



# Petroleum (Production) Act 1934

1934 CHAPTER 36 24 and 25 Geo 5

An Act to vest in the Crown the property in petroleum and natural gas within Great Britain and to make provision with respect to the searching and boring for and getting of petroleum and natural gas, and for purposes connected with the matters aforesaid. [12th July 1934]

## 1 Vesting of property in petroleum in His Majesty.

[<sup>F1</sup>(1) The property in petroleum to which subsection (2) of this section applies at the commencement of this Act, so far as it is not already so vested, is hereby vested in His Majesty; and His Majesty shall at any time have the exclusive right of searching and boring for and getting petroleum to which that subsection applies at that time.

(2) Subject to subsection (3) of this section, this subsection applies at any time to petroleum which at that time exists in its natural condition in strata in Great Britain or beneath the territorial waters of the United Kingdom . . . <sup>F2</sup>; and it so applies notwithstanding that the land in which any such petroleum so exists belongs to His Majesty or the Duchy of Cornwall, belongs to a government department or is held in trust for His Majesty for the purposes of a government department.

(3) Subsection (2) of this section does not apply to petroleum which at the commencement of this Act may be lawfully gotten under a licence in force under the Petroleum (Production) Act 1918 <sup>M1</sup>, being a licence specified in the Schedule to this Act, so long as that licence remains in force.]

[<sup>F3</sup>(4) For the purpose of this Act the expression “petroleum” includes any mineral oil or relative hydro-carbon and natural gas existing in its natural condition in strata, but does not include coal or bituminous shales or other stratified deposits from which oil can be extracted by destructive distillation.

### Textual Amendments

**F1** By [Oil and Gas \(Enterprise\) Act 1982 \(c. 23, SIF 86\)](#) s. 18(1) it is provided that this Act shall have effect and be deemed always to have had effect as if subsections (1)–(3) were substituted for subsection (1)

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Petroleum (Production) Act 1934 (repealed 15.2.1999). (See end of Document for details)*

- F2** Words repealed by [Petroleum Act 1987 \(c. 12, SIF 86\)](#), ss. 19(1), 30, [Sch. 3](#)
- F3** By [Oil and Gas \(Enterprise\) Act 1982 \(c. 23, SIF 86\)](#) s. 18(1) it is provided that this Act shall have effect and be deemed always to have had effect as if subsection (2) of section 1 were renumbered as subsection (4)

#### Marginal Citations

- M1** [1918 c.52 \(86\)](#).

## 2 Licences to search for and get petroleum.

- (1) [<sup>F4</sup>The Secretary of State], on behalf of His Majesty, shall [<sup>F5</sup>at any time] have power to grant to such persons as [<sup>F4</sup>he thinks] fit licences to search and bore for and get petroleum [<sup>F6</sup>to which subsection (2) of section 1 of this Act applies at that time].
- (2) Any such licence shall be granted for such consideration (whether by way of royalty or otherwise) as [<sup>F4</sup>the Secretary of State] with the consent of the Treasury may determine, and upon such other terms and conditions as [<sup>F4</sup>the Secretary of State thinks] fit.
- (3) [<sup>F4</sup>The Secretary of State] shall, as soon as may be after granting a licence under this section, publish notice of the fact in the London Gazette stating the name of the licensee and the situation of the area in respect of which the licence has been granted, and, if the said area or any part thereof is in Scotland, [<sup>F4</sup>the Secretary of State] shall also publish the said notice in the Edinburgh Gazette.

#### Textual Amendments

- F4** Words substituted by virtue of S.R. & O. 1942/1132 (Rev. XV, p. 99; 1942, p. 217), art. 2(1) (2), [Ministry of Fuel and Power Act 1945 \(c. 19\)](#), s. 1(2), [Sch. 1, S.I. 1957/48 \(1957 I, p. 1439\)](#), 1969/1498, arts. 2(1), 5(6) and 1970/1537, arts. 2(2), 7(4)
- F5** By [Oil and Gas \(Enterprise\) Act 1982 \(c. 23, SIF 86\)](#), s. 18(2), it is provided that this Act shall have effect, as if words were inserted after “shall”
- F6** By [Oil and Gas \(Enterprise\) Act 1982 \(c. 23, SIF 86\)](#), s. 18(2), it is provided that this Act shall have effect, and be deemed always to have had effect, as if words were added at the end of subsection (1)

#### Modifications etc. (not altering text)

- C1** [S. 2](#) applied by [Continental Shelf Act 1964 \(c. 29\)](#), s. 1(3)
- C2** [S. 2](#) amended (E.W.S.) (30.11.1993) by [Offshore Safety Act 1992 \(c. 15\)](#), s. 3(2)(b)(c); S.I. 1993/2406, art. 2(a)

