

COOPERATION AGREEMENT

Concerning

**FORCE**

FORUM FOR IMPROVED OIL AND GAS RECOVERY AND  
IMPROVED EXPLORATION

January 2017

This agreement is entered into between the following Participants:

A/S Norske Shell	LUKOIL Overseas North Shelf AS
Aker BP	Lundin Norway AS
Bayerngas Norge AS	Maersk Oil Norway AS
Cape Omega	MOL Norge AS
Capricorn Norge AS	MOECO oil & gas Norge AS
Centrica Energi	NPD
Chevron Norge AS	OMV Norge AS
Concedo ASA	Origo Exploration Norway AS
ConocoPhillips Norge	Petoro
Dong Norge AS	Petrolia NOCO AS
Dea E&P Norge AS	PGNiG Upstream International AS
Edison Norge AS	Point Resources AS
Eni Norge AS	Repsol Exploration Norge
ENGiE	Skagen44
ExxonMobil	Statoil ASA
Faroe Petroleum	Suncor Energy Norge AS
Fortis Petroleum Norway AS	TOTAL E&P Norge AS
Idemitsu Petroleum Norge AS	VNG Norge AS
KUFPEC Norway AS	Wellesley Petroleum
LOTOS Exploration Production Norge AS	Wintershall Norge ASA

Hereinafter collectively to be referred to as the Participants, each (being) a Participant. This Agreement supersedes the Research Cooperation Agreement concerning FORCE Forum for Reservoir Characterization, Reservoir Engineering and Exploration Technology Co-operation (September 2011).

Now therefore the Participants agree as follows:

#### ARTICLE 1 - DEFINITIONS

Whenever used herein the following words shall have the following meanings:

- "Administrator": as named and defined under Article 4.4. entrusted with the administrative tasks of FORCE
- "Affiliate": any Company directly or indirectly controlling a Participant or any company directly or indirectly controlled by such a company or the Participant itself
- "Agreement": the present Agreement and all Exhibits attached hereto and made part hereof

"Management Committee": the governing body of FORCE, elected from the participants, whose tasks and prerogatives are defined under Article 4.2.

"NPD": the Norwegian Petroleum Directorate

"Effective Date": the date on which the Agreement shall become effective as set forth in Article 12.1

"FORCE": a co-operating forum for improved oil and gas recovery (IOGR) and improved exploration (IE) created by this Agreement.

"General Assembly" Body representing all Participants, each with one representative

"Late Participant": any Participant joining the Forum later than 30 days after the Effective Date

"Participant": any oil company or government agency signing the Agreement (collectively referred to as the Participants)

"Technical Committee": committee consisting of elected representatives from the Participants, with a mandate to assist the Management Committee on technical matters

"Network Groups": a group consisting of members from the participants with the aim to exchange information through for example workshops, seminars and fieldtrips.

"Joint Industry Project (JIP)": project funded by a number of participants in FORCE choosing to collaborate.

## ARTICLE 2 - PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to regulate the financial relationship between the Participants, to define the scope and organization of FORCE and to lay down the rights and duties the Participants have towards each other with regard to their participation in FORCE and its results. Nothing herein shall be construed to create a company partnership, association, or joint venture, and nothing contained herein shall be construed to create or impose a partnership duty, obligation or liability on any Participant. The liability of each Participant shall be separate and not joint. Each Participant shall be liable only for its proportionate share of the costs of administrating FORCE, as described in Article 4 herein.

## ARTICLE 3 - OBJECTIVE OF FORCE

FORCE will focus on the user's needs in development and demonstration of tools and methods which will increase petroleum resources from the Norwegian Shelf at basin and reservoir levels. FORCE will base its work on the long term challenges and strategies defined by OG21 and maintain a good dialogue with OG21.

FORCE shall actively work for increased subsurface understanding and qualification of improved exploitation methods in order to continuously improve the overall exploration, recovery and production process.

FORCE shall be an active market place for

- Sharing of knowledge (for example optimal use of data)
- Efficient use of existing and emerging technology through active professional networking and exchange of best practices.
- Generation of ideas and project proposals
- Facilitate project initiation
- Industry cooperation

FORCE shall stimulate learning by

- Arranging seminars and workshops
- Experience transfer within and between the Technical Committees, network groups and project groups for the benefit of the Participants.

FORCE shall be active in defining and marketing technology gaps within the subsurface areas.

