

**PETROLEUM (SUBMERGED LANDS) AMENDMENT  
ACT 1986 No. 59**

NEW SOUTH WALES



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**PETROLEUM (SUBMERGED LANDS) AMENDMENT ACT 1986**  
**No. 59**

**NEW SOUTH WALES**



**Act No. 59, 1986**

**An Act to amend the Petroleum (Submerged Lands) Act 1982 consequent upon the enactment by the Commonwealth Parliament of the Petroleum (Submerged Lands) Amendment Act 1985 and associated Acts. [Assented to, 21 May 1986]**

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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:

**Short title**

1. This Act may be cited as the "Petroleum (Submerged Lands) Amendment Act 1986".

**Commencement**

2. (1) Sections 1 and 2 shall commence on the date of assent to this Act.

(2) Except as provided by subsection (1), this Act shall commence on such day or days as may be appointed by the Governor and notified by proclamation published in the Gazette.

**Principal Act**

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

**Amendment of Act No. 23, 1982**

4. The Principal Act is amended in the manner set forth in Schedules 1—10.

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**SCHEDULE 1**

(Sec. 4)

**AMENDMENTS TO PART I OF THE PRINCIPAL ACT****(1) Section 3 (Repeals, amendments and transitional provisions)—**

Section 3 (8), (9)—

After section 3 (7), insert:

(8) Schedule 4 (Savings, transitional and other provisions) has effect.

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(9) During the period commencing on the date of commencement of this subsection and ending at the time the Petroleum (Submerged Lands) (Cash Bidding) Amendment Act 1985 of the Commonwealth ceases to be in force this Act shall be read as if the amendments set forth in Schedule 5 (Applications for exploration permits by way of cash bidding) were in force.

(2) **Section 5 (Interpretation)—**

(a) **Section 5 (1), definition of “application for a primary licence”—**

After “41 (1) or (2)”, insert “or 41A (1) or (2)”.

(b) **Section 5 (1), definition of “application for a secondary licence”—**

After “41 (3)”, insert “or 41A (3)”.

(c) **Section 5 (1), definitions of “lease”, “lease area”, “lessee”—**

After the definition of “inspector”, insert:

“lease” means a retention lease under Part IV;

“lease area” means the area constituted by the blocks that are the subject of a lease;

“lessee” means the registered holder of a lease;

(d) **Section 5 (1), definition of “partly determined”—**

After “permit” wherever occurring, insert “or lease”.

(e) **Section 5 (1), definition of “primary entitlement”—**

Omit the definition, insert instead:

“primary entitlement” means—

- (a) in relation to a permittee—the number of blocks forming part of a location in the permit area in respect of which that permittee may make an application under section 41 (1); and

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**SCHEDULE 1—*continued*****AMENDMENTS TO PART I OF THE PRINCIPAL ACT—*continued***

(b) in relation to a lessee—the number of blocks in the lease area in respect of which that lessee may make an application under section 41A (1);

(f) Section 5 (1), definition of “registered holder”—

- (i) After “permit,” wherever occurring, insert “lease.”.
- (ii) After “pipeline licence” wherever occurring, insert “, special prospecting authority”.

(g) Section 5 (1), definition of “royalty period”—

- (i) After “permit” where firstly occurring, insert “, lease”.
- (ii) From paragraph (a), omit “or licence has effect”, insert instead “, lease or licence comes into force”.

(h) Section 5 (1), definition of “the relinquished area”—

- (i) In paragraph (a), after “permit” wherever occurring, insert “, lease”.
- (ii) In paragraph (b), after “permit” wherever occurring, insert “or lease”.
- (iii) After paragraph (c), insert:
  - (ca) in relation to a lease that has been wholly cancelled—the area constituted by the blocks in respect of which the lease was in force;

(i) Section 5 (1), definition of “wholly cancelled”—

After “permit,” wherever occurring, insert “lease.”.

(j) Section 5 (1), definition of “wholly determined”—

After “permit” wherever occurring, insert “or lease”.

(k) Section 5 (2), (3), (8)—

After “permit,” wherever occurring, insert “lease.”.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 1—continued****AMENDMENTS TO PART I OF THE PRINCIPAL ACT—continued****(1) Section 5 (4A)—**

After section 5 (4), insert:

(4A) In this Act, a reference to the renewal, or the grant of a renewal, of a lease is a reference to the grant of a lease in respect of the blocks in respect of which the firstmentioned lease was in force to commence on the day after the date of expiration of the firstmentioned lease or on the day after the date of expiration of the lease granted upon a previous renewal of the firstmentioned lease.

**(3) Section 8 (Petroleum pool extending into 2 licence, permit or lease areas)—****Section 8 (11)—**

Omit the subsection, insert instead:

(11) In this section, a reference to a licence, a licensee or a licence area shall be read as including a reference to a permit and a lease, a permittee and a lessee or a permit area and a lease area.

**SCHEDULE 2**

(Sec. 4)

**AMENDMENTS TO DIVISION 1 OF PART IV OF THE PRINCIPAL ACT****Section 19 (Reservation of blocks)—****(1) Section 19 (1)—**

After “permit” where firstly occurring, insert “, lease”.

**(2) Section 19 (1), (2)—**

After “permit,” wherever occurring, insert “lease.”.

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## SCHEDULE 3

(Sec. 4)

## AMENDMENTS TO DIVISION 2 OF PART IV OF THE PRINCIPAL ACT

(1) Section 24 (**Application for permit in respect of surrendered, &c., blocks**)—

Section 24 (1) (a), (aa)—

Omit section 24 (1) (a), insert instead:

- (a) a lease is surrendered, cancelled or determined as to a block or blocks;
- (aa) a licence is surrendered or cancelled as to a block or blocks; or

(2) Section 37 (**Nomination of block for purposes of declaring location**)—

Section 37 (5) (b) (ii)—

After “section”, insert “39B (7) or”.

## SCHEDULE 4

(Sec. 4)

## INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT

## Part IV, Division 2A—

After Division 2, insert:

**DIVISION 2A—Retention Leases for Petroleum****Application by permittee for lease**

39A. (1) A permittee whose permit is in force in respect of a block that constitutes, or the blocks that constitute, a location may, within the application period, make an application to the Minister for the grant by the Minister of a lease in respect of that block, or in respect of one or more of those blocks, as the case may be.

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SCHEDULE 4—*continued*  
INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL  
ACT—*continued*

(2) An application under subsection (1)—

- (a) shall be in accordance with an approved form;
- (b) shall be made in an approved manner;
- (c) shall be accompanied by particulars of—
  - (i) the proposals of the applicant for work and expenditure in respect of the area comprised in the blocks specified in the application; and
  - (ii) the commercial viability of the recovery of petroleum from the area comprised in the blocks specified in the application at the time of the application, and particulars of the possible future commercial viability of the recovery of petroleum from that area;
- (d) may set out any other matters that the applicant wishes to be considered; and
- (e) shall be accompanied by a fee of \$600.

(3) The Minister may, at any time, by instrument in writing served on the applicant, require the applicant to furnish, within the time specified in the instrument, further information in writing in connection with the application.

(4) The application period in respect of an application under this section by a permittee is—

- (a) the period of 2 years after the date on which the block that constitutes the location concerned was, or the blocks that constitute the location concerned were, declared to be a location; or
- (b) such other period, not less than 2 years or more than 4 years after that date, as the Minister, on application in writing by the permittee, served on the Minister before the end of the firstmentioned period of 2 years, allows.

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**SCHEDULE 4—*continued*****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—*continued*****Grant or refusal of lease in relation to application**

39B. (1) Where—

- (a) an application has been made under section 39A;
- (b) the applicant has furnished any further information as and when required by the Minister under section 39A (3); and
- (c) the Minister is satisfied that recovery of petroleum from the area comprised in the blocks specified in the application—
  - (i) is not, at the time of the application, commercially viable; and
  - (ii) is likely to become commercially viable within the period of 15 years after that time,

the Minister shall, by instrument in writing served on the applicant, inform the applicant—

- (d) that the Minister is prepared to grant to the applicant a lease in respect of the block or blocks specified in the application; and
- (e) that the applicant will be required to lodge a security for compliance with the conditions to which the lease, if granted, will from time to time be subject and with the provisions of this Part and the regulations.

(2) Where an application has been made under section 39A and—

- (a) the applicant has not furnished any further information as and when required by the Minister under section 39A (3); or

**SCHEDULE 4—continued**  
**INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL**  
**ACT—continued**

(b) the Minister is not satisfied as to the matters referred to in subsection (1) (c) in relation to the blocks specified in the application,

the Minister shall, by instrument in writing served on the applicant, refuse to grant a lease to the applicant.

(3) An instrument under subsection (1) shall contain—

(a) a summary of the conditions subject to which the lease is to be granted; and

(b) a statement to the effect that the application will lapse if the applicant does not make a request under subsection (4) in respect of the grant of the lease and lodge with the Minister the security referred to in the instrument.

(4) An applicant on whom there has been served an instrument under subsection (1) may, within a period of one month after the date of service of the instrument, or within such further period, not exceeding one month, as the Minister, on application in writing served on the Minister before the end of the firstmentioned period of one month, allows—

(a) by instrument in writing served on the Minister, request the Minister to grant to the applicant the lease; and

(b) lodge with the Minister the security referred to in the firstmentioned instrument.

(5) Where an applicant on whom there has been served an instrument under subsection (1)—

(a) has made a request under subsection (4); and

(b) has lodged with the Minister the security referred to in the instrument,

within the period applicable under subsection (4), the Minister shall grant to the applicant a retention lease in respect of the block or blocks specified in the instrument.

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**SCHEDULE 4—continued****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—continued**

(6) Where an applicant on whom there has been served an instrument under subsection (1)—

- (a) has not made a request under subsection (4); or
- (b) has not lodged with the Minister the security referred to in the instrument,

within the period applicable under subsection (4), the application lapses upon the expiration of that period.

(7) On the day on which a lease granted under this section in respect of a block or blocks comes into force, the permit in respect of the block or blocks ceases to be in force in respect of those blocks.

**Rights conferred by lease**

39C. A lease, while it remains in force, authorizes the lessee, subject to this Act and the regulations and in accordance with the conditions to which the lease is subject, to explore for petroleum, and to carry on such operations and execute such works as are necessary for that purpose, in the lease area.

**Term of lease**

39D. Subject to this Part, a lease (whether granted by way of renewal of a lease or otherwise) remains in force for a period of 5 years commencing on the day on which the lease was granted or, if a later day is specified in the lease as being the day on which the lease is to come into force, on that later day.

