

F.No. 19024/11/2000-ONG-D-V- (C.No 3155)
Government of India
Ministry of Petroleum and Natural Gas

New Delhi
Dated : 22nd January 2010

To,

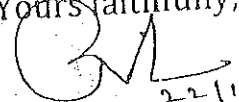
The Director General
DGH
C-139, Sector- 63
Noida

Subject : PI transfer /amendment to PSC in NELP Blocks.

Sir,

I am directed to refer on the subject cited above and to forward a copy of the format approved by Ministry of Law. You are requested to send the future proposals of PI transfer/amendment to PSC as per the above guidelines approved by M/o Law.

Yours faithfully,


(Rajesh Kr Sinha)

Section Officer (Exploration)

89

198

AMENDMENT NO. 2 (TWO)
TO THE PRODUCTION SHARING CONTRACT
FOR BLOCK KG-DWN-98/4

THIS AMENDMENT NO. 2 (TWO) TO THE PRODUCTION SHARING CONTRACT
DATED 12th DAY OF April, 2000 FOR EXPLORATION BLOCK KG-DWN-98/4
(HEREINAFTER REFERRED TO AS SECOND "AMENDMENT") IS MADE AT
_____ ON THIS _____ DAY OF _____.

BY AND BETWEEN

1. THE PRESIDENT OF INDIA, acting through the Joint Secretary, Ministry of Petroleum and Natural Gas, Government of India, having its office at Shastri Bhavan, Dr. Rajendra Prasad Marg, New Delhi - 110001, India (hereinafter referred to as "Government") of the FIRST PART.

AND

2. Oil and Natural Gas Corporation Limited - ONGC a company incorporated under the laws of India, having its Registered Office at Jeevan Bharti, Tower II, 124-Indira Chowk, Connaught Place, New Delhi - 110 001 (hereinafter referred to as "ONGC") of the SECOND PART.

AND

3. Oil India Limited a company incorporated under the laws of India, having its Registered Office at Duliajan, District - Dibrugarh, Assam - 786 602 (hereinafter referred to as "OIL") of the THIRD PART.

AND

4. BG Exploration and Production India Limited a company incorporated under the laws of Cayman Islands, having its Registered Office at Bank of Nova Scotia Building, P.O. Box 268, George Town, Grand Cayman and principal place of business at 'BG House', Lake Boulevard, Hiranandani Business Park, Powai, Mumbai - 400076 (hereinafter referred to as "BGEIL") of the FOURTH PART.

(The Government, ONGC, OIL and BGEIL shall unless it be repugnant to the meaning or context thereof, be deemed to mean and include their respective successors, assigns and/or Affiliates as permitted under Article 28 of the Production Sharing Contract, in relation to which this Amendment is being executed.

90

WHERE AS :

A. The Government and ONGC executed a Production Sharing Contract, on 12th day of April, 2000 in respect of Block KG-DWN-98/4, ONGC having 100% Participating Interest. The said Production Sharing Contract is hereinafter referred to as the "Contract".

B. Following Government's approval dated 31st May 2002 the Participating Interest of ONGC and OIL were as follows :

ONGC - 85 % (Eighty Five Percent)

OIL - 15 % (Fifteen Percent)

C. Following Government approval dated 13th May 2008 (Annexure -2), ONGC assigned 30% Participating Interest to BGEPIL and, the respective Participating Interest of the companies will be as follows :

ONGC - 55 % (Fifty Five Percent)

OIL - 15 % (Fifteen Percent)

BGEPIL - 30 % (Thirty Percent)

ONGC, OIL and BGEPIL are collectively called "Parties". The Parties shall contribute their respective varied and / or modified Participating Interest share of Contract costs with respect to the Contract Area and assume a share of all rights and obligations corresponding to such Participating Interest share from the effective date of this Amendment, i.e. 13th May 2008.

D. In light of the contents of Recital C hereinabove, the Parties now wish to execute this Amendment No. 2 (Two) to the Contract to record the amendments and modifications to the Contract consequent to the assignments referred to hereinabove.

NOW, THEREFORE THIS AMENDMENT WITNESSETH, AND THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS

Any word or expression used in this Amendment No. 2 (Two) but not defined herein below, or elsewhere in this Amendment, shall bear the meaning ascribed to it in the Contract.

71

194

2. AMENDMENTS TO THE PRODUCTION SHARING CONTRACT

- a) In the cover page description of Parties and in the cover page to Appendix – C Accounting procedure to Production Sharing Contract, the following shall be inserted

AND

BG EXPLORATION AND PRODUCTION INDIA LIMITED

- b) The description of the parties given in the Preamble to the Contract shall stand amended and substituted as per details given below:

BG Exploration and Production India Limited a company incorporated under the laws of Cayman Islands, having its Registered Office at Bank of Nova Scotia Building, P.O. Box 268, George Town, Grand Cayman and principal place of business at 'BG House', Lake Boulevard, Hiranandani Business Park, Powai, Mumbai - 400076 (hereinafter referred as "BGEPII") of the FOURTH PART.

