



Llywodraeth Cymru
Welsh Government

PUBLICATION, DOCUMENT

Onshore petroleum licensing guidance

We are seeking your views on draft guidance for petroleum exploration and development licence holders in Wales.

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Contents

[Overview](#)

[What are the main issues?](#)

[Where are we now?](#)

[Consultation questions](#)

[How to respond](#)

[UK General Data Protection Regulation \(UK GDPR\)](#)

[Further information and related documents](#)

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Overview

The Welsh Ministers are responsible for licensing the exploration and development of Wales' onshore petroleum resources. It is Welsh Government policy to not issue any new licences. However, the Welsh Ministers have a statutory duty to administer the petroleum licences that were issued by the UK Government before 1 October 2018 in accordance with the model clauses incorporated into the licence, applicable legislation and policy, and with the general principles of public law. This consultation is seeking views on draft non-statutory guidance that has been prepared to assist licensees in the management of existing licences.

What are the main issues?

On 1 October 2018 the Wales Act 2017 Section 23 transferred licensing functions under Part 1 of the Petroleum Act 1998 from the Oil and Gas Authority (now the North Sea Transition Authority [NSTA]) to the Welsh Ministers in relation to the Welsh onshore area. Welsh Ministers are responsible for licensing the exploration and development of Wales' onshore petroleum resources.

Part 1 of the Petroleum Act 1998 defines petroleum (oil and gas hydrocarbons) and also empowers Welsh Ministers, as the licensing authority in Wales, to grant licences to “search and bore for and get petroleum” in return for consideration (referred to as a rental).

On 10 December 2018, following a public consultation on the evidence, the Welsh Government published a **petroleum extraction policy statement**. The 2018 consultation and statement make clear that in sustainably managing our natural resources, Wales' interests will not be served by exploring or developing

new sources of petroleum extraction. Therefore, it is Welsh Government policy to not undertake any new petroleum licensing in Wales, or support applications for hydraulic fracturing petroleum licence consents.

However, the Welsh Ministers have a statutory duty to manage the petroleum licences that were issued by the UK Government before 1 October 2018 in accordance with the model clauses incorporated into the licence, relevant Welsh legislation and policies, and with the general principles of public law.

Each petroleum licence is issued with model clauses (terms and conditions) that outline exactly which activities and administrative changes require the consent of the Welsh Ministers as the licensing authority. For example, the Welsh Ministers must provide written consent before any drilling can commence, before any petroleum can be produced, or before the licence can be transferred to another company. Any breach or non-observance by the licensee of any of the terms and conditions of the licence, including a failure to obtain the necessary consent from the Welsh Ministers, may result in the termination of the licence.

Where are we now?

We have prepared draft guidance to remind licensees of the requirement to obtain the consent of the Welsh Ministers for certain activities, and to assist licensees in the management of their licences. The guidance will thereby assist the Welsh Ministers in undertaking their statutory licencing functions for existing petroleum licensees.

The draft guidance should not be considered legal advice. Licensees remain entirely responsible for complying with the terms and condition of their licence. In all cases, licensees must also comply with all applicable regulatory regimes and requirements, and all relevant Welsh policy and legislation.

This guidance is not intended to cover in detail the consents and permitting regimes of other regulators such as Natural Resources Wales and the Health and Safety Executive.

This consultation seeks to determine whether the draft guidance provides useful information that would assist the licensee's management of their licence. This consultation is not seeking views on petroleum and wider fossil fuel policy, which has already been subject to public consultation, and is now embedded in the Welsh Ministers' decision-making processes.

Consultation questions

Question 1: Does the draft guidance provide useful information that would assist an existing petroleum licensee in managing their licence obligations?

Question 2: What further information might assist an existing licensee in the management of a petroleum licence?

Question 3: We would like to know your views on the effects that the new regulations would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English. What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Question 4: Please also explain how you believe the proposed policy could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Question 5: We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.

Question 6: Do you live in Wales?

Question 7: Do you have a business interest in Wales?

Question 8: Please provide the first part of your home postcode e.g. CF10

How to respond

The closing date for responses is 24 February 2025.

You can respond in any of the following ways:

- complete our [online form](#)
- download our [online response form](#) and email to: YmatebionYnni-EnergyResponses@llyw.cymru
- download and print our online response form and post to:

Energy Division
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

UK General Data Protection Regulation (UK GDPR)

The Welsh Government will be data controller for any personal data you provide as part of your response to the consultation. Welsh Ministers have statutory

powers they will rely on to process this personal data which will enable them to make informed decisions about how they exercise their public functions. Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about or planning future consultations. Where the Welsh Government undertakes further analysis of consultation responses then this work may be commissioned to be carried out by an accredited third party (e.g. a research organisation or a consultancy company). Any such work will only be undertaken under contract. Welsh Government's standard terms and conditions for such contracts set out strict requirements for the processing and safekeeping of personal data.

In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. If you do not want your name or address published, please tell us this in writing when you send your response. We will then redact them before publishing.

You should also be aware of our responsibilities under Freedom of Information legislation.

If your details are published as part of the consultation response then these published reports will be retained indefinitely. Any of your data held otherwise by Welsh Government will be kept for no more than three years.

Your rights

Under the data protection legislation, you have the right:

- to be informed of the personal data held about you and to access it
- to require us to rectify inaccuracies in that data

- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection.

For further details about the information the Welsh Government holds and its use, or if you want to exercise your rights under the UK GDPR, please see contact details below:

Data Protection Officer:
Welsh Government
Cathays Park
CARDIFF
CF10 3NQ
e-mail: Data.ProtectionOfficer@gov.wales

The contact details for the Information Commissioner's Office are:

Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF
Tel: 01625 545 745 or
0303 123 1113
Website: <https://ico.org.uk/>

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

Related documents

[Written Statement: Petroleum Extraction Policy statement](#)

[Petroleum extraction policy in Wales](#)

[Petroleum Exploration and Development Licence consent tracker](#)

[Petroleum exploration and development licences \(PEDLs\)](#)

[Introduction to petroleum \(oil and gas\)](#)

[Petroleum licensing](#)

[Net Zero Wales](#)

[Climate change targets and carbon budgets](#)

[Prosperity for All: A Low Carbon Wales](#)

[Well-being of Future Generations](#)

[Well-being of Future Generations \(Wales\) Act 2015 The Essentials](#)

[Programme for government 2021 to 2026: Well-being statement](#)

[Programme for government 2021 to 2026](#)

[Petroleum Act 1998](#)

Contact details

Number: WG46050

For further information:

Energy Policy

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

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telephone: 03000 253499

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