



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL & GAS

550 West 7<sup>th</sup> Avenue, Suite 1100  
Anchorage, AK 99501-3563  
Main: 907.269-8800  
Fax: 907-269-8939

June 4, 2020

Loris Tealdi  
Eni US Operating Co. Inc.  
3700 Centerpoint Dr., Suite 500  
Anchorage, AK 99503

Re: Request for Extension of Oil and Gas Lease Rental Payments

Dear Mr. Tealdi,

On May 21, 2020, the Alaska Department of Natural Resources ("DNR") received a request from Eni US Operating Co. Inc. (Eni) to approve an extension of time within which to make payments on annual oil and gas lease rentals due August 1, 2020 for the leases depicted in the attached Exhibit A (Leases). Eni further requested a one-year extension of the primary term of the Leases.

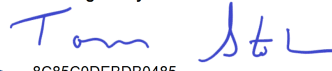
The commissioner has authority under AS 38.05.020(b)(5) to grant an extension for payment of rental on any mineral lease upon a finding that compliance with the requirements is or was prevented by reason of war, riots, or acts of God. President Trump and Governor Dunleavy have both declared states of emergency, nationally and in the state, for the unprecedented COVID-19 outbreak. The social and economic restrictions of this have placed an unanticipated burden on Alaskan businesses that justifies an extension of time within which to make payments.

The request of Eni is granted. Eni will be given until February 1, 2021 to make payments of oil and gas lease rentals originally due August 1, 2020. Per this extension, Eni shall inform the Division by December 1, 2020 if there are plans to relinquish leases subject to this extension.

The Leases were all issued effective August 1, 2015 for a 10-year primary term. Under AS 38.05.180(m), the length of the primary term of the lease combined with the term of a one-time extension may not exceed a total of 10 years. Therefore, the Leases are not eligible for an extension of the primary term and Eni's request is denied.

An eligible person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918; or sent by electronic mail to [dnr.appeals@alaska.gov](mailto:dnr.appeals@alaska.gov). This decision takes effect immediately. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources

Sincerely,

DocuSigned by:  
  
8C85C0DEBDB0485...

Tom Stokes  
Director

CC: Corri Feige, Commissioner, DNR  
Robert Province, Land Manager, Eni US Operating Co. Inc.

Exhibit A

392679	392847	392885	392921
392682	392848	392887	392922
392687	392849	392889	392923
392688	392850	392892	392924
392690	392851	392893	392925
392692	392852	392894	392926
392693	392853	392895	392927
392694	392854	392896	392928
392695	392855	392897	392929
392696	392856	392900	392930
392698	392857	392901	392931
392699	392858	392902	392932
392700	392859	392903	392933
392701	392860	392904	392934
392702	392861	392905	392935
392834	392862	392906	392936
392835	392863	392907	392937
392836	392864	392908	392938
392837	392865	392910	392939
392838	392875	392911	392940
392839	392876	392912	392941
392840	392878	392913	392942
392841	392879	392914	392953
392842	392880	392915	392955
392843	392881	392916	392956
392844	392882	392917	392957
392845	392883	392918	
392846	392884	392919	



eni us operating

eni us operating co. inc.  
3700 Centerpoint Dr., Suite 500  
Anchorage, AK 99503 – U.S.A.  
Tel. 907-865-3350 Fax 907-865-3380

May 21, 2020

The Honorable, Commissioner  
State of Alaska - Department of Natural Resources  
Division of Oil & Gas  
550 W. 7<sup>th</sup> Avenue, Suite 1400  
Anchorage, AK 99501

**Re: Eni's Request for Suspension of Exploration Lease Rental Payments  
Eastern Exploration Acreage Leases  
North Slope, Alaska**

Dear Commissioner:

Eni Petroleum US LLC and Eni US Operating Co. Inc. and (collectively, "Eni") is owner and operator of its newly acquired Eastern Exploration Acreage Leases ("EEA Leases") totaling 110 oil and gas leases comprising approximately 275,000 acres, southeast of the Prudhoe Bay Unit, more particularly described in Exhibit "A" attached hereto. Following the acquisition of the acreages in 2018, Eni immediately started an integrated geophysical and geological studies plan, in order to investigate, evaluate and de-risk the hydrocarbon potential in the new acreages.

Due to the COVID-19 pandemic, its economic impact and the unforeseen significant drop of global crude price and in particular Alaska North Slope crude, Eni's global cash reserves have been significantly curtailed, requiring the company to reduce and reprioritize global project funding which includes the Alaska EEA Leases. Because of these unprecedented global circumstances, Eni is now forced to revise its 2020 business plans of actively pursuing the necessary exploration drilling permits in the EEA Leases.

Eni hereby respectfully requests your approval of (i) a temporary, one-year suspension of the lease rentals for the EEA Leases totaling approximately \$2.8MM due in July 2020 and (ii) a one-year extension of the terms of the EEA Leases until 2026. The temporary lease rental suspension coupled with the lease term extensions will provide Eni the needed time to budget and reevaluate its business plans for the EEA Leases.

May 21, 2020  
Page 1 of 2



eni us operating

Should you wish to discuss or require anything further to facilitate your consideration of our request, please do not hesitate to contact Robert Province, Land Manager, at 907 947 3793 or Angie Wiese, Land Manager, at 832 325 0243.

