

LICENSE

NO. X/XX

FOR EXPLORATION AND USE OF THE SUBSOIL FOR GEOLOGICAL
STORAGE OF CO₂

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Appendix 1. License area

Appendix 2. Work Programme

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Licensee

In accordance with section 23 of the Act on the Use of Denmark's Subsoil (the Subsoil Act), cf. Consolidated Act no. 1533 of 16 December 2019, as subsequently amended – and on the basis of the information obtained in the application of [date] and otherwise obtained, the Minister for Climate, Energy and Utilities hereby grants to

[Company 1],
registered in [Country] with business registration number [no.],
for a share of..... XX %

[Company 2],
registered in [Country] with business registration number [no.],
for a share of..... XX %

.....
.....

Nordsøfonden
registered in Denmark with business registration number (CVR no.) 29435065,
for a share of..... 20 %

jointly hereinafter referred to as the Licensee, a license for exploration and use of the subsoil for geological storage of CO₂ in the area specified in section 2 below.

The License is subject to the conditions below.

28 Section 1 - Definitions

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30 For the purposes of this License, the following terms shall have the meaning stated below, unless otherwise
31 implied in the context:

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33

34 The Competent Authority:

35 The Ministry of Climate, Energy and Utilities is the Competent Authority for this License. Section 3(1), no. 1 of
36 Executive Order no. 2573 of 22 December 2021 on the tasks and authority of the Danish Energy Agency
37 states that, where the Minister for Climate, Energy and Utilities is granted powers under the Subsoil Act, cf.
38 however, section 4 and sections 7-15 of the Executive Order, the Danish Energy Agency exercises these
39 powers on behalf of the Minister and receives notification and material on behalf of the Minister.

40

41 CCS Executive Order:

42 Executive Order no. 1425 of 30 November 2016 on geological storage of CO₂ etc. (the CCS Executive
43 Order), as amended by Executive Order no. 162 of 10 February 2017 amending the Executive Order on
44 geological storage of CO₂ etc.

45

46 Subsection 1. The definitions in Part 6a of the Danish Subsoil Act on special provisions regarding geological
47 storage and piped transport of CO₂ apply to this License. Pursuant to section 23(e) of the Subsoil Act, the
48 following definitions apply:

49

50 CO₂ storage site:

51 A defined volume area with within a geological formation used for geological storage of CO₂, and associated
52 surface facilities and injection facilities.

53

54 Geological formation:

55 A lithostratigraphical subdivision within which distinct rock layers can be found and mapped.

56

57 Geological storage of CO₂:

58 Injection of CO₂ streams accompanied by storage of CO₂ in underground formations.

59

60 Subsection 2. The Competent Authority may authorise other state authorities to exercise powers covered by
61 this License.

62

63

64 Section 2 - License Area

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66 Subsection 1. The License covers the area indicated on the enclosed map with the corner coordinates and
67 blocks indicated in Appendix 1.

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69 Subsection 2. Corner coordinates are stated as geographical coordinates based on ETRS89. The block
70 division of the Danish area is based on blocks with a size of 7.5 latitude minutes and 15 longitude minutes.

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Subsection 3. If the area (or parts of the area) covered by this License is not covered by, or is exempt from, Danish sovereignty under international law (including by international agreement), then the Licensee must respect any resulting reduction of the area without the right to make claims against the Competent Authority or the Danish State in general.

Section 3 - Scope of the License

Subsection 1. Within the area specified in section 2, the License gives the Licensee the exclusive right to inject and store CO₂ in the subsoil as defined in section 1.

Subsection 2. The License does not prevent other licensees from carrying out preliminary surveys of the subsoil for the purpose of exploration for hydrocarbons, exploration and extraction of other raw materials, establishment and operation of pipeline installations for use in activities covered by the Subsoil Act, use of the subsoil for storage or other purposes, as well as scientific studies. The Licensee is obligated to ensure that no unnecessary obstacles are placed in the way of activities mentioned in the first clause, or of activities covered by the Subsoil Act which are carried out under other licenses.

Subsection 3. If the Licensee finds hydrocarbons or raw materials covered by the Subsoil Act or the Mineral Resources Act, the Licensee is obligated to notify the Competent Authority accordingly.