**Notice of intention to cancel lease**

39E. (1) Where—

- (a) a lessee has been given a notice of the kind referred to in section 39H (3) during the term of the lease and has carried out, and has informed the Minister of the results of, the re-evaluation required by the notice;
- (b) the lessee has not made an application for the renewal of the lease; and

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 4—*continued*****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—*continued***

- (c) after consideration of the results of the re-evaluation referred to in paragraph (a) and such other matters as the Minister thinks fit, the Minister is of the opinion that recovery of petroleum from the lease area is commercially viable,

the Minister may serve on the lessee and on such other persons as the Minister thinks appropriate an instrument in writing—

- (d) informing the lessee or the other person that the Minister has formed that opinion and that the Minister intends to cancel the lease; and
- (e) stating that the lessee or the other person may serve an instrument in writing on the Minister within the period specified in the firstmentioned instrument, not being a period ending earlier than one month after the date of service of the firstmentioned instrument, setting out any matters that the lessee or the other person, as the case may be, wishes to be considered.

(2) **Where—**

- (a) an instrument under subsection (1) is served on a lessee; and
- (b) the lessee does not, within the period referred to in subsection (1) (e), serve on the Minister an instrument setting out matters that the lessee wishes to be considered or the Minister, after consideration of matters set out in an instrument served on the Minister by the lessee within that period, determines that the lease should be cancelled,

the Minister shall, by instrument in writing served on the lessee, cancel the lease.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 4—continued****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—continued**

(3) The cancellation of a lease under subsection (2) has effect—

- (a) in a case to which paragraph (b) does not apply—at the end of the period of 12 months commencing on the date of service of the instrument of cancellation; or
- (b) in a case where the lessee makes an application for a licence in respect of one or more of the blocks comprised in the lease within the period referred to in paragraph (a)—when the Minister grants, or refuses to grant, the licence or when the application lapses, whichever first happens.

(4) Where a lease is cancelled under subsection (2), the lease shall be deemed to continue in force in all respects until the cancellation has effect in accordance with subsection (3).

**Application for renewal of lease**

39F. (1) A lessee may, from time to time, make an application to the Minister for the renewal of the lease.

(2) An application for the renewal of a lease—

- (a) shall be in accordance with an approved form;
- (b) subject to subsection (3), shall be made in an approved manner not less than 6 months or more than 12 months before the day on which the lease ceases to be in force;
- (c) shall be accompanied by particulars of—
  - (i) the proposals of the applicant for work and expenditure in respect of the lease area; and
  - (ii) particulars of the commercial viability of recovery of petroleum from the lease at the time of the application and particulars of the possible future commercial viability of recovery of petroleum from the lease area; and

**SCHEDULE 4—continued****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—continued**

(d) shall be accompanied by a fee of \$600.

(3) The Minister may, for reasons that the Minister thinks sufficient, receive an application for the renewal of the lease less than 6 months before, but not in any case after, the day on which the lease ceases to be in force.

(4) Where a lessee makes an application for the renewal of a lease, the Minister may, at any time, by instrument in writing served on the lessee, require the lessee to furnish, within the time specified in the instrument, further information in writing in connection with the application.

**Grant or refusal of renewal of lease**

39G. (1) Where—

- (a) a lessee makes an application for the renewal of a lease;
- (b) the applicant has furnished any further information as and when required by the Minister under section 39F (4); and
- (c) the Minister is satisfied that recovery of petroleum from the lease area—
  - (i) is not, at the time of the application, commercially viable; and
  - (ii) is likely to become commercially viable within the period of 15 years after that time,

the Minister—

- (d) shall, if the lessee has complied with the conditions to which the lease is subject and with the provisions of this Part and of the regulations; or
- (e) may, if the lessee has not so complied but the Minister is satisfied that special circumstances exist that justify the granting of the renewal of the lease,

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**SCHEDULE 4—*continued*****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—*continued***

inform the lessee, by instrument in writing served on the lessee, that the Minister is prepared to grant to the lessee the renewal of the lease and that the lessee 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.

(2) Subject to subsection (3), where—

- (a) a lessee makes an application for the renewal of a lease; and
- (b) either—
  - (i) the applicant has not furnished any further information as and when required by the Minister under section 39F (4);
  - (ii) the Minister is not satisfied as to the matters referred to in subsection (1) (c); or
  - (iii) the lessee has not complied with the conditions to which the lease is subject and with the provisions of this Part and of the regulations and the Minister is not satisfied that special circumstances exist that justify the granting of the renewal of the lease,

the Minister shall, by instrument in writing served on the lessee, refuse to grant the renewal of the lease.

(3) The Minister shall not refuse to grant the renewal of the lease unless—

- (a) the Minister has, by instrument in writing served on the lessee, given not less than one month's notice of the Minister's intention to refuse to grant the renewal of the lease;
- (b) the Minister has served a copy of the instrument on such other persons, if any, as the Minister thinks fit;

**SCHEDULE 4—continued****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—continued**

(c) the Minister has, in the instrument—

- (i) given particulars of the reasons for the intention; and
- (ii) specified a date on or before which the lessee or a person on whom a copy of the instrument is served may, by instrument in writing served on the Minister, submit any matters that the lessee wishes to be considered; and

(d) the Minister has taken into account any matters so submitted on or before the specified date by the lessee or by a person on whom a copy of the firstmentioned instrument has been served.

(4) An instrument referred to in subsection (1) shall contain—

- (a) a summary of the conditions to which the lease, on the grant of the renewal, is to be subject; and
- (b) a statement to the effect that the application will lapse if the lessee does not make a request under subsection (6) and lodge with the Minister the security referred to in the instrument.

(5) An instrument under subsection (2) shall, where the Minister refuses to grant the renewal of a lease by reason only that the Minister is not satisfied as to the matter referred to in subsection (1) (c) (i), contain a statement to the effect that the lessee may, within the period of 12 months after the date of service of the instrument, make an application for a licence in respect of one or more of the blocks comprised in the lease.

(6) A lessee on whom there has been served an instrument under subsection (1) may, within a period of one month after the date of service of the instrument on the lessee—

- (a) by instrument in writing served on the Minister, request the Minister to grant the lessee the renewal of the lease; and

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**SCHEDULE 4—continued****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—continued**

(b) lodge with the Minister the security referred to in the firstmentioned instrument.

(7) Where a lessee on whom there has been served an instrument under subsection (1)—

(a) has made a request under subsection (6); and

(b) has lodged with the Minister the security referred to in the instrument,

within the period referred to in subsection (6), the Minister shall grant to the lessee the renewal of the lease.

(8) Where a lessee on whom there has been served an instrument under subsection (1)—

(a) has not made a request under subsection (6); or

(b) has not lodged with the Minister the security referred to in the instrument,

within the period referred to in subsection (6), the application lapses upon the expiration of that period.

(9) Where—

(a) an application for the renewal of a lease has been made; and

(b) the lease expires—

(i) before the Minister grants, or refuses to grant, the renewal of the lease; or

(ii) before the application lapses as provided by subsection (8),

the lease shall be deemed to continue in force in all respects—

(c) until the Minister grants, or refuses to grant, the renewal of the lease; or

(d) until the application so lapses,

**SCHEDULE 4—*continued*****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—*continued***

whichever first happens.

(10) Where the Minister refuses to grant the renewal of a lease by reason only that the Minister is not satisfied as to the matter referred to in subsection (1) (c) (i), the lease shall be deemed to continue in force in all respects—

- (a) in a case to which paragraph (b) does not apply—until 12 months after the date of service of the instrument under subsection (2); or
- (b) in a case where the lessee makes an application for a licence in respect of one or more of the blocks comprised in the lease within the period of 12 months after the date referred to in paragraph (a)—until the Minister grants, or refuses to grant, the licence or until the application lapses, whichever first happens.

**Conditions of lease**

39H. (1) A lease may be granted subject to such conditions as the Minister thinks fit and are specified in the lease.

(2) The conditions referred to in subsection (1) may include conditions with respect to work to be carried out by the lessee in or in relation to the lease area during the term of the lease, or amounts to be expended by the lessee in the carrying out of such work, or conditions with respect to both of those matters, including conditions requiring the lessee to comply with directions given in accordance with the lease concerning those matters.

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**SCHEDULE 4—continued****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—continued**

(3) A lease shall be deemed to contain a condition that the lessee will, within the period of 3 months after the receipt of a written notice from the Minister requesting the lessee to do so or within such further period as the Minister, on application in writing served on the Minister before the end of the firstmentioned period, allows, re-evaluate the commercial viability of petroleum production in the lease area (otherwise than by the drilling of wells) and inform the Minister in writing of the result of the re-evaluation.

(4) Where a lessee has complied with 2 notices of the kind referred to in subsection (3) during the term of the lease, the Minister shall not give to the lessee during that term a further notice of that kind.

**Discovery of petroleum to be notified**

391. (1) Where petroleum is discovered in a lease area, the lessee—

- (a) shall forthwith inform the Minister of the discovery; and
- (b) shall, within a period of 3 days after the date of the discovery, furnish to the Minister particulars in writing of the discovery.

(2) Where petroleum is discovered in a lease area, the Minister may, from time to time, by instrument in writing served on the lessee, direct the lessee to furnish to the Minister, within the period specified in the instrument, particulars in writing of any one or more of the following:

- (a) the chemical composition and physical properties of the petroleum;
- (b) the nature of the subsoil in which the petroleum occurs;
- (c) any other matters relating to the discovery that are specified by the Minister in the instrument.

**SCHEDULE 4—*continued*****INSERTION OF DIVISION 2A INTO PART IV OF THE PRINCIPAL ACT—*continued***

(3) A person to whom a direction is given under subsection (2) shall comply with the direction.

Penalty: \$10,000.

**Directions by Minister on discovery of petroleum**

39J. (1) Where petroleum is discovered in a lease area, the Minister may, by instrument in writing served on the lessee, direct the lessee to do, within the period specified in the instrument, such things as the Minister thinks necessary and specifies in the instrument to determine the chemical composition and physical properties of that petroleum and to determine the quantity of petroleum in the petroleum pool to which the discovery relates or, if part only of that petroleum pool is within the lease area, in such part of that petroleum pool as is within the lease area.

(2) A person to whom a direction is given under subsection (1) shall comply with the direction.

Penalty: \$10,000.

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**SCHEDULE 5**

(Sec. 4)

**AMENDMENTS TO DIVISION 3 OF PART IV OF THE PRINCIPAL ACT**

(1) Section 41 (**Application for licence by holder of permit**)—

(a) Section 41 (4)—

Omit “The application period”, insert instead “Subject to subsection (5), the application period”.

