This AMENDMENT TO FORBEARANCE AGREEMENT AND SEVENTH AMENDMENT TO FIRST LIEN CREDIT AGREEMENT AND EIGHTH AMENDMENT TO CREDIT AGREEMENT dated as of February, 2, 2009 (this "Agreement"), by and among PACIFIC ENERGY ALASKA OPERATING LLC, as Borrower ("Borrower"), PACIFIC ENERGY ALASKA HOLDINGS, LLC, as Holdings ("Holdings"), PACIFIC ENERGY RESOURCES LTD. ("Pacific Energy"), CERTAIN FINANCIAL INSTITUTIONS listed on the signature pages hereto (the "Lenders"), and is made with reference to that certain FIRST LIEN CREDIT AGREEMENT, dated as of August 24, 2007 (as amended through the date hereof, the "Credit Agreement"), by and among Borrower, Holdings, SILVER POINT FINANCE, LLC ("Silver Point"), as agent and collateral agent (together with its permitted successor in such capacities, the "Agent"), and J. ARON & COMPANY ("J. Aron"), as documentation agent, and as hedge provider (in such capacity, the "Hedge Provider") under the ISDA Master Agreement, dated as of August 27, 2007 (together with any schedules, exhibits (including credit support documents) and amendments thereto, and all confirmations exchanged pursuant to transactions entered into in connection therewith, the "ISDA Agreement"), and the lenders party thereto, amends certain provisions of (a) that certain Forbearance Agreement and Seventh Amendment to First Lien Credit Agreement dated as of December 19, 2008 (as amended and in effect from time to time, the "Forbearance Agreement") by and among Pacific Energy, Holdings, Borrower, the Lenders, the Agent and the Hedge Provider and (b) that certain First Lien Credit Agreement dated as of August 24, 2007 (as amended and in effect from time to time, the "Credit Agreement"), among the Loan Parties, the Lenders party thereto from time to time, and the Agent.

A. WHEREAS, Borrower and the Required Lenders desire to amend certain provisions of the Forbearance Agreement and the Credit Agreement as provided more fully herein below.

B. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

Accordingly, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 2. Amendments to Forbearance Agreement.

(a) The definition for "Forbearance Period" set forth in Section 1 of the Forbearance Agreement is hereby amended by replacing the date "February 2, 2009" contained therein with the date "February 17, 2009".

(b) Section 5(e) of the Forbearance Agreement is hereby amended by replacing the date "February 2, 2009" contained in clause (i) thereof with the date "February 17, 2009".

(c) Section 5(e) of the Forbearance Agreement is hereby further amended by inserting at the end of clause (ii) thereof the following new sentence: "In addition to the requirement of Pacific Energy's and the Loan Parties' compliance with the Interim Forbearance Budget Covenants, any expenses or disbursements made by Borrower during the weeks ending

February 6, 2009 and February 13, 2009 shall be made in accordance with the Interim Forbearance Budget and shall not exceed $1,600,000 in the aggregate during such two week period, provided that any such expenses or disbursements in an amount in excess of $450,000 in the aggregate shall be in respect of the gas payment referenced in the Interim Forbearance Budget as line item "Alaska Non-Operated Gas Purchases" appearing in the week ended February 6, 2009."

SECTION 3. Amendments to Credit Agreement.

(a) The definition for "Forbearance Agreement" set forth in Section 1.01 of the Credit Agreement is hereby amended by inserting the following text immediately before the end of such definition: ", as amended and in effect from time to time".

(b) Section 2.12 of the Credit Agreement is hereby amended by inserting the following new subsection (d) immediately following subsection (c) thereof:

"(d) On Monday of each week (or if such day is not a Business Day, on the next succeeding Business Day) all good collected amounts in the Collateral Account (as defined in the Second Lien Credit Agreement) in excess of $250,000 the Borrower shall prepay the Borrowings in an aggregate principal amount equal to such excess (or such other amount as may be determined from time to time in the Agent's sole discretion) in accordance with Section 2.12(c)."

