

1 #6

MIN/OIL/1#6

D

(formerly)

2298

2298

MINING LEGISLATION

CONNECTED FILES.

NUMBER

~~2223~~

Application for Mining license. Cancelled.



COLORADO SCHOOL OF MINES
A COLLEGE OF MINERAL ENGINEERING
GOLDEN, COLORADO

August 28, 1961

Head of the Department of Geology
Port Stanley
(Islas Malvinas)
Falkland Islands, South America

Dear Sir:

Re: THE EXPLORATION AND EXPLOITATION OF OFFSHORE MINERAL DEPOSITS.

At the present time we are engaged in research on the above subject, mainly concerned with the mineral deposits of the continental shelf.

Although not a great deal is known about these deposits as yet, there are a number of instances where offshore exploratory and mining work is being carried out and we are anxious to gather as much information as we can about these deposits, in order to complete a review of present knowledge on the subject.

ak b.c. With this in mind, we have completed a series of questionnaires, one of which we enclose, together with an extra copy. It would be of the greatest assistance in this research if you could complete the questionnaire and return it in the addressed envelope enclosed, with any comments that you may think relevant to the subject.

You will note that we have asked for names and addresses of operating mining companies and we trust that it will be in order for you to let us have this information as we would like to contact these companies for more details of their operations.

Should there be no known offshore deposits whatsoever in your area, we would be glad if you would return a negative report.

Your cooperation in this survey would be much appreciated and we shall look forward to receiving your reply.

Yours very truly,

John J. Reed

John J. Reed
Professor & Acting Head
Department of Mining Engineering

JJR:p

3
32/10/66

How C.I. negative reply? 30/10/61
Reply "H"

Ref: 59.

Colonial Secretary's Office,
Stanley, Falkland Islands.

3rd November, 1961.

Sir,

I am directed to refer to your letter of the 28th August, 1961, and in the absence of any known offshore mineral deposits it is regretted that the answer must be a negative one and in the circumstances your questionnaire has not been completed.

I am,
Sir,
Your obedient servant,

(Sgd.) H.L. Bound

for COLONIAL SECRETARY.

Mr. J.J. Reed,
Colorado School of Mines,
Golden,
Colorado,
U.S.A.

DRM/IM.

PO
4.11.61
RHS



COLORADO SCHOOL OF MINES
A COLLEGE OF MINERAL ENGINEERING
GOLDEN, COLORADO

The Colonial Secretary,
Stanley,
FALKLAND ISLANDS.

29th, December 1961.



Dear Sir:

4 We have received your reply to our questionnaire of recent date regarding the exploration and exploitation of offshore mineral deposits.

We appreciate your courtesy in replying to our queries and thank you for your assistance.

Yours very truly,

John J. Reed

John J. Reed

Professor of Mining Engineering

JJR:mg

for
14 2 67

101, LEADENHALL STREET,
LONDON,
E. C. 3

Avenue 5881

23rd August 1962.

His Excellency the Governor of the
Falkland Island Dependencies,
Sir Edwin Arrowsmith,
c/o The Colonial Office,
Church House,
Westminster,
London S.W.1.

Your Excellency,

I would like to express my appreciation for your courtesy in granting me an interview yesterday morning at Church House and confirming our discussions, would like to place on record with you, in accordance with the Ordinance of 11th July 1918 respecting prospecting and mining, that I and my friends wish to obtain a licence to prospect and a lease to mine, take, win and carry away minerals as defined in the above Ordinance which licence and lease, if granted, will be held by the Company to be formed by myself and/or my associates.

A copy of this letter is being sent to the Secretary of State for the Colonies and also a further copy to you at Government House, Falkland Islands.

c.c. Secretary of State for the
Colonies.
c.c. Government House, Falkland
Islands

I am, Sir,
Yours faithfully,

Horace Benub

See 54, KIV 6

8

g. s. 6 & 7 for information.

When ~~the~~ Green has the mineral rights

Cah 43 will apply

3/10/62

9

ACS

I wonder if we shall
hear any more.

Pat. 31.12.62

VFA ^{unless or} until we hear more
or

BO 10.1.63
fa

Mr. Manders,

The enclosed letter, although addressed to the Governor, should probably go on one of your Secretariat files for H.E. to see on his return.

Louis Clements
5:9:62

COPY

7

101, LEADENHALL STREET,
LONDON,
E. C. 3

Avenue 5881

23rd August 1962.

His Excellency the Governor of the
Falkland Island Dependencies,
Sir Edwin Arrowsmith,
c/o The Colonial Office,
Church House,
Westminster,
London S.W.1.

Your Excellency,

I would like to express my appreciation for your courtesy in granting me an interview yesterday morning at Church House and confirming our discussions, would like to place on record with you, in accordance with the Ordinance of 11th July 1918 respecting prospecting and mining, that I and my friends wish to obtain a licence to prospect and a lease to mine, take, win and carry away minerals as defined in the above Ordinance which licence and lease, if granted, will be held by the Company to be formed by myself and/or my associates.

A copy of this letter is being sent to the Secretary of State for the Colonies and also a further copy to you at Government House, Falkland Islands.

c.c. Secretary of State for the
Colonies.
c.c. Government House, Falkland
Islands.

I am, Sir,
Yours faithfully,

Frank Bennett

Bn 20.10.62 (1) *tw*

H. C. S.

You may already have received a copy of the attached letter from Mr. Horace Bennett. It merely notifies us of his wish to obtain a licence and no further action is necessary at present. I saw Mr. Bennett but he did not reveal what particular minerals he and his friends might be interested in. He mentioned, however, that they might spend up to £100,000 on investigations and he was interested in taxation structure in case they wished to form a Company registered in the Colony. I told him of our Profits Tax proposals.

