THIS MODEL FORM MAY NOT CONTAIN ALL PROVISIONS REQUIRED BY PARTIES ENGAGED IN OFFSHORE OPERATIONS. IN ADDITION, THIS MODEL FORM CONTAINS NUMEROUS PROVISIONS THAT MUST BE COMPLETED BY INSERTING APPROPRIATE TIME PERIODS, DOLLAR AMOUNTS, NUMBERS OF PARTIES, ETC., AND EACH PARTY MUST DETERMINE APPROPRIATE INSERTS FOR ITS PARTICULAR SITUATION OR APPLICATION. USERS OF THIS MODEL FORM OR PORTIONS OR VARIATIONS THEREOF SHOULD SEEK THE ADVICE OF COUNSEL TO ENSURE THAT THE AGREEMENT REFLECTS THE ACTUAL INTENT OF THE PARTIES AND IS PROPER UNDER THE APPLICABLE BUSINESS CIRCUMSTANCES. USE OF THE FORM OR A PORTION OR VARIATION THEREOF SHALL BE AT THE SOLE DISCRETION, RISK, AND LIABILITY OF THE USER PARTIES. THE OUTER CONTINENTAL SHELF ADVISORY BOARD DISCLAIMS ANY AND ALL INTERESTS OR LIABILITY WHATSOEVER FOR LOSS OR DAMAGES THAT MAY RESULT FROM USE OF THE FORM OR PORTIONS OR VARIATIONS THEREOF.
EXHIBIT “K”

Attached to and made a part of that certain Joint Operating Agreement dated effective ________________ by and between ________________ and ________________

HEALTH, SAFETY AND ENVIRONMENT (“HSE”)

Health, Safety and Environmental Management Systems

1. Plan Requirements for Operator: Operator shall have an effective Health, Safety & Environmental Management Plan or Plans, in accordance with API RP75, or an equivalent standard, including Operator's internal policies, for all operations conducted under the Operating Agreement to which this Exhibit is attached.

2. Overview of Plan for Non-Operators: Upon the written request of any Non-Operator, the Operator will present to the Non-Operators, at a meeting called in accordance with the Operating Agreement, a sufficient overview of its Health, Safety and Environmental Management systems to evidence compliance with Paragraph 1 herein.

3. Operator's HSE Performance as an Agenda Item: Upon written request, Operator's HSE performance shall be an agenda item for all meetings of the Parties where past HSE statistical performance as well as ongoing and future HSE improvement initiatives are presented and discussed.

Health, Safety and Environmental Reporting

4. Operator's Obligation to Notify Non-Operators: The Operator shall notify the Non-Operators in a timely manner after any of the following incidents occur:
   (a) well blow-out,
   (b) a fatality associated with operators operations
   (c) multiple serious injuries
   (d) significant adverse reaction from authorities, media, NGO's or the general public
   (e) cost of accidental damage exceeding US $500,000
   (f) oil spill of more than five (5) barrels
   (g) release of more than ten tones of a classified chemical such notification will be followed by a written report.

5. HSE Audits: Upon request of the Non-Operators, the Operator shall provide the copies of any HSE audits conducted of the drilling operations on the subject well.

6. Maintenance and Non-Operator's Review of HSE Statistics: HSE statistics for activities and operations conducted under the Operating Agreement will be maintained and be reported to Non-Operators on a monthly basis in a format to be mutually agreed to by the Parties. HSE statistics are defined as: Recordable Injuries, Lost Time Injuries, Lost Time Injury Frequency, Reportable Spills, Fines or Incidents of Non-compliance [all as defined by the Occupational Safety and
Health Administration (OSHA), Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE), or United States Coast Guard (USCG), whichever is applicable. In addition to opportunities to review data through audits, Operator will, upon request, furnish HSE performance information upon the completion of the well and be amenable to a timely meeting with Non-Operators specifically to review and discuss HSE performance applicable to this Operating Agreement.

**Health, Safety, and Environmental Inspections**

**Non-Operator's Right of Access:** For purposes of conducting health, safety and environmental inspection, the Non-Operators shall have the right of access to activities and operations and shall have access to Operator's HSE files as provided for in this Operating Agreement. The notable exceptions are a) may implicate privacy issues, b) is covered by an enforceable legal privilege, or c) can otherwise be protected under laws and legal principles involving confidentiality or secrecy. Operator will cooperate fully in these health, safety and environmental inspections.