

LEGAL NOTICE No. 302

REPUBLIC OF TRINIDAD AND TOBAGO

THE PETROLEUM ACT, CHAP. 62:01

ORDER

MADE BY THE MINISTER UNDER REGULATION 4 OF THE PETROLEUM  
REGULATIONS, CHAP. 62:01

THE PETROLEUM REGULATIONS (COMPETITIVE BIDDING)  
(NO. 2) (AMENDMENT) ORDER, 2010

1. This Order may be cited as the Petroleum Regulations Citation  
(Competitive Bidding) (No. 2) (Amendment) Order, 2010.

2. For the purposes of this Order, “the Order” means the Petroleum Interpretation  
Regulations (Competitive Bidding) (No. 2) Order, 2010. L.N. No. 257  
of 2010

3. Clause 4 of the Order is amended by deleting the words Clause 4  
“18th January, 2011” and substituting the words “18th February, 2011”. amended

4. Clause 12 of the Order is amended by deleting the words “within Clause 12  
six months after the date of publication of this Order” and substituting amended  
the words “on or before 29th April, 2011”.

5. The Order is amended by repealing Schedules 4 and 6 and Schedule  
substituting the following Schedules: amended

“SCHEDULE 4

[Clause 8(1)(b)]

SUMMARY BID FORM

Term of Contract

1st Phase	... seismic option—3 years
1st Phase	... seismic and exploration drilling seismic and 1 well—4½ years seismic and 2 wells—6 years
2nd Phase	... exploration drilling
3rd Phase	... exploration drilling

Drilling of exploration wells is a requirement in the second and third phases of the exploration period.

The term of the 1st phase of the contract may vary from the periods stated above if a bidder proposes to undertake a work programme comprising seismic acquisition and the drilling of more than two wells in the obligatory phase.

Minimum Work Programme

***Obligatory First Phase***

Work Units  
(US\$1MN equivalent to one work unit)

*Geophysical*

Seismic

3D Seismic (sq km)

Other Geophysical (line km/sq km)

*Geological*

Named Studies

*Drilling:*

Wells	Depth
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***Optional Phases***

*Geophysical*

Seismic

3D Seismic (sq km)

Other Geophysical (line km/sq km)

*Geological*

Named Studies

*Drilling:*

Wells	Depth
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GOVERNMENT'S SHARE OF PROFIT CRUDE OIL (PER CENT %)

<i>Production Tier</i>	<i>Crude Oil Price Class</i>			
	A	B	C	D
Production up to 75,000 B/D				
Production in excess of 75,000 B/D and up to 100,000 B/D				
Production in excess of 100,000 B/D and up to 150,000 B/D				
Production in excess of 150,000 B/D and up to 200,000 B/D				
Production greater than 200,000 B/D				

Where:

Price Class A refers to Government's share for a Crude Oil price less than or equal to US\$50.00 per barrel.

Price Class B refers to Government's share for a Crude Oil price greater than US\$50.00 per barrel but less than or equal to US\$75.00 per barrel.

Price Class C refers to Government's share for a Crude Oil price greater than US\$75.00 per barrel but less than or equal to US\$100.00 per barrel.

Price Class D, Crude Oil price greater than US\$100.00 per barrel, the Government's share of Profit Crude Oil is equal to—

$$BR + 70\% [(P - US\$100)/P] (1 - BR)$$

Where:

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

GOVERNMENT'S SHARE OF PROFIT NATURAL GAS (PER CENT %)

<i>Production Tier</i>	<i>Natural Gas Price Class</i>			
	A	B	C	D
Production up to 200 MMcfd				
Production in excess of 200 MMcfd and up to 350 MMcfd				
Production in excess of 350 MMcfd and up to 500 MMcfd				
Production in excess of 500 MMcfd and up to 750 MMcfd				
Production in excess of 750 MMcfd and up to 1,000 MMcfd				
Production in excess of 1,000 MMcfd				

Where:

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

Price Class B refers to Government's share for a Natural Gas price greater than US\$4.00 per Mcf but less than or equal to US\$6.50 per Mcf.

