



Oceaneering AS

**UNDERWATER SERVICES
RATE SCHEDULE**

NORWAY REGION HEADQUARTER AND OPERATIONS

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1. REMOTELY OPERATED VEHICLES

1.1 HYDRA® MILLENNIUM SYSTEM (RATED TO 3,000 METERS / 10,000 FEET)

Oceaneering's **MILLENNIUM** ROV system is a high thrust; high payload work vehicle designed for heavy duty underwater work tasks. Retaining the same manipulator configuration as the Oceaneering **HYDRA® MAGNUM** series ROV, the **MILLENNIUM** delivers one hundred fifty (150) HP on the vehicle by utilizing two, 75 horsepower HPU's. The **MILLENNIUM** is configured for working in depths up to a full range of underwater drilling, production, construction, salvage, and inspection work tasks.

Standard Package:

- **HYDRA® MILLENNIUM**, 150 horsepower ROV
- Rated to 10,000 FSW
- Deck winch with 11,000 feet fiber optic, armored umbilical
- Hydraulically controlled A-frame with 48" head sheave
- Subsea deployment cage with lighting and video (side entry with maximum 600 foot tether)
- Super VHS recorders and monitors
- Digital video display software with "Picture in Picture" video
- Dynair, 10 x 10 video switching system
- Fiber optic video and data transmission
- High resolution, Super VHS, color CCD camera
- Black & white ultra low light SIT camera
- Aft facing, black & white, CCD camera
- Manipulator mounted, black & white, CCD camera
- Simrad/Mesotech MS 900 high resolution scanning sonar
- Simrad/Mesotech Altimeter
- KVH Gyro (with Dinsmore magnetic heading sensor back-up)
- Paroscientific "Digiquartz" depth sensor (with Omega strain gauge back-up)
- Auto depth/auto heading/auto altitude with full-time bathymetry display
- 2 x 7-function "CONAN" manipulator
- Hydraulic cutter for wire rope (up to 1.25" diameter)
- Hydraulic cutter for fibre rope (up to 1" diameter)
- Stanley TPO-3 dredge/jet pump
- Ring gasket replacement tooling
- Hydraulic rotary grinder/cutter/buffer
- Control van (Aluminum 14' x 8' x 8')
- Maintenance van (Aluminum 16" x 8' x 8')
- Complete inventory of system spares including tether
- Mechanical and electronic tools and test equipment
- 350 kw motor generator



Total day rate for standard **HYDRA® MILLENNIUM** package, NOK 47.000,-

*Day rate is inclusive of tethers and maintenance items for normal operations.

1.2 HYDRA® MAGNUM SYSTEM (RATED TO 2,500 METERS / 8,250 FEET)

Oceaneering **HYDRA® MAGNUM** is a high thrust, high payload work vehicle designed for medium to heavy work tasks in water depths up to 8,250 feet. This vehicle system is available in a 75 and 100 horsepower configuration, both of which are deployed from a side entry cage with a 600-foot flying tether. Bolt-on work packages can be attached to supplement the 7-function manipulators on the vehicle. The **HYDRA® MAGNUM** performs a full range of drilling and construction support work tasks and can be outfitted for precision inspection work. The **HYDRA® MAGNUM** has an extensive track record of high reliability and deep-water performance and is capable of working in the most extreme offshore conditions.

Standard Package:

- **HYDRA® MAGNUM**, 75/100 horsepower ROV
- Rated to 8,250 FSW
- Deck winch with 10,000 feet fiber optic, armored umbilical
- Hydraulically controlled A-frame with 48" head sheave
- Subsea deployment cage with lighting and video (side entry with maximum 600 foot tether)
- Super VHS recorders and monitors
- Digital video display software with "Picture in Picture" video
- Dynair, 10 x 10 video switching system
- Fiber optic video and data transmission
- High resolution, Super VHS, color CCD camera
- Black & white ultra low light SIT camera
- Aft facing, black & white, CCD camera
- Manipulator mounted, black & white, CCD camera
- Simrad/Mesotech MS 900 high resolution scanning sonar
- Simrad/Mesotech Altimeter
- KVH Gyro (with Dinsmore magnetic heading sensor back-up)
- Paroscientific "Digiquartz" precision depth sensor (with Omega strain gauge back up)
- Auto depth/auto heading/auto altitude with full-time bathymetry display
- 2 x 7-function "CONAN" manipulators
- Hydraulic cutter for wire rope (up to 1.25" diameter)
- Hydraulic cutter for fiber rope (up to 1" diameter)
- Stanley TPO-3 dredge/jet pump
- Ring gasket replacement tooling
- Hydraulic rotary grinder/cutter/buffer
- Control van (Aluminum 14' x 8' x 8')
- Maintenance van (Aluminum 16" x 8' x 8')
- Complete inventory of system spares including tether
- Mechanical and electronics tools and test equipment
- 250 kW motor generator



Total day rate for standard **HYDRA® MAGNUM** package, NOK **39.500,-**

* Day rate is inclusive of tethers and maintenance items for normal operations.

REMOTELY OPERATED VEHICLES



1.3 SPECTRUM SYSTEM SPECIFICATIONS

Vehicle	
Length:	1400mm
Width:	900mm
Height:	850mm
Weight in air:	290Kg
Frame:	Polypropylene
Fittings:	316 Stainless Steel
Depth Rating:	2000msw
Payload:	500 lbs
Propulsion:	6off CTE02 440V AC
2 x Vectored	
4 x Vertical	
Thrust:	
Forward/Reverse	117Kgf
Lateral	88Kgf
Vertical	78Kgf
Power Requirements:	480 VAC, 3 phase 60 Hz
Telemetry/Control:	OPAC (Oceaneering Power and Control) with inbuilt diagnostics.
Lighting:	3 x 250 watts
Cameras:	1 x Wide angle Low Light, 1 x Color CCD 1 x Colour Zoom CCD 2 x B&W CCD aft
Navigation:	Kongsberg MS1000 Sonar
Manipulators:	1 x 5 function Hydraulic

Umbilical: High-strength, armored opto-electro-mechanical lengths up to 2000m available.

Subsea Deployment Cage

Length:	1951mm
Width:	1200mm
Height:	1925 to 2405mm
Weight in air (exc tether):	1265Kg
Weight in water (exc tether):	1090Kg
HPU:	2400Watt Electric motor
Tether:	250m
Camera:	1 x B&W CCD
Lighting:	3 x 250 watts

Deployment System (Typical)

Norlau Winch & Crane

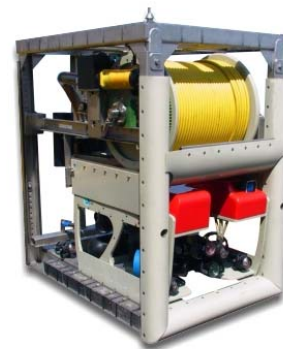
Length:	4555mm
Width:	2420mm
Weight (w/cable):	12000Kg

Control / Work Van

Lengths:	6055mm
Width:	2450mm
Height:	3000mm
Weights:	9000Kg



The side-entry cage, (below) with a capacity of 750 feet of neutrally buoyant flying tether, provides protection during launch and recovery, makes deployment and recovery more efficient in marginal weather and high currents.



Total day rate for standard **SPECTRUM SYSTEM** package, NOK **15.900,-**

1.4 SEAOWL OBS ROV

500msw Sea Owl OBS-Class vehicle with TMS (Up to 120m tether).

