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COMPANIES FORM No. 395
Particulars of a mortgage or charge

395

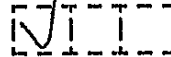
Pursuant to section 395 of the Companies Act 1985

M91

To the Registrar of Companies

For official use

Company number



1483729

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

Name of company

* DNO Offshore Limited ("Company")

* Insert full name
of company

Date of creation of the charge

22nd April, 1993

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

Scottish Assignment

Amount secured by the mortgage or charge

Any debt, obligation or liability of any kind, whether present, future, actual or contingent, sole, joint and several or otherwise, which the Company now or at any later time owes to Christiania Bank Og Kreditkasse, London branch (the "Bank") under or by virtue of the loan agreement dated 31st July, 1992 and made between the Company and the Bank (the "Loan Agreement") or any Security Document (as defined therein).

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

Christiania Bank Og Kreditkasse

London branch

1 Portsoken Street

Postcode

London E1 8RU

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

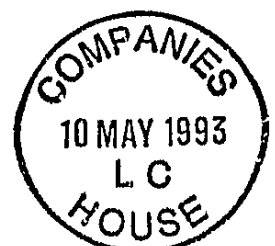
Watson, Farley & Williams
15 Appold Street
London EC2A 2HB

For official use
Mortgage Section

REGISTERED

10 MAY 1993

Post room



AJC/1154.11000(221137.1)

Time critical reference

10 APR 1993

POST

Particulars of all the property mortgaged or charged

The Company, as beneficial owner, assigns in favour of the Bank its whole right, title, interest and benefit:-

- (i) under or by virtue of the Licence;
- (ii) to or in the Facilities relating to the Claymore Field;
- (iii) under or by virtue of the Claymore JOA;
- (iv) under or by virtue of the Claymore Transportation Agreements;
- (v) under or by virtue of the other Project Documents, insofar as they relate to the Claymore Field;

Cont'd...

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Particulars as to commission allowance or discount (note 3)

Signed

Walter F. J. Williams

Date

6 May 1993

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.

COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)

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**Particulars of a charge
(continued)**

Continuation sheet No 1
to Form No 395 and 410 (Scot)

Please complete
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bold block lettering

Company Number

1483729

Name of Company

DNO Offshore Limited ("Company")

Limited*

* delete if
inappropriate

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

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- (vi) under or by virtue of all guarantees, indemnities, securities and other forms of assurance against loss provided to the Company by any person in connection with any of the documents listed above, the Claymore Field or the Development relating thereto; and
- (vii) under or by virtue of any and all other agreements, permits, leases, consents, easements, servitudes, wayleaves and other rights at any time existing which relate to the development of, or the production, processing, treatment, storage, lifting, loading or transportation of Petroleum from the Claymore Field or to the construction, equipment, maintenance or use of the Facilities relating to the Claymore Field, in each case insofar as any such agreement, permit, lease, consent, easement, servitude, wayleave or other right relates to the Claymore Field and whether or not it also relates to any asset of the Company outside the scope of the Scottish Assignment.

The Company shall not dispose of any of the Assigned Rights except:-

- (a) as expressly permitted by the Loan Agreement; or
- (b) with the prior consent of the Bank.

The capitalised terms used above are defined in the Scottish Assignment.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

I hereby certify that a Scottish Assignment dated 22nd APRIL 1993 and created by DNO OFFSHORE LIMITED for securing all moneys due or to become due from the Company to CHRISTIANIA BANK OG KREDITKASSE under or by virtue of the Loan Agreement dated 31st JULY 1992 or any Security Document (as defined) was registered pursuant to Chapter I Part XII of the Companies Act 1985, on the 10th MAY 1993.

Given under my hand at the Companies Registration Office,
Cardiff the 12th MAY 1993.

No. 1483729

Dx 12 593


D. JENKINS

an authorised officer