94 Section 4 – Work Programme

95
96 Subsection 1. The Licensee must carry out the exploration work described in the work programme enclosed
97 as Appendix 2.

98
99 Subsection 2. The work programme must include a timetable for carrying out the works, indicating the latest
100 date on which the Licensee expects to be able to define a suitable CO₂ storage site. Within 12 months of that
101 date, the Competent Authority must have received a request for approval of a plan for the storage operation
102 with regard to approval under section 23d(2) of the Subsoil Act.

103
104 Section 5 - Term of the License and extension with a view to storage

105
106 Subsection 1. The term of this License is X years from the date the License is granted. The Competent
107 Authority may, in specific circumstances, extend the License for exploration for up to two years at a time.
108 However, the total exploration period may only exceed 10 years in exceptional cases.

109
110 Subsection 2. Extension of the License under section 23(2) of the Subsoil Act for the purpose of storage
111 must be notified by the Competent Authority for the area defined in accordance with subsection 4 below for a
112 period of 30 years from the date the extension was granted, cf. however, section 35(4) of the License.
113 Extension may be separate for one or several areas.

114
115 Subsection 3. The right to an extension referred to in subsection 2 above is conditional on the Licensee
116 having fulfilled its obligations, including carrying out the work programme and, in accordance with section 4 of
117 the License, submitting a request for approval of a plan for the storage operation. The request must be
118 accompanied by a report on the assessments of the CO₂ storage site on which determination of the suitability
119 of the site was based. The report must include a description and an assessment of the geological and
120 reservoir-technical aspects of the CO₂ storage site, as well as an indication of the storage-technical and
121 economic requirements for the proposed storage operation.

122
123 Subsection 4. The Competent Authority will define the area or areas for which the License is extended for
124 storage. Definition of the area(s) will be indicated by geographical coordinates and depth indications. The
125 area(s) defined must include the CO₂ storage site such that, in the opinion of the Competent Authority, its
126 extent geographically and in terms of depth is documented by the Licensee in the context of the request for
127 extension of the License. Where conditions so require, a defined area may comprise more than one
128 geological structure. If the extent of the geological structure cannot be defined with considerable certainty,
129 the Competent Authority will consider this when determining the additional area and depth indications.

130
131 Section 6 – Storage

132
133 Subsection 1. The extension of the License pursuant to section 23(2) of the Subsoil Act for the purpose of
134 storing CO₂ is subject to the condition that, before the deadline stated in section 4(2) of this License, the

135 Licensee must submit a plan for the storage operation, including plans for development and execution of the
136 storage operations and the facilities (storage measures etc.), which the Competent Authority can approve in
137 accordance with section 23d(2) of the Subsoil Act, and initiate storage at the time specified with the approval.
138

139 Subsection 2. As regards the baseline studies that may be included in the work programme in an exploration
140 period, or as a necessary part of the storage plan, cf. subsection (1) above, the Danish Energy Agency may
141 stipulate that specific baseline studies, including of aquatic chemistry, seismicity and surface heave must be
142 performed by the Geological Survey of Denmark and Greenland (GEUS). The Licensee is liable for the costs
143 associated with the baseline studies performed by GEUS.
144

145 Subsection 3. The extension of the License pursuant to section 23(2) of the Subsoil Act for the purpose of
146 storing CO₂ is also subject to the condition that, before the deadline stated in section 4(2) of this License, the
147 Licensee pay a fee to the Danish State set specifically on the basis of the costs incurred by the Danish State
148 with regard to geological validation of the area under tender. The fee is to be set by the Competent Authority.
149

150 Subsection 4. The Competent Authority may stipulate more detailed requirements for the content and form of
151 an application pursuant to section 23d(2) of the Subsoil Act and for the information to be submitted at the
152 same time as, or further to, the application.
153

154 Subsection 5. Approvals pursuant to section 23d(2) and section 28 of the Subsoil Act may only be
155 implemented four weeks after the Licensee has informed residents in the License area of the planned works.
156

157 Subsection 6. The Licensee must keep the neighbours briefed about current and upcoming work within the
158 License.
159

160 Section 7 – Social clause

161

162 Subsection 1. The Licensee is obligated to exhibit social responsibility for the activities covered by the
163 License by complying with the conventions that form the basis for the ten principles in the UN Global
164 Compact. In this context, the Licensee must:
165

