## Standard Terms and Conditions of Oil and Gas contracts

**Performance Compensation Contract – PCC Onshore Block**

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| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Performance Compensation Contract for Onshore Block(Mann Oil Field)** |
| 1, | Contract Area | **MANN OIL FIELD** |
| 2 | Type of Contract | **Performance Compensation Contract (PCC)** |
| 3 | Total Contract Term | **(9) years** |
| 4 | Terms of Contract | (1) Field Management Plan Period (2) Mobilization Period (3) Production Enhancement Operation Period |
| 5 | Data Study Fee | **US$ 50,000** |
| 6 | Signature Bonus | Contractor shall not be obligated to pay any annual bonus, rental, minimum payment or signing bonus. |
| 7 | Royalty | - |
| 8 | Cost Recovery | Maximum 40% of all Incremental Petroleum. |
| 9 | Production Split *(Profit Petroleum Allocation)* | ***Incremental Crude Oil* MOGE(%) CONT. (%)** 65 35 |
| 10 | Exploration & Development Bonus | Contractor shall not be obligated to pay any annual bonus, rental, minimum payment or signing bonus |
| 11 | Production Bonus | Contractor shall not be obligated to pay any annual bonus, rental, minimum payment or signing bonus |
| 12 | Domestic Crude Oil Requirement | - |
| 13 | State Participation | - |
| 14 | Training Fund | - |
| 15 | R & D Fund |  |
| 16 | Income Tax | Myanmar Income Tax Law |
| 17 | Governing Law | Laws of the Union of Myanmar. |
| 18 | Arbitration | Myanmar Courts of Law |
| 19 | Sharing of profit made from o transfer of the shares in Company formed under Section 16.2(p) of the IPR Contract | - |

