

# Petroleum (Offshore) Act 1982 No 23

[1982-23]



New South Wales

## Status Information

### Currency of version

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### Provisions in force

The provisions displayed in this version of the legislation have all commenced.

### Notes—

- **Previously named**  
Petroleum (Submerged Lands) Act 1982
- **See also**  
[Minerals Legislation Amendment \(Offshore Drilling and Associated Infrastructure Prohibition\) Bill 2023](#)  
[Non-government Bill— Mr Rory Amon, MP]

### Authorisation

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# Petroleum (Offshore) Act 1982 No 23



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# Petroleum (Offshore) Act 1982 No 23



New South Wales

An Act relating to the exploration for, and the exploitation of, the petroleum resources, and certain other resources, of certain submerged lands adjacent to the coasts of New South Wales; to repeal the *Petroleum (Submerged Lands) Act 1967* and the *Petroleum (Submerged Lands) Taxation Act 1967*; to amend the *Petroleum Act 1955* and the *Pipelines Act 1967*; and for other purposes.

## Preamble

WHEREAS in accordance with international law Australia as a coastal state has sovereign rights over the continental shelf beyond the limits of Australian territorial waters for the purpose of exploring it and exploiting its natural resources:

AND WHEREAS Australia is a party to the Convention on the Continental Shelf signed at Geneva on 29 April 1958 in which those rights are defined:

AND WHEREAS by the *Seas and Submerged Lands Act 1973* of the Parliament of the Commonwealth, it is declared and enacted that the sovereignty in respect of the territorial sea of Australia and in respect of the airspace over it and in respect of its sea-bed and subsoil, and the sovereignty in respect of certain internal waters of Australia and in respect of the airspace over those waters and in respect of the sea-bed and subsoil beneath those waters is vested in and exercisable by the Crown in right of the Commonwealth:

AND WHEREAS the Parliaments of the States and the Legislative Assembly of the Northern Territory have certain legislative powers in respect of the sea-bed and subsoil referred to in the last preceding recital and the Parliament of the Commonwealth has vested in the Crown in right of each of the States and the Crown in right of the Northern Territory certain proprietary rights in respect of that sea-bed and subsoil:

AND WHEREAS it has been agreed between the Commonwealth, the States and the Northern Territory that, in place of the scheme provided for by an Agreement between the Commonwealth and the States dated 16 October 1967:

- (a) legislation of the Parliament of the Commonwealth in respect of the exploration for and the exploitation of the petroleum resources of submerged lands should be limited to the resources of lands beneath waters that are beyond the outer limits of the territorial sea adjacent to the States and the Northern Territory (being outer limits based, unless and

until otherwise agreed, on the breadth of that sea being 3 nautical miles), and the States and the Northern Territory should share in the administration of that legislation,

- (b) legislation of the Parliament of each State should apply in respect of the exploration for and the exploitation of the petroleum resources of such part of the submerged lands in an area adjacent to the State as is on the landward side of the waters referred to in paragraph (a),
- (c) legislation of the Legislative Assembly of the Northern Territory should apply in respect of the exploration for and the exploitation of the petroleum resources of such part of the submerged lands in an area adjacent to the Northern Territory as is on the landward side of the waters referred to in paragraph (a), and
- (d) the Commonwealth, the States and the Northern Territory should endeavour to maintain, as far as practicable, common principles, rules and practices in the regulation and control of the exploration for and the exploitation of the petroleum resources of all the submerged lands referred to above that are on the seaward side of the inner limits of the territorial sea of Australia:

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

## **Part 1 Preliminary**

### **1 Name of Act**

This Act may be cited as the *Petroleum (Offshore) Act 1982*.

### **2 Commencement**

- (1) This section and section 1 shall commence on the date of assent to this Act.
- (2) Except as provided by subsection (1), this Act shall commence on the first day on which all of the following Acts of the Parliament of the Commonwealth, with or without amendments, are in operation, namely, the *Seas and Submerged Lands Amendment Act 1980*, the *Coastal Waters (State Powers) Act 1980*, the *Coastal Waters (State Title) Act 1980* and the *Petroleum (Submerged Lands) Amendment Act 1980*.
- (3) The Minister shall as soon as is practicable after the commencement of this Act cause notice of the commencement to be published in the Gazette.

### **3 Repeals, amendments and transitional provisions**

- (1) The *Petroleum (Submerged Lands) Act 1967* and the *Petroleum (Submerged Lands) Taxation Act 1967* are repealed.
- (2), (3) (Repealed)

- (4) The scheme agreed on between the Commonwealth, the States and the Northern Territory, being the scheme set out in Schedule 3, so far as that scheme relates to the operation of this Act, has the force of law by virtue of this subsection.
- (5) For the purposes of the scheme set out in Schedule 3, this Act is the State Act of New South Wales and the Minister is the Designated Authority under this Act.
- (6) A reference to the Designated Authority in a new permit (within the meaning of the scheme set out in Schedule 3) or a new pipeline licence (within the meaning of that scheme) shall for the purposes of that permit or pipeline licence and this Act be read as a reference to the Minister.
- (7) A reference in any other Act, or in any regulation, by-law or other statutory instrument or in any other document, whether of the same or of a different kind, to the "*Petroleum (Submerged Lands) Act 1967*" shall be read and construed as a reference to the "*Petroleum (Submerged Lands) Act 1982*".
- (8) Schedule 4 (Savings, transitional and other provisions) has effect.
- (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.

#### **4 (Repealed)**

#### **5 Definitions**

- (1) In this Act, except in so far as the context or subject-matter otherwise indicates or requires:

**access authority** means an access authority under Part 4.

**application for a primary licence** means an application under section 41 (1) or (2) or 41A (1) or (2).

**application for a secondary licence** means an application under section 41 (3) or 41A (3).

**approved** means approved by the Minister.

**block** means a block constituted as provided by section 18.

**Chief Commissioner** means the Chief Commissioner of State Revenue.

**construct** includes place.

**corresponding law** means an Act of another State or a law in force in a Territory of

the Commonwealth giving effect to the agreement between the Commonwealth, the States and the Northern Territory referred to in the preamble to this Act.

**document** includes any map, book, record or writing.

**good oil-field practice** means all those things that are generally accepted as good and safe in the carrying on of exploration for petroleum, or in operations for the recovery of petroleum, as the case may be.

**graticular section** means a section referred to in section 18.

**inspector** means a person appointed under section 126.

**lease** means a retention lease under Part 4.

**lease area** means the area constituted by the blocks that are the subject of a lease.

**lessee** means the registered holder of a lease.

**licence** means a production licence for petroleum under Part 4.

**licence area** means the area constituted by the blocks that are the subject of a licence.

**licensee** means the registered holder of a licence.

**location** means a block or blocks in respect of which a declaration under section 38 is in force.

**natural resources** has the same meaning as in the Convention.

**partly cancelled** means:

- (a) in relation to a permit or licence—cancelled as to 1 or more but not all of the blocks the subject of the permit or licence, and
- (b) in relation to a pipeline licence—cancelled as to a part of the pipeline the subject of the licence.

**partly determined**, in relation to a permit or lease, means determined as to 1 or more but not all of the blocks the subject of the permit or lease.

**permit** means an exploration permit for petroleum under Part 4.

**permit area** means the area constituted by the blocks that are the subject of a permit.

**permittee** means the registered holder of a permit.

**petroleum** means:

- (a) any naturally occurring hydrocarbon, whether in a gaseous, liquid or solid state,
- (b) any naturally occurring mixture of hydrocarbons, whether in a gaseous, liquid or solid state, or
- (c) any naturally occurring mixture of 1 or more hydrocarbons, whether in a gaseous, liquid or solid state, and 1 or more of the following, that is to say, hydrogen sulphide, nitrogen, helium and carbon dioxide,

and includes any petroleum as defined by paragraph (a), (b) or (c) that has been returned to a natural reservoir in the adjacent area.

**petroleum pool** means a naturally occurring discrete accumulation of petroleum.

**pipeline** means a pipe or system of pipes in the adjacent area for conveying petroleum but does not include a pipe or system of pipes:

- (a) for returning petroleum to a natural reservoir,
- (b) for conveying petroleum for use for the purposes of petroleum exploration operations or operations for the recovery of petroleum,
- (c) for conveying petroleum that is to be flared or vented, or
- (d) for conveying petroleum from a well to a terminal station without passing through another terminal station, whether the terminal station to which the petroleum is conveyed is in the adjacent area or not.

**pipeline licence** means a licence under Part 4 to construct and operate a pipeline.

**pipeline licensee** means the registered holder of a pipeline licence.

**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
- (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).

**primary licence** means a licence granted on an application under section 41 (1) or (2).

**pumping station** means equipment for pumping petroleum or water and includes any structure associated with that equipment.

**Register** means the Register kept in pursuance of Division 5 of Part 4.

**registered holder**, in relation to a permit, lease, licence, pipeline licence, special prospecting authority or access authority, means the person whose name is for the time being shown in the Register as being the holder of the permit, lease, licence, pipeline licence, special prospecting authority or access authority.

**regulations** means regulations made under this Act.

**royalty period**, in relation to a permit, lease or licence, means:

- (a) the period from and including the date from which the permit, lease or licence comes into force to the end of the month of the year during which that date occurs, and
- (b) each month thereafter.

**secondary licence** means a licence granted on an application under section 41 (3).

**secondary line** means a pipe or system of pipes for any purpose referred to in paragraphs (a), (b), (c) and (d) of the definition of **pipeline** in this subsection.

**special prospecting authority** means a special prospecting authority under Part 4.

**tank station** means a tank or system of tanks for holding or storing petroleum and includes any structure associated with that tank or system of tanks.

**terminal station** means a pumping station, a tank station or a valve station declared to be a terminal station under section 64 or under the Commonwealth Act or a corresponding law.

**the adjacent area** means the area specified in Schedule 2 as being the adjacent area of New South Wales.

**the applied provisions** means the provisions applied in accordance with section 15.

**the Commonwealth Act** means the [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#) of the Parliament of the Commonwealth as amended from time to time and any Act of Parliament of the Commonwealth with which that Act is incorporated.

**the Convention** means the Convention entitled “Convention on the Continental Shelf” signed at Geneva on 29 April 1958, being the Convention a copy of which in the English language is set out in Schedule 1.

**the Joint Authority** means the Commonwealth–New South Wales Offshore Petroleum Joint Authority established by the Commonwealth Act.

**the relinquished area** means:

- (a) in relation to a permit, lease or licence that has expired—the area constituted by

the blocks in respect of which the permit, lease or licence was in force but has not been renewed,

- (b) in relation to a permit or lease that has been wholly determined or partly determined—the area constituted by the blocks as to which the permit or lease was so determined,
- (c) in relation to a permit or licence that has been wholly cancelled or partly cancelled—the area constituted by the blocks as to which the permit or licence was so cancelled,
- (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,
- (d) in relation to a pipeline licence that is no longer in force—the part of the adjacent area in which the pipeline was constructed,
- (e) in relation to a pipeline licence that has been wholly cancelled or partly cancelled—the part of the adjacent area in which the pipeline or the part of the pipeline, as the case may be, was constructed, and
- (f) in relation to a special prospecting authority or access authority that has been surrendered or cancelled or has expired—the area constituted by the blocks in respect of which that authority was in force.

**valve station** means equipment for regulating the flow of petroleum and includes any structure associated with that equipment.

**vessel** means a vessel used in navigation, other than air navigation, and includes a barge, lighter or other floating vessel.

**water line** means a pipe or system of pipes for conveying water in connexion with petroleum exploration operations or operations for the recovery of petroleum.

**well** means a hole in the sea-bed or subsoil made by drilling, boring or any other means in connexion with exploration for petroleum or operations for the recovery of petroleum, but does not include a seismic shot hole.

**wholly cancelled**, in relation to a permit, lease, licence or pipeline licence, means cancelled as to all the blocks, or as to the whole of the pipeline, the subject of the permit, lease, licence or pipeline licence.

**wholly determined**, in relation to a permit or lease, means determined as to all the blocks the subject of the permit or lease.

- (2) In this Act, a reference to the term of a permit, lease, licence, pipeline licence, special prospecting authority or access authority is a reference to the period during which the permit, lease, licence, pipeline licence, special prospecting authority or access

authority remains in force and a reference to the date of expiration of a permit, lease, licence, pipeline licence, special prospecting authority or access authority is a reference to the day on which the permit, lease, licence, pipeline licence, special prospecting authority or access authority ceases to be in force.

- (3) In this Act, a reference to a year of the term of a permit, lease, licence or pipeline licence is a reference to a period of 1 year commencing on the day on which the permit, lease, licence or pipeline licence, as the case may be, comes into force or on any anniversary of that day.
- (4) In this Act, a reference to the renewal, or to the grant of a renewal, of a permit is a reference to the grant of a permit in respect of all or some of the blocks specified in the firstmentioned permit to commence on the day after the date of expiration of the firstmentioned permit or on the day after the date of expiration of the permit granted upon a previous renewal of the firstmentioned permit.
- (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.
- (5) In this Act, a reference to the renewal, or to the grant of a renewal, of a licence in respect of the blocks specified in the licence is a reference to the grant of a licence in respect of those blocks to commence on the day after the date of expiration of the firstmentioned licence or on the day after the date of expiration of the licence granted upon a previous renewal of the firstmentioned licence.
- (6) In this Act, a reference to the renewal, or to the grant of a renewal, of a pipeline licence in respect of a pipeline is a reference to the grant of a pipeline licence in respect of that pipeline to commence on the day after the date of expiration of the firstmentioned pipeline licence or on the day after the date of expiration of the pipeline licence granted upon a previous renewal of the firstmentioned pipeline licence.
- (7) In this Act, a reference to a pipeline includes a reference to a part of a pipeline.
- (8) In this Act, a reference to a permit, lease, licence, pipeline licence or access authority is a reference to the permit, lease, licence, pipeline licence or access authority as varied for the time being under this Act.
- (9) The power conferred by this Act to make, grant or issue any instrument shall, unless the contrary intention appears, be construed as including a power exercisable in the like manner and subject to the like conditions, if any, to repeal, rescind, revoke, amend or vary any such instrument.



## **6 Spaces above and below adjacent areas**

For the purposes of this Act and the regulations:

- (a) the space above or below the adjacent area shall be deemed to be in that area, and
- (b) the space above or below an area that is part of the adjacent area shall be deemed to be in that part.

## **7 Ascertaining points and other matters**

- (1) The position on the surface of the Earth of a point, line or area that is necessary to be determined for the purposes of this Act (other than Schedule 2), or of any order, instrument or notification under this Act, is to be determined by reference to the Geocentric Datum of Australia within the meaning of the *Surveying and Spatial Information Act 2002*.
- (2) The points of latitude and longitude referred to in Schedule 2 are to be determined by reference to a spheroid having its centre at the centre of the Earth and a major (equatorial) radius of 6,378,160 metres and a flattening of 100/29825 and by reference to the position of the Johnston Geodetic Station in the Northern Territory of Australia, which is taken to be situated at 133 degrees, 12 minutes and 30.0771 seconds of East Longitude and at 25 degrees, 56 minutes and 54.5515 seconds of South Latitude and to have a ground level of 571.2 metres above that spheroid.

