DOCUMENT TITLE: AMENDMENT
ADL 409027

BARROW RECORDING DISTRICT

PRIOR DOCUMENT: Right-of-Way Lease for the Kuparuk Pipeline, ADL 409027

GRANTOR: State of Alaska

GRANTEE: Kuparuk Transportation Company

AFTER RECORDING RETURN TO:

State Pipeline Coordinator’s Office
411 West 4th Avenue
Suite 2-C
Anchorage, Alaska 99501

STATE BUSINESS – NO CHARGE
AMENDMENT OF THE RIGHT-OF-WAY LEASE
FOR THE
KUPARUK PIPELINE EXTENSION
ADL 409027

This Amendment of the RIGHT-OF-WAY LEASE FOR THE KUPARUK PIPELINE EXTENSION, ADL 409027, which was originally recorded in the Barrow Recording District on May 4, 1983, in Book 36, Pages 70-123, is hereinafter referred to as AMENDMENT. This AMENDMENT is made and entered into and becomes effective this 18th day of February 2010, by and between the STATE OF ALASKA located at 411 West 4th Avenue, Suite 2C, Anchorage, Alaska 99501, acting through the Commissioner of Natural Resources, hereinafter referred to as COMMISSIONER, and Kuparuk Transportation Company whose mailing address is P.O. Box 100360, Anchorage, Alaska 99510-0360, hereinafter referred to as LESSEE.

WHEREAS, the LESSEE has applied to amend the existing RIGHT-OF-WAY LEASE FOR THE KUPARUK PIPELINE EXTENSION, ADL 409027, pursuant to the provisions of the Right-of-Way Leasing Act (Alaska Statutes 38.35), to replace the existing 12-inch diameter pipeline with an 18-inch diameter pipeline between Central Processing Facility (CPF) No. 2 (CPF-2) and Drill Site 22.

WHEREAS, the pipeline replacement project with 18-inch diameter pipe was installed within the existing Kuparuk Pipeline Extension Right-of-Way for approximately 4.15 miles, within Sections 11, 14, 15, 16, and 21, within Township 11 North, Range 9 East, Umiat Meridian. By standardizing the pipe diameter and constructing the pig launcher and receiver, the Kuparuk Pipeline Extension has maintenance and smart pigging capability over the entire pipeline (approximately 9 miles).

WHEREAS, the LESSEE has requested that Section 1.c. of the existing RIGHT-OF-WAY LEASE FOR THE KUPARUK PIPELINE EXTENSION, ADL 409027, be amended to reflect the installation of 18-inch diameter pipe for the entire Kuparuk Pipeline Extension; and

WHEREAS, Section 1.c. of the existing RIGHT-OF-WAY LEASE FOR THE KUPARUK PIPELINE EXTENSION, ADL 409027, reads as follows:

c. The right-of-way is granted for the purpose of the construction, operation, maintenance and termination of one oil transportation pipeline consisting in part of one line of 12” diameter pipe and in part of one line of 18”
diameter pipe, and its related facilities. 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. The pipeline must be used for only the transportation of oil, and it must not be used for any other purpose without the prior written approval of the Commissioner. The lessee shall not allow any other person or business entity to use the right-of-way for the purpose set forth in this section. Nothing in this subsection is intended to (i) excuse or preclude lessee from complying with its obligations under section 4 of this lease, or (ii) preclude lessee from employing agents or contractors to effect construction, operation, maintenance or termination of all or any part of the pipeline.

NOW, therefore, the parties agree that Section 1.c. of the existing RIGHT-OF-WAY LEASE FOR THE KUPARUK PIPELINE EXTENSION, ADL 409027, is hereby amended as follows:

c. The right-of-way is granted for the purpose of the construction, operation, maintenance and termination of one oil transportation pipeline consisting of 18” diameter pipe, and its related facilities. 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. The pipeline must be used for only the transportation of oil, and it must not be used for any other purpose without the prior written approval of the Commissioner. The lessee shall not allow any other person or business entity to use the right-of-way for the purpose set forth in this section. Nothing in this subsection is intended to (i) excuse or preclude lessee from complying with its obligations under section 4 of this lease, or (ii) preclude lessee from employing agents or contractors to effect construction, operation, maintenance or termination of all or any part of the pipeline.

Except as expressly amended hereby all terms, covenants and conditions of the RIGHT-OF-WAY LEASE FOR THE KUPARUK PIPELINE EXTENSION, ADL 409027, shall remain in full force and effect.
IN WITNESS WHEREOF, the COMMISSIONER AND LESSEE have affixed their signatures to duplicate originals of this AMENDMENT on or before the date first above written.

STATE OF ALASKA

Thomas E. Irwin
Commissioner
Department of Natural Resources

LESSEE

By: EREC S. ISAACSON
Title: President, Kuparuk Pipeline Company
Kuparuk Transportation Company
Managing Partner

STATE OF ALASKA )
 ) SS.
Third Judicial District )

THIS IS TO CERTIFY that on the 1st day of February, 2010, before me, personally appeared EREC S. ISAACSON, who stated that he/she executed the foregoing document as an authorized representative of the Kuparuk Transportation Company.

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

CAROL D. GILLEY
Notary Public in and for the State of Alaska
My Commission expires Aug. 16, 2010

Amendment of the Right-of-Way Lease for the Kuparuk Pipeline Extension, ADL 409027
STATE OF ALASKA

THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the ___ day of ___, 20___, before me, personally appeared Thomas E. Irwin, the Commissioner of the Department of Natural Resources of the State of Alaska, who executed the foregoing Amendment and acknowledged voluntarily signing the same.

Mary Kay Ryckman
Notary Public in and for the State of Alaska
My Commission expires with office