

The Depository Trust Company

IMPORTANT

****TIME CRITICAL – ONE DAY EDS ELECTION****

B#: 1665-07
DATE: June 06, 2007
TO: All Participants
CATEGORY: Dividends
FROM: International Services
ATTENTION: Operations, Reorg & Dividends Managers, Partners & Cashier
SUBJECT: TaxRelief - Country: Norway
Petroleum Geo-Service ASA CUSIP: 716599105
Record Date: 06/20/07 Payable Date: TBA
EDS Cut-Off Date: 06/21/07

*****WARNING TIME CRITICAL*****

DTC has been notified by **Citibank, N.A.** the depository bank, for **Petroleum Geo-Service ASA** will be paying a dividend to holders of record date 06/20/07.

Questions regarding EDS elections may be directed to Mr. Sean Bollers or Larry Bottiglieri of DTC's International Services at (212) 855-4706/4386.

Important Legal Information: *The Depository Trust Company ("DTC") does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages.*

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.



Petroleum Geo-Service ASA Cusip No. 716599105

ADR Record Date: June 20, 2007

ADR Pay Date: TBA

Citibank, N.A. has been notified by **Petroleum Geo-Service ASA** that under the Tax Convention of 03.12.1971 (revised 1980) between the United States and Norway, qualifying beneficial owners are entitled to a reduced tax treaty rate of 15% rather than the withholding tax rate of 25%, with the exception of shares effectively connected with the beneficial owner's permanent establishment in Norway. In addition, beneficial owners of other countries having double taxation convention with Norway entitling them to a treaty rate of 15% are also eligible for relief at source.

Participants can use DTC's Elective Dividend System (EDS) function over the Participant Terminal System (PTS) to certify all or a portion of their position entitled to the applicable withholding tax rate.

NOTE: The Dead-line for certifying over EDS is June 21, 2007.

By certifying for the applicable withholding tax rate, the Participant is certifying that the criteria listed below have been met.

1. The Participant has determined that the beneficial owner of the shares (individual or legal entity) is a resident of the United States or another country that is eligible for the 15% Norwegian withholding tax rate.
2. The Participant hereby certifies that it will indemnify Citibank, N.A., (and its agents) for any liability Citibank, N.A. may incur as a result of reliance upon information provided by such Participant in connection with an EDS election, a claim for refund, or a failure to provide information requested by the Norwegian Tax Authorities as described in item 5 below. Citibank, N.A. shall not be liable for failure to secure a refund of Norwegian tax withheld.
3. The Participant understands that Citibank, N.A. shall not be liable for any loss resulting from fluctuations in the foreign currency exchange rate that may reduce the value of any refund claimed.
4. The Participant agrees to immediately return to Citibank, N.A. any funds erroneously received as a result of an improper EDS election or refund claim. In addition, The Participant agrees to pay any interest, additions to tax or penalties thereon.
5. If requested by the Norwegian Tax Authorities (directly or indirectly), the Participant agrees to provide Citibank, N.A. with any of the following information/documentation respecting each beneficial owner for whom a reduced tax rate has been elected through EDS: the full names, complete addresses, the countries of residence for tax purposes, dates of birth, taxpayer identification numbers (including social security numbers), as well as the number of depositary receipts for which the reduced rate of withholding tax was certified, the rate that was applied, and any other information that may be reasonably requested, including possibly an IRS certification of U.S. residence on Form 6166. Such information/documentation will be provided within two weeks of The Participant being informed of the request.

RELIEF AT SOURCE PROCESSING IS SUBJECT TO A DEPOSITARY SERVICE CHARGE OF \$0.003 PER ADS WITH NO MINIMUM OR MAXIMUM.

POST PAY-DATE TAX RECLAIM PROCESSING IS SUBJECT TO A DEPOSITARY SERVICE CHARGE OF \$0.005 PER ADS WITH A MINIMUM SERVICE CHARGE OF \$25.00 AND MAXIMUM SERVICE CHARGE OF \$5,000.00 PER BENEFICIAL OWNER CLAIM.

IF PARTICIPANTS DO NOT CERTIFY THROUGH EDS FOR THE FAVORABLE RATE THEY WILL RECEIVE THE DIVIDEND WITH 25% WITHHELD.

(Norwegian residents may not benefit from the favorable rate program.)