## **8 Petroleum pool extending into 2 licence, permit or lease areas**

- (1) The provisions of this section have effect for the purposes of this Act and of licences.
- (2) Where a well-head is situated in a licence area and the well from that well-head is inclined so as to enter a petroleum pool, being a pool that does not extend to that licence area, at a place within an adjoining licence area of the same licensee, any petroleum recovered through that well shall be deemed to have been recovered in that adjoining licence area under the licence in respect of that area.
- (3) Where a petroleum pool is partly in 1 licence area and partly in an adjoining licence area of the same licensee and petroleum is recovered from that pool through a well or wells in 1 or both of the licence areas, there shall be deemed to have been recovered in each of the licence areas, under the licence in respect of that area, such proportion of all petroleum so recovered as may reasonably be treated as being derived from that area, having regard to the nature and probable extent of the pool, and the respective proportions shall be determined in accordance with subsection (4).
- (4) The proportions to be determined for the purposes of subsection (3) may be determined by agreement between the licensee and the Minister or, in the absence of agreement, may be determined by the Supreme Court on the application of the licensee or the Minister.

- (5) Where a petroleum pool is partly in a licence area and partly in an area (in this subsection referred to as **the Commonwealth licence area**) in which the licensee has authority under the Commonwealth Act to explore for, or recover, petroleum, and petroleum is recovered from that pool through a well or wells in the licence area, the Commonwealth licence area or both, there shall be deemed to have been recovered in the licence area such proportion of all petroleum so recovered as may reasonably be treated as being derived from that area, having regard to the nature and probable extent of the pool, and that proportion shall be determined in accordance with subsection (6).
- (6) The proportion to be determined for the purposes of subsection (5) may be determined by agreement between the licensee, the Joint Authority and the Minister or, in the absence of agreement, may be determined by the Supreme Court on the application of the licensee, the Joint Authority or the Minister.
- (7) Where a petroleum pool is partly in a licence area and partly in an area (in this section called **the other State licence area**) in which the licensee has authority, under a corresponding law, to explore for, or recover, petroleum, and petroleum is recovered from that pool through a well or wells in the licence area, the other State licence area or both, there shall be deemed to have been recovered in the licence area such proportion of all petroleum so recovered as may reasonably be treated as being derived from that area, having regard to the nature and probable extent of the pool, and that proportion shall be determined in accordance with subsection (8).
- (8) The proportion to be determined for the purposes of subsection (7) may be determined by agreement between the licensee, the Minister and the Minister of the other State administering the corresponding law or, in the absence of agreement, may be determined by the Supreme Court on the application of any of those persons.
- (9) Where:
- (a) a petroleum pool is partly in a licence area and partly in another area, being an area which is outside the adjacent area and in which the licensee has, under the Commonwealth Act or a corresponding law, authority to explore for, or recover, petroleum,
  - (b) petroleum is recovered from that pool, and
  - (c) the Supreme Court of another State makes a determination, under the Commonwealth Act or a corresponding law, of the proportion of the petroleum recovered from that pool that is, for the purposes of the Commonwealth Act or the corresponding law, to be deemed to have been recovered from the other area,
- the Supreme Court shall not make a determination under this section that is inconsistent with the determination of the Supreme Court of the other State.

(10) Where:

- (a) a petroleum pool is partly in a licence area and partly in another area, whether in the adjacent area or not, in respect of which another person has authority, whether under this Act, the Commonwealth Act or a corresponding law, to explore for or recover petroleum,
- (b) a unit development agreement in accordance with section 60 is in force between the licensee and that other person, and
- (c) petroleum is recovered from that pool through a well or wells in the licence area, the other area or both,

there shall be deemed to have been recovered in the licence area such proportion of all petroleum so recovered as is specified in, or determined in accordance with, the agreement.

(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.

## **9 Application of Act**

This Act applies to all natural persons, whether Australian citizens or not and whether resident in New South Wales or not, and to all corporations, whether incorporated or carrying on business in New South Wales or not.

## **Part 2 Administration of the Commonwealth offshore area**

### **10 Definition**

In this Part, the **Commonwealth offshore area** means the offshore area for New South Wales for the purposes of the Commonwealth Act.

### **11 Minister as member of Joint Authority**

- (1) The Minister may exercise any power which the Commonwealth Act is expressed to authorize the Minister to exercise as a member of the Joint Authority.
- (2) The Minister shall perform any function which the Commonwealth Act is expressed to require the Minister to perform as a member of the Joint Authority.

### **12 Minister as Designated Authority**

The Minister is authorized to perform the functions and exercise the powers which the Commonwealth Act is expressed to require or empower the Designated Authority in respect of the Commonwealth offshore area to perform or exercise.

### **13 Delegations under Commonwealth Act**

Where, in the exercise of a power which the Commonwealth Act is expressed to confer upon the Designated Authority in respect of the Commonwealth offshore area the Minister delegates a power to a person who is a public servant or who holds any office in the service of New South Wales, the person may exercise the power.

### **14 Public servants performing functions under Commonwealth Act**

A public servant shall perform any function which the Minister, as the Designated Authority in respect of the Commonwealth offshore area, or as a member of the Joint Authority, requires the public servant to perform in relation to the Commonwealth Act.

## **Part 3 Application of laws**

### **15 Application of laws in the adjacent area**

- (1) Subject to this Act and the regulations, the provisions of the laws, whether written or unwritten, in force in New South Wales for the time being (other than laws of the Commonwealth) and the provisions of any instrument having effect under any of those laws, apply, as provided by this section, in the adjacent area and so apply as if that area were part of New South Wales.
- (2) The laws referred to in subsection (1) do not include laws that for the time being apply in the adjacent area by virtue of the *Crimes at Sea Act 1998* or the *Application of Laws (Coastal Sea) Act 1980*.
- (3) A law shall be taken to be a law in force in New South Wales notwithstanding that that law applies to part only of New South Wales.
- (4) The provisions referred to in subsection (1) apply to and in relation to all acts, omissions, matters, circumstances and things touching, concerning, arising out of or connected with the exploration of the sea-bed or subsoil of the adjacent area for petroleum and the exploitation of the natural resources, being petroleum, of that sea-bed or subsoil.
- (5) Without limiting the operation of subsection (4), the provisions referred to in subsection (1) apply:
  - (a) to and in relation to:
    - (i) an act or omission that takes place in, on, above, below or in the vicinity of, and
    - (ii) a matter, circumstance or thing that exists or arises with respect to or in connection with,  
  
a vessel, aircraft, structure or installation, or equipment or other property, that 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,

(b) to and in relation to a person who:

- (i) is in the adjacent area for a reason of the kind referred to in paragraph (a), or
- (ii) 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 the kind referred to in paragraph (a), and

(c) to and in relation to a person in respect of the person's carrying on any operation or doing any work in the adjacent area for a reason of the kind referred to in paragraph (a).

(6) This section does not extend to the provisions of any law or instrument:

- (a) in so far as they apply to or in relation to exploration for, or operations for the recovery of, petroleum,
- (b) in so far as they apply to or in relation to the construction or operation of pipelines,
- (c) in so far as they are incapable of application in the adjacent area, or
- (d) in so far as they are expressed not to extend to or apply in the adjacent area.

(7) This section does not limit the operation that any law or instrument has apart from this section.

(8) The regulations may provide that such of the provisions referred to in subsection (1) as are specified in the regulations do not apply by reason of this section or so apply with such modifications as are specified in the regulations.

(9) For the purposes of subsection (8), **modification** includes the omission or addition of a provision or the substitution of a provision for another provision.

## **16 Jurisdiction of State courts**

(1) Subject to this section, the several courts of New South Wales are invested with jurisdiction in all matters arising under the applied provisions, this Act or the regulations.

(2) The jurisdiction with which the several courts are invested by subsection (1) is invested within the limits (other than limits having effect by reference to localities) of their several jurisdictions.

(3) (Repealed)

(4) This section does not limit the jurisdiction that any court has apart from this section.

## **Part 4 Mining for petroleum**

### **Division 1 Preliminary**

#### **17 Delegation**

- (1) The Minister may, either generally or as otherwise provided by the instrument of delegation, by writing signed by the Minister delegate to a person any of the Minister's powers or functions under this Act or the regulations, other than this power of delegation.
- (2) A power or function so delegated, when exercised or performed by the delegate, shall, for the purposes of this Act or the regulations, be deemed to have been exercised or performed by the Minister.
- (3) A delegation under this section may be expressed as a delegation to the person for the time being holding, or performing the duties of, a specified office under the Commonwealth, a State or a Territory.
- (4) A delegation under this section made at any time by a person who is at that time the Minister continues in force notwithstanding that at some subsequent time a different person is the Minister or there is no person who is the Minister, but such a delegation may be revoked or varied by any person who is for the time being the Minister.
- (5) A delegation under this section of a power or function does not prevent the exercise of the power or the performance of the function by the Minister.
- (6) A copy of each instrument making, varying or revoking a delegation shall be published in the Gazette.

#### **18 Graticulation of Earth's surface and constitution of blocks**

- (1) For the purposes of this Act, the surface of the Earth shall be deemed to be divided:
  - (a) by the meridian of Greenwich and by meridians that are at a distance from that meridian of 5 minutes, or a multiple of 5 minutes, of longitude, and
  - (b) by the equator and by parallels of latitude that are at a distance from the equator of 5 minutes, or a multiple of 5 minutes, of latitude,into sections, each of which is bounded:
  - (c) by portions of 2 of those meridians that are at a distance from each other of 5 minutes of longitude, and

(d) by portions of 2 of those parallels of latitude that are at a distance from each other of 5 minutes of latitude.

(2) For the purposes of this Act:

- (a) a graticular section that is wholly within the adjacent area constitutes a block, and
- (b) if a part only of a graticular section is, or parts only of a graticular section are, within the adjacent area, the area of that part, or of those parts, constitutes a block.

(3) In this Act:

- (a) a reference to a block that is constituted by a graticular section includes a reference to a block that is constituted by the area of a part only, or by the areas of parts only, of a graticular section, and
- (b) a reference to a graticular section that constitutes a block includes a reference to a graticular section part only of which constitutes, or parts only of which constitute, a block.

## **19 Reservation of blocks**

- (1) The Minister may, by instrument published in the Gazette, declare that a block specified in the instrument (not being a block in respect of which a permit, lease or licence is in force or over or in which there is a pipeline) shall not be the subject of a permit, lease, licence, special prospecting authority or access authority and that a pipeline licence shall not be granted in respect of a pipeline over or in that block.
- (2) While a declaration under subsection (1) remains in force in respect of a block, a permit, lease, licence, special prospecting authority or access authority shall not be granted in respect of that block and a pipeline licence shall not be granted in respect of a pipeline over or in that block.

## **Division 2 Exploration permits for petroleum**

### **20 Exploration for petroleum**

- (1) A person shall not explore for petroleum in the adjacent area except:
  - (a) under and in accordance with a permit, or
  - (b) as otherwise permitted by this Part.

Maximum penalty: 500 penalty units or imprisonment for 5 years, or both.

- (2) For the purposes of subsection (1), a person who does anything preparatory to, or knowingly connected with, exploration for petroleum is taken to explore for petroleum.

## **21 Advertisement of blocks**

- (1) The Minister may, by instrument published in the Gazette:
  - (a) invite applications for the grant of a permit in respect of the block or blocks specified in the instrument, and
  - (b) specify a period within which applications may be made.
- (2) The Minister may, for reasons that the Minister thinks sufficient, in an instrument under subsection (1), direct that section 22 (2) or (3) does not apply, or that both of those subsections do not apply, to or in relation to the applications.
- (3)–(5) (Repealed)

## **22 Application for permit**

- (1) An application under section 21:
  - (a) shall be in accordance with an approved form,
  - (b) shall be made in an approved manner,
  - (c) shall be in respect of not more than 400 blocks,
  - (d) shall be accompanied by particulars of:
    - (i) the proposals of the applicant for work and expenditure in respect of the blocks specified in the application,
    - (ii) the technical qualifications of the applicant and of the applicant's employees,
    - (iii) the technical advice available to the applicant, and
    - (iv) the financial resources available to the applicant,
  - (e) may set out any other matters that the applicant wishes the Minister to consider, and
  - (f) shall be accompanied by the prescribed fee.
- (2) The number of blocks specified in the application:
  - (a) if 16 blocks or more are available—shall not be less than 16, or
  - (b) if less than 16 blocks are available—shall be the number available.
- (3) The blocks specified in the application shall be blocks that are 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 1 other graticular section in that area.

(4) 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.

(5) (Repealed)

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

(1) Where an application has been made under section 21, the Minister may:

(a) by instrument in writing served on the applicant, inform the applicant that the Minister is prepared to grant to the applicant a permit in respect of the block or blocks specified in the instrument, or

(b) refuse to grant a permit to the applicant.

(2) An instrument under subsection (1) shall contain:

(a) a summary of the conditions subject to which the permit 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 (3) in respect of the grant of the permit.

(3) An applicant on whom there has been served an instrument under subsection (1) may, within a period of 1 month after the date of service of the instrument on the applicant, or within such further period, not exceeding 1 month, as the Minister, on application in writing served on the Minister before the expiration of the firstmentioned period of 1 month, allows, by instrument in writing served on the Minister, request the Minister to grant to the applicant the permit referred to in the firstmentioned instrument.

(4) Where an applicant on whom there has been served an instrument under subsection (1) has made a request under subsection (3) within the period applicable under subsection (3), the Minister shall grant to the applicant an exploration permit for petroleum in respect of the block or blocks specified in the instrument.

(5) Where an applicant on whom there has been served an instrument under subsection (1) has not made a request under subsection (3) within the period applicable under subsection (3), the application lapses upon the expiration of that period.

### **24 Application for permit in respect of surrendered etc blocks**

(1) Where:

(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

(b) a permit is surrendered, cancelled or determined as to a block or blocks and, at the time of the surrender, cancellation or determination, the block was, or was included in, or the blocks were, or were included in, a location,

the Minister may, at any subsequent time, by instrument published in the Gazette, invite applications for the grant of a permit in respect of that block or such of those blocks as are specified in the instrument and specify a period within which applications may be made.

(2), (3) (Repealed)

(4) An application under this section:

(a) shall be in accordance with an approved form,

(b) shall be made in an approved manner,

(c) shall be accompanied by the particulars referred to in section 22 (1) (d),

(d) shall specify an amount that the applicant is prepared to pay to the Minister, in addition to the fee referred to in section 25 (1) (a), in respect of the grant of a permit on the application, and

(e) may set out any other matters that the applicant wishes the Minister to consider.

(5) 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 connexion with this application.

## **25 Application fee etc**

(1) An application under section 24 shall be accompanied by:

(a) the prescribed fee, and

(b) a deposit of 10 per cent of the amount specified in the application under section 24 (4) (d).

(2) Where a permit is not granted on the application, the amount of the deposit is, subject to subsection (3), to be refunded to the applicant.

(3) Where an applicant on whom there has been served an instrument under section 26 does not request the Minister, in accordance with section 27, to grant the permit referred to in the instrument, the deposit shall not, unless the Minister otherwise determines, be refunded to the applicant.

## **26 Consideration of application**

- (1) Where, at the expiration of the period specified in an instrument under section 24 (1), only 1 application has been made under that subsection 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 expiration of the period specified in an instrument under section 24 (1), 2 or more applications have been made under that subsection 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 1 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 1 of the applicants, whose application has not been rejected and who has specified as the amount that the applicant is prepared to pay in respect of the grant of a permit to the applicant an amount that is not less than the amount 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), (4) (Repealed)
- (5) An instrument under this section shall contain:
  - (a) a summary of the conditions subject to which the permit is to be granted, and
  - (b) a statement to the effect that the application will lapse if the applicant does not:
    - (i) make a request under section 27 (1), and
    - (ii) pay the balance of the amount to be paid in respect of the grant of the permit to the applicant or enter into an agreement under section 110 in respect of that balance.

