



INVITATION FOR OFFER – UNRESTRICTED RIK CRUDE OIL SALE
IFO No. 1435-02-07-RP-27856
Deliveries beginning January 1, 2007 and ending June 30, 2007

Introduction

The Minerals Management Service (MMS) of the U.S. Department of the Interior is soliciting offers from pre-qualified companies to buy royalty oil and condensate produced from certain Federal leases in the Gulf of Mexico.

This Invitation for Offer (IFO) is for a 6-month sales term beginning January 1, 2007. Buyers will take custody of the royalty oil at the applicable custody transfer point as shown in Exhibit A and are responsible for moving the royalty oil downstream of this point.

Offers must be made in writing and submitted to Crystel Edler via facsimile (303-231-3846) or email (crystel.edler@mms.gov) by 2:00 pm MST on October 31, 2006. The MMS will confirm receipt of all offers. **Royalty oil packages will be awarded by 2:00 pm MST on November 2, 2006.** Please call the contacts below for additional information:

- Crystel Edler for technical questions at 303-231-3126
- Maggie Miller for contracting questions at 303-231-3932
- Larry Cobb for pre-qualification or credit questions at 303-231-3307

Offers

Offerors must be pre-qualified to submit offers. Please see the “Pre-qualification and Credit Requirements” section for more information. The MMS reserves the right to reject any offer received.

Exhibit A identifies 34 packages of royalty oil. Exhibit B provides further detail on Facility Measurement Point (FMP) operators, pipelines, and custody transfer points. Data in the exhibits is not warranted and offerors are expected to contact the appropriate parties for the most recent information. The royalty volumes shown for each custody transfer point represent the most recent production data available for properties behind the custody transfer point. Other pertinent information such as leases/agreements, operators, and royalty rates will be provided to the buyer upon award.

Exhibit A is the offer sheet to be completed and emailed or faxed. Offers must be to the nearest \$0.0001. The MMS prefers no more than one award for each package. However, MMS may consider offers on only part of a royalty oil package if favorable to the Government.

For hurricane surcharges, offerors should follow standard industry practice and include the surcharge(s) in their offer.

For all **HLS** packages, buyers will be responsible for the Empire exit fee (also known as outbound terminal or pump out fee) and reconsignment fee, when applicable. These fees should not be included in your offers.

The following packages have multiple custody transfer points (onshore and offshore) and offers may be made for either or all in the appropriate columns of Exhibit A: **HLS** package 7 (MC 109 and SP 49 A), package 27 (GC 254 A, ST 316 A, and GC 608 A) for crude types **Poseidon** and/or **Southern Green Canyon (SGC)**, and package 28 (GC 645 A and GC 782 A) for crude types **Mars, Poseidon, and/or SGC**.

Offers on package 26 (GC 65 A) may be for crude types **Eugene Island (EI), Mars, and/or Poseidon.**

Offers on package 29 (GB 128 A) may be for crude types **Bonito** and/or **EI**. Due to pre-determined monthly volume prorations at EI 330/331, if submitting an offer on the Bonito Pipeline and/or Eugene Island Pipeline, an offer must also be submitted on the Auger Pipeline.

Please see the "Quality" section for more information on how to account for gravity and sulfur in your offer. Royalty oil from new wells on currently producing properties behind the custody transfer points that commence production during the term of this IFO will be automatically added to the volumes awarded under this IFO. Royalty oil from new properties behind the custody transfer points that commence production during the term of this IFO will be added to the volumes awarded under this IFO on a case-by-case basis pursuant to mutual consent of MMS and buyers.

Pricing Mechanism: Offerors must submit offers as an increment or decrement from either or all of the below pricing formulas. **If you would like to submit an offer based on an alternative pricing formula, please caveat your offer with the alternative pricing formula used and/or call the technical contact listed.**

1. (Calendar NYMEX + Daily Roll) – (Platts WTI – Platts Crude Type)
2. (Calendar NYMEX + Daily Roll) + (Argus Weighted Average Crude Type Differential)

Where: Platts WTI: The arithmetic average of the daily high and low price quotes for WTI Cushing for the Platts Month of Delivery

Platts Crude Type: The arithmetic average of the daily high and low price quotes for crude type for Platts Month of Delivery

Argus Weighted Average Crude Type Differential: The weighted average differential for each crude type published by Argus

Calendar NYMEX: Arithmetic average of the daily settlement price for the "Light Sweet Crude Oil" front month futures contract reported by the New York Mercantile Exchange (NYMEX) during the Physical Month of Delivery (excluding weekends and holidays)

