

LICENCE NO. P.263

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COPY

Petroleum (Production) Act 1934

Continental Shelf Act 1964

THE SECRETARY OF STATE FOR ENERGY

and

THE BRITISH NATIONAL OIL CORPORATION

OCCIDENTAL PETROLEUM (SCAPA) LIMITED

GETTY OIL (BRITAIN) LIMITED

ALLIED CHEMICAL (GREAT BRITAIN) LIMITED

THOMSON SCOTTISH PETROLEUM LIMITED

LICENCE

to

Search and Bore for and get petroleum

in Block(s) No. 14/18

THIS LICENCE made *the 9th day of January* 1978 between THE SECRETARY

OF STATE FOR ENERGY (hereinafter referred to as "the Minister") for and on behalf of Her Majesty of the one part and THE BRITISH NATIONAL OIL CORPORATION whose Principal office is situate at 150 St Vincent Street, Glasgow, G2 5LT, OCCIDENTAL PETROLEUM (SCAPA) LIMITED whose registered office is situate at 16 Palace Street, London SW1E 5BQ, GETTY OIL (BRITAIN) LIMITED whose registered office is situate at Sutton Place, Guildford, Surrey, ALLIED CHEMICAL (GREAT BRITAIN) LIMITED whose registered office is situate at Metropolis House, 39/45 Tottenham Court Road, London W1P 0JL and THOMSON SCOTTISH PETROLEUM LIMITED whose registered office is situate at 25 Charlotte Square, Edinburgh EH2 4EZ (hereinafter referred to as "the Licensee") of the other part

WITNESSETH as follows:-

Incorporation
of clauses

A. Clause 1 and clauses 4 to 41 of the model clauses for production licences in seaward areas set out in Schedule 5 to the Petroleum (Production) Regulations 1976 (S.I. 1976 No. 1129) shall be incorporated herein and (subject to paragraph E hereof) shall have effect as if herein set out at length.

Term of
Licence.

B. Clause 3 of the said model clauses shall be incorporated herein and shall have effect as if herein set out at length, the date 23 November 1977 being inserted therein as the date next after which the term of this Licence shall commence.

Right to
search and
bore for and
get petroleum

C. In consideration of the payments and royalties hereinafter provided and the performance and observance by the Licensee of all terms and conditions hereof, the Minister in exercise of the powers conferred upon him by the Act of 1934 and the Act of 1964, hereby grants to the Licensee EXCLUSIVE LICENCE AND LIBERTY during the continuance of this Licence and subject to the provisions hereof to search and bore for, and get, petroleum in the sea bed and subsoil under the seaward area comprising an area of 217.0 square kilometres more particularly

described in Schedule 1 to this Licence being the area comprising block(s) No. 14/18 on the reference map deposited at the principal office of the Department of Energy, Thames House South, Millbank, London SW1P 4QJ.

Provided that nothing in this Licence shall affect the right of the Minister to grant a methane drainage licence in respect of the whole or any part of the licensed area or affect the exercise of any rights so granted.

Schedules.

D. The Schedules referred to in the said model clauses namely clause 8 clause 9 and clause 14 are for the purposes of this Licence Schedules 2, 3 and 4 respectively hereunder written.

E. The licensed area being situate in a designated area or part of a designated area in respect of which an Order in Council has been made pursuant to Section 3(2) of the Act of 1964 making provision for the determination of questions in accordance with the law in force in Scotland, it is hereby declared that the second alternative version of clause 36 and paragraphs (2A) and (3A) of clause 41 of the said model clauses are incorporated herein to the exclusion of the respective alternative versions of those provisions set out in the said model clauses.

IN WITNESS whereof the Corporate Seal of the Minister and the Common Seal(s) of the Licensee have been hereunto affixed the day and the year first above written.