## **27 Request by applicant for grant of permit in respect of advertised blocks**

- (1) An applicant on whom there has been served an instrument under section 26 may, within a period of 3 months after the date of service of the instrument on the applicant, or within such further period, not exceeding 3 months, as the Minister, on application in writing served on the Minister before the expiration of the firstmentioned period of 3 months, allows:
  - (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 the balance of the amount to be paid in respect of the grant of the permit to the applicant or enter into an agreement under section 110 in respect of that balance.

(c) (Repealed)

(2) Where an applicant on whom there has been served an instrument under section 26:

(a) has not made a request under subsection (1), and

(b) has not paid the balance of the amount to be paid in respect of the grant of the permit to the applicant or entered into an agreement under section 110 in respect of that balance,

(c) (Repealed)

within the period applicable under subsection (1), the application lapses upon the expiration of that period.

(3) Where the application of an applicant on whom there has been served an instrument under section 26 (2) lapses as provided by subsection (2), section 26 (2) applies in respect of the application or applications, if any, then remaining unrejected.

## **28 Grant of permit on request**

Where a person on whom there has been served an instrument under section 26:

(a) has made a request under section 27 (1), and

(b) has paid the balance of the amount to be paid in respect of the grant of a permit to the applicant or has entered into an agreement under section 110 in respect of that balance,

(c) (Repealed)

within the period applicable under section 27 (1), the Minister shall grant to that person an exploration permit for petroleum in respect of the block or blocks specified in the instrument.

## **29 Rights conferred by permit**

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

### **30 Term of permit**

Subject to this Part, a permit remains in force:

- (a) in the case of a permit granted otherwise than by way of the renewal of a permit—for a period of 6 years commencing on the day on which the permit is granted or, if a later day is specified in the permit as being the day on which the permit is to come into force, on that later day, and
- (b) in the case of a permit granted by way of the renewal of a permit—for a period of 5 years commencing on the day on which the permit is granted or, if a later day is specified in the permit as being the day on which the permit is to come into force, on that later day.

### **31 Application for renewal of permit**

- (1) Subject to sections 32 and 32A, a permittee may, from time to time, make an application to the Minister for the renewal of the permit in respect of such of the blocks the subject of the permit as are specified in the application.
- (2) An application for the renewal of the permit:
  - (a) shall be in accordance with an approved form,
  - (b) subject to subsection (3), shall be made in an approved manner not less than 3 months before the date of expiration of the permit, and
  - (c) shall be accompanied by the prescribed fee.
- (3) The Minister may, for reasons that the Minister thinks sufficient, receive an application for the renewal of the permit less than 3 months before, but not in any case after, the date of expiration of the permit.

### **32 Application for renewal of permit to be in respect of reduced area**

- (1) Subject to subsection (3), the number of blocks in respect of which an application for the renewal of a permit may be made shall not exceed the number calculated as follows:
  - (a) where the number of blocks in respect of which the permit is in force is a number that is divisible by 2 without remainder—one-half of that number, or
  - (b) where the number of blocks in respect of which the permit is in force is a number that is 1 less or 1 more than a number that is divisible by 4 without remainder—one-half of that lastmentioned number.
- (2) A block that is, or is included in, a location and in respect of which the permit is in force shall not be regarded as a block in respect of which the permit is in force for the purpose of making a calculation under subsection (1).

- (3) An application for the renewal of a permit may include, in addition to the blocks referred to in subsection (1), a block that is, or is included in, a location and in respect of which the permit is in force, or 2 or more such blocks.
- (4) The blocks specified in an application for the renewal of a permit shall be blocks that are constituted by or are within graticular sections that:
  - (a) constitute a single area or a number of discrete areas, and
  - (b) are such that each graticular section in the area, or in each area, has a side in common with at least 1 other graticular section in that area.
- (5) Where the number of blocks in respect of which an application for the renewal of a permit may be made is 16 or more, each area constituted by blocks in respect of which the application is made shall be constituted by not less than 16 blocks.
- (6) Where the maximum number of blocks in respect of which an application for the renewal of a permit may be made in accordance with the preceding provisions of this section is less than 16, the Minister may, by instrument in writing served on the permittee:
  - (a) inform the permittee that the number of blocks in respect of which the application may be made is such number, not exceeding 16, as is specified in the instrument, and
  - (b) give such directions as the Minister thinks fit concerning the blocks in respect of which the application may be made.
- (7) The Minister may, for reasons that the Minister thinks sufficient:
  - (a) direct that subsections (4) and (5) do not apply to or in relation to a proposed application for the renewal of a permit, and
  - (b) give such directions as the Minister thinks fit concerning the blocks in respect of which that application may be made.

### **32A Certain permits cannot be renewed more than twice**

- (1) This section applies to an application for the renewal of a permit if:
  - (a) the original permit was granted under section 23:
    - (i) on or after 1 January 2006, and
    - (ii) as a result of an application made in response to an invitation in an instrument that was published under section 21 (1) on or after 1 January 2006, or
  - (b) the original permit was granted under section 28 on or after 1 January 2006.
- (2) A permittee must not make such an application if it could result in the original permit

being renewed more than twice.

### **33 Grant or refusal of renewal of permit**

- (1) Where an application has been made for the renewal of a permit, the Minister:
- (a) shall, if the conditions to which the permit is, or has from time to time been, subject and the provisions of this Part and of the regulations have been complied with, or
  - (b) may, if:
    - (i) any of the conditions to which the permit is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and
    - (ii) the Minister is, nevertheless, satisfied that special circumstances exist that justify the granting of the renewal of the permit,
- by instrument in writing served on the person who is then the permittee, inform the person that the Minister is prepared to grant to the person the renewal of the permit.
- (2) If any of the conditions to which the permit is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and if the Minister is not satisfied that special circumstances exist that justify the granting of the renewal of the permit, the Minister shall, subject to subsection (3), by instrument in writing served on the person who is then the permittee, refuse to grant the renewal of the permit.
- (3) The Minister shall not refuse to grant the renewal of the permit unless:
- (a) the Minister has, by instrument in writing served on the permittee, given not less than 1 month's notice of the Minister's intention to refuse to grant the renewal of the permit,
  - (b) the Minister has served a copy of the instrument on such other persons, if any, as the Minister thinks fit,
  - (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 permittee 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 he or she wishes the Minister to consider, and
  - (d) the Minister has taken into account any matters so submitted to the Minister on or before the specified date by the permittee 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 permit, on the grant of the renewal, is to be subject, and
  - (b) a statement to the effect that the application will lapse if the permittee does not make a request under subsection (5).
- (5) A permittee on whom there has been served an instrument under subsection (1) may, within a period of 1 month after the date of service of the instrument on the permittee, by instrument in writing served on the Minister, request the Minister to grant to the permittee the renewal of the permit.
- (6) Where a permittee on whom there has been served an instrument under subsection (1) has made a request under subsection (5) within the period referred to in subsection (5), the Minister shall grant to the permittee the renewal of the permit.
- (7) Where a permittee on whom there has been served an instrument under subsection (1) has not made a request under subsection (5) within the period referred to in subsection (5), the application lapses upon the expiration of that period.
- (8) Where:
  - (a) an application for the renewal of a permit has been made, and
  - (b) the permit expires:
    - (i) before the Minister grants, or refuses to grant, the renewal of the permit, or
    - (ii) before the application lapses as provided by subsection (7),the permit shall be deemed to continue in force in all respects:
  - (c) until the Minister grants, or refuses to grant, the renewal of the permit, or
  - (d) until the application so lapses,whichever first happens.

### **34 Conditions of permit**

- (1) A permit may be granted subject to such conditions as the Minister thinks fit and specifies in the permit.
- (2) The conditions referred to in subsection (1) may include conditions with respect to:
  - (a) work to be carried out by the permittee in or in relation to the permit area during the term of the permit,



(b) amounts to be expended by the permittee in the carrying out of such work, or

(c) both those matters,

and the conditions requiring the permittee to comply with directions given in accordance with the permit concerning the matters referred to in paragraphs (a) and (b).

(3) A permit shall be deemed to contain a condition that the permittee will comply with the provisions of this Act relating to the payment of royalty, as in force from time to time.

### **35 Discovery of petroleum to be notified**

(1) Where petroleum is discovered in a permit area, the permittee:

(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 permit area, the Minister may, from time to time, by instrument in writing served on the permittee, direct the permittee to furnish to him, within the period specified in the instrument, particulars in writing of any 1 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, and

(c) any other matters relating to the discovery that are specified by the Minister in the instrument.

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

Maximum penalty: 100 penalty units.

### **36 Directions by Minister on discovery of petroleum**

(1) Where petroleum is discovered in a permit area, the Minister may, by instrument in writing served on the permittee, direct the permittee 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 the 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 permit area, in such part of that petroleum pool as is within the permit area.

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

direction.

Maximum penalty: 100 penalty units.

### **37 Nomination of blocks as location**

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

### **38 Declaration of location**

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

### **39 Immediately adjoining blocks**

For the purposes of section 37, a block immediately adjoins another block if the graticular section that constitutes or includes that block and the graticular section that constitutes or includes that other block:

- (a) have a side in common, or
- (b) are joined together at 1 point only.

## **Division 2A Retention leases for petroleum**

### **39A Application by permittee for lease**

- (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.
- (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 the prescribed fee.
- (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.

### **39B Grant or refusal of lease in relation to application**

- (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.
- (e) (Repealed)

(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
- (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.

(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, by instrument in writing served on the Minister, request the Minister to grant the lease to the applicant.

(5) Where an applicant on whom there has been served an instrument under subsection (1) has made a request under subsection (4) 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.

- (6) Where an applicant on whom there has been served an instrument under subsection (1) has not made a request under subsection (4) 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.

**39BA Application of sections 39A and 39B where permit is transferred**

Where:

- (a) after an application has been made under section 39A (1) in relation to a block or blocks in respect of which a permit is in force, and
- (b) before a decision has been made by the Minister under section 39B (1) or (2) in relation to the application,

a transfer of the permit is registered under section 78, sections 39A and 39B have effect, after the time of the transfer, as if any reference in those sections to the applicant were a reference to the transferee.

**39C Rights conferred by lease**

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.

**39D Term of lease**

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.

**39E Notice of intention to cancel lease**

- (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
  - (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.

(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).

### **39F Application for renewal of lease**

- (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

(d) shall be accompanied by the prescribed fee.

- (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 an application has been made 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.

### **39G Grant or refusal of renewal of lease**

(1) Where:

- (a) an application for the renewal of a lease has been made under section 39F, and
- (b) any further information required by the Minister under section 39F (4) has been furnished in accordance with that subsection, 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 conditions to which the lease is, or has from time to time been, subject and the provisions of this Part and of the regulations have been complied with, or
- (e) may, if:
  - (i) any of the conditions to which the lease is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and
  - (ii) the Minister is, nevertheless, satisfied that special circumstances exist that



justify the granting of the renewal of the lease,

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

- (2) Subject to subsection (3), where an application for the renewal of a lease has been made under section 39F and:
- (a) any further information required by the Minister under subsection 39F (4) has not been furnished in accordance with that subsection, or
  - (b) the Minister is not satisfied as to the matters referred to in subsection (1) (c), or
  - (c) any of the conditions to which the permit is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with 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 person who is then 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,
  - (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).

- (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, by instrument in writing served on the Minister, request the Minister to grant the renewal of the lease to the lessee.
- (7) Where a lessee on whom there has been served an instrument under subsection (1) has made a request under subsection (6) 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) has not made a request under subsection (6) 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,
- 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.

### **39H Conditions of lease**

- (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.
- (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 a notice 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.

### **39I Discovery of petroleum to be notified**

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

Maximum penalty: 100 penalty units.

### **39J Directions by Minister on discovery of petroleum**

- (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.

Maximum penalty: 100 penalty units.

## **Division 3 Production licences for petroleum**

### **40 Recovery of petroleum in adjacent area**

A person shall not carry on operations for the recovery of petroleum in the adjacent area except:

- (a) under and in accordance with a licence, or
- (b) as otherwise permitted by this Part.

Maximum penalty: 500 penalty units or imprisonment for 5 years, or both.

### **41 Application for licence by holder of permit**

- (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 of a licence:
  - (a) where 9 or more blocks constitute the location concerned—in respect of 5 of those blocks,
  - (b) where 8 or 7 blocks constitute the location concerned—in respect of 4 of those blocks,
  - (c) where 6 or 5 blocks constitute the location concerned—in respect of 3 of those blocks,
  - (d) where 4 or 3 blocks constitute the location concerned—in respect of 2 of those blocks,
  - (e) where 2 blocks constitute the location concerned—in respect of 1 of those blocks,

or

(f) where 1 block constitutes the location concerned—in respect of that block.

(2) A permittee whose permit is in force in respect of blocks that constitute a location:

- (a) instead of making an application under subsection (1) in respect of the permittee's primary entitlement, may, within the application period, make an application to the Minister for the grant of a licence in respect of a number of those blocks that is less than the permittee's primary entitlement, and
- (b) being the holder of a licence referred to in paragraph (a), may, from time to time within that period, make an application to the Minister for the variation of that licence to include in the licence area a number of those blocks that does not exceed the number, if any, by which the holder's primary entitlement exceeds the number of blocks in respect of which that licence was granted and the number of blocks, if any, included in that licence by reason of any previous variations of that licence.

(3) Where:

- (a) a permittee makes an application under subsection (1) in respect of the permittee's primary entitlement, or
- (b) a permittee who is the holder of a licence in respect of a number of blocks that is less than the permittee's primary entitlement makes an application under subsection (2) for a variation of that licence, and the number of blocks in respect of which that licence was granted, together with the number of blocks included, and sought to be included, in the licence area by reason of applications under that subsection, is the permittee's primary entitlement,

the permittee may, within the application period, make an application to the Minister for the grant of a licence in respect of any of the other blocks forming part of the location concerned.

(4) Subject to subsection (5), 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 by the permittee, in writing, served on the Minister before the expiration of the period of 2 years, referred to in paragraph (a), allows.

(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.

#### **41A Application for licence by holder of lease**

- (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,
  - (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 an application has been made 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.

#### **42 Application for licence**

- (1) An application under section 41 or 41A:
  - (a) shall be in accordance with an approved form,
  - (b) shall be made in an approved manner,
  - (c) shall be accompanied by particulars of the proposals of the applicant for work and expenditure in respect of the area comprised in the blocks specified in the

application,

(d) may set out any other matters that the applicant wishes the Minister to consider, and

(e) shall, in the case of an application for the grant of a licence, be accompanied by the prescribed fee.

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

#### **43 Determination of rate of royalty**

(1) Where an application for a primary licence has been made and, before or after the grant of the primary licence, the applicant makes an application for a secondary licence, the Minister shall determine a rate at which royalty is to be payable in respect of petroleum recovered, whether under the primary licence or under the secondary licence, being a rate that is not less than 11 per cent nor more than 12 and a half per cent of the value at the well-head of that petroleum.

(2) The Minister shall not, under subsection (1), determine the rate at which royalty is to be payable unless the Minister has given to the applicant an opportunity to confer with the Minister concerning that rate.

#### **44 Notification as to grant of licence**

(1) Where an application for the grant of a licence has been made under section 41 or 41A and the applicant has furnished any further information as and when required by the Minister under section 42 (2), the Minister, by instrument in writing served on the applicant, must inform the applicant that the Minister is prepared to grant to the applicant a licence in respect of the blocks specified in the application.

