OIL & REFINING COMPANY

BY: B.E. Crowder

Form OK
Trade OK

STATE MINERAL BOARD ON BEHALF
OF THE STATE OF LOUISIANA

Margerie Landry Lucas
MARGERIE LANDRY LUCAS
Joan W. Maggio
JOAN W. MAGGIO
Date 5-14-69

BY: J. J. Bannock
SECRETARY

STATE OF LOUISIANA

PARISH OF ORLEANS

BEFORE ME, the undersigned authority, on this day personally appeared B. E. CROWDER, to me personally known, who acknowledged that he executed the above and foregoing instrument as Agent and Attorney-in-Fact for HUMBLE OIL & REFINING COMPANY and acknowledged said instrument to be the free act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 6th day of April, 1969.

Alexander Coche
Notary Public

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

BEFORE ME, the undersigned authority, personally came and appeared MARGERIE LANDRY LUCAS, who by me being first duly sworn, deposed and said:

That she is one of the witnesses to the execution of the foregoing instrument and that she saw C. J. BONNECARRERE sign said instrument as SECRETARY of the STATE MINERAL BOARD for and on behalf of the State of Louisiana in the presence of appearer and JOAN W. MAGGIO the other subscribing witness.

Margerie Landry Lucas

Sworn to and subscribed before me

this 20th day of May, 1969.

James E. Williams
Notary Public

SCANNED

RESOLUTION

WHEREAS, on May 14, 1969, at a regular meeting of the State Mineral Board, the Board considered Docket No. V, a Unitization Agreement from Humble Oil & Refining Company, wherein the State's participation has been checked and approved and it has been approved as to form and legality by the Attorney General's Office.

On motion of Mr. Jones, seconded by Mr. Kiesel, the following Resolution was offered and adopted:

BE IT RESOLVED that the State Mineral Board approve a certain Unitization Agreement presented by Humble Oil & Refining Company covering the 394.55 acre reservoirwide unit for the KJ Sand, Reservoir FG, Grand Isle Block 43 Field, affecting OCS Lease Nos. G-1082 and G-1092, Offshore, Louisiana, with further particulars being stipulated in the instrument.

BE IT FURTHER RESOLVED that either the Chairman, Vice-Chairman or the Secretary be and he is hereby authorized to execute said Unitization Agreement for the State Mineral Board.

CERTIFICATE

I hereby certify that the above is a true and correct copy of a Resolution adopted at a meeting of the State Mineral Board held in the City of Baton Rouge, Louisiana, on the 14th day of May, 1969, pursuant to due notice, at which meeting a quorum was present, and that said Resolution is duly entered in the Minute Book of said Board and is now in full force and effect.


