
STATUTORY INSTRUMENTS

2017 No. 426

The Oil and Gas Authority (Fees and Petroleum Licensing) (Amendment) Regulations 2017

Amendments to the Oil and Gas Authority (Fees) Regulations 2016

2.—(1) The Oil and Gas Authority (Fees) Regulations 2016(1) are amended as follows.

(2) In regulation 2 (interpretation)—

(a) after the entry for “the 2008 Act”, insert—

““the Applications Regulations” means the Petroleum Licensing (Applications) Regulations 2015(2);

“the Offshore Safety Directive Regulations” means the Offshore Petroleum Licensing (Offshore Safety Directive) Regulations 2015(3);”;

(b) after the entry for “development and production programme”, insert—

““development area proposal” means a proposal submitted pursuant to a petroleum exploration and development licence defining the geographic locations within a petroleum field where the licensee proposes to undertake development and production including, where relevant, a plan setting out the activities to be carried out;”;

(c) after the entry for “licensee”, insert—

““petroleum exploration and development licence” has the meaning given in regulation 2 of the Applications Regulations;”;

(d) after the entry for “relevant licence”, insert—

““retention area proposal” means a proposal submitted pursuant to a petroleum exploration and development licence defining the geographic locations where the licensee proposes to undertake exploration and appraisal activities;”;

(e) after the entry for “well”, insert—

““well or installation operator” means a person appointed in accordance with regulation 5 of the Offshore Safety Directive Regulations (appointment of operators by offshore licensees) to conduct the planning or execution of well operations or offshore petroleum operations other than well operations;”;

(f) after the entry for “well suspension”, insert—

““work programme” means a programme set out in a schedule to a petroleum licence which sets out the prospecting to be undertaken during the initial term, including any geological survey by any physical or chemical means and any test drilling.”.

(3) In regulation 3(1) (applications prescribed for purposes of section 12(1)(d) of the Energy Act 2016), after sub-paragraph (o) (application for approval of the appointment of an operator under a petroleum licence), insert—

(1) S.I. 2016/904.

(2) S.I. 2015/766, amended by S.I. 2016/912.

(3) S.I. 2015/385, amended by paragraph 81 of Schedule 1 to the Energy Act 2016 (c. 20) and S.I. 2017/404.

- “(p) an application for approval of the appointment of a well or installation operator under regulation 5 of the Offshore Safety Directive Regulations where approval is granted in accordance with paragraph (1)(a) of that regulation;
- (q) an application for consent to a retention area proposal where consent is granted;
- (r) an application for consent to a development area proposal where consent is granted;
- (s) an application for consent to extend the initial, second or final term of a petroleum licence;
- (t) an application for consent to extend the final phase of the initial term of a petroleum licence;
- (u) an application for consent to amend a work programme.”
- (4) In regulation 4 (fees payable for consents and pipeline works authorisations)—
- (a) in the heading, omit “Estimated”;
- (b) in the formula in paragraph (3), for “£500” substitute “£595”;
- (c) in paragraph (4), omit the words “which the OGA estimates will be”;
- (d) in paragraph (5), for the words “under regulation 5(3)” substitute “of the application”.
- (5) Omit regulation 5 (requests to determine fees under regulation 4).
- (6) In regulation 6 (fixed fees payable for other consents)—
- (a) in paragraph (1), for “(2)” substitute “(3)”;
- (b) at the beginning of paragraph (2), insert “Subject to paragraph (3),”;
- (c) after paragraph (2) (but before the table), insert—
- “(3) Where the fee payable under paragraph (1) is for one of the following applications, the licensee must pay the fee within 30 days of the OGA notifying the licensee of the determination of the application unless the OGA notifies the licensee in writing that the licensee may pay the fee at a later date—
- (a) an application for consent to extend the initial, second or final term of a petroleum licence;
- (b) an application for consent to extend the final phase of the initial term of a petroleum licence;
- (c) an application for consent to amend a work programme.”; and
- (d) for the table (fees for other consents), substitute the following—

<i>“Activity or matter requiring consent</i>	<i>Fee payable</i>
Methodology proposed for the measurement of petroleum	£1,214
Drill a primary well	£729
Drill a sidetrack well branching off from the principal well to a target location different from that of the principal well	£596
Fit or refit equipment in a well for the purpose of enabling hydrocarbon production or injection	£566
Get petroleum from a licensed area	£1,052
Variation of a consent to get petroleum from a licensed area	£1,052

