

LICENCE NO. P.345

Petroleum (Production) Act 1934

Continental Shelf Act 1964

THE SECRETARY OF STATE FOR ENERGY

and

GULF (U.K.) OFFSHORE INVESTMENTS LIMITED

GAO (U.K.) LIMITED

HUSKY OIL (U.K.) LIMITED

BERKELEY SEVENTH ROUND LIMITED

TANKS OIL AND GAS LIMITED

TANKS NORTH SEA LIMITED

UNILON OIL EXPLORATIONS LIMITED

SUNLITE OIL COMPANY (U.K.) LIMITED

DSM HYDROCARBONS (U.K.) LIMITED

OXOCO (U.K.) LIMITED

LICENCE

to

Search and bore for and get petroleum
in Block(s) No. 16/27b

THIS LICENCE made the 24th day of March 1981 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 GULF (U.K.) OFFSHORE INVESTMENTS LIMITED whose registered office is situate at Gulf House 2 Portman Street London W1H 0AN, GAO (U.K.) LIMITED whose registered office is situate at Watling House 35-37 Cannon Street London EC4M 5SD, HUSKY OIL (U K) LIMITED whose registered office is situate at 47 Berkeley Square London W1X 5BB, BERKELEY SEVENTH ROUND LIMITED whose registered office is situate at 9th Floor Berkeley Square House Berkeley Square London W1X 6BY, TANKS OIL AND GAS LIMITED whose registered office is situate at 6 John Street London WC1N 2ES, TANKS NORTH SEA LIMITED whose registered office is situate at 6 John Street London WC1N 2ES, UNILON OIL EXPLORATIONS LIMITED whose registered office is situate at 30 Ely Place London EC1N 6UA, SUNLITE OIL COMPANY (U.K.) LIMITED whose registered office is situate at 70 Finsbury Pavement London EC2A 1SX, DSM HYDROCARBONS (U.K) LIMITED whose registered office is situate at Kingfisher House Kingfisher Walk Redditch Worcester and OXOCO (U.K.) LIMITED whose registered office is situate at Rolls House 7 Rolls Building Fetter Lane London EC4 (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) as amended by the Petroleum (Production) (Amendment) Regulations 1978 (S.I. 1978 No. 929) and the Petroleum (Production) (Amendment) Regulations 1980 (S.I. 1980 No. 721) 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 16 December 1980 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 the 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 54.8 square kilometres more particularly described in Schedule 1 to this Licence being the area comprising block(s) No. 16/27b 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 of 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 Seal(s) of the Licensee have been hereunto affixed the day and the year first above written.

SCHEDULE

Licence No. P.345

Retained Area from 17 December 1986

<u>Block No</u>	<u>Area</u> <u>Sq. Km</u>	<u>Co-ordinates</u>
16/27b	54.8	1 58° 03' 00"N : 01° 12' 00"E 2 58° 03' 00"N : 01° 14' 00"E 3 58° 05' 00"N : 01° 14' 00"E 4 58° 05' 00"N : 01° 19' 00"E 5 58° 07' 00"N : 01° 19' 00"E 6 58° 07' 00"N : 01° 21' 00"E 7 58° 03' 00"N : 01° 21' 00"E 8 58° 03' 00"N : 01° 16' 00"E 9 58° 00' 00"N : 01° 16' 00"E 10 58° 00' 00"N : 01° 12' 00"E

TOTAL 54.8

Agreed on behalf of Gulf (UK) Offshore Investments Limited

By [REDACTED]

a duly authorised officer

Dated 10 Dec 86

Agreed on behalf of Phillips Petroleum Company United Kingdom Limited

By [REDACTED]

a duly authorised officer

Dated 3 February 1987

Agreed on behalf of Marathon Oil Exploration (UK) Limited

By [REDACTED]

a duly authorised officer

Dated 19 December 1986

Agreed on behalf of Berkeley Seventh Round Limited

By [REDACTED]

a duly authorised officer

Dated 6 March 1987

Agreed on behalf of DSN Hydrocarbons (UK) Limited

By [REDACTED]