- 166 a) Ensure compliance with all relevant legislation concerning discrimination based on race, skin colour,
167 gender, religion, political persuasion, sexual orientation, age, disability, or national, social or ethnic
168 origin and ensure that the activities are carried out with respect for principle nos. 1 and 2 of the UN
169 Global Compact and the ILO equal pay and discrimination conventions respectively.
- 170 b) Ensure that work is performed with respect for fundamental labour rights in accordance with a
171 principle nos. 3, 4, 5 and 6 of the UN Global Compact and in compliance with the ILO Conventions
172 on forced labour, child labour, the right to organise and collective bargaining, the right to reasonable
173 remuneration, the right to a reasonable working hours and the right to a safe and healthy working
174 environment.
- 175 c) In accordance with principle nos. 7, 8 and 9 of the UN Global Compact, prevent and combat pollution
176 of air, water, soil and subsoil as well as nuisance from vibrations and noise, use processes which are
177 hygiene for the environment and humans and reduce the use of raw materials and other resources,
178 promote the use of cleaner technology, and limit problems in connection with waste disposal.

179 d) Work against any type of corruption, as defined in principle 10 of the UN Global Compact.
180

181 Subsection 2. The Licensee must ensure that subcontractors exhibit similar social responsibility, cf.
182 subsection (1) above, in activities covered by the License by complying with the conventions that form the
183 basis for the ten principles in the UN Global Compact.
184

185

186 Sections 8-12 — (Not used)

187

188 (Not used)

189

190 Section 13 - State participation

191

192 Subsection 1. Nordsøfonden exercises the rights of the Danish State under this License in proportion to the
193 size of its share. The detailed regulations on the rights and obligations of the State participant as co-licensee
194 are set out in section 23y of the Subsoil Act and any regulations pursuant to this and conditions for this are
195 also stated in the Joint Operating Agreement, which must be approved by the Competent Authority under
196 section 18 of this License.

197

198 Sections 14-17 — (Not used)

199

200 (Not used)

201

202 Section 18 – Joint Operating Agreement

203

204 Subsection 1. This License is subject to, within 90 days of granting the License, the signing of a Joint
205 Operating Agreement between the co-holders of the License, which can be approved by the Competent
206 Authority, to exercise the activities covered by the License.

207

208 Subsection 2. Any modification, derogation from or addition to this Joint Operating Agreement, including
209 designation of a new operator, must be approved by the Competent Authority.

210

211 Section 19 – Observers

212

213 Subsection 1. Representatives of the Competent Authority are entitled to attend, as observers, meetings of
214 cooperation bodies established in connection with the activities covered by the License.

215

216 Subsection 2. The Competent Authority must be summoned with the same notice and have the same
217 documents, including minutes, as the Licensee.

218

219 Section 20 — Transport and accommodation for supervision etc.

220

221 At the request of the Competent Authority, the Licensee must arrange for the transport of public
222 representatives from their place of employment to and from the places where the activity is carried on, and
223 provide accommodation. The Licensee must bear the costs of this.

224

225 Section 21 – Reporting

226

227 Subsection 1. In order to ensure insight in, and performance of, supervision of the activities carried out by the
228 Licensee pursuant to this License, the Licensee must:

229

230 a) Communicate all necessary financial information about the activities; cf. section 26 of the Subsoil
231 Act. The Licensee must submit annual reports of the Licensee, guarantor and ultimate parent
232 company, consisting of a balance sheet, income statement and annual review, as well as
233 information about shareholders representing at least one-tenth of the share capital. If the License is
234 granted on behalf of several parties, the information must be submitted for each participant in the
235 License, and accounts must be drawn up showing all common costs and revenues. As a rule, the
236 Competent Authority must always receive consolidated annual reports that have been audited by a
237 certified auditing firm in accordance with the provisions of the Danish Financial Statements Act,
238 IFRS or other internationally recognised accounting policies which can be approved by the
239 Competent Authority, but, in exceptional cases and upon request, the Competent Authority may
240 grant exemption from these requirements. The Competent Authority may also agree to receive
241 annual reports in other languages, provided that a faithful and accurate translation into Danish or
242 English is provided. Furthermore, the Licensee must immediately provide information on significant
243 changes in the company's capital structure.

