UNIT AGREEMENT

BETA UNIT

SAN PEDRO BAY AREA

OUTER CONTINENTAL SHELF

OFFSHORE CALIFORNIA

Contract No. 14-08-0001-18481

UNIT AGREEMENT FOR EXPLORATION, DEVELOPMENT, AND PRODUCTION OPERATIONS

ON THE BETA UNIT, SAN PEDRO BAY AREA

OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

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UNIT AGREEMENT FOR EXPLORATION, DEVELOPMENT, AND PRODUCTION OPERATIONS

ON THE BETA UNIT, SAN PEDRO BAY AREA

OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

W I T N E S S E T H :

WHEREAS, Section 5(a)(4) of the Act authorizes the Secretary of the Interior to provide for unitization, pooling, and drilling agreements;

WHEREAS, it is deemed to be in the National interest to unitize the oil and gas interests in the Unitized Land; and

WHEREAS, it is deemed to be in the National interest to conduct exploration, development, and production operations on the Unitized Land in a timely and safe manner;

NOW, THEREFORE, in consideration of the premises and promises contained herein, it is agreed that:

ARTICLE I

DEFINITIONS

The following definitions of terms shall apply to this Agreement.

(a) Act means the Outer Continental Shelf Lands Act of 1953, 67 Stat. 462 as amended, 43 U.S.C. 1331 et seq.

(b) Regulations means all regulations prescribed pursuant to the Act or sections 302 and 303 of the Department of Energy Organization Act, 91 Stat. 578, 42 U.S.C. 7152 and 7153. They include all regulations prescribed to carry out the provisions of the Act and as may be prescribed or amended at any time in order to provide for the prevention of waste and conservation of the natural resources of the Outer Continental Shelf and the protection of correlative rights therein.

(c) Director means the Director of the Minerals Management Service, Department of the Interior, or his designee.

(d) Unitized Land means the submerged lands committed to this Agreement and described in Article III.

(e) Unit Area means the lands described in Article 3.2 of this Agreement.

(f) Participating Area means the part or parts of the Unitized Land which are approved by the Director as being capable of producing oil or gas in paying quantities from one or more specified reservoirs.

(g) Reservoir means an oil or gas accumulation which is separated from and not in communication with any other oil or gas accumulation.

(h) Working Interest means an interest in Unitized Land held by virtue of a Lease, operating agreement, or other contractual arrangement under which, except as otherwise provided in this Agreement, the owner of such interest is vested with the right or authority to explore for, develop, and produce oil and gas. The right delegated to the Unit Operator by this Agreement is not to be regarded as a Working Interest.

(i) Lease means an oil and gas lease issued or maintained pursuant to the Act.

(j) Block means an area designated as a block on a United States Official Leasing Map for an area of the Outer Continental Shelf.

(k) Unit Operator means the person, association, partnership, corporation, or other business entity designated by the Working Interest owners and approved by the Director to conduct operations on the Unitized Land in accordance with exploration plans and development and production plans approved pursuant to the Act and applicable regulations.

(l) Agreement means this unit agreement, as approved by the Director, for conducting exploration, development, and production operations on the Unitized Land.

(m) Unit Operating Agreement means an agreement made between the Working Interest owners and the Unit Operator providing for the apportionment of costs and liabilities incurred in conducting operations pursuant to this Agreement and the establishment of such other rights and obligations as they deem appropriate.

ARTICLE II

INCORPORATION BY REFERENCE

This Agreement is subject to all provisions of the Act, sections 302 and 303 of the Department of Energy Organization Act, the Regulations, other applicable laws, and the Leases committed hereto, and such provisions shall be deemed incorporated herein.

ARTICLE III

UNIT AREA AND EXHIBITS

3.1 The following described submerged lands are subject to valid Leases and, as shown on the United States Official Leasing Map for the San Pedro Bay Area, constitute the Unit Area.

3.2 Exhibit "A", attached hereto and made a part hereof, is a plat showing the Unit Area boundaries and identity of the Blocks and Leases therein.

3.3 Exhibit "B", attached hereto and made a part hereof, is a schedule showing the acreage and percentage ownership of each Lease, or portion thereof, comprising the Unit Area.

3.4 Exhibit "C", attached hereto and made a part hereof, is a plat showing the Initial Participating Area and the acreage therein.

3.5 Exhibits "A", "B" and "C" shall be revised by the Unit Operator whenever changes in the Unit Area or changes in the ownership of Leases render such revision necessary, and four copies shall be filed with the Director.

ARTICLE IV

DESIGNATION OF UNIT OPERATOR

Shell California Production Inc. is hereby designated as the Unit Operator and by signature hereto as the Unit Operator agrees and consents to accept the rights and obligations of the Unit Operator to explore for, develop and produce oil and gas as provided herein.

ARTICLE V

RESIGNATION OR REMOVAL OF UNIT OPERATOR

5.1 The Unit Operator shall have the right to resign at any time. Such resignation shall not become effective until six months after written notice of an intention to resign has been delivered by the Unit Operator to the Working Interest owners and the Director and until all artificial islands, installations and other devices, including wells, used for conducting operations on the Unitized Land are placed in a condition satisfactory to the Director for suspension or abandonment of operations. However, if prior thereto a successor Unit Operator is designated and approved as provided in Article VI, the resignation shall be effective upon the designation and approval of the successor Unit Operator.

5.2 The Unit Operator may, upon failure to meet its obligations as specified in Article VII, be subject to removal by the same percentage vote of the owners of Working Interests as provided in Article VI for the designation of a successor Unit Operator. Such removal shall not be effective until the Working Interest owners notify the Director and the Unit Operator and until the Director approves the designation.

5.3 The resignation or removal of the Unit Operator shall not release the Unit Operator from liability for any failure to meet its obligations before the effective date of its resignation or removal.

5.4 The resignation or removal of the Unit Operator shall not terminate its right, title, or interest as the owner of a Working Interest or other interest in Unitized Land. However, when the resignation or removal of the Unit Operator becomes effective, the Unit Operator shall relinquish to the successor Unit Operator all artificial islands, installations, devices, records and any other assets used for conducting operations on the Unitized Land, whether or not located on the Unitized Land.

ARTICLE VI

SUCCESSOR UNIT OPERATOR

6.1 Whenever the Unit Operator tenders its resignation as Unit Operator or is removed as provided in Article V, a successor Unit Operator may be designated by (a) affirmative vote of the owners of a majority of the Working Interests, based on their respective shares of the acreage within the Participating Area or Areas subject to this Agreement, and (b) the successor Unit Operator's acceptance in writing of the rights and obligations of a Unit Operator. The successor Unit Operator shall file with the Director four executed copies of the designation of successor. However, the designation shall not become effective until approved by the Director.

6.2 If no successor Unit Operator is designated and approved as herein provided within sixty (60) days following notice to the Director of the resignation or removal of a Unit Operator, the Director, at his election, may designate one of the Working Interest Owners other than the Unit Operator as successor Unit Operator, or he may declare this Agreement terminated.

ARTICLE VII

RIGHTS AND OBLIGATIONS OF UNIT OPERATOR

Except as otherwise specifically provided herein and subject to the terms and conditions of approved exploration and development and production plans, the exclusive right and obligation of the owners of Working Interests to conduct operations which are necessary or convenient to explore for, develop and produce oil and gas in the Unitized Land are hereby delegated to and shall be exercised by the Unit Operator. Nothing herein, however, shall be construed

either to relieve a lessee from his overriding commitment to comply with all Lease obligations or to transfer title to any Lease or operating agreement.

ARTICLE VIII

UNIT OPERATING AGREEMENT

8.1 The owners of Working Interests and the Unit Operator shall enter into a Unit Operating Agreement which shall provide how all costs and liabilities incurred in maintaining or conducting operations pursuant to this Agreement shall be apportioned and assumed. The Unit Operating Agreement shall also provide how the benefits which may accrue from operations conducted on the Unitized Land shall be apportioned.

8.2 The owners of Working Interests and the Unit Operator may establish by means of one or more Unit Operating Agreements such other rights and obligations as they deem necessary or appropriate. However, no Unit Operating Agreement shall be deemed to modify the terms and conditions of this Agreement or to relieve the Working Interest owners or the Unit Operator of any obligation set forth in this Agreement. In case of any inconsistency or conflict between this Agreement and a Unit Operating Agreement, the terms of this Agreement shall prevail.

8.3 Three copies of the Unit Operating Agreement executed in conjunction with the first paragraph of this Article shall be attached to this Agreement when this Agreement is filed with the Director for his approval. Three copies of all other Unit Operating Agreements and any amendments to Unit Operating Agreements shall be filed with the Director at least thirty (30) days prior to their proposed effective dates.

ARTICLE IX

APPEARANCES AND NOTICES

9.1 The Unit Operator shall have the right to appear on behalf of all Working Interest owners before the Department of the Interior or any legally constituted body, and to appeal orders or regulations of the Department. The expense of such appearances shall be paid and apportioned as provided in a Unit Operating Agreement. However, any affected Working Interest owner shall have the right at his own expense to be heard in any such proceedings.

9.2 Any order or notice relating to this Agreement which the Director gives to the Unit Operator shall be deemed given to all Working Interest owners of the Unitized Land. All notices required by this Agreement to be given to the Unit Operator or the owners of Working Interests shall be deemed properly given if they are in writing and delivered personally or sent by postpaid registered or certified mail to the address set forth below or to such other address as may have been furnished in writing to the party sending the notice.

ARTICLE X

PLANS

10.1 The Unit Operator shall submit exploration plans and development and production plans pursuant to the Act and applicable regulations. All operations on the Unitized Land shall be conducted in accordance with approved plans.

10.2 Exploration plans and development and production plans shall be consistent with the operating requirements set forth in this paragraph during any period when the Unitized Land includes all or part of any Lease extended beyond its initial term and when oil or gas is not being produced in

paying quantities from the Unitized Land. During those periods, plans shall provide for the maintenance of a continuous drilling program, in at least one area of the Unitized Land, which does not allow more than 90 days to elapse between the drilling or reworking of wells unitl a deposit of oil or gas capable of being produced in paying quantities has been discovered and delineated or until production in paying quantities is initiated or restored. Plans may provide for a cessation of drilling between discovery and delineation and the initiation of production for a reasonable period necessary for the design, fabrication and installation of artificial islands, installations and other devices needed for development and production operations; however, when these plans involve leases beyond their primary term, they shall be accompanied by a request for a suspension of operations.

10.3 The first development and production plan shall be submitted at the time this Agreement is filed for the Director's approval. Each plan shall expire on the date specified in the plan, but not later than thirty (30) days following completion of the last drilling or other operation described in the plan. At least sixty (60) days before the expiration of any plan, unless the Director grants an extension, the Unit Operator shall file a subsequent plan for approval in accordance with this Article.

ARTICLE XI

PARTICIPATING AREAS

11.1 The initial Participating Area shall be the area shown on Exhibit "C". A separate Participating Area may be established for each reservoir or for any group of reservoirs which is produced as a single reservoir. The Initial Participating Area shall be effective on the first day of the month following the approval of this Agreement. A new Participating Area shall be effective on the first day of the month in which the knowledge or information, on which the Participating Area is predicated, is obtained.

11.2 Any Participating Area may, subject to the approval of the Director, be revised by combining two or more Participating Areas, by adding lands regarded as necessary to Unit Operations or as capable of production in paying quantities from the reservoir for which the Participating Area was established, or by excluding lands regarded as not necessary to unit operations or not capable of production from the reservoir for which the Participating Area was established. The allocation percentages of oil and gas for a Participating Area shall be revised in accordance with any revision of the Participating Area. The effective date of a revision of a Participating Area shall be the first day of the month in which the knowledge or information, on which the revision of the Participating Area is predicated, is obtained.

11.3 No land shall be excluded from a Participating Area on account of depletion of oil and gas from the reservoir for which the Participating Area was established, except that any Participating Area established under the provisions of this Article shall terminate automatically whenever operations are permanently abandoned in the reservoir.

ARTICLE XII

ALLOCATION OF PRODUCTION

See Amendment #1

12.1 The Unit Operator shall pay all production royalties and make deliveries of oil and gas which are payments of royalties taken in kind or which, pursuant to the Act, are purchased by the United States. For the purpose of allocating production for the determination of royalty accruing under this Agreement, each lease or part of a lease shall have allocated to it such percentage of the oil and gas saved, removed or sold from the Participating Area as the number of acres of the lease or part of a lease included in the Participating Area bears to the total number of acres of Unitized Land in the Participating Area. In the determination of royalty due, the royalty percent called for in the lease shall be applied to the volume of oil or gas allocated

to that lease. The oil and gas saved, removed or sold from a Participating Area shall be allocated in this manner, regardless of where any well is drilled in the Participating Area.

12.2 The allocation of oil and gas saved, removed or sold for purposes other than for settlement of the royalty obligations of the Working Interest owners shall be on the basis prescribed in a Unit Operating Agreement, whether in conformity with the basis of allocation set forth above or otherwise.

12.3 For the purpose of determining royalty obligations, gas and liquid hydrocarbon substances obtained from non-unitized lands or reservoirs and used for repressuring, stimulation of production, or increasing ultimate recovery from a Participating Area, in conformity with an approved development and production plan, may be deemed to be a portion of the gas and liquid hydrocarbon substances subsequently saved, removed or sold from the Participating Area. In such instances, a like amount of gas and liquid hydrocarbon substances similar to that previously used less appropriate deduction for loss or depletion from any cause, may be saved, removed or sold from the Participating Area without paying a royalty thereon. However, as to gas, only dry gas and not products extracted therefrom may be saved, removed or sold royalty free. The royalty free withdrawal shall be conducted in accordance with an approved development and production plan and the shares of gas and liquid hydrocarbon substances withdrawn that are to be recognized as free of royalty charges shall be computed in accordance with a formula approved or prescribed by the Director. Any withdrawal of royalty free gas or liquid hydrocarbon substances shall terminate upon the termination of this Agreement. For the purposes of this paragraph, liquid hydrocarbon substances include natural gasoline and liquid petroleum gas fractions.

ARTICLE XIII

RENTALS AND MINIMUM ROYALTIES

13.1 Rentals are payable in advance on or before the anniversary date of each Lease included in the Unitized Land. Rentals shall be paid by the lessees of record.

13.2 For each lease year commencing on or after the effective date of this Agreement and after the Director has determined that a well on the Unitized Land is capable of being produced in paying quantities, a minimum royalty of Three Dollars ($3.00) an acre, or fraction thereof, shall be paid for those lands in the Lease that are within the Unitized Land as of the beginning of the lease year. However, if there is production from the Unitized Land during the lease year, the amount of royalty paid for production allocated to the lease during the lease year shall be credited against the minimum royalty. Minimum royalties are payable within thirty (30) days after the last day of each lease year and shall be paid by the Unit Operator.

ARTICLE XIV

EXPANSION AND CONTRACTION OF UNIT AREA

14.1 A lessee of record, pursuant to the provisions of its Lease and applicable regulations, may surrender any of its interests committed hereto, in whole or in part.

15

14.1.a Each block of Unitized Land, no part of which is within a Participating Area on the eighth anniversary of the effective date of this Agreement, shall be eliminated automatically from this Agreement on that eighth anniversary, and each such block shall no longer be part of the Unit Area unless drilling is being conducted on the block on that anniversary date. In that event, the block shall remain part of the Unitized Land for so long as a continuous drilling program is maintained which does not allow more than ninety (90) days to elapse between the drilling of wells and, if all or part of the block is approved as all or part of a Participating Area within ninety (90) days after completion of the drilling program, for as long thereafter as all or part of the block remains a part of a Participating Area.

180 180

14.2 Except as otherwise provided in this Article, the Unit Area may be expanded or contracted at any time upon approval or order of the Director. The Director's approval or order shall be effected in the following manner.

(a) The Unit Operator, on its own motion or by order of the Director, shall prepare a notice of proposed expansion or contraction describing the proposed changes in the boundaries of the Unit Area the reasons therefor, and the proposed effective date thereof, preferably the first day of a month.

(b) The Unit Operator shall deliver the notice to the Director and shall mail a copy of the notice to each owner of a Working Interest and to each owner of an interest in a Lease, or part thereof, that would be added to this Agreement by an expansion. The notice shall advise that thirty (30) days will be allowed for submission to the Unit Operator of any objections or consents.

(c) Upon the expiration of the 30-day period, the Unit Operator shall file with the Director evidence of mailing of the notices of expansion or contraction and a copy of all objections or consents.

(d) Upon approval or order by the Director, the proposed revision of the Unitized Land shall become effective as of the date prescribed in the notice or a date specified by the Director.

ARTICLE XV

EFFECTIVE DATE AND TERMINATION

15.1 This Agreement shall be effective on approval hereof and shall terminate when oil and gas is no longer being produced from the Unit Area and drilling or well-reworking operations are no longer being conducted in accordance with an exploration plan or development and production plan approved for the Unit Area.

If the Director has ordered a suspension of operations or production on all or part of the Unit Area pursuant to 30 CFR 250.12, this Agreement shall be continued in force and effect for the period of suspension, provided the suspension is applicable to two or more leases.

15.2 This Agreement may be terminated, with the approval of the Director, at any time by an affirmative vote of the owners of a majority of the Working Interests either based on their respective shares of the Participating Area acreage or as otherwise specified in a Unit Operating Agreement.

