Framework Cooperation Agreement

Between

Refinadora Costarricense de Petróleo S.A.

And

China National Petroleum Corporation

Beijing, China

October 24, 2007

9–2002–2.000–Imp. Nal.–0922

This Agreement is executed and entered into this 24th day of October 2007 between:

Refinadora Costarricense de Petróleo S.A. of the Republic of Costa Rica (hereinafter referred to as "RECOPE"), represented by Msc. Bruno Stagno Ugarte, Minister of Foreign Affairs and Worship of the Republic of Costa Rica duly authorized to sign on behalf of RECOPE, and having its address at San José, Costa Rica, Barrio Tournón, 25 metros Este de la intersección de Calle Blancos con la Autopista a Limón.

and

China National Petroleum Corporation (hereinafter referred to as "CNPC"), represented by Mr. Jiang Jiemin, President of CNPC, a state owned company duly incorporated and existing under the laws of the People's Republic of China, and having its address at 6, liupukang Xicheng District, Beijing, P.R.China , 100724

RECOPE and CNPC hereinafter are referred to as individually as a "Party" or collectively as the "Parties".

RECITAL

WHEREAS RECOPE is a Costa Rican state owned company created in 1961 and since 1974 operates the monopoly of the importation, refining and wholesale distribution of crude oil and its derivates for the local market. Its monopoly was ratified by the Government in 1993 (Law 7356 of September 6, 1993); and

WHEREAS the Hydrocarbon Law of Costa Rica (Law 7399 May 3, 1994) mandates that the exploration and exploitation of crude oil can be done only through a Public Concession approved by the Costa Rican National Council of Hydrocarbons of the Ministry of Environment and Energy; and

WHEREAS CNPC is an integrated international oil company and has wide and advanced experiences in exploration of the petroleum resources and in providing high-level technical support in rebuilding and expanding of refineries; and

WHEREAS RECOPE is inviting CNPC and its fully owned subsidiary companies to study cooperation alternatives for the exploration and refining in upstream and downstream activities of the petroleum industry related to some potential areas; and

WHEREAS desiring to promote projects of mutual interest of the Parties through cooperation in the field of petroleum in Costa Rica, RECOPE and CNPC will encourage technical knowledge exchange and support the friendly relationships between the Parties;

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In order to determine the basis for the potential cooperation in petroleum exploration, and refining in Costa Rica, the Parties hereby, under the principle of mutual benefit, agree that:

1. Cooperation in exploration activities may include the following:

1.1 Both Parties will pursue the opportunities for cooperation in petroleum exploration activities in Costa Rica and promote the technological cooperation, abiding by the applicable laws and regulations.

1.2 **RECOPE** with the authorization of the Costa Rican Government, will share with CNPC all the technical data and information related to oil exploration in Costa Rica.

1.3 Once **CNPC** and **RECOPE** have reached an agreement on a technical and business proposal to explore and exploit crude oil in Costa Rica, RECOPE will assist or join CNPC with the request of a concession before the Ministry of Environment and Energy, according to Costa Rica's regulation

2. Cooperation in the oil refining may include the following:

2.1 For the purpose of satisfying domestic demand of oil products in Costa Rica, CNPC will provide technological support to analyze the possibility of rebuilding or/and expanding the existing refinery in Costa Rica. RECOPE will give assistance in any such research work, including but not limited to, providing necessary technical information and technology exchange when needed. The specific content and details of further cooperation in this matter will be agreed between the Parties.

2.2 In the event that the Parties determine that it is technically convenient to rebuild or/and expand the existing refinery, and such proposal is accepted by RECOPE, CNPC agrees to provide its know-how in the use of advanced technologies and engineering design services in refining schemes to RECOPE in order to support the project. The specific content and details of further cooperation in this matter will be agreed between the Parties.

2.3 CNPC will pursue the opportunity to constitute a joint venture or partnership with RECOPE to operate a refinery according to the laws in Costa Rica, provided that the government of Costa Rica could provide enough oil sources to the refinery. CNPC will provide advanced petroleum equipment and facilities to Costa Rica to support the establishment of the refinery as soon as possible. CNPC will give assistance to the Government of Costa Rica and

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RECOPE to identify the oil sources for this regional refinery.