Platts or Argus Month of Delivery: Refers to quotes in Platts Oilgram Price Report or Petroleum Argus Americas Crude Price Report for the period of time from the twenty-sixth day of the month two months prior to the physical month of delivery through the twenty-fifth day of the month one month prior to the Physical Month of Delivery (excluding weekends and holidays)

Physical Month of Delivery: The calendar month when the crude oil is delivered

Daily Roll: $(X - Y).6667 + (X - Z).3333$, where:

X = Average of the daily NYMEX settlement price for the prompt month, trading days only, when the Physical Month of Delivery is the prompt month trading on NYMEX

Y = Average of the daily NYMEX settlement price for the second month during the same period, trading days only

Z = Average of the daily NYMEX settlement price for the third month during the same period, trading days only

The MMS may award a contract on the basis of initial offer(s) received without discussions. Accordingly, each initial offer should be submitted on the most favorable terms that the offeror can submit. However, MMS may negotiate with offerors in the event offers of similar or unanticipated values are received. All information about the origin and value of offers received will remain confidential, except as noted below under "Imbalances" with respect to resolving certain extraordinary imbalances.

The MMS shall award a contract resulting from this IFO to the party whose offer, in MMS' judgment, is most advantageous to the Federal Government. The MMS will award to buyers by means of the "MMS Crude Oil Transaction Confirmation." The MMS will attempt to award 100 percent of the volume from a custody transfer point.

Term

Delivery of royalty oil begins January 1, 2007, and ends June 30, 2007.

Quality

For all **HLS** packages, with the exception of packages 5 and 7b, quality bank costs should not be included in your offer. Buyers will pass back to MMS any quality bank debits/credits received from the quality bank administrator(s). For package 5 (Venice - Plains) there is no quality bank to include or pass back as the quality bank is dealt with in the buy/sell agreement with Plains Marketing. For package 7b, since delivery will be at Empire, quality bank costs will not be incurred by the buyer and therefore should not be included in your offer or passed back to MMS.

For **HLS** package 10 and **HLS-SB** packages 11-15, offerors will pass back to MMS only the first receipt bank at the custody transfer point and therefore this quality bank should not be included in your offer. All other quality banks downstream of the receipt point should be included in your offer.

For all **LLS** packages, with the exception of the market center delivery bank, quality bank debits/credits should not be included in your offer. Buyers will pass back to MMS all quality bank debits/credits received. Market center delivered quality bank(s) debits/credits should be included in your offer. For package 25, quality bank costs will not be incurred by the buyer and therefore should not be reflected in your offer.

For all **Poseidon** and **SGC** packages, quality bank debits/credits should not be included in your offer. If the offer is accepted at the offshore custody transfer point, buyers will pass back to MMS all quality bank(s) debits/credits received from the quality bank administrator(s). If the offer is accepted at the market center, quality bank costs will not be incurred by the buyer and therefore should not be reflected in your offer.

For all **EI** and **Mars** packages and **Bonito** package 29a, with the exception of the market center delivery banks, quality bank debits/credits should not be included in your offer. Buyers will pass back to MMS all quality bank(s) debits/credits received from the quality bank administrator(s). Market center delivered quality bank(s) debits/credits should be included in your offer. For package 28f, if the offer is accepted at the market center, the quality bank costs will not be incurred by the buyer and therefore should not be reflected in your offer.

For **Bonito** packages 30-32, quality bank debits/credits should not be included in your offer for any leg flowing down the Bonito Pipeline System as they will be passed back to MMS by the operator. All other quality banks downstream of the Bonito Pipeline System should be included in your offer.

For **HOOPS** package 33, given that the offer is at the market center (Jones Creek or Texas City), the quality bank costs will not be incurred by the buyer and therefore should not be reflected in your offer.

Buyers must net any quality bank credits or debits against the monthly charges for purchased oil. The net payment is due to MMS by the 20th of the month after receipt. All quality bank data must be accompanied by supporting documentation.

The quality information in the Exhibits represents MMS' most recent data for the custody transfer points in the packages offered. Actual quality during the term of this sale may vary. Data provided by MMS is based on the best information available at the time of IFO publishing and is not warranted.

Transporting and Scheduling Royalty Oil

Buyers are responsible for transporting all royalty oil volumes downstream of the custody transfer point specified in Exhibit A. Buyers must nominate and schedule all volumes awarded through this IFO separately

from all other volumes owned or controlled at the custody transfer point where royalty oil is received. When nominating to the pipeline, you are required to indicate that the nomination is for MMS sourced crude oil.

