



New South Wales

# Petroleum (Onshore) Legislation Amendment (Harmonisation) Regulation 2016

under the

Petroleum (Onshore) Act 1991

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Petroleum (Onshore) Act 1991*.

ANTHONY ROBERTS, MP  
Minister for Industry, Resources and Energy

## Explanatory note

The object of this Regulation is to make the following amendments, which are consequential on the enactment of the *Mining and Petroleum Legislation Amendment (Harmonisation) Act 2015*:

- (a) amendments to savings and transitional provisions inserted into the *Petroleum (Onshore) Act 1991* by that Act:
  - (i) to ensure that environmental information provided by holders of petroleum titles can be disclosed to or exchanged with other agencies, and
  - (ii) to ensure that existing activity approval conditions in assessment leases are taken to be activity approvals issued under new provisions requiring such approvals for assessable prospecting operations,
- (b) amendments to the *Petroleum (Onshore) Regulation 2007*:
  - (i) to provide for the drawing of plans accompanying applications for the renewal or partial cancellation of petroleum titles (in addition to applications for grant of petroleum titles, as at present), and
  - (ii) to provide for the contents of work programs for an exploration licence or an assessment lease, and
  - (iii) to provide for the lodgment of fixed agendas relating to a work program supporting an application for a petroleum title that was prepared using the two-part format, and
  - (iv) to make it a condition of every petroleum title that the holder of the title will carry out not just the operations described in the work program (as at present) but any other activities described in the work program and to comply with any commitments in relation to the conduct of operations specified in the work program in respect of the title, and
  - (v) to specify the information required to accompany applications for renewal of a petroleum title and the manner of describing land where a renewal is sought in respect of part only of the land comprised in the title, and
  - (vi) to provide for the beneficial use of gas for prospecting operations the subject of development consent, and

- (vii) to specify the manner of describing land where a cancellation of a petroleum title is sought in respect of part only of the land comprised in the title, and
- (viii) to specify matters relating to the disclosure or use of information and protected documents that are otherwise required to be kept confidential, and
- (ix) to specify the geological plans, maps and records required to be kept by holders of petroleum titles, and
- (x) to specify the reports required to be prepared and lodged by the holder of a petroleum title, and exemptions from reporting requirements, and
- (xi) to require the collection, labelling and preservation of certain core and characteristic samples of strata, petroleum and water, and
- (xii) to provide for the notification to the Secretary about agents of certain petroleum title holders and other persons, and
- (xiii) to prescribe the criteria for eligibility for a refund or rebate of royalty paid or payable by a holder of a petroleum title who has made a contribution to a fund for programs for the benefit of the community, and
- (xiv) to prescribe the offences under the *Petroleum (Onshore) Act 1991* that can be dealt with by penalty notice and the penalty if they are dealt with in that way, and
- (xv) to omit redundant provisions (including about audits and the waiver of fees) and update terminology and cross-references as a consequence of amendments to the *Petroleum (Onshore) Act 1991*.

This Regulation is made under the *Petroleum (Onshore) Act 1991*, including sections 13, 14 (1) (d), 19 (2AA) and (2AB), 22 (2), 28B, 83H (3), 83K, 91A (2), 96 (2) (c), 97A, 97C (2), 97F, 97G, 104N (2), 113G, 113H, 113M, 125N and 138 (the general regulation-making power), clause 6 (1) (c) of Schedule 1B and clause 2 of Schedule 1.

## **Petroleum (Onshore) Legislation Amendment (Harmonisation) Regulation 2016**

under the

Petroleum (Onshore) Act 1991

### **1 Name of Regulation**

This Regulation is the *Petroleum (Onshore) Legislation Amendment (Harmonisation) Regulation 2016*.

### **2 Commencement**

- (1) This Regulation commences on 1 March 2016, except as provided by subclause (2), and is required to be published on the NSW legislation website.
- (2) Schedule 2 [15] commences on 1 July 2016.

## Schedule 1      **Amendment of Petroleum (Onshore) Act 1991 No 84**

### [1]      **Schedule 1 Savings and transitional provisions**

Omit the clause headed “Existing “activity approval” conditions in exploration licences” from the Part headed “Provisions consequent on enactment of *Mining and Petroleum Legislation Amendment (Harmonisation) Act 2015*”.

