

LIBERIA PETROLEUM REGULATORY AUTHORITY

REPUBLIC OF LIBERIA

EXECUTIVE ALLOCATION – OPERATOR PRE-QUALIFICATION REQUIREMENTS

(IOCs, NOCs & Independents | Operator Applicants Partnering with NOCAL)

Issued by:	Liberia Petroleum Regulatory Authority (LPRA)
Process Type:	Executive Allocation
Eligible Operators:	International Oil Companies (IOCs), National Oil Companies (NOCs), Independent E&P Companies
Role of NOCAL:	State Participant (Non-Operator).

1. OBJECTIVE OF EXECUTIVE ALLOCATION PRE-QUALIFICATION

Executive Allocation is intended to:

- Empower NOCAL participation to build Liberia’s petroleum capacity and portfolio; and
- Ensure offshore petroleum operations are executed only by Operators that can meet minimum technical, HSE, integrity, and performance-security requirements required under the Production Sharing Contract (PSC).

LPRA will therefore evaluate Operators using a PSC-anchored approach emphasizing:

- Work program funding & technical capability; and
- Performance security / guarantee strength.

2. CORE PRINCIPLE (NON-NEGOTIABLE)

NON-NEGOTIABLE REQUIREMENT

The Operator must be capable of executing and financing the minimum offshore exploration program required under the PSC and must provide adequate security for performance.

3. APPLICATION FORMAT AND SUBMISSION REQUIREMENTS

3.1 Required Submission Packages (Operators)

Each Operator Applicant shall submit the following packages:

- A. Administrative Package**
- B. Technical Package**
- C. HSE & ESG Package**
- D. Financial Capacity & Funding Package** (Executive Allocation Standard)
- E. Legal, Integrity & Ownership Package**
- F. NOCAL Partnership & Participating Interest Package** (Mandatory for Executive Allocation)

All documents shall be submitted in English and provided as searchable PDFs.

3.2 Certification of Completeness

A signed declaration by an authorized officer confirming:

- Accuracy and completeness of information; and

- Consent to LPRA verification.

4. ADMINISTRATIVE REQUIREMENTS (OPERATOR STATUS)

4.1 Corporate Standing

Provide:

- Certificate of incorporation/registration
- Principal business address
- Corporate structure chart (parent/subsidiaries/affiliates)
- Directors and senior management list

4.2 Operator Declaration

A signed statement confirming the Applicant is applying as Operator and will retain day-to-day operational responsibility.

5. TECHNICAL PRE-QUALIFICATION REQUIREMENTS

The Operator must demonstrate proven offshore operator competence, including:

- Operated offshore project track record
- Drilling/seismic execution capability
- Qualified key personnel
- Incident/non-performance disclosures

6. HSE & ESG REQUIREMENTS

The Operator must demonstrate robust Health Safety & Environment (HSE) and Environmental, Social, and Governance (ESG) systems, including:

- HSE policy and management systems
- Emergency/spill response readiness
- ESG governance framework

7. FINANCIAL CAPACITY REQUIREMENTS (EXECUTIVE ALLOCATION STANDARD)

Under Executive Allocation, LPRA will evaluate whether the Operator can:

- Fund minimum PSC commitments; and
- Provide PSC-compliant performance security instruments in the form of a Parent Company Guarantee (*Where applicable*).

7.1 Minimum Work Program Funding Capacity (PSC-Anchored)

The Operator must demonstrate ability to fund the minimum exploration expenditures.

Phase	Minimum Commitment (PSC Reference)	Required Funding Evidence
Phase 1	US\$2,000,000 minimum commitment	Funding Plan by phase & Evidence of funding access (cash, committed lines, parent support)
Phase 2	US\$32,000,000 (US\$2M + US\$30M for 3D seismic + drilling)	
Phase 3	US\$50,000,000 minimum drilling commitment	

7.2 Guarantee / Performance Security

The Operator must demonstrate ability to provide:

- Irrevocable Parent Company Financial and Performance Guarantee, or
- Evergreen Standby Letter of Credit (SBLC) issued by a recognized international bank for the minimum duration of the exploration program.

