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January 13, 1995

Mr. James E. Eason, Director State of Alaska Department of Natural Resources Division of Oil and Gas 3601 C Street, 13th Floor Anchorage, Alaska 99503

Mr. Jeff Walker, Supervisor Operations Review & Approval U.S. Dept. of the Interior Minerals Management Service Alaska Outer Continental Shelf Region 949 E. 36th Avenue, Room 603 Anchorage, AK 99508-4302

Re: Request For Extension of Time

Northstar Unit North Slope, Alaska

Gentlemen:

BP Exploration (Alaska) Inc. (BP) and Amerada Hess Corporation (AHC) are in the process of concluding an arrangement by which BP will acquire AHC's leasehold interest in the Northstar leases. Upon the conclusion of a satisfactory arrangement and with the acceptance of the other Northstar Unit working interest owners, BP will seek approval as the successor Unit Operator to the Northstar Unit Agreement and Unit Operating Agreement.

Subsequent to acquisition of AHC's interest and approval as successor Operator, BP will attempt to cure the default for the Northstar Unit. BP respectively requests an extension of time to cure said default. An extension of not less than ninety (90) days should provide BP the opportunity to conclude its acquisition, succeed as Unit operator, and formulate with the other working interest owners a new Plan of Development for the Northstar Unit.

It is our intention to discuss this with you in our meeting scheduled for 9:00 A.M., January 19, 1995. If you have any questions or concerns, please contact me at (907) 564-5083 or R.L. Skillern at (907) 564-5567.

Very truly yours

E. P. Zselecky, Jr. Land Manager, Alaska

EPZ:lbs

J.Y. Christopher - AHC D.B. Champlin - Shell G.M. Shirley - Murphy J. Gottlieb - MMS