

APPENDIX B
AMENDMENT TO THE JOA

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AMENDMENT 1 TO
THE INTERNATIONAL OPERATING AGREEMENT
WITH RESPECT TO THE PERMIT H CONVENTION AGREEMENT DATED
FEBURARY 23, 1999
REPUBLIC OF CHAD

BETWEEN

CLIVEDEN PETROLEUM CO. LTD.

AND

CNPC INTERNATIONAL (CHAD) CO., LTD.

AND

SOCIETE DES HYDROCARBURES DU TCHAD

DATED _____, 2009

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THIS AMENDMENT 1 TO THE INTERNATIONAL OPERATING AGREEMENT WITH RESPECT TO THE PERMIT H CONVENTION AGREEMENT is made on this _____, 2009

BETWEEN:

1. **CLIVEDEN PETROLEUM CO. LTD.**, a company registered under the laws of the British Virgin Islands ("**Cliveden**"), represented by Mr. Ye Xiandeng duly empowered for the purposes hereof;

AND

2. **CNPC INTERNATIONAL (CHAD) CO., LTD.**, a company registered under the laws of Bermuda ("**CNPCIC**"), represented by Mr. Ye Xiandeng duly empowered for the purposes hereof;

AND

3. **SOCIÉTÉ DES HYDROCARBURES DU TCHAD**, a company registered under the laws of the Republic of Chad ("**SHT**"), represented by Mr. Ahmat Khazali Acyl duly empowered for the purposes hereof;

Each of Cliveden, CNPCIC and SHT being referred individually to as a "**Party**", or collectively as the "**Parties**".

WHEREAS:

- A. Cliveden and the Republic of Chad (the "**State**") entered into a Convention for Exploration, Exploitation and Transportation of Hydrocarbons between the Republic of Chad and the Consortium Cliveden Petroleum Co. Ltd, dated 23 February 1999 (the "**Convention**");
- B. On 16 March 2001, the State passed a decree No. 160/PR/MMEP/2001 granting Cliveden a hydrocarbon exploration permit in respect of the Permit H Area (as defined therein) (the "**Permit H**");
- C. On 26 February 2002, Cliveden transferred a fifty percent (50%) participating interest in and to the Convention and Permit H to AEC International (Chad) Ltd. (the "**Transfer Agreement**");
- D. The Transfer Agreement was approved by the Minister of Mines, Energy and Petroleum of the Republic of Chad on 26 February 2002;

- E. On 19 April 2002, AEC International Chad Ltd. was renamed EnCana International (Chad) Ltd.;
- F. On 8 December 2006, CNPC International (Chad) Ltd. ("CNPCIL") signed a share purchase agreement to acquire the entire share capital of EnCana International (Chad) Ltd. and the latter was renamed CNPC International (Chad) Co., Ltd. that holds a fifty percent (50%) participating interest in and to the Convention and Permit H;
- G. Cliveden and CNPCIC (the "**Consortium**"), two wholly-owned affiliates of CNPCIL (together, the "**CNPC Group**") are the legal and beneficial owners of the entire participating interests in, to and under the Convention and Permit H; together with each of their fifty percent (50%) participating interest in, to and under the International Operating Agreement with respect to the Permit H Convention Agreement between Cliveden and CNPCIC dated 1 January 2002 (the "**JOA**");
- H. CNPCIL , Cliveden, CNPCIC, the State and SHT have, on the date hereof, concluded a certain agreement to document the relationship between the CNPC Group, the State and SHT in the context of the assignment and transfer, by Cliveden, of a ten percent (10%) participating interest in and under the Convention and the JOA (the "**Assigned Interests**"), to SHT (the "**Master Agreement**");
- I. To this end, Cliveden and the SHT have, on the date hereof, concluded an agreement for the assignment, by Cliveden, of the Assigned Interests, to SHT (the "**Assigned Interests Agreement**");
- J. Pursuant to the provisions of the Master Agreement, Cliveden and SHT have, on the date hereof, concluded a certain agreement to document the obligations of Cliveden to fund, bear and pay for SHT's participating interest share of certain costs, expenses and liabilities under the Convention and the JOA, subject to the terms and conditions specified therein (the "**Carry Agreement**");
- K. Pursuant to the provisions of the Master Agreement, the State, Cliveden, CNPCIC and SHT have, on the date hereof, concluded a certain amendment to the Convention to, *inter alia*, acknowledge the inclusion of SHT as a member of the Consortium under the Convention (the "**Amendment to the Convention**"); and
- L. Pursuant to the provisions of the Master Agreement, the Parties hereof have agreed to amend the JOA under the following terms and conditions (the "**Amendment to the JOA**").

THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. DEFINITIONS

Save as otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the JOA.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 SHT represents and warrants that:

- (i) pursuant to the Assigned Interests Agreement and as provided for in the Master Agreement, SHT will validly acquire the Assigned Interests from Cliveden, upon the Closing Date;
- (ii) pursuant to the Amendment to the Convention, SHT unconditionally assumes the obligations and liabilities of a member of the Consortium under the Convention as amended by the Amendment to the Convention, which constitutes valid and binding obligations and liabilities of, and is enforceable against, SHT; and
- (iii) subject to paragraph 2.3 below, SHT fully and unconditionally assumes the obligations and liabilities as a Non-Operator under the JOA as amended by the present Amendment to the JOA, which constitutes valid and binding obligations and liabilities of, and is enforceable against, SHT.

2.2 SHT obligations and liabilities under paragraph 2.1(ii) above shall be subject to, and therefore limited to, the carry obligations undertaken by Cliveden under the Carry Agreement.

2.3 SHT covenants that it shall defend and indemnify CNPCIC and Cliveden from any adverse claim made against CNPCIC and/or Cliveden arising in connection with (i) the assignment, by Cliveden, of the Assigned Interests, to SHT; and (ii) the conclusion, by SHT, of the present Amendment to the JOA.

3. AMENDMENTS TO THE JOA

On the Closing Date, SHT shall become a party to the JOA, as amended by this Amendment to the JOA, and the following modifications shall be made to the JOA:

3.1 Parties

The Parties to the JOA shall be the Parties to this Amendment to the JOA.

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3.2 Definitions

The existing Articles 1.7 to 1.10 inclusive shall be removed and replaced with the following:

"1.7 *Area means the lands set forth and described as such in Exhibit "B".*"

3.3 Article 3.2 – Participating Interest

The existing paragraph (A) shall be removed and replaced with the following:

"The Participating Interests of the Parties shall be as follows:

<u>Party</u>	<u>Area</u>
<i>Cliveden</i>	<i>40</i>
<i>CNPCIC</i>	<i>50</i>
<i>SHT</i>	<i>10"</i>

3.4 Article 4 – Operator

The existing Article 4.1 shall be removed and replaced with the following:

"4.1 Designation of the Operator

CNPCIC shall be the Operator and agrees to act as such."

3.5 Article 17 – Notices

Article 17 is amended to add:

"Cliveden

No. 6-1 Fuchengmen Beidajie
Xicheng District
Beijing
China 100034
Attention: Mr. Ye Xiandeng

Telecopy No.: +86 10 5855 1000

With a copy to:

CNPC International (Chad) Co., Ltd
B.P. 1742,
Rue 1031,
Avenue Brazza,
N'Djamena, Republic of Chad
Attention: Mr. Dou Lirong

Telecopy No.: 00235-2524491

CNPC International (Chad) Co., Ltd

No. 6-1 Fuchengmen Beidajie
Xicheng District
Beijing
China 100034
Attention: Mr. Ye Xiandeng
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Attention: Mr. Dou Lirong

Telecopy No.: 00235-2524491

Société des Hydrocarbures du Tchad

B.P. 6179,
N'Djamena, Republic of Chad
Attention: Mr. Ahmat Khazali Acyl

Telecopy No.: 00235-2520729

3.6 Exhibit B – Convention Area

Exhibit B to the JOA shall be removed and replaced with the following:

[Appendix A to this Amendment to the JOA to be inserted here].

4. RATIFICATION

All terms and conditions in the JOA shall remain as written in all respects, except as amended by this Amendment to the JOA and the Parties hereby ratify, affirm, and adopt the JOA as written and as amended herein, and the Parties accept to be bound by the terms and conditions of the JOA as written and amended herein.

5. GOVERNING LAW

This Amendment to the JOA shall be governed by, construed, interpreted and applied in accordance with the laws of England, excluding any choice of law rules which would refer the matter to the laws of another jurisdiction.

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6. **ENTRY INTO FORCE**

This Amendment to the JOA shall enter into force at the "**Closing Date**"; as such date may be defined in, and pursuant to the provisions of, the Master Agreement.

IN WITNESS WHEREOF, the Parties have signed this Amendment to the Convention in five (5) original copies on the date first indicated above.

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Cliveden Petroleum Co. Ltd

Represented by:

President of Cliveden Petroleum Co. Ltd



Mr. Ye Xiandeng

CNPC International (Chad) Co., Ltd

Represented by:

President of CNPC International (Chad)
Co., Ltd



Mr. Ye Xiandeng

Société des Hydrocarbures du Tchad

Represented by:

General Manager of Société des Hydrocarbures
du Tchad



Mr. Ahmat Khazali Acyl

APPENDIX A
PERMIT H CONTRACT AREA

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Permit H - Contract Area Summary