ARTICLE XVI

EFFECT OF CONTRACTION AND TERMINATION

16.1 Any Lease or portion of a Lease, insofar as it covers any submerged land which is excluded from the Unit Area pursuant to this Agreement, may be maintained thereafter only in accordance with the terms and conditions contained in the Act, the Regulations and the Lease. Operations conducted on the Unitized Land and suspensions approved or ordered for the Unitized Land shall not serve to maintain an excluded Lease.

16.2 Upon termination of this Agreement, the Leases committed hereto may be maintained and continued in force and effect in accordance with the terms and conditions contained in the Act, the Regulations and the Leases.

ARTICLE XVII

LEASES AND REGULATIONS CONFORMED

The Secretary does hereby, by his approval hereof, modify the requirements of the Regulations and Leases committed hereto to the extent necessary to make those requirements consistent with this Agreement, and, without limiting the generality of the foregoing, each Lease subject to this Agreement is specifically modified in accordance with the following:

(a) production, drilling and well reworking operation performed within the Unitized Land in accordance with an approved exploration plan or development and production plan shall be deemed to be performed for the benefit of all Leases included in the Unitized Land; and

(b) each Lease which is part of the Unitized Land shall continue in force for the term provided in the Lease and as long thereafter as the Lease remains part of the Unitized Land and this Agreement remains in effect.

ARTICLE XVIII

COUNTERPARTS

This Agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, and after the effective date shall be binding upon all parties who have previously executed a counterpart with the same force and effect as if all parties had signed the same document.

ARTICLE XIX

SUBSEQUENT JOINDER

The Director may order or, upon request, approve a subsequent joinder of land to the Unit Agreement pursuant to the expansion provisions of Article XIV. A request for a subsequent joinder of land shall be accompanied by a signed counterpart to this Agreement and shall be submitted by the Unit Operator at the time it submits a notice of proposed expansion pursuant to Article XIV. A subsequent joinder shall be subject to the requirements as contained in the Unit Operating Agreement, except that the Director may require modifications of any provision in a Unit Operating Agreement which he finds would prevent or frustrate a subsequent joinder.

ARTICLE XX

REMEDIES

20.1 The failure of the Unit Operator to conduct operations in accordance with an approved exploration or development and production plan, to timely submit a plan for approval by the Director, or to timely comply with any other requirements of this Agreement, shall, after notice of default or notice of prospective default to the Unit Operator by the Director and after failure of the Unit Operator to remedy any default within a reasonable time as determined by the Director, result in automatic termination of this Agreement effective as of the first day of the default.

20.2 This remedy is in addition to any remedy which is prescribed in the Act, the Regulations, or a Lease committed to this Agreement or any action which may be brought by the United States to compel compliance with the provisions thereof.

IN WITNESS WHEREOF, the Working Interest owners and the Unit Operator have caused this Agreement to be executed and the Director has approved this Agreement as follows:

APPROVAL

Pursuant to the authority vested in the Secretary of the Interior under the Act and delegated to the Regional Manager, Pacific OCS Region, Minerals Management Service, I do hereby approve this Agreement for exploration, development and production on the Beta Unit, San Pedro Bay Area, Outer Continental Shelf.

EFFECTIVE DATE OF AGREEMENT April 15, 1983

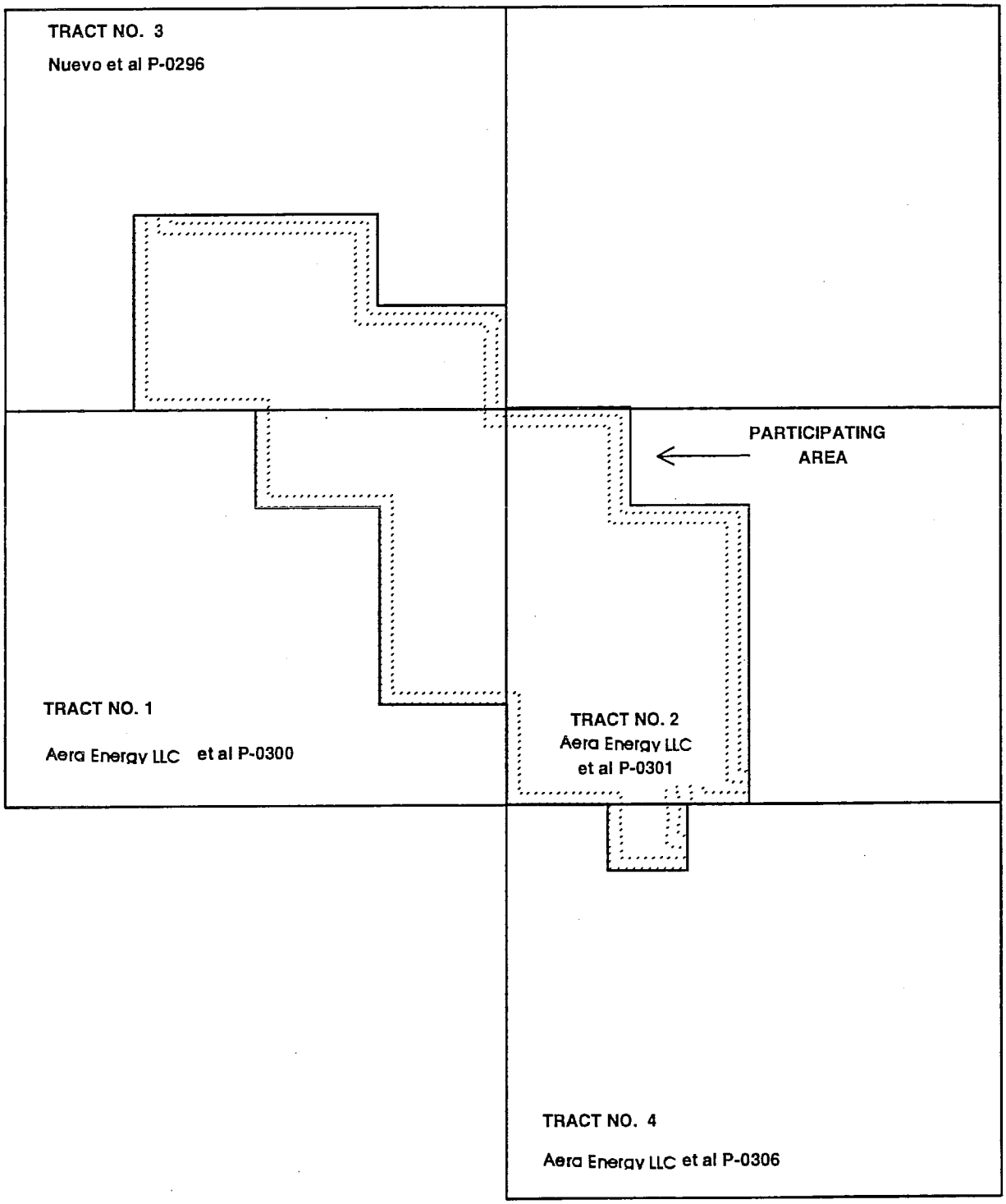
Dated: April 15, 1983

William E. Grant
for Reid T. Stone
Regional Manager
Pacific OCS Region

CONTRACT NO. 14-08-0001-18481

EXHIBIT "C"
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OFFSHORE CALIFORNIA

PARTICIPATING AREA



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BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

ACCEPTANCE OF RIGHTS AND OBLIGATIONS BY UNIT OPERATOR

I hereby accept and assume all rights and obligations of the Unit Operator as set forth above.

Dated: 8-19-82

Authorized Signature: R. W. Robison, Jr.

Name: R.W.ROBISON, JR.

Title: ATTORNEY-IN-FACT

Corporation: SHELL CALIFORNIA PRODUCTION INC.

Address: P.O. BOX 4578

HOUSTON, TEXAS 77210

Acknowledged before me this 19th day of August, 1982.

Notary Public: Sharon Ann VanSickle

My Commission Expires: March 27, 1985

SHARON ANN VAN SICKLE
Notary Public in and for the State of Texas
My Commission Expires March 27, 1985

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY SUB-OPERATOR AND WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: March 25, 1983

Authorized Signature: _____

Name: J. D. Froggatt

Title: Assistant Secretary

Corporation: CHEVRON USA INC.

Address: 2120 Diamond Boulevard

Concord, CA 94520

State of California)
County of Contra Costa) ss

On March 25 1983, before me, PEGGY L. DOMINGUEZ, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared J. D. FROGGATT, personally known to me (or proved to me on the basis of satisfactory evidence) to be Assistant Secretary of Chevron U.S.A. Inc., the corporation described in and that executed the within instrument, and also known to me to be the person(s) who executed it on behalf of the said corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, in the County and State aforesaid the day and year in this certificate above written.

OFFICIAL SEAL
PEGGY L. DOMINGUEZ
NOTARY PUBLIC — CALIFORNIA
CONTRA COSTA COUNTY
My Commission Expires Jan. 13, 1984

Peggy L. Dominguez
Notary Public in and for the
County of Contra Costa, State of California

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: 8-19-82

Authorized Signature: R.W. Robison, Jr.

Name: R.W. ROBISON, JR.

Title: ATTORNEY-IN-FACT

Corporation: SHELL CALIFORNIA PRODUCTION INC.

Address: P.O. BOX 4578

HOUSTON, TEXAS 77210

Acknowledged before me this 19th day of August, 1982.

Notary Public: Sharon Ann VanSickle

My Commission Expires: March 27, 1985

SHARON ANN VAN SICKLE
Notary Public in and for the State of Texas
My Commission Expires March 27, 1985

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: 8-10-82

Authorized Signature: Richard E. Bennett

Name: Richard E. Bennett

Title: Vice President, Petro-Lewis Funds, Inc., Managing Venturer

Corporation: PETRO-LEWIS BETA COMPANY JOINT VENTURE

Address: 5500 Ming Avenue, Suite 300

Bakersfield, California 93309

Acknowledged before me this ____ day of _____, 19___.

Notary Public: _____

My Commission Expires: _____

STATE OF CALIFORNIA
COUNTY OF Kern } ss.

On August 10, 1982 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Richard E. Bennett known to me to be the ~~President~~ Vice President ~~Secretary~~ of Petro-Lewis Funds, Inc. the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

(SEAL)

Barbara Tongate
NOTARY PUBLIC

My Commission Expires:

Barbara Tongate
Type or Print Name of Notary

BARBARA TONGATE
NOTARY PUBLIC - CALIFORNIA
BOND FILED IN
KERN COUNTY
MY COMMISSION EXPIRES MAY 10, 1985

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: August 6, 1982

Authorized Signature: W L Donnelly

Name: W. L. Donnelly

Title: Vice President

Corporation: AMINOIL USA, INC.

Address: P. O. Box 88

Huntington Beach, CA 92648

Acknowledged before me this 6th day of August, 1982.

Notary Public: Muriel K. Donalies

My Commission Expires: 3-14-84

OFFICIAL SEAL
MURIEL K. DONALIES
NOTARY PUBLIC - CALIFORNIA
ORANGE COUNTY
My Commission Expires March 14, 1984

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: August 5, 1982

Authorized Signature: G N Shirley

Name: G. N. SHIRLEY

Title: VICE PRESIDENT

Corporation: SANTA FE ENERGY COMPANY

Address: 10737 SHOEMAKER AVENUE

SANTA FE SPRINGS, CA. 90670

Acknowledged before me this 5th day of August, 1982.

Notary Public: Kathryn M. Bates

My Commission Expires: Feb 5, 1984

OFFICIAL SEAL
KATHRYN M. BATES
NOTARY PUBLIC CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires Feb. 5, 1984

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: August 9, 1982

Authorized Signature: Donald D. Myers

Name: Donald D. Myers

Title: Senior Vice President

Corporation: HAMILTON BROTHERS OIL COMPANY

Address: 1600 BROADWAY, SUITE 2600

DENVER, CO 80202

Acknowledged before me this 9th day of August, 1982.

Notary Public: Cynthia Nunley

My Commission Expires: August 18, 1984

CYNTHIA NUNLEY, NOTARY
IN AND FOR COUNTY OF DENVER,
STATE OF COLORADO

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: August 9, 1982

Authorized Signature: [signature]

Name: A. J. Miller

Title: VICE PRESIDENT

Corporation: HAMILTON BROTHERS EXPLORATION COMPANY

Address: 1600 BROADWAY, SUITE 2600

DENVER, CO 80202

Acknowledged before me this 9th day of August, 1982.

Notary Public: Cynthia Nunley

My Commission Expires: August 18, 1984

CYNTHIA NUNLEY, NOTARY
IN AND FOR COUNTY OF DENVER,
STATE OF COLORADO

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: August 9, 1982

Authorized Signature: [signature]

Name: A. J. Miller

Title: VICE PRESIDENT

Corporation: HAMILTON BROTHERS CORPORATION

Address: 1600 BROADWAY, SUITE 2600

DENVER, CO 80202

Acknowledged before me this 9th day of August, 1982.

Notary Public: [signature]

My Commission Expires: August 18, 1984

CYNTHIA NUNLEY, NOTARY
IN AND FOR COUNTY OF DENVER,
STATE OF COLORADO

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: MAR 28 1983

Authorized Signature: K J Robertson

Name: K. J. ROBERTSON

Title: It's attorney-in-fact

Corporation: UNION OIL COMPANY OF CALIFORNIA

Address: P.O. BOX 7600

LOS ANGELES, CA 90051

STATE OF CALIFORNIA
COUNTY OF Los Angeles } ss.

On this 28th day of March, in the year 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared K. J. Robertson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument as the Attorney-in-Fact of Union Oil Company of California, and acknowledged to me that he subscribed the name of Union Oil Company of California thereto as principal, and his own name as Attorney-in-Fact.

OFFICIAL SEAL
MARION F. NOCHES
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires March 1, 1985

WITNESS my hand and official seal.

Marion F. Noches
Notary Public in and for said State.

ACKNOWLEDGMENT—Attorney-in-Fact—Blank Co —Wolcotts Form 218CA—Rev 5-82
© 1982 WOLCOTT'S INC

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: 4-12-83

MINOCO UAQ, LTD., a California limited partnership

By: Minoco Southern Corporation, a Nevada corporation, managing general partner

By: W. E. Bauer
W. E. Bauer, Vice President

Address: Minoco
2029 Century Park East, Second Floor
Los Angeles, California 90067

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On this 12th day of April, in the year 1983, before me, H. E. Pridmore, a Notary Public in and for said county and state, personally appeared W. E. Bauer, personally known to me to be the Vice-President of Minoco Southern Corporation, the corporation that executed the within instrument and known to me to be the person who executed the within instrument on behalf of said corporation, said corporation being known to me to be one of the partners of Minoco UAQ, Ltd. Oil and Gas Program the partnership that executed the within instrument, and acknowledged to me that such corporation executed the same as such partner and that such partnership executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

H. E. Pridmore
Notary Public

OFFICIAL SEAL
H E PRIDMORE
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires NOV 5, 1985

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: 4-12-83

MINOCO 1980-IPLC OIL AND GAS PROGRAM,
a California limited partnership

By: Minoco Southern Corporation,
a Nevada corporation,
managing general partner

By: W. E. Bauer
W. E. Bauer, Vice President

Address: MINOCO
2029 Century Park East, Seventh Floor
Los Angeles, California 90067

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On this 12th day of April, in the year 1983, before me, H. E. Pridmore, a Notary Public in and for said county and state, personally appeared W. E. Bauer, personally known to me to be the Vice-President of Minoco Southern Corporation, the corporation that executed the within instrument and known to me to be the person who executed the within instrument on behalf of said corporation, said corporation being known to me to be one of the partners of Minoco 1980-IPLC Oil and Gas Program the partnership that executed the within instrument, and acknowledged to me that such corporation executed the same as such partner and that such partnership executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

H. E. Pridmore
Notary Public

OFFICIAL SEAL
H E PRIDMORE
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires NOV 5, 1985

BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: 4-12-83

PACIFIC FEDERAL VENTURES, a California joint venture comprised of Pacific Energy Investments, Inc., a California corporation and MGC Ventures U.S., Ltd., a California corporation

By: MGC Ventures U.S., Ltd., as attorney-in-fact for Pacific

By: W. E. Bauer, Vice President

By: MGC Ventures U.S., Ltd.

By: W. E. Bauer, Vice President

Address: MMOSO
2029 Century Park East, Second Floor
Los Angeles, California 90067

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 12TH day of APRIL, 1983, before me, the undersigned authority, personally appeared W. E. Bauer, personally know to me to be the Vice-President, and known to me to be the person who executed the within instrument on behalf of MGC Ventures U.S., Ltd., the corporation that executed and whose name is subscribed to the within instrument as the attorney-in-fact of Pacific Energy Investments, Inc., and acknowledged to me he subscribed the name of Pacific Energy Investments, Inc. thereto as principal and the name of MGC Ventures U.S., Ltd., as attorney-in-fact for said Pacific Energy Investments, Inc. and that said MGC Ventures U.S., Ltd. executed the same as attorney-in-fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last written above.

