

PETROLEUM REGULATION NO.1¹

The Official map of Libya for the purposes
of the Petroleum Law 1955

Part I

General

Article 1

There shall be an official map of Libya for the purposes of the Petroleum Law 1955 to a scale of 1:2,000,000 called Map No. 1, which is attached as the first Schedule hereto. On this map the International Frontiers, petroleum zones and the grid shall be indicated.

Article 2

For all purposes of the Petroleum Law No. 25 of 1955 and the Regulations issued thereunder the Petroleum Zones shall be as follows:

The First Zone – consists of the Province of Tripolitania bounded on the north by the limits of territorial waters and high seas contiguous thereto under the control and jurisdiction of Libya and on the east by 18° 50' Longitude until it intersects the coast line, thence in a straight line in a southeasterly direction to a point where 30° latitude intersects 19° 5' longitude, thence in a straight line running in a southwesterly direction to the point where 18° 30' longitude intersects 29° 40' latitude, thence directly south along 18°30' longitude to the intersection with 28 latitude, thence in a westerly direction along the 28° latitude to the intersection with 12° 15' longitude, thence directly north along 12° 15' longitude to the intersection with 31° latitude, thence directly west along 31° latitude, to the border of Tunisia, thence in a general northerly direction along the international boundary with Tunisia.

The Second Zone - consists of that part of Cyrenaica north of 28° latitude, bounded on the West by the Eastern boundary of Zone 1 described above, on the North by the limits of the territorial waters and high seas under the

¹ Issued on 25 June 1955 and Published in the Official gazette No. 7/1955, Subsequently amended by Regulation No. 7 and finally by Regulation No. 9 and the provisions of the latter shall prevail.

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control and jurisdiction of Libya and on the east by the international boundary with Egypt.

The Third Zone - consists of the part of Cyrenaica south of 28° latitude bounded on the west by 18° 30' longitude, on the south by the international boundary with French Equatorial Africa and on the east by the international boundary with Egypt and the Sudan.

The Fourth Zone- consists of the Province of the Fezzan bounded on the north by the southern border of the First Zone described above, bounded on the west by the international boundary with Algeria and Tunisia, on the south by the International boundary with French East Africa and French Equatorial Africa and on the East by 18° 30' longitude, which is the western boundary of the Third Zone.

Article 3

The grid to be used in conjunction with the official map shall consist of longitude and latitude lines five minutes apart commencing from any full degree.

Article 4

Boundaries of concessions shall conform as far as possible to the grid lines specified above with the following exceptions:

- (a) Where they follow the limits of the territorial waters and high seas contiguous thereto under the control and jurisdiction of Libya
- (b) Where they follow the coastline of Libya.
- (c) Where they follow the boundaries of the Petroleum Zones.
- (d) Where they follow the international frontiers.

Article 5

- (a) Concession areas applied for shall be compact and free from narrow indentations, except in exceptional cases as the Secretariat may deem fit. An applicant shall not be permitted to unify distinct concession areas by connecting them with an insubstantial link. The Secretariat may require an applicant who fails to comply with the provisions of this paragraph to amend his application.

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- (b) The greatest length of a concession shall not exceed six times its weighted mean average width. However the Secretariat may permit a deviation from the aforementioned ratio of width to length where it deems it necessary. In determining the above ratio contiguous and adjoining concessions shall be considered as a unit, notwithstanding that they may cross-zonal boundaries.
- (c) The above provisions shall not apply if the Secretariat deems it necessary for the settlement of overlaps.

Article 6

For all purposes of the Petroleum Law 1955 and the Regulations issued thereunder the area of each 5 x 5 block of the grid shall be deemed to be as set out hereunder: -

