AMENDMENT NO. 1
TO MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Amendment No. 1 is made and entered into on July 31, 2007, to be effective as of January 1, 2007 among Pacific Energy Resources Ltd. ("Pacific"), Forest Alaska Holding LLC, Forest Alaska Operating LLC, and Forest Oil Corporation (collectively referred to as "Forest").

RECITALS

WHEREAS, Pacific and Forest are parties to that certain Membership Interest Purchase Agreement dated May 24, 2007, but effective as of January 1, 2007 (the "Agreement");

WHEREAS, among other things, certain inaccuracies and omissions have been discovered in the Agreement, which Pacific and Forest desire to correct, as provided herein; and

WHEREAS, the parties desire to amend the consideration payable by Pacific under the Agreement; and

WHEREAS, Pacific and Forest wish to proceed directly to Closing under the Agreement.

NOW THEREFORE, in consideration of the benefits hereunder for each party, Pacific and Forest hereby amend the Agreement as follows:

1. In partial consideration of Forest's entry into this Amendment No. 1, Pacific agrees to increase the Deposit paid under Section 3.3(a)(i) by the issuance by Pacific to Forest of FIVE MILLION (5,000,000) shares of Pacific's common stock. All other references to the "Deposit" in the Agreement shall be read to include this increase. Pacific shall instruct its transfer agent to issue these shares immediately upon execution of this Amendment No. 1. If the Closing occurs, FIVE HUNDRED THOUSAND (500,000) of these shares, along with an additional FIVE MILLION (5,000,000) shares of Pacific common stock deliverable to Forest at Closing (for a total of FIVE MILLION FIVE HUNDRED THOUSAND (5,500,000) shares) shall be placed into escrow in accordance with the terms of the CIPL Side Letter (as that term is defined in Amendment No. 1 to the Asset Purchase Agreement between Forest and PERL dated the date hereof).

2. For purposes of this Amendment No. 1, the appearance of Forest Oil Corporation as a party under the Agreement shall be for Sections 7.6, 7.14, 10.1, 13.6 and Article XII only.

3. For purposes of this Amendment No. 1, unless otherwise set forth herein, capitalized terms or matters of construction deemed or established in the Agreement shall be applied herein as defined or established therein.

4. Exhibit A-2 of the Agreement is hereby deleted in its entirety and replaced with the Corrected Exhibit A-2 attached to this Amendment No. 1 and made a part hereof.

5. Exhibit A-3 of the Agreement is hereby deleted in its entirety and replaced with the Corrected Exhibit A-3 attached to this Amendment No. 1 and made a part hereof.

6. Exhibit A-5 of the Agreement is hereby deleted in its entirety and replaced with the Corrected Exhibit A-5 attached to this Amendment No. 1 and made a part hereof.

7. Schedule 4.19 of the Agreement is hereby deleted in its entirety and replaced with the Corrected Schedule 4.19 attached to this Amendment No. 1 and made a part hereof.

8. Notwithstanding anything in the Agreement, Closing Date shall be August 24, 2007 at 10:00 A.M. MST, and the Closing shall occur at the Denver offices of Forest.

9. Sections 11.1(c) and (d) of the Agreement are hereby deleted in their entirety. The text of Section 11.2(a) of the Agreement shall be deleted in its entirety and shall be replaced with the following:

> (a) If the Closing does not occur by August 24, 2007 for any reason other than (i) Seller's failure to meet its Closing obligations or (ii) pursuant to either Section 11.1(a) or 11.1(b), Seller shall be entitled to retain the Deposit, together with any interest earned thereon. This shall be in the nature of liquidated damages for Buyer's breach, and not a penalty, and shall be Seller's sole remedy against Buyer. If the Closing does not occur by August 24, 2007 (i) due to Seller's failure to meet its Closing obligations or (ii) pursuant to Section 11.1(a) or (b), the Deposit, together with any interest earned thereon, shall be delivered to Buyer.

10. The text of Section 3.2 of the Agreement shall be deleted in its entirety and shall be replaced with the following:

> 3.2 Amount and Form of Consideration. The total purchase price to be paid by Buyer to Seller in consideration of the Membership Interests is THREE HUNDRED NINETY MILLION DOLLARS AND NO/CENTS (US$390,000,000.00) cash (the "Cash Consideration"), plus indebtedness of Buyer owed to Seller in the principal amount at stated maturity of SIXTY MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS AND NO/CENTS ($60,750,000), which indebtedness shall be evidenced by a note issued substantially in accordance with the terms set forth in the Term Sheet attached to this Amendment No. 1 as Exhibit C (the "Purchase Debt"), plus 4,500,000 shares of common stock in Buyer (the "Stock Consideration", and together with the Cash Consideration and the Purchase Debt, the "Base Purchase Price"), subject to adjustment as provided in Section 3.4 (the Base Purchase Price, as so adjusted, is the "Purchase Price"). The parties hereto agree that they shall cooperate with each other in the preparation of the note evidencing the Purchase Debt. The negotiation, execution and deliver of such note shall be a Closing obligation of Buyer. The negotiation of such note shall be a Closing obligation of Seller and FOC.

