

PETROLEUM ACT.

Act No. 28, 1955.

Elizabeth II,
No. 28, 1955.

An Act to make provision whereby all petroleum and helium existing in a natural state on or below the surface of any land becomes or remains the property of the Crown; to regulate and control the search for and mining of petroleum; to amend the Mining Act, 1906–1952, and certain other Acts in certain respects; and for purposes connected therewith. [Assented to, 3rd May, 1955.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

PART I.

PRELIMINARY.

Short title. **1.** (1) This Act may be cited as the "Petroleum Act, 1955."

**Commence-
ment.** (2) (a) Section six and such of the provisions of this Act as are necessary to bring section six into force upon the day on which the assent of Her Majesty to this Act is signified shall commence upon the day on which the assent of Her Majesty to this Act is signified.

(b) This Act shall, except as provided by paragraph (a) of this subsection, commence upon a day to be appointed by the Governor and notified by proclamation published in the Gazette.

**Amendment
of certain
Acts.** (3) The Acts mentioned in the Schedule to this Act are hereby amended in the manner shown in the said Schedule.

2.

2. This Act is divided into Parts, as follows:— No. 28, 1955.

PART I.—PRELIMINARY.

PART II.—RIGHTS OF THE CROWN AS TO PETROLEUM AND HELIUM. Division into Parts.

PART III.—LICENCES AND LEASES UNDER THIS ACT.

DIVISION 1.—*Preliminary.*

DIVISION 2.—*Petroleum exploration licences.*

DIVISION 3.—*Petroleum prospecting licences.*

DIVISION 4.—*Petroleum mining leases.*

DIVISION 5.—*General provisions relating to licences and leases under this Act.*

PART IV.—INSPECTION AND CONTROL.

PART V.—MISCELLANEOUS.

SCHEDULE.

3. In this Act, unless the context or subject matter otherwise indicates or requires,— Interpretation.

“Bore-hole” includes well.

“Casinghead petroleum spirit” means any liquid hydrocarbons obtained from natural gas by separation or by any chemical or physical process.

“Commencement of this Act” means the day appointed by the Governor and notified by proclamation published in the Gazette pursuant to paragraph (b) of subsection two of section one of this Act.

“Crown lands” means all land within the State, except— cf. Act No. 49, 1906, s. 3.

(a) land in the process of alienation from the Crown;

(b) land held in fee simple by any person, other than land vested in Her Majesty or in any person holding such land for or on behalf of Her Majesty or as trustee for public purposes;

(c)

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- (c) land held under the following tenures, either original or additional: conditional lease not embracing any land reserved or deemed to have been reserved under the provisions of section one hundred and six of the Mining Act, 1906-1952, Crown lease other than Crown lease for pastoral purposes, homestead farm, homestead selection, residential lease, special lease other than special lease for pastoral purposes, settlement lease, suburban holding, town lands lease, week-end lease, conditional purchase lease, irrigation farm lease and non-irrigable lease, and land held under any grant issued in respect of any of the foregoing tenures which by virtue of this paragraph are not Crown lands;
- (d) land purchased or resumed under the Closer Settlement (Amendment) Act, 1907, as amended by subsequent Acts, or land held under lease under the Closer Settlement Act, 1904, or the Returned Soldiers Settlement Act, 1916, or any Act amending such Acts;
- (e) any other holding or land which the Governor may by proclamation declare not to be Crown lands.

“Crude oil” means petroleum oil in its natural state before it has been refined or otherwise treated but from which water and foreign substances have been extracted.

“Drilling” or “boring” means perforation of the earth’s surface crust by mechanical means and whether the hole caused by the perforation is vertical, inclined, or horizontal, and includes all operations for preventing collapse of the sides of such hole or for preventing such hole from being filled with extraneous materials including water.

“Geological

“Geological survey” includes the examination of ^{No. 28, 1955.} areas in the field, the collection of the necessary specimens of rocks and other materials, investigations in the laboratory, the preparation of geological maps and geological sections, and all other operations essential for the determination of the geological nature, formation and structure of any such area.

“Geophysical survey” means the examination of an area with the aid of accurate instruments with the object of determining some or all of the physical constituents of geological formations on or below the surface of the earth in such area.

“Lease for pastoral purposes” means a lease ^{Act No. 49, 1906, s. 3.} expressed to be for the purposes of grazing or grazing and the giving of access to water irrespective of whether the whole or part thereof may be used for agricultural purposes.

“Mining surveyor” means surveyor registered under the Surveyors Act, 1929-1946, and specially appointed under the Mining Act, 1906-1952, to carry out surveys under that Act.

“Natural gas” means gas obtained from bore-holes and consisting primarily of hydrocarbons.

“Notification” means notification in the Gazette.

“Occupier” means person in occupation of any land, ^{cf. Act No. 49, 1906, s. 45.} whether under any special Act or otherwise, or a tenant.

“Owner” includes trustee, guardian in infancy, ^{Ibid.} committee or guardian in lunacy, mortgagee in possession, and lessee from the Crown.

“Petroleum” means naturally occurring hydrocarbons in a free state, whether in the form of natural gas or in a liquid or solid form, but does not include—

(a) helium occurring in association with petroleum; or

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(b) coal or shale or any substance which may be extracted from coal, shale or other rock by the application of heat or by a chemical process.

“Petroleum deposit” means any accumulation of petroleum on or below the surface of the earth.

“Prescribed” means prescribed by this Act or the regulations.

“Private lands” means lands other than Crown lands.

“Proclamation” means proclamation in the Gazette.

“Prospect” means search for a petroleum deposit.

“Regulations” means regulations made pursuant to this Act.

“Scout drilling” means the drilling of bore-holes for the purpose of procuring scientific information and not with the immediate object of obtaining petroleum.

“Shut off” in relation to water means carry out all operations necessary for the exclusion of water from any source from any portion of a bore-hole drilled in any area which may contain petroleum.

“Test well” means a bore-hole drilled with the object of determining the presence or absence of petroleum at a particular locality.

“The warden” includes any warden under this Act.

“This Act” includes the regulations.

“Under Secretary” means the person for the time being holding the office of Under Secretary of the Department of Mines.

Officers appointed under certain Acts deemed to be officers under this Act.

4. (1) All wardens, registrars, mining surveyors and other officers appointed by the Governor under the Mining Act, 1906-1952, and all inspectors of mines appointed by the Governor under the Mines Inspection Act, 1901-1945, shall be wardens, registrars, mining surveyors, such other officers and inspectors, respectively, under and for the purposes of the administration of this Act and

and shall, in addition to the powers and duties expressly conferred and imposed on them by this Act, have such powers and perform such duties as may be necessary for the administration of this Act. No. 28, 1955.

(2) The Governor may, from time to time, under and subject to the provisions of the Public Service Act, 1902, as amended by subsequent Acts, appoint such other officers as he may think necessary for the purposes of this Act.

5. The Minister shall not, nor shall any warden, registrar, mining surveyor, inspector or other officer charged with any judicial or official duties under this Act during his tenure of office, hold either directly or indirectly any beneficial interest in any petroleum exploration licence, petroleum prospecting licence or petroleum mining lease, and if, while holding such interest, he acts in his office he shall be guilty of a misdemeanour. Minister or officer not to be interested in licence or lease. Act No. 49, 1906, s. 7.

PART II.

RIGHTS OF THE CROWN AS TO PETROLEUM AND HELIUM.

6. (1) Notwithstanding anything to the contrary in any Act or in any grant, lease, licence or other instrument of title or tenure or other document, all petroleum and helium existing in a natural state on or below the surface of any land in the State whether alienated from the Crown or not and, if alienated, whether the alienation took place before or after the commencement of this section, shall be and shall be deemed at all times to have been the property of the Crown. Petroleum and helium the property of the Crown. cf. Q'ld. 14 Geo. V, No. 26, ss. 5 & 6; Vic. 1935, No. 4359, s. 4; S.A. 1940, No. 58, s. 4; W.A. 1936, No. 36, ss. 9 & 10.

No compensation shall be payable by the Crown for any such petroleum or helium which before the commencement of this section was vested in any person other than the Crown.

(2)

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(2) All Crown grants and leases and every licence and other instrument of title or tenure under any Act relating to lands of the Crown (other than petroleum exploration licences, petroleum prospecting licences and petroleum mining leases) shall, whether granted before or after the commencement of this section, be deemed to contain a reservation to the Crown of all petroleum and helium existing in a natural state on or below the surface of the land comprised therein or demised thereby.

PART III.

LICENCES AND LEASES UNDER THIS ACT.

DIVISION 1.—*Preliminary.*

No pros-
pecting or
mining for
petroleum
except in
pursuance
of licence
or lease.

7. No person shall prospect for petroleum except in pursuance of a petroleum exploration licence or a petroleum prospecting licence granted under this Act and no person shall mine for petroleum except in pursuance of a petroleum mining lease granted under this Act:

Provided that the holder of a tenement or of an authority, or the lessee of a lease, registered or granted under the Mining Act, 1906-1952, for the purpose of prospecting or mining for petroleum, mineral oils or natural gas, and valid and unexpired at the commencement of this Act shall have the following rights, powers and privileges—

- (a) he may continue to hold the tenement, authority or lease and hold and enjoy the land comprised therein, or demised thereby, subject only to the covenants and conditions contained in or imposed by such tenement, authority or lease or by the Mining Act, 1906-1952: Provided that notwithstanding anything in the Mining Act, 1906-1952, or in this paragraph, no renewal of the tenement, authority or lease shall be registered or granted under or pursuant to the tenement, authority or lease or under or pursuant to the Mining Act, 1906-1952;

(b)

- (b) he may at any time during the currency of the tenement, authority or lease apply in the prescribed manner for a petroleum exploration licence, petroleum prospecting licence or petroleum mining lease in respect of the land comprised in or demised by such tenement, authority or lease, and in the event of his so applying, he shall be deemed to have a preferential right to a petroleum exploration licence, petroleum prospecting licence or petroleum mining lease with respect to the land comprised in or demised by such tenement, authority or lease.

