## PETROLEUM (SUBMERGED LANDS) FURTHER AMENDMENT ACT 1991 No. 85

#### NEW SOUTH WALES



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## PETROLEUM (SUBMERGED LANDS) FURTHER AMENDMENT ACT 1991 No. 85

### **NEW SOUTH WALES**



Act No. 85, 1991

An Act to amend the Petroleum (Submerged Lands) Act 1982 to accord with changes made by Commonwealth law. [Assented to 17 December 1991]

### The Legislature of New South Wales enacts:

#### Short title

1. This Act may be cited as the Petroleum (Submerged Lands) Further Amendment Act 1991.

### Amendment of Petroleum (Submerged Lands) Act 1982 No. 23

2. The Petroleum (Submerged Lands) Act 1982 is amended as set out in Schedules 1 and 2.

### Transitional provisions

3. Schedule 3 has effect.

# SCHEDULE 1—AMENDMENTS CONSEQUENT ON COMMONWEALTH PETROLEUM (SUBMERGED LANDS) LEGISLATION AMENDMENT ACT 1987

(Sec. 2)

(1) Section 21 (Advertisement of blocks):

Omit section 21 (3), (4) and (5).

(2) Section 24 (Application for permit in respect of surrendered etc. blocks):

Omit section 24 (2) and (3).

(3) Section 26 (Consideration of application):

Omit section 26 (3).

(4) Sections 37 and 38:

Omit the sections, insert instead:

#### Nomination of blocks as location

- 37. (1) Where a petroleum pool is identified in a permit area, the permittee may nominate the block in which the pool is situated, or the blocks (being blocks within the permit area) to which the pool extends, for declaration as a location.
- (2) Where 2 or more petroleum pools are identified in a permit area, the permittee may, instead. of making a nomination under subsection (1) in relation to each pool, nominate all of the blocks to which the pools extend, or to which any 2 or more of the pools extend, for declaration as a single location.

- (3) A nomination may not be made under subsection (2) unless, in the case of each of the pools to which the nomination relates, at least one of the blocks to which the pool extends immediately adjoins a block to which the other, or another, of those pools extends.
- (4) A nomination by a permittee must be in writing and served on the Minister.
- (5) A nomination may not be made by a permittee unless the permittee or another person has, whether within or outside the permit area, recovered petroleum from the petroleum pool to which the nomination relates or, if the nomination relates to more than one pool, from each of those pools.
  - (6) Where:
  - (a) the Minister is of the opinion that a permittee is entitled to nominate a block or blocks under subsection (1) or (2); and
  - (b) the permittee has not done so,
- the Minister may require the permittee to exercise the permittee's right to nominate the block or blocks within 3 months after the date of the making of the requirement.
- (7) A requirement by the Minister under subsection (6) must be by written notice served on the permittee.
- (8) On written request by a permittee within the period fixed by subsection (6), the Minister may extend the time for compliance with a requirement under that subsection by not more than 3 months.
  - (9) If a permittee fails to comply with a requirement under subsection (6), the Minister may, by written notice served on the permittee, nominate the block or blocks for declaration as a location.

#### **Declaration of location**

- 38. (1) Where:
- (a) a permittee has made a nomination under section 37; and

(b) the Minister is of the opinion that the permittee is entitled under that section to nominate the block or blocks specified in the nomination,

the Minister must, by notice published in the Gazette, declare the block or blocks to which the nomination relates to be a location.

- (2) Where the Minister has made a nomination under section 37 (9), the Minister must, by notice published in the Gazette, declare the block or blocks to which the nomination relates to be a location.
- (3) The Minister may, at the request of the permittee, revoke a declaration.
  - (4) The Minister may vary a declaration:
  - (a) by adding to the location a block in the permit area to which, in the opinion of the Minister, a petroleum pool within the location extends; or
  - **(b)** by deleting from the location a block to which, in the opinion of the Minister, no petroleum pool within the location extends.
  - (5) The Minister may not vary a declaration unless:
  - (a) the Minister has caused to be served on the permittee notice in writing of the proposed variation, identifying the block to be added to, or deleted from, the location; and
  - **(b)** the period of 30 days after the date of service of the notice has expired; and
  - (c) the Minister has considered any matters submitted to the Minister by the permittee in relation to the proposed variation.
- **(6)** Subsection (5) does not apply where a variation is **made** at the request of the permittee.
- (5) Section 39 (Immediately adjoining blocks):

Omit "sections 37 and 38", insert instead "section 37".