11. The text of Section 3.4(a) shall be deleted in its entirety and shall be replaced with the following:

    (a) **This Section intentionally left blank**

12. Pacific hereby waives any claim to breach of or defects under any of the following provisions of the Agreement:

    Section 3.4(b)
    Article IV (other than Section 4.10)
    Article V (other than Sections 5.4, 5.6 and 5.8)
    Section 7.3 through 7.6
    Section 7.13

    Notwithstanding the foregoing waiver, Forest agrees to indemnify and hold harmless FAO, Buyer and each of their Affiliates, and the officers, directors, employees and agents thereof, under the indemnification procedures set forth in Section 12.3 of the Agreement, against any Losses arising from acts or omissions occurring prior to Closing which are or may be asserted in either of the following lawsuits:

    a. *Marathon Oil Company v. Forest Oil Corporation, Union Oil Company of California, d/b/a Unocal Alaska and Chevron Corporation*, filed on May 3, 2006 in the United States District Court for the District of Alaska at Anchorage, Case No. 3:06-cv-00102-TMB.

    b. *Forest Oil Corporation v. Union Oil Company of California, d/b/a Unocal Alaska*, filed on April 14, 2005 in the United States District Court, Eastern District of Alaska, Case No. A-05-0078.

13. Forest hereby waives any claim to breach of any of the following provisions of the Agreement:

    Article VI (other than Sections 6.6, 6.7 and 6.9)

14. Pacific hereby irrevocably waives the conditions to Closing contained in Section 8.1(d) of the Agreement. Forest hereby irrevocably waives the conditions to Closing contained in Section 8.2(b) of the Agreement.

15. The text of Section 9.1 shall be amended to delete the word "and" from the end of subsection (h) thereof, to delete the period at the end of subsection (i) thereof, and to add the following text at the end of subsection (i) thereof:

    ; and
    (j) an executed Share Acquisition and Registration Rights Agreement (as that term is defined in the Asset Sales Agreement dated May 24, 2007 but effective as of January 1, 2007 between Buyer and FOC).

16. The text of Section 9.2 shall be amended to delete the word "and" from the end of subsection (b) thereof, to delete the period at the end of subsection (c) thereof, and to add the following text at the end of subsection (c) thereof:

    ;
    (d) an executed note substantially in accordance with the terms set forth in the Term Sheet attached as Exhibit C; and
    (e) an executed Share Acquisition and Registration Rights Agreement.

17. During the period extending three months past Closing, Forest shall provide Pacific with commercially reasonable assistance in the preparation of audited statements of revenues and direct operating expenses as required by Regulation S-X under the Securities Act of 1933, as amended ("Reg. S-X") for the business being acquired under the Agreement and the Asset Sales Agreement between Forest and Pacific (the "Business") for the years ended December 31, 2004, December 31, 2005 and December 31, 2006. In addition and during the same period, at, Forest shall provide Pacific with commercially reasonable (a) accounting assistance in the preparation of unaudited interim statements of revenues and direct operating expenses for the Business as required by Reg. S-X for the period January 1, 2007 through the Closing Date and (b) such other reasonable accounting assistance as may be required by Pacific in order to prepare and provide any other financial information regarding the Business through the Closing Date as may be required by the Securities and Exchange Commission. The work called for in this paragraph 16 shall be conducted by Ernst & Young LLP, with the assistance of Forest and Pacific, and shall be at Pacific's sole expense. Should the accounts described above not be produced by the end of the three-month period following Closing, the finalization of the accounts shall be at Forest's sole expense.

18. To the extent not obtained prior to the Closing, after the Closing, Forest covenants and agrees to use commercially reasonable best efforts to obtain consents of the other parties to all Material Contracts the terms of which require consent as a result of the change of ownership that will occur at the Closing. Forest shall indemnify Pacific and Forest Alaska Operating LLC pursuant to Section 12.3 of the Agreement from any Losses resulting from the failure to obtain such consents.

19. The text of Section 13.6 of the Agreement shall be deleted in its entirety and shall be replaced with the following:

    Income Taxes. Seller and/or FOC shall be responsible for Income Taxes imposed on Seller and/or FOC to the extent they relate to any period, whether before, on or after the Effective Date, and all items of deduction, credit, loss or refund pertaining to Income Taxes imposed on Seller and/or FOC shall remain and belong to Seller and/or FOC; no matter when received, assessed or paid, Buyer shall be responsible for Income Taxes imposed on Buyer to the extent they relate to any period, whether before, on or after the Effective Date, and all items of deduction, credit, loss or gain or refund pertaining to Income Taxes imposed on Buyer shall remain and belong to Buyer, no matter when received, assessed or paid.

20. Except as expressly provided herein, the Agreement shall remain unchanged, is hereby ratified and affirmed, and shall continue in full force and effect. Wherever the terms of this Amendment No. 1 and the terms of the Agreement conflict, the terms of this Amendment No. 1 shall be deemed to supersede the conflicting terms of the Agreement. Any violation of an agreement or covenant contained in this Amendment No. 1 shall be treated in the same manner as a violation of an agreement or covenant in the Agreement.

21. Any provision of this Amendment No. 1 that is prohibited or otherwise unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction

22. This Amendment No. 1 may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

FOREST OIL CORPORATION

By: [signature] 9ZZ

Name: H. Craig Clark

Title: President and Chief Executive Officer

Date: July 31, 2007

PACIFIC ENERGY RESOURCES LTD.

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

FOREST ALASKA HOLDING LLC

By: [signature]

Name: Cyrus D Marter IV

Title: Vice Pres. + Secretary

Date: 7/31/07

FOREST ALASKA OPERATING LLC

By: [signature] 9ZZ

Name: Glen Mizenko

Title: Vice President, Business development

Date: 7/31/07

refund pertaining to Income Taxes imposed on Buyer shall remain and belong to Buyer, no matter when received, assessed or paid.

20. Except as expressly provided herein, the Agreement shall remain unchanged, is hereby ratified and affirmed, and shall continue in full force and effect. Wherever the terms of this Amendment No. 1 and the terms of the Agreement conflict, the terms of this Amendment No. 1 shall be deemed to supersede the conflicting terms of the Agreement. Any violation of an agreement or covenant contained in this Amendment No. 1 shall be treated in the same manner as a violation of an agreement or covenant in the Agreement.

