

TRINIDAD AND TOBAGO.

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No. 4—1938.

[L.S.]

I ASSENT

A. W. SEYMOUR,
Acting Governor.
7th April, 1938.

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AN ORDINANCE to repeal and replace the Petroleum Office and Conservation Board Establishment Ordinance, 1929, and to make further provisions in relation to the Petroleum Office and the Conservation Board.

BE it enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows:—

Short title. 1. This Ordinance may be cited as the Petroleum Office and Conservation Board Ordinance, 1938.

Interpretation, 2. In this Ordinance unless the context otherwise requires:—

"Banker's Guarantee" means a guarantee or bond given by any person licensed to carry on the business of banking in the Colony under the Bankers' Licences and Bank notes (Duties) Ordinance.

"Barrel" means a barrel of a capacity of thirty-five Imperial gallons.

"Board" means the Petroleum Conservation Board established under this Ordinance.

"Footage" means the aggregate number of feet drilled.

“ Office ” means the Petroleum Office established under this Ordinance.

“ Oil ” means mineral oil and includes gas obtained by process of drilling operations.

“ Person operating for Oil ” means an owner of oil mining rights, or a Lessee or Licensee under an Oil Mining Lease or Licence or an Assignee of such person, who by virtue of his ownership, lease, licence, or assignment, drills for or wins oil or performs any work in or upon any well drilled for oil, or employs others to drill for or win oil or perform any work in or upon any well drilled for oil.

“ Technologist ” and “ Assistant Technologist ” means respectively the Petroleum Technologist and any Assistant Petroleum Technologist appointed under this Ordinance.

3. For the better conservation of the oil resources of the Colony there shall be established and maintained a branch of the Mines Department to be called the Petroleum Office. Petroleum Office.

4. The Governor may appoint to the Office, on such terms and conditions as he may think fit, a Petroleum Technologist, one or more Assistant Petroleum Technologists, and such other officers and persons as may be necessary for the due administration of the business of the office. Appointment of Technologist and officers.

5. The Technologist appointed under this Ordinance shall be deemed to be an Inspector of Mines within the meaning of the Mines, Borings, and Quarries Ordinance, and shall have all the powers and be entitled to all the immunities thereby conferred on such Inspector. Technologist to be an Inspector of Mines under Cap. 142.

6.—(1) No person shall operate for oil unless and until he shall either deposit with the Treasurer the sum of Ten thousand dollars or furnish to the Treasurer a Banker's Guarantee for the like amount. Such deposit or Banker's Guarantee shall be kept and maintained by such person to the full amount of Ten thousand dollars during the continuance of any oil mining operations carried on by him: Deposit or guarantee to be made or furnished

Provided that in the case of a person operating for oil at the commencement of this Ordinance, the deposit shall be made or the Banker's Guarantee shall be furnished within one month of such commencement: Provided however that the Governor, on being satisfied that such person is unable to furnish a Banker's Guarantee or to make the deposit for the full amount within the said period of one month, may direct that the deposit be made by instalments subject to such terms and conditions as the Governor may stipulate.

(2) Any person who operates for oil without having furnished a Banker's Guarantee or made the deposit as required by sub-section (1) hereof shall be guilty of an offence and be liable on summary conviction before a Magistrate to a penalty not exceeding Five Hundred Dollars in respect of each day on which he so operated.

(3) The deposit or Banker's Guarantee made or furnished under sub-section (1) hereof shall be held by the Treasurer as security for—

- (a) the observance or performance by the person operating for oil of all or any of the obligations or duties imposed upon him by any law for the time being in force relating to oil mining operations;
- (b) the refund of any expenditure which may be incurred by any other person, or officer or authority in the performance of any right conferred or any duty or obligation imposed on such person or officer or authority by any law for the time being in force relating to oil mining operations; and
- (c) the payment of any sum of money which may be ordered to be paid by the person operating for oil under and by virtue of a judgment decree or order of any Court or of the Oil and Water Board or of any other statutory authority with respect to any act or default of the person operating for oil or his servants or agents in respect of such oil mining operations;

and whenever any such monies shall become payable the Treasurer may pay the same from and to the extent of the deposit or Banker's Guarantee. The provisions of this sub-section shall not prejudice any other right or remedy for which provision is made in any law relating to oil mining operations.

(4) Subject to the provisions of sub-section (3) hereof, when the Technologist shall be satisfied that any person who has made a deposit or furnished a Banker's Guarantee under sub-section (1) hereof has ceased to carry on oil mining operations, and certifies that such person has fulfilled all obligations and duties imposed upon him by law, the deposit or the remainder thereof shall be returned to such person or other person legally entitled to it, and any such Banker's Guarantee shall be released.

(5) The Banker's Guarantee may be in the Form of a Bond as contained in the Schedule hereto or as near thereto as circumstances permit.

7.—(1) There shall be charged, levied and collected in each year on and from every person operating for oil in the Colony—

(a) the sum of \$480 (in this Ordinance referred to as "operating fee") and

(b) an impost (in this Ordinance referred to as "oil impost") in respect of every barrel of oil (excluding gas) won and in respect of every foot drilled for oil at such rates as the Governor may, subject to the provisions of this Ordinance, determine by an order made in Executive Council (in this Ordinance referred to as a "rating order").

(2) The operating fee and oil impost shall be paid to the Treasurer of the Colony.