a duly authorised officer

Dated 15 December 1986

Agreed on behalf of Triton North Sea Operators Limited

By [REDACTED]

a duly authorised officer

Dated 26 January 1987

Agreed on behalf of Enterprise Oil (TNS) Limited

By [REDACTED]

a duly authorised officer

Dated 5 February 1987

Agreed on behalf of Unilon Oil Explorations Limited

By [REDACTED]

a duly authorised officer

Dated 30th Jan 1987

Agreed on behalf of Whitehall Petroleum Limited

By [REDACTED]

a duly authorised officer

Dated 28/1/87

Agreed on behalf of Iran Energy Exploration Limited

By [REDACTED]

a duly authorised officer

Dated 11th December 1986

SCHEDULE 1

Description of Licensed Area

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

- | | |
|---|--|
| (1) $58^{\circ} 03'N : 01^{\circ} 12'E$ | (2) $58^{\circ} 03'N : 01^{\circ} 14'E$ |
| (3) $58^{\circ} 05'N : 01^{\circ} 14'E$ | (4) $58^{\circ} 05'N : 01^{\circ} 19'E$ |
| (5) $58^{\circ} 07'N : 01^{\circ} 19'E$ | (6) $58^{\circ} 07'N : 01^{\circ} 21'E$ |
| (7) $58^{\circ} 03'N : 01^{\circ} 21'E$ | (8) $58^{\circ} 03'N : 01^{\circ} 16'E$ |
| (9) $58^{\circ} 00'N : 01^{\circ} 16'E$ | (10) $58^{\circ} 00'N : 01^{\circ} 12'E$ |

SCHEDULE 2

Consideration for Licence

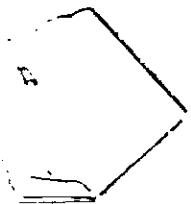
- Initial payment 1. The Licensee shall pay to the Minister upon the grant of the Licence the sum of £5,000,000
- Periodic minimum payments 2. - (1) Upon the Licensee exercising the option conferred by clause 4 to continue the Licence then upon the date specified in the notice referred to in clause 4, 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 | £300 | multiplied by the area factor |
| (b) | upon the 1st anniversary of the said date | £600 | multiplied by the area factor |
| (c) | " " 2nd | " " " £900 | " " " |
| (d) | " " 3rd | " " " £1200 | " " " |
| (e) | " " 4th | " " " £1500 | " " " |
| (f) | " " 5th | " " " £1800 | " " " |
| (g) | " " 6th | " " " £2100 | " " " |
| (h) | " " 7th | " " " £2400 | " " " |
| (i) | " " 8th | " " " £2700 | " " " |
| (j) | " " 9th | " " " £3000 | " " " |
| (k) | " " 10th | " " " £3300 | " " " |
| (l) | " " 11th | " " " £3600 | " " " |
| (m) | " " 12th | " " " £3900 | " " " |
| (n) | " " 13th | " " " £4200 | " " " |
| (o) | upon the 14th and every subsequent anniversary of the said date | £4500 | multiplied by the area factor. |

(2) 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
INITIAL TERM WORKING OBLIGATIONS

The Licensee shall before the expiry of the initial term of the Licence carry out not less than 100 kilometres of seismic survey work in the licensed area and drill therein two exploration wells, provided that the Licensee shall not be obliged to drill more than one exploration well, if not later than the date of any notice given pursuant to clause 4(1) of the model clauses incorporated in the Licence, the Licensee shall have satisfied the Minister that the drilling of the second exploration well is not justifiable having regard to the seismic, geologic and structural information available at that time. The Licensee shall drill the first of these exploration wells to an estimated total depth of 14,500 feet in order to test the primary objective, the Lower Cretaceous sandstone interval, and provide an evaluation of the Lower Tertiary and Upper Jurassic sections.

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

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)
)

Assistant Secretary
Authorised by the Secretary of State

The Common Seal of GULF (U.K.) OFFSHORE
INVESTMENTS LIMITED
was hereunto affixed in the
presence of

)
)
)
)

Director

Secretary

The Common Seal of GAO (U.K.)
LIMITED
was hereunto affixed in the
presence of

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Director

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