21. Any provision of this Amendment No. 1 that is prohibited or otherwise unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction

22. This Amendment No. 1 may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

FOREST OIL CORPORATION

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

PACIFIC ENERGY RESOURCES LTD.

By: ______________________

Name: DARREN KATIC

Title: PRESIDENT

Date: JULY 31. 07

FOREST ALASKA HOLDING LLC

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

FOREST ALASKA OPERATING LLC

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

Corrected Exhibit A-2 Allocated Value
Attached to and made a part of that certain Membership Interest Purchase Agreement by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buyer

Field	Working Interest (%)	Net Revenue Interest (%)		Allocated Value ($)
McArthur River (Trading Bay Unit)	46.80	40.95	$	-
Trading Bay	46.80	40.95	$	-
Redoubt Unit	100.00	91.28 (*)	$	-
West McArthur River Unit	100.00	75.66	$	-
Three Mile Creek	30.00	25.62	$	-
West Foreland	100.00	83.00 (*) (**)	$	-
Kustatan	100.00	82.50	$	-
Cosmopolitan	-	0.973 ORRI (***)	$	-
Sabre	70.00	61.25	$	-
Spurr Platform	-	- (****)	$	-
Platform Rigs ("as-is, where-is" basis)			$	-
Asset Total			$	413,000,000
Working Capital			$	18,400,000
Total			$	431,400,000

* Subject to reduction after expiration of State Royalty Holiday
** Forest owns an ORRI
*** Subject to escalation pursuant to Asset Sales Agreement dated February 14, 2007
**** There is no WI or NRI since the property interest is only in the platform, pipelines, and equipment. While Forest has 50% ownership of the platform, etc., its abandonment obligation is approximately 32%.

Corrected Exhibit A-3 Contracts
Attached to and made a part of that certain Membership Interest Purchase Agreement by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buyer

Contract ID	Contract Date	Contract Type	Parties	Prospect Name
00571-CO-EA-0005	12/11/1998	EA	UNOCAL & FORCENERGY INC.	REDOUBT SHOAL
00571-CO-OA-0001	9/9/1997	OA	UNOCAL & FORCENERGY INC.	REDOUBT SHOAL
00571-CO-PA-0011	8/20/2004	PA	ALASKA DEPARTMENT OF NATURAL RESOURCES	REDOUBT SHOAL
00571-CO-PS-0006	5/24/2001	PS	FORCENERGY INC., DANCO EXPLORATION & DANIEL DONKEL	REDOUBT SHOAL
00571-CO-PS-0007	7/5/2000	PS	FORCENERGY INC., DANCO EXPLORATION & DANIEL DONKEL	REDOUBT SHOAL
00571-CO-PS-0012	10/21/1998	PS	FORCENERGY & FRED ELVSAAS	REDOUBT SHOAL
00571-CO-PS-0013	10/12/1999	PS	FORCENERGY & FRED ELVSAAS	REDOUBT SHOAL
00571-CO-UA-0002	8/15/1997	UA	UNOCAL & FORCENERGY INC.	REDOUBT SHOAL
00571-CO-VA-0003	7/1/1998	SE	UNOCAL & FORCENERGY INC.	REDOUBT SHOAL
00571-CO-VA-0004	4/1/1997	SE	TRICON & FORCENERGY, INC.	REDOUBT SHOAL
00571-CO-VA-0008	2/1/2001	VA	FOREST OIL CORPORATION & STATE OF ALASKA	REDOUBT SHOAL
00571-CO-VA-0010	1/1/2000	VA	COOK INLET REGION INC. & FOREST OIL CORP	REDOUBT SHOAL
00573-CO-OA-0001	6/12/1996	OA	UNOCAL & MARATHON OIL CO (TBF UOA)	TRADING BAY
00573-CO-UA-0007	6/25/2003	UA	UNOCAL & FOREST OIL CORPORATION	TRADING BAY
00573-CO-VA-0003	12/30/1996	VA	MARATHON AND FORCENERGY	TRADING BAY
00573-CO-VA-0004	4/15/1998	SE	UNOCAL & FORCENERGY INC.	TRADING BAY
00573-CO-VA-0005	1/1/2002	VA	UNOCAL & FOREST OIL CORPORATION (ALIGNMENT)	TRADING BAY / MCARTHUR RIVER
00573-CO-VA-0008	11/25/2002	VA	UNOCAL & FOREST OIL CORPORATION	TRADING BAY
00573-CO-OA-0006	2/27/1967	OA	UNOCAL, MARATHON OIL CO., ARCO, ET AL (TBU UOA)	MCARTHUR RIVER
00573-CO-UA-0002	2/6/1967	UA	UNOCAL & MARATHON (TBU UA)	MCARTHUR RIVER
00571-CO-VA-0011	5/1/2002	VA	TRADING BAY FACILITIES AGREEMENT BETWEEN UNION OIL COMPANY OF CALIFORNIA DBA UNOCAL ALASKA AND FOREST OIL CORPORATION AS AMENDED	MCARTHUR RIVER
	12/22/1998	VA	UNION OIL COMPANY OF CALIFORNIA AND FORCENERGY INC	SPURR PLATFORM
00575-CO-VA-0002	1/19/1999	VA	FORCENERGY INC & STATE OF ALASKA	WEST MCARTHUR RIVER
00575-CO-VA-0003	1/1/1997	VA	FORCENERGY (SUCCESSOR) & STEWART PETROLEUM COMPANY	WEST MCARTHUR RIVER
00575-CO-VA-0004	1/1/1997	VA	FORCENERGY (SUCCESSOR) & STEWART PETROLEUM COMPANY	WEST MCARTHUR RIVER
00575-CO-VA-0005	6/1/1997	VA	FORCENERGY (SUCCESSOR) & STEWART PETROLEUM COMPANY	WEST MCARTHUR RIVER
00575-CO-UA-0007	3/1/1990	UA	STEWARD PETROL. UNIT OPERATING AGREEMENT	WEST MCARTHUR RIVER
00575-MK-OS-001	9/17/2003	OS	FOREST OIL CORPORATION & TESORO ALASKA COMPANY	WEST SIDE COOK INLET
00580-CO-VA-0001	2/29/1988	VA	FOREST OIL CORPORATION & UNION OIL COMPANY	ASTOSCH

