



**Area Allocation Permanent Process
Letter of Intent**

_____ (City), _____ (day) _____ (month) 20__ (year)

Messrs
Agencia Nacional de Hidrocarburos, ANH
Promotion and Allocation of Areas Vice-Presidency
Avenida 26 Calle No. 59 – 65, Piso 2
ppaa@anh.gov.co
Bogota – Colombia.

Qualified Proponent: _____

The undersigned _____ (*full name*), identified with _____ (*citizen identity card, alien identity card or passport, as the case may be*) No. _____ issued in _____ (*city*), acting in his capacity as Representative [Legal or Conventional or Proxy] of _____ (*corporate name or denomination of Qualified Proponent*), duly authorized for such purpose, as evidenced in _____ (*document accrediting the procedural representation of the Letter undersigned*), hereby

Hereby represents that:

- The legal person or association represented hereby manifests its interest for the Area delimited in the Request for Incorporation, attaching this Letter of Intent [or for the Area _____ identified in Annex C of the Terms of Reference of the Permanent Process of Area Allocation (*when dealing with that which is the object of the Manifestation of Interest*)].
- Its represented party knows the Minimum Exploration Program and the Minimum Percentage of Shared Production (X%) established by the ANH for the Area of its interest, which is determined in accordance with the classification and basin to which it belongs, in Annex B of the Terms of Reference; and the fact that, as regards the evaluation of the Request for Incorporation in accordance with that provided for in Chapter Seven of the aforementioned Terms (*should this be the nature of the manifestation*), and the Nation-Territory Coordination and Concurrence Procedure, to which the Area will be subject by virtue of this communication, the Agency may redefine its limits, extension and number of sides, or decide to not include it within the Areas of the Selection Process.
- Its represented party undertakes to deliver the information required in numeral 6.15 of the Terms of Reference of the PPAA, within the respective timing set out in the Process



Schedule, to accredit that it meets the conditions that resulted in its Qualification and that it has the capacity required for submitting the Proposal.

- The legal person or association that it represents undertakes to submit the Proposal for the Area of its interest, at the time and pursuant to the conditions set out in the Terms of Reference of the PPAA, **if after the review and verification of the information supplied to the ANH, pursuant to that provided for in numeral 6.15 of the Terms of Reference, the Agency concludes that it has the conditions that gave rise to its Qualification and that its Economic Financial Capacity is sufficient to submit an offer for the Area of its interest if the latter is published as Area of the Selection Process and provided that, in the event of its being subjected to an eventual redefinition of its limits, extension and number of sides (as a result of the Nation -Territory Coordination and Concurrence Procedure or the evaluation of the Request for Incorporation, should this be the nature of the manifestation), the polygon of the Area referred to in the first representation is not reduced by more than twenty per cent (20%).**
- Should the **circumstances** referred to in the previous paragraph occur, the obligation of presenting a Proposal, **which is acquired with the signing of the Letter of Intent, extinguishes due to the impossibility of executing it or for meeting said resolutive condition, as the case may be.**
- It accepts that, for all purposes, the submittal of a Proposal qualified as invalid shall be understood as the failure to fulfill the commitment acquired upon signing this Letter of Intent.
- Failure to fulfill the commitment of submitting on time the information required in numeral 6.15 of the Terms of Reference and filing the Proposal, which was acquired with the signing of this document, imposes on its represented party the obligation to pay one hundred thousand dollars of the United States of America (USD 100,000) in favor of the Agencia Nacional de Hidrocarburos, within thirty (30) calendar days following the date for filing Proposals set out in the Process Schedule, through deposit in savings account No. 005-55884-1 of Banco Itaú.

This amount must be paid in Colombian pesos, using the Market Representative Rate certified by the Central Bank that is in force on the Business Day immediately preceding the effective date of payment.

- It accepts that the extemporary payment of the amount referred to in the previous representation shall give rise to interest for late payment in favor of the ANH, as of the due date of the obligation and that of its effective payment, equivalent to one and a half times the current bank interest certified by the Colombian Finance Superintendence.
- It knows and accepts that, in case of making effective the payment of the aforementioned amount and if not paid within the deadline set to do so, the ANH is authorized to carry out collection by execution, along with the pertinent interest for late payment.

Sincerely,



(Signature)

(Full Name)

(Identity Document)

(Capacity in which it is signed)

(Corporate name or denomination of the Proponent represented)