## 3 Provisions as to compulsory acquisition of rights to enter on land, &c.

- (1) [<sup>F7</sup>The <sup>M2</sup>Mines (Working Facilities and Support) Act 1966], as amended by any subsequent enactment, shall apply [<sup>F8</sup>(in England and Wales and Scotland)] for the purpose of enabling a person holding a licence under this Act to acquire such ancillary rights as may be required for the exercise of the rights granted by the licence, and shall have effect accordingly, subject to the following modifications:—
  - (a) references to a person having a right to work minerals shall include references to a person holding a licence under this Act, references to minerals shall include references to petroleum, and references to the working of minerals

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Petroleum (Production) Act 1934 (repealed 15.2.1999). (See end of Document for details)*

shall include references to the getting, carrying away, storing, treating and converting of petroleum;

- (b) without prejudice to the generality of [F7section 2(1)] of the said Act, the ancillary rights therein mentioned shall include (in addition to the rights specified in [F7that subsection]) a right to enter upon land and to sink bore holes therein for the purpose of searching for and getting petroleum, and a right to use and occupy land for the erection of such buildings, the laying and maintenance of such pipes, and the construction of such other works as may be required for the purpose of searching and boring for and getting, carrying away, storing, treating and converting petroleum:

Provided that, where a right to lay and maintain pipes under a highway is granted by virtue of this subsection, [F9sections 12 to 19 of Schedule 3 to the M3Water Act 1945], shall be incorporated in the order granting the right, subject to any modifications or adaptations specified in the order.

- (2) In relation to any application made to the [F10High Court][F11Court of Session] under [F7the said Act], as applied by this section, the following provisions shall have effect:—
- (a) the Commission shall, in deciding whether to grant any right applied for or what terms and conditions, if any, should be imposed upon the grant of such a right, have regard, among other considerations, to the effect on the amenities of the locality of the proposed use and occupation of the land in respect of which the right is applied for;
- (b) in determining the amount of any compensation to be paid in respect of the grant of any right, an additional allowance of not less than ten per cent. shall be made on account of the acquisition of the right being compulsory;
- (c) the costs in connection with the application incurred by the applicant shall not be ordered to be paid by any person from whom a right is sought to be obtained; and the costs so incurred by each such person shall, unless the Commission is satisfied that an unconditional offer in writing was made by the applicant to that person of a sum as compensation equal to or greater than the amount of any compensation awarded to him by the Commission, be ordered to be paid by the applicant.

#### Textual Amendments

- F7** Words substituted by virtue of [Mines \(Working Facilities and Support\) Act 1966 \(c. 4\), Sch. 2 para. 1](#)
- F8** Words inserted by [Petroleum Act 1987 \(c. 12, SIF 86\), s. 19\(2\)](#)
- F9** Words substituted by virtue of [Interpretation Act 1978 \(c. 30\), s. 17\(2\)\(a\)](#)
- F10** Words substituted (E.W.) by virtue of [Railway and Canal Commission \(Abolition\) Act 1949 \(c. 11\), s. 1\(1\)](#)
- F11** Words substituted (S.) by virtue of [Railway and Canal Commission \(Abolition\) Act 1949 \(c. 11\), s. 1\(1\)](#)

#### Modifications etc. (not altering text)

- C3** [S. 3](#) extended by [Continental Shelf Act 1964 \(c. 29\), s. 1\(3\)](#)

#### Marginal Citations

- M2** [1966 c. 4.](#)
- M3** [1945 c. 42.](#)

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Petroleum (Production) Act 1934 (repealed 15.2.1999). (See end of Document for details)*

#### 4 Power to supply natural gas.

F12

##### Textual Amendments

F12 S. 4 repealed by Oil and Gas (Enterprise) Act 1982 (c. 23, SIF 86), s. 12(2), Sch. 4

#### 5

F13

##### Textual Amendments

F13 S. 5 repealed by Petroleum and Submarine Pipe-lines Act 1975 (c. 74), s. 16(3)

#### 6 Power to make regulations.

- (1) [<sup>F14</sup>The Secretary of State] shall, before granting any licence under this Act, make regulations prescribing—
- (a) the manner in which and the persons by whom applications for licences under this Act may be made;
  - (b) the fees to be paid on any such application;
  - (c) the conditions as to the size and shape of areas in respect of which licences may be granted;
  - (d) model clauses which shall, unless [<sup>F14</sup>the Secretary of State thinks] fit to modify or exclude them in any particular case, be incorporated in any such licence;
- and different regulations may be made for different kinds of licence.
- (2) Any regulations made under this section shall be laid before each House of Parliament as soon as may be after they are made, and if either House, within the next subsequent twenty-eight days on which that House has sat after any such regulations are laid before it, resolves that the regulations shall be annulled, the regulations shall thenceforth be void, but without prejudice to anything previously done thereunder or to the making of new regulations.

