



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Law

Office of the Attorney General

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November 7, 2012

By Email to [bswenson@hilcorp.com](mailto:bswenson@hilcorp.com) & 1<sup>st</sup> Class Mail

William P. Swenson  
General Counsel  
Hilcorp Alaska, LLC  
1201 Louisiana Street, Suite 1400  
Houston, TX 77002

Re: *Hilcorp Alaska, LLC ("Hilcorp") Acquisition of Marathon Assets*

Dear Mr. Swenson:

This letter is to confirm our agreement that once the Consent Decree is signed by the parties, Hilcorp will abide by the following terms and conditions pending approval by the court: (1) it will not sell Cook Inlet Natural Gas for LNG export; (2) it will not knowingly sell Cook Inlet Natural Gas to other companies who intend to resell the gas for LNG export; and (3) it will honor the price caps and other terms contained in paragraph V of the Consent Decree for any new gas sales contracts signed by Hilcorp.

The commitments set forth in this letter shall terminate if the Consent Decree is not approved by the court, or by March 1, 2013 if Hilcorp's acquisition of Marathon's Cook Inlet assets has not closed by that date, whichever occurs first. The terms of the Consent Decree will supersede the provisions of this letter when the court approves the Consent Decree and the Acquisition is closed.

Please confirm your agreement with the terms of this letter by signing below and return an executed copy to me.

Thank you for your consideration.

Sincerely,

Michael C. Geraghty  
Attorney General

Mr. William P. Swenson  
Re: Hilcorp Alaska, LLC Acquisition of Marathon Assets

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**THE TERMS AND CONDITIONS OF THIS LETTER ARE ACCEPTED  
AND AGREED TO BY HILCORP ALASKA, LLC.**

\_\_\_\_\_  
Date

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William P. Swenson  
General Counsel