When Mr. Bennett first got in touch with me, I rang the F.I.C. enquiring whether they knew anything about the right to prospect and mine in the Colony. Mr. Mitchell told me that they had obtained a legal opinion on their own position. I understand it is arguable that, under their original grant, they may have mineral rights since no mention of any such rights being reserved to the Crown was made in this grant. I believe that all later grants included a proviso that mineral rights were reserved to the Crown. Perhaps there may be a file on this in the Secretariat and Mr. Bennett may also be able to advise us on the position.

The Colonial Office is aware of what is going on and no doubt we shall be hearing more from Mr. Bennett in due course.

18th October, 1962.

EPA/SC

RSC

for your opinion on the above

D. R. [Signature]

23.10.

Hon. Col. Sec

Normally the mineral rights in land granted in fee simple are specifically reserved to the Crown. To my knowledge, the only exception to this rule is the Special Grant respect of Lafonia which contains no such reservation. Unless a contrary intention shown a grant passes the grantor's whole in the space above and below the land to grantee. Thus the F. S. Co is entitled to the minerals under Lafonia, subject to one exception. At English common law applies to the Colony, the Crown is en

b

to all gold and silver occurring in any mine.

The U. K. Government saw fit in 1934 and 1938 to vest, by legislation, all interest in certain minerals to the Crown; under the Petroleum (Production) Act, 1934, petroleum existing in its natural condition in strata is vested in the Crown, and under the Coal Act, 1938, all interests in coal (except interests arising under a coal-mining lease) were vested in the Coal Commission (now the National Coal Board) in return for compensation.

J. B.
30. X. 62.

14
NEW ZEALAND PETROLEUM EXPLORATION COMPANY LTD.

1864 FIDELITY UNION LIFE BUILDING
DALLAS, TEXAS, U.S.A.
PHONE RI-1-6769
CABLE ADDRESS "PETEX"

POST OFFICE BOX 2194
WELLINGTON, C. 1, NEW ZEALAND
PHONE 70-709
CABLE ADDRESS "PETEX"

February 26th, 1963

Ministry of Power
Thames House, South
Millbank, London, S.W. 1,
England

Gentlemen:

Our company is presently engaged in the exploration of oil and gas in New Zealand, and we have recently become interested in the possibility of filing an application for prospecting licenses covering the Falkland Islands. We would appreciate very much your sending to us the proper application forms and the procedures necessary - - as well as the amount of any filing fees required. Please send this information to our Dallas address: 1864 Fidelity Union Life Building, Dallas, Texas.

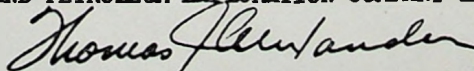
Our company is a New Zealand corporation and any information you desire concerning our operations and financial background will be made available to you. It is anticipated that your application forms will call for certain of this information, therefore, I will wait and send the financial and the corporate information to you along with our application.

We propose to file an application for the entire area of the Falkland Islands, and understand that there are no applications pending at present, or any prospecting license granted. If this thinking is faulty, I would appreciate you advising us.

We will look forward to receiving the information as soon as possible, and upon receipt of this information, we will process it and send it to you, or carry it by hand to your offices for proper processing.

Yours very truly,

NEW ZEALAND PETROLEUM EXPLORATION COMPANY LTD.



Thomas J. Alexander
TECHNICAL MANAGER & DIRECTOR

TJA/lam

13

FST 123/399/01

17th July, 1963

Gentlemen,

14
1020
I am directed by Mr. Secretary Duncan Sandys to reply to your letter of the 26th February to the Ministry of Power which has been passed to this office for reply and to regret the delay in doing so. Application for oil prospecting right in the Falkland Islands should be made to the Colonial Secretary, the Falkland Islands, Port Stanley.

I am,
Gentlemen,
Your obedient servant.

Sgd. R.G. PETTITT.

Reply at 4

NEW ZEALAND PETROLEUM EXPLORATION CO., LTD.,

NEW ZEALAND PETROLEUM EXPLORATION COMPANY LTD.

1864 FIDELITY UNION LIFE BUILDING
DALLAS, TEX. U.S.A.
PHONE RI-1-39
CABLE ADDRESS "PETEX"

POST OFFICE BOX 2194
WELLINGTON, C. 1, NEW ZEALAND
PHONE 70-709
CABLE ADDRESS "PETEX"

July 22, 1963



Colonial Secretary
Port Stanley
FALKLAND ISLANDS

Dear Sir:

On the 26th of February I made inquiry to the Ministry of Fuel as to the availability of the prospecting rights for oil and/or gas in the Falkland Islands. My letter was referred to the Colonial Office and at the direction of Mr. Secretary Duncan Sandys, they have advised me to address my inquiry to your office.

We are interested in acquiring the prospecting rights for oil and/or gas on any and all areas available in the Falkland Islands. It would be greatly appreciated if you would send to me maps indicating the available areas and requirements of an applicant. If your office has any geological maps, or data, I would like very much to have a copy of this information, and would pay the cost involved.

Thank you very much for your attention to this matter.

Very truly yours,

Thomas J. Alexander

Thomas J. Alexander
Technical Manager and Director

TJA:ds

J. E.

may I speak, please.

L.G.