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## (b) Section 41 (5)—

After section 41 (4), insert:

## (5) Where—

- (a) a permittee applies for the grant by the Minister of a licence in respect of a block or blocks in respect of which the permittee has applied for a lease under section 39A; and
- (b) an instrument refusing to grant the lease is served on the permittee pursuant to section 39B (2),

the application period is whichever of the following periods last expires:

- (c) the period that is applicable under subsection (4);
- (d) the period of 12 months after the day of service of the instrument.

## (2) Section 41A—

After section 41, insert:

**Application for licence by holder of lease**

41A. (1) A lessee whose lease is in force may make an application to the Minister for the grant by the Minister of a licence—

- (a) where the lease is in respect of 9 blocks—in respect of 5 of those blocks;
- (b) where the lease is in respect of 8 or 7 blocks—in respect of 4 of those blocks;
- (c) where the lease is in respect of 6 or 5 blocks—in respect of 3 of those blocks;
- (d) where the lease is in respect of 4 or 3 blocks—in respect of 2 of those blocks;

**SCHEDULE 5—continued****AMENDMENTS TO DIVISION 3 OF PART IV OF THE PRINCIPAL ACT—continued**

- (e) where the lease is in respect of 2 blocks—in respect of one of those blocks; or
- (f) where the lease is in respect of one block—in respect of that block.

(2) At any time while a lease is in force, the lessee may, instead of making an application under subsection (1) in respect of the lessee's primary entitlement, make an application to the Minister for the grant by the Minister of a licence in respect of a number of blocks that is less than the lessee's primary entitlement.

(3) Where a lessee makes an application under subsection (1) in respect of the lessee's primary entitlement, the lessee may, at any time while the lease concerned is in force, make an application to the Minister for the grant by the Minister of a licence in respect of any of the other blocks forming part of the lease.

(3) **Section 42 (Application for licence)—**

Section 42 (1)—

After “41”, insert “or 41A”.

(4) **Section 44 (Notification as to grant of licence)—**

(a) **Section 44 (1)—**

After “41”, insert “or 41A”.

(b) **Section 44 (1)—**

After “information”, insert “as and when”.

(5) **Section 45 (Grant of licence)—**

(a) **Section 45 (3)—**

After “permittee”, insert “or lessee”.

(b) **Section 45 (3) (b)—**

After “permittee's”, insert “or lessee's”.

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SCHEDULE 5—*continued*AMENDMENTS TO DIVISION 3 OF PART IV OF THE PRINCIPAL ACT—*continued*

## (c) Section 45 (5)—

After “permit”, insert “or lease”.

## (6) Section 47 (Determination of permit or lease as to block not taken up)—

## (a) Section 47 (1) (d) (ii)—

Omit “the last of the applications”, insert instead “the application, or the last of the applications,”.

## (b) Section 47 (1A)—

After section 47 (1), insert:

(1A) Subject to subsection (2), where all applications made by a lessee under section 41A in respect of a block have lapsed, the lease is determined as to that block and the determination has effect upon the lapsing of the last of those applications.

## (c) Section 47 (2)—

After “permittee”, insert “or lessee”.

## (d) Section 47 (2) (a), (3)—

After “permit” wherever occurring, insert “or lease”.

## (e) Section 47 (4)—

Before “licence” wherever occurring, insert “lease or”.

## (f) Section 47 (5), (6)—

After section 47 (4), insert:

(5) Where a lease is granted in respect of a block or blocks forming part of a location, the Minister shall, by instrument published in the Gazette, revoke the declaration made under section 38 (1) to the extent that it relates to the block or blocks that is or are not within the lease area.

SCHEDULE 5—*continued*AMENDMENTS TO DIVISION 3 OF PART IV OF THE PRINCIPAL  
ACT—*continued*

## (6) Where—

- (a) the Minister refuses to grant a lease in respect of a block or blocks constituting or forming part of a location; and
- (b) the reason, or one of the reasons, for the refusal is that the Minister is not satisfied as to the matter referred to in section 39B (1) (c) (ii),

the Minister shall, by instrument published in the Gazette, revoke the declaration made under section 38 (1) in respect of that location.

## (7) Section 48 (Application for licence in respect of surrendered, &amp;c., blocks)—

## Section 48 (1) (b)—

After “permit”, insert “or lease”.

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**SCHEDULE 5—continued****AMENDMENTS TO DIVISION 3 OF PART IV OF THE PRINCIPAL ACT—continued****(8) Section 60 (Unit development) —****(a) Section 60 (2)—**

Omit “such an agreement does not have any force or effect unless it has been approved by the Minister”, insert instead “nothing in this subsection derogates from the operation of section 81 (2)”.

**(b) Section 60 (3)—**

Omit “the agreement with him forthwith in accordance with section 81”, insert instead “an application in accordance with section 81 for approval of any dealing to which the agreement relates”.

**(c) Section 60 (4) (b)—**

Omit the paragraph, insert instead:

(b) the licensee enters into such an agreement but an application for approval of a dealing to which the agreement relates is not lodged with the Minister or, if an application is so lodged, the dealing is not approved under section 81,

**(d) Section 60 (10)—**

Omit the subsection, insert instead:

(10) In this section—

“dealing” means a dealing to which section 81 applies.

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## SCHEDULE 6

(Sec. 4)

## AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT

## (1) Section 75A—

Before section 76, insert:

**Interpretation**

## 75A. In this Division—

“title” means a permit, lease, licence, pipeline licence or access authority.

## (2) Section 76 (Register of certain instruments to be kept)—

## (a) Section 76 (1)—

Omit “permits, licences, pipeline licences and access authorities”, insert instead “titles and special prospecting authorities”.

## (b) Section 76 (2)—

Omit “permit, licence, pipeline licence or access authority” wherever occurring, insert instead “title or special prospecting authority”.

## (c) Section 76 (2) (b)—

Omit “permit or”, insert instead “permit, lease or”.

## (d) Section 76 (2) (b)—

After “permit area”, insert “, lease area”.

## (e) Section 76 (2) (c)—

Before “an access authority”, insert “a special prospecting authority or”.

## (f) Section 76 (2) (c)—

Before “access authority” where lastly occurring, insert “special prospecting authority or”.

## (g) Section 76 (3) (a)—

Omit “permit, licence, pipeline licence or access authority”, insert instead “title or special prospecting authority”.

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**SCHEDULE 6—continued****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—continued****(h) Section 76 (4), (6)—**

Omit “permit, licence, pipeline licence, access authority” wherever occurring, insert instead “title, special prospecting authority”.

**(3) Section 77 (Memorials to be entered of permits, &c., determined, &c.)—****(a) Section 77 (a), (b)—**

After “permit” wherever occurring, insert “or lease”.

**(b) Section 77 (aa)—**

After section 77 (a), insert:

(aa) a permit ceases to be in force in respect of a block in respect of which a lease is granted;

**(c) Section 77 (c)—**

Omit “permit, licence, pipeline licence or assess authority”, insert instead “title or special prospecting authority”.

**(4) Section 78—**

Omit the section, insert instead:

**Approval and registration of transfers**

78. (1) A transfer of a title is of no force until it has been approved by the Minister and an instrument of transfer is registered as provided by this section.

(2) Where it is desired that a title be transferred, one of the parties to the proposed transfer may make an application in writing to the Minister for approval of the transfer.

**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued***

(3) An application for approval of a transfer of a title shall be accompanied by—

- (a) an instrument of transfer in the prescribed form executed by the registered holder or, if there are 2 or more registered holders, by each registered holder and by the transferee or, if there are 2 or more transferees, by each transferee;
- (b) in a case where the transferee or one or more of the transferees is not a registered holder or are not registered holders of the title, an instrument setting out—
  - (i) the technical qualifications of that transferee or those transferees;
  - (ii) details of the technical advice that is or will be available to that transferee or those transferees; and
  - (iii) details of the financial resources that are or will be available to that transferee or those transferees; and
- (c) 2 copies of the application and of the instruments referred to in paragraphs (a) and (b).

(4) The Minister shall not approve the transfer of a title unless the application was lodged within 3 months after the day on which the party who last executed the instrument of transfer so executed the instrument of transfer or within such longer period as the Minister, in special circumstances, allows.

(5) Where an application for approval of a transfer is made in accordance with this section, the Minister shall enter a memorandum in the Register of the date on which the application was lodged and may make such other notation in the Register as the Minister considers appropriate.

(6) The Minister shall—

- (a) consider each application for approval of the transfer of a title and determine whether to approve the transfer; and

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**SCHEDULE 6—continued****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—continued**

(b) in the case of a transfer of a permit, lease, licence or pipeline licence, determine whether approval of the transfer should be made subject to a security being lodged by the transferee or transferees for compliance with the provisions of this Act, of the regulations and of any conditions to which the permit, lease, licence or pipeline licence may, from time to time, be subject.

(7) Where an application for approval of the transfer of a title is made in accordance with this section, the Minister shall, by notice in writing served on the person who made the application, inform the person of the decision of the Minister and shall set out in the notice details of any security required to be lodged by the transferee or transferees.

(8) Where—

- (a) the Minister has served a notice on a person under subsection (7) stating that the Minister will approve a transfer of a permit, lease, licence or pipeline licence subject to a security being lodged; and
- (b) that security is lodged with the Minister, the Minister shall be deemed to have approved the transfer.

(9) Where the Minister approves the transfer of a title, the Minister shall forthwith endorse on the instrument of transfer and on one copy of the instrument a memorandum of approval and shall, on payment of the fee provided by section 92, enter in the Register a memorandum of the transfer and the name of the transferee or of each transferee.

(10) Upon the entry in the Register of a memorandum of the transfer of a title and of the name of the transferee or each transferee in accordance with subsection (9)—

- (a) the transfer shall be deemed to be registered; and
- (b) the transferee becomes the registered holder, or the transferees become the registered holders, of the title.

**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued***

(11) Where the Minister refuses to approve the transfer of a title, the Minister shall make a notation of the refusal in the Register.

(12) Where a transfer is registered—

(a) the copy of the instrument of transfer endorsed with the memorandum of approval shall be retained by the Minister and made available for inspection in accordance with this Division; and

(b) the instrument of transfer endorsed with the memorandum of approval shall be returned to the person who lodged the application for approval of the transfer.

(13) The mere execution of an instrument of transfer of a title creates no interest in the title.

(5) Section 79 (**Entries in Register on devolution of title, &c.**)—

(a) Section 79 (1)—

Omit “permit, licence, pipeline licence or access authority” where firstly occurring, insert instead “particular title”.

(b) Section 79 (1)—

Omit “permit, licence, pipeline licence or access authority” where lastly occurring, insert instead “title”.

