

ActionAid International USA
American Jewish World Service
Amnesty International
Bank Information Center
The Borgen Project
CARE USA
Catholic Relief Services
Columban Center for Advocacy and
Outreach
CorpWatch
Crude Accountability
EarthRights International
EARTHWORKS
EIRIS Conflict Risk Network
Environmental Defense Fund
EG Justice
Friends of the Earth
Gender Action
Global Financial Integrity
Global Rights
Global Witness
Government Accountability Project
Human Rights Watch
International Budget Project
International Labor Rights Forum
Justice in Nigeria Now
Maryknoll Office for Global Concerns
Micah Challenge USA
Natural Resource Governance Institute
ONE Campaign
Open Society Policy Center
Oxfam America
Pacific Environment
Presbyterian Church USA
Project on Government Oversight
Robert F. Kennedy Center for Human
Rights
Sierra Club
Sustainable Energy & Economy
Network
United Methodist General Board of
Church and Society
United Steelworkers
United to End Genocide

June 1, 2015

By E-Mail:

Chair Mary Jo White
Commissioner Luis Aguilar
Commissioner Daniel Gallagher
Commissioner Michael Piwowar
Commissioner Kara Stein

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20459-1090

Re: Rulemaking for Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act – For the second consecutive year, Tullow Oil has voluntarily published its payments by project in all countries of operation

Dear Chair White and Commissioners:

As you work on an implementing rule for Section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, I wish to draw your attention to Tullow Oil's 2014 Annual Report. In it, Tullow Oil voluntarily disclosed, **for each of its projects**, what it paid to governments in 2014 for access to natural resources. This marks the second consecutive year that Tullow Oil has voluntarily published its payments by project in every country in which it did business.¹ (Last year, Tullow Oil published two years of payment information, for 2012 and 2013).

Tullow Oil is a UK company with shares trading on the London, Irish, and Ghanaian stock exchanges. Tullow Oil operates in 22 countries,² and is valued at nearly \$6 billion as of May 2015.

¹ Tullow Oil's 2013 Annual Report included two years of project-level payment data – for years 2012 and 2013. See Publish What You Pay's February 13, 2015 comment letter to the SEC, highlighting Tullow Oil's decision to voluntarily publish its payments by project for 2012 and 2013. Available at:

<http://www.sec.gov/comments/df-title-xv/resource-extraction-issuers/resourceextractionissuers-62.pdf>

² <http://www.tulloil.com/Media/docs/default-source/operations/tullow-company-profile-April-2015.pdf?sfvrsn=10>

Tullow Oil's decision to again report its payments by project, well-ahead of the legal deadline to do so,³ further undermines the American Petroleum Institute's assertion that project-level disclosure is costly and competitively damaging. Indeed, a Tullow Oil spokesman remarked: "When we made these payments public for the first time, we didn't hear any feedback from the host countries in which we work. When we did the same again, and notified them ahead of time, we still did not receive any negative feedback."⁴ Last year, Tullow Oil's Chairman noted that the company's compliance costs associated with reporting by project were "negligible."⁵ The company's Group Vice President for Safety, Sustainability, and External Affairs later remarked that "[Reporting by project] hasn't cost us a lot of money and, candidly, both in the countries in which we operate and others, we haven't had negative repercussions."⁶

Tullow Oil's project-level disclosures, found in its 2014 Annual Report, are attached to this submission. It should be noted that Tullow Oil's project-level disclosures align with the requirements of the UK Reports on Payments to Governments Regulations 2014, which implement the EU Accounting & Transparency Directives into law in the United Kingdom. The UK Regulations define a 'project' as "the operational activities which are governed by a single contract, license, lease, concession or similar legal agreement."

Publish What You Pay – United States urges the Securities and Exchange Commission to promptly re-issue a strong implementing rule for Section 1504 of the Dodd-Frank Act that aligns with its August 2012 rule, the EU Directives, and the global standard.

Please do not hesitate to contact me if we can provide additional information.

Regards,



Jana L. Morgan
Director
Publish What You Pay – United States

Enclosures (1)

³ Tullow Oil is incorporated in the United Kingdom, and thus subject to The Reports on Payments to Governments Regulations 2014 (UK Regulations). The UK Regulations, in force since December 2014, implement Chapter 10 of the 2013 European Union Accounting Directive in the United Kingdom. UK-incorporated extractives companies are required to publish reports on payments made to governments during financial years starting from January 2015, and within 11 months of the close of their financial year. First reports are thus due out in 2016, or in some cases, early 2017.