13.9.63

28
Reply at 15.

11 20 260 /



1906

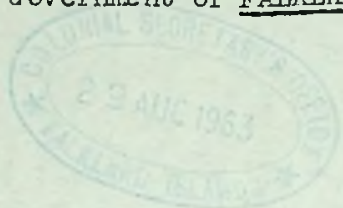
S A V I N G

From the Secretary of State for the Colonies.

To the Officer Administering the Government of FALKLAND ISLANDS

Date 22 July, 1963

No. 66 Saving



New Zealand Petroleum Exploration Company Limited.

1394

Enclosed is a copy of a letter to the Ministry of Power from the New Zealand Petroleum Exploration Company and a copy of our reply. Neither the Department of Technical Co-operation nor the Overseas Geological Surveys have any knowledge of the company but would, if you wished, no doubt be able to obtain information about their principals if application for a prospective licence is invited.

2. The present legal position appears to be as follows. Oil is included in the definition of "mineral" in Section 2 of the Mining Ordinance 1918 (Cap. 48). Oil prospecting licences and mining licences can therefore be granted by the Governor under Section 5 of the Mining Ordinance. This Ordinance applies, by virtue of Section 3, only to unalienated Crown Lands and to land the subject of an existing Crown grant or lease the effect of which is, to reserve minerals to the Crown. (Legal advisers have, incidentally, drawn attention to the unsatisfactory wording of Section 3 from "reserve to the Crown" to the end particularly when compared with the definition of minerals, and suggest that it should be amended when the other amendments mentioned below are made.) Under Section 28 (2) (d) of the Land Ordinance (Cap. 36) every grant or lease of Crown lands is subject to the reservation of minerals to the Government (sic) unless such a reservation is expressly excluded, and minerals are defined in Section 2 of that Ordinance as including mineral oil. While therefore you have power to grant a prospecting licence over unalienated Crown lands and lands in which mineral oils have been reserved to the Crown, the company could not be given a prospecting licence over the whole of the Falkland Islands and would have to go to the owners of the oil rights under other land.

3. No regulations appear to be made under Section 12 of the Mining Ordinance and no forms of licences or leases appear to have been prescribed under Section 7. Should you wish to make regulations and prescribe forms of licence and lease under the existing Mining Ordinance you may care to model these on the enclosed model Colonial Oil Regulations and licence and lease forms.

4. Modern oil technology has made it possible to exploit the resources of the seabed and subsoil. Shell are prospecting for oil in the Continental Shelf off North Borneo and Shell/B.P. are doing likewise in the

/Continental Shelf

he
17



Continental Shelf off Nigeria. It might, therefore, be as well for you to provide clear legislative cover for oil prospecting and mining under the territorial waters and on the Continental Shelf of the Falkland Islands. This could be achieved by inserting after "unalienated Crown Lands" in Section 3 of the Mining Ordinance "including the seabed and subsoil beneath the territorial waters of the Colony and the Continental Shelf of the Colony". As you will be aware, the Falkland Islands (Continental Shelf) Order in Council, 1950, included within the boundaries of the Colony the area of Continental Shelf therein defined and the Order has not so far been altered or revoked although, as explained in Circular Despatch No. 1176/59 of 4th November, 1959, it is not entirely consistent with the Convention on the Continental Shelf. The opportunity might be taken of amending Section 12 of the Ordinance so as to give clear authority for the making of regulations for the purpose of fulfilling the obligations imposed by Article 5 of the Convention with regard to the ~~prevention of interference with navigation~~ fishing and the conservation of the living resources of the sea.

5. On the prospects of oil in the Falkland Islands the Overseas Geological Surveys have commented as follows:

"The Falkland Islands show the same general type of Permo-Carboniferous sediments as are present in eastern Argentina (and also, of course, in the Cape Province of S. Africa), but how closely they are related is not known. The Comodoro Rivadavia oilfield of the Territory of Chubut in Southern Argentina has been known for many years and some important discoveries have been made in the last few years on the eastern seaboard of Tierra del Fuego (Argentina part), and also in the western part, belonging to Chile.

The Falkland Islands may therefore be regarded as a prospect, at least, and oil exploration encouraged. No exploration wells have been drilled on the island, as far as I am aware. The Continental Shelf area may also be regarded as having possibilities but there may be physical difficulties here (especially adverse weather conditions) which may render this type of work unattractive".

SE CER.

Page 24 of Part II
Laws of the FIs.

79 in 1906.

GOVERNMENT TELEGRAPH SERVICE

FALKLAND ISLANDS

SENT

Wt. P2809 5/61

Number	Office of Origin	Words	Handed in at	Date
	Psy			1.10.63.
To	etat	HORACE BENNETT	101 LEADENHALL STREET LONDON EC3	HOA/c

94 11 YRLET AUGUST 23 1962 STOP PLEASE TELEGRAPH INTENTIONS

GOVERNOR

Time

EPA/ER

B.U.
15.10.63

DECODE.

No.5.

TELEGRAM SENT.

From SECRETARY OF STATE to GOVERNOR

Despatched : 7.10.63.

Time : 1536

Received : 8.10.63 Time 0900

IN CONFIDENCE

No.63. Mineral Prospecting Licence. Following from Bennett.

1029
7 Begins. Reference your cable of October 1 have so far received no reply to my application dated August 23, 1962 for licences to prospect and abstract any kind of mineral including coal and oil according Mining Ordinance 1918. If licences as requested are granted for suitable term intention is to form British company to carry out research etc. Our initial capital would be about £200,000 and wish consider land in East and West Islands excluding land where mineral rights already granted Falkland Islands Company or others. I am owner Bennett & Company, Average Adjusters, founded 1937. If you require further information please give details. Ends.