SCHEDULE

Licence No. P.263

Retained Area from 24 November 1984

<u>Block No.</u>	<u>Area Sq. Km</u>	<u>Co-ordinates</u>
14/18a	68.6	(1) 58°30'N 00°24'W (4) 58°26'N 00°29'W (2) 58°24'N 00°24'W (5) 58°26'N 00°31'W (3) 58°24'N 00°29'W (6) 58°30'N 00°31'W

TOTAL 68.6

Agreed on behalf of OCCIDENTAL PETROLEUM (CALEDONIA) LIMITED

By

a duly authorised officer

Dated

29th November 1984

Agreed on behalf of THE BRITISH NATIONAL OIL CORPORATION

By

a duly authorised officer

Dated

23 November 1984

Agreed on behalf of BRITOL PLC

By

a duly authorised officer

Dated

7. XI. 84

Agreed on behalf of UNION-TEXAS PETROLEUM LIMITED

By

a duly authorised officer

Dated

12.11.84

Agreed on behalf of GETTY OIL (BRITAIN) LIMITED

By

a duly authorised officer

Dated

16 NOV 1984

TEXACO BRITAIN LIMITED
(formerly called Getty Oil
(Britain) Limited)

Agreed on behalf of THOMSON SCOTTISH PETROLEUM LIMITED

By...

[REDACTED]

...

a duly authorised officer

Dated....19th November 1984.....

SCHEDULE 1

Description of Licensed Area

The sea area bounded by lines joining the following
co-ordinates on European Datum:

- (1) $58^{\circ} 30' 00''$ N : $0^{\circ} 36' 00''$ W (2) $58^{\circ} 30' 00''$ N : $0^{\circ} 24' 00''$ W
(3) $58^{\circ} 20' 00''$ N : $0^{\circ} 24' 00''$ W (4) $58^{\circ} 20' 00''$ N : $0^{\circ} 36' 00''$ W

SCHEDULE 2

Consideration for Licence

Initial payment 1. The Licensee shall pay to the Minister upon the grant of the Licence the sum of £17,360

Periodic minimum payments 2. - (1) Upon the Licensee exercising the option conferred by clause 4 to continue the Licence for the second term (as defined in clause 4(2)) then upon the date of commencement of the second term the Licensee shall pay to the Minister the sum of £120 multiplied by the area factor in respect of the area to which the licence then relates.

(2) Upon the Licensee exercising the option conferred by clause 5 to continue the Licence for the third term (as defined in clause 5(4)) then upon the date specified in the notice referred to in clause 5 and on the anniversaries thereof during the term of the Licence as continuing pursuant to that clause the Licensee shall pay the Minister sums (in this Schedule referred to as "periodic payments") calculated as follows:-

(a) upon the said date £200 multiplied by the area factor

(b) upon the 1st anniversary of the said date £400 multiplied by the area factor

(c) " " 2nd " " " £600 " " "

(d) " " 3rd " " " £800 " " "

(e) " " 4th " " " £1000 " " "

(f) " " 5th " " " £1200 " " "

(g) " " 6th " " " £1400 " " "

(h) " " 7th " " " £1600 " " "

(i) " " 8th " " " £1800 " " "

(j) " " 9th " " " £2000 " " "

(k) " " 10th " " " £2200 " " "

(l) " " 11th " " " £2400 " " "

(m) " " 12th " " " £2600 " " "

(n) " " 13th " " " £2800 " " "

(o) upon the 14th and every subsequent anniversary of the said date £3000 multiplied by the area factor.

(3) In this paragraph "the area factor" means the number of square kilometres comprised in the licensed area at the date upon which the periodic payment in question becomes due.

SCHEDULE 3

The appropriate percentage

For the purposes of this Licence the appropriate percentage (as defined in clause 9(1)) means $12\frac{1}{2}\%$ per centum

SCHEDULE 4

Part 1

Initial Term Working Obligations

The Licensee shall before the expiry of the initial term of this Licence drill two exploration wells in the licensed area.

Part 11

Initial and Second Term Working Obligations

The Licensee shall before the expiry of the second term of this Licence drill three exploration wells in the licensed area.

The Corporate Seal of the Secretary
of State for Energy herunto affixed
is authenticated by)
)
)

Assistant Secretary
Authorised by the Secretary of State

The Common seal of THE BRITISH NATIONAL)
OIL CORPORATION)
was hereunto affixed in the)
presence of)

Director

Secretary

The Common seal of OCCIDENTAL)
PETROLEUM (SCAPA) LIMITED)
was hereunto affixed in the)
presence of)

Director

Secretary

The Common seal of GETTY OIL)
(BRITAIN) LIMITED)
was hereunto affixed in the)
presence of)

Director

Secretary

The Common seal of ALLIED
CHEMICAL (GREAT BRITAIN) LIMITED
was hereunto affixed in the
presence of

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Director

Secretary

The Common seal of THOMSON
SCOTTISH PETROLEUM LIMITED
was hereunto affixed in the
presence of

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Director

Secretary