



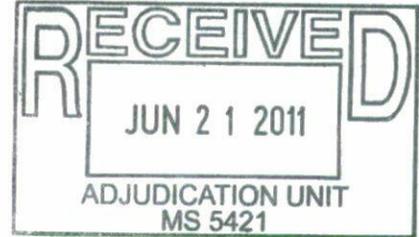
Peggy V. Sonnier
Land Analyst

Chevron U.S.A. Inc.
Gulf of Mexico Land
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Lafayette, LA 70503
Tel 337 989 3104
Fax 1 866 726 6823
PeggySonnier@chevron.com

June 17, 2011

Bureau of Ocean Energy Management,
Regulation, and Enforcement
1201 Elmwood Park Blvd
New Orleans, LA 70123-2394

Attention: Non-Required Filing Section



Non-Required Filings
Category 7 – Contracts, Agreements, and Conveyances
Reassignments of Wellbore
OCS-G 2868 #24 Well
Vermilion Block 31
Vermilion Parish, Louisiana

Ladies & Gentlemen:

Enclosed are two (2) copies each of four (4) Reassignments of Wellbore all covering the VR 31 OCS-G 2868 lease. Please file each Reassignment in Non-Required Filing **Category 7 - Contracts, Agreements, and Conveyances under lease OCS-G 2868**. The enclosed Reassignments are further described as follows:

- Reassignment of Wellbore dated effective May 19, 2011, between McMoRan Oil & Gas LLC, as Grantor, and Chevron U.S.A. Inc., as Grantee, VR 31 OCS-G 2868 #24 Wellbore.
- Reassignment of Wellbore dated effective April 27, 2011, between Stephens Production Company LLC, as Grantor, and Chevron U.S.A. Inc., as Grantee, VR 31 OCS-G 2868 #24 Wellbore.
- Reassignment of Wellbore dated effective April 7, 2011, between Challenger Minerals Inc., as Grantor, and Chevron U.S.A. Inc., as Grantee, VR 31 OCS-G 2868 #24 Wellbore.
- Reassignment of Wellbore dated effective April 6, 2011, between Palace Exploration Company, as Grantor, and Chevron U.S.A. Inc., as Grantee, VR 31 OCS-G 2868 #24 Wellbore.

Also enclosed are the Pay Gov receipts to cover the filings fees.

Please return a date stamped copy of each Reassignment to my attention at the above noted letterhead address.

If you have any questions, please contact me at 337-989-3104.

Sincerely,

Peggy V. Sonnier

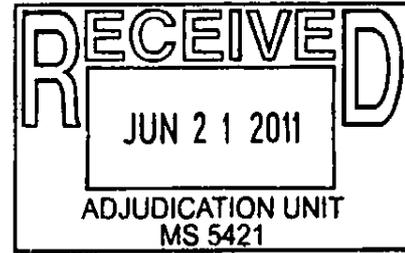
Enclosures

6

REASSIGNMENT OF WELLBORE

UNITED STATES OF AMERICA

OUTER CONTINENTAL SHELF



KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, Challenger Minerals Inc. ("Challenger"), a California Corporation, entered into an Offshore Development Agreement, dated January 18, 2001, ("Agreement") with Texaco Exploration and Production Inc. ("Texaco"), a Delaware corporation, affecting a portion of OCS-G 02868, Block 31, Vermilion Area; and

WHEREAS, Challenger earned a wellbore assignment ("Assignment") from Texaco of thirty-nine and three hundred seventy-five thousands percent (39.375%) of the undivided right, title and interest in and to the wellbore for the OCS-G 02868 Well No. 24, located in Block 31, Vermilion Area, Offshore Louisiana ("Vermilion Block 31 Well No. 24") pursuant to the terms of that Agreement; and

WHEREAS, McMoRan Oil & Gas LLC, ("Grantor") a Delaware limited liability company, is the successor to a portion of Challenger's interest in the Agreement and the Assignment; and

WHEREAS, Chevron U.S.A. Inc., ("Grantee") a Pennsylvania corporation, is the successor to Texaco's interest in the Agreement and the Assignment; and

WHEREAS, Article 8.1 of the Agreement requires a re-conveyance to Texaco, for whom Grantee is the successor in interest, after production from a well or wells drilled by Challenger pursuant to the terms of the Agreement should cease for any cause, without the commencement of subsequent drilling or reworking operations within ninety (90) days after cessation of such production and without the lapse of more than ninety (90) days between the cessation of such operations on one well and the commencement of such operations on another well on the Prospect Acreage, unless production from such well is restored; and

WHEREAS, the Vermilion Block 31 Well No. 24 has not produced hydrocarbons since the year 2003 and there has not been any subsequent drilling or reworking operations on, for or in the Vermilion

Block 31 Well No. 24 within the ninety (90) days from the last hydrocarbon production from such well nor was production timely restored from said well nor within the last ninety (90) days from the Effective Date, and Grantee is entitled to a re-assignment from Grantor.

NOW THEREFORE, Grantor does hereby grant, convey and assign unto Grantee all of its undivided right, title and interest in and to the wellbore for the OCS-G 02868 Well No. 24, its production tubing, the well head, any related well equipment and facilities and the well data, where such well is also referred to above as the Vermilion Block 31 Well No. 24, located in Block 31, Vermilion Area, Offshore Louisiana, which working interest in the well is more fully described as seven and one half percent (7.5%) of one hundred percent (100%) of the undivided right, title and interest in and to the wellbore, the production tubing, the well head, any related well equipment and facilities and the well data.

