

PETROLEUM INDUSTRY ACT 2021

THE FEDERAL REPUBLIC OF NIGERIA



ORIGINAL

PETROLEUM PROSPECTING LICENCE



THE FEDERAL REPUBLIC OF NIGERIA



PETROLEUM PROSPECTING LICENCE No. 262, granted pursuant to the Petroleum Industry Act, 2021

THIS LICENCE is granted on this

15th

Day of

February

2023

By

THE GOVERNMENT OF THE FEDERATION OF NIGERIA, acting through the **Honourable Minister of Petroleum Resources** (or any person designated by the President of the Federal Republic of Nigeria as having responsibility for overseeing the petroleum industry), whose address is at NNPC Towers, Central Business District, FCT, Abuja (hereinafter referred to as the “**Government**”);

In favour of

NIGERIAN NATIONAL PETROLEUM COMPANY LIMITED, a company incorporated under the laws of the Federal Republic of Nigeria with RC No. 1843987, whose registered address is at NNPC Towers, Herbert Macaulay Way, Central Business District, Abuja, Nigeria (Hereinafter referred to as “**NNPC LIMITED**”, which expression shall, where the context so admits include its successors-in-title and assigns);

CHEVRON NIGERIA LIMITED, a company incorporated under the laws of the Federal Republic of Nigeria with RC No. 6135, whose registered address is at No. 2 Chevron Drive Lekki Peninsula, Lagos, Nigeria (Hereinafter referred to as “**CHEVRON**”, which expression shall, where the context so admits include its successors-in-title and assigns);

(each hereinafter also referred to as a “**Licensee**” and together as the “**Licensees**”).

WHEREAS the property and ownership of Petroleum within Nigeria, its territorial waters, continental shelf and exclusive economic zone is vested in the Government of the Federation of Nigeria.

WHEREAS under the Petroleum Industry Act 2021 (**Act**), the Minister of Petroleum Resources (**Minister**) is vested with the power to grant Petroleum Prospecting Licences on behalf of the Government; while the Nigerian Upstream Petroleum Regulatory Commission (**Commission**) is responsible for the technical and commercial regulation of the upstream petroleum industry in Nigeria, including the determination and recommendation of applicants who have fulfilled the conditions for the grant of petroleum prospecting licences.

WHEREAS Section 92(1) of the Act stipulates that a holder of an existing oil prospecting licence or oil

mining lease may enter into a voluntary conversion contract under this Act. The Licensees are the holders of Gbadudu Field and have entered into a voluntary conversion contract by virtue of the Act.

WHEREAS in compliance with Section 92(1) of the Act, the Commission has recommended to the Minister that this Licence be granted to the Licensees in respect of the Gbadudu Field, more particularly described in Schedule B (the "**Licence Area**"), which is derived from Gbadudu Field.

WHEREAS the Minister on behalf of the Government has accepted the Commission's recommendation and has agreed to convert Gbadudu Field to a Petroleum Prospecting Licence and issue this Licence in respect of the Licence Area, based on the terms contained herein.

AND WHEREAS the Licensees have represented that they have the required financial capability, technical competence, and resources necessary to continue to undertake Upstream Petroleum Operations within the Licence Area and have met all the conditions for the conversion of Gbadudu Field, on terms agreed with the Commission and have fulfilled all other statutory conditions as contained in the Act for the grant of this Licence.

NOW THEREFORE:

1. In this Licence all capitalised words and expressions shall have the meanings assigned to them in the General Licence Conditions hereinafter attached as Schedule A.
2. The following documents shall be deemed to form and be read and construed as part of this Licence:
 - 2.1. **Schedule A** – General Licence Conditions
 - 2.2. **Schedule B** – Licence Area Description
 - 2.3. **Annexure 1** – Concession Contract
 - 2.4. **Annexure 2** – Work Programme
 - 2.5. **Annexure 3** – WP Performance Security
3. In consideration of the Licensees agreeing to be bound by the Petroleum Industry Act 2021, and for other good and valuable consideration, the government as the beneficial owner of any Petroleum within the Licence Area, hereby grants this Licence to the Licensee, subject to the Petroleum Industry Act, 2021 and any subsidiary legislation thereunder now in force or which may come into force during the continuance of this Licence, and subject to the terms and conditions contained in this Licence, its Schedules and Annexures, the following rights:
 - 3.1. to carry out Petroleum Exploration Operations within the Licence Area on a non-exclusive basis;
 - 3.2. to drill exploration and appraisal wells and undertake corresponding test production within the Licence Area on an exclusive basis;
 - 3.3. to carry away and dispose of crude oil or natural gas won or extracted during the activities in 3.2 above.
4. This Licence shall be *five (5)* years commencing from this *15th* Day of *February* 2023 (the "**Licence Commencement Date**") and may be extended in accordance with the terms of the General Licence Conditions.