**Performance Compensation Contract – IPR Onshore Block**

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| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Improved Petroleum Recovery Contract for Onshore Blocks** | | | | |
| 1, | Contract Area |  | | | | |
| 2, | Area of Block |  | | | | |
| 3, | Type of Contract | **Improved Petroleum Recovery Contract (IPR)** | | | | |
| 4, | Preparation Period | **- 6 months** (after the signing of the Contract) - Contractor shall conduct Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) and shall submit the final report including executive summary and mitigation plan to MOGE for MIC approval. **Min. Expenditure** = ………….US$ | | | | |
| **{ Contractor shall enter into Exploration Period after approval of MIC on EIA / SIA reports}** | | | | |
| 5, | Data Fee | ……………………..US$ (Payment within 30 days after approval from MIC on EIA / SIA.) | | | | |
| 6, | Initial Joint Study Period | **Initial Joint Study Period - 6 Months** (Existing Petroleum Production for the whole field will be determined  by both parties base on the declines curve.) **Min. Expenditure** = ………….US$ | | | | |
| 7, | Signature Bonus | ……………………..US$ (Payment within 30 days after the commencement of the Pilot Project Period) | | | | |
| 8, | Pilot Project Period (Minimum Work Commitment and Expenditure) | |  | | --- | | **Pilot Project Period (3 years)** Year 1 - FDP will be based on the outcome of Initial Joint Study Year 2 - Period between MOGE and Contractor. Year 3 - Total | | | | | | **Min. Expenditure** …………… US$ …………… US$ …………… US$ |
| = ………….US$ |
| **{Contractor will have the option to back-off}** | | | | |
| **Extension (2 year x 1 time)** Year 4 - Year 5 - | | WorkProgram | Total | **Min. Expenditure** …………… US$ …………… US$ |
| = …………..US$ |
| 9, | Production Period | 15 years from the date of commercial declaration on incremental petroleum production (or) until the expiration of Contract Term. | | | | |
| 10, | Royalty | 12.5% of all Incremental Petroleum. | | | | |
| 11, | Cost Recovery | Maximum 40% of all Incremental Petroleum. | | | | |
| 12, | *Profit Petroleum* | **Incremental Crude Oil** | |  |  |  |
|  | *Allocation* | **BOPD** | **MOGE(%)** | **CONT(%)** |  |  |
|  |  | 0 - 5,000 | 60 | 40 |  |  |
|  |  | 5,001 - 10,000 | 70 | 30 |  |  |
|  |  | 10,001 - 20,000 | 75 | 25 |  |  |
|  |  | 20,001 - 30,000 | 80 | 20 |  |  |
|  |  | > 30,000 | 85 | 15 |  |  |
|  |  | **Incremental Natural Gas** | |  |  |  |
|  |  | **MMCFD** | **MOGE(%)** | **CONT(%)** |  |  |
|  |  | All | 60 | 40 |  |  |
| 13, | Commerciality Bonus | …………..US$ (Payment within 30 days after the commencement of the Production Period) | | | | |
| 14, | Production Bonus | **Incremental Crude Oil** 2,000 BOPD (for 60 consecutive days production) 5,000 BOPD (for 60 consecutive days production) 10,000 BOPD (for 60 consecutive days production) 20,000 BOPD (for 60 consecutive days production) 30,000 BOPD (for 60 consecutive days production) **Incremental Natural Gas** 15 MMCFD (for 60 consecutive days production) 30 MMCFD (for 60 consecutive days production) 60 MMCFD (for 60 consecutive days production) 150 MMCFD (for 60 consecutive days production) | | |  |  |
|  |  | = 0.20 MMUS$ = 0.50 MMUS$ = 1.00 MMUS$ = 2.00 MMUS$ = 3.00 MMUS$ |
|  |  | = 0.50 MMUS$ = 1.00 MMUS$ = 1.50 MMUS$ = 2.00 MMUS$ |
| 15, | Domestic Requirement | 10% of Crude Oil and 15% of Natural Gas of CONTRACTOR's share of profit petroleum at 75% of Fair Market Prices. | | | | |
| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Improved Petroleum Recovery Contract for Onshore Blocks** | | | | |
| 16, | Training Fund | Initial Joint Study Period = 10,000 US$ Pilot Project Period = 50,000 US$ per Year Production Period = 50,000 US$ per Year If any average daily gross production rate exceeds 30,000 BOPD, Production Period = 100,000 US$ per Year | | | | |
| 17, | Research and Development Fund | 0.5% of CONTRACTOR's share of Profit Petroleum. | | | | |
| 18, | State Participation. | 15 % undivided interest. | | | | |
| 19, | Income Tax | According to the "Myanmar Income Tax Law" | | | | |
| 20, | Governing Law | Laws of the Republic of the Union of Myanmar. | | | | |
| 21, | Arbitration | Myanmar Arbitration Act, 1944. | | | | |
| 22. | Sharing of Profits made from the sale or transfer of the shares in the Company formed under the contract | If the Company formed under the provisions of the Contract sell or transfer its shares of the Company and if a Profit is being made, CONTRACTOR is liable to pay to the Union Government of the Republic of the Union of Myanmar the following tranches out of the Net Profit made on the sale or transfer of the shares of the Company, registered under the Contract:- - If the amount of Net Profit is up to 100 MMUS$ 40% - If the amount of Net Profit is between 100 MMUS$ and 150 MMUS$ 45% - If the amount of Net Profit is over 150 MMUS$ 50% | | | | |
| 23. | EITI | MOGE and CONTRACTOR shall collaborate to implement the Extractive Industries Transparency Initiative. | | | | |

