

The Union of Myanmar

The State Peace and Development Council

The Law Amending the Oilfields Act, 1918

(The State Peace and Development Council Law No. 34 / 2010)

The 10th Waning Day of Nadaw 1372 M.E.

(31st, December , 2010)

The State Peace and Development Council hereby enacts the following Law:

1. This Law shall be called **the Law Amending the Oilfields Act, 1918**.
2. The expression , contained in the Oilfields Act, 1918,” Chairman of the State Peace and Development Council” shall be substituted by the expression “The Minister, the Ministry of Energy”, the expression “Warden” shall be substituted by the expression “Managing Director of the Myanmar Oil and Gas Enterprise” , the expression “Assistant Warden” shall be substituted by the expression “General Manager assigned for the relevant notified oilfield “, the expression “ Financial Commissioner” shall be substituted by the expression “the Minister, the Ministry of Energy” respectively.
3. Sub-section (e) of section 2 of the Oilfields Act, 1918 shall be substituted as follows:

"(e) “**Operator**” means and includes any company incorporated by or under the laws of the Union of Myanmar holding a permit to

conduct the petroleum operations or was assigned to conduct the petroleum operations on behalf of the contractor or parties under a contract;”

4. Sub-section (1) of section 4 of the Oilfields Act, 1918 shall be substituted as follows:

“4. (1) the Minister for the Ministry of Energy may, by notification, define the jurisdiction of the Managing Director of the Myanmar Oil and Gas Enterprise.”

5. Sub-section (3) of section 4 of the Oilfields Act, 1918 shall be substituted as follows:

“4.(3) The Minister for the Ministry of Energy may, by notification, appoint General Manager assigned for the relevant notified oilfield to assist the Managing Director of the Myanmar Oil and Gas Enterprise in performing his duties and exercising his power within his jurisdiction.”

6. The expression “shall be punished with imprisonment for a term which may extend to three months, or with fine which may extend to one hundred rupees, or with both.” contained in sub-section (2) of section 12 of the Oilfields Act, 1918 shall be substituted by the expression “shall be punished with imprisonment for a term which may extend to three months, or with fine which may extend to ten thousand kyats or with both” and the expression “five hundred

rupees” shall be substituted by the expression “fifty thousand kyats” and the expression “one thousand rupees” contained in sub-section (3) of section 13 shall be substituted by the expression” one hundred thousand kyats” respectively.

7. Clause (g) of sub-section (2) of section 13 of the Oilfields Act, 1918 shall be substituted as follows:

“2(g) provide for the prevention of waste of oil or gas and also the prevention of environmental pollution by petroleum operations;”

8. Clause (s) of sub-section (2) of the Oilfields Act, 1918 shall be substituted as follows:

“(2)(s) prescribe the manner in which the operator operating the contract area shall demarcate such area and provide for the preservation of the demarcation marks prescribed;”

9. Sub-section (4) of section 13 of the Oilfields Act, 1918 shall be substituted as follows:

“(4) The Minister for the Ministry of Energy may, also, by rule, attach to the breach of any rule under clauses (g),(h), (i), (j), (k),(l), (m),(w),(x), (y) (dd),(ee), (ff), (ii),(jj) and (ll) of sub-section (2) which are to be in accordance with generally accepted international petroleum industry practice the penalty of forfeiture of any permit for the exploration and production of oil or gas or both held by the operator on which the offence has been committed.”

10. Section 5 prescribed in the Oilfields Act, 1918 shall be deleted.

11. Section 14 of the Oilfields Act, 1918 shall be substituted as follows:

“14. For the purpose of carrying out the provisions of this Act:

- (a) the Ministry of Energy may, with the approval of the Government issue rules and procedures;
- (b) the Ministry of Energy may issue regulations, bye-laws, orders and directives.”

12. Section 15 of the Oilfields Act, 1918 shall be substituted as follows:

“15. If there is a dispute between the operators on demarcation of contract area, the Ministry of Energy may intervene in such dispute in accordance with the prevailing rules and regulations.”

(Sd.) Than Shwe

Senior General

Chairman

The State Peace and Development Council