

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Agreement") is made and entered into as of August 15, 2005, by and among Viking Petroleum UK Limited, a company incorporated in England and Wales with company number 04946049 whose registered office is 100 Pall Mall, London, SW1Y 5HP England ("VPUK" or the "Company"), TCW Global Project Fund II, Ltd., an exempted company organized under the laws of the Cayman Islands ("TCW") and Viking, LLC, a Nevada limited liability company ("VKG"). TCW and VKG are collectively referred to herein as the "Subscribers".

RECITALS

WHEREAS, for consideration of £1 per share each of the Subscribers shall subscribe for and VPUK shall issue to each Subscriber in accordance with the terms and conditions of this Agreement, that number of Ordinary Shares set forth below each Subscriber's name on the signature pages hereto (in the aggregate, the "Ordinary Shares").

NOW, THEREFORE, in consideration of these premises, the agreements, provisions and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

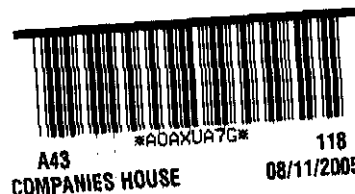
AGREEMENT

1. Authorization of Issuance. VPUK has an authorized and unissued share capital of £999,900, and is authorized to issue to the Subscribers Five (5) ordinary shares, par value £1 per share (the "Ordinary Shares") for an aggregate subscription price of Five Pounds (£5.00). The total aggregate amount of Ordinary Shares which will be issued to the Subscribers upon execution hereof shall equal 4.762% of the issued share capital of VPUK.

2. Subscription and Issuance. Subject to the terms and conditions set forth in this Agreement and upon the execution of this Agreement, each Subscriber will subscribe for, and VPUK will issue to each Subscriber, that number of Ordinary Shares set forth below each Subscriber's name on the signature pages hereto for the aggregate subscription price set forth below each Subscriber's name on the signature pages hereto. Payment by each Subscriber of the aggregate subscription price for the Ordinary Shares may be made either by delivery of a check or a wire transfer of immediately available funds to an account designated by VPUK.

3. Subscribers' Representation and Warranties. In connection with the subscription and issuance of the Ordinary Shares, each Subscriber represents and warrants to the Company that the Ordinary Shares to be issued to each Subscriber pursuant to this Agreement will be subscribed for on each Subscriber's own account and not with a view to, or intention of, distribution thereof. All corporate action necessary for the authorization, execution and delivery of this Agreement by TCW and VKG has been taken and, when executed and delivered, this Agreement will constitute the legal, valid and binding obligation of each Subscriber, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally and subject to the availability of equitable remedies, and the execution, delivery and performance of

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this Agreement by each Subscriber does not and will not conflict with, violate or cause a breach of any agreement, contract or instrument to which any Subscriber is party.

4. Legends. Each Subscriber agrees that a legend in substantially the form set forth below shall be placed on all certificates evidencing the Ordinary Shares (in addition to any legend required under applicable UK securities laws). Such legend shall read as follows:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR REGISTERED OR QUALIFIED UNDER ANY SECURITIES LAWS. THE SECURITIES ARE SUBJECT TO THE TERMS OF THAT CERTAIN SHAREHOLDERS' AGREEMENT DATED AS OF 15 MARCH, 2005, BY AND AMONG THE ISSUER AND ITS SHAREHOLDERS, AS AMENDED.

5. Representations and Warranties of the Company.

(a) Corporate Existence; Authority. The Company is duly incorporated and is validly existing as a private company limited by shares under the laws of England and Wales, and it has all requisite power and authority to carry on its business as it is being conducted.

