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11 Attorneys for the State of Alaska

12 UNITED STATES DISTRICT COURT  
13 DISTRICT OF ALASKA

14 STATE OF ALASKA,

15 Plaintiff,

16 v.

17 EXXON CORPORATION, and EXXON)  
18 SHIPPING COMPANY,

19 Defendants.)  
20

No. A91-083 CIV (HRH)

21 NOTICE OF ERRATA IN  
22 THIRD JOINT NOTICE  
23 OF EXPENDITURES FROM  
24 INVESTMENT FUND

25 The United States and the State of Alaska (the Governments) hereby  
26 jointly notify the Court of errata appearing on pages 4 and 5 of their Third Joint  
Notice of Expenditures From Investment Fund (Third Joint Notice), filed on October  
11, 2002. Clerk's Docket #248). The Third Joint Notice briefly summarized an  
agreement among the Governments and Koniag, Inc. ("Koniag") relating to interests  
in lands on Kodiak Island entitled Master Agreement for Protection of Certain Lands

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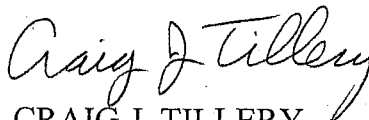
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2 and Resources Between Koniag, Inc., the United States, and the State of Alaska  
3 (“the Master Agreement”). A more detailed summary of the Master Agreement  
4 appears in the overview that is attached to this Notice of Errata as Attachment A.

5 Most importantly, the Third Joint Notice indicated that the  
6 Governments would place \$29,550,000 in a separately managed sub-account of the  
7 EXXON VALDEZ Oil Spill Investment Fund (“Investment Fund”). In fact, the  
8 amount that was to be deposited in the Koniag Investment Sub-Account on October  
9 15, 2002 was \$29,800,000. See Third Joint Notice, Attachment A, p. 13.

11 RESPECTFULLY SUBMITTED this 22<sup>d</sup> day of October, 2002 at  
12 Anchorage, Alaska.

13  
14 FOR THE STATE OF ALASKA  
15 BRUCE M. BOTELHO  
16 ATTORNEY GENERAL

17 By:



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FOR THE UNITED STATES OF AMERICA  
THOMAS L. SANSONETTI  
Assistant Attorney General  
Environment & Natural Resources Division

WILLIAM D. BRIGHTON, Asst. Chief  
Environmental Enforcement Section  
Environment & Natural Resources Division  
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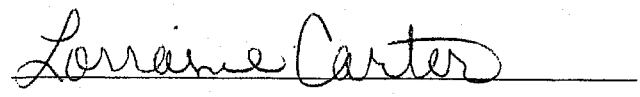
By: 

REGINA R. BELT  
Environmental Enforcement Section  
Environment & Natural Resources Division  
U.S. Department of Justice  
801 B Street, Suite 504  
Anchorage, Alaska 99501-3657  
(907) 271-3456

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 22<sup>nd</sup> day of  
October, 2002, a copy of the foregoing  
document and attachment was served by  
U.S. mail, first class, postage prepaid,  
to the following:

- Regina R. Belt
- James F. Neal
- Douglas J. Serdahely
- Patrick Lynch
- John F. Clough III



10-22-02  
Date

STATE BUSINESS - NO CHARGE

**MASTER AGREEMENT  
FOR PROTECTION OF CERTAIN  
LANDS AND RESOURCES  
BETWEEN KONIAG, INC.,  
THE UNITED STATES OF AMERICA,  
AND THE STATE OF ALASKA**

July \_\_\_\_, 2002

ACE 30399099

ATTACHMENT   A  

PAGE   1  

OF   3

records, remain generally undeveloped and unchanged in character and condition from that which existed at conveyance to Koniag by the United States.

WHEREAS, the lands subject to this Agreement are of particular value to meet the restoration goals and objectives of the Trustee Council, as well as the conservation objectives established for the National Wildlife Refuge System.

NOW THEREFORE, in consideration of their mutual promises and other good and valuable consideration, the Parties covenant and agree as follows:

(1) General Overview of Agreement. The purpose of this Section is to facilitate understanding of the various transactions provided for in this Agreement. The provisions of the specific sections of this Agreement that follow and the various instruments attached as exhibits hereto, are controlling as to the requirements relating thereto.

