No. 3164.
SUBJECT CO533/436

Que Production Ordinance.

Application for Bil exploration leiens.

Previous

you 3566/25.

Subsequent

15024/1/25 &

1 Generica Byine 251 _ Stalis application has been made by I. Framell - to for an inflication licence over an area of 56 oy miles , 4 organes shether any severion of Old Rodution Rys 1935 is considered necessary. subject to any obens by G. D. Comment 3/7 asi draft her. 148. Pores mas Ne are in come hudence with the By T (Rholine Defo) regarding a number of points on about it may be necessary to revise Col. They and Ry? growthy but they are other in coming to ansolusions. Reships this with act as a reminder Rolling yes: as I Know from the P.G. I lang work the whole oil policy is under revision 36/102 To letroleum seent Me Granometh No 2 has yet been received. Wait a well provies: 1/4; 1 4 hounth:
A sty & No 2 hand yet han wound

& Petisleum Deht ____ 3 To Petroleum Dept 13/6 Bon 3/8/33 DEBTROYED UNDER States discussions have taken place with Trunched Inspector of Mines or obsero, will be franshed very shally. of Generalth.

Author & No 2 has not yet been received. Mu in fort ight.

Against the suppose A further letter from the Petisleum Beht has not yet ben reserved.

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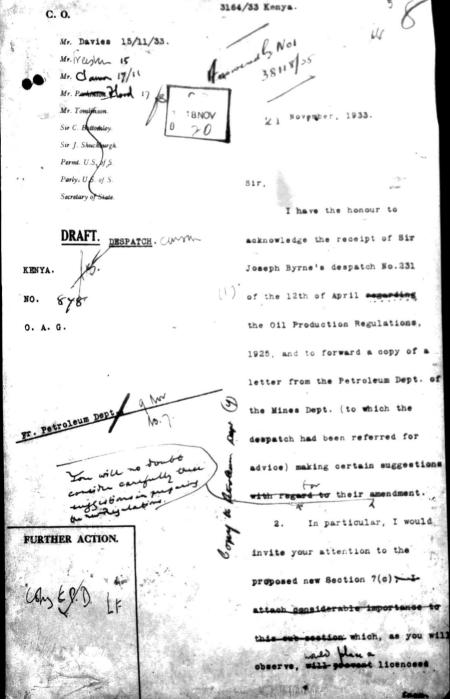
Reg. 297 Received vide minute above. 1.4.4.51.
Regulig 297 Remind of the Africa of the Africa of the State of the St Till we lear from the P. D. we can't rethy & No. 1. which was dared 18 fuil 8 Remind in show letter Subject you down, I think we might say to BIT. that Sept. ? Want another fortunglet out he glad to lear who this ober meng he expected - short letter. The P. Dap! have meanwhite healt, in extens, with the Transdad case, and despatches are going to the two by to day's mail (if we can got he copying done in time). The Patroleum Dal! have, in fast, promued 9 Mink we night remind . to Ut us have their views on the parade parties (trained on T'dad Ah) by the middle of light, but the Very well mater has been shelved so often that a reminder on his file would be desirable solde 7/11/33 DESTROYED UNDER STATUTE

If count, saying the (1) was refund to (3) 1. Wetholum Doht ____ 9" Nov 33 (P.D.); enday 7; draw special attention Suggests certain stated amendments to the Od to 7860, saying that Sight attaches roduction degulations, infortance to a provision on their lives Ash o , sond out copies of And I he suffled with when of the Revised Regres when made !! (to () saying to sis considers that ig 6. A. G. sees no objection. Its P. D.: suggestions should be adopted Tubais . 14/11 are flagget in The existing Regs. 8 Zo Kenga 878 (w/e7) ans 21 NOV 1933 3566 (bilas) Sagra generally . I became that we are alburred by 9 % Rawleum Dept (M 8) 13/6- 24/11/3 the Treaty of 5: Germain from asking the Rove to explaine for British Buttool ACRES Mouthy & No & has yet been received.

Wait / mould hig 297.