(c) Section 79 (2)—

Omit “permit, licence, pipeline licence or access authority” wherever occurring, insert instead “title”.

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**SCHEDULE 6—continued****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—continued****(d) Section 79 (3)—**

After section 79 (2), insert:

(3) Where a company that is the registered holder of a particular title has changed its name, it may apply in writing to the Minister to have its new name substituted for its previous name in the Register in relation to that title and, if—

- (a) the Minister is satisfied that the company has so changed its name; and
- (b) the company has paid a fee of \$30,

the Minister shall make the necessary alterations in the Register.

**(6) Section 80 (Interests not to be created, &c., except by instruments in writing)—**

Omit the section.

**(7) Sections 81, 81A—**

Omit section 81, insert instead:

**Approval of dealings creating, etc., interests, etc., in existing titles**

81. (1) This section applies to a dealing that would, but for subsection (2), have one or more of the following effects:

- (a) the creation or assignment of an interest in an existing title;
- (b) the creation or assignment of a right (conditional or otherwise) to the assignment of an interest in an existing title;
- (c) the determining of the manner in which persons may exercise the rights conferred by, or comply with the obligations imposed by or the conditions of, an existing title (including the exercise of those rights or the compliance with those obligations or conditions under co-operative arrangements for the recovery of petroleum);

**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued***

- (d) the creation or assignment of—
  - (i) an interest in relation to an existing permit, lease or licence, being an interest known as an overriding royalty interest, a production payment, a net profits interest or a carried interest; or
  - (ii) any other interest that is similar to an interest referred to in subparagraph (i), being an interest relating to petroleum produced from operations authorized by an existing permit, lease or licence or relating to revenue derived as a result of the carrying out of operations of that kind;
- (e) the creation or assignment of an option (conditional or otherwise) to enter into a dealing, being a dealing that has one or more of the effects referred to in paragraphs (a), (b), (c) and (d);
- (f) the creation or assignment of a right (conditional or otherwise) to enter into a dealing, being a dealing that has one or more of the effects referred to in paragraphs (a), (b), (c) and (d);
- (g) the alteration or termination of a dealing, being a dealing that has one or more of the effects referred to in paragraphs (a), (b), (c), (d), (e) and (f),

but this section does not apply to a transfer to which section 78 applies.

(2) A dealing to which this section applies is of no force in so far as the dealing would, but for this subsection, have an effect of a kind referred to in subsection (1) in relation to a particular title until—

- (a) the dealing, in so far as it relates to that title, has been approved by the Minister; and
- (b) an entry has been made in the Register in relation to the dealing by the Minister in accordance with subsection (12).

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**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued***

(3) A party to a dealing to which this section applies may lodge with the Minister—

- (a) in a case where the dealing relates to only one title, an application in writing for approval by the Minister of the dealing; or
- (b) in any other case, a separate application in writing for approval by the Minister of the dealing in relation to each title to which the dealing relates.

(4) An application under subsection (3) for approval of a dealing shall be accompanied by—

- (a) 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;
- (b) an instrument setting out such particulars (if any) as are prescribed for the purposes of an application for approval of a dealing of that kind; and
- (c) 2 copies of the application and of the instruments referred to in paragraphs (a) and (b).

(5) Subject to subsection (6), the Minister shall not approve a dealing unless the application for approval of the dealing is lodged with the Minister within 3 months after the day on which the party who last executed the instrument evidencing the dealing so executed the instrument or such longer period as the Minister, in special circumstances, allows.

(6) Where a dealing relating to a title was, immediately before the title came into existence, a dealing referred to in section 81A (1), the Minister shall not approve the dealing unless—

- (a) a provisional application for approval of the dealing was lodged in accordance with section 81A (1); or

SCHEDULE 6—*continued*AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL  
ACT—*continued*

(b) an application for approval of the dealing is lodged with the Minister in accordance with this section within 3 months after the day on which the title came into existence or such longer period as the Minister, in special circumstances, allows.

(7) Where a dealing to which this section applies forms a part of the issue of a series of debentures, all of the dealings constituting the issue of that series of debentures shall, for the purposes of this section, be taken to be one dealing.

(8) Where a dealing to which this section applies (including a dealing referred to in subsection (7)) creates a charge over some or all of the assets of a body corporate, the person lodging the application for approval of the dealing shall be deemed to have complied with subsection (4) (a), and with subsection (4) (c) in so far as that subsection requires 2 copies of the document referred to in subsection (4) (a) to accompany the application, if the person lodges with the application 3 copies of each document required to be lodged with the National Companies and Securities Commission relating to the creation of that charge pursuant to section 201 of the Companies (New South Wales) Code or pursuant to the corresponding provision of a law of another State or of a Territory.

(9) On receipt of an application made under this section, the Minister shall enter a memorandum in the Register of the date on which the application was lodged and may make such other notation in the Register as the Minister considers appropriate.

(10) The Minister may approve or refuse to approve a dealing to which this section applies in so far as the dealing relates to a particular title.

(11) The Minister shall, by notice in writing served on the person who made an application for approval of a dealing, inform the person of the Minister's decision.

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SCHEDULE 6—*continued*AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued*

(12) If the Minister approves a dealing, the Minister shall endorse on the original instrument evidencing the dealing and on one copy of that instrument or, if the original instrument was not lodged with the application, on 2 of the copies of that instrument a memorandum of approval and, on payment of the fee provided by section 92, make an entry of the approval of the dealing in the Register on the memorial relating to, or on the copy of, the title in respect of which the approval is sought.

(13) Where an entry is made in the Register in relation to a dealing in accordance with subsection (12)—

(a) one copy of an instrument evidencing the dealing endorsed with a memorandum of approval shall be retained by the Minister and made available for inspection in accordance with this Division; and

(b) the original instrument, or a copy of the original instrument, as the case requires, endorsed with a memorandum of approval shall be returned to the person who made the application for approval.

(14) Where the Minister refuses to approve a dealing, the Minister shall make a notation of the refusal in the Register.

(15) In this section, “charge” and “debenture” have the same respective meanings as they have for the purposes of section 201 of the Companies (New South Wales) Code.

**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued*****Approval of dealings in future interests, etc.**

81A. (1) Where 2 or more persons enter into a dealing relating to a title that may come into existence in the future and that dealing would, if the title came into existence, become a dealing to which section 81 applies, a person who is a party to the dealing may, during the prescribed period in relation to the title, lodge with the Minister—

- (a) in a case where the dealing relates to only one title that may come into existence in the future, a provisional application in writing for approval by the Minister of the dealing; or
- (b) in any other case, a separate provisional application in writing for approval by the Minister of the dealing in relation to each title that may come into existence in the future and to which the dealing relates.

(2) Section 81 (4), (7) and (8) applies to a provisional application lodged under subsection (1) as if that provisional application were an application lodged under section 81 (3).

(3) Where—

- (a) the title to which a dealing referred to in subsection (1) relates comes into existence; and
- (b) upon that title coming into existence, the dealing becomes a dealing to which section 81 applies,

the provisional application lodged under subsection (1) in relation to the dealing shall be treated as if it were an application lodged under section 81 (3) on the day on which that title came into existence.

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**SCHEDULE 6—continued****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—continued**

(4) A reference in subsection (1) to the prescribed period, in relation to a title, is a reference to the period—

(a) commencing—

- (i) in the case of a permit, lease, licence or pipeline licence—on the day of service of an instrument informing the applicant for the permit, lease, licence or pipeline licence that the Minister is prepared to grant the permit, lease, licence or pipeline licence; or
- (ii) in the case of an access authority—on the day on which the application for the grant of the access authority is made; and

(b) ending on the day on which the title comes into existence.

(8) Section 82 (True consideration to be shown)—

(a) Section 82 (1)—

Omit the subsection, insert instead:

(1) A person who is a party to a transfer referred to in section 78, a dealing to which section 81 applies or a dealing referred to in section 81A (1) shall not lodge with the Minister—

- (a) an instrument of transfer;
- (b) an instrument evidencing the dealing; or
- (c) an instrument of the kind referred to in section 81 (4) (b),

that contains a statement relating to the consideration for the transfer or dealing, or to any other fact or circumstance affecting the amount of the fee payable in respect of the transfer or dealing under section 92, being a statement that is, to the knowledge of the person, false or misleading in a material particular.

Penalty: \$10,000.

SCHEDULE 6—*continued*AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued*

## (b) Section 82 (2)—

Omit “instrument”, insert instead “dealing”.

## (9) Section 83 (Minister not concerned with certain matters)—

## (a) Section 83—

Omit “such an instrument”, insert instead “a transfer or dealing”.

## (b) Section 83—

Omit “it” wherever occurring, insert instead “the transfer or dealing”.

## (10) Section 84 (Power of Minister to require information as to dealings)—

## (a) Section 84 (1)—

Omit “an instrument for approval”, insert instead “an application for approval of a transfer or dealing or a provisional application for approval of a dealing”.

## (b) Section 84 (1)—

Omit “the instrument, or the transaction to which the instrument relates,”, insert instead “the transfer or dealing”.

## (c) Section 84 (1A)—(1C)—

After section 84 (1), insert:

(1A) The Minister may require a person who is a party to a dealing approved by the Minister under section 81 to furnish to the Minister a statement in writing setting out such information concerning alterations in the interests or rights existing in relation to the title to which the approved dealing relates as the Minister considers necessary or advisable.

*Petroleum (Submerged Lands) Amendment 1986*SCHEDULE 6—*continued*AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued*

(1B) The Minister may require a person making an application under section 79 (1) or (3) or 87A (2) to furnish to the Minister in writing such information concerning the matter to which the application relates as the Minister considers necessary or advisable.

(1C) A person shall not fail or refuse to comply with a requirement given to the person under subsection (1), (1A) or (1B).

## (11) Section 85 (Production and inspection of documents)—

## (a) Section 85 (1)—

Omit “an instrument lodged with the Minister for approval under this Division or to the transaction to which such an instrument relates”, insert instead “a transfer or dealing in relation to which approval is sought under this Division”.

## (b) Section 85 (1A)—

After section 85 (1), insert:

(1A) The Minister may require any person to produce to the Minister or to make available for inspection by the Minister any documents in the possession or under the control of that person and relating to an application made to the Minister under section 79 (1) or (3) or 87A (2).

## (c) Section 85 (2)—

After “(1)”, insert “or (1A)”.

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

## (a) Section 86 (1)—

Omit “Subject to subsection (2), the”, insert instead “The”.

## (b) Section 86 (1)—

Omit “registered, or subject to inspection,”, insert instead “subject to inspection”.

**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued*****(c) Section 86 (2)—**

Omit the subsection.