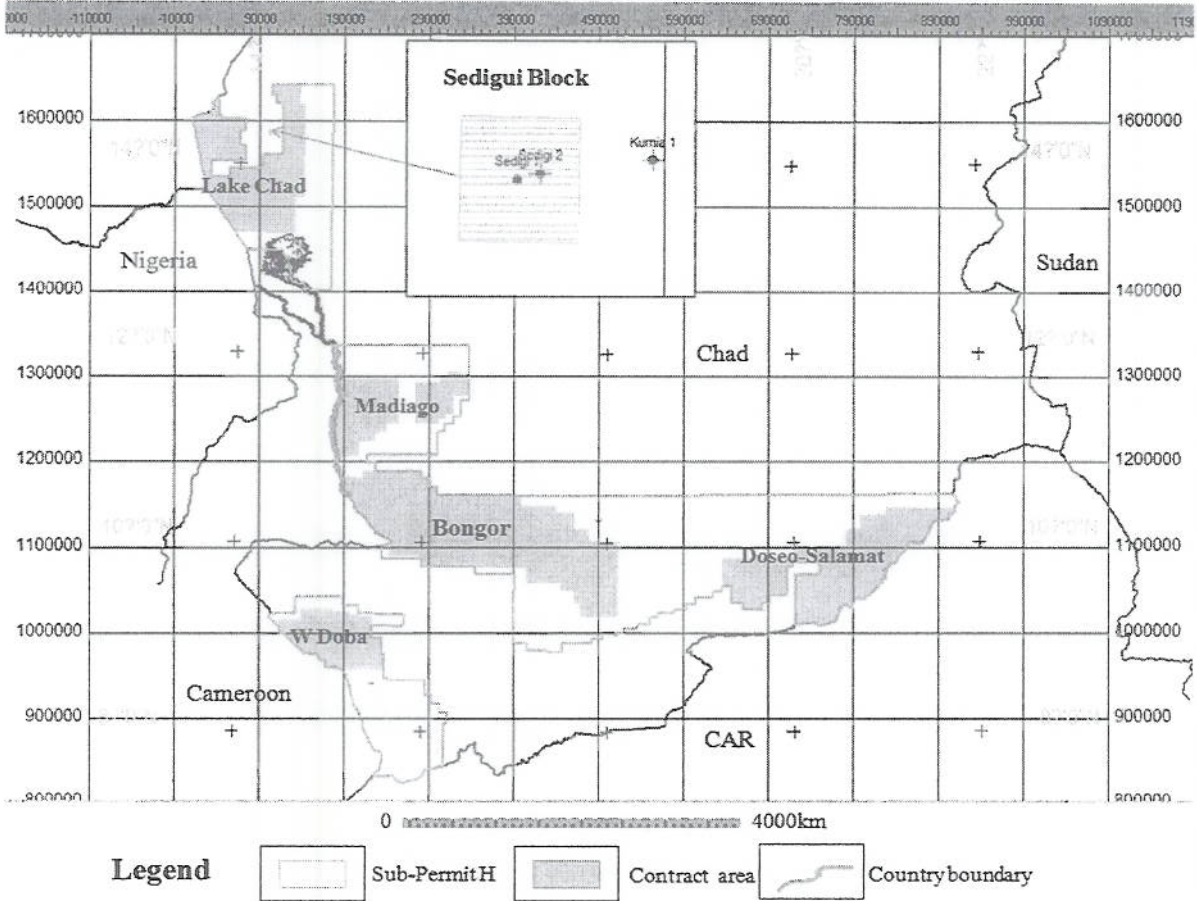
Area No.	Contract Area Name	Area (km ²)	Percentage of Contract Area
1	Sedigui Block	29.8	0.04%
2	Lake Chad	13,002.0	18.87%
3	Doseo and Salamat	15,679.0	22.76%
4	Madiago	7,864.0	11.41%
5	Bongor	26,282.0	38.15%
6	West Doba	6,036.0	8.76%
Total		68,892.8	100%

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Permit H – Contract Area Summary Map