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8. Where—

- (a) immediately before the commencement of section six of this Act the petroleum on or below the surface of any land was vested in any person other than the Crown; and
- (b) before the introduction in the Legislative Assembly of the Bill for this Act an agreement in writing was entered into by which that person conferred rights to search for or mine such petroleum and such agreement was in force at the commencement of this Act; and
- (c) pursuant to such agreement the work of searching for or mining for petroleum had been begun before the commencement of this Act and is in progress at the said commencement,

Protection of rights under certain agreements. cf. S.A. 1940, No. 58, s. 4 (2).

any person having an interest in the agreement may lodge such agreement in the Department of Mines within one month after the commencement of this Act; and upon such lodgment the person expressed to be entitled to any right or title under such agreement to search for or mine for petroleum shall, for a period of three months from the date of lodgment of such agreement, be deemed to have a preferential right to a petroleum exploration licence, petroleum prospecting licence or petroleum mining lease with respect to the area the subject of such agreement.

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9. (1) Subject to this Act—Licences
or leases
may be
granted.

(a) the Minister may grant petroleum exploration licences and petroleum prospecting licences; and

(b) the Governor, in the name and on behalf of Her Majesty, may grant petroleum mining leases,

comprising any land within the State whether Crown land or private land or partly Crown land and partly private land which is not—

(i) exempted from licence or lease under proclamation as hereinafter provided; or

(ii) included in an existing petroleum exploration licence, petroleum prospecting licence or petroleum mining lease held by any person other than the applicant.

(2) Notification of the grant of any such licence or lease together with a description of the area granted shall be published in the Gazette.

Refusal of
applications.

(3) The Minister may refuse any application for any such licence and the Governor may refuse any application for any such lease and such refusal shall take effect from the time of publication of such refusal in the Gazette.

Lands may
be exempted
from
licensing
or leasing.

(4) The Governor may, from time to time, by proclamation published in the Gazette declare and define any area within the State and declare and define any class of Crown land or private land within the State which shall be exempt from such of the licensing and leasing provisions of this Act as may be specified therein, and may in like manner revoke or vary any such proclamation.

Any such proclamation shall have effect according to its tenor.

Lodgment
of
applica-
tions.**10.** (1) Every application for a licence or a lease under this Act shall be made in the prescribed form and manner and shall be delivered or forwarded by post to the Under Secretary.

(2)

(2) (a) The applicant shall forward with every application for any such licence or lease a sum calculated at the rate of—

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- (i) in the case of an application for a petroleum exploration licence, two shillings for each square mile or part of a square mile comprised in the area applied for;
- (ii) in the case of an application for a petroleum prospecting licence, one pound for each square mile or part of a square mile comprised in the area applied for; and
- (iii) in the case of an application for a petroleum mining lease, ten pounds for each square mile or part of a square mile comprised in the area applied for.

(b) (i) If such licence or lease is granted the sum so forwarded shall be applied in or towards the payment of the annual fee payable in respect of such licence or lease.

(ii) If the applicant proceeds with his application in accordance with the requirements of this Act and the application is refused such sum shall be refunded to the applicant.

(iii) If the applicant withdraws his application or fails to proceed with his application in accordance with the requirements of this Act the whole or such part of such sum as the Minister may determine shall be forfeited to the Crown.

(3) Every application for a licence or a lease under this Act shall be accompanied by a map or plan drawn to the prescribed scale upon which shall be delineated the boundaries of the area in respect of which such licence or lease is applied for.

(4) (a) Every application for a licence or lease under this Act shall be accompanied by evidence—

- (i) of the financial standing of the applicant;
- (ii) of the technical qualifications of the applicant and of his technical advisers; and
- (iii)

No. 28, 1955. (iii) of the ability of the applicant to comply with the provisions of this Act relating to the licence or lease under this Act for which application is made.

(b) The applicant shall, if so requested in writing by the Minister, furnish such further evidence relating to the matters referred to in paragraph (a) of this subsection as the Minister requires, and if the applicant fails to furnish such further evidence to the satisfaction of the Minister within thirty days of such request, the application may be refused.

Bond or security to be furnished.
cf. Vic. 1935, No. 4359, s. 11(5).

11. Upon approval of an application for a licence or a lease under this Act the applicant or person nominated by him under section fifteen of this Act shall, within twenty-eight days after being notified of the approval of such application, or within such further time as the Minister may allow, lodge with the Minister a bond in the form prescribed with a surety approved by the Minister, or other security in cash or otherwise as the Minister thinks proper to accept, in a sum of not less than one thousand pounds or such greater sum as the Minister requires, conditioned upon compliance with the covenants and conditions of such licence or lease and with this Act.

Rights of holders of licences.

12. Subject to this Act every holder of a licence under this Act shall have the exclusive right to carry out such surveys and other operations as are necessary to test for petroleum the land comprised in such licence.

Rights of holders of leases.

13. Subject to this Act every holder of a lease under this Act shall have the exclusive right to conduct petroleum mining operations in and on the land demised by such lease together with the right to construct and maintain on such land such works, buildings, plant, waterways, roads, pipe-lines, dams, reservoirs, tanks, pumping stations, tramways, railways, telephone lines, electric power lines and other structures and equipment as are necessary for the full enjoyment of such lease or to fulfil his obligations under such lease.

14.

14. Every licence and lease under this Act shall be in the prescribed form and shall contain such of the terms, covenants and conditions prescribed by this Act as are appropriate, subject to such modifications and exclusions and such additional clauses covering ancillary matters as the Minister in the case of any such licence and the Governor in the case of any such lease thinks fit.

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Forms of licence and lease.

15. A licence or a lease under this Act may at the request in writing of the applicant be granted to any person nominated by him.

Licence or lease to nominee.
Act No. 49, 1906, ss. 27 (4), 53 (2), and 95 (1).

16. (1) Every licence under this Act shall be dated the day of execution thereof by the Minister.

Date of licence and lease.

(2) Every lease under this Act shall be dated the day of execution thereof by the Governor.

Ibid.
s. 108 (2).

DIVISION 2.—*Petroleum Exploration Licences.*

17. The area comprised in a petroleum exploration licence shall be—

Area of petroleum exploration licence.

(a) not more than five thousand square miles;

(b) not less than one thousand square miles except in cases where for special reasons the Minister considers that a smaller area is necessary or desirable.

18. (1) The initial term of a petroleum exploration licence shall be such term as the Minister fixes not exceeding two years.

Term of petroleum exploration licence and renewal.

(2) Upon application in that behalf made during the currency of any petroleum exploration licence or of any renewal thereof, the Minister may, at his discretion, and subject to section forty-three of this Act and subject to such conditions as he may think fit, grant successive renewals thereof for further terms not exceeding twelve months each in respect of the whole of the area comprised therein or any part thereof.

cf. W.A. 1936, No. 36, s. 35 (3).

19.

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Fee for
petroleum
exploration
licence.

19. The holder of a petroleum exploration licence shall pay yearly in advance by way of licence fee in respect of such licence or any renewal thereof a sum calculated at the rate of two shillings per annum for each square mile or part of a square mile of the area comprised in such licence.

Drilling
other than
scout
drilling
prohibited.

20. A petroleum exploration licence shall authorise the carrying out of scout drilling operations and the holder of a petroleum exploration licence shall not carry out any drilling operations other than scout drilling operations in pursuance of such licence.

Holder
to furnish
exploration
scheme.

21. (1) The holder of a petroleum exploration licence shall within three months after the date of such licence prepare and furnish to the Minister a proposed scheme for the exploration of the land comprised in such licence.

Provisions
and
particulars.

(2) Every such proposed scheme shall—

- (a) provide for a geological survey or other survey of the land comprised in such licence to be carried out by or under the direction of a geologist or a geophysicist to the satisfaction of the Minister;
- (b) contain particulars of such geological survey or other survey and the scout drilling and other operations which such holder proposes to carry out, the periods within which he proposes to carry them out and the sums proposed to be expended in carrying them out;
- (c) provide for regular mineralogical, petrological and palaeontological examinations of specimens obtained from such land by scout drilling and other operations.

(3)

(3) The Minister may by notice in writing given to such holder within a period of thirty days after the receipt by him of any such proposed scheme—

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Approval or disapproval of scheme.

- (a) approve the scheme without modification or with such modifications as are specified in the notice; or
- (b) disapprove the scheme and direct the carrying out of a different scheme for the exploration of the land particulars of which shall be specified in the notice to such holder:

Provided that the Minister shall not approve or direct to be carried out any scheme which does not conform with the provisions of subsection two of this section.

(4) If, within the said period of thirty days, the Minister does not give any such notice, the proposed scheme furnished to the Minister shall, if it conforms with the provisions of subsection two of this section, be deemed to be approved without modification by the Minister.

(5) The provisions of any scheme approved or as modified or deemed to be approved by the Minister under this section or directed by the Minister under this section to be carried out shall be deemed to be conditions of the petroleum exploration licence and the holder of such licence shall perform and observe such conditions accordingly.

Provisions of scheme deemed conditions of licence, etc.

(6) Forthwith after the expiration of three months from the date upon which a scheme is approved or modified or deemed to be approved by the Minister or the Minister directs a different scheme to be carried out, and upon the expiration of each three months thereafter during the currency of the petroleum exploration licence and any renewal thereof, or forthwith after the expiration

Holder to furnish reports and maps at prescribed intervals.

No. 23, 1955. expiration of such other periods as the Minister may from time to time direct, the holder of any such licence shall furnish to the Minister—

- (a) a detailed report of all surveys, scout drilling and other operations carried out in relation to the land comprised in such licence;
- (b) a map drawn to the scale specified in such licence showing all possible geological and other information with respect to such surveys, scout drilling and other operations; and
- (c) details of the sums expended in carrying out such surveys, scout drilling and other operations.

(7) Upon written application being made by the holder of any such licence the Minister may at any time during the currency of such licence if he considers that the circumstances so warrant authorise variations in the provisions of the scheme originally approved or modified or deemed to be approved or directed by the Minister under this section to be carried out and any such variations shall in lieu of the provisions so varied be deemed to be conditions of such licence and the holder thereof shall perform and observe such conditions accordingly.

DIVISION 3.—Petroleum Prospecting Licences.