(2) An instrument under subsection (1) shall:

(a) contain a summary of the conditions subject to which the licence is to be granted,

(b) if the instrument relates to an application for a secondary licence—specify the rate of royalty determined by the Minister in pursuance of section 43 (1), and

(c) contain a statement to the effect that the application will lapse if the applicant does not make a request under section 45 (1) in respect of the grant of the licence.

#### **45 Grant of licence**

(1) An applicant on whom there has been served an instrument under section 44 (1) may, within a period of 3 months after the date of service of the instrument, or within such

further period, not exceeding 3 months, as the Minister, on application in writing served before the expiration of the firstmentioned period of 3 months, allows, by instrument in writing served on the Minister, request the Minister to grant to the applicant the licence referred to in the firstmentioned instrument.

- (2) Where an applicant on whom there has been served an instrument under section 44 (1) has made a request under subsection (1) within the period applicable under subsection (1), the Minister shall grant to the applicant a production licence for petroleum in respect of the blocks specified in the application.
- (3) A secondary licence shall not be granted to a permittee or lessee in respect of any 1 or more of the blocks that constitute a location unless:
  - (a) a primary licence has been granted in respect of a block or blocks forming part of that location, and
  - (b) the number of blocks in respect of which the primary licence was granted, together with the number of blocks included in that licence by reason of variations of the licence under section 46, is the permittee's or lessee's primary entitlement.
- (4) Where an applicant on whom there has been served an instrument under section 44 (1) has not made a request under subsection (1) within the period applicable under subsection (1), the application lapses upon the expiration of that period.
- (5) On the day on which a licence granted under this section comes into force, the permit or lease in respect of the blocks in respect of which the licence was granted ceases to be in force in respect of those blocks.

#### **45A Application of sections 42-45 where permit etc transferred**

Where:

- (a) after an application has been made:
  - (i) under section 41 for the grant of a licence in respect of a block in respect of which a permit is in force, or
  - (ii) under section 41A for the grant of a licence in respect of a block in respect of which a lease is in force, and
- (b) before a decision has been made by the Minister under section 44 (1) in relation to the application,

a transfer of the permit or lease (as the case may be) is registered under section 78, then, after the time of the transfer, sections 42 to 45 (inclusive) have effect in relation to the application as if any reference in those sections to the applicant were a reference to the transferee.



#### **46 Variation of licence area**

- (1) Where an application is made under section 41 (2) for a variation of a licence, the Minister shall, by instrument in writing served on the licensee, vary the licence to include in the licence area the blocks specified in the application.
- (2) On and from the day on and from which a variation of a licence under this section has effect:
  - (a) the blocks included in the licence area by reason of the variation are, subject to this Part, for the remainder of the term of the licence, blocks in respect of which the licence is in force, and
  - (b) the permit that is in force in respect of the blocks so included ceases to be in force in respect of those blocks.

#### **47 Determination of permit as to block not taken up**

- (1) Subject to subsection (2), where:
  - (a) a permittee who may make an application under section 41 in respect of a block does not, within the application period, make the application, or
  - (b) all applications made by a permittee under that section in respect of a block have lapsed,the permit is determined as to that block and the determination has effect:
  - (c) in a case referred to in paragraph (a)—upon the expiration of the application period, and
  - (d) in a case referred to in paragraph (b):
    - (i) upon the expiration of the application period, or
    - (ii) upon the lapsing of the application, or the last of the applications, referred to in that paragraph,whichever is the later.
- (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.
- (2) Where a permittee or lessee makes an application for a secondary licence:
  - (a) the permit or lease is determined as to any blocks forming part of the location concerned that are not the subject of that application or of any application for a primary licence or for the variation of such a licence, and

- (b) the determination has effect upon the making of the application.
- (3) Subject to subsection (4), where a block or blocks constituting or forming part of a location is or are no longer the subject of a permit or lease, the Minister shall, by instrument published in the Gazette:
  - (a) in a case where that block or those blocks constitutes or constitute that location—revoke the declaration made under section 38 in respect of that location, or
  - (b) in a case where that block or those blocks forms or form part of that location—revoke the declaration made under section 38 in respect of that location to the extent that it relates to that block or those blocks.
- (4) Subsection (3) does not apply in relation to a block:
  - (a) in respect of which an application for the grant of a lease or licence has been made, being an application that has not lapsed and in relation to which a decision has not been made by the Minister, or
  - (b) in respect of which a lease or licence is in force.
- (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 to the extent that it relates to the block or blocks that is or are not within the lease area.
- (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 in respect of that location.

#### **48 Application for licence in respect of surrendered etc blocks**

- (1) Where:
  - (a) a licence is surrendered or cancelled as to a block, or
  - (b) a permit or lease is surrendered, cancelled or determined as to a block:
    - (i) that, at the time of the surrender, cancellation or determination, was, or was included in, a location, and
    - (ii) in which, in the opinion of the Minister, there is petroleum,

the Minister may, at any subsequent time, by instrument published in the Gazette:

- (c) invite applications for the grant of a licence in respect of that block, and
- (d) specify a period within which applications may be made.

(2) The Minister shall, in an instrument under subsection (1), state:

- (a) that an applicant is required to specify an amount that the applicant would be prepared to pay in respect of the grant of a licence on the application, or
- (b) that an applicant is required to specify a rate of royalty that the applicant would be prepared to pay, if a licence were granted on the application, in respect of petroleum recovered under the licence, being a rate that exceeds 10 per cent of the value at the well-head of that petroleum.

(3) Where the Minister, in an instrument under subsection (1), states that an applicant is required to specify a rate of royalty as mentioned in subsection (2) (b), the Minister may, in that instrument, state that an applicant on whose application the Minister is prepared to grant a licence will also be required to pay to the Minister, in respect of the grant of the licence to the applicant, the amount specified in that behalf in that instrument.

(4), (5) (Repealed)

(6) An application under this section:

- (a) shall be in accordance with an approved form,
- (b) shall be made in an approved manner,
- (c) shall be accompanied by the particulars referred to in section 42 (1) (c),
- (d) in the case of an application under subsection (1), shall specify, in accordance with the requirement in the instrument by which applications were invited, the amount, or the rate of royalty, that the applicant would be prepared to pay, and
- (e) (Repealed)
- (f) may set out any other matters that the applicant wishes the Minister to consider.

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

#### **49 Application fee etc**

- (1) An application under section 48 shall be accompanied by:
  - (a) the prescribed fee, and

(b) a deposit:

- (i) if the applicant has specified an amount that the applicant would be prepared to pay in respect of the grant of a licence to the applicant on the application—of 10 per cent of that amount, or
- (ii) if the Minister has, in the instrument by which applications were invited, stated an amount that the applicant will be required to pay in respect of the grant of a licence—of 10 per cent of that amount.

(2) Where a licence is not granted on the application, the amount of the deposit is, subject to subsection (3), to be refunded to the applicant.

(3) Where an applicant on whom there has been served an instrument under section 50 (1) does not request the Minister, under section 50 (6), to grant to the applicant the licence referred to in the instrument, the deposit shall not, unless the Minister otherwise determines, be refunded to the applicant.

#### **50 Request by applicant for grant of licence**

(1) Where, at the expiration of the period specified in an instrument under section 48 (1), only 1 application has been made under that subsection in respect of the block 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 licence in respect of that block.

(2) Where, at the expiration of the period specified in an instrument under section 48 (1), 2 or more applications have been made under that subsection in respect of the block 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 1 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 1 of the applicants, whose application has not been rejected and who has specified in the application an amount, or a rate of royalty, that the applicant would be prepared to pay that is not less than the amount, or the rate of royalty, specified in the application of any other applicant whose application has not been rejected,

inform the applicant:

(c) that the Minister is prepared to grant to the applicant a licence in respect of that block, and

(d) that the applicant will be required to pay:

- (i) the amount specified in the application,
  - (ii) royalty at the rate specified in the application, or
  - (iii) royalty at the rate specified in the application and the amount specified in the instrument under section 48 (1),
- as the case may be.

(3), (4) (Repealed)

(5) An instrument under any of the preceding provisions of this section shall contain:

- (a) a summary of the conditions subject to which the licence is to be granted,
- (b) a statement of the balance of the amount, if any, that the applicant will be required to pay in respect of the grant of the licence to the applicant, and
- (c) a statement to the effect that the application will lapse:
  - (i) if the applicant does not make a request under subsection (6), or
  - (ii) in a case where the instrument contains a statement referred to in paragraph (b)—if the applicant does not pay the balance of the amount referred to in that statement or enter into an agreement under section 110 in respect of that balance.

(iii) (Repealed)

(6) An applicant on whom there has been served an instrument under any of the preceding provisions of this section may, within a period of 3 months after the date of service of the instrument on the applicant, or within such further period, not exceeding 3 months, as the Minister, on application in writing served on the Minister before the expiration of the firstmentioned period of 3 months, allows:

- (a) by instrument in writing served on the Minister, request the Minister to grant to the applicant the licence, and
- (b) if the firstmentioned instrument contains a statement of the balance of an amount that the applicant will be required to pay in respect of the grant of the licence to the applicant—pay that balance or enter into an agreement under section 110 in respect of that balance.

(c) (Repealed)

(7) Where an applicant on whom there has been served an instrument under subsection (1) or (2):

- (a) has not made a request under subsection (6), or

(b) if the instrument contains a statement of the balance of an amount that the applicant will be required to pay in respect of the grant of a licence to the applicant—has not paid that balance or entered into an agreement under section 110 in respect of that balance,

(c) (Repealed)

within the period applicable under subsection (6), the application lapses upon the expiration of that period.

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

### **51 Grant of licence on request**

Where an applicant on whom there has been served an instrument under section 50:

(a) has made a request under section 50 (6), and

(b) if the instrument contains a statement of the balance of an amount that the applicant will be required to pay in respect of the grant of a licence to the applicant—has paid that balance or entered into an agreement under section 110 in respect of that balance,

(c) (Repealed)

within the period applicable under section 50 (6), the Minister shall grant to the applicant a production licence for petroleum in respect of the block specified in the instrument.

### **52 Grant of licences in respect of individual blocks**

(1) Where a licence (in this section called ***the original licence***) is in force in respect of 2 or more blocks (not being blocks that form, or form part of, a location), the licensee may make an application to the Minister for the grant to the licensee of 2 or more licences in respect of the blocks the subject of the original licence in exchange for the original licence.

(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 specify the number of licences required,

(d) shall specify the block or blocks the subject of the original licence in respect of which each licence is sought, and

(e) shall be accompanied by the prescribed fee.

(3) (Repealed)

(4) Where a licensee has made an application under this section, the Minister shall grant to the licensee production licences for petroleum in accordance with the application.

(5) A licence granted on an application under this section:

(a) remains in force, subject to this Part, but notwithstanding section 54, for the remainder of the term of the original licence, and

(b) shall be granted subject to conditions corresponding as nearly as may be to the conditions to which the original licence was subject.

(6) Where licences are granted on an application under this section:

(a) the original licence is, by force of this subsection, determined, and

(b) the determination has effect on and from the day on which those licences come into force.

### **53 Rights conferred by licence**

A licence, while it remains in force, authorizes the licensee, subject to this Act and the regulations and in accordance with the conditions to which the licence is subject:

(a) to recover petroleum in the licence area and to recover petroleum from the licence area in another area to which the licensee has lawful access for that purpose,

(b) to explore for petroleum in the licence area, and

(c) to carry on such operations and execute such works in the licence area as are necessary for those purposes.

### **54 Term of licence**

Subject to this Part, a licence remains in force:

(a) in the case of a licence granted otherwise than by way of renewal of a licence—for the period of 21 years commencing on the day on which the licence is granted or, if a later day is specified in the licence as being the day on which the licence is to come into force, on that later day,

(b) in the case of a licence granted by way of the first renewal of a licence—for the period of 21 years commencing on the day on which the licence is granted or, if a later day is specified in the licence as being the day on which the licence is to come into force, on that later day, and

(c) in the case of a licence granted by way of the renewal, other than the first renewal, of

a licence—for such period, commencing on the day on which the licence is granted or, if a later day is specified in the licence as being the day on which the licence is to come into force, on that later day, as the Minister determines and specifies in the licence, being a period not exceeding 21 years.

### **55 Application for renewal of licence**

- (1) A licensee may, from time to time, make an application to the Minister for the renewal of the licence.
- (2) An application for the renewal of the licence:
  - (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 before the day on which the licence ceases to be in force,
  - (c) shall be accompanied by particulars of the proposals of the licensee for work and expenditure in respect of the licence area, and
  - (d) shall be accompanied by the prescribed fee.
- (3) The Minister may, for reasons that the Minister thinks sufficient, receive an application for the renewal of the licence less than 6 months before, but not in any case after, the day on which the licence ceases to be in force.

### **56 Grant or refusal of renewal of licence**

- (1) Where:
  - (a) an application for the renewal of a licence has been made under section 55, and
  - (b) the conditions to which the licence is, or has from time to time been, subject and the provisions of this Part and of the regulations have been complied with,the Minister:
  - (c) shall, if the application is in respect of the first renewal of the licence, or
  - (d) may, if the application is in respect of a renewal other than the first renewal of the licence,by instrument in writing served on the person who is then the licensee, inform the person that the Minister is prepared to grant to the person the renewal of the licence.
- (2) Where:
  - (a) an application for the renewal of a licence has been made under section 55, and
  - (b) any of the conditions to which the licence is, or has from time to time been,



subject or any of the provisions of this Part and of the regulations has not been complied with, but the Minister is, nevertheless, satisfied that special circumstances exist that justify the granting of the renewal of the licence,

the Minister may, by instrument in writing served on the person who is then the licensee, inform the person that the Minister is prepared to grant to the person the renewal of the licence.

- (3) If any of the conditions to which the licence is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and if the Minister is not satisfied that special circumstances exist that justify the granting of the renewal of the licence, the Minister shall, subject to subsection (4), by instrument in writing served on the person who is then the licensee, refuse to grant the renewal of the licence.
- (4) The Minister shall not, under subsection (3), refuse to grant the renewal of a licence unless:
  - (a) the Minister has, by instrument in writing served on the licensee, given not less than 1 month's notice of the Minister's intention to refuse to grant the renewal of the licence,
  - (b) the Minister has served a copy of the instrument on such other persons, if any, as the Minister thinks fit,
  - (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 licensee 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 he or she wishes the Minister to consider, and
  - (d) the Minister has taken into account any matters so submitted to the Minister on or before the specified date by the licensee or by a person on whom a copy of the firstmentioned instrument has been served.
- (5) Where an application has been made under section 55 in respect of a renewal other than the first renewal of the licence, the Minister may, by instrument in writing served on the person who is then the licensee, refuse to grant the renewal of the licence.
- (6) (Repealed)
- (7) An instrument under subsection (1) or (2) shall contain:
  - (a) a summary of the conditions to which the licence, on the grant of the renewal, is to be subject, and

(b) a statement to the effect that the application will lapse if the applicant does not make a request under subsection (8).

(8) A licensee on whom there has been served an instrument under subsection (1) or (2) may, within a period of 1 month after the date of service of the instrument on the licensee, by instrument in writing served on the Minister, request the Minister to grant the renewal of the licence to the licensee.

(9) Where a licensee on whom there has been served an instrument under subsection (1) or (2) has made a request under subsection (8) within the period referred to in subsection (8), the Minister shall grant to the licensee the renewal of the licence.

(10) Where a licensee on whom there has been served an instrument under subsection (1) or (2) has not made a request under subsection (8) within the period referred to in subsection (8), the application lapses upon the expiration of that period.