Length 1400mm

Width 760mm

Height 60mm

Weight (in air) 100kg.

Dive Depth 500 meters

Payload 20 kg.

Propulsion 2 x Lateral, 3 x Vertical and 2 x fore/aft

Power Requirements 480 VAC, 3-phase, 60 Hz

Through Frame Lift 85kg

Launch and Recovery System A-frame & power pack

Umbilical winch (minimum umbilical length 600m)

Control cabin (ISO 10ft)

Workshop container (ISO 10ft)

SIT and colour cameras

Camera pan & tilt function

Variable intensity lights

High resolution imaging sonar (Simrad MS 900 or similar)

Depth, gyro, pitch & roll, auto depth and heading functions

Necessary consumables.



Sea Owl Mk IV - OBSROV

Total day rate for standard SeaOwl package, NOK **15.000,-**

REMOTELY OPERATED VEHICLES



1.5 LABOR

1.3.1 Personnel for 12-hour day operations

12-Hour Day

(1) Supervisor	NOK 14.100,-
(2) Pilot / Technician	NOK 13.100,-

1.3.2 Additional Personnel for 24-hour day Operations

12-Hour Day

(1) Supervisor	NOK 14.100,-
(2) Pilot / Technician	NOK 13.100,-

1.3.3 Overtime

Overtime exceeding 12 hours shift or work exceeding 14days will be charged at hourly cost at day rate / 12 hrs *1.65

REMOTELY OPERATED VEHICLES



1.6 ROV TOOLS

Description	Day Rate/NOK
Accumulator, 350 Bar / 30 Litre - Stand Alone	920
Basket, Open Top - SWL 2.5 Ton	790
Basket, Open Top - SWL 2.7 Ton	790
Basket, Open Top - SWL 4.4 Ton	1 140
Camera - Colour - 3000 MSW, R/T - Zoom 10x	2 050
Camera - Colour - 3000 MSW, w/Light Ring	400
Camera - Digital Stills - 3000 MSW, Zoom 4x / 5 MP	660
Camera - Flashgun/Blitz, 3000 MSW	260
Chisel Hammer, BR45 UW	920
Cleaning Tool, Wellhead 18 3/4" - Acid Injection	5 080
Cleaning Tool - 1xH, MultiPurpose - 10"	660
Cleaning Tool - 1xH, MultiPurpose - 2" & 5"	660
Cleaning Tool - 2xH, MultiPurpose - 10"	1 060
Communication - Kit, 4 Channel	1 130
Container - Zone 2, 12 ft	2 580
Container - Zone 2, 16 ft	2 580
Core Drill, 100 mm - Max	2 380
Current Meter, 3000 MSW	730
Deployment Frame, Guide Post - Launch	860
Depth Sensor - ONLY, 2000 MSW	1 310
Depth Sensor - ONLY, 500 MSW	1 310
Depth Sensor - ONLY, 700 MSW	1 310
Depth Sensor - Stand Alone, 500 MSW	1 580
Depth Sensor - System, 1400 MSW	3 040
Depth Sensor - System, 2000 MSW	3 040
Depth Sensor - System, 270 MSW	3 040
Depth Sensor - System, 700 MSW	3 040
DHC System, Camera R/T	1 260
DHC System, Fishing Tool - 405 mm	4 620
DHC System, Hoisting Body - BOP - 150 mm / 5 m	340
DHC System, Hoisting Body - Multi - 6.75" & 3.25"	1 130
DHC System, Hoisting Body 12" - Jetting & 3x Light / SS	790
DHC System, Hoisting Body 12" - Light Ring & 3x Light / POM	660

REMOTELY OPERATED VEHICLES



DHC System, Hoisting Body 12" - Light Ring / POM	660
DHC System, Surface Controller	1 420
DHC System, Surface Power Unit	790
DHC System - Cable, Box / 050 - 350 m	420
DHC System - Cable, Box / 350 - 600 m	600
DHC System - Cable, Winch / 500 - 600 m	1 130
DHC System - Cable, Winch Controller	470
Diamond Wire - Cutting, 450 x 450 mm	6 600
Diamond Wire - Cutting, 450 x 900 mm	7 260
Diamond Wire - Cutting, 750 x 900 mm	7 920
Drilling Tool, 10 mm - Max	380
Electrical Connector, 7 - Pin / Male & Female	550
Extention Rod - Jetting & Inspection, 1.45 m	340
Flying Lead Orientation Tool, FLOT	2 410
Grinder, 9" - GR29 UW	660
Harben Pump & Air compressor, 700 - 80 & 11 - 4	7 600
High Pressure Jetting, Nozzle Assembly - 6x	420
High Pressure Jetting Unit, 200 Bar	660
High Pressure Jetting Unit, 450 Bar	1 000
High Pressure Jetting Unit, 520 Bar	1 060
Hydraulic Power Unit - HPU - EX, 2 - Station	1 980
Impact Wrench, 340 - 1632 Nm / IW12	530
Impact Wrench, 680 - 3400 Nm / IW16	550
Inclinometer, Instrument - ONLY	1 790
Inclinometer, Instrument - ONLY / Electronic Bullseye	2 840
Inclinometer - Circle, 12" - BOP	3 300
Inclinometer - Circle, 24"	3 300
Inclinometer - Circle, 30" - Horseshoe	3 830
Inclinometer - Circle, 42" - 3x Leg	3 300
Inclinometer - Ruler, 500 mm / 20"	3 300
Inspection Tool, UV-Light & Camera	1 660
Light Source - Gas, 6000 MSW - 400 W HID	550
Line Cutter, Hard - 38 mm / 1.5"	860
Line Cutter, Soft - 38 mm / 1.5"	790
Manipulator Camera, w/Light ring	400
Manipulator Camera, w/Light ring - 3x Zoom	400
Monitor - Explosion Proof, Zone 2	600
Monitor - Flat Screen, 17"	470

REMOTELY OPERATED VEHICLES



Motor - Pump, Dirty Oil HPU	1 320
Motor - Pump, Haskel & Accessories	3 340
Navigation - Heading, Gyro TSS Meridian	2 900
Navigation - XYZ, Doppler Velocity Log - DVL	1 620
Navigation - XYZ, Inertial PHINS iXSea	6 470
Override Tool, Linear Valve - LVOT	3 140
Pipe Tracker System, TSS440	6 470
Release Tool - Guide Post, GL-4	860
Remote Control Unit - RCU, 2500 MSW	2 980
Remote Control Unit - RCU, 3000 MSW	2 980
Remote Control Unit - RCU, 500 MSW	2 980
Removal Tool, Cap - KC4	1 980
Removal Tool, Cap - KC5	2 030
Removal Tool, Clamp - KC4 & KC5	3 260
Removal Tool, Shaer Pin	400
Reservoir with Motor / Pump, Oil - ONLY, 16 Litre	1 060
Reservoir with Motor / Pump, Oil - ONLY, Marsten Bently	1 060
Reservoir with Motor / Pump, Oil & Acid, 26 Litre	1 060
ROV, Tool Box	790
Sample Tool, Gas - Bottle	340
Sample Tool, Mud - 24 Buckets - Rack	790
Scissor, 180 mm	860
Seal Replacment Tool, XT Connector - KC4	2 660
Sensor - Probe, Thickness 2.5 - 200 mm	900
Sensor - Probe - Cathodic Protection, CP / Kit	340
Sensor - Probe - Cathodic Protection, Proximity / Kit	340
Sensor - Sniffer, Cement	1 850
Sensor Pressure, 400 Bar	300
Sensor Pressure - Differential, +/- 10 Bar	300
Splitter - Nut, 55 mm - HNS 225	530
Stabber 4x Port, 35 mm - API 17D - 10 kPSI Check Valve	500
Sticky Foot, 3x Magnet	470
Subsea Setup Rig & Jig's, 4x - Jig Slot	1 020
Suction, Coupler 3"	340
Suction, Kit - Stabber 2"	340
Suction, Kit 1"	470
Suction, Kit 2" - OAS	1 580
Suction, Kit 4"	5 120