Grant of petroleum prospecting licence.
S.A. 1940, No. 58, s. 19.

22. A petroleum prospecting licence may be granted whether or not the applicant holds or has held the land applied for under a petroleum exploration licence.

Area of petroleum prospecting licences.

23. The area comprised in a petroleum prospecting licence shall be—

- (a) not more than two hundred square miles;
- (b) not less than eight square miles except in cases where for special reasons the Minister considers that a smaller area is necessary or desirable.

24.

24. (1) The initial term of a petroleum prospecting licence shall be such term as the Minister fixes not exceeding four years.

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Term of petroleum prospecting licence and renewal.

(2) Upon application in that behalf made during the currency of any petroleum prospecting licence or of any renewal thereof, the Minister may, at his discretion, and subject to section forty-three of this Act and subject to such conditions as he may think fit, grant successive renewals thereof for further terms not exceeding twelve months each in respect of the whole of the area comprised therein or any part thereof.

25. The holder of a petroleum prospecting licence shall pay yearly in advance by way of licence fee in respect of such licence or any renewal thereof a sum calculated at the rate of one pound per annum for each square mile or part of a square mile of the area comprised in such licence.

Fee for petroleum prospecting licence.

26. (1) The holder of a petroleum prospecting licence shall within three months after the date of such licence prepare and furnish to the Minister a proposed scheme for the prospecting of the land comprised in such licence.

Holder to furnish scheme for prospecting.

(2) Every such proposed scheme shall—

(a) provide for—

(i) a geological survey or other survey of the land comprised in such licence to be carried out by or under the direction of a geologist or a geophysicist to the satisfaction of the Minister; and

(ii) the installation and operation of an outfit and equipment suitable for drilling on the land comprised in such licence:

Provided that if it can be shown to the satisfaction of the Minister that an adequate geological survey or other survey of the area has been previously carried out and that

further

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further work of this nature is not warranted, the Minister may, in his absolute discretion, waive the requirements specified in subparagraph (i) of this paragraph;

- (b) contain particulars of such geological survey or other survey and the scout drilling and drilling and other operations which such holder proposes to carry out, the periods within which he proposes to carry them out and the sums proposed to be expended in carrying them out;
- (c) provide for regular mineralogical, petrological and palaeontological examinations of specimens obtained from such land by scout drilling, drilling and other operations.

Approval or disapproval of scheme.

(3) The Minister may by notice in writing given to such holder within a period of thirty days after the receipt by him of any such proposed scheme—

- (a) approve the scheme without modification or with such modifications as are specified in the notice; or
- (b) disapprove the scheme and direct the carrying out of a different scheme for the prospecting of the land particulars of which shall be specified in the notice to such holder:

Provided that the Minister shall not approve or direct to be carried out any scheme which does not conform with the provisions of subsection two of this section.

(4) If, within the said period of thirty days, the Minister does not give any such notice, the proposed scheme furnished to the Minister shall, if it conforms with the provisions of subsection two of this section, be deemed to be approved without modification by the Minister.

Provisions of scheme deemed conditions of licence, etc.

(5) The provisions of any scheme approved or as modified or deemed to be approved by the Minister under this section or directed by the Minister under this section to be carried out shall be deemed to be conditions of the petroleum

petroleum prospecting licence and the holder of such licence shall perform and observe such conditions accordingly. No. 28, 1955.

(6) Forthwith after the expiration of three months from the date upon which a scheme is approved or modified or deemed to be approved by the Minister or the Minister directs a different scheme to be carried out, and upon the expiration of each three months thereafter during the currency of the petroleum prospecting licence and any renewal thereof, or forthwith after the expiration of such other periods as the Minister may from time to time direct, the holder of any such licence shall furnish to the Minister—

Holder to furnish reports and maps at prescribed intervals.

- (a) a detailed report of all surveys, scout drilling, drilling and other operations carried out in relation to the land comprised in such licence;
- (b) a map drawn to the scale specified in such licence showing all possible geological and other information with respect to such surveys, scout drilling, drilling and other operations; and
- (c) details of the sums expended in carrying out such surveys, scout drilling, drilling and other operations.

(7) Upon written application being made by the holder of any such licence the Minister may at any time during the currency of such licence if he considers that the circumstances so warrant authorise variations in the provisions of the scheme originally approved or modified or deemed to be approved or directed by the Minister under this section to be carried out, and any such variations shall in lieu of the provisions so varied be deemed to be conditions of such licence and the holder thereof shall perform and observe such conditions accordingly.

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Holder to
instal
drilling
equipment
and
commence
drilling.

27. (1) Within six months after the date of a petroleum prospecting licence or within such further time as the Minister in his absolute discretion allows the holder of such licence shall—

- (a) instal an outfit and equipment suitable for drilling on the land comprised in such licence to the satisfaction of the Minister; and
- (b) commence drilling at least one test well by a method approved by the Minister:

Provided that where prior to the grant of any such licence a test well has been drilled on the land comprised in such licence, the Minister may, subject to such conditions as he may impose, exempt the holder of such licence from compliance with this subsection.

(2) The holder of a petroleum prospecting licence shall as from the commencement of drilling as prescribed diligently and continuously carry on drilling operations in a workmanlike manner in accordance with good oilfield practice to the satisfaction of the Minister.

(3) If petroleum is encountered during the drilling of a test well such holder shall—

- (a) immediately furnish to the Minister a full report of the discovery and shall furnish any further particulars in relation thereto which the Minister may require;
- (b) carry out any operations which the Minister may direct for the purpose of proving the quantity and quality of the supply of petroleum;
- (c) if required so to do by the Minister, apply within such period as the Minister may specify for a petroleum mining lease of so much of the land in or upon which petroleum has been discovered as the Minister directs.

If such holder does not apply for a lease as aforesaid within the period specified such licence may be cancelled.

(4)

(4) The holder of a petroleum exploration licence shall pay royalty on demand at such rate as the Minister may determine in respect of all crude oil, casinghead petroleum spirit and natural gas obtained from any test well drilled to production on the land comprised in such licence: Provided that—

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- (a) the Minister shall not fix a rate which exceeds the rate hereinafter prescribed for crude oil, casinghead petroleum spirit and natural gas obtained from mining operations conducted pursuant to petroleum mining leases;
- (b) subsection two of section thirty-two of this Act shall apply to and in respect of crude oil, casinghead petroleum spirit and natural gas obtained as aforesaid.

DIVISION 4.—*Petroleum Mining Leases.*

28. A petroleum mining lease may be granted whether or not the applicant holds or has held the land applied for under a petroleum exploration licence or a petroleum prospecting licence.

Grant of petroleum mining lease.

29. The area comprised in a petroleum mining lease shall be—

Area of petroleum mining lease. S.A. 1940, No. 58, s. 23.

- (a) not more than one hundred square miles;
- (b) not less than four square miles except in cases where for special reasons the Governor considers that a smaller area is necessary or desirable.

30. (1) The initial term of a petroleum mining lease shall be such term as the Governor fixes not exceeding twenty years.

Term of petroleum mining lease and renewal.

(2) (a) Upon application in that behalf made during the last five years of the term of any such lease or of any renewal thereof, or where the term of any such lease or renewal does not exceed five years during the last year of such term, the Governor may from time to

No. 28, 1955. to time at his discretion grant successive renewals of any petroleum mining lease for further terms not exceeding twenty years each.

(b) Any such renewal shall be subject to such fees, royalties and other covenants and conditions as the Governor may approve.

Such fees, royalties and other covenants and conditions may be as prescribed by this Act or different from those so prescribed.

Fee for
petroleum
mining
lease.

31. The holder of a petroleum mining lease shall pay yearly in advance by way of lease fee in respect of such lease a sum at the rate of ten pounds per annum for each square mile or part of a square mile demised by such lease.

Royalty on
petroleum,
etc.

32. (1) Subject to this Act the holder of a petroleum mining lease shall pay to the Minister on demand a royalty computed at the rate of ten per centum of the gross value at the well-head of all crude oil, casinghead petroleum spirit and natural gas obtained in each month from mining operations conducted pursuant to such lease.

(2) Royalty shall not be payable under this section in respect of—

- (a) any crude oil, casinghead petroleum spirit or natural gas which is unavoidably lost or is returned to the natural reservoir;
- (b) any crude oil, casinghead petroleum spirit or natural gas which is used by such holder for the purposes of petroleum mining operations approved by the Minister.

(3) There shall be set off against the amount of royalty payable by the holder of a petroleum mining lease in any month under this section an amount equal to one-twelfth of the amount of the lease fee paid by such holder in respect of the current year and where the said one-twelfth of the amount of lease fee so paid exceeds the royalty payable, no royalty shall be payable for that month.

(4) (a) The holder of a petroleum mining lease shall during the first seven days of every month or within such further time as the Minister may allow, furnish to the Minister a full and proper return verified by statutory declaration showing the quantity and gross value of all crude oil, casinghead petroleum spirit and natural gas obtained during the preceding month from mining operations conducted pursuant to such lease. No. 28, 1955.

(b) Every such return shall be in the form prescribed and in the case of a company may be furnished by the manager or person acting as the manager or the secretary of such company.

(c) Any such holder, manager, person or secretary who fails to furnish such return within the prescribed time or within such further time as may be allowed by the Minister or in the prescribed form shall be liable to a penalty not exceeding two hundred pounds and to a further penalty not exceeding five pounds for every day after the expiration of the prescribed time or such further time as may be allowed by the Minister during which he fails to furnish such return.

(5) If the Minister is not satisfied with any return furnished in accordance with this section, he may require the person furnishing the same to furnish such further particulars as he may demand with respect to the crude oil, casinghead petroleum spirit or natural gas obtained as aforesaid, or may, whether any such return has been furnished or not, appoint an officer of his Department or other person to make all necessary inquiries in relation to such crude oil, casinghead petroleum spirit or natural gas. The officer or person so appointed may make all such inquiries and may require such holder or the manager or person acting as manager or secretary of any such company to produce for his inspection at the office of such holder or company any books, accounts, documents, writings, papers or instruments in his possession or under his control that such officer or person may consider necessary to enable him to ascertain the quantity Further particulars and inquiries.

