

SPECIAL CONDITIONS OF CONTRACT

1 INTRODUCTION

1.1 General information about the Norwegian Petroleum Directorate

The Norwegian Petroleum Directorate (NPD) was established in 1972 and is located in Stavanger. NPD's main task is to manage the oil and gas resources on the Norwegian Continental Shelf. The NPD shall contribute to create the greatest possible values for society from the oil and gas activities by means of prudent resource management based on safety, emergency preparedness and safeguarding of external environment.

1.2 Definitions

All definitions set out in the General Conditions of Contract (the "GCC") shall apply to these Special Conditions of Contract (the "SCC"), except as expressly stated otherwise herein.

2 THE SEISMIC ACQUISITION PROGRAMME

[To be further detailed based on tender document, tender and subsequent notification by Company.]

The Survey shall be carried out from mid-August to late September 2016. The entire Survey duration is estimated to be up to approximately 1 – 1 ½ weeks.

3 DEMAND SPECIFICATION – PERFORMANCE OF THE SEISMIC ACQUISITION PROGRAMME

3.1 General

Contractor shall allow for adequate time, at no extra cost to Company, for checkout by Company of all systems (including seismic, navigation/positioning equipment) under operating conditions, i.e. with streamer(s) and energy sources deployed and test shots recorded. A formal start of operations is depended upon a satisfactory checkout.

3.2 Technical specifications

3.2.1 Data acquisition

[To be further detailed based on tender document and tender.]

Survey parameters:

No. of streamers:	up to 18 (and not less than 12)
Streamer separation:	12,5 m
Streamers active length:	100 – 150 m
Group interval:	6,25 m
No. of hydrophones per group:	Please specify
Streamers tow depth:	2.0 m (nominal) – 5.0 m (nominal) / and dependent on pre-survey geophysical evaluation and streamer technology.

Near-offset:	Distance center Source to first receiver group, 70-110 m, or as close as operational feasible – Please specify options.
Shot (pop) interval:	6,25 m (for 'single source' shooting)
Source volume: proposed array / layout.	500 – 1000 ci.in., please specify - and provide details of
Source depth: geophysical evaluation.	3.0 m or 4.0 m (nominal). - And dependent on pre-survey
Record length:	Please specify capability for continuous recording
Sampling rate:	0,5 ms

3.2.2 Navigation Specifications

[To be further detailed based on tender document and tender.]

The Contractor should make use of an industry standard navigation system. The Contractor shall specify in detail the navigation system which will be applied for the 3D seismic acquisition.

Contractor is responsible for navigation supply. Navigation data shall be processed by Contractor in order to produce final positions for each source and trace.

The centre of sources shall at all times be determined better than +/- 5 m. Receivers shall at all times be determined better than +/- 10 m. Both figures shall refer to a confidence level of 95%. Please also indicate in case your positioning spec. differs from the above.

3.2.3 Additional Services

[To be further detailed based on tender document and tender.]

3.3 Data Quality

[To be further detailed based on tender document and tender.]

Contractor shall provide Quality Control during the acquisition and processing of the data.

For the seismic acquisition programme, vessels shall be used that are constructed, equipped and operated in accordance with relevant requirements from the competent authorities in the country of registration and from a first class international classification bureau approved by IACS.

A Company Representative shall be onboard the survey vessel at all times for quality control. This does not, however, exempt Contractor from his responsibility of delivering all products to the specified acceptable standard / quality. In addition two fisheries representatives shall also be required to be onboard (the cost will be covered by Company). Company personnel shall if decided by Company be onboard during the acquisition.

3.3.1 Seismic Data Processing

[To be further detailed based on tender document and tender.]

The bidder shall provide a proposed solution including eventual alternative solutions for the Data Processing.

3.4 Data Delivery and Final Products

3.4.1 General

[To be further detailed based on tender document and tender.]

Raw 3D seismic data:

Contractor shall deliver raw 2D acquired seismic data on 3592 tapes as standard SEG-D. All navigation data shall be delivered on a suitable medium in standard UKOOA P1&P2 format.

All raw seismic data and all navigation data shall be delivered with no undue delay, and in any case no later than three weeks after survey completion, be shipped to Company's offices in Stavanger.

3.4.2 Data delivery

[To be further detailed based on tender document and tender.]

The following list of data shall be delivered to Company:

- ☐ Two copies of seismic field data on 3592 tapes in SEG-D format.
- ☐ Navigation data, UKOOA P2/94 and P1/90 on 3592 tapes.
- ☐ TOC files including tape-, acquisition- and FFID logs on CD-ROM.
- ☐ CMP map on CD-ROM and one paper copy.

