

WESTERN GULF OF MEXICO, LEASE SALE 238 (AUGUST 20, 2014)

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 238. 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

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Sale Number: 238

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Region Name: Gulf of Mexico OCS Region

Sale Identifier: WESTERN GULF OF MEXICO

Sale Date: AUGUST 20, 2014

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
G35493	HI A	7	5760.00	A CW	\$728,827	\$144,000		\$144,000	NA	1	18 3/4% RS20	E
G35494	HI	130	5760.00	A CW	\$253,253	\$144,000		\$144,000	NA	1	18 3/4% RS20	E
G35495	HI A	546	5760.00	A CW	\$1,220,200	\$144,000		\$144,000	NA	1	18 3/4% RS20	E
G35497	WC	497	5475.43	A CW	\$579,477	\$136,900		\$136,900	NA	1	18 3/4% RS20	E
G35498	EB	113	4555.90	A CW	\$131,918	\$113,900		\$113,900	NA	1	18 3/4% RS21	E
G35499	EB	115	3971.88	A CW	\$117,318	\$99,300		\$99,300	NA	1	18 3/4% RS21	E
G35500	EB	156	5760.00	A CW	\$594,018	\$576,000		\$576,000	NA	1	18 3/4% R21	E
G35501	EB	252	5760.00	A CW	\$594,018	\$576,000		\$576,000	NA	1	18 3/4% R21	E
G35502	EB	420	5760.00	A CW	\$577,000	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35503	EB	421	5760.00	A CW	\$577,000	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35504	EB	464	5760.00	A CW	\$577,000	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35505	EB	465	5760.00	A CW	\$577,000	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35506	EB	536	5760.00	A CW	\$1,255,885	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35509	PI	746	5760.00	A CW	\$721,027	\$576,000		\$576,000	NA	2	18 3/4% R22	C
G35510	PI	921	5760.00	A CW	\$721,027	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35511	PI	922	5760.00	A CW	\$721,027	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35512	PI	923	5760.00	A CW	\$721,027	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35513	PI	924	2050.01	A CW	\$321,027	\$205,100		\$205,100	NA	1	18 3/4% R22	E
G35514	PI	964	2934.10	A CW	\$446,027	\$293,500		\$293,500	NA	1	18 3/4% R22	E
G35515	PI	965	2813.53	A CW	\$446,027	\$281,400		\$281,400	NA	1	18 3/4% R22	E
G35516	PI	966	2692.95	A CW	\$446,027	\$269,300		\$269,300	NA	1	18 3/4% R22	E
G35517	PI	967	2572.37	A CW	\$446,027	\$257,300		\$257,300	NA	1	18 3/4% R22	E
G35518	AC	54	5760.00	A CW	\$757,220	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35519	AC	55	5760.00	A CW	\$577,000	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35520	AC	60	5760.00	A CW	\$615,555	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35521	AC	61	5760.00	A CW	\$715,885	\$576,000		\$576,000	NA	1	18 3/4% R22	E
R G35522	AC	74	5760.00	A CW	\$865,585	\$6,500,000		\$3,100,000	NA	1	18 3/4% R22	R
G35523	AC	181	5760.00	A CW	\$1,657,760	\$980,000		\$576,000	NA	1	18 3/4% R22	C
G35524	AC	182	5760.00	A CW	\$757,220	\$576,000		\$576,000	NA	1	18 3/4% R22	C
G35525	AC	215	5760.00	A CW	\$8,539,321	\$576,000		\$576,000	NA	2	18 3/4% R22	E
G35526	AC	216	5760.00	A CW	\$5,739,321	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35527	AC	226	5760.00	A CW	\$577,000	\$576,000		\$576,000	NA	1	18 3/4% R22	C

R DENOTES TRACT WITH REJECTED HIGH BID

PHASE 2 DECISION INFORMATION MATRIX

Sale Number: 238

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Region Name: Gulf of Mexico OCS Region