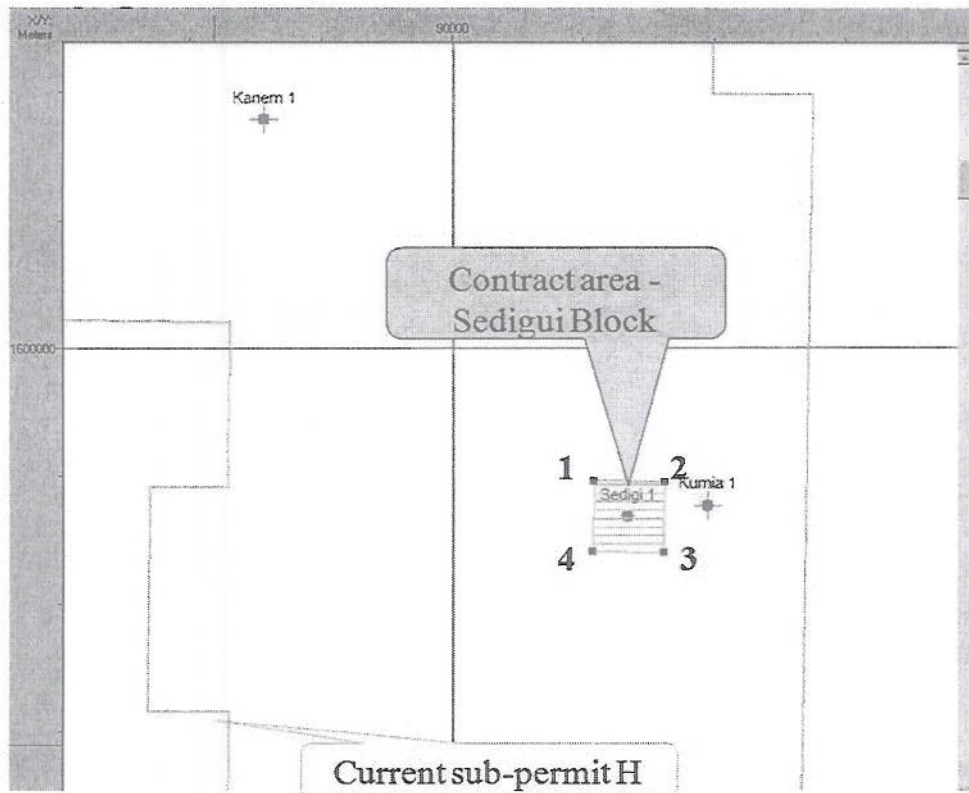


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Area 1 (Sedigi Block) - Contract Area Coordinates

Points	Longitude (DMS)	Latitude(DMS)
1	14° 18'00"E	14° 21' 00"N
2	14° 21'00"E	14° 21' 00"N
3	14° 21' 00"E	14° 18' 00"N
4	14° 18' 00"E	14° 18' 00"N



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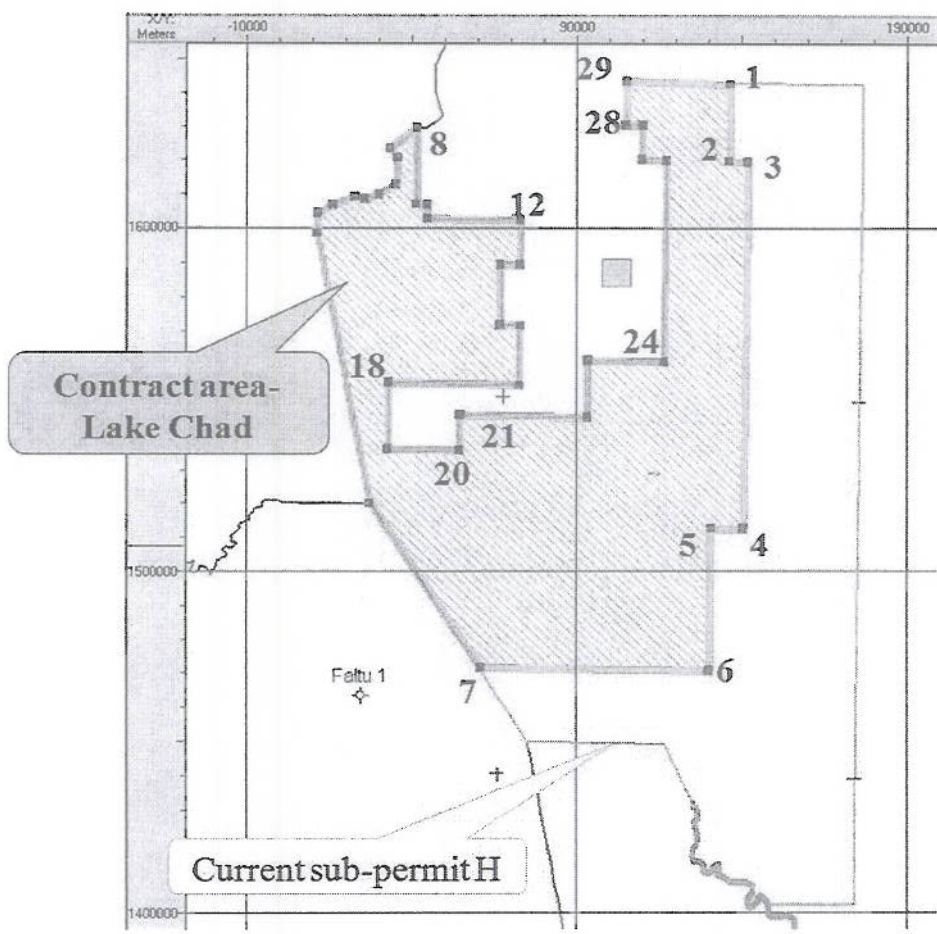
Area 2(Lake Chad) - Contract Area Coordinates