Koniag will extend the expiration date for the existing Non-Development Easements and the State Access and Use Easement generally covering the Karluk and Sturgeon River drainages from December 15, 2001, to October 15, 2002 (see the Seventh Amendment to the Non-Development Easements in the form set forth at attached Exhibit I). A payment by the United States of \$300,000 for this extension is due within 15 days after execution of the Seventh Amendment to the Non-Development Easements. These easements will be replaced upon the expiration of the foregoing extension on October 15, 2002, by a Conservation Easement in the form set forth at attached Exhibit II and with an initial term of ten years. The U.S. Fish and Wildlife Service (hereinafter "Service") and Koniag shall meet pursuant to the terms of the Conservation Easement. Also effective October 15, 2002, the Camp Island Limited Development Easement in the form set forth at attached Exhibit III will commence and run concurrently with the term of the Conservation Easement. Under this Agreement, Koniag, in its sole discretion and at its sole option, may sell to the United States, no earlier than December 15, 2012, the lands subject to the Conservation Easement. In return for these two easements and the option to sell, the United States will cause to be established as of October 15, 2002, a Special Account from which payments for these easements to Koniag will be made. The Special account will be funded by a deposit of \$29,800,000, unless Koniag elects to exchange with the Service certain lands along Uyak and Zachar Bays, in which event the deposit will be \$29,550,000, of the joint settlement funds and invested following consultation with Koniag. From this account, annual payments to Koniag will be made for these easements, as well as the payment of applicable investment fees. Should Koniag elect to exercise its option to sell to the United States the lands subject to the Conservation Easement, Koniag would transfer to the United States and/or the State, as applicable, the State Conservation Easement in the form set forth at attached Exhibit IV, the Limited Warranty Deed in the form set forth at attached Exhibit V, and the Permanent Camp Island Limited Development Easement in the form set forth at attached Exhibit VI and would receive the funds remaining in the Special Account. See Section 21 for the special

obligations of Koniag with respect to resolving title issues concerning certain lands on or near the east shore of Uyak Bay.

(2) Koniag Selections. The Parties are uncertain whether Koniag, as successor to Karluk Native Corporation and Nu-Nachk Pit, Inc., has now received from the United States all of such Village Corporations' remaining ANCSA entitlement within the Kodiak NWR. Should a subsequent determination find that such entitlement within the Refuge remains unfulfilled, Koniag agrees to prioritize any future conveyances from the United States so it receives land outside the Refuge whenever legally permissible to do so. Should the conveyance of such remaining entitlement outside the Refuge not be legally permissible, Koniag agrees to execute the appropriate instruments in order that such lands will be treated in the same manner as are other Koniag lands under this Agreement.

(3) Closings.

(a) Subject to the terms and conditions set forth in this Agreement, the Initial Closing shall take place before August 1, 2002, at a location mutually agreeable to the parties and at which Initial Closing the parties shall execute and accept the Seventh Amendment to the Non-Development Easements;

(b) Subject to the terms and conditions set forth in this Agreement, a closing shall take place on such date that is on or prior to August 31, 2002, or such other date, and at a location, mutually agreeable to all parties. At such closing (hereinafter "3(b) Closing"), the following instruments shall be executed and delivered to the United States, and where applicable, the State of Alaska:

(i) Conservation Easement in the form set forth in attached Exhibit II; and

(ii) Camp Island Limited Development Easement in the form set forth in attached Exhibit III.

(c) The United States shall be responsible for promptly recording these instruments and the payment of costs customarily paid by the United States for the acquisition of lands and interests in lands.

(4) Elections of Koniag. The initial term of the Conservation Easement and the Camp Island Limited Development Easement are each ten (10) years. No later than July 15, 2012, Koniag shall notify the United States and the State in writing of its election, which election shall be in Koniag's sole discretion, whether it wishes to:

(a) convey the lands subject to the Conservation Easement in fee to the United States by the Limited Warranty Deed in the form set forth at attached Exhibit V, subject to