This Agreement regulates the organization of FORCE and its seminars and workshops. This Agreement is not intended to regulate any matters, such as contract awards, budgets, compensation, proprietary rights etc, related to specific research projects or Joint Industry Projects (JIP).

## ARTICLE 4 - ORGANIZATION OF FORCE

- 4.1 Each Participant shall appoint one General Assembly member and one alternate. The alternate shall assume the rights and obligations of the member upon that member's absence or resignation, unless the Participant notifies the Management Committee otherwise. The Participant may change its member and/or alternate at any time upon written notice to the Management Committee.

The General Assembly shall meet once a year and approve the accounting and budgets of FORCE and biennial elect members to the Management Committee, Technical Committees and a nomination committee. The General Assembly is led by the Management Committee chairman.

Major decisions, such as changes to the Administrator reimbursement set out in Article 4.5 and changes to the organization structure, scope of FORCE and termination of FORCE etc, require the decision by the General Assembly and/or amendment to this Agreement.

The chairman and the vice-chairman of the Management Committee shall be elected by a majority vote of the General Assembly.

- 4.2 FORCE shall be organized around a Management Committee consisting of eight permanent employees from the Participants, as nominated by Participants and elected by the General Assembly.

The Management Committee shall have authority to decide the following matters:

- (i) Preparation and recommendation on accounts and budgets for approval by the General Assembly.
- (ii) Allocate budget to Technical Committees and the Secretariat
- (iii) Prepare external communications and communication strategies
- (iv) Set goals for and monitor activities in Technical Committees
- (v) Review FORCE performance/role and propose changes to General Assembly
- (vi) Propose termination of FORCE for approval by the General Assembly as in Clause 12.3 below.

The Chairman shall summon the Management Committee at least twice a year or whenever requested by the majority of the Management Committee members. Meetings will take place after a minimum of one week's notice. The meetings shall be held in Stavanger unless otherwise decided by the Management Committee. Decisions are made by the majority of the Management Committee members present at the meeting unless otherwise provided for in this Agreement.

- 4.3 The operating part of FORCE include Technical Committees, each consisting of eight permanent employees from the Participants or Affiliates including leader and co-leader, as nominated by Participants and elected by the General Assembly.

The Technical Committees may establish Network Groups for different disciplines. All participants have the right to be members in the network groups and should nominate representatives if they want to take part in the network communication. The purpose of

the network groups is to facilitate communication and experience transfer within FORCE and between FORCE and its research environment, by creating meeting arenas, arranging seminars and workshops and propose JIP projects to the Technical Committee. The Technical Committees shall have authority to decide the following matters:

- (i) Establish/terminate network groups, and monitor activities in these groups
- (ii) Evaluate ideas/project proposals from network groups, eventually mature ideas in pre-projects
- (iii) Select projects and facilitate project initiation

The Technical Committees will decide by simple majority vote the technical theme(s) of the seminars and workshops.

- 4.4 NPD serve as the Administrator of FORCE, and shall hereunder act as liaison between the Management Committee and the Participants.

NPD will each calendar year, use one and a half man year to administer and coordinate activities associated with the General Assembly, Management Committee, Technical Committees, seminars and workshops. NPD will be in charge of secretarial functions to FORCE. The secretariat shall provide suitable meeting facilities for meetings, seminars and workshops.

The Administrator shall serve as an information channel between the Participants and between the Participants and research institutions and shall assist the Participants in bringing up technical themes and topics for the seminars and workshops. The Administrator will provide secretarial functions to the Management Committee. The Administrator will attend the Management Committee and General Assembly meetings in a non-voting capacity

The secretarial functions include the following items:

- a) Organize Management Committee and General Assembly meetings
- b) Provide a full service year round secretarial office
- c) Organize the practical part of seminars and workshops
- d) Distribute project proposals and facilitate the initiation process
- e) Provide efficient and timely communication
- f) Provide technical professional overview of FORCE activities and challenges

- 4.5 Reimbursement to the Administrator shall be a flat, all-inclusive cost which is NOK 2 200 000 (NOK 1 900 000 (1 520 000 + VAT) for administration costs and NOK 300 000 for secretarial functions) per year to be shared equally by the Participants. The reimbursement will be adjusted annually on January 1 according to the official Norwegian Consumer Price Index (Konsumprisindeksen). Each Participant shall be liable only for its proportionate annual share.