Corrected Exhibit A-3 Contracts

Attached to and made a part of that certain Membership Interest Purchase Agreement by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buyer

Contract ID	Contract Date	Contract Type	Parties	Prospect Name
00584-CO-FO-0006	11/23/1966	FO	MIDCOAST ENERGY RESOURCES & STEWART PETROLEUM COMPANY	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-FO-0012	2/1/2003	FO	DEVON PRODUCTION COMPANY & FOREST OIL CORPORATION	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-LA-0004	8/22/1997	LA	ANADARKO PETROLEUM & FORCENERGY INC.	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-OA-0001	1/1/2001	OA	PHILLIPS ALASKA INC. & FOREST OIL CORPORATION	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-UA-0003	1/1/2001	UA	PHILLIPS ALASKA INC. & FOREST OIL CORPORATION	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-UA-0005	8/10/2001	UA	PHILLIPS ALASKA INC. & FOREST OIL CORPORATION	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-UA-0007	1/1/2001	UA	PHILLIPS ALASKA INC., FOREST OIL CORPORATION & DEVON ENERGY PRODUCTION COMPANY	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-VA-0002	5/10/2001	SE	PHILLIPS ALASKA INC. & FOREST OIL CORPORATION	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-VA-0008	1/1/2002	VA	PHILLIPS ALASKA INC., FOREST OIL CORPORATION & DEVON ENERGY PRODUCTION COMPANY	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-VA-0009		VA	PHILLIPS ALASKA INC., FOREST OIL CORPORATION & DEVON ENERGY PRODUCTION COMPANY	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-VA-0011	10/1/2001	VA	PHILLIPS ALASKA INC., FOREST OIL CORPORATION & DEVON ENERGY PRODUCTION COMPANY	COSMOPOLITAN (CAPE STARICHIKOV)
00584-CO-PS-0017	2/14/2007	PS	FOREST ALASKA OPERATING LLC & PIONEER NATURAL RESOURCES ALASKA, INC	COSMOPOLITAN
00584-CO-VA-0014	2/16/2007	VA	FOREST ALASKA OPERATING LLC & PIONEER NATURAL RESOURCES ALASKA, INC	COSMOPOLITAN
00586-CO-PA-0004	6/6/2005	PA	STATE OF ALASKA - PARTICIPATING AREA APPROVAL	OLSEN CREEK/THREE MILE CREEK
00586-CO-UA-0003	1/1/2004	OA	AURORA GAS, LLC AND FOREST OIL CORPORATION	OLSEN CREEK/THREE MILE CREEK
00586-CO-UA-0003	3/26/2004	UA	STATE OF ALASKA - UNIT AGREEMENT APPROVAL	OLSEN CREEK/THREE MILE CREEK
00591-CO-OA-0001	8/1/1991	UA	UNOCAL & FORCENERGY INC.	KUSTATAN
00591-CO-VA-0002	8/16/1991	VA	MARATHON OIL COMPANY & UNOCAL	KUSTATAN
00591-CO-VA-0003	8/16/1991	VA	MARATHON OIL COMPANY & UNOCAL	KUSTATAN
00591-CO-VA-0004	9/10/1992	VA	MARATHON OIL COMPANY & UNOCAL	KUSTATAN
00603-CO-PS-0001	9/1/1998	PS	PHILLIPS PETROLEUM AND FORCENERGY	WEST FORELAND
00603-CO-VA-0002	4/1/2001	VA	CIRI, BLM, STATE OF ALASKA AND FOREST OIL CORP	WEST FORELAND
00603-CO-VA-0003	1/1/1990	VA	SALAMATOF NATIVE ASSN, CIRI, & STEWART PETROLEUM	WEST FORELAND
00603-CO-VA-0004	8/27/1999	VA	SALAMATOF NATIVE ASSOCIATION	WEST FORELAND
00603-MK-GS-0001	10/27/2005		GAS TRANSPORTATION AND MEASUREMENT STATION USAGE AGREEMENT BETWEEN FOREST OIL CORPORATION AND AURORA GAS, LLC DATED OCTOBER 27, 2005	
00597-CO-EA-0006	11/1/1999	EA	UNOCAL EXPLORATION AGREEMENT	
0000-CO-PS-0509	12/12/1996	PS	MARATHON PSA	
00597-CO-VA-0007	12/22/1998	VA	UNOCAL & FORCENERGY INC. - ASSIGNMENT AND BILL OF SALE	RAPTOR
	3/8/2002		MASTER EQUIPMENT RENTAL AGREEMENT BETWEEN UNION OIL OF CALIFORNIA AND FOREST OIL CORPORATION	
	3/1/2007		AMENDMENT NO. 1 MASTER EQUIPMENT RENTAL AGREEMENT BETWEEN UNION OIL OF CALIFORNIA AND FOREST OIL CORPORATION	

Corrected Exhibit A-3 Contracts
Attached to and made a part of that certain Membership Interest Purchase Agreement by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buyer