7.3 Audited Financial Statements

Submit audited financials for the most recent two (2) fiscal years (and interim accounts if latest audit is older than 12 months).

8. NOCAL PARTNERSHIP REQUIREMENTS

Although NOCAL is not being evaluated as Operator, Executive Allocation requires NOCAL's role to be defined in a manner that supports national capacity-building without weakening Operator accountability.

8.1 Mandatory NOCAL Participating Interest (PI)

(A) Minimum NOCAL PI Requirement: No less than thirty percent (30%) in the relevant offshore block.

(B) Structure Disclosure: Disclose whether PI is Carried, Partially Carried, or Non-Carried across exploration, appraisal, and development costs.

(C) Governance: Provide summary of joint operating governance, voting thresholds, and authority.

Minimum Submission Requirements:

- Term sheet / draft partnership summary reflecting NOCAL PI \geq 30%
- Governance framework summary
- Roles and responsibilities matrix confirming Operator accountability

LPRA Regulatory Position: NOCAL's Participating Interest does not reduce the Operator's obligation to execute the work program and remain accountable to LPRA for PSC compliance, HSE performance, and operational delivery.

8.2 Capacity Building Commitments (Recommended)

Operator is encouraged to include a structured capacity-building plan linked to NOCAL participation (training, secondments, technical transfer). This may be a scored element in evaluation.

9. LEGAL, INTEGRITY & OWNERSHIP REQUIREMENTS

Operator must submit:

- Beneficial ownership disclosures
- PEP (Politically Exposed Persons) declaration
- Sanctions/litigation/incidents/non-performance disclosures

10. LPRA REVIEW OUTCOMES

LPRA shall issue one of the following decisions:

- **Pre-Qualified** (Executive Allocation Operator – IOC/NOC/Independent)
- **Pre-Qualified (Conditional)**
- **Not Pre-qualified**

LPRA REVIEW OUTCOMES

OUTCOME 1 - PRE-QUALIFIED



PRE-QUALIFIED (Executive Allocation Operator - IOC/NOC/Independent)
Full approval to proceed with PSC execution.

OUTCOME 2 - PRE-QUALIFIED (CONDITIONAL)



PRE-QUALIFIED (CONDITIONAL)
Additional Requirements Needed

OUTCOME 3 - NOT PRE-QUALIFIED



NOT PRE-QUALIFIED
Does Not Meet PSC Requirements

11. OPERATOR SUBMISSION CHECKLIST (EXECUTIVE ALLOCATION)

A. Administrative

- ☐ Incorporation documents
- ☐ Corporate structure chart
- ☐ Operator Declaration Letter

B. Technical

- ☐ Offshore operator experience record
- ☐ Execution capability
- ☐ Key personnel structure + CVs

C. HSE/ESG

- ☐ HSE management system overview
- ☐ Emergency/spill response readiness
- ☐ ESG governance framework

D. Financial & Security (PSC-Anchored)

- ☐ Funding plan by phase
- ☐ Audited financials (2 years)
- ☐ PCG or SLBC
 - ☐ Security: US\$2,000,000 (Phase 1)
 - ☐ Security: US\$32,000,000 (Phase 2)
 - ☐ Security: US\$50,000,000 (Phase 3)

E. Legal/Integrity/Ownership

- ☐ Litigation and enforcement disclosure
- ☐ Major incidents/non-performance disclosure
- ☐ Beneficial ownership + PEP declaration

F. NOCAL PI

- ☐ NOCAL Participating Interest disclosed ($\geq 30\%$)
- ☐ Carried / partially carried / non-carried structure described
- ☐ Governance and rights summary
- ☐ Capacity-building plan (recommended)