244

245 b) Provide all the necessary information about the Licensee's preliminary investigations, storage and
246 decommissioning activities. The Licensee must, including during the performance of geophysical,
247 geological, geochemical and other surveys and drilling, submit, on an ongoing or periodic basis,
248 reports, samples, raw data, processing results, interpretations and assessments, as well as
249 summary reports, containing interpretation and assessment of the results obtained. Furthermore,
250 for the establishment, operation and decommissioning of storage facilities, the Licensee must
251 submit, on an ongoing or periodic basis, information and reports on ongoing and impending
252 activities.

253

254 c) Each year, submit a summary of the Licensee's expected activities and budgeted costs for the next
255 four calendar years. The summary statement must specify the individual activities and indicate
256 expected costs of feasibility studies, preliminary investigation, exploration and establishment,
257 operation and decommissioning of storage operations, as well as expected revenues and tax
258 payments in each of the years of the period.

259

260 Subsection 2. The Competent Authority may draw up instructions and guidelines on the timing of submission
261 of the information referred to in subsection 1, on the form and level of detail of the information and on the

262 accounting of the Licensee. The Competent Authority may also draw up guidelines on the information which
263 the Licensee must submit in addition to that described in subsection 1 above and in the provisions pursuant
264 to section 34(1) of the Subsoil Act, and require additional information in the individual case if this is deemed
265 necessary.

266

267 Subsection 3. The Competent Authority may require the Licensee to take special measures with regard to the
268 storage and use of samples, data etc.

269

270

Section 22 – Confidentiality and disclosure of information

271

272 Subsection 1. Authorities and persons performing tasks under the Subsoil Act, as well as anyone who
273 otherwise provides assistance in this regard, are subject to professional secrecy in accordance with the
274 provisions of sections 152 to 152f of the Criminal Code with regard to information and samples etc., which
275 the authorities receive from the Licensee pursuant to this License and sections 26 and 34 of the Subsoil Act.

276

277 Subsection 2. The information provided pursuant to this License is publicly available in accordance with the
278 regulations of the Public Information Act, the Public Administration Act and the Environmental Information
279 Act, unless one of the exceptions covered by the Acts are applicable.

280

281 Subsection 3. Notwithstanding the provisions of subsection 2 above, all information and samples etc.
282 covered by section 34(1) of the Subsoil Act may be disclosed to persons other than public authorities after
283 five years from the time when the information etc. is obtained and accessible to the Licensee. This period will
284 not apply if the License expires, is cancelled, forfeited or revoked in whole or in part, notwithstanding the
285 provision in subsection 2, with regard to information relating to the area in which the License has terminated.

286

287 Subsection 4. The provisions of subsections 1-3 shall not prevent the disclosure of the information etc. if:

288

- 289 a) no legitimate interest of the Licensee warrants its secrecy,
290 b) the Licensee's interest in maintaining professional secrecy is considered to be overridden by
291 considerations of essential public interest,
292 c) information of a general nature is provided in connection with issuing public statements, annual
293 reviews or the like on exploration and storage matters, or
294 d) disclosure is in the context of cooperation with the authorities of other countries and provided that
295 the information is subject to equivalent professional secrecy in the country concerned. Information
296 received from the authorities of other countries indicating that the information is secret or
297 confidential, or where this follows from the nature of the information, is subject to subsection 1.

298

299

Section 23 – (Not used)

300

301 (Not used)

302

Section 24 – Measurement

303

304 Subsection 1. The equipment, procedure and units of measurement for qualitative and quantitative
305 measurement of the stored CO₂ must be approved by the Competent Authority. The measurements must be
306 verifiable by the Competent Authority.

307

308 Subsection 2. If it is ascertained that the methods or equipment used have led to incorrect measurement
309 results, the Competent Authority will, after consulting the Licensee, establish procedures for determining the
310 measurement results, and these must be considered correct. The Competent Authority may require the
311 Licensee to carry out further investigations in order to provide the necessary basis.

312

313 Section 25 – Drilling regulations

314

315 The Licensee is obligated to comply with the regulations on drilling and other works that may at any time be
316 stated as conditions for approvals under section 28 of the Subsoil Act.