Eni trusts you and your staff are well and continue to persevere in these unsettling times.

Sincerely,

Loris Tealdi  
President & CEO

Enclosure: Exhibit A - Eni EEA Lease Details

EXHIBIT A - Eni EEA Lease Details

State ADL No.	Lease Date	Expiration Date	Lease Gross Acres	2020 Lease Gross Rent	Royalty %	ORRI %	Lease NRI %	Eni's NRI %
392690	8/1/2015	7/31/2025	2,501.00	\$7,503.00	12.5	5	82.5	82.5
392693	8/1/2015	7/31/2025	2,512.00	\$25,120.00	16.67	5	78.33	78.33
392695	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392696	8/1/2015	7/31/2025	2,523.00	\$25,230.00	16.67	5	78.33	78.33
392698	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392700	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392702	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392903	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392906	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392913	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392914	8/1/2015	7/31/2025	2,533.00	\$25,330.00	16.67	5	78.33	78.33
392915	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392916	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392917	8/1/2015	7/31/2025	2,544.00	\$25,440.00	16.67	5	78.33	78.33
392918	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392919	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392839	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392842	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392845	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392849	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392850	8/1/2015	7/31/2025	2,439.00	\$24,390.00	16.67	5	78.33	78.33
392852	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392853	8/1/2015	7/31/2025	2,450.00	\$24,500.00	16.67	5	78.33	78.33
392855	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392856	8/1/2015	7/31/2025	2,461.00	\$24,610.00	16.67	5	78.33	78.33
392895	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392896	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392902	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392679	8/1/2015	7/31/2025	2,405.00	\$24,050.00	16.67	5	78.33	78.33
392682	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392687	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392688	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392692	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392694	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392699	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392701	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392834	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392835	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392836	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392837	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392838	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392840	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392841	8/1/2015	7/31/2025	2,439.00	\$24,390.00	16.67	5	78.33	78.33
392843	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33

EXHIBIT A - Eni EEA Lease Details

State ADL No.	Lease Date	Expiration Date	Lease Gross Acres	2020 Lease Gross Rent	Royalty %	ORRI %	Lease NRI %	Eni's NRI %
392844	8/1/2015	7/31/2025	2,450.00	\$24,500.00	16.67	5	78.33	78.33
392846	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392847	8/1/2015	7/31/2025	2,461.00	\$24,610.00	16.67	5	78.33	78.33
392848	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392851	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392854	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392857	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392858	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392859	8/1/2015	7/31/2025	2,439.00	\$24,390.00	16.67	5	78.33	78.33
392860	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392861	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392862	8/1/2015	7/31/2025	2,450.00	\$24,500.00	16.67	5	78.33	78.33
392863	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392864	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392865	8/1/2015	7/31/2025	2,461.00	\$24,610.00	16.67	5	78.33	78.33
392875	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392876	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392878	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392879	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392880	8/1/2015	7/31/2025	2,439.00	\$24,390.00	16.67	5	78.33	78.33
392881	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392882	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392883	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392884	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392885	8/1/2015	7/31/2025	2,439.00	\$24,390.00	16.67	5	78.33	78.33
392887	8/1/2015	7/31/2025	2,450.00	\$24,500.00	16.67	5	78.33	78.33
392889	8/1/2015	7/31/2025	2,461.00	\$24,610.00	16.67	5	78.33	78.33
392892	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392893	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392894	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392897	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392900	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392901	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392904	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392905	8/1/2015	7/31/2025	2,533.00	\$25,330.00	16.67	5	78.33	78.33
392907	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392908	8/1/2015	7/31/2025	2,544.00	\$25,440.00	16.67	5	78.33	78.33
392910	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392911	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392912	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392921	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392922	8/1/2015	7/31/2025	1,920.00	\$19,200.00	16.67	5	78.33	78.33
392923	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392924	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33

EXHIBIT A - Eni EEA Lease Details

State ADL No.	Lease Date	Expiration Date	Lease Gross Acres	2020 Lease Gross Rent	Royalty %	ORRI %	Lease NRI %	Eni's NRI %
392925	8/1/2015	7/31/2025	1,280.00	\$12,800.00	16.67	5	78.33	78.33
392926	8/1/2015	7/31/2025	1,273.00	\$12,730.00	16.67	5	78.33	78.33
392927	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392928	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392929	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392930	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392931	8/1/2015	7/31/2025	2,399.95	\$24,000.00	16.67	5	78.33	78.33
392932	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392933	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392934	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392935	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392936	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392937	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392938	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392939	8/1/2015	7/31/2025	2,544.00	\$25,440.00	16.67	5	78.33	78.33
392940	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392941	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392942	8/1/2015	7/31/2025	2,555.00	\$25,550.00	16.67	5	78.33	78.33
392953	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392955	8/1/2015	7/31/2025	2,512.00	\$25,120.00	16.67	5	78.33	78.33
392956	8/1/2015	7/31/2025	2,560.00	\$25,600.00	16.67	5	78.33	78.33
392957	8/1/2015	7/31/2025	2,523.00	\$25,230.00	16.67	5	78.33	78.33
			<b>276,265.95</b>	<b>\$2,745,153.00</b>				