(11) Where:

(a) an application for the renewal of a licence is made under section 55, and

(b) the licence expires:

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

(ii) before the application lapses as provided by subsection (10),

the licence shall be deemed to continue in force in all respects:

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

(d) until the application so lapses,

whichever first happens.

## **57 Conditions of licence**

(1) A licence may be granted subject to such conditions as the Minister thinks fit and specifies in the licence.

(2) A licence shall be deemed to contain a condition that the licensee will comply with the provisions of this Act relating to the payment of royalty as in force from time to time.

## **58 (Repealed)**

## **59 Directions as to recovery of petroleum**

(1) Where petroleum is not being recovered in a licence area and the Minister is satisfied that there is recoverable petroleum in that area, the Minister may, by instrument in writing served on the licensee, direct the licensee to take all necessary and practicable steps to recover that petroleum.

- (2) Where the Minister is not satisfied with the steps taken or being taken by a licensee to whom a direction has been given under subsection (1), the Minister may, by instrument in writing served on the licensee, give to the licensee such directions as the Minister thinks necessary for or in relation to the recovery of petroleum in the licence area.
- (3) Where petroleum is being recovered in a licence area, the Minister may, for reasons that he thinks sufficient, by instrument in writing served on the licensee, direct the licensee to take all necessary and practicable steps to increase or reduce the rate at which petroleum is being recovered in the licence area or from a petroleum pool in the licence area to such rate as the Minister specifies in the instrument.
- (4) Where the Minister is not satisfied with the steps taken or being taken by a licensee to whom a direction has been given under subsection (3), the Minister may, by instrument in writing served on the licensee, give to the licensee such directions as the Minister thinks necessary for or in relation to the increase or reduction of the rate at which petroleum is being recovered in the licence area or from a petroleum pool in the licence area.

## **60 Unit development**

- (1) In this section, the expression ***unit development***:
  - (a) applies in relation to a petroleum pool that is partly in a particular licence area of a licensee and partly in a licence area of another licensee or in an area that is not within the adjacent area but in which a person other than the firstmentioned licensee is lawfully entitled to carry on operations for the recovery of petroleum from the pool, and
  - (b) means the carrying on of operations for the recovery of petroleum from that pool under co-operative arrangements between the persons entitled to carry on such operations in each of those areas.
- (2) A licensee may from time to time enter into an agreement in writing for or in relation to the unit development of a petroleum pool, but nothing in this subsection derogates from the operation of section 81 (2).
- (3) The Minister, of the Minister's own motion or on application made to the Minister in writing by:
  - (a) a licensee in whose licence area there is a part of a particular petroleum pool, or
  - (b) a person who is lawfully entitled to carry on operations for the recovery of petroleum in an area outside the adjacent area that includes part of a particular petroleum pool that extends into the adjacent area,may, for the purpose of securing the more effective recovery of petroleum from the

petroleum pool, by instrument in writing served on the licensee, direct any licensee whose licence area includes part of the petroleum pool to enter into an agreement in writing, within the period specified in the instrument, for or in relation to the unit development of the petroleum pool and to lodge an application in accordance with section 81 for approval of any dealing to which the agreement relates.

(4) Where:

- (a) a licensee who is directed under subsection (3) to enter into an agreement for or in relation to the unit development of a petroleum pool does not enter into such an agreement within the specified period, or
- (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,

the Minister may, by instrument in writing served on the licensee, direct the licensee to submit to the Minister, within the period specified in the instrument, a scheme for or in relation to the unit development of the petroleum pool.

- (5) At any time after the expiration of the period within which a scheme for or in relation to the unit development of a petroleum pool is to be submitted by a licensee under subsection (4), the Minister may, by instrument in writing served on the licensee, give to the licensee such directions as the Minister thinks necessary for the purpose of securing the more effective recovery of petroleum from the petroleum pool.
- (6) Where a person is the licensee in respect of 2 or more licence areas in each of which there is part of a particular petroleum pool, the Minister may, by instrument in writing served on the licensee, give to the licensee such directions as the Minister thinks necessary for the purpose of securing the more effective recovery of petroleum from the petroleum pool.
- (7) Where an agreement under this section is in force or the Minister has given directions under subsection (5) or (6), the Minister may, having regard to additional information that has become available, by instrument in writing served on the licensee or licensees concerned, give to the licensee or licensees such directions, or further directions, as the case may be, as he thinks necessary for the purpose of securing the more effective recovery of petroleum from the petroleum pool.
- (8) The Minister shall not give a direction under subsection (6) or (7) unless he has given to the licensee or licensees concerned an opportunity to confer with the Minister concerning the proposed direction.
- (9) Directions under subsection (5), (6) or (7) may include directions as to the rate at which petroleum is to be recovered.

(10) In this section:

**dealing** means a dealing to which section 81 applies.

(11) The Minister shall:

- (a) if a petroleum pool extends, or is reasonably believed by the Minister to extend, from the adjacent area into lands to which the laws of another State relating to the exploitation of petroleum resources apply, consult with the appropriate authority of that State concerning the exploitation of the petroleum pool,
- (b) if a petroleum pool extends, or is reasonably believed by the Minister to extend, from the adjacent area into the adjacent area in respect of a State other than New South Wales within the meaning of the Commonwealth Act, consult with the Designated Authority under the Commonwealth Act in respect of that State concerning the exploitation of the petroleum pool, or
- (c) if both paragraph (a) and paragraph (b) apply, comply with both of those paragraphs.

(12) Where subsection (11) applies in relation to a petroleum pool, the Minister shall not approve an agreement under this section, or give a direction under this section, in relation to that petroleum pool except with the approval of any other authority or Designated Authority required by that subsection to be consulted.

## **Division 4 Pipeline licences**

### **61 Construction etc of pipelines etc**

(1) A person shall not, in the adjacent area:

- (a) commence or continue the construction, or the alteration or reconstruction, of a pipeline, or
- (b) operate a pipeline,

except under and in accordance with a pipeline licence.

(2) A person shall not, in the adjacent area:

- (a) commence or continue the construction, or the alteration or reconstruction, of a secondary line or water line, or
- (b) operate a secondary line or water line,

except with and in accordance with a consent in writing of the Minister.

(3) A person shall not, in the adjacent area:

- (a) commence or continue the construction, or the alteration or reconstruction, of a pumping station, tank station or valve station, or

(b) operate a pumping station, tank station or valve station,

except under and in accordance with a pipeline licence or with and in accordance with a consent in writing of the Minister.

(4) A person shall not, in the adjacent area, commence to operate a pipeline, a secondary line or a water line unless:

(a) in the case of a pipeline, it has been constructed and tested in accordance with a pipeline licence,

(b) in the case of a secondary line or water line, it has been constructed and tested in accordance with a consent in writing of the Minister, and

(c) the Minister has certified in writing that the Minister is satisfied that the pipeline, secondary line or water line, as the case may be, has been so constructed and tested and is fit to be operated.

(5) A person shall not, in the adjacent area, recommence to operate a pipeline, a secondary line or a water line, the previous operation of which was discontinued, except with and in accordance with a consent in writing of the Minister.

(6) The Minister may, for reasons that the Minister thinks sufficient, refuse to give a consent or certificate for the purposes of this section and, where the Minister gives a consent, may attach conditions to it.

Maximum penalty: 500 penalty units or imprisonment for 5 years, or both.

## **62 Acts done in an emergency etc**

It is not an offence against section 61:

(a) if, in an emergency in which there is a likelihood of loss or injury, or for the purpose of maintaining a pipeline, water line, pumping station, tank station, valve station or secondary line in good order or repair, a person does an act to avoid the loss or injury or to maintain the pipeline, water line, pumping station, tank station, valve station or secondary line in good order and repair and:

(i) as soon as practicable notifies the Minister of the act done, and

(ii) complies with any directions given to the person by the Minister, or

(b) if a person does an act in compliance with a direction under this Act or the regulations.

## **63 Removal of pipeline etc constructed in contravention of Act**

(1) Where:

(a) the construction of a pipeline, water line, pumping station, tank station, valve

station or secondary line is commenced, continued or completed in contravention of this Act, or

- (b) a pipeline, water line, pumping station, tank station, valve station or secondary line is altered or reconstructed in contravention of this Act,

the Minister may, by instrument in writing served on the appropriate person, direct the person:

- (c) to make such alterations to the pipeline, water line, pumping station, tank station, valve station or secondary line as are specified in the instrument, or
- (d) to move the pipeline, water line, pumping station, tank station, valve station or secondary line to a specified place in, or to remove it from, the adjacent area, within the period specified in the instrument.

(2) For the purpose of subsection (1), the appropriate person is:

- (a) if the construction of the pipeline, water line, pumping station, tank station, valve station or secondary line has been completed—the owner of the pipeline, water line, pumping station, tank station, valve station or secondary line, or
- (b) if the construction of the pipeline, water line, pumping station, tank station, valve station or secondary line has not been completed—the person for whom the pipeline, water line, pumping station, tank station, valve station or secondary line is being constructed.

(3) Where a person on whom there has been served an instrument under subsection (1) does not, within the period specified in the instrument or within such further period, if any, as the Minister, on application in writing served on the Minister before the expiration of the firstmentioned period, allows, comply with the direction, the Minister may do all or any of the things required by the direction to be done.

(4) Costs and expenses incurred by the Minister under subsection (3) are a debt due by the person referred to in that subsection to the Crown and are recoverable in a court of competent jurisdiction.

#### **64 Terminal station**

The Minister may, by instrument published in the Gazette, declare a pumping station, a tank station or a valve station in the adjacent area to be a terminal station.

#### **65 Application for pipeline licence**

(1) An application for a pipeline licence:

- (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 proposed design and construction of the pipeline,
  - (ii) the proposed size and capacity of the pipeline,
  - (iii) the proposals of the applicant for work and expenditure in respect of the construction of the pipeline,
  - (iv) the technical qualifications of the applicant and of the applicant's employees,
  - (v) the technical advice available to the applicant,
  - (vi) the financial resources available to the applicant, and
  - (vii) any agreements entered into, or proposed to be entered into, by the applicant for or in relation to the supply or conveyance of petroleum by means of the pipeline,
- (d) shall be accompanied by a plan, drawn to an approved scale, showing:
  - (i) the route to be followed by the pipeline,
  - (ii) the sites of pumping stations, tank stations and valve stations to be used in connexion with the pipeline, and
  - (iii) the site of any pumping station, tank station or valve station that the applicant desires to be declared under section 64 to be a terminal station in connexion with the pipeline,
- (e) may set out any other matters that the applicant wishes the Minister to consider, and
- (f) shall be accompanied by the prescribed fee.

(2) Where a notice is published in the Gazette:

- (a) of an application by a person other than the licensee for a pipeline licence in respect of the construction of a pipeline for the conveyance of petroleum recovered in a licence area, or
- (b) of an application by a person other than the pipeline operator under the Commonwealth Act or a corresponding law for a pipeline licence in respect of the construction of a pipeline for the conveyance of petroleum recovered in a licence area under the Commonwealth Act or a corresponding law,

the licensee or, as the case may be, the pipeline operator under the Commonwealth Act or a corresponding law may, within a period of 3 months after the date of



publication of the notice, or within such further period, not exceeding 3 months, as the Minister, on application in writing served on the Minister before the expiration of the firstmentioned period of 3 months, allows, make an application for a pipeline licence referred to in paragraph (a) or (b), as the case requires, and in the application request that the application referred to in the notice be rejected.

(3) Where:

(a) a notice referred to in subsection (2) is published in the Gazette, and

(b) a pipeline licence is granted to the licensee or to the pipeline operator under the Commonwealth Act or a corresponding law on an application under subsection (2),

the Minister shall, by instrument in writing served on the applicant, reject the application referred to in the notice.

(4) The Minister may, at any time, by instrument in writing served on a person who has made an application under this section, require the person to furnish, within the time specified in the instrument, further information in writing in connexion with the application.

(5) In this section, ***pipeline operator under the Commonwealth Act or a corresponding law*** has the same meaning as in section 66.

## **66 Grant or refusal of pipeline licence**

(1) Where a person makes an application in accordance with section 65, the Minister may, if that person is not the licensee and the application has not been rejected under section 65 (3), inform the applicant, by instrument in writing served on the applicant, that the Minister is prepared to grant a pipeline licence to that person.

(2) Where an application for a pipeline licence in respect of the construction in an adjacent area of a pipeline for the conveyance of petroleum recovered in a licence area is made in accordance with section 65 by the licensee, the Minister:

(a) shall, if the conditions to which the licence is, or has from time to time been, subject and the provisions of this Part and of the regulations have been complied with, or

(b) may, if:

(i) any of the conditions to which the licence is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and

(ii) the Minister is, nevertheless, satisfied that special circumstances exist that justify the granting of a pipeline licence,

by instrument in writing served on the person who is then the licensee, inform the person that the Minister is prepared to grant to the person a pipeline licence.

(3) Where an application for a pipeline licence in respect of the construction in an adjacent area of a pipeline for the conveyance of petroleum recovered in a licence area is made in accordance with section 65 by the licensee, the Minister shall, if:

(a) any of the conditions to which the licence is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and

(b) the Minister is not satisfied that special circumstances exist that justify the granting of a pipeline licence,

by instrument in writing served on the person who is then the licensee, refuse to grant a pipeline licence.

(4) The Minister shall not, under subsection (3), refuse to grant a pipeline licence to a licensee unless:

(a) the Minister has, by instrument in writing served on the licensee, given not less than 1 month's notice of the Minister's intention to refuse to grant the pipeline licence,

(b) the Minister has served a copy of the instrument on such other persons, if any, as the Minister thinks fit,

(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 licensee 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 he or she wishes the Minister to consider, and

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

(5) Where a person, other than the licensee or the pipeline operator under the Commonwealth Act or a corresponding law, makes an application in accordance with section 65 for a pipeline licence in respect of the construction of a pipeline for the conveyance of petroleum recovered in a licence area or, as the case may be, a licence area under the Commonwealth Act or a corresponding law, the Minister may, by instrument in writing served on the applicant, refuse to grant a pipeline licence.

(6) (Repealed)

- (7) An instrument under subsection (1) or (2):
- (a) shall specify the route to be followed by the pipeline,
  - (b) shall contain a summary of the conditions subject to which the pipeline licence is to be granted, and
  - (c) shall contain a statement to the effect that the application will lapse if the applicant does not make a request under subsection (9).
- (8) The route to be specified in an instrument under subsection (1) or (2) shall be:
- (a) the route shown in the plan accompanying the application, or
  - (b) if the Minister is of the opinion that, for any reason, that route is not appropriate—a route that, in the opinion of the Minister, is appropriate.
- (9) A person on whom there has been served an instrument under subsection (1) or (2) may, within a period of 3 months after the date of service of the instrument on the person, or within such further period, not exceeding 3 months, as the Minister, on application in writing served on the Minister before the expiration of the firstmentioned period of 3 months, allows, by instrument in writing served on the Minister, request the Minister to grant to the person the pipeline licence.
- (10) Where a person on whom there has been served an instrument under subsection (1) or (2) has made a request under subsection (9) within the period applicable under subsection (9), the Minister shall grant to that person a licence to construct and operate a pipeline in respect of the pipeline specified in the instrument.
- (11) Where a person on whom there has been served an instrument under subsection (1) or (2) has not made a request under subsection (9) within the period applicable under subsection (9), the application lapses upon the expiration of that period.
- (12) (Repealed)
- (13) In this section, ***pipeline operator under the Commonwealth Act or a corresponding law*** means a person who is entitled under the Commonwealth Act or a corresponding law to carry on operations for the recovery of petroleum in an area outside the adjacent area and who the Minister is satisfied is or will be entitled to construct a pipeline from the firstmentioned area to the boundary of the adjacent area.

