

WESTERN GULF OF MEXICO, LEASE SALE 246 (AUGUST 19, 2015)

PHASE 2 DECISION INFORMATION MATRIX

Attached is a tabulation of selected information from the Bureau of Ocean Energy Management Phase 2 evaluation process for Sale 246. Abbreviations and codes are defined as follows:

Tract Types

- DD** - Drainage or Development Tract
- CW** - Confirmed or Wildcat Tract

Royalty Rates

- RS20** - 0-<200m water depth; possible royalty suspension volume of 35 bcf for >=20,000 feet; 18 3/4% Royalty Rate
- RS21** - 200-<400m water depth; possible royalty suspension volume of 35 bcf for >=20,000 feet; 18 3/4% Royalty Rate
- R21** - 400-<800m water depth; 18 3/4% Royalty Rate
- R22** - 800-<1600m water depth; 18 3/4% Royalty Rate
- R23** - >1600m water depth; 18 3/4% Royalty Rate

- MROV** - Mean of the Range-of-Value
- ADV** - Adjusted Delay Value
- RAM** - Revised Arithmetic - average Measure
- MED** - Median (50th percentile value)

Tract Decision Rules

- C** - Accept tract's High Bid in Phase 2: High Bid >= ADV.
- E** - Accept tract's High Bid in Phase 2: tract is Non-Viable.
- F** - Accept tract's High Bid in Phase 2: tract is CW with >= 3 bids where 3rd highest bid at least 50% of the highest qualified bid.
- V** - Accept tract's High Bid in Phase 2: tract is CW and passes a categorial fair market value (FMV) threshold measure test.
- M** - Accept tract's High Bid in Phase 2: ADV >= High Bid >= RAM
- N** - Accept tract's High Bid in Phase 2: MED < High Bid < RAM < ADV < DMROV, and < MROV
- R** - Reject tract's High Bid in Phase 2: High Bid is below tract's fair market value.

Lease Terms

- 0-<800 m water depth: 5 year lease term
- 800-<1600 m water depth: 7 year lease term
- >1600 m water depth: 10 year lease term

PHASE 2 DECISION INFORMATION MATRIX

Sale Number: 246

Page 1 of 1

Region Name: Gulf of Mexico OCS Region

Sale Identifier: WESTERN GULF OF MEXICO

Sale Date: AUGUST 19, 2015

OCS NUMBER	AREA CODE/ PROT NO	BLOCK NO.	ACRES/ HECTARES	TRACT TYPE	HIGH BID	MROV	MED	ADV	RAM	ADJ # BIDS	ROYALTY RATE	TRACT DEC. RULE
G35743	HI	A 283	5760.00	A CW	\$150,252	\$144,000		\$144,000	NA	1	18 3/4% RS20	E
G35744	HI	A 308	5760.00	A CW	\$149,151	\$144,000		\$144,000	NA	1	18 3/4% RS20	E
G35745	EB	685	5760.00	A CW	\$2,802,003	\$1,200,000		\$1,000,000	NA	1	18 3/4% R22	C
G35749	AC	34	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35750	AC	35	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R22	C
G35751	AC	78	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35752	AC	79	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R22	C
G35753	AC	82	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35757	AC	235	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35758	AC	282	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35759	AC	326	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35760	AC	328	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35761	AC	369	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35762	AC	370	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35763	AC	464	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35764	AC	507	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35765	AC	508	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35766	AC	550	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35767	AC	551	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35768	AC	763	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35769	AC	806	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35770	AC	807	5760.00	A CW	\$608,888	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35771	KC	139	5760.00	A CW	\$878,552	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35772	KC	673	5760.00	A CW	\$774,888	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35773	KC	674	5760.00	A CW	\$749,888	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35774	KC	717	5760.00	A CW	\$699,888	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35775	KC	718	5760.00	A CW	\$674,888	\$576,000		\$576,000	NA	1	18 3/4% R23	C

