EXPLANATORY NOTE

(This Note is not part of the Regulations but is intended to indicate their general purport.)

These Regulations set out the requirements for applications for licences to search and bore for and get petroleum to be issued under the Petroleum (Production) Act (Northern Ireland) 1964. They also prescribe model clauses which may be incorporated in licences granted in pursuance of applications under these Regulations.

1965. No. 48 **[C]**

PETROLEUM PRODUCTION

Royalties

REGULATIONS, DATED 10TH MARCH, 1965, MADE BY THE MINISTRY OF COMMERCE WITH THE CONSENT OF THE MINISTRY OF FINANCE UNDER SECTIONS 2 AND 13 OF THE PETROLEUM (PRODUCTION) ACT (NORTHERN IRELAND) 1964.

The Ministry of Commerce in exercise of the powers conferred on it by sections 2 and 13 of the Petroleum (Production) Act (Northern Ireland) 1964(a) and of all other powers enabling it in that behalf with the consent of the Ministry of Finance hereby makes the following Regulations:—

Citation and Commencement

1. These Regulations may be cited as the Petroleum Production (Royalties) Regulations (Northern Ireland) 1965 and shall come into operation on 15th March, 1965.

Consideration

2. The consideration payable to the Ministry of Commerce (hereinafter referred to as "the Ministry") in respect of a licence granted under section 2 of the Petroleum (Production) Act (Northern Ireland) 1964(a) shall be by way of royalties calculated in manner hereinafter provided.

Calculation of Royalties

3. The royalties referred to in Regulation 2 shall be calculated at the rate of 7½ per cent. of the value of all

(*a*) crude oil won and saved; and

(*b*) casinghead petroleum spirit recovered; and

(*c*) natural gas won and saved

from the licensed area during the period ending on 31st December following the commencement of the licence, during each subsequent calendar year of the licence and during the period from the end of the last such year to the final expiry or determination of the licence: Provided that crude oil or casinghead petroleum spirit or natural gas used for drilling or production operations or pumping to field storage and refineries shall not be taken into account for the purposes of this Regulation.

(a) 1964. c. 28 (N.I.).