**(13) Section 87A—**

After section 87, insert:

**Minister may make corrections to Register**

87A. (1) The Minister may alter the Register for the purpose of correcting a clerical error or an obvious defect in the Register.

(2) Subject to subsection (3), the Minister may, on application being made in writing by a person or of the Minister's own motion, make such entries in the Register as the Minister considers appropriate for the purposes of ensuring that the Register accurately records the interests and rights existing in relation to a title.

(3) Where the Minister proposes to make an entry in the Register in accordance with subsection (2), the Minister shall cause to be published in the Gazette a notice—

(a) setting out the terms of the entry that the Minister proposes to make in the Register; and

(b) inviting interested persons to give to the Minister, by such day as is specified in the notice, being a day not earlier than 45 days after the publication of the notice, submissions in writing relating to the making of the entry.

(4) Where submissions are, in accordance with a notice under subsection (3), given to the Minister in relation to the proposed making of an entry in the Register, the Minister shall—

(a) take those submissions into account before making an entry in the Register; and

(b) after making an entry in the Register, cause to be published in the Gazette a notice setting out the terms of the entry.

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**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued*****(14) Section 92 (Imposition of registration fees)—****Section 92 (1)—(6B)—**

Omit section 92 (1)—(6), insert instead:

(1) In this section, “title” means a permit, lease, licence, pipeline licence or access authority.

(2) Subject to this section, there is payable to the Minister in respect of an entry in the Register of a memorandum of the transfer of a title under section 78 a fee at the rate of 1.5 per cent of—

- (a) the value of the consideration for the transfer; or
- (b) the value of the title transferred,

whichever is the greater or, if the amount of that fee is less than \$300, a fee of \$300.

**(3) Where—**

- (a) a fee imposed by subsection (5) in respect of an entry of approval of a dealing, being a dealing pursuant to which the transfer of a title is agreed to, has been paid; and
- (b) but for this subsection, the amount of the fee imposed by subsection (2) in respect of the entry of a memorandum of the transfer of the title, being a transfer executed for the purpose of giving effect to the dealing referred to in paragraph (a), would be greater than \$300,

the amount of the fee imposed by subsection (2) in respect of the entry of the memorandum of the transfer is \$300.

**(4) Where—**

- (a) the parties to a transfer of a title lodged for approval under section 78 satisfy the Minister that—
  - (i) those parties are related corporations within the meaning of the Companies (New South Wales) Code;

**SCHEDULE 6—continued****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—continued**

- (ii) the transfer was executed solely for the purpose of a reorganization of the corporations concerned or any of them or solely for the purpose of securing the better administration of the corporations concerned or any of them; and
- (iii) the transfer was not executed substantially for the purpose of avoiding or reducing the registration fees that would, but for this subsection, be payable under subsection (2) in respect of the entry of a memorandum of the transfer; and

(b) but for this subsection, the amount of the fee imposed by subsection (2) in respect of the entry of the memorandum of the transfer of the title would be more than \$3,000,

the amount of the fee imposed by subsection (2) in respect of the entry of the memorandum of the transfer is \$3,000.

(5) Subject to this section, there is payable to the Minister in respect of an entry in the Register of the approval of a dealing under section 81 a fee at the rate of 1.5 per cent of—

- (a) the value of the consideration for the dealing or, if the Minister approves the dealing in relation to another title or titles, an amount equal to the value of the consideration for the dealing divided by the number of titles in relation to which the dealing is approved; or
- (b) in a case where—
  - (i) the entry of approval relates to an interest in a licence or pipeline licence;
  - (ii) the value of the interest is greater than the amount applicable under paragraph (a);
  - (iii) the dealing has an effect of the kind referred to in section 81 (1) (a),(b) or (d); and

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SCHEDULE 6—*continued*AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL  
ACT—*continued*

(iv) the Minister is satisfied that the dealing was not made pursuant to another dealing, being a dealing that relates to that title and in respect of an entry of approval of which a fee imposed by this subsection has been paid,

the value of the interest.

## (6) Where—

(a) but for this subsection, the amount of the fee imposed by subsection (5) in relation to an entry of approval of a dealing would be less than \$300; or

(b) an approval under section 81 is given in respect of a dealing that is a dealing to which that section applies by reason only that the dealing creates, varies or terminates a charge over some or all of the assets of a body corporate,

the amount of the fee imposed by subsection (5) in respect of the entry of that approval is \$300.

## (6A) Where—

(a) the parties to a dealing lodged for approval under section 81 satisfy the Minister that—

(i) those parties are related corporations within the meaning of the Companies (New South Wales) Code;

**SCHEDULE 6—*continued*****AMENDMENTS TO DIVISION 5 OF PART IV OF THE PRINCIPAL ACT—*continued***

(ii) the dealing was entered into solely for the purpose of a reorganization of the corporations concerned or any of them or solely for the purpose of securing the better administration of the corporations concerned or any of them; and

(iii) the dealing was not entered into substantially for the purpose of avoiding or reducing the registration fees that would, but for this subsection, be payable under subsection (5) in respect of the entry of approval of the dealing; and

(b) but for this subsection, the amount of the fee imposed by subsection (5) in relation to the entry of approval of the dealing would be more than \$3,000,

the amount of the fee imposed by subsection (5) in respect of the entry of approval of that dealing is \$3,000.

(6B) For the purpose of calculating the amount of the fee imposed by subsection (5) in respect of an entry of approval of a dealing, the value, as determined by the Minister, of any exploration works to be carried out pursuant to the dealing, being works that were, at the time when the application for approval of the dealing was lodged, required or permitted to be carried out by or under the relevant title, shall be deducted from the value of the consideration for the dealing or from the value of the interest in the relevant licence, as the case requires.

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## SCHEDULE 7

(Sec. 4)

## AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT

## (1) Section 93 (Notice of grants of permits, &amp;c., to be published)—

## (a) Section 93 (a)—

After “permit,”, insert “lease.”.

## (b) Section 93 (c)—

After “a permit”, insert “, lease”.

## (c) Section 93 (c)—

After “permit area”, insert “, lease area”.

## (d) Section 93 (d)—

After “permit”, insert “or lease”.

## (e) Section 93 (g)—

After “permit,”, insert “lease.”.

## (2) Section 94 (Date of effect of permits, &amp;c.)—

## (a) Section 94 (2)—

After “a permit”, insert “, lease”.

## (b) Section 94 (2)—

After “permit area”, insert “, lease area”.

## (3) Section 95 (Commencement of works)—

## (a) Section 95 (1), (2) (b)—

After “permit,” wherever occurring, insert “lease.”.

## (b) Section 95 (1), (2)—

After “permittee,” wherever occurring, insert “lessee.”.

## (4) Section 96 (Work practices)—

## (a) Section 96 (1), (2)—

After “permittee” wherever occurring, insert “, lessee”.

SCHEDULE 7—*continued*AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued*

## (b) Section 96 (1), (2)—

After “permit area” wherever occurring, insert “, lease area”.

## (c) Section 96 (2) (c)—

Omit “permit or”, insert instead “permit, lease or”.

(5) Section 97 (**Conditions relating to insurance**)—

After “permit,” wherever occurring, insert “lease,”.

(6) Section 98 (**Maintenance, &c., of property**)—

## (a) Section 98 (1), definition of “operator”—

After “permittee,”, insert “lessee,”.

## (b) Section 98 (1), definition of “the operations area”—

(i) In paragraph (a), after “permittee”, insert “, lessee”.

(ii) In paragraph (a), after “permit area”, insert “, lease area”.

(7) Section 100 (**Drilling near boundaries**)—

## (a) Section 100 (1), (2)—

After “permittee” wherever occurring, insert “, lessee”.

## (b) Section 100 (1)—

After “permit area”, insert “, lease area”.

(8) Section 101 (**Directions**)—

## (a) Section 101 (1)–(2c)—

Omit section 101 (1) and (2), insert instead:

(1) The Minister may, by instrument in writing served on the registered holder of a permit, lease, licence, pipeline licence, special prospecting authority or access authority, give to the registered holder a direction as to any matter with respect to which regulations may be made.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 7—*continued*****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued***

(2) A direction given under this section to a registered holder applies to the registered holder and may also be expressed to apply to—

(a) a specified class of persons, being a class constituted by or included in one or both of the following classes of persons:

(i) servants or agents of, or persons acting on behalf of, the registered holder;

(ii) persons performing work or services, whether directly or indirectly, for the registered holder; or

(b) any person (not being a person to whom the direction applies otherwise than in accordance with this paragraph) who is in the adjacent area for any reason touching, concerning, arising out of or connected with the exploration of the sea-bed or subsoil of the adjacent area for petroleum or the exploitation of the natural resources, being petroleum, of that sea-bed or subsoil or is in, on, above, below or in the vicinity of a vessel, aircraft, structure or installation, or equipment or other property, that is in the adjacent area for a reason of that kind,

and where a direction so expressed is given, the direction shall be deemed to apply to each person included in that specified class or to each person who is in the adjacent area as mentioned in paragraph (b), as the case may be.

(2A) Where a direction under this section applies to a registered holder and to a person referred to in subsection (2) (a), the registered holder shall cause a copy of the instrument by which the direction was given to be given to that other person or to be exhibited at a prominent position at a place in an adjacent area frequented by that other person.

Penalty: \$5,000.

**SCHEDULE 7—*continued*****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued***

(2b) Where a direction under this section applies to a registered holder and to a person referred to in subsection (2) (b), the registered holder shall cause a copy of the instrument by which the direction was given to be exhibited at a prominent position at a place in an adjacent area.

Penalty: \$5,000.

(2c) Where a direction under this section applies to a registered holder and to a person referred to in subsection (2) (b), the Minister may, by notice in writing given to the registered holder, require the registered holder to cause to be displayed at such places in an adjacent area, and in such manner, as are specified in the notice, copies of the instrument by which the direction was given, and the registered holder shall comply with that requirement.

Penalty: \$5,000.

(b) Section 101 (5)—

Omit the subsection, insert instead:

(5) Section 152 (2A) and (2B) applies in relation to directions under this section in like manner as those subsections apply to the regulations.

(c) Section 101 (7)—

After section 101 (6), insert:

(7) Where—

- (a) a direction under this section applies to a registered holder and another person and that other person is prosecuted for an offence against subsection (6) in relation to the direction; and
- (b) the person adduces evidence that the person did not know, and could not reasonably be expected to have known, of the existence of the direction,

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**SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued**

the person shall not be convicted of the offence unless the prosecutor proves that the person knew, or could reasonably be expected to have known, of the existence of the direction.

**(9) Section 102 (Compliance with directions)—****(a) Section 102 (1), (3)—**

Omit “given to him” wherever occurring, insert instead “given or applicable to the person”.

