

LEASE EXCHANGE AGREEMENT

This Lease Exchange Agreement (the "Agreement") is made and entered into on this November 18, 2009, by and between the Parties identified below, with the assignments required hereunder and the other economic terms hereof to be effective, as between the parties, as of October 1, 2009 ("Effective Date"):

"BP": BP Exploration & Production Inc.
200 WestLake Park Blvd.
Houston, TX 77079
Contact: Mr. O. Kirk Wardlaw
Phone: [REDACTED]
Fax: (281) 366-7569

"MOEX": MOEX Offshore 2007 LLC
9 Greenway Plaza, Suite 1220
Houston, TX 77046
Contact: Mr. Naoki Ishii
Phone: [REDACTED]
Fax: (713) 532-8510

In this Agreement, each of the companies listed above are sometimes referred to individually as a "Party" and collectively as the "Parties." BP and MOEX hereby agree to a conveyance of certain property interests in the federal OCS oil and gas leases described in Exhibit "A-1" according to the following terms and conditions:

1. DEFINITIONS: As used in this Agreement the initially capitalized terms listed below have the following meanings:

1.1 Affiliate: shall have the meaning given to such term in the Macondo Prospect Operating Agreement.

1.2 Agreement: means this Lease Exchange Agreement together with the Exhibits attached hereto and defined herein.

1.3 Assignment: means the conveyance of Record Title Interest or Operating Rights, substantially similar in form to the form of Assignment attached hereto as Exhibit "B" to be executed and delivered between the Parties pursuant to this Agreement along with any "Designation of Operator Forms" and other applicable instruments, documents or forms to be executed by the Parties that are reasonably necessary to carry out the intent and purposes of this Agreement.

1.4 BP Property: means an undivided ten percent (10.00%) of one hundred percent (100%) Record Title Interest in and to Lease OCS-G 32306 (Mississippi Canyon Block 252), excluding all tangible personal property such as the tubulars and wellhead set forth in Exhibit "C", Macondo Well Plan and AFE.

1.5 MOEX Property: means an undivided ten percent (10.00%) of one hundred percent (100%) Record Title Interest in and to Lease OCS-G 31687 (Garden Banks Block 997).

1 **1.6 Exhibits:** means the following exhibits to this Agreement, which are
2 attached hereto and made part hereof for all purposes:

3 Exhibit "A-1" Description of Assigned Leases

4 Exhibit "A-2" Interests of the Parties

5 Exhibit "B" Form of Assignment

6 Exhibit "C" Macondo Well Plan and AFE

7 Exhibit "D" Macondo Prospect Operating Agreement

8 **1.7 Final Closing:** means the date determined in accordance with the
9 provisions in Section 12 ("Final Closing") which is the date the Parties will
10 execute and deliver the instruments described in said Section 12, if at all.

11 **1.8 MMS:** means the U.S. Department of the Interior, Minerals Management
12 Service, and the records maintained at the New Orleans, Louisiana,
13 Regional Office of that agency, or any successor agency having
14 jurisdiction over either the MOEX Property or the BP Property.

15 **1.9 Record Title Interest:** means, as to all depths, with respect to any federal
16 OCS oil & gas lease, the undivided, fractional or percentage share of all
17 right, title, and interest in such lease granted to the original lessee (or
18 lessees) by the MMS, including, without limitation, an equal undivided
19 fractional or percentage share of the operating rights in such lease.

20 **1.10 Gouda Operating Agreement:** means that certain Operating Agreement
21 dated as of February 15, 2008, between BP Exploration & Production Inc.,
22 as operator, and MitEnergy Upstream LLC, as non-operator, covering
23 Lease OCS-G 31687 (Garden Banks Block 997).