REMOTELY OPERATED VEHICLES



Suction, Kit 6"	9 770
Suction, Pad 2x	340
Suction, Pad 2x & Position Arm	350
Test Jig - API 17D, 17000 Nm - CI 7	480
Test Jig - API 17D, 2700 Nm - CI 4	400
Test Jig - API 17D, 40000 Nm - Class 7	500
Test Jig - API 17D, 6800 Nm - CI 5	460
Test Jig - Transducer System, 10000 Nm	920
Test Jig - Transducer System, 20 kNm	1 030
Test Jig - Transducer System, 3000 Nm	860
Test Jig - Transducer System, 40000 Nm	1 080
Test Jig - Transducer System, 5000 Nm	860
Tool Deployment Unit, TDU	8 920
Torque Tool, Elevator - 4 m	1 000
Torque Tool - Gear Box API 17D, Class 4-5	1 580
Torque Tool - Interface Adaptor, ISO/FDIS 13628-8	290
Torque Tool - Low Torque Assembly, 500 Nm	600
Torque Tool API 17D, 17 kNm - CI 7	4 380
Torque Tool API 17D, 2700 Nm - CI 4	1 980
Torque Tool API 17D, 2700 Nm - CI 4 / GS-IESS	2 400
Torque Tool API 17D, 40 kNm - CI 7	4 430
Torque Tool API 17D, 6800 Nm - CI 5	3 540
Torque Tool API 17D, Dummy	340
Transponder, 1000 MSW - MPT/SPT - Floating Collar	260
Transponder, 1000 MSW - MST319/N	290
Transponder, 1000 MSW - SPT 319	790
Transponder, 2000 MSW - MST324/N	290
Transponder, 4000 MSW - MST342	360
Transponder, Extention Frame	660
Video - Recorder, HDD, DVD & Mini DV	260
Video - Recorder, Overlay PC - DVD Burn	1 150
VX - Ring Tool, 18 3/4"	600
VX - Ring Tool, 18 3/4" - Mechanical	1 580
VX - Ring Tool, 18 3/4" & 13 5/8"	620
Winch - SubSea ROV, 13 Ton - Parking Receptical	460
Wire Cutter, 115 mm RCV	6 340
Wire Cutter, 135 mm RCV	6 470
Wire Cutter, 155 mm RCV	6 860

REMOTELY OPERATED VEHICLES



Wire Cutter, 75 mm WC75D

2 380

Wire Cutter, 80 mm RCV

2 450

The rates may be adjusted/discounted dependent on contract duration and/or volume discount.

1.7 SPECIALIZED TOOLS

Oceaneering has the expertise to develop specialized tools capable of performing a wide range of subsea functions. Within Oceaneering, we have a team of Project Managers, Engineers, and Specialists available to consult with our Clients on new tooling designs or modifications to an existing system for performing work subsea utilizing an Advanced Work System. These consulting services are an integral part of the overall services Oceaneering provides and are available to our Clients to assist with upcoming requirements, which require specialized tooling for subsea functions. These services are provided on a project-to-project basis and rates are available upon request. Unless specifically agreed upon otherwise, these new developments become the sole property of Oceaneering. The adaptation of existing tools to an inspection or work system will be charged on a cost plus fifteen percent basis or at a lump sum charge agreed upon between Oceaneering and Client.

1.8 MOBILIZATION / DEMOBILIZATION

Mobilization and demobilization depends very much on Mob / Demob site, and the complexity of the installation. Price will be provided upon request.

2. TERMS AND CONDITIONS

Unless expressly stated otherwise, all diving and related services rendered will be in accordance with the terms and conditions of Oceaneering's standard ROV contract.

3. OCEANEERING STANDARD ROV CONTRACT

See below !

REMOTELY OPERATED VEHICLES



THIS CONTRACT CONTAINS PROVISIONS RELATIVE TO INDEMNITY, RELEASE OF LIABILITY AND ALLOCATION OF RISK

ROV SUPPORT CONTRACT

THIS AGREEMENT (the “Contract”), dated the _____ day of _____, 200_, is made between _____, a company organized under the laws of _____, located at _____, (hereinafter called “Company”), and Oceaneering AS _____, a company organized under the laws of _____, located at _____ (hereinafter called “Contractor”).

WHEREAS, Company will have carried out all Remotely Operated Vehicle (“ROV”) services in support of its work as detailed in the Appendices hereto or as Company may require; and

WHEREAS, Contractor is willing to furnish the ROV services together with equipment, insurance and personnel, all as detailed in the Appendices hereto.

NOW THEREFORE THIS CONTRACT WITNESSETH that in consideration of the covenants herein it is agreed as follows:

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REMOTELY OPERATED VEHICLES



APPENDIX A	TERMS AND CONDITIONS INFORMATION INCLUDING DAY RATES
APPENDIX B	ROV AND EQUIPMENT TO BE PROVIDED BY CONTRACTOR
APPENDIX C	PERSONNEL TO BE PROVIDED BY CONTRACTOR
APPENDIX D	CHECKLIST OF VARIOUS OBLIGATIONS OF CONTRACTOR AND COMPANY
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ARTICLE I – INTERPRETATION

101. Definitions

In this Contract, unless the context otherwise requires:

- (a) “Company’s Items” means the equipment, material and services owned or leased by Company or which are listed in Appendix D that are to be provided by or at the expense of Company;
- (b) “Contractor’s Items” means ROV equipment, material and services owned or leased by Contractor or which are listed in Appendices B or D that are to be provided by and at the expense of Contractor;
- (c) “Contractor’s Personnel” means the personnel of Contractor and personnel of Contractor’s subcontractors to be provided by Contractor from time to time in connection with operations hereunder;
- (d) “Company’s Personnel” means the personnel of Company and personnel of Company’s other contractors, to be provided by Company from time to time in connection with operations hereunder;
- (e) “Vessel” means the vessel provided by Company from which the ROV services are performed.
- (f) “Operating Area” means waters offshore of the state, country or area specified in Appendix A in which Company is entitled to conduct drilling operations;
- (g) “Operating Base” means the place onshore designated by Company and specified in Appendix A;
- (h) “Contractor’s Base” means the place onshore designated by Contractor and specified in Appendix A;
- (i) “Company Group” means Company, its contractors (other than Contractor), subcontractors of any tier and co-venturers, including their Affiliated Companies and the officers, directors, employees, agents, owners, shareholders, invitees and insurers of each;
- (j) “Contractor Group” means Contractor, its subcontractors of any tier, including their Affiliated Companies and the officers, directors, employees, agents, owners, shareholders, invitees and insurers of each.
- (k) “Affiliated Company” means a company or other legal entity, which controls or is controlled by Company or Contractor, or which is controlled by an entity, which

controls Company or Contractor. For purposes hereof, control means the ownership, directly or indirectly, of fifty percent (50%) or more of the shares or voting rights in a company or legal entity.

