

The Bangladesh Petroleum Act, 1974

(ACT NO. LXIX OF 1974)

An Act to provide for the exploration, development, exploitation, production, processing, refining and marketing of petroleum.

WHEREAS it is expedient to provide for the exploration, development, exploitation, production, processing, refining and marketing of petroleum;

It is hereby enacted as follows:-

**Short title,
extent and
commencement**

1. (1) This Act may be called the Bangladesh Petroleum Act, 1974.

(2) It extends to the whole of Bangladesh and shall also apply to the economic zone and continental shelf of Bangladesh.

(3) It shall be deemed to have come into force on the 22nd day of August, 1974.

Definitions

2. In this Act, unless there is anything repugnant in the subject or context,-

(a) "continental shelf" and "economic zone" have the same meaning as in the Territorial Waters and Maritime Zones Act, 1974 (XXVI of 1974);

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(c) "petroleum" means-

(i) any naturally occurring hydrocarbon, whether in a gaseous, liquid or solid state;

(ii) any naturally occurring mixture of hydrocarbons, whether in a gaseous, liquid or solid state; or

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 (iii) any naturally occurring mixture of a hydrocarbon or hydrocarbons, whether in a gaseous, liquid or solid state, and one or more of the following, that is to say, hydrogen sulphide, nitrogen, helium and carbondioxide;

(d) "petroleum agreement" means a production sharing agreement or any other agreement or contract relating to any petroleum operation;

(e) "petroleum operation" means any activity related to exploration, development, exploitation, production, processing, refining or marketing of petroleum.

**Right of
Government
to explore,
etc. of
Petroleum**

3. (1) The Government shall have, within the territory, continental shelf and economic zone of Bangladesh, exclusive right to explore, develop, exploit, produce, process, refine and market petroleum.

(2) The Government shall plan, promote, organise and implement programmes for exploration, development, exploitation, production, processing, refining and marketing of petroleum.

(3) In particular, and without prejudice to the generality of the foregoing provisions, the Government may take such steps as it thinks fit-

(a) to carry out geological, geophysical and other surveys for the exploration of petroleum;

(b) to carry out drilling and other prospecting operations to prove and estimate the reserves of petroleum;

(c) to undertake such other activities as may lead to the establishment of such reserves;

(d) to undertake the production of petroleum from such reserves and the refining of such petroleum;

(e) to sell, distribute, transport and otherwise dispose of petroleum and its refined products;

(f) to contribute towards the cost of any studies, experiments or technical research connected with petroleum;

(g) to undertake, assist or encourage the collection, maintenance and publication of statistics, bulletins and monographs;

(h) to undertake any other activity which is supplemental, incidental or consequential to any of the activities aforesaid, or which may be prescribed by rules made under this Act.

Petroleum agreement

4. (1) The Government may enter into a petroleum agreement with any person for the purpose of any petroleum operation.

(2) No person shall undertake or carry on any petroleum operation except under a petroleum agreement entered into under sub-section (1):

Provided that the Government may, within one month from the date of commencement of this Act, permit, on such conditions as it deems fit, any person to carry on any petroleum operation otherwise than under a petroleum agreement for a period not exceeding six months.

Power of inspection

5. (1) For any purpose mentioned in this Act or the rules made thereunder, any person authorised by the Government in this behalf may-

(a) inspect and take extracts from and make copies of any records, returns, plans, maps and accounts which is kept or made by any person engaged in any petroleum operation;

(b) inspect the installation, well, plants, appliances and works operated or maintained by any person engaged in any petroleum operation and the state of repair and condition thereof;

(c) survey and conduct measurement in any area covered by any petroleum operation;

(d) conduct measurement of any stock of petroleum;

(e) order the production of any cores, samples, records, returns, plans, maps, and accounts relating to any petroleum operation;

(f) examine any person engaged in any petroleum operation.

(2) Any person authorised by the Government under sub-section (1) shall be deemed to be a public servant within the meaning of section 21 of the