274/34 I ague, a I and me pursue the British contist question as it is being abantonitelewhere. I feel bound to Joint out that the proposed new claves f(c) with completely mortubinize the trailers of oil exploring 26 will no langer be possible for prople to Medied unde mente above The 24.5.54 her failed at ofen entirgies to so foreicking for oil, as the geological miny. Likey (Leal) Ly. 197; King a Kong a water any Polistenam Reputation issued since to & This is natorotably a change in theight timetim six so a present on the Govt. Three's no witness but the has in fact her much orange anateur oil fossicking in the past, a local robby but the und otrace, of a Cla ? Weir [1] months Ry- B. 12 Thing be a host when it is made imprecible.

Brought who much of 29 9 4 ? For recini King 41. CAT wow 18 Ash how the matter stands Toute 20 cm 18 % Kenja 1011 5 DEC 1934 Gouply & Nois has yet been usual 1 month of 1/3/38 Comment of 1/3/38 No reply to Noto has yet here reserved Remind 4. Korning Wait litt from



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without making a geological survey.

SLAM I chould be glad to be furnished

with a copy of the revised Petroleum

Regulations in due course.

I have, etc.,

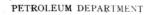
(Sgd.) P. CUNLIFFE-WSTER.

I attend particular importance to the inderson in the Regulation of boronian to this expertise

Any reply to this letter should be addressed to the Director, Petroleum Dept.

Telegrams: Minindust, Parl, London.

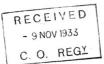
Reference No.:-P.D. 327/1



(MINES DEPARTMENT).

DEAN STANLEY STREET.

MILLBANK,



WESTMINSTER, LONDON, S.W.1.

9- November, 1933.

Sir,

With further reference to your letter No. 3164/33 of May 19th regarding the Kenya Oil Production Regulations 1925, I am directed by the Secretary for Mines to request you to inform Secretary Sir Philip Cunliffe Lister that the Regulations relating to the grant of Exploration Licences have now been considered. In this connection regard has been had to the revised Regulations which it is proposed to introduce in Trinidad, on which this Department has been consulted and on which, after discussions with the Trinidad Inspector of Mines, certain alterations have been suggested.

The proposed Trinidad Regulations are not entirely suitable for territory such as that of Kenya Colony where no oil development has yet taken place, but the Secretary for Mines considers that there are certain fresh points which could usefully be embodied in the Regulations and, if Sir Philip Cunliffe Lister agrees, he would suggest that the

The Under Secretary of State, Colonial Office, Downing Street,

3 fg l- Kempa (8)

following amendments should be made to the renyaller lattices.

For Regulation 4 (a) and (t) substitute the following after the words "accompanied by the following partitudes.":

- (a) "The nationality, name, place of tusiness and attre of business of the applicant; and if the laste if business is outside the Colony, the name and residence of a duly authorised agent in the lolony.
- (b) A description, inlustrated type may remain as accurately as possible the situation, regularies, and area of the land with respect to which the happy ration Licence is required.

A clause to the effect of it above is a remay included in the Regulations but it is considered that the form of words suggested is preferable.

With regard to Regulation 5, the Secretary of Mines considers that a maximum term of one year even if renewable for another year) is too short a period for a country where practically no exploration for oil has taken place if it is desired to attract substantial oil companies who could undertake serious geological work. The organisation and work of a geological survey party to carry own an effective survey over an area of perhaps several thousand square miles is an

undertaking for which a period of one year appears quite inadequate. It is suggested therefore that the initial period for the exploration license should be two years, renewable for a further period of one year at the discretion of the Governor under Regulation 13. It is also considered that the fee payable for an exploration license under Regulation 4 (d) should only be payable once on the grant of the license but that an additional fee on a smaller scale amounting to perhaps half the original fee might be imposed if a renewal of the license is required after two years have elapsed. Appropriate amendments should be made to Regulations 4 (d) and 13.

After Regulation 5 insert the following:-

"6. If an Exploration License is not executed within six months after leave has been granted for it, the right of the applicant to such Exploration License shall be held to have lapsed, unless the Commissioner of Mines considers that the delay is not attributable to the applicant.