H. E. Pridmore
Notary Public

OFFICIAL SEAL
H E PRIDMORE
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires NOV 5, 1985

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Outer Continental Shelf, Offshore California, dated and effective April 15, 1983, in form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

This ratification and joinder shall be effective as to the undersigned's interests in any lands and leases, or interests therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, he or its assigns or successors in interest.

EXECUTED THIS 6th day of February, 1987.

SHELL WESTERN E&P INC.

By Robert L. Avary
Attorney-In-Fact

STATE OF TEXAS)
) ss
COUNTY OF HARRIS)

I, SARAH O. SICKING, a Notary Public in and for said County and State, do hereby certify that ROBERT L. AVARY, to me personally known (or proved to me on the basis of satisfactory evidence) and known to me to be the same person who executed the foregoing instrument as Attorney-in-Fact of SHELL WESTERN E & P INC., a Delaware corporation, appeared before me this day in person and, being first sworn, acknowledged that he is an Attorney-in-Fact of said corporation, and that said instrument was signed and delivered in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument and his execution thereof to be the free and voluntary act and deed of said corporation, and his own free and voluntary act and deed, for the uses, purposes and consideration therein expressed.

Given under my hand and official seal FEBRUARY 6, 1987.

Sarah O. Sicking

SARAH O. SICKING
Name (Typed or Printed)
In and for said County and State
Residing at P. O. BOX 527, HOUSTON, TX 77001

SARAH O. SICKING
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES 3-8-90

My commission expires 3/8/90

BETA UNIT AGREEMENT

SAN PEDRO BAY AREA

OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

ACCEPTANCE OF RIGHTS AND
OBLIGATIONS BY UNIT OPERATOR
AND WORKING INTEREST OWNER

SHELL WESTERN E&P INC., as successor in interest to Shell California Production Inc. pursuant to corporate merger, effective April 1, 1987, hereby accepts and assumes all rights and obligations as the Unit Operator and Working Interest Owner of the Beta Unit Agreement, approved effective April 15, 1983.

Dated: July 27, 1987

Authorized Signature: [signature]

Name: T. L. Marshall

Title: Attorney-in-Fact

Corporation: Shell Western E&P Inc.
P. O. Box 11164
Bakersfield, CA 93389

SUBSCRIBED AND SWORN TO BY ME THIS 27th DAY OF July, 1987.

Notary Public: Susan J. Baldwin

My Commission Expires: Sept. 19, 1988

OFFICIAL SEAL
SUSAN J. BALDWIN
NOTARY PUBLIC - CALIFORNIA
BOND FILED IN
KERN COUNTY
My Commission Exp. Sept. 19, 1988

BAAY8720801

EXHIBIT "B"
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

SCHEDULE SHOWING OWNERSHIP OF OIL AND GAS INTEREST

DESCRIPTION OF LAND AS PER OCS OFFICIAL LEASING MAP CHANNEL ISLANDS AREA MAP NO. 6C	NUMBER OF ACRES	SERIAL NUMBER OF LEASE	DATE OF LEASE	LESSEE OF RECORD AND WORKING INTEREST OWNER	PERCENTAGE OF INTEREST
Block 33N 37W	5760	OCS-P 0300	2/1/76	Aera Energy LLC	71.00000%
				Samedan Oil Corporation	17.00000%
				Monterey Resources, Inc.	12.00000%
					100.00000%
Block 33N 36W	5760	OCS-P 0301	2/1/76	Aera Energy LLC	71.00000%
				Samedan Oil Corporation	17.00000%
				Monterey Resources, Inc.	12.00000%
					100.00000%
Block 34N 37W	5760	OCS-P 0296	2/1/76	Nuevo Energy Company	93.75000%
				Minoco UAQ, Ltd.	4.37500%
				Minoco 1980 - IPLC Oil and Gas Program	.93750%
				Kerr-McGee Corporation	.93750%
					100.00000%
Block 32N 36W	5760	OCS-P 0306	2/1/76	Aera Energy LLC	71.00000%
				Samedan Oil Corporation	17.00000%
				Monterey Resources, Inc.	12.00000%
					100.00000%

Calo Partners, L.P.
Attn: Burdette Ogle, PhD
P.O. Box 5266
Santa Barbara, CA 93150

Delta Petroleum Corporation
Attn: Roger Parker
555 17th Street, Suite 3310
Denver, CO 80202

Elf Exploration, Inc.
Attn: Hill Hooks
1000 Louisiana, #3800
Houston, TX 77002

Monterey Resources, Inc.
Attn: Gary Green
5201 Truxtun Ave.
Bakersfield, CA 93309

Norcen Explorer, Inc.
Attn: John Becher
200 Westlake Park Blvd., Suite 800
Houston, TX 77079-2653

Nuevo Energy Company
Attn: Roger Heckman
201 S. Broadway
Orcutt, CA 93455

Ogle Petroleum Inc.
Attn: Burdette Ogle, PhD
P.O. Box 5266
Santa Barbara, CA 93150

Pennzoil Exploration & Production Co.
Attn: Will McCrocklin
P.O. Box 2967
Houston, TX 77252-2967

RAMCO-NYL 1987 Limited Partnership
Attn: Barbara Burnett
5100 E. Skelly Drive, Suite 650
Tulsa, OK 74135-6549

RB Operating
Attn: Barbara Burnett
5100 E. Skelly Drive, Suite 650
Tulsa, OK 74135-6549

Samedan Oil Corporaiton
Attn: Dan Dinges
350 Glenborough, Suite 240
Houston, TX 77067

AMENDMENT NO. 1 TO THE BETA UNIT AGREEMENT

THIS AGREEMENT, effective as of the 1st day of February, 1993, by and between the parties whose names are subscribed to below.

WITNESSETH:

WHEREAS, the parties hereto have executed that certain "Unit Agreement, Beta Unit, San Pedro Bay Area, Outer Continental Shelf, Offshore California, Contract No. 14-08-0001-18481", effective as of April 15, 1983, (hereinafter called "Unit Agreement"); and

WHEREAS, the parties desire to amend said Unit Agreement in the particulars hereinafter set forth:

NOW, THEREFORE, in consideration of the mutual benefit to be obtained the parties agree as follows:

Article 12.1 is hereby deleted and the following inserted in its place:

ARTICLE XII

ALLOCATION OF PRODUCTION

12.1 The Working Interest Owners shall pay all production royalties and make deliveries of oil and gas which are payments of royalties taken in kind or which, pursuant to the Act, are purchased by the United States. For the purpose of allocating production for the determination of royalty accruing under this Agreement, each lease or part of a lease shall have allocated to it such oil and gas saved, removed or sold from well bores located on said lease or part of a lease included in the Participating Area. In the determination of royalty due, the royalty percent called for in the lease shall be applied to the volume of oil or gas allocated to that lease.

Except as herein modified, said Unit Agreement remains in full force and effect.

This instrument may be executed in counterpart with the same effect as if all parties had executed the same instrument.

IN WITNESS WHEREOF, the Working Interest Owners and the Unit Operator have caused this Agreement to be executed and the Director has approved this Agreement as follows:

APPROVAL

Pursuant to the authority vested in the Secretary of the Interior under the Act and delegated to the Regional Director, Pacific OCS Region, Minerals Management Service, I do hereby approve this Amendment No. 1 to the Beta Unit Agreement for exploration, development and production on the Beta Unit, San Pedro Bay Area, Outer Continental Shelf.

EFFECTIVE DATE OF AGREEMENT February 1, 1993

Dated: AUG 12 1993

J. Lisle Reed
Regional Director
Pacific OCS Region

CONTRACT NO. 14-08-0001-18481

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER AND UNIT OPERATOR

As an owner of a Working Interest in and Unit Operator of the Unitized Land I hereby agree to the terms and conditions

as set forth in this Agreement.

Dated: AUG 6 1993

Authorized Signature: [signature]

Name: T. W. BROOM

Title: ATTORNEY-IN-FACT

Corporation: SHELL WESTERN E&P INC.

Address: P.O. BOX 11164

BAKERSFIELD, CA 93389

STATE OF CALIFORNIA)
COUNTY OF KERN)

On AUG 6 1993 before me, Susan J. Baldwin Notary Public, personally appeared T. W. Broom, Attorney in Fact, Shell Western E&P Inc. personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature [signature] (Seal)

SUSAN J. BALDWIN
COMM. #984465
NOTARY PUBLIC • CALIFORNIA
KERN COUNTY
My Comm. Expires Feb 15, 1997

L0417901.TB3

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 8, 1993

Authorized Signature: D. W. Roush

Name: D. W. Roush

Title: Attorney-In-Fact

Corporation: SANTA FE ENERGY RESOURCES, INC.

Address: 5201 TRUXTON AVENUE

BAKERSFIELD, CA 93309

STATE OF CALIFORNIA

COUNTY OF KERN

On July 8, 1993, before me, the undersigned Notary Public, personally appeared D. W. Roush, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

LEXA GARRETT
COMM. #931091
NOTARY PUBLIC • CALIFORNIA
KERN COUNTY
My Comm. Expires Aug. 19, 1995

Lexa Garrett
Notary Public

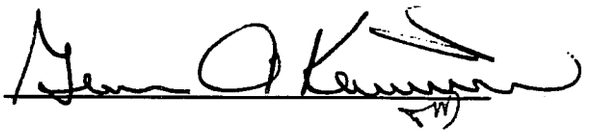
L0417901.TB3

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 12, 1993

Authorized Signature: 

Name: Glenn A. Kleinert

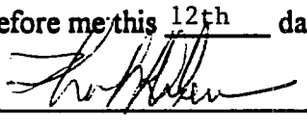
Title: Senior Vice President
Freeport-McMoRan Oil & Gas Company
Division of Freeport-McMoRan Inc.
as Managing General Partner

Corporation: FM PROPERTIES OPERATING CO.

Address: P. O. BOX 60004

NEW ORLEANS, LA 70160

Acknowledged before me this 12th day of July, 1993.

Notary Public: 

My Commission Expires: At Death

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 14, 1993

Authorized Signature: J.E. Jones

Name: J.E. Jones

Title: Vice President

Corporation: HAMILTON BROTHERS CORP.
By BHP Petroleum (Americas) Inc.
as Attorney-in-Fact

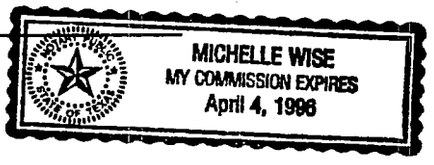
Address: 5847 SAN FELIPE, SUITE 3600

HOUSTON, TX 77057

Acknowledged before me this 14th day of July, 1993

Notary Public: Michelle Wise

My Commission Expires:



AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 14, 1993

Authorized Signature: J E Jones

Name: J.E. Jones

Title: Vice President

Corporation: HAMILTON BROTHERS OIL CO.
By BHP Petroleum (Americas) Inc.
as Attorney-in-Fact

Address: 5847 SAN FELIPE, SUITE 3600

HOUSTON, TX 77057

Acknowledged before me this 14th day of July, 1993.

Notary Public: Michelle Wise

My Commission Expires:

NOTARY PUBLIC STATE OF TEXAS
MICHELLE WISE
MY COMMISSION EXPIRES
April 4, 1996

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 14, 1993

Authorized Signature: J E Jones

Name: J.E. Jones

Title: Vice President

Corporation: HAMILTON BROTHERS EXPLORATION COMPANY

By BHP Petroleum (Americas) Inc.
as Attorney-in-Fact

Address: 5847 SAN FELIPE, SUITE 3600

HOUSTON, TX 77057

Acknowledged before me this 14th day of July, 1993.

Notary Public: Michelle Wise

My Commission Expires:

MICHELLE WISE
MY COMMISSION EXPIRES
April 4, 1996

L0417901.TB3

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 28, 1993

Authorized Signature: Kris R. Dunckel

Name: Kris R. Dunckel

Title: Attorney-in-fact

Corporation: UNION OIL COMPANY OF CALIFORNIA

Address: P.O. BOX 6176

VENTURA, CALIFORNIA 93003

Acknowledged before me this 30th day of July, 1993.

Notary Public: P. T. Moran

My Commission Expires: 1-4-94

OFFICIAL SEAL
P. T. MORAN
NOTARY PUBLIC, CALIFORNIA
PRINCIPAL OFFICE IN
VENTURA COUNTY
My commission expires Jan. 4, 1994

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 14, 1993

Authorized Signature: [signature]

Name: L.R. Corbett

Title: Group Vice President

Corporation: KERR-MC GEE CORPORATION

Address: KERR-MC GEE CENTER

OKLAHOMA CITY, OK 73125

Acknowledged before me this 14 day of July, 1993.

Notary Public: Sheryl B. Gottshall

My Commission Expires: 11-13-96

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 19, 1993

Authorized Signature: [signature]

Name: MYRON NEUGEBOREN, PRES. PROGRAM MANAGEMENT CO LTD

Title: MANAGING AGENT

Corporation: MINOCO UAQ, LTD.

Address: 208 - 12 ESTATES DRIVE

BAYSIDE, NY 11360

State of New York
County of Queens.

Acknowledged before me this 20th day of July, 1993

Notary Public: Myriam Valero

My Commission Expires: 11, 2, 93

MIRIAM VALERO
NOTARY PUBLIC, State of New York
No. 4984133
Qualified in Nassau County
Term Expires November 2, 1993

L0417901.TB3

AMENDMENT NO. 1 TO THE
BETA UNIT AGREEMENT
SAN PEDRO BAY AREA
OUTER CONTINENTAL SHELF, OFFSHORE CALIFORNIA

APPROVAL BY WORKING INTEREST OWNER

As an owner of a Working Interest in the Unitized Land I hereby agree to the terms and conditions as set forth in this Agreement.

Dated: July 9, 1993

Authorized Signature: [signature]

Name: MYRON NEUGEBOREN, PRES. PROGRAM MANAGEMENT CO. LTD.

Title: MANAGING AGENT

Corporation: MINOCO 1980-1PLC OIL AND GAS PROGRAM

Address: 208 - 12 ESTATES DRIVE

BAYSIDE, NY 11360

Acknowledged before me this 9th day of JULY, 1993.

Notary Public: [signature]

My Commission Expires: August 31, 1998

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7100

November 8, 2004

Mr. Robert E. Huguenard, Vice President
Western Business Unit
Plains Exploration & Production Company
201 S. Broadway
Orcutt, CA 93455-4606

Re: Designation of Suboperator
Beta Unit, 14-08-0001-18481
Lease OCS-P 0296
Offshore California

Dear Mr. Huguenard:

Reference is made to Plains Exploration & Production Company's (PXP) letters of October 8, 2004, wherein Nuevo Energy Company resigned as the Suboperator of the Beta Unit for Lease OCS-P 0296. Simultaneously, PXP provided documentation required by the Minerals Management Service (MMS) in order to become Suboperator for the Beta Unit, for this lease, pursuant to the Unit Operating Agreement.

We have received Aera Energy LLC's Designation of Unit Suboperator dated October 22, 2004, in which Aera, the Unit Operator, is designating PXP as the Suboperator for Lease OCS-P 0296 in the Beta Unit. Aera is clarifying your responsibilities and authority in their behalf in complying with the terms of the Beta Unit Agreement, laws, and regulations applicable to the area. The other working interest owners in the lease also submitted designations of Unit Suboperator.

We hereby approve the delegation of responsibility from Nuevo Energy Company to PXP as Beta Unit Suboperator for Lease OCS-P 0296, effective November 8, 2004.

If you have any questions, please contact Mr. Allan Shareghi at (805) 389-7704.

Sincerely,

Joan Barminski

Joan Barminski
Chief, Office of Reservoir Evaluation and Production

TAKE PRIDE® IN AMERICA

cc: Mr. Anthony C. Marino (w/copies)
Schully, Roberts, Slattery, Jaubert & Marino
1100 Poydras Street, Suite 1800
New Orleans, Louisiana 70163

Mr. Terry Enders
Aera Energy LLC
10000 Ming Avenue
Bakersfield, CA 93311

Mr. Steve Rusch
Plains Exploration & Production Company
5640 South Fairfax Avenue
Los Angeles CA 90056

Ms. Wendy Krebs (w/copies docs.)
Minerals Management Service/MRM
MS 375B1, Room A-614, Document Processing
Building 85, Denver Federal Center
Denver, CO 80225

Bcc: File: 1703-02(a)(1) Beta Unit-General-Corresp.(w/orig.docs.)
1703-02(a)(1) Beta Unit Agreement-(w/orig. docs.)
1703-02(a)(1) Beta Unit Operating Agreement-(w/copies docs)

	Chron	(w/o copies)
Ecc:	DRM	(w/o copies)
	C/DO	(w/o copies)
	C/EE	(w/o copies)
	C/FSE	(w/o copies)
	C/REP	(w/o copies)
	A. Shareghi	(w/copies)
	E. Williams	(w/o copies)

OREP:EAS Design.suboperator Beta word doc. 11-4-04

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7100

March 22, 2005

Mr. Andrew L. Prestridge, Vice President
Dos Cuadras Offshore Resources, LLC
Suite 750
8750 N. Central Expressway
Dallas, Texas 75231

Re: Designation of Suboperator
Beta Unit, 14-08-0001-18481
Lease OCS-P 0296
Offshore California

Dear Mr.Prestridge:

Reference is made to Plains Exploration & Production Company's (PXP) letter of December 20, 2004, wherein PXP resigned as the Suboperator of the Beta Unit for Lease OCS-P 0296. Simultaneously, Dos Cuadras Offshore Resources, LLC ("DCOR") provided documentation required by the Minerals Management Service (MMS) in order to become Suboperator for the Beta Unit, for this lease, pursuant to the Unit Operating Agreement.

