
STATUTORY INSTRUMENTS

2004 No. 352

The Petroleum Licensing (Exploration and Production) (Seaward and Landward Areas) Regulations 2004

Citation and Commencement

1. These Regulations may be cited as the Petroleum Licensing (Exploration and Production) (Seaward and Landward Areas) Regulations 2004 and shall come into force on 5th March 2004.

Commencement Information

II Reg. 1 in force at 5.3.2004, see [reg. 1](#)

Interpretation

2. In these Regulations—

“break clause” means a clause in a licence, other than a clause relating to continuation of the licence beyond its initially agreed or any subsequent term, which provides that, in the event of failure by the licensee on or before a date specified in that clause to take specified action or to undertake to complete specified work, the licence shall cease and determine;

“exploration licence” means a licence to search for petroleum in any seaward area and in those parts of any landward area which are below the low water line;

“frontier area” means an area whose exploitation is rendered especially difficult by any one or more of the following factors, namely—

- (a) its distance from existing petroleum-related infrastructure;
- (b) great water depth; or
- (c) the lack of existing pertinent technical data relating to such area;

“landward area” means an area on the landward side of the baselines as set out in the Territorial Waters Order in Council 1964⁽¹⁾;

“licence” means any licence granted pursuant to Part I of the Petroleum Act 1998 ;

“petroleum exploration and development licence” means a licence to search and bore for, and get, petroleum in a landward area;

“production licence” means a licence to search and bore for, and get, petroleum in strata, in the sea bed and in the subsoil in a seaward area; and

“seaward area” means an area on the seaward side of the baselines as set out in the Territorial Waters Order in Council 1964 in respect of which the Secretary of State may grant a licence.

⁽¹⁾ 1965 III, p. 6452A; a revised Schedule was substituted by the Territorial Sea (Amendment) Order 1998. (S.I.1998/2564).

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Petroleum Licensing (Exploration and Production) (Seaward and Landward Areas) Regulations 2004. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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Commencement Information

I2 Reg. 2 in force at 5.3.2004, see [reg. 1](#)

Model Clauses

3.—(1) Notwithstanding anything contained in the Petroleum (Current Model Clauses) Order 1999⁽²⁾ the model clauses prescribed for the purposes of section 4(1)(e) of the Petroleum Act 1998 in relation to—

- (a) exploration licences;
- (b) production licences; and
- (c) petroleum exploration and development licences

are those provided for by paragraphs (2)–(8).

(2) The model clauses for exploration licences are set out in Schedule 1.

(3) The model clauses for production licences which relate to frontier areas and which do not include a break clause are set out in Schedule 2.

(4) The model clauses for production licences which relate to frontier areas and which do include a break clause are set out in Schedule 3.

(5) Subject to paragraph (6), the model clauses for production licences which relate to areas other than frontier areas are set out in Schedule 4.

(6) Production licences which relate to areas other than frontier areas shall, in such cases as the Secretary of State may think fit, contain the break clause and related provisions set out in Schedule 5.

(7) Subject to paragraph (8), the model clauses for petroleum exploration and development licences are set out in Schedule 6.

(8) Petroleum exploration and development licences shall, in such cases as the Secretary of State may think fit, contain the break clause and related provisions set out in Schedule 7.

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Commencement Information

I3 Reg. 3 in force at 5.3.2004, see [reg. 1](#)

11th February 2004

Stephen Timms,
Minister of State for Energy, E-Commerce and
Postal Services,
Department of Trade and Industry

