

**INVITATION FOR OFFER – MMS ROYALTY IN KIND GAS**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**November 2003 – March/October 2004**

**Introduction**

The Minerals Management Service (MMS) of the U.S. Department of the Interior is requesting written offers to purchase royalty gas produced from Federal leases in the Gulf of Mexico. Production is delivered into the ten offshore pipeline systems identified below. The details of each pipeline-specific sale package are presented in the attachments to this Invitation for Offer (IFO).

This sale is for a five or twelve month term beginning November 1, 2003. The successful offeror (buyer) will take custody of the royalty gas at offshore receipt points and will schedule and nominate the gas at and downstream of these receipt points.

You must submit a written offer via facsimile (fax no. 303-231-3846) **by 11:00 a.m. Central Time on October 7, 2003**. We will award the offers by 3:00 p.m. Central Time on October 8, 2003. You may call Mike DeBerard at 303-231-3884 or Karen Bigelow at 303-231-3890 with any questions.

<u>Att. No.</u>	<u>Page No.</u>	<u>Pipeline System</u>	<u>Est. Daily Volume</u>	<u>Number of Receipt Pnts</u>	<u>Preferred Indexes **</u>
1	7	ANR Nearshore	51,150*	11	ANR, Henry Hub
2	9	CTGS (Central Texas Gath. System)	27,250	13	Henry Hub
3	11	Garden Banks	55,000	4	ANR, CGT, FGT, Henry Hub
4	13	HIOS (High Island Offshore System)	61,750 *	35	ANR, NGPL, Henry Hub, TGP
5	17	Manta Ray	28,500	3	TGT or Henry Hub
6	19	MOPS (Matagorda Offshore Pipeline)	21,300	16	Henry Hub
7	21	Shoreline Seagull	26,000	3	Henry Hub
8	23	Tenn. Gas 500 Leg	47,200	14	TGP, Henry Hub
9	25	Tenn. Gas 800 Leg	36,800	8	TGP, Henry Hub
10	27	TETCO East La.	<u>24,250</u>	<u>8</u>	TETCO, Henry Hub
Total			<u>379,200</u>	<u>115</u>	

\* ANR and HIOS are split into sub-packages – see Attachments 1 and 4.

\*\* ANR - ANR Pipeline Co., CGT - Columbia Gulf Transmission Co., FGT - Florida Gas Transmission Co., NGPL - Natural Gas Pipeline Co. of America, TGP - Tennessee Gas Pipeline Co., TETCO - Texas Eastern Transmission Corp., TGT - Texas Gas Transmission Corp.

## Offers

Offerors must be pre-qualified to submit offers, see the Pre-Qualification and Credit Requirements section. By submission of an offer, the offeror agrees to be bound to the terms and conditions of its Gas Industry Standards Board (GISB) and/or its North American Energy Standards Board (NAESB) contract with MMS and this IFO.

Each attachment contains a package (or packages) of gas consisting of a baseload and a swing component. For the baseload gas, you must offer using an appropriate Inside FERC first-of-month price. For the swing gas, you must offer using an appropriate Gas Daily daily midpoint price. You must offer on both the baseload and swing components because the buyer will take the entire package.

Each attachment contains two exhibits. Exhibit A is the offer sheet. Your offer should reflect an increment or decrement in relation to an applicable index price. If your proposal has a transportation cost, then:

- Quantify the transportation and fuel deductions.
- Indicate if your transportation cost is a pipeline tariff.
- Indicate if your transportation cost will change if the tariff changes.

Exhibit B identifies the Gulf of Mexico properties included in this IFO and MMS' most recent estimate of the Federal royalty share of production. MMS does not warrant the accuracy of information in the exhibits.

You may submit a multi-pipeline package where the award is contingent on winning all the packages included in your offer. You must meet our financial qualifications for the full volume you wish to purchase. Indicate your priority of acceptance for a multi-package deal in a cover sheet with your offers.

Offers for either or both a five or twelve month term are acceptable. Place your offer(s) in the appropriate offer sheet column in Exhibit A for each attached pipeline gas sales package.

## Consideration of Offers

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 value are received.

The MMS shall award a contract resulting from this IFO to the offeror whose offer, in MMS' judgement, is most advantageous to the Federal Government. MMS will award to the buyer by means of its Natural Gas Purchase Confirmation Notice.

Neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction 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) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to implement any transaction as described below in the Transportation and Scheduling of Royalty Gas section, or (v) 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 disclosure of the terms of any transaction (other than as permitted hereunder) 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 one year from the expiration of the transaction.

### **Governing Contract**

This transaction is governed by the GISB and/or NAESB contract signed between the buyer and MMS. The provisions in this IFO are a condition of your purchase and are supplemental to the GISB and/or NAESB contract. Conflicts between the GISB and/or NAESB contract and this IFO shall be resolved in favor of the IFO.

### **Term**

Initial deliveries of royalty gas to the buyer will commence November 1, 2003. The royalty gas delivery period will be for a term of five months ending March 31, 2004 or twelve months ending October 31, 2004, depending on the value of offers received.

The reasons for which MMS may declare an early cancellation may be, but are not limited to:

- (1) The failure to pay, when due, any payment required under this agreement, if such failure is not remedied within 5 business days after written notice of such failure, provided that the payment is not the subject of a good faith dispute and the buyer pays MMS such amounts as it concedes to be correct.
- (2) Any representation or warranty which is proven to have been false or misleading in any material respect when made or deemed to be repeated.
- (3) The failure to provide adequate financial assurances to MMS as specified under the Pre-Qualification and Credit Requirements section.

### **Delivery Points**

Except as noted below for the Seagull Shoreline package, delivery points for royalty gas from the properties listed in Exhibit B are various offshore points, as follows:

- The royalty meter at the platform for properties directly connected to the primary pipeline system identified for each package.
- The downstream terminus of the producer lateral for properties connected to the primary pipeline system identified for each package by producer lateral lines.
- The royalty meter at the platform for properties connected to the primary pipeline system identified for each package by common carrier lateral lines or the point where the producer lateral connects to the common carrier lateral if there is a producer lateral line between the platform meter and common carrier lateral.

