

LEGAL NOTICE NO. 324

REPUBLIC OF TRINIDAD AND TOBAGO

THE PETROLEUM REGULATIONS, CHAP. 62:01

ORDER

MADE BY THE MINISTER UNDER REGULATION 4 OF  
THE PETROLEUM REGULATIONS

THE PETROLEUM REGULATIONS (COMPETITIVE BIDDING)  
(AMENDMENT) (NO. 5) ORDER, 2006

1. This Order may be cited as the Petroleum Regulations Citation  
(Competitive Bidding) (Amendment) (No. 5) Order, 2006.

2. The Petroleum Regulations (Competitive Bidding) Order, 2006 L.N. No. 95  
is amended— of 2006  
amended

(a) (i) in clause 4(1), by deleting the words “October 30,  
2006” and substituting the words “December 15,  
2006”; and

(ii) in clause 12, by deleting the words “January 2,  
2006” and substituting the words “February 24,  
2007.”;

(b) in the Third Schedule, by deleting all the words  
commencing under the heading—

“ GOVERNMENT’S SHARE OF PROFIT CRUDE  
OIL (in percentages %)” and ending with the words  
“Price Class F refers to the Government’s share for a  
Natural Gas Price greater than US \$6.50 per Mcf” and  
substituting the following:

*Petroleum Regulations (Competitive Bidding) (Amendment)*  
*(No. 5) Order, 2006*

“GOVERNMENT’S SHARE OF PROFIT CRUDE OIL (in percentages %)

[Clause 8(e)]

Crude Oil Price Class

A            B            C            D

*Available Crude Oil  
Production Rate Tier*

Production up to  
10,000 BOPD

Production in excess of  
10,000 BOPD and up  
to 25,000 BOPD

Production in excess of  
25,000 BOPD and up  
to 50,000 BOPD

Production in excess of  
50,000 BOPD and up  
to 75,000 BOPD

Production in excess of  
75,000 BOPD

Where: Price Class A refers to the Government’s share for a Crude Oil price less than or equal to US \$20.00 per Barrel.

Price Class B refers to the Government’s share for a Crude Oil price greater than US \$20.00 per Barrel but less than or equal to US \$30.00 per Barrel.

Price Class C refers to the Government’s share for a Crude Oil price greater than US \$30.00 per Barrel but less than or equal to US \$40.00 per Barrel.

Price Class D, Crude Oil price greater than US \$40.00 per Barrel, the Government’s share of Profit Crude Oil is equal to

$$BR + 80\% [(P - US\$ 40)/P] (1 - BR)$$

Where: BR refers to the Base Rates set out in Price Class D, and P is the Crude Oil Price.

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GOVERNMENT'S SHARE OF PROFIT NATURAL GAS (in percentages %)  
[Clause 8(e)]

Natural Gas Price Class

A            B            C            D

*Available Natural Gas*  
*Production Rate Tier*

Production up to  
60 MMcfd

Production in excess  
of 60 MMcfd and up to  
150 MMcfd

Production in excess of  
150 MMcfd and up to  
300 MMcfd

Production in excess of  
300MMcfd and up to  
450 MMcfd

Production in excess of  
450 MMcfd

Where: Price Class A refers to the Government's share for a Natural Gas price less than or equal to US \$1.50 per Mcf.

Price Class B refers to the Government's share for a Natural Gas price greater than US\$1.50 per Mcf but less than or equal to US \$2.75 per Mcf.

Price Class C refers to the Government's share for a Natural Gas price greater than US\$2.75 per Mcf but less than or equal to US \$4.00 per Mcf.

Price Class D, Natural Gas price greater than US\$4.00 per Mcf, the Government's share of Profit Natural Gas is equal to

$$BR + 80\% [(P - US\$ 4.00)/P] (1 - BR)$$

Where: BR refers to the Base Rates set out in Price Class D, and P is the Natural Gas price.”;

*Petroleum Regulations (Competitive Bidding) (Amendment)*  
*(No. 5) Order, 2006*

(c) in the Fourth Schedule, by inserting after the table commencing with the heading “REVENUE/COST DATA USED IN COMMERCIAL EVALUATION”, the following:

“FORM “B”

[Clause 8(f)]

Share of Production & Taxes Liabilities

All amounts should be in constant  
 2006 US\$

| Year  | Government's Share of Profit Oil (\$M) | Government's Share of Profit Natural Gas (\$M) | Total Government's Share of Profit (\$M) | Tax** Liability (\$M) |
|---|--|--|--|-----------------------|
| 2006  |  |  |  |                       |
| 2007  |  |  |  |                       |
| 2008  |  |  |  |                       |
| 2009  |  |  |  |                       |
| 2010  |  |  |  |                       |
| 2011  |  |  |  |                       |
| 2012  |  |  |  |                       |
| 2013  |  |  |  |                       |
| 2014  |  |  |  |                       |
| 2015  |  |  |  |                       |
| 2016  |  |  |  |                       |
| 2017  |  |  |  |                       |
| 2018  |  |  |  |                       |
| 2019  |  |  |  |                       |
| 2020  |  |  |  |                       |
| 2021  |  |  |  |                       |
| Please insert rows and further sheets if required |  |  |  |                       |
| TOTAL   |  |  |  |                       |

\*\* Petroleum Profits Tax & Unemployment Levy”; and

(d) by repealing the Fifth Schedule and substituting the following:

“FIFTH SCHEDULE

[Paragraph 11(4)]

Relative Weightings for use in the Evaluation of Bids received

Competitive Bidding Order 2006

|  |           |
|--|-----------|
| (1) EXPLORATION PROGRAMME                    | 35        |
| <i>Obligatory Programme</i>                  |           |
| Work Programme                               | 20        |
| Expenditure Commitment                       | 10        |
| <i>Optional Programme</i>                    |           |
| Work Programme                               | 4         |
| Expenditure Commitment                       | 1         |
| (2) SHARING OF PRODUCTION                    | 35        |
| (3) BONUSES/CONTRIBUTIONS                    | 30        |
| Production Independent Bonuses/Contributions | 25        |
| Production Related Bonuses/Contributions     | 5         |
| <br>TOTAL                                    | <br>100”. |

Dated this        day of        , 2006.

L. SAITH  
*Minister of Energy and  
Energy Industries*