

PETROLEUM ACT

Act 6 of 1970 – 16 April 1970

ARRANGEMENT OF SECTIONS

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PETROLEUM ACT

1. Short title

This Act may be cited as the Petroleum Act.

2. Interpretation

In this Act—

“associated substances” means the substances, other than petroleum, which are mined in association with petroleum;

“mining lease” means a lease to mine for petroleum;

“Minister” means the Minister to whom responsibility for the subject of petroleum mining is assigned;

“petroleum” includes any mineral oil or hydrocarbon, whether gaseous, liquid or solid, existing in its natural condition in strata, including crude oil, casinghead spirits, ozokerite, asphalt and natural gas.

[S. 2 amended by Act 2 of 2005 w.e.f. 1 April 2005.]

3. Petroleum vests in State

The property in petroleum existing in Mauritius shall be deemed to be, and always to have been, vested in the State.

[S. 3 amended by Act 48 of 1991.]

4. Prospecting licence and mining lease

(1) Subject to this section, the Minister may—

- (a) (i) on application made in the prescribed manner; or
(ii) by auction or tender; and
- (b) on being satisfied that the applicant, the bidder or the tenderer, as the case may be, has sufficient technical knowledge, experience and financial resources to ensure the proper prospecting and mining for petroleum,

grant to the applicant, bidder or tenderer a prospecting licence or a mining lease.

(2) A prospecting licence shall confer on the licensee exclusive rights to conduct prospecting operations over the area comprised in the licence.

(3) A mining lease shall be granted only in respect of an area which has been comprised in a prospecting licence and in which petroleum has been found and shall confer on the lessee exclusive rights to prospect and mine for petroleum and associated substances over the area comprised in the lease.

(4) A prospecting licence or a mining lease may be granted for such consideration, over such area, for such period and such other terms and conditions as the Minister may determine.

(5) A prospecting licence or a mining lease may, on application being made in the prescribed manner, be renewed for such consideration, over such area, for such period and on such other terms and conditions as the Minister may determine.

(6) Notwithstanding subsections (4) and (5), the terms and conditions of any prospecting licence or mining lease may provide for—

- (a) the royalty or other payment to be made in respect of petroleum obtained in the exercise of the rights conferred by the licence or the lease, the method of calculating the royalty or other payment, and its manner of payment;
- (b) the rent to be paid in respect of an area comprised in the licence or lease;
- (c) the working obligations attached to the licence or lease;
- (d) the method of measuring petroleum obtained from an area comprised in the licence or lease;
- (e) directions relating to the drilling, location and plugging of wells, the avoidance of harmful methods of working, the avoidance of interference with other activities in or about the area comprised in the licence or lease;
- (f) directions relating to—
 - (i) the nationality of persons employed by the licensee or lessee for the purposes of his operations under the licence or lease; and
 - (ii) the safety, health and welfare of such persons;
- (g) the supply of information by way of returns, reports, notices, plans and records of operations carried out under the licence or lease;
- (h) the terms and conditions under which the licence or lease may be terminated.

(7) The Minister shall, as soon as practicable, after the grant or renewal of a prospecting licence or a mining lease, cause a notice of the fact to be published in the *Gazette*, stating the name of the licensee or lessee and the area in respect of which the prospecting licence or the mining lease has been granted.

5. Offences

(1) No person shall, except in pursuance of a prospecting licence or a mining lease, prospect or mine for petroleum.

(2) Any person acting in breach of this section shall commit an offence and shall, on conviction, be liable to a fine of not less than 1,000 rupees for each day on which the offence continues or to imprisonment for a term not exceeding 3 years and, in addition, any petroleum obtained by, and any machinery, equipment, vehicle, ship or aircraft and any device used in, the commission of the offence shall be forfeited to the State.

(3) Nothing in this section shall be deemed to apply to a person who, in the course of lawful boring for water or of other lawful operations, sets petroleum free.

[S. 5 amended by Act 48 of 1991.]

6. Assignment

No prospecting licence or a mining lease may be assigned unless—

- (a) the Minister is satisfied that the proposed assignee has sufficient technical knowledge, experience and financial resources to ensure the proper prospecting and mining for petroleum; and
- (b) the proposed assignee undertakes to comply with such other terms and conditions as the Minister thinks fit to impose.

7. – 9. —

10. Regulations

(1) The Minister may make such regulations as he thinks fit for the purposes of this Act.

(2) Without prejudice to the generality of the foregoing power, regulations made under subsection (1) may provide for—

- (a) the forms to be used;
- (b) the prospecting and mining for petroleum, including the drilling for and production of petroleum and the conservation of petroleum resources;
- (c) the manner in which and the persons by whom applications for the grant, renewal or assignment of licences or leases under this Act may be made;
- (d) the fees to be paid on any application;

- (e) the size, shape and location of areas in respect of which licences or leases may be granted;
- (f) information to be furnished by any applicant, licensee or lessee; and
- (g) the terms and conditions to be attached to prospecting licences or mining leases.

(3) Notwithstanding any regulations made under this section, the Minister may, in any particular case, amend the terms and conditions to be attached to any prospecting licence or mining lease.

(4) Regulations made under this section may provide for penalties for any contravention of the regulations and such penalties may include a fine not exceeding 2,000 rupees for each day during which an offence continues.

11. Jurisdiction

Notwithstanding section 114 of the Courts Act a District Magistrate shall have jurisdiction to try all offences under this Act and may impose any penalty provided under this Act or under any regulations made under it.