24
25 **2. CONVEYANCE OF PROPERTIES AND WELL PROMOTION.** Subject to the
26 "Conditions of Final Closing" described in Section 17 below:

27 (a) MOEX agrees to assign and convey the above referenced undivided
28 Record Title interest in the MOEX Property to BP in exchange for the
29 above referenced undivided Record Title interest in the BP Property, and
30 BP agrees to assign and convey the above referenced undivided Record
31 Title interest in the BP Property to MOEX in exchange for the above
32 referenced undivided Record Title interest in the MOEX Property. The
33 pre-exchange and post-exchange interests of each of the Parties in the
34 combined MOEX Property and the BP Property are set out on Exhibit "A-
35 2." In addition, MOEX shall pay BP a cash consideration of one million
36 nine hundred and twenty thousand dollars (US \$1,920,000.00). The cash
37 consideration shall be allocated to the BP Property. The cash
38 consideration described herein shall be paid to BP within five (5) business
39 days after the Final Closing.
40
41

1 **3. LIMITED WARRANTY.** The Assignments to be made hereunder at Final
2 Closing shall be made:

- 3 (a) without warranty of title or any other type of warranty (express or
4 implied); except as to claims by persons claiming the same property, or
5 any part thereof, by, through or under the assigning party, but not
6 otherwise, but with full subrogation and substitution in and to all actions
7 in warranty; and,
8 (b) free and clear of any overriding royalties, production payments,
9 mortgages, pledges or other burdens, liens or encumbrances on
10 production (including but not limited to dedications of production,
11 production handling agreements, and/or processing agreements) other
12 than the lessor's royalty, and
13 (c) subject to the provisions in the oil and gas leases for the BP Property, and
14 the MOEX Property, as the case may be, this Agreement, the applicable
15 operating agreement referred to in Section 7 hereof and approval by the
16 MMS.

17
18 **4. LIKE KIND EXCHANGE:** MOEX and BP expect and intend that the
19 Assignments to be made hereunder shall be characterized for tax purposes as a
20 partial "like-kind exchange" pursuant to Section 1031 of the Internal Revenue
21 Code of 1986, as amended, or similar provisions, with no resulting gain or loss
22 by either Party. However, should any Party recognize any gain or loss, as a
23 result of this exchange, such Party shall bear one-hundred percent (100%) of
24 any such gain or loss, including any tax consequences associated with such gain
25 or loss, without contribution from the other Party to this Agreement
26

27 **5. DATA AND INFORMATION NOT INCLUDED.** The interests in the MOEX
28 Property and the BP Property to be conveyed hereunder do not include any
29 rights and/or interests in any data or information not specifically described as
30 being included by this Agreement.
31

32 **6. CONSENTS AND PREFERENTIAL RIGHTS.** BP represents that there are no
33 consents to assign or preferential rights of purchase affecting the BP Property as
34 of Final Closing. MOEX represents that there are no consents to assign but the
35 Gouda Operating Agreement contains a preferential right of purchase provision
36 affecting the MOEX Property. The MOEX Property constitutes the only oil and
37 gas lease in the Gulf of Mexico in which MOEX owns an interest, and
38 consequently MOEX believes that Article 24.2.3(c)(iii) of the Gouda Operating
39 Agreement exempts this transaction from said preferential right of purchase
40 provision. If the other parties to the Gouda Operating Agreement do not concur
41 in this interpretation of the application of said preferential right of purchase
42 provision, then MOEX shall seek to obtain a one time amendment to the
43 applicable operating agreement stating that this transaction is not subject to the

1 preferential right to purchase provision. If MOEX is unable to obtain such one
2 time amendment, then MOEX shall seek a waiver of: (i) the right to receive
3 notice and (ii) the related preferential right to purchase, under Article 24 of the
4 Gouda Operating Agreement from Anadarko E&P Company LP ("AEPC");
5 provided, however, that MOEX may seek such waiver prior to seeking an
6 amendment or other agreement from BP and AEPC regarding said preferential
7 right of purchase provision. BP agrees to assist MOEX in seeking such
8 amendment. If AEPC does not agree to such one time amendment, the Parties
9 shall mutually agree as to the cash equivalent value of the lease comprising the
10 MOEX Property prior to MOEX tendering preferential rights to purchase to the
11 affected party(ies) under the Gouda Operating Agreement. BP shall attribute
12 said agreed cash equivalent value to the MOEX Property. If any of the
13 preferential rights to purchase that the MOEX Property are subject to are
14 exercised, then BP shall take the cash consideration received by MOEX from
15 AEPC for purchase of the MOEX Property in accordance with the preferential
16 right to purchase provision of the Gouda Operating Agreement in lieu of the
17 Record Title Interest for the affected lease. Such cash consideration received by
18 MOEX from AEPC for purchase of the MOEX Property shall be paid by MOEX to
19 BP within five (5) business days after MOEX receives such cash consideration
20 from AEPC as immediately available funds in a bank account of MOEX; provided
21 that MOEX shall not assign the MOEX Property to AEPC or any Affiliate of AEPC
22 until MOEX receives such cash consideration.