SECEP.

G.T.C. : ER

Reply at 1231

BW 15.7.2.63

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched: 9.10.63.

Time: 1415

Received:

Time:

IN CONFIDENCE

1130 No.85. Your telegram No.63. Mineral Prospecting Licences.

Following for Bennett begins.

Government intends within next few months to make regulations under section 12 of Mining Ordinance Cap 48 to deal with licences to prospect etc. Your wish to obtain licences has been noted and you will be informed when regulations made. Ends.

EPA/ER.

G.T.C.

B

B.U. for return of R.S.C.

L.G.

bu 10.11.63

17.10.63

DECODE.

TELEGRAM.

173
28

From Colonial Secretary, Stanley

To PETEX, Wellington, New Zealand.
(New Zealand Petroleum Exploration Co.Ltd.)

Despatched : 9th October 19 63 Time :

Received : 19 Time :

1826

Your letter July 22. Regret another application pending since before yourlet February 26 to Ministry of Power. Will advise if any change but no developments expected for several months.

EPA/ER.
P/L.

DECODE.

TELEGRAM SENT.

From GOVERNOR to SECRETARY OF STATE

Despatched : 9.10.63.

Time : 1115

Received :

Time :

IN CONFIDENCE

12
No. 84. Your savingram No.66. New Zealand Petroleum
Exploration Company Ltd. I have informed this firm that
another application pending - see your telegram No.63.

2. Please refer paragraphs 2 and 10 of Saving No.57 of 1960
to O.A.G. Seychelles enclosed with your savingram under reference.
Application from Bennett similar in that it is for "any kind of
mineral". Grateful for model regulations, forms of licences and
lease, dealing with minerals other than oil. It would help if
you could send these to connect Darwin leaving Montevideo
November 1. Please see my immediately following telegram for
Bennett.

EPA/ER

G.T.C.



1432

C O N F I D E N T I A L

FST 123/399/01

P R I O R I T Y

S A V I N G



From the Secretary of State for the Colonies.

To the Officer Administering the Government of
FALKLAND ISLANDS.

DATE 21st October, 1963.

No. 114 Saving.

1231

Your telegram No. 84 of 9th October.

New Zealand Petroleum Exploration Co. Ltd.

15916

Enclosed is a copy of the Sierra Leone
Minerals Ordinance Chapter 196 of 1960 and
amendment No. 26 of 1961.

SECEP.

C O N F I D E N T I A L

1833

R. A. C.

We have a Mining Ordinance. S/A has provided us with a Mineral Ordinance and rules for guidance. We have no mining regulations. Would you consider whether the introduction of Regs under the Mining Ordinance is likely to be sufficient for our needs following the interest displayed in prospecting here or whether something on the Mineral line is required.

If either can would you please draft whatever you consider to be necessary.

1833

L.G.
15.11.63

Hon. Col. Sec.,

I have amended our Mining Ordinance in accordance with S of S's suggestions at p. 1 and 2. The amended Ordinance will meet our present requirements.

Attached draft Mining (Amendment) Bill and Mining (Mineral Oil) Regulations submitted please

J.P.B.
10.1.63.

2159.

36

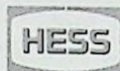
HESS EXPLORATION COMPANY

A DIVISION OF HESS OIL AND CHEMICAL CORPORATION

1020 NATIONAL BANK OF COMMERCE BUILDING

NEW ORLEANS, LOUISIANA 70112

AREA CODE 504
PHONE: 524-4380
524-4389



REPLY TO:
1070 PETROLEUM CLUB BUILDING
DENVER, COLORADO 80202
AREA CODE 303
PHONE: 244-8021

December 11, 1963

Resident Geologist
Government Administration House
British Government Service
Stanley, Falkland Islands
South America

Dear Sir:

This company is interested in the oil possibilities of the Falkland Islands and the nearby offshore area of the western side of the Islands. We would appreciate receiving any geologic information or references to such information that you might have available. If there is any charge for any of the publications or papers, please feel free to attach a bill.

Also, would you be kind enough to indicate if the Falkland Islands have their own petroleum law or whether they follow the British Colonial mining law, whereupon an exploration concession is applied for first, followed by a mining concession or permit.

Thank you for your cooperation.

Very truly yours,

HESS EXPLORATION COMPANY

Jack Grynberg

JG/ew

Rep. at 8.37
see 13

37c
E/

HESS EXPLORATION COMPANY

A DIVISION OF HESS OIL AND CHEMICAL CORPORATION
1020 NATIONAL BANK OF COMMERCE BUILDING
NEW ORLEANS, LOUISIANA 70112

HESS

AREA CODE 504
PHONE: 524-4380
524-4389

REPLY TO:
1070 PETROLEUM CLUB BUILDING
DENVER, COLORADO 80202
AREA CODE 303
PHONE: 244-8021

December 11, 1963

Commonwealth and Colonial Desk
The British Embassy
Washington, D. C.

Dear Sir:

This company is interested in the oil possibilities of the Falkland Islands and the nearby offshore area. Would you be kind enough to let us know whether the Falkland Islands have a special petroleum law of their own or whether they follow the standard British colonial law where a company has to apply for an exploration permit first, followed by a mining permit once petroleum reserves are established.