5. Consequent on the grant of the Licence, the participating interest in the Licence is as follows:

5.1 NNPC LIMITED – 60%
5.2 CHEVRON – 40%

provided that the Licensees shall have an undivided interest in the License Area.

6. The Licensees hereby accept the grant of the Licence and covenant to abide by the restrictions and conditions as contained in Schedule A and Annexure 1 as well as all legislations and directives pertaining to this Licence, both existing and issued by the Commission from time to time.

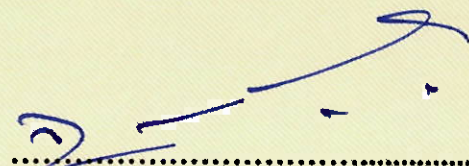
IN WITNESS WHEREOF the parties have executed and delivered this document the date and year first above written.

SIGNED AND DELIVERED



**BY THE HONOURABLE MINISTER OF PETROLEUM RESOURCES
FOR AND ON BEHALF OF THE GOVERNMENT OF THE FEDERATION OF NIGERIA**

IN THE PRESENCE OF:

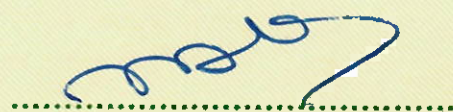


**ENGR. GBENGA KOMOLAFE FNSE
COMMISSION CHIEF EXECUTIVE
THE NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION**

ACCEPTED BY THE WITHIN NAMED LICENSEE

NIGERIAN NATIONAL PETROLEUM COMPANY LIMITED

Acting by:



**Director
MELE KYARI**



**Director/Secretary
Umar Ajiya**

ACCEPTED BY THE WITHIN NAMED LICENSEE
CHEVRON NIGERIA LIMITED

Acting by:



Director MICHELLE L. PFEUFFER

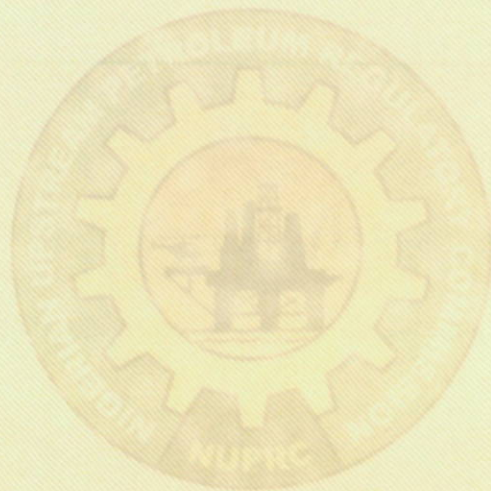


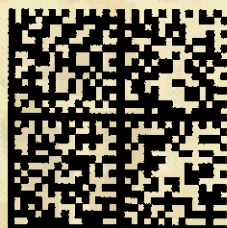
Director/Secretary LEOMA BASSEY

AUTHENTICATED BY THE NIGERIAN UPSTREAM PETROLEUM
REGULATORY COMMISSION THIS 15th DAY OF February 2023



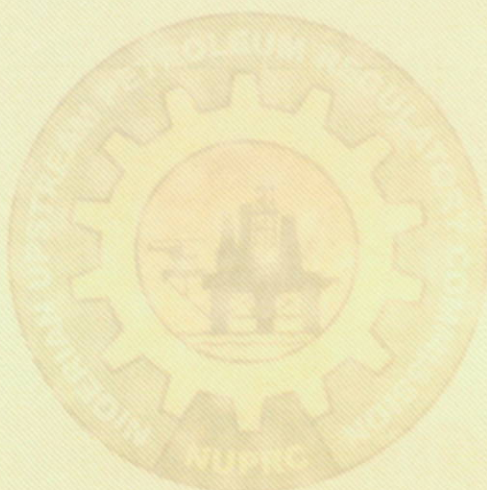
OLAYEMI ANYANECHI
COMMISSION SECRETARY AND LEGAL ADVISER
NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION





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