

AGREEMENT
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE NORWEGIAN MINISTRY OF PETROLEUM OF ENERGY
IN
FOSSIL ENERGY RESEARCH AND DEVELOPMENT

This AGREEMENT is entered into between the Department of Energy of the United States of America (DOE) and the Norwegian Ministry of Petroleum and Energy (MOPE) (hereinafter called the "Parties") in Fossil Energy Research and Development (hereinafter referred to as the "Agreement").

WHEREAS, representatives of the Parties have discussed cooperation in the field of fossil energy research and development and have concluded that co-operative activities should be initiated;

WHEREAS, the Parties recognize that it would be beneficial to both countries to identify ongoing fossil energy research and development projects in each country of mutual interest whose objectives could be enhanced and accelerated by means of joint cooperation.

Therefore, the Parties wish to establish this Agreement for cooperative joint projects and other cooperative activities in fossil energy research and development.

ARTICLE I
OBJECTIVE

The objective of this Agreement is to (1) establish an exchange of scientific and technological information regarding fossil energy research and development; and (2) conduct joint basic and/or applied Fossil Energy research projects.

ARTICLE II
FIELDS OF COOPERATION

Cooperation under this Agreement shall initially cover the field of enhanced oil recovery (EOR) including the areas of a) Geoscience/Reservoir characterization, b) Mechanisms of Oil Mobilization and Displacement, and c) Improved EOR Process Predictability and Performance. Other fields of cooperation may be added by a written amendment to this Agreement.

ARTICLE III
FORMS OF COOPERATION

Cooperation under this Agreement and the Annexes hereto may include the following forms:

1. Exchange of scientific and technical information and results and methods of research and development on a periodic basis;
2. Conduct of seminars and other meetings on agreed topics of research and development in a manner agreed by the Joint Coordinating Committee (JCC defined in Article IV);
3. Survey visits by specialists of one Party to the energy research facilities of the other Party;
4. Exchange of samples, materials, instruments, components, and equipment for testing;
5. Exchange of scientists, engineers, and other specialists for participation in agreed research, development, analysis, design and experimental activities in accordance with Article VIII;

6. Joint projects in the form of experiments, tests, design analysis, or other technical collaborative activity;

7. Joint funding of specific research and development projects; and

8. Such other forms of cooperation as may be jointly agreed to in writing by the Parties and approved by the Joint Coordinating Committee.

Cooperation described in paragraphs 4, 6, 7 and 8 shall be conducted only if set forth within Annexes to this Agreement in accordance with Article VII of this Agreement.

ARTICLE IV MANAGEMENT

1. To oversee the implementation of activities under this Agreement and the Annexes hereto a Joint DOE/MOPE Coordinating Committee (JCC) is hereby established. The JCC shall consist of up to six members, half of whom shall be appointed by each Party. The JCC shall meet approximately once a year at agreed times and places. The head of the delegation of the receiving party shall act as Chairperson during meetings of the JCC. Minutes of all meetings shall be kept and approved by unanimity.

2. At its meetings, the JCC shall review and evaluate any newly proposed activities under Article III and the status of cooperation under this Agreement and to Annexes hereto.

3. For periods between meetings of the JCC, each Party shall appoint a Program Coordinator to act on behalf of the JCC in all administrative matters concerning cooperation under the Agreement and Annexes hereto. The Program Coordinator for each Party shall serve as a member of the JCC. In addition, each Party shall appoint technical coordinators in the areas of

cooperation set forth in Article II of this Agreement to advise the JCC on technical matters concerning cooperation under the Agreement and Annexes hereto.

ARTICLE V LAWS AND REGULATIONS

Cooperation under this Agreement and Annexes hereto shall be in accordance with the laws and regulations of the countries of the Parties. All questions related to this Agreement and the Annexes hereto shall be settled by the Parties by mutual agreement.

ARTICLE VI FINANCE

1. The Parties shall set forth in each Annex to this Agreement the financial terms and conditions, including the budget and the funding responsibilities of each Party, for the activities of each Annex. All other costs resulting from cooperation under this Agreement and Annexes hereto shall be borne by the Party that incurs them.

2. It is understood that the ability of the Parties to carry out their obligations under this Agreement and any Annexes hereto is subject to the availability of appropriated funds.