**(b) Section 102 (2)—**

After “was given”, insert “or was applicable”.

**(c) Section 102 (2A)—**

After section 102 (2), insert:

**(2A) Where—**

(a) a direction given under section 101 applies to a permittee, lessee, licensee or pipeline licensee or the holder of a special prospecting authority or access authority and another person and an action under subsection (2) relating to the direction is brought against that other person; and

(b) the person adduces evidence that the person did not know, and could not reasonably be expected to have known, of the existence of the direction,

the person is not liable under subsection (2) unless the plaintiff proves that the person knew, or could reasonably be expected to have known, of the existence of the direction.

**(10) Section 103 (Exemption)—****(a) Section 103 (1)—**

After “permit;” wherever occurring, insert “lease.”.

**(b) Section 103 (1)—**

Omit “permit or licence” wherever occurring, insert instead “permit, lease or licence”.

**SCHEDULE 7—*continued*****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued***

## (c) Section 103 (1)—

After “permittee,” wherever occurring, insert “lessee.”.

## (d) Section 103 (2)—

After “permit,”, insert “lease,”.

## (e) Section 103 (3)—

After “permittee” wherever occurring, insert “or lessee”.

## (f) Section 103 (3)—

After “permit” wherever occurring, insert “or lease”.

## (11) Section 104 (Suspension of rights conferred by permit or lease)—

(a) After “permittee” wherever occurring, insert “or lessee”.

(b) After “permit” wherever occurring, insert “or lease”.

## (12) Section 105 (Surrender of permits, &amp;c.)—

## (a) Section 105 (1), (3)—

After “permit,” wherever occurring, insert “lease,”.

## (b) Section 105 (1) (a)—

Omit “or” where lastly occurring.

## (c) Section 105 (1) (aa)—

After section 105 (1) (a), insert:

(aa) in the case of a lease—as to all of the blocks in respect of which it is in force; or

## (d) Section 105 (5) (a)—

After “permit” wherever occurring, insert “, lease”.

## (13) Section 106 (Cancellation of permits, &amp;c.)—

## (a) Section 106—

After “permittee,” wherever occurring, insert “lessee.”.

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SCHEDULE 7—*continued*AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued*

## (b) Section 106 (1) (a), (2) (a)—

After “permit,” wherever occurring, insert “lease.”.

## (c) Section 106 (1) (e)—

Omit “or” where lastly occurring.

## (d) Section 106 (1) (ea)—

After section 106 (1) (e), insert:

(ea) in the case of a lease—cancel the lease as to all of the blocks in respect of which it is in force; or

## (e) Section 106 (2)—

After “in force”, insert “, or cancel a lease as to all of the blocks in respect of which it is in force.”.

## (14) Section 107 (Cancellation of permit, &amp;c., not affected by other provisions)—

## (a) Section 107 (1), (3)—

After “partly cancelled” wherever occurring, insert “, and a lease may be wholly cancelled.”.

## (b) Section 107 (1)—

After “permit,” where lastly occurring, insert “lease.”.

## (c) Section 107 (2)—

After “permit,” where firstly and lastly occurring, insert “lease.”.

## (d) Section 107 (3)—

After “permit,” where lastly occurring, insert “lease.”.

## (e) Section 107 (4)—

After “permit,” where firstly and lastly occurring, insert “lease.”.

SCHEDULE 7—*continued*AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued*(15) Section 108 (**Removal of property, &c., by permittee, &c.**)—

## (a) Section 108 (1)—

After “expired,”, insert “or a lease has been wholly determined, partly determined or wholly cancelled or has expired.”.

## (b) Section 108 (1), (2)—

After “permittee,” wherever occurring, insert “lessee.”.

## (c) Section 108 (1) (a), (2) (a), (3) (b)—

After “permit,” wherever occurring, insert “lease.”.

## (d) Section 108 (2) (a)—

After “permit area,”, insert “lease area.”.

(16) Section 109 (**Removal of property, &c., by Minister**)—

## (a) Section 109—

After “expired,”, insert “or a lease has been wholly determined, partly determined or wholly cancelled or has expired.”.

## (b) Section 109 (b)—

After “permit,”, insert “lease.”.

(17) Section 112 (**Special prospecting authorities**)—

## (a) Section 112 (1)—

Omit the subsection, insert instead:

(1) A person may make an application to the Minister for the grant of a special prospecting authority in respect of a block or blocks in respect of which a permit, lease or licence is not in force.

## (b) Section 112 (6A), (6B)—

After section 112 (6), insert:

(6A) A special prospecting authority is not capable of being transferred.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued****(6B) Where—**

- (a) a person holds a special prospecting authority in respect of a block; and
- (b) another special prospecting authority is granted to another person in respect of the block,

the Minister shall, by notice in writing served on each of those persons, inform each of them of—

- (c) the petroleum exploration operations authorized by the special prospecting authority granted to the other person; and
- (d) the conditions to which the special prospecting authority granted to the other person is subject.

**(18) Section 113 (Access authorities)—****(a) Section 113 (1), (3) (a)—**

After “permittee” wherever occurring, insert “, lessee”.

**(b) Section 113 (1), (8) (b)—**

After “permit area” wherever occurring, insert “, lease area”.

**(c) Section 113 (1A)—**

After section 113 (1), insert:

(1A) A holder of an extra-State title may make an application to the Minister for the grant of an access authority to enable the holder to carry on, in a part of the adjacent area, petroleum exploration operations or operations related to the recovery of petroleum in or from the area to which that extra-State title relates.

**(d) Section 113 (3) (a)—**

Omit “or licensee”, insert instead “, licensee or holder of an extra-State title”.

*Petroleum (Submerged Lands) Amendment 1986*

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**SCHEDULE 7—*continued*****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued*****(e) Section 113 (4), (11)—**

After “permit” wherever occurring, insert “, lease”.

**(f) Section 113 (13)—**

After section 113 (12), insert:

(13) In this section, “extra-State title” means an authority, however described, under a law of the Commonwealth or another State, to explore for, or to recover, petroleum.

**(19) Section 114 (Sale of property)—****Section 114 (3) (b)—**

After “permittee,”, insert “lessee,”.

**(20) Section 115 (Securities)—****Section 115 (1) (a) (i)—**

After “Division 2”, insert “or 2A”.

**(21) Section 119 (Release of information)—****(a) Section 119 (1) (a)—**

Omit the paragraph, insert instead:

(a) any information contained in a document to which this section applies that has been furnished to the Minister; and

**(b) Section 119 (1A)—**

After section 119 (1), insert:

(1A) The Minister or another Minister may, at any time after the grant or renewal, or refusal to grant or renew, a permit, lease, licence, pipeline licence, access authority or special prospecting authority—

(a) make publicly known; or

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued**

(b) on request by a person and, if the Minister or the other Minister so requires, on payment of a fee of \$15 per day, make available to that person,

any information contained in, or accompanying, the application for the grant or renewal, as the case may be, but not including—

(c) information of a kind referred to in subsection (2) or (5A); or

(d) particulars of—

(i) the technical qualifications of the applicant and of the employees of the applicant;

(ii) the technical advice available to the applicant; or

(iii) the financial resources available to the applicant.

(c) Section 119 (2)—

Omit the subsection, insert instead:

(2) The Minister or another Minister may, at any time after the relevant day—

(a) make publicly known; or

(b) on request by a person and, if the Minister or the other Minister so requires, on payment of a fee of \$15 per day, make available to that person,

any information contained in a document to which this section applies that has been furnished to the Minister or has been made available to the other Minister under subsection (1), being information that relates to the sea-bed or subsoil, or to petroleum, in a block, but not including any matter contained in a document to which this section applies that, in the opinion of the Minister or the other Minister, is a conclusion drawn, in whole or in part, from, or an opinion based, in whole or in part, on, any such information.

**SCHEDULE 7—*continued*****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued*****(d) Section 119 (4)—**

Omit the subsection, insert instead:

**(4) For the purposes of subsections (2) and (3)—****(a) where—**

(i) a permit or lease is in force in respect of the block; and

(ii) the document, core, cutting or sample was furnished to the Minister during the period during which any of the following were in force in respect of the block:

(A) the permit or lease;

(B) in a case where a lease is in force in respect of the block—the permit that ceased to be in force in respect of the block by virtue of section 39B (7) on the day on which the lease came into force,

the relevant day is the day on which the period of 2 years that commenced on the day on which the document, core, cutting or sample was furnished to the Minister expires;

**(b) where—**

(i) a licence is in force in respect of the block; and

(ii) the document, core, cutting or sample was furnished to the Minister during the period during which any of the following were in force in respect of the block:

(A) the licence;

(B) the permit or lease that ceased to be in force in respect of the block by virtue of section 45 (5) on the day on which the licence came into force,

*Petroleum (Submerged Lands) Amendment 1986*SCHEDULE 7—*continued*AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—*continued*

the relevant day is the day on which the period of 12 months that commenced on the day on which the document, core, cutting or sample was furnished to the Minister expires;

(c) where the document, core, cutting or sample was furnished to the Minister during a period during which a permit, lease or licence was in force in respect of the block and—

- (i) the permit, lease or licence is surrendered, cancelled or determined as to the block; or
- (ii) the permit, lease or licence expires but is not renewed in respect of the block,

the relevant day is the day on which the permit, lease or licence is so surrendered, cancelled or determined or expires, as the case may be, whether another permit, lease or licence is subsequently in force in respect of the block or not; and

(d) where the document, core, cutting or sample was furnished to the Minister during a period during which a permit, lease or licence was not in force in respect of the block, the relevant day is such day as the Minister determines, being a day earlier than the day on which the period of 2 years that commenced on the day on which the document, core, cutting or sample was furnished to the Minister expires.

(e) Section 119 (5) (a)—

Omit “report, return, other”.

(f) Section 119 (5) (a)—

After “permit” wherever occurring, insert “, lease”.

(g) Section 119 (5) (b)—

After “permittee,”, insert “lessee.”.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued****(h) Section 119 (5) (b)—**

After “permit,” wherever occurring, insert “lease.”.

**(i) Section 119 (5) (b) (i)—**

Omit “report, return or other”.

**(j) Section 119 (5A)–(5F)—**

After section 119 (5), insert:

(5A) Subject to subsection (5F), the Minister or another Minister may, at any time after the end of the period of 5 years after a document to which this section applies was furnished to the Minister—

(a) make publicly known; or

(b) on request by a person and, if the Minister or the other Minister so requires, on payment of a fee of \$15 per day, make available to that person,

any information contained in the document, being information that relates to the sea-bed or subsoil, or to petroleum, in a block, and that, in the opinion of the Minister or the other Minister, is a conclusion drawn, in whole or in part, from, or an opinion based, in whole or in part, on any information contained in a document to which this section applies that has been furnished to the Minister or has been made available to the other Minister under subsection (1).

