

MINISTRY OF PETROLEUM RESOURCES

DEPARTMENT OF PETROLEUM RESOURCES

7 KOFO ABAYOMI STREET, VICTORIA ISLAND, LAGOS

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Ref. No:.....

Date: 3rd May, 2018

The Managing Director,
SunTrust Oil Company Nigeria Ltd.,
7A, Akin Olugbade Street,
Victoria Island,
Lagos.

Dear Sir,

RE: REQUEST FOR THE DPR'S INTERVENTION TO ARREST THE ON-GOING FALSE CLAIMS OF A UK BASED COMPANY TO THE OWNERSHIP OF THE 2.7 PARTICIPATING INTEREST OF SUNTRUST OIL COMPANY NIGERIA LIMITED IN OML 18

We write to acknowledge your letter dated 20th April, 2018 and your complaint regarding the claims by San Leon Energy Plc of the United Kingdom to the acquisition of 2.7% participating interest in OML 18, being held by your company through shares (2,000,000 units) in MartWestern Energy Limited.

2. Please be informed that the Petroleum Act 1969 (as amended) and the Department of Petroleum Resources (DPR) Guidelines on the Divestment of Oil and Gas Assets in Nigeria (2014) have clearly prescribed the manner in which interests in oil prospecting licenses and leases can be assigned or transferred.

3. Pursuant to the Petroleum Act, no interest (including shares) in an OPL or OML (in whole or in part) can be transferred without the prior consent of the Minister of Petroleum Resources.

4. The procedure for obtaining the Minister's consent to an assignment of interest in a licence or lease is outlined in the DPR Guidelines on divestment and this includes notification to the DPR of the intended transaction by the proposed assignor and the grant of an approval to proceed by the DPR.

5. Thereafter, parties may proceed with the transaction, with the proposed assignor making an application to the Minister for Consent accompanied with the relevant documents as provided in the Guidelines. The DPR would then process the application in line with extant procedures and thereafter make a recommendation to the Minister.

6. You are please invited to note as follows:

- i. There is no record in our system to show that application for the assignment of Suntrust Oil Company Nigeria Limited's interest in OML 18 to San Leon Energy Plc was made to the Honourable Minister.
- ii. There is no evidence to indicate that the consent of the Honourable Minister of Petroleum to the acquisition of any interest (either directly or indirectly) in OML 18 by San Leon Energy Plc was obtained.
- iii. There is no evidence that the procedures highlighted in paragraphs 4 and 5 above were followed in respect of the stated transactions.

7. Therefore, any claim by San Leon Energy Plc to the ownership of 2.7% interest in OML 18 through the acquisition of SunTrust's shares in MartWestern Energy Limited without the Ministerial consent is false and illegal pursuant to Nigerian Law.

8. In view of the above, we advise that the parties involved in the said transaction follow the procedure set in the Petroleum Law and DPR Guidelines on the Divestment of Oil and Gas Assets in Nigeria (2014) regarding the assignment of interest in an OPL and OML. This will be the only basis for the recognition of the said transaction by the Government.

9. Please accept the highest regards of the Director of Petroleum Resources.



Sani Hassan

for: Director Department of Petroleum Resources

cc:

The Managing Director,
MartWestern Energy Ltd.,
No. 43 Sinari Daranijo Street,
Victoria Island,
Lagos.

The Managing Director,
San Leon Energy Plc
3300 Lake Drive,
Citywest Business Campus,
Dublin 24,
Ireland.

The Managing Director,
Gtbank Plc,
635 Akin Adesola Street,
Victoria Island,
Lagos.