(2) S.I. 1999/160.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Petroleum Licensing (Exploration and Production) (Seaward and Landward Areas) Regulations 2004. Any changes that have already been made by the team appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- Sch. 1 excluded by [S.I. 2009/2814 reg. 3](#)
- Sch. 1 clause 5A inserted by [2008 c. 32 Sch. 3 para. 16\(2\)](#)
- Sch. 1 clause 7(4A)-(4D) inserted by [2008 c. 32 Sch. 3 para. 16\(3\)\(b\)](#)
- Sch. 1 clause 20A inserted by [2008 c. 32 Sch. 3 para. 16\(4\)](#)
- Sch. 1 clause 20(2)(ee) inserted by [S.I. 2006/784 reg. 3\(7\)\(a\)](#)
- Sch. 1 clause 20(2)(c) words inserted by [S.I. 2006/784 reg. 3\(5\)\(a\)](#)
- Sch. 1 clause 20(2)(d) words inserted by [S.I. 2006/784 reg. 3\(5\)\(a\)](#)
- Sch. 1 clause 20(2)(e) words inserted by [S.I. 2006/784 reg. 3\(5\)\(a\)](#)
- Sch. 1 clause 20(2)(c) words inserted by [S.I. 2006/784 reg. 3\(6\)\(a\)](#)
- Sch. 1 clause 7(2) words substituted by [2008 c. 32 Sch. 3 para. 16\(3\)\(a\)](#)
- Sch. 1 words substituted by [S.I. 2007/3224 Sch. para. 41\(1\)](#)
- Sch. 1 words substituted by [S.I. 2009/229 Sch. 2 para. 14\(1\)](#)
- Sch. 2 excluded by [S.I. 2008/225 reg. 2\(2\)](#)
- Sch. 2 clause 9A inserted by [2008 c. 32 Sch. 3 para. 17\(2\)](#)
- Sch. 2 clause 16(5A)-(5D) inserted by [2008 c. 32 Sch. 3 para. 17\(3\)\(b\)](#)
- Sch. 2 clause 38A inserted by [2008 c. 32 Sch. 3 para. 17\(5\)](#)
- Sch. 2 clause 37A inserted by [2023 c. 52 Sch. 21 para. 48](#)
- Sch. 2 clause 38(2)(j)(k) inserted by [2023 c. 52 Sch. 21 para. 49\(2\)\(a\)](#)
- Sch. 2 clause 16(7A) inserted by [S.I. 2006/784 reg. 3\(3\)\(a\)](#)
- Sch. 2 clause 38(2)(ee) inserted by [S.I. 2006/784 reg. 3\(7\)\(b\)](#)
- Sch. 2 clause 38(3)-(5) omitted by [2023 c. 52 Sch. 21 para. 49\(3\)](#)
- Sch. 2 clause 38(1) substituted by [2023 c. 52 Sch. 21 para. 50\(2\)](#)
- Sch. 2 clause 16(9) substituted by [S.I. 2006/784 reg. 3\(4\)\(a\)](#)
- Sch. 2 clause 16(6) words inserted by [2008 c. 32 Sch. 3 para. 17\(3\)\(c\)](#)
- Sch. 2 clause 38(4) words inserted by [2008 c. 32 Sch. 3 para. 17\(4\)](#)
- Sch. 2 clause 38(2) words inserted by [2023 c. 52 Sch. 21 para. 49\(2\)\(b\)](#)
- Sch. 2 clause 38(2)(c) words inserted by [S.I. 2006/784 reg. 3\(5\)\(b\)](#)
- Sch. 2 clause 38(2)(d) words inserted by [S.I. 2006/784 reg. 3\(5\)\(b\)](#)
- Sch. 2 clause 38(2)(e) words inserted by [S.I. 2006/784 reg. 3\(5\)\(b\)](#)
- Sch. 2 clause 38(2)(c) words inserted by [S.I. 2006/784 reg. 3\(6\)\(b\)](#)
- Sch. 2 clause 16(2) words substituted by [2008 c. 32 Sch. 3 para. 17\(3\)\(a\)](#)
- Sch. 2 clause 38A(2) words substituted by [2023 c. 52 Sch. 21 para. 50\(3\)](#)
- Sch. 2 clause 16(6) words substituted by [S.I. 2006/784 reg. 3\(2\)\(a\)](#)
- Sch. 2 words substituted by [S.I. 2007/3224 Sch. para. 41\(2\)\(a\)](#)
- Sch. 2 words substituted by [S.I. 2007/3224 Sch. para. 41\(2\)\(b\)](#)
- Sch. 2 words substituted by [S.I. 2007/3224 Sch. para. 41\(2\)\(c\)](#)
- Sch. 3 excluded by [S.I. 2008/225 reg. 2\(2\)](#)
- Sch. 3 clause 10A inserted by [2008 c. 32 Sch. 3 para. 18\(2\)](#)
- Sch. 3 clause 17(5A)-(5D) inserted by [2008 c. 32 Sch. 3 para. 18\(3\)\(b\)](#)
- Sch. 3 clause 39A inserted by [2008 c. 32 Sch. 3 para. 18\(5\)](#)
- Sch. 3 clause 38A inserted by [2023 c. 52 Sch. 21 para. 52](#)
- Sch. 3 clause 39(2)(j)(k) inserted by [2023 c. 52 Sch. 21 para. 53\(2\)\(a\)](#)
- Sch. 3 clause 17(7A) inserted by [S.I. 2006/784 reg. 3\(3\)\(b\)](#)
- Sch. 3 clause 39(2)(ee) inserted by [S.I. 2006/784 reg. 3\(7\)\(c\)](#)
- Sch. 3 clause 39(3)-(5) omitted by [2023 c. 52 Sch. 21 para. 53\(3\)](#)
- Sch. 3 clause 39A(1) substituted by [2023 c. 52 Sch. 21 para. 54\(2\)](#)
- Sch. 3 clause 17(9) substituted by [S.I. 2006/784 reg. 3\(4\)\(b\)](#)
- Sch. 3 clause 17(6) words inserted by [2008 c. 32 Sch. 3 para. 18\(3\)\(c\)](#)
- Sch. 3 clause 39(4) words inserted by [2008 c. 32 Sch. 3 para. 18\(4\)](#)