The Administrator shall invoice each Participant for its proportionate share of the administration costs from January each year. Each Participant shall pay its proportionate share within 30 days of receipt of the invoice.

In the event of a merger between Participants or a buy-out or acquisition by one

Participant of another, beginning the year after the merger/acquisition is completed, such combined Participant shall pay only one fee and the allocation to Participants shall be adjusted accordingly.

In the event of withdrawal, the procedure is described in article 12.2.

Each Participant's costs, such as travel, hotel expenses etc, arising in connection with attending the meetings and seminars of FORCE shall be covered by the respective Participant.

## ARTICLE 5 - CONFIDENTIALITY

- 5.1 The Participants shall keep confidential and shall not reveal to nor provide access to any third party any information provided by any Participant or by any research institute, university and/or consultant and identified by such source as confidential or proprietary, except as otherwise provided in clauses 5.2, 5.3, and 5.4 below or except to the extent the contributing party consents to such disclosure. The duration of such confidentiality obligations shall be agreed upon by the Participants upon such identification of confidential or proprietary information. In the absence of such agreement the duration shall be 3 years.
- 5.2 The obligation of confidentiality shall not apply to information where the Participant can reasonably prove that information:
  - a) was available to the public prior to the receipt of the information under this Agreement,
  - b) became available to the public through no fault of the Participant,
  - c) was already in the possession of the Participant or any of its Affiliates prior to the receipt of the information under this Agreement, and was not acquired by the Participant or Affiliate from a third party under a separate obligation of confidentiality,
  - d) has been developed by the Participant or an Affiliate as a result of activities carried out independently of FORCE and without access to technical information made available hereunder.
- 5.3 Each Participant shall, to the extent necessary to carry out its normal operations, have the right to disclose such information to consultants, contractors or fabricators who have agreed in writing to accept strict confidentiality obligations and to use such information solely for the purpose of consulting with, evaluation for, or otherwise assisting the Participant.
- 5.4 Each Participant may communicate information to any of its Affiliates provided that such Affiliates shall comply with the provisions of this Article 5.
- 5.5 Should any Participant contribute proprietary data/information to the Forum, that Participant shall clearly label it as such. Release of such data/information would require the contributing Participant's permission.

## ARTICLE 6 - LIABILITY AND INDEMNIFICATION

Each Participant shall be solely responsible for and shall defend, indemnify and hold other Participants and their Affiliates, free and harmless from any and all claims, demands, debts, damages, losses, causes of action, suits, expenses and costs arising out of or in connection with injury to or death of employees or representatives of said Participants and their Affiliates, or damage to or destruction of property of said Participant, or that of their Affiliates, in any way sustained or alleged to have been sustained in connection with this Agreement, except in case of gross negligence or wilful misconduct.

## ARTICLE 7 - FORCE MAJEURE

Delay in or failure of performance of any Participant, other than a failure to make payments when due, shall not constitute a default hereunder or give rise to any claim for damage if and to the extent such delay or failure is caused by an occurrence beyond the control of the Participant affected and which, by the exercise of reasonable diligence, said Participant is unable to prevent or overcome.

## ARTICLE 8 - LATE PARTICIPANTS

Subject to approval of the Management Committee, Late Participants may be admitted to FORCE after the Effective Date of the Agreement. Late Participants shall pay for the entire year.

## ARTICLE 9 - AUDIT

A Participant shall, within the 24 month period following the end of each financial year, have the right to audit the Administrator's accounts relating to FORCE. The Administrator shall give the auditors access to all records, files and other materials necessary to review and appraise the charges and credits to said accounts.

Audit shall only be performed upon, at least, 30 days written notice to all Participants.

The Participants shall conduct the audit simultaneously by and in a manner which results in a minimum of inconvenience to the audited party. If the Participants who require the audit agree, audits will be performed by a joint audit group.

The Participants' audit cost incurred under this paragraph shall be borne by the Participants requiring the audit.

## ARTICLE 10 - GOVERNING LAW AND ARBITRATION

This Agreement shall be governed by the laws of Norway and any conflict regarding the interpretation of performance of this Agreement which is not settled amicably, shall be settled in Stavanger by arbitration in accordance with The Norwegian Arbitration Act of May 14 2004, no. 14.