Each 5'×5' Block between 33° - 34° of Latitude 71.57 Square kilometers

<u>32° - 33°</u>	<u>"</u>	<u>72.37</u>	<u>"</u>	<u>"</u>
<u>31° - 32°</u>	<u>"</u>	<u>73.15</u>	<u>"</u>	<u>"</u>
<u>30° - 31°</u>	<u>"</u>	<u>73.91</u>	<u>"</u>	<u>"</u>
<u>29° - 30°</u>	<u>"</u>	<u>74.64</u>	<u>"</u>	<u>"</u>
<u>28° - 29°</u>	<u>"</u>	<u>75.35</u>	<u>"</u>	<u>"</u>
<u>27° - 28°</u>	<u>"</u>	<u>76.04</u>	<u>"</u>	<u>"</u>
<u>26° - 27°</u>	<u>"</u>	<u>76.70</u>	<u>"</u>	<u>"</u>
<u>25° - 26°</u>	<u>"</u>	<u>77.34</u>	<u>"</u>	<u>"</u>
<u>24° - 25°</u>	<u>"</u>	<u>77.96</u>	<u>"</u>	<u>"</u>
<u>23° - 24°</u>	<u>"</u>	<u>78.56</u>	<u>"</u>	<u>"</u>
<u>22° - 23°</u>	<u>"</u>	<u>79.13</u>	<u>"</u>	<u>"</u>
<u>21° - 22°</u>	<u>"</u>	<u>79.67</u>	<u>"</u>	<u>"</u>
<u>20° - 21°</u>	<u>"</u>	<u>80.20</u>	<u>"</u>	<u>"</u>
<u>19° - 20°</u>	<u>"</u>	<u>80.70</u>	<u>"</u>	<u>"</u>

PETROLEUM REGULATION NO.1

PART II

Application for Permits and Concession

Article 7

- (1) Applications for permits and concessions shall be submitted in triplicate in the form prescribed in the second and third Schedules to this Regulation. Such application shall be handed or sent by registered mail to the Director.
- (2) Applications shall be submitted during the official hours of the Director, namely between 9:00am and 12:00 noon each day of the week except official holidays. The Director shall not receive any application submitted during other hours except applications for concessions submitted in accordance with Article 8 (1) (a) of the Law in which case the Director shall receive applications submitted up to midnight of the seventh day following the coming into force of the Law.
- (3) The expression “on the same day” Article 8 (1) (b) of the Law means during the official office hours of the Director.

Article 8

The Secretariat shall take all steps necessary to ensure that all applications for permits and concessions and all plans, sketches, reports and other documents accompanying such application are treated as confidential.

Article 9

- (1) Every applicant for a permit or concession shall, on the submission of the application; Notify the Secretariat of the name, residence and Post Office address of the person resident in Libya authorized to act for and on behalf of the applicant (hereinafter called “the Local Manager”). The applicant shall provide the Secretariat with the necessary officially authenticated power of attorney of the Local Manager.

Article 10

On receipt by the Director of an application for a permit or concession he shall forthwith: -

- (a) Give to the application an exclusive reference number;
- (b) Register in the Petroleum Register particulars in accordance with Article 11 of this Regulation. Every application valid to be registered shall be deemed to be registered when it is received by the Director, provided however that no application shall be made public on the day on which it was received, or, in the case of applications coming within the provisions of Article 8 (1) (a) of the Law, within the period specified therein;
- (c) File all such applications and any sketch, plan or other document accompanying them in the records of his office.
- (d) (Deleted by Regulation No. 7).
- (e) Issue to the applicant an official receipt showing the nature of the documents received, the reference number in the Petroleum Register, the reference number given to them by the applicant and the exact time and date of receipt.

Article 11

The Director shall keep a Petroleum Register signed by the Secretary and bearing the seals of the Secretariat on each page and such other registers as may be directed by the Secretariat for the registration of applications for, and the grant, assignment, renewals, permits and concessions and other particulars relating thereto and especially;

- (a) The dates of the application for, and of the grant, assignment, renewal, surrender, termination and revocation of the permit or concession;
- (b) The name and address of the applicant and the name, residence and Post Office address of the Local Manager in Libya;
- (c) The area applied for, granted and surrendered;
- (d) All reference numbers relevant to such particulars.

Article 12

- (1) The Secretariat shall issue such maps, plans and sketches as may be necessary.
- (2) The Director shall maintain status maps in respect of each Petroleum Zone showing the areas included in all pending applications, the areas of all currently valid concessions and all open areas.

Article 13

The Petroleum Register and the status maps shall, during the official hours of the Director, be open to the public on payment of a reasonable fee to be determined by regulation.

CONSIDERATION OF APPLICATIONS

Article 14

The Director shall immediately submit to the Secretary of Petroleum an original copy of each application submitted to him.