Contract ID	Contract Date	Contract Type	Parties	Prospect Name
00000-CO-VA-0456		VA	GLOBAL SETTLEMENT AGREEMENT BY AND BETWEEN FORCENERGY INC AND UNION OIL COMPANY OF CALIFORNIA	VARIOUS
KOK784		FCC LICENSE		VARIOUS
WPWZ267		FCC LICENSE		VARIOUS
WPRU412		FCC LICENSE		VARIOUS
WPUC962		FCC LICENSE		VARIOUS
WPVN476		FCC LICENSE		VARIOUS
WPVN475		FCC LICENSE		VARIOUS
WPXB681		FCC LICENSE		VARIOUS

Corrected Exhibit A-5 Owned Property, Owned Rights-of-Way and Surface Leases
Attached to and made a part of that certain Membership Interest Purchase Agreement by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buy

Fee Leases and Surface Acreage

FOREST DOC NO.	LESSOR or GRANTOR	LESSEE or GRANTEE	LEASE DATE	PROSPECT NAME	RECORDING BOOK	RECORDING PAGE
OWNED REAL PROPERTY						
00571-MD0001	HEIRS OF GLADYS ELVSAAS	FORCENERGY INC	4/20/2000	REDOUBT SHOAL (LOT 2, USS 12121)	975	678
00571-MD0002	FRED H ELVSAAS	FORCENERGY INC	1/28/2000	REDOUBT SHOAL (LOT 1, USS 4527)	975	662
00571-MD0003	FRED H ELVSAAS	FORCENERGY INC	11/13/1998	REDOUBT SHOAL (PARCELS 1 & 3)	3364	205
00573-MD0001	STATE OF ALASKA ADL 37596 FEE	FORCENERGY INC	12/30/1996	TRADING BAY	3015	107
00573-MD0002	MARATHON OIL COMPANY	FORCENERGY INC	12/30/1996	TRADING BAY	3015	109
00573-MD0003	STATE OF ALASKA - KUSTATAN WASTE DISPOSAL	MARATHON OIL COMPANY	10/1/1996	TRADING BAY	3066	361
SURFACE LEASES						
00571-990003	COOK INLET REGION INC	FOREST OIL CORPORATION	12/5/2002	REDOUBT SHOAL-SURFACE LEASE		
00571-990004 (b)	SALAMATOF NATIVE ASSOCIATION (*)	FOREST OIL CORPORATION	8/1/2002	REDOUBT SHOAL-SURFACE LEASE		
00571-990007 (b)	SALAMATOF NATIVE ASSOCIATION (*)	FOREST OIL CORPORATION	8/1/2002	WEST MCARTHUR RIVER		
00573-990007	SALAMATOF NATIVE ASSOCIATION (*)	FOREST OIL CORPORATION AND UNION OIL COMPANY OF CALIFORNIA	1/1/2000	TRADING BAY-SURFACE LEASE		
00573-990012	FOREST OIL CORPORATION AND UNION OIL COMPANY OF CALIFORNIA	FOREST OIL CORPORATION	9/29/2005	TRADING BAY		
00575-990001	COOK INLET REGION INC.	STEWART PETROLEUM COMPANY	1/1/1990	WEST MCARTHUR RIVER-SURFACE LEASE	2019	708
00575-990002	SALAMATOF NATIVE ASSOCIATION (*)	STEWART PETROLEUM COMPANY	1/1/1990	WEST MCARTHUR RIVER-SURFACE LEASE	2019	706
00603-990001	SALAMATOF NATIVE ASSOCIATION (*)	FOREST OIL CORPORATION	8/1/2002	WEST FORELAND-SURFACE LEASE		
RIGHTS-OF-WAY						
	STATE OF ALASKA ADL 35400 ROW	MARATHON OIL COMPANY	4/12/1968	MCARTHUR RIVER	3502	993-999
	STATE OF ALASKA ADL 227954 ROW	FOREST OIL CORPORATION	5/1/2003	REDOUBT		
	STATE OF ALASKA ADL 228217 ROW	FOREST OIL CORPORATION	3/1/2004	REDOUBT		
	STATE OF ALASKA ADL 34813 ROW	ATLANTIC RICHFIELD CO	6/7/1968	TRADING BAY	3215	672
	STATE OF ALASKA ADL 32549 ROW, AMENDED 1/23/02	UNOCAL CORPORATION	6/13/1966	TRADING BAY	3260	899
	STATE OF ALASKA ADL 224467 ROW	MARATHON OIL COMPANY	2/16/1990	TRADING BAY	2040	181
	STATE OF ALASKA ADL 221085 ROW	MARATHON OIL COMPANY	5/10/1988	TRADING BAY	332	379
	STATE OF ALASKA ADL 32916 ROW	UNION OIL COMPANY OF CALIFORNIA	7/22/1966	TRADING BAY	3253	183
	STATE OF ALASKA ADL 220602	MARATHON OIL COMPANY	1/1/1994	TRADING BAY	2574	560

Fee Leases and Surface Acreage

FOREST DOC NO.	LESSOR or GRANTOR	LESSEE or GRANTEE	LEASE DATE	PROSPECT NAME	RECORDING BOOK	RECORDING PAGE
00573-990003	LORENCE B. SNODGRASS ET UX	STEWART PETROLEUM CO.	11/6/1992	TRADING BAY	234	115
00575-990006	COOK INLET REGION INC	STEWART PETROLEUM COMPANY	3/31/1995	WEST MCARTHUR RIVER		
00575-990010 (a)	BIA ON BEHALF OF RONALD T. DOLCHOK AND SHERIAN E. MARVIN REPRESENTED	FOREST OIL CORPORATION	9/4/2002	WEST MCARTHUR RIVER		
00603-990002 (a)	BIA ON BEHALF OF RONALD T. DOLCHOK AND SHERIAN E. MARVIN REPRESENTED	FOREST OIL CORPORATION	9/4/2002	WEST FORELAND		
00575-990011	BIA ON BEHALF OF BARBARA M STEVENS	FOREST OIL CORPORATION	11/13/2002	WEST MCARTHUR RIVER		

(*) Approval of Assignment is pending

(a) Documents 00575-990010 and 00603-990002 are the same agreement.
(b) Documents 00571-990004 and 00575-990007 are the same agreement.

