A BILL

FOR

AN ACT TO AMEND THE DEEP OFFSHORE AND INLAND BASIN SHARING CONTRACT CAP D3 LFN 2004 AND FOR OTHER MATTERS CONNECTED THERETO

Sponsored by Senator T.A Orji

[ ] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

Amendment of the Deep Offshore and Inland basin sharing contract Act

1. The Deep Offshore and Inland basin Contract Act CAP D3 LFN 2004 (in this Act referred to as "the Principal Act") is amended as set out in this Act.

Amendment of Section 5

2. The Principal Act is amended in section 5 by substituting the existing section with the following new section instead thereof:

Royalty payable in respect of Deep Offshore Production Sharing Contract

5.(1) The payment of royalty in respect of Deep Offshore Production Sharing Contracts shall be graduated as follows that is:

(a) In areas from 201 to 500	20 percent;
(b) From 501 to 800 water depth	16 percent;
(c) From 801 to 1000 water depth	8 percent;
(d) In areas in excess of 1000 meters deep	5 percent.

(2) The royalty payable under the production sharing contract in the inland basin shall be 18 percent.

Citation

3. This Bill may be cited as the Deep Offshore and Inland Basing Production Sharing Contract Act CAP D3 LFN 2004 (Amendment) Bill, 2015.