Also, we are interested in the references concerning any published geology of the Falkland Islands. Please let us know whether this would be available from the government house in the Falkland Islands or from the British Colonial Geologic Service in London. Would you be kind enough to let us have the address of the latter.

Thank you for your cooperation.

Very truly yours,

HESS EXPLORATION COMPANY

Jack Grynberg
Jack Grynberg

JG/ew



137b
British Embassy,
Washington, D.C.

CA2801/63

13th December 1963

Dear Gordon,

I enclose a letter we have received from an American oil exploration company which is interested in exploring in the Falkland Islands.

I am afraid I cannot discover the answer to the questions in the first paragraph here and would be grateful for your advice on my reply. As far as the geological survey goes, the only one of which I know is that by H.A. Baker listed in Page 57 of the 1960/61 Colony Annual Report. Is there anything more up-to-date we can offer?

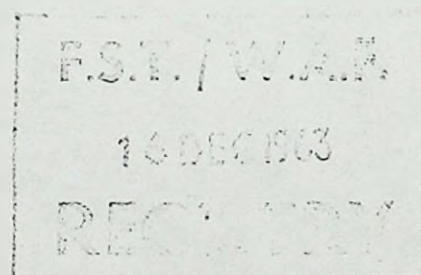
Yours ever

Alic Butler

(A.G.R. Butler)

G.H. Whitefield, Esq.,
Colonial Office,
London, S.W.1.

Enclosure



37a
9 January, 1964

Thank you for your letter of 13th December to Gordon Whitefield, who is abroad, about oil exploration in the Falkland Islands.

The prospecting and mining of oil is covered by the Mining Ordinance 1918. New legislation is in fact in preparation. Oil is included in the definition of mineral in section 2 of the Mining Ordinance and oil prospecting licences and mining licences can therefore be granted by the Governor under section 5. This applies to unalienated Crown lands and to lands, if any, the subject of an existing Crown grant or lease the effect of which is to reserve minerals to the Crown. The Company could not be given a prospecting licence for the rest of land in the Falkland Islands and would have to go to the owners of the oil rights under other land.

----- I enclose a copy of the Mining Ordinance. No regulations have yet been made under section 12. The Hess Exploration Company can only be told that application for oil prospecting rights should be made to the Colonial Secretary at Port Stanley. Scientific and technical matters concerning our Colonial territories are dealt with in London by "Overseas Geological Surveys", 64/78 Gray's Inn Road, W.C.1. They have selected a few references on the geology of the Falkland Islands, which I am attaching. These may be obtained from the sources quoted, or consulted at the library of "Overseas Geological Surveys".

I am sending a copy of this letter and of yours (and enclosure) to the Governor Falkland Islands.

(R. G. Pettitt)

A. C. R. BUTLER, ESQ.

Savingram

37 C.O. 1

From the Secretary of State for the Colonies.

To the Officer Administering the Government of Falkland Islands

Date 13 JAN 1964

No. 3

Colonial Office Reference FST/B54

Your reference.....

With reference to my despatch
~~your~~ savingram No.
telegram

of the....., I enclose, for your
information,
~~consideration~~, a copy of the paper noted below.
~~observations~~,

SECEP

Originator and date

Subject

Colonial Office 9.1.64
with enclosures.

Oil exploration.



With the compliments of
THE BRITISH EMBASSY
A.G.R. Butler

For your information

WASHINGTON, D.C.
20th January 1964

9
38
British Embassy,
Washington D.C.

15122/20/1

20th January 1964

Dear Mr. Grynberg,

You wrote to me on the 11th December about oil exploration in the Falkland Islands.

The prospecting and mining of oil in the Falkland Islands and its dependencies is covered by the Mining Ordinance 1918 as amended. I enclose a copy of this: I understand that new legislation is, however, in preparation. You will note that oil prospecting licences and mining licences can be granted by the Government of the Colony. This applies to unalienated Crown lands and to lands, if any, which are the subject of an existing Crown grant or lease the effect of which is to reserve mining rights to the Crown. You could not be given a prospecting licence for other land, and would have to apply for this to the owners of the oil rights on such land.

I understand that no regulations have yet been made under Section 12 of the Ordinance, but you may apply for prospecting rights to the Colonial Secretary, Port Stanley, Falkland Islands.

Such scientific and technical matters concerning the British dependent territories are dealt with in London by the Overseas Geological Surveys, 64-78 Gray's Inn Road, London W.C.1. I attach a few references on the geology of the Colony and dependencies which they have provided. These may be obtained from the sources quoted or consulted at the O.G.S. library.

Yours sincerely,

A.G.R. Butler
Attache

Mr. Jack Grynberg,
Hess Exploration Company,
1020 National Bank of Commerce Building,
New Orleans,
La. 70112.

Enclosures

c.c. R.G. Pettitt, Esq. Colonial Office.
Colonial Secretary, Port Stanley.

Pa
20.2.64

51 ✓ 32

CONFIDENTIAL

MEMORANDUM NO. 4/64 TO EXECUTIVE COUNCIL

Legislation

Amendment to Mining Ordinance. Cap. 48 and Regulations thereto.

The Overseas Geological Surveys have recently commented as follows: "The Falkland Islands show the same general type of Permo-carboniferous sediments as are present in Eastern Argentina (and also, of course, in the Cape Province of South Africa), but how closely they are related is not known. An oil field in Southern Argentina has been known for many years and some important discoveries have been made in the last few years on the Eastern seaboard of Tierra del Fuego (Argentina part), and also in the Western part, belonging to Chile. The Falkland Islands may therefore be regarded as a prospect, at least, and oil exploration encouraged. The Continental Shelf Area may also be regarded as having possibilities."