**Performance Compensation Contract – PSC Onshore Block**

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| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Production Sharing Contract for Onshore Blocks** | | | | |
| 1, | Contract Area |  | | | | |
| 2, | Area of Block |  | | | | |
| 3, | Type of Contract | **Production Sharing Contract (PSC)** | | | | |
| 4, | Preparation Period | **- 6 months** (after the signing of the Contract) - Contractor shall conduct Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) and shall submit the final report including executive summary and mitigation plan to MOGE for MIC approval. **Min. Expenditure** = ……………..US$ | | | | |
| **{ Contractor shall enter into Exploration Period after approval of MIC on EIA / SIA reports}** | | | | |
| 5, | Signature Bonus | ……………………..US$ (Payment within 30 days after approval from MIC on EIA / SIA.) | | | | |
| 6, | Exploration Period (Minimum Work Commitment and Expenditure) | **- 3 years** Year 1 - G&G study and Seismic Acquisition, Processing, Interpretation ( API ) Year 2 - drill minimum 1 (one) well Year 3 - post- well evaluation & to drill 1 (one) well *(or) to drill 2 (two) wells during Year 2 & 3* Total | | | | **Min. Expenditure** ……………… US$ ……………… US$ ……………… US$ |
| ………………. US$ |
| **{Contractor will have the option to back-off}** | | | | |
| 1st Extension  (**2 year**x 1 time) Year 4 - prospect evaluation Year 5 - To drill 1 (one) well | | | Total | **Min. Expenditure** ……………… US$ ……………… US$ |
| ………………. US$ |
| **{Contractor will have the option to back-off}** | | | | |
| 2nd Extension  (**1 year**x 1 time) Year 6 - To drill one (1) appraisal well | | | **Min. Expenditure** | ………………. US$ |
| 7, | Production Period | 20 years from the date of completion of development in accordance with Development Plan (or) according to Petroleum (Crude Oil / Natural Gas) Sales Agreement, whichever is longer. | | | | |
| 8, | Royalty | 12.5% of all Available Petroleum. | | | | |
| 9, | Cost Recovery | Maximum 50% of all Available Petroleum. | | | | |
| 10, | *Profit Petroleum* | **Crude Oil** | | | | |
|  | *Allocation* |  | | | | |
|  |  | **BOPD** | **MOGE(%)** | **CONT(%)** |  |  |
|  |  | 0 - 10,000 | 60 | 40 |  |  |
|  |  | 10,001 - 20,000 | 65 | 35 |  |  |
|  |  | 20,001 - 50,000 | 70 | 30 |  |  |
|  |  | 50,001 - 100,000 | 80 | 20 |  |  |
|  |  | 100,001 - 150,000 | 85 | 15 |  |  |
|  |  | > 150,000 | 90 | 10 |  |  |
|  |  | **Natural Gas** | | | | |
|  |  | **MMCFD** | **MOGE(%)** | **CONT(%)** |  |  |
|  |  | up to 60 | 60 | 40 |  |  |
|  |  | 61 - 120 | 65 | 35 |  |  |
|  |  | 121 - 300 | 70 | 30 |  |  |
|  |  | 301 - 600 | 80 | 20 |  |  |
|  |  | 601 - 900 | 85 | 15 |  |  |
|  |  | above 900 | 90 | 10 |  |  |
| 11, | Production Bonus | **Crude Oil** Upon approval of Development Plan 10,000 BOPD (for 90 consecutive days production) 20,000 BOPD (for 90 consecutive days production) 50,000 BOPD (for 90 consecutive days production) 100,000 BOPD (for 90 consecutive days production) 150,000 BOPD (for 90 consecutive days production) | | | = 0.50 MMUS$ = 1.50 MMUS$ = 2.00 MMUS$ = 3.00 MMUS$ = 4.00 MMUS$ = 6.00 MMUS$ |  |

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| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Production Sharing Contract for Onshore Blocks** |
| 12, | Domestic Requirement | 20% of Crude Oil and 25% of Natural Gas of CONTRACTOR's share of profit petroleum at 90% of Fair Market Prices. |
| 13, | Training Fund | Exploration Period = 25,000 US$ per Year. Production Period = 50,000 US$ per Year. |
| 14, | Research and Development Fund | 0.5% of CONTRACTOR's share of Profit Petroleum. |
| 15, | State Participation. | 15 % undivided interest and MOGE has the option to extend up to 25% at its own discretion. |
| 16, | Income Tax | 25% on CONTRACTOR's Net Profit. (5 years Tax Holiday starting from the Production.) |
| 17, | Governing Law | Laws of the Republic of the Union of Myanmar. |
| 18, | Arbitration | Myanmar Arbitration Act, 1944. |
| 19, | Sharing of Profits made from the sale or transfer of the shares in the Company formed under the contract | If the Company formed under the provisions of the Contract sell or transfer its shares of the Company and if a Profit is being made, CONTRACTOR is liable to pay to the Union Government of the Republic of the Union of Myanmar the following tranches out of the Net Profit made on the sale or transfer of the shares of the Company, registered under the Contract:- - If the amount of Net Profit is up to 100 MMUS$ 40% - If the amount of Net Profit is between 100 MMUS$ and 150 MMUS$ 45% - If the amount of Net Profit is over 150 MMUS$ 50% |
| 20, | EITI | MOGE and CONTRACTOR shall collaborate to implement the Extractive Industries Transparency Initiative. |