We have received Aera Energy LLC's Designation of Unit Suboperator dated March 7, 2005, designating DCOR as the Beta Unit Suboperator. The other working interest owners in the Lease OCS-P 0296, Minoco UAQ, Ltd, and Kerr McGee Oil and Gas Corporation also submitted Designations of Unit Suboperator dated March 9, 2005, designating DCOR as the Unit Suboperator for Lease OCS-P 0296 in the Beta Unit. Aera as operator of the Beta Unit is clarifying your responsibilities and authority in their behalf in complying with the terms of the Beta Unit Agreement, laws, and regulations applicable to the area.

We hereby approve the delegation of responsibility from PXP to DCOR as Beta Unit Suboperator for Lease OCS-P 0296, effective March 22, 2005.

If you have any questions, please contact Mr. Allan Shareghi at (805) 389-7704.

Sincerely,

Mike Brickey
Acting Chief, Office of Reservoir
Evaluation and Production

TAKE PRIDE IN AMERICA

cc: Mr. David Christian
Kerr McGee Oil and Gas Corporation
Kerr McGee Center
Oklahoma City, OK 73125

Mr. Myron Neugeboren
Minoco UAQ, Ltd.
P.O. Box 1410
Lakeville, CT 06039

Mr. Terry Enders
Aera Energy LLC
10000 Ming Avenue
Bakersfield, CA 93311

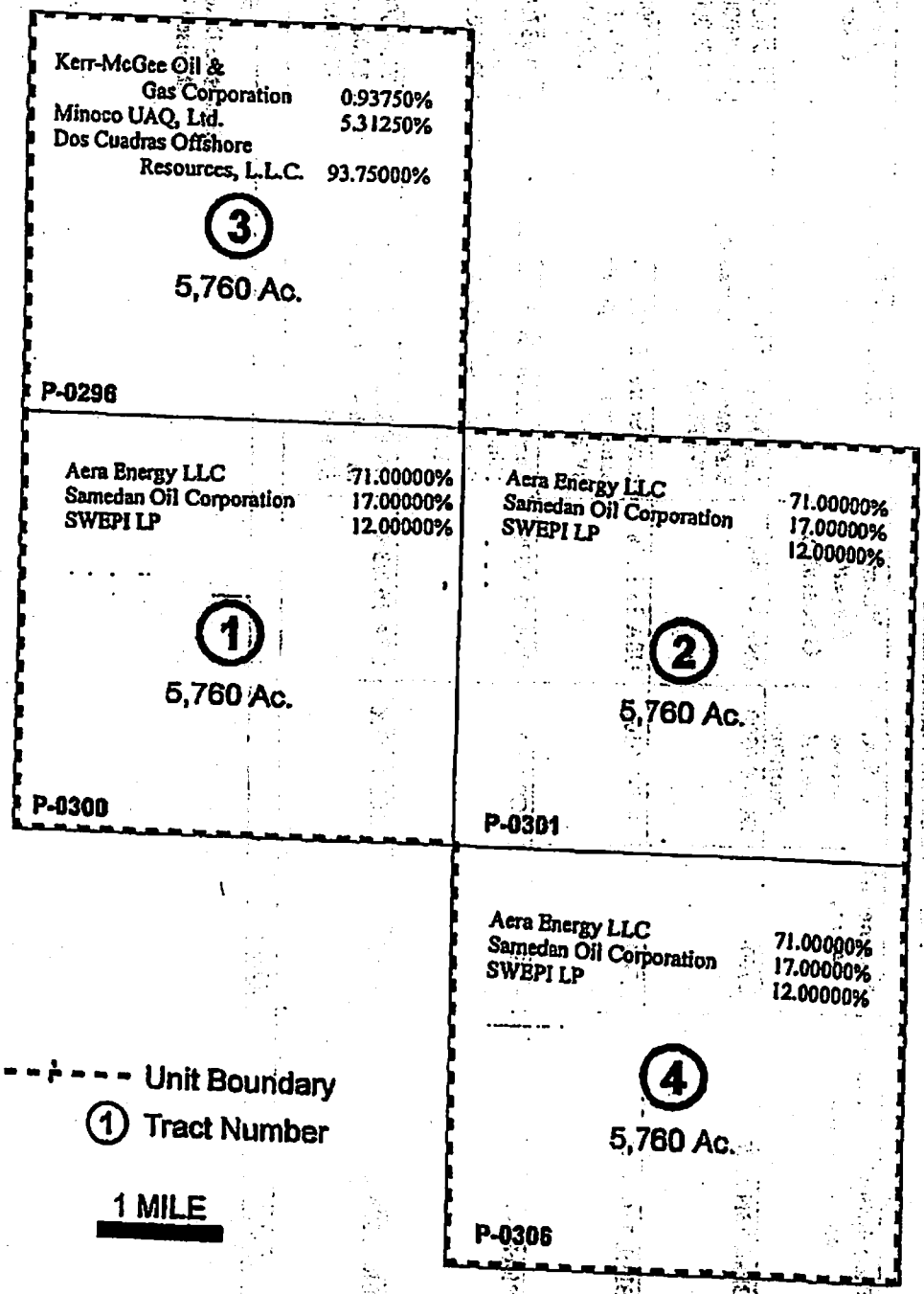
Mr. Steve Rusch
Plains Exploration & Production Company
5640 South Fairfax Avenue
Los Angeles CA 90056

Ms. Wendy Campbell (w/copies docs.)
Minerals Management Service/MRM
MS 375B1, Room A-614, Document Processing
Building 85, Denver Federal Center
Denver, CO 80225

EXHIBIT "A"

BETA UNIT AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests



REVISED DATE: MARCH 2, 2005
EFFECTIVE DATE: DECEMBER 1, 2004

REVISED
EXHIBIT "B"
TO
BETA UNIT OPERATING AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

Tract No.	Description of Lands in the Unit Area	Number of Acres	U.S.A. Lease Serial Number	Basic Royalty Ownership	Lessees of Record	Lessee Interests	ORR & Net Profits
1	Block 33N 37W	5,760	OCS-P 0300	USA 33 1/3%	Aera Energy LLC Samedan Oil Corporation SWEPI LP	71.00000% 17.00000% 12.00000%	
2	Block 33N 36W	5,760	OCS-P 0301	USA 33 1/3%	Aera Energy LLC Samedan Oil Corporation SWEPI LP	71.00000% 17.00000% 12.00000%	
3	Block 34N 37W	5,760	OCS-P 0296	USA 33 1/3%	Kerr-McGee Oil & Gas Corporation Minoco UAQ, Ltd. Dos Cuadras Offshore Resources, L.L.C.	0.93750% 5.31250% 93.75000%	
4	Block 32N 36W	5,760	OCS-P 0306	USA 16 2/3%	Aera Energy LLC Samedan Oil Corporation SWEPI LP	71.00000% 17.00000% 12.00000%	
	TOTAL	23,040.00					

Beta Unit Operating Agreement
Effective Date: December 1, 2004
Revised Date: March 2, 2005

REVISED
EXHIBIT "B"
TO
BETA UNIT AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

Tract No.	Description of Lands in the Unit Area	Number of Acres	U.S.A. Lease Serial Number	Basic Royalty Ownership	Lessees of Record	Lessee Interests	ORR & Net Profits
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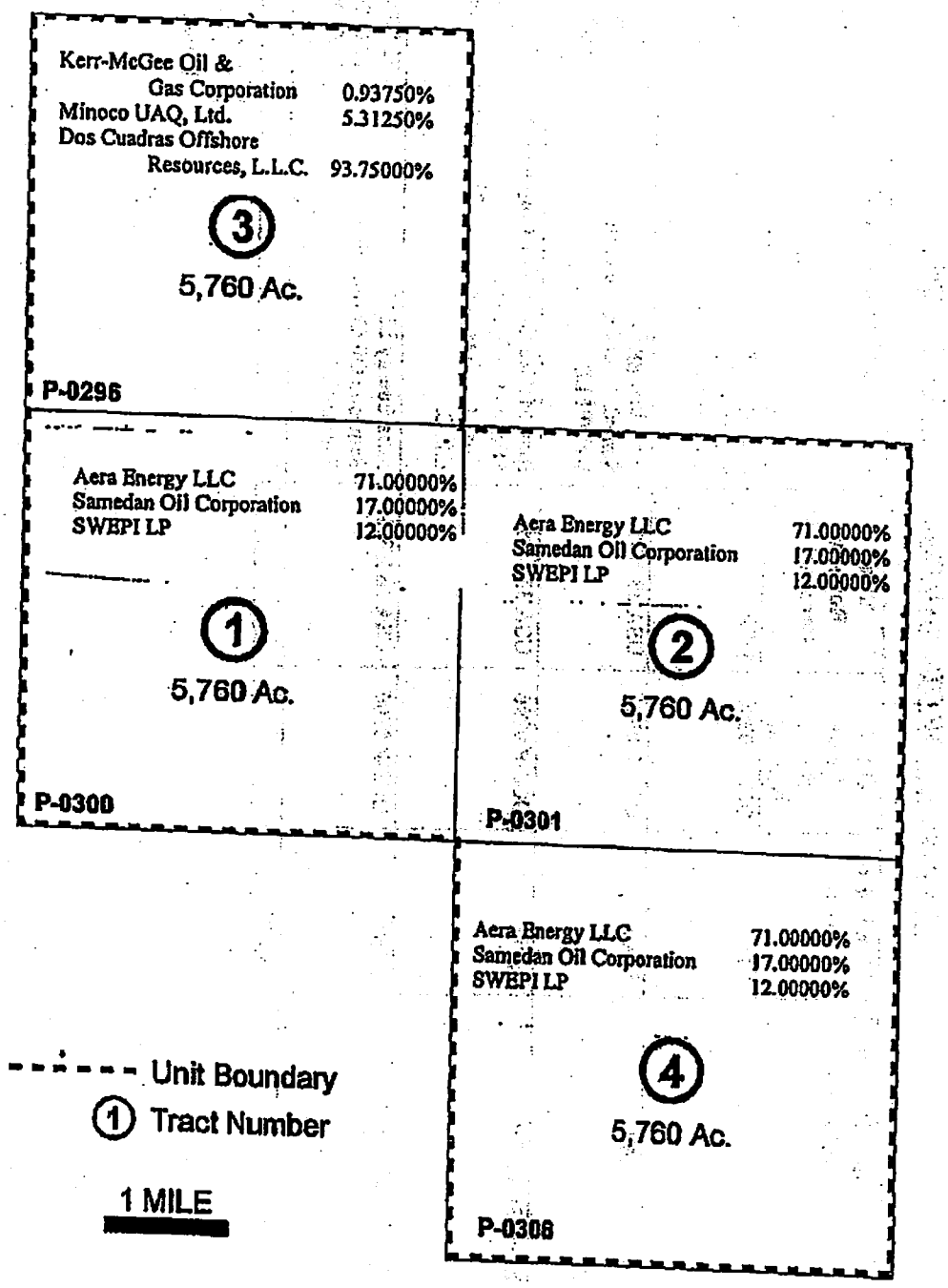
3	Block 34N 37W	5,760	OCS-P 0296	USA 33 1/3%	Kerr-McGee Oil & Gas Corporation Minoco UAQ, Ltd. Dos Cuadras Offshore Resources, L.L.C.	0.93750% 5.31250% 93.75000%	
4	Block 32N 36W	5,760	OCS-P 0306	USA 16 2/3%	Aera Energy LLC Samedan Oil Corporation SWEPI LP	71.00000% 17.00000% 12.00000%	
	TOTAL	23,040.00					

Beta Unit Agreement
Effective Date: December 1, 2004
Revised Date: March 2, 2005

EXHIBIT "A"

BETA UNIT OPERATING AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests



REVISED DATE: MARCH 2, 2005
EFFECTIVE DATE: DECEMBER 1, 2004

PXP

Plains Exploration & Production Company

December 20, 2004

Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010
Attention: Ms. Joan R. Barminski
Chief
Office of Reservoir Evaluation and Production

Re: Notice of Resignation of Unit Suboperator
For the Beta Unit

Dear Ms. Barminski:

This letter is to notify you that Plains Exploration & Production Company, in accordance with the Unit Operating Agreement, hereby resigns as the Unit Suboperator of the Beta Unit. Simultaneously herewith, we submit all of the appropriate regulatory documents wherein Dos Cuadras Offshore Resources, L.L.C. will become the Successor Unit Suboperator for this unit.

The resignation of Plains Exploration & Production Company as Unit Suboperator and the designation of Dos Cuadras Offshore Resources, L.L.C., as Successor Unit Suboperator is to be effective upon the approval of the Chief, Office of Reservoir Evaluation and Production, Pacific OCS Region, Minerals Management Service.

Very truly yours,
Plains Exploration & Production Company

By: _____
Name: John F. Wombwell
Title: Executive Vice President, General Counsel
and Secretary

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator and/or a working interest owner of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit. The unit operator will submit, on behalf of the unit suboperator, plans of operation and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/7/05
(Date)

Dos Cuadras Offshore Resources, L.L.C.
(Name)
Andrew L. Westmoreland
(Authorized Signature)
Name: ANDREW L. WESTMORELAND
Title: VICE PRESIDENT

DOS CUADRAS OFFSHORE RESOURCES, LLC
Suite 750
8750 N. Central Expressway
Dallas, Texas 75231
Phone: 214-361-5539 • Fax: 214-361-4050

March 7, 2005

Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, CA 93010
Attn: Ms. Joan Barminski
Chief, Office of Reservoir Evaluation and Production

Re: Notice of Acceptance of Appointment as Unit Sub-Operator, Beta Unit

This letter acknowledges the resignation of Plains Exploration and Production Company as Unit Sub-Operator of the Beta Unit. This letter also confirms the acceptance by Dos Cuadras Offshore Resources, LLC ("DCOR") as the Successor Unit Sub-Operator for the Beta Unit. This letter will confirm the DCOR ratifies and joins the Unit Agreement and Unit Operating Agreement for the Beta Unit, and hereby accepts the rights and obligations accorded to it as Unit Sub-Operator in those two agreements.

Sincerely,

DOS CUADRAS OFFSHORE
RESOURCES, LLC

Andrew L. Prestridge
Vice President

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7100

March 1, 2007

Mr. Vladimir Katic, Chairman & CEO
Pacific Energy Resources, LTD
111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

Re: Acceptance of Resignation of Unit Operator
Designation of Successor Unit Operator
Beta Unit, 14-08-0001-18481
Leases OCS-P 0296, 0300, 0301 and 0306
Offshore California

Dear Mr. Katic:

The Minerals Management Service received Aera Energy LLC ("Aera") letter of January 11, 2007, and the supporting documentation wherein, in accordance with Article V of the Beta Unit Agreement, Aera resigned as operator of the Beta Unit. Simultaneously, under the terms and conditions of Article VI of the Beta Unit Agreement, Pacific Energy Resources LTD (PERL) submitted to MMS appropriate documents, and has met all of MMS's regulatory requirements to become the successor unit operator of the Beta Unit.

In accordance with the terms of Article VI of the Beta Unit Agreement, MMS hereby approves Pacific Energy Resources LTD as successor Unit Operator. MMS hereby accepts Aera's resignation as Beta Unit Operator. Documents designating PERL as the Unit Operator have been signed and ratified by the current unit working interest owners. The current working interest owners have also provided ratifications of the Beta Unit Agreement and Unit Operating Agreement.

TAKE PRIDE IN AMERICA

7100

March 1, 2007

Mr. Vladimir Katic, Chairman & CEO
Pacific Energy Resources, LTD
111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

Re: Acceptance of Resignation of Unit Operator
Designation of Successor Unit Operator
Beta Unit, 14-08-0001-18481
Leases OCS-P 0296, 0300, and 0306
Offshore California

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United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7100

March 1, 2007

Mr. Vladimir Katic, Chairman & CEO
Pacific Energy Resources, LTD
111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

Re: Acceptance of Resignation of Unit Operator
Designation of Successor Unit Operator
Beta Unit, Leases OCS-P 0296, 0300,
and 0306
Offshore California

Dear Mr. Katic:

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TAKE PRIDE® IN AMERICA

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator and/or a working interest owner of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit. The unit operator will submit, on behalf of the unit suboperator, plans of operation and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/9/05
(Date)

Minoco UAO, Ltd
(Name)
MP Myron Neugeboren
(Authorized Signature)
Name: MP
Title: Pres PMC
Managing Agent

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service. is the unit operator and/or a working interest owner of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

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All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

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The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/9/05
(Date)

Kerr McGee Oil and Gas Corporation
(Name)
Jim W. Bryan
(Authorized Signature)
Name: Jim W. Bryan
Title: Attorney-in-Fact

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/7/05
(Date)

Area Energy LLC
(Name)
(Authorized Signature)
Name: T. E. Enders
Title: Attorney-in-Fact

Copies of the approved unit operator documents will be attached to and made a part of the Beta Unit Agreement and Unit Operating Agreement. Resignation of Aera as Unit Operator of Beta Unit and designation of PERL as successor Unit Operator for the subject unit is effective March 1, 2007.