The buyer must contract with the common carrier lateral line operators for transportation over the lateral lines. MMS will reimburse the buyer for demonstrated and reasonable costs for lateral line transportation.

The delivery point for Seagull Shoreline gas is the various interstate and intrastate pipeline interconnects at the tailgate of the Matagorda gas plant.

## **Transportation and Scheduling of Royalty Gas**

The buyer agrees to take 100 percent of the royalty gas delivered at the delivery point for the entire contract period. The lease operators will use reasonable efforts, consistent with industry practice, to inform the buyer regarding significant changes in gas production levels and production shut-ins. The buyer, through customary industry practice set forth by NAESB and the Council of Petroleum Accountants Societies (COPAS) in nominating and scheduling transportation services, will communicate directly with the lease operators and make arrangements for the delivery and transfer of royalty gas from the properties in each Exhibit B. The buyer, at its expense, shall make all necessary arrangements to receive delivery of royalty gas at the delivery point. The buyer is not responsible for costs of transportation upstream of the delivery point.

No later than 8 calendar days before the first day of each month, the lease operators will notify the buyer of the daily royalty gas volumes and qualities anticipated for the following month of production. The buyer understands that any such estimate is not a warranty of actual deliveries to be made but is provided to facilitate planning of delivery of royalty gas. This will continue for each month of the royalty gas delivery period. Production decreases during the term of this agreement may reduce the volume of gas to a level that impinges on the baseload volume. It is the buyers' responsibility to contact MMS and renegotiate new baseload and swing volume ratios in this situation.

Imbalances in the delivery of royalty gas to the buyer will be monitored and jointly resolved by MMS and the lease operator by adjustments in the volume of royalty gas delivered to the buyer in subsequent months. These adjustments will be reflected in communications from the lease operator to the buyer regarding the first of month availability of royalty gas. Certain extraordinary and residual imbalances between operators and MMS may be cashed out based on our buyer's accepted prices.

MMS must be able to track the royalty volumes that are nominated and allocated (delivered) via electronic bulletin boards. Royalty gas, therefore, must be moved as a distinct entity under a business party number unique to MMS. MMS will work with you and the pipeline to establish MMS as a read-only producer or upstream entity.

## **Processing Rights**

MMS reserves the right to process, or cause to be processed by others, all royalty gas for recovery of liquefiable hydrocarbons (and inert gases) other than methane. This includes such methane as cannot be separated from the ethane and heavier hydrocarbons separated or extracted from the gas under normal operation of conventional type separation and processing facilities.

In cases where MMS elects to process gas, the buyer will schedule our associated Plant Thermal Reduction (PTR) volumes where necessary. The volume of gas available for sale will decrease by this PTR volume.

## **Financial Keep Whole**

Notwithstanding your signed GISB and/or NAESB contract, if on any day the quantity of gas scheduled hereunder is less than, at a minimum, a quantity of gas equal to the baseload volume, the "Baseload Deficiency Quantity" shall be the numerical difference between the baseload volume and the amount of gas scheduled, and the Parties shall resolve the differences in the following manner:

- (1) If the "Daily Midpoint" price set forth in Gas Daily, or successor publication, in the column "Daily Price Survey" under the listing applicable to the geographic location agreed pursuant to the Transaction for the relevant day is greater than the Contract Price for the baseload volume, then MMS shall adjust the amount due from the offeror by an amount equal to (i) the Baseload Deficiency Quantity, multiplied by (ii) the difference between (a) the "Daily Midpoint" price set

forth in Gas Daily, or successor publication, in the column "Daily Price Survey" under the listing applicable to the geographic location agreed pursuant to the Transaction for the relevant day and (b) the Contract Price for the baseload volume.

- (2) If the "Daily Midpoint" price set forth in Gas Daily, or successor publication, in the column "Daily Price Survey" under the listing applicable to the geographic location agreed pursuant to the Transaction for the relevant day is less than the Contract Price for the baseload volume, offeror shall pay MMS an amount equal to (i) the Baseload Deficiency Quantity, multiplied by (ii) the difference between (a) the Contract Price for the baseload volume and (b) the "Daily Midpoint" price set forth in Gas Daily or successor publication, in the column "Daily Price Survey" under the listing applicable to the geographic location agreed pursuant to the Transaction for the relevant day.

"Baseload volume" shall mean a quantity of gas equal to the MMBtu/d designated in the attachments to this IFO or such quantity of gas designated as the baseload volume at the first of the month nomination.

### **Pre-Qualification and Credit Requirements**

Offerors are required to pre-qualify by signing the base GISB and/or NAESB contract and providing detailed financial information. Please visit our website at <http://www.mrm.mms.gov/rikweb/prequal.htm> for pre-qualification information. Upon pre-qualification, MMS will issue an amount of unsecured credit based on the creditworthiness of the offeror. In most cases, offerors that have previously submitted financial documentation for Calendar year 2002 will not need to resubmit, and approved unsecured lines of credit are still valid. However, MMS reserves the right to request updated financial information in any situation it deems as reasonable and may reissue or suspend approved lines of credit. Please be advised that MMS requires a parent guaranty in situations where the offeror company is a different entity than the company that has pre-qualified.

For awards exceeding the amount of credit issued by MMS or in situations where MMS has suspended the approved line of credit, buyers will be required to provide secured financial assurance in the form of an Irrevocable Letter of Credit (ILOC), Bond, pre-payment, or other MMS-acceptable surety instrument. The financial assurance instrument must be provided within 5 business days prior to the first delivery of the natural gas under the contract. If financial assurance is required, buyers will be notified, and such notice will be included in the Natural Gas Purchase Confirmation Notice. The ILOC, Bond, pre-payment, or other MMS-acceptable surety instrument must be effective for a period beginning on the date of first delivery under the contract and ending when payment for final month of delivery is verified.

