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COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

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Pursuant to section 395 of the Companies Act 1985

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CHA 116

To the Registrar of Companies

For official use

Company number

[] [] [] [] [] [] [] [] [] []

1421481

Please complete legibly, preferably in black type, or bold block lettering

Name of company

* insert full name of company

* PERENCO U.K. LIMITED (the "Borrower")

Date of creation of the charge

12 FEBRUARY 1999

Description of the instrument (if any) creating or evidencing the charge (note 2)

Debenture document dated 12 February 1999 between the Borrower and the Bank (the "Debenture")

Amount secured by the mortgage or charge

(a) all amounts advanced and other sums payable under the Credit Agreement;
(b) all other liabilities whatsoever of the Borrower to the Bank present future actual and/or contingent; and
(c) all costs charges and expenses howsoever incurred by the Bank in relation to the Debenture and such indebtedness and/or on a full indemnity basis
and shall include interest on the foregoing day by day from demand until full discharge (as well after as before any judgement) at the rate provided for in any agreement between the Bank and the Borrower or, in the absence of any such agreement, at the rate of 2.5 per cent per annum above the Base Rate of the Bank from time to time. (the "Secured Obligations")

Names and addresses of the mortgagees or persons entitled to the charge

CIBC WOOD GUNDY PLC of Cottons Centre, Cottons Lane, London, SE1 2QL (the "Bank")

Presentor's name address and reference (if any):

Lawrence Graham
190 Strand
London
WC2R 1JN
DXS/RWE/C3397-1
890505

For official use
Mortgage Section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

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The Borrower charged in favour of the Bank:-

1. by way of fixed charge all estates or interests in any freehold, leasehold and other immovable property now or at any time during the continuance of this security belonging to the Borrower and the proceeds of sale thereof and all buildings and trade and other fixtures from time to time on any such property belonging to or charged to the Borrower;
2. by way of fixed charge all plant, machinery, vehicles, computers and office and other equipment owned by the Borrower both present and future;
3. by way of fixed charge its Debts;
4. by way of fixed charge (to the extent not charged by Clause 3 above) all its right, title and interest in the Licence Documents (including the Master Agreement);

Particulars as to commission allowance or discount (note 3)

NIL

Signed

Lawrence Graham

Date 22.2.99

On behalf of ~~company~~ (mortgagee/chargee) †

† delete as appropriate

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

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Particulars of a mortgage or charge (continued)

Continuation sheet No _____
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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Company Number

1421481

Name of Company

PERENCO U.K. LIMITED (the "Borrower")

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Acquisition Agreement" means the sale and purchase agreement dated 12 January 1999 relating to the sale and purchase of the entire share capital of the Borrower and made between Perenco Investments (U.K.) Limited and Tullow Oil plc;

"Credit Agreement" means the credit agreement dated 12 February 1999 made between the Bank and the Borrower whereby the Bank has agreed to make available certain facilities on the terms and conditions contained therein;

"Debts" means in relation to the Borrower, (i) the Gas Receivables and all other book and other debts, both present and future, due or owing to it and all other monetary debts and claims, choses in action and other rights and benefits both present and future (including, in each such case, the proceeds thereof and all damages and dividends in relation thereto) due or owing to the Borrower and the benefit of all related rights and remedies (including under negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing and liens) and (ii) to the extent not referred to in (i) above, all sums received or receivable under the Licence Documents (including the Master Agreement) and (iii) all sums, both present and future, due or owing to the Borrower by way of grant, subsidy or refund by any statutory, legal or governmental body, authority or institution or by any body, authority or institution of the European Union;

"Encumbrance" means any mortgage, charge, assignment for the purpose of security, pledge, lien, rights of set-off, arrangements for retention of title or hypothecation or trust arrangement for the purpose of or which has the effect of, granting security or other security interest of any kind whatsoever or any agreement, whether expressed to be conditional or otherwise, to create any of the same but excluding all security interests hereunder or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired by the Borrower;

"Gas" means all gas being hydrocarbons (primarily methane) from gas wells, gas produced with crude oil and residue gas resulting from the processing of gas;

"Gas Assets" means the Borrower's interest in the Ryedale Gas Fields;

"Gas Receivables" means all amounts receivable by the Borrower in respect of the sale of Gas produced from the Licence;

Amount due or owing on the mortgage or charge (continued)

