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DIVISION OF
OIL AND GAS

Northwest Cook Inlet Unit Agreement

EXHIBIT "G"

INITIAL UNIT PLAN

Buccaneer Alaska Operating, LLC ("Buccaneer"), as a result of the detailed petrophysical, geophysical and engineering analysis performed on existing wells on the North Cook Inlet structure and interpretation of approximately 1000 miles of 2D Seismic, has identified a potentially commercial accumulation of hydrocarbons on the north and north west end of the North Cook Inlet structure and approximately 3-6 miles north of the Tyonek Platform in the North Cook Inlet Unit. The Northwest Cook Inlet unit area is a northward continuation of the North Cook Inlet field in the Sterling-Beluga formations and the Tyonek Deep field in the Tyonek-Hemlock formations. Buccaneer intends to drill the first well to identify a potential gas source in the Beluga formation. Water depths over the accumulation average 100 feet. Buccaneer has between 87.5% and 100% Working Interest in six (6) leases in the proposed Northwest Cook Inlet Unit which comprise a total of approximately 10,008 acres.

Buccaneer, proposes an initial five-year (5-Year) Plan of Exploration and Plan of Development (Initial Unit Plan) for the Northwest Cook Inlet Unit. During the term of this Initial Unit Plan, Buccaneer, in its capacity as the Northwest Cook Inlet Unit Operator, plans to (1) continue the permitting process for the drilling of the Northwest Cook Inlet No. 1 well, (2) drill the Northwest Cook Inlet No. 1 Well to delineate a potential gas accumulation in the Sterling-Beluga formations, (3) if data indicates it to be appropriate, perform extended tests on the Sterling-Beluga formations, (4) if data indicates it to be appropriate, drill the Northwest Cook Inlet No. 2 Well to the Tyonek-Hemlock formation to delineate the potential oil accumulation, (5) submit an application for approval of an Initial Participating Area (Initial PA) within the Northwest Cook Inlet Unit, and (6) commence construction of pipelines and other infrastructure to allow commercial oil and gas production.

As justification of an extension beyond the end of the primary term of Lease ADL390384, from September 30, 2010, Buccaneer as the Northwest Cook Inlet Unit Operator will undertake the following exploration plan:

Year1/Year2: Within the first two years of this Initial Unit Plan, before **September** 30, 2012, the Northwest Cook Inlet Unit Operator will commit to and drill an Initial Well within the Unit Area.

I. By **September 30**, 2011, the Unit Operator will :
   a. obtain all necessary permits to allow for the drilling of a well in the Northwest Cook Inlet Unit; and
   b. provide evidence of a rig/drilling commitment by the Unit Operator that would enable the Unit Operator to drill a well within the Northwest Cook Inlet Unit not later than **September** 30, 2012.

II. By **September** 30, 2012 the Unit Operator will drill an Initial Well that meets the following minimum criteria:

   a. Drill a well to the stratigraphic equivalent to the Beluga interval in the Pan American Cook Inlet St 17591 No. 1 well;
   b. Drill to a bottom hole location within the Unit area;
   c. Log the well (GR or SP, Resistivity and neutron/Density or Porosity: appropriate triple combo log); and
   d. Complete, suspend, or abandon the well.

III. If the Unit Operator fails to provide evidence by **September 30**, 2011 satisfactory to the Commissioner of its commitment to drill the 1st Initial Well as described in Section I above by **September 30**, 2012:

   a. The Northwest Cook Inlet Unit will automatically terminate;
   b. ADL390384 will expire; and
   c. The Unit Operator and the Working Interest Owners will be released from all further obligations in this Initial Unit Plan.

IV. If the Unit Operator fails to drill the 1st Initial Well described in Section III above, by **September 30,** 2012:

   a. The Northwest Cook Inlet Unit will terminate;
   b. ADL390384 in the Northwest Cook Inlet Unit will terminate effective **October** 1, 2011;
   c. The Working Interest Owners will pay the State of Alaska a payment equal to $10/acre x expired State Lease acreage within the Northwest Cook Inlet Unit; and
   d. The Unit Operator and the Working Interest Owners will be released from all further obligations.

Year 3: During the third year of this Initial Unit Plan, before **September** 30, 2013, if the Northwest Cook Inlet Unit has not been terminated pursuant to this Initial Unit Plan, the Unit Operator will determine through well test data that the Beluga interval is commercial and seek to obtain approval of a Participating Area within the Northwest Cook Inlet Unit.

I Following completion of the 1st Initial Well, if drilling data indicates it to be appropriate, the Unit Operator will test the potentially productive formations in the Initial Well.

II. If warranted by well test data, the Unit Operator will confirm through extended testing of the Initial Well if commercial quantities of oil or gas are present;

III. The Unit Operator will submit by **September 30**, 2013 an application containing all information necessary to obtain approval from the proper authorities to establish a Participating Area (PA) within the Northwest Cook Inlet Unit.

V. If the Unit Operator fails to submit a complete application by **September 30**, 2013 to establish a PA within the Northwest Cook Inlet Unit, containing all information necessary to obtain approval from the proper authorities:

a. The Northwest Cook Inlet Unit will automatically terminate;
b. ADL390384 in the Northwest Cook Inlet Unit will terminate effective **October** 1, 2013;
c. The Unit Operator and the Working Interest Owners will be released from all further obligations.

Year 4: During the fourth year of this Initial Unit Plan, before **September 30**, 2014, the Unit Operator plans to consider drilling a 2nd Initial Well within the Northwest Cook Inlet Unit or shoot a 3-D seismic survey. The Unit Operator will submit a revised Initial Unit Plan that will include Plan of Development describing activities to be conducted on lands within the PA and a Plan of Exploration describing exploration activities to be conducted on lands not within any PA in the Unit Area during the remaining two years of the Initial Unit Plan.

Year 5: During the fifth year of this Initial Unit Plan, before **September 30,** 2015, the Unit Operator will submit the necessary applications to obtain approvals, including a plan of operation that will allow construction of pipelines and infrastructure to permit commercial production of oil and gas from the Northwest Cook Inlet Participating Areas (s).

Initial Unit Plan **General Provisions:**

I. If the Northwest Cook Inlet Unit terminates for failure to fulfill any of the commitments in this Initial Unit Plan, the Working Interest Owner(s) will automatically surrender all expired State acreage within the Unit Area, effective the day the Unit terminates.

II. After fulfilling all of the obligations in this Initial Unit Plan, any Tract not having a portion of the Lease included in an approved Participating Area by **September 30**, 2015 shall contract out of the Unit Area, unless there is a well certified capable of producing in paying quantities located on that Tract, and all portions of the Lease remaining in the Unit Area shall be subject to the terms and provisions of the Northwest Cook Inlet Unit Agreement.

III. If acreage contracts out of the Northwest Cook Inlet Unit area for failure to fulfill any of the commitments in this Initial Unit Plan, the Working Interest Owners(s) shall automatically surrender all expired State acreage that contracts out of the Northwest Cook Inlet Unit, effective the day the Unit contracts. The Commissioner may delay contraction of the Unit area if warranted.