Insert instead, with appropriate clause numbering:

#### **Existing “activity approval” conditions in exploration licences and assessment leases**

- (1) Any condition to which an exploration licence was subject immediately before the commencement of section 31A, as inserted by the 2015 amending Act, that requires approval to carry out operations and that is identified in the licence using 1 of the following phrases is void:
  - (a) Category 1 prospecting operations,
  - (b) Category 2 prospecting operations,
  - (c) Category 3 prospecting operations,
  - (d) assessable prospecting operations.
- (2) However, an approval granted pursuant to a condition referred to in subclause (1) that was in force immediately before the commencement of this clause is taken to be an activity approval granted under section 31A and can be varied or voluntarily cancelled accordingly.
- (3) An application for approval to carry out prospecting operations made in compliance with a condition referred to in subclause (1), being an application that had not been dealt with before the commencement of section 31A (as inserted by the 2015 amending Act), is to be dealt with in accordance with section 31A, as if it had been made under that section.
- (4) Any condition to which an assessment lease was subject immediately before the commencement of section 36A, as inserted by the 2015 amending Act, that requires approval to carry out operations and that is identified in the licence using 1 of the following phrases is void:
  - (a) Category 1 prospecting operations,
  - (b) Category 2 prospecting operations,
  - (c) Category 3 prospecting operations,
  - (d) assessable prospecting operations.
- (5) However, an approval granted pursuant to a condition referred to in subclause (4) that was in force immediately before the commencement of this clause is taken to be an activity approval granted under section 36A and can be varied or voluntarily cancelled accordingly.
- (6) An application for approval to carry out prospecting operations made in compliance with a condition referred to in subclause (4), being an application that had not been dealt with before the commencement of section 36A (as inserted by the 2015 amending Act), is to be dealt with in accordance with section 36A, as if it had been made under that section.
- (7) For the avoidance of doubt, compliance with section 31A or 36A is required in respect of any assessable prospecting operation (within the meaning of the

section concerned) carried out after the commencement of the section, even if it began before the commencement of the section.

**[2] Schedule 1**

Omit the clause headed “Environmental information” from the Part headed “Provisions consequent on enactment of *Mining and Petroleum Legislation Amendment (Harmonisation) Act 2015*”.

## **Schedule 2      Amendment of Petroleum (Onshore) Regulation 2007**

**[1]    Clause 3 Definitions**

Omit “(1) or (2)” from the definition of *fixed agenda* in clause 3 (1).

**[2]    Clause 3 (1), definition of “work program”**

Omit the definition.

**[3]    Clause 4 Drawing of plans: sections 13, 19 (2B) (b) and 22 (2)**

Insert “the grant, renewal or partial cancellation of” after “application for” in clause 4 (1).

**[4]    Clause 4 (2)**

Omit “any other petroleum title”.

Insert instead “an assessment lease, production lease or special prospecting authority”.

**[5]    Clause 5 Work programs for exploration licences or assessment leases: section 14**

Insert before clause 5 (1):

- (1A) For the purposes of section 14 (1) (d) of the Act, a work program supporting an application for an exploration licence or an assessment lease must include particulars of the estimated amount of money that the applicant proposes to spend on carrying out operations and activities on the land comprised in the licence or lease.

**[6]    Clause 6**

Omit the clause. Insert instead:

**6    Progressive agendas: section 14 (1) (d)**

- (1) For the purposes of section 14 (1) (d) of the Act, if the work program supporting an application for an exploration licence or assessment lease was prepared using the two-part format, the holder of the licence or lease must lodge another fixed agenda of operations:
- (a) for a period of not less than 2 years commencing on the conclusion of the period covered by the previous fixed agenda, or
- (b) for the remainder of the term of the licence or lease.
- (2) That further fixed agenda must be lodged not later than 2 calendar months before the end of the initial period covered by the fixed agenda supporting the application.
- (3) In the same way, further fixed agendas must be lodged, each not later than 2 calendar months before the end of the period covered by the previous agenda, until the entire term of the licence or lease is accounted for.
- (4) The Minister may require that the holder of a petroleum title revise and submit a fixed agenda lodged under this clause if the Minister is of the opinion that the fixed agenda does not meet the Minister’s minimum standards with respect to the work program.
- (5) It is a condition of every exploration licence or assessment lease that the holder of the licence or lease comply with any such requirement.

