

SCHEDULES

SCHEDULE 21

PETROLEUM LICENCES: AMENDMENTS TO MODEL CLAUSES

PART 3

PETROLEUM LICENSING (EXPLORATION AND PRODUCTION) (SEAWARD AND LANDWARD AREAS) REGULATIONS 2004

Introduction

- 46 The Petroleum Licensing (Exploration and Production) (Seaward and Landward Areas) Regulations 2004 (S.I. 2004/352) are amended in accordance with this Part of this Schedule.

Schedule 2

- 47 Schedule 2 (model clauses for production licences relating to frontier areas — no break clause) is amended in accordance with paragraphs 48 to 50.
- 48 After clause 37 insert—

Change in control of Licensee

- “37A (1) This clause applies if—
- (a) the Licensee is a company, or
 - (b) where two or more persons are the Licensee, any of those persons is a company,
- and references in this clause to a company are to such a company.
- (2) A change in control of a company is not permitted without the consent of the Oil and Gas Authority (“the OGA”).
- (3) There is a “change in control” of a company if a person takes control of the company, not having previously been a person who controlled the company.
- (4) If a change in control of a company is contemplated, the company must apply in writing to the OGA for consent at least three months before the date on which it is proposed that the change would occur (if consent were given).
- (5) The OGA may—
- (a) consent to the change in control unconditionally,
 - (b) consent to the change in control subject to conditions, or
 - (c) refuse consent to the change in control.

Status: This is the original version (as it was originally enacted).

- (6) If the OGA proposes to grant consent subject to any condition or to refuse consent, the OGA must, before making a final decision—
 - (a) give the company an opportunity to make representations, and
 - (b) consider any representations that are made.
 - (7) The general rule is that the OGA must decide an application within three months of receiving it, but the OGA may delay its decision by notifying the interested parties in writing.
 - (8) Conditions as mentioned in paragraph (5)(b) may be imposed on the person taking control of the company (as well as on the company), and may include—
 - (a) conditions relating to the arrangements for the change in control, including the date by which it must occur,
 - (b) conditions relating to the performance of activities permitted by this licence, and
 - (c) financial conditions.
 - (9) The OGA’s decision on the application, and any conditions as mentioned in paragraph (5)(b), must be notified in writing to the interested parties.
 - (10) In this clause “the interested parties” means—
 - (a) the company,
 - (b) the person who (if consent were granted) would take control of the company, and
 - (c) if the company and another person or persons are the Licensee, that other person or those other persons.
 - (11) For the purposes of this clause, the question of whether a person has control of a company is to be determined in accordance with the test set out in clause 37(4).”
- 49 (1) Clause 38 (power of revocation) is amended as follows.
- (2) In paragraph (2)—
- (a) after sub-paragraph (i) insert—
 - “(j) if the Licensee is a company, any breach of a condition subject to which the Oil and Gas Authority gave its consent to a change in control of the Licensee (see clause 37A);
 - (k) if the Licensee is a company, any failure to provide full and accurate information in response to a notice given by the Oil and Gas Authority to that company under section 5D of the Act;”;
 - (b) in the closing words, after “(g)” insert “or (j) or (k)”.
- (3) Omit paragraphs (3) to (5).
- 50 (1) Clause 38A (power of partial revocation) is amended as follows.
- (2) For paragraph (1) substitute—
- “(1) This clause applies in a case where two or more persons are the Licensee and—

Status: This is the original version (as it was originally enacted).

- (a) an event mentioned in clause 38(2)(c), (d), (e), (ee) or (g) occurs in relation to one of those persons;
- (b) an event mentioned in clause 38(2)(b) occurs which consists of a breach of clause 37A(2) or (4) in relation to a change in control of one of those persons;
- (c) an event mentioned in clause 38(2)(j) occurs in relation to a change in control of one of those persons (see clause 37A); or
- (d) an event mentioned in clause 38(2)(k) occurs which consists of a failure by one of those persons as mentioned in that provision.”

(3) In paragraph (2), for “or (b)” substitute “, (b), (c) or (d)”.

Schedule 3

51 Schedule 3 (model clauses for production licences relating to frontier areas — including break clause) is amended in accordance with paragraphs 52 to 54.

52 After clause 38 insert—

Change in control of Licensee

- “38A (1) This clause applies if—
- (a) the Licensee is a company, or
 - (b) where two or more persons are the Licensee, any of those persons is a company,
- and references in this clause to a company are to such a company.
- (2) A change in control of a company is not permitted without the consent of the Oil and Gas Authority (“the OGA”).
 - (3) There is a “change in control” of a company if a person takes control of the company, not having previously been a person who controlled the company.
 - (4) If a change in control of a company is contemplated, the company must apply in writing to the OGA for consent at least three months before the date on which it is proposed that the change would occur (if consent were given).
 - (5) The OGA may—
 - (a) consent to the change in control unconditionally,
 - (b) consent to the change in control subject to conditions, or
 - (c) refuse consent to the change in control.
 - (6) If the OGA proposes to grant consent subject to any condition or to refuse consent, the OGA must, before making a final decision—
 - (a) give the company an opportunity to make representations, and
 - (b) consider any representations that are made.
 - (7) The general rule is that the OGA must decide an application within three months of receiving it, but the OGA may delay its decision by notifying the interested parties in writing.

