

DEED OF ASSIGNMENT

This Deed of Assignment is made and entered into this 31st day of October 1995

by and between :

TOTAL MYANMAR EXPLORATION AND PRODUCTION, (hereinafter referred to as "TOTAL"), a corporation duly organized and existing under the laws of the French Republic, having its registered office at Tour TOTAL, 24, Cours Michelet - 92800 PUTEAUX, FRANCE,

and

UNOCAL MYANMAR OFFSHORE Co. Ltd. (hereinafter referred to as "UNOCAL"), a corporation duly organized and existing under the laws of Bermuda, having an office at 1201 West 5th Street, Los Angeles CA 90017 USA

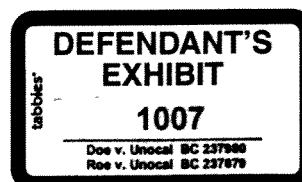
and

PTTEP INTERNATIONAL LIMITED (hereinafter referred as "PTTEPI"), a corporation duly organized and existing under the laws of Thailand, having its principal office at 555 Vibhavadi Rangsit Road, BANGKOK 10900 THAILAND.

and

~~THE MYANMA OIL AND GAS ENTERPRISE, an enterprise organized and existing under the Laws of the Union of Myanmar and having its principal office at 74/80 Min Ye Kyaw Swa Road, Yangon, Union of Myanmar (hereinafter referred to as "MOGE") acting on its own behalf and its own capacity.~~

TOTAL, UNOCAL, PTTEPI and MOGE being hereinafter referred to individually as "Party" and collectively as "Parties".



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WITNESSETH

WHEREAS on July 9th 1992 TOTAL and MYANMA OIL AND GAS ENTERPRISE entered into :

a Memorandum of Understanding for the Moattama Gas Project (hereinafter the "MOU"),

a Production Sharing Contract for Appraisal Development and Production of Petroleum in the Moattama Area between Myanmar Oil and Gas Enterprise and Total Myanmar Exploration and Production (such contract together with its Supplementary Letter dated 24th December 1993 and its Supplementary letter n° 2 dated 30th January 1995 hereinafter referred to as the "PSC") ;

WHEREAS on the same date were issued :

a Letter from Total Myanmar Exploration and Production concerning the NAY MIN YAUNG RIG,

and a Side Letter from Myanmar Oil and Gas Enterprise. ("MOGE")

those four documents being hereinafter referred to as the "CONTRACT" ;

WHEREAS Section 17.2.g) of the PSC and Section 5.c) of the MOU allow TOTAL to assign to a third party in whole or in part its undivided interests, rights, privileges, duties and obligations under the CONTRACT subject to the written consent of MOGE ; and

WHEREAS TOTAL has assigned to UNOCAL an undivided forty seven and five tenth percent (47.5 %) participating interest in the total undivided interests, rights, privileges, duties and obligations of Contractor under the CONTRACT, and such assignment has been approved by MOGE on February 5th 1993 ;

WHEREAS TOTAL and UNOCAL have assigned to PTTEPI, respectively TOTAL an undivided fifteen and seven five tenth percent (15.7500 %) and UNOCAL an undivided fourteen and two five tenth percent (14.2500 %) participating interest in the undivided interests, rights, privileges, duties and obligations of Contractor under the CONTRACT and such assignment has been approved by MOGE on January 9th 1995.

E. D.

WHEREAS by letter dated 3rd April 1995 referring to Sections 19.1 and 19.2 of the PSC, MOGE has exercised its right to demand from Contractor that a percentage of fifteen percent undivided interest in the total rights and obligations of Contractor under the PSC be offered ;

WHEREAS by letter dated 2nd May 1995 TOTAL on behalf of Contractor has made its offer to MOGE in accordance with Section 19.3 of the PSC ;

WHEREAS MOGE has accepted this offer by letter dated 12 October 1995 ("Acceptance Date").

NOW THEREFORE, in consideration of the premises hereinabove and of the mutual covenants herein contained, the Parties agree as follows :

ARTICLE 1

1.1 TOTAL, UNOCAL and PTTEPI hereby transfer and assign to MOGE effective February 8th 1995, respectively TOTAL an undivided 5.5125 %, UNOCAL an undivided 4.9875 % and PTTEPI an undivided 4.5000 % participating interest in the undivided interests, rights, privileges, duties and obligations of Contractor under the CONTRACT and MOGE hereby accepts such transfer and assignment.

1.2 As a result of the aforementioned transfer and assignment the respective participating interests of the entities comprising Contractor under the CONTRACT are as follows :

TOTAL :	31.2375 %
UNOCAL :	28.2625 %
PTTEPI :	25.5000 %
MOGE	15.0000 %

1.3 For the purpose of recovering costs and expenses (Cost Petroleum) under the terms and conditions of the PSC and other related financials provisions, the above participating interests are deemed effective as from July 9, 1992.