317

318 Sections 26 – 29 (Not used)

319

320 (Not used)

321

322 Section 30 – Insurance

323

324 Subsection 1. The Licensee's liability under the Subsoil Act must be covered by insurance in accordance with
325 the regulations in subsections 2 to 4 below, cf. also section 24(e) of the Subsoil Act.

326

327 Subsection 2. The insurance must provide reasonable coverage based on the risk of the activities and the
328 amount of the premium.

329

330 Subsection 3. At the end of each calendar year, the Competent Authority must be informed about the
331 insurance policies in force, indicating the main terms and conditions. The Competent Authority may require
332 the Licensee to take out additional insurance. If, in connection with the CO₂ storage activities, facilities and
333 installations are used that are also used for other activities covered by the Subsoil Act, the Competent
334 Authority may take into account whether insurance has already been taken out or collateral has been
335 secured for these in accordance with the licenses in which they are included.

336

337 Subsection 4. The Licensee is also obligated to comply with any insurance provisions laid down by the
338 Competent Authority.

339

340 Subsection 5. If, in connection with the CO₂ storage activities, facilities and installations are used that are
341 also used in connection with other activities covered by the Subsoil Act, and the other activities cease, the
342 Licensee is obligated to take out additional insurance in compliance with section 24(e)(1) of the Subsoil Act.

343

344

345 Section 31 – Form of liability

346
347 If the License has been granted to several companies jointly, they are jointly and severally liable for claims
348 for damages under section 35 of the Subsoil Act and for meeting obligations to the State under this License.

349
350 Section 32 – Provision of security

351
352 Subsection 1. The Licensee must provide security for fulfilment of all obligations under the License; cf.
353 sections 24f and 23q of the Danish Subsoil Act. The security must be provided by no later than 30 days after
354 the License has been granted and must, pursuant to Section 24f, third clause of the Subsoil Act, be approved
355 by the Competent Authority, which may impose conditions for such approval. The guarantee may take the
356 form of a parent company guarantee and the Competent Authority may demand change or supplement with
357 notice of 30 days.

358
359 Subsection 2. If, in connection with the CO₂ storage activities, facilities and installations are used that are
360 also used in connection with other activities covered by the Subsoil Act, the Competent Authority may, when
361 approving the security, take into account whether the obligations covered by subsection 1 above are already
362 covered by approved security in connection with other activities covered by the Subsoil Act.

363
364 Subsection 3. If, in connection with the CO₂ storage activities, facilities and installations are used that are
365 also used in connection with other activities covered by the Subsoil Act, and the other activities cease, the
366 Licensee is obligated to provide additional security in compliance with section 24f of the Subsoil Act.

367
368 Section 33 – Assignment

369
370 The License, or shares therein, may not be transferred, directly or indirectly, or in whole or in part, to third
371 parties or otherwise between several co-licensees, unless authorised by the Competent Authority in
372 accordance with section 29 of the Subsoil Act. The same applies to the transfer of shares and company
373 shares of a size, which may give rise to a controlling interest in a company which is a co-licensee, and to the
374 conclusion of agreements having the same effect.

375
376 Section 34

377
378 (Not used)

379
380
381 Section 35 – Revocation and cancellation

382
383 Subsection 1. In accordance with section 23m of the Subsoil Act and regulations laid down pursuant thereto,
384 the Competent Authority must review and where necessary update this License or, as a last resort, revoke
385 this License in whole or in part:

- 386
387 1) if there is seepage or significant irregularities or there is a risk hereof,
388
389 2) if the results, information and documentation submitted pursuant to section 12 of the CCS Executive Order
390 or the inspections carried out pursuant to section 13 of the CCS Executive Order show that the terms and
391 conditions of the License are not being complied with or that there is a risk of seepage or significant
392 irregularities,
393
394 3) if the Licensee or its operator in some other way fails to comply with the terms and conditions of the
395 License, or terms or orders under the Subsoil Act or regulations stipulated pursuant thereto,
396
397 4) if necessary on the basis of the latest scientific findings and technological progress,
398
399 5) five years after the License was granted and every ten years thereafter, cf. however, nos. 1-4 above and
400 section 30 of the Subsoil Act.