102. Currency

In this Contract, all amounts are expressed in Norwegian Kroner (NOK).

103. Conflicts

Appendices A, B, C, D, E, F and G attached hereto are incorporated herein by reference. If any provision of the appendices conflicts with a provision in the body hereof, the latter shall prevail.

104. Headings

The paragraph headings shall not be considered in interpreting the text of this Contract.

105. Further Assurances

Each party shall perform the acts, execute and deliver the documents and give the assurances necessary to give effect to the provisions of this Contract.

106. Contractor's Status

Contractor shall be an independent contractor in performing its obligations hereunder.

107. Governing Law and Jurisdiction

(a) This Contract shall be construed, interpreted, enforced and litigated, and the relations between the parties determined in accordance with the laws specified in Appendix A, not including, however, any of its conflicts of law rules, which would direct or refer to the laws of any jurisdiction.

(b) The parties agree that the interpretation of this Contract and resolution of any disputes arising out of or in connection with the Contract or performance thereunder shall be decided exclusively by a court of competent jurisdiction as specified in Appendix A and the parties agree to submit exclusively to the jurisdiction of that court.

ARTICLE II – TERM

201. Effective Date

The parties shall be bound by this Contract when each of them has executed it (hereinafter referred to as “Effective Date”)

202. Duration

This Contract shall, subject to Paragraphs 203 and 204 below, be for the term specified in Appendix A.

203. Termination

This Contract shall terminate:

- (a) immediately if the ROV becomes an actual loss or the date Contractor’s Marine Surveyor determines a constructive or arranged total loss to have occurred unless Contractor provides Company with written notification within ten (10) days after any such event that Contractor will deliver a similar substitute ROV to the Vessel at Contractor’s cost within thirty (30) days after such notification;
- (b) with regard to the termination of this Contract after the number of wells or on the date specified in Appendix A, in each case after the earlier to occur of (i) the commencement date of a contract between Contractor and another company for the provisions of ROV services aboard the same Vessel, or (ii) the date the ROV is available to Contractor for removal from the Vessel at the place specified for demobilization in Appendix A; or
- (c) in accordance with Paragraphs 705, 706(b), 707 or 802.

In the event the Company has the Vessel under contract and Company “farms-out” or subleases to another company under circumstances that this Contract would terminate, Company shall use best efforts to assign this Contract to that other company for the period of the “farm-out” or sublease or require that other company to contract with Contractor for the period of the “farm-out” or sublease under rates, terms and conditions no less favorable to Contractor than those contained in this Contract.

204. Option to Extend

Company may extend the duration of this Contract for an additional period by giving notice thereof to Contractor as specified in Appendix A, subject to mutually agreed rates, terms and conditions.

205. Continuing Obligations

Notwithstanding the termination of this Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbearance after such termination.

206. Return of Company's Items

Upon termination of operations, Contractor shall return to Company on board the Vessel, or as directed by Company at Company's sole cost, any of Company's Items, which are at the time in Contractor's possession.

ARTICLE III – CONTRACTOR'S PERSONNEL

301. Number, Selection, Hours of Labor and Remuneration

Except where herein otherwise provided, the number, selection, replacement, hours of labor and remuneration of Contractor's Personnel shall be determined by the Contractor. Such employees or subcontractors' employees shall be the employees solely of Contractor or its subcontractors.

302. Contractor's Representative

Contractor shall nominate one of its personnel as Contractor's representative who shall be in charge of the remainder of Contractor's Personnel and who shall have full authority to resolve all day-to-day operational matters which arise between Company and Contractor.

303. Increase in Contractor's Personnel

Company may, at any time, with Contractor's approval require Contractor to increase the number of Contractor's Personnel and the day rates provided herein shall be adjusted accordingly.

304. Replacement of Contractor's Personnel

Contractor will remove and replace in a reasonable time any of Contractor's Personnel if Company so requests in writing and if Company can show reasonable grounds for its request.

ARTICLE IV – CONTRACTOR’S ITEMS

401. Obligation to Supply

Contractor shall provide Contractor’s Items and Personnel and perform the services to be performed by it in accordance with Appendices B, C and D.

402. Maintain Stocks and Maintain and Repair Equipment

Contractor shall be responsible for maintaining adequate stock levels of Contractor’s Items and replenishing as necessary. Contractor shall, subject to Paragraph 901, be responsible for the maintenance and repair of all Contractor’s Items and shall provide all spare parts and materials required therefore.

ARTICLE V – CONTRACTOR’S GENERAL OBLIGATION

501. Contractor’s Standard of Performance

Contractor shall carry out all operations hereunder on a daywork basis. For purposes hereof the term “daywork basis” means Contractor shall furnish equipment, labor, and perform services as herein provided, for a specified sum per day under the direction and supervision of Company (inclusive of any employee, agent, consultant or subcontractor engaged by Company to direct ROV operations). When operating on a daywork basis, Contractor shall be fully paid at the applicable rates of payment and assumes only the obligations and liabilities stated herein. Except for such obligations and liabilities specifically assumed by Contractor, Company shall be solely responsible and assumes liability for all consequences of operations by both parties while on a daywork basis, including results and all other risks or liabilities incurred in or incident to such operations, notwithstanding any breach of representation or warranty, either expressed or implied, or the negligence or fault of Contractor, its employees, agents or servants, including sole, concurrent or gross negligence, either active or passive, latent defects or unseaworthiness of vessels (whether or not pre existing) and any liability based on any theory of tort, breach of contract or strict liability, including defect or ruin of premises, either latent or patent.

502. Operation of ROV

Subject to Paragraph 605, Contractor shall be responsible for the operation of the ROV. Operations under this Contract will be performed on a twelve (12) or twenty-four (24) hour per day basis as specified in Appendix A.

503. Compliance with Company’s Instructions

Contractor shall comply with all instructions of Company consistent with the provisions of this Contract, including, without limitation, deployment of the ROV and safety instructions.

Such instructions shall, if Contractor so requires, be confirmed in writing by the authorized

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representative of Company. However, Company shall not issue any instructions, which would be inconsistent with Contractor's rules, policies or procedures pertaining to the safety of its personnel or equipment, or require Contractor to exceed the rated capacities of Contractor's Items, or the minimum or maximum water depths set forth in Appendix A.

504. Adverse Weather

Contractor, in consultation with Company, shall decide when, in the face of impending adverse weather conditions, to institute precautionary measures in order to safeguard the ROV and Contractor's Personnel to the fullest possible extent. Contractor and Company shall each ensure that senior representative on board will not act unreasonably in the exercise of their discretion under this Paragraph.

505. Records to be Kept by Contractor

Contractor shall keep and furnish to Company an accurate record of the work performed.

506. Difficulties During ROV Operations

In the event of any difficulty arising which precludes ROV operations under reasonably normal procedures Contractor may suspend the work in progress and shall immediately notify the representative of Company, in the meantime exerting reasonable effort to overcome the difficulty. In this regard and without limitation, it is understood that the quality of video reporting and intervention capabilities are adversely affected by poor visibility, loop currents and other adverse metocean conditions at the work site.

507. Inspection of Materials Furnished by Company

Contractor agrees to visually inspect all materials furnished by Company before using same and to notify Company of any apparent defects therein. Contractor shall not be liable for any loss or damage resulting from the use of materials furnished by Company.