(6) Section 41 (**Application for licence by holder of permit):** In section 41 (1) (a), after "9" insert "or more".

- (7) Section 47 (**Determination of permit as to block not taken up):** From section 47 (3), (5) and (6), omit "section 38 (1)" wherever occurring, insert instead "section 38".
- (8) Section 48 (Application for licence in respect of surrendered etc. blocks):
  - (a) Omit section 48 (4) and (5).
  - (b) At the end of section 48 (6) (d), insert "and".
  - (c) Omit section 48 (6) (e).
- (9) Section 49 (Application fee etc.)
  - (a) From section 49 (1) (b) (i), omit "the application is made under section 48 (1) or (4) and".
  - (b) From section 49 (1) (b) (ii), omit "the application is made under section 48 (1) and".
  - (c) From section 49<sup>I</sup> (3), omit "or (3)".
- (10) Section 50 (Request by applicant for grant of licence):
  - (a) Omit section 50 (3).
  - (b) From section 50 (7), omit ", (2) or (3)", insert instead "or (2)".
- (11) Section 81 (Approval of dealings creating etc. interests etc. in existing titles):
  - (a) Omit section 81 (4), insert instead:
    - (4) An application under subsection (3) for approval of a dealing:
      - (a) must be accompanied by the instrument evidencing the dealing or, if that instrument has already been lodged with the Minister for the purposes of another application, a copy of that instrument; and
      - (b) may be accompanied by an instrument setting out such particulars (if any) as are prescribed for the purposes of an application for approval of adealing of that kind.
    - (4A) An application under subsection (3) for approval of a dealing must be accompanied by 2 copies of:
      - (a) the application; and

- (b) the instrument referred to in subsection (4) (a); and
- (c) any instrument lodged for the purposes of subsection (4) (b).
- (b) From section 81 (8), omit "subsection (4) (c)", insert instead "subsection (4A)".
- (c) Omit section 81 (13), insert instead:
  - (13) Where an entry is made in the Register in relation to a dealing in accordance with subsection (12):
    - (a) if the dealing was approved before the commencement of the Petroleum (Submerged Lands) Further Amendment Act 1991 or the application for approval of the dealing was not accompanied by an instrument for the purpose of subsection (4) (b), one copy of the instrument evidencing the dealing endorsed with a memorandum of approval must be retained by the Minister and made available for inspection in accordance with this Division; and
    - (b) if the application for approval of the dealing was accompanied by an instrument for the purpose of subsection (4) (b), a copy of that instrument endorsed with a copy of the memorandum of approval of the dealing must be retained by the Minister and made available for inspection in accordance with this Division but a copy of the instrument evidencing the dealing must not be so made available; and
    - (c) the original instrument evidencing the dealing, or a copy of the original instrument, as the case requires, endorsed with a memorandum of approval and the instrument (if any) lodged for the purpose of subsection (4) (b) must be returned to the person who made the application for approval.
  - (13A) The approval of a dealing or the making of an entry in the Register in relation to a dealing is not rendered ineffective by any failure to comply, in relation to the application for approval of the dealing, with the requirements of this section.

### (12) Section 86 (Inspection of Register and documents):

In section 86 (l), after "instruments", insert "or copies of instruments".

### (13) Section 119 (Release of information):

After section 119 (8), insert:

(8A) Subsections (2) and (SA) apply to information contained in a document to which this section applies that was furnished to the Minister before or after 1 July 1986.

(8B) Subsection (3) applies to cores, cuttings and samples furnished to the Minister before or after 1 July 1986.