401
402
403 Subsection 2. The Competent Authority may revoke this License in whole or in part; cf. section 30 of the
404 Subsoil Act:

- 405
406 1) if the provisions, terms or orders laid down in the Subsoil Act and in this License or in pursuance
407 thereof are not complied with,
408
409 2) if a License application contains incorrect or misleading information, or
410
411 3) if one or more of the License holders are taken into financial reconstruction or declared bankrupt.

412
413 Subsection 3. If the matter can be remedied by the Licensee, revocation pursuant to sections 1(3) and 2(1)
414 may not take place until the Competent Authority has issued an order to remedy the matter within a specified
415 period and the order has not been complied with.

416
417 Subsection 4. In the event of revocation pursuant to subsections 1 and 2 above, the provisions of sections 36
418 and 37 below shall apply.

419

420 Section 36 – Consequences of termination of the License

421

422 Subsection 1. Expiry, abandonment, cancellation or revocation of the License shall not relieve the Licensee
423 of the obligations incumbent upon it by law, this License or other provisions, terms and conditions or orders.

424

425 Subsection 2. If any part of the work programme described in Appendix 2 or in work programmes for
426 extensions of the License has not been completed at the expiry, abandonment, cancellation or revocation of
427 the License, the Licensee must (unless the Competent Authority grants exemption) pay to the Treasury an
428 amount corresponding to the costs that would have been incurred to fulfil the obligations. Determination of

429 the amount shall take into account the costs incurred by allowing others to carry out the works for the State at
430 the time of termination of the License.

431

432 Subsection 3. Payment of the amount referred to in subsection 2 shall not be subject to performance of the
433 remaining works by the Competent Authority.

434

435 Subsection 4. Payment must be made within 30 days of the demand from the Competent Authority.

436

437 Subsection 5. In the event of late payment, the Licensee must pay annual interest equivalent to that specified
438 in section 5(1) of the Interest on Overdue Payments Act.

439

440 Section 37 – Transfer and removal of facilities etc.

441

442 Subsection 1. When the License terminates upon expiry, abandonment, cancellation or revocation – either
443 for the whole area or for part of it – the State is entitled to take over, free of charge, in whole or part, all
444 facilities and installations intended for more permanent use in the area in question, as well as necessary
445 accessories and materials, including records and manuals etc., cf. section 33 of the Subsoil Act.

446

447 Subsection 2. If the License terminates in accordance with subsection 1 above, the Licensee is obligated to
448 ensure that the facilities etc. referred to in subsection 1 are present in the area and can be transferred free of
449 charge to the State in such condition as appropriate maintenance would dictate. The same applies to the
450 facilities etc. referred to in subsection 1 which are under establishment for storage activities, provided that the
451 Licensee is not obligated to take any further completion measures.

452

453 Subsection 3. At the time of termination of the License, cf. subsection 1, the Licensee is obligated to ensure
454 that facilities etc. referred to in subsections 1 and 2 which do not belong to the Licensee, or which are
455 encumbered by other rights of third parties, are released from third party rights of any kind so that free
456 transfer to the State may be made in an unencumbered state.

457

458 Subsection 4. In the event of failure to fulfil its obligations under subsections 1, 2 and 3, whether due to
459 negligence or not, the Licensee is obligated to make good any loss thereon, including operating losses, and
460 any expenses incurred by the State in order for the State to be in the same position as if the obligations had
461 been fulfilled according to their content.

462

463 Subsection 5. For facilities etc. which have exhausted their purpose before the License terminates, the
464 provisions of subsections 1 to 4 shall apply correspondingly as and when such facilities etc. are withdrawn
465 from service.

466

467 Subsection 6. The Licensee must submit a plan for decommissioning all facilities and installations etc. in
468 connection with the license (decommissioning plan) for approval by the Competent Authority, cf. section 32a

469 of the Subsoil Act, by no later than at the same time as submitting an application for a license or approval
470 under section 23d or section 28 of the Subsoil Act. The decommissioning plan must include a statement of
471 the expected costs of implementing the decommissioning plan and a description of how to ensure that the
472 funds for implementing the plan are available.

473
474 The decommissioning plan must include an account of the removal of facilities etc. The decommissioning
475 plan must also include an explanation and assessment of the environmental and safety impacts of the plan,
476 as well as a timetable for implementation. The Competent Authority may set the detailed rules for the content
477 of the plan.