## **67 Rights conferred by pipeline licence**

A pipeline licence, while it remains in force, authorizes the pipeline licensee, subject to this Act and the regulations and in accordance with the conditions to which the pipeline licence is subject:

- (a) to construct in the adjacent area:
  - (i) a pipeline of the design, construction, size and capacity specified in the pipeline licence along the route, and in the position in relation to the sea-bed in the adjacent area, so specified, and
  - (ii) the pumping stations, tank stations and valve stations so specified in the positions so specified,
- (b) to operate that pipeline and those pumping stations, tank stations and valve stations, and
- (c) to carry on such operations, to execute such works and to do all such other things in the adjacent area as are necessary for or incidental to the construction and operation of that pipeline and of those pumping stations, tank stations and valve stations.

#### **68 Term of pipeline licence**

- (1) Subject to this Part, a pipeline licence remains in force:
  - (a) for a period of 21 years, or
  - (b) where the Minister is of the opinion that, having regard to the dates of expiration of the licences that relate to the licence areas from which petroleum is, or is to be, conveyed by means of the pipeline, it is not necessary for the pipeline licence to remain in force for a period of 21 years—for such period less than 21 years as the Minister determines and specifies in the pipeline licence.
- (2) A pipeline licence comes into force on the day on which the pipeline licence is granted or, if a later day is specified in the pipeline licence as being the day on which the pipeline licence is to come into force, on that later day.

#### **69 Application for renewal of pipeline licence**

- (1) A pipeline licensee may, from time to time, make an application to the Minister for the renewal of the pipeline licence.
- (2) An application for the renewal of the pipeline licence:
  - (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 before the day on which the pipeline licence ceases to be in force, and
  - (c) shall be accompanied by the prescribed fee.
- (3) The Minister may, for reasons that the Minister thinks sufficient, receive an application for the renewal of the pipeline licence less than 6 months before, but not in any case after, the day on which the pipeline licence ceases to be in force.

## **70 Grant or refusal of renewal of pipeline licence**

(1) Where an application has been made under section 69 for the renewal of a pipeline licence, the Minister:

(a) shall, if the conditions to which the pipeline licence is, or has from time to time been, subject and the provisions of this Part and of the regulations have been complied with, or

(b) may, if:

(i) any of the conditions to which the pipeline licence is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and

(ii) the Minister is, nevertheless, satisfied that special circumstances exist that justify the granting of the renewal of the pipeline licence,

by instrument in writing served on the person who is then the pipeline licensee, inform the person that the Minister is prepared to grant to the person the renewal of the pipeline licence.

(2) Where an application has been made under section 69 for the renewal of a pipeline licence, the Minister shall, if:

(a) any of the conditions to which the pipeline licence is, or has from time to time been, subject or any of the provisions of this Part and of the regulations has not been complied with, and

(b) the Minister is not satisfied that special circumstances exist that justify the granting of the renewal of the pipeline licence,

by instrument in writing served on the person who is then the pipeline licensee, refuse to grant the renewal of the pipeline licence.

(3) The Minister shall not refuse to grant the renewal of the pipeline licence unless:

(a) the Minister has, by instrument in writing served on the pipeline licensee, given not less than 1 month's notice of the Minister's intention to refuse to grant the renewal of the pipeline licence,

(b) the Minister has served a copy of the instrument on such other persons, if any, as the Minister thinks fit,

(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 pipeline licensee 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 he wishes the Minister to consider, and

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

(4) An instrument under subsection (1) shall contain:

(a) a summary of the conditions to which the pipeline licence, on the grant of the renewal, is to be subject, and

(b) a statement to the effect that the application will lapse if the pipeline licensee does not make a request under subsection (5).

(5) A pipeline licensee on whom there has been served an instrument under subsection (1) may, within a period of 1 month after the date of service of the instrument on the licensee, by instrument in writing served on the Minister, request the Minister to grant the renewal of the pipeline licence to the licensee.

(6) Where a pipeline licensee on whom there has been served an instrument under subsection (1) has made a request under subsection (5) within the period referred to in subsection (5), the Minister shall grant to the licensee the renewal of the pipeline licence.

(7) Where a pipeline licensee on whom there has been served an instrument under subsection (1) has not made a request under subsection (5) within the period referred to in subsection (5), the application lapses upon the expiration of that period.

(8) Where:

(a) an application for the renewal of a pipeline licence is made under section 69, and

(b) the pipeline licence expires:

(i) before the Minister grants, or refuses to grant, the renewal of the pipeline licence, or

(ii) before the application lapses as provided by subsection (7),

the pipeline licence shall be deemed to continue in force in all respects:

(c) until the Minister grants, or refuses to grant, the renewal of the pipeline licence, or

(d) until the application so lapses,

whichever first happens.

## **71 Conditions of pipeline licence**

- (1) A pipeline licence may be granted subject to such conditions as the Minister thinks fit and specifies in the pipeline licence.
- (2) The conditions referred to in subsection (1) may include a condition that the pipeline licensee shall complete the construction of the pipeline within the period specified in the pipeline licence.
- (3) This section extends to a pipeline licence granted by way of the renewal of a pipeline licence and, in the case of a pipeline licence so granted, the conditions may include conditions varying or adding to the conditions of the previous licence and conditions requiring reconstruction or modification of the pipeline or of associated works.

## **72 Variation of pipeline licence on application by pipeline licensee**

- (1) A pipeline licensee may, at any time, make an application to the Minister for the variation of the pipeline licence.
- (2) An application under this section:
  - (a) shall be in accordance with an approved form,
  - (b) shall be made in an approved manner,
  - (c) shall be accompanied by particulars of the proposed variation,
  - (d) shall specify the reasons for the proposed variation, and
  - (e) shall be accompanied by the prescribed fee.
- (3) The Minister may, at any time, by instrument in writing served on a person who has made an application under this section, require the person to furnish, within the period specified in the instrument, further information in writing in connexion with the application.
- (4) The Minister shall, in a notice published in the Gazette of an application under this section, specify a period within which a person may submit to the Minister, in writing, any matters that the person wishes the Minister to consider in connexion with the application.
- (5) After considering any matters submitted to the Minister under subsection (4), the Minister may, by instrument in writing, vary the pipeline licence to such extent as the Minister thinks necessary or may refuse to vary the pipeline licence.

## **73 Variation of pipeline licence by Minister**

- (1) The Minister may:

(a) at the request of:

(i) a Minister or a Minister of State of the Commonwealth, or

(ii) a body established by a law of the Commonwealth or a Territory or of New South Wales, and

(b) if, in the Minister's opinion, it is in the public interest so to do,

by instrument in writing served on a person who is a pipeline licensee or the holder of an instrument of consent under section 61, direct that person to make such changes in the design, construction, route or position of the pipeline, or of a water line, pumping station, tank station, valve station or secondary line, to which the pipeline licence or instrument of consent relates as are specified in the firstmentioned instrument, within the period specified in the firstmentioned instrument and, if the person so directed is a pipeline licensee, shall vary the pipeline licence accordingly.

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

Maximum penalty: 500 penalty units or imprisonment for 5 years, or both.

(3) Where the Minister gives a direction under subsection (1) and the person to whom the direction was given has complied with the direction, that person may bring an action in the Supreme Court against the Minister, Minister of State of the Commonwealth or body making the request.

(4) The Supreme Court shall hear the action, without a jury, and shall determine whether it is just that the whole or a portion of the reasonable cost of complying with the direction ought to be paid to the plaintiff by the defendant.

(5) If the Supreme Court determines that it is just that such a payment ought to be made, the Supreme Court shall determine the amount of the payment and give judgment accordingly.

#### **74 Common carrier**

The Minister may, by instrument in writing served on a pipeline licensee, direct the pipeline licensee to be a common carrier of petroleum in respect of the pipeline and thereupon the pipeline licensee is a common carrier of petroleum in respect of the pipeline.

#### **75 Ceasing to operate pipeline**

(1) Except with the consent in writing of the Minister and subject to compliance with such conditions, if any, as are specified in the instrument of consent, a pipeline licensee shall not cease to operate the pipeline.



Maximum penalty: 500 penalty units or imprisonment for 5 years, or both.

- (2) It is not an offence against subsection (1) if the failure of the pipeline licensee to operate the pipeline:
- (a) was in the ordinary course of operating the pipeline,
  - (b) was for the purpose of repairing or maintaining the pipeline, or
  - (c) was in an emergency in which there was a likelihood of loss or injury.

## **Division 5 Registration of instruments**

### **75A Definition**

In this Division:

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

### **76 Register of certain instruments to be kept**

- (1) For the purposes of this Part, the Minister shall keep a Register of titles and special prospecting authorities granted by the Minister.
- (2) The Minister shall enter in the Register a memorial in respect of each title or special prospecting authority:
  - (a) specifying the name of the holder of the title or special prospecting authority,
  - (b) in the case of a permit, lease or licence, setting out an accurate description (including, where convenient, a map) of the permit area, lease area or licence area,
  - (c) in the case of a special prospecting authority or an access authority, setting out an accurate description (including, where convenient, a map) of the area in respect of which the special prospecting authority or access authority is in force,
  - (d) in the case of a pipeline licence, setting out a description of the route of the pipeline,
  - (e) specifying the term of the title or special prospecting authority,
  - (f) setting out such other matters and things as are required by this Part to be entered in the Register, and
  - (g) setting out such further matters relating to the registered holder or to the terms and conditions of the title or special prospecting authority as the Minister deems proper and expedient in the public interest.
- (3) The Minister shall enter in the Register a memorial of:

- (a) any instrument varying, cancelling, surrendering or otherwise affecting a title or special prospecting authority,
  - (b) any instrument under section 60 (5), (6) or (7),
  - (c) any agreement under section 110, and
  - (d) any instrument varying or revoking an instrument referred to in paragraph (a) or (b).
- (4) It is a sufficient compliance with the requirements of subsection (2) or (3) if the Minister enters a copy of the title, special prospecting authority or instrument in the Register.
- (5) (Repealed)
- (6) The Minister shall endorse on the memorial or copy of the title, special prospecting authority or instrument a memorandum of the date upon which the memorial or copy was entered in the Register.

#### **77 Memorials to be entered of permits etc determined etc**

Where:

- (a) a permit or lease ceases to be in force in respect of a block in respect of which a licence is granted,
- (aa) a permit ceases to be in force in respect of a block in respect of which a lease is granted,
- (b) a permit or lease has been wholly determined or partly determined, or
- (c) a title or special prospecting authority has expired,

the Minister shall enter in the Register a memorial of the fact.

#### **78 Approval and registration of transfers**

- (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.
- (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 must consider each application for approval of the transfer of a title and determine whether to approve the transfer.
  - (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.
  - (8) (Repealed)
  - (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.

- (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.

#### **79 Entries in Register on devolution of title etc**

- (1) A person upon whom the rights of a registered holder of a particular title have devolved by operation of law may apply in writing to the Minister to have the person's name entered in the Register as the holder of the title.
- (2) The Minister shall, if satisfied that the rights of the holder have devolved upon the applicant by operation of law and on payment of the prescribed fee, enter the name of the applicant in the Register as the holder of the title and, upon that entry being so made, the applicant becomes the registered holder of the title.
- (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 the prescribed fee,
- the Minister shall make the necessary alterations in the Register.

#### **80 (Repealed)**

#### **81 Approval of dealings creating etc interests etc in existing titles**

- (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),

(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).

(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:

(a) must be accompanied by the instrument evidencing the dealing or, if that instrument has already been lodged with the Minister for the purposes of another

application, a copy of that instrument, and

(b) may be accompanied by an instrument setting out such particulars (if any) as are prescribed for the purposes of an application for approval of a dealing of that kind.

(4A) An application under subsection (3) for approval of a dealing must be accompanied by 2 copies of:

(a) the application, and

(b) the instrument referred to in subsection (4) (a), and

(c) any instrument lodged for the purposes of subsection (4) (b).

(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

(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 (4A) 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 Australian Securities and Investments Commission relating to the creation of that charge under section 263 of the [Corporations Act 2001](#) of the Commonwealth.

(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.
- (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) if the dealing was approved before the commencement of the *Petroleum (Submerged Lands) Further Amendment Act 1991* or the application for approval of the dealing was not accompanied by an instrument for the purpose of subsection (4) (b), one copy of the instrument evidencing the dealing endorsed with a memorandum of approval must be retained by the Minister and made available for inspection in accordance with this Division, and
  - (b) if the application for approval of the dealing was accompanied by an instrument for the purpose of subsection (4) (b), a copy of that instrument endorsed with a copy of the memorandum of approval of the dealing must be retained by the Minister and made available for inspection in accordance with this Division but a copy of the instrument evidencing the dealing must not be so made available, and
  - (c) the original instrument evidencing the dealing, or a copy of the original instrument, as the case requires, endorsed with a memorandum of approval and the instrument (if any) lodged for the purpose of subsection (4) (b) must be returned to the person who made the application for approval.
- (13A) The approval of a dealing or the making of an entry in the Register in relation to a dealing is not rendered ineffective by any failure to comply, in relation to the application for approval of the dealing, with the requirements of this section.
- (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 263 of the *Corporations Act 2001* of the Commonwealth.

### **81A Approval of dealings in future interests etc**

- (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.
- (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.

### **82 True consideration to be shown**

- (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.

Maximum penalty: 100 penalty units.

- (2) Where a person is convicted of an offence against subsection (1), the Minister may make a fresh determination of the amount of the fee payable under section 92 in respect of the memorandum relating to the transfer or dealing.
- (3) Subsections (2) and (3) of section 91 apply in relation to a determination under subsection (2) as they apply in relation to a determination under section 91 (1).

### **83 Minister not concerned with certain matters**

Neither the Minister nor a person acting under the Minister's direction or authority is concerned with the effect in law of any instrument lodged with the Minister in pursuance of this Division, nor does the approval of a transfer or dealing give to the transfer or dealing any force, effect or validity that the transfer or dealing would not have had if this Division had not been enacted.

### **84 Power of Minister to require information as to dealings**

- (1) The Minister may require the person lodging an application for approval of a transfer or dealing or a provisional application for approval of a dealing under this Division to furnish to the Minister in writing such information concerning the transfer or dealing as the Minister considers necessary or advisable.
- (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.
- (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).

- (2) A person who is so required to furnish information shall not knowingly furnish information that is false or misleading in a material particular.

Maximum penalty: 50 penalty units.

#### **85 Production and inspection of documents**

- (1) 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 a transfer or dealing in relation to which approval is sought under this Division.
- (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).
- (2) A person shall not fail or refuse to comply with a requirement given to the person under subsection (1) or (1A).

Maximum penalty: 50 penalty units.

#### **86 Inspection of Register and documents**

- (1) The Register and all instruments or copies of instruments subject to inspection under this Division shall at all convenient times be open for inspection by any person upon payment of a fee calculated in accordance with the regulations.
- (2) (Repealed)

#### **87 Evidentiary provisions**

- (1) The Register shall be received by all courts as evidence of all matters required or authorized by this Division to be entered in the Register.
- (2) The Minister may, on payment of a fee calculated in accordance with the regulations, supply copies of or extracts from the Register or of or from any instrument lodged with the Minister under this Division, certified by writing under the Minister's hand, and such a copy or extract so certified is admissible in evidence in all courts and proceedings without further proof or production of the original.
- (3) The Minister may, on payment of a fee calculated in accordance with the regulations, by instrument in writing, certify that an entry, matter or thing required or permitted by or under this Division to be made or done or not to be made or done has or has not, as the case may be, been made or done and such a certificate is evidence in all courts and proceedings of the statements contained in the certificate.

