

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE
OF THE UNITED STATES OF AMERICA
AND
THE DIRECTORATE GENERAL OF OIL AND GAS
MINISTRY OF MINES AND ENERGY OF THE REPUBLIC OF INDONESIA
CONCERNING
COOPERATION AND EXCHANGE OF INFORMATION
IN THE FIELDS OF OIL AND GAS**

The Minerals Management Service of the United States of America and Directorate General of Oil and Gas, Ministry of Mines and Energy of the Republic of Indonesia, hereinafter referred to as the "Parties",

DESIRING to promote cooperation and exchange of information in the fields of Oil and Gas pursuant to the Agreement between the Government of the United States of America and the Government of the Republic of Indonesia for Cooperation in Scientific Research and Technological Development of January 15, 1992 (hereinafter referred to as the "Agreement"),

INTENDING to cooperate on the basis of equality, reciprocity and mutual benefit,
HAVE AGREED AS FOLLOWS:

**ARTICLE I
SCOPE**

The areas of cooperation and exchange under this Memorandum of Understanding (MOU) may include the following topics of mutual interest:

1. Environmental and safety issues related to offshore oil and gas exploration, production and abandonment;
2. Drilling mud disposal;
3. Oil spill response, including trajectory analysis;
4. Platform removal; and
5. Updating of regulations based on changes in technology.

**ARTICLE II
COOPERATION ACTIVITIES**

The cooperation and exchanges under this MOU may take the following forms:

1. Holding of periodic meetings to discuss items of mutual interest;
2. Exchange of scientists, specialists, delegations, and scientific and technological information;
3. Cooperative research on subjects of mutual interest including joint technological development tasks;
4. Joint organization of scientific conferences, symposia and lectures; and
5. Other forms of cooperation as may be mutually agreed.

**ARTICLE III
SOURCES OF FUNDING**

All cooperation and exchange under this MOU will be subject to the availability of funds, manpower and to the applicable laws and regulations in each country. The specific missions, obligations and conditions with respect to the above mentioned activities, including the responsibility for the payment of costs, shall be decided upon by mutual agreement on a case-by- case basis.

**ARTICLE IV
PARTICIPATION OF OTHER PARTIES**

For cooperation requested that extends into subjects outside the scope of the Parties, either Party may, with the consent of the other, and subject to the applicable laws, regulations and policies of each country, enlist the participation of the other entities. Either Party, with the consent of the other, may include the participation of other entities of the United States and/or the Republic of Indonesia in the development of activities contained in the scope of this MOU.

**ARTICLE V
INTELLECTUAL PROPERTY RIGHTS**

Protection of intellectual properties and rights to them shall be as set forth in Article X of the Agreement.

**ARTICLE VI
SECURITY MEASURES**

Scientific and technical information derived from cooperative activities under this MOU may be made available by either Party through customary channel and in accordance with the laws and procedures of the Parties. Any information or equipment requiring protection in the interest of national defense or foreign relations of either Party and classified as secret in accordance with applicable national laws and regulations shall not be provided under this MOU. In the event that information or equipment is identified by either Party as requiring such protection in the course of cooperative activities undertaken pursuant to this MOU, it shall be brought immediately to the attention of the appropriate official and the Parties shall consult to identify appropriate security measures to be agreed upon by the Parties in writing.

**ARTICLE VII
PROJECT ANNEXES**

The specific cooperation and exchanges as mutually agreed upon and the plans under which they will be conducted, including financial arrangement, shall be included in annexes to this MOU. Annexes shall be consistent with the terms of this MOU.

**ARTICLE VIII
EXECUTING AGENCIES**

In order to carry out activities under this MOU, each Party shall designate a representative and an alternate. The representatives shall, by correspondence, consult with each other and review and plan cooperative activities and other related matter. When necessary, a meeting may be convened by agreement between the representatives to consider matters related to the implementation of this MOU.

**ARTICLE IX
SETTLEMENT OF DISPUTES**

Differences concerning the interpretation or application of this MOU shall be settled amicably by consultation between the two Parties.

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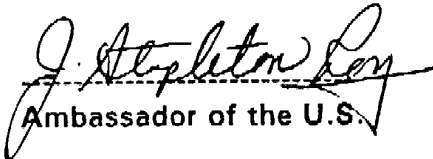
**ARTICLE X
IMPLEMENTATION AND TERMINATION**

1. This MOU shall enter into force upon signature by the Parties and shall remain in force for five years. It may be amended or extended by written agreement of the Parties;
2. This MOU may be terminated at any time by either Party giving six months written notification to the other Party;
3. The termination of this MOU shall not affect the validity or duration of any activity made under it;

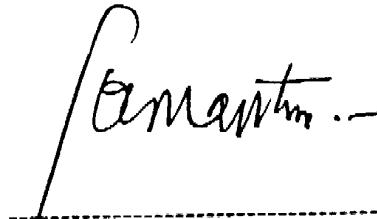
IN WITNESS WHEREOF, the undersigned being duly authorized by their respective Government, have signed this Memorandum of Understanding.

DONE at Jakarta, on the 18 day of July 1996, in the English language in duplicate, both texts being equally authentic.

**FOR THE MINERALS MANAGEMENT
SERVICE OF THE UNITED
STATES OF AMERICA**


Ambassador of the U.S.

**FOR THE DIRECTORATE GENERAL
OF OIL AND GAS, MINISTRY OF
MINES AND ENERGY OF
THE REPUBLIC OF INDONESIA**


Director General of Oil and Gas