If you have any questions, please contact Mr. Allan Shareghi at (805) 389-7704 or his email at allan.shareghi@mms.gov

Sincerely,

for Drew A. Mayerson
Chief, Office of Reservoir Evaluation
and Production

Enclosure

cc: Mr. J.Chris Boyd(w/attachments)
Aera Energy LLC
10000 Ming Avenue
Bakersfield, CA 93311

Ms. Wendy Campbell (w/attachments)
Minerals Management Service/MRM
Building 85/Area A-A14
Denver Federal Center
Denver, CO 80225

Bcc: Files: 1703-02(a)(1) Beta Unit - General Corresp. (w/orig docs.)
1703-02(a)(1) Beta Unit Agreement (w/orig. docs.)
1703-02(a)(1) Beta Unit Operating Agreement (w/copy. docs.)

Chron (w/o copies.)

Ecc: C/DO (w/attachments)
C/EE (w/attachments)
C/FSE (w/attachments)
C/REP (w/attachments)
A. Shareghi (w/attachments)
E. Williams (w/attachments)

OREP:EAS DesPERL, Beta unit word doc 2/26/07

ALLAN SHARCOTT

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7300

APR 23 2007

DECISION

Noble Energy Inc.

Assignor

Pacific Energy Resources LTD

Assignee

Leases OCS-P 0300, 0301 and 0306

ASSIGNMENTS APPROVED

On March 16, 2007, assignments were filed whereby Noble Energy Inc. assigned all of their interest in leases OCS-P 0300, 0301 and 0306 to Pacific Energy Resources LTD. Record title interest previously held and the resulting ownership are as follows:

OCS-P 0300 ✓ All Block 33N 37W, OCS Official Leasing Map, Channel Islands Area Map 6C

	Prior Status	Resulting Status
Pacific Energy Resources LTD	83.00000%	100.00000%
Noble Energy, Inc.	17.00000%	-0-

OCS-P 0301 ✓ All Block 33N 36W, OCS Official Leasing Map, Channel Islands Area Map 6C

	Prior Status	Resulting Status
Pacific Energy Resources LTD	83.00000%	100.00000%
Noble Energy, Inc.	17.00000%	-0-

OCS-P 0306 ✓ All Block 32N 36W, OCS Official Leasing Map, Channel Islands Area Map 6C

	Prior Status	Resulting Status
Pacific Energy Resources LTD	83.00000%	100.00000%
Noble Energy, Inc.	17.00000%	-0-

TAKE PRIDE IN AMERICA

Upon approval of these assignments, effective November 1, 2006, the assignee is subject to and shall fully comply with all applicable regulations now or to be issued under the Outer Continental Shelf Lands Act, as amended (pursuant to 43 U.S.C. 1334(b) and 30 CFR 256.62).

If you have any questions, please call Elverlene Williams at (805) 389-7837

Lynnette L. Vesco

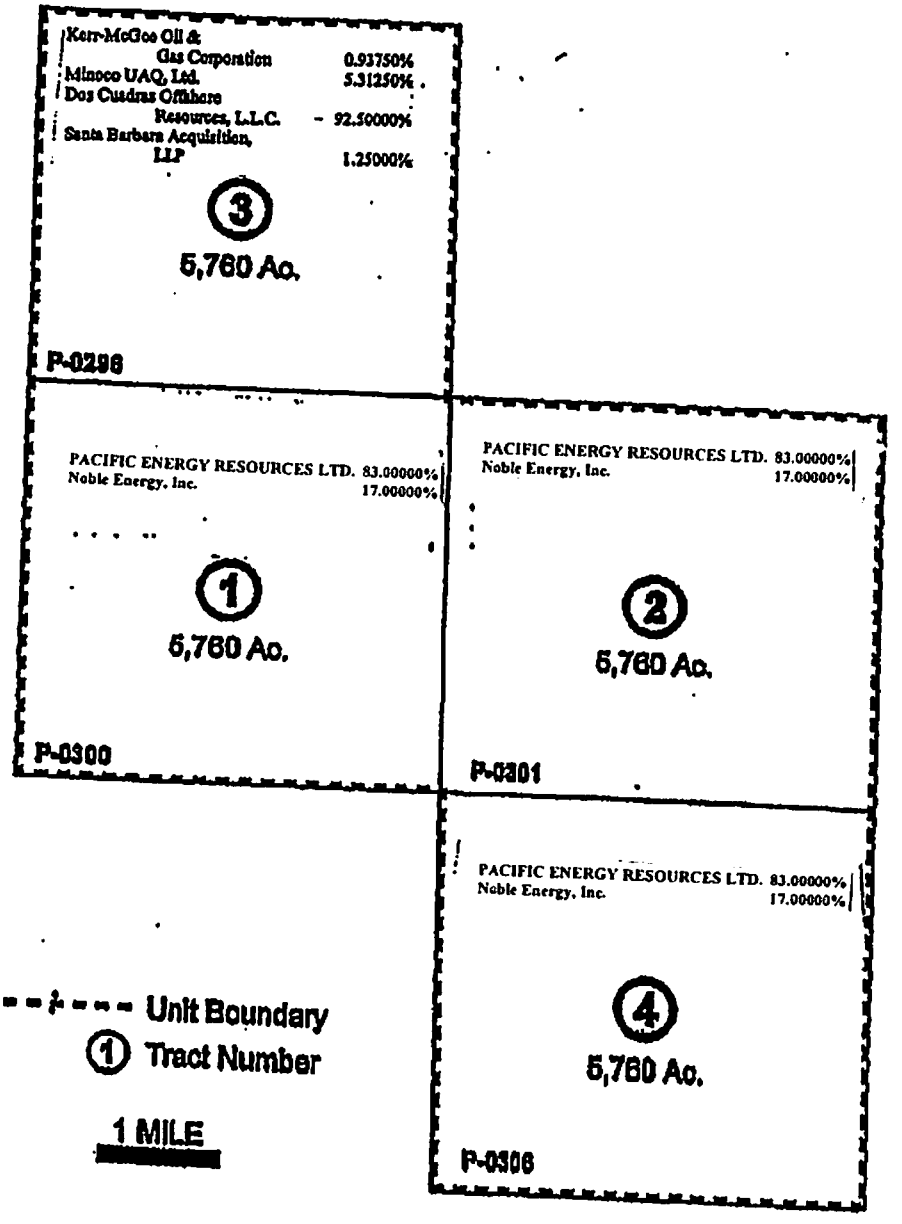
Lynnette L. Vesco, Chief
Office of Environmental Evaluation

Enclosures

EXHIBIT "A"

BETA UNIT AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests

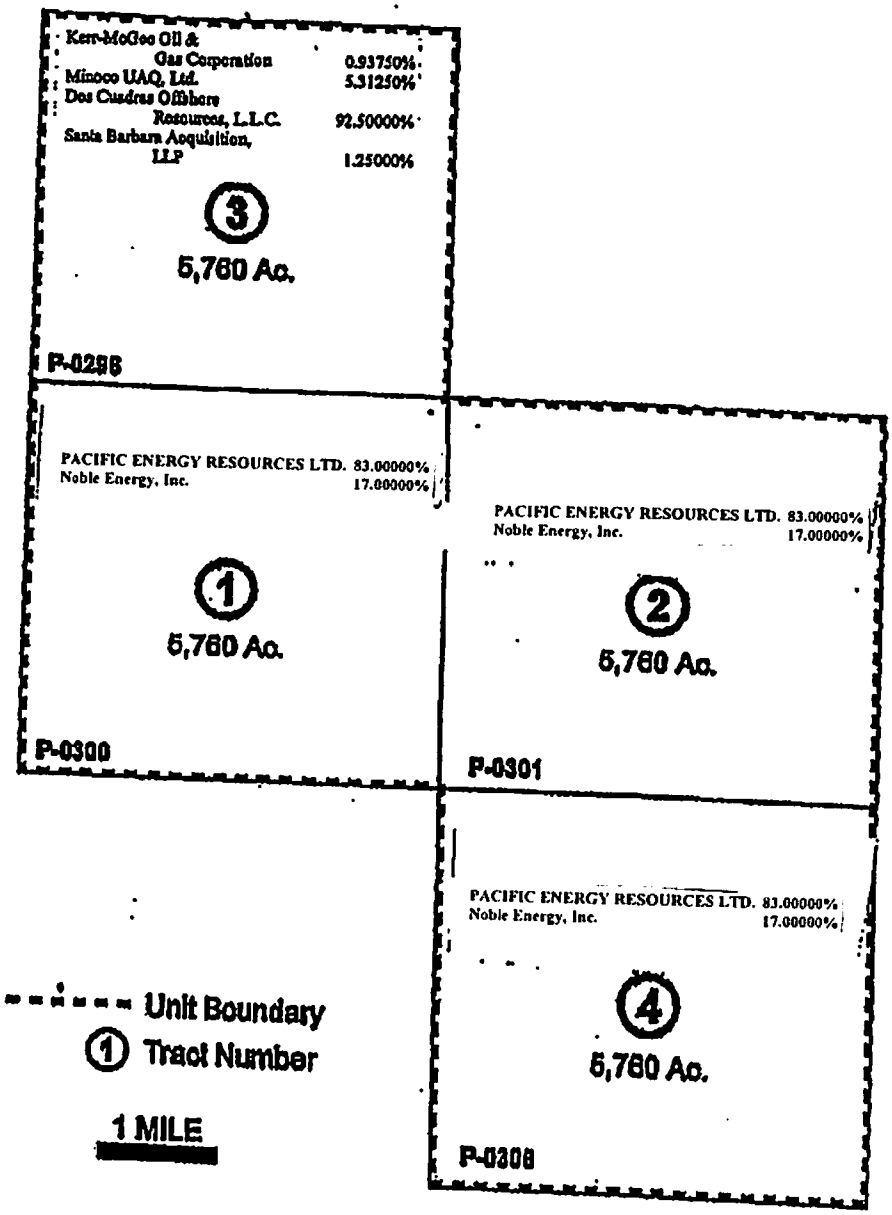


REVISED DATE: October 30, 2006
EFFECTIVE DATE: November 1, 2006

EXHIBIT "A"

BETA UNIT OPERATING AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests



REVISED DATE: October 30, 2006
EFFECTIVE DATE: November 1, 2006

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for Outer Continental Shelf Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Offshore California, effective April 15, 1983, in a form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder of Unit Agreement shall be effective as to the undersigned's interest in any lands and leases, or interest therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, its assigns or successors in interest.

Executed this 1ST day of ~~October~~ November, 2006

PACIFIC ENERGY RESOURCES LTD.

By: _____
Name: Vladimir Katic
Title: Chief Executive Officer

REVISED
EXHIBIT "B"
TO
BETA UNIT AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

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2	Block 33N 36W	5,760	OCS-P 0301	USA 33 1/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	
3	Block 34N 37W	5,760	OCS-P 0296	USA 33 1/3%	Kerr-McGee Oil and Gas Corporation Minoco UAQ, Ltd. Dos Cuadras Offshore Resources, L.L.C. Santa Barbara Acquisition, LLP	0.93750% 5.31250% 92.50000% 1.25000%	
4	Block 32N 36W	5,760	OCS-P 0306	USA 16 2/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	5.00% (1)
	TOTAL	23,040.00					

Beta Unit Agreement
Effective Date: November 1, 2006
Revised Date: October 30, 2006

(1) DCOR holds an overriding royalty interest equal to 5.00% of 8/8ths

REVISED
EXHIBIT "B"
TO
BETA UNIT OPERATING AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

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	TOTAL	23,040.00					

Beta Unit Operating Agreement
Effective Date: November 1, 2006
Revised Date: October 30, 2006

(1) DCOR holds an overriding royalty interest equal to 5.00% of 8/8ths

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Operating Agreement for Outer Continental Shelf Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Offshore California, effective August 1, 1982, in a form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Operating Agreement and ratifies, approves, adopts and confirms said Unit Operating Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder of Unit Operating Agreement shall be effective as to the undersigned's interest in any lands and leases, or interest therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Operating Agreement shall be binding upon the undersigned, its assigns or successors in interest.

Executed this 1st day of ~~October~~ November, 2006.

PACIFIC ENERGY RESOURCES LTD.

By: _____
Name: Vladimir Kaiic
Title: Chief Executive Officer

REVISED
EXHIBIT "B"
TO
BETA UNIT AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

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3	Block 34N 37W	5,760	OCS-P 0296	USA 33 1/3%	Kerr-McGee Oil and Gas Corporation Minoco UAQ, Ltd. Dos Cuadras Offshore Resources, L.L.C. Santa Barbara Acquisition, LLP	0.93750% 5.31250% 92.50000% 1.25000%	
4	Block 32N 36W	5,760	OCS-P 0306	USA 16 2/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	5.00% (1)
	TOTAL	23,040.00					

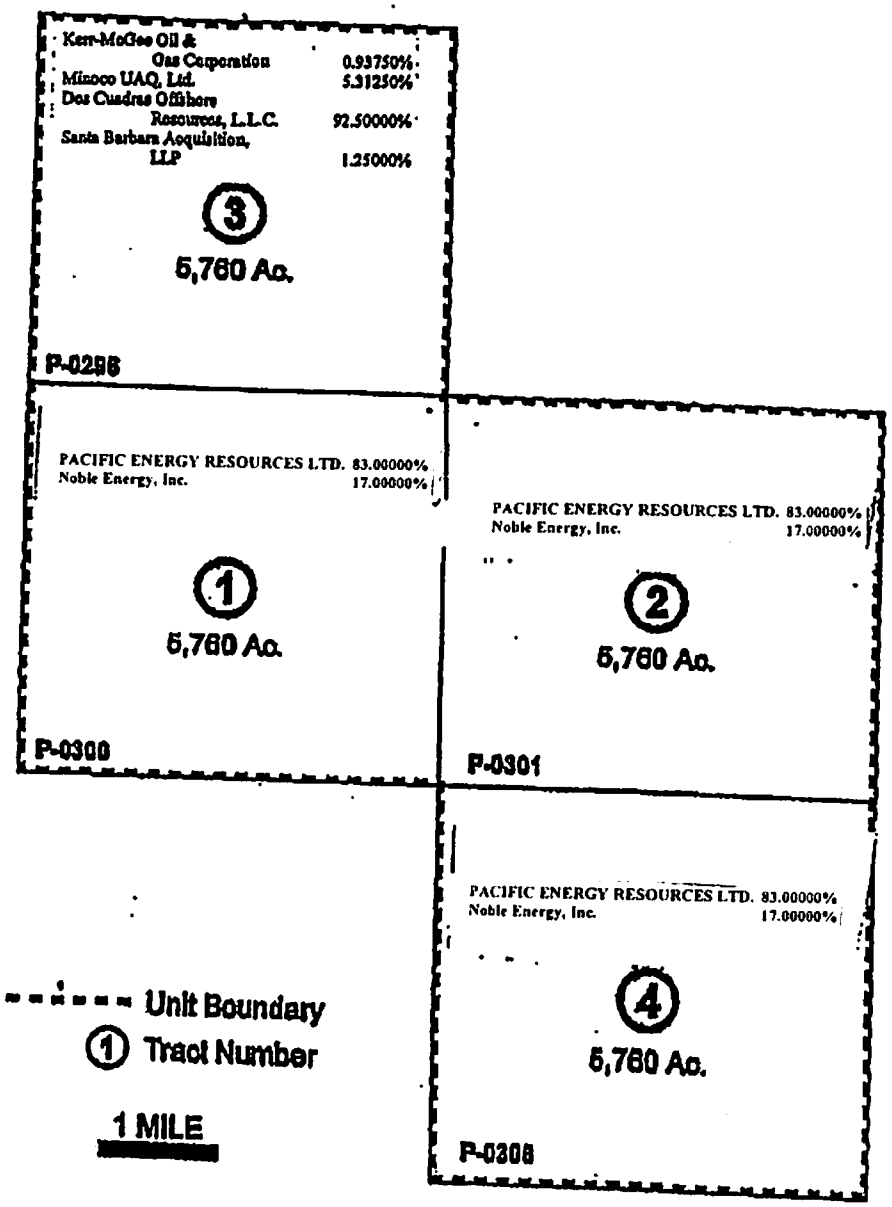
Beta Unit Agreement
Effective Date: November 1, 2006
Revised Date: October 30, 2006

(1) DCOR holds an overriding royalty interest equal to 5.00% of 8/8ths

EXHIBIT "A"