### **87A Minister may make corrections to Register**

- (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.

### **88 Appeals**

- (1) The Supreme Court may, on the application of a person aggrieved by:
  - (a) the omission of an entry from the Register,
  - (b) an entry made in the Register without sufficient cause,
  - (c) an entry wrongly existing in the Register, or
  - (d) an error or defect in an entry in the Register,make such order as it thinks fit directing the rectification of the Register.
- (2) The Supreme Court may, in proceedings under this section, decide any question that it is necessary or expedient to decide in connexion with the rectification of the Register.
- (3) Notice of an application under this section shall be given to the Minister, who may appear and be heard and shall appear if so directed by the Supreme Court.

- (4) An office copy of an order made by the Supreme Court may be served on the Minister, and the Minister shall, upon receipt of the order, rectify the Register accordingly.

### **89 Minister not liable to certain actions**

Subject to section 88, the Minister, the Minister's delegate or a person acting under the direction or authority of the Minister or the Minister's delegate is not liable to an action, suit or proceeding for or in respect of an act or matter done or omitted to be done in good faith in exercise or purported exercise of any power or authority conferred by this Division.

### **90 Offences**

A person who wilfully:

- (a) makes, causes to be made or concurs in making a false entry in the Register, or
- (b) produces or tenders in evidence a document falsely purporting to be a copy of or extract from an entry in the Register or of or from an instrument lodged with the Minister under this Division,

is guilty of an offence.

Maximum penalty: 50 penalty units.

### **91 Assessment of fee**

- (1) The Minister may determine the amount of the fee payable under section 92 in respect of any memorandum.
- (2) A person dissatisfied with a determination of the Minister under subsection (1) may appeal to the Supreme Court against the determination.
- (3) Upon the hearing of the appeal, the Supreme Court may affirm, reverse or modify the determination of the Minister.

### **92 Imposition of registration fees**

- (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 the prescribed amount, a fee of the prescribed amount.

(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 the prescribed amount,

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

(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 bodies corporate within the meaning of the *Corporations Act 2001* of the Commonwealth,
  - (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 available under subsection (2) in respect of the entry of a memorandum or 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 the prescribed amount,

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

(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
  - (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 the prescribed amount, 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 the prescribed amount.

(6A) Where:

- (a) the parties to a dealing lodged for approval under section 81 satisfy the Minister that:
  - (i) those parties are related bodies corporate within the meaning of the [Corporations Act 2001](#) of the Commonwealth,
  - (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 the prescribed amount,

the amount of the fee imposed by subsection (5) in respect of the entry of approval of that dealing is the prescribed amount.

- (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.
- (7) A memorandum in respect of which a fee is payable to the Minister under subsection (1), any agreement for the transfer of a permit, licence, pipeline licence or access authority and any agreement by which a legal or equitable interest in or affecting a permit, licence, pipeline licence or access authority is created, assigned, affected or dealt with, whether directly or indirectly, is, to the extent to which it relates to a permit, licence, pipeline licence or access authority, exempt from duty under the [Duties Act 1997](#).

## **Division 6 General**

### **93 Notice of grants of permits etc to be published**

The Minister shall cause notice of, and such particulars as the Minister thinks fit of:

- (a) the grant, and the grant of the renewal, of a permit, lease, licence or pipeline licence,
- (b) the variation of a licence or pipeline licence,
- (c) the surrender or cancellation of a permit, lease or licence as to all or some of the blocks in the permit area, lease area or licence area,
- (d) the determination of a permit or lease as to a block or blocks,
- (e) an application for a pipeline licence or for the renewal or variation of a pipeline licence,
- (f) the surrender or cancellation of a pipeline licence as to the whole or a part of the pipeline, and
- (g) the expiry of a permit, lease, licence or pipeline licence,

under this Part to be published in the Gazette.

### **94 Date of effect of permits etc**

- (1) (Repealed)
- (2) The surrender or cancellation of a permit, lease or licence as to all or some of the blocks in the permit area, lease area or licence area has effect on and from the day on which notice of the surrender or cancellation is published in the Gazette.

- (3) The surrender or cancellation of a pipeline licence as to the whole or a part of the pipeline has effect on and from the day on which notice of the surrender or cancellation is published in the Gazette.
- (4) A variation of a licence or pipeline licence has effect on and from the day on which notice of the variation is published in the Gazette.

## **95 Commencement of works**

- (1) Where a permit, lease, licence or pipeline licence is granted subject to a condition that works or operations specified in the permit, lease, licence or pipeline licence are to be carried out, the permittee, lessee, licensee or pipeline licensee, as the case may be, shall commence to carry out those works or operations within a period of 6 months after the day on which the permit, lease, licence or pipeline licence, as the case may be, comes into force.
- (2) The Minister may, for reasons that the Minister thinks sufficient, by instrument in writing served on a permittee, lessee, licensee or pipeline licensee:
  - (a) exempt the person from compliance with the requirements of subsection (1), and
  - (b) direct the person to commence to carry out the works or operations specified in the permit, lease, licence or pipeline licence, as the case may be, within such period after the day on which the permit, lease, licence or pipeline licence, as the case may be, comes into force as is specified in the instrument.
- (3) A person to whom a direction is given under subsection (2) shall comply with the direction.

Maximum penalty: 100 penalty units.

## **96 Work practices**

- (1) A permittee, lessee or licensee shall carry out all petroleum exploration operations and operations for the recovery of petroleum in the permit area, lease area or licence area in a proper and workmanlike manner and in accordance with good oil-field practice and shall secure the safety, health and welfare of persons engaged in those operations in or about the permit area, lease area or licence area.
- (2) In particular, and without limiting the generality of subsection (1), but subject to any authorization or requirement given or made by or under this Act, the regulations or directions under this Act, a permittee, lessee or licensee shall:
  - (a) control the flow and prevent the waste or escape in the permit area, lease area or licence area of petroleum or water,
  - (b) prevent the escape in the permit area, lease area or licence area of any mixture of water or drilling fluid with petroleum or any other matter,



- (c) prevent damage to petroleum-bearing strata in an area, whether within the adjacent area or not, in respect of which the permit, lease or licence is not in force,
  - (d) keep separate:
    - (i) each petroleum pool discovered in the permit area, lease area or licence area, and
    - (ii) such of the sources of water, if any, discovered in that area as the Minister, by instrument in writing served on that person, directs, and
  - (e) prevent water or any other matter entering any petroleum pool through wells in the permit area, lease area or licence area except when required by, and in accordance with, good oil-field practice.
- (3) A pipeline licensee shall operate the pipeline in a proper and workmanlike manner and shall secure the safety, health and welfare of persons engaged in operations in connexion with the pipeline.
- (4) In particular and without limiting the generality of subsection (3), a pipeline licensee shall prevent the waste or escape of petroleum or water from the pipeline or from any water line, pumping station, tank station, valve station or secondary line.
- (5) A person who is the holder of a special prospecting authority or an access authority shall carry out all petroleum exploration operations in the area in respect of which the special prospecting authority or access authority is in force in a proper and workmanlike manner and in accordance with good oil-field practice and shall secure the safety, health and welfare of persons engaged in those operations in or about that area.
- (6) It is a defence if a person charged with failing to comply with a provision of this section, or a defendant in an action arising out of a failure by the defendant to comply with a provision of this section, proves that he or she took all reasonable steps to comply with that provision.

Maximum penalty: 100 penalty units.

#### **97 Conditions relating to insurance**

- (1) The holder of a permit, lease, licence or pipeline licence must maintain, as directed by the Minister from time to time, insurance against expenses or liabilities or specified things arising in connection with, or as a result of, the carrying out of work, or the doing of any other thing, under the permit, lease, licence or pipeline licence, including expenses of complying with directions with respect to the clean-up or other remedying of the effects of the escape of petroleum.
- (2) The conditions subject to which a special prospecting authority or access authority is

granted may include a condition that the holder maintain, as directed by the Minister from time to time, insurance against expenses or liabilities or specified things arising in connection with, or as a result of, the carrying out of work, or the doing of any other thing, under the authority, including expenses of complying with directions with respect to the clean-up or other remedying of the effects of the escape of petroleum.

(3) Where:

(a) a permit, lease, licence or pipeline licence was in force immediately before the commencement of this section, and

(b) the Minister has required the holder to maintain insurance under subsection (1), and

(c) the Minister is satisfied that the required insurance is in effect,

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

(4) Where the Minister issues a certificate under subsection (3), any security in force in relation to the permit, lease, licence or pipeline licence, being a security that was required under this Act before the commencement of this section, is discharged.

(5) The discharge of a security under subsection (4) has no effect on any liability arising under or in relation to the security before its discharge.

## **98 Maintenance etc of property**

(1) In this section:

**operator** means a permittee, lessee, licensee, pipeline licensee or holder of a special prospecting authority or access authority.

**the operations area:**

(a) in relation to an operator who is a permittee, lessee or licensee—means the permit area, lease area or licence area, as the case may be,

(b) in relation to an operator who is a pipeline licensee—means the part of the adjacent area in which the pipeline is constructed, and

(c) in relation to an operator who is the holder of a special prospecting authority or access authority—means the area in respect of which that authority is in force.

(2) An operator shall maintain in good condition and repair all structures, equipment and other property in the operations area and used in connexion with the operations in which the operator is engaged.

(3) An operator shall remove from the operations area all structures, equipment and other property that are not either used or to be used in connexion with the operations

in which the operator is engaged.

- (4) Subsections (2) and (3) do not apply in relation to any structure, equipment or other property that was not brought into the operations area by or with the authority of the operator.

Maximum penalty: 100 penalty units.

#### **99 Sections 96 and 98 to have effect subject to this Act etc**

Sections 96 and 98 have effect subject to:

- (a) any other provision of this Act,
- (b) the regulations,
- (c) a direction under section 101, and
- (d) any other law.

#### **100 Drilling near boundaries**

- (1) A permittee, lessee or licensee shall not make a well any part of which is less than 300 metres from a boundary of the permit area, lease area or licence area, as the case may be, except with the consent in writing of the Minister and in accordance with such conditions, if any, as are specified in the instrument of consent.
- (2) Where a permittee, lessee or licensee does not comply with subsection (1), the Minister may, by instrument in writing served on the permittee, lessee or licensee, as the case may be, direct the person to do one or more of the following, within the period specified in the instrument:
- (a) to plug the well,
  - (b) to close off the well,
  - (c) to comply with such directions relating to the making or maintenance of the well as are specified in the instrument.
- (3) A person to whom a direction is given under subsection (2) shall comply with the direction.

Maximum penalty: 100 penalty units.

#### **101 Directions**

- (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.

- (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.

Maximum penalty: 50 penalty units.

- (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.

Maximum penalty: 50 penalty units.

- (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.

Maximum penalty: 50 penalty units.

- (3) The Minister shall not give a direction of a standing or permanent nature except after

consultation with the Minister of State for the time being administering the Commonwealth Act, but the validity of a direction of the Minister shall not be called in question by reason only of a failure to comply with this subsection.

- (4) A direction under this section has effect and shall be complied with notwithstanding any previous direction under this section or anything in the regulations or the applied provisions.
- (5) Section 152 (2A) and (2B) applies in relation to directions under this section in like manner as those subsections apply to the regulations.
- (6) A person to whom a direction in force under subsection (1) is applicable shall comply with the direction.

Maximum penalty for an offence against this subsection: 100 penalty units.

(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,

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.

## **102 Compliance with directions**

- (1) Where a person does not comply with a direction given or applicable to the person under this Part or under the regulations, the Minister may do all or any of the things required by the direction to be done.
- (2) Costs and expenses incurred by the Minister under subsection (1) in relation to a direction are a debt due by the person to whom the direction was given or was applicable to the Crown and are recoverable in a court of competent jurisdiction.

(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.

- (3) It is a defence if a person charged with failing to comply with a direction given or applicable to the person under this Part or under the regulations or a defendant in an action under subsection (2) proves that he or she took all reasonable steps to comply with the direction.

### **103 Exemption**

(1) Where:

- (a) a permit, lease, licence or pipeline licence is, under this Part, to be deemed to continue in force until the Minister grants, or refuses to grant, the renewal of the permit, lease, licence or pipeline licence,
- (b) a licence is varied under section 46,
- (c) a licensee enters into an agreement under section 60, or a direction is given to a licensee under that section,
- (d) a permit, lease or licence is partly cancelled, partly determined or surrendered as to 1 or more but not all of the blocks in respect of which it is in force,
- (e) a pipeline licence is varied under section 72 or 73,
- (f) a direction is given to a pipeline licensee under section 74,
- (g) a pipeline licence is partly cancelled,
- (h) an access authority is granted in respect of a block the subject of a permit, lease or licence, or an access authority as in force in respect of such a block is varied,
- (i) a permittee, lessee, licensee, pipeline licensee or the holder of a special prospecting authority or access authority applies, by instrument in writing served on the Minister:
  - (i) for a variation or suspension of, or
  - (ii) for exemption from compliance with,any of the conditions to which the permit, lease, licence, pipeline licence, special prospecting authority or access authority is subject, or
- (j) the Minister, under this Part or the regulations, gives a direction or consent to a permittee, lessee, licensee, pipeline licensee or the holder of a special prospecting authority or access authority,

the Minister may, at any time, by instrument in writing served on the permittee, lessee, licensee, pipeline licensee or holder of the special prospecting authority or access authority:

(k) vary or suspend, or

(l) exempt the permittee, lessee, licensee, pipeline licensee or holder of the special prospecting authority or access authority from compliance with,

any of the conditions to which the permit, lease, licence, pipeline licence, special prospecting authority or access authority is subject, upon such conditions, if any, as the Minister determines and specifies in the instrument.

(2) Subsection (1) does not authorize the making of an instrument to the extent that it would affect the term of a permit, lease, licence or pipeline licence.

(3) Where, in pursuance of subsection (1), the Minister suspends, or exempts the permittee or lessee from compliance with, any of the conditions to which a permit or lease is subject, the Minister may, if the Minister considers that circumstances make it reasonable to do so, in the instrument of suspension or exemption or by a later instrument in writing served on the permittee or lessee, extend the term of the permit or lease by a period not exceeding the period of suspension or exemption.

#### **104 Suspension of rights conferred by permit or lease**

(1) Where the Minister is satisfied that it is necessary to do so in the public interest, the Minister shall, by instrument in writing served on the permittee or lessee, suspend, either for a specified period or indefinitely, all or any of the rights conferred by a permit or lease.

(2) Where any rights are suspended in accordance with subsection (1), any conditions required to be complied with in the exercise of those rights are also suspended.

(3) The Minister may, by instrument in writing served on the permittee or lessee, terminate a suspension of rights under subsection (1).

(4) Where rights conferred by a permit or lease are suspended in accordance with subsection (1), the Minister may, by the instrument of suspension or by a later instrument in writing served on the permittee or lessee, extend the term of the permit or lease by a period not exceeding the period of the suspension.

#### **105 Surrender of permits etc**

(1) The registered holder of an instrument, being a permit, lease, licence or pipeline licence, may, at any time, by application in writing served on the Minister, apply for consent to surrender the instrument:

(a) in the case of a permit or licence—as to all or some of the blocks in respect of

which it is in force,

- (aa) in the case of a lease—as to all of the blocks in respect of which it is in force, or
- (b) in the case of a pipeline licence—as to the whole or a part of the pipeline in respect of which it is in force.