- c) Contents of Article 2.1 shall stand amended and be substituted by following "Consequent upon assignment referred to here-in-above, the undivided percentage of Participating Interest of each of the constituents of the Contractor is as follows:

ONGC	:	55 % (Fifty Five Percent)
OIL	:	15 % (Fifteen Percent)
BGEPII	:	30 % (Thirty Percent)

All the parties shall contribute their respective varied and/or modified Participating Interest share of all Contract Costs with respect to the Contract Area and assume a share from all rights and obligations corresponding to their such Participating Interest share from the said effective date, i.e. 13th May 2008.

- d) Article 37.1 (d) shall be deemed as substituted as follows:

Managing Director,
BG Exploration and Production India Limited
BG House, Lake Boulevard,
Hiranandani Business Park,
Powai,
Mumbai 400 076
Facsimile No. : + 91 22 4005 8930
Telephone No. : + 91 22 4032 5000/ 4032 5210

92

V. H.

V. H.

72 1193

3. EFFECT OF THIS AMENDMENT :

- a) Upon execution of this Amendment No. 2 (Two), effective from 13th May 2008, BGEPII shall be entitled to, and shall assume 30 % (Thirty percent) undivided Participating Interest held by ONGC in KG-DWN-98/4 in the same manner, and to the same extent as ONGC was entitled to, prior to the receipt of the Government's approval (s).
- b) The assignor ONGC shall be released and discharged from its obligation under Contract only to the extent that such obligations are assumed by the assignee BGEPII.

4. EFFECTIVE DATE :

The provision of this Amendment No. 2 (Two) shall commence and be effective from 13th May 2008.

5. MISCELLANEOUS

- a) This Amendment No. 2 (Two) shall form an integral part of the Contract.
 - b) ONGC, OIL & BGEPII shall be jointly as well as severally responsible and pay for all or any costs, claims, damages, expenses and / or loss that may arise as a result of the execution of this Amendment No. 2 (Two) and also undertake to indemnify the Government of India against all or any such costs, claims and / or expenses. It is clarified that this provision does not in any manner dilute the obligations of the said other parties as set out in the Contract.
 - c) Except to the extent specified in this Amendment no. 2 (Two), all other terms of the Contract shall remain unchanged and nothing contained herein shall change or alter in any manner whatsoever, the validity, enforceability and interpretation of the Contract.
 - d) From and as of the effective date of Amendment no. 2 (Two) ONGC and BGEPII agree and covenant to be bound by the terms and conditions of the Contract. BGEPII hereby undertake to assume all ~~rights and~~ obligations whether past, present or future, under the contract to the extent of its Participating Interest i.e. 30 % (Thirty Percent) Participating Interest from the effective date of this Amendment 13th May 2008 shall furnish guarantees or any other document (s) as per terms of the contract.
6. Contract shall, except as amended hereby, remain in full force and effect.
7. BGEPII unconditionally undertake to assume in full all liabilities, obligations and duties of the Contractor pursuant to the contract in respect of 30 % (Thirty Percent) Participating Interest held by ONGC pursuant to the approval of Government from, the effective date of this Amendment no. 2 (Two). BGEPII further undertakes to furnish the guarantees and/or any other document(s) as per the terms of the Contract.

8. Warranty

ONGC do hereby bind itself its successors and assigns to warranty and forever defend all and singular, the 30 % (Thirty Percent) Participating Interest assigned to BGEPIL, its successors and assigns, against each and every person till the effective date of this Amendment no. 2 (Two)

9. This Amendment No. 2 (Two) shall be governed by and construed in accordance with the laws of India.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS ADDENDUM TO BE EXECUTED BY ITS/THEIR DULY AUTHORIZED REPRESENTATIVE(S) ON THE DATE IN THE YEAR FIRST ABOVE WRITTEN.

SIGNED AND EXECUTED :

For and on behalf of the President of India By: Authorized representative of the above named. ('GOVERNMENT')	In presence of Witness : Signature Name Address
For and on behalf of ONGC By: <u>C. K. BHATTACHARJEE</u> (C. K. BHATTACHARJEE) Authorized representative of the above named. ('ONGC') authorized vide Board Resolution No. dated	In presence of Witness : Signature <u>N. Naraseth</u> Name <u>Naraseth Naraseth</u> Address <u>EXCON BD - I.V. Group</u> <u>ONGC, New Delhi</u>
For and on behalf of OIL. <u>C. S. RATH</u> Authorized representative of the above named. ('OIL') authorized vide Board Resolution No. dated	In presence of Witness : Signature <u>Manash Chatterjee</u> Name <u>MANASH CHATTERJEE</u> Address <u>OIL INDIA LTD,</u> <u>PLOT NO. 19, SECTOR - 16A</u> <u>NOIDA</u>
For and on behalf of (BGEPIL) By: <u>Ravi Gupta</u> Authorized representative of the above named. ('BGEPIL') authorized vide Board Resolution No. dated	In presence of Witness : Signature <u>Ravi Gupta</u> Name <u>RAVIL GUPTA</u> Address <u>BH HOUSE KOWAL</u> <u>RAIPUR - 492001</u>