Price Class C refers to Government's share for a Natural Gas price greater than US\$6.50 per Mcf but less than or equal to US\$9.00 per Mcf.

Price Class D, Natural Gas price greater than US\$9.00 per Mcf, the Government's share of Profit Natural Gas is equal to—

$$\text{BR} + 70\% [(P - \text{US}\$9.00)/P] (1 - \text{BR})$$

Where:

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

SCHEDULE 6

[Clause 11(4)(b)]

POINT SYSTEM FOR USE IN THE EVALUATION OF BIDS RECEIVED  
Competitive Bidding (No. 2) Order, 2010

MINIMUM EXPLORATION PROGRAMME

*110 Points*

<i>Geophysical</i>	30 points
Seismic	20 points
1 sq. km of 3D seismic	0.020 points
<i>Other Geophysical</i> <i>(including 3D seismic</i> <i>above 1,000 sq km)</i>	10 points
1 line km or sq. km of data	0.010 points
<i>Geological Studies</i>	10 points

Bidders should provide details of studies proposed and illustrate their value in contributing to improving the understanding of the petroleum system. These studies may include but not necessarily be limited to:

1.1 Sedimentology	1.00
1.2 Sequence Stratigraphy	2.00
1.3 Geochemistry (including Fluid Analysis)	1.00
1.4 Maturation/Migration studies	2.00
1.5 Biostratigraphy	1.00
1.6 Structural	1.00
1.7 Other Studies	2.00

*Drilling*

Wells	70 points
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The point allocation for wells will be based on cumulative footage as per the following table:

POINTS PER METRE BELOW MUD LINE (M), CUMULATIVE POINTS FOR WELLS = 70

	Cumulative well depth	Incremental Points	Cumulative Points
First 1000 m	1000	1.0	1.0
Next 250 m	1250	1.5	2.5
Next 250 m	1500	1.5	4.0
Next 250 m	1750	1.5	5.5
Next 250 m	2000	2.0	7.5
Next 250 m	2250	2.0	9.5
Next 250 m	2500	2.0	11.5
Next 250 m	2750	2.1	13.6
Next 250 m	3000	2.2	15.8
Next 250 m	3250	2.5	18.3
Next 250 m	3500	2.5	20.8
Next 250 m	3750	2.6	23.4
Next 250 m	4000	2.8	26.2
Next 250 m	4250	2.8	29.0
Next 250 m	4500	3.5	32.5
Next 250 m	4750	3.5	36.0
Next 250 m	5000	4.0	40.0
Next 250 m	5250	1.2	41.2
Next 250 m	5500	1.2	42.4
Next 250 m	5750	1.3	43.7
Next 250 m	6000	1.3	45.0
Next 250 m	6250	1.3	46.3
Next 250 m	6500	1.4	47.7
Next 250 m	6750	1.4	49.1
Next 250 m	7000	1.4	50.5
Next 250 m	7250	1.5	52.0
Next 250 m	7500	1.5	53.5
Next 250 m	7750	1.6	55.1
Next 250 m	8000	1.6	56.7
Next 250 m	8250	1.6	58.3
Next 250 m	8500	1.7	60.0
Next 250 m	8750	1.8	61.8
Next 250 m	9000	1.8	63.6
Next 250 m	9250	1.9	65.5
Next 250 m	9500	2.0	67.5
Next 250 m	9750	2.5	70.0

There will be no points awarded for the programmes in the optional phases.

SHARING OF PRODUCTION	100 points
Profit Crude Oil	50 points
Profit Natural Gas	50 points.”.

Dated this 30th day of December, 2010.

C. SEEPERSAD-BACHAN  
*Minister of Energy and  
Energy Affairs*