⁴ Comment made by Tullow Oil spokesman George Cazenove. <https://www.complianceweek.com/news/news-article/as-sec-delays-on-extractive-payments-world-moves-ahead>

⁵ Statement made on February 20, 2014 by Simon Thompson, Chairman of Tullow Oil. See: <http://www.brookings.edu/events/2014/02/20-east-africa-oil-gas> panel 3 at 1:03:30.

⁶ Comment made on October 9, 2014 by Sandy Stash, Group Vice President for Safety, Sustainability and External Affairs, Tullow Oil. See: <http://www.resourcegovernance.org/news/october-9-washington-power-data-transform-natural-resource-governance-and-drive-economic-develo> at 1:00:14.

TULLOW OIL PLC
2014 ANNUAL REPORT & ACCOUNTS

AFRICA'S LEADING INDEPENDENT OIL COMPANY



TULLOW
Oil PLC

Transparency Disclosure

The Reports on Payments to Governments Regulations (UK Regulations) came into force on 1 December 2014 and require UK companies in the extractive sector to publicly disclose payments made to governments in the countries where they undertake extractive operations. The regulations implement Chapter 10 of EU Accounting Directive (2013/34/EU).

The UK Regulations have an effective date of 1 January 2015, but Tullow were early adopters of the EU Directive and published our tax payments to governments in full, in its 2013 Annual Report and Accounts. The 2014 disclosure remains in line with the EU Directive and UK Regulations and we have provided additional voluntary disclosure on VAT, stamp duty, withholding tax, PAYE and other taxes.

The payments disclosed are based on where the obligation for the payment arose: Payments raised at a project level have been disclosed at a project level and payments raised at a corporate level have been disclosed on that basis. However, where a payment or a series of related payments do not exceed £86,000, they are disclosed at a corporate level, in accordance with the UK Regulations. The voluntary disclosure has been prepared on a corporate level.

All of the payments disclosed in accordance with the Directive have been made to National Governments, either directly or through a Ministry or Department of the National Government with the exception of Ghana payments in respect of production entitlements and licence fees which are paid to the Ghana National Oil Company.

Our total economic contribution to all stakeholders can be found on page 48. Detailed disclosure on our 2014 tax payments can be found on pages 170 to 171.

Production entitlements in barrels – includes non-cash royalties and state non-participating interest paid in barrels of oil or gas out of Tullow's working interest share of production in a licence. The figures disclosed are produced on an entitlement basis rather than a liftings basis. It does not include the Government's or NOC's working interest share of production in a licence. Production entitlements have been multiplied by the Group's 2014 average realised oil price \$97.5/bbl.

Income taxes – This represents cash tax calculated on the basis of profits including income or capital gains. Income taxes are usually reflected in corporate income tax returns. The cash payment of income taxes occurs in the year in which the tax has arisen or up to one year later. Income taxes also include any cash tax rebates received from the government or revenue authority during the year. Income taxes do not include fines and penalties.

Royalties – This represents cash royalties paid to governments during the year for the extraction of oil or gas. The terms of the royalties are described within our PSCs and can vary from project to project within one country. Royalties paid in kind have been recognised within the production entitlements category. The cash payment of royalties occurs in the year in which the tax has arisen.

Bonus payments – This represents any bonus paid to governments during the year, usually as a result of achieving certain milestones, such as a signature bonus, POD bonus or a production bonus.

Licence fees – This represents licence fees, rental fees, entry fees and other consideration for licences and/or concessions paid for access to an area during the year (with the exception of signature bonuses which are captured within bonus payments).

Infrastructure improvement payments – This represents payments made in respect of infrastructure improvements for projects that are not directly related to oil and gas activities during the year. This can be a contractually obligated payment in a PSC or a discretionary payment for building/improving local infrastructure such as roads, bridges, ports, schools and hospitals.

VAT – This represents net cash VAT received from/paid to governments during the year. The amount disclosed is equal to the VAT return submitted by Tullow to governments with the cash payment made in the year the charge is borne. It should be noted the operator of a joint venture typically makes VAT payments in respect of the joint venture as a whole and as such where Tullow has a non-operated presence in a country limited VAT will be paid.

Stamp Duty – This includes taxes that are placed on legal documents usually in the transfers of assets or capital. Usually these taxes are reflected in stamp duty returns made to governments and are paid shortly after capital or assets are transferred.

Withholding tax (WHT) – This represents tax charged on services, interest, dividends or other distributions of profits. The amount disclosed is equal to the WHT return submitted by Tullow to governments with the cash payment made in the year the charge is borne. It should be noted the operator of a joint venture typically makes WHT payments in respect of the joint venture as a whole and as such where Tullow has a non-operated presence in a country limited WHT will be paid.