Points	Longitude(DMS)	Latitude (DMS)
1	14° 37' 30"E	14° 49' 50"N
2	14° 37' 30"E	14° 37'30"N
3	14° 40' 45"E	14° 37' 30"N
4	13° 40' 45"E	13° 39' 30"N
5	14° 35' 20"E	13° 39' 30"N
6	14° 35' 20"E	13° 16' 40"N
7	Frontier with Cameroon then along the frontier with Cameroon until the frontier with Niger to Point 8	
xx		
8	13° 44' 45"E	Frontier with Niger
9	13° 44' 45"E	14° 29' 45"N
10	13° 46' 45"E	14° 29' 45"N
11	13° 46' 45"E	14° 27' 30"N
12	14° 02' 30"E	14° 27' 30"N
13	14° 02' 30"E	14° 20' 30"N
14	13° 59' 15"E	14° 20' 30"N
15	13° 59' 15"E	14° 11' 00"N
16	14° 02'45"E	14° 11' 00"N
17	14° 02'45"E	14° 01' 45"N
18	13° 40' 45"E	14° 01' 45"N
19	13° 40' 45"E	13° 51' 15"N
20	13° 52' 45"E	13° 51' 15"N
21	13° 52' 45"E	13° 57' 00"N
22	14°14'15"E	13° 57' 00"N
23	14°14' 15"E	14° 05' 45"N
24	14°27' 00"E	14° 05' 45"N
25	14°27' 00"E	14° 37' 30"N
26	14°22' 45"E	14° 37' 30"N
27	14°22' 45"E	14° 43' 00"N
28	14°20' 00"E	14° 43' 00"N
29	14°20' 00"E	14° 50 '00"N

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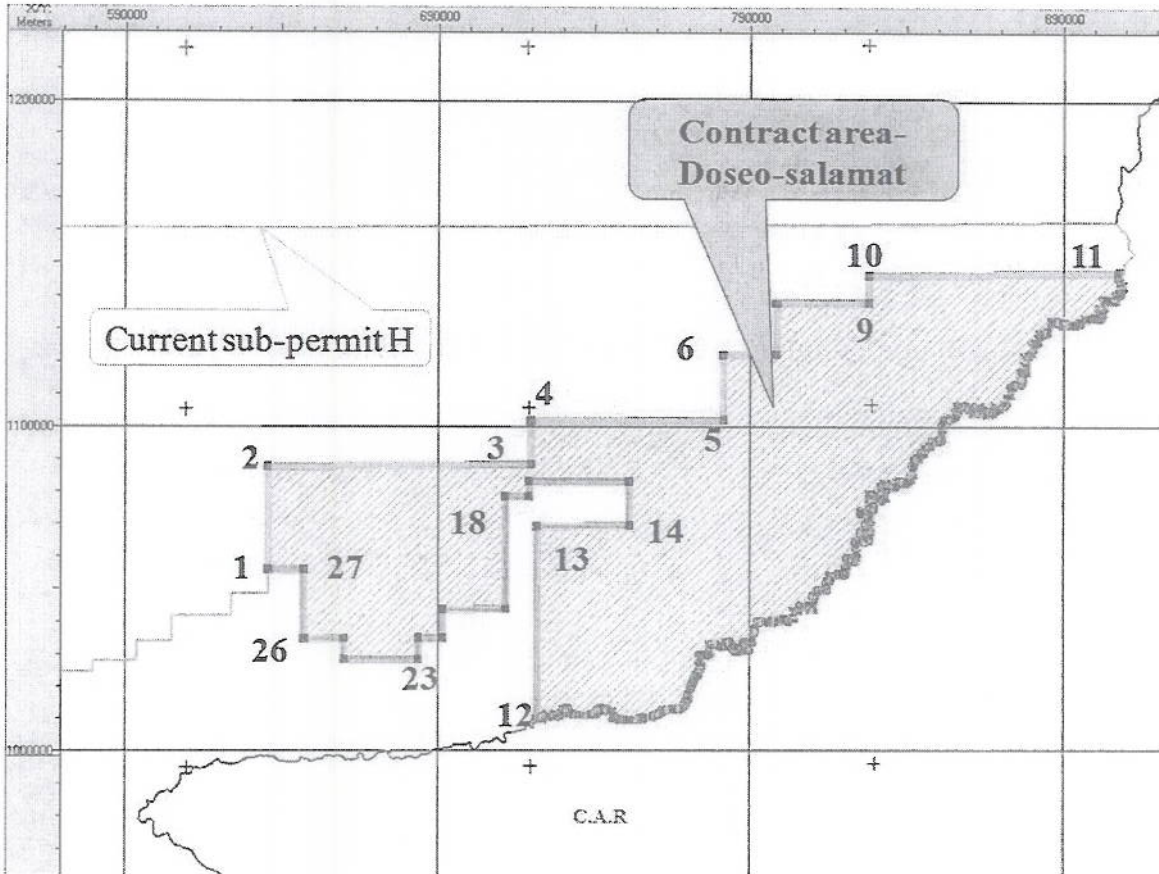
Area 3(Doseo and Salamat) - Contract Area Coordinates

