



*seismic solutions*

## Policies and procedures for the Arcis data library

The following policies and procedures are designed to clarify and prevent issues from arising around the subject of quality inspection, marketing and licensing of Arcis or third party industry seismic data to interested E&P companies.

### **QI Procedures and Policies**

#### **Policies**

Quality Inspections (QIs) are for the purpose of the client to assess the suitability of the data (quality, frequency content and possible gaps in data) and not for any interpretation purposes.

Data Brokers shall accept full responsibility to ensure data is viewed in the above manner and ensure no interpretation instruments are used during the QI and that the time does not exceed a reasonable amount of time to assess the data's applicability to the client's needs. Clients may only

maintain parameters, price information and personal notes on data quality.

Photo copying or transcribing of any specific location information shall be considered a breach of Arcis' QI policies for which damages may be sought.

### **Procedures for Hard Copy Quality Inspections for 2D Data**

For 2D seismic data, the requesting broker shall be provided with black line prints of the seismic data (striping is at the discretion of the data owner), a copy of the line plat, field parameter information and the list price per kilometer for the data.

All hard copy data released for QI is released for a period of (5) five business days, unless otherwise stated, after which all materials must be returned in their entirety to the data manager at Arcis.

### **Procedures for Work Station Quality Inspections for 3D Data**

- For 3D seismic data, all QIs will be conducted on workstations at the offices of Arcis. All requests for workstation QIs are to be handled through the Contracts Administrator, (403) 781-6244, who will arrange an appropriate time.
- All workstation QIs require the presence of the initiating Broker and an Arcis representative to operate the interpretation software and ensure compliance with QI guidelines.
- Display of culture (including well locations) is acceptable for a workstation QI, but use of synthetic seismograms is not acceptable.
- Any requests for additional information including 3D displays (fold, azimuth etc) or pre-stack data (shot records, gathers) shall, if available, require the presence of Arcis personnel.
- Client shall be permitted to view inline or crossline data at regular intervals of 50—100 bins.
- Viewing time slices of data from 0.0—1.0 seconds shall be permissible to determine areas of low fold or poor data quality areas.
- All workstation QIs shall be limited to an appropriate length of time to determine data quality, as determined by the Arcis representative.

## Request for Quote or Volume Pricing

All requests for discounts or additional information to be handled by the Arcis representative who will authorize quotes. In general, volume pricing will not be provided without receipt of an outline of the data to be licensed. All pricing quotes have a deadline of (10) ten business days unless otherwise specified.

## Master Licensing Agreement (MLA)/Supplemental Agreement

### Policy

Arcis Corporation requires that a Master Licensing Agreement (MLA) be signed by companies wishing to license data from the Arcis data library. Each individual data set (or portion thereof) requires execution of a Supplemental Agreement.

### Procedure

A copy of the Arcis MLA will be available on an as needed basis as sales arise.

## Commission Rates

### Policy

Effective August 01, 2004, a new sliding-scale commission structure for all Arcis 3D data sales (excluding JV data) will be implemented, starting at 10% based on a zero discount rate, having a signed MLA and subject to the reduced commission discussed below. Any data that Arcis Corporation is joint ventured on will be at the standard 5% rate.

If any discount is applied to the licensing of data then the following sliding commission will apply. For each 10% range of discount off the list price of the data set a 1% reduction in commission will apply.

Commission rates are as follows:

Discount	Commission
0%	10%
10%	9%
20%	8%
30%	7%
40%	6%
50%	5%

As stated above, all sales must include a signed Master License Agreement with Arcis Corporation and new rates will only apply to 100% owned Arcis data.

## Field Data

### Policy

Field data will be available to the licensee at the cost of reproduction for those specific areas being licensed and according to Arcis' data extraction guidelines.

Arcis Corporation does not provide access to the use of field tapes/data for reprocessing purposes for areas not specifically licensed in order to obtain full fold within the purchased area. Licensing companies will be required to purchase all necessary data to obtain desired outputs.

### Data Extraction

Please refer to the attached brochure for Arcis' data extraction policies and procedures.

## *contact information*

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### If you have any questions or concerns please contact:

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