PAYE & national insurance – This represents payroll and employer taxes paid (such as PAYE and national insurance) by Tullow as a direct employer. The amount disclosed is equal to the return submitted by Tullow to governments with the cash payment made in the year the charge is borne.

Carried interests – This comprises payments made under a carrying agreement or PSC/PSA, by Tullow for the cash settlement of costs owed by a government or national oil company for their equity interest in a licence.

Customs duties – This represents cash payments made in respect of customs/excise/import and export duties made during the year including items such as railway levies. These payments typically arise through the import/transportation of goods into a country with the cash payment made in the year the charge is borne.

Training allowances – This comprises payments made in respect of training government or national oil company staff. This can be in the form of mandatory contractual requirements or discretionary training provided by a company.

Supplementary Information
TRANSPARENCY DISCLOSURE 2014 (UNAUDITED)

European transparency directive disclosure

Licence / Company level	Production entitlements bbls (000)	Production entitlements US\$ (000)	Income taxes US\$ (000)	Royalties (cash only) US\$ (000)	Dividends US\$ (000)	Bonus payments US\$ (000)	Licence fees US\$ (000)	Infrastructure improvement payments US\$ (000)
M'Boundi	282	-	-	-	-	-	-	-
Total Congo	282	-	-	-	-	-	-	-
CI-103	-	-	-	-	-	-	-	256
CI-26 Espoir	203	15,112	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	207
Total Côte d'Ivoire	203	15,112	-	-	-	-	-	463
Ceiba	230	-	-	-	-	-	-	-
Okume Complex	521	-	-	-	-	-	-	-
Corporate	-	-	43,659	-	-	-	-	-
Total Equatorial Guinea	751	-	43,659	-	-	-	-	-
Echira	-	-	-	2,166	-	-	-	-
Etame	-	-	-	5,612	-	-	-	-
Limande	-	-	-	7,157	-	-	-	-
Niungo	-	-	-	5,404	-	-	-	-
Tchatamba	-	-	-	13,315	-	-	-	-
Turnix	-	-	-	1,333	-	-	-	-
Corporate – Tullow Oil Gabon SA	-	-	44,184	-	-	-	34	-
Oba	-	-	-	1,946	-	-	-	-
Corporate – Tulipe Oil SA	-	-	5,071	-	-	-	-	-
Total Gabon	-	-	49,255	36,933	-	-	34	-
Jubilee	658	-	-	-	-	-	-	1,649
Company level	-	-	114,988	-	-	-	52	524
Total Ghana	658	-	114,988	-	-	-	52	2,173
Company level	-	-	-	-	-	-	-	43
Total Guinea	-	-	-	-	-	-	-	43
Block C-6	-	-	-	-	-	8,800	-	-
Block C-10	-	-	-	-	-	4,929	-	-
PSC B (Chinguetti EEA)	61	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	51	-
Total Mauritania	61	-	-	-	-	13,729	51	-
South Omo	-	-	-	-	-	-	176	262
Corporate	-	-	-	-	-	-	-	64
Total Ethiopia	-	-	-	-	-	-	176	326
Corporate	-	-	-	-	-	-	158	732
Total Kenya	-	-	-	-	-	-	158	732
Block 3111	-	-	-	-	-	-	150	-
Corporate	-	-	-	-	-	-	-	15
Total Madagascar	-	-	-	-	-	-	165	-
Corporate	-	-	1	-	-	-	-	-
Total Mozambique	-	-	1	-	-	-	-	-
Corporate	-	-	-	-	-	-	100	50
Total Namibia	-	-	-	-	-	-	100	50
Corporate	-	-	670	-	-	-	-	-
Total South Africa	-	-	670	-	-	-	-	-
Corporate	-	-	-	-	-	-	11	-
Total Uganda	-	-	-	-	-	-	11	-
Corporate	-	-	-	-	-	-	-	-
Total Canada	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-
Total Ireland	-	-	-	-	-	-	-	-
Walton Morant	-	-	-	-	-	-	128	-
Corporate	-	-	-	-	-	-	-	-
Total Jamaica	-	-	-	-	-	-	128	-
Corporate	-	-	6,157	-	-	-	654	-
Total Netherlands	-	-	6,157	-	-	-	654	-
Corporate	-	-	(198,764)	-	-	-	-	-
Total Norway	-	-	(198,764)	-	-	-	-	-
Corporate	-	-	-	-	-	-	20	14
Total Pakistan	-	-	-	-	-	-	20	14
Corporate	-	-	-	-	-	-	-	-
Total Suriname	-	-	-	-	-	-	-	-
Murdoch	-	-	-	-	-	-	275	-
Ketch	-	-	-	-	-	-	-	763
Schooner	-	-	-	-	-	-	1,002	-
Corporate	-	-	6,369	-	-	-	571	-
Total UK	-	-	6,369	-	-	-	2,611	-
Corporate	-	-	-	-	-	-	-	-
Total Uruguay	-	-	-	-	-	-	-	-
TOTAL	1,955	15,112	22,335	36,933	-	13,729	4,160	3,801

