

SCHEDULES

SCHEDULE 1 **U.K.**

Regulation 3(6)

New Schedule 2A to the Petroleum Licensing (Exploration and Production) (Landward Areas) Regulations 2014

“SCHEDULE 2A **U.K.**”

Model clauses for petroleum exploration and development licences granted by the Scottish Ministers

Interpretation

1. In these clauses, the following expressions have the following meanings—
 - “the Licensed Area” means the area for the time being in which the Licensee may exercise the rights granted by this licence;
 - “the Licensee” means the person (or all the persons) specified as such in this licence or the licence holder, as relevant to this licence;
 - “OGA” means the Oil and Gas Authority;
 - “Petroleum” includes any mineral oil or relative hydrocarbon and natural gas existing in its natural condition in strata but does not include coal or bituminous shales or other stratified deposits from which oil can be extracted by destructive distillation.

Provision of contact details to the OGA

- 2.—(1) A notice, direction or other document authorised or required (in whatever terms) to be given to the Licensee by virtue of these clauses is treated as given to the Licensee if it is given to the person specified by the Licensee under paragraph (2) at the address so specified.
 - (2) The Licensee must supply the OGA with the name and address of a person to whom notices, directions or other documents are to be given.
 - (3) The Licensee must ensure that, where there is a change in the person to whom, or the address to which, notices, directions or other documents should be sent in accordance with paragraph (2), the OGA is notified of the change as soon as is reasonably practicable.
 - (4) If the Licensee fails to comply with paragraph (2) the OGA may give the Licensee a notice which—
 - (a) requires the Licensee to comply with paragraph (2) within the period of one month beginning with the date of the notice; and
 - (b) states that, if the Licensee fails to do so, the Licensee will be treated as having supplied under paragraph (2) the name and address specified by the OGA in the notice.

Payment of consideration for Licence

3.—(1) The Licensee must make to the OGA, as consideration for the grant of this licence, payments in accordance with the Schedule setting out the consideration payable under the licence.

(2) The Licensee may not by reason of the determination of this licence or the surrender of any part of the Licensed Area be entitled to be repaid or allowed any sum payable to the OGA pursuant to this licence before the date of such determination or surrender.

Right of Secretary of State to revoke licence

4.—(1) The Secretary of State may revoke the licence for failure to pay any consideration payable under the licence.

(2) Any revocation under paragraph (1) is without prejudice to any obligation or liability incurred by the Licensee or imposed upon the Licensee by or under the terms and conditions of the licence.

Diligence

5. If and whenever any of the payments mentioned in clause 3(1) of this licence or any part thereof are in arrears or unpaid for 28 days after any of the days whereon the same ought to be paid (whether the same has been legally demanded or not), then and so often as the same may happen the OGA may (as an additional remedy and without prejudice to any other rights and remedies to which they would be entitled) do diligence in respect thereof in like manner as a landlord may do diligence in respect of unpaid arrear of rent and such diligence may be effectual to attach all or any of the stocks of Petroleum, engines, machinery, tools, implements and other effects belonging to the Licensee which are found on or about any of the Licensee's installations and equipment used or to be used in connection with searching, boring for or getting Petroleum in the Licensed Area, and where in pursuance of such a diligence a sale of such effects as have been attached thereby takes place, the OGA may out of the proceeds thereof retain and pay all the arrears of the said payments and also the expenses of and incident to such diligence and sale and must then pay the surplus thereof (if any) to the Licensee.

Indemnity against third party claims

6. The Licensee must at all times keep the Secretary of State and the OGA effectually indemnified against all actions, proceedings, costs, charges, claims and demands whatsoever which may be made or brought against the Secretary of State or the OGA by any third party in relation to or in connection with these clauses or any matter or thing done or purported to be done in pursuance thereof.

Arbitration

7.—(1) If at any time any dispute, difference or question arises between the licensee and the Secretary of State or the OGA as to any matter arising under or by virtue of these clauses or as to their respective rights and liabilities in respect thereof then the same may, except where it is expressly provided by these clauses that the matter or thing to which the same relates is to be determined, decided, directed, approved or consented to by the Secretary of State, be referred to arbitration as provided by paragraph (2).

(2) The arbitration referred to in the foregoing paragraph must be by a single arbiter who, in default of agreement between the Secretary of State or the OGA and the Licensee as to the appointment, must be appointed by the Lord President of the Court of Session.”

SCHEDULE 2 U.K.

Regulation 3(7)

New Schedule 3A to the Petroleum Licensing (Exploration and Production) Regulations 2014

“SCHEDULE 3A U.K.

Model clauses for landward petroleum exploration licences granted by the Scottish Ministers

Interpretation

1. In these clauses, the following expressions have the following meanings—

“the Exploration Area” means the area comprising all the areas in which the Licensee may for the time being exercise any of the rights granted by this licence;

“the Licensee” means the person (or all the persons) specified as such in this licence or the licence holder, as relevant to this licence;

“OGA” means the Oil and Gas Authority.

Provision of contact details to the OGA

2.—(1) A notice, direction or other document authorised or required (in whatever terms) to be given to the Licensee by virtue of these clauses is treated as given to the Licensee if it is given to the person specified by the Licensee under paragraph (2) at the address so specified.

(2) The Licensee must supply the OGA with the name and address of a person to whom notices, directions or other documents are to be given.

(3) The Licensee must ensure that, where there is a change in the person to whom, or the address to which, notices, directions or other documents should be sent in accordance with paragraph (2), the OGA is notified of the change as soon as is reasonably practicable.