Countries with 15% Withholding Tax Rates (10% Reclaim Amount)

Argentina	French Guyana	New Zealand
Australia	Gambia	Norfolk Island
Austria	Germany	Pakistan
Barbados	Gaudeloupe	Poland
Belgium	Iceland	Portugal
Brazil	Indonesia	Reunion
Bulgaria	Ireland	Singapore
Canada	Israel	Slovakia
China	Italy	South Africa
Christmas Island	Jamaica	Spain
Cocos (Keeling) Islands	Japan	Sri Lanka
Cote D'Ivoire	Korea, Republic of	Sweden
Czech Republic	Latvia	Switzerland
Denmark	Lithuania	Thailand
Egypt	Luxembourg	Ukraine
Estonia	Malta	United Kingdom
Faeroe Islands	Martinique	United States
Finland	Marocco	
France	Netherlands	
France, Metropolitan	Netherland Antilles	

For information concerning filing a tax reclaim after the EDS certification deadline, as well as requesting the appropriate tax claim forms, please contact:

Citibank, N.A.
c/o GlobeTax
90 Broad Street – 8th floor
New York, NY 10004
Attention: Brendan Jordan
Telephone: (800) 628-4646

If Participants do not certify through EDS for favorable rates, they will be paid the dividend net of 25% Norwegian withholding tax.

Beneficial owners whose claims are not submitted by **June 21, 2007** have **three years** after the foreign pay date to submit their claims through Citibank, N.A. / GlobeTax and must use the long form described below. Long form claims received will be submitted to the Norwegian Tax Authorities on a periodic basis.

Required Documentation for ALL Beneficial Owners who miss the EDS deadline

1. "Reclaim Request Letter" must be on firm letterhead and provide the name of the DTC Participant, the names and addresses of the beneficial owners, description of the securities, number of ADRs and corresponding ordinary shares, pay date, gross dividend paid (in Norwegian Kroner), withholding tax (in Norwegian Kroner) and amount claimed (in Norwegian Kroner). (Exhibit 1– blank form)
2. Certification of Dividend Payment (Exhibit 2)
3. Cover letter for transmitting claim to Citibank, N.A. (Exhibit 3)
4. Certification of Residency – a 6166 for U.S. residents which may be obtained by filing an IRS Form 8802 (sample 4 blank) or a Certification of Residency form signed and stamped by the relevant non-U.S. tax authorities.
5. Signing Authorization or Power of Attorney – must be supplied authorizing the DTC participant's ability to sign for their beneficial owners. (Exhibit 5)

Please Note:

Participants making incorrect certifications will be responsible for claiming or refunding any withholding tax to Skattedirektoratet (Directorate of Taxes), in Norway, through Citibank, N.A./Globe Tax Services. Participants will also be liable for any foreign exchange fluctuations impacting the amount of their refund or claims with the Norwegian Tax Authorities.

Questions may be directed to Brendan Jordan of Citibank, N.A. / GlobeTax at (800) 628-4646.

Exhibit 1

**NORWAY RECLAIM REQUEST FORMAT
PLACE ON PARTICIPANT'S LETTER HEAD
(ONE LETTER PER BENEFICIAL OWNER)**

(Date)

Citibank, N.A. c/o Globe Tax Services, Inc.
90 Broad Street - 8th Floor
New York, New York 10004
Attn: Brett Lewis

RE: Issue: **Petroleum Geo-Service ASA** CUSIP #: **716599105**
ADR Record Date: **06/20/2007** ADR Payable Date: **TBA**
DTC Participant #: _____ Total ADR Shares on Record Date: _____
Beneficial Owner Name: _____
Beneficial Owner Address: _____
Type of Account: _____ ADR Shares held: _____
Gross Dividend Paid (NOK): _____ Ordinary Shares held: _____
W/H Tax Amount (NOK) : _____ Ratio: **1 ADR = 1 ORD**
10% Amount Claimed (NOK): _____
Beneficial Owner Type (ie: individual, trust, investment fund, corporation, foundation, charity):

Enclosed are the following documents required to file a Norwegian tax reclaim (please check):

- _____ Copy of relevant portion(s) of the trustee/custodial agreement or Power of Attorney allowing DTC Participant to sign on behalf of the beneficial owner.
- _____ IRS Form 6166 or a Treasury Determination Letter or Foreign Tax Authority Certificate
- _____ Certification (Proof of Payment)

Sincerely,

(Beneficial Owner/ Trustee/Custodian) Telephone Number : _____

(Beneficial Owner/ Trustee/Custodian Address)

Citibank, N.A. shall not be liable for failure to secure the refund and shall not be liable for any loss due to fluctuations in foreign currency exchange rates. Any funds erroneously received shall be immediately returned to Citibank, N.A., plus any interest, additions to tax or penalties thereon.