Within 10 calendar days of execution of the "MMS Crude Oil Transaction Confirmation" relative to this IFO, buyers must request in writing to all pipeline companies moving royalty oil, that MMS royalty volumes be itemized separately from non-MMS volumes. In cases where the pipeline companies are unable to break out the MMS volumes on the pipeline statement, you must provide MMS with acceptable third-party data itemizing the MMS volumes delivered or use a pipeline assigned measurement facilitator. Any charges associated with obtaining this third-party data are the responsibility of the buyer.

Buyers will provide MMS with pipeline statements and any third-party documentation within 2 business days after the documents are available to the shipper, no later than the 20th day of the month following the month of production. Documentation not received by the due date may be purchased by MMS with the buyer being billed the associated costs.

Buyers, through customary industry practice, will communicate directly with MMS and the FMP operator and will make arrangements to deliver and transfer the royalty oil from the awarded custody transfer point. Buyers, at their expense, will make all necessary arrangements to receive royalty oil at the custody transfer point. Buyers are not responsible for any transportation costs upstream of the custody transfer point.

No later than 5 calendar days before the first day of each month, the MMS will notify buyers of the daily royalty oil volumes anticipated for the following month of production. Buyers understand that any such estimates are not warranties of actual deliveries to be made but are provided to facilitate planning the delivery of royalty oil. This process will continue for each month of the term of this IFO.

The operators of the properties behind the custody transfer points offered in this IFO are instructed to use reasonable efforts, consistent with industry practice, to inform MMS and/or buyers regarding significant changes in royalty oil production levels and production shut-ins.

The buyer shall request to adjust an awarded offer by any increase or decrease in tariff-based transportation costs effective on the date of the tariff change. The MMS will send the buyer written notification confirming such changes.

For **HLS** package 7b, **Poseidon** packages 27c and 28e, and **SGC** packages 27d and 28d, delivery at the market center, MMS receives volumes as a percent of production from the producers and therefore nominations may be adjusted by MMS throughout the month of production. Volumes received by the buyer may not necessarily reflect initial nominations. Buyer will pay only for volumes received.

For **HOOPS** package 33, deliveries at either Jones Creek or Texas City will be based on actuals.

Imbalances

Buyers are granted rights to royalty oil delivered by operators at the custody transfer points indicated in Exhibit A, not actual entitlements due the Federal Government.

The MMS and the operator will jointly monitor imbalances between deliveries and entitlements. Routine imbalances will be resolved by adjusting the volume of royalty oil delivered to buyers in the second month following the month of delivery unless otherwise approved by MMS. The MMS will communicate these adjustments to the buyer regarding the first of month availability of royalty oil.

Property imbalances not remedied within 90 days of the production month will be resolved by mutual agreement between MMS and the operator. The contract price under this IFO may form the basis of resolving certain extraordinary imbalances between MMS and operators.

An example of the rights and responsibilities of operators under RIK oil situations is outlined in MMS' "Dear Operator" letter at <http://www.mrm.mms.gov/RIKweb/PDFDocs/20060815a.pdf>.

The MMS is not responsible for royalty crude oil pipeline imbalances downstream of the custody transfer point.

Confidentiality

Neither MMS or the buyer shall disclose directly or indirectly, without the prior written consent of the other party, the terms of any transaction under this IFO to a third-party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except; (i) to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary to enforce this Contract, (iii) to the extent necessary to implement any transaction, including any transaction as described above in the section "Transporting and Scheduling Royalty Oil", or (iv) to the extent such information is delivered to such third-party for the sole purpose of calculating a published index.

Each party shall notify the other party of any proceeding of which it is aware which may result in disclosing the terms of any transaction (other than as permitted above) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for 1 year from the expiration of the transaction.

Pre-qualification and Credit Requirements

To pre-qualify, offerors are required to sign the MMS base contract "RIK Crude Oil General Terms and Conditions" and provide detailed financial information. Upon pre-qualifying, MMS will issue an amount of unsecured credit based on the creditworthiness of the offeror. In most cases where offerors have submitted their most current financial documentation or such information is available on Edgar Online, no additional information will be required. However, MMS reserves the right to request updated financial information in any situation it deems reasonable and may reissue approved lines of credit. Please be advised that MMS will require a parent guaranty in situations where the company submitting the offer is a different entity than the company that has pre-qualified.

