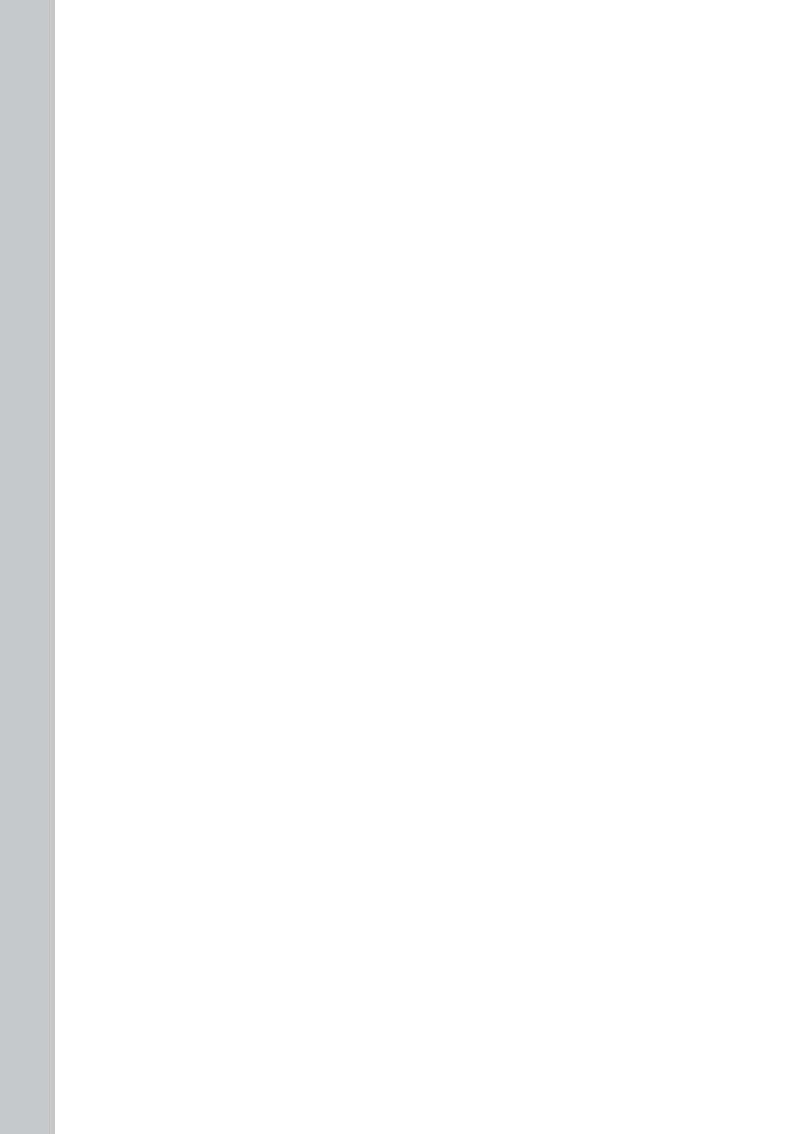


Ministry of Petroleum & Gas
Sudanese Petroleum Corporation
Oil Exploration & Production Authority (OEPA)
Promotion Section

PROCEDURES MANUAL



This guide aims to facilitate the process of optimizing investment opportunity in Petroleum Upstream Sector. The guide illustrates the steps the investors need to be followed in order to access to the diverse investment opportunities in Sudan. This guide is comprehensive enough to cater all the required aspects for investors.



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Many investments opportunities are available in Sudan in general and in Oil and Gas sector in particular, these opportunities include:

1. Exploration in frontier Blocks.
2. Developing the free Blocks which are under development.
3. Farm in the existing operating consortium.
4. Oil and Gas industry associated services.

General Provisions Regarding E&P Investments

The petroleum wealth Act, 1998, and the regulations that were issued in accordance with the act were designed to organize the exploration and production operations in the onshore and offshore areas.

Oil and Gas occur in natural conditions beneath the land layers within the republic of Sudan and its continental boundaries, are sole owned by the Government. Hence, the Ministry of Petroleum and Gas is the sole gate of investment in Sudan Oil sector.

All agreements signed with the Government of Sudan must be with conformity of Exploration and Production Share Agreement (EPSA).

