

SCHEDULE 2

Model clauses for petroleum exploration and development licences

Extension of the Initial or Second Term

6.—(1) This clause enables an extension to be made to the Initial Term or as the case may be to the Second Term (“the relevant term”).

(2) At any time not later than one month before the expiry of the relevant term the Licensee may, subject to payment of the sums specified in Schedule 2 and to performance of the terms and conditions herein contained, give notice in writing to the Minister that he desires that term to be extended for a further period.

(3) Where notice is given in pursuance of paragraph (2) of this clause, the Minister may in his discretion direct in writing that the relevant term be extended; and paragraph (2) of this clause shall apply to that term as so extended.

(4) An extension given by a direction in pursuance of this clause shall be for a period, and subject to such conditions, as the Minister may determine.

(5) Where a relevant term is extended in pursuance of this clause, clause 3 shall apply in respect of that term as so extended.

(6) Where the Initial Term is extended by a period in pursuance of this clause, the Second Term shall (without prejudice to paragraph (2)) be reduced by the same amount; and where the Second Term is extended by a period in pursuance of this clause, the Production Period shall be reduced by the same amount.