Voluntary disclosure

VAT	Stamp duty	Withholding tax	PAYE & national insurance	Carried interests	Customs duties	Training allowances	TOTAL	TOTAL
US\$(000)	US\$ (000)	US\$ (000)	US\$ (000)	US\$ (000)	US\$ (000)	US\$(000)	US\$ (000)	bbls (000)
-	-	-	-	-	-	-	-	282
-	-	-	-	-	-	-	-	282
-	-	-	-	-	-	-	256	-
-	-	-	-	-	-	-	15,112	203
-	-	723	826	43	-	-	1,799	-
-	-	723	826	43	-	-	17,167	203
-	-	-	-	-	-	-	-	230
-	-	-	-	-	-	-	-	521
-	-	-	-	-	-	-	43,659	-
-	-	-	-	-	-	-	43,659	751
-	-	-	-	-	-	-	2,166	-
-	-	-	-	-	-	-	5,612	-
-	-	-	-	-	-	-	7,157	-
-	-	-	-	-	-	-	5,404	-
-	-	-	-	-	-	-	13,315	-
-	-	-	-	-	-	-	1,333	-
-	-	330	474	-	-	13	45,035	-
-	-	-	-	-	-	-	1,946	-
-	-	7	3	-	-	-	5,081	-
-	-	337	477	-	-	13	87,049	-
-	-	-	-	-	-	-	1,649	658
3,859	-	43,465	16,265	63,684	4,626	250	247,713	-
3,859	-	43,465	16,265	63,684	4,626	250	249,362	658
-	-	-	4	-	-	-	47	-
-	-	-	4	-	-	-	47	-
-	-	-	-	-	-	-	8,800	-
-	-	-	-	-	-	-	4,929	-
-	-	-	-	-	-	-	-	61
-	-	5,636	430	-	-	938	7,055	-
-	-	5,636	430	-	-	938	20,784	61
-	-	-	-	-	-	-	438	-
(885)	-	529	190	-	-	150	48	-
(885)	-	529	190	-	-	150	486	-
198	-	17,989	21,235	-	817	321	41,450	-
198	-	17,989	21,235	-	817	321	41,450	-
-	-	-	-	-	-	-	150	-
-	-	-	3	-	-	-	18	-
-	-	-	3	-	-	-	168	-
-	-	-	-	-	-	-	1	-
-	-	-	-	-	-	-	1	-
-	-	-	220	-	-	13	383	-
-	-	-	220	-	-	13	383	-
(851)	-	-	6,518	-	-	-	6,337	-
(851)	-	-	6,518	-	-	-	6,337	-
1,370	2,653	1,900	10,155	-	-	50	16,139	-
1,370	2,653	1,900	10,155	-	-	50	16,139	-
(162)	-	-	-	-	-	-	(162)	-
(162)	-	-	-	-	-	-	(162)	-
(1,958)	-	-	8,818	-	-	-	6,860	-
(1,958)	-	-	8,818	-	-	-	6,860	-
-	-	-	-	-	-	-	128	-
-	-	-	-	-	-	100	100	-
-	-	-	-	-	-	100	228	-
117	-	-	573	-	-	-	7,501	-
117	-	-	573	-	-	-	7,501	-
5,201	-	-	8,309	-	392	-	(184,862)	-
5,201	-	-	8,309	-	392	-	(184,862)	-
-	-	313	-	-	-	7	354	-
-	-	313	-	-	-	7	354	-
-	-	-	317	-	-	-	317	-
-	-	-	317	-	-	-	317	-
-	-	-	-	-	-	-	275	-
-	-	-	-	-	-	-	763	-
-	-	-	-	-	-	-	1,002	-
(10,755)	-	-	15,752	-	-	-	11,937	-
(10,755)	-	-	15,752	-	-	-	13,977	-
(14)	-	-	30	-	-	100	116	-
(14)	-	-	30	-	-	100	116	-
(3,880)	2,653	70,648	90,122	63,727	5,835	1,942	327,361	1,955
							Payments in kind in US\$	190,582
							TOTAL	517,943