23
24 In the event BP, subsequent to Final Closing, enters into a transaction with
25 Anadarko Petroleum Corporation ("APC") and AEPC whereby BP assigns
26 certain Record Title Interest(s) (the "BP Assigned Interest") in and to Lease
27 OCS-G 32306 (the "APC/AEPC Transaction"), which will be subject to the
28 Preferential Right to Purchase provision of the Macondo Operating Agreement
29 (as hereinafter defined), MOEX shall waive: (i) any right MOEX has or may have
30 under Article 24 of the Macondo Operating Agreement to receive notice of the
31 APC/AEPC Transaction and (ii) any preferential right to purchase said interest
32 that MOEX has or may have under Article 24 of the Macondo Operating
33 Agreement in connection with the APC/AEPC Transaction; provided, however,
34 that such waivers will terminate and be of no further force and effect unless (i)
35 BP and AEPC (and BP and APC) enter into the APC/AEPC Transaction and (ii) BP
36 delivers an assignment of the BP Assigned Interest to AEPC and/or APC within
37 thirty (30) days following November 18, 2009, however, it shall not be necessary
38 for the Minerals Management Service to approve said assignment(s) within said
39 thirty (30) day period.

- 40
41 **7. OPERATING AGREEMENT AND WELL PARTICIPATION ELECTION:** At Final
42 Closing the Parties will execute the "Macondo Prospect Operating Agreement"
43 covering Mississippi Canyon Block 252, attached hereto as Exhibit "D", which

1 shall have an effective date of October 1, 2009 and in which BP is designated
2 Operator.

3
4 Notwithstanding the fact that BP commenced drilling operations on the
5 Exploratory Well, as defined in the Macondo Prospect Operating Agreement, at
6 its sole risk and without MOEX's participation on October 6, 2009, as more fully
7 described in Exhibit "C" (the "Macondo Prospect Exploratory Well") prior to
8 MOEX owning an interest in the BP Property, and such operations are ongoing
9 as of the date of Final Closing:

10
11 (a) BP and MOEX agree to continue the drilling of the Macondo Prospect
12 Exploratory Well as follows: MOEX shall execute and deliver to BP an executed
13 copy of Exhibit "C", the Macondo Well Plan and AFE at Final Closing, signifying
14 MOEX's agreement to participate for its ten percent (10%) of one hundred
15 percent (100%) working interest share in the Macondo Prospect Exploratory
16 Well effective October 1, 2009 and otherwise in accordance with and subject to
17 the provisions of the Macondo Prospect Operating Agreement; and

18
19 (b) the Parties deem that BP's delivery of the Macondo Well Plan and AFE to
20 MOEX and MOEX's execution and delivery thereof to BP is in compliance with
21 the Macondo Prospect Operating Agreement.

22
23 **8. ACCOUNTING FOR THE MOEX PROPERTY.** All operating and capital
24 expenses (including, without limitation, lease rental and maintenance expenses)
25 associated with any part of the MOEX Property and relating to the period prior to
26 the Effective Date shall be borne by MOEX.

27
28 **9. ACCOUNTING FOR THE BP PROPERTY.** All operating and capital expenses
29 (including, without limitation, lease rental, maintenance and expenses related to
30 prospect maturation) associated with any part of the BP Property and relating to
31 the period prior to the Effective Date shall be borne by BP.