Secretary, State Mineral Board

SCANNED

WEST DELTA AREA

Humble

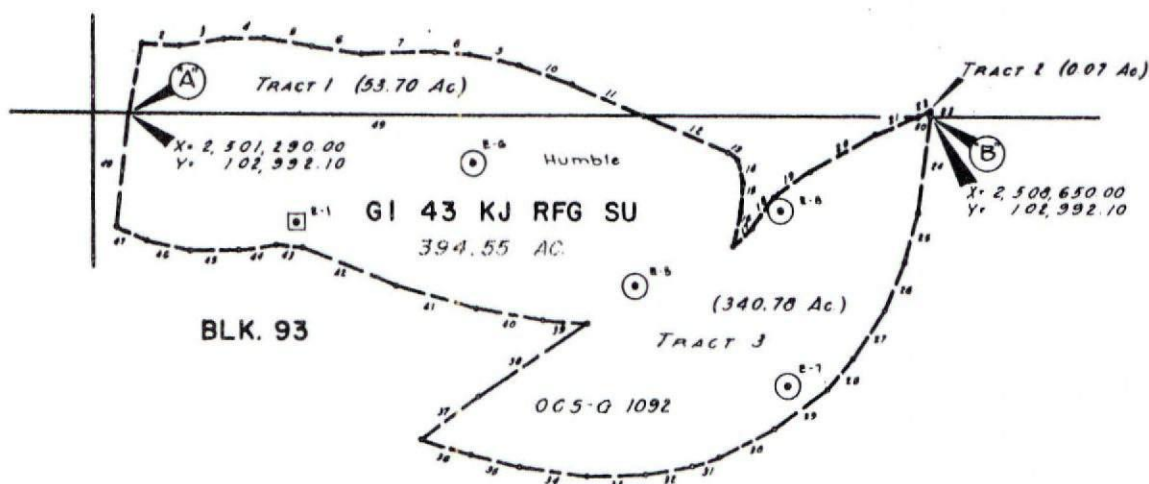
BLK. 71

BLK. 72

OCS-G 1082

BLK. 94

BLK. 93



UNIT PERIMETER Begin at Point "A"

1	N	10° 59' 25" E	- 629.44'
2	S	88° 18' 35" E	- 340.15'
3	N	80° 18' 40" E	- 415.93'
4	East		370.00'
5	S	80° 57' 38" E	- 445.53'
6	S	81° 09' 29" E	- 455.41'
7	N	88° 17' 25" E	- 670.30'
8	S	86° 18' 31" E	- 310.64'
9	S	79° 55' 10" E	- 457.06'
10	S	70° 51' 39" E	- 518.65'
11	S	66° 25' 57" E	- 720.06'
12	S	67° 25' 54" E	- 839.27'
13	S	50° 31' 39" E	- 110.11'
14	S	12° 40' 49" E	- 205.00'
15	S	05° 29' 32" N	- 261.20'
16	S	12° 43' 28" W	- 317.80'
17	N	45° 49' 49" E	- 243.98'
18	N	36° 12' 34" E	- 347.02'
19	N	34° 46' 37" E	- 416.17'
20	N	61° 31' 33" E	- 671.19'
21	N	69° 24' 58" E	- 432.62'
22	N	67° 23' 14" E	- 124.58'
23	S	11° 47' 32" E	- 48.93'
24	S	07° 11' 20" W	- 879.01'
25	S	14° 37' 15" W	- 475.39'
26	S	22° 28' 46" W	- 470.77'
27	S	33° 41' 24" W	- 522.80'
28	S	41° 45' 37" W	- 375.37'
29	S	54° 04' 37" W	- 605.08'
30	S	62° 59' 45" W	- 583.63'
31	S	72° 15' 19" W	- 262.49'
32	S	80° 32' 16" W	- 425.79'
33	S	88° 57' 30" W	- 550.09'
34	N	82° 38' 51" W	- 625.14'
35	N	76° 15' 49" W	- 463.25'
36	N	73° 53' 12" W	- 468.40'
37	N	54° 21' 37" E	- 652.15'
38	N	56° 34' 31" E	- 1198.17'
39	N	85° 54' 52" N	- 421.07'
40	N	79° 56' 22" N	- 629.68'
41	N	73° 57' 04" W	- 759.61'
42	N	68° 11' 55" W	- 915.48'
43	N	83° 09' 26" W	- 251.79'
44	S	81° 38' 03" W	- 343.66'
45	West		440.00'
46	N	77° 00' 19" W	- 400.25'
47	N	66° 02' 15" W	- 295.47'
48	N	06° 41' 46" E	- 1029.12'

TRACT 3 Begin at Point "A"