Points	Longitude (DMS)	Latitude(DMS)
1	19° 14' 15"E	09° 33' 00"N
2	19° 14' 15"E	09° 50' 20"N
3	20° 00' 20"E	09° 50' 20"N
4	20° 00' 20"E	09° 57' 35"N
5	20° 34' 05"E	09° 57' 35"N
6	20° 34' 05"E	10° 08' 25"N
7	20° 43' 30"E	10° 08' 25"N
8	20° 43' 30"E	10° 16' 50"N
9	20° 59' 40"E	10° 16' 50"N
10	20° 59' 40"E	10° 21' 20"N
11	Frontier with C.A.R	10° 21' 20"N
	then along the frontier with C.A.R. until Point 12	
xx		
12	20° 01' 15"E	Frontier with C.A.R.
13	20° 01' 15"E	09° 40' 00"N
14	20° 17' 30"E	09° 40' 00"N
15	20° 17' 30"E	09° 47' 30"N
16	20° 00' 00"E	09° 47' 30"N
17	20° 00' 00"E	09° 45' 00"N
18	19° 55' 45"E	09° 45' 00"N
19	19° 55' 45"E	09° 26' 15"N
20	19° 44' 45"E	09° 26' 15"N
21	19° 44' 45"E	09° 21' 30"N
22	19° 40' 30"E	09° 21' 30"N
23	19° 40' 30"E	09° 18' 00"N
24	19° 27' 30"E	09° 18' 00"N
25	19° 27' 30"E	09° 21' 30"N
26	19° 20' 30"E	09° 21' 30"N
27	19° 20' 30"E	09° 33' 00"N

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Area 4(Madiago) - Contract Area Coordinates

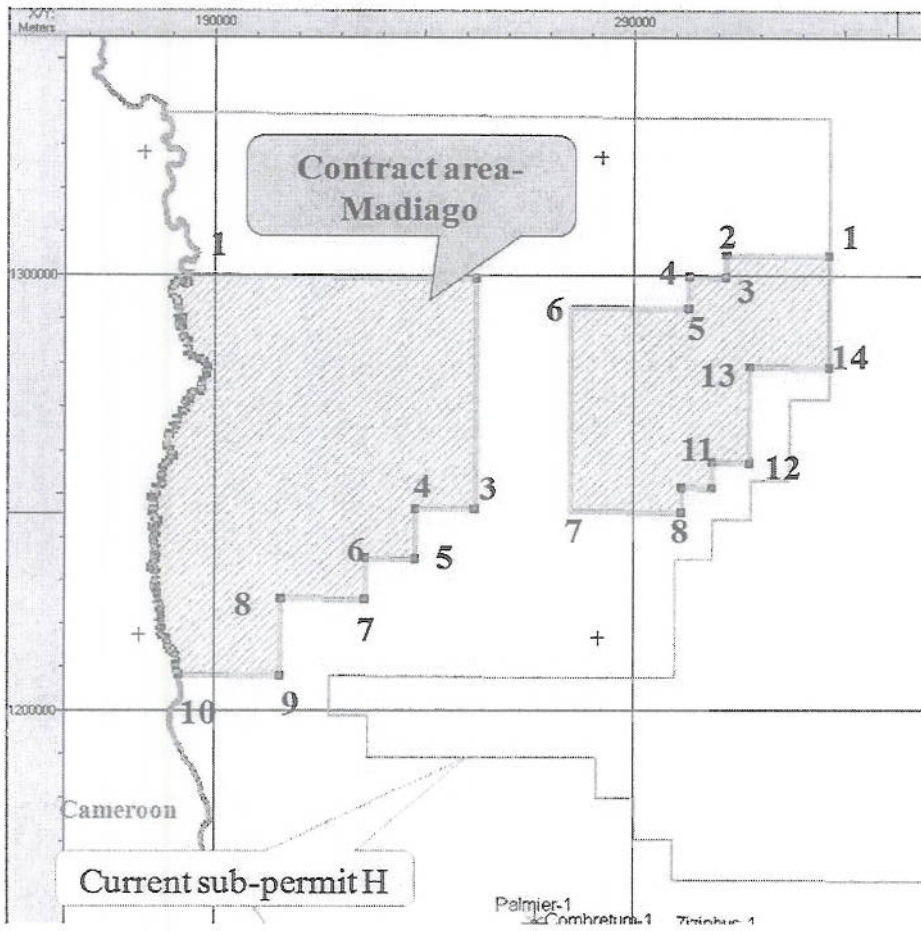
Points	Longitude(DMS)	Latitude(DMS)
1	Frontier with Cameroon	11° 44' 40"N
2	15°43' 45"E	11° 44' 40"N
3	15°43' 45"E	11° 16' 05"N
4	15° 36' 00"E	11° 16' 05"N
5	15° 36' 00"E	11° 09' 45"N
6	15° 29' 30"E	11° 09' 45"N
7	15° 29' 30"E	11° 04' 35"N
8	15° 18' 30"E	11° 04' 35"N
9	15° 18' 30"E	10° 54' 55"N
10	Frontier with Cameroon	10° 54' 55"N