No. 28, 1955. quantity and gross value of the crude oil, casinghead petroleum spirit and natural gas obtained as aforesaid and may make copies of any entries or matters contained in such books, accounts, documents, writings, papers or instruments and upon completion of such inquiries such officer or person shall report thereon to the Minister.

On receipt of such report the Minister, if he is of the opinion that the gross value of any crude oil, casinghead petroleum spirit or natural gas declared in the return furnished in accordance with this section is too low, may assess a value for such crude oil, casinghead petroleum spirit or natural gas based on the average selling price in local or overseas markets and royalty shall be paid on the value so assessed.

(6) Any person who—

- (a) when so required by the Minister fails to furnish such further particulars; or
- (b) obstructs or hinders any officer or person appointed by the Minister as aforesaid and making inquiries under this section; or
- (c) fails to produce for inspection any books, accounts, documents, writings, papers or instruments when required so to do by any such officer or person under this section,

shall be guilty of an offence against this Act.

(7) Every officer in the Public Service shall preserve and aid in preserving secrecy with regard to the contents of any return made under this section which have come to his knowledge in his official capacity and shall not communicate such matter to any other person unless in the performance of his official duties or under the authority of a court of competent jurisdiction.

33. (1) Within six months after the date of a petroleum mining lease or within such further time as the Minister in his absolute discretion allows, the holder of such lease shall—

No. 28, 1955.

Commence-
ment of
drilling.

- (a) if, at the date of the lease, an outfit and equipment suitable for drilling on the land demised by the lease was not already installed to the satisfaction of the Minister, instal such an outfit and equipment to the satisfaction of the Minister; and
- (b) commence drilling at least one well by a method approved by the Minister:

Provided that where prior to the date of the lease a well has been commenced or has been drilled to production on the land demised by the lease the Minister may, subject to such conditions as he may impose, exempt such holder from compliance with this subsection.

(2) Such holder shall, as from the date of compliance with the provisions of paragraphs (a) and (b) of subsection one of this section, or the date of any such exemption, diligently and continuously carry on drilling or production operations, as the case may require, in a workmanlike manner so that the land demised by the lease will be developed in accordance with good oilfield practice to the satisfaction of the Minister.

34. If at any time during the term of a petroleum mining lease or any renewal thereof, the Minister is of the opinion that survey of the land demised by such lease or any part of such land is necessary, such land or part thereof shall be surveyed by a mining surveyor and the holder of such lease shall within the period specified by the Minister pay to the Under Secretary for such survey an amount calculated in accordance with the prescribed scale.

DIVISION

No. 28, 1955. **DIVISION 5.—General Provisions Relating to Licences and Leases under this Act.**

Notices to
be displayed.

35. (1) Within ninety days from the date of a licence or a lease under this Act the holder of such licence or lease shall display notices of the prescribed type at such points on the area comprised in such licence or demised by such lease as may be specified in such licence or lease and shall thereafter during the term of such licence or lease or any renewal thereof maintain such notices to the satisfaction of the Minister.

(2) The Minister may, at any time, by notification in writing require the holder of any licence or lease under this Act to display additional notices of the prescribed type at such further points on the area comprised in such licence or demised by such lease as the Minister may deem necessary, and such holder shall, within ninety days from the date of such notification, display such additional notices at the points specified and shall thereafter during the term of such licence or lease or any renewal thereof maintain such additional notices to the satisfaction of the Minister.

Applicant
or legal
representa-
tive to
execute
licence
or lease.
cf. Act
No. 49, 1906,
s. 107.

36. (1) When any application for a licence or a lease under this Act is granted it shall be the duty of the applicant, or the person nominated by him as holder thereof, or his legal representatives on death or bankruptcy, to execute such licence or lease when called upon, and the execution of any such licence or lease by such legal representatives shall be as binding upon all persons as if such licence or lease had been duly executed by the applicant or the person nominated as aforesaid.

Conse-
quences of
refusal to
execute
licence or
lease.

(2) If the applicant or person, or his legal representatives as aforesaid neglect or refuse to execute such licence or lease or to pay the prescribed deed fee in respect of the same within the prescribed period, after being notified in writing, as prescribed, that the said licence or lease is ready for execution, the said licence may be voided by the Minister or the said lease may be voided by the Governor, and thereupon the prescribed
licence

licence fee or lease fee, as the case may be, shall be absolutely forfeited to Her Majesty and paid into the Consolidated Revenue Fund. Such voidance shall take effect from the time of publication thereof in the Gazette. No. 28, 1955.

(3) Where the application is made by two or more persons, or two or more persons have been nominated as holders of any licence or lease under this Act, and one or more of such persons fails or fail to execute such licence or lease within the period prescribed as aforesaid, the Minister or the Governor, as the case may be, may, if he thinks fit, cause such licence or lease to be issued to such of the applicants or persons so nominated as have executed the same; and in that case such licence or lease shall be valid and effectual in favour of such applicants or persons so nominated. Issue of
Licence or
lease not
executed
by all
applicants.

37. Every licence or lease under this Act or every interest in any such licence or lease shall be deemed and taken in law to be personal property and shall not be of the nature of real estate and subject to this Act may be disposed of during the lifetime of the holder and shall on his death descend or devolve on intestacy or by will as personal property. Licence
or lease
deemed to
be personal
property.
Act No. 49,
1906, s. 129
(1).

38. (1) Every licence or lease under this Act shall be registered with the Registrar, Department of Mines, Sydney, and thereafter every transfer or assignment thereof or of any interest therein (except in the case of an assignment by operation of law) and every sublease of a lease under this Act and every tribute or option contract affecting the land, or any portion thereof, comprised in any such licence or demised by any such lease shall be submitted within the time and in the manner prescribed for the concurrence or sanction of the Minister and registration. Registration
of licence,
lease,
transfer,
etc.
Ibid.
s. 109.

The Minister may refuse such concurrence or sanction or may grant the same, subject to any amendments, modifications or stipulations which he may think necessary in the public interest to impose.

Every

No. 28, 1955. Every instrument which by this subsection is required to be registered shall be lodged by such person as is prescribed.

Caveat. (2) Any person claiming interest in any licence or lease under this Act may, prior to the registration of any instrument required by subsection one of this section to be registered, lodge with the Minister a caveat in the prescribed form, and accompanied by the prescribed fee, against such registration.

On receipt of such caveat the Minister shall stay registration for fourteen days, unless the caveat is sooner withdrawn, but may then register the instrument, unless the person lodging the caveat has obtained and served upon him an order of some competent court forbidding such registration.

**Easements
and rights
of way
over lands
under
licence
or lease.**

39. (1) Notwithstanding the grant of any licence or lease under this Act, the Minister may upon such terms as he thinks just grant for joint or several use such easements or rights of way through upon or in the land comprised in such licence or demised by such lease as are necessary or appropriate to the development or working of the same or of lands comprised in other licences or demised by other leases under this Act.

(2) The Minister may from time to time vary or revoke any grants under this section.

**Easements
and rights
of way
over Crown
or private
land.**

40. (1) The Minister may upon such terms as he thinks just grant for joint or several use easements or rights of way through upon or in any Crown land or private land for the erection of pipe lines or for the erection of standards, posts, wires and appliances for the conveyance or transmission of electricity or for the construction of roads of access or for any other purpose deemed necessary for prospecting, developing or working the land comprised in a licence or demised by a lease under this Act and for the treatment and transportation of the products of such land.

(2) The Minister may from time to time vary or revoke any grants under this section.

41. (1) Where, in respect of any part of any land which is comprised in a licence or demised by a lease under this Act, any person is authorised to prospect or mine for gold or any minerals by virtue of—

No. 28, 1955.

- (a) any tenement, authority, licence or lease or application therefor under the Mining Act, 1906-1952; or
- (b) any agreement under section sixty-nine of the said Act; or
- (c) his ownership of any minerals; or

Disputes between holders of licences or leases and other persons carrying on operations on land under licence or lease.

(d) an agreement with the owner of any minerals, and any difference arises, between the holder of such licence or lease under this Act and the person so authorised with respect to the operations carried out or proposed to be carried out by such holder or such person, such holder or such person or both of them may refer the matter for determination to the Minister who shall thereupon refer the matter to the warden for an inquiry and report.

(2) Upon receipt of the warden's report the Minister may make such order and give such directions to such holder or such person or to both of them as in the public interest and in the circumstances of the case may seem to him to be just and equitable and by such order may direct the payment by such holder or such person or both of them of any costs and expenses incidental to the conduct of such inquiry.

42. (1) Upon written application being made—

- (a) by the holder of any licence or lease under this Act; or
- (b) where there are two or more holders of any such licence or lease by such holders or by not less than one-half of such holders,

Suspension of conditions of licence or lease.

the Minister may, from time to time if he considers that adequate reasons have been furnished, authorise, for periods not on any occasion exceeding six months, suspension

No. 28, 1955. suspension of any or all of the covenants or conditions relating to the working of the land comprised in such licence or demised by such lease.

(2) The Minister may if he grants suspension as aforesaid impose such conditions as he may think fit—

- (a) for the protection of any bore-holes, equipment or works on such land; or
- (b) for the protection of any petroleum deposits, water or minerals in such land or in any adjacent land;
- (c) for any other purpose whatsoever.

**Power of
Minister on
application
for renewal.**

43. (1) Where the holder of a petroleum exploration licence applies for a renewal of such licence the Minister may, instead of granting such renewal, require such holder to make application for a petroleum prospecting licence.

(2) Where the holder of a petroleum prospecting licence applies for a renewal of such licence, the Minister may, instead of granting such renewal, require such holder to make application for a petroleum mining lease.

**Cancellation
of licences
and leases.
cf. Act No.
49, 1906,
s. 124.**

44. (1) If the holder of a licence or a lease under this Act, his executors, administrators or assigns at any time during the term of such licence or lease—

- (a) fails to fulfil or contravenes any of the covenants and conditions contained therein;
- (b) fails to use the land comprised therein or demised thereby bona fide for the purposes for which it has been granted or demised; or
- (c) uses such land for a purpose other than that for which it has been granted or demised,

such licence may be cancelled by the Minister or such lease may be cancelled by the Governor and such cancellation shall take effect on the date of notification thereof.