ARTICLE VI – COMPANY’S OBLIGATIONS

601. Equipment and Personnel

Company shall at its cost provide Company’s Items and Company’s Personnel and perform the services to be provided or performed by it according to Appendix D. In addition to providing the initial supply of Company’s Items, Company shall be responsible, at its cost, for maintaining adequate stock levels and replenishing as necessary. When, at Company’s request and with Contractor’s agreement, the Contractor furnishes or subcontracts for certain items, which Company is required herein to provide, for purposes of this Contract said items or services shall be deemed to be Company furnished items or services. Any contractors so hired shall be deemed to be Company’s contractor, and Company shall not be relieved of any of its liabilities in connection therewith. For furnishing said items and services, Company shall reimburse Contractor its entire cost plus a handling charge as specified in Appendix A.

602. Maintenance and Repair

Company shall be responsible, at its cost, for the maintenance and repair of all Company’s Items. At Company’s request and subject to Paragraph 901(a), Contractor shall perform maintenance and repair of Company’s Items at the Day Rates specified in Appendix A with Contractor’s normal complement of personnel and equipment on board to the extent Contractor is qualified and sufficient time is available to perform such maintenance and repair by Contractor’s Personnel then on Vessel.

603. Company’s Representatives

Company may from time to time designate representatives for the purpose of this Contract who shall at all times have access to the ROV and may, among other things, observe tests, inspect the work performed by Contractor, or examine the records kept on the Vessel by Contractor. Company shall designate a senior representative to resolve day-to-day operational matters requiring decision by Company who will be present on board the Vessel. Contractor may treat Company’s senior representative on board the Vessel as being in charge of all Company’s Personnel on board.

604. Replacement of Company’s Personnel

Contractor shall have the right to request in writing that Company remove and replace any Company’s Personnel on board the Vessel if the Contractor can show reasonable grounds for such request.

605. Vessel and Access

Company will be responsible for providing access to the Vessel and at Company’s cost, any necessary modifications thereto for Contractor’s Items and Contractor’s Personnel.

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606. Custom or Excise Duties, Taxes, Permits and Fees

In the event the ROV services are provided in an Operating Area or jurisdiction of a country other than the country of organization of Contractor as specified on page one of this Contract, the following paragraphs are applicable :

- (a) Company shall at its cost obtain all necessary permits, permissions or the like and Company shall pay all import or export charges or customs or excise duties, taxes, and fees including, without limitation, local sales taxes, value added taxes, clearing agent's fees, or other similar taxes or fees that are levied on Contractor Group's and/or Company's Items or Contractor's operations.
- (b) Company shall be responsible for all taxes, levies, and assessments imposed on Contractor Group, Contractor Group's Items or Contractor Group's Expatriate Personnel arising out of or in connection with Contractor's performance under this Contract, including, without limitation corporate and personnel income taxes, sales taxes, use or compensating taxes, ad valorem property taxes, value added taxes and any other taxes imposed by the government of the country of operations or any political subdivision thereof, and agrees to be responsible for and hold harmless and indemnify Contractor Group from any and all claims and liabilities with respect thereto.
- (c) Company shall pay directly all such taxes to the proper governmental authority, including gross-up if applicable, and shall furnish Contractor with copies of appropriate tax receipts. Company further agrees to be responsible for, hold harmless, and indemnify Contractor Group from all liability or loss arising out of non-payment of such taxes, including interest and penalties thereon.

ARTICLE VII – RATES OF PAYMENT

701. Payment

Company shall pay to Contractor during the term of this Contract the amounts from time to time due on a day rate basis according to the rates of payment set forth in this Contract, subject only to provisions for non payment as specified in Paragraphs 705 and 706(b), notwithstanding any breach of representation or warranty, either expressed or implied, or the negligence or fault of Contractor Group, including sole, concurrent or gross negligence, either active or passive, latent defects or un seaworthiness of vessels (whether or not pre existing) and any liability based upon any theory of tort, breach of contract or strict liability, including defect or ruin of premises, either latent or patent.

702. Mobilization Fee

Company shall pay Contractor a Mobilization Fee as specified in Appendix A, which shall be earned on the date the ROV departs for the Vessel from Contractor's Base or equivalent in the event the ROV is not on the Vessel on the Effective Date.

703. Demobilization Fee

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Company shall pay Contractor a Demobilization Fee as specified in Appendix A, which shall be earned on the date of termination of this Contract except with respect to the ROV, if this Contract is terminated in accordance with Paragraph 203(a) or with respect to the ROV and Contractor's Personnel, if this Contract is terminated in accordance with Paragraph 203(b)(i).

704. Day Rates

- (a) Commencement : the Day Rates for Contractor's Items and Contractor's Personnel as specified in Appendix A shall commence as follows: (i) in the event the ROV is not located on the Vessel on the Effective Date, from the moment each of Contractor's Personnel and Contractor's Items, respectively depart Contractor's Base specified in Appendix A or equivalent; (ii) in the event the ROV is located on the Vessel on the Effective Date, from the earlier to occur of the Effective Date or the date the ROV services commence.
- (b) Duration : the Day Rates for Contractor's Items and Contractor's Personnel shall be paid each day of the duration of the Contract without deduction for any reason except as provided in Paragraphs 705 or 706(b).
- (c) Termination : in the event the Contract terminates pursuant to: (i) Paragraph 203(a), Day Rates for Contractor's Personnel shall be paid until their arrival at Contractor's Base or equivalent; (ii) Paragraphs 203(b)(i), 203(c), or otherwise, Day Rates for Contractor's Personnel and Contractor's Items shall be paid until their arrival at Contractor's Base or equivalent.

705. Day Rates During Force Majeure

The Day Rates specified in Appendix A will be payable during any period in which operations are not being carried out because of Force Majeure as defined in Paragraph 1303, including periods required to repair damage caused by a Force Majeure event, up to a maximum of thirty (30) consecutive days, after which and during the continuous existence of the Force Majeure condition no day rate will be payable and the Contract may be terminated at the option of either party, subject to demobilization as provided in Paragraphs 703 and 704(c).

706. Suspension of Day Rate and Termination

- (a) Subject to Contractor's utilization of unused Allowed ROV Maintenance and Repair Time (as below defined), the day rate for the ROV only shall not be payable for all ROV Downtime (as below defined). Allowed ROV Maintenance and Repair Time means a period of two (2) hours for each minimum twelve (12) hour work day, pro rata for any longer work day, cumulative to a maximum of twenty-four (24) hours. ROV Downtime means any time Contractor is called upon to make an ROV dive and is unable to respond or any time the ROV becomes inoperative during a dive that Contractor has been called upon to make in each case by reason of breakdown of or damage to the ROV not caused by the fault or neglect of Company Group. If a component or subassembly of the ROV system is not operative but the ROV is substantially capable of performing the requested tasks or if there is no requested task to perform currently,

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there is no ROV Downtime. Contractor has the right to perform maintenance and repairs to the ROV at such times that there is no currently requested task for the ROV to perform without any utilization or reduction in accumulated unused Allowed ROV Maintenance and Repair Time.

- (b) In the event the Day Rate for the ROV has been suspended pursuant to sub-Article 706(a) above for a period of ten (10) consecutive days, thereafter during the continuous existence of such suspension, the Contract may be terminated by Company, subject to demobilization as provided in Paragraphs 703 and 704(c).

707. Variation of Rates

Following every anniversary date of the Effective Date, Contractor has the right to submit a written proposal to Company of a revision to the Day Rates specified in Appendix A based on increases in Contractor's costs and/or market conditions. In the event Company does not accept in writing all Contractor's proposed revisions or there is no mutually agreed written revisions within thirty (30) days after the date of Contractor's written proposal, Contractor has the right to give written notice of termination of this Contract to be effective thirty (30) days from the date of said written notice.