Schedule 4.19 Real Property Leases
Attached to and made a part of that certain Membership Interest Purchase Agreement dated Effective January 1, 2007 by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buyer

Surface Leases

LEASE NO.	LESSOR or GRANTOR	LESSEE or GRANTEE	LEASE DATE	RECORDING DISTRICT	PROSPECT NAME	RECORDING BOOK	RECORDING PAGE
00573-990012	UNION OIL COMPANY OF CALIFORNIA	FOREST OIL COMPANY	9/29/2005	ANCHORAGE	TRADING BAY		
00571-990003	COOK INLET REGION INC	FOREST OIL CORP.	12/5/2002	ANCHORAGE	REDOUBT SHOAL		
00571-990004	SALAMATOF NATIVE ASSOCIATION (*)	FOREST OIL CORPORATION	8/1/2002	ANCHORAGE	REDOUBT SHOAL		
00573-990007	SALAMATOF NATIVE ASSOCIATION (*)	MARATHON OIL COMPANY	1/1/2000	ANCHORAGE	TRADING BAY		
00575-990001	COOK INLET REGION INC.	STEWART PETROLEUM COMPANY	1/1/1990	ANCHORAGE	WEST MCARTHUR RIVER	2019	708
00575-990002	SALAMATOF NATIVE ASSOCIATION (*)	STEWART PETROLEUM COMPANY	1/1/1990	ANCHORAGE	WEST MCARTHUR RIVER	2019	706
00603-990001	SALAMATOF NATIVE ASSOCIATION (*)	FORCENERGY INC	8/27/1999	ANCHORAGE	WEST FORELAND		

Rights-of-Way

LEASE NO.	LESSOR or GRANTOR	LESSEE or GRANTEE	LEASE DATE	RECORDING DISTRICT	PROSPECT NAME	RECORDING BOOK	RECORDING PAGE
	STATE OF ALASKA ADL 35400 ROW	MARATHON OIL COMPANY	4/12/1968	ANCHORAGE	MCARTHUR RIVER	3502	993-999
	STATE OF ALASKA ADL 227954 ROW	FOREST OIL COMPANY	5/1/2003	KENAI	REDOUBT		
	STATE OF ALASKA ADL 228217 ROW	FOREST OIL CORPORATION	3/1/2004	KENAI	REDOUBT		
	STATE OF ALASKA ADL 34813 ROW	ATLANTIC RICHFIELD CO	6/7/1968	ANCHORAGE	TRADING BAY	3215	672
	STATE OF ALASKA ADL 32549 ROW, AMENDED 1/23/02	UNOCAL CORPORATION	6/13/1966	ANCHORAGE	TRADING BAY	3260	899
	STATE OF ALASKA ADL 224467 ROW	MARATHON OIL COMPANY	2/16/1990	ANCHORAGE	TRADING BAY	2040	181
	STATE OF ALASKA ADL 221085 ROW	MARATHON OIL COMPANY	5/10/1988	ANCHORAGE	TRADING BAY	332	379
	STATE OF ALASKA ADL 42914 ROW	MARATHON OIL COMPANY	10/20/1970	ANCHORAGE	TRADING BAY	196	63
	STATE OF ALASKA ADL 32916 ROW	UNION OIL COMPANY OF CALIFORNIA	7/22/1966	ANCHORAGE	TRADING BAY	3253	183
	STATE OF ALASKA ADL 220602	MARATHON OIL COMPANY	1/1/1994	ANCHORAGE	TRADING BAY	2574	560
00573-990003	LORENCE B. SNODGRASS ET UX	STEWART PETROLEUM	11/6/1992	ANCHORAGE	TRADING BAY		

(*) Consent to Assignment is pending.

Schedule 4.19 Real Property Leases
Attached to and made a part of that certain Membership Interest Purchase Agreement dated Effective January 1, 2007 by and between Forest Alaska Holding LLC, as Seller, and Pacific Energy Resources Ltd., as Buyer

Rights-of-Way con't

LEASE NO.	LESSOR or GRANTOR	LESSEE or GRANTEE	LEASE DATE	RECORDING DISTRICT	PROSPECT NAME	RECORDING BOOK	RECORDING PAGE
00573-990008	LORENCE SNODGRASS AND NINA	MARATHON OIL COMPANY	5/23/1978	ANCHORAGE	TRADING BAY		
00575-990006	COOK INLET REGION INC	STEWART PETROLEUM COMPANY	3/31/1995	ANCHORAGE	WEST MCARTHUR RIVER		
00575-990007	SALAMATOF NATIVE ASSOCIATION (*)	FOREST OIL CORPORATION	8/1/2002	ANCHORAGE	WEST MCARTHUR RIVER		
00575-990003	BARBARA M STEVENS REPRESENTED BY THE BIA	STEWART PETROLEUM	1/4/1994	ANCHORAGE	WEST MCARTHUR RIVER	2579	682
00575-990004	BARBARA M STEVENS REPRESENTED BY THE BIA	FORCENERGY INC	8/11/1986	ANCHORAGE	WEST MCARTHUR RIVER	3381	892

Office Lease

Agreement of Space Lease between Carr Gottstein Properties and Forcenergy Inc Dated March 5, 1997.