The financial assurance amount shall be sufficient to cover the value of 60 days of deliveries of the estimated production of all royalty gas awarded, less the amount of credit issued by the MMS. The value of the financial assurance should be calculated as a price/MMBtu using the baseload offer value and the applicable October 1, 2003, first-of-month price, multiplied by the daily production for both the baseload and swing volumes (estimated in Exhibit A), multiplied by 60 days, less the amount of unsecured credit issued by MMS. If financial assurance is required, you will be contacted by letter or telephone. Failure to provide adequate financial assurance when requested may result in a loss of award unless the Contracting Officer for the MMS extends the date.

Significant and sustained increases in the value of royalty gas during the term of the contract may result in the requirement to increase 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 assurances may be required as a condition to further performance under the agreement. Such assurances include, but are not limited to, a prepayment or an ILOC in a form and amount satisfactory to MMS. An investment-grade rating by Standard and Poor's is required by MMS to maintain creditworthiness.

The financial institution issuing the ILOC or surety company issuing the Bond must meet MMS requirements under 30 CFR Part 208.11. A sample of the ILOC or Bond can be found at <http://www.mrm.mms.gov/ReportingServices/Forms/RIK.htm>. Please contact Larry Cobb at 303-231-3307 if you have any questions regarding pre-qualification or credit.

### **Liquidated Damages**

MMS will remarket the gas in the event an early contract cancellation occurs. MMS will collect from the terminated party an amount equal to the positive difference, if any, between the contract price less the price at which MMS is able to remarket the gas not purchased, using commercially reasonable efforts in an arm's-length transaction. This provision does not preclude MMS from enforcing any liquidated damages specified in the signed GISB and/or NAESB contract.

PAPERWORK REDUCTION ACT STATEMENT: The Paperwork Reduction Act of 1995 requires us to inform you that the information being collected under this solicitation is necessary to document fulfillment of royalty obligations and sales of minerals from leases on Federal lands. We will use this information to evaluate offers on sales of royalty production. The estimated burden to report is approximately one hour each for an offer document, letter of credit or bond, or financial statement or pre-qualification document. Suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, MMS, 1849 C Street, N.W., Washington, D.C. 20240. Proprietary information submitted to the U.S. Department of the Interior 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(b)(4)), and the Departmental Regulations (43 CFR 2). Storage of such information and access to it are controlled by strict security measures. 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 number.

10 Attachments

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 1**  
**Exhibit A**

**MMS Contacts:**

**Karen Bigelow**           **303-231-3890**  
**Mike DeBerard**       **303-231-3884**  
**Fax No.**                   **303-231-3846**

**ANR Nearshore - RIK Gas Sales**

Delivery Point	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	ANR Transportation <u>2/</u>
<b>PACKAGE 1</b>					
ANR Nearshore	20,000	Base			- not applicable -
ANR Nearshore	12,150	Swing			- not applicable -
<b>PACKAGE 2</b>					
ANR Nearshore	10,000	Base			- not applicable -
ANR Nearshore	9,000	Swing			- not applicable -

1/ Baseload gas is offered at Inside FERC: ANR (La) or Henry Hub.  
 Swing gas is offered at Gas Daily (Daily): ANR (La) or Henry Hub.  
 MMS will give preference to a "greater of" offer that combines these two index prices.

2/ No transport cost to ANR SE pool.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**ANR Nearshore**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 1**  
**Exhibit B**

Receipt Point	Meter Number	Daily <u>1/</u> Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator	Lateral Line <u>2/</u>
<b>Package 1</b>							
WC 100 A	345117	10,750	054-022510-0	WC	100	Dominion E&P	
WC 101 A	307791	2,000	054-016115-0	WC	101	LLOG Exploration	
WC 165 A	165W1	2,000	054-004397-0	WC	291	Dunhill Resources	
			054-023752-0	WC	210	Energy Partners Ltd.	
			055-000758-0	WC	165	Devon Energy	
WC 172 E	36111	1,000	054-001998-0	WC	172	PRS Offshore	
WC 182 A	182W1	1,500	054-015062-0	WC	182	Seneca Resources	
WC 205 A	205W1	4,300	054-002832-0	WC	205	Forest Oil Corp.	Northern Nat.
			054-003496-0	WC	206	Devon Energy	
WC 238 A	238W1	1,000	054-002834-0	WC	238	J.M. Huber	
			054-003499-0	WC	249	J.M. Huber	
			054-009408-0	WC	248	J.M. Huber	

**• Texas Gas Transmission Nominated Properties**

HI 167 A		400	054-006200-0	HI	166	EOG Resources Inc.	Texas Gas
• receipt pt	9383		054-022247-0	HI	167	Spinnaker Exploration	
• delivery pt	9331						
WC 294 A		9,000	054-004090-0	WC	294	Newfield Expl. Co.	Texas Gas
• receipt pt	2838		054-006581-0	WC	292	Apache Corp.	
• delivery pt	9331		054-015078-0	WC	300	Hunt Oil	
			054-022539-0	WC	289	Hunt Oil	
			891-020255-0	WC	293	Apache Corp.	
WC 306 A		200	054-017786-0	WC	304	Unocal	Texas Gas
• receipt pt	9440						
• delivery pt	9331						

**Package 1 Total:** 32,150

**Package 2**

WC 167	29636	19,000	054-010379-0	AC	24	ExxonMobil	
	167ANRPL		754-395021-A	EB	945	ExxonMobil	
			754-399001-A	EB	949	ExxonMobil	
			754-399002-A	AC	25	ExxonMobil	

**Package 2 Total:** 19,000

Note 1/ Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.

Note 2/ MMS has a contract with Northern Natural and Texas Gas to transport gas over these laterals. MMS will designate the buyer as our agent under those contracts.