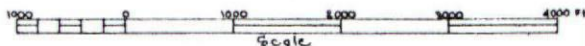
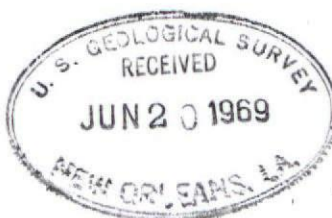
49	East	4710.00'
12	S	67° 25' 54" E - 839.27'
13	S	50° 31' 39" E - 110.11'
14	S	12° 40' 49" E - 205.00'
15	S	05° 29' 32" N - 261.20'
16	S	12° 43' 28" W - 317.80'
17	N	45° 49' 49" E - 243.98'
18	N	36° 12' 34" E - 347.02'
19	N	34° 46' 37" E - 416.17'
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21	N	69° 24' 58" E - 432.62'
22	N	67° 23' 14" E - 124.58'
23	S	11° 47' 32" E - 48.93'
24	S	07° 11' 20" W - 879.01'
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33	S	88° 57' 30" W - 550.09'
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35	N	76° 15' 49" W - 463.25'
36	N	73° 53' 12" W - 468.40'
37	N	54° 21' 37" E - 652.15'
38	N	56° 34' 31" E - 1198.17'
39	N	85° 54' 52" N - 421.07'
40	N	79° 56' 22" N - 629.68'
41	N	73° 57' 04" W - 759.61'
42	N	68° 11' 55" W - 915.48'
43	N	83° 09' 26" W - 251.79'
44	S	81° 38' 03" W - 343.66'
45	West	440.00'
46	N	77° 00' 19" W - 400.25'
47	N	66° 02' 15" W - 295.47'
48	N	06° 41' 46" E - 1029.12'

TRACT 1 Begin at Point "A"

1	N	10° 59' 25" E	- 629.44'
2	S	88° 18' 35" E	- 340.15'
3	N	80° 18' 40" E	- 415.93'
4	East		370.00'
5	S	80° 57' 38" E	- 445.53'
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12	S	67° 25' 54" E	- 839.27'
13	S	50° 31' 39" E	- 110.11'
14	S	12° 40' 49" E	- 205.00'
15	S	05° 29' 32" N	- 261.20'
16	S	12° 43' 28" W	- 317.80'
17	N	45° 49' 49" E	- 243.98'
18	N	36° 12' 34" E	- 347.02'
19	N	34° 46' 37" E	- 416.17'
20	N	61° 31' 33" E	- 671.19'
21	N	69° 24' 58" E	- 432.62'
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23	S	11° 47' 32" E	- 48.93'
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44	S	81° 38' 03" W	- 343.66'
45	West		440.00'
46	N	77° 00' 19" W	- 400.25'
47	N	66° 02' 15" W	- 295.47'
48	N	06° 41' 46" E	- 1029.12'

TRACT 2 Begin at Point "B"

50	West	125.00'
22	N	67° 23' 14" E - 124.58'
23	S	11° 47' 32" E - 48.93'



DEPARTMENT OF CONSERVATION NO.

GI 43 KJ RFG SU
GRAND ISLE BLOCK 43 FIELD
GULF OF MEXICO

HUMBLE OIL & REFINING COMPANY
PRODUCTION DEPARTMENT

NEW ORLEANS INSHORE AREA

DRAWN BY A.O.B. Jr. SCALE 1"=1000'
CHECKED BY R.C.C. DATE 4-9-68
APPROVED BY REVISED

FILE NO.
EC-2387

PREPARED BY E.H. Pritchard, Louisiana Reg. Civil Engineer NO 846

BEARINGS AND/OR COORDINATES SHOWN ARE BASED ON LAMBERT STATE PLANE COORDINATE SYSTEM FOR LOUISIANA (SOUTH ZONE).

EXHIBIT A

SCANNED

46

EXHIBIT B

GRAND ISLE BLOCK 43
KJ Sand, Reservoir FG
Unit Agreement (West Delta Area)
Gulf of Mexico - Offshore Louisiana

<u>Tract No.</u>	<u>Lease Number</u>	<u>West Delta Block</u>	<u>Lease Effective Date</u>	<u>Lease Expiration Date</u>	<u>Number of Acres</u>	<u>Basic Royalty Ownership*</u>	<u>Lease Ownership</u>
1	OCS-G 1082	72	6/1/62	5/31/67 (Held by production)	53.70	U. S. All	Humble Oil & Refining Company
2	OCS-G 1082	72	6/1/62	5/31/67 (Held by production)	.07	U. S. All	Humble Oil & Refining Company
3	OCS-G 1092	93	6/1/62	5/31/67 (Held by production)	340.78	U. S. All	Humble Oil & Refining Company
Total - - - -					<u>394.55</u>		

*Subject to Interim Agreement between United States and the State of Louisiana, dated October 12, 1956, as amended.