II. ADDITIONAL COVENANTS, CONDITIONS AND OBLIGATIONS

Grantor retains, to the full extent of its interest, all pre-Effective Date liabilities, burdens, encumbrances and obligations bearing upon the re-assigned interest or any portion thereof and represents and covenants that neither Grantor nor its predecessor(s) in title encumbered or burdened the re-assigned interest or any portion thereof. It shall be fully understood and agreed that in the event Grantor or its predecessor in title, prior to the Effective Date, incurred liabilities against or encumbered or burdened the re-assigned interest or any portion thereof, the Grantor shall defend, indemnify and hold Grantee harmless free and clear of any and all obligations, liability and/or responsibility for such liabilities, encumbrance(s) or burden(s), of every kind or nature. For the avoidance of any doubt, such pre-Effective Date liabilities, burdens, encumbrances and obligations do not include the obligation to plug and abandon OCS-G 02868 Well No. 24, and Grantee shall be responsible for such plugging and abandonment in accordance with applicable laws and regulations.

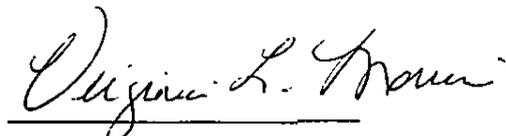
It is further understood and agreed that this reassignment of Grantor's interest terminates, as of the Effective Date and as between the parties to this re-assignment, any and all rights that Grantor holds or may have had under the Offshore Development Agreement, dated January 18, 2001, as it pertains to OCS-G 02868 on Vermilion Block 31, that certain Joint Operating Agreement, dated March 15, 2001, governing Vermilion Block 31 Well No. 24, and that certain Production Handling Agreement dated June 7, 2001, providing for the handling of production from the Vermilion Block 31 Well No. 24, collectively the "Agreements"; provided, however, Grantor agrees to remain bound to the obligations of confidentiality under the Joint Operating Agreement, dated March 15, 2001, governing Vermilion Block 31 Well No. 24 until the expiration of OCS - G 02868 and is not released from any accrued obligations under any of the Agreements, for the period prior to the Effective Date.

All of the terms and provisions of this Assignment are hereby expressly made subject to all federal, state, and local laws and to all orders, rules, regulations and standards issued thereunder by all duly constituted political subdivisions and agencies having jurisdiction.

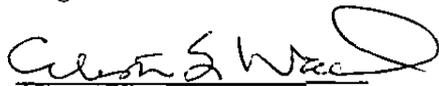
This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, this Assignment is signed and made effective on this 19th day of May, 2011, the "Effective Date".

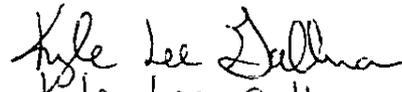
WITNESSES:



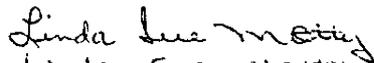
Virginia L. Morrison



Celeste S. Wood



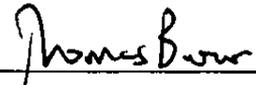
Kyle Lee Gallman



Linda Sue Motry

Grantor:

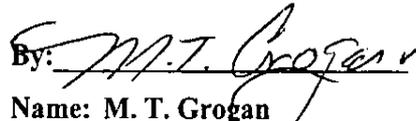
McMoRan Oil & Gas LLC

By: 

Name: Thomas Beron *chr/mt*
Title: Vice President

Grantee:

Chevron U.S.A. Inc.

By: 

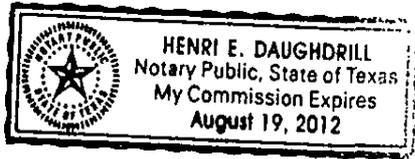
Name: M. T. Grogan
Title: Assistant Secretary

STATE OF TEXAS

COUNTY OF HARRIS

On this 19th day of May 2011, before me, the undersigned authority, personally appeared Thomas Beron, Vice President of McMoRan Oil & Gas LLC, a Delaware limited liability company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said company.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 19th day of May 2011.



Henri E. Daughdrill
Notary Public in and for the
State of Texas

My Commission Expires August 19, 2012

STATE OF LOUISIANA

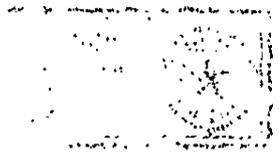
PARISH OF LAFAYETTE

On this 9TH day of JUNE, 2011, before me appeared M. T. Grogan, to me personally known, who being by me duly sworn, did say that he is the Assistant Secretary of Chevron U.S.A. Inc., a Pennsylvania corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and said appearer acknowledged that he executed the same as the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my official hand and seal on the date hereinabove written.

Peggy V. Sonnier
Peggy V. Sonnier, Notary ID #53591
Notary Public in and for
Lafayette Parish, Louisiana

My Commission expires at death.



STATE OF LOUISIANA
PARISH OF VERMILION

I HEREBY CERTIFY THAT THE [unclear] AND [unclear] IS A TRUE
AND CORRECT COPY OF [unclear]

BOOK June 14 2011 Conv. FOLIO 21106 PG. 204
ALSO IN _____ PG. _____

UNDER NUMBER _____
RECORDS OF VERMILION _____

IN FAITH WHEREOF WITNESSED
AT ABBEVILLE, LA THIS 14th DAY OF June 2011
Mrs. Cella L. Desobry
CLERK AND _____