(5B) Before the Minister or the other Minister makes available or publicly known any information pursuant to subsection (5A), the Minister or the other Minister, as the case may be, shall—

(a) cause to be published in the Gazette a notice—

(i) stating that the Minister or the other Minister, as the case may be, proposes to make the information available or publicly known;

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued**

- (ii) inviting interested persons to give to the Minister or the other Minister, as the case may be, by such day as is specified in the notice, being a day not earlier than 45 days after the publication of the notice, a notice objecting to the whole or any part of the information being made available or publicly known; and
- (iii) stating that, if a person does not make an objection in accordance with the invitation, the person will be taken to have consented to the information being made available or publicly known; and

(b) if it is practicable to do so—cause a copy of the notice so published in the Gazette to be served on the person who furnished the document containing the information.

(5C) There shall be set out in the notice of objection the reasons for making the objection.

(5D) A person is not entitled to make an objection to information being made available or publicly known except on the grounds that to do so would disclose—

- (a) a trade secret; or
- (b) any other information the disclosure of which would, or could reasonably be expected to, adversely affect the person in respect of the lawful business, commercial or financial affairs of the person.

(5E) Where a person makes an objection to the Minister or the other Minister in accordance with such an invitation, the Minister or the other Minister shall, within 45 days after the receipt of the notice of objection, consider the objection, and may either disallow it, or allow it in whole or in part, and shall cause to be served on the person written notice of the decision on the objection.

**SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued**

(5F) The Minister or the other Minister shall not make available or make publicly known any information pursuant to subsection (5A) if there is in force an objection made in relation to the information being made available or publicly known but, where such an objection is in force, nothing in this section shall be taken to preclude a further invitation under subsection (5B) being made in relation to the information.

**(k) Section 119 (6) (a)—**

Omit “report, return or other document referred to in any of those provisions”, insert instead “document to which this section applies”.

**(l) Section 119 (6A)—**

After section 119 (6), insert:

**(6A) This section applies to the following documents:**

- (a) an application made to the Minister under this Act or a document accompanying such an application;
- (b) a report, return or other document relating to a block that has been furnished to the Minister under this Act.

**(22) Section 121 (Discovery and use of water)—**

Omit “or in a licence area, the permittee”, insert instead “, a lease area or a licence area, the permittee, lessee”.

**(23) Section 122 (Survey of wells, &c.)—**

After “permittee” wherever occurring, insert “, lessee”.

**(24) Section 123 (Records, &c., to be kept)—****Section 123 (1)—**

After “permit,”, insert “lease.”.

**(25) Section 125 (Interference with other rights)—**

After “permit,”, insert “lease.”.

*Petroleum (Submerged Lands) Amendment 1986*

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**SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued****(26) Section 128 (Property in petroleum)—**

- (a) After “permittee” wherever occurring, insert “, lessee”.
- (b) After “permit area”, insert “, lease area”.

**(27) Section 129 (Certain payments to be made by State to Commonwealth)—****(a) Section 129 (1)—**

After “permittee” wherever occurring, insert “, lessee”.

**(b) Section 129 (1)—**

After “permit”, insert “, lease”.

**(28) Section 136 (Service)—****Section 136 (5)–(9)—**

After section 136 (4), insert:

(5) Where there are 2 or more registered holders of a title or special prospecting authority, those registered holders may, by notice in writing signed by each of them and served on the Minister, nominate one of the registered holders as being the person on whom documents relating to the title or special prospecting authority that are required or permitted by this Act to be served may be served.

**(6) Subject to subsections (7) and (8), where—**

- (a) a document relating to a title or special prospecting authority is required or permitted by this Act to be served on the registered holder;
- (b) there are 2 or more registered holders of the title or special prospecting authority; and
- (c) the document is served on a person in respect of whom a nomination under subsection (5) is in force in relation to the title or special prospecting authority,

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 7—continued****AMENDMENTS TO DIVISION 6 OF PART IV OF THE PRINCIPAL ACT—continued**

the document shall be deemed to have been served on each of those registered holders.

(7) **Where—**

- (a) a person has been nominated under subsection (5) in relation to a title or special prospecting authority; and
- (b) one of the registered holders of the title or special prospecting authority, by notice in writing served on the Minister, revokes that nomination,

that nomination ceases to be in force.

(8) **Where—**

- (a) a person has been nominated under subsection (5) in relation to a title or special prospecting authority; and
- (b) the person so nominated ceases to be one of the registered holders of the title or special prospecting authority,

that nomination ceases to be in force.

(9) **In this section—**

“title” means a permit, lease, licence, pipeline licence or access authority.

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**SCHEDULE 8**

(Sec. 4)

**AMENDMENTS TO DIVISION 7 OF PART IV OF THE PRINCIPAL ACT**(1) **Section 137A—**

After section 137, insert:

*Petroleum (Submerged Lands) Amendment 1986*

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**SCHEDULE 8—*continued*****AMENDMENTS TO DIVISION 7 OF PART IV OF THE PRINCIPAL ACT—*continued*****Lease fees**

137A. There is payable to the Minister by a lessee, in respect of each year of the term of the lease, a fee calculated at the rate of \$4,500 for each of the blocks to which the lease relates at the commencement of that year.

**(2) Section 140 (Time of payment of fees)—**

- (a) After “137,”, insert “137A.”.
- (b) After “permit,” wherever occurring, insert “lease.”.

**(3) Section 141 (Penalty for late payment)—**

- (a) After “permittee,” wherever occurring, insert “lessee.”.
- (b) After “137,”, insert “137A.”.

**(4) Section 142 (Fees and penalties debts due to the Crown)—**

- (a) After “137,”, insert “137A.”.
- (b) After “permittee,”, insert “lessee.”.

**(5) Section 143 (Royalty)—****(a) Section 143 (1)—**

After “permittee” wherever occurring, insert “, lessee”.

**(b) Section 143 (1)—**

After “permit area”, insert “, lease area”.

**(c) Section 143 (2), (8)—**

Omit “permit or licence” wherever occurring, insert instead “permit, lease or licence”.

**(6) Sections 145–148—**

After “permittee” wherever occurring, insert “, lessee”.

*Petroleum (Submerged Lands) Amendment 1986*

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**SCHEDULE 8—*continued*****AMENDMENTS TO DIVISION 7 OF PART IV OF THE PRINCIPAL ACT—*continued*****(7) Sections 150 (1), 151—**

After “permittee,” wherever occurring, insert “lessee.”

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**SCHEDULE 9**

(Sec. 4)

**AMENDMENTS TO PART V OF THE PRINCIPAL ACT****Section 152 (Regulations)—****(1) Section 152 (2) (h)—**

After “permit”, insert “, lease”.

**(2) Section 152 (2) (i)—**

After “permit area” wherever occurring, insert “, lease area”.

**(3) Section 152 (2A), (2B)—**

After section 152 (2), insert:

(2A) The regulations may make provision in relation to a matter by applying, adopting or incorporating, with or without modification, a code of practice or standard contained in an instrument (including an instrument issued or made outside the State), as in force or existing at the time when the regulations take effect or as in force or existing from time to time, being a code of practice or standard that is relevant to that matter.

(2B) Regulations under this section may prohibit the doing of an act or thing either unconditionally or subject to conditions, including conditions requiring the grant, as prescribed by the regulations, of the consent or approval of a person specified in the regulations.

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*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 10**

(Sec. 4)

**INSERTION OF SCHEDULES 4 AND 5 INTO THE PRINCIPAL ACT****Schedules 4, 5—**

After Schedule 3, insert:

**SCHEDULE 4**

(Sec. 3 (8))

**SAVINGS, TRANSITIONAL AND OTHER PROVISIONS****Petroleum (Submerged Lands) Amendment Act 1986**

1. (1) In this clause, “the amending Act” means the Petroleum (Submerged Lands) Amendment Act 1986.

(2) Section 78 of this Act as amended by the amending Act applies in relation to applications for approval of transfers of permits, licences, pipeline licences or access authorities lodged after the commencement of Schedule 6 (4) to the amending Act.

(3) A transfer approved and registered under section 78 before the commencement of Schedule 6 (4) to the amending Act shall be deemed to have been approved and registered under section 78 of this Act as amended by the amending Act.

(4) Subject to subclauses (5)–(7), sections 81 and 81A of this Act as amended by the amending Act apply in relation to dealings evidenced by instruments executed after the commencement of this subclause.

(5) A party to an instrument to which section 81 of this Act applied, being an instrument that had not been approved under that section, may, if the instrument evidences a dealing—

(a) to which section 81 of this Act as amended by the amending Act would, if the instrument had been executed after the commencement of this subclause, apply; and

(b) that relates to a permit, licence, pipeline licence or access authority that was in existence at the time of execution of the instrument,

make an application in writing, within 12 months after the commencement of this subclause, to the Minister for approval of the dealing.

(6) Where—

(a) before the commencement of this subclause, 2 or more persons entered into a dealing relating to a permit, licence, pipeline licence or access authority that was not in existence at the time of execution of the instrument evidencing the dealing;

**SCHEDULE 10—*continued***  
**INSERTION OF SCHEDULES 4 AND 5 INTO THE PRINCIPAL  
 ACT—*continued***

- (b) that dealing would, if the instrument evidencing the dealing had been executed after the commencement of this subclause, be a dealing referred to in section 81A (1) of this Act as amended by the amending Act; and
- (c) that permit, licence, pipeline licence or access authority has come, or comes, into existence,

a party to the dealing may make an application in writing within—

- (d) in a case where that permit, licence, pipeline licence or access authority came into existence before the commencement of this subclause, 12 months after that commencement; or
- (e) in any other case, 3 months after that permit, licence, pipeline licence or access authority comes into existence,

to the Minister for approval of the dealing.

(7) Section 81 of this Act as amended by the amending Act (other than subsections (5) and (6) of that section) applies to a dealing in respect of which an application is made under subclause (5) or (6).

(8) A direction in force under section 101 immediately before the commencement of this subclause shall, after that commencement, continue to apply to the person or persons to whom it applied before that commencement as if it were a direction under section 101 as amended by the amending Act.

(9) A registered holder is not required by section 101 (2A) of this Act as amended by the amending Act to cause a copy of a direction to which subclause (8) applies to be given to another person or to cause a copy of such a direction to be exhibited at a place frequented by that other person if the direction or a copy of the direction was served on the person before the commencement of this subclause.