(2)

(2) A licence may be cancelled either wholly or in part by the Minister upon the written request of the holder thereof, or where there are two or more holders, of not less than one-half of such holders, and a lease may be cancelled either wholly or in part by the Governor upon the written request of the holder thereof, or where there are two or more holders, of not less than one-half of such holders, and such cancellation shall take effect on the date of notification thereof: No. 28, 1955.

Provided that in the case of a request for cancellation in part of a lease, if the Minister is of the opinion that survey or re-survey is necessary, such survey or re-survey shall be carried out by a mining surveyor and the holder of such lease shall within the period specified by the Minister pay to the Under Secretary for such survey or re-survey an amount calculated in accordance with the prescribed scale.

(3) If during the term of any licence or lease under this Act any part of the land comprised in such licence or demised by such lease is required for any public purpose, the Minister in the case of any such licence and the Governor in the case of any such lease may upon one month's notice issued by the Minister to the holder of such licence or lease, as the case may be, cancel such licence or lease so far as it relates to the said part of the land, either with or without restrictions as to depth, but without any compensation payable by the Crown and such cancellation shall take effect on the date of notification thereof.

45. Nothing in this Act or in any licence or lease under this Act shall take away or limit any power conferred on the Governor or any Minister of the Crown or any other person by any other Act to reserve, dedicate, grant, sell, lease or otherwise deal with or dispose of any land: Saving of powers to dispose of land. S.A. 1940, No. 58, s. 46.

Provided that any such reservation, dedication, grant, sale, lease or other dealing or disposition shall be subject to any rights which have been conferred by or under this

No. 28, 1955. this Act or any licence or lease under this Act, and are in existence at the time of the reservation, dedication, grant, sale, lease or other dealing or disposition.

Restriction on rights of holders of licences and leases over certain lands.

46. (1) Without the consent of the Minister being first had or obtained nothing in this Act or in any licence or lease under this Act shall authorise any person to enter upon or conduct any prospecting or mining operations upon the surface of any of the following classes of lands, namely—

- (a) streets, lanes, roads or highways;
- (b) lands reserved, dedicated, appropriated, resumed or acquired for public purposes (except land reserved for a temporary common or for mining or mining purposes) whether vested in Her Majesty or in any person for or on behalf of Her Majesty or in any person as trustee for public purposes;
- (c) lands granted or vested in trust by the Crown for the purposes of a racecourse, cricket-ground, show-ground, recreation reserve, park or permanent common or for any other public purpose.

(2) The Minister may refuse his consent under this section or may grant his consent either unconditionally or upon such conditions as he thinks fit.

Operations on private land.
cf. Vic. 1935, No. 4359, s. 50. (1).

47. If any of the land comprised in a licence or demised by a lease under this Act is private land, operations under such licence or lease shall be conducted so as not to interfere with the existing use of such private land to a greater extent than is necessary or, in the case of dispute, is determined by the Minister after reference to him by the parties to such dispute or any of such parties.

Liability to compensate owner or occupier.
cf. *Ibid.* s. 50 (2).

48. Without derogating from any other provisions of this Act, the holder of any licence or lease under this Act shall be liable to compensate the owner or occupier of the land comprised in such licence or demised by such lease

lease for all damages sustained by such owner or occupier to crops and improvements, including permanent artificial water supply, by reason of scout drilling, drilling, other operations and construction works carried out or erected by such holder during the period of occupation by such holder. **No. 28, 1955.**

49. The holder of any licence or lease under this Act shall not carry out any prospecting or mining operations or erect any works on the surface of any land—
(a) within fifty yards of any land bona fide in use as a garden, vineyard or orchard; or
(b) within two hundred yards of the principal residence of the owner or occupier of such land; or
(c) whereon is any substantial building, bridge, dam, reservoir, well or other valuable improvement,

Restrictions on rights of holders of licences and leases over certain land.
cf. Act No. 49, 1906, s. 47.

unless the owner or the owner and occupier, as the case may be, of such land has or have consented thereto.

The Minister shall determine whether any improvement referred to in paragraph (c) of this section is substantial or valuable and may define an area adjoining such improvement on the surface of which no prospecting or mining operations shall be carried out or works erected.

Upon the definition of any such area any such holder shall not carry out any prospecting or mining operations or erect any works on the surface thereof.

50. The holder of any licence or lease under this Act shall not carry out any prospecting or mining operations or erect any works on the surface of any land which is under cultivation unless the owner or the owner and occupier, as the case may be, of such land has or have consented thereto:

Restrictions on rights of holders of licences and leases over cultivated land.
cf. Ibid. s. 48.

Provided

No. 28, 1955. Provided that—

- (a) the Minister may, if he considers that the circumstances so warrant, define an area of the surface of such cultivated land upon which prospecting or mining operations may be carried out or works may be erected, and may specify the nature of the operations to be carried out or the works to be erected, but before any such operations are commenced or works are erected, the warden shall assess the amount to be paid as compensation for any loss of or damage to any crop on such cultivated land;
- (b) cultivation for the growth and spread of pasture grasses shall not be deemed to be cultivation within the meaning of this section unless, in the opinion of the Minister, the circumstances so warrant; and
- (c) in the case of dispute as to whether land is or is not under cultivation within the meaning of this section the Minister's decision thereon shall be final.

Compensation before commencement of scout drilling or drilling on private land covered by licence.

51. (1) Where a holder of a licence under this Act determines or is required to carry out scout drilling or drilling operations on any portion of private land comprised in such licence, he shall before commencing such scout drilling or drilling operations apply to the warden to determine the amount of compensation payable by him in respect of such scout drilling or drilling operations unless before commencing such scout drilling or drilling operations an agreement between such holder and the owner or the owner and occupier, as the case may be, of such private land as to the amount of compensation to be paid by such holder in respect of such scout drilling or drilling operations has been lodged with the Under Secretary.

(2)

(2) Such holder shall—

No. 28, 1955.

- (a) in such application, state and furnish a description of the area of the surface of private land required and the purpose for which it is required; and
- (b) give such further information as the warden requires.

Require-
ments in
application.

52. (1) With respect to the use and occupation by the holder of a lease under this Act of private land demised by such lease, such holder—

Use and
occupation
of private
land held
under lease.

- (a) as against the owner and occupier of any such land, but not otherwise, shall be and be deemed to be in occupation of only such area of such land as he from time to time requires for effectively carrying on and adequately protecting all the mining operations and the storing, refining, transporting, and communication works in connection with all the mining operations carried on or to be carried on from time to time or at any time during the term of and under such lease or any renewal thereof, together with all rights and easements incidental to such occupation; and
- (b) unless otherwise agreed by such holder and the owner or by such holder and the owner and occupier, as the case may be, shall cause to be securely fenced each surface area on any such land which such holder requires so as to carry on effectively and protect adequately his mining operations and works.

cf. Vic.
1935, No.
4359, s. 36.

(2) (a) Before such holder uses or occupies any portion of such private land for the purposes of any such operations or works, he shall apply to the warden to determine the amount of compensation payable by him in respect of such operations or works unless before commencing to carry on such operations or to construct such works, an agreement between such holder and the

Compensa-
tion before
commene-
ing
operations
on private
land
held under
lease.

owner

256 Petroleum Act.

No. 28, 1955. owner or the owner and occupier, as the case may be, of such private land as to the amount of compensation to be paid by such holder in respect of such operations or works has been lodged with the Under Secretary.

(b) Such holder shall—

(i) in such application state and furnish a description of the area of the surface of private land required and the purpose for which it is required; and

(ii) give such further information as the warden requires.

Compensa-
tion.
cf. S.A.
1940, No. 58,
s. 75 (1).

53. (1) The holder of a licence or lease under this Act shall be liable to compensate in accordance with this Act every person having any estate or interest in any land injuriously affected by reason of any operations conducted or other action taken by such holder in pursuance of this Act or such licence or lease.

cf. N.T.
Ordinance,
1954, No. 5,
s. 101 (2);
S.A. 1940,
No. 58,
s. 75 (2).

(2) Compensation shall not be payable under this Act by the holder of a licence or lease under this Act where the operations of such holder do not affect any portion of the surface of any land.

Parties to
agree as
to com-
pensation.
cf. S.A.
1940, No.
58, s. 76;
Vic. 1935,
No. 4359,
s. 59.

54. (1) (a) The holder of a licence or lease under this Act may treat and agree with any person entitled to compensation under this Act as to the amount of such compensation.

(b) No such agreement shall be valid unless the same is in writing and signed by the parties thereto or their agents and lodged with the Under Secretary.

Where
parties
unable to
agree,
warden to
determine
compensa-
tion.

(2) (a) If within such time as may be prescribed the parties are unable to agree upon the amount of compensation to be paid then, on the complaint of any party, the warden may hear such complaint and assess the amount of compensation to be paid by such holder.

(b)

(b) Forthwith after such assessment the warden shall furnish to the Minister a copy of the complaint as aforesaid by or against such holder and of the decision of the warden thereupon. No. 28, 1955.

55. (1) Subject to this Act compensation payable under this Act shall be compensation for— Measure of compensation.

- (a) deprivation of the possession of the surface of the land or of any part of the surface; cf. Vic 1935, No. 4359, s. 60; S.A. 1940, No. 58, s. 77.
- (b) damage to the surface of any land or to any improvements on any land, which has been caused by or which may arise from the carrying on of operations by the holder of a licence or lease under this Act on the land comprised in such licence or demised by such lease;
- (c) severance of the land from other land of the owner or occupier;
- (d) surface rights of way and easements; and
- (e) all consequential damages.

(2) In determining the amount of compensation the warden shall take into consideration the amount of compensation which any person entitled thereto or his predecessor in title has already received for or in respect of the damage or loss for which compensation is being determined and shall deduct the amount already so received from the amount which he would otherwise be entitled to for such damage or loss.

56. (1) Where compensation is by this Act assessed by the warden, such assessment shall— How compensation assessed.

- (a) be made in the manner prescribed and after notice to the persons who appear to the warden to be interested in such assessment; and Act No. 49, 1906, ss. 155, 156.
- (b) subject to appeal to arbitration, be final.