BETA UNIT OPERATING AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests

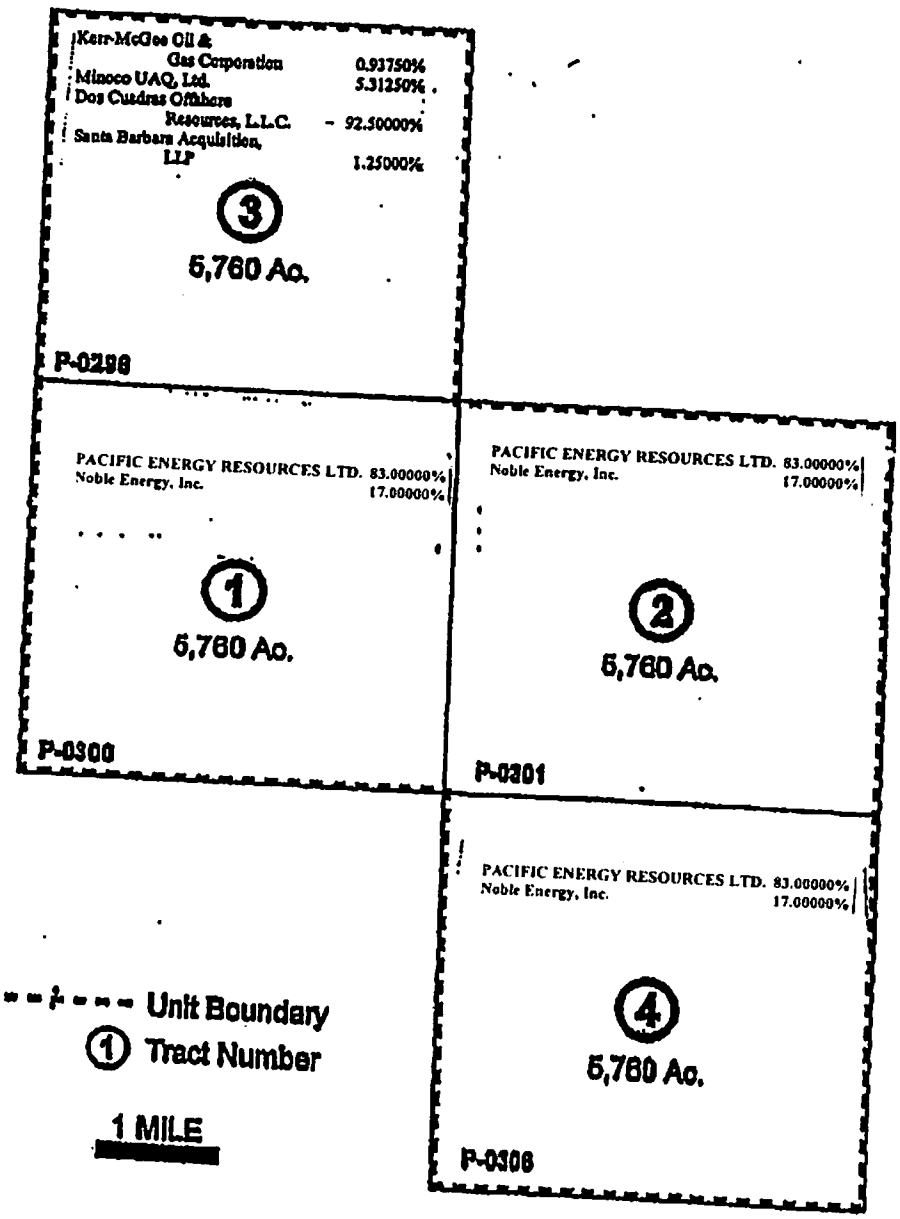


REVISED DATE: October 30, 2006
EFFECTIVE DATE: November 1, 2006

EXHIBIT "A"

BETA UNIT AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests



REVISED DATE: October 30, 2006
EFFECTIVE DATE: November 1, 2006

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for Outer Continental Shelf Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Offshore California, effective April 15, 1983, in a form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder of Unit Agreement shall be effective as to the undersigned's interest in any lands and leases, or interest therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, its assigns or successors in interest.

Executed this 15 day of ~~October,~~ November 2006

PACIFIC ENERGY RESOURCES LTD.

By: _____
Name: Vladimir Katic
Title: Chief Executive Officer

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Operating Agreement for Outer Continental Shelf Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Offshore California, effective August 1, 1982, in a form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Operating Agreement and ratifies, approves, adopts and confirms said Unit Operating Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder of Unit Operating Agreement shall be effective as to the undersigned's interest in any lands and leases, or interest therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Operating Agreement shall be binding upon the undersigned, its assigns or successors in interest.

Executed this 1st day of ~~October~~ November, 2006.

PACIFIC ENERGY RESOURCES LTD.

By: _____
Name: Vladimir Katic
Title: Chief Executive Officer

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7100

March 1, 2007

Mr. Vladimir Katic, Chairman & CEO
Pacific Energy Resources, LTD
111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

Re: Acceptance of Resignation of Unit Operator
Designation of Successor Unit Operator
Beta Unit, 14-08-0001-18481
Leases OCS-P 0296, 0300, 0301 and 0306
Offshore California

Dear Mr. Katic:

The Minerals Management Service received Aera Energy LLC ("Aera") letter of January 11, 2007, and the supporting documentation wherein, in accordance with Article V of the Beta Unit Agreement, Aera resigned as operator of the Beta Unit. Simultaneously, under the terms and conditions of Article VI of the Beta Unit Agreement, Pacific Energy Resources LTD (PERL) submitted to MMS appropriate documents, and has met all of MMS's regulatory requirements to become the successor unit operator of the Beta Unit.

In accordance with the terms of Article VI of the Beta Unit Agreement, MMS hereby approves Pacific Energy Resources LTD as successor Unit Operator. MMS hereby accepts Aera's resignation as Beta Unit Operator. Documents designating PERL as the Unit Operator have been signed and ratified by the current unit working interest owners. The current working interest owners have also provided ratifications of the Beta Unit Agreement and Unit Operating Agreement.

TAKE PRIDE® IN AMERICA

Copies of the approved unit operator documents will be attached to and made a part of the Beta Unit Agreement and Unit Operating Agreement. Resignation of Aera as Unit Operator of Beta Unit and designation of PERL as successor Unit Operator for the subject unit is effective March 1, 2007.

If you have any questions, please contact Mr. Allan Shareghi at (805) 389-7704 or his email at allan.shareghi@mms.gov

Sincerely,

Maher, M Ibrahim

for Drew A. Mayerson
Chief, Office of Reservoir Evaluation
and Production

Enclosure

cc: Mr. J.Chris Boyd(w/attachments)
Aera Energy LLC
10000 Ming Avenue
Bakersfield, CA 93311

Ms. Wendy Campbell (w/attachments)
Minerals Management Service/MRM
Building 85/Area A-A14
Denver Federal Center
Denver, CO 80225

Bcc: , Files:, 1703-02(a)(1) Beta Unit - General Corresp. (w/orig docs.)
1703-02(a)(1) Beta Unit Agreement (w/orig. docs.)
1703-02(a)(1) Beta Unit Operating Agreement (w/copy. docs.)

Chron (w/o copies.)

Ecc: C/DO (w/attachments)
C/EE (w/attachments)
C/FSE (w/attachments)
C/REP (w/attachments)
A. Shareghi (w/attachments)
E. Williams (w/attachments)

OREP:EAS DesPERL, Beta unit word doc 2/26/07

PROCEDURES FOR CHANGE OF OPERATOR FOR
AERA ENERGY, LLC AND
PACIFIC ENERGY RESOURCES LTD
BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296*
MARCH 1, 2007

The following list is a summary of the actions necessary to change to a new operator on producing leases and rights-of-way in the Pacific OCS Region. Step 2 needs to occur before MMS can process paperwork submitted under the remainder of the steps. Since change of operatorship can take several months, companies often choose to change ownership first. Steps 2 and 3 are required to change ownership, and lease/supplemental bonds are required for change of ownership if the remaining owners/operator do not meet MMS's bond requirements. Most steps can and should occur concurrently.

Action	MMS Contact	*Date Finalized*
1. New company notifies MMS that it would like to become an operator.	Nabil Masri Chief, OFSE 805.389.7581 nabil.masri@mms.gov	***February 2, 2006***
2. New company submits qualification paperwork. MMS qualifies the company to hold interest in leases, and approves list of officials authorized to sign on behalf of the company. Companies already qualified to hold interest in leases should ensure that individuals that will be signing documents are listed as authorized on their qualification card. (See 30 CFR 256.46.)	Elverlene Williams Mineral Leasing Specialist, OEE 805.389.7837 elverlene.williams@mms.gov	***October 14, 2005***

PROCEDURES FOR CHANGE OF OPERATOR FOR
AERA ENERGY, LLC AND
PACIFIC ENERGY RESOURCES LTD
BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296*
MARCH 1, 2007

3. New or original companies submit lease and right-of-way assignments and filing fees, if applicable. Officials recognized by MMS as authorized to sign for the companies must sign assignments. If the new company wishes to become an owner before it is approved as an operator, it must: 1) agree to the original operator by submitting Designation of Operator forms for each lease and right-of-way, and 2) submit Oil Spill Financial Responsibility paperwork to the MMS Gulf of Mexico Region Office to designate an existing applicant (see #15 for contact information). MMS sends lease assignments to the Department of Justice for antitrust review, and then approves the assignments. (See 30 CFR 256.62 to 256.68 for assignments and 30 CFR 250.1013 for rights-of-way.) ***6 record title assignments @ $170.00= $1,020*** ***Total = $1,020***	Elverlene Williams Mineral Leasing Specialist, OEE 805.389.7837 elverlene.williams@mms.gov	***March 1, 2007***

PROCEDURES FOR CHANGE OF OPERATOR FOR AERA ENERGY, LLC AND PACIFIC ENERGY RESOURCES LTD BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296* *MARCH 1, 2007*		
4. All companies holding interest in affected leases and rights-of-way agree to the new operator by submitting Designation of Operator for each lease, right-of-way, and pipeline. If the leases are in a unit, designation of a successor unit operator under step 13 replaces the requirement for Designation of Operator for each lease and pipeline. However, a Designation of Operator for each right-of-way is still required. Approval of the Designation of Operator is covered in Step 12. (See 30 CFR 250.143.) ***3 Designations @ 150.00 = $450.00*** ***1 Designation pipeline @ 150.00 = $150.00*** ***Total = $600.00***	Elverlene Williams Mineral Leasing Specialist, OEE 805.389.7837 elverlene.williams@mms.gov	***March 1, 2007***
5. New operator (or lease holders) submits lease bond or area-wide bond, and right-of-way bond (if applicable). (See 30 CFR 256.52, 256.54 & 250.1009.)	Elverlene Williams Mineral Leasing Specialist, OEE 805.389.7837 elverlene.williams@mms.gov	***March 1, 2007***

PROCEDURES FOR CHANGE OF OPERATOR FOR AERA ENERGY, LLC AND PACIFIC ENERGY RESOURCES LTD BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296* *MARCH 1, 2007*		
6. New operator submits audited financial statement and decommissioning cost estimate. MMS's Financial Responsibility Team (FRT) reviews financial and abandonment cost data and recommends to management whether a supplemental bond should be required. MMS prepares its own abandonment cost estimate and communicates any differences to the new operator to see if they can be reconciled. MMS notifies new operator of supplemental bond decision. (See 30 CFR 256.53 to 256.57.)	Fred White Team Leader, FRT Economist, OEE 805.389.7830 frederick.white@mms.gov	*May 3, 2006*
7. New operator (or lease holders) submits supplemental bond or other financial instruments acceptable to MMS, if required by MMS. (See 30 CFR 256.53 to 256.57.)	Fred White Team Leader, FRT Economist, OEE 805.389.7830 frederick.white@mms.gov	*N/A*
8. MMS reviews pipeline ownerships and operatorships to determine if new rights-of-way are needed, or existing ones should be terminated. MMS notifies new operator. New operator submits rights-of-way applications and filing fees, if needed. (See 30 CFR 250.1009 to 250.1014.)	Theresa Bell Petroleum Engineer, OFSE 805.389.7554 theresa.bell@mms.gov	*January 24, 2007*

PROCEDURES FOR CHANGE OF OPERATOR FOR AERA ENERGY, LLC AND PACIFIC ENERGY RESOURCES LTD BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296* *MARCH 1, 2007*		
9. New operator sends a letter to MMS certifying it is a member of an oil spill cooperative for the identified facilities, and certifying that it has the capability to respond, to the maximum extent practicable, to a worst case discharge or a substantial threat of such a discharge from the facilities (in lieu of providing a revised oil spill contingency plan). A letter or certificate from the oil spill cooperative documenting term of membership needs to be attached. (See 30 CFR 254.)	Craig Ogawa, Oil Spill Program Administrator OFSE 805.389.7569 craig.ogawa@mms.gov	***February 26, 2007***
10. New operator meets with MMS District Office. New operator supplies operational personnel qualification statements and discusses operatorship experience and safety history relevant to the OCS. (See 30 CFR 250.107.)	Rishi Tyagi Chief, ODO 805.389.7777 rishi.tyagi@mms.gov	***February 12, 2007***
11. MMS District Office reviews current operator's pending corrective actions, if any. Current operator resolves any problems, or provides schedule for correcting problems. MMS may run drills to determine if new operator is ready to assume operatorship. (See 30 CFR 250.130.)	Phil Schroeder District Manager, CDO 805.389.7560 phil.schroeder@mms.gov	***February 28, 2007***

PROCEDURES FOR CHANGE OF OPERATOR FOR
AERA ENERGY, LLC AND
PACIFIC ENERGY RESOURCES LTD
BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296*
MARCH 1, 2007

12. MMS approves the new lease or right-of-way operator. This approval is subject to the new operator abiding by and accepting all obligations and condition. If the lease is in a unit, this step is skipped, and the unit operator is approved in step 14. The change of operatorship is effective the date of MMS's approval letter. MMS must approve the designation of operator before the designated operator may begin operations. (See 30 CFR 250.143.)	Nabil Masri Chief, OFSE 805.389.7581 nabil.masri@mms.gov	***March 1, 2007***

PROCEDURES FOR CHANGE OF OPERATOR FOR
AERA ENERGY, LLC AND
PACIFIC ENERGY RESOURCES LTD
BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296*
MARCH 1, 2007

13. Operators request change in unit operator (and/or suboperator, if applicable). Operators provide the following to MMS, per the unit agreement and unit operating agreement: 1) Resignation of current unit operator; 2) Designation of successor unit operator by the working interest owners, evidenced by acceptance of the rights and obligations of the unit operator by the new operator and concurrence by all working interest owners, evidenced by signatures from authorized officials recognized by MMS; 3) Ratification and joinder of the Unit Agreement and Unit Operating Agreement by the new operator and any new working interest owners; and 4) Revision of appropriate unit agreement exhibits and unit operating agreement exhibits, if ownership has changed. (See 30 CFR 250.1300 to 1304.) If a suboperator change is needed, the requirements above apply to the suboperator change. ***Unitization Revision = $760.00***	Allan Shareghi Geologist, OREP 805.389.7704 allan.shareghi@mms.gov	***March 1, 2007***

PROCEDURES FOR CHANGE OF OPERATOR FOR AERA ENERGY, LLC AND PACIFIC ENERGY RESOURCES LTD BETA UNIT (OCS-P 0300, 0301 & 0306) AND 0296* *MARCH 1, 2007*		
14. MMS approves the new unit operator (and/or suboperator, if applicable). If all of the above steps 1-13 have been met, then MMS will provide: 1) Acceptance of resignation of current unit operator (and suboperator, if applicable); 2 Approval of the successor unit operator, and suboperator, if applicable), and 3) Approval of the unit agreement ratifications and exhibits. The change of operatorship can not be effective prior to the date of MMS's approval letter. (See 30 CFR 250.1300 to 1304.)	Drew Mayerson Chief, OREP 805.389.7707 drew.mayerson@mms.gov	***March 1, 2007***
15. Approved operator submits Oil Spill Financial Responsibility (OSFR) paperwork to the MMS Gulf of Mexico Region Office. New operator must designate an existing applicant (if it has not done so as a lessee) or submit a new application with themselves as the designated applicant within 15 days after approval by MMS. The MMS contact in the Gulf of Mexico Region is Pat Clancy, 504.736.2600. (See 30 CFR 253)	Craig Ogawa Oil Spill Program Administrator, OFSE 805.389.7569 craig.ogawa@mms.gov	***March 1, 2007***

California District Office	***CDO***
Office of District Operations	***ODO***
Office of Environmental Evaluation	***OEE***
Office of Facilities, Safety & Enforcement	***OFSE***
Office of Reservoir Evaluation & Production	***OREP***

****OCS-P 0296 is part of the unit but not included in this transfer.***

October 30, 2006

Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010

Attention: Mr. Drew Mayerson
Chief
Office of Reservoir Evaluation and Production

Re: Beta Unit, Offshore California - Designation of Successor Unit Operator

Dear Mr. Mayerson:

Under the terms and conditions of the Unit Operating Agreement for the Beta Unit this letter is to notify you that Aera Energy LLC has assigned all of its interest in leases OCS-P 0300, 0301 and 0306 to PACIFIC ENERGY RESOURCES LTD. and therefore, pursuant to the assignment of interest, PACIFIC ENERGY RESOURCES LTD. will become the Unit Operator of the Beta Unit. Simultaneously herewith, the working interest owners hereby designate PACIFIC ENERGY RESOURCES LTD., as the Successor Unit Operator in accordance with Article VI of the Unit Agreement.

Please find enclosed two (2) original documents evidencing the acceptance of the rights and obligations by PACIFIC ENERGY RESOURCES LTD. as Unit Operator.

PACIFIC ENERGY RESOURCES LTD., shall serve as Unit Operator effective upon the approval of the Chief, Office of Reservoir Evaluation and Production, Pacific OCS Region, Minerals Management Service.

