



**RENEWAL AND AMENDMENT OF RIGHT-OF-WAY LEASE
FOR THE OLIKTOK PIPELINE
ADL 411731**

This RENEWAL and AMENDMENT is made, and entered into the 26th day of November, 2002 by and between the State of Alaska acting through the Commissioner of Natural Resources or designee, whose mailing address is 411 West 4th Avenue, Suite 2C, Anchorage, Alaska 99501-2343, and Oliktok Pipeline Company (hereinafter referred to as LESSEE), whose mailing address is P.O. Box 100360, Anchorage, Alaska 99510.

This agreement, hereinafter referred to as RENEWAL, amends the OLIKTOK PIPELINE RIGHT-OF-WAY LEASE, as amended, originally recorded in the Barrow Recording District on October 27, 1986 in Book 47, Pages 364-420.

WHEREAS, the LESSEE has requested renewal of the OLIKTOK PIPELINE RIGHT-OF-WAY LEASE for a term of 30 years under Section 2.c. thereof;

WHEREAS, the State of Alaska has found the LESSEE is in commercial operation, in full compliance with State law, including but not limited to State law pertaining to regulation and taxation of the Pipeline and compliance with all terms of the OLIKTOK PIPELINE RIGHT-OF-WAY LEASE; and

WHEREAS, Section 2.a. of the existing OLIKTOK PIPELINE RIGHT-OF-WAY LEASE reads as follows:

- 2.a. The grant hereby made of the Right-of-Way shall come to an end and expire on the 2 May, 2004, at 12:00 noon, (Alaska Standard Time) unless before that date it is released, abandoned, or otherwise terminated pursuant to the provisions of this Lease or of any applicable law or regulation.

NOW, therefore, the parties agree that Section 2.a. of the OLIK TOK PIPELINE RIGHT-OF-WAY LEASE is amended as follows:

- 2.a. The grant of the Right-of-Way as originally issued began on the 1st day of June, 1986, and as renewed, continues from the 2nd day of May, 2004, at 12 noon (Alaska Standard Time) and shall come to an end and expire on the 2nd day of May, 2034, at 12 noon (Alaska Standard Time), unless prior thereto it is released, abandoned, or otherwise terminated pursuant to the provisions of this lease or of any applicable law or regulation.

Except as expressly amended hereby all terms, covenants and conditions of the OLIK TOK PIPELINE RIGHT-OF-WAY LEASE shall remain in full force and effect.

The parties shall take such reasonable actions, and execute and deliver any further instruments, agreements, documents, or other papers, as are reasonably requested by either party to effect the purposes of this RENEWAL.

This RENEWAL may be signed in counterpart. All such executed counterparts shall be considered an original, and the original signature pages and notary attestations may be attached to a single counterpart for purposes of recordation.

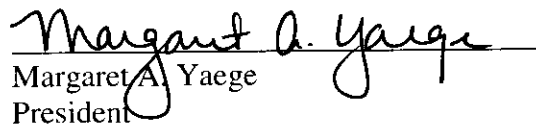
IN WITNESS WHEREOF, the parties have executed this RENEWAL as of the date first above written.

STATE OF ALASKA



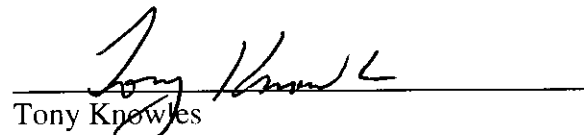
Pat Pourchot
Commissioner
Department of Natural Resources

OLIK TOK PIPELINE COMPANY



Margaret A. Yaeger
President

Attested By:



Tony Knowles
Governor
State of Alaska

RENEWAL and AMENDMENT of ROW Lease
ADL 411731

Page 2 of 3

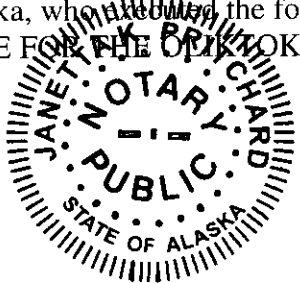


2 of 4
2002-001059-0

ACKNOWLEDGEMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

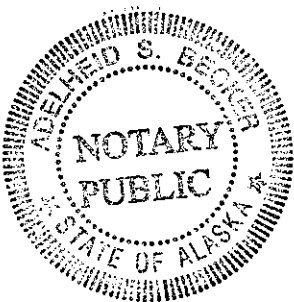
THIS IS TO CERTIFY that on this 26th day of November, 2002, before me appeared Pat Pourchot, the COMMISSIONER of the Department of Natural Resources of the State of Alaska, who acknowledged the foregoing RENEWAL AND AMENDMENT OF RIGHT-OF-WAY LEASE FOR THE OLIK TOK PIPELINE and acknowledged voluntarily signing the same.



Janet K. Priddy
Notary Public in and for the State of Alaska
My Commission Expires 12/11/2004

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 26th day of November, 2002, before me appeared Margaret A. Yaege, the President of the OLIK TOK PIPELINE COMPANY who executed the foregoing RENEWAL AND AMENDMENT OF RIGHT-OF-WAY LEASE FOR THE OLIK TOK PIPELINE and acknowledged voluntarily signing the same on behalf of said company.



Adelheid S. Becker
Notary Public in and for the State of
My Commission Expires

Adelheid S. Becker, Notary Public
State of Alaska
My Commission Expires 7/17/2004





PHILLIPS Alaska Pipelines

P.O. BOX 100360
ANCHORAGE, ALASKA 99510-0360

Sherry Timmerman
Regulatory Compliance Coordinator
(907) 263-3704

November 26, 2002

Ms. Jane Blevins
Recorder
State Recorder's Office
1648 S. Cushman Street, #201
Fairbanks, AK 99701-6206

Re: Recording of Renewal and Amendment of Right-of-Way Lease

ADL 402294	Kuparuk Pipeline
ADL 409027	Kuparuk Pipeline Extension
ADL 411731	Oliktok Pipeline

Dear Ms. Blevins:

Attached find the approved and notarized Renewal and Amendment of Right-of-Way Lease documents for the Kuparuk, Kuparuk Extension and Oliktok pipelines.

Please record these documents and return them to:

Ms. Sherry Timmerman
Regulatory Compliance Coordinator
Phillips Alaska Pipelines
P. O. Box 100360, ATO-988
Anchorage, Alaska 99510-0360

Expenses associated with this transaction can be charged to [REDACTED]

Don't hesitate to call me at (907) 263-3704 if you have any questions or comments.

Sincerely,

Sherry Timmerman
Regulatory Compliance Coordinator

Attachments



4 of 4

2002-001059-0