

70017
AMENDMENT OF RIGHT-OF-WAY LEASE
FOR THE KUPARUK PIPELINE

This Amendment to Right-of-Way Lease for the Kuparuk pipeline (hereinafter referred to as "Amendment") is made and entered into, and becomes effective this 26th day of April, 1983 by and between the State of Alaska (hereinafter referred to as the "STATE") acting through the Commissioner of Natural Resources (hereinafter referred to as the "COMMISSIONER or his DESIGNEE") and Kuparuk Pipeline Company (hereinafter referred to as "COMPANY").

WHEREAS the STATE and COMPANY entered into a Right-of-Way Lease for the Kuparuk Pipeline providing for the lease of certain real property for the construction, operation, maintenance and termination of COMPANY'S pipeline facilities; and

WHEREAS, COMPANY desires to modify its existing pipeline facilities by constructing a 24-inch pipeline with related facilities; and

WHEREAS, the parties desire to amend the existing Right-of-Way Lease to provide for the expansion of the pipeline system.

Now, therefore, in consideration of the mutual covenants exchanged herein, the parties agree that the Right-of-Way Lease is amended as follows:

I. Paragraph 1 c-e is hereby amended to read as follows:

c. i. The Right-of-Way is granted for the purpose of the construction, operation, maintenance and termination of one (1) OIL transportation PIPELINE consisting of one (1) line of twenty-four inch diameter pipe and its RELATED FACILITIES. Except as provided in paragraph (ii) of this section, LESSEE shall not use the Right-of-Way or the land subject thereto for any other purpose and shall not locate or construct any other pipelines (including looping lines) or other improvements within the Right-of-Way without prior written approval of the COMMISSIONER OR HIS DESIGNEE. The PIPELINE shall be used for only the transportation of OIL, and it shall not be used for any other purpose without the prior written approval of the COMMISSIONER OR HIS DESIGNEE. The LESSEE shall not allow or suffer any third person or other business entity to use the Right-of-Way for the purpose set forth in this section. Nothing in this subsection is intended to (1) excuse or preclude LESSEE from complying with their obligations under

Section 4 of this Lease, or (2) preclude LESSEE from employing agents or contractors to effect construction, operation, maintenance or termination of all or any part of the PIPELINE.

c. (ii) Prior to the commissioning of the twenty-four (24) inch pipeline, LESSEE, may continue to operate and maintain its existing sixteen (16) inch pipeline for the purpose of transporting OIL. Upon commissioning of the 24 inch pipeline, the use of the 16 inch pipeline, for any purpose, will no longer be authorized.

d. (i) During construction of the 24 inch pipeline and prior to the execution of the release of interests in the Right-of-Way provided for in paragraph (ii) of this subsection, the width of the Right-of-Way shall be 450' feet, except that the dimensions of the Right-of-Way for RELATED FACILITIES shall be those more particularly set forth in Exhibit "B" hereof which are approved by the COMMISSIONER OR HIS DESIGNEE. (ii) Within one year following the commissioning of the 24-inch pipeline, LESSEE shall execute and deliver to the State, a release of all interest in (1) those portions of the Right-of-Way for RELATED FACILITIES not required for operation and maintenance of the PIPELINE after construction, including all construction staging areas as described in Exhibit "B", and (2) those portions of the Right-of-Way exceeding 150 feet in width, except that at such locations where LESSEE has requested authority from the COMMISSIONER OR HIS DESIGNEE to retain a wider Right-of-Way and the COMMISSIONER OR HIS DESIGNEE has found and recorded the reasons for his finding that in his judgement a wider Right-of-Way is necessary to protect the environment or public safety, the width of the Right-of-Way which LESSEE retains may exceed 150 feet in width in accordance with the COMMISSIONER OR HIS DESIGNEE's finding.

e. Upon the release required by Subsection "d" of this section, LESSEE shall survey and provide adequate monumentation as the COMMISSIONER may require to locate and describe the Right-of-Way and the LESSEE shall file: (1) Proof of construction of the 24-inch pipeline in accordance with the provisions of this Lease and the applicable regulations of the Department of Natural Resources; and (ii) a map or maps or survey, approved by the COMMISSIONER OR HIS DESIGNEE showing the final "as built" location of the completed 24-inch pipeline, including the final locations of all buried and above ground improvements, the centerline of the Right-of-Way, as definitely located, and, referenced to the centerline, the boundaries of the Right-of-Way, as definitely located.

II. Exhibit A is amended as attached hereto.

III. Exhibit B is amended as attached hereto.

IV. Exhibit D is amended and included in Exhibit A.

V. Except as expressly amended hereby, all terms, covenants and conditions of the Right-of-Way Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

STATE OF ALASKA

KUPARUK PIPELINE COMPANY

By: James Harnett

By: Robert E. Smith

State of Alaska)
) ss.
 JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the 10th day of April, 1983, before me the undersigned Notary Public, personally appeared James K. Barrett known to me and known by me to be the Commissioner of the Department of Natural Resources, and acknowledged to me that he executed the foregoing contract for and on behalf of said State, freely and voluntarily and for the use and purposes therein set forth.

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

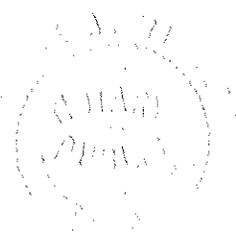
Shonda Lynn Quiring
Notary Public in and for the State of
Alaska. My Commission Expires 9/18/86

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 11th day of April, 1983, before me, the undersigned, a Notary Public in and for the State of Alaska duly commissioned and sworn, as such, personally appeared Robert E. Smyth known to me and to known to be the President of Kuparuk Pipeline Company corporation which executed the foregoing instrument, and he acknowledged to me that he executed the same for and on behalf of said corporation, and that he is fully authorized by said corporation so to do; and that the corporate seal affixed to said instrument is the corporate seal of said corporation.

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

Danise A. Watkins
Notary Public in and for Alaska
My Commission Expires: 9/10/86



EXHIBITS

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