**[7] Clause 7 Details to be provided: section 14**

Omit clause 7 (b) and (c). Insert instead:

- (b) the methods of exploration proposed to be employed.

**[8] Clause 9**

Omit the clause. Insert instead:

**9 Work program to be adhered to: clause 6 (1) (c) of Schedule 1B**

For the purposes of clause 6 (1) (c) of Schedule 1B to the Act, it is a condition of every petroleum title that the holder of the title will:

- (a) carry out the operations, and any other activities, described in the work program, as for the time being in force, in respect of the title, and
- (b) comply with any commitments in relation to the conduct of operations specified in the work program, as for the time being in force, in respect of the title.

**[9] Clauses 11A and 11B**

Insert after clause 11:

**11A Applications for renewal of petroleum titles: section 19 (2AA) and (2AB)**

- (1) For the purposes of section 19 (2AA) (b) of the Act, in the case of an application for renewal of a petroleum title that relates to part only of the land comprised in the title, the prescribed manner of describing the land is by means of block references identifying the land, where the blocks in each 1:1,000,000 area are to be identified by numbering consecutively from west to east, commencing with 1 in the north-western corner and concluding with 3456 in the south-eastern corner.
- (2) For the purposes of section 19 (2AB) (b) of the Act, an application for renewal of a petroleum title must be accompanied by the following information:
  - (a) particulars of the financial capability and relevant technical advice available to the applicant,
  - (b) a renewal justification statement, that is, a statement that contains the following information:
    - (i) details of the operations carried out on the land comprised in the title during the current term of the title, including the following:
      - (A) the types of operations carried out,
      - (B) a map showing the location of operations carried out,
      - (C) any expenditure incurred in relation to those operations,
    - (ii) a summary of the potential resources on the land comprised in the title,
    - (iii) a summary of the potential for the development of resources on the land comprised in the title,
    - (iv) a statement giving the reasons that the applicant considers the renewal to be justified,
  - (c) a work program for the proposed term of renewal that complies with the requirements of section 14 of the Act.

**11B Cancellation of petroleum title: section 22 (2)**

For the purposes of section 22 (2) of the Act, in relation to a request for the cancellation of a petroleum title as to part only of the land to which it relates, the manner of preparing the description of the land in respect of which the petroleum title is to be cancelled is by means of the block references identifying the land, where the blocks in each 1:1,000,000 area are to be identified by numbering consecutively from west to east, commencing with 1 in the north-western corner and concluding with 3456 in the south-eastern corner.

**[10] Clause 13 Prescribed particulars for transfers of titles: section 96**

Omit “program of work” from clause 13 (d). Insert instead “work program”.

**[11] Clause 13A**

Omit the clause. Insert instead:

**13A Beneficial use of gas: section 28B**

- (1) For the purposes of section 28B (1) (a) of the Act:
  - (a) all assessable prospecting operations authorised by an exploration licence or assessment lease, and by an activity approval, may be carried out to enable the beneficial use of gas, and
  - (b) all operations authorised by an exploration licence or assessment lease in relation to which a relevant development consent is in force authorising works that facilitate the beneficial use of gas may be carried out to enable the beneficial use of gas.
- (2) In relation only to an assessable prospecting operation authorised by an activity approval, for the purposes of section 28B (1) (b) of the Act:
  - (a) the right to the beneficial use of gas conferred by section 28B of the Act is limited to a period of 1,000 days (whether or not consecutive), per well, in total, and
  - (b) gas cannot be used beneficially unless the activity approval for the assessable prospecting operation involved specifically extends to include the beneficial use of the gas.
- (3) For the purposes of section 28B (2) of the Act, royalty is payable under and in accordance with Part 7 of the Act in respect of any petroleum recovered by the holder of the petroleum title and used beneficially, unless that recovery and use is authorised by a relevant development consent.
- (4) In this clause:

***relevant development consent*** means development consent or approval granted under Part 3A, 4 or 5.1 of the *Environmental Planning and Assessment Act 1979* before 18 December 2015.