**Performance Compensation Contract – PSC Onshore Block Deep**

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| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Production Sharing Contract for Deep Water Offshore Blocks** | | | | |
| 1, | Contract Area |  | | | | |
| 2, | Area of Block |  | | | | |
| 3, | Water Depth |  | | | | |
| 4, | Type of Contract | **Production Sharing Contract (PSC)** | | | | |
| 5, | Preparation Period (EIA/SIA/EMP) | **- 6 months** (after the signing of the Contract) - Contractor shall conduct Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) and shall submit the final report including executive summary and mitigation plan to MOGE for MIC approval. **Min. Expenditure** = ………….US$ | | | | |
| **{Contractor shall enter into the Study Period after approval of MIC on EIA / SIA reports}** | | | | |
| 6, | Data Fee | US$ (if data is available) (Payment within 30 days after commencement of the Study Period) | | | | |
| 7, | Study Period (TEA Period) | **- 2 years** - G&G Study and Seismic Acquisition, Processing, Interpretation | | | **Min. Expenditure**  US$ | |
| **{Contractor will have the option to back-off after 2 years Study Period}** | | | | |
| 8, | Signature Bonus | ………………….. US$ (Payment within 30 days after entering into the Exploration Period.) | | | | |
| 9, | Exploration Period (Minimum Work Commitment and Expenditure) | **- 3 years** Year 1 - Seismic Acquisition, Processing, Interpretation Year 2 - drill minimum 1 (one) well Year 3 - post- well evaluation & to drill 1 (one) well *(or) to drill 2 (two) wells during Year 1 to 3* | | | Total | **Min. Expenditure** ……………… US$ ……………… US$ ……………… US$ |
| ………………. US$ |
| **{Contractor will have the option to back-off after 3 years Exploration Period}** | | | | |
| 1st Extension Period (2 years) Year 4 - prospect evaluation Year 5 - To drill 1 (one) well | | | Total | **Min. Expenditure** ……………… US$ ……………… US$ |
| ………………. US$ |
| **{Contractor will have the option to back-off after 2 years 1st Extension Period}** | | | | |
| 2nd Extension Period (1 year) Year 6 - To drill 1 (one) well | | | **Min. Expenditure** ………………. US$ | |
| **{Contractor may enter into Production Period upon commercial discovery}** | | | | |
|  | | | | |
| 10, | Production Period | 20 years from the date of completion of development in accordance with Development Plan (or) according to Petroleum (Crude Oil / Natural Gas) Sales Agreement, whichever is longer. | | | | |
| 11, | Royalty | 12.5% of Available Petroleum. | | | | |
| 12, | Cost Recovery | **Water Depth,** | less than or equal to 2000 feet more than 2,000 feet | | 60% 70% | |
| 13, | Profit Split *(Profit Petroleum Allocation)* | ***Crude Oil*** | | |  | |
|  | **Water Depth** | *2000 feet or less* | | *more than 2,000 feet* | |
|  | **BOPD** | **MOGE(%)** | **CONT. (%)** | **MOGE(%)** | **CONT. (%)** |
|  | 0 - 25,000 | 60 | 40 | 55 | 45 |
|  | 25,001 - 50,000 | 65 | 35 | 60 | 40 |
|  | 50,001 -100,000 | 75 | 25 | 65 | 35 |
|  | 100,001 - 150,000 | 80 | 20 | 75 | 25 |
|  | above 150,000 | 85 | 15 | 80 | 20 |
|  | ***Natural Gas*** | | |  | |
|  | ***Water Depth*** | *2000 feet or less* | | *more than 2,000 feet* | |
|  | **MMCFD** | **MOGE(%)** | **CONT. (%)** | **MOGE(%)** | **CONT. (%)** |
|  | 0 - 300 | 60 | 40 | 55 | 45 |
|  | 301 - 600 | 70 | 30 | 65 | 35 |
|  | 601 - 900 | 80 | 20 | 75 | 25 |
|  | above 900 | 90 | 10 | 80 | 20 |