Offer Sheet

Minerals Management Service  
 IFO No: MMS-RIK-2004-GOMR-001  
 Term: November 2003 - March/October 2004

Attachment 2  
 Exhibit A

**MMS Contacts:**  
 Karen Bigelow 303-231-3890  
 Mike DeBerard 303-231-3884  
 Fax No. 303-231-3846

Central Texas Gathering System - RIK Gas Sales

Delivery Point	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	CTGS Transportation <u>2/</u>
Central Texas Gathering System	20,000	Base			
Central Texas Gathering System	7,250	Swing			

1/ Baseload gas is offered at Inside FERC: **Henry Hub is preferred** or TGP (Z0) or Transco (Z1).  
 Swing gas is offered at Gas Daily (Daily): **Henry Hub is preferred** or TGP (Z0) or Transco (Z1).  
 MMS will give preference to a "greater of" offer that combines two or more of these index prices.

2/ Quantify your transportation and fuel costs and specify if it is tariff-related.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**Central Texas Gathering System**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 2**  
**Exhibit B**

Receipt Point	TGP Meter Number	Transco Transfer Points Receipt	1 Line	Royalty <u>1/</u> Production (MMBtu)	Lease/Agre.	Area Block	Operator	Lateral Line
---------------	------------------	---------------------------------	--------	--------------------------------------	-------------	------------	----------	--------------

**Receipt points with access to Transco, Tennessee, ANR, Columbia, and Northern Natural capacity.**

BA 105 A	001419	7084 3837	1007084 1007084	5,500	054-001757-0 054-001754-0	BA A 105 BA A 102	Unocal Unocal	
BA 436 A/ BA 437 #7	001517	7207	1007207	Note <u>3/</u>	054-004258-0	BA 436	Energy Resource Tech.	
BA 437 #2	001517	7208	1007208	Note <u>4/</u>	054-004258-0 054-012363-0	BA 436 BA 452	Energy Resource Tech. Energy Resource Tech.	
BA 451 A	001327	7108	1007108	1,300	054-003935-0 054-009021-0	BA 451 BA 475	Apache Corp. Unocal	
BA 453 A	001519	7158	1007158	350	754-389018-0	BA 453	Energy Resource Tech.	
BA 494 A	001204	9996	1009996	700	054-006071-0	BA 494	Apache Corp.	
BA 542 A	001408	6866	1006866	Note <u>4/</u>	054-012465-0 054-014812-0	BA 542 BA 541	Unocal Unocal	
BAA 70 A	001350	87	1000087	1,300	054-002663-0	BA A 70	GOM Shelf LLC	
BAA 133A	001206	89	1000089	3,000	054-002665-0	BA A 133	GOM Shelf LLC	
BAA 133B	001206	9500	1009500	13,000	054-002665-0	BA A 133	GOM Shelf LLC	

**Receipt points with access Transco and Tennessee capacity only.**

BAA 7 B	001505	466	1001358	Note <u>4/</u>	054-004558-0	BA A 7	Newfield Expl. Co.	
GA 395 A	001497	2704	1002704	2,000	054-018921-0 054-022190-0	GA 418 BA 417	William Helis Co. William Helis Co.	Transco <u>2/</u>
GAA 50 A	001503	7338	1007338	100	054-012520-0	GA A 50	Millennium Offshore	

**Package Total:** 27,250

Note 1/ Daily Production numbers are MMS' share of production from the property. Historical production and quality data available upon request.

Note 2/ Buyer must contract with lateral line operator for transportation and MMS will reimburse the buyer for the actual, reasonable lateral charge. Lateral line contact is Bill Malmquist at 713-215-3504.

Note 3/ Wells are being reworked, they are expected to produce again in December 2003.

Note 4/ Wells are being reworked, they are expected to produce again in February 2004.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 3**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow                   303-231-3890**  
**Mike DeBerard                 303-231-3884**  
**Fax No.                           303-231-3846**

**Garden Banks Area - RIK Gas Sales**

Delivery Point <u>3/</u>	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	Garden Banks and ANR Transportation <u>2/</u>
ANR Pipeline/ Pelican Gas Plant	35,000	Base			- not applicable -
ANR Pipeline/ Pelican Gas Plant	20,000	Swing			- not applicable -

- 1/     Baseload gas is offered at Inside FERC: ANR (La), CGT (La), FGT (Z2), or Henry Hub. Swing gas is offered at Gas Daily (Daily): ANR (La), CGT (La), FGT (Z2), or Henry Hub. MMS will give preference to a "greater of" offer that combines two or more index prices.
- 2/     MMS has contracted for transport on the Garden Banks Gas Pipeline and also on ANR. MMS will designate the buyer as our agent under these contracts. Buyer will pay the contracted rates to Garden Banks Gas Pipeline and ANR and be reimbursed by MMS.
- 3/     Markets available to buyer under MMS' contract with ANR at the tailgate of the Pelican Gas Plant include: Bridgeline, Columbia, Cypress, Gulf South, LRC, Tennessee Gas, TETCO, Texas Gas, Trunkline, Florida Gas, LIG, and Sonat.

**Retrograde Condensate**

Retrograde or drip condensates are recovered at either the Cocodrie and Pecan Island Plants on the Bluewater Pipeline System or the Bayou Black Plant on Transco Pipeline. MMS reserves the right to recover this retrograde/drip condensate.

\_\_\_\_\_  
Your Name

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Fax Number

**Property Listing**

**Garden Banks Area**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 3**  
**Exhibit B**

Receipt Point	Garden Banks Gas Pipeline Meter Number	ANR Meter Number	Royalty 1/ Production (MMBtu)	Lease/Agre.	Area	Block	Operator
VR 397 A (Auger)	n/a	145717	9,000	054-008252-0	GB	516	Shell Offshore
(Auger, Macaroni, Oregano, Serrano, Habenero)				054-011528-0	GB	472	Shell Offshore
				054-011546-0	GB	559	Shell Offshore
				054-011553-0	GB	602	Shell Offshore
				054-015879-0	GB	341	Shell Offshore
				754-389021-0	GB	471	Shell Offshore