**[12] Parts 3 and 3A**

Omit Part 3. Insert instead:

**Part 3 Use of information and protected documents**

**14 Use of audit information: section 83H**

For the purposes of the definition of *relevant agency* in section 83H (3) of the Act, the following legislation is prescribed:

- (a) the *Crimes Act 1900*,
- (b) the *Electricity Supply Act 1995*,
- (c) the *Explosives Act 2003*,
- (d) the *Forestry Act 2012*,
- (e) the *Hunter Water Act 1991*,
- (f) the *Pipelines Act 1967*,
- (g) the *Sydney Water Act 1994*,
- (h) the *Work Health and Safety (Mines and Petroleum Sites) Act 2013*.

**15 Protected voluntary audit documents not admissible in certain proceedings or otherwise protected: section 83K**

(1) For the purposes of section 83K (1) (a) of the Act, the following legislation is prescribed:

- (a) the *Crimes Act 1900*,
- (b) the *Electricity Supply Act 1995*,
- (c) the *Explosives Act 2003*,
- (d) the *Forestry Act 2012*,
- (e) the *Hunter Water Act 1991*,
- (f) the *Pipelines Act 1967*,
- (g) the *Sydney Water Act 1994*,
- (h) the *Work Health and Safety (Mines and Petroleum Sites) Act 2013* or any of the other work health and safety legislation (within the meaning of the *Mining Act 1992*).

(2) For the purposes of section 83K (1) (b) of the Act, the following agencies, departments and authorities are prescribed authorities:

- (a) Dams Safety NSW,
- (b) the Department of Finance, Services and Innovation,
- (c) the Independent Commission Against Corruption,
- (d) a local council,
- (e) Local Land Services,
- (f) the Mine Subsidence Board,
- (g) the NSW Police Force or the police force of another State or Territory,
- (h) the Regulatory Authority (within the meaning of the *Water NSW Act 2014*),
- (i) Roads and Maritime Services,
- (j) SafeWork NSW,

- (k) the Sydney Harbour Foreshore Authority,
  - (l) the Western Lands Commissioner,
  - (m) any other agency or authority administering any relevant legislation.
- (3) In this clause:  
**relevant legislation** means the following legislation:
- (a) the *Petroleum (Onshore) Act 1991*,
  - (b) the *Mining Act 1992*,
  - (c) the *Environmental Planning and Assessment Act 1979*,
  - (d) any of the environment protection legislation,
  - (e) any legislation set out in subclause (1).

**16 Disclosure of protected documents: section 113M**

For the purposes of section 113M (1) (g) of the Act, the following legislation is prescribed:

- (a) the *Crimes Act 1900*,
- (b) the *Electricity Supply Act 1995*,
- (c) the *Explosives Act 2003*,
- (d) the *Forestry Act 2012*,
- (e) the *Hunter Water Act 1991*,
- (f) the *Pipelines Act 1967*,
- (g) the *Sydney Water Act 1994*.

## **Part 3A Records and reports**

**16A Keeping of geological plans, maps and records: section 97A**

- (1) For the purposes of section 97A (a) of the Act:
  - (a) the holder of a petroleum title must, in accordance with written directions issued from time to time by the Secretary, keep geological plans, maps and records relating to the land comprised in the title, and
  - (b) those records must include a summary of the operations conducted during the period to which the records relate, together with details of expenditure in respect of each such operation.
- (2) For the purposes of section 97A (b) of the Act, the holder of a petroleum title must, in accordance with written directions issued from time to time by the Minister, furnish to the Minister such geological and other plans and information as to the progress of operations on such land within the time specified by the Minister.
- (3) The requirements of this clause are in addition to the other requirements of this Part.

**16B Annual reports: section 97C**

- (1) For the purposes of section 97C (2) (a) of the Act, the holder of a petroleum title must prepare and lodge with the Secretary an annual report that complies with this clause.
- (2) An annual report must be lodged within 1 calendar month of the grant anniversary date (within the meaning of section 94B of the Act), or such other

date notified by the Secretary in writing, regardless of whether an application to renew the petroleum title area has been lodged and not yet determined.

- (3) An annual report must contain the following:
  - (a) full particulars of all surveys and other operations and activities carried out by or on behalf of the holder of the petroleum title during the preceding 12-month period within which the petroleum title had effect,
  - (b) details of expenditure on operations and activities carried out by or on behalf of the holder of the petroleum title during the preceding 12-month period within which the petroleum title had effect,
  - (c) the results and conclusions of such surveys and any other operations,
  - (d) the operations proposed to be conducted during the next 12-month period.

