



Warsaw, dated May 11, 2007

MINISTER OF ENVIRONMENT

Jan Szyszko

LICENSE No. 6/2007

Acting pursuant to Article 46 section 1 point 1 of the Act of July 2, 2004 *on freedom of business activity* (Journal of Laws No. 173, item 1807, as amended), Article 15 section 1 section 2 and Article 16 section 1 of *Geological and Mining Law* of February 4, 1994 (Journal of Laws of 2005, No. 228, item 1947, as amended) and Article 104 and subsequent of the Code of Administrative Procedure, having examined the request of Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. with its registered office in Gdańsk, in relation to the agreement of May 11, 2007 on establishing mining usufruct, concluded by and between Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. and the State Treasury, represented by the Minister of Environment, having consulted with the Minister of Economy, Minister of Maritime Economy and the President of State Mining Authority, required by the *Geological and Mining Law*,

I hereby decide

1. to grant a license to Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. with its registered office in Gdańsk for extraction of gasoline natural gas from the "B4" deposit, located in the Polish Exclusive Economic Zone of the Baltic Sea.
2. For the "B4" deposit the "Lubiatowo" mining area is established with the total area of 60 734 917 m², with the borders represented by the lines connecting points (1-12) with the following geographic coordinates:

point No. **latitude (N)** **longitude (E)**

1	55°37'08,89"	17°54'26,54"
2	55°39'51,52"	17°54'08,31"
3	55°42'22,25"	17°54'42,98"
4	55°43'38,46"	17°56'11,90"
5	55°44'56,12"	17°59'30,42"
6	55°43'19,77"	18°02'09,13"
7	55°42'26,16"	18°02'16,41"
8	55°42'14,09"	18°00'36,36"
9	55°41'33,51"	17°59'59,71"
10	55°41'24,19"	17°58'20,80"
11	55°37'52,95"	17°57'09,16"
12	55°37'08,46"	17°55'52,53"

At the same time the "Lubiatowo" mining site is established and it overlaps with the boundaries of the mining area.

Precise location of the mining area and mining site is presented on a map with a scale of 1:10 000, representing an integral part of this license.

3. The useful minerals will be extracted using a borehole made by means of offshore drilling rig.
4. In "The B4 gasoline natural gas deposit development project," that constitutes appendix to the request for license, the (economic) resources to be extracted have been determined. As of December 31, 2002, they amount to 1972.40 million m³ⁿ of gasoline natural gas in the category C. Non-economic resources amount to 714.20 million m³ⁿ of gasoline natural gas in category C. It is admitted to change the economic and non-economic resources according to the quantities specified in the addendums to the deposit development project.
5. The (economic) resources to be extracted from the "B4" gasoline natural gas deposit amount to 100%.
6. The license is granted for a period of 25 years, counting from the license date.
7. The licensed activity should be commenced within maximum 24 months, counting from the license date.
8. The requirements to be met by the license holder are set forth in the agreement of May 11, 2007 on establishing mining usufruct, concluded by the State Treasury, represented by the Minister of Environment and Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. in Gdańsk.
9. Extraction of the mineral shall be carried out in accordance with the environmental constraints of the consent for the execution of the project as set forth in the decision of the Head of Pomorskie Province of October 10, 2006, ref. No. ŚR/Ś.II.ZF/6670/31-3/06.
10. This license does not exempt from a duty to comply with further requirements set forth in law, including in particular Geological and Mining Law and Environmental Protection Law, Act on nature conversation, Act on marine sites of the Republic of Poland and maritime administration, Convention on the Protection of the Marine Environment of the Baltic Sea.

Justification

Przedsiębiorstwo Poszukiwań i Eksploatacji Złóż Ropy i Gazu PETROBALTIC S.A. with its registered office in Gdańsk in its letter dated September 15, 2007 requested granting a license for extraction of gasoline natural gas from B4 deposit, located in the area of the Polish Exclusive Economic Zone of the Baltic Sea.

Given that the planned activity, covered by the license request, under the applicable *Environmental Protection Law* of April 27, 2001 (Journal of Laws of 2006, No. 129, item 902, as amended) is an project that might have a significant impact on the environment, for which the preparation of Environmental Impact Assessment Report was required, the Applicant attached to its request decision of the Head of Pomorskie Province of October 10, 2006, ref. No. ŚR/Ś.II.ZF/6670/31-3/06 on environmental constraints of the consent for the execution of the project.

Pursuant to the *Geological and Mining Law* and *Code of Administrative Procedure* the licensing authority consulted the license granting with the Minister of Economy, the Minister of Maritime Economy and the President of the State Mining Authority.

Therefore, the decision was made as stated above.

This decision is final.

The Party dissatisfied with the decision may, within 14 days from its receipt (by appropriately applying appeal regulations), apply to the Minister of Environment for reexamination of the case.

Per procura of MINISTER,
UNDERSECRETARY OF STATE,
CHIEF NATIONAL GEOLOGIST
Prof. Mariusz Orion Jędrysek, PhD

To be received by:

PPiEZRiG PETROBALTIC S.A in Gdańsk

CC:

1. Ministry of Economy in Warsaw
2. Ministry of Maritime Economy in Warsaw
3. State Mining Authority in Katowice
4. Polish Geological Institute - Register of Mining Areas in Warsaw
5. District Mining Authority in Poznań
6. National Fund for Environmental Protection and Water Management (NFOŚiGW) in Warsaw
7. to file