



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Alaska Outer Continental Shelf Region
949 East 36th Avenue, Suite 308
Anchorage, Alaska 99508-4363



June 8, 1999

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Mr. Pete Flonas
Development Manager, Eastern North Slope
BP Exploration (Alaska) Inc.
Post Office Box 196612
Anchorage, Alaska 99519-6612

Dear Mr. Flonas:

In a letter dated April 29, 1999, you requested approval for your proposed amendments to the Third Plan of Development (POD) and a Suspension of Production (SOP) for the Northstar Unit to reflect a modified schedule to account for delays in the permitting process. In accordance with the provisions of Article 8 of the Northstar Unit Agreement and 30 CFR 250.110, your amendments to the POD are hereby approved and your request for an extension to the SOP is granted.

Amendments to the POD were requested to account for a one-year delay in the island construction, which was unavoidably caused by a delay in the permitting process. This delay in island construction caused a subsequent delay in the date of first production, which was beyond the original term of the POD and the existing SOP for the Northstar Unit. Your amended POD indicates a reasonable schedule, which will result in first production from the Northstar Unit during the fourth quarter of 2001.

Your letter requested a SOP through April 30, 2002, to account for the delays mentioned above. In accordance with Article 8.5 of the Northstar Unit Agreement granting this SOP has the effect of extending the expiration date of the POD through April 30, 2002. Under the terms of Article 8.6 of the Northstar Unit Agreement this approval is contingent upon the concurrence of the Commissioner of the Department of Natural Resources.

If you have any questions concerning this matter please call Mr. David Roby at (907) 271-6557.

Sincerely,

Kyle Monkeliien

Kyle Monkeliien
Acting Regional Supervisor
Field Operations