SECTION 4. Representations and Warranties. To induce the other parties hereto to enter into this Agreement, each of Pacific Energy, Borrower and the other Loan Parties represents and warrants to each of the Lenders and the Agent that, as of the date hereof:

(a) This Agreement has been duly authorized, executed and delivered by each of Pacific Energy, Borrower and the other Loan Parties and this Agreement, the Credit Agreement and the ISDA Agreement constitute Pacific Energy's and such other Loan Party's legal, valid and binding obligation, enforceable against it in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(b) The execution and delivery by each of Pacific Energy, Borrower and the other Loan Parties of this Agreement and the performance by each of Pacific Energy, Borrower and the other Loan Parties of their obligations under the Loan Documents to which each is a party, and the consummation of the transactions contemplated by the various Loan Documents, do not and will not (a) conflict with any provision of (i) any Governmental Requirement, (ii) Pacific Energy's, Borrower's or any other Loan Party's Organizational Documents, or (iii) any agreement, judgment, license, order or permit applicable to or binding upon Pacific Energy, Borrower or any other Loan Party, (b) result in the acceleration of any Indebtedness owed by Pacific Energy, Borrower or any other Loan Party, or (c) result in or require the creation of any Lien upon any assets or properties of Pacific Energy, Borrower or any other Loan Party except as expressly contemplated in the Loan Documents. Except as expressly contemplated in the Loan Documents no consent, approval, authorization or order of, and no notice to or filing with, any

Governmental Authority or third party is required in connection with the execution, delivery or performance by Pacific Energy, Borrower or any other Loan Party of any Loan Document or any Acquisition Document or to consummate any transactions contemplated hereby or thereby.

(c) The representations and warranties set forth in the ISDA Agreement and each Loan Document are, after giving effect to this Agreement, true and correct in all material respects on and as of the Effective Date (as defined below), except where such representations and warranties expressly relate to an earlier date (in which case they were true and correct in all material respects as of such earlier date).

(d) Other than the Specified Defaults (as defined in the Forbearance Agreement), no (i) Default or Event of Default under the Credit Agreement and other Loan Documents or (ii) Event of Default or Potential Event of Default under and as defined in the ISDA Agreement has occurred and is continuing.

(e) The Liens under the Security Documents are valid and subsisting and secure each Loan Party's obligations under the Credit Agreement, the ISDA Agreement, and the other Loan Documents.

SECTION 5. Conditions of Effectiveness of Agreement. This Agreement shall become effective at the time (the "Effective Date") that all of the following conditions precedent have been met:

(a) The Agent shall have received this Agreement, executed and delivered by (i) a duly authorized officer of Pacific Energy, Borrower and the other Loan Parties and (ii) the Required Lenders.

(b) The Agent shall have received a letter agreement by and between Zolfo Cooper Management, LLC (the "Chief Restructuring Officer") and Pacific Energy, which letter agreement shall replace in its entirety that certain letter agreement dated as of December 9, 2008 by Zolfo Cooper, LLC and Pacific Energy and shall be in form and scope and on terms and conditions reasonably satisfactory to the Required Lenders and shall provide, among other things, that the Chief Restructuring Officer will report directly to the board of directors of Pacific Energy and that all other restructuring-related professionals will report directly to the Chief Restructuring Officer.

(c) Pacific Energy and Borrower shall have provided to the Lenders an updated Interim Forbearance Budget prepared for the period through February 17, 2009, in form and substance satisfactory to each Lender, and including detailed weekly projections of the net lease operating expenses of Company and its Subsidiaries, a copy of which is attached hereto as Exhibit A.

(d) Pacific Energy shall have begun executing the work plan for return to production on work regarding four Platform Eureka (as defined in the 2006 PERL Credit Agreement) wells located in the Beta Field (as defined in the 2006 PERL Credit Agreement) on a basis reasonably satisfactory to the Lenders.

(e) Borrower shall make a prepayment of the Loans in the principal amount of $837,346.54, which such prepayment shall be applied on a *pro rata* basis.