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| --- | --- | --- |
| **Sr. No.** | **Particulars** | **Standard Terms and Conditions of Production Sharing Contract for Deep Water Offshore Blocks** |
| 14, | Production Bonus | **Crude Oil** Upon approval of Development Plan = 1.00 MMUS$ 25,000 BOPD (for 90 consecutive days production) = 2.00 MMUS$ 50,000 BOPD (for 90 consecutive days production) = 3.00 MMUS$ 100,000 BOPD (for 90 consecutive days production) = 4.00 MMUS$ 150,000 BOPD (for 90 consecutive days production) = 5.00 MMUS$ 200,000 BOPD (for 90 consecutive days production) = 10.00 MMUS$ **Natural Gas** Upon approval of Development Plan = 1.00 MMUS$ 150 MMCFD (for 90 consecutive days production) = 2.00 MMUS$ 300 MMCFD (for 90 consecutive days production) = 3.00 MMUS$ 600 MMCFD (for 90 consecutive days production) = 4.00 MMUS$ 750 MMCFD (for 90 consecutive days production) = 5.00 MMUS$ 900 MMCFD (for 90 consecutive days production) = 10.00 MMUS$ |
| 15, | Domestic Requirement | 20% of Crude Oil and 25% of Natural Gas of CONTRACTOR's share at 90% of Fair Market Values. |
| 16, | Training Fund | Exploration Period = 50,000 US$ per Year. Production Period = 100,000 US$ per Year. |
| 17, | Research and Development Fund | 0.5% of CONTRACTOR's share of Profit Petroleum. |
| 18, | State Participation | Undivided Interest up to 20% after Commercial Discovery and up to 25% if the reserves is greater than 5 TCF Barrel Oil Equivalent. |
| 19, | Income Tax | 25% on CONTRACTOR's Net Profit. (5 years Tax Holiday starting from the Production.) |
| 20, | Governing Law | Laws of the Republic of the Union of Myanmar. |
| 21, | Arbitration | UNCITRAL Arbitration Rules. |
| 22, | Sharing of Profits made from the sale or transfer of the shares in the Company formed under the contract | If the Company formed under the provisions of the Contract sell or transfer its Shares of the Company and if a Profit is being made, CONTRACTOR is liable to pay to the Government of the Republic of the Union of Myanmar the following tranches out of the Net Profit made on the sale or transfer of the shares of the Company, registered under the Contract:- - If the amount of Net Profit is up to 100 MMUS$ 40% - If the amount of Net Profit is between 100 MMUS$ and 150 MMUS$ 45% - If the amount of Net Profit is over 150 MMUS$ 50% |
| 23, | EITI | MOGE and CONTRACTOR shall collaborate to implement the Extractive Industries Transparency Initiative. |
| 24, | CSR | Contractor shall expedite the Corporate Social Responsibility (CSR) in the Contract Area as well as for the people of Myanmar in consultation with MOGE according to the Contractor's code of conduct. |