3.4.3 Reporting

[To be further detailed based on tender document and tender.]

The following reports shall be delivered to Company:

- ☐ Observers' Logs, Navigation Logs and Tape Logs on CD-ROM
- ☐ Onboard Seismic Processing QC and Calibration Report (delivered on completion of fieldwork) on CD-ROM
- ☐ Final acquisition reports on CD-ROM and two paper copies.

3.4.4 Final Products

[To be further detailed based on tender document and tender.]

The following data and reports shall be delivered to Company:

- ☐ Final processing report on CD-ROM
- ☐ Final high-resolution PSTM on hard disk in SEG-Y format

4 COSTS

4.1 General Conditions

[To be further detailed based on tender document and tender.]

Maximum contract value is set to MNOK 13 (incl. VAT for onshore data processing) for this project. NPD may cover expenses that exceed this above defined financial framework – provided that this additional work is agreed upon in writing between the parties.

The following remuneration terms apply with respect to the rates set out in this Contract: Except for in the specific instances as set forth in Articles 11.7, 11.8 and 12.2 of the General Conditions of Contract (hereafter: Additional Costs), the compensation, rates and fees shall be fixed and shall remain unchanged throughout the duration of the Contract.

The remuneration is comprised of the following categories:

- o Mobilisation fee
- o Demobilisation fee
- o Production rate
- o Standby rate
- o Transit rate
- o Seismic data processing costs
- o Additional costs
- o Early termination fee

4.2 Production rate

[To be further detailed based on tender document and tender.]

The following costs are included in the production rate:

- ☐ Costs for geophysical survey planning
- ☐ Costs for logistical survey planning
- ☐ All the specified processing (including post-processing of navigation data to UKOOA P1/90 format), end products and consumables (tapes etc)
- ☐ All conventional navigation costs, surface positioning and in-sea positioning
- ☐ Costs related to equipment performance and acceptance tests

4.3 Standby rate

[To be further detailed based on tender document and tender.]

Standby time is classified as time spent on:

- ☐ Waiting on weather
- ☐ Waiting due to seismic interference or other circumstances (e.g. fishing activity)
- ☐ Waiting due to marine conditions preventing or delaying the seismic operation to go-head, outside control of the contractor – also including time spent on port calls and other steaming on specific request by company.
- ☐ Waiting due to Force Majeure
- ☐ Non-operational periods due to instructions received from the Company to delay the Work

The breakdown of timing regarding production and standby shall, on a daily basis, be agreed between Contractor Representative and Company Representative onboard.

Downtime due to technical breakdown and Contractors Crew Change shall be covered by Contractor.

4.4 Transit rate

[To be further detailed based on tender document and tender.]

Transit rate is classified as steaming and transit to and from Survey Areas.

4.5 Mobilization and Demobilization

[To be further detailed based on tender document and tender.]

The exact position(s) for the survey is to be decided and Contractor shall suggest alternative harbor's for mobilization and demobilization for the Barents Sea. The costs shall be stated as Lump Sums.

However, irrespective of the chosen port of mobilization please add a "Mobilization Steaming Cost" in the following way: Based on "port of Hammerfest" – quote this "Mobilization Steaming Cost" as a rate per day (breakdown to 24 hours). Again, this Rate applies in addition to the lump sum of 'mobilization and demobilization'.

The mobilization period shall be regarded as finished when the equivalent of one prime line in each survey direction has been successfully recorded, and all equipment work correctly as far as it can be reasonably demonstrated to the satisfaction of the NPD's representative on-board. The production time will then be counted from the first accepted shot point on the first accepted line. The production time will cease at the last pop/shot thereafter vessel/operation will demobilize. The demobilization is completed upon in-port delivery of field-recordings and demobilization of NPD personnel.

4.6 Seismic Data Processing

[To be further detailed based on tender document and tender.]

4.7 Additional costs

[To be further detailed based on tender document and tender.]

Costs relating to optional Personnel in accordance with the GCC Article 5.2 and/or optional Equipment and services in accordance with the GCC Article 5.3 and/or optional logistics and infrastructure in accordance with any additional costs shall be agreed upon between the Parties in writing as they occur pursuant to Articles 11.7, 11.8 and 12.2 of the GCC.

4.8 Early termination fee

[To be further detailed based on tender document and tender.]

The Early termination fee shall cover all of the bidder's expenses in the event that the Company elects to exercise its right of early termination set out in the GCC Article 10.1. The Early termination fee shall comprise of a lump sum [not to exceed].