Status: This is the original version (as it was originally enacted).

- (8) Conditions as mentioned in paragraph (5)(b) may be imposed on the person taking control of the company (as well as on the company), and may include—
- (a) conditions relating to the arrangements for the change in control, including the date by which it must occur,
 - (b) conditions relating to the performance of activities permitted by this licence, and
 - (c) financial conditions.
- (9) The OGA’s decision on the application, and any conditions as mentioned in paragraph (5)(b), must be notified in writing to the interested parties.
- (10) In this clause “the interested parties” means—
- (a) the company,
 - (b) the person who (if consent were granted) would take control of the company, and
 - (c) if the company and another person or persons are the Licensee, that other person or those other persons.
- (11) For the purposes of this clause, the question of whether a person has control of a company is to be determined in accordance with the test set out in clause 38(4).”
- 53 (1) Clause 39 (power of revocation) is amended as follows.
- (2) In paragraph (2)—
- (a) after sub-paragraph (i) insert—
 - “(j) if the Licensee is a company, any breach of a condition subject to which the Oil and Gas Authority gave its consent to a change in control of the Licensee (see clause 38A);
 - (k) if the Licensee is a company, any failure to provide full and accurate information in response to a notice given by the Oil and Gas Authority to that company under section 5D of the Act;”;
 - (b) in the closing words, after “(g)” insert “or (j) or (k)”.
- (3) Omit paragraphs (3) to (5).
- 54 (1) Clause 39A (power of partial revocation) is amended as follows.
- (2) For paragraph (1) substitute—
- “(1) This clause applies in a case where two or more persons are the Licensee and—
- (a) an event mentioned in clause 39(2)(c), (d), (e), (ee) or (g) occurs in relation to one of those persons;
 - (b) an event mentioned in clause 39(2)(b) occurs which consists of a breach of clause 38A(2) or (4) in relation to a change in control of one of those persons;
 - (c) an event mentioned in clause 39(2)(j) occurs in relation to a change in control of one of those persons (see clause 38A); or
 - (d) an event mentioned in clause 39(2)(k) occurs which consists of a failure by one of those persons as mentioned in that provision.”

(3) In paragraph (2), for “or (b)” substitute “, (b), (c) or (d)”.

Schedule 4

55 Schedule 4 (model clauses for standard production licences) is amended in accordance with paragraphs 56 to 58.

56 After clause 36 insert—

Change in control of Licensee

- “36A (1) This clause applies if—
- (a) the Licensee is a company, or
 - (b) where two or more persons are the Licensee, any of those persons is a company,
- and references in this clause to a company are to such a company.
- (2) A change in control of a company is not permitted without the consent of the Oil and Gas Authority (“the OGA”).
 - (3) There is a “change in control” of a company if a person takes control of the company, not having previously been a person who controlled the company.
 - (4) If a change in control of a company is contemplated, the company must apply in writing to the OGA for consent at least three months before the date on which it is proposed that the change would occur (if consent were given).
 - (5) The OGA may—
 - (a) consent to the change in control unconditionally,
 - (b) consent to the change in control subject to conditions, or
 - (c) refuse consent to the change in control.
 - (6) If the OGA proposes to grant consent subject to any condition or to refuse consent, the OGA must, before making a final decision—
 - (a) give the company an opportunity to make representations, and
 - (b) consider any representations that are made.
 - (7) The general rule is that the OGA must decide an application within three months of receiving it, but the OGA may delay its decision by notifying the interested parties in writing.
 - (8) Conditions as mentioned in paragraph (5)(b) may be imposed on the person taking control of the company (as well as on the company), and may include—
 - (a) conditions relating to the arrangements for the change in control, including the date by which it must occur,
 - (b) conditions relating to the performance of activities permitted by this licence, and
 - (c) financial conditions.

Status: This is the original version (as it was originally enacted).