For awards exceeding the amount of unsecured credit issued by MMS, buyers will be required to provide secured financial assurance in the form of an Irrevocable Letter of Credit (ILOC), Bond, or other MMS-acceptable surety instrument 5 business days prior to first receipt of oil under the contract. The financial assurance amount shall be sufficient to cover the value of 60 days of deliveries of the estimated production of all royalty oil awarded, less the amount of unsecured credit issued by the MMS as previously notified. For new surety instruments, the MMS will contact you regarding the calculation of an estimated amount of surety to be provided prior to initial deliveries. For continuing surety instruments, we will contact you regarding renewal requirements. Failure to provide requested surety may result in cancellation of the award or termination of the contract.

Significant and sustained increases in the value of crude oil during the term of the contract may result in requiring an increase in the amount of financial assurance. Further, should the creditworthiness, financial responsibility, or ability to perform become unsatisfactory to the MMS at any time during the term of this agreement, satisfactory assurance may be required as a condition to further performance under the agreement.

Limitation of Liability

Neither Party shall be liable for indirect, special, or consequential damages.

Governing Contract

This transaction is governed by the MMS base contract "RIK Crude Oil General Terms and Conditions," signed by the offeror and MMS. **By submitting an offer, the offeror agrees to be bound by the terms of its signed MMS base contract and this IFO.** Conflicts between the MMS base contract and the terms of this IFO will be resolved in favor of this IFO.

The MMS will send the buyer a Transaction Confirmation detailing the award packages. Transaction Confirmations not signed and returned within 2 business days of receipt will be deemed binding on behalf of both parties.

Paperwork Reduction Act of 1995 (PRA) Statement:

The OMB Control Number for this IFO is 1010-0119 with an expiration date of February 28, 2009. The PRA (44 U.S.C. 3501 et seq.) requires us to inform you that we collect this information to document fulfillment of royalty obligations on minerals removed from Federal lands. The MMS uses the information to maintain and audit lease accounts. Responses are voluntary (43 U.S.C. 1334). Proprietary information is protected in accordance with standards established by the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1733), the Freedom of Information Act (5 U.S.C. 552(1), (4)), and the Department regulations (43 CFR 2). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Public reporting burden for this form is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to the Information Collection Clearance Officer, Minerals Management Service, Mail Stop 4230, 1849 C Street, NW, Washington, DC 20240.