478
479 In accordance with a timetable set by the Competent Authority, the Competent Authority may require the
480 Licensee to remove in whole or in part all facilities etc., whether belonging to the Licensee or others which
481 the State does not wish to take over in accordance with subsections 1-5.

482
483 Subsection 7. If the Competent Authority decides to close the CO₂ storage site pursuant to section 23n(1) of
484 the Subsoil Act, the Licensee is obligated to seal the storage site and remove the injection facilities.

485
486 Subsection 8. The Competent Authority may at any time require the Licensee to take other necessary
487 measures designed to prevent facilities etc. from presenting a risk or inconvenience. If the Licensee fails to
488 comply with an order under subsection 1, the Competent Authority is entitled to have the necessary action
489 taken at the Licensee's expense and risk in all respects without further notice. If the removal or
490 implementation of remedial measures results in a claim for damages from third parties against the State, the
491 Licensee is obligated to indemnify the State for this.

492

493 Section 38 – Indemnity

494

495 The Licensee must indemnify the State from any claim, which may be brought against the State by a third
496 party as a result of the Licensee's activities.

497

498 Section 39 – Relationship to legislation

499

500 Subsection 1. The License is subject to the legal rules in force at any time in Denmark, including any future
501 amendments to the Subsoil Act, executive orders, regulations, as well as obligations in force at any time as a
502 result of Denmark's membership of the European Union. The License does not therefore entail any
503 restrictions on the general law of taxation of the State or on the right to lay down general provisions on the
504 detailed conduct of exploration and storage activities.

505

506 Subsection 2. The License does not exempt the Licensee from obtaining necessary licenses and approvals
507 pursuant to the Subsoil Act and legislation in general.

508

509 Section 40 – Applicable law and jurisdiction

510

511 Subsection 1. All disputes arising in connection with this License or with the Licensee's exercise of activities
512 under the License must be settled in accordance with the legal rules in force in Denmark.

513

514 Subsection 2. The place of jurisdiction is Copenhagen.

515

516 Subsection 3. Subsections 1 and 2 above do not prevent the Competent Authority and the Licensee from
517 deciding on a case-by-case basis that a dispute of the kind referred to in subsection 1 be settled by
518 arbitration.

519

520

521 Copenhagen

522

523

524 Lars Aagaard /

525

526

527 Martin Hansen

528

529 **Appendix 1**

530
531 for License no. C2024/XX
532 for exploration and use of the subsoil for geological storage of CO₂
533

534
535
536 **License area, cf. section 2(1).**
537

538 The License covers the area indicated on the enclosed map in the blocks with corner coordinates:
539
540 (Geographical coordinate system ETRS89)