All articles stated in the model production share Agreement, are subject to negotiation, except those, which shall be, incorporated in the petroleum wealth Act 1998. Requests for exploration in the Blocks shall be submitted to the Oil Exploration & Production Authority (OEPA).

Upon signing the EPSA, the validity of the license for exploration shall be limited to the area that is designated by the EPSA, provided that it shall not be used for any other purpose.



The required conditions for license or signing of EPSA:

- Technical expertise.
- Financial capability,
- Adherence to the government laws and general polices.
- Registration of branch of the contracted company in Sudan.

Steps to Obtain a Concession

The company must follow specific steps in order to Obtain Oil investment opportunity:

- Firstly, submit a Letter of intention(LOI) from the company expressing its willingness to invest in Oil and Gas in designated block(s). The company shall identify the type of investment to the Ministry of Petroleum and Gas thru Oil Exploration & Production Authority (OEPA).
- OEPA will send a letter of response along with the prequalification form to the company in order to fill in and resubmit the form to OEPA along with the Company's profile Legal, Financial and Technical documents for evaluation.
- OEPA will evaluate it through the concerned departments,after the company satisfies the above mentioned requirements. As a result of the evaluation process OEPA will send an invitation letter to the qualified

companies to come in Sudan for technical discussion meetings.

- Permission will be given to technical Staf from the Company to review the preliminary data (physical and soft data) for the Block(s) for evaluation, more detailed data can be obtained under a Confidentiality Agreement.
- Accordingly, a consent letter should be sent from the company indicating which Block are considered.
- Successively OEPA will send the a draft of the questioner and EPSA model to the company for review and submission.
- OEPA and the company will embark negotiations concerning the fiscal terms and any other negotiable terms.
- Sign on what was agreed upon.
- The company has the right to apply to apply either individually, or as part of consortium.



MINISTRY OF PETROLEUM
SUDANESE PETROLEUM CORPORATION

COMPANY PROFILE FOR PREQUALIFICATION

FULL NAME:

NATIONALITY:

FORMER NAME (IF ANY):

ADDRESS:

P.O. BOX: BUILDING NO: STREET NO: AREA:

TOWN / CITY: POST CODE:

COUNTRY: PHONE: FAX:

E-MAIL: WEBSITE:

SHARE HOLDERS / STOCK MARKET:

IF BUSINESS ESTABLISHED:

REGISTRATION PLACE:

REGISTRATION DATE:

BRANCH NAME OF PRINCIPAL BANKERS:

TURNOVER (IN USD):

..... YEAR ENDED

..... YEAR ENDED

NET PROFIT (IN USD):

..... YEAR ENDED

..... YEAR ENDED

TOTAL NUMBER OF EMPLOYEES (MANAGEMENT, PROFESSIONAL): PERSONS

TOTAL ASSETS VALUE:

TOTAL VALUE OF CURRENT CONTRACTS:

RESERVES OR PRODUCTION RATES OF CRUDE OIL:

PLEASE SUBMIT THE LATEST ANNUAL REPORT.

BUSINESS ACTIVITIES:

PLEASE TICK AS APPROPRIATE:

EXPLORATION & PRODUCTION.

DRILLING.

MARKETING.

REFINING.

PIPELINES.

CONTRACTORS.

ENGINEERING.

CONSULTANCY.

COMMISSION AGENTS.

OTHERS, PLEASE SPECIFY:

BRIEF DESCRIPTION OF THE ACTIVITY/ACTIVITIES HANDLED ABOVE:

.....

DATE OF FIRST OVERSEAS CONTRACT/AGREEMENT: .../.../.....

VALUE: DURATION:

SCOPE:

COUNTRY: AREA:

MAJOR CONTRACT/CONTRACTS IN HAND OVERSEAS (SPECIFY):

COUNTRY	TYPE OF AGREEMENT TYPE OF JOB/CONTRACT	VALUE OF CONTRACT

COMPLETION STATUS: COMPLETED INTERRUPTED (): PLEASE STATE THE REASONS, CONTRACT CANCELED: PLEASE STATE THE REASONS, PREMISES OCCUPIED AT HEADQUARTERS OWNED RENT LEASEHOLD FREEHOLD

SIGNED BY: DATE: POSITION:

SIGNATURE:

COMPANY STAMP:



تاريخ إصدار النموذج: 18/2/2009

رقم النموذج: (001)