- 7. Every exploration licence shall contain the following conditions:-
 - (a) If, in the course of the operations under this

 Licence, any minerals of commercial value
 other than petroleum and/or crude oil and/or
 gas be discovered, the licensees shall at once
 notify the Commissioner of Mines thereof.
 - (b) The licensees shall furnish the Commissioner of Mines with full information as to all specimens and samples of petroleum, and/or other minerals taken and removed by the Licensee and, upon demand, shall supply the Commissioner of Mines with duplicates of such specimens and samples.
 - (c) Within three months from the date of issue of the exploration licence the licensees shall commence a geological survey under the supervision of a fully qualified petroleum geologist and during the continuance of the licence shall continue to examine either by geological or geophysical methods the area covered by the licence to the satisfaction of the Commissioner of Mines.

Mines a full Report showing the correct geographical position of all land geologically or geophysically surveyed, examined, and mapped, and from time to time at the request of the Commissioner of Mines shall submit to him true and full copies of all geological and geophysical maps and reports showing the result of such survey and examination".

I am, Sir,

Your obedient Servant,

Larly DIRECTOR.

d) The licences shall furnish to the Commissioner of Mines a full Report showing the correct geographical position of all land geologically or geophysically surveyed, examined, and mapped, and from time to time at the request of the Commissioner of Mines shall submit to him true and full copies of all geological and geophysical maps and reports showing the result of such survey and examination".

I am, Sir,

Your obedient Servant,

h Klartny

Mr. Priestman 44 5 Mr. Cide 195

Mr. Hood 17de Ir. Parlinson.

Mr. Tonlinson.

Sir C. Pottomley.

Sir J. Suckburgh. Permt. U.S. of S.

Party. I.S. of S. Secretary of State.

3164/33 . Kenya .

Armend & Nort



Sir.

DRAFT.

for 35661/25 THE DIRECTOR.

PETROLEUM DEPARTMENT

I am etc. to refer to ear has letter/of the 14th of September, 1925, No.0.A.C.35661/25 enclosing a copy of the Oil Production Regulations made under the Kenya Oil Production Ordinance of 1923, which embod The regulations in question

contain the amendments suggested by the Board of Trade to which your letter No.P.D.45/23 of the 11th of September, 1923, and connected correspondence relates.

In connection with the issue of an exploration licence under aunte Regulations 3 and 4 of the above mentioned regulations, the Governor

4521/23)

revision of the provisions of the regulations is desirable in the light of any modification in Colonial oil policy which may have been introduced subsequent to the year 1925, in which they were made.

Sir Philip Cunliffe-Lister
will be glad to receive the advice
of the Board of Trade on the point

I am. etc

Alanod J. F W FLOOR

KENYA No 23/

15661/2



GOVERNMENT HOUSE. NAIROBI.

KENYA

RECEIVED - 8MAY 1933 Y. OOL OFFICE

April,

Sir,

With reference to Kenya despatch No. 800 of the both June, 1925 in reply to Sir Henry Lambert's despatch No. 878 of the 21st August, 1924, on the subject of the Oll Production Ordinance, 1924, I have the honour to inform you that application has been made by Messrs. J. Maxwell and Company, a local British firm of Railway and Building Contractors, for an exploration licence to search for oil over an area of 56 square miles in the neighbourhood of Kanga and Kenani railway stations in the Machakos district and that I have approved the issue of a licence for one year under Regulations 3 and 4 of the Oil Production Regulations, 1925.

The area concerned is not Native Reserve and there are no local objections to the application.

I have thought it desirable to inform you of this application, which is the first which has been approved since the Ordinance and Regulations were promulgated, in case any change of which I am not aware has been made in Colonial oil policy since 1925: and I should be glad to know if your advisers consider that any revision of the provisions of the Oil Production Regulations, 1925, is desirable.

> I have the honour to be, Sir, Your most obedient, humble servant.

> > BRIGADIER GENERAL

THE RIGHT HONOURABLE