- (9) The OGA’s decision on the application, and any conditions as mentioned in paragraph (5)(b), must be notified in writing to the interested parties.
- (10) In this clause “the interested parties” means—
- (a) the company,
 - (b) the person who (if consent were granted) would take control of the company, and
 - (c) if the company and another person or persons are the Licensee, that other person or those other persons.
- (11) For the purposes of this clause, the question of whether a person has control of a company is to be determined in accordance with the test set out in clause 36(4).”
- 57 (1) Clause 37 (power of revocation) is amended as follows.
- (2) In paragraph (2)—
- (a) after sub-paragraph (i) insert—
 - “(j) if the Licensee is a company, any breach of a condition subject to which the Oil and Gas Authority gave its consent to a change in control of the Licensee (see clause 36A);
 - (k) if the Licensee is a company, any failure to provide full and accurate information in response to a notice given by the Oil and Gas Authority to that company under section 5D of the Act;”;
 - (b) in the closing words, after “(g)” insert “or (j) or (k)”.
- (3) Omit paragraphs (3) to (5).
- 58 (1) Clause 37A (power of partial revocation) is amended as follows.
- (2) For paragraph (1) substitute—
- “(1) This clause applies in a case where two or more persons are the Licensee and—
- (a) an event mentioned in clause 37(2)(c), (d), (e), (ee) or (g) occurs in relation to one of those persons;
 - (b) an event mentioned in clause 37(2)(b) occurs which consists of a breach of clause 36A(2) or (4) in relation to a change in control of one of those persons;
 - (c) an event mentioned in clause 37(2)(j) occurs in relation to a change in control of one of those persons (see clause 36A); or
 - (d) an event mentioned in clause 37(2)(k) occurs which consists of a failure by one of those persons as mentioned in that provision.”
- (3) In paragraph (2), for “or (b)” substitute “, (b), (c) or (d)”.

Schedule 6

- 59 Schedule 6 (model clauses for petroleum exploration and development licences) is amended in accordance with paragraphs 60 to 62.
- 60 After clause 35 insert—

Change in control of Licensee

- “35A (1) This clause applies if—
- (a) the Licensee is a company, or
 - (b) where two or more persons are the Licensee, any of those persons is a company,
- and references in this clause to a company are to such a company.
- (2) A change in control of a company is not permitted without the consent of the Oil and Gas Authority (“the OGA”).
 - (3) There is a “change in control” of a company if a person takes control of the company, not having previously been a person who controlled the company.
 - (4) If a change in control of a company is contemplated, the company must apply in writing to the OGA for consent at least three months before the date on which it is proposed that the change would occur (if consent were given).
 - (5) The OGA may—
 - (a) consent to the change in control unconditionally,
 - (b) consent to the change in control subject to conditions, or
 - (c) refuse consent to the change in control.
 - (6) If the OGA proposes to grant consent subject to any condition or to refuse consent, the OGA must, before making a final decision—
 - (a) give the company an opportunity to make representations, and
 - (b) consider any representations that are made.
 - (7) The general rule is that the OGA must decide an application within three months of receiving it, but the OGA may delay its decision by notifying the interested parties in writing.
 - (8) Conditions as mentioned in paragraph (5)(b) may be imposed on the person taking control of the company (as well as on the company), and may include—
 - (a) conditions relating to the arrangements for the change in control, including the date by which it must occur,
 - (b) conditions relating to the performance of activities permitted by this licence, and
 - (c) financial conditions.
 - (9) The OGA’s decision on the application, and any conditions as mentioned in paragraph (5)(b), must be notified in writing to the interested parties.
 - (10) In this clause “the interested parties” means—
 - (a) the company,
 - (b) the person who (if consent were granted) would take control of the company, and
 - (c) if the company and another person or persons are the Licensee, that other person or those other persons.

Status: This is the original version (as it was originally enacted).

(11) For the purposes of this clause, the question of whether a person has control of a company is to be determined in accordance with the test set out in clause 35(4).”

61 (1) Clause 36 (power of revocation) is amended as follows.

(2) In paragraph (2)—

(a) after sub-paragraph (i) insert—

“(j) if the Licensee is a company, any breach of a condition subject to which the Oil and Gas Authority gave its consent to a change in control of the Licensee (see clause 35A);

(k) if the Licensee is a company, any failure to provide full and accurate information in response to a notice given by the Oil and Gas Authority to that company under section 5D of the Act;”;

(b) in the closing words, after “(g)” insert “or (j) or (k)”.

(3) Omit paragraphs (3) to (5).

62 (1) Clause 36A (power of partial revocation) is amended as follows.

(2) For paragraph (1) substitute—

“(1) This clause applies in a case where two or more persons are the Licensee and—

(a) an event mentioned in clause 36(2)(c), (d), (e), (ee) or (g) occurs in relation to one of those persons;

(b) an event mentioned in clause 36(2)(b) occurs which consists of a breach of clause 35A(2) or (4) in relation to a change in control of one of those persons;

(c) an event mentioned in clause 36(2)(j) occurs in relation to a change in control of one of those persons (see clause 35A); or

(d) an event mentioned in clause 36(2)(k) occurs which consists of a failure by one of those persons as mentioned in that provision.”

(3) In paragraph (2), for “or (b)” substitute “, (b), (c) or (d)”.