32
33 **10. THE MOEX PROPERTY INDEMNITY.** From and after the Final Closing, with
34 respect to the MOEX Property, subject to Sections 3 and 13, MOEX shall
35 indemnify, defend, and hold BP harmless from:

- 36 (a) all liabilities, penalties, claims, causes of action, demands, lawsuits
37 (including environmental liabilities, fines and penalties), and expenses
38 (including attorney's fees and court costs) relating to MOEX's ownership
39 of the MOEX Property prior to the Effective Date; and
40 (b) any claims, causes of action, and lawsuits that are asserted by MOEX's
41 members or other parties that in any way challenge MOEX's right to
42 complete the transaction contemplated hereunder.

1 With respect to the MOEX Property, MOEX's and BP's respective rights and
2 obligations after Final Closing shall be determined in accordance with and
3 governed by the Gouda Operating Agreement..
4

5 **11. THE BP PROPERTY INDEMNITY.** From and after the Final Closing, with
6 respect to the BP Property, subject to Sections 3 and 14, BP shall indemnify,
7 defend, and hold MOEX harmless from:

- 8 (a) all liabilities, penalties, claims, causes of action, demands, lawsuits
9 (including environmental liabilities, fines and penalties), and expenses
10 (including attorney's fees and court costs) relating to BP's ownership or
11 operatorship of the BP Property prior to the Effective Date; and
12 (b) any claims, causes of action, and lawsuits that are asserted by BP's
13 stockholders or other parties that in any way challenge BP's right to
14 complete the transaction contemplated.

15 With respect to the BP Property, MOEX's and BP's respective rights and
16 obligations after Final Closing shall be determined in accordance with and
17 governed by the Macondo Prospect Operating Agreement..
18

19 **12. FINAL CLOSING:** The Final Closing with respect to the MOEX Property and the
20 BP Property shall occur on or before November 18, 2009. Final Closing shall be
21 accomplished by either execution in BP's 200 WestLake Park Blvd., Houston,
22 Texas, offices at an agreed time or by the circulation of documents via overnight
23 mail to each of the Parties. Final Closing shall be deemed complete and binding
24 upon all Parties only upon the execution of all required documents referred to
25 below by all of the Parties to this Agreement. In the event MOEX does not
26 obtain the one time amendment or waiver of the preferential right to purchase
27 referenced in Section 6 prior to Final Closing, Final Closing shall nonetheless
28 occur on the date mentioned above; provided, however, that (i) the MOEX
29 Property assigned to BP shall remain subject to AEPC's preferential right to
30 purchase in accordance with the Gouda Operating Agreement and (ii) if AEPC
31 exercises its preferential right to purchase in accordance with the Gouda
32 Operating Agreement, BP shall, subject to Section 3, re-deliver to MOEX an
33 assignment of the MOEX Property in the form of the assignment set forth in
34 Exhibit "B", provided further, however, that such re-delivery of the MOEX
35 Property shall not effect the assignment by BP to MOEX of the BP Property or
36 any other provision of this Agreement.

37 **12.1 Effective Date of Instruments:** The Assignments delivered hereunder
38 shall be made effective as of October 1, 2009 ("Effective Date of
39 Assignments").

40 **12.2 Instruments to be Executed and Delivered by MOEX to BP at or**
41 **before Final Closing:**

- 42 (a) four (4) duplicate counterparts of Assignments, in the form of the
43 assignment set forth in Exhibit "B", appropriately prepared to vest

- 1 BP with the Post Exchange Interest set forth opposite BP's name
2 in Exhibit "A-2" for lease OCS-G 31687 (Garden Banks Block 997);
3 (b) four (4) Designation of Operator Forms designating BP as Operator
4 of lease OCS-G 32306 (Mississippi Canyon 252), along with any
5 necessary OSFR forms; and
6 (c) two (2) of Exhibit "C", Macondo Well Plan and AFE.