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Sale Date: AUGUST 20, 2014

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
G35528	AC	258	5760.00	A CW	\$7,439,321	\$7,000,000		\$5,300,000	NA	2	18 3/4% R22	C
G35529	AC	260	5760.00	A CW	\$3,339,321	\$5,200,000		\$4,000,000	\$3,137,694	2	18 3/4% R22	M
G35530	AC	279	5760.00	A CW	\$1,206,250	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35531	AC	280	5760.00	A CW	\$1,206,250	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35534	AC	431	5760.00	A CW	\$16,788,800	\$10,000,000		\$7,400,000	NA	2	18 3/4% R23	C
G35540	AC	561	5760.00	A CW	\$721,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35541	AC	643	5760.00	A CW	\$576,000	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35542	AC	644	5760.00	A CW	\$576,000	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35543	AC	687	5760.00	A CW	\$576,000	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35544	AC	688	5760.00	A CW	\$576,000	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35545	AC	731	5760.00	A CW	\$576,000	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35546	AC	801	5760.00	A CW	\$1,151,027	\$576,000		\$576,000	NA	2	18 3/4% R23	E
G35547	AC	802	5760.00	A CW	\$1,151,027	\$576,000		\$576,000	NA	1	18 3/4% R22	E
G35548	AC	845	5760.00	A CW	\$906,250	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35549	AC	847	5760.00	A CW	\$1,151,027	\$576,000		\$576,000	NA	1	18 3/4% R23	C
G35550	AC	848	5760.00	A CW	\$1,151,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35551	AC	851	5760.00	A CW	\$671,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35552	AC	866	5760.00	A CW	\$821,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35553	AC	867	5760.00	A CW	\$821,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35554	AC	889	5760.00	A CW	\$1,351,027	\$576,000		\$576,000	NA	2	18 3/4% R23	C
G35555	AC	890	5760.00	A CW	\$4,406,250	\$4,400,000		\$1,800,000	NA	2	18 3/4% R23	C
G35556	AC	891	5760.00	A CW	\$3,106,250	\$576,000		\$576,000	NA	2	18 3/4% R23	C
G35557	AC	892	5760.00	A CW	\$2,321,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35558	AC	893	5760.00	A CW	\$1,151,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35559	AC	894	5760.00	A CW	\$671,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35560	AC	895	5760.00	A CW	\$671,027	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35561	AC	902	5760.00	A CW	\$1,750,314	\$576,000		\$576,000	NA	2	18 3/4% R23	E
G35562	AC	911	5760.00	A CW	\$786,186	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35563	AC	912	5760.00	A CW	\$786,186	\$576,000		\$576,000	NA	1	18 3/4% R23	E
G35564	AC	933	4217.21	A CW	\$931,027	\$421,800		\$421,800	NA	1	18 3/4% R23	E
G35565	AC	934	4319.05	A CW	\$1,506,250	\$1,100,000		\$432,000	NA	2	18 3/4% R23	C
G35566	AC	935	4420.88	A CW	\$2,806,250	\$442,100		\$442,100	NA	2	18 3/4% R23	E

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G35567	AC	936	4522.71	A CW	\$1,351,027	\$452,300		\$452,300	NA	1	18 3/4% R23	E
G35568	AC	937	4624.53	A CW	\$521,027	\$462,500		\$462,500	NA	1	18 3/4% R23	E
G35569	AC	938	4726.35	A CW	\$621,027	\$472,700		\$472,700	NA	1	18 3/4% R23	E
G35570	AC	939	4828.17	A CW	\$621,027	\$482,900		\$482,900	NA	1	18 3/4% R23	E
G35571	AC	999	696.98	A CW	\$95,140	\$69,700		\$69,700	NA	1	18 3/4% R23	E
G35572	KC	11	5760.00	A CW	\$739,321	\$576,000		\$576,000	NA	1	18 3/4% R22	E