**16C Report on drilling and seismic activities: section 97C**

- (1) For the purposes of section 97C (2) (a) of the Act, the holder of a petroleum title must prepare and lodge with the Secretary a report that complies with this clause on the operations carried out under the title in relation to:
  - (a) each seismic program, and
  - (b) the drilling of each borehole.
- (2) A report on a seismic program or the drilling of a borehole must be lodged within 6 months after the completion of the program or the drilling of the borehole concerned.
- (3) A report on a seismic program or the drilling of a borehole must provide details on the operations carried out in the activity concerned, together with all raw and processed data and the conclusions drawn from it.

**16D Partial relinquishment reports: section 97C**

- (1) For the purposes of section 97C (2) (a) of the Act, the holder of a petroleum title must prepare and lodge with the Secretary a partial relinquishment report that complies with this clause when the holder's title has been:
  - (a) partially cancelled, or
  - (b) renewed over an area of land that is less than the area over which the petroleum title applied prior to its renewal.
- (2) A partial relinquishment report must be lodged with the Secretary within 1 calendar month after the Secretary gives notice of the cancellation or renewal as referred to in subclause (1).
- (3) A partial relinquishment report is only required in relation to the area of land that formed part of the authority before the cancellation or renewal of the kind referred to in subclause (1).
- (4) A partial relinquishment report must contain the following:
  - (a) a summary of all surveys and other operations carried out by or on behalf of the holder of the petroleum title during the period within which the land that has been relinquished was subject to the petroleum title,
  - (b) detailed data of all surveys and other operations,
  - (c) the results and conclusions of such surveys and any other operations.

**16E Final reports: section 97C**

- (1) For the purposes of section 97C (2) (a) of the Act, the holder of a petroleum title must prepare and lodge with the Secretary a final report that complies with this clause.
- (2) A final report must be lodged with the Secretary within 1 calendar month after the expiry or cancellation of the petroleum title.
- (3) A final report must contain the following:
  - (a) a summary of all surveys and other operations carried out by or on behalf of the holder of the petroleum title during the period within which the land that has been relinquished was subject to the title,
  - (b) detailed data of all surveys and other operations not previously provided,
  - (c) the results and conclusions of such surveys and any other operations.

**16F Requirements of reports**

- (1) The Secretary may issue further requirements relating to reports under clause 16B, 16C, 16D or 16E. Any such requirements must be published in the Gazette.
- (2) A report under clause 16B, 16C, 16D or 16E must be prepared and lodged in accordance with any requirements issued by the Secretary.

**16G Maps, plans and data in reports**

A report under clause 16B, 16C, 16D or 16E must contain all maps, plans and data that are necessary to satisfactorily interpret and evaluate the report.

**16H Exemption from lodgment of reports: section 97C (2) (b)**

- (1) For the purposes of section 97C (2) (b) of the Act, the Secretary may, by order published in the Gazette, exempt any person, class of persons, petroleum title or class of petroleum titles from a requirement to prepare and lodge a report under clause 16B, 16C, 16D or 16E.
- (2) The holder of a petroleum title may apply to the Secretary for an exemption from a requirement to prepare and lodge a report under section 97C of the Act or for an extension of the period during which a report must be lodged under clause 16B (2), 16C (2), 16D (2) or 16E (2).
- (3) An application for an exemption or an extension must be lodged with the Secretary not less than 30 days before the date the report is required to be lodged and must contain the following information:
  - (a) the authority number or other identifying code for the petroleum title,
  - (b) the name of the holder of the petroleum title,
  - (c) whether an exemption or an extension is sought,
  - (d) in the case of an extension—the period of the extension sought,
  - (e) the reason for the exemption or extension.
- (4) On receipt of an application for an exemption or extension the Secretary may do any 1 of the following:
  - (a) grant an extension of the time by which a report must be lodged,
  - (b) grant an exemption,
  - (c) refuse the application.

- (5) The Secretary must advise the applicant of the determination in writing within 21 days after receipt of the application.