Article 15

- (1) If it appears to the Secretariat that an application for a permit or concession contains minor inadvertent errors in form, including errors of translation, the Secretariat shall, if it deems necessary to have the errors corrected, request the applicant to make such corrections within a reasonable period determined by the Secretariat without loss of priority.
- (2) The Secretariat shall also permit the correction of similar errors appearing in any plan, sketch, report or document submitted to the Secretariat.
- (3) In other cases the provisions of Libyan Law will apply.

Article 16

- (1) The Secretariat may require an applicant to submit additional information relevant to his application and shall allow such applicant a reasonable period within which to submit such information.

- (2) The Secretariat shall initially determine the eligibility of the applicant in accordance with Article 5 of the Law. The decision of the Secretariat regarding the eligibility or ineligibility of an applicant shall not be binding on the Secretariat in respect of future applications by the same applicant.

Article 17

- (1) If more than one application is submitted for the same concession area, the Secretariat shall be absolutely free to accept the application that it deems suitable, taking into account the previous activities of the applicant in the petroleum industry, his experience in handling similar work, his financial and technical ability to carry out the intended operations as well as additional economic financial and other benefits and advantages offered in accordance with Para. (7) of Article (7) of the law.
- (2) If the Secretariat decides to refuse any application for a permit or concession, the applicant shall be informed accordingly and the application, together with the decision of the Secretariat shall be referred to the Secretary.

Article 18

- (1) If the General People's Committee approves any decision of the Secretariat regarding the grant or refusal of any application, the Secretariat shall forthwith inform the applicant accordingly and take such other action as may be required to implement the decision of the General People's Committee.
- (2) If the General People's Committee does not approve any decision of the Secretariat regarding the grant or refusal of any applications, the Secretariat shall reconsider its decision in the light of the observations of the General People's Committee and shall refer its decision back to the General People's Committee.
- (3) No permit or concession may be granted except with the approval of both the Secretariat and the General People's Committee.

Article 19

An applicant who is notified of the final acceptance of his application shall:

- (1) Pay the prescribed fee;

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- (2) In the case of the grant of a concession, give the bond or banker's guarantee in the sum determine by the Secretariat in accordance with paragraph 3 or Article 9 of the Law. The bond or guarantee shall be in triplicate, each coy being duly recorded in the Registers of the Secretariat, one of which shall be kept by the Secretariat and the other two shall be returned to the applicant after such recording.
- (3) Sign an undertaking to abstain from all political activity in Libya.

The above procedure shall be completed within one week from the date of the receipt of the final notifications, payments, shall be made to the General Treasury through the Secretariat of petroleum.

Article 20

- (1) The Secretariat shall, after ascertaining the completion of the procedure provided for in the previous Article, fix a date for the signature of the permit or concession as the case may be.
- (2) (Repealed by Petroleum Regulation No. 5).

Article 21

Any person to whom a concession is granted shall, before commencing operations, take all appropriate legal steps to comply with the requirements of Libyan Commercial Code and such other laws as may be applicable in respect of such operations.

Article 22

- (1) In regulations issued under the Petroleum Law No. 25 of 1955:
 - (a) Words and phrases defined in the Petroleum Law No. 25 of 1955 and the Second Schedule thereto shall have the same meaning in the Regulations issued under the Law.
 - (b) The coastline means the line of mean low water spring tide level.
 - (c) The weight mean average width is determined by dividing the area by its greatest dimension.

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- (2) The Director may, with the approval of the Secretary, delegate to any official of the Secretariat any of the functions conferred on him by the Law, the schedules thereto and the Regulations issued thereunder.

Article 23

This Regulation shall come into force on the date of the coming into force of the Petroleum Law No. 25 of 1955.

**SECOND SCHEDULE TO
PETROLEUM REGULATION NO. 1**

Confidential

Socialist People's Libyan Arab Jamahirya

Secretariat of Petroleum

Application For A Reconnaissance Permit To Explore For Petroleum

In conformity with Article 6 of the Petroleum Law No. 25 of 1955 as amended by Royal Decree of 3 July and 9 November 1961 and Regulations thereunder.

1. Name of the applicant in full:
_____ (CAPITAL LETTRS).

2. If application is made by a Company:

(a) Place of incorporation _____.

(b) Principal place of business _____.

(c) Nature of activity of the company _____.

(d) Names of Directors _____.

3. If application is made by a natural person:

(a) Address

(b) Nationality

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(c) Occupation

4. Name, Residence, P.O. Box Number, of the Local Manager in Libya.

5. (a) Requested date of commencement _____
date _____.

(b) In case of Renewal state previous Reconnaissance Permit No.
_____, Zone _____, Expiring on
_____ day of _____.

6. State by reference to the Petroleum Zone, the situation of the territory of which application is made and the approximate area thereof (accompany application by a description of the boundaries and a map showing the same. An application for a whole zone does not require submission of a map, but mention, "as delineated on the official map of the Petroleum Secretariat").

7. State brief particulars relating to: -

- (a) Applicant's Previous activities in the petroleum Industry
- (b) Applicant's Previous experience in the conduct of petroleum exploration, prospecting and mining operations.
- (c) Applicant's financial and Technical capacity, and in particular such capacity immediately available for the conduct of the contemplated operations (attach last report and audited trading and profit and loss accounts and balance sheet or name and address of bank or independent auditor who can testify to applicant's financial capacity or other supporting evidence).
- (d) Any other particulars the applicant wants to draw the attention of the Secretariat to it.

8. The applicant declares that:

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- (a) All foregoing particulars are correct.
- (b) He is aware of provisions of the Petroleum Law No. 25 of 1955, and in particular the provisions of Article 5 and 6 thereof and the Regulations made under the Amended Law.

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Dated this _____ day of _____

Name of applicant: _____

Signature: _____

Received by the Secretariat

This _____ day of _____

Registration No. _____

Signed for the Secretariat and Official Stamp

If applicant is a Company state capacity in which this form has been signed

Number of working permit(s) _____

For the Province(s) _____

Note: If working Permit(s) has/have not yet been received, stat date you
applied for: _____

If a Petroleum Zone covers part(s) of more than one Province, working
Permits for each Province are required, unless reconnaissance work will be
restricted to one Province only. If the latter is the case, please state here:

**THIRD SCHEDULE TO
PETROLEUM REGULATION NO. 1**

Confidential

**Libyan Arab Republic of
Petroleum Secretariat**

**Application For A Concession To
Prospect For Mine And
Production Of Petroleum**

Made under Article 7 of the Petroleum Law 1955, as amended, and regulations there under.

1. Name of Applicant in full _____
(CAPITAL LETTERS)
2. If application is made by a Company
 - (a) Place of Incorporation _____
 - (b) Principal Place of Business _____
 - (c) Nature of Business _____
 - (d) Name of Directors _____
3. If application is made by a natural person:
 - (a) Address _____
 - (b) Nationality _____
 - (c) Occupation _____
4. Name, Residence and P.O. Box No. of Local Manager in Libya

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5. Period for which concession is requested_____
6. State by reference to the Petroleum Zone the situation of the Concession for which application is made and the approximate area thereof (accompanied by a description of the boundaries and a map showing the same).

7. State brief particulars relating to:
 - (a) Previous activities of the applicant in the Petroleum Industry.

 - (b) Previous experience in the conduct of Petroleum exploration, prospecting and mining operations. _____.
 - (c) Financial and Technical capacity, and in particular such capacity immediately available for the conduct of the contemplated operations (attach last annual report and audited trading and profit and loss accounts and “balance sheet or name and address of a bank or independent auditor who can testify to applicants’ financial capacity, or other supporting evidence).

 - (d) Preliminary investigations of the area for which application is made _____.
 - (e) Any other information which applicant wishes to bring to the attention of the Secretariat. _____
8. Particulars of any economic, financial and other benefits and advantages which the applicant is willing to offer in addition to those stated in the Petroleum Law as amended by the two Decrees of 3 July and 9 November 1961, (to be submitted by a separate letter attached to application.)
9. The Applicant declares that:

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- (a) All the foregoing particulars are correct.
- (b) He is aware of the provisions of the Petroleum Law No. 25 and in particular of the provisions of Article 5 and 7 thereof and the regulations made under that amended law.
- (c) In accordance with the provisions of Article 9 (2) of the Petroleum Law of 1955 as amended, he shall abstain from all political activity in Libya.
- (d) In accordance with the provisions of Article 9 (3) of the Petroleum Law 1955, as amended, he is prepared to deliver to the Secretariat a guarantee in a sufficient sum not exceeding LD 50,000 if required.

Open space below reserved for Official use

Dated this _____ date of

Name of applicant

Signature

If applicant is a Company, state capacity in which this form has been signed

Number of working permit (s)

For the Province (s)

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