(f) The Agent and the Lenders shall have received fully executed copies of Amendment No. 2 to the PERL Forbearance Agreement and the Amendment to the Second Lien Forbearance Agreement in form and substance satisfactory to the Agent and the Required Lenders and the conditions to effectiveness of such amendments shall have been satisfied without waiver or modification

(g) The Agent and the Lenders shall have received such other documents and information regarding Pacific Energy, Borrower and the other Loan Parties and the Credit Agreement as the Agent or Lenders may reasonably request.

(h) Other than the Specified Defaults (as defined in the Forbearance Agreement), no (i) Default or Event of Default under the Credit Agreement and other Loan Documents or (ii) Event of Default or Potential Event of Default under and as defined in the ISDA Agreement shall have occurred and be continuing as of the Effective Date. The representations and warranties in this Agreement, and in the Credit Agreement and the ISDA Agreement shall be true and correct in all material respects.

SECTION 6. Conditions Subsequent.

(a) On or prior to February 9, 2009, Pacific Energy shall have caused Lazard Freres & Co., LLC (the "Investment Banker") to finalize the confidential information memorandum with respect to the proposed sale of all or substantially all of the assets and/or equity interests of Holdings and shall have commenced, or caused the Investment Banker or Albrecht & Associates to commence, marketing calls to potential third party purchasers.

(b) The Loan Parties shall continue to cooperate with the Agent, the Hedge Provider, and each Lender in connection with any business and legal due diligence requests made by any such Secured Party, the scope of which shall be determined in the reasonable discretion of any such Secured Party, by providing all requested information and making representatives of the Loan Parties available to facilitate the due diligence investigation.

(c) Pacific Energy agrees with the Agent, the Hedge Provider and the Lenders that the failure to satisfy any of the conditions subsequent set forth in clauses (a) and (b) above shall constitute an Event of Default under the Credit Agreement.

SECTION 7. Effect on Loan Documents; Acknowledgements.

(a) The Lenders, Hedge Provider, and the Agent hereby expressly reserve all of their respective rights, remedies, and claims under the Credit Agreement, the Forbearance Agreement, the ISDA Agreement, and the other Loan Documents. Nothing in this Agreement shall constitute a waiver or relinquishment of the rights of each of the Lenders, the Hedge Provider, and the Agent to collect the full amounts owing to it under the Credit Agreement, the Forbearance Agreement, the ISDA Agreement, and the other Loan Documents.

(b) Pacific Energy, Borrower, each other Loan Party, the Lenders and Agent, each hereby adopt, ratify, and confirm the Credit Agreement and the Forbearance Agreement, and Pacific Energy, Borrower, each other Loan Party, and the Hedge Provider each hereby adopt, ratify, and confirm the ISDA Agreement, and each of the foregoing parties acknowledges and agrees that the Credit Agreement, the Forbearance Agreement, the ISDA Agreement and the other Loan Documents are and remain in full force and effect, and Pacific Energy, Borrower and each other Loan Party each acknowledge and agree that neither its liabilities under the Credit Agreement, the Forbearance Agreement, the ISDA Agreement, and the other Loan Documents nor the validity, perfection, or priority of any lien or security interest securing the Obligations is impaired in any respect by this Agreement.

SECTION 8. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of any executed counterpart of a signature page of this Agreement by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

SECTION 9. Applicable Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICTS OF LAW TO THE EXTENT SUCH PRINCIPLES OR RULES WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

SECTION 10. Headings. The headings of this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 11. Consent to Amendments. By their signature below, the Required Lenders hereby consent to replacing the date "February 2, 2009" contained in the definition of "Forbearance Period" in each of the PERL Forbearance Agreement and the Second Lien Forbearance Agreement with the date "February 17, 2009".

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers as of the date first set forth above.

PACIFIC ENERGY ALASKA OPERATING LLC,
as Borrower

By: ____________________
Name: DARREN KATIC
Title: PRESIDENT

PACIFIC ENERGY ALASKA HOLDINGS, LLC,
as Loan Party

By: ____________________
Name: DARREN KATIC
Title: PRESIDENT

PACIFIC ENERGY RESOURCES LTD.