##### Textual Amendments

F14 Words substituted by virtue of S.R. & O. 1942/1132 (Rev. XV, p. 99; 1942, p. 217), art. 2(1) (2), Ministry of Fuel and Power Act 1945 (c. 19), s. 1(2), Sch. 1, S.I. 1957/48 (1957 I, p. 1439), 1969/1498, arts. 2(1), 5(6) and 1970/1537, arts. 2(2), 7(4)

##### Modifications etc. (not altering text)

C4 S. 6 applied with modification by Continental Shelf Act 1964 (c. 29), s. 1(3)(4)

C5 S. 6(2) amended by Statutory Instruments Act 1946 (c. 36, SIF 115:2), ss.4(2), 5(2)

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Petroleum (Production) Act 1934 (repealed 15.2.1999). (See end of Document for details)*

## 7 Power to inspect plans of mines.

For the purpose of ascertaining on behalf of [<sup>F15</sup>the Secretary of State] the position of the workings, actual and prospective, of any mines or abandoned mines through or near which it is proposed to sink any borehole for the purpose of searching for or getting petroleum, any officer appointed by [<sup>F15</sup>the Secretary of State] shall have [<sup>F16</sup>the same rights as to the production and inspection of plans, sections and drawings which, by or by virtue of the <sup>M4</sup>Mines and Quarries Act 1954, are required to be kept, as are by that Act conferred on inspectors, and that Act shall apply accordingly].

### Textual Amendments

**F15** Words substituted by virtue of S.R. & O. 1942/1132 (Rev. XV, p. 99; 1942, p. 217), art. 2(1) (2), [Ministry of Fuel and Power Act 1945 \(c. 19\)](#), s. 1(2), [Sch. 1](#), [S.I. 1957/48](#) (1957 I, p. 1439), 1969/1498, arts. 2(1), 5(6) and 1970/1537, arts. 2(2), 7(4)

**F16** Words substituted by [Mines and Quarries Act 1954 \(c. 70\)](#), [Sch. 4](#)

### Marginal Citations

**M4** [1954 c. 70](#).

## 8

## 9 Definition of minerals in 16 & 17 Geo. 5. c. 28, s. 23.

It is hereby declared that in subsection (1) of section twenty-three of the Mining Industry Act 1926 (which imposes on persons sinking bore holes for the purpose of searching for or getting minerals obligations to give certain facilities to [<sup>F17</sup>the Natural Environment Research Council]) the expression “minerals” includes petroleum.

### Textual Amendments

**F17** Words substituted by virtue of [Science and Technology Act 1965 \(c. 4\)](#), [Sch. 2](#)

## 10 Savings.

- (1) ..... <sup>F18</sup>
- (2) Nothing in this Act shall be construed as imposing any liability on any person where in the course of mining or other lawful operations petroleum is set free.
- (3) Nothing in this Act shall be construed as conferring, or as enabling [<sup>F19</sup>the Secretary of State] to confer, on any person, whether acting on behalf of His Majesty or not, any right which he does not enjoy apart from this Act to enter on or interfere with land.

### Textual Amendments

**F18** S. 10(1) repealed by [Oil and Gas \(Enterprise\) Act 1982 \(c. 23, SIF 86\)](#), [Sch. 4](#)

**F19** Words substituted by virtue of S.R. & O. 1942/1132 (Rev. XV, p. 99; 1942, p. 217), art. 2(1) (2), [Ministry of Fuel and Power Act 1945 \(c. 19\)](#), s. 1(2), [Sch. 1](#), [S.I. 1957/48](#) (1957 I, p. 1439), 1969/1498, arts. 2(1), 5(6) and 1970/1537, arts. 2(2), 7(4)

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the  
Petroleum (Production) Act 1934 (repealed 15.2.1999). (See end of Document for details)*

**11 Short title, repeal and extent.**

- (1) This Act may be cited as the Petroleum (Production) Act 1934.
- (2) The Petroleum (Production) Act 1918, is hereby repealed:  
 Provided that nothing in this repeal shall affect the validity of any licence granted under the said Act which is specified in the Schedule to this Act, but any such licence shall, if in force at the commencement of this Act, have effect as if granted under this Act.
- (3) ..... **F20**

.....

**Textual Amendments**

**F20** S. 11(3) repealed by [Petroleum Act 1987 \(c. 12, SIF 86\)](#), s. 30, **Sch. 3**

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Petroleum (Production) Act 1934 (repealed 15.2.1999). (See end of Document for details)*

SCHEDULE

Sections 1 and 11.

LICENCES IN FORCE UNDER THE PETROLEUM (PRODUCTION) ACT 1918

<b>Date of Licence</b>	<b>Name of Original Licensee</b>	<b>Situation in Licensed Area</b>
26th March 1923	The Duke of Devonshire.	Near Hardstoft in the county of Derbyshire.
		...
		F21

**Textual Amendments**

**F21** Entries repealed by [Statute Law \(Repeals\) Act 1978 \(c. 45\)](#), [Sch. 1 Pt. XVII](#)

**Status:**

Point in time view as at 01/02/1991.

**Changes to legislation:**

There are currently no known outstanding effects for the Petroleum (Production) Act 1934 (repealed 15.2.1999).