7 **12.3 Instruments to be Executed and Delivered by BP to MOEX at or**
8 **before Final Closing:**

- 9 (a) four (4) duplicate counterparts of an Assignment, in the form of the
10 assignment set forth in Exhibit "B", appropriately prepared to vest
11 MOEX with the Post Exchange Interest set forth opposite MOEX's
12 name in Exhibit "A-2" for lease OCS-G 32306 (Mississippi Canyon
13 Block 252).
14

15 **13. REPRESENTATIONS AND WARRANTIES OF MOEX.** With respect to the
16 MOEX Property, MOEX represents and warrants to BP only that, as of the date
17 of Final Closing:

- 18 (a) MOEX has the corporate power and authority to execute and deliver this
19 Agreement, the Assignments and to consummate the exchange
20 contemplated hereunder. This Agreement constitutes the valid and
21 binding obligation of MOEX, enforceable against MOEX in accordance
22 with the terms hereof, and no other corporate act, corporate approval, or
23 proceeding on the part of MOEX is required to authorize the execution
24 and delivery of this Agreement and the Assignments by MOEX or the
25 consummation of the exchange contemplated hereunder.
26 (b) MOEX has not incurred any liability, contingent or otherwise, for broker's
27 or finder's fees relating to the exchange contemplated hereunder for
28 which BP could or will bear any responsibility.
29 (c) To MOEX's actual knowledge, there are no pending or, threatened claims,
30 lawsuits, administrative proceedings, or governmental investigations or
31 inquiries involving the MOEX Property, except those claims, lawsuits,
32 administrative proceedings, and governmental investigations and inquiries
33 that MOEX has disclosed to BP in writing prior to Final Closing or as to
34 which BP is also a party.
35 (d) There exists no contract or agreement to which MOEX is a party relating
36 to hydrocarbon production, including oil production, gas production,
37 natural gas liquids, or oil and gas production from any part of the MOEX
38 Property in which any third party is granted a call on MOEX's interest in
39 such production or the right to purchase such production, except as may
40 be provided by the United States government under law or the terms of
41 the oil and gas leases.
42

- 1 (e) MOEX has paid all invoices submitted by BP to MOEX for payment of all
2 rentals or other lease maintenance payments affecting the MOEX Property
3 that become due on or before Final Closing.
4

5 **14. REPRESENTATIONS AND WARRANTIES OF BP.** With respect to the BP
6 Property, BP represents and warrants to MOEX only that, as of the date of Final
7 Closing:

- 8 (a) BP has the corporate power and authority to execute and deliver this
9 Agreement, the Assignments and to consummate the exchange
10 contemplated hereunder. This Agreement constitutes the valid and
11 binding obligation of BP, enforceable against BP in accordance with the
12 terms hereof, and no other corporate act, corporate approval, or
13 proceeding on the part of BP is required to authorize the execution and
14 delivery of this Agreement and the Assignments by BP or the
15 consummation of the exchange contemplated hereunder.
16 (b) BP has not incurred any liability, contingent or otherwise, for broker's or
17 finder's fees relating to the exchange contemplated hereunder for which
18 MOEX could or will bear any responsibility.
19 (c) To BP's actual knowledge, there are no pending or, threatened claims,
20 lawsuits, administrative proceedings, or governmental investigations or
21 inquiries involving the BP Property, except those claims, lawsuits,
22 administrative proceedings, and governmental investigations and inquiries
23 that BP has disclosed to MOEX in writing prior to Final Closing or as to
24 which MOEX is also a party.
25 (d) There exists no contract or agreement to which BP is a party relating to
26 hydrocarbon production, including oil production, gas production, natural
27 gas liquids, or oil and gas production from any part of the BP Property in
28 which any third party is granted a call on any of BP's interest in such
29 production or the right to purchase such production, except as may be
30 provided by the United States government under law or the terms of the
31 oil and gas leases.
32 (e) BP has paid or caused to have been paid all rentals or other lease
33 maintenance payments affecting the BP Property that become due on or
34 before Final Closing.
35 (f) The BP Property is not held in a Tax Partnership.
36

37 **15. COVENANTS OF MOEX.** With regard to the MOEX Property, MOEX hereby
38 enters into the following covenants with BP between the Effective Date of this
39 Agreement and until Final Closing:

- 40 (a) MOEX shall maintain customary books and records consistent with past
41 practices, and will continue to operate the same in a good and
42 workmanlike manner consistent with past practices.