2 Exhibits:

Exhibit A – Offer Sheet

Exhibit B – RIK Custody Transfer Point Detail

Deliveries: January 1, 2007 through June 30, 2007

Offer Pkg	Royalty Oil Type	Gulf Coast Market Center	Custody Transfer Point	Volume Metered At	Custody Transfer Point Royalty Volume (bbls/day)	Custody Transfer Point API Gravity	Custody Transfer Point Sulfur %	NYMEX + Daily Roll basis (offshore delivery point)	NYMEX + Daily Roll basis (delivery at Market Center)	Required: Platts or Argus (indicate P or A)
1	HLS	Empire	MP 69 PS	MP 69 PS (SP 60)	1,670	34.0	N/A			
2	HLS	Empire	Grand Bay Rec. Stn.	Grand Bay Rec. Stn.	400	28.6	N/A			
3	HLS	Empire	Venice, LA (Chevron)	WD 27 A	240	28.0	N/A			
4	HLS	Empire	Venice, LA (Chevron)	WD 117 G	580	28.0	N/A			
5	HLS	Empire	Venice, LA (Plains)	Venice, LA	350	37.0	N/A			
6	HLS	Empire	SP 77 A	SP 77 A	1,000	36.0	N/A			
7a1	HLS	Empire	MC 109 or	MC 109	1,750	28.8	N/A			
7b	HLS	Empire	Empire		1,750	33.7	N/A			
7a2	HLS	Empire	SP 49 A or	SP 49 A	330	30.0	N/A			
7b	HLS	Empire	Empire		330	33.7	N/A			
8	HLS	Empire	ST 26 A	ST 26 A	200	35.4	N/A			
9	HLS	Empire	ST 41 B	ST 41 B	700	35.4	N/A			
10	HLS	Empire	Grand Isle EM	Grand Isle EM	2,900	32.2	0.38			
11	HLS-SB	N/A	EC 321 A	EC 321 A	250	32.8	1.18			
12	HLS-SB	N/A	EC 332 A	EC 332 A	75	42.0	0.36			
13	HLS-SB	N/A	SM 40 ssti	SM 39 A	75	38.8	0.10			
14	HLS-SB	N/A	SM 31 ssti	SM 27 A	325	37.3	0.14			
15	HLS-SB	N/A	SM 69 B	SM 69 B	750	35.0	0.28			
16	LLS	St. James	SS 146 ssti	SS 154 E	500	29.7	0.35			
17	LLS	St. James	SS 169 ssti	SS 182 C (Chevron)	310	29.1	0.31			
18	LLS	St. James	SS 169 ssti	SS 182 C (Apache)	200	29.5	0.33			
19	LLS	St. James	SS 208 F	SS 209 A	250	35.1	0.41			
20	LLS	St. James	SS 208 F	SS 207 A	300	33.4	0.36			
21	LLS	St. James	SS 208 F	SS 266 A	150	38.0	0.41			
22	LLS	St. James	ST 300 ssti	EW 826 A	130	39.6	0.54			
23	LLS	St. James	ST 300 A	ST 300 A	800	40.8	0.36			
24	LLS	St. James	SS 28 (Ent. to Whitecap)	SM 268 A	350	36.1	0.09			
25	LLS	St. James	Johnson's Bayou, LA	Johnson's Bayou, LA	500	51.0	0.08			
26a	EI or	St. James or	GC 65 A	GC 65 A	1,800	33.0	1.56			
26b	Mars or	Clovelly or	GC 65 A	GC 65 A	1,800	33.0	1.56			
26c	Poseidon	Houma	GC 65 A	GC 65 A	1,800	33.0	1.56			
27a	Poseidon	Houma	SS 332 A or		3,200	29.7	2.04			
27b	SGC	Texas City or Pt. Neches	SS 332 A or	GC 254 A, ST 316 A, and	3,200	29.7	2.04			
27c	Poseidon	Houma	Houma or	GC 608 A	3,200	30.0	1.93			
27d	SGC	Texas City or Pt. Neches	Various CHOPS terminals		3,200	30.8	2.22			
28a	SGC	Texas City or Pt. Neches	SS 332 B or		7,190	29.7	2.30			
28b	Poseidon	Houma	SS 332 B or		7,190	29.7	2.30			
28c	Mars	Clovelly	SS 332 B or	GC 645 A and GC 782 A	7,190	29.7	2.30			
28d	SGC	Texas City or Pt. Neches	Various CHOPS terminals or		7,190	30.8	2.22			
28e	Poseidon	Houma	Houma or		7,190	30.0	1.93			
28f	Mars	Clovelly	Clovelly		7,190	29.7	1.98			
29a	Bonito or	St. James	GB 128 A (Bonito P/L)	GB 128 A	3,000	36.4	0.91			
29a	Bonito or	St. James	GB 128 A (Auger P/L)	GB 128 A	3,000	36.4	0.91			
29b	EI	St. James	GB 128 A (EI P/L)	GB 128 A	3,000	36.4	0.91			
30	Bonito	St. James	SS 28	EI 339 B	700	34.3	1.07			
31	Bonito	St. James	EI 316 ssti	EI 361 A	140	34.0	0.81			
32	Bonito	St. James	EI 316 ssti	EI 360 E	200	34.4	0.90			
33a	HOOPS - Mars	Jones Creek	Jones Creek or		5,300	31.3	1.03			
33a	HOOPS - WTS	Jones Creek	Jones Creek or	AC 25 A, EB 602 A, and	5,300	31.3	1.03			
33b	HOOPS - Mars	Texas City	Texas City	EB 643 A	5,300	31.3	1.03			
33b	HOOPS - WTS	Texas City	Texas City		5,300	31.3	1.03			
34	Mars	Clovelly	MC 807 A	MC 807 A	17,000	28.7	2.18			

Total Barrels Offered 53,615

 Your Name

 Phone No.

 Company Name

 Fax No.

MMS Contacts

Crystel Edler 303-231-3126 crystel.edler@mms.gov
 Richard Fantel 303-231-3502 richard.fantel@mms.gov
 Donna Hogan 303-231-3148 donna.hogan@mms.gov
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 Fax No. 303-231-3846