The provisions of section one hundred and fifty-eight of the Mining Act, 1906-1952, shall apply, mutatis mutandis, to and in respect of such arbitration.

No. 28, 1955.Procedure in
court on
making
assessment.

- (2) In making any such assessment, the warden—
- (a) may make such assessment at any time and place fixed by him;
 - (b) may make such assessment in the absence of any persons interested who appear to the warden to have been duly notified;
 - (c) may adjourn the hearing to any time and place, subject to such terms as to costs or otherwise as he thinks fit;
 - (d) shall have the powers of a warden's court.

(3) The amount so assessed shall be paid, by the holder of the licence or lease under this Act liable to pay such amount, into the warden's court within the time specified by the warden and shall from time to time, as may be deemed necessary by the warden, be paid out of court on the application of any person entitled thereto.

(4) If the amount so assessed is not paid into court within the time specified by the warden the licence or lease of the holder liable therefor may be cancelled.

(5) If, after the expiration of six months and before the expiration of twelve months from the determination of a licence or lease under this Act, the whole or any part of an amount so paid into court has not been paid out under the foregoing provisions of this section and has not been ordered to be so paid out, any person who has paid such amount into court may apply to the warden for the payment out to him of such amount or part, and the warden may order such amount or part to be so paid.

After the expiration of such twelve months the warden may cause such amount or part to be paid into the Treasury and carried to the Consolidated Revenue Fund.

57. Wardens' courts under the Mining Act, 1906-^{No. 28, 1955.} 1952, shall be wardens' courts for the purposes of this Act, and the provisions of sections one hundred and thirty-one, one hundred and thirty-two, one hundred and thirty-five, one hundred and thirty-eight, one hundred and thirty-nine, one hundred and forty, one hundred and forty-one, one hundred and forty-two, one hundred and forty-three, one hundred and forty-four, one hundred and forty-seven, one hundred and forty-nine, one hundred and fifty, one hundred and fifty-one, one hundred and fifty-two, one hundred and sixty-one to one hundred and seventy-six, both inclusive, one hundred and seventy-nine, one hundred and eighty, one hundred and eighty-one, one hundred and eighty-two, one hundred and eighty-three, one hundred and eighty-five, one hundred and eighty-six, one hundred and ninety and one hundred and ninety-one, and of the regulations and rules made for the purposes of such provisions shall apply, mutatis mutandis, to and in respect of wardens' courts, wardens, wardens' clerks, parties appearing or required to appear before wardens' courts, bailiffs, constables, police officers, appeals from wardens' courts, the recovery of moneys and proceedings under this Act.

Application
of certain
provisions
of Act No.
49, 1906.

58. (1) For the purposes of this Act a warden's court shall have jurisdiction to hear and determine all suits relating to any of the following matters, that is to say—

Subjects
within
jurisdiction
of court.

- (a) any demand concerning the ascertainment and adjustment of boundaries of land held under a licence or lease under this Act or occupied by virtue of an easement or right of way granted under this Act where such boundaries are in dispute or doubtful; in which case the court shall ascertain and determine such boundaries by such means as may be found convenient and shall make and give all such orders and directions as may be necessary for the purpose of carrying out the decree or order of such court;

(b)

No. 28, 1955.

- (b) the right to the occupation of areas of land comprised in a licence or demised by a lease under this Act and the right to or ownership of petroleum and other materials obtained therefrom;
- (c) the right to the use of areas of land comprised in an easement or a right of way granted under this Act;
- (d) any encroachments upon, infringements of or damage to any land comprised in a licence or demised by a lease under this Act;
- (e) any encroachments upon, infringements of or damage to an easement or a right of way granted under this Act;
- (f) any demand for debt or damages or both arising out of or made in respect of any contract whatsoever relating to the search for or mining of petroleum;
- (g) the right to any petroleum in or to be taken out of any land comprised in a licence or demised by a lease under this Act or in respect of any matter concerning or arising out of any contract relating to such petroleum;
- (h) any demand concerning or arising out of any partnership for or in relation to the search for or mining of petroleum in any land comprised in, demised by or held under any licence, lease, easement or right of way granted under this Act, or any partnership in any such land, or in any works, machinery or petroleum, or concerning or arising out of any contract for or in connection therewith, or for the dissolution wholly or in part of any such partnership;
- (i) any demand concerning contributions to calls or to the expense of working or using any such land or works or any share or interest therein;
- (j)

- (j) any demand concerning or arising out of any mortgage or assignment by way of security of or charge upon any such land, works, machinery, petroleum or any share or interest therein; No. 28, 1955.
- (k) any demand concerning the cancellation and delivery up of instruments relating to—
- (i) mortgages, charges or encumbrances of or upon any such land, works, machinery or petroleum as aforesaid, or any share or interest therein;
 - (ii) any assignment of such mortgages, charges and encumbrances;
 - (iii) any contract respecting the working or use of any such land, works or machinery or any partnership for or in relation to the search for or mining of petroleum or the total or partial dissolution of any such partnership;
- (l) any money claimed to be due upon any account relating to a partnership for or in relation to the search for or mining of petroleum or in any way accruing to the complainant from any such partnership, or any adventure or interest;
- (m) the recovery of any money which any person is liable to pay under this Act and for which no other mode of recovery is hereby provided;
- (n) all questions and disputes which may arise—
- (i) between holders of licences under this Act;
 - (ii) between holders of leases under this Act;
 - (iii) between holders of licences and holders of leases under this Act;
 - (iv)

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(iv) between holders of licences or leases under this Act and owners or occupiers of private lands or occupiers of Crown lands;

(o) all questions or disputes which may arise as to operations on or the working or management of the land comprised in a licence or demised by a lease under this Act;

(p) such other matters as may be prescribed.

Jurisdiction where title is derivative.

(2) The jurisdiction hereby conferred shall extend to cases where the right or title of either party is derivative by assignment or otherwise as well as to where the same is original.

Inquiry may be directed. Act No. 49, 1906, s. 127.

59. The Minister may direct the warden to hold an inquiry on oath in open court with reference to any matter affecting any licence, lease, easement or right of way granted under this Act or application therefor.

Delivery of premises upon determination of licence or lease.

60. (1) Upon determination of a licence or lease under this Act, the holder of such licence or lease shall deliver up the land comprised in such licence or demised by such lease and all wells on that land in good order and condition.

Removal of machinery, etc., on determination of licence or lease.

(2) At any time within six months after the determination of any licence or lease under this Act or within such further time as the Minister may allow, the former holder of such licence or lease may, subject to this Act, remove or dispose of any petroleum recovered during the currency of such licence or lease and all stores, equipment, tools and machinery and such improvements on the land which was comprised in such licence or demised by such lease as the Minister may sanction.

Machinery, etc., may be sold.

(3) If such petroleum, stores, equipment, tools, machinery and improvements are not so removed or disposed of, they may be sold by auction by order of the warden at the risk of the former holder. The proceeds of such sale shall be paid into the Treasury and held until applied for by such former holder.

61.

61. (1) The holder of a licence or lease under this Act shall drill all necessary wells fairly to offset the wells of others on adjoining land on petroleum deposits.

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Drilling of wells with respect to wells on other land.

(2) The holder of a licence or lease under this Act shall not, except with the consent of the Minister,—

Restrictions on location of drills.

(a) commence drilling within three hundred and thirty feet of any of the outer boundaries of the land comprised in such licence or demised by such lease; or

cf. N.T. Ordinance, No. 5, 1954, s. 85.

(b) undertake controlled directional drilling with the intention of directing the bottom of the hole away from the vertical in such a way that the hole passes through a vertical plane projected through the boundary of the land comprised in such licence or demised by such lease.

(3) (a) In all cases where it can be reasonably expected that natural gas in commercial quantities will be encountered, or in cases where the Minister so directs, the holder of a licence or lease under this Act shall, before drilling commences, make adequate preparations to the satisfaction of the Minister for the conservation of natural gas.

Gas wells.

(b) Whenever any natural gas stratum showing a well defined gas formation and yielding natural gas is encountered in any well, such holder shall take adequate precautions to prevent waste of such natural gas and shall only allow such escape of natural gas as may be necessary to prevent damage to the well by excessive gas pressure, until such time as such natural gas can be produced and utilised without waste or the natural gas stratum can be cased or sealed off.

62. The holder of a licence or lease under this Act shall, unless in any case wholly or partially excused in writing by the Minister from so doing, properly case each well with metal casing in accordance with the best approved methods, landing and effectually cementing

Casing well.

cf. Vic. 1935, No. 4359, s. 48.

No. 28, 1955. one or more strings of the casing in clay or other water-impervious strata, and such holder generally shall take all such steps as may be reasonably necessary for effectually shutting off the escape of all water and for effectually preventing any water from penetrating any petroleum deposits.

Procedure
on abandon-
ment of
well.

63. (1) (a) The holder of a licence or lease under this Act shall before abandoning a well give to the Minister not less than thirty days notice in writing of his intention to abandon that well.

(b) The Minister shall forthwith after the receipt of any such notice transmit particulars thereof to the Secretary of the Water Conservation and Irrigation Commission.

(2) Any such holder shall not without the prior consent in writing of the Minister withdraw or cause to be withdrawn any cemented string or other permanent form of casing from a well which it is proposed to abandon or which has been abandoned.

(3) When casing may lawfully be withdrawn from a well any such holder shall whilst withdrawing that casing effectually shut off and exclude all water and shall plug that well with clay, earth, mortar or such other materials as the Minister may approve, used alone or in suitable combination, and thoroughly packed and tamped in that well to a point specified by the Minister, and shall observe any other requirements including requirements for the prevention of waste of any flowing water which the Minister may in writing specify.

(4) The Minister may by writing direct that the plugging of any well or the removal of the casing from any well shall not be carried out except in the presence and under the direction of a person or persons authorised by the Minister in that behalf.

64.

64. (1) The holder of a licence or lease under this Act shall use such methods and practice as are customarily used in good oilfield practice for confining the petroleum obtained from the land comprised in such licence or demised by such lease in tanks, gas holders, pipes, pipelines or other suitable receptacles constructed for that purpose.