(b) MOEX shall not take any action which would create any material liabilities or which would create any commitments other than those created in the ordinary course of business.

16. **COVENANTS OF BP.** With regard to the BP Property, BP hereby enters into the following covenants with MOEX between the Effective Date of this Agreement and until Final Closing:

(a) BP shall maintain customary books and records consistent with past practices, and will continue to operate the same in a good and workmanlike manner consistent with past practices.

(b) BP shall not take any action which would create any material liabilities or which would create any commitments other than those created in the ordinary course of business.

17. **CONDITIONS OF FINAL CLOSING.** No Party shall have any obligation to proceed to Final Closing if prior to Final Closing it knows, or has reason to believe, that any representation or warranty made by the other Party herein is not true in all material respects or that the other Party has not performed any obligation, covenant, or agreement required by this Agreement to be performed by a Party. Any Party may terminate this Agreement without liability to the other Party(ies) and without any obligation to proceed to Final Closing if:

(a) There is pending or instituted, threatened, or proposed, any action or proceeding by or before a court or administrative agency challenging or complaining of, or seeking to collect damages or other relief arising directly out of the transaction contemplated hereunder, or

(b) There is any law, regulation, rule, or order, or any judicial or administrative decision (whether on a preliminary or final basis) which purports to prohibit, restrict, or delay the consummation of the transaction contemplated hereunder prior to Final Closing.

18. **RESPONSIBILITY FOR TAXES AND RECORDING FEES.** Any sales taxes, transfer taxes, documentary taxes and recording fees relating to an assignment hereunder shall be paid by the assignee. Each Party shall be legally responsible for paying its own local, state and federal income tax reporting, recognition of gain or loss, if any, and the taxes, if any, payable with respect to the transaction.

19. **NOTICES.** All notices and communications required or permitted under this Agreement, shall be made in writing and delivered to the designated representative listed in the preamble to this Agreement either in person or by facsimile transmission, US mail (postage pre-paid), electronic mail (e-mail) with receipt confirmation, overnight express or courier.

1 **20. CONSTRUCTION AND INTERPRETATION OF THIS AGREEMENT.** The
2 interpretation and construction of the terms of this Agreement will be governed
3 by the following conventions:

4 **20.1 Headings for Convenience:** Except for the definition headings contained
5 in Section 1, all captions, numbering sequences, and headings used in
6 this Agreement are inserted for convenience only and shall in no way
7 define, limit or describe the scope or intent of this Agreement or any part
8 thereof; nor have any legal effect.

9 **20.2 Gender and Number:** The use of pronouns in whatever gender or
10 number shall be deemed to be a proper reference to the Parties to this
11 Agreement though the Parties may be individuals, business entities, or
12 groups thereof. Any necessary grammatical changes required to make
13 the provisions of this Agreement refer to the correct gender or number
14 shall in all instances be assumed as though each case was fully
15 expressed.

16 **20.3 Independent Representation:** Each Party has had the benefit of
17 independent legal representation with respect to the subject matter of
18 this Agreement. This Agreement, though drawn by one Party, shall be
19 construed fairly and reasonably and not more strictly against one Party
20 than another.

21 **20.4 Severance of Invalid Provisions:** If, for any reason and for so long as,
22 any clause or provision of this Agreement is held by a court of competent
23 jurisdiction to be illegal, invalid, unenforceable or unconscionable under
24 any present or future law (or interpretation thereof), the remainder of this
25 Agreement shall not be affected by such illegality or invalidity. Any such
26 invalid provision shall be deemed severed from this Agreement as if this
27 Agreement had been executed with the invalid provisions eliminated.
28 The surviving provisions of this Agreement shall remain in full force and
29 effect unless the removal of the invalid provisions destroys the legitimate
30 purposes of this Agreement; in which event this Agreement shall be null
31 and void. The Parties shall use reasonable efforts to attempt to negotiate
32 any required modifications to this Agreement.