**Performance Compensation Contract – PSC Onshore Block shallow**

| **Sr. No.** | | **Particulars** | | **Standard Terms and Conditions of Production Sharing Contract for Shallow Water Offshore Blocks** | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1, | | Contract Area | |  | | | |
| 2, | | Area of Block | |  | | | |
| 3, | | Water Depth | |  | | | |
| 4, | | Type of Contract | | **Production Sharing Contract (PSC)** | | | |
| 5, | | Preparation Period (EIA/SIA/EMP) | | **- 6 months** (after the signing of the Contract) - Contractor shall conduct Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) and shall submit the final report including executive summary and mitigation plan to MOGE for MIC approval. **Min. Expenditure** = ………….US$ | | | |
| **{Contractor shall enter into the Study Period after approval of MIC on EIA / SIA reports}** | | | |
| 6, | | Data Fee | | US$(Payment within 30 days after commencement of the Study Period) | | | |
| 7, | | Study Period | | **- 6 ~ 12 months** - Study of existing G&G data and reprocessing if required | | **Min. Expenditure** ……………… US$ | |
| **{Contractor will have the option to back-off after 6 ~ 12 months Study Period}** | | | |
| 8, | | Signature Bonus | | US$(Payment within 30 days after entering into the Exploration Period.) | | | |
| 9, | | Exploration Period (Minimum Work Commitment and Expenditure) | | **- 3 years** Year 1 - Seismic Acquisition, Processing, Interpretation Year 2 - drill minimum 1 (one) well Year 3 - post- well evaluation & to drill 1 (one) well *(or) to drill minimum 2 (two) wells during Year 1 to 3* | | Total | **Min. Expenditure** ……………… US$ ……………… US$ ……………… US$ |
| ………………. US$ |
| **{Contractor will have the option to back-off after 3 years Exploration Period}** | | | |
| 1st Extension Period (**2 years**) Year 4 - prospect evaluation Year 5 - To drill 1 (one) well | | Total | **Min. Expenditure** ……………… US$ ……………… US$ |
| ………………. US$ |
| **{Contractor will have the option to back-off after 2 years 1st Extension Period}** | | | |
| 2nd Extension Period (**1 year**) Year 6 - To drill 1 (one) well | | **Min. Expenditure**………. US$ | |
| **{Contractor may enter into Production Period upon commercial discovery}** | | | |
|  | | | |
| 10, | | Production Period | | 20 years from the date of completion of development in accordance with Development Plan (or) according to Petroleum (Crude Oil / Natural Gas) Sales Agreement, whichever is longer. | | | |
| 11, | | Royalty | | 12.5% of Available Petroleum. | | | |
| 12, | | Cost Recovery Profit Split *(Profit Petroleum Allocation)* | | 50% of all Available Petroleum for water depth 600 feet or less 60% of all Available Petroleum for water depth more than 600 feet | | | |
| 13, | | **Crude Oil** | |  | |
|  | | *Water Depth* | *600 feet or less* | *more than  600 feet* | |
|  | | **BOPD** | **MOGE(%) CONT(%)** | **MOGE(%)** | **CONT(%)** |
|  | | 0 - 25,000 | 60 40 | 60 | 40 |
|  | | 25,001 - 50,000 | 65 35 | 65 | 35 |
|  | | 50,001 - 100,000 | 80 20 | 75 | 25 |
|  | | 100,001 - 150,000 | 85 15 | 80 | 20 |
|  | | above 150,000 | 90 10 | 85 | 15 |
|  | | **Natural Gas** | |  | |
|  | | *Water Depth* | *600 feet or less* | *more than  600 feet* | |
|  | | **MMCFD** | **MOGE(%) CONT(%)** | **MOGE(%)** | **CONT(%)** |
|  | | 0 - 300 | 65 35 | 60 | 40 |
|  | | 301 - 600 | 75 25 | 70 | 30 |
|  | | 601 - 900 | 85 15 | 80 | 20 |
|  | | above 900 | 90 10 | 90 | 10 |
| **Sr. No.** | **Particulars** | | **Standard Terms and Conditions of Production Sharing Contract for Shallow Water Offshore Blocks** | | | | |
| 14, | Production Bonus | | **Crude Oil** Upon approval of Development Plan = 1.00 MMUS$ 25,000 BOPD (for 90 consecutive days production) = 2.00 MMUS$ 50,000 BOPD (for 90 consecutive days production) = 3.00 MMUS$ 100,000 BOPD (for 90 consecutive days production) = 4.00 MMUS$ 150,000 BOPD (for 90 consecutive days production) = 5.00 MMUS$ 200,000 BOPD (for 90 consecutive days production) = 10.00 MMUS$ **Natural Gas** Upon approval of Development Plan = 1.00 MMUS$ 150 MMCFD (for 90 consecutive days production) = 2.00 MMUS$ 300 MMCFD (for 90 consecutive days production) = 3.00 MMUS$ 600 MMCFD (for 90 consecutive days production) = 4.00 MMUS$ 750 MMCFD (for 90 consecutive days production) = 5.00 MMUS$ 900 MMCFD (for 90 consecutive days production) = 10.00 MMUS$ | | | | |
| 15, | Domestic Requirement | | 20% of Crude Oil and 25% of Natural Gas of CONTRACTOR's share at 90% of Fair Market Values. | | | | |
| 16, | Training Fund | | Exploration Period = 50,000 US$ per Year. Production Period = 100,000 US$ per Year. | | | | |
| 17, | Research and Development Fund | | 0.5% of CONTRACTOR's share of Profit Petroleum. | | | | |
| 18, | State Participation | | Undivided Interest up to 20% after Commercial Discovery and up to 25% if the reserves is greater than 5 TCF Barrel of Oil Equivalent. | | | | |
| 19, | Income Tax | | 25% on CONTRACTOR's Net Profit. (5 years Tax Holiday starting from the Production.) | | | | |
| 20, | Governing Law | | Laws of the Republic of the Union of Myanmar. | | | | |
| 21, | Arbitration | | UNCITRAL Arbitration Rules. | | | | |
| 22, | Sharing of Profits made from the sale or transfer of the shares in the Company formed under the contract | | If the Company formed under the provisions of the Contract sell or transfer its Shares of the Company and if a Profit is being made, CONTRACTOR is liable to pay to the Government of the Republic the Union of Myanmar the following tranches out of the Net Profit made on the sale or transfer of the shares of the Company, registered under the Contract:- - If the amount of Net Profit is up to 100 MMUS$ 40% - If the amount of Net Profit is between 100 MMUS$ and 150 MMUS$ 45% - If the amount of Net Profit is over 150 MMUS$ 50% | | | | |
| 23, | EITI | | MOGE and CONTRACTOR shall collaborate to implement the Extractive Industries Transparency Initiative. | | | | |
| 24, | CSR | | Contractor shall expedite the Corporate Social Responsibility (CSR) in the Contract Area as well as for the people of Myanmar in consultation with MOGE according to the Contractor's code of conduct. | | | | |