**• Garden Banks Gas Pipeline Nominated Properties**

GB 128 A (Auger II) (Auger, Macaroni, Oregano, Serrano, Habenero)	992100	262432	13,000	054-008252-0	GB	516	Shell Offshore
				054-011528-0	GB	472	Shell Offshore
				054-011546-0	GB	559	Shell Offshore
				054-011553-0	GB	602	Shell Offshore
				054-015879-0	GB	341	Shell Offshore
GB 128 A (Cinnamon, Conger, Enchilada, Salsa)	992101	262432	27,000	754-389021-0	GB	471	Shell Offshore
				054-009216-0	GB	215	Amerada Hess
				054-014221-0	GB	172	Shell Offshore
				054-015540-0	GC	89	Apache Corp.
				754-395001-A	GB	83	Shell Offshore
GB 260 A (Baldpate)	992102	262432	6,000	754-395002-A	GB	128	Shell Offshore
				754-391010-A	GB	259	Amerada Hess

**Package Total:**

**55,000**

Note 1/

Daily Production numbers are MMS' share of production from the property. Historical production and quality data available upon request.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 4**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**High Island Offshore System - RIK Gas Sales**

Delivery Point	Volume MMBtu/D	Obligation	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	HIOS Transportation <u>3/</u>
<b>PACKAGE 1 <u>1/</u></b>					
High Island Offshore System	25,000	Base			- not applicable -
High Island Offshore System	10,100	Swing			- not applicable -
<b>PACKAGE 2 <u>2/</u></b>					
High Island Offshore System	20,000	Base			- not applicable -
High Island Offshore System	6,650	Swing			- not applicable -

- 1/ Baseload gas is offered at Inside FERC: ANR (La), NGPL (La), Henry Hub, TGP (800 leg).  
 Swing gas is offered at Gas Daily (Daily): ANR (La), NGPL (La), Henry Hub, TGP (800 leg).  
 MMS will give preference to a "greater of" offer that combines two or more index prices.
- 2/ Baseload gas is offered at Inside FERC: ANR (La) or Henry Hub.  
 Swing gas is offered at Gas Daily (Daily): Louisiana-Onshore South; ANR (La) or Henry Hub.
- 3/ MMS has contracted for transport on HIOS and will assign the contract to the buyer.  
 Buyer will pay this contracted rate to HIOS and be reimbursed by MMS.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**HIOS (High Island Offshore System)**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 4**  
**Exhibit B**

Receipt Point	Meter Number	Daily 1/ Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator	Lateral Line
<b>Package 1</b>							
EB 110 A	110EB	1,700	054-002649-0	EB	109	Panaco, Inc.	
			054-002650-0	EB	110	Panaco, Inc.	
			754-391005-0	EB	112	Agip Petroleum Co.	
EB 160 A	160EB	9,000	054-002645-0	EB	158	Unocal	
			054-002646-0	EB	159	Unocal	
			054-002647-0	EB	160	Unocal	
			054-002648-0	EB	161	Unocal	
			054-014204-0	EB	117	Apache Corp.	
			054-017227-0	EB	114	Unocal	
HIA 287 A	287HA	1,800	054-003377-0	HI	A 281	Denbury Offshore Inc.	Columbia <u>2/</u>
			054-022269-0	HI	A 280	Denbury Offshore Inc.	
HIA 340 A	340HA	2,750	054-002739-0	HI	A 339	Merit Energy	
HIA 350 A	350HA	1,300	054-002238-0	WC	633	Shell Offshore	
			054-002428-0	HI	A 350	Shell Offshore	Transco <u>2/</u>
HIA 376 A	376HA	150	054-002750-0	HI	A 365	Anadarko Petroleum	
			054-002754-0	HI	A 376	Anadarko Petroleum	
HIA 376 B	376BHA	250	054-002754-0	HI	A 376	Anadarko Petroleum	
HIA 389 A	389HA	1,300	054-002759-0	HI	A 389	W&T Offshore	Gulfshore <u>3/</u>
HIA 442 A	442HA	1,900	054-011383-0	HI	A 442	Devon Energy	Koch <u>2/</u>
			054-015793-0	HI	A 415	Unocal	
HIA 467 A	467HA	500	054-002688-0	HI	A 467	Forest Oil Corp.	
			054-003242-0	HI	A 466	Forest Oil Corp.	
			054-017181-0	HI	A 470	Forest Oil Corp.	
			054-020670-0	HI	A 468	Forest Oil Corp.	
HIA 471 A	471HA	500	054-002690-0	HI	A 471	Newfield Expl. Co.	Transco <u>2/</u>
HIA 521 B	521HA	1,500	054-017190-0	HI	A 521	Newfield Expl. Co.	
HIA 523 A	523HA	800	054-008184-0	HI	A 519	El Paso Production	Gulfshore <u>3/</u>
			054-011390-0	HI	A 523	El Paso Production	
HIA 531 C	531HA	500	054-002696-0	HI	A 531	Newfield Expl. Co.	Texas Gas <u>3/</u>
HIA 536 C	536HA	150	054-002697-0	HI	A 531	Newfield Expl. Co.	Texas Gas <u>3/</u>
			054-002698-0	HI	A 537	Newfield Expl. Co.	Texas Gas <u>3/</u>
HIA 537 A	537HA	4,000	054-018957-0	HI	A 538	Energy Partners Ltd.	Texas Gas <u>3/</u>