2. Tentative enquiries have been received from two oil exploration companies, and it is therefore necessary to bring the Mining Ordinance up to date, and to make provision for the granting of exploration, oil prospecting and mining licences.

3. The amendments to the Ordinance extend our jurisdiction into territorial waters and the sea-bed and make more clear the areas of land to which the Ordinance applies.

4. The new Section 12 lays down for the first time a comprehensive list of the Regulations which the Governor is empowered to make.

5. The Mineral Oil Regulations and the Schedules attached thereto will, if approved, allow us to negotiate from a firm legal footing with exploration companies.

6. The amendments to the Ordinance the Regulations and the Schedules have all been based upon models provided by the Secretary of State, and/or Legislation from other Colonies.

h. H. Thompson
COLONIAL SECRETARY

For consideration at the
next meeting of Council.

SMP No: 2298
21st January, 1964.

CONFIDENTIAL

BU Exco 10/6/64
Moved to Members today
10.1.64

Ref: 2159

Colonial Secretary's Office,
Stanley, Falkland Islands.

6th February, 1964.

Dear Sir,

36 I refer to your enquiry dated the 11th December, 1963, which has only just reached here.

2. All scientific and technical matters concerning this territory are dealt with in London by "Overseas Geological Surveys" 64/78 Grays Inn Road, W.C.1., and I understand from the Colonial Office that you have already been referred to them.

3. A new Mining Law and Regulations is about to be presented to the Legislature for approval, and it follows the British pattern whereby provision is made for an exploration licence to be issued before the granting of a concession or mining permit.

Yours faithfully,

(Sgd.) W.H. Thompson

COLONIAL SECRETARY

Mr. J. Grynberg,
Hess Exploration Company,
1020 National Bank of Commerce Buildings,
New Orleans,
Louisiana 70112,
U.S.A.

WE/IM

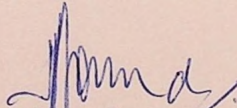
Page
2.2.64

204
383

Extract from Minutes of Meeting No. 1/64 of Executive Council held on the
13th, 14th, 15th & 16th April, 1964

18. MINING AMENDMENT ORDINANCE AND REGULATIONS (Memo 4/64)

Council advised that the Bill, as drafted, should go to the Legislature and if passed the Regulations could be formally adopted.


Clerk of the Executive Council



Roy Cove,
West Falkland Islands. 2140

May 12th, 1964.

The Hon.,
The Acting Colonial Secretary.
Stanley.

Sir,

I attach hereto my corrections, or perhaps I should say, Amendments to the four replies to Government over the debate on the Mining Bill (Amendment).

There are the four of these replies, or speeches, and you will find that I have done no more than tidy up the English and polish the disjointed sentences and parts that appear to have escaped the tape-recording, into reasonably fluent reading.

I have of course added no fresh matter, that would not have been correct.

Further to the debate on this Mining Bill (Amendment) Ordinance, you will recall that I also spoke on the second of the two Income Tax (Amendments) Bills.

I do not know whether there was any recording of this but I would have imagined that when the proceedings of the whole of the Legislative Council Meetings of May 4th to 6th is printed, all debate etc would be printed, where relevant.

If this is so I would be grateful if you would post to me the recording, as you have it, of what I said in this particular matter. I raised a point which to me then seemed to require raising and when printed I would also prefer to tidy up the phrases and English of that speech.

When I was previously on Legislative Council, it was then customary to 'speak' all speeches from notes and no Hon.Member was permitted to 'read' his speech.

I adopted this same procedure and as you are well aware it is not easy for any person who is unaccustomed to frequent public speaking to say what he wishes to express in good and correctly phrased English. I cannot anyway and would always prefer to 'polish' the speeches before they are printed for public reading.

I am, Sir,

Your Obedient Servant,

L. J. M. Smith

ack pl

27
41

14th May, 1964.

Dear (As below)

X

I attach for your information the draft Regulations referred to by the Honourable Elected Member for the West Falkland in his recent speech.

Sundry amendments have already been agreed to. They are -

- (1) Regulation 28 is to be amended to agree with Section 14 of the Mining Lease.
(The licensee shall pay to Government etc.)
- (2) Provision will be made for payment for usage of surface rights to the land-owner/lessee.
- (3) The Sections on arbitration (Part I : 22. Part II : 47 and Part III : 67) although legally clear will be expanded to include instructions on the method of appointment of advisers.

I am arranging to discuss these with the Sheep Owners' Association.

Yours faithfully,

(Sgd.) W.H. THOMPSON

Officer Administering the Government

The Honourable,
Mrs. M. Vinson,
NORTH ARM.

The Honourable,
S. Miller, J.P.,
ROY COVE.

The Honourable,
L.G. Blake,
ROY COVE.

The Honourable,
G.C.R. Bonner, J.P.,
SAN CARLOS

WHT/IM. The Honourable,
L.C. Gleadell, J.P.,
STANLEY.

The Honourable,
R.V. Goss,
STANLEY.

The Hon.,
F.J. Cheek,
STANLEY.

The Honourable,
Dr. R.S. Slessor
OBE,
STANLEY.

X Not attached: You already have them.
This is for information only.

H23

14th May,

64.

Dear Sir,

At the recent meeting of the Legislative Council I agreed to discuss with farmers the implications of the Mining Regulations, in relation to Crown mineral rights, which Government wishes to introduce as soon as possible.

