

ExxonMobil Production Company

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May 20, 2016

Corri Feige, Director
Division of Oil and Gas
Department of Natural Resources
550 W. 7th Avenue, Suite 1100
Anchorage, Alaska 99501-3560



Dear Director Feige:

ExxonMobil has received a copy of your letter dated May 12, 2016, to the Prudhoe Bay Unit Operator BP Exploration (Alaska) Inc. (BPXA). In that letter, you mention that ExxonMobil has not provided a response to your earlier letter dated April 11, 2016, also to BPXA.

ExxonMobil provided input to BPXA regarding the IPA Plan of Development submitted to the Division and related correspondence, including the Operator letter dated May 2, 2016. Consistent with the Prudhoe Bay Unit Agreement and DNR regulations, communications regarding Prudhoe Bay Unit (PBU) plans of development are the responsibility of the Unit Operator. The Plan of Development submitted by BPXA fully addresses and satisfies the requirements for a plan of development in the PBU and DNR regulations. Accordingly, ExxonMobil did not see the necessity of sending any separate correspondence.

Given the nature of the specific inquiry in your May 12 letter ("marketing efforts for gas sales"), ExxonMobil considers BPXA's original response sufficient. Marketing efforts for gas sales, whether for local or non-local markets, are a matter for the individual working interest owners. Sharing details regarding any individual owner efforts is not appropriate or permissible for a number of reasons as outlined in the Operator's May 2 letter. Principally, the information is commercially sensitive and sharing it creates significant federal and state antitrust concerns.

ExxonMobil believes that the technical workshop led by BPXA for DNR technical staff addressed certain DNR requests and DNR has the relevant information necessary to finalize approval of the Plan of Development.

Sincerely,

GSW:vkp