**Property Listing**

**HIOS (High Island Offshore System)**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 4**  
**Exhibit B**

Receipt Point	Meter Number	Daily 1/ Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator	Lateral Line
HIA 547 B	547HA	1,900	054-002705-0	HI	A 547	ChevronTexaco	
			054-002716-0	HI	A 568	Samedan Oil Corp.	
			054-017199-0	HI	A 545	Shell Offshore	
HIA 550 A	550HA	1,650	054-004081-0	HI	A 550	Samedan Oil Corp.	
HIA 557 A	557HA	1,650	054-003484-0	HI	A 557	Energy Resource Tech.	
			054-006238-0	HI	A 556	Energy Resource Tech.	
HIA 568 A	568HA	650	054-002716-0	HI	A 568	Samedan Oil Corp.	Transco <u>2/</u>
WC 613 A	613WC	1,150	054-021059-0	WC	613	Westport Resources	
<b>Package 1 Total:</b>		<b><u>35,100</u></b>					
<b>Package 2</b>							
HIA 309 A	309HA	300	054-002735-0	HI	A 309	El Paso Production	
HIA 317 A	317HA	1,050	054-002412-0	HI	A 317	El Paso Production	
			054-002733-0	HI	A 303	Newfield Expl. Co.	
			054-017209-0	HI	A 304	Newfield Expl. Co.	
			054-021358-0	HI	A 316	El Paso Production	
HIA 327 B	327HA	1,200	054-002418-0	HI	A 327	Energy Partners Ltd.	
HIA 334 A	334HA	500	054-002423-0	HI	A 334	Unocal	
			054-002738-0	HI	A 335	Unocal	
HIA 356 A	356HA	400	054-002746-0	HI	A 356	Pogo Producing Co.	
HIA 368 A	368HA	5,000	054-002429-0	HI	A 351	Devon Energy	
			054-002433-0	HI	A 368	Devon Energy	
			891-016930-0	HI	A 351	Devon Energy	
HIA 370 A	370HA	750	054-002434-0	HI	A 370	Kerr McGee O&G Corp.	Transco <u>2/</u>
			054-002751-0	HI	A 369	Kerr McGee O&G Corp.	
HIA 469 A	469HA	1,350	054-002689-0	HI	A 469	Unocal	
			054-003244-0	HI	A 494	Petroquest Energy	
HIA 489 B	489HA	1,200	054-002372-0	HI	A 489	Newfield Expl. Co.	
			054-003118-0	HI	A 499	Newfield Expl. Co.	
			054-017182-0	HI	A 472	Newfield Expl. Co.	
HIA 563 B	563HA	750	054-002384-0	HI	A 555	ChevronTexaco	
			054-002388-0	HI	A 563	ChevronTexaco	
HIA 571 A	571HA	600	054-002391-0	HI	A 571	Dominion E&P	

**Property Listing**

**HIOS (High Island Offshore System)**  
**I/O No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 4**  
**Exhibit B**

Receipt Point	Meter Number	Daily <u>1/</u> Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator	Lateral Line
HIA 573 B	573HA	1,050	054-002392-0	HI	A 572	Apache Corp.	
			054-002393-0	HI	A 573	Apache Corp.	
			754-390002-0	HI	A 571	Apache Corp.	
HIA 582 C	582CHA	11,000	054-002388-0	HI	A 563	ChevronTexaco	
			054-002719-0	HI	A 582	ChevronTexaco	
			054-018959-0	HI	A 581	ChevronTexaco	
HIA 595 CF	595HA	1,500	054-002392-0	HI	A 573	Unocal	
			054-002393-0	HI	A 573	Apache Corp.	
			054-002721-0	HI	A 595	Apache Corp.	
			054-002722-0	HI	A 596	Apache Corp.	
			054-002757-0	HI	A 382	Apache Corp.	

**Package 2 Total:**      26,650

- Note 1/ Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.
- Note 2/ Buyer must contract with lateral line operator for transportation and MMS will reimburse the buyer for the actual, reasonable lateral charge. Lateral line contacts include:  
 Transco - Bill Malmquist at 713-215-3504, Columbia - Steve Wendel at 713-267-4769  
 Koch - contact and phone # will be provided to buyer
- Note 3/ MMS has a contract on the Gulfshore and Texas Gas laterals. MMS will designate buyer as our agent under these contracts.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 5**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**Manta Ray Gathering System - RIK Gas Sales**

Delivery Point <u>3/</u>	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	Nautilus Transportation <u>2/</u>
Nautilus Pipeline/ Neptune Gas Plant	20,000	Base			- not applicable -
Nautilus Pipeline/ Neptune Gas Plant	8,500	Swing			- not applicable -

- 1/ Baseload gas is offered at Inside FERC: TGT (SL) or Henry Hub.  
 Swing gas is offered at Gas Daily (Daily): TGT (SL) or Henry Hub.  
 MMS will give preference to a "greater of" offer that combines these two index prices.
- 2/ MMS has contracted for transport on the Nautilus Pipeline and MMS will designate the buyer as our agent under this contract. Buyer will pay the contracted rate to Nautilus and be reimbursed by MMS.
- 3/ Markets available to buyer under MMS' contract with Nautilus at the tailgate of the Neptune Gas Plant include: ANR, Gulf South, Texas Gas, Acadian, Cypress, Tennessee Gas, and LIG.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

Property Listing

**Manta Ray Gathering System**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 5**  
**Exhibit B**

Receipt Point	Nautilus Meter Number	Daily <sup>1/</sup> Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator
SS 207 (Bullwinkle, Angus, and Troika)	992200	8,500	054-014023-0	GC	110	Shell Offshore
			054-015545-0	GC	112	Shell Offshore
			054-015546-0	GC	113	Shell Offshore
			754-393016-A	GC	244	BP Energy
			754-399006-A	GC	65	Shell Offshore
SS 207 (Brutus)	992200	9,000	754-395014-A	GC	158	Shell Offshore
SS 207 (Hickory)	992200	11,000	754-398019-A	GI	116	Anadarko Petroleum
<b>Package Total:</b>		<b><u>28,500</u></b>				

Note <sup>1/</sup> Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 6**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**Matagorda Offshore Pipeline System - RIK Gas Sales**

Delivery Point	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	MOPS Transportation <u>2/</u>
<b>Entry in NNG Line</b> Offshore MOPS System	15,000	Base			- not applicable -
<b>Entry in NNG Line</b> Offshore MOPS System	6,300	Swing			- not applicable -

1/ Baseload gas is offered at Inside FERC: **Henry Hub is preferred** or FGT (Z1) or HSC (large pkg).  
 Swing gas is offered at Gas Daily (Daily): **Henry Hub is preferred** or FGT (Z1) or HSC.  
 MMS will give preference to a "greater of" offer that combines two or more index prices.

2/ MMS has contracted transport on MOPS with Northern Natural Gas and will assign contract to buyer.  
 Buyer will pay this contracted rate to Northern Natural Gas and be reimbursed by MMS.