**16I Collection of cores and samples: section 97G**

For the purposes of section 97G of the Act, the holder of a petroleum title must:

- (a) so far as is reasonably practicable, collect, retain and preserve:
- (i) all drill cores and percussion chips remaining after sampling, including any material obtained under previous petroleum titles, and
  - (ii) all characteristic samples of the rock or strata encountered on any drill hole or well on the land comprised in the petroleum title, including any material obtained under previous petroleum titles, and
  - (iii) samples of any petroleum discovered in any well on such land, and
- (b) collect, retain and preserve samples of any water discovered in any well on the land comprised in the petroleum title, where requested to do so by written notice from the Secretary, and
- (c) label any such drill core, percussion chips or samples for reference, and
- (d) so far as is reasonably practicable, preserve the integrity of any such drill core, percussion chip or sample for the life of the title, and
- (e) if the holder of the title intends to dispose any of the drill cores, percussion chips or samples:
- (i) offer those drill cores, percussion chips or samples to the Secretary for preservation, and
  - (ii) if requested to do so, provide them to the Secretary for preservation in such manner as the Secretary determines.

**[13] Clause 20A**

Insert after clause 20:

**20A Notification of agents: section 97F**

For the purposes of section 97F of the Act:

- (a) a person who has appointed an agent for the purposes of that section must provide written notice of the appointment to the Secretary, and
- (b) any notice of that same person's appointment under section 134 of the Act (made in accordance with clause 20 (2)) is sufficient notice for the purposes of section 97F of the Act.

**[14] Clauses 22, 22E, 22G, 22I, 26 and 27A**

Omit the clauses.

**[15] Clause 24AB**

Insert after clause 24AA:

**24AB Refunds or rebates of royalty where contribution made to authorised fund providing for community benefits**

- (1) In this clause:  
*authorised fund* means a fund the subject of an order under this clause.

**exploration phase**, in relation to a petroleum title, means the period during which the holder of that petroleum title carries out prospecting in the project area for that title under the authority of an exploration licence, assessment lease or special prospecting authority.

**project area**, in relation to a petroleum title held by a person, means the local government area in which prospecting or mining authorised by the petroleum title is carried out and any local government area adjacent to that area that is affected by that prospecting or mining.

(2) **Declaration of authorised fund**

The Minister may, by order published in the Gazette, declare a fund that is administered by a government entity, and that has as its principal object the provision of benefit to the community, to be an authorised fund for the purpose of this clause.

(3) An order must specify the geographical area to which the authorised fund relates.

(4) An order may also specify the following:

- (a) the government entity that administers the relevant authorised fund,
- (b) the guidelines that must be followed by that government entity in administering the authorised fund.

(5) The entity that administers an authorised fund is to:

- (a) comply with any guidelines specified in the order that declares the fund to be an authorised fund, and
- (b) notify the Chief Commissioner, at the end of each financial year, of the details of any holder of a petroleum title who has made a contribution to an authorised fund and the value of the contributions made to the fund.

(6) **Rebates against royalty payable**

For the purposes of section 91A of the Act, the holder of a petroleum title is eligible for a rebate of royalty payable by the holder in respect of petroleum recovered by that holder under that petroleum title, or any other petroleum title in the same project area as the title in respect of which royalty was paid or is payable, if:

- (a) a contribution was made to an authorised fund by that holder of that title in respect of any petroleum title held by that holder in the project area, and
- (b) any part of the project area to which the petroleum title relates is located within the area specified in the Ministerial order as the area to which the authorised fund relates, and
- (c) refunds or rebates, or both, have not previously been paid or claimed in respect of the total amount of the contribution in the year.

(7) A rebate under this clause:

- (a) first becomes payable at the end of the first full financial year (1 July to 30 June) in which the holder of the title recovers petroleum in relation to which royalty is payable under the authority of a production lease in the title's project area, and
- (b) is to be offset against the amount of royalties owing by the holder of the title for any title in the same project area in the relevant financial year.