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Provision
of storage
tanks, etc.

(2) Any such holder shall not, except as a temporary method during an emergency, place or keep any petroleum in an earthen reservoir.

65. The holder of a licence or lease under this Act shall not cause or permit any waste oil or salt water or refuse to flow into or over or to be deposited upon any land whether such land is or is not comprised in such licence or demised by such lease.

Substances
not to be
deposited
on land.

66. (1) The holder of a licence or lease under this Act shall—

Avoidance
of harmful
methods of
working.

- (a) maintain in good repair and condition all apparatus, appliances and wells capable of producing petroleum on the land comprised in such licence or demised by such lease; and
- (b) execute all prospecting operations or mining operations on such land in a proper and workmanlike manner in accordance with such methods and practice as are customarily used in good oilfield practice.

(2) Without prejudice to the generality of subsection one of this section, any such holder shall take all practicable steps in order to—

- (a) control the flow and prevent the escape or waste of petroleum discovered in or found on the land comprised in such licence or demised by such lease;
- (b) preserve such land for productive operations;
- (c) prevent damage to adjacent petroleum-bearing strata;

(d)

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- (d) prevent the entrance of water through wells to petroleum-bearing strata;
- (e) prevent the escape of petroleum into any water-bearing strata, water-well, spring, stream, river, lake, reservoir, estuary or harbour; and
- (f) prevent the harmful escape of salt water, drilling fluid, or fluid which contains petroleum, chemical additive, refinery effluent or waste product into any water-bearing strata, water-well, spring, stream, river, lake, reservoir, estuary or harbour.

(3) Any such holder shall comply with any directions from time to time given to him in writing by the Minister for the purpose of securing compliance with the provisions of subsections one and two of this section.

(4) Any such holder shall promptly repair any damage resulting from non-compliance with any of the provisions of this section or of any direction given pursuant to this section.

Agreements
for joint
drilling of
wells.
cf. Vic.
1935, No.
4359, s. 62;
S.A. 1940,
No. 58,
s. 73.

67. (1) The holder of a licence or lease under this Act may make an agreement with any other holder of a licence or lease under this Act for the drilling of a well or wells by the parties to the agreement on such land as is agreed upon and specified in such agreement.

(2) No such agreement shall have any force or effect unless it has been submitted to and approved of by the Minister.

(3) Where pursuant to any such agreement any holder of a licence or lease under this Act has so agreed with any other holder of a licence or lease under this Act whereby any well or wells are drilled upon land comprised in the licence or demised by the lease of the holder who is also a party to such agreement, the drilling of such well or wells shall be taken to be performance or
part

part performance, as the case may be, in respect of the obligations imposed pursuant to the provisions of sections twenty-seven and thirty-three of this Act upon such holder on whose land such drilling operations are not actually carried on, but who is a party to such agreement. No. 28, 1955.

68. (1) Where the Minister is satisfied that the land comprised in any licence or demised by any lease under this Act forms part of a single geological petroleum structure or petroleum field (in this section referred to as the "oilfield") extending beyond that land, and that it is desirable for the purpose of securing economy and efficiency and of avoiding wasteful and harmful development and practices that the oilfield should be worked and developed as one unit, the Minister may,—

Unit
development
cf. Vic.
1939, No.
4692, s. 16.

- (a) vary the conditions of such licence or lease by including therein any land (whether Crown land or private land) to which the oilfield extends; and
- (b) if the oilfield extends into land comprised in any other licence or demised by any other lease under this Act, by notice in writing require the holders of all licences or leases under this Act of all lands within the oilfield to prepare jointly and furnish to him a scheme for the working and development of the oilfield as one unit.

Any variation pursuant to paragraph (a) of this subsection shall have effect notwithstanding the provisions of section seventeen, twenty-three or twenty-nine, as the case may be, of this Act.

(2) (a) Any notice under paragraph (b) of subsection one of this section shall specify the land in respect of which and the time within which the Minister requires the scheme to be furnished.

(b) If a scheme is not furnished within the time so specified or if the Minister does not approve of the scheme furnished to him the Minister shall cause a scheme

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scheme to be prepared and shall supply particulars of such scheme to each holder of a licence or lease under this Act to whom notice was given under the said paragraph (b).

(c) The provisions of any such scheme approved or prepared by the Minister shall in the case of each such holder be deemed to be conditions of his licence or lease, as the case may be, and such holder shall observe and perform such conditions accordingly.

Notification
of intention
to drill.

69. Any holder of a licence or lease under this Act who proposes to drill a bore-hole or extend an existing bore-hole on any land comprised in such licence or demised by such lease shall before commencing the work give to the Under Secretary at least fourteen days clear notice of his intention to commence such work and furnish to him particulars of the location of such bore-hole.

Record of
wells.

70. (1) Every holder of a licence or lease under this Act shall keep in the prescribed form—

- (a) accurate records of the drilling, deepening, plugging or abandonment of all wells on the land comprised in such licence or demised by such lease and of any alterations to the casings of such wells; and
- (b) a log of each such well containing particulars of—
 - (i) the nature and thickness of sub-soil and strata through which the well is drilled;
 - (ii) the depth and diameter of the well and particulars of all casing in the well and any alteration to that casing;
 - (iii) the location, quantities and quality of any supplies of petroleum or water encountered in the course of drilling operations,

operations, and the height each such supply stands relative to natural ground surface; and

- (iv) such other matters as may be prescribed.

(2) (a) Every holder of a licence or lease under this Act shall, on the first day of each week, deliver to the Minister in duplicate copies of all records and logs kept pursuant to this section in relation to such operations during the preceding week: Provided that the Minister may in writing require such records and logs to be supplied in duplicate at such other times and in relation to such other periods as he may deem necessary.

(b) One copy of each such record and log shall be transmitted by the Under Secretary to the Secretary of the Water Conservation and Irrigation Commission.

71. (1) Every holder of a licence or lease under this Act shall not later than the thirty-first day of January in each year furnish to the Minister a record in the prescribed form of the operations conducted during the twelve months ended on the preceding thirty-first day of December on or in the land comprised in such licence or demised by such lease, together with a plan drawn to the prescribed scale showing—

- (a) the situation of all wells on that land;
- (b) all development and other works and improvements executed by such holder in connection with his prospecting operations or mining operations; and
- (c) full particulars of any ancillary rights acquired for the exercise of the rights or for the performance of the obligations arising out of the grant of such licence or lease.

(2)

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Records
to be
furnished.

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(2) Every holder of a licence or lease under this Act shall—

- (a) keep accurate geological plans, maps and records relating to the land comprised in such licence or demised by such lease; and
- (b) furnish to the Minister such geological and other plans and information as to the progress of operations on such land as the Minister may from time to time require.

Samples
of strata,
petroleum
and water.

72. (1) Every holder of a licence or lease under this Act shall—

- (a) so far as is reasonably practicable collect, label and preserve for reference for a period of at least twelve months all bore cores and characteristic samples of the strata encountered in any bore-hole on the land comprised in such licence or demised by such lease and samples of any petroleum or water discovered in any bore-hole on such land;
- (b) as soon as is reasonably practicable—
 - (i) cause to be made to the satisfaction of the Minister petrological, palaeontological and other scientific examinations of all bore cores and samples and scientific examinations of petroleum and water samples; and
 - (ii) furnish to the Minister detailed reports of all examinations so made.

(2) Cores and samples preserved by any such holder as aforesaid shall at all times be available for examination by the Government Geologist, a geologist of the Department of Mines or an inspector or other officer authorised in that behalf by the Minister and may be taken for the purposes of analysis or other examination but no information obtained as a result of such analysis or examination shall be published without the consent of such holder unless the Minister sees fit to direct otherwise.

73.

73. (1) Every holder of a licence or lease under this Act and any other person carrying on any operation in connection with any such licence or lease who may be called upon so to do shall, at such times and in such manner as the Minister may require, furnish such statistics, returns and other information as may be required and shall keep such records as may be necessary for the completion thereof.

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Furnishing
of statistics,
returns, etc.
cf. Act No.
49, 1906, s.
183A.

(2) Any information required under this section in respect of any particulars supplied in or omitted from a return shall be furnished within such period as may be specified by the Minister.

(3) Statistics, returns and information, obtained pursuant to this section, shall be treated as confidential: Provided that the Minister may cause to be published or otherwise made available the results of such statistics, returns and information with respect to the whole of New South Wales or any portion thereof and such details furnished on an individual return (other than details relating to working expenses) as he may think fit.

PART IV.

INSPECTION AND CONTROL.

74. The Minister and any inspector, geologist or other officer authorised by him in that behalf shall at all reasonable hours have access to the land comprised in a licence or demised by a lease under this Act, and to all buildings, structures and equipment situated thereon and works therein, and to all books, accounts, documents and other records, whether in or upon such land or any other land, relating to such licence or lease and the operations carried on thereunder for the purpose of—

Authority
to enter
on land.

- (a) examining and inspecting the same;
- (b) in the case of books, accounts, documents and other records of making copies thereof or extracts therefrom; and
- (c) ascertaining whether the requirements of such licence or lease and of this Act are being observed.

75.

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Appoint-
ment of
manager.

75. (1) Within fourteen days after the commencement of scout drilling or drilling operations on any land comprised in a licence or demised by a lease under this Act, the holder of such licence or lease shall appoint a person as manager who shall be in charge of all operations in the field connected with the search for or production of petroleum and such holder shall forthwith upon such appointment notify the Minister of the name and address of the person so appointed.

(2) Every manager so appointed shall be authorised and empowered on behalf of the holder of a licence or lease under this Act to give effect to the terms and conditions of such licence or lease and the requirements of this Act.

(3) If for any reason a manager is absent from the site of operations for more than fourteen consecutive days, such holder shall appoint some other person to act in his stead during his absence and shall advise the Minister in writing of the name and address of the person so appointed. Such other person shall, until such time as the manager resumes duty, be deemed to be the manager for the purposes of this Act.

Health and
safety.

76. Every holder of a licence or lease under this Act and every manager shall—

- (a) conduct all operations on the land comprised in such licence or demised by such lease in such a way as not to endanger the health and safety of persons employed on or about such land or of any other persons affected or likely to be affected by such operations; and
- (b) comply with any requirements which may from time to time be prescribed for securing the health and safety of such persons.