xx then along the frontier with Cameroon until Point 1

Points	Longitude(DMS)	Latitude(DMS)
1	16° 30' 00"E	11° 47' 50"N
2	16°16' 30"E	11° 47' 50"N
3	16°16' 30"E	11° 45' 05"N
4	16° 11' 40"E	11° 45' 05"N
5	16° 11' 40"E	11° 41' 10"N
6	15° 56' 15"E	11° 41' 10"N
7	15° 56' 15"E	11° 15' 55"N
8	16° 10' 50"E	11° 15' 55"N
9	16° 10' 50"E	11° 19' 00"N
10	16° 14' 50"E	11° 19' 00"N
11	16° 14' 50"E	11° 22' 10"N
12	16° 19' 40"E	11° 22' 10"N
13	16° 19' 40"E	11° 34' 00"N
14	16° 30' 00"E	11° 34' 00"N

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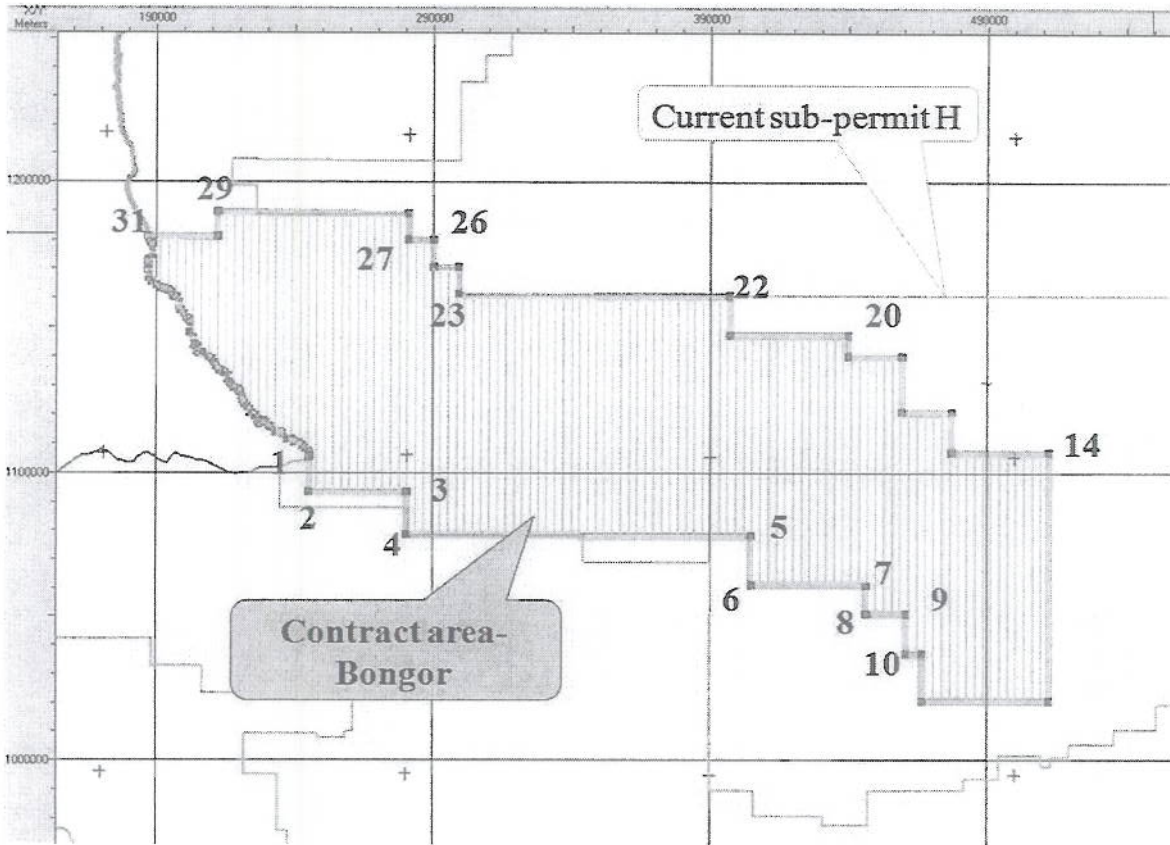
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Area 5(Bongor) - Contract Area Coordinates