(2) Subject to subsection (3), the Minister shall not give consent to a surrender of an instrument under subsection (1) unless the registered holder:

- (a) has paid all fees and amounts payable by the holder under this Act or has made arrangements that are satisfactory to the Minister for the payment of those fees and amounts,
- (b) has complied with the conditions to which the instrument is subject and with the provisions of this Part and of the regulations,
- (c) has, to the satisfaction of the Minister, removed or caused to be removed from the area to which the surrender relates all property brought into that area by any person engaged or concerned in the operations authorized by the instrument, or has made arrangements that are satisfactory to the Minister with respect to that property,
- (d) has, to the satisfaction of the Minister, plugged or closed off all wells made in that area by any person engaged or concerned in the operations authorized by the instrument,
- (e) subject to this Part and to the regulations, has made provision, to the satisfaction of the Minister, for the conservation and protection of the natural resources in that area, and
- (f) has, to the satisfaction of the Minister, made good any damage to the sea-bed or subsoil in that area caused by any person engaged or concerned in the operations authorized by the instrument,

but, if the registered holder has complied with those requirements, the Minister shall not unreasonably refuse to consent to the surrender.

- (3) Where the registered holder of an instrument, being a permit, lease, licence or pipeline licence, has not complied with the conditions to which the instrument is subject and with the provisions of this Part and of the regulations, the Minister may give consent to a surrender of the instrument under subsection (1) if satisfied that, although the registered holder has not so complied, special circumstances exist that justify the giving of consent to the surrender.
- (4) Where the Minister consents to an application under subsection (1), the applicant may, by instrument in writing served on the Minister, surrender the instrument



accordingly.

(5) In this section, ***the area to which the surrender relates*** means:

- (a) in relation to a surrender of a permit, lease or licence—the area constituted by the blocks as to which the permit, lease or licence is proposed to be surrendered, and
- (b) in relation to a surrender of a pipeline licence—the part of the adjacent area in which the pipeline, or the part of the pipeline, as to which the pipeline licence is proposed to be surrendered is constructed.

#### **106 Cancellation of permits etc**

(1) Where a permittee, lessee, licensee or pipeline licensee:

- (a) has not complied with a condition to which the permit, lease, licence or pipeline licence is subject,
- (b) has not complied with a direction given to him or her under this Part by the Minister,
- (c) has not complied with a provision of this Part or of the regulations, or
- (d) has not paid any amount payable by him or her under this Act within a period of 3 months after the day on which the amount became payable,

the Minister may, on that ground, by instrument in writing served on the permittee, lessee, licensee or pipeline licensee, as the case may be:

- (e) in the case of a permit or licence—cancel the permit or licence as to all or some of the blocks in respect of which it is in force,
- (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
- (f) in the case of a pipeline licence—cancel the pipeline licence as to the whole or a part of the pipeline in respect of which it is in force.

(2) The Minister shall not, under subsection (1), cancel a permit, licence or pipeline licence as to all or some of the blocks, or as to the whole or a part of the pipeline, in respect of which it is in force, or cancel a lease as to all of the blocks in respect of which it is in force, on a ground referred to in that subsection unless:

- (a) the Minister has, by instrument in writing served on the permittee, lessee, licensee or pipeline licensee, as the case may be, given not less than 1 month's notice of the Minister's intention so to cancel the permit, lease, licence or pipeline licence on that ground,
- (b) the Minister has served a copy of the instrument on such other persons, if any, as

the Minister thinks fit,

- (c) the Minister has, in the instrument, specified a date on or before which the permittee, lessee, licensee or pipeline licensee 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 permittee, lessee, licensee or pipeline licensee or the person wishes the Minister to consider, and
- (d) the Minister has taken into account:
  - (i) any action taken by the permittee, lessee, licensee or pipeline licensee, as the case may be, to remove that ground or to prevent the recurrence of similar grounds, and
  - (ii) any matters so submitted to the Minister on or before the specified date by the permittee, lessee, licensee or pipeline licensee or by a person on whom a copy of the firstmentioned instrument has been served.

#### **107 Cancellation of permit etc not affected by other provisions**

- (1) A permit, licence or pipeline licence may be wholly cancelled or partly cancelled, and a lease may be wholly cancelled, on the ground that the registered holder of the permit, lease, licence or pipeline licence has not complied with a provision of this Part or of the regulations notwithstanding that the registered holder has been convicted of an offence by reason of the failure to comply with the provision.
- (2) A person who was the registered holder of a permit, lease, licence or pipeline licence that has been wholly cancelled, or is the registered holder of a permit, licence or pipeline licence that has been partly cancelled, on the ground that he has not complied with a provision of this Part or of the regulations may be convicted of an offence by reason of the failure to comply with the provision, notwithstanding that the permit, lease, licence or pipeline licence has been so cancelled.
- (3) A permit, licence or pipeline licence may be wholly cancelled or partly cancelled, and a lease may be wholly cancelled, on the ground that the registered holder of the permit, lease, licence or pipeline licence has not paid an amount payable by the holder under this Act within a period of 3 months after the day on which the amount became payable, notwithstanding that judgment for the amount has been obtained or that the amount, or any part of the amount, has been paid or recovered.
- (4) A person who was the registered holder of a permit, lease, licence or pipeline licence that has been wholly cancelled, or is the registered holder of a permit, licence or pipeline licence that has been partly cancelled, on the ground that he has not paid an amount payable by the holder under this Act within a period of 3 months after the day on which the amount became payable continues to be liable to pay that amount, together with any additional amount payable by reason of late payment of that

amount, notwithstanding that the permit, lease, licence or pipeline licence has been so cancelled.

**108 Removal of property etc by permittee etc**

- (1) Where a permit, licence or pipeline licence has been wholly determined, partly determined, wholly cancelled or partly cancelled or has expired, or a lease has been wholly determined, partly determined or wholly cancelled or has expired, the Minister may, by instrument in writing served on the person who was, or is, as the case may be, the permittee, lessee, licensee or pipeline licensee, direct that person to do any 1 or more of the following things:
  - (a) to remove or cause to be removed from the relinquished area all property brought into that area by any person engaged or concerned in the operations authorized by the permit, lease, licence or pipeline licence or to make arrangements that are satisfactory to the Minister with respect to that property,
  - (b) to plug or close off, to the satisfaction of the Minister, all wells made in that area by any person engaged or concerned in those operations,
  - (c) subject to this Part and to the regulations, to make provision, to the satisfaction of the Minister, for the conservation and protection of the natural resources in that area,
  - (d) to make good, to the satisfaction of the Minister, any damage to the sea-bed or subsoil in that area caused by any person engaged or concerned in those operations.
- (2) The Minister may, by instrument in writing served on a permittee, lessee, licensee or pipeline licensee, direct the person to do any 1 or more of the following things:
  - (a) to remove or cause to be removed from the permit area, lease area, licence area or part of the adjacent area in which the pipeline is constructed, as the case may be, all property brought into that area or part by any person engaged or concerned in the operations authorized by the permit, lease, licence or pipeline licence or to make arrangements that are satisfactory to the Minister with respect to that property,
  - (b) to plug or close off, to the satisfaction of the Minister, all wells made in that area or part by any person engaged or concerned in those operations,
  - (c) subject to this Part and to the regulations, to make provision, to the satisfaction of the Minister, for the conservation and protection of the natural resources in that area or part,
  - (d) to make good, to the satisfaction of the Minister, any damage to the sea-bed or subsoil in that area or part caused by any person engaged or concerned in those

operations.

- (3) A person to whom a direction is given under either subsection (1) or (2) shall comply with the direction:
- (a) in the case of a direction given under subsection (1)—within the period specified in the instrument by which the direction was given, or
  - (b) in the case of a direction given under subsection (2)—on or before the date of expiration of the permit, lease, licence or pipeline licence concerned.

Maximum penalty: 100 penalty units.

### **109 Removal of property etc by Minister**

Where a permit, licence or pipeline licence has been wholly determined, partly determined, wholly cancelled or partly cancelled or has expired, or a lease has been wholly determined, partly determined or wholly cancelled or has expired, and a direction under section 108 has not been complied with, or an arrangement under that section has not been carried out, in relation to the relinquished area:

- (a) the Minister may do all or any of the things required by the direction or arrangement to be done, and
- (b) if any property brought into that area by any person engaged or concerned in the operations authorized by the permit, lease, licence or pipeline licence has not been removed in accordance with the direction or arrangement, the Minister may, by instrument published in the Gazette, direct that the owner or owners of that property shall remove it from that area, or dispose of it to the satisfaction of the Minister, within the period specified in the instrument and shall serve a copy of the instrument on each person whom the Minister believes to be an owner of that property or any part of that property.

### **110 Payment by instalments**

- (1) The Minister and a person who may request, or has requested, that a permit under section 28, or a licence under section 51, be granted to the person may enter into an agreement in writing for or in relation to the payment, by instalments, of the amount to be paid in respect of the grant of the permit or licence, together with interest at the rate that is the specified rate from time to time on so much of that amount as from time to time remains unpaid.
- (2) For the purposes of subsection (1), the specified rate is 10 per cent per annum or, if a lower rate is prescribed, that lower rate.
- (3) The period specified in an agreement under this section as the period within which an amount payable by instalments is to be paid shall not be greater than 21 years.

- (4) Where a person enters into an agreement under this section for or in relation to the payment of an amount in respect of the grant of a permit or licence, any instalment or interest that is due under the agreement and has not been paid is payable by the registered holder of the permit or licence, as the case may be.

### **111 Penalty for late payments of instalments etc**

- (1) Where the liability of a person under section 110 to pay an amount, being an instalment or any interest, is not discharged at or before the time when the amount is payable, there is payable by that person an additional amount calculated at the rate of one-third of 1 per cent per day upon so much of the firstmentioned amount as from time to time remains unpaid, to be computed from the time when the firstmentioned amount became payable until it is paid.
- (2) The Minister may, in a particular case, for reasons that the Minister thinks sufficient, remit the whole or part of an amount payable under this section.

### **112 Special prospecting authorities**

- (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.
- (2) An application under this section:
- (a) shall be in accordance with an approved form, and
  - (b) shall be made in an approved manner, and
  - (c) shall specify the operations that the applicant proposes to carry on and the block or blocks in respect of which the applicant proposes to carry on those operations, and
  - (d) shall be accompanied by the prescribed fee.
- (3) The Minister:
- (a) may grant to the applicant a special prospecting authority subject to such conditions as the Minister thinks fit and specifies in the authority, or
  - (b) may refuse to grant the application.
- (4) A special prospecting authority, while it remains in force, authorizes the holder, subject to this Act and the regulations and in accordance with the conditions to which the special prospecting authority is subject, to carry on in the blocks specified in the special prospecting authority the petroleum exploration operations so specified.
- (5) Nothing in a special prospecting authority authorizes the holder to make a well.

- (6) A special prospecting authority comes into force on the day specified for the purpose in the authority and, unless surrendered or cancelled, remains in force for such period, not exceeding 6 months, as is so specified.
- (6A) A special prospecting authority is not capable of being transferred.
- (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.
- (7) A special prospecting authority:
- (a) may be surrendered by the holder at any time by instrument in writing served on the Minister, and
  - (b) may, if the holder has not complied with a condition to which the authority is subject, be cancelled by the Minister by instrument in writing served on the holder.
- (8) Where a special prospecting authority has been surrendered or cancelled or has expired, the Minister may, by instrument in writing served on the person who was the holder of the special prospecting authority, direct that person to do any 1 or more of the following things:
- (a) to remove or cause to be removed from the relinquished area all property brought into that area by any person engaged or concerned in the operations authorized by the special prospecting authority or to make arrangements that are satisfactory to the Minister with respect to that property,
  - (b) subject to this Part and to the regulations, to make provision, to the satisfaction of the Minister, for the conservation and protection of the natural resources in that area,
  - (c) to make good, to the satisfaction of the Minister, any damage to the sea-bed or subsoil in that area caused by any person engaged or concerned in those operations.
- (9) A person to whom a direction is given under subsection (8) shall comply with the

direction.

Maximum penalty: 100 penalty units.

(10) Section 109 applies to and in relation to a special prospecting authority as if:

- (a) a reference in that section to a permit were a reference to a special prospecting authority, and
- (b) a reference in that section to a direction or an arrangement under section 108 were a reference to a direction or an arrangement under subsection (8).

### **113 Access authorities**

- (1) A permittee, lessee or licensee may make an application to the Minister for the grant of an access authority to enable him or her to carry on in an area, being part of the adjacent area that is not part of the permit area, lease area or licence area, petroleum exploration operations or operations related to the recovery of petroleum in or from the permit area, lease area or licence area.
- (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.
- (1B) The holder of a special prospecting authority may make an application to the Minister for the grant of an access authority to enable the applicant to carry on petroleum exploration operations in an area, being part of the adjacent area not included in any block that is the subject of the special prospecting authority.
- (1C) The holder of a permit, lease, licence or special prospecting authority may make an application to the Minister for the grant of an access authority to enable the applicant to carry on, in a block or blocks within an adjoining adjacent area:
  - (a) petroleum exploration operations, or
  - (b) where the applicant is the holder of a permit, lease or licence, operations related to the recovery of petroleum in or from any block within the New South Wales adjacent area that is the subject of the permit, lease or licence.
- (2) An application under this section:
  - (a) shall be in accordance with an approved form,
  - (b) shall be made in an approved manner,
  - (c) shall specify the operations that the applicant proposes to carry on and the area in which the applicant proposes to carry on those operations, and

(d) may set out any other matters that the applicant wishes the Minister to consider.

(3) The Minister may:

(a) if the Minister is satisfied that it is necessary or desirable to do so for the more effective exercise of the rights, or for the proper performance of the duties, of a permittee, lessee, licensee, holder of a special prospecting authority or holder of an extra-State title who has made an application under this section, grant to him or her an access authority subject to such conditions as the Minister thinks fit and specifies in the access authority, and

(b) at any time, by instrument in writing served on the registered holder of an access authority so granted, vary the access authority.

(4) The Minister shall not grant an access authority on an application under a provision of this section other than subsection (1C) in respect of a block that is the subject of a permit, lease, licence or special prospecting authority of which the registered holder is a person other than the applicant, or vary such an access authority as in force in respect of a block that is the subject of a permit, lease, licence or special prospecting authority of which the registered holder is a person other than the registered holder of the access authority, unless:

(a) the Minister has, by instrument in writing served on that person, given not less than 1 month's notice of the Minister's intention to grant, or vary, as the case may be, the access authority,

(b) the Minister has served a copy of the instrument:

(i) on such other persons, if any, as he thinks fit, and

(ii) in a case where he intends to vary an access authority—on the registered holder of the access authority,

(c) the Minister has, in the instrument:

(i) given particulars of the access authority proposed to be granted, or of the variation proposed to be made, as the case may be, and

(ii) specified a date on or before which a person on whom the instrument, or a copy of the instrument, is served may, by instrument in writing served on the Minister, submit any matters that the Minister wishes the Minister to consider, and

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

(4A) The Minister shall not grant or vary an access authority on an application under



subsection (1C) without the approval of the Designated Authority for the adjoining adjacent area within which the block or blocks to be specified in the access authority are situated.

(4B) Where the approval of the Minister is sought in respect of:

- (a) an application under a corresponding law for the grant of an access authority in respect of a block within the New South Wales adjacent area that is the subject of a permit, lease, licence or special prospecting authority of which the registered holder is a person other than the applicant, or
- (b) a proposal to vary an access authority granted on an application under a corresponding law, in respect of a block within the New South Wales adjacent area that is the subject of a