8. No person shall commence operating for oil in the course of any year unless and until he has paid the operating fee, and every person who continues operating for oil after the thirty-first day of December of any year shall pay the operating fee on or before the fifteenth day of January in each subsequent year, in respect of oil mining operations to be carried on during the then current year ending the thirty-first day of December.

9.—(1) Every rating order made under section 7 hereof shall specify the rates of oil impost payable in respect of oil won and footage drilled for oil during the twelve months ended on the thirty-first day of December preceding the date upon which such oil impost becomes payable. Every rating order shall be published in the *Royal Gazette* at least one month prior to the date upon which the oil impost is specified therein to be payable.

(2) The rates specified in the rating order shall be so calculated and determined as to provide after their aggregate yield is added to the yield of operating fees, such moneys as may be necessary for the annual payment of expenses incurred in carrying out the purposes of this Ordinance.

(3) Where any person operating for oil ceases operations before the making of a rating order determining the rate of oil impost payable in respect of such operations, such person shall pay within seven days of ceasing operations an oil impost in respect of such operations at the rates specified in the rating order last preceding the ceasing of operations.

Appropriation. 10. The moneys raised under this Ordinance shall be appropriated for the payment of—

- (a) annual salaries of all persons appointed under this Ordinance ;
- (b) a contribution in respect of the pension rights (if any) of all persons appointed under this Ordinance ;
- (c) annual costs incurred and disbursements made in maintaining the Office ; and
- (d) all annual expenses incidental to the due administration of this Ordinance.

Recovery of fees and rates. 11. The operating fee and oil impost payable under this Ordinance may be recovered from the person liable for the payment thereof, at the suit of the Treasurer, in the Petty Civil Court of the District wherein the operations, in respect of which such fee and impost are payable, were carried out, notwithstanding that the amount claimed is in excess of the amount ordinarily limiting the jurisdiction of such Court.

Petroleum Conservation Board. 12.—(1) There shall be established a Board, to be called the Petroleum Conservation Board, which shall consist of the Technologist and such five other persons engaged in or connected with the oil industry of the Colony as the Governor may appoint.

(2) Each member appointed by the Governor shall hold office for a period of three years unless his appointment is sooner terminated by the Governor.

(3) The Governor may appoint any person to act in the place of any member of the Board during his temporary absence from the Colony, illness, inability (whether from interest or otherwise), or unwillingness to act.

(4) The Technologist, or other member appointed by the Governor, shall be chairman, and the chairman and three other members of the Board shall constitute a *quorum*.

13.—(1) It shall be the duty of the Board to advise the Governor upon any question relating to the conservation of the oil resources of the Colony and to the development of the oil industry which may be referred to the Board by the Governor or the Technologist. ^{Functions of Board.}

(2) The Board shall be advisory and consultative and shall not have any executive or administrative functions, and no member of the Board shall take part in its deliberations on any question relating to oil mining operations in which he is directly interested.

14.—(1) The Governor in Executive Council may make Regulations for carrying out the provisions of this Ordinance and, without prejudice to the generality of the foregoing power, in particular as to the duties of the Technologist and Assistant Technologist, the due administration of the Petroleum Office and the conduct of the business of the Board. ^{Rules.}

(2) Regulations made under this section shall not have any force or effect until they have been approved by resolution of the Legislative Council and when so approved they shall be published in the *Royal Gazette* and as from the date of publication or from the date specified therein, such regulations shall have the same force and effect as if they were contained in and formed part of this Ordinance.

15. The Petroleum Office and Conservation Board ^{Repeal.} Establishment Ordinance, 1929, is hereby repealed. ^{No. 8—1929.}

Passed in Council this first day of April, in the year of Our Lord one thousand nine hundred and thirty-eight.

W. E. GOCKING,
Clerk of the Council.

SCHEDULE.

TRINIDAD AND TOBAGO.

PETROLEUM OFFICE AND CONSERVATION BOARD ORDINANCE, 1938.

BOND UNDER SECTION 6.

KNOW ALL MEN BY THESE PRESENTS THAT WE

as Principal

and

as Surety

are held and firmly bound unto His Majesty the King his Heirs and Successors in the sum of Ten Thousand Dollars (\$10,000) in all, to be paid to His Majesty the King his Heirs and Successors for which payment well and truly to be made the said Principal and Surety bind themselves and their Heirs, Executors, Administrators, Successors and Assigns jointly and severally firmly by these presents.

Dated this day of 19 .

WHEREAS the said
is about to begin or is already conducting oil mining operations ; and

WHEREAS it is required under the provision of Section 6 of the Petroleum Office and Conservation Board Ordinance, 1938, that as security for the observance and performance by the person operating for oil of all or any of the obligations or duties imposed upon him by any law for the time being in force relating to oil mining operations he will supply and keep with the Treasurer of Trinidad and Tobago a Banker's Guarantee or Bond in the sum of Ten Thousand Dollars (\$10,000) in all.

NOW THEREFORE, the condition of this bond or obligation is such that if the above bounden
his Heirs, Executors, Administrators, Successors or Assigns shall well and truly perform all and singular the terms conditions and provisions of the said Ordinance, then the above written bond or obligation shall be void otherwise the same shall remain in full force and virtue.

Signed sealed and delivered by the said
in the presence of

Name :
Address :
Occupation :

Signed sealed and delivered by the said
in the presence of

Name :
Address :
Occupation :