Offer Pkg	Royalty Oil Type	Gulf Coast Market Center	Custody Transfer Point	Volume Metered At	MMS FMP No.	FMP Operator	Custody Transfer Point Royalty Volume (bbls/day)	API Gravity (Note 1)	Sulfur % (Note 1)	Pipelines	Common Carrier(s)	Buy/Sell
1	HLS	Empire	MP 69 PS	MP 69 PS (SP 60)	20177255111	SPN Resources	1,670	34.0	N/A	Delta P/L	no	STUSCO
						Pipeline Total	1,670					
2	HLS	Empire	Grand Bay Rec. Stn.	Grand Bay Rec. Stn.	20170755600	Apache Corp.	400	28.6	N/A	Chevron P/L	yes	
3	HLS	Empire	Venice, LA (into Chevron Terminal)	WD 27 A	20177194300	Anglo-Suisse	240	28.0	N/A	Chevron P/L	yes	
4	HLS	Empire	Venice, LA (into Chevron Terminal)	WD 117 G	20177204300	Anglo-Suisse	580	28.0	N/A	Chevron P/L	yes	
5	HLS	Empire	Venice, LA (into Plains Terminal)	Venice, LA	20170755200	Noble Energy	350	37.0	N/A	Chevron P/L	no	Plains
6	HLS	Empire	SP 77 A	SP 77 A	20177224701	Chevron Corp.	1,000	36.0	N/A	Chevron P/L	yes	
						Pipeline Total	2,570					
7a1	HLS	Empire	MC 109 or	MC 109	20608174952	Stone Energy	1,750	28.8	N/A	SP 49 P/L into Delta P/L	yes	
7b	HLS	Empire	Empire			Empire common stream ->		33.7	N/A			
7a2	HLS	Empire	SP 49 A or	SP 49 A	20177214950	Pogo Producing	330	30.0	N/A	SP 49 P/L into Delta P/L	yes	
7b	HLS	Empire	Empire			Empire common stream ->		33.7	N/A			
						Pipeline Total	2,080					
8	HLS	Empire	ST 26 A	ST 26 A	2017715360C	Energy Partners	200	35.4	N/A	Energy Partners P/L into Chevron P/L into Fourchon into Chevron P/L	yes	
9	HLS	Empire	ST 41 B	ST 41 B	2017715360J	Energy Partners	700	35.4	N/A	Chevron P/L into Fourchon into Chevron P/L	yes	
						Pipeline Total	900					
10	HLS	Empire	Grand Isle EM Terminal Inlet	Grand Isle EM Terminal Inlet	20170513700	ExxonMobil	2,900	32.2	0.38	• ExxonMobil P/L to St. James or; • Chevron P/L to Empire	yes yes	
						Pipeline Total	2,900					
11	HLS-SB	N/A	EC 321 A	EC 321 A	20177042202	W & T Offshore	250	32.8	1.18	Marathon P/L into ExxonMobil P/L into ExxonMobil S. LA System	yes yes	
12	HLS-SB	N/A	EC 332 A	EC 332 A	20177042208	Coldren Resources	75	42.0	0.36	Noble private line (no charge) into Marathon P/L into ExxonMobil P/L into ExxonMobil S. LA System	no yes yes	
13	HLS-SB	N/A	SM 40 ssti	SM 39 A	20177072207	Hunt Chieftan	75	38.8	0.10	ExxonMobil P/L into ExxonMobil S. LA System	yes	
14	HLS-SB	N/A	SM 31 ssti	SM 27 A	20177072208	Taylor Energy Co.	325	37.3	0.14	ExxonMobil P/L into ExxonMobil S. LA System	yes	
15	HLS-SB	N/A	SM 69 B	SM 69 B	20177072206	Taylor Energy Co.	750	35.0	0.28	ExxonMobil P/L into ExxonMobil S. LA System	yes	
						Pipeline Total	1,475					
16	LLS	St. James	SS 146 ssti	SS 154 E	20177112606	Century Exploration	500	29.7	0.35	Whitecap P/L into Ship Shoal P/L	yes	
17	LLS	St. James	SS 169 ssti	SS 182 C (Chevron)	2017711260B	Chevron Corp.	310	29.1	0.31	Whitecap P/L into Ship Shoal P/L	yes	
18	LLS	St. James	SS 169 ssti	SS 182 C (Apache)	2017711260X	Apache Corp.	200	29.5	0.33	Whitecap P/L into Ship Shoal P/L	yes	
19	LLS	St. James	SS 208 F	SS 209 A	2017711260G	Chevron Corp.	250	35.1	0.41	Whitecap P/L into Ship Shoal P/L	yes	
20	LLS	St. James	SS 208 F	SS 207 A	2017711260E	Apache Corp.	300	33.4	0.36	Whitecap P/L into Ship Shoal P/L	yes	