## ARTICLE 11 - NOTICES



The addresses of the Participants to this Agreement, until changed by said Participant by written notice to the Administrator are:

**A/S Norske Shell  
Postboks 40  
4098 Tananger**

**ENGIE  
PO Box 242  
4066 Stavanger**

**AkerBP Norge AS  
Postboks 480 Sentrum  
4002 Stavanger**

**ExxonMobil Exploration and Production  
Norway AS P. O. Box 60  
4064 STAVANGER**

**Bayerngas Norge  
Postboks 73  
N-0216 Oslo**

**Faroe Petroleum Norge AS  
Postboks 309 Sentrum  
4002 Stavanger**

**Cape Omega  
Solheimsgaten 7E  
5058 Bergen**

**Fortis  
Postboks 8034  
4068 Stavanger**

**Capricorn  
PO Box 130  
4065 Stavanger**

**Idemitsu Petroleum Norge AS  
PO Box 1844 Vika  
0123 Oslo**

**Centrica Energi  
Postboks 520 Sentrum  
4003 Stavanger**

**KUFPEC Norway AS  
PO Box 207  
N-4001 Stavanger**

**Chevron Norge AS  
PO Box 97 Skøyen  
0212 OSLO**

**LOTOS Exploration & Production Norge AS  
Jåttåvågveien 7, Blokk C  
4065 Stavanger**

**Concedo ASA  
Torvveien 1  
1383 Asker**

**LUKOIL Overseas North Shelf AS  
Postboks 543 Skøyen  
0214 Oslo**

**ConocoPhillips Skandinavia AS  
PO Box 3  
4064 STAVANGER**

**Lundin Norway AS  
Strandveien 50D  
1366 LYSAKER**

**Dong E&P Norge AS  
Postboks 450 Sentrum  
4002 STAVANGER**

**Maersk Oil Norway AS  
Postboks 8014  
4068 Stavanger**

**DEA E&P Norge AS  
Løkkeveien 103  
4007 Stavanger**

**MOECO  
PO Box 1754 Vika  
0161 Oslo**

**Edison International S.p.A  
PO Box 130  
4065 Stavanger**

**MOL Norge  
Trelastgata 3  
0191 Oslo**

**Eni Norge AS  
PO. Box 101  
4064 STAVANGER**

**Norwegian Petroleum Directorate  
PO Box 600  
STAVANGER**

**OMV Norge AS  
Jåttåvågveien 7B  
4020 Stavanger**

**Origo Exploration Norway AS  
PO Box 404  
4002 Stavanger**

**Petoro  
Pb. 300 Sentrum  
4002 Stavanger**

**Petrolia Norway AS  
Postboks 161  
5868 Bergen**

**PGNiG Upstream International AS  
Postboks 344  
4067 Stavanger**

**Point Resources AS  
Grundingen 3  
0250 Oslo**

**Repsol Norge AS  
Verven 4  
4014 Stavanger**

**Skagen44  
PO Box 332 Sentrum  
4002 Stavanger**

**Statoil ASA  
Postboks 8500  
4035 Stavanger**

**Suncor Energy as  
Postboks 269 Sentrum  
4002 Stavanger**

**TOTAL E&P Norge AS  
Postboks 168  
4029 Stavanger**

**VNG Norge  
Pb. 720 Sentrum  
4003 Stavanger**

**Wellesley  
Reidar Berges gate 9  
4013 Stavanger**

**Wintershall Norge ASA  
Pb. 230 Sentrum  
4001 Stavanger**

**Observer:  
Research Council of Norway  
Boks 2700 St Hanshaugen  
0131 OSLO**

ARTICLE 12 - EFFECTIVE DATE, DURATION AND TERMINATION

12.1 The Agreement shall be in effect for the period from 1 January 2017 to 31 December 2019.

12.2 One year after the Effective Date of the Agreement and any time thereafter, a Participant can give notice to withdraw from FORCE.

Withdrawal of a Participant shall be notified to the Secretariat at least three months before the year end and will be effective from January 1<sup>st</sup> upcoming year. Paid fee will not be refunded.

12.3 A decision implying early termination of FORCE shall require the approval of at least 2/3 of all Participants.

12.4 Termination of this Agreement will have no effect on the rights and obligations laid down in Articles 5, 6, 9 and 10.

In witness hereof, the Participants hereto have respectively caused this Agreement to be executed on their behalves by authorized officers on the date set forth.

Stavanger .....28/2.....2017

Name.....Wenche Tjelta Johansen.....

Signature.....Wenche T. Johansen.....

**The Norwegian Petroleum Directorate** on behalf of FORCE

Company .....

Name .....

Signature .....