

TIDELANDS OIL & GAS CORP
 Form 4
 May 20, 2005

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 IMPACT INTERNATIONAL L L C

2. Issuer Name and Ticker or Trading Symbol
 TIDELANDS OIL & GAS CORP
 [TIDE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 6305 WATERFORD BLVD SUITE 300
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/09/2005

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

OKLAHOMA CITY, OK 73118

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 ____ Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	05/09/2005		X	500,000 (1)	A (2) 1,739,480	D (3) (4)	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: TIDELANDS OIL & GAS CORP - Form 4

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Warrants to Purchase Common Stock	(2)	05/09/2005		X	500,000 (1)	04/16/2003	04/16/2006	Common Stock	7,500,

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
IMPACT INTERNATIONAL L L C 6305 WATERFORD BLVD SUITE 300 OKLAHOMA CITY, OK 73118		X		
HEFNER ROBERT A III 6305 WATERFORD BLVD SUITE 300 OKLAHOMA CITY, OK 73118		X		
RAMIILAJ A LIMITED PARTNERSHIP 6305 WATERFORD BLVD SUITE 300 OKLAHOMA CITY, OK 73118		X		
HEFNER INVESTMENT CO 6305 WATERFORD BLVD SUITE 300 OKLAHOMA CITY, OK 73118		X		
MAY ROBERT S 6305 WATERFORD BLVD SUITE 300 OKLAHOMA CITY, OK 73118		X		

Signatures

IMPACT INTERNATIONAL, LLC by Ramiiilaj A Limited Partnership, Manager by Hefner Investment Company, General Partner by ROBERT S. MAY	05/20/2005
__Signature of Reporting Person	Date
ROBERT A. HEFNER III	05/20/2005
__Signature of Reporting Person	Date
RAMIILAJ, A LIMITED PARTNERSHIP by ROBERT S. MAY	05/20/2005
__Signature of Reporting Person	Date
HEFNER INVESTMENT COMPANY by ROBERT S. MAY	05/20/2005

__Signature of Reporting Person

Date

ROBERT S. MAY

05/20/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Impact International, LLC ("Impact International") was issued 500,000 shares of common stock of Tidelands Oil & Gas Corporation ("Common Stock") pursuant to the terms of the First Amendment to Stock Purchase Warrant (the "Amended Warrant") dated effective as of May 25, 2004 between Impact International and Tidelands Oil & Gas Corporation. Under the terms of the Amended Warrant the foregoing shares of Common Stock were issued on a net issue basis (i.e. without the payment of cash). On May 9, 2005, Impact International received a stock certificate from the Tidelands Oil & Gas Corporation dated May 1, 2005 for the 500,000 shares of Common Stock.

Pursuant to the terms of the Amended Warrant, Tidelands Oil & Gas Corp. must use its best efforts to file a registration statement ("Registration Statement") with the Securities and Exchange Commission related to the shares covered by the Amended Warrant. Because the Registration Statement was not filed by July 14, 2004, Tidelands Oil & Gas Corporation issued Impact International 500,000 shares of Common Stock represented by the Amended Warrant on a cashless basis on July 14, 2004 and must issue another 500,000 shares on a cashless basis every ninety (90) days thereafter until the Registration Statement is declared effective. The shares issued May 9, 2005 were part of the 500,000 series of cashless stock issuances payable to Impact International under the Amended Warrant because the Registration Statement has yet to be declared effective.

Impact International is the beneficial owner as that term is used in Section 4(b)(v) of the General Instructions for filing of Form 4. Impact International is owned sixty-eight percent (68%) by Impact Partners, L.L.C., an Oklahoma limited liability company ("Impact Partners"), and thirty-two percent (32%) by Ramiilaj, A Limited Partnership ("Ramiilaj"). Impact Partners acquired its ownership in (3) Impact International from Impact Energy, LLC effective December 31, 2004. With certain exceptions, the owners of Impact International have agreed that all net proceeds of the Warrant and underlying Common Stock received by Impact International will be allocated and distributed to Ramiilaj until it receives repayment of certain loans it has made to Impact International and thereafter will be allocated and distributed 75% to Ramiilaj and 25% to Impact Partners.

The right of Impact Partners to receive future allocations and distributions has been assigned to the following individuals in the percentages shown: Donald T. Jacobsen - forty-five percent (45%), Larry D. Woodson - twenty-three percent (23%), Gregory L. Brooks - fourteen percent (14%), Robert A. Shain - nine percent (9%), and Chris K. Corcoran - nine percent (9%). Each of the foregoing percentages has been rounded up or down to the nearest percent. Ramiilaj is owned 99.7% by Robert A. Hefner III. The address for each of the foregoing persons is as set forth above for Impact.

(5) The Amended Warrant was issued by Tidelands Oil & Gas Corporation in connection with its purchase of Impact International's 72% limited partnership interest and Coahuila Pipeline, LLC's 1% interest in Reef Ventures, LP. Impact International financed Tidelands Oil & Gas Corporation's purchase of the units in Reef Ventures, LP by taking back a promissory note in the aggregate principal amount of \$6,523,773.

Remarks:

Ramiilaj is the Manager of Impact International. Hefner Investment Company is the General Partner of Ramiilaj and Robert A. Hefner III and Robert S. May are executive officers of Hefner Investment Company. Ramiilaj, Hefner Investment Company, Mr. Hefner and Mr. May are deemed to be beneficial owners of the securities owned by Impact International due to their positions with either Impact, Ramiilaj or Hefner Investment Company. Each of Ramiilaj, Hefner Investment Company, Mr. Hefner and Mr. May disclaims any beneficial ownership of the securities reported herein, except to the extent of their pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.