SCANNED

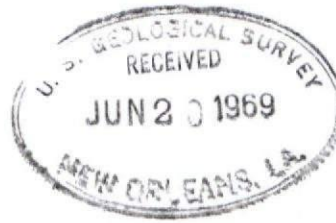


EXHIBIT C

GRAND ISLE BLOCK 43
KJ Sand, Reservoir FG
Unit Agreement (West Delta Area)
Gulf of Mexico - Offshore Louisiana

<u>Tract Number</u>	<u>Number of Acres Committed</u>	<u>Percentage of Participation in Unitized Sand</u>
1	53.70	13.61044
2	.07	.01774
3	<u>340.78</u>	<u>86.37182</u>
Totals:	<u>394.55</u>	<u>100.00000</u>

SCANNED

ax

STATE OF LOUISIANA
DEPARTMENT OF CONSERVATION
BATON ROUGE, LOUISIANA

BEST AVAILABLE COPY

August 7, 1968

ORDER NO. 422-E-5

Order authorizing and approving poolwide operation of the KJ Sand, Reservoir FG, in the Grand Isle Block 43 Field, offshore, Plaquemines Parish, Louisiana, upon the application of Humble Oil & Refining Company.

* * * * *

Pursuant to power delegated under the laws of the State of Louisiana, and particularly Title 30 of Louisiana Revised Statutes of 1950, and after a public hearing held under Docket No. 68-352 in Baton Rouge, Louisiana, on July 31, 1968, upon the application of Humble Oil & Refining Company, following legal publication of notice and notice by mail to all known interested parties in accordance with rules prescribed by the Commissioner of Conservation, the following order is issued and promulgated by the Commissioner of Conservation as being reasonably necessary to conserve the oil and gas resources of the State, to prevent waste as defined by law, to avoid the drilling of unnecessary wells, and otherwise to carry out the provisions of the laws of this State.

DEFINITION

The KJ Sand of the Grand Isle Block 43 Field, as used herein, is defined in Department of Conservation Order No. 422-E.

FINDINGS

The Commissioner of Conservation finds as follows:

1. That evidence and testimony adduced at the hearing with respect to the KJ Sand in the Grand Isle Block 43 Field confirms that said sand was initially penetrated subsequent to the effective date of Statewide Order No. 29-H and it has been previously designated as a "new pool" under said order.
2. That all the available geological and engineering data establish that poolwide operation of the KJ Sand, Reservoir FG, is reasonably necessary for the prevention of waste, the drilling of unnecessary wells, the conservation of reservoir energy, and will result in increased recovery of hydrocarbons from said reservoir.
3. That the same data establish that the area shown and outlined on the attached survey plat designated "Humble Oil & Refining Company, Exhibit No. E-3, Docket No. 68-352," comprises the entire known productive area of the KJ Sand, Reservoir FG, and that the entire reservoir should be operated as a single unit with a unit allowable established therefor.
4. That the same data establish that the reservoirwide operation proposed by the applicant, Humble Oil & Refining Company, is economically feasible and that it should be adopted and approved.
5. That Humble is the owner of all of the working interest and all royalty owners have agreed upon the necessity for the poolwide operation of the KJ Sand, Reservoir FG, and have agreed that hereafter all KJ Sand Reservoir production shall be allocated

SCANNED

separate tracts and ownerships in accordance with the Unitization Agreement which will be executed hereafter but which will be made effective retroactive to the date of this order, this fact to be evidenced by the filing of such Agreement when fully executed and by the issuance of a supplemental order recognizing and approving same without necessity of further public hearing.