Points	Longitude(DMS)	Latitude(DMS)
1	15° 40' 40"E	Frontier with Cameroon
2	15°40' 40"E	09° 53' 00"N
3	16° 00'00"E	09° 53' 00"N
4	16° 00' 00"E	09° 45' 00"N
5	17° 08' 05"E	09° 45' 00"N
6	17° 08' 05"E	09° 35' 35"N
7	17° 30' 45"E	09° 35' 35"N
8	17° 30' 45"E	09° 30' 15"N
9	17° 38' 30"E	09° 30' 15"N
10	17° 38' 30"E	09° 22' 40"N
11	17°41' 45"E	09° 22' 40"N
12	17°41' 45"E	09° 13' 45"N
13	18° 06' 45"E	09° 13' 45"N
14	18° 06' 45"E	10° 00' 45"N
15	17° 47' 35"E	10° 00' 45"N
16	17° 47' 35"E	10° 08' 25"N
17	17° 37' 45"E	10° 08' 25"N
18	17° 37' 45"E	10° 18' 45".N
19	17° 27' 10"E	10° 18' 45".N
20	17° 27' 10"E	10° 22' 40"N
21	17° 03' 45"E	10° 22' 40"N
22	17° 03' 45"E	10°30' 00"N
23	16° 10' 00"E	10°30' 00"N
24	16° 10' 00"E	10° 35' 00"N
25	16° 05' 00"E	10° 35' 00"N
26	16° 05' 00"E	10° 40' 00"N
27	16° 00' 00"E	10° 40' 00"N
28	16° 00' 00"E	10° 45' 00"N
29	15° 22' 15"E	10° 45' 00"N
30	15° 22' 15"E	10° 40' 15"N
31	Frontier with Cameroon	10° 40' 15"N
xx	then along the frontier with Cameroon until Point 1	

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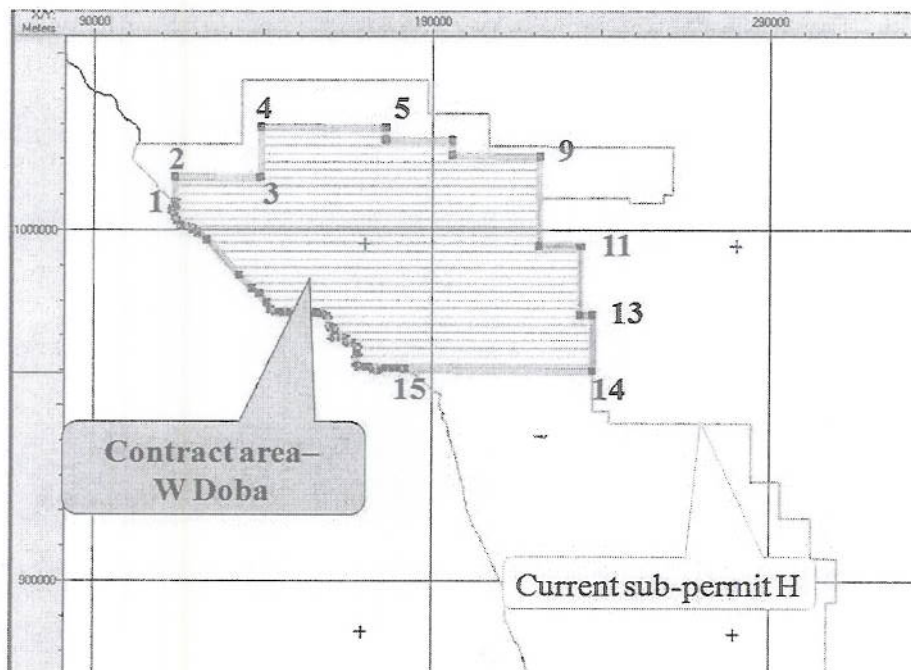
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Area 6(W doba) - Contract Area Coordinates

Points	Longitude(DMS)	Latitude(DMS)
1	14° 29' 20"E	Frontier with Cameroon
2	14° 29' 20"E	09° 09' 55"N
3	14° 43' 05"E	09° 09' 55"N
4	14° 43' 05"E	09° 17' 40"N
5	15° 03' 15"E	09° 17' 40"N
6	15° 03' 15"E	09° 15' 50"N
7	15° 14' 05"E	09° 15' 50"N
8	15° 14' 05"E	09° 13' 30"N
9	15° 28' 15"E	09° 13'30"N
10	15° 28' 15"E	08° 59' 45"N
11	15° 35' 00"E	08° 59' 45"N
12	15° 35' 00"E	08° 49' 15"N
13	15° 37' 00"E	08° 49' 15"N
14	15° 37' 00"E	08° 40' 35"N
15	Frontier with Cameroon	08° 40' 35"N
xx	then along the frontier with Cameroon until Point 1	



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