

February 29, 1984

H. D. Haley
Conoco Inc.
2525 "C" Street, Suite 100
Anchorage, AK 99503

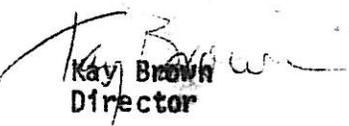
Reference: Milne Point Unit
Second Revision of Kuparuk Reservoir
Participating Area

Dear Mr. Haley:

By letter dated December 20, 1983 Conoco Inc., as operator for the Milne Point Unit, requested a second revision to the Kuparuk Reservoir Participating Area. The revised participating area was described in Attachments 1, 2 and 3 to the December 20th Conoco letter. Attachment 1 was amended on February 28, 1984 to correct a drafting error. Equity in the Participating Area was determined on an acreage basis and listed in Attachment 3 to the Conoco letter. A formula setting out allocation of production (equity) based on estimated recoverable reserves is required to be submitted to the Commissioner for approval at least 90 days prior to sustained unit production.

With the conditions above, I hereby approve the second revision of the Kuparuk Reservoir Participating Area as submitted in Conoco's letters of December 20, 1983 and February 28, 1984.

Sincerely,


Kay Brown
Director

KB/WVD/hb#3516Z