- Sch. 3 clause 39(2) words inserted by 2023 c. 52 Sch. 21 para. 53(2)(b)
- Sch. 3 clause 39(2)(c) words inserted by S.I. 2006/784 reg. 3(5)(c)
- Sch. 3 clause 39(2)(d) words inserted by S.I. 2006/784 reg. 3(5)(c)
- Sch. 3 clause 39(2)(e) words inserted by S.I. 2006/784 reg. 3(5)(c)
- Sch. 3 clause 39(2)(c) words inserted by S.I. 2006/784 reg. 3(6)(c)
- Sch. 3 clause 17(2) words substituted by 2008 c. 32 Sch. 3 para. 18(3)(a)
- Sch. 3 clause 39A(2) words substituted by 2023 c. 52 Sch. 21 para. 54(3)
- Sch. 3 clause 17(6) words substituted by S.I. 2006/784 reg. 3(2)(b)
- Sch. 3 words substituted by S.I. 2007/3224 Sch. para. 41(2)(a)
- Sch. 3 words substituted by S.I. 2007/3224 Sch. para. 41(2)(b)
- Sch. 3 words substituted by S.I. 2007/3224 Sch. para. 41(2)(c)
- Sch. 4 excluded by S.I. 2008/225 reg. 2(2)
- Sch. 4 clause 8A inserted by 2008 c. 32 Sch. 3 para. 19(2)
- Sch. 4 clause 15(5A)-(5D) inserted by 2008 c. 32 Sch. 3 para. 19(3)(b)
- Sch. 4 clause 37A inserted by 2008 c. 32 Sch. 3 para. 19(5)
- Sch. 4 clause 36A inserted by 2023 c. 52 Sch. 21 para. 56
- Sch. 4 clause 37(2)(j)(k) inserted by 2023 c. 52 Sch. 21 para. 57(2)(a)
- Sch. 4 clause 15(7A) inserted by S.I. 2006/784 reg. 3(3)(c)
- Sch. 4 clause 37(2)(ee) inserted by S.I. 2006/784 reg. 3(7)(d)
- Sch. 4 clause 37(3)-(5) omitted by 2023 c. 52 Sch. 21 para. 57(3)
- Sch. 4 clause 37A(1) substituted by 2023 c. 52 Sch. 21 para. 58(2)
- Sch. 4 clause 15(9) substituted by S.I. 2006/784 reg. 3(4)(c)
- Sch. 4 clause 15(2) words inserted by 2008 c. 32 Sch. 3 para. 19(3)(a)
- Sch. 4 clause 15(6) words inserted by 2008 c. 32 Sch. 3 para. 19(3)(c)
- Sch. 4 clause 37(4) words inserted by 2008 c. 32 Sch. 3 para. 19(4)
- Sch. 4 clause 37(2) words inserted by 2023 c. 52 Sch. 21 para. 57(2)(b)
- Sch. 4 clause 37(2)(c) words inserted by S.I. 2006/784 reg. 3(5)(d)
- Sch. 4 clause 37(2)(d) words inserted by S.I. 2006/784 reg. 3(5)(d)
- Sch. 4 clause 37(2)(e) words inserted by S.I. 2006/784 reg. 3(5)(d)
- Sch. 4 clause 37(2)(c) words inserted by S.I. 2006/784 reg. 3(6)(d)
- Sch. 4 clause 37A(2) words substituted by 2023 c. 52 Sch. 21 para. 58(3)
- Sch. 4 clause 15(6) words substituted by S.I. 2006/784 reg. 3(2)(c)