ARTICLE VIII – INVOICES AND PAYMENTS

801. Invoices

Contractor shall bill Company on a weekly or semi-monthly basis as specified in Appendix A or at the termination of the Contract, if sooner, for all daily and other charges earned by Contractor. Other charges shall be billed as earned. Billings for daily charges will reflect details of the time spent and the rate charged for that time. Billings for other charges will be accompanied by invoices supporting costs incurred for Company or other substantiation as reasonably required.

802. Payment

Company shall pay all invoices within twenty-one (21) days after the receipt thereof except that if Company disputes an item invoiced, Company shall within fourteen (14) days after receipt of the invoice notify Contractor of the amount disputed, specifying the reason therefor, and payment of the disputed amount may be withheld until settlement of dispute, but payment shall be made of any undisputed portion. Any sums (including amounts ultimately paid with respect to a disputed invoice) not paid within twenty-one days after receipt of invoice shall bear interest at the rate specified in Appendix A or the maximum allowed by law, whichever is less, from said due date until paid. Contractor shall have the right, upon ten (10) days prior written notice, to terminate this Contract if Company fails or refuses to timely pay Contractor amounts due and owing to Contractor.

803. Manner of Payment

All payments due by Company to Contractor hereunder shall be made by wire transfer to Contractor's bank account, which is specified in Appendix A.

ARTICLE IX – LIABILITY

901. Personnel and Property

- (a) Company shall be responsible for and hold harmless Contractor Group from and against all damages, liabilities, losses, costs, expenses (including attorney's fees) claims, demands and causes of action of every kind and character arising in favor of Company Group on account of personal injury, illness or death of personnel of Company Group or loss of or damage to property owned or leased by Company Group.
- (b) Except as specifically provided in subparagraph 901(c) below to the contrary, Contractor shall be responsible for and protect, defend and hold harmless Company Group from and against all damages, liabilities, losses, costs, expenses (including attorney's fees) claims, demands and causes of action of every kind and character arising in favor of Contractor Group on account of personal injury, illness or death of personnel of Contractor Group or loss of or damage to property owned or leased by Contractor Group.
- (c) In the event any of Contractor's ROV, including its umbilical, cage and ancillary subsea equipment and components, becomes lost, entangled, disconnected or otherwise damaged while in the water at or near the work site, Company shall, as requested by Contractor and at Company's expense, provide the fishing and recovery means required. Company also shall be responsible for all recovery, repair and/or replacement costs incurred by Contractor for such items.

902. The Hole

In the event the hole should be lost or damaged, Company shall be responsible for, hold harmless, and indemnify Contractor Group from such damage to or loss of the hole.

903. Pollution and Contamination

Notwithstanding anything to the contrary contained herein, the responsibility for pollution or contamination shall be as follows:

- (a) Contractor shall be responsible for and hold harmless and indemnify Company Group for control and removal of pollution or contamination, which originates above the surface of the water from spills of fuels, lubricants, motor oils, paints, solvents, ballast, bilge and garbage wholly in Contractor's possession and control and directly associated with Contractor Group's equipment and facilities,

- (b) Company shall be responsible for and hold harmless and indemnify Contractor Group against all damages, liabilities, losses, costs, expenses (including attorney's fees), claims, demands and causes of action of every kind and character (including control and removal of the pollutant involved) arising directly or indirectly from all pollution or contamination (including radioactive contamination), other than that described in Paragraph 903(a) above, which may occur as a result of operations hereunder, including, but not limited to, that which may result from pipeline damage, fire, blowout, cratering, seepage or any other uncontrolled flow of oil, gas, water or other substance, as well as the use of or disposition of radioactive sources, lost circulation and fish recovery materials and fluids, oil emulsion, oil base or chemically treated drilling fluids and attendant cuttings, and drilling fluids, and
- (c) In the event a party other than Contractor or Company commits an act or omission, which results in pollution or contamination for which either the Contractor or Company for whom such party is performing work is held to be legally liable, the responsibility therefor shall be considered, as between the Contractor and Company, to be the same as if the party for whom the work was performed had performed the same and all of the obligations and limitations set forth in Paragraphs 903(a) and (b) above, shall be specifically applied.

904. Debris Removal and Cost of Control

Company shall be responsible for and hold harmless and indemnify Contractor Group for the cost of removal of debris (including Contractor's Items) to the extent that proceeds from Contractor's insurance as made available to Contractor do not compensate Contractor therefor. Company shall be responsible for and hold harmless and indemnify Contractor Group for the cost of regaining control of any wild well.

905. Underground Damage

Company shall be responsible for and hold harmless and indemnify Contractor Group from and against any and all claims resulting from operations under this Contract on account of injury to, destruction of, or loss or impairment of any property right in or to oil, gas or other mineral substance or water, if at the time of the act or omission causing such injury, destruction, loss or impairment, said substance had not been reduced to physical possession above the seabed, and for any loss or damage to any formation, strata, or reservoir beneath the seabed.

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906. Patent Liability

Contractor shall be responsible for and hold harmless and indemnify Company Group from and against any and all loss or liability arising from infringement of patents covering equipment furnished by Contractor. Company shall be responsible for and hold harmless and indemnify Contractor Group from and against any and all loss or liability arising from infringement or alleged infringements of patents covering the property, equipment, methods or processes furnished or directed by Company.

907. Limitation of Liability

Except for liabilities of Contractor specified in Paragraphs 901(b), 903(a) and 906, Contractor's liability for any loss, damage or delay sustained by Company Group for any reason shall be limited to the suspension of Day Rates in accordance with Paragraph 706(b).

908. Consequential Damages

Notwithstanding any provision of this Contract to the contrary, each party shall be responsible for and hold harmless and indemnify the other party from and against its own special, indirect, or consequential damages resulting from or arising out of this Contract, tort, negligence, strict liability, statutory or regulatory violation or any other legal theory, which is agreed to include, without limitation, loss of profits, loss or delay of production, business interruptions, losses resulting from failure to meet other contractual commitments or deadlines and downtime of the Vessel, facilities or vessels, however same may be caused.

909. Indemnity Obligation

The parties intend and agree that the phrase "be responsible for and hold harmless and indemnify" in Paragraphs 901 through 908 hereof means that the indemnifying party shall release, indemnify, hold harmless and defend (including payment of reasonable attorney's fees and costs of litigation) the indemnified party from and against any and all claims, demands causes of action, damages, judgments and awards of any kind or character, without limit and without regard to the cause or causes thereof, including preexisting conditions, whether such conditions be patent or latent, the unseaworthiness of any vessel or vessels, breach of representation or warranty (express or implied), strict liability, tort, breach of contract, regulatory or statutory liability or the negligence of any person or persons, including that of the indemnified party, whether such negligence be sole, joint or concurrent, active, passive or gross, or any other theory of legal liability.

910. General Intent

The parties recognize that the performance of well drilling, workover, ROV services and associated activities such as those to be performed under this Contract have resulted in bodily injury, death, damage or loss of property, well loss or damage, pollution, loss of well control, reservoir damage and other losses and liabilities. It is the intention of the parties hereto that the provisions of this Article IX shall exclusively govern the allocation of risks and liabilities of said parties without regard to cause (as more particularly specified in Paragraph 909), it being

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acknowledged that the compensation payable to Contractor as specified herein has been based upon the express understanding that risks and liabilities shall be determined in accordance with the provisions of this Contract.