3. Technical exchange and training

3.1 It is agreed that CNPC will provide training to persons of Costa Rica and offer possibilities of training and training programs (of long or short term) available at CNPC in the petroleum sector.

3.2 In this regard, courses in different areas including basic research, new technologies and control systems for petroleum industry will be offered to managers and technicians of Costa Rica. The specific contents and details of further training will be agreed between Parties.

4. Cooperation in other fields

4.1 In order to promote mutual interest in petroleum industry of Costa Rica, CNPC will provide RECOPE expert advice and consultancy for the projects that both parties are interested in, CNPC will also give advice to RECOPE for expansion of its local oil refinery and related logistic infrastructure.

4.2 For the cooperation activities referred to in the Section 1 and 2 of this Agreement, CNPC will implement good industry practices in the operative areas and RECOPE will provide necessary assistance on such issues.

4.3 It is agreed that CNPC will help RECOPE to analyze its energy balance and diagnose its infrastructure and its possibilities of expansion and modernization.

5. Steering committee and joint working team

5.1 A steering committee composed of representatives of each Party will be established to provide for the overall supervision and orientation of the joint working team. Each Party will appoint three (3) representatives to the Steering Committee. One of the representatives will be appointed as chairman by CNPC and RECOPE will have the right to appoint the vice-chairman of the committee. Detailed forms of cooperation will be decided by the steering committee through regular meetings and on the basis of consensus.

5.2 For the cooperation as mentioned here above in Section 1, 2, 3 and 4, the Parties will form a joint working team between the two Parties immediately after the effectiveness of this Agreement. The joint working team will report to the Steering Committee's Chairman and strictly carry out the Steering Committee's decisions. The working team will discuss the detailed cooperation

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plan and will put forward cooperation proposals to the Steering Committee.

6. Confidentiality

6.1 Each Party hereby agrees that all business and proprietary information of the other party, which becomes available to it in connection with, or as part of this Agreement, shall be maintained and safeguarded in the strict confidence except as otherwise agreed upon in writing by such other Party. Each Party may disclose the confidential information required by domestic laws and government regulations. All confidential obligations herein shall be effective for a period of five (5) years from the date of its disclosure, regardless of any expiration or termination of this Agreement, except that the disclosing party undertakes a longer confidential obligation on such information according to related laws , regulations and other signed contracts before the date of this Agreement.

6.2 Both Parties may disclose to its affiliates for purposes of performing this Agreement, provided that each of such affiliate agrees to keep such information in strict confidence, and to be strictly bound by the confidentiality provisions of this Agreement to the same extent as if they were parties hereto.

7. Amendments

No amendments shall be made to the text of this Agreement, unless previously agreed by the Parties in writing. All aspects of this Agreement shall be binding upon the Parties until such time as this Agreement or any Part thereof is formally changed or altered with the written consent of the Parties.

8. Legal status of this Agreement

8.1 Only this Section 8 and Section 6, 7 and 9 in this Agreement are intended to be legally binding on the Parties. Except for these Sections, this Agreement does not create and is not intended to create any legal binding obligation on either Party but simply expresses possible cooperation between the Parties in relation to petroleum exploration and refining.

8.2 In the event that both Parties agree to proceed together with any business opportunities highlighted through any aspect of the project, plan or activities contemplated under this Agreement, an appropriate written agreement(s) will be executed between the Parties, and for each specific case their respective rights and obligations are to be set at the time of this mutual agreement.

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9. Governing Law and dispute resolution

This Agreement shall be governed by, and shall be construed in accordance with the law of The United Kingdom without regard to conflict of law provisions thereof. The Parties agree to resolve all disputes arising out of or relating to this agreement through jurisdiction of the courts in England.

10. Effectiveness

This Agreement shall be effective as of the date set forth in the first written date of this Agreement. This agreement is made in two (2) originals, in English language, each party will hold one (1) original.

In witness whereof , the Parties have caused this Agreement executed by their duly authorized representatives as of the date first above written.

For and on behalf of	For and on behalf of
China National Petroleum Corporation	Refinadora Costarricense de Petróleo S.A.
Mr. Jiang Jiemin	Mr. Bruno Stagno Ugarte
President of China National	Minister of Foreign Affairs and Worship
Petroleum Corporation	of the Republic of Costa Rica

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