ARTICLE VII ANNEXES

Proposals for specific forms of cooperation covered by paragraphs 4, 6, 7 and 8 of Article III shall be in the form of individual written Annexes to this Agreement to be signed by the Parties. These Annexes shall formalize the agreement of the Parties as to the details of the cooperative effort, including the contributions by each Party (costs and cost-sharing),

schedules, responsibilities of each Party, and the handling and allocation of information, copyrights, and inventions. No cooperative effort of the types set forth in paragraphs 4, 6, 7 and 8 of Article III shall be undertaken by the Parties until a written Annex has been provided to the Joint Coordinating Committee and executed by the Parties.

ARTICLE VIII

PERSONNEL

With respect to the exchange of staff under this Agreement:

1. Each Party may, at its own expense , observe test activities and analytical work of the other Party. Such observation may be exercised by short term visits or by the assignment of staff, subject to the prior written agreement of the receiving Party on each occasion.

2. Whenever an exchange of staff is contemplated under this Agreement each Party shall ensure that qualified staff are selected for assignment to the other Party.

3. Each such assignment of staff shall be the subject of a separate assignment agreement between the Parties.

4. Each Party shall be responsible for the salaries, insurance and allowances to be paid to its staff.

5. The sending Party shall pay for the travel and living expenses of its staff while on assignment to the receiving Party unless otherwise agreed.

6. The receiving Party shall arrange for adequate accomodations for the assigned staff and their families on a mutually agreeable reciprocal basis.

7. The receiving Party shall provide all necessary assistance to the assigned staff and their families as regards administrative formalities (travel arrangements, etc.)

8. The staff of each Party shall conform to the general and special rules of work and safety regulations in force at the host establishment, or as agreed in separate assignment agreements.

9. The Party proposing an attachment shall notify the receiving Party of the name of the persons proposed for the attachment and shall provide such information respecting any of the said persons as may be required by the receiving Party.

ARTICLE IX INFORMATION

1. General

The Parties support the widest possible dissemination of information provided, exchanged, or arising under this Agreement, subject to the need to protect proprietary information exchanged hereunder, and to the provisions of Article X. Such information may be made available to the public by either Party through customary channels and in accordance with normal procedures of the Parties.

2. Definitions as used in this Agreement:

1. The term "information" means scientific or technical data, results or methods of research and development and any other information intended to be provided, exchanged or arising under this Agreement.

2. The term "proprietary information" means information acquired prior to or outside this Agreement which contains trade secrets or commercial or financial

information which is privileged or confidential, and may only include such information which:

- a) has been held in confidence by its owner;
- b) is of a type which is customarily held in confidence by its owner;
- c) has not been transmitted by the transmitting Party to other entities (including the receiving Party) except on the basis that it be held in confidence; and
- d) is not otherwise available to the receiving Party from another source without restriction on its further dissemination.

B. Procedures for Managing Proprietary Information:

1. A Party receiving proprietary information pursuant to this Agreement shall respect the privileged nature thereof. Any document which contains proprietary information shall be clearly marked with the following (or substantially similar) restrictive legend:

"This document contains proprietary information furnished in confidence under an Agreement dated _____ between the United States Department of Energy and the Norwegian Ministry of Petroleum and Energy shall not be disseminated outside specifically designated individuals or working groups in these organizations, their contractors, and the concerned departments and agencies of the governments of the U.S. and Norway with prior approval of _____."

"This notice shall be marked on any reproduction hereof, in whole or in part. These limitations shall automatically terminate when this

information is disclosed by the owner without restriction."

2) Proprietary information received in confidence under this Agreement may be disseminated by the receiving Party to:

- i) persons with or employed by the receiving Party, and concerned Government departments and Government agencies in the country of the receiving Party; and
- ii) prime or subcontractors of the receiving Party located within the geographical limits of the receiving Party's country, for use only within the framework of their contracts with the receiving Party work relating to the subject matter of the proprietary information.

Provided that any proprietary information so disseminated shall be pursuant to an agreement of confidentiality and shall be marked with a restrictive legend substantially identical to that appearing in subsection B(1) above.

3. With the prior written consent of the Party providing proprietary information under this Agreement, the receiving Party may disseminate such proprietary information more widely than otherwise permitted in the foregoing paragraph B(2). The Parties shall cooperate with each other in developing procedures for requesting and obtaining approval for such wider dissemination, and each Party shall grant such approval to the extent permitted by its national policies, regulations and laws.

4. Each Party shall exercise its best efforts to ensure that proprietary information received by it under this Agreement is controlled as provided herein. If one of the Parties becomes aware that it will be, or may reasonably become, unable to meet the nondissemination provisions of this Article, it shall immediately inform the other Party. The Parties shall thereafter consult to define an appropriate course of action.