33 **20.5 Applicable Law:** The provisions of this Agreement and the
34 relationship of the Parties shall be governed and interpreted
35 according to the laws of the State of Texas without regard to choice
36 or conflict of laws that would refer the matter to the laws of another
37 jurisdiction, except to the extent that the laws of another jurisdiction
38 mandatorily apply under the Outer Continental Shelf Lands Act.

39
40 **21. FURTHER ASSURANCES.** To the extent each other Party complies with its
41 obligations under this Agreement, MOEX and BP, whichever applies, agree to
42 execute, acknowledge, and deliver or cause to be executed, acknowledged, and

1 delivered any instrument, or take any action necessary or appropriate to
2 effectuate the terms of this Agreement.

3
4 **22. REPRESENTATIONS SURVIVE FINAL CLOSING.** All representations,
5 warranties, covenants, indemnities or agreements contained in this Agreement,
6 including those contained in Sections 3, 6, 10, 11, 13, and 14 or in any Exhibit,
7 that by its express provisions is intended to do so, shall survive the Final Closing;
8 provided that survival beyond Final Closing shall not extend or expand such
9 representations, warranties, covenants, indemnities or agreements beyond its
10 respective express provisions or its reasonable intent.

11
12 **23. BINDING EFFECT.** This Agreement shall be binding upon and inure to the
13 benefit of the Parties and their respective heirs, successors and permitted
14 assigns. This Agreement does not benefit or create any rights in any person or
15 entity not a Party to this Agreement.

16
17 **24. INTEGRATED AGREEMENT.** This Agreement, and the Exhibits attached and
18 incorporated herein, contain the final and entire agreement of the Parties with
19 respect to the subject matter of this Agreement. If there is a conflict between
20 the body of this Agreement (excluding the Exhibits) and any Exhibit, the
21 provisions in the body of this Agreement (excluding the Exhibits) shall prevail.
22 There are no representations, warranties or promises, oral or written between
23 the Parties other than those included in this Agreement. This Agreement shall
24 supersede and replace all previous agreements, negotiations, understandings or
25 promises, whether written or oral, relative to the subject of this Agreement.
26 Each of the Parties acknowledges that no other Party has made any promise,
27 representation or warranty that is not expressly stated in this Agreement. This
28 Agreement shall not be modified or changed except by a written amendment
29 signed by all the Parties.

30
31 **25. COUNTERPART EXECUTION.** This Agreement may be executed by signing
32 the original or a duplicate counterpart thereof. If this Agreement is executed in
33 multiple duplicate counterparts, each such counterpart shall be deemed an
34 original and all of which when taken together shall constitute but one and the
35 same agreement with the same effect as if all Parties had signed the same
36 instrument.

37
38 **26. ASSIGNMENT.** This Agreement shall not be assigned by a Party without the
39 prior written consent of the other Party.

40
41 **27. CONFLICT.** In the event of a conflict between the terms of this Agreement and
42 the Macondo Prospect Operating Agreement, this Agreement shall prevail.

1
2 **28. TERM OF AGREEMENT.** This Agreement shall become binding upon execution
3 by all of the Parties with an Effective Date as set forth in the preamble to this
4 Agreement and shall survive Final Closing, if it occurs. If the conditions of Final
5 Closing are not met as set forth in Section 17, then unless mutually agreed to by
6 the Parties, this Agreement shall terminate on November 12, 2009 without
7 liability on the part of either Party.
8

9 **29. DISPUTE RESOLUTION PROCEDURE.** Any claim, controversy, or dispute
10 arising out of, relating to, or in connection with this Agreement or an activity or
11 operation conducted under this Agreement shall be resolved under the Dispute
12 Resolution Procedure attached to the Macondo Prospect Operating Agreement.
13