- **Recognizing that MOPS has access to both interstate and intrastate markets, MMS will also give preference to bids with a "greater of" clause that includes an interstate and intrastate index.**

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**MOPS (Matagorda Offshore Pipeline System)**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 6**  
**Exhibit B**

NNG Receipt Point		Daily <sup>1/</sup> Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator
Location	POI #					
MI 631/658	62309	2,750	054-014792-0	MI	631	LLOG Exploration
MI 632	25035	1,000	054-003091-0	MI	632	ExxonMobil
			054-003096-0	MI	656	ExxonMobil
			054-004139-0	MI	657	ExxonMobil
MI 681	17925	1,550	054-004703-0	MI	681	Apache Corp.
			054-005171-0	MI	682	Apache Corp.
MI 686	452	300	054-003465-0	MI	686	EOG Resources Inc.
			054-004548-0	MI	685	EOG Resources Inc.
MI 687/699	9898	550	054-006052-0	MI	687	Apache Corp.
			054-008548-0	MI	688	Energy Resource Tech.
MI 696/665	25321	300	054-004704-0	MI	696	Amerada Hess
MI 700/713	327	5,000	054-003108-0	MI	700	GOM Shelf LLC
MI 703	17926	2,300	054-003733-0	MI	703	Apache Corp.
			054-010203-0	MI	704	ATP Oil & Gas Corp.
			054-013295-0	MI	709	ATP Oil & Gas Corp.
MU 739/740	3364	300	054-004064-0	MU	739	El Paso Production
			054-005980-0	MU	740	El Paso Production
MU 757/762	2410	800	054-003019-0	MU	757	Apache Corp.
			054-003021-0	MU	762	Apache Corp.
			054-003022-0	MU	763	Apache Corp.
MU 758	1226	700	054-005996-0	MU	784	EOG Resources Inc.
MU 759/738	62310	1,350	054-014103-0	MU	759	EOG Resources Inc.
MU 782	61449	750	054-010147-0	MU	782	Agip Petroleum Co.
MU 785	58129	2,800	054-008975-0	MU	785	Houston Expl. Co.
MU 787/805	60550	750	054-010152-0	MU	806	Apache Corp.
			754-394002-0	MU	805	Apache Corp.
MU 809	37388	100	054-003011-0	MU	A 16	GOM Shelf LLC
<b>Package Total:</b>		<b>21,300</b>				

Note <sup>1/</sup> Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 7**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**Shoreline Seagull System (Blessing, TX) - RIK Gas Sales**

Delivery Point <u>2/</u>	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	Transportation
Tailgate of Matagorda Gas Plant	20,000	Base			- not applicable -
Tailgate of Matagorda Gas Plant	6,000	Swing			- not applicable -

1/ Baseload gas is offered at Inside FERC: **Henry Hub is preferred** or HSC (large pkg) or TGP (Z0).  
 Swing gas is offered at Gas Daily (Daily): **Henry Hub is preferred** or HSC or TGP (Z0).  
 MMS will give preference to a "greater of" offer that combines these two index prices.

2/ Pipe pigging requires small volumes to be received on the Tomcat System, delivered at Matagorda Island Liquid Separation Plant (MILSP), near Port Lavaca, Texas. Pipelines located at MILSP are TETCO, Tejas, Midcon, Channel, and HPL.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**Shoreline Seagull System (Blessing, TX)**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 7**  
**Exhibit B**

Receipt Point	Daily 1/ Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator
Tailgate of Matagorda gas plant	5,000	054-005169-0	MI	518	BP Energy
"	20,000	054-006032-0	MI	519	BP Energy
"	1,000	754-398002-A	MI	622	BP Energy
"		054-006042-0	MI	633	Apache Corp.
"		054-007202-0	MI	634	Apache Corp.
<b>Package Total:</b>	<b><u>26,000</u></b>				

Note 1/ Daily Production numbers are MMS' estimated share of production from the property.  
 Historical production and quality data available upon request.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 8**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**Tennessee Gas Pipeline 500 Leg - RIK Gas Sales**

Delivery Point	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	Tennessee Transportation <u>2/</u>
Tennessee Gas Pipeline receipt points on 500 Leg	35,000	Base			- not applicable -
Tennessee Gas Pipeline receipt points on 500 Leg	12,200	Swing			- not applicable -

1/ Baseload gas is bid at Inside FERC: TGP (500 Leg) or Henry Hub.  
 Swing gas is bid at Gas Daily (Daily): TGP (500 Leg) or Henry Hub.  
 MMS will give preference to a "greater of" offer that combines these two index prices.

2/ No transport cost to Tennessee Gas Pipeline 500 leg pool.

• **Bluewater Retrograde Condensate**

Retrograde or drip condensates are recovered at the Cocodrie and Pecan Island Plants at onshore Bluewater locations and are allocable to our Bluewater properties. MMS reserves the right to recover this retrograde/drip condensate.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**Tennessee Gas Pipeline 500 Leg**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 8**  
**Exhibit B**

Receipt Point	Tenn. Meter Number	Daily <u>1</u> / Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator
EI 257 C	011068	400	054-001959-0	EI	258	Nexen Petroleum
EI 257 D	011069	50	054-002103-0	EI	257	Nexen Petroleum
EI 258 B	011067	300	054-001958-0	EI	255	Nexen Petroleum
EI 365 A	011220	300	054-002321-0 054-013628-0	EI EI	348 365	Devon Energy Devon Energy
SM 78 B	011971	1,350	054-001210-0 054-007703-0	SM SM	78 77	ChevronTexaco ChevronTexaco
SS 145 B	012304	750	054-011984-0 054-023897-0	SS SS	159 133	Newfield Expl. Co. Tana Expl. Co.
SS 149 A	011450	1,050	054-011983-0 055-000434-0 055-000453-0	SS SS SS	148 149 130	ConocoPhillips ConocoPhillips ConocoPhillips
SS 154 E	010932	900	055-000419-0 055-000420-0	SS SS	150 154	Century Exploration Century Exploration
SS 167 A	011208	300	054-005549-0 055-000818-0	SS SS	166 167	Murphy E&P Co. Murphy E&P Co.
SS 168 D	011624	800	055-000819-0	SS	168	ChevronTexaco
SS 182 C	011182	150	054-001019-0 055-000821-0	SS SS	182 183	ChevronTexaco ChevronTexaco
SS 181 B	011691	150	054-004231-0	SS	181	ChevronTexaco
SS 198 H	011180	700	054-012355-0 054-012358-0	SS SS	198 199	Merit Energy Merit Energy
SP 55	012358	40,000	054-006886-0 054-013060-0 754-389014-A 754-390005-0	VK VK VK MP	783 784 956 252	Shell Offshore Shell Offshore Shell Offshore Shell Offshore