6. That in order to provide flexibility in locating additional drainage points within the KJ Sand, Reservoir FG, and to allow such additional wells to be located at the optimum positions in said reservoir, the spacing rules contained in Statewide Order No. 29-H should not be applicable to wells which are drilled to, completed in, or recompleted in said reservoir.

7. That Humble Oil & Refining Company should be designated as operator of the KJ Sand, Reservoir FG, poolwide operation and pressure maintenance and secondary recovery program.

8. That production experience may indicate the need for injection into the reservoir of extraneous substances in order to recover oil which otherwise would not be recoverable and it should be provided that operator may be authorized to initiate such a program upon proper showing of need and feasibility without the need of a public hearing.

9. That a unit allowable should be granted for the unit established herein with such allowable based on the then current depth bracket allowable multiplied by the number of proratable wells in the reservoir plus the reported DM-1-R test for wells making less than the then current depth bracket allowable (with no penalty for the high gas-oil ratio oil wells where gas is being utilized) with an oil equivalent allowable being assigned to the gas wells on a volumetric basis; provided that the well density for total allowable credit wells shall not be greater than the average density established prior to the adoption of the poolwide unit. In this instance the maximum density for allowable credit wells initially should be one well per 99 acres. The reservoir qualifies as a "new pool" and the density is less than one well per 80 acres, and, accordingly, an allowable adjustment should be made for the additional acreage, in accordance with Paragraph 5 of Statewide Order No. 29-H, but not to exceed a 90-acre well density. The unit allowable shall not exceed the sum of the potentials of all the wells reported on the then current DM-1-R Form. The unit operator should be allowed to produce the total daily allowable for the unit from the more efficient wells since in order to conserve reservoir energy prudent operations may require the closing in of some wells within the unit area. It should be further provided that the operator should group all unit wells together on the bimonthly DM-1-R Form and label such grouping GI 43 KJ RFG SU.

ORDER

NOW, THEREFORE, IT IS ORDERED THAT:

1. The area as shown on the attached survey plat designated "Humble Oil & Refining Company, Exhibit No. E-3, Docket No. 68-352," is hereby adopted and approved as, and determined to be, the entire known productive limits of the KJ Sand, Reservoir FG, Grand Isle Block 43 Field, and the poolwide operation of said reservoir is hereby authorized and approved.

2. All oil and gas hereafter obtained from the KJ Sand, Reservoir FG, underlying any portion of the above area shall be apportioned among and allocated to the separately owned tracts in accordance with the Unitization Agreement which will be executed hereafter but which shall be made effective retroactive to the date of this order.

SCANNED

3. Spacing rules contained in Statewide Order No. 29-H shall not be applicable to wells which are drilled to, completed in, or recompleted in the KJ Sand, Reservoir FG.

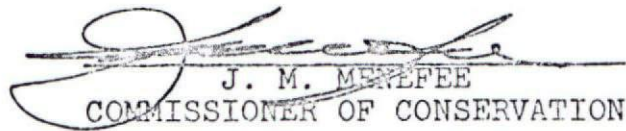
4. Humble Oil & Refining Company is hereby designated as operator of the KJ Sand, Reservoir FG, poolwide operation.

5. A unit allowable is hereby granted for the KJ Sand, Reservoir FG, in accordance with the provision of Finding No. 9 above, and the operator is hereby directed to group all KJ Sand, Reservoir FG, wells together on the bimonthly DM-1-R Report and label such grouping GI 43 KJ RFG SU.

6. That operator may upon a proper showing institute a secondary recovery program for this unit as provided in Finding No. 8 hereinabove.

This order shall be effective on and after August 1, 1968.