14 **30. Non-Simultaneous Exchange.** The Parties reserve the right, to the extent they
15 are entitled to receive property or other consideration as set forth in Section 2 of
16 this agreement, to treat such property or other consideration in order to
17 effectuate a non-simultaneous forward or reverse like-kind exchange pursuant to
18 Section 1031 of the Internal Revenue Code of 1986, as amended, and Revenue
19 Procedure 2000-37, as modified by Revenue Procedure 2004-51. In such event
20 (a) the Parties shall have the right to assign their respective rights under this
21 Agreement to a qualified intermediary, (b) the Parties will transfer the properties
22 or other consideration directly to a qualified intermediary, and (c) the Parties will
23 execute documents reasonably necessary to effectuate the non-simultaneous
24 forward or reverse like-kind exchange (provided, however, the Parties
25 acknowledge and agree that such documents will in no way modify the rights,
26 duties and obligations of the Parties to one another under the terms of this
27 Agreement or increase any Party's obligations or liabilities without its express
28 consent).
29

30 **31. ACCURACY OF INFORMATION.** Subject to Sections 3, and 13-17, the Parties
31 do not make any representation or warranty, either express or implied, as to the
32 accuracy, completeness or materiality of any data, information, records or
33 materials made available in connection with this Agreement. **WITHOUT**
34 **LIMITATION TO THE GENERALITY OF THE FOREGOING, BUT SUBJECT TO**
35 **SECTIONS 3, AND 13-17, AND EXCEPT AS OTHERWISE EXPRESSLY**
36 **PROVIDED IN THIS AGREEMENT, THE PARTIES DISCLAIM AND NEGATE**
37 **ANY WARRANTY, EXPRESS, STATUTORY OR IMPLIED AS TO: (1)**
38 **MERCHANTABILITY, (2) FITNESS FOR A PARTICULAR PURPOSE, (3)**
39 **CONFORMITY OF THE DATA TO SAMPLES OR MODELS, (4) ANY**
40 **STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR**
41 **IN WRITING) TO THE OTHER PARTY OR ANY OF ITS AFFILIATES,**
42 **EMPLOYEES, AGENTS, CONSULTANTS OR REPRESENTATIVES**
43 **(INCLUDING, WITHOUT LIMITATION, ANY OPINION, INFORMATION,**


1 PROJECTION OR ADVICE THAT MAY HAVE BEEN PROVIDED TO THE
2 ASSIGNEE PARTY BY ANY OFFICER, DIRECTOR, EMPLOYEE, AGENT,
3 CONSULTANT, REPRESENTATIVE OR ADVISOR OF THE ASSIGNOR PARTY
4 OR ANY OF ITS AFFILIATES), (5) THE QUANTITY, QUALITY OR
5 RECOVERABILITY OF PETROLEUM SUBSTANCES, (6) ANY ESTIMATES OF
6 THE VALUE OF THE PROPERTY OR FUTURE REVENUES GENERATED BY
7 THE PROPERTY, AND (7) THE PRODUCTION OF PETROLEUM
8 SUBSTANCES FROM THE PROPERTY. IT BEING EXPRESSLY
9 UNDERSTOOD AND AGREED BY THE PARTIES HERETO THAT THE
10 ASSIGNEE PARTY SHALL BE DEEMED TO BE OBTAINING THE PROPERTY
11 IN ITS PRESENT STATUS, CONDITION AND STATE OF REPAIR, "AS IS"
12 AND "WHERE IS" WITH ALL FAULTS.
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1 EXECUTION PAGE FOR THE LEASE EXCHANGE AGREEMENT
2 DATED OCTOBER 1, 2009 BY AND BETWEEN
3 BP EXPLORATION & PRODUCTION INC. & MOEX OFFSHORE 2007 LLC
4
5

6 IN WITNESS WHEREOF, each Party, through its duly authorized agent or
7 representative, has executed this Agreement on date set forth below.
8
9

10 BP EXPLORATION & PRODUCTION INC.
11

12 
13 _____
14 Signature

15
16 O. Kirk Wardlaw
17 Printed Name

18
19 Attorney-in-Fact
20 Title

21
22 11/12/09
23 Date
24
25

26 MOEX OFFSHORE 2007 LLC
27

28 
29 _____
30 Signature

31
32 Naoki Ishii
33 Printed Name

34
35 President
36 Title

37
38 11/18/09
39 Date
40
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