(10) A permit granted under section 23B, as set forth in Schedule 5 (applications for exploration permits by way of cash bidding) as inserted by the amending Act, shall continue in force after the time the Petroleum (Submerged Lands) (Cash Bidding) Amendment Act 1985 of the Commonwealth ceases to be in force as if the amendments set forth in that Schedule were still in force.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 10—*continued*****INSERTION OF SCHEDULES 4 AND 5 INTO THE PRINCIPAL ACT—*continued*****SCHEDULE 5**

(Sec. 3 (9))

**APPLICATIONS FOR EXPLORATION PERMITS BY WAY OF CASH BIDDING**

During the period commencing on the date of commencement of section 3 (9) and ending at the time the Petroleum (Submerged Lands) (Cash Bidding) Amendment Act 1985 of the Commonwealth ceases to be in force, this Act is to be read as if the following amendments were in force:

**(1) Section 21 (Advertisement of blocks)—****Section 21 (1A)—**

After section 21 (1), insert:

(1A) A block that has been specified in an instrument under section 23A (1) inviting applications for the grant of a permit in respect of the block shall not be specified in an instrument under subsection (1) at any time during the period specified in the firstmentioned instrument.

**(2) Sections 23A–23C—**

After section 23, insert:

**Application for permits by way of cash bidding**

23A. (1) The Minister may, by instrument published in the Gazette, invite applications by way of cash bidding for the grant by the Minister of a permit in respect of the block or blocks specified in the instrument.

(2) A block that has been specified in an instrument under section 21 (1) inviting applications for the grant of a permit in respect of the block shall not be specified in an instrument under subsection (1) at any time during the period specified in the firstmentioned instrument.

**(3) An instrument published under subsection (1) shall—**

- (a) specify a period within which applications may be made;
- (b) state whether the permit to be granted will be able to be renewed;
- (c) contain a summary of the conditions subject to which the permit is to be granted; and

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(d) specify the matters that the Minister will take into account in determining whether to reject an application.

(4) Where an instrument published under subsection (1) specifies more than one block, those blocks shall be constituted by graticular sections that—

(a) constitute a single area; and

(b) are such that each graticular section in that area has a side in common with at least one other graticular section in that area.

(5) An application under this section—

(a) shall be made within the period specified in the instrument published under subsection (1);

(b) shall be in accordance with an approved form;

(c) shall be made in an approved manner;

(d) shall, where the instrument published under subsection (1) specifies more than one block, be an application for the grant of a permit in respect of all the blocks so specified;

(e) shall be accompanied by particulars of—

(i) the technical qualifications of the applicant and of the employees of the applicant;

(ii) the technical advice available to the applicant; and

(iii) the financial resources available to the applicant;

(f) shall specify an amount that the applicant is prepared to pay in a single payment to the State, in addition to the fee referred to in paragraph (h), in respect of the grant of a permit to the applicant on the application;

(g) may set out any other matters that the applicant wishes to be considered; and

(h) shall be accompanied by a fee of \$3,000.

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(6) The Minister may, at any time, by instrument in writing served on the applicant, require the applicant to furnish, within the time specified in the instrument, further information in writing in connection with the application.

(7) Where a permit is not granted on the application, the sum of an amount equal to 90 per cent of the fee paid in accordance with subsection (5) (h) shall be refunded to the applicant.

**Grant or refusal of permit in relation to application**

23B. (1) Where, at the end of the period specified in an instrument published under section 23A (1), only one application has been made under section 23A in respect of the block or blocks specified in the instrument, the Minister may reject the application or may, 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 that block or those blocks.

(2) Where, at the end of the period specified in an instrument published under section 23A (1), 2 or more applications have been made under section 23A in respect of the block or blocks specified in the instrument, the Minister may reject any or all of the applications and, if the Minister does not reject all of the applications, may—

- (a) if only one application remains unrejected—by instrument in writing served on the applicant; or
- (b) if 2 or more applications remain unrejected—by instrument in writing served on the applicant, or on one of the applicants, whose application has not been rejected and who has specified for the purposes of section 23A (5) (f) an amount that is not less than the amount so specified by any other applicant whose application has not been rejected,

inform the applicant that the Minister is prepared to grant to the applicant a permit in respect of that block or those blocks.

(3) An instrument served on an applicant under subsection (1) or (2) shall contain—

- (a) a summary of the conditions subject to which the permit is to be granted; and

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- (b) a statement to the effect that the application will lapse if the applicant does not make a request under subsection (4) and pay to the State the amount to be paid in respect of the grant of the permit to the applicant.
- (4) An applicant on whom there has been served an instrument under subsection (1) or (2) may, within the period of one month after the date of service of the instrument on the applicant—
  - (a) by instrument in writing served on the Minister, request the Minister to grant to the applicant the permit referred to in the firstmentioned instrument; and
  - (b) pay to the State the amount specified by the applicant for the purposes of section 23A (5) (f) in respect of the grant of the permit to the applicant.
- (5) Where an applicant on whom there has been served an instrument under subsection (1) or (2)—
  - (a) has made a request under subsection (4) (a); and
  - (b) has paid to the State the amount specified by the applicant for the purposes of section 23A (5) (f) in respect of the grant of the permit to the applicant,

within the period of one month after the date of service of the instrument on the applicant, the Minister shall, as soon as practicable after the amount referred to in paragraph (b) is paid to the State, grant to the applicant an exploration permit for petroleum in respect of the block or blocks specified in the instrument.
- (6) Where an applicant on whom there has been served an instrument under subsection (1) or (2)—
  - (a) has not made a request under subsection (4) (a); or
  - (b) has not paid to the State the amount specified by the applicant for the purposes of section 23A (5) (f) in respect of the grant of the permit to the applicant,

within the period of one month after the date of service of the instrument on the applicant, the application lapses at the end of that period.

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(7) Where the application of an applicant on whom there has been served an instrument under subsection (2) lapses as provided by subsection (6), subsection (2) applies in respect of the application or applications, if any, then remaining unrejected.

**Permit under section 23B to continue in force in certain cases**

23C. Where—

- (a) a permit granted under section 23B, being a permit—
  - (i) the instrument published under section 23A (1) in relation to the grant of which stated that the permit was not able to be renewed; or
  - (ii) a renewal of which has been granted, expires; and
- (b) before the expiry of the permit—
  - (i) the permittee or the Minister had, under section 37, nominated a block in respect of which the permit was in force;
  - (ii) not being a case to which subparagraph (i) applies—the Minister had, under section 37 (1) (b), required the permittee to nominate, under section 37, a block in respect of which the permit was in force; or
  - (iii) a declaration under section 38 (1) had been made in respect of a block in respect of which the permit was in force, not being a declaration that the permittee had, before that expiry, requested be revoked,

the permit shall be deemed to continue in force in all respects in respect of that block (in this subsection referred to as the “discovery block”) and in respect of such of the blocks that immediately adjoin that block as are blocks in respect of which the permit was in force and are not included in a location—

- (c) in a case where the Minister had, under section 37 (1) (b), required the permittee to nominate, under section 37, a block in respect of which the permit was in force and the permittee or the Minister had not, before that expiry, so nominated that block and does not, within the period applicable under section 37 (2), so nominate that block—until the expiration of that period; or

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(d) in any other case, until—

- (i) a declaration under section 38 (1) in respect of the discovery block is revoked;
- (ii) a licence is granted in respect of the discovery block; or
- (iii) the application period referred to in section 41 (4) in respect of that block expires without an application under section 41 for a licence in respect of the discovery block having been made by the permittee,

whichever first occurs.

(3) **Section 24 (Application for permit in respect of surrendered, &c., blocks)—**

Section 24 (2), (3)—

After “21 (1)” wherever occurring, insert “or 23A (1)”.

(4) **Section 31 (Application for renewal of permit)—**

(a) **Section 31 (1)—**

After “Subject to”, insert “subsection (1A) and to”.

(b) **Section 31 (1A)—**

After section 31 (1), insert:

(1A) A permittee shall not make an application for the renewal of a permit granted under section 23B if—

- (a) the instrument published under section 23A (1) in relation to the grant of the permit stated that the permit was not able to be renewed; or
- (b) a renewal of the permit has previously been granted by the Minister.

(5) **Section 32 (Application for renewal of permit to be in respect of reduced area)—**

(a) **Section 32 (5), (6)—**

After “Where” wherever occurring, insert “, in relation to a permit other than a permit granted under section 23B.”.

*Petroleum (Submerged Lands) Amendment 1986***SCHEDULE 10—continued****INSERTION OF SCHEDULES 4 AND 5 INTO THE PRINCIPAL ACT—continued****(b) Section 32 (5), (6), (7) (a)—**

Omit “of a permit” wherever occurring, insert instead “of the permit”.

**(c) Section 32 (7)—**

Omit “The Minister”, insert instead “In relation to a permit other than a permit granted under section 23B, the Minister”.

**(6) Section 33 (Grant or refusal of renewal of permit)—****(a) Section 33 (1) (d)—**

Omit “that he will”, insert instead “that the permittee will, in the case of the renewal of a permit other than a permit granted under section 23B,.”.

**(b) Section 33 (4) (b)—**

Omit the paragraph, insert instead:

**(b) a statement—**

(i) in the case of the renewal of a permit granted under section 23B—to the effect that the application will lapse if the permittee does not make a request under subsection (5); or

(ii) in any other case—to the effect that the application will lapse if the permittee does not make a request under subsection (5) and lodge with the Minister the security referred to in the instrument.

**(c) Section 33 (5) (b)—**

Before “lodge with”, insert “in the case of the renewal of a permit other than a permit granted under section 23B —”.

**(d) Section 33 (6) (b)—**

Before “has lodged”, insert “in the case of the renewal of a permit other than a permit granted under section 23B—”.

**(e) Section 33 (7) (b)—**

Before “has not lodged”, insert “in the case of the renewal of a permit other than a permit granted under section 23B—”.

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SCHEDULE 10—*continued*  
INSERTION OF SCHEDULES 4 AND 5 INTO THE PRINCIPAL  
ACT—*continued*

(7) Section 34 (**Conditions of permit**)—

(a) Section 34 (2)—

Omit “The conditions”, insert instead “Subject to subsection (2A), the conditions”.

(b) Section 34 (2A)—

After section 34 (2), insert:

(2A) A permit granted under section 23B shall not be granted subject to conditions requiring work to be carried out by the permittee in or in relation to the permit area or requiring the permittee to expend amounts in the carrying out of work in or in relation to the permit area.

(8) Section 137 (**Permit fees**)—

Section 137 (2)—

At the end of section 137, insert:

(2) Fees under this section are not payable in respect of a permit granted under section 23B.

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