DEPARTMENT OF CONSERVATION
OF THE STATE OF LOUISIANA


J. M. MENEFEE
COMMISSIONER OF CONSERVATION

AFP

Humble's Exhibit No. E-3 attached.

441-PR-29-H

SCANNED

130

WEST DELTA AREA

Humble

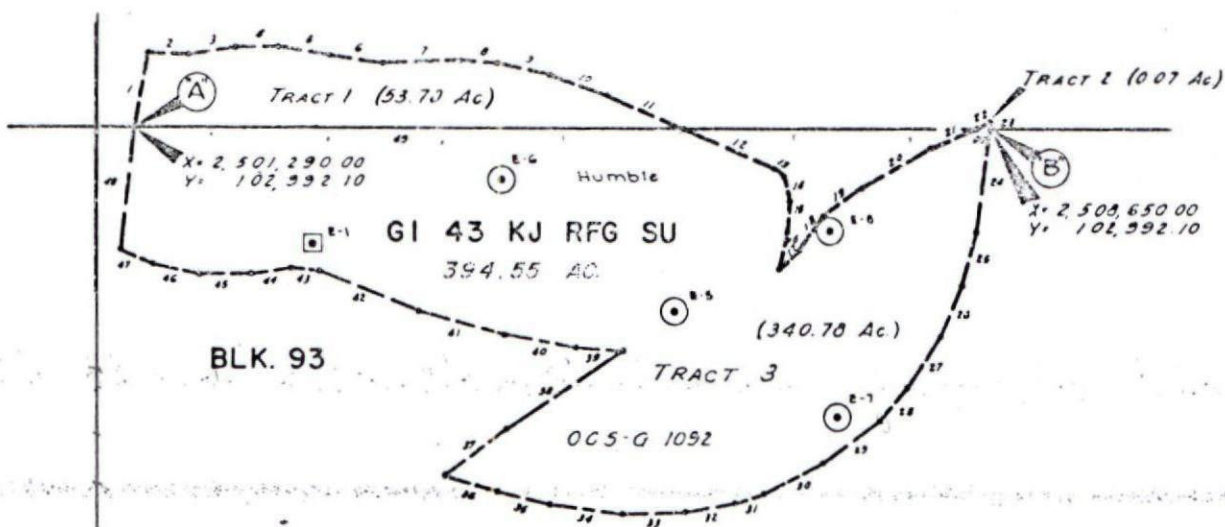
BLK. 71

BLK. 72

OC5 G 1002

BLK. 94

BLK. 93



UNIT PERIMETER

Begin at Point 'A'

1	N	10° 59' 25" E	- 629.44'
2	S	88° 18' 55" E	- 340.15'
3	N	80° 18' 40" E	- 415.93'
4	East		370.00'
5	S	80° 57' 38" E	- 445.53'
6	S	81° 09' 29" E	- 455.41'
7	N	88° 17' 25" E	- 670.30'
8	S	86° 18' 31" E	- 310.64'
9	S	79° 55' 10" E	- 457.06'
10	S	70° 51' 53" E	- 518.65'
11	S	66° 25' 57" E	- 720.06'
12	S	67° 25' 54" E	- 839.27'
13	S	50° 31' 39" E	- 110.11'
14	S	12° 40' 49" E	- 205.00'
15	S	05° 29' 32" W	- 261.20'
16	S	12° 43' 28" W	- 317.80'
17	N	45° 49' 49" E	- 243.98'
18	N	36° 12' 34" E	- 347.02'
19	N	54° 46' 57" E	- 416.17'
20	N	61° 31' 33" E	- 671.13'
21	N	69° 24' 58" E	- 432.62'
22	N	67° 23' 14" E	- 124.58'
23	S	11° 47' 32" E	- 48.93'
24	S	07° 11' 20" W	- 879.01'
25	S	14° 37' 15" W	- 475.39'
26	S	22° 28' 46" W	- 470.77'
27	S	33° 41' 24" W	- 522.80'
28	S	41° 45' 37" W	- 375.37'
29	S	54° 04' 37" W	- 605.08'
30	S	62° 59' 45" W	- 583.63'
31	S	72° 15' 19" W	- 262.49'
32	S	80° 32' 16" W	- 425.79'
33	S	88° 57' 30" W	- 550.09'
34	N	82° 38' 51" W	- 625.14'
35	N	76° 15' 49" W	- 463.25'
36	N	73° 53' 12" W	- 468.40'
37	N	54° 21' 37" E	- 652.15'
38	N	56° 34' 31" E	- 1198.17'
39	N	85° 54' 52" N	- 421.07'
40	N	79° 56' 22" W	- 629.68'
41	N	73° 57' 04" W	- 759.61'
42	N	68° 11' 55" W	- 315.48'
43	N	83° 09' 26" W	- 251.79'
44	S	81° 38' 03" W	- 343.66'
45	West		440.00'
46	N	77° 00' 19" W	- 400.25'
47	N	66° 02' 15" W	- 295.47'
48	N	06° 41' 46" E	- 1029.12'