By: ____________________
Name: DARREN KATIC
Title: PRESIDENT

SILVER POINT FINANCE, LLC,
as Agent

By: ______________________
Name: ______________________
Title: ______________________
Zachary M. Zeitlin
Authorized Signatory

SPF CDO I, LTD.
as a Lender

By: ______________________
Name: ______________________
Title: ______________________
Zachary M.
Authorized Si

SPCP GROUP, L.L.C.
as a Lender

By: ______________________
Name: ______________________
Title: ______________________
Zachary M. Zeitli
Authorized Signat

J. ARON & COMPANY,
as a Lender and Hedge Provider

By: ______________________
Name: ______________________
Title: ______________________

SILVER POINT FINANCE, LLC,
as Agent

By: ______________________________
Name: ____________________________
Title: ____________________________

SPF CDO I, LTD.
as a Lender

By: ______________________________
Name: ____________________________
Title: ____________________________

SPCP GROUP, L.L.C.
as a Lender

By: ______________________________
Name: ____________________________
Title: ____________________________

J. ARON & COMPANY,
as a Lender and Hedge Provider

By: ______________________________ of
Name: Colleen Foster
Title: Managing Director

Exhibit A

[attached Interim Forbearance Budget]

2 WEEK FORBEARANCE CASH FLOW BUDGET

(US $'s in thousands)

	2/6	2/13	Total
Beta			
Barrels produced	24,794	24,750	49,544
Revenue receipts	$ -	$ -	$ -
Swap settlements	-	316	316
Total inflows	-	316	316
Royalty payments	-	-	-
Gas purchases	-	-	-
CIPL fees	-	-	-
LOE	-	905	905
SG&A / performance bond	-	-	-
Operating outflows	-	905	905
Operating cash flow	-	(589)	(589)
Growth CapEx	96	60	156
Maintenance CapEx	118	138	255
Total Cash Flow	(214)	(786)	$ (1,000)
Alaska Operated			
Barrels produced	3,836	3,833	7,669
Revenue receipts	$ 1,398	$ -	$ 1,398
Swap settlements	-	364	364
Total inflows	1,398	364	1,763
Royalty payments	-	-	-
Gas purchases	-	-	-
CIPL fees	-	-	-
LOE	-	310	310
SG&A / performance bond	-	-	-
Operating outflows	-	310	310
Operating cash flow	1,398	54	1,453
Growth CapEx	-	-	-
Maintenance CapEx	48	49	97
Total Cash Flow	$ 1,351	$ 5	$ 1,356
Alaska Non-Operated			
Barrels produced	17,534	17,517	35,051
Revenue receipts	$ -	$ -	$ -
Swap settlement	-	1,666	1,666
Total inflows	-	1,666	1,666
Royalty payments	-	-	-
Gas purchases	1,150	-	1,150
CIPL Fees	-	-	-
LOE	-	-	-
SG&A / performance bond	-	-	-
Operating outflows	1,150	-	1,150
Operating cash flow	(1,150)	1,666	516
Growth CapEx	-	-	-
Maintenance CapEx	-	-	-
Total Cash Flow	$ (1,150)	$ 1,666	$ 516
Corporate Overhead			
Corporate SG&A	428	283	711
Contingency Capex	50	50	100
Professional Fees	400	1,815	2,215
Total Receipts	1,398	2,346	3,744
Total Disbursements	1,150	1,215	2,365
Corporate SG&A	428	283	711
Total Growth Capex	96	60	156
Total Maintenance Capex	165	187	352
Total Contingency Capex	50	50	100
Professional Fees	400	1,815	2,215
Total Cash Flow (Need)	**$ (891)**	**$ (1,263)**	**$ (2,154)**
Cumulative Cash Flow (Need)		**$ (2,154)**	
Cash Balance By Entity			
PERL Balance	630	1,038	
Changes in Cash	(1,092)	(2,859)	
Funding Need	1,500	2,000	
Ending Balance	$1,038	$179	
PEAO Balance	496	697	
Changes in Cash	201	1,596	
Funding Need	-	-	
Ending Balance	$697	$2,293	