<i>“Activity or matter requiring consent</i>	<i>Fee payable</i>
Flare or vent petroleum from a well	£765
Variation of a consent to flare or vent petroleum from a well	£765
Well suspension	£596
Put back into use any well subject to a well suspension	£566
Abandon a well permanently	£566
Change of licensee of a petroleum licence	£401
Change of the beneficiary of rights granted by a petroleum licence	£401
Appointment of an operator under a petroleum licence	£1,201
Extension of the initial, second or final term of a petroleum licence	£1,000
Extension of the final phase of the initial term of a petroleum licence	£1,000
Amendment of a work programme	£1,000”.

(7) After regulation 6, insert—

“Fees payable for consent to retention or development area proposals

6A.—(1) A licensee must pay a fee of £1,068 where the licensee applies to the OGA for consent to a retention area proposal or a development area proposal and the OGA grants consent.

(2) The licensee must pay any fee payable under paragraph (1) within 30 days of the OGA notifying the licensee of the grant of consent unless the OGA notifies the licensee in writing that the licensee may pay the fee at a later date.

Fees payable for determination of oil fields

6B.—(1) A licensee must pay a fee of £1,124 for the determination of an oil field under Schedule 1 to the Oil Taxation Act 1975 (determination of oil fields)(4).

(2) The licensee must pay any fee payable under paragraph (1) within 30 days of the OGA notifying the licensee of the determination unless the OGA notifies the licensee in writing that the licensee may pay the fee at a later date.

Fees payable for metering examinations and tests

6C.—(1) For any examination or test of an appliance used to measure petroleum listed in the first column of the table following paragraph (3) which is undertaken by or at the direction of the OGA, the licensee must pay the corresponding fee in the second column of that table.

(4) 1975 c. 22, amended by paragraph 7(5) of Schedule 4 to the Petroleum Act 1998 (c. 17), paragraph 7 of Schedule 42 to the Finance Act 2009 (c. 10), section 61(1) of the Finance Act 2011 (c. 11), section 48(20) of the Scotland Act 2016 (c. 11) (from a date to be appointed) and S.I. 2016/898.

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(2) The licensee must pay any fee payable under paragraph (1) within 30 days of the OGA notifying the licensee of the amount due unless the OGA notifies the licensee in writing that the licensee may pay the fee at a later date.

(3) In the table, “seaward area production licence” has the meaning given in regulation 2 of the Applications Regulations.

Fees payable for metering examinations or tests

<i>Type of metering examination or test</i>	<i>Fee payable</i>
Metering examination under a seaward area production licence	£2,534
Metering examination under a petroleum exploration and development licence	£2,994
Meter flow calibration	£1,612

Fees payable for approval of well or installation operators

6D.—(1) A licensee must pay a fee where—

- (a) the licensee applies to the OGA for approval of the appointment of a well or installation operator;
- (b) the OGA consults the competent authority under regulation 5(3) of the Offshore Safety Directive Regulations; and
- (c) the OGA approves the application in accordance with regulation 5(1)(a) of those regulations.

(2) The amount of the fee under paragraph (1) is the sum of the fees charged by the competent authority under the following provisions when providing advice in accordance with the competent authority’s functions as a consultee—

- (a) section 13(6) of the Health and Safety at Work Act 1974⁽⁵⁾ (powers of the executive), and
- (b) regulation 13A of the Offshore Safety Directive Regulations (fees)⁽⁶⁾.

(3) The licensee must pay any fee payable under paragraph (1) within 30 days of the OGA notifying the licensee of the determination of the application unless the OGA notifies the licensee in writing that the licensee may pay the fee at a later date.

(4) Any fee payable under paragraph (1) is in addition to the fee payable for appointment of an operator under a petroleum licence under regulation 6.

(5) In this regulation, “competent authority” means the Health and Safety Executive and the Secretary of State, acting jointly.”

⁽⁵⁾ 1974 c. 37. Section 13 was substituted by S.I. 2008/960 and amended by paragraph 3 of Schedule 12 to the Energy Act 2013 (c. 32).

⁽⁶⁾ Regulation 13A was inserted by S.I. 2017/404.