I shall be glad if arrangements can be made for me to speak about this to your members at your forthcoming meeting. I estimate not more than one and a half hours will suffice.

Will you please let me know if this can be arranged.

Yours faithfully,

(Sgd.) W.H. THOMPSON

Officer Administering the Government.

The Secretary,
Sheep Owners' Association,
STANLEY.

Copies to all Unofficial Members
of the Legislative Council.

WHT/IM.

See 23

B4/2956



2843

D. ✓
hnd.

The Falkland Islands Sheepowners Association,
(LOCAL COMMITTEE)
STANLEY, FALKLAND ISLANDS.

15th. May. 19. 64

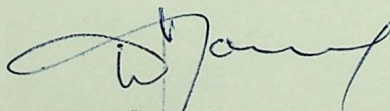
The Officer Administering The Government
Stanley.

Dear Sir,

2241 With reference to your letter of May 1964 reference
2298, The Falkland Island Sheep Owners Association will
be very pleased to discuss The Mining Regulations with
you at their Annual meeting.

This meeting commences on the 14th. July next, and
we will advise you nearer the time of the actual day
and time that your discussion will be reached on the
Adgenda.

Yours faithfully,
for the F.I.S.O.A.


Secretary

bu 14.7.64

Ack'd.
4/16/5/64

24
25 + 1

Extract from letter from Hon. S. Miller, Roy Cove of 22nd May, 1964.

(Original filed in 0040/S/II)

Mining Lease. . The amendments will presumably appear before next meeting of Executive Council, after your discussion with the Sheepowners Association.

LH

~~26~~ 45

Extract from a letter from the Honourable L. G. Blake, Hill Cove,
to the Colonial Secretary of the 24th of May, 1964.
Original filed in O270/Z folio 48.

With reference No. 2298, I have not received a copy of the
proposed mining regulations.

Copy of the reg. sent to Mr. Blake
under a comp. slip.

JH.
3/6/64.

Assented to in Her Majesty's name this 27th day of
May, 1964.

26 46
27
H. H. Thompson

Officer Administering the Government.



No. 4



1964

Colony of the Falkland Islands.

IN THE THIRTEENTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II.
WILLOUGHBY HARRY THOMPSON, M.B.E.
Officer Administering the Government.

**An Ordinance
To amend the Mining Ordinance.**

[6th May, 1964]

ENACTED by the Legislature of the Colony of the Falkland
Islands, as follows :—

1. This Ordinance may be cited as the Mining (Amendment)
Ordinance, 1964, and shall be read as one with the Mining Ordinance,
hereinafter referred to as the principal Ordinance.

2. Section 3 of the principal Ordinance is hereby repealed and
replaced as follows —

"Areas to which
Ordinance
applies.

3. This Ordinance shall apply only to unalienated
Crown Lands including the seabed and subsoil beneath
the territorial waters and on the continental shelf of the
Colony and to lands the subject of an existing Crown
Grant or Crown Lease the effect of which is to reserve
minerals to the Crown."

3. Section 12 of the principal Ordinance is hereby repealed
and replaced as follows —

"Power to make
Regulations.

12. The Governor in Council may make Regula-
tions for all or any of the purposes following —

- (i) the manner in which applications for any rights, licences
and leases shall be made, and the forms to be used by the
applicant;
- (ii) the information to be supplied by the applicant;

Title.

Date of commencement.

Enacting Clause.

Short title.
Cap. 48.

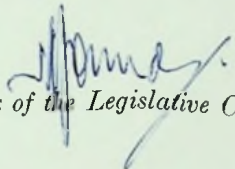
Replacement of section
3 of the principal
Ordinance.

Replacement of section
12 of the principal
Ordinance.

- (iii) the forms of licences and leases;
- (iv) the fees and rents to be paid for any licence or lease granted;
- (v) the manner in which areas and boundaries shall be surveyed, marked and beaconed and the fees payable in respect of such survey;
- (vi) the size and shape of the areas over which prospecting licences may be granted, and the areas in respect of which mining leases may be granted;
- (vii) the rights to be conferred by licences and leases and the terms and conditions, reservations and limitations upon which licences and leases may be held and enjoyed;
- (viii) the working conditions to be applied to mining leases;
- (ix) the construction and use of railways, tramways and roads;
- (x) the safe construction and erection of houses, pits, shafts, machinery and other works constructed, erected, or made for prospecting or mining purposes;
- (xi) the fencing off, or rendering secure of any of the works constructed, erected or made for prospecting or mining purposes;
- (xii) the proper working of mines, the method of drilling to be employed, and the time within which drilling shall commence;
- (xiii) the storage and conveyance of oil;
- (xiv) for securing the safety of persons employed and for the carrying on of drilling and working operations in a safe, proper and efficient manner and for the general protection of persons and property against fire and accident;
- (xv) the inspection of any works constructed, erected or made for drilling or working purposes, and the entry on lands for the purposes of such inspection;
- (xvi) the disposal of sludge and tailings and declaring any waterway to be sludge channels;
- (xvii) the contribution by parties benefited of a fair share of the costs and pumping in cases where pumping in one mine benefits other mines;
- (xviii) the disposal of any poisonous or noxious products the results of mining operations;
- (xix) the defiling or wasting of water, wherever situated and wherever obtained;
- (xx) the making of watercourses, ponds, dams and reservoirs, and the taking, diverting, and use of water on or flowing through any lands subject to any licence or lease;
- (xxi) the construction of pipe lines, oil tanks and wharves;
- (xxii) the assessment and payment of compensation for acts done by holders of licences and by lessees in the exercise of the rights conferred by such licences and leases;
- (xxiii) the renewal, transfer, assignment, surrender, determination, and revocation of licences and leases;
- (xxiv) the returns to be rendered and the nature of the accounts, books and plans to be kept by mining lessees and the holders of prospecting licences;
- (xxv) the rates of royalties to be paid to Government, the method of calculation of the amount of such royalties, and the manner and time of payment thereof;