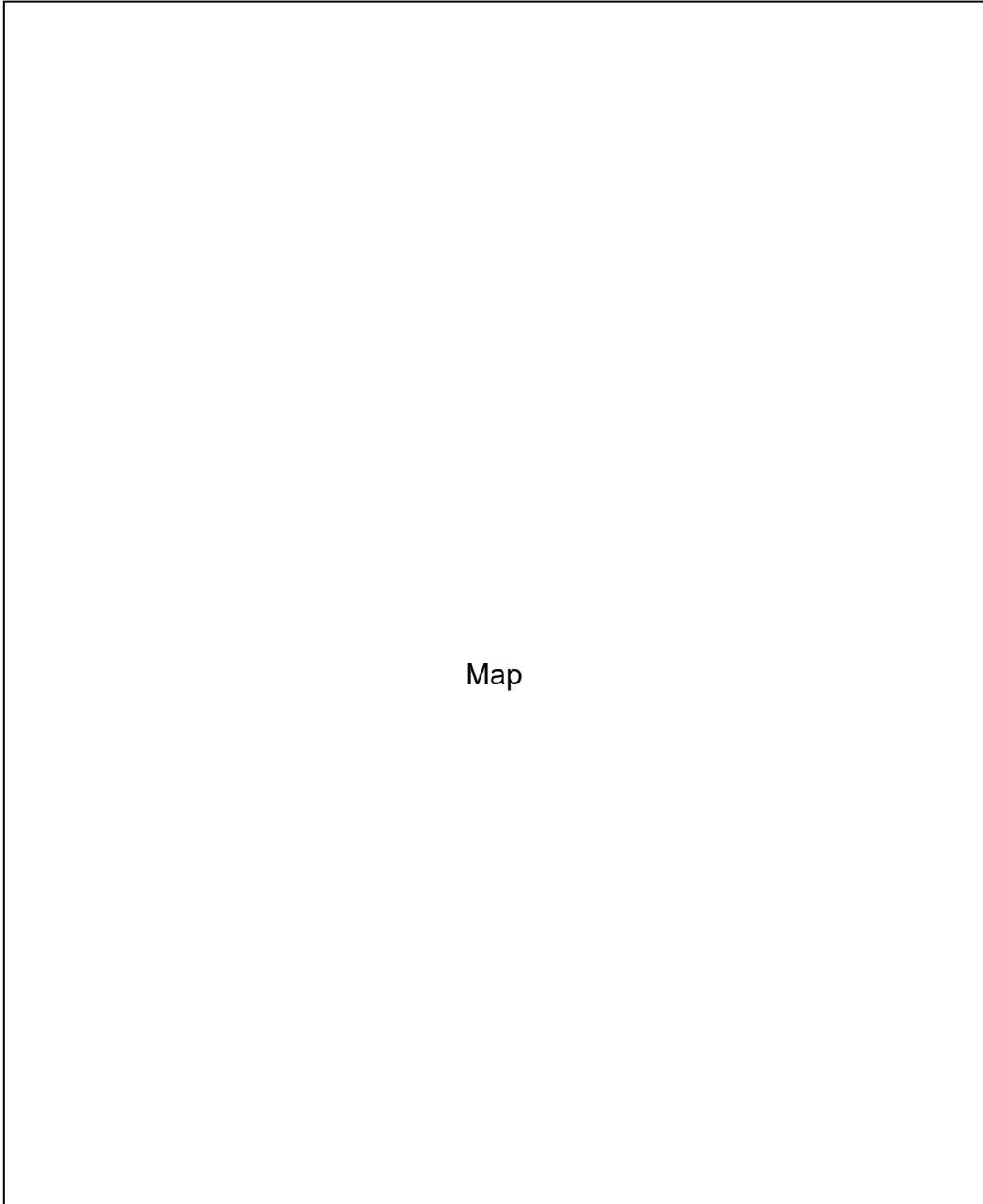
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Point	Latitude			Longitude		
	Degrees	Minutes	Seconds	Degrees	Minutes	Seconds
546 1	X	X	X	X	X	X
547 2	X	X	X	X	X	X
548 X	X	X	X	X	X	X
549 X	X	X	X	X	X	X
550 1	X	X	X	X	X	X

551
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553 The License area is delimited, where possible, by connecting the corner coordinates in the sequence above
554 with latitude or longitude. Otherwise, geodesic lines are used.
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Map

606 **License no. X/XX**

607 Projection UTM 31, ETRS89

608 **Appendix 2**

609 for License no. X/XX
610 for exploration and use of the subsoil for geological storage of CO₂

611
612
613 **Work programme for the License; cf. section 4(1).**

614 The following work programme includes the exploration activities that the Licensee must carry out as a
615 minimum in accordance with section 4(1) of License number X/XX for exploration and use of the subsoil for
616 geological storage of CO₂ relating to the area covered by the License; see Appendix 1:

- 617
618
619
- 620 1) The Licensee must, within xx months of the License being granted, have provided xx km/km² of new
621 2D/3D seismic surveys.
 - 622
623 2) The Licensee must perform one (1) exploration drilling. Drilling must commence by no later than xx
624 months after the License is issued. Drilling must be carried to a depth that allows relevant data collection
625 for the entire XX Formation.
 - 626
627 3)
 - 628
629 4)

630
631 When the License for a site terminates, the Licensee must submit a final report on the CO₂ storage suitability
632 of the site to the Competent Authority.

633
634 Drilling must be carried out in an appropriate manner for exploration, including by extracting cores and
635 samples and otherwise in accordance with the guidelines established by the Competent Authority when
636 approving each drilling programme.

637
638 Adequate analyses and interpretations of collected data must be carried out. The Licensee must follow any
639 instructions given by the Competent Authority in this respect.

640
641 Before commencing work, the Licensee may seek the opinion of the Competent Authority as to whether
642 planned works can be included in the work programme.

643