(b) Authorization. All corporate action necessary for the authorization, execution and delivery of this Agreement and the issuance and delivery of the Ordinary Shares by the Company, and the performance of all obligations of the Company hereunder, has been taken, and this Agreement and the Ordinary Shares, each when executed and delivered, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) Valid Issuance of Ordinary Shares. Upon issuance in accordance with the terms of the Ordinary Shares, the Ordinary Shares will be duly authorized and validly issued, fully paid free of any option, charge, lien, equity, encumbrance, rights of pre-emption or any other interests of the Company or any third party whatsoever. The Ordinary Shares will be free of restrictions on transfer other than restrictions on transfer under this Agreement, the Shareholders' Agreement dated as of even date herewith by and among the parties hereto and under applicable securities laws.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the issuance and delivery of the Ordinary Shares, and the consummation of the transactions contemplated hereby and thereby, will not result in any violation, be in conflict with or constitute, with or without the passage of time or giving of notice, a default under the Company's certificate of incorporation or memorandum and articles of association or, to the Company's knowledge, any agreement, contract or instrument to which the Company is a party, the effect which would have a material adverse effect on the Company.

6. Conditions Precedent.

(a) Conditions of Subscribers' Obligations. The obligations of each Subscriber hereunder to subscribe for the Ordinary Shares shall be subject to each of the following conditions:

(i) The execution and delivery of Amendment No. 1 to Shareholders' Agreement entered into and dated as of even date herewith by and between VPUK, each of the Subscribers and each of VPUK's other Shareholders;

(ii) The entry into by VBV, Deutsche Bank Trust Company Americas, as Collateral Agent, and TCW of the Amendment No. 3 to the Note Purchase Agreement to be dated as of an even date herewith; and

(iii) All of the acknowledgments, representations and agreements of VPUK made in Section 5 hereof being true and correct as at the date hereof.

(b) Conditions of the VPUK's Obligations. The obligations of VPUK to issue Ordinary Shares to each Subscriber and to consummate the transactions contemplated hereby shall be subject to each of the following conditions:

(i) All of the acknowledgments, representations and agreements of each Subscriber made in Section 3 hereof being true and correct in all material respects as at the date hereof; and

(ii) VPUK receiving from each Subscriber payment for the Ordinary Shares in the amount set forth on such Subscriber's signature page hereto.

7. Notices. Any notice delivered in connection with this Agreement must be in writing and must be either personally delivered, mailed by first class mail (postage prepaid and return receipt requested), sent by reputable overnight courier service (charges prepaid) or sent by facsimile (with follow-up telephone confirmation of receipt) to the recipient at the address and facsimile number indicated below each parties name on the signature pages hereto (unless such information is subsequently modified in writing by such recipient and delivered pursuant to this notice provision).

8. General Provisions.

(a) This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective, permitted successors and assigns.

(b) This Agreement shall be governed by and construed in accordance with the laws of the England and the parties submit to the exclusive jurisdiction of the English courts.

(c) No course of dealing or any delay or failure to exercise any right, power or remedy hereunder on the party of any party hereto shall operate as a waiver of or otherwise prejudice such party's rights, powers or remedies.

(d) This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

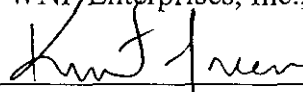
(e) Pursuant to the Contracts (Rights of Third Parties) Act 1999 the parties to this Agreement agree that a party who is not a party to this Agreement has no right to enforce any terms of this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

VIKING, LLC

By: WNP Enterprises, Inc., its Manager

By: 
Kent Green, Secretary

Number of Ordinary Shares: 2

Aggregate Purchase Price: £2

Address for Notices:

Viking, LLC
c/o William N. Pennington Enterprises
Southwest Professional Center
441 West Plumb Lane
Reno, NV 89509
Telephone:
Facsimile:

TCW GLOBAL PROJECT FUND II, LTD.

By: 

R. Blair Thomas
Director

Number of Ordinary Shares: 3

Aggregate Purchase Price: £3

Address for Notices:

865 South Figueroa Street
Los Angeles, California 90017
Attention: Thomas F. Mehlberg
Telephone: (213) 244-0044
Facsimile: (213) 244-0604

With a Copy To:

Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street, 30th Floor
Los Angeles, CA 90017
Attention: David A. Lamb, Esq.
Telephone: (213) 892-4000
Facsimile: (213) 629-5063

[SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT]

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