- (vi) the conservation of the living resources of the territorial waters and the continental waters and the continental shelf of the Colony;
- (xxvii) the grazing of sheep and other animals on land subject to licences and leases;
- (xxviii) the prevention of any interference with fundamental oceanographic or other scientific research carried out within the territorial waters or on the continental shelf of the Colony;
- (xxix) the prevention of any interference with navigation within the territorial waters and on the continental shelf of the Colony;
- (xxx) generally any matter connected with the carrying of this Ordinance into effect."

This printed impression has been carefully compared by me with the Bill which has passed the Legislative Council, and is found by me to be a true and correctly printed copy of the said Bill.


Clerk of the Legislative Council.

Ref: 2298.

Government House,
Stanley,
Falkland Islands.

28th May, 1964.

FALKLAND ISLANDS

COLONY - NO. 106

Sir,

2646
I have the honour, in the absence of the Governor on leave, to forward herewith for the signification of Her Majesty's pleasure, two authenticated and ten printed copies of Ordinance No. 4 of 1964, entitled "An Ordinance To amend the Mining Ordinance."

2748
2. A statement of Objects and Reasons is also enclosed.

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

(Sgd) W. H. Thompson.

OFFICER ADMINISTERING THE GOVERNMENT

The Right Honourable
Duncan Sandys, M.P.,
Secretary of State for the Colonies.

27/2 + 8
28/11

OBJECTS AND REASONS

The object of this Ordinance is to remedy the unsatisfactory wording of section 3 of the Mining Ordinance and to give clear authority for the making of regulations.

KU 14764
(23)

KIV 21

27

Extract at 20A for A.C.S.'s signature pl.

HW 9.6.64.

BD Ex Co 1.8.64

31.8.64

30

Petroleum Exploration

When Executive Council approved the recently passed Mining Amendment Ordinance and Regulations to deal with the exploration of, and exploration for, mineral oils it was believed that only the Falkland Islands Company was in possession of a grant including mineral rights for its Lafonia area.

Since then it has been discovered that certain other grants include mineral oil rights, insofar as they do not exclude them. That is to say that the law in respect of land grants says that all items which the Crown does not propose to grant must be excluded from the grant. Petroleum has not been excluded in the grants of: Pebble Island, Roy Cove, Teal Inlet, Packes (Port Howard), Horseshoe Bay, land to the north of Brenton Loch within the holding of the Falkland Islands Company, land to the north of Choiseul Sound and south of the Wickam Heights held by the Falkland Islands Company.

The import of this is that half of the Falkland Islands land grants include under surface petroleum rights and the other half do not, and a major political point is that most of these rights are in the hands of the Company.

Should petroleum be found we would be in the extremely odd position of having one half of our farmers making large profits and (where the Crown owns the petroleum rights) the other half nothing. It would seem that the time ~~has~~ come for the Government to revest all petroleum rights in the Crown.

The United Kingdom Petroleum (Production) Act, 1934 is a precedent for this, and reads:

1. Vesting of property in petroleum in His Majesty. The property in petroleum existing in its natural condition in strata in Great Britain is hereby vested in His Majesty, and His Majesty shall have the exclusive right of searching and boring for and getting such petroleum.

Petroleum includes mineral oil or relative hydrocarbon and natural gas.

This minute is recorded for the benefit of discussions with the new Governor on his arrival.

WHT/LH
24th July, 1964.

W1.

6/6 30.10.64

CS For discussion please
Clt 8/3/65

list of properties
involved was
prepared for Mr.
dunlop.

10 52

Ref: 2298.

Colonial Secretary's Office,
Stanley, Falkland Islands.

25th August, 1964.

Dear Sirs,

26

Some time ago you sent me an enquiry about exploration and exploitation of minerals in these islands.

You may now be interested to know that the Falkland Islands Mining (Mineral Oil) Regulations have now been promulgated. These Regulations cover exploration and prospecting licences and leases. Should you still be interested copies are available from my office at a price of 20/-.

Yours faithfully,

(Sgd.) W.H. THOMPSON

COLONIAL SECRETARY
OFFICER ADMINISTERING THE GOVERNMENT

The New Zealand Petroleum Exploration Co., Ltd.,
1864 Fidelity Union Life Building,
Dallas,
Texas,
U.S.A.

WHT/IM.

Kiv. Bu at 32

Ref: 2223.

Colonial Secretary's Office,
Stanley, Falkland Islands,

25th August, 1964.

Dear Sir,

Some time ago you sent me an enquiry about exploration and exploitation of minerals in these islands.

You may now be interested to know that the Falkland Islands Mining (Mineral Oil) Regulations have now been promulgated. These Regulations cover exploration and prospecting licences and leases. Should you still be interested copies are available from my office at a price of 20/-.

Yours faithfully,

(SGD.) W.H. THOMPSON

COLONIAL SECRETARY.
OFFICER ADMINISTERING THE GOVERNMENT

H. Bennett, Esq.,
101 Leadenhall Street,
LONDON, E.C.3.

WHT/IM