5. Information arising from seminars and other meetings arranged under this Agreement shall be treated by the Parties according to the principles specified in this Article, provided, however, that no proprietary information orally communicated shall be subject to the limited disclosure requirements of this Agreement unless the individual communicating such information informs the recipient as to the proprietary character of the information communicated at the time of such communication.

6. Nothing contained in this Agreement shall preclude the use or dissemination of information received by a Party other than pursuant to this Agreement.

7. Information transmitted by one Party to the other Party under this Agreement shall be accurate to the best knowledge and belief of the transmitting Party, but the transmitting Party does not warrant the suitability of the information transmitted for any particular use or application by the receiving Party or by any third party.

ARTICLE X INVENTION OR DISCOVERY

1. With respect to any invention or discovery made or conceived in the course of or under this Agreement:

(a) If made or conceived by personnel of one Party

(the Assigning Party) or its contractors while assigned to the other Party (Recipient Party) or its contractors, in connection with exchanges of scientists, engineers and other specialists:

- i) The Recipient Party shall acquire all right, title and interest in and to any such invention or discovery in its own country and in third countries, subject to nonexclusive, irrevocable, royalty-free license in all such countries to the Assigning Party, its Government and its nationals designated by it; and
- ii) The Assigning Party shall acquire all right, title and interest in and to any such invention or discovery in its own country, subject to nonexclusive, irrevocable, royalty-free license to the Recipient Party, its Government and its nationals designated by it.

(b) If made or conceived by a Party or its contractors as a direct result of employing information which has been communicated to it under this Agreement by the other Party or its contractors or communicated during seminars or other joint meetings, the Party making the invention shall acquire all right, title and interest in and to such invention or discovery in all countries, subject to a non-exclusive, irrevocable, royalty-free license in all countries to the other Party, its Government and its nationals designated by it.

2. With regard to cooperation as set forth in paragraphs 4, 6, 7 and 8 of Article III, the Parties shall provide in Annexes to this Agreement an appropriate distribution of rights to inventions or discoveries resulting from such cooperation.

3. Information regarding inventions on which patent protection is to be obtained by a Party shall not be published or publicly disclosed by the other Party until a patent application has been filed, provided, however, that this restriction on publication or disclosure shall not extend beyond six months from the date of receipt of such information. It shall be the responsibility of the inventing Party to appropriately mark reports which disclose inventions that have not been appropriately protected by the filing of a patent application.

4. Each Party shall, without prejudice to any rights of inventors or authors under its national laws, take all necessary steps to provide cooperation from its inventors and authors required to carry out the provisions of this Article and Article VIII. Each Party shall assume responsibility to pay awards or compensation required to be paid to its own nationals according to its laws.

ARTICLE XI

DURATION

1. This Agreement shall enter into force upon signature of both Parties, shall continue in force for a five-year period, and may be amended or extended by mutual written agreement of the Parties.

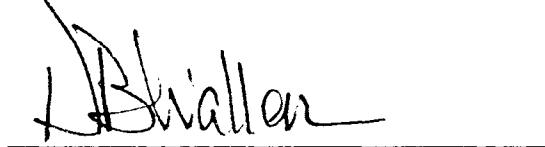
2. In the event that, during the period of this Agreement, the nature of either Party's energy programs should change substantially, either Party shall have the right to request revisions in the scope and/or terms of this Agreement or Annexes hereto.

3. This Agreement may be terminated at any time at the discretion of either Party, upon six months advance notification in writing by the Party seeking to terminate this Agreement.

4. Any Annex under this Agreement may be terminated at the discretion of either Party, upon six months advance notification in writing by the Party seeking such termination. Any such termination shall be without prejudice to the rights which have accrued under this Agreement to either Party up to the date of such termination.

5. All activities not completed at the termination of this Agreement may be continued until their completion under the terms of this Agreement.

FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES OF
AMERICA



(Signature)

David B. Waller

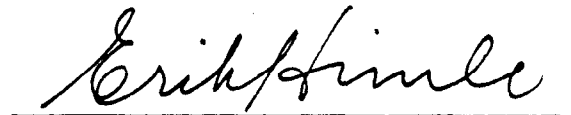
(Printed Name)

Assistant Secretary for
International Affairs and
Energy Emergencies

(Title)

(Date)

FOR THE NORWEGIAN MINISTRY
OF PETROLEUM AND ENERGY



(Signature)

Erik Himle

(Printed Name)

Secretary General

(Title)

22.4.87

(Date)