Very truly yours,

PACIFIC ENERGY RESOURCES LTD.
By:
Name: Vladimir Katic
Title: Chief Executive Officer

ACCEPTANCE OF RIGHTS AND OBLIGATIONS OF THE UNIT OPERATOR

PACIFIC ENERGY RESOURCES LTD., a Delaware corporation, hereby accepts and assumes all rights and obligations as unit operator under the Beta Unit Agreement, Channel Islands Area, Offshore California, effective upon the approval of the Chief, Office of Reservoir Evaluation and Production, Pacific OCS Region, Minerals Management Service.

Dated: 11/21/06

Authorized Signature: _____

Name: Vladimir Katic

Title: Chief Executive Officer

Corporation: PACIFIC ENERGY RESOURCES LTD.

Subscribed and sworn before me on this ____ day of October, 2006

Notary Public: See attached

My Commission Expires: _____

CALIFORNIA JURAT WITH AFFIANT STATEMENT

State of California

County of Los Angeles } ss.

X See Attached Document (Notary to cross out lines 1–6 below)
See Statement Below (Lines 1–5 to be completed only by document signer[s], *not* Notary)

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

Subscribed and sworn to (or affirmed) before me on this

21st (Date) day of November (Month), 2006 (Year), by

(1) Vladimir Katic (Name of Signer),

CHERYL NAGAI
Commission # 1565519
Notary Public - California
Los Angeles County
My Comm. Expires Apr 26, 2009

X Personally known to me
X Proved to me on the basis of satisfactory evidence to be the person who appeared before me (.) (.)

(and

(2) _____ (Name of Signer),

Personally known to me
Proved to me on the basis of satisfactory evidence to be the person who appeared before me.)

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

RIGHT THUMBPRINT OF SIGNER #1	RIGHT THUMBPRINT OF SIGNER #2
Top of thumb here	Top of thumb here

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UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT OPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is a working interest owner of:

Unit Name: Beta Unit
Unit Agreement No.: 14-08-0001-18481
Regional Office: Pacific OCS Region

and hereby designates

Name: PACIFIC ENERGY RESOURCES LTD.
Address: 111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to the aforementioned unit.

It is understood that this designation of operator does not relieve the working interest owner of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of operator does not constitute an assignment of any interest in the unit. The unit operator will submit plans of operations and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated operator, the working interest owner will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or his representative.

The working interest owner will notify the Regional Manager promptly of any change in the designated operator.

1/26/07
(Date)

SWEPI LP
(Working Interest Owner)
By: B. O. Eubanks
Name: B. O. Eubanks
Title: Attorney-in-Fact

017.3009a.2463.betaunitSWEPI

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT OPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is a working interest owner of:

Unit Name: Beta Unit
Unit Agreement No.: 14-08-0001-18481
Regional Office: Pacific OCS Region

and hereby designates

Name: PACIFIC ENERGY RESOURCES LTD.
Address: 111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to the aforementioned unit.

It is understood that this designation of operator does not relieve the working interest owner of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of operator does not constitute an assignment of any interest in the unit. The unit operator will submit plans of operations and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated operator, the working interest owner will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or his representative.

The working interest owner will notify the Regional Manager promptly of any change in the designated operator.

2/8/07
(Date)

Santa Barbara Acquisition, LLP
(Working Interest Owner)

By: [signature]
Name: [illegible]
Title: [illegible]

017.3107a.2463.doounisanta

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT OPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is a working interest owner of:

Unit Name: Beta Unit
Unit Agreement No.: 14-08-0001-18481
Regional Office: Pacific OCS Region

and hereby designates

Name: PACIFIC ENERGY RESOURCES LTD.
Address: 111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to the aforementioned unit.

It is understood that this designation of operator does not relieve the working interest owner of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of operator does not constitute an assignment of any interest in the unit. The unit operator will submit plans of operations and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated operator, the working interest owner will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or his representative.

The working interest owner will notify the Regional Manager promptly of any change in the designated operator.

1/20/07
(Date)

Minoco UAQ, Ltd.
(Working Interest Owner)

By: [signature] Vice Pres. Prop Mgt Co
Name: MYRON NEUGEBOREN
Title: Managing Agent

017.3007a.2463.betatunitminoco

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT OPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is a working interest owner of:

Unit Name: Beta Unit
Unit Agreement No.: 14-08-0001-18481
Regional Office: Pacific OCS Region

and hereby designates

Name: PACIFIC ENERGY RESOURCES LTD.
Address: 111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to the aforementioned unit.

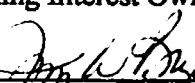
It is understood that this designation of operator does not relieve the working interest owner of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of operator does not constitute an assignment of any interest in the unit. The unit operator will submit plans of operations and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated operator, the working interest owner will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or his representative.

The working interest owner will notify the Regional Manager promptly of any change in the designated operator.

2/7/07
(Date)

Kerr-McGee Oil and Gas Corporation
(Working Interest Owner)

By: 
Name: Jim W. Bryan
Title: Attorney-in-Fact

017.3006a.2463.betatunitdookerrmcgee

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT OPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is a working interest owner of:

Unit Name: Beta Unit
Unit Agreement No.: 14-08-0001-18481
Regional Office: Pacific OCS Region

and hereby designates

Name: PACIFIC ENERGY RESOURCES LTD.
Address: 111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to the aforementioned unit.

It is understood that this designation of operator does not relieve the working interest owner of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of operator does not constitute an assignment of any interest in the unit. The unit operator will submit plans of operations and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated operator, the working interest owner will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or his representative.

The working interest owner will notify the Regional Manager promptly of any change in the designated operator.

January 19, 2007
(Date)

Noble Energy, Inc. (LA 02237)
(Working Interest Owner)

By: David L. Stover
Name: David L. Stover
Title: Senior Vice President

017.3008a.2463.betatunitnoble

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT OPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is a working interest owner of:

Unit Name: Beta Unit
Unit Agreement No.: 14-08-0001-18481
Regional Office: Pacific OCS Region

and hereby designates

Name: PACIFIC ENERGY RESOURCES LTD.
Address: 111 West Ocean Boulevard, Suite 1240
Long Beach, California 90802

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to the aforementioned unit.

It is understood that this designation of operator does not relieve the working interest owner of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of operator does not constitute an assignment of any interest in the unit. The unit operator will submit plans of operations and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated operator, the working interest owner will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or his representative.

The working interest owner will notify the Regional Manager promptly of any change in the designated operator.

February 20, 2007
(Date)

Dos Cuadras Offshore Resources, L.L.C.
(Working Interest Owner)

By: Andrew L. Prestridge
Name: Andrew L. Prestridge
Title: President

017.3005a.2463.bctatunitdoo

REVISED
EXHIBIT "B"
TO
BETA UNIT OPERATING AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

Tract No.	Description of Lands in the Unit Area	Number of Acres	U.S.A. Lease Serial Number	Basic Royalty Ownership	Lessees of Record	Lessee Interests	ORR & Net Profits
1	Block 33N 37W	5,760	OCS-P 0300	USA 33 1/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	
2	Block 33N 36W	5,760	OCS-P 0301	USA 33 1/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	
3	Block 34N 37W	5,760	OCS-P 0296	USA 33 1/3%	Kerr-McGee Oil and Gas Corporation Minoco UAQ, Ltd. Dos Cuadras Offshore Resources, L.L.C. Santa Barbara Acquisition, LLP	0.93750% 5.31250% 92.50000% 1.25000%	
4	Block 32N 36W	5,760	OCS-P 0306	USA 16 2/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	5.00% (1)
	TOTAL	23,040.00					

Beta Unit Operating Agreement
Effective Date: November 1, 2006
Revised Date: October 30, 2006

(1) DCOR holds an overriding royalty interest equal to 5.00% of 8/8ths

REVISED
EXHIBIT "B"
TO
BETA UNIT AGREEMENT
OUTER CONTINENTAL SHELF, CALIFORNIA

OWNERSHIP OF OIL AND GAS LEASE INTERESTS

Tract No.	Description of Lands in the Unit Area	Number of Acres	U.S.A. Lease Serial Number	Basic Royalty Ownership	Lessees of Record	Lessee Interests	ORR & Net Profits
1	Block 33N 37W	5,760	OCS-P 0300	USA 33 1/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	
2	Block 33N 36W	5,760	OCS-P 0301	USA 33 1/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	
3	Block 34N 37W	5,760	OCS-P 0296	USA 33 1/3%	Kerr-McGee Oil and Gas Corporation Minoco UAQ, Ltd. Dos Cuadras Offshore Resources, L.L.C. Santa Barbara Acquisition, LLP	0.93750% 5.31250% 92.50000% 1.25000%	
4	Block 32N 36W	5,760	OCS-P 0306	USA 16 2/3%	PACIFIC ENERGY RESOURCES LTD. Noble Energy, Inc.	83.00000% 17.00000%	5.00% (1)
	TOTAL	23,040.00					

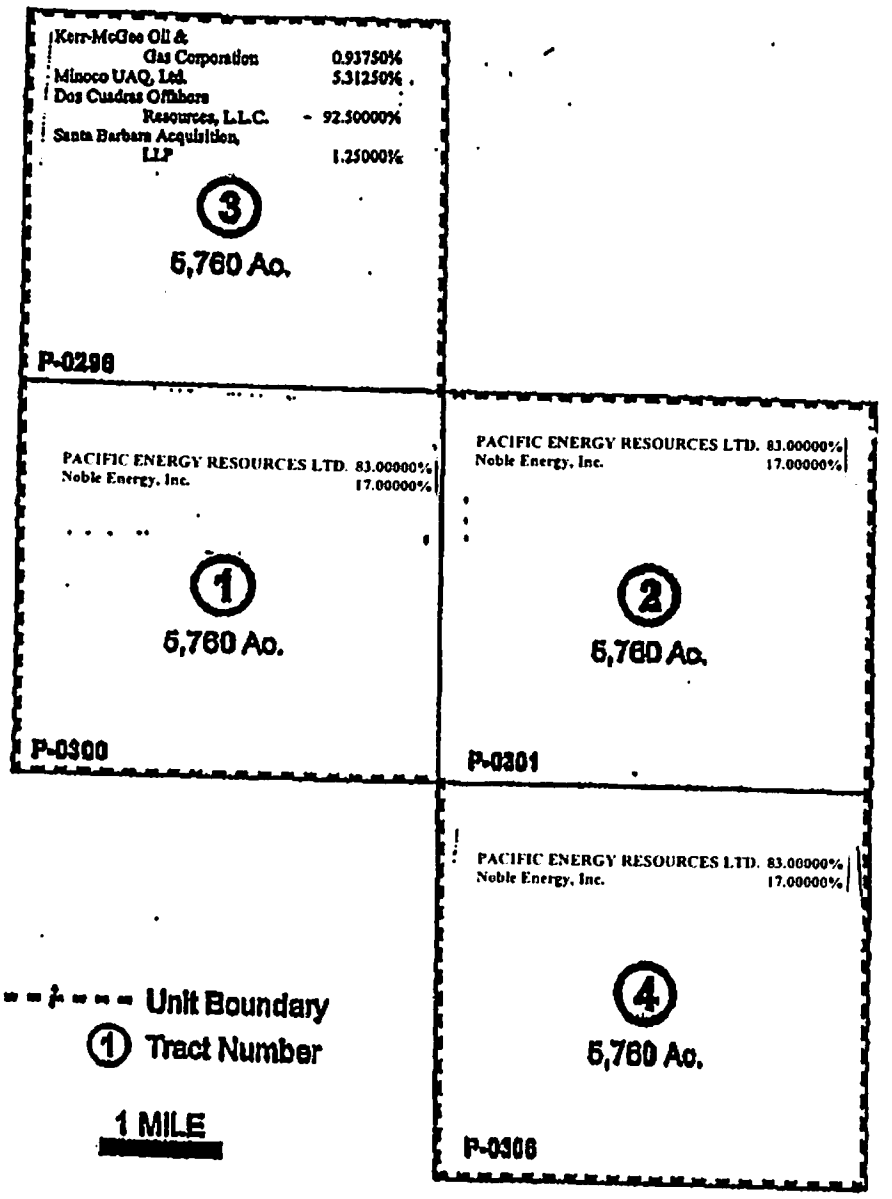
Beta Unit Agreement
Effective Date: November 1, 2006
Revised Date: October 30, 2006

(1) DCOR holds an overriding royalty interest equal to 5.00% of 8/8ths

EXHIBIT "A"

BETA UNIT AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests

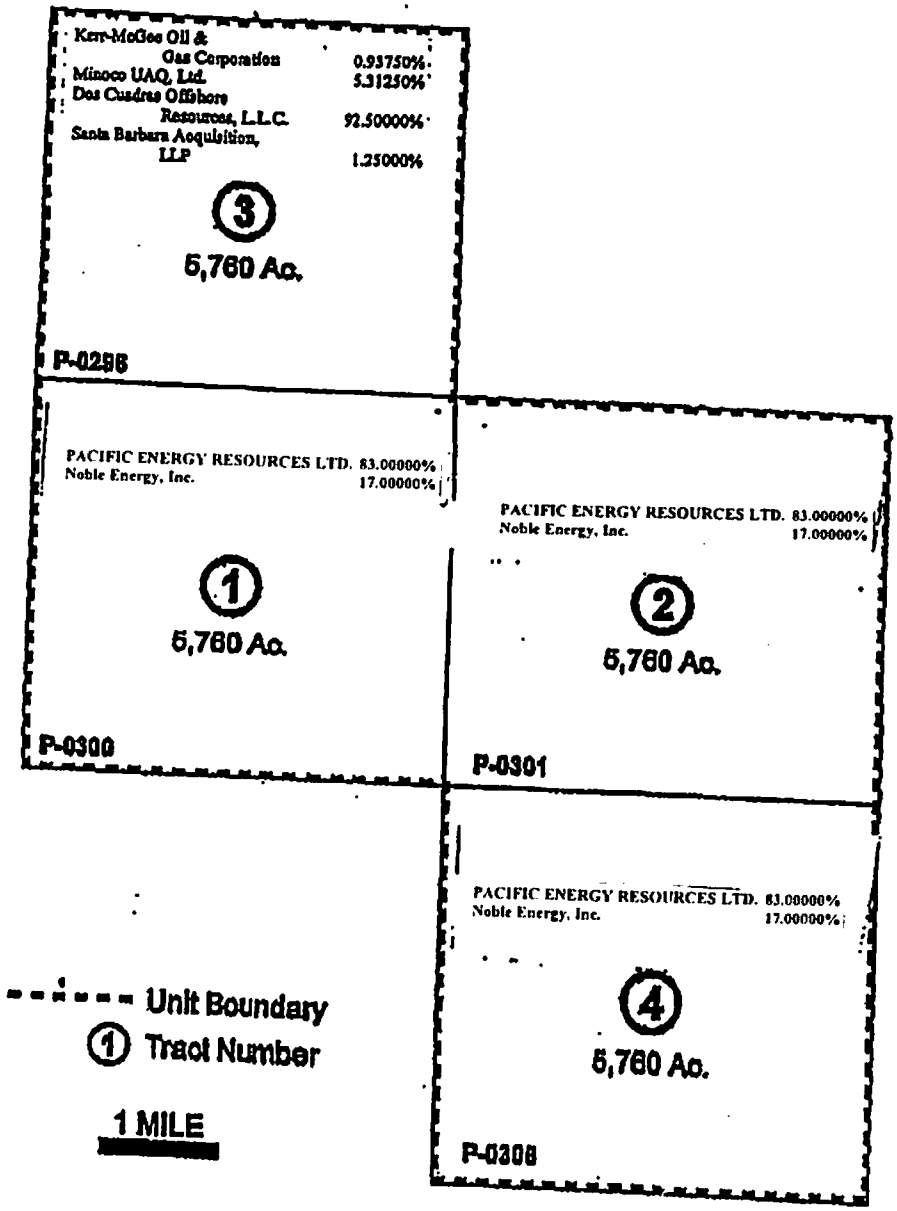


REVISED DATE: October 30, 2006
EFFECTIVE DATE: November 1, 2006

EXHIBIT "A"

BETA UNIT OPERATING AGREEMENT

Outer Continental Shelf, California
Ownership of Oil and Gas Interests



REVISED DATE: October 30, 2006
EFFECTIVE DATE: November 1, 2006

UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

Unitization Revision

*MMS Region	○ GOM ◉ PAC ○ AK	
*Contact Name	Joan (First Name)	Seelman (Last Name)
*Phone Number	(504) 585-7800	
*Unit Operator (Company) Name	Pacific Energy Resources Ltd.	
*MMS Company Number	02839	
Unit Name	Beta Unit	
Unit Number	14-08-0001-18481	
*Total Payment Amount	$760.00	
*Select Payment Type	◉ Credit Card ○ ACH Debit	

Submit Data

PDF Preview | Reset

It may take several minutes to process the form. Please be patient.

Note: Please avoid navigating the site using your browser's Back Button - this may lead to incomplete data being transmitted and pages being loaded incorrectly. Please use the links provided whenever possible.

Online Payment

Step 3: Confirm Payment

1 | 2 | **3**

Thank you.
Your transaction has been successfully completed.

