

Proposed Work Programme

Stage 1 (Committed Activities):

Within **18** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 1 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:
 - (a) build or license a 5,000 sq km geostatistical velocity model integrating 2D and 3D seismic data;
 - (b) undertake rock physics modelling of relevant wells and invert 250 sq km of seismic data over the Toutouwai Prospect area;
 - (c) undertake rock typing of Toutouwai-1 and integrated log interpretation of Toutouwai-1, Takapou-1 and Kopowai-1 to improve understanding of likely reservoirs and fluids within the Toutouwai prospect area; and
 - (d) complete revised TWT and depth mapping over the full permit area using open file seismic data.

Within **24** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 2 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:
 - (a) undertake seismic reservoir mapping including quantitative interpretation over the Toutouwai prospect; and
 - (b) update prospective resource assessments for Toutouwai and other prospects within the permit area.

Within **30** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 3 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:
 - (a) finalise the location of the Toutouwai-2 exploration well and prepare a geologic basis of well design; and
 - (b) either:
 - (i) notify the chief executive in writing of the permit holder's commitment to carry out the next stage of the work programme; or
 - (ii) surrender the permit.

Stage 2 (Contingent Activities)

Within **48** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 4 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:
- (a) undertake planning activities for the Toutouwai-2 well including, if required, acquisition of geologic and geophysical site surveys

Within **60** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 5 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:
- (a) drill the Toutouwai-2 well to an objective and/or depth approved by the chief executive;
 - (b) assess the results of Toutouwai-2 and, in the case of a discovery, prepare preliminary estimates of resources and a provisional appraisal strategy; and
 - (c) either:
 - (i) relinquish 50% of the original permit area and notify the chief executive in writing of the permit holder's commitment to carry out the next stage of the work programme; or
 - (ii) surrender the permit.

Stage 3 (Contingent Activities)

Within **84** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 6 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:
- (a) undertake detailed reservoir modelling, evaluation of resources and finalise an appraisal strategy; and
 - (b) update assessment of remaining exploration potential in the permit incorporating learnings from Toutouwai-2.

Within **108** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 7 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:

(a) either:

- (i) relinquish 25% of the original permit area and notify the chief executive in writing of the permit holder's commitment to carry out the next stage of the work programme; or
- (ii) surrender the permit.

Stage 4 (Contingent Activities)

Within **144** months of the commencement date of the permit, the permit holder shall (to the satisfaction of the chief executive):

- 8 Complete the following activities which are all **key deliverables** for the purposes of the Petroleum Programme:

- (a) drill one exploration well to an objective and/or depth approved by the chief executive.