ARTICLE X – INSURANCE

1001. Insurance

Contractor shall carry and maintain insurance coverages of the type and in the amounts set forth in Appendix E, covering only those liabilities specifically assumed by Contractor under this Contract.

All references in this Contract to “insurance” of Contractor shall mean such insurance as set forth in Appendix E. Contractor shall have the right to self-insure any or all of that portion of insurance relating to loss or damage to Contractor’s Items. All self-insured retentions and deductibles shall be the responsibility of Contractor.

Company shall carry and maintain the insurance coverages of the types and amounts set forth in Appendix F, covering only those liabilities specifically assumed by Company under this Contract. All self-insured retentions and deductibles shall be the responsibility of Company.

1002. Certificates

Contractor will furnish Company, on request, certificates indicating that the required insurance is in full force and effect and that the same shall not be cancelled without ten (10) days prior written notice to Company.

1003. Subrogation

For liabilities assumed hereunder by Contractor, Contractor waives any rights of subrogation it may have against Company Group and Contractor’s insurance shall be endorsed to provide that the underwriters waive their rights of subrogation against Company Group.

Company as well waives any rights of subrogation it may have against Contractor Group and Company shall cause its insurers to waive subrogation against Contractor Group for liabilities assumed hereunder by Company.

1004. Additional Insured

Contractor shall name Company Group as additional insured, where permitted, under its policies of insurance, excluding workers’ compensation, but only with respect to and to the extent of the liabilities specifically assumed by Contractor under this Contract. Company shall name Contractor Group as additional insured, where permitted, under its policies of insurance, excluding workers’ compensation, but only with respect to and to the extent of the liabilities specifically assumed by Company under this Contract.

ARTICLE XI – SUBLETTING AND ASSIGNMENT

1101. Subcontracts

Company may employ other contractors to perform any of the operations or services to be provided or performed by it.

Contractor may employ other contractors to perform any of the operations or services to be provided or performed by it with the prior consent of Company, which consent shall not be unreasonably withheld.

1102. Assignment

Neither party may assign this Contract other than to an Affiliated Company without the prior written consent of the other, and prompt notice of any such intent to assign shall be given to the other party. In the event of such assignment, the assigning party shall remain liable to the other party as a guarantor of the performance by the assignee of the terms of this Contract. If any assignment is made that increases Contractor's financial burden, Contractor's compensation shall be adjusted to give effect to any increase in Contractor's operating costs or taxes.

ARTICLE XII – NOTICES

1201. Notices

Notices, reports and other communications required or permitted by this Contract to be given or sent by one party to the other shall be delivered by hand, mailed or telecopied to the address as specified in Appendix A. Either party may by notice to the other party change its address. Notices shall be effective upon receipt.

ARTICLE XIII – GENERAL

1301. Confidential Information

Upon written request of Company, all information relating to the well obtained by Contractor in the conduct of operations hereunder shall be held confidential by Contractor who will use the same degree of care it uses in safeguarding its own confidential information.

1302. Attorney's Fees

If this Contract is placed in the hands of an attorney for collection of any sums due hereunder, or suit is brought on same, or sums due hereunder are collected through legal proceedings, then the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

1303. Force Majeure

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Except as otherwise provided in this Paragraph 1303, each party to this Contract shall be excused from complying with the terms of this Contract, except for the payment of monies when due, if and for so long as such compliance is hindered or prevented by riots, strikes, wars (declared or undeclared), insurrection, rebellions, terrorist acts, civil disturbances, dispositions or order of governmental authority, whether such authority be actual or assumed, acts of God, adverse sea or weather conditions, inability to obtain equipment, supplies or fuel, or by any act or cause (other than financial distress or inability to pay debts when due) which is reasonably beyond the control of such party, such cause being herein sometimes called "Force Majeure." In the event that either party hereto is rendered unable, wholly or in part, by any of these causes to carry out its obligation under this Contract, such party shall give notice and details of Force Majeure in writing to the other party as promptly as possible after its occurrence. In such cases, the obligations of the party giving the notice shall be suspended during the continuance of any inability so caused except that Company shall be obliged to continue to pay Contractor the day rates and other amounts due under this Contract except as provided in Paragraph 705.

1304. Right to Audit

For a period of two years from termination of the Contract, Contractor shall keep proper books, records and accounts of operations hereunder and shall permit Company at all reasonable times to inspect the portions thereof related to any variation of the rates hereunder or charges for reimbursable items.

1305. Compliance with Laws

Each party hereto agrees to comply with all laws, rules and regulations of any country, federal, state or local government authority, which are now or may become applicable to that party's operations covered by or arising out of the performance of this Contract.

If any act or omission by Contractor in response to Company's explicit instruction violates such law, Company shall indemnify Contractor for any consequences thereof.

1306. Waivers

It is fully understood and agreed that none of the requirements of this Contract shall be considered as waived by either party unless the same is done in writing, and then only by the persons executing this Contract, or other duly authorized agent or representative of the party.

1307. Entire Agreement

This Contract supersedes and replaces any oral or written communications heretofore made between the parties relating to the subject matter hereof.

1308. Enurement

This Contract shall enure to the benefit of and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS CONTRACT ON THE DAY AND YEAR FIRST ABOVE WRITTEN.

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COMPANY: _____

BY: _____

TITLE: _____

CONTRACTOR: _____

BY: _____

TITLE: _____

APPENDIX A

TERMS AND CONDITIONS INFORMATION INCLUDING DAY RATES

Attached to and incorporated as part of that certain Contract dated ____ of ____ 200__.

Paragraph
Number

101 (f)	Operating Area:	NORWAY
101 (g)	Operating Base:	_____
101 (i)	Contractor's Base:	Contractor's Jåttåvågen Stavanger
107 (a)	Governing Law:	<u>Norwegian</u>
107 (b)	Court:	<u>Situated in Stavanger City Court.</u>
202	Duration:	_____
203 (b)	Termination:	_____ (Date or Number of Wells)
203 (b) and 705 (c)	Demobilization Location:	_____
204	Option Term:	_____ Time/Well(s)
	Option Notice:	_____ days after spud of prior well
	Deadline for Mutual Agreement:	___ days after notice of exercise of option
503	Maximum Water Depth:	_____
	Minimum Water Depth:	_____
601	Handling Charge	<u>15%</u>
702	Mobilization Fee:	NOK _____
703	Demobilization Fee:	NOK _____

704 **Equipment Daily Rates**

“MAGNUM” ROV System NOK_____ per day

Additional Equipment:
(To be specified on a project to project basis)

Item Description	
1. _____	NOK_____ per day
2. _____	NOK_____ per day
3. _____	NOK_____ per day

Personnel Rates

Contractor requires three men per each twelve-hour shift and six men for twenty-four hour day coverage for each ROV system.

Basic Crew Required for 12-hour per day Operation:

One (1) Supervisor	NOK_____ per day
One (1) Electronics Technician	NOK_____ per day
One (1) Mechanical Technician	NOK_____ per day

Additional Crew Required for 24-hour Operation:

One (1) Supervisor	NOK_____ per day
One (1) Electronics Technician	NOK_____ per day
One (1) Mechanical Technician	NOK_____ per day

Overtime rates will apply to personnel only for hours worked over the twelve (12) hour minimum per calendar day.