Pay.gov Tracking Information

Application Name: Unitization Revision - XUR
Pay.gov Tracking ID: 24U202JO
Agency Tracking ID: 74023176826
Transaction Date and Time: 12/08/2006 15:12 EST

Payment Summary

Address Information

Account Holder Name: Joan G. Seelman
Billing Address: 1100 Poydras St.
Billing Address 2: Suite 1800
City: New Orleans
State / Province: LA
Zip / Postal Code: 70163
Country: USA

Account Information

Card Type: Visa
Card Number: **********4895
Expiration Date: 4 / 2007

Payment Information

Payment Amount: $760.00
Transaction Date and Time: 12/08/2006 15:12 EST

Seelman, Joan G.

From: paygovadmin@mail.doc.twai.gov
Sent: Friday, December 08, 2006 2:12 PM
To: Seelman, Joan G.
Subject: Pay.Gov Payment Confirmation

THIS IS AN AUTOMATED MESSAGE. PLEASE DO NOT REPLY.

Your transaction has been successfully completed.

Payment Summary

Application Name: Unitization Revision - XUR Pay.gov Tracking ID: 24U202JO Payment Agency Tracking ID: 74023176826

Cardholder Name: Joan G. Seelman
Cardholder Address: 1100 Poydras St.
Suite 1800
Cardholder City: New Orleans
Cardholder State: LA
Cardholder Country: USA
Cardholder Zip Code: 70163
Card Type: Visa
Payment Amount: $760.00
Transaction Date: Dec 8, 2006 3:12:13 PM

Region: Pacific
Contact: Joan Seelman (504) 585-7800
Company-CompanyNo: Pacific Energy Resources Ltd. 02839 Unit-Unit No: Beta Unit, 14-08-0001-18481

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010-6064

7300

MAR -1 2007

DECISION

Aera Energy LLC
SWEPI LP

Leases OCS-P 0300, 0301 and 0306

Assignors

Pacific Energy Resources LTD

Assignee

ASSIGNMENTS APPROVED

On December 11, 2006, assignments were filed whereby Aera Energy LLC and SWEPI LP assigned all of their interest in leases OCS-P 0300, 0301 and 0306 to Pacific Energy Resources LTD. Record title interest previously held and the resulting ownership are as follows:

OCS-P 0300 — All Block 33N 37W, OCS Official Leasing Map, Channel Islands Area Map 6C

	Prior Status	Resulting Status
Pacific Energy Resources LTD	-0-	83.00000%
Noble Energy, Inc.	17.00000%	17.00000%
Aera Energy LLC	71.00000%	-0-
SWEPI LP	12.00000%	-0-

OCS-P 0301 — All Block 33N 36W, OCS Official Leasing Map, Channel Islands Area Map 6C

	Prior Status	Resulting Status
Pacific Energy Resources LTD	-0-	83.00000%
Noble Energy, Inc.	17.00000%	17.00000%
Aera Energy LLC	71.00000%	-0-
SWEPI LP	12.00000%	-0-

TAKE PRIDE IN AMERICA

OCS-P 0306 All Block 32N 36W, OCS Official Leasing Map, Channel Islands Area Map 6C

	Prior Status	Resulting Status
Pacific Energy Resources LTD	-0-	83.00000%
Noble Energy, Inc.	17.00000%	17.00000%
Aera Energy LLC	71.00000%	-0-
SWEPI LP	12.00000%	-0-

These leases are under an existing Net Revenue Share (NRS) royalty relief agreement; the NRS arrangement continues for the life of the leases. There is a provision in the agreement, dated March 29, 1996, that states if Leases OCS-P 0300 and OCS-P 0301 in the Beta Unit are assigned and/or change operatorship, the NRS relief arrangement is subject to MMS review and re-approval. We hereby extend the existing arrangement for twelve months from the assignment approval date. However, we will review the operator's first twelve months of operating cost data and field development actions taken by the operator, and will notify you in writing of our decision for changes/adjustments in the agreement. A copy of the existing agreement and guidelines for administration of royalty relief on these leases are enclosed for reference.

Upon approval of these assignments, effective November 1, 2006, the assignee is subject to and shall fully comply with all applicable regulations now or to be issued under the Outer Continental Shelf Lands Act, as amended (pursuant to 43 U.S.C. 1334(b) and 30 CFR 256.62).

If you have any questions, please call Elverlene Williams at (805) 389-7837

Lynnette L. Vesco

Lynnette L. Vesco, Chief
Office of Environmental Evaluation

Enclosures

RATIFICATION AND JOINDER OF UNIT AGREEMENT

In consideration of the execution of the Unit Agreement for Outer Continental Shelf Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Offshore California, effective April 15, 1983, in a form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Agreement and ratifies, approves, adopts and confirms said Unit Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder of Unit Agreement shall be effective as to the undersigned's interest in any lands and leases, or interest therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Agreement shall be binding upon the undersigned, its assigns or successors in interest.

Executed this 1st day of ~~October~~ November, 2006

PACIFIC ENERGY RESOURCES LTD.

By: _____
Name: Vladimir Katic
Title: Chief Executive Officer

RATIFICATION AND JOINDER OF UNIT OPERATING AGREEMENT

In consideration of the execution of the Unit Operating Agreement for Outer Continental Shelf Exploration, Development, and Production Operations on the Beta Unit, San Pedro Bay Area, Offshore California, effective August 1, 1982, in a form approved on behalf of the Secretary of the Interior, the undersigned hereby expressly joins said Unit Operating Agreement and ratifies, approves, adopts and confirms said Unit Operating Agreement as fully as though the undersigned had executed the original agreement.

This Ratification and Joinder of Unit Operating Agreement shall be effective as to the undersigned's interest in any lands and leases, or interest therein, and royalties presently held or which may arise under existing option agreements or other interests in unitized substances, covering any lands within the Unit Area in which the undersigned may be found to have an oil or gas interest.

This Ratification and Joinder of Unit Operating Agreement shall be binding upon the undersigned, its assigns or successors in interest.

Executed this 1st day of ~~October~~ November, 2006.

PACIFIC ENERGY RESOURCES LTD.

By: _____
Name: Vladimir Katic
Title: Chief Executive Officer

PACIFIC ENERGY

November 13, 2006

U.S. Department of the Interior
Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010

Attention: Ms. Elverlene Williams

Re: Letter of Authorization

Dear Ms. Williams:

In connection with the proposed acquisition of interests in and to the Beta Unit by Pacific Energy Resources Ltd ("PERL") from Aera Energy LLC, SWEPI LP, and Noble Energy, Inc., please be advised that Anthony C. Marino of the law firm of Schully, Roberts, Slattery & Marino is authorized to act on our behalf for all purposes to discuss and coordinate the filing all assignments of record title, operating rights, overriding royalty or other interests, all qualification documents, certificates, bonds and other compliance documents which may be required to be filed in your office. Mr. Marino is authorized to satisfy all MMS requirements necessary and appropriate to obtain approval by the MMS of the documents to consummate proposed transaction.

Should you have any questions concerning this matter, do not hesitate to contact me at (562) 436-6566.

Very truly yours,

By:_____
Vladimir Katic
Chief Executive Officer

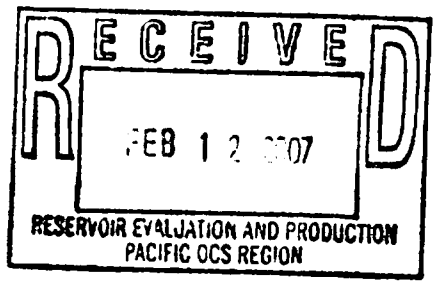
1065 West Pier E Street, Long Beach CA 90802
P: 562 436 6566 F 562 436 8474

AERA

Via Overnight Mail

February 9, 2007

Ms. Elverlene Williams
Minerals Management Service
770 Paseo Camarillo
Camarillo, CA 93010



Dear Elverlene:

MMS Regulatory Documents
Proposed Sale of Beta from Aera to Pacific Energy
Pacific OCS – Offshore California

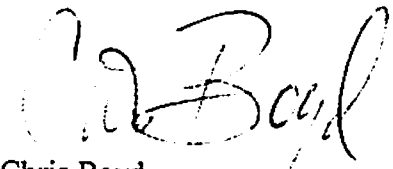
As we discussed in yesterday's meeting, I have enclosed for your further handling the following original documents:

1. Letter to Drew Mayerson where Aera Energy LLC ("Aera") resigns as Unit Operator for the Beta Unit.
2. Letter to Drew Mayerson where Pacific Energy Resources Ltd. ("PERL") accepts the rights and obligations as Unit Operator for the Beta Unit, with attachment evidencing PERL's Acceptance of Rights and Obligations of the Unit Operator (one notarized original).
3. PERL's Ratification and Joinder of the Unit Operating Agreement (four originals).
4. PERL's Ratification and Joinder of the Unit Agreement (four originals).
5. Exhibit "A" showing updated changes to Beta Unit Operating Agreement (four originals).
6. Exhibit "B" showing updated changes to Beta Unit Operating Agreement (four originals).
7. Exhibit "A" showing updated changes to Beta Unit Agreement (four originals).
8. Exhibit "B" showing updated changes to Beta Unit Agreement (four originals).
9. PERL acceptance letter as Unit Operator (one original).

I believe that all of these originals are required by the MMS Unitization Section. Please deliver them as required. I will be sending you for the Unitization Section originals of the Designation of Unit Operator form signed by all Beta Unit co-owners as soon as I get all of those signatures in. Tony Marino will be sending you the Designation of Unit Suboperator form signed by PERL.

If you need anything else from Aera, please don't hesitate to contact me at (661) 665-5330.

Very truly yours,



Chris Boyd
Strategic Development Group

Attachments

Cc: (w/copies of each, plus OSFR originals forms 1016, 1021, 1022, plus Designation of Suboperator letter from PERL that needs its attachment.)
Tony Marino – Schully, Roberts, Slattery & Marino

7100

March 22, 2005

Mr. Andrew L. Prestridge, Vice President
Dos Cuadras Offshore Resources, LLC
Suite 750
8750 N. Central Expressway
Dallas, Texas 75231

Re: Designation of Suboperator
Beta Unit, 14-08-0001-18481
Lease OCS-P 0296
Offshore California

Dear Mr.Prestridge:

Reference is made to Plains Exploration & Production Company's (PXP) letter of December 20, 2004, wherein PXP resigned as the Suboperator of the Beta Unit for Lease OCS-P 0296. Simultaneously, Dos Cuadras Offshore Resources, LLC ("DCOR") provided documentation required by the Minerals Management Service (MMS) in order to become Suboperator for the Beta Unit, for this lease, pursuant to the Unit Operating Agreement.

We have received Aera Energy LLC's Designation of Unit Suboperator dated March 7, 2005, designating DCOR as the Beta Unit Suboperator. The other working interest owners in the Lease OCS-P 0296, Minoco UAQ, Ltd, and Kerr McGee Oil and Gas Corporation also submitted Designations of Unit Suboperator dated March 9, 2005, designating DCOR as the Unit Suboperator for Lease OCS-P 0296 in the Beta Unit. Aera as operator of the Beta Unit is clarifying your responsibilities and authority in their behalf in complying with the terms of the Beta Unit Agreement, laws, and regulations applicable to the area.

We hereby approve the delegation of responsibility from PXP to DCOR as Beta Unit Suboperator for Lease OCS-P 0296, effective March 22, 2005.

If you have any questions, please contact Mr. Allan Shareghi at (805) 389-7704.

Sincerely,

Original signed by
Michael Brickey
Mike Brickey
Acting Chief, Office of Reservoir
Evaluation and Production

cc: Mr. David Christian
Kerr McGee Oil and Gas Corporation
Kerr McGee Center
Oklahoma City, OK 73125

Mr. Myron Neugeboren
Minoco UAQ, Ltd.
P.O. Box 1410
Lakeville, CT 06039

Mr. Terry Enders
Aera Energy LLC
10000 Ming Avenue
Bakersfield, CA 93311

Mr. Steve Rusch
Plains Exploration & Production Company
5640 South Fairfax Avenue
Los Angeles CA 90056

Ms. Wendy Campbell (w/copies docs.)
Minerals Management Service/MRM
MS 375B1, Room A-614, Document Processing
Building 85, Denver Federal Center
Denver, CO 80225

Bcc: File: 1703-02(a)(1) Beta Unit-General-Corresp.(w/orig.docs.)
1703-02(a)(1) Beta Unit Agreement-(w/orig. docs.)
1703-02(a)(1) Beta Unit Operating Agreement-(w/copies docs)

	Chron	(w/o copies)
Ecc:	DRM	(w/o copies)
	C/DO	(w/o copies)
	C/EE	(w/o copies)
	C/FSE	(w/o copies)
	C/REP	(w/o copies)
	A. Shareghi	(w/copies)
	E. Williams	(w/o copies)

OREP:EAS Design.suboperator Beta word doc. 3/22/05

DOS CUADRAS OFFSHORE RESOURCES, LLC
Suite 750
8750 N. Central Expressway
Dallas, Texas 75231
Phone: 214-361-5539 • Fax: 214-361-4050

March 7, 2005

Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, CA 93010
Attn: Ms. Joan Barminski
Chief, Office of Reservoir Evaluation and Production

Re: Notice of Acceptance of Appointment as Unit Sub-Operator, Beta Unit

This letter acknowledges the resignation of Plains Exploration and Production Company as Unit Sub-Operator of the Beta Unit. This letter also confirms the acceptance by Dos Cuadras Offshore Resources, LLC ("DCOR") as the Successor Unit Sub-Operator for the Beta Unit. This letter will confirm the DCOR ratifies and joins the Unit Agreement and Unit Operating Agreement for the Beta Unit, and hereby accepts the rights and obligations accorded to it as Unit Sub-Operator in those two agreements.

Sincerely,

DOS CUADRAS OFFSHORE
RESOURCES, LLC

Andrew L. Prestridge
Vice President

PXP

Plains Exploration & Production Company

December 20, 2004

Minerals Management Service
Pacific OCS Region
770 Paseo Camarillo
Camarillo, California 93010
Attention: Ms. Joan R. Barminski
Chief
Office of Reservoir Evaluation and Production

Re: Notice of Resignation of Unit Suboperator
For the Beta Unit

Dear Ms. Barminski:

This letter is to notify you that Plains Exploration & Production Company, in accordance with the Unit Operating Agreement, hereby resigns as the Unit Suboperator of the Beta Unit. Simultaneously herewith, we submit all of the appropriate regulatory documents wherein Dos Cuadras Offshore Resources, L.L.C. will become the Successor Unit Suboperator for this unit.

The resignation of Plains Exploration & Production Company as Unit Suboperator and the designation of Dos Cuadras Offshore Resources, L.L.C., as Successor Unit Suboperator is to be effective upon the approval of the Chief, Office of Reservoir Evaluation and Production, Pacific OCS Region, Minerals Management Service.

Very truly yours,
Plains Exploration & Production Company

By: _____
Name: John F. Wombwell
Title: Executive Vice President, General Counsel
and Secretary

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator and/or a working interest owner of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit. The unit operator will submit, on behalf of the unit suboperator, plans of operation and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/7/05
(Date)

Dos Cuadras Offshore Resources, L.L.C.
(Name)
Andrew L. Preston
(Authorized Signature)
Name: ANDREW L. PRESTRIDGE
Title: VICE PRESIDENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

(Date)

Area Energy LLC
(Name)

(Authorized Signature)
Name: T. E. Enders
Title: Attorney-in-Fact

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator and/or a working interest owner of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit. The unit operator will submit, on behalf of the unit suboperator, plans of operation and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/9/05
(Date)

Kerr McGee Oil and Gas Corporation
(Name)
Jim W. Bryan
(Authorized Signature)
Name: Jim W. Bryan
Title: Attorney-in-Fact

UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

DESIGNATION OF UNIT SUBOPERATOR

The undersigned identified below, on the records of the Minerals Management Service, is the unit operator and/or a working interest owner of:

Unit Name : Beta Unit
Unit Agreement No. : 14-08-0001-18481
Regional Office : Pacific OCS Region

and hereby designates

Name : Dos Cuadras Offshore Resources, L.L.C.
Address : 5201 Truxtun Avenue, Suite 120
Bakersfield, CA 93309

As their suboperator and local agent, with full authority to act in their behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the Regional Manager or authorized representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to: (describe block or aliquot portion to which this designation is applicable)

All of Block 34N 37W, Official Leasing Map, Channel Islands Area Map No. 6C (OCS-P 0296)

It is understood that this designation of suboperator does not relieve the unit operator of responsibility for compliance with the terms of the Unit Agreement, laws, and regulations applicable to the area. It is also understood that this designation of suboperator does not constitute an assignment of any interest in the unit. The unit operator will submit, on behalf of the unit suboperator, plans of operation and other documents or reports required under the terms of the Unit Agreement.

In case of default on the part of the designated suboperator, the unit operator will make full and prompt compliance with all regulations, Unit Agreement, or orders of the Secretary of the Interior or authorized representative.

The unit operator will notify the Regional Manager promptly of any change in the designated suboperator.

3/15/05
(Date)

Minoco UAQ, Ltd
(Name)
(Authorized Signature)
Name: MYRON NEUGEBOREN
Title: PRES - Prop Mgt (GTI)
Managing Agent