

*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 1987, SCHEDULE 8. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 8

Section 101.

#### AMENDMENTS OF SCHEDULE 10 TO <sup>M1</sup>FINANCE ACT 1987

##### Marginal Citations

**M1** 1987 c. 16.

- 1 At the end of paragraph 1 (interpretation) there shall be added the following sub-paragraph—
  - “(3) Where an amount of oil is required to be delivered to the Secretary of State pursuant to a notice served by him, any oil which is inadvertently delivered to him in excess of the amount required shall be treated for the purposes of sub-paragraph (2) above as delivered pursuant to the notice.”.
- 2 (1) In paragraph 5 (content of nomination) in sub-paragraph (1)(b)—
  - (a) for the words “except in the case of a proposed appropriation” there shall be substituted “in the case of a proposed sale”; and
  - (b) for the word “delivered” there shall be substituted “sold”.(2) At the end of sub-paragraph (3) of paragraph 5 (penalty for fraudulent or negligent furnishing of information etc. in connection with a nomination) there shall be added the words “and the nomination shall not be effective”.
- 3 (1) In paragraph 8 (revision of nominations) after sub-paragraph (2) there shall be inserted the following sub-paragraphs—
  - “(2A) If a participator who has made a nomination of a proposed supply, proposed appropriation or a proposed transaction falling within paragraph 2(1)(d) above fails, in whole or in part, to supply, to appropriate or otherwise to complete the proposed transaction by the delivery or appropriation of oil forming part of his equity production for the proposed delivery month, then, in accordance with regulations made by the Board, he may amend or withdraw the nomination as mentioned in sub-paragraph (2B) below.
  - (2B) The circumstances in which, in a case falling within sub-paragraph (2A) above, a participator may amend or withdraw a nomination are,—
    - (a) in the case of a nomination of a proposed supply or proposed appropriation, if the participator is of the opinion that the failure referred to in that sub-paragraph was caused by circumstances over which neither he nor any person connected or associated with him had control; or
    - (b) in the case of a nomination of a proposed transaction falling within paragraph 2(1)(d) above, in such circumstances as may be prescribed by regulations made by the Board; or

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- (c) in any case where the nomination is of a proposed supply or proposed appropriation and the participator is either the field operator or the operator of a relevant system, if the participator is of the opinion that the failure referred to in sub-paragraph (2A) above was caused by action necessarily taken by him in the interests of safety or the prevention of pollution or in accordance with good oil field practice.

(2C) In relation to such a nomination as is referred to in sub-paragraph (2B)(c) above,—

- (a) a participator is the field operator if, in relation to the field specified in the nomination, he is the person having the function of organising or supervising operations for searching or boring for or getting oil in pursuance of a licence; and
- (b) the expression “relevant system” is applicable only where the oil to which the nomination relates is blended oil and is a reference to any system by which blended oil (in relation to which the field specified in the nomination is one of the originating fields) is transported, treated or stored prior to its disposal or relevant appropriation; and
- (c) a participator in an oil field is an operator of a relevant system, as defined above, if he is the person charged, or principally charged, with the operation of the system;

and expressions used in paragraph (b) above have the same meaning as in section 63 of this Act.”

(2) In sub-paragraph (3) of paragraph 8—

- (a) for the words “sub-paragraph (2)”, in the first place where they occur, there shall be substituted “the preceding provisions of this paragraph”;
- (b) in paragraph (a) after the word “above” there shall be inserted “or, where sub-paragraph (2B) above applies, that the failure was caused as mentioned in paragraph (a) or paragraph (c) of that sub-paragraph or that the circumstances prescribed for the purposes of paragraph (b) of that sub-paragraph exist”; and
- (c) in paragraph (b), for the words “if sub-paragraph (2)(a)” there shall be substituted “except where sub-paragraph (2)(b) or sub-paragraph (2B)(a)”.

(3) In sub-paragraph (4) of paragraph 8 after the words “sub-paragraph (2)(b)” there shall be inserted “and sub-paragraph (2B)”.

(4) In sub-paragraph (5) of paragraph 8 for the words “preceding provisions of this Schedule” there shall be substituted “provisions of this Schedule (other than this paragraph)”.

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In paragraph 9 (effective volume for nominated transactions) for sub-paragraph (4) there shall be substituted the following sub-paragraphs—

“(4) In relation to a proposed supply or proposed appropriation where the nominal volume is expressed as mentioned in paragraph 7(5) above and oil is in fact supplied or, as the case may be, relevantly appropriated as proposed in the nomination, the effective volume is whichever is the greater of—

- (a) the minimum nominal volume; and
- (b) so much of the total volume of oil supplied or relevantly appropriated as does not exceed the maximum nominal volume.

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(5) In relation to a proposed supply or proposed appropriation which does not fall within sub-paragraph (4) above, the effective volume is the nominal volume.”

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**Textual Amendments**

**F1** Sch. 8 para. 5 repealed (with effect in accordance with Sch. 18 para. 11(3) of the commencing Act) by Finance Act 2006 (c. 25), Sch. 18 para. 11(2), **Sch. 26 Pt. 5(1)**

6 In paragraph 12 (nominations of blended oil by a participator in two or more fields)

- (a) for the words from the beginning to “this Act” there shall be substituted “(1) If a person is a participator in two or more oil fields which, in relation to any blended oil, are or are included among the originating fields, then, in accordance with regulations made by the Board, he may make a nomination, having effect with respect to all the originating fields in which he is a participator, of a proposed sale, supply or appropriation of the blended oil”; and

(b) at the end there shall be added—

“(2) In sub-paragraph (1) above “blended oil” and “the originating fields” have the same meaning as in section 63 of this Act.”

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