TRACT 3

Begin at Point 'A'

49	East		4710.00'
12	S	67° 25' 54" E	- 839.27'
13	S	50° 31' 39" E	- 110.11'
14	S	12° 40' 49" E	- 205.00'
15	S	05° 29' 32" W	- 261.20'
16	S	12° 43' 28" W	- 317.80'
17	N	45° 49' 49" E	- 243.98'
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19	N	54° 46' 57" E	- 416.17'
20	N	61° 31' 33" E	- 671.13'
21	N	69° 24' 58" E	- 432.62'
50	East		125.00'
24	S	07° 11' 20" W	- 879.01'
25	S	14° 37' 15" W	- 475.39'
26	S	22° 28' 46" W	- 470.77'
27	S	33° 41' 24" W	- 522.80'
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29	S	54° 04' 37" W	- 605.08'
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31	S	72° 15' 19" W	- 262.49'
32	S	80° 32' 16" W	- 425.79'
33	S	88° 57' 30" W	- 550.09'
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36	N	73° 53' 12" W	- 468.40'
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43	N	83° 09' 26" W	- 251.79'
44	S	81° 38' 03" W	- 343.66'
45	West		440.00'
46	N	77° 00' 19" W	- 400.25'
47	N	66° 02' 15" W	- 295.47'
48	N	06° 41' 46" E	- 1029.12'

TRACT 1

Begin at Point 'A'

1	N	10° 59' 25" E	- 629.44'
2	S	88° 18' 55" E	- 340.15'
3	N	80° 18' 40" E	- 415.93'
4	East		370.00'
5	S	80° 57' 38" E	- 445.53'
6	S	81° 09' 29" E	- 455.41'
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49	West		4710.00'

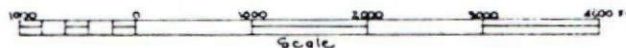
TRACT 2

Begin at Point 'B'

50	West		125.00'
22	N	67° 23' 14" E	- 124.58'
23	S	11° 47' 32" E	- 48.93'

DOCKET No 68-352 EXHIBIT No E-3

ORDER No. 422-E-5



SCANNED

DEPARTMENT OF CONSERVATION NO.

G1 43 KJ RFG SU
GRAND ISLE BLOCK 43 FIELD
GULF OF MEXICO

HUMBLE OIL & REFINING COMPANY

PRODUCTION DEPARTMENT

NEW ORLEANS INSHORE AREA

DRAWN BY A.D.B.J. SCALE 1"=1000'

CHECKED BY P. G. S. DATE

FILE NO. 13

BEARINGS AND/OR COORDINATES SHOWN
ARE BASED ON LAMBERT STATE PLANE
COORDINATE SYSTEM FOR LOUISIANA
(SOUTH ZONE).

PREPARED BY

E. R. 100