- Sch. 4 words substituted by S.I. 2007/3224 Sch. para. 41(3)(a)
- Sch. 4 words substituted by S.I. 2007/3224 Sch. para. 41(3)(b)
- Sch. 4 words substituted by S.I. 2007/3224 Sch. para. 41(3)(c)
- Sch. 5 excluded by S.I. 2008/225 reg. 2(2)
- Sch. 6 clause 8A inserted by 2008 c. 32 Sch. 3 para. 20(2)
- Sch. 6 clause 15(5A)-(5D) inserted by 2008 c. 32 Sch. 3 para. 20(3)(b)
- Sch. 6 clause 36A inserted by 2008 c. 32 Sch. 3 para. 20(5)
- Sch. 6 clause 35A inserted by 2023 c. 52 Sch. 21 para. 60
- Sch. 6 clause 36(2)(j)(k) inserted by 2023 c. 52 Sch. 21 para. 61(2)(a)
- Sch. 6 clause 15(7A) inserted by S.I. 2006/784 reg. 3(3)(d)
- Sch. 6 clause 36(2)(ee) inserted by S.I. 2006/784 reg. 3(7)(e)
- Sch. 6 clause 36(3)-(5) omitted by 2023 c. 52 Sch. 21 para. 61(3)
- Sch. 6 clause 36(1) substituted by 2023 c. 52 Sch. 21 para. 62(2)
- Sch. 6 clause 15(9) substituted by S.I. 2006/784 reg. 3(4)(d)
- Sch. 6 clause 15(6) words inserted by 2008 c. 32 Sch. 3 para. 20(3)(c)
- Sch. 6 clause 36(4) words inserted by 2008 c. 32 Sch. 3 para. 20(4)
- Sch. 6 clause 36(2) words inserted by 2023 c. 52 Sch. 21 para. 61(2)(b)
- Sch. 6 clause 36(2)(c) words inserted by S.I. 2006/784 reg. 3(5)(e)
- Sch. 6 clause 36(2)(d) words inserted by S.I. 2006/784 reg. 3(5)(e)
- Sch. 6 clause 36(2)(e) words inserted by S.I. 2006/784 reg. 3(5)(e)
- Sch. 6 clause 36(2)(c) words inserted by S.I. 2006/784 reg. 3(6)(e)
- Sch. 6 clause 1(1) words omitted by S.I. 2009/3283 reg. 3(2)
- Sch. 6 clause 15(2) words substituted by 2008 c. 32 Sch. 3 para. 20(3)(a)
- Sch. 6 clause 36(2) words substituted by 2023 c. 52 Sch. 21 para. 62(3)
- Sch. 6 clause 15(6) words substituted by S.I. 2006/784 reg. 3(2)(d)
- Sch. 6 words substituted by S.I. 2007/3224 Sch. para. 41(4)(a)

- Sch. 6 words substituted by [S.I. 2007/3224 Sch. para. 41\(4\)\(b\)](#)
- Sch. 6 words substituted by [S.I. 2009/229 Sch. 2 para. 14\(2\)\(a\)](#)
- Sch. 6 words substituted by [S.I. 2009/229 Sch. 2 para. 14\(2\)\(b\)](#)
- reg. 2 words substituted by [S.I. 2009/3283 reg. 3\(1\)](#)
- reg. 3(2) excluded by [S.I. 2009/2814 reg. 3](#)
- reg. 3(3)-(6) excluded by [S.I. 2008/225 reg. 2\(2\)](#)