First Amendment to Space Lease Between Carr Gottstein Properties and Forcenergy Inc Dated May 1, 1998.

Second Amendment to Space Lease between Whale Building, LLC and Forest Oil Corporation Dated June 1, 2002.

Third Amendment to Space Lease – Finalization Pending

EXHIBIT C

PACIFIC ENERGY RESOURCES LTD./
FOREST OIL CORPORATION

SENIOR SUBORDINATED SELLER NOTE –TERM SHEET

Issuer:...................................... Pacific Energy Resources Ltd., a Delaware corporation ("PERL")

Payee: .... Forest Oil Corporation, and its successors and permitted assigns

Note: .... $60,750,000 zero coupon senior subordinated seller note (the "Senior Subordinated Note")

Maturity:................................. July 31, 2014

Voluntary Prepayment: .... Solely to the extent expressly permitted by the terms of all outstanding Senior Indebtedness (as defined below), PERL may prepay the Senior Subordinated Note, in whole or in part, at any time at 100% of the then applicable price set forth under "Change of Control" herein.

Guarantees: .... All domestic subsidiaries of PERL shall guarantee the Senior Subordinated Note on an unsecured basis subject to the subordination provisions described below; provided, that no subsidiary that is contractually restricted on July 31, 2007 from providing the guarantee shall be a guarantor of the Senior Subordinated Note and no after-acquired subsidiary that is subject to such a restriction at the time of acquisition shall be a guarantor of the Senior Subordinated Note. Each subsidiary of PERL that provides a guarantee of the Senior Subordinated Note may also incur Senior Indebtedness (as defined below) or provide a guarantee of Senior Indebtedness and any such Senior Indebtedness or guarantee thereof will be entitled to the benefit of the subordination provisions described below.

Security: .... The Senior Subordinated Note will be unsecured.

Ranking: .... The Senior Subordinated Note and each guarantee thereof will be a general unsecured obligation of PERL (or the applicable subsidiary of PERL) and will be subordinated in full in right of payment to the payment of the Senior Indebtedness, on terms satisfactory to Silver Point Finance, LLC and J. Aron & Company, in their sole discretion. The Senior Subordinated

Note and each guarantee thereof shall contain customary turnover provisions in the event any payment is made in violation of the foregoing and shall also contain customary provisions giving effect to the subordination provisions in the event of a liquidation, dissolution or bankruptcy of PERL (or the applicable subsidiary of PERL).

As used herein, "Senior Indebtedness" shall mean the collective reference to (i) all "Obligations" of PERL and any subsidiary of PERL as such term is defined in that certain Credit and Guaranty Agreement dated as of November 30, 2006 among PERL, certain of its subsidiaries, the lenders party thereto, J. Aron & Company, as Administrative Agent, and the other parties thereto, (ii) all obligations, liabilities and other indebtedness of PERL and any subsidiary of PERL, whether as principal, guarantor or surety, to the agents and lenders under the credit facilities entered into by any subsidiary of PERL in connection with the Forest Alaska acquisition, including all obligations, liabilities and other indebtedness of PERL and any subsidiary of PERL under and guaranty, pledge agreement, security document or other credit support entered into in connection therewith (including any guaranty of any hedging or similar obligations owed to agents or lenders under such credit facilities or any of their respective affiliates), including amounts in respect of principal, interest, fees, expenses, indemnities, penalties and premiums and (iii) any amendments, modifications, supplements, restatements, refundings, refinancings or replacements (in whole or in part) of any of the obligations, liabilities and other indebtedness described in clauses (i) and/or (ii) above, including any such modifications that may increase the principal amount of, or any other amounts payable under or in connection with, such Senior Indebtedness.

As of June 30, 2007, on a pro forma basis to reflect the Forest Alaska acquisition, PERL would have had approximately $65 million of borrowings under its credit facility identified in clause (i) above.

PERL will not incur indebtedness for borrowed money if such indebtedness is contractually subordinated in ranking to any Senior Indebtedness of PERL unless such indebtedness is pari passu with the Senior Subordinated Note or expressly subordinated in right of payment to the Senior Subordinated Note.

Covenants: .... Except for the covenants described below, there shall be no affirmative, negative or financial covenants with respect to the

Senior Subordinated Note. The Senior Subordinated Note will limit PERL's ability to (i) pay dividends or make other distributions on PERL's capital stock and (ii) repurchase or redeem any of PERL's capital stock ((i) and (ii) collectively referred to herein as "restricted payments"). However, PERL will be permitted to make restricted payments from time to time in an amount equal to a "basket" as customarily defined, which shall include, without limitation, 50% of PERL's consolidated net income, plus equity proceeds, plus indebtedness converted to equity, plus reductions in restricted investments, and plus changes in restricted and unrestricted subsidiaries. In addition, PERL will be permitted to make restricted payments (i) generally, in an amount not to exceed $5 million and (ii) with respect to repurchases of equity from current or former employees and directors, in an amount not to exceed $1 million per annum. Restricted payments will not include, among other things, any dividend or distribution payable solely in capital stock of PERL and the restricted payment covenant shall be subject to other customary limitations and exceptions.

