

LICENCE NO. P.362

Petroleum (Production) Act 1934

Continental Shelf Act 1964

THE SECRETARY OF STATE FOR ENERGY

and

ULTRAMAR EXPLORATION LIMITED

HOUSTON DATA VENTURE (U.K.) LIMITED

CANADIAN PACIFIC OIL AND GAS OF CANADA LIMITED

THE BRITISH ELECTRIC TRACTION COMPANY, LIMITED

LICENCE

to

Search and bore for and get petroleum
in Block(s) No. 29/50

THIS LICENCE made the 9th day of April 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 ULTRAMAR EXPLORATION LIMITED whose registered office is situate at Morgan House 1 Angel Court London EC2R 7AU, HOUSTON DATA VENTURE (U.K.) LIMITED whose registered office is situate at 47 Charles Street Berkeley Square London W1X 7PB, CANADIAN PACIFIC OIL AND GAS OF CANADA LIMITED whose registered office is situate 50 Finsbury Square London EC2A 1DD and THE BRITISH ELECTRIC TRACTION COMPANY, LIMITED whose registered office is situate at Stratton House Piccadilly London W1X 6AS (hereinafter referred to as "the Licensee") of the other part

WITNESSETH as follows:-

poration
uses.

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.

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e.

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.

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troleum.

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 169.6 square kilometres more particularly described in Schedule 1 to this Licence being the area comprising block(s) No. 29/5b 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.

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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 1

Description of Licensed Area

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

- | | |
|-------------------------|-------------------------|
| (1) 57° 00'N : 01° 46'E | (2) 57° 00'N : 02° 00'E |
| (3) 56° 50'N : 02° 00'E | (4) 56° 50'N : 01° 58'E |
| (5) 56° 53'N : 01° 58'E | (6) 56° 53'N : 01° 48'E |

SCHEDULE 2

Consideration for Licence

1. The Licensee shall pay to the Minister upon the grant of the Licence the sum of £5,000,000

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

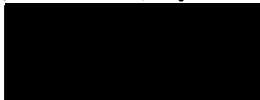
For the purposes of this Licence the appropriate percentage (as defined in clause 9(1)) means $12\frac{1}{2}$ per centum

SCHEDULE 4

INITIAL TERM WORKING OBLIGATIONS

The Licensee shall before the expiry of the initial term of the Licence carry out not less than 200 kilometres of seismic survey work in the licensed area and drill therein one exploration well which tests the Palaeocene objective.

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



Assistant Secretary
Authorised by the Secretary of State

The Common Seal of ULTRAMAR EXPLORATION
LIMITED
was hereunto affixed in the
presence of

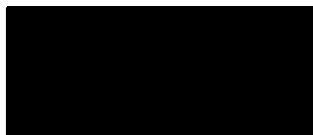


Director



Secretary

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



Director



Secretary

The Common Seal of CANADIAN PACIFIC
OIL AND GAS OF CANADA LIMITED
was hereunto affixed in the
presence of



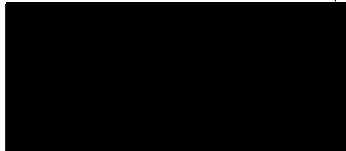
Director



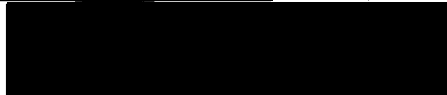
Secretary

The Common Seal of THE BRITISH ELECTRIC
TRACTION COMPANY, LIMITED
was hereunto affixed in the
presence of

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Director



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