Offer Pkg	Royalty Oil Type	Gulf Coast Market Center	Custody Transfer Point	Volume Metered At	MMS FMP No.	FMP Operator	Custody Transfer Point Royalty Volume (bbls/day)	API Gravity (Note 1)	Sulfur % (Note 1)	Pipelines	Common Carrier(s)	Buy/Sell
21	LLS	St. James	SS 208 F	SS 266 A	20177122608	Chevron Corp.	150	38.0	0.41	Whitecap P/L into Ship Shoal P/L	yes	
22	LLS	St. James	ST 300 ssti	EW 826 A	20608102601	Apache Corp.	130	39.6	0.54	Cougar P/L into Whitecap P/L into Ship Shoal P/L	yes	
23	LLS	St. James	ST 300 A	ST 300 A	20177162600	Shell Offshore Inc.	800	40.8	0.36	Cougar P/L into Whitecap P/L into Ship Shoal P/L	yes	
24	LLS	St. James	SS 28 (Ent. to Whitecap)	SM 268 A	20177072602	Apache Corp.	350	36.1	0.09	Whitecap P/L into Ship Shoal P/L	yes	
Pipeline Total							2,990					
25	LLS	St. James	Johnson's Bayou, LA	Johnson's Bayou, LA	20170230450	Devon Energy Corp.	500	51.0	0.08	Title transfer at Johnson's Bayou. Purchaser to ship into Sabine Pass, then to barge, etc.	yes	
Pipeline Total							500					
26a	El or	St. James or	GC 65 A	GC 65 A	20608117000	Shell Offshore	1,800	33.0	1.56	* Amberjack P/L or;	yes	
26b	Mars or	Clovelly or					(Note 2)			* Amberjack P/L into Boxer P/L into EIPL into	yes	
26c	Poseidon	Houma								Shell's S. LA Sys. or;	yes	
										Shell 12" P/L into Boxer P/L (except Angus) into	no	Shell Offshore
										EIPL into Shell's S. LA Sys. or;	yes	
										Shell 12" P/L (except Angus) into	no	Shell Offshore
										Shell Trading 12" P/L into	no	STUSCO
										Poseidon P/L	no	Poseidon
Pipeline Total							1,800					
27a	Poseidon	Houma	SS 332 A or	GC 254 A	20608112955	ENI Petroleum	1,000	31.2	1.17	* (Manta Ray Gathering) into Poseidon P/L or;	no	Poseidon
27b	SGC	Texas City or Pt. Neches	SS 332 A or				(Note 2)			* (Manta Ray Gathering) into Cameron Highway P/L	no	Cameron Highway
27c	Poseidon	Houma	Houma or					30.0	1.93	Houma common stream ->		
27d	SGC	Texas City or Pt. Neches	Various CHOPS terminals					30.8	2.22	SGC common stream ->		
27a	Poseidon	Houma	SS 332 A or	ST 316 A	20177162950	W & T Offshore	500	35.3	0.49	* (Manta Ray Gathering) into Poseidon P/L or;	no	Poseidon
27b	SGC	Texas City or Pt. Neches	SS 332 A or							* (Manta Ray Gathering) into Cameron Highway P/L	no	Cameron Highway
27c	Poseidon	Houma	Houma or					30.0	1.93	Houma common stream ->		
27d	SGC	Texas City or Pt. Neches	Various CHOPS terminals					30.8	2.22	SGC common stream ->		
27a	Poseidon	Houma	SS 332 A or	GC 608 A	20608112957	ENI Petroleum	1,700	28.6	2.46	* (Manta Ray Gathering) into Poseidon P/L or;	no	Poseidon
27b	SGC	Texas City or Pt. Neches	SS 332 A or				(Note 2)			* (Manta Ray Gathering) into Cameron Highway P/L	no	Cameron Highway
27c	Poseidon	Houma	Houma or					30.0	1.93	Houma common stream ->		
27d	SGC	Texas City or Pt. Neches	Various CHOPS terminals					30.8	2.22	SGC common stream ->		
Pipeline Total							3,200					
28a	SGC	Texas City or Pt. Neches	SS 332 B or	GC 645 A	20608110250	BP Expl. and Prod.	3,920	31.3	1.87	* (Caesar P/L) into Cameron Highway P/L or;	no	Cameron Highway
28b	Poseidon	Houma	SS 332 B or							* (Caesar P/L) into Poseidon P/L or;	no	Poseidon
28c	Mars	Clovelly	SS 332 B or							* (Caesar P/L) into Seajack P/L into Mars Oil P/L	yes	
28d	SGC	Texas City or Pt. Neches	Various CHOPS terminals or					30.8	2.22	SGC common stream ->		
28e	Poseidon	Houma	Houma or					30.0	1.93	Houma common stream ->		
28f	Mars	Clovelly	Clovelly					29.7	1.98	Clovelly common stream ->		
28a	SGC	Texas City or Pt. Neches	SS 332 B or	GC 782 A	20608110251	BP Expl. and Prod.	3,270	37.9	2.28	* (Caesar P/L) into Cameron Highway P/L or;	no	Cameron Highway
28b	Poseidon	Houma	SS 332 B or							* (Caesar P/L) into Poseidon P/L or;	no	Poseidon
28c	Mars	Clovelly	SS 332 B or							* (Caesar P/L) into Seajack P/L into Mars Oil P/L	yes	
28d	SGC	Texas City or Pt. Neches	Various CHOPS terminals or					30.8	2.22	SGC common stream ->		
28e	Poseidon	Houma	Houma or					30.0	1.93	Houma common stream ->		
28f	Mars	Clovelly	Clovelly					29.7	1.98	Clovelly common stream ->		
Pipeline Total							7,190					
29a	Bonito or	St. James	GB 128 A	GB 128 A	20608077000	Shell Offshore	3,000	36.4	0.91	* Auger P/L into Ship Shoal P/L or;	yes	
										* Auger P/L into Bonito P/L into Ship Shoal P/L	yes	
29b	El	St. James								* Auger P/L into Eugene Island P/L into	yes	
										Shell's South Louisiana System	yes	
Pipeline Total							3,000					