- (8) To avoid doubt, in the case where the holder of a petroleum title made a contribution to an authorised fund during the exploration phase that relates to the title, the rebate is carried over and credited against royalty payable in the first full production year referred to in subclause (7) (a).
- (9) The amount that a holder of a petroleum title who is liable to pay royalty in a financial year is entitled to claim as a rebate on the royalty payment in the same year as a contribution is made, or that is carried over in accordance with subclause (8), is \$1 for every \$2 that the holder of the title contributed to an authorised fund, up to a maximum of 10% of the royalty payable by the holder of the title in relation to production in the title's project area in that year.
- (10) **Refunds of royalty paid**  
For the purposes of section 91A of the Act, the holder of a petroleum title is eligible for a refund of royalty paid by the holder in respect of petroleum recovered by that holder under that petroleum title, or any other petroleum title in the same project area as the title in respect of which royalty was paid or is payable, if:
- (a) a contribution was made to an authorised fund by that holder of that title in respect of any petroleum title held by that holder in the project area, and
  - (b) any part of the project area to which the petroleum title relates is located within the area specified in the Ministerial order as the area to which the authorised fund relates, and
  - (c) an overpayment of royalty has been paid after a rebate has been calculated and any possible rebate against royalty has been exhausted, and
  - (d) refunds or rebates, or both, have not previously been paid or claimed in respect of the total amount of the contribution in the year.
- (11) A refund under this clause first becomes payable at the end of the first full financial year (1 July to 30 June) in which the holder of the title recovers petroleum, in relation to which royalty was paid, under the authority of a production lease in the title's project area.
- (12) The amount that a holder of a petroleum title who was paid royalty in a financial year is entitled to claim as a refund on royalty paid in the same year as a contribution is made is \$1 for every \$2 that the holder of the title contributed to an authorised fund, up to a maximum of 10% of the royalty paid by the holder of the title in relation to production in the title's project area in that year.
- (13) **Refunds (of royalty paid) and rebates (against royalty payable)**  
A refund or rebate does not apply in relation to any period where the obligation to pay royalty arose because gas was beneficially produced during the exploration phase in relation to the title, in accordance with section 28B (Right to beneficial use of gas yielded through prospecting) of the Act and clause 13A.
- (14) To avoid doubt, no refund or rebate is payable in relation to any interest earned on any contribution to an authorised fund.

**[16] Clause 28 Certificate of authority: section 104N**

Omit "section 101 (1) (b)" from clause 28 (3). Insert instead "section 104N (1) (b)".

**[17] Clause 29**

Omit the clause. Insert instead:

**29 Penalty notice offences and penalties: section 125N**

- (1) For the purposes of section 125N of the Act:
  - (a) each offence created by a provision specified in Column 1 of Schedule 2 is an offence for which a penalty notice may be served, and
  - (b) the penalty prescribed for each such offence is:
    - (i) in the case of an offence committed by an individual—the amount specified opposite the provision in Column 2 of the Schedule, or
    - (ii) in the case of an offence committed by a body corporate—the amount specified opposite the provision in Column 3 of the Schedule.
- (2) If the reference to a provision in Column 1 of Schedule 2 is qualified by words that restrict its operation to specified kinds of offences, an offence created by the provision is a prescribed offence only if it is an offence of a kind so specified or committed in the circumstances so specified.

**[18] Clause 31 Savings and transitional provisions**

Insert after clause 31 (2):

- (3) In clause 15 (2) (a), the reference to Dams Safety NSW includes a reference to the Dams Safety Committee constituted under the *Dams Safety Act 1978*, until that Act is repealed.

**[19] Schedule 1 Fees**

Omit “section 118”. Insert instead “section 113E”.

**[20] Schedule 1**

Omit “section 119”. Insert instead “section 113F”.

**[21] Schedule 1**

Omit “Release of information in accordance with a request under section 120”.

Insert instead “Release of information or summary in accordance with a request under section 113G or 113H”.



**[22] Schedule 2**

Omit the Schedule. Insert instead:

**Schedule 2 Penalty notice offences**

(Clause 29)

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Offence</b>	<b>Natural person</b>	<b>Body corporate</b>
	<b>\$</b>	<b>\$</b>
Section 7 (1)	2,500	5,000
Section 78A	2,500	5,000
Section 91 (1A)	2,500	5,000
Section 94C	500	1,000
Section 97C	1,250	2,500
Section 104O (1) (in relation to an failure to comply with a requirement under section 101, 104, 104C or 104F)	1,250	2,500
Section 104O (1) (in relation to failure to comply with a requirement under section 104H (1))	500	—
Section 104O (3)	1,250	2,500
Section 125C	250	—
Section 125D	1,250	2,500
Section 125E (1)	2,500	5,000
Section 125ZM	1,250	2,500