77.

77. (1) If, in any respect not provided for by express **No. 28, 1955.**
provision of this Act, any inspector finds any matter, Notice to
be given
of cause of
danger.
thing or practice connected with the operations conducted
on any land comprised in a licence or demised by a lease
under this Act to be so dangerous or defective as in his
opinion to threaten or tend to injure the health or body
of any person, such inspector shall give notice thereof
in writing to the holder of such licence or lease or the
manager and shall state in such notice the particulars
in which he considers such operations to be dangerous
or defective and require the same to be remedied within
a period named in such notice.

(2) A copy of such notice as aforesaid shall be
forthwith transmitted by the inspector to the Minister.

78. (1) Where, in connection with any operations **Accidents.**
carried on by or on behalf of the holder of a licence or
lease under this Act pursuant to such licence or lease,
any accident occurs which—

- (a) causes loss of life or serious bodily injury to
any person; or
- (b) is caused by an explosion or ignition of
inflammable gas or other explosive or by
electricity or by fire or by any other cause which
may be prescribed and causes any bodily injury
whatsoever to any person—

such holder shall within twenty-four hours after such
accident send notice thereof in writing in the prescribed
form to the Under Secretary.

(2) The holder of a licence or lease under this
Act and the manager shall comply with any direction in
writing given by the Minister for the adoption of
remedial measures to prevent the occurrence or
recurrence of any type of accident in connection with
any operations carried on as aforesaid.

79.

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Power of
Minister to
do works
required by
this Act.
cf. S.A.
1940, No.
58, s. 66.

79. (1) If the holder of a licence or lease under this Act fails or refuses to comply with any provision of such licence or lease or of this Act or with any lawful instruction given by the Minister or any inspector under which provision or instruction such holder is required to carry out any operations or do any act, the Minister may by his workmen or agents enter on the land comprised in such licence or demised by such lease and carry out any such operations or do any such act at the expense of such holder.

(2) Any expenses incurred by the Minister acting in pursuance of subsection one of this section shall be recoverable from such holder as a debt.

PART V.

MISCELLANEOUS.

Notices.

80. (1) Where under the provisions of this Act or any licence or lease under this Act, it is provided that notice shall be given by the Minister, it shall be sufficient if such notice is signed by the Under Secretary.

(2) All notices required to be served by this Act shall be deemed to be sufficiently served if served in the prescribed manner.

Fees, etc.,
payable by
due date.

81. (1) Subject to this Act all licence fees, lease fees, royalties and other payments under this Act shall, if not paid by the due date, be increased by ten per centum for each month or portion of a month during which such fees, royalties or other payments remain unpaid.

(2) Subject to this Act if any licence fee, lease fee, royalty or other payment due in respect of a licence or lease under this Act is in arrears for more than three months, the Minister, in the case of any such licence, may cancel such licence and the Governor, in the case of any such lease, may cancel such lease.

82.

82. Any person who is found upon any land— No. 28, 1955.

(a) doing any act or thing for the purpose of prospecting for or obtaining petroleum therefrom; or Unauthorised prospecting or mining for petroleum.

(b) removing petroleum therefrom—

shall, unless he proves that he was authorised by or under this Act to do such act or thing or to remove such petroleum, be liable to a penalty not exceeding five hundred pounds.

83. (1) Every person shall be guilty of an offence against this Act who— Offences.

(a) assaults, obstructs, interferes with or resists the warden or any person duly authorised by any mining appeal court or the warden in lawfully entering upon any land or in performing any other act authorised hereby or any bailiff or other officer or any clerk or assistant of such bailiff or other officer or any inspector, geologist, or other person in the performance of any act or duty or in the exercise of his powers under this Act; or

(b) by any act or omission contravenes any of the provisions of this Act; or

(c) fails to comply with or observe—

(i) any conditions, terms or stipulations subject to which any exemption, concurrence, sanction, suspension or consent is granted under this Act; or

(ii) any directions or requirements which may be given to or made upon him under or pursuant to this Act.

(2) Any person guilty of an offence against this Act in respect whereof no special penalty is provided by this Act shall be liable to a penalty not exceeding

one

No. 28, 1955. — one hundred pounds and to a further penalty not exceeding five pounds for every day during which such offence continues.

Act No. 49, 1906, s. 198 (1). (3) All penalties imposed under this Act may be recovered in a summary way before any warden who is also a justice, in accordance with the provisions of the Acts in force for the time being regulating proceedings on summary conviction before justices.

Wrongful obstruction on private lands. cf. Act No. 49, 1906, s. 195.

84. Any owner or occupier of any private land or any other person who—

(a) obstructs any person prospecting or mining for petroleum in the doing of any act which he is by or under this Act authorised to do on any such land; or

(b) interferes with, removes, destroys or defaces any notice required by this Act to be placed on any land—

shall be liable for a first offence to a penalty not exceeding ten pounds and for a second or any subsequent offence to a penalty not exceeding fifty pounds.

False returns. cf. *Ibid.* s. 197.

85. (1) Any person who inserts any false particulars in any statistics, returns or records directed or required by or under this Act to be furnished or made or supplies any false information when directed or required under this Act to supply any information shall be liable to a penalty not exceeding one hundred pounds.

(2) Where it appears upon the conviction of any person for any offence against subsection one of this section that such false particulars or information were or was supplied wilfully to evade the payment of royalty such person shall be liable to an additional penalty of a sum equal to twice the amount of royalty payable.

86.

86. (1) The Governor may make regulations not **No. 28, 1955.**
inconsistent with this Act for or with respect to— **Regulations.**

- (a) determining the dimensions, boundaries, form, position and extent of any land comprised or to be comprised in any licence or demised or to be demised by any lease under this Act and the subsequent adjustment of the same where necessary and the time when such determination shall take effect;
- (b) determining the requirements to be complied with by persons desirous of acquiring licences and leases under this Act;
- (c) providing for the registration and the mode of submitting for and effecting the registration of licences and leases under this Act, and of the transfer or assignment thereof or of any interest therein and of every sublease of a lease under this Act or tribute or option contract affecting the land or any portion thereof comprised in such licences or demised by such leases;
- (d) prescribing conditions or covenants not herein provided for, subject to which any licence or lease under this Act is to be held, and the conditions on which exemption from the performance thereof may be applied for, granted, and obtained, and, generally, for prescribing the manner in which and with what incidents, rights and obligations such licences and leases are to be held, occupied, used, worked and enjoyed;
- (e) the prevention of nuisances in or about the land comprised in any licence or demised by any lease under this Act and for cleansing and keeping clean the same;
- (f) prescribing the forms of licences, leases, certificates, applications, notices and other documents granted, issued or used under and for the purposes of this Act;
- (g)

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- (g) prescribing returns to be furnished by holders of licences and leases under this Act of work done and production of petroleum or any other products by such holders;
- (h) prescribing the fees payable for applications, surveys, exemptions from performance of conditions or covenants, registration of transfers, assignments, subleases, tributes, option contracts, devolution of title or any other matter or thing required by this Act to be registered;
- (i) the treatment of water underground or at the surface and the prevention of waste or loss of water or petroleum or pollution of deposits of water or petroleum;
- (j) prescribing the drilling machinery, materials and casing which are to be used in operations under or pursuant to this Act;
- (k) regulating the separation, storage, transportation and utilisation of any of the products obtained pursuant to licences and leases under this Act;
- (l) providing for the cessation in the prescribed circumstances of operations on land comprised in licences or demised by leases under this Act, and the precautions to be undertaken in regard to any operations upon the same;
- (m) regulating the spacing of oil wells;
- (n) ensuring that precautions shall be taken against flooding and providing methods to be adopted upon abandonment of wells;
- (o) providing that drilling operations are carried out with due diligence and by safe and satisfactory methods;

(p)

(p) the recovery, purification and utilisation of No. 28, 1955.
helium and the course of action to be taken upon
the discovery of helium; and

(q) prescribing all acts, matters and things which
by this Act are required or permitted to be
prescribed or which are necessary or expedient
to be prescribed, and, where there may be in
this Act no provision or no sufficient provision
in respect of any act, matter or thing which in
the opinion of the Governor is necessary or
expedient to give effect to this Act, providing
for and supplying such omission or insufficiency.

(2) The regulations may impose a penalty not
exceeding fifty pounds for any breach thereof or, where
the breach is a continuing one, not exceeding two pounds
for every day during which the breach continues.

(3) All regulations made under this Act shall—

(a) be published in the Gazette;

(b) take effect from the date of such publication or
from a later date to be specified therein; and

(c) be laid before both Houses of Parliament within
fourteen sitting days after publication if
Parliament is in session and, if not, then within
fourteen sitting days after the commencement
of the next session.

(4) If either House of Parliament passes a
resolution of which notice has been given at any time
within fifteen sitting days after such regulations have
been laid before such House disallowing any regulation
or part thereof, such regulation or part shall thereupon
cease to have effect.

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SCHEDULE.

Sec. 1 (3).

Reference to Act.	Short Title.	Amendment.
No. 49, 1906	Mining Act, 1906-1952 ...	Section 3.—Omit "mineral oils" from definition of "Minerals". Section 35.— Subsection (1).—Omit "shale, mineral oils, petroleum, or natural gas" insert "or shale" in lieu thereof. Subsection (3).—Omit the subsection. Section 49A, subsections (3) and (4).—Omit "shale, mineral oils, petroleum, or natural gas" wherever occurring insert "or shale" in lieu thereof. Section 63.—Omit "shale, mineral oils, petroleum, or natural gas" insert "or shale" in lieu thereof. Section 108A.—Omit "mineral oils, petroleum, or natural gas" wherever occurring.
No. 44, 1912	Water Act, 1912-1952 ...	Section 123A.—Omit the section. Section 129.—Omit "whether it be sunk to obtain water or petroleum or for any other purpose".
No. 55, 1916	Forestry Act, 1916-1951 ...	Section 21.—After "Mining Act, 1906" insert "and of the Petroleum Act, 1955".

SUPPLY