Offer Pkg	Royalty Oil Type	Gulf Coast Market Center	Custody Transfer Point	Volume Metered At	MMS FMP No.	FMP Operator	Custody Transfer Point Royalty Volume (bbls/day)	API Gravity (Note 1)	Sulfur % (Note 1)	Pipelines	Common Carrier(s)	Buy/Sell
30	Bonito	St. James	SS 28	EI 339 B	20177102609	Chevron Corp.	700	34.3	1.07	Bonito P/L into Ship Shoal P/L	yes	
31	Bonito	St. James	EI 316 ssti	EI 361 A	2017710260J	Chevron Corp.	140	34.0	0.81	Bonito P/L into Ship Shoal P/L	yes	
32	Bonito	St. James	EI 316 ssti	EI 360 E	2017710260K	Chevron Corp.	200	34.4	0.90	Bonito P/L into Ship Shoal P/L	yes	
Pipeline Total							1,040					
33a	HOOPS	Jones Creek	Jones Creek (from AC 25 A) or	AC 25 A	20608050130	ExxonMobil	1,900	N/A	N/A	• ExxonMobil P/L into Seaway P/L at Jones Creek, TX	yes	
33b	HOOPS	Texas City	Texas City (from AC 25 A)							• ExxonMobil P/L into Seaway P/L at Texas City, TX	yes	
33a	HOOPS	Jones Creek	Jones Creek (from EB 602 A) or	EB 602 A	20608040134	Kerr-McGee	2,100	N/A	N/A	• ExxonMobil P/L into Seaway P/L at Jones Creek, TX	yes	
33b	HOOPS	Texas City	Texas City (from EB 602 A)							• ExxonMobil P/L into Seaway P/L at Texas City, TX	yes	
33a	HOOPS	Jones Creek	Jones Creek (from EB 643 A) or	EB 643 A	20608040135	Kerr-McGee	1,300	N/A	N/A	• ExxonMobil P/L into Seaway P/L at Jones Creek, TX	yes	
33b	HOOPS	Texas City	Texas City (from EB 643 A)							• ExxonMobil P/L into Seaway P/L at Texas City, TX	yes	
Pipeline Total							5,300	31.3	1.03			
34	Mars	Clovelly	MC 807 A	MC 807 A	20608173650	Shell Offshore	17,000	28.7	2.18	Mars Oil P/L	yes	
Pipeline Total							17,000					
Grand Total							53,615					

Pipeline and Buy/Sell Contacts:

- STUSCO: Brett Jones (713-230-1944)
- Plains: Tim Gill (713-646-4667)
- Shell Offshore: Mike Faulise (713-230-1967)
- Poseidon: James Hostettler (303-339-0381)
- Cameron Highway: Wynne Harvey (713-381-7934)

- FMP: Facility Measurement Point
- N/A: Not Applicable

Note 1: Gravity and Sulfur contents are not warranted and are measured at the FMP unless otherwise noted.
 Note 2: FMP contains a lease in Royalty Relief status whose volume will not be included in deliveries to purchaser.