(4) If the Licensee fails to comply with paragraph (2) the OGA may give the Licensee a notice which—

(a) requires the Licensee to comply with paragraph (2) within the period of one month beginning with the date of the notice; and

(b) states that, if the Licensee fails to do so, the Licensee will be treated as having supplied under paragraph (2) the name and address specified by the OGA in the notice.

Payment of consideration for Licence

3.—(1) The Licensee must make to the OGA, as consideration for the grant of this licence, payments in accordance with the Schedule setting out the consideration payable under the licence.

(2) The Licensee may not by reason of the determination of this licence or any reduction in the Exploration Area be entitled to be repaid or allowed any part of any sum payable to the OGA pursuant to this licence.

Right of Secretary of State to revoke licence

4.—(1) The Secretary of State may revoke the licence for failure to pay any consideration payable under the licence.

Changes to legislation: There are currently no known outstanding effects for the The Scotland Act 2016 and Onshore Petroleum (Consequential, Transitional and Saving Provisions and Model Clauses) Regulations 2018. (See end of Document for details)

(2) Any revocation under paragraph (1) is without prejudice to any obligation or liability incurred by the Licensee or imposed upon the Licensee by or under the terms and conditions of the licence.

Indemnity against third party claims

5. The Licensee must at all times keep the Secretary of State and the OGA effectually indemnified against all actions, proceedings, costs, charges, claims and demands whatsoever which may be made or brought against the Secretary of State or the OGA by any third party in relation to or in connection with these clauses or any matter or thing done or purported to be done in pursuance thereof.

Arbitration

6.—(1) If at any time any dispute, difference or question arises between the Licensee and the Secretary of State or the OGA as to any matter arising under or by virtue of these clauses or as to their respective rights and liabilities in respect thereof then the same may, except where it is expressly provided by these clauses that the matter or thing to which the same relates is to be determined, decided, directed, approved or consented to by the Secretary of State, be referred to arbitration as provided by paragraph (2).

(2) The arbitration referred to in the foregoing paragraph must be by a single arbiter who, in default of agreement between the Secretary of State or the OGA and the Licensee as to the appointment, must be appointed by the Lord President of the Court of Session.”

SCHEDULE 3 U.K.

Regulation 7(2)

New model clauses for existing licences in the Scottish onshore area

Interpretation U.K.

1. In these clauses, the following expressions have the following meanings—

“the Licensed Area” means the area for the time being in which the Licensee may exercise the rights granted by this licence;

“the Licensee” means the person or persons to whom this licence is granted, his personal representatives and any person or persons to whom the rights conferred by this licence may lawfully have been assigned;

“OGA” means the Oil and Gas Authority;

“Petroleum” includes any mineral oil or relative hydrocarbon and natural gas existing in its natural condition in strata but does not include coal or bituminous shales or other stratified deposits from which oil can be extracted by destructive distillation.

Payment of consideration for Licence U.K.

2.—(1) The Licensee must make to the OGA, as consideration for the grant of this licence, payments in accordance with the Schedule setting out the consideration payable under the licence.

(2) The Licensee may not by reason of the determination of this licence or the surrender of any part of the Licensed Area be entitled to be repaid or allowed any sum payable to the OGA pursuant to this licence before the date of such determination or surrender.

Right of Secretary of State to revoke licence U.K.

3.—(1) The Secretary of State may revoke the licence for failure to pay any consideration payable under the licence.

(2) Any revocation under paragraph (1) is without prejudice to any obligation or liability incurred by the Licensee or imposed upon the Licensee by or under the terms and conditions of the licence.

Diligence U.K.

4. If and whenever any of the payments mentioned in clause 2(1) of this licence or any part thereof are in arrears or unpaid for 28 days after any of the days whereon the same ought to be paid (whether the same has been legally demanded or not), then and so often as the same may happen the OGA may (as an additional remedy and without prejudice to any other rights and remedies to which they would be entitled) do diligence in respect thereof in like manner as a landlord may do diligence in respect of unpaid arrear of rent and such diligence may be effectual to attach all or any of the stocks of Petroleum, engines, machinery, tools, implements and other effects belonging to the Licensee which are found on or about any of the Licensee's installations and equipment used or to be used in connection with searching, boring for or getting petroleum in the Licensed Area, and where in pursuance of such a diligence a sale of such effects as have been attached thereby takes place, the OGA may out of the proceeds thereof retain and pay all the arrears of the said payments and also the expenses of and incident to such diligence and sale and must then pay the surplus thereof (if any) to the Licensee.

Indemnity against third party claims U.K.

5. The Licensee must at all times keep the Secretary of State and the OGA effectually indemnified against all actions, proceedings, costs, charges, claims and demands whatsoever which may be made or brought against the Secretary of State or the OGA by any third party in relation to or in connection with these clauses or any matter or thing done or purported to be done in pursuance thereof.

Arbitration U.K.

6.—(1) If at any time any dispute, difference or question arises between the licensee and the Secretary of State or the OGA as to any matter arising under or by virtue of these clauses or as to their respective rights and liabilities in respect thereof then the same may, except where it is expressly provided by these clauses that the matter or thing to which the same relates is to be determined, decided, directed, approved or consented to by the Secretary of State, be referred to arbitration as provided by paragraph (2).

(2) The arbitration referred to in the foregoing paragraph must be by a single arbiter who, in default of agreement between the Secretary of State or the OGA and the Licensee as to the appointment, must be appointed by the Lord President of the Court of Session.

Changes to legislation:

There are currently no known outstanding effects for the The Scotland Act 2016 and Onshore Petroleum (Consequential, Transitional and Saving Provisions and Model Clauses) Regulations 2018.