# SCHEDULE 2—AMENDMENTS CONSEQUENT ON COMMONWEALTH PETROLEUM (SUBMERGED LANDS) AMENDMENT ACT 1991

#### PART I—MISCELLANEOUS AMENDMENTS

(Sec. 2)

#### (1) Section 20 (Exploration for petroleum):

At the end of the section, insert:

(2) For the purposes of subsection (l), a person who does anything preparatory to, or knowingly connected with, exploration for petroleum is taken to explore for petroleum.

### (2) Section 84 (**Power of Minister to require information as to dealings**):

In section 84 (2), before "furnish information" where secondly occurring, insert "knowingly".

#### (3) Section 97:

Omit the section, insert instead:

#### Conditions relating to insurance

97. (1) The holder of a permit, lease, licence or pipeline licence must maintain, as directed by the Minister from time to time, insurance against expenses or liabilities or specified things arising in connection with, or as a result of, the

carrying out of work, or the doing of any other thing, under the permit, lease, licence or pipeline licence, including expenses of complying with directions with respect to the clean-up or other remedying of the effects of the escape of petroleum.

- (2) The conditions subject to which a special prospecting authority or access authority is granted may include a condition that the holder maintain, as directed by the Minister from time to time, insurance against expenses or liabilities or specified things arising in connection with, or as a result of, the carrying out of work, or the doing of any other thing, under the authority, including expenses of complying with directions with respect to the clean-up or other remedying of the effects of the escape of petroleum.
  - (3) Where:
  - (a) a permit, lease, licence or pipeline licence was in force immediately before the commencement of this section; and
  - **(b)** the Minister has required the holder to maintain insurance under subsection (1); and
  - (c) the Minister is satisfied that the required insurance is in effect,

the Minister must issue a certificate that the Minister is so satisfied.

- (4) Where the Minister issues a certificate under subsection (3), any security in force in relation to the permit, lease, licence or pipeline licence, being a security that was required under this Act before the commencement of this section, is discharged.
- (5) The discharge of a security under subsection (4) has no effect on any liability arising under or in relation to the security before its discharge.

#### (4) Section 113 (Access authorities):

In section 113 (11), after "and" insert "a summary".

#### (5) Section 119 (Release of information):

(a) At the end of section 119 (4) (a) and (b), insert "and".

- (b) Omit section I19 (4) (d), insert instead:
  - (d) where:
    - (i) the document, core, cutting or sample was furnished to the Minister at a time when a permit, lease or licence was not in force in respect of the block; and
    - (ii) the information in the document or the core, cutting or sample was collected for the purpose of the sale of information on a non-exclusive basis,

the relevant day is the day determined by the Minister, being a day not more than 5 years after the day on which the document, core, cutting or sample was furnished to the Minister; and

- (e) where:
  - (i) the document, core, cutting or sample was flurnished to the Minister at a time when a permit, lease or licence was not in force in respect of the block; and
  - (ii) paragraph (d) (ii) does not apply,

the relevant day is the day determined by the Minister, being a day not more than 2 years after the day on which the document, core, cutting or sample was furnished to the Minister.

#### PART 2—AMENDMENTS RELATING TO SECURITIES

- (6) Section 23 (Grant or refusal of permit in relation to application):
  - (a) Omit section 23 (1) (a), insert instead:
    - (a) by instrument in writing served on the applicant, inform the applicant that the Minister is prepared to grant to the applicant a permit in respect of the block or blocks specified in the instrument; or
  - (b) From section 23 (2) (b), omit "and lodge with the Minister the security referred to in the instrument".

- (c) From section 23 (3), omit all words from "allows—" to the end of the subsection, insert instead "allows, by instrument in writing served on the Minister, request the Minister to grant to the applicant the permit referred to in the firstmentioned instrument".
- (d) From section 23 (4), omit "subsection (l)—" and paragraphs (a) and (b), insert instead "subsection (1) has made a request under subsection (3)".
- (e) From section 23 (5), omit "subsection (1)—" and paragraphs (a) and (b), insert instead "subsection (1) has not made a request under subsection (3)".