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5. by way of fixed charge (but subject to the provisions of Clause 6.2 of the Debenture) the moneys standing to the credit of the Gas Sales Account and all balances standing to the credit of any current, deposit or other account of the Borrower with the Bank (including, inter alia, any account designated a realisations account for the proceeds of disposals of any of the assets of the Borrower) or with other bankers, financial institutions or similar third parties but excluding the Borrower's interest in any account operated by it on behalf of itself and any other party in respect of any joint venture (the "Credit Balances");

6. by way of fixed charge all benefits in respect of the moneys standing to the credit of the Gas Sales Account and all policies of insurance taken out and/or maintained by or on behalf of or for the benefit of the Borrower and all claims and returns of premiums in respect thereof;

7. by way of fixed charge all stocks, shares, debentures, bonds, notes and loan capital of;

(a) any Subsidiary; and

(b) any other body corporate the certificates or other documents evidencing ownership of which are now or at any time hereafter deposited by the Borrower with the Bank or are held by the Bank or its agents or transferred to or registered in the name of the Bank or its agents or nominees;

and all rights to subscribe for, redeem, convert other securities into or otherwise acquire any of the same which may now or hereafter belong to the Borrower, together with, subject to Clause 7 of the Debenture, all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;

8. by way of fixed charge the goodwill of the Borrower and its uncalled capital now or at any time hereafter in existence;

9. by way of fixed charge patents, patent applications, trade marks and service marks (whether registered or not) trade mark applications, service mark applications, brands and trade names, registered designs, design rights, copyrights, computer programmes know-how and inventions and trade secrets and all other industrial, intellectual or intangible property or rights and all licences agreements and ancillary and connected rights relating to such industrial, intellectual

and intangible property including all fees and royalties deriving therefrom.

10. by way of floating charge the whole of the Borrower's undertaking and all its property, assets and rights, whatsoever and wheresoever, present and future, other than any property or assets from time to time or for the time being effectively mortgaged, assigned or charged to the Bank by way of fixed charge by Clause 3 of the Debenture but including any interest of the Borrower in any account operated by it on behalf of itself and any other party as referred to in Clause 3.1.6 of the Debenture (hereinafter collectively referred to as the "Floating Charge Property")

N.B. RESTRICTIONS

The Borrower covenants that without the prior written consent of the Bank it will not nor shall it agree or purport to:

1. create or permit to subsist any Encumbrance whether in any such case ranking in priority to or pari passu with or after the security created by the Debenture; or

2. sell, discount, factor, transfer, lease, lend or otherwise dispose of, whether by means of one or a number of transactions related or not and whether at one time or over a period of time, the whole or any part of its undertaking or assets, other than Floating Charge Property in the ordinary course of business by the Borrower and on arm's length terms;

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

**Please complete
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Particulars of a mortgage or charge (continued)

Continuation sheet No _____ to Form No 395 and 410 (Scot)

CHA 116

Please complete legibly, preferably in black type, or bold block lettering

Company Number

1421481

Name of Company

PERENCO U.K.LIMITED (the "Borrower")

Limited*

* delete if inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

"Gas Sales Account" means the account in the name of the Borrower with Barclays Bank PLC account number 10357057;

"Licence" means the UK Petroleum Licences listed in Schedule 2A of the Acquisition Agreement;

"Licence Interests" means the Borrower's interests in, under and pursuant to the Licences and the Licence Documents;

"Licence Documents" means those documents listed in Schedule 2C of the Acquisition Agreement;

"Master Agreement" means the master agreement between the Borrower, Scottish Power plc and others dated 8 April 1993 (as amended or supplemented or replaced from time to time) providing for the construction and operation of the facilities required to accept and combust gas produced from the Gas Assets;

"Subsidiary" means a subsidiary within the meaning of section 736 of Companies Act 1985.

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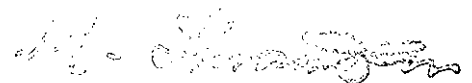
**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 01421481

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 12th FEBRUARY 1999 AND CREATED BY PERENCO U.K. LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO CIBC WOOD GUNDY PLC ON ANY ACCOUNT WHATSOEVER UNDER THE CREDIT AGREEMENT OF EVEN DATE (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 24th FEBRUARY 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 25th FEBRUARY 1999.


G. WYNN-DAR.

for the Registrar of Companies



C O M P A N I E S H O U S E