Personnel Overtime Day rate / 12 hours * 1,65

Maximum Crew rotation is every fourteen (14) days (unless specifically agreed otherwise). Personnel daily rates will be charged portal to portal from Contractor’s base.

Charges for Contractor’s Personnel are for a minimum of a twelve (12) hour work day and time in excess of twelve (12) hours per day is payable at the overtime rates specified above. Should Contractor’s Personnel be required to work at a time less than six (6) hours after they have served their previous work shift, day rates shall not be broken and shall be paid continuously from the end of previous shift. In the event that operations are in excess of twelve (12) hours per day, Contractor has the right to arrange for an additional crew, which shall also be charged at a minimum twelve (12) hour work day with mobilization and commencement of day rates for additional crew to be from departure from Contractor’s Base or equivalent. With respect to overtime, personnel time starts on the hour called to work and ends when the ROV is secured and post dive maintenance is completed.

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801 Invoicing frequency _____
(Time/Weeks)

802 Interest Rate on Late Payments 1.5% per month

803 Address for Payment: in NOK Wire Transfer:
Oceaneering AS
Account Number: 731 07 29695
DNB

1201 Address for Notices:
Company: _____

Telecopier: _____

Attention: _____

Contractor: Oceaneering AS
Jåttåvågen, Hinna,
Post box 8024
4068 STAVANGER

Telephone: +(47) 51 82 51 00

Telefax: +(47) 51 82 52 90

Attention:

Special Provisions:

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APPENDIX B

ROV AND EQUIPMENT TO BE PROVIDED BY CONTRACTOR

I. ROV Description

APPENDIX C

PERSONNEL TO BE PROVIDED BY CONTRACTOR

<u>Classification</u>	<u>Number on Board</u>	<u>Work Schedule</u>
<u>12-hour per day operations</u>		
Superintendent or Supervisor	One	12 hours per day
Mechanical Technician/Pilot	One	12 hours per day
Electronics Technician/Pilot	One	12 hours per day
<u>24-hour per day operations</u>		
Superintendent or Supervisor	Two	12 hours per day
Mechanical Technician/Pilot	Two	12 hours per day
Electronics Technician/Pilot	Two	12 hours per day

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APPENDIX D

CHECKLIST OF VARIOUS OBLIGATIONS OF CONTRACTOR AND COMPANY

	<u>Category</u>
Furnished by Contractor, paid by Contractor (i.e., included in Day Rates payable by Company as specified in Appendix A)	1
Furnished by Contractor, paid by Company, plus handling charge	2
Furnished by Contractor, paid by Company, no handling charge	3
Furnished by Company, paid by Company	4
<hr/>	
ROV System as described in Appendix B	1
ROV Personnel as described in Appendix B	1
Optional ROV related personnel and equipment	1
ROV repair and maintenance costs	1
Guideline and cursor system as described in Appendix B	1
Welding/electrical installation services	2
Non-destructive testing/regulatory testing of system installation	2
All costs related to directions, guidelines, procedures, etc., issued by regulatory, governmental, taxing administrative, etc., organizations that are imposed upon Contractor after finalization of Contract	3
Contractor's costs associated with waiting on Company furnished transportation to or from the Vessel, or as a direct result of an act, instruction or omission of Company	3
Contractor's costs associated with evacuations and accommodations of personnel caused by adverse sea or weather or other hazardous conditions	3
Contractor's costs associated with transportation, accommodation and subsistence between Contractor's Base and Operating Base for Contractor's Personnel mobilization and demobilization as well as all crew rotations	3
Contractor's costs associated with moving Contractor's Items and Personnel, and their personal effects, if either Contractor or Company is required to change its Contractor's Base or Operating Base respectively	3
Electrical Power	4
ROV related structural rig modifications and upgrades	4
Dockside and shipboard handling and lifting	4
Dockside movement of ROV related equipment	4
Freshwater	4
Cooling water	4
Fresh wash-down water	4
Compressed air for tooling requirements	4
Intra-rig communication hookups and services	4
Internet access and communications	4
Voice and data satellite communication services to share	4
Transportation of all Contractor's Personnel between the Vessel and Operating Base including emergency and medical evacuation and supervisory visits	4
Transportation of all Contractor's equipment, parts and consumables between the Vessel and Operating Base	4
Accommodation, Rental of Survival Suits and subsistence Vessel for all Contractor's Personnel	4

APPENDIX E

CONTRACTOR'S INSURANCE

Part I. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE

1. Workers' Compensation and Employer's Liability Insurance shall be provided in accordance with all applicable country, federal, state, and maritime laws (including Death on the High Seas Act and Jones Act) which shall cover all Contractor's Personnel performing under this Contract.
2. Employer's Liability Maritime Limit:
U. S. \$1,000,000 per occurrence.

Part II. COMPREHENSIVE GENERAL LIABILITY INSURANCE

Such insurance shall include premises, operations, contractual, Contractor's protective liability with a total combined bodily injury and property damage limited of U. S. \$1,000,000 per occurrence.

Part III. COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE

Such insurance shall cover all of Contractor's owned, non-owned and hired automobiles with a total combined injury and property damage limit of U. S. \$1,000,000 per occurrence.

Part IV. MARINE INSURANCE

1. All risks of physical loss or damage insurance shall be provided for the ROV owned by Contractor and utilized in the performance of this Contract in an amount equal to the declared value of the ROV.
2. Protection and Indemnity Insurance or equivalent comprehensive general liability insurance, with watercraft exclusion deleted, shall be provided with a combined single limit of U.S. \$1,000,000 per occurrence.

Part V. UMBRELLA/EXCESS LIABILITY INSURANCE

Such insurance shall be over and above underlying coverages with limit of U.S. \$5,000,000.

APPENDIX F

COMPANY'S INSURANCE

Part I. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE

1. Workers' Compensation and Employer's Liability Insurance shall be provided in accordance with all applicable country, federal, state, and maritime laws (including Death on the High Seas Act and Jones Act), which shall cover all Contractor's Personnel performing under this Contract.
2. Employer's Liability Maritime Limit:
U. S. \$1,000,000 per occurrence.

Part II. COMPREHENSIVE GENERAL LIABILITY INSURANCE

Such insurance shall include premises, operations, contractual, Explosion, Collapse and Underground Hazards (XCU) with a total combined bodily injury and property damage limit of U. S. \$1,000,000 per occurrence.

Part III. COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE

Such insurance shall cover all of Contractor's owned, non-owned and hired automobiles with a total combined bodily injury and property damage limit of U. S. \$1,000,000 per occurrence.

Part IV. MARINE INSURANCE

1. Hull and Machinery Insurance (including collision liability) shall be provided for the vessel owned by Company and/or utilized in the performance of this Contract in an amount equal to the value of the vessel.
2. Protection and Indemnity Insurance or equivalent comprehensive general liability insurance, with watercraft exclusion deleted, shall be provided with a combined single limit of U.S. \$1,000,000 per occurrence.

Part V. UMBRELLA/EXCESS LIABILITY INSURANCE

Such insurance shall be over and above underlying coverages with limit of U.S. \$5,000,000.

Part VI. OPERATOR'S EXTRA EXPENSES INSURANCE

Such insurance shall cover Cost of Control of Well, Redrilling, Seepage, Pollution or Contamination with limit of US\$10,000,000 per occurrence.

Part VII PHYSICAL DAMAGE INSURANCE

Such insurance shall insure the replacement cost of all property, tools, and equipment owned, leased, arranged and employed by Company.