In addition, the Senior Subordinated Note will restrict (subject to customary exceptions) the ability of PERL to enter into transactions with it affiliates (other than its subsidiaries) unless the terms of such transaction are no less favorable to PERL than those that could be obtained in an arm's-length transaction with a person that is not an affiliate of PERL. Any such affiliate transaction shall be approved by a majority of the disinterested directors of PERL (if any) if the transaction exceeds a customary value threshold. In addition, if the affiliate transaction exceeds a customary value threshold in excess of the foregoing, then a fairness or valuation opinion from a financial advisory, appraisal, investment banking, public accounting or similar firm shall be obtained in connection with the affiliate transaction. In no event shall any transaction with the holders of Senior Indebtedness be subject to the restrictions on affiliate transactions referred to above.

If, at any time after the third anniversary of the issuance of the Senior Subordinated Note, none of Silver Point Finance, LLC, J. Aron & Company or any of their respective affiliates are lenders pursuant to a credit facility or other lending or debt arrangement with PERL, including without limitation any amendments, modifications, supplements, restatements, refundings, refinancings or replacements (in whole or in part) of any of the obligations, liabilities and other indebtedness constituting Senior Indebtedness, including any such modifications that may increase the principal amount of, or any other amounts payable under or in connection with, such Senior Indebtedness (provided, that solely for purposes of this provision, a hedging arrangement alone shall not be deemed to constitute a credit facility or other lending or debt arrangement) (the occurrence of which shall be referred to herein as the "Triggering Event"), then PERL will thereafter be subject to the Debt Incurrence Covenant (as defined below) and the Prohibition of Senior Unsecured Debt Covenant (as defined below). Prior to the occurrence of the Triggering Event, the Debt Incurrence Covenant and the Prohibition of Senior Unsecured Debt Covenant will not be effective and will not provide the basis for a claim of breach of covenant, a default or event of default, any acceleration or any modification of the terms of the Senior Subordinated Note or provide to the holder of the Senior Subordinated Note any other right, remedy or action with respect thereto.

From and after the occurrence of the Triggering Event, PERL will not incur any indebtedness for borrowed money unless the ratio of the net present value of proven reserves to indebtedness, in each case with respect to PERL and its subsidiaries to be determined in the customary manner and on a pro forma basis after giving effect to such incurrence (including the application of the net proceeds therefrom), is equal to or greater than 1.15 to 1, subject to customary exceptions for permitted indebtedness, including without limitation a general indebtedness basket of $20 million, refinancing indebtedness, acquired indebtedness, intercompany indebtedness and existing indebtedness. The foregoing is referred to herein as the "Debt Incurrence Covenant."

From and after the occurrence of the Triggering Event, PERL will not incur senior debt (i.e., indebtedness that is not contractually subordinated in ranking to any other indebtedness of PERL) for borrowed money unless such debt is also secured by a security interest, lien, mortgage, pledge or similar right with respect to assets, rights or interests of PERL, subject to customary exceptions. The foregoing is referred to herein as the "Prohibition on Senior Unsecured Debt Covenant."

Events of Default: .... Certain specified bankruptcy events relating to PERL.

Except as described in the following sentence, the Senior Subordinated Note shall not be cross-defaulted to any Senior Indebtedness. The Senior Subordinated Note may contain a default provision triggered by the expiration of a 30-day cure period following a payment default with respect to Senior

Indebtedness (it being understood that any waiver, forbearance or similar arrangement from holders of Senior Indebtedness with respect to a payment default will toll the 30-day cure period for the duration of any such waiver, forbearance or similar arrangement). In the event of a payment default under the Senior Indebtedness, whether of principal, interest, fees, mandatory prepayment, upon acceleration or otherwise, no payments shall be permitted in respect of the Senior Subordinated Note until payment in full in cash has been made on all Senior Indebtedness. In the event of any default under the Senior Indebtedness (other than a payment default), payment shall not be permitted on the Senior Subordinated Note for a period of 90 days after each occurrence of a default under the Senior Indebtedness (each such period is referred to herein as a "<u>Standstill Period</u>"); <u>provided</u>, that if any Senior Indebtedness is accelerated or the holders of Senior Indebtedness exercise any other remedies during any such 90-day period, then no payment shall be permitted on the Senior Subordinated Note until payment in full in cash has been made on all Senior Indebtedness. In addition, during any Standstill Period the holder of the Senior Subordinated Note may not exercise any rights or remedies with respect thereto. Further, upon the occurrence of any default under the Senior Subordinated Note, the holder of the Senior Subordinated Note shall not be permitted to accelerate payment on the Senior Subordinated Note for a 30-day period after notice of such event of default is provided to holders of Senior Indebtedness unless payment in full in cash has been made on all Senior Indebtedness.

Change of Control: .... Upon the occurrence of a change of control or the sale of substantially all of PERL's assets, the holder of the Senior Subordinated Note will have the right to require PERL to repurchase all or a portion of the Senior Subordinated Note at the prices set forth below:

On or Before	$Millions
July 31, 2008	$31.67
July 31, 2009	$35.47
July 31, 2010	$39.73
July 31, 2011	$44.50
July 31, 2012	$49.84
July 31, 2013	$55.82
July 31, 2014	$60.75

The right to require the repurchase of the Senior Subordinated Note will, in all cases, be subordinated in full in right of payment to the payment of the Senior Indebtedness on terms satisfactory to Silver Point Finance, LLC and J. Aron & Company, in their sole discretion. In addition, no change of control or sale of substantially all assets shall be deemed to occur as the result of the exercise of the rights and remedies of the holders of Senior Indebtedness.

Transfer restrictions:.......... Payee will not transfer, assign or pledge its interest in the Senior Subordinated Note to any person or entity except for a transfer or assignment of all of Payee's right, title and interest in the Senior Subordinated Note, in which case the transferee or assignee will be subject to the same restriction on transfer; provided, that any such transfer or assignment must made expressly subject to the subordination terms governing the Senior Subordinated Note.