Exhibit 2

**Certification Format to be placed on Participant's letterhead
(ONE CERTIFICATION PER BENEFICIAL OWNER)
Return with Cover Letter Submission**

CERTIFICATION

CERTIFICATION WITH RESPECT TO DIVIDENDS PAID AND TAX WITHHELD:

TO: BENEFICIAL OWNER NAME
BENEFICIAL OWNER ADDRESS

We, _____, hereby certify that we have received the dividend at the 75% rate and have paid the above mentioned beneficial owner the dividend less the 25% tax withheld on the ADR Paydate _____. The beneficial owner is therefore entitled to the 10% tax refund stipulated under the provisions of the United States – Norway Income Tax Treaty Convention for the following securities.

<u>Security Name</u> <u>Amount W/H(NOK)</u>	<u>Ordinary Pay Date</u>	<u>Ordinary Shares</u>	<u>Rate</u>	<u>Gross Div(NOK)</u>
Petroleum Geo-Service ASA	TBA		10.00	

Certified By
Authorized Signature _____ Date _____
NAME

TITLE

DTC PARTICIPANT

Citibank, N.A. shall not be liable for failure to secure the refund and shall not be liable for any loss due to fluctuations in foreign currency exchange rates. Any funds erroneously received shall be immediately returned to Citibank, N.A., plus any interest, additions to tax or penalties thereon.

Exhibit 3

FORMAT COVER LETTER
DTC PARTICIPANTS FOR FILING A LONG FORM CLAIM
THIS DOCUMENT MUST BE PREPARED ON LETTERHEAD

[DATE]

Citibank, N.A.
c/o GlobeTax
90 Broad Street, 8th Floor
New York, NY 10004-2205
Attn: Brendan Jordan

Enclosed are tax reclamation documents, which we have submitted on behalf of our clients who have had excess Norwegian tax withheld from dividends paid on Norwegian ADRs. We, [**NAME OF DTC PARTICIPANT**], also known under DTC participant number [**DTC PARTICIPANT NUMBER**], hereby state that each beneficial owner cited below held the respective amount of shares on the record date of **June 20, 2007** for the security **Petroleum Geo-Service ASA**.

Below is the list of beneficial owners and their respective holdings, which total [**TOTAL NUMBER OF ADRs CITED BELOW**] ADRs. As required the following documents are attached for each beneficial owner: **claim repayment letter, certification of payment, certification of residency, and signing authorization**. The ratio for Petroleum Geo-Service ASA is 1 ADR to 1 Ordinary share. The beneficial owner information is as follows:

<u>Beneficial Owner Name</u>	<u>Address</u>	<u>Taxpayer I.D. Number</u>	<u># of ADRs</u>	<u># of ORDs</u>
1)				
2)				
3)				
4) etc.				

We authorize Citibank, N.A. to present this documentation on the behalf of the beneficial owners listed above. Please contact the undersigned at [**Signatory's Telephone Number**] should you have any questions.

Sincerely,

[**SIGNATURE OF THE AUTHORIZED OFFICER FOR DTC PARTICIPANT**]
[**NAME AND TITLE OF AUTHORIZED OFFICER FOR DTC PARTICIPANT**]

[**SIGNATORY'S ADDRESS/DTC PARTICIPANT ADDRESS** _____]

Citibank, N.A. shall not be liable for failure to secure the refund and shall not be liable for any loss due to fluctuations in foreign currency exchange rates. Any funds erroneously received shall be immediately returned to Citibank, N.A., plus any interest, additions to tax or penalties thereon.

SAMPLE Exhibit 5

DTC Participant Letter Head

Date:

Power of Attorney

The undersigned (name of legal representative) is hereby authorized by the (DTC Participant name) to sign on behalf of our client (Beneficial Owner Name) in processing Norwegian Tax Reclaims. This declaration is being made for the purpose of requesting that the Norwegian Tax Administration refund the excess Norwegian tax withheld at its source on income.

This Power of Attorney shall remain in effect until terminated upon five days prior written notice of its intent to terminate.

Company Name: _____

(Stamp with Company stamp or seal)

Depository #: DTC # _____

Signature of legal representative

Name: (of legal rep.)

Title:

Date:

Place: