



PETROLEUM ACT  
[CAP. 350 LFN]

Marginal Fields Operations (Fiscal Regime) Regulations 2005

[ 30th September, 2005 ]

Commence-  
ment.

In exercise of the powers conferred upon me by section 9(1)(a) and (b) of the Petroleum Act and of all other powers, enabling me in that behalf, I, Olusegun Obasanjo, President of the Federal Republic of Nigeria/Minister of Petroleum Resources, hereby make the following Regulations :

1. The provisions of these Regulations shall apply to all marginal field operations in Nigeria.

General  
application  
of fiscal  
regime.

2.—(1) The fiscal terms specified in this paragraph for marginal field operations shall be applicable as follows —

Royalty rates  
for marginal  
field  
operations.

(a) for production below 5,000 bopd .. .. . 2.5 per cent ;

(b) for production between 5,000 bopd and 10,000 bopd .. 7.5 per cent ;

(c) for production between 10,000 bopd and 15,000 bopd .. 12.5 per cent ;

(d) for production between 15,000 bopd and 25,000 bopd .. 18.5 per cent ;

(2) The provisions of this paragraph supercedes any other existing fiscal terms on marginal field operations in Nigeria.

3. Subject to the prior approval of the Director of Petroleum Resources, fluid production from two or more reservoirs in a marginal field may be commingled following the compatibility of the reservoir fluids and pressures.

Commingled  
production.

4. These Regulations may be cited as the Marginal Fields Operations (Fiscal Regime) Regulations 2005.

Citation.

MADE this 30th day of September 2005.

OLUSEGUN OBASANJO  
President of the Federal Republic of Nigeria/  
Minister of Petroleum Resources

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EXPLANATORY NOTE

*(This note does not form part of the above Regulations but is intended to explain its purport)*

The Regulations provide for the fiscal regime for marginal field operations in Nigeria.