رقم النموذج: EX.P.M.F.05

Qualification Documents check list

In order for the company to be qualified and continue the licensing process, the company has to submit the following information qualification documents:

- Company profile that provides an overview and contain the basic information about the company. This includes the year when the company was established, location of its Headquarter, the names of the board of directors, historical background on the business, current status, services offered by the company , assets, quality, financial capability and area of expertise. The company shall provide a valid contact information i.e. address, telephone, fax, email, website.
- Legal documents to define the company as a legal entity, these documents should be in English and authenticated and cover the Article of Incorporation of the company. The

Commercial Registration of the company and any other documents that proves its legal existence, such document should include evidences of company incorporation, country of registration, address of the head office; details of ownership and mergers in the past five years. Also, clear organizational chart and number of persons employed in the head quarter and other branches. Details regarding court cases and arbitrations in which the company has been involved during the last five years.

- Financial documents proving company financial capability, through audited financial statements for the company for the last three years including the balance sheet, income statement, statement of retained earnings, cash flow statement, notes to the accounts and the Directors' report; two Bank references. The auditor's opinion letter referencing the financial statements of the company should be signed by an

independent public accountant, certifying that the documents reflect the real condition of the company. The letter should be prepared in accordance with the relevant accounting and reporting standards. Other bank reference that could reinforce the company's financial position and any additional information supporting the financial capacity of the company will be an expedient.

- Technical documents that are required to be submitted should show the details of technical competencies of staff in the field of oil and gas exploration and production; reserves, production type (oil/gas) and volumes for the past five years. Along with summary of technical capability and information on current and previous exploration and production activities.

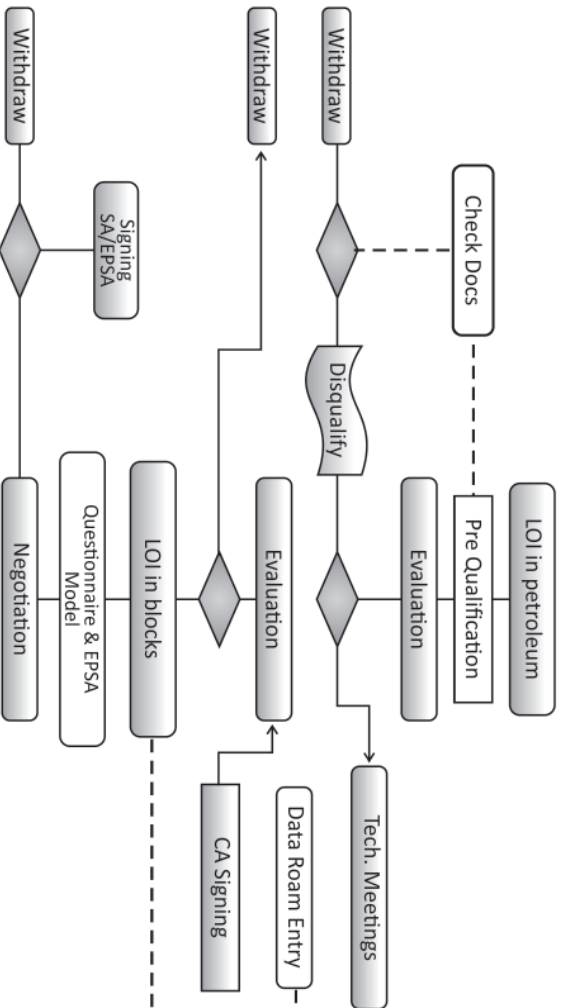


Steps to Provide Services

- Letter of intention from the Company to engage in oil and gas field services sector.
- Initial evaluation developed for the company.
- A presentation by the company's legal, technical and financial potential for OEPA.
- Interested companies to liaise with the operating companies to offer the services i.e. Oil field services that can be provided or supplied to the operating companies (Please refer to the available service to see where to fit).

OEPA will spare no effort in order to ensure transparent and fair competition guided by robust policies and procedures.

Flow-Chart for Promotion Procedures:



Farm in Opportunities

Exploration Production Sharing Agreements (EPSA) between the Government of Sudan and the investors provide the shareholders rights to assign all or a part of their equity to any interested investors whom can directly contact the shareholders or Sudapet.

Ministry of Petroleum & Gas
Sudanese Petroleum Corporation
Oil Exploration & Production Authority
(OEPA)
Promotion Section

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