**Package Total:** 47,200

Note 1/ Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 9**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**Tennessee Gas Pipeline 800 Leg- RIK Gas Sales**

Delivery Point	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	Tennessee Transportation <u>2/</u>
Tennessee Gas Pipeline receipt points on 800 Leg	25,000	Base			- not applicable -
Tennessee Gas Pipeline receipt points on 800 Leg	11,800	Swing			- not applicable -

1/ Baseload gas is bid at Inside FERC: TGP (800 Leg) or Henry Hub.  
 Swing gas is bid at Gas Daily (Daily): TGP (800 Leg) or Henry Hub.  
 MMS will give preference to a "greater of" offer that combines these two index prices.

2/ No transport cost to Tennessee 800 leg pool.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**Tennessee Gas Pipeline 800 Leg  
IFO No: MMS-RIK-2004-GOMR-001**

**Attachment 9  
Exhibit B**

**Term: November 2003 - March/October 2004**

Receipt Point	Tenn. Meter Number	Daily <u>1/</u> Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator
HI 22 A	011893	1,300	054-005006-0	HI	22	Kerr McGee O&G Corp.
			054-006136-0	HI	21	Kerr McGee O&G Corp.
HI 34 B	012605	1,500	054-020655-0	HI	34	Hunt Petroleum
HI 39 A	011902	3,000	054-004078-0	HI	39	Houston Expl. Co.
			054-014878-0	HI	38	Houston Expl. Co.
HI 84 A	012598	2,000	054-018948-0	HI	84	Westport Resources
			054-021349-0	HI	85	Westport Resources
HI 85 A	012606	3,500	054-021349-0	HI	85	El Paso Production
SX 18 A	011456	500	054-004082-0	SX	18	El Paso Production
WC 18 B	012584	10,000	054-001351-0	WC	48	ChevronTexaco
			054-001438-0	WC	48	ChevronTexaco
			054-001439-0	WC	49	ChevronTexaco
			054-021533-0	WC	47	ChevronTexaco
			754-301005-A	WC	19	ChevronTexaco
WC 53 A	012273	15,000	054-004379-0	WC	53	El Paso Production
			054-017754-0	WC	46	El Paso Production
		<b><u>36,800</u></b>				

Note 1/ Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.

**Offer Sheet**

**Minerals Management Service**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 10**  
**Exhibit A**

**MMS Contacts:**  
**Karen Bigelow 303-231-3890**  
**Mike DeBerard 303-231-3884**  
**Fax No. 303-231-3846**

**TETCO East La. Pipeline - RIK Gas Sales**

Delivery Point	Volume MMBtu/D	Obligation <u>1/</u>	Nov 03 - Mar 04 5-mo. Offer	Nov 03 - Oct 04 12-mo. Offer	TETCO Transportation <u>2/</u>
TETCO East La. receipt points	15,000	Base			- not applicable -
TETCO East La. receipt points	9,250	Swing			- not applicable -

1/ Baseload gas is bid at Inside FERC: TETCO (E. La) or Henry Hub.  
 Swing gas is bid at Gas Daily (Daily): TETCO (E. La) or Henry Hub.  
 MMS will give preference to a "greater of" offer that combines these two index prices.

2/ No transport cost to TETCO East La. pool.

\_\_\_\_\_  
 Your Name

\_\_\_\_\_  
 Phone Number

\_\_\_\_\_  
 Company Name

\_\_\_\_\_  
 Fax Number

**Property Listing**

**TETCO East La. Pipeline**  
**IFO No: MMS-RIK-2004-GOMR-001**  
**Term: November 2003 - March/October 2004**

**Attachment 10**  
**Exhibit B**

Receipt Point	Tetco Meter Number	Daily <sup>1/</sup> Royalty Production (MMBtu)	Lease/Agre.	Area	Block	Operator
BS 41 A	73309	1,200	054-021142-0	BS	41	LLOG Exploration
MC 365 A	72846	6,700	054-006946-0	MC	320	Walter O&G Corp.
			054-021751-0	MC	278	Walter O&G Corp.
			754-388002-0	MC	321	Noble Energy Inc.
MP 7 A	73302	3,000	054-001500-0	MP	92	Apache Corp.
			054-013960-0	MP	104	Apache Corp.
			054-014576-0	MP	91	Apache Corp.
			054-019853-0	MP	90	Apache Corp.
			054-019855-0	MP	93	Apache Corp.
			054-019857-0	MP	105	Apache Corp.
			054-022786-0	MP	18	Apache Corp.
MP 7 B	72869	1,300	054-021700-0	MP	7	Apache Corp.
MP 30 A	72616	850	054-004903-0	MP	30	ChevronTexaco
MP 102 A	72370	2,100	054-003798-0	MP	102	Kerr McGee O&G Corp.
			054-006805-0	MP	93	Kerr McGee O&G Corp.
			054-007802-0	MP	94	Kerr McGee O&G Corp.
SP 87 D	73027	5,300	054-007799-0	SP	87	Marathon Oil
			054-010883-0	WD	128	Marathon Oil
			054-010894-0	SP	88	Marathon Oil
WD 27	72972	3,800	754-392006-0	WD	106	Walter O&G Corp.
<b>Package Total:</b>		<b><u>24,250</u></b>				

Note <sup>1/</sup> Daily Production numbers are MMS' estimated share of production from the property. Historical production and quality data available upon request.