ARTICLE 2

- 2.1 TOTAL shall remain the Operator and the entity to which notifications and correspondence from all relevant authorities related to or in connection with the CONTRACT can be addressed.
- 2.2 MOGE expressly accepts to be bound by the terms and conditions of the Production Operating Agreement (hereinafter "POA") governing the relationship of the participants in the Petroleum Production Joint Venture, as amended by its Amendment n° 2, to be executed at the same date with this Deed of Assignment, reflecting MOGE participation in the CONTRACT and in the POA and hereto attached as Appendix 1.

ARTICLE 3

- 3.1 MOGE as one of the parties comprising Contractor hereby expressly agrees to be bound by all terms and provisions contained in the CONTRACT and to pay its participating interest share of all costs and expenses under the CONTRACT. MOGE shall be entitled to the same rights and privileges, shall bear the same obligations and incur the same liabilities as TOTAL, UNOCAL and PTTEPI as participants in the MOATTAMA GAS PROJECT ;
- 3.2 a) The total amount (S) to be reimbursed by MOGE pursuant to Section 19.6 of the PSC is ten million five hundred thirty one thousand and three hundred fifty six US Dollars and fifteen cents (10,531,356.15 US\$), being understood that such amount is our best estimate at the date hereof and shall be corrected in due time at ~~the closure of accounts.~~
- MOGE shall reimburse TOTAL of 36.75 %, UNOCAL of 33.25 % and PTTEPI of 30 % of this amount.
- Such reimbursement shall be made by way of "Payment out of Production", in accordance with Section 19.7 b) of the PSC.
- b) As soon as possible after the Acceptance Date, Operator shall issue a Statement giving the sum of all funds excluding the amount relating to the NMY Rig which is equal to 1 679 355.43 US\$ paid or to be paid under the POA by TOTAL, UNOCAL and PTTEPI up to the Acceptance Date and the corresponding share (fifteen percent) of MOGE (F) in these funds.

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The balance F-S represents MOGE's share of the amount paid by TOTAL, UNOCAL and PTTEPI after the Contractor's notification of Commercial Discovery which is the Effective Date of MOGE's participation.

MOGE shall reimburse TOTAL of 36.75 %, UNOCAL of 33.25 % and PTTEPI of 30 % of this amount (F-S).

The above amounts to be paid by MOGE to each of TOTAL, UNOCAL and PTTEPI shall be notified to MOGE by Operator together with the above Statement as soon as possible after the Acceptance Date. Payment by MOGE to TOTAL, UNOCAL and PTTEPI shall take place within 30 days of such notification.

- c) The cash call procedure described in the POA shall immediately apply to any other costs and expenses.

ARTICLE 4

All notices and communications by each Party to the other shall be deemed to have been properly given or delivered when delivered in person to an authorized representative of the Party to whom the notice is addressed or when sent by registered airmail, or telex or cable or fax to the concerned Party's address as follows :

TOTAL MYANMAR EXPLORATION AND PRODUCTION

Tour TOTAL

TEP/EO

92069 PARIS LA DEFENSE FRANCE

Tél. : (33 1 42 91 32 81

Fax : (33) 1 42 91 30 12

Telex : 615700 F

Attention J.M. BEUQUE

UNOCAL MYANMAR OFFSHORE Co. Ltd.

c/o Unocal Asia-Pacific Ventures, Ltd.

501 Orchard Road

#04-06/08 Lane Crawford Place

Singapore 238880

Tel. (65) 732-7600

Fax (65) 735-0760

Attention : JOHN G. VANDERMEER

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PTTEP INTERNATIONAL LIMITED

555 Vibhavadi Rangsit Road
BANGKOK 10900 THAILAND

Fax : (02) ~~537-8749, 537-8843~~ 537-4222, 537-4444

21731
Telex : 96610-PTTEP TH *ok*

Attention : Viset CHOOPIBAN

THE MYANMA OIL AND GAS ENTERPRISE

74/80 Min Ye Kyaw Swa Road
YANGON, UNION OF MYANMAR

Fax : 95-1-22964/22965

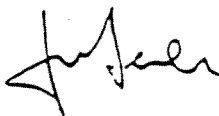
Tel : 95-1-21049

Telex : MYCORP BM 21307

Attention : Managing Director

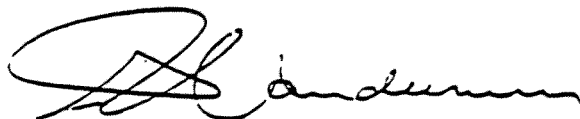
IN WITNESS WHEREOF, this Deed of Assignment has been duly signed in four originals on the date first above written.

TOTAL MYANMAR EXPLORATION
AND PRODUCTION



BY : J.M. BEUQUE
TITLE : Directeur Général

UNOCAL MYANMAR
OFFSHORE Co. Ltd.



BY : John G. VANDERMEER
TITLE : President

PTTEP INTERNATIONAL LIMITED



BY : Viset CHOOPIBAN

TITLE : Chairman and President

THE MYANMA OIL AND
GAS ENTERPRISE

BY : U KYAW NYEIN

TITLE : Managing Director

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