### (7) Section 26 (Consideration of application):

- (a) Omit section 26 (4).
- (b) Omit section 26 (5) (b), insert instead:
  - (b) a statement to the effect that the application will lapse if the applicant does not:
    - (i) make a request under section 27 (1); and
    - (ii) pay the balance of the amount to be paid in respect of the grant of the permit to the applicant or enter into an agreement under section 110 in respect of that balance.

## (8) Section 27 (Request by applicant for grant of permit in respect of advertised blocks):

- (a) At the end of section 27 (1) (a), insert "and".
- (b) From section 27 (1) (b), omit "balance; and", insert instead "balance.".
- **(c)** Omit section 27 (1) (c).
- (d) At the end of section 27 (2) (a), insert "and".
- (e) From section 27 (2) (b), omit "balance; or", insert instead "balance,".
- **(f)** Omit section 27 (2) (c).

#### (9) Section 28 (Grant of permit on request):

(a) At the end of section 28 (a), insert "and".

- (b) From section 28 (b), omit "balance; and", insert instead "balance,".
- (C) Omit section 28 (c).

### (10) Section 33 (Grant or refusal of renewal of permit):

- (a) From section 33 (l), omit "inform the person:" and paragraphs (c) and (d), insert instead "inform the person that the Minister is prepared to grant to the person the renewal of the permit."
- (b) Omit section 33 (4) (b), insert instead:
  - (b) a statement to the effect that the application will lapse if the permittee does not make a request under subsection (5).
- (C) From section 33 (5), omit "instrument on him—"and paragraphs (a) and (b), insert instead "instrument on the permittee, by instrument in writing served on the Minister, request the Minister to grant to the permittee the renewal of the permit."
- (d) From section 33 (6), omit "under subsection (1)—" and paragraphs (a) and (b), insert instead "under subsection (1) has made a request under subsection (5)".
- (e) From section 33 (7), omit "under subsection (1)—" and paragraphs (a) and (b), insert instead "under subsection (1) has not made a request under subsection (5)".

## (11) Section 39B (Grant or refusal of lease in relation to application):

- (a) From section 39B (1) (d), omit "and".
- (b) Omit section 39B (1) (e).
- (c) From section 39B (3) (b), omit "and lodge with the Minister the security referred to in the instrument".
- (d) From section 39B (4). omit "allows—"and paragraphs (a) and (b), insert instead "allows, by instrument in writing served on the Minister, request the Minister to grant the lease to the applicant."
- (e) From section 39B (5), omit "under subsection (1)-" and paragraphs (a) and (b), insert instead "under subsection (1) has made a request under subsection (4)".

(f) From section 39B (6), omit "under subsection (l)—" and paragraphs (a) and (b), insert instead "under subsection (1) has not made a request under subsection (4)".

### (12) Section 39G (Grant or refusal of renewal of lease):

- (a) From section 39G (1), omit "and that the person will be required to lodge a security for compliance with the conditions to which the lease, if the renewal is granted, will from time to time be subject and with the provisions of this Part and of the regulations".
- **(b)** From section 39G (4) (b), omit "and lodge with the Minister the security referred to in the instrument".
- (c) From section 39G (6), omit "on the lessee—"and paragraphs (a) and (b), insert instead "on the lessee, by instrument in writing sewed on the Minister, request the Minister to grant the renewal of the lease to the lessee.".
- (d) From section 39G (7), omit "under subsection (l)—" and paragraphs (a) and (b), insert instead "under subsection (1) has made a request under subsection (6)".
- (e) From section 39G (8), omit "under subsection (1)—" and paragraphs (a) and (b), insert instead "under subsection (1) has not made a request under subsection (6)".

#### (13) Section 44 (Notification as to grant of licence):

- (a) From section 44 (l), omit "served on the applicant—and paragraphs (a) and (b), insert instead "served on the applicant, must inform the applicant that the Minister is prepared to grant to the applicant a licence in respect of the blocks specified in the application."
- (b) Omit section 44 (2) (c), insert instead:
  - (c) contain a statement to the effect that the application will lapse if the applicant does not make a request under section 45 (1) in respect of the grant of the licence.

#### (14) Section 45 (Grant of licence):

- (a) From section 45 (l), omit "allows—and paragraphs (a) and (b), insert instead "allows, by instrument in writing served on the Minister, request the Minister to grant to the applicant the licence referred to in the firstmentioned instrument."
- (b) From section 45 (2), omit "under section 44 (1)—" and paragraphs (a) and (b), insert instead "under section 44 (1) has made a request under subsection (1)".
- (c) From section 45 (4), omit "under section 44 (1)—" and paragraphs (a) and (b), insert instead "under section 44 (1) has not made a request under subsection (1)".

### (15) Section 50 (Request by applicant for grant of licence):

- (a) Omit section 50 (4).
- (b) At the end of section 50 (5) (c) (i), insert "or".
- (c) From section 50 (5) (c) (ii), omit "balance; or", insert instead "balance."
- (d) Omit section 50 (5) (c) (iii).
- (e) At the end of section 50 (6) (a), insert "and".
- (f) From section 50 (6) (b), omit "balance; and", insert instead "balance.".
- (g) Omit section 50 (6) (c).
- (h) At the end of section 50 (7) (a).. insert "or".
- (i) From section 50 (7) (b), omit "balance; or", insert instead "balance,".
- (i) Omit section 50 (7) (c).

#### (16) Section 51 (Grant of licence on request):

- (a) At the end of section 51 (a), insert "and".
- (b) From section 51 (b), omit "balance; and", insert instead "balance,".
- (c) Omit section 51 (c).

### (17) Section 52 (Grant of licences in respect of individual blocks):

(a) Omit section 52 (3).

(b) From section 52 (4), omit "Where a licensee—" and paragraphs (a) and (b), insert instead "Where a licensee has made an application under this section,".

### (18) Section 56 (Grant or refusal of renewal of licence):

- (a) Omit section 56 (6).
- (b) Omit section 56 (7) (b), insert instead:
  - (b) a statement to the effect that the application will lapse if the applicant does not make a request under subsection (8).
- (c) From section 56 (8). omit "service of the instrument on him—" and paragraphs (a) and (b), insert instead "service of the instrument on the licensee, by instrument in writing served on the Minister, request the Minister to grant the renewal of the license to the licensee."
- (d) From section 56 (9). omit "under subsection (1) or (2)—" and paragraphs (a) and (b), insert instead "under subsection (1) or (2) has made a request under subsection (8)".
- (e) From section 56 (10), omit "under subsection (1) or (2)—" and paragraphs (a) and (b), insert instead "under subsection (1) or (2) has not made a request under subsection (8)".

### (19) Section 66 (Grant or refusal of pipeline licence):

- (a) Omit section 66 (6).
- (b) From section 66 (7) (c), omit "and lodge with the Minister the security referred to in the instrument".
- (c) From section 66 (9), omit "allows—" and paragraphs (a) and (b), insert instead "allows, by instrument in writing served on the Minister, request the Minister to grant to the person the pipeline licence.".
- (d) From section 66 (10), omit "under subsection (1) or (2)—" and paragraphs (a) and (b), insert instead "under subsection (1) or (2) has made a request under subsection (9)".
- (e) From section 66 (11), omit "under subsection (1) or (2)—" and paragraphs (a) and (b), insert instead "under subsection (1) or (2) has not made a request under subsection (9)".

### (20) Section 70 (Grant or refusal of renewal of pipeline licence):

- (a) From section 70 (l), omit "inform the person:" and paragraphs (c) and (d), insert instead "inform the person that the Minister is prepared to grant to the person the renewal of the pipeline licence.".
- **(b)** From section 70 (4) (b), omit "and lodge with the Minister the security referred to in the instrument".
- (c) From section 70 (5), omit "service of the instrument on him—and paragraphs (a) and (b), insert instead "service of" the instrument on the licensee, by instrument in writing served on the Minister, request the Minister to grant the renewal of the pipeline licence to the licensee."
- (d) From section 70 (6), omit "under subsection (1)—" and paragraphs (a) and (b), insert instead "under subsection (1) has made a request under subsection (5)".
- (e) From section 70 (7), omit "under subsection (1)—" and paragraphs (a) and (b), insert instead "under subsection (1) has not made a request under subsection (5)".

#### (21) Section 78 (Approval and registration of transfers):

- (a) Omit section 78 (6), insert instead:
  - (6) The Minister must consider each application for approval of the transfer of a title and determine whether to approve the transfer.
- (b) From section 78 (7), omit "and shall set out in the notice details of any security required to be lodged by the transferee or transferees".
- (c) Omit section 78 (8).

### (22) Section 115 (Securities):

Omit the section.

#### SCHEDULE 3—TRANSITIONAL PROVISIONS

(Sec. 3)

#### **Definition**

1. The Petroleum (Submerged Lands) Act 1982 is referred to in this Schedule as the Principal Act.

#### Locations

- 2. (1) Where:
- (a) at the commencement of this clause, a nomination had been made under section 37 of the principal Act; and
- (b) at that commencement, a declaration had not been made under section 38 as a result of the making of the nomination,

sections 37, 38 and 39 of the Principal Act, as in force immediately before the commencement of this clause, continue to have effect m relation to that nomination and the block or blocks that would be affected by a declaration as if this Act had not been enacted.

- (2) A declaration made under section 38 of the Principal Act as comtinued in force by subclause (1) has effect, and the Principal Act, as amended by this Act, applies to the declaration, as if the declaration had been made under that. section as amended by this Act.
- (3) A declaration in force under section 38 of the Principal Act immediately before the commencement of this clause has effect after that commencement as if it were a declaration under section 38 of the Principal Act, as amended by this Act.
  - (4) Where
  - (a) the permittee under a permit granted before the commencement of this clause applies under section 41 of the Principal Act, as amended by this Act, for a licence; and
  - (b) the location that includes the block or blocks to which the application relates was declared under section 38 of the Principal Act, as amended by this Act; and
  - (c) the location consists of not more than 8 blocks; and
  - (d) the Minister notifies the applicant m writing that, in the Minister's opinion, the number of blocks specified in the notification represents the maximum number of blocks that the applicant would have been entitled to have declared as a location instead of the block or blocks constituting the location referred to in paragraph (b) if this Act had not been enacted; and
  - (e) the number of blocks specified in the notification exceeds the number of blocks in the location referred to in paragraph (b),

section 41 (1) of the Principal Act, as amended by this Act, applies as if the firstmentioned location were constituted by the number of blocks specified in the notification referred to in paragraph (d).

### Petroleum (Submerged Lands) Further Amendment 1991

#### SCHEDULE 3—TRANSITIONAL PROVISIONS—continued

#### Approval of dealings

- 3. (1) If, when the first regulations made for the purposes of section 81 (4) (b) of the Principal Act, as amended by this Act, take effect, an application for approval of a dealing has been made but the Minister has neither approved nor refused to approve the dealing:
  - (a) the Minister must give to the applicant written notice that the applicant is entitled to lodge an instrument for the purpose of section 81 (4) (b) in relation to the application; and
  - (b) the applicant may lodge an instrument for the purpose of section 81 (4) (b); and
  - (c) the application must not be dealt with by the Minister until after the end of 30 days after the day on which notice is given for the purpose of paragraph (a); and
  - (d) where the applicant lodges an instrument under paragraph (b), the applicant must lodge with the instrument 2 copies of the instrument.
- (2) An instrument lodged under subclause (1) must be taken, for the purposes of section 81 (13) of the Principal Act, as amended by this Act, to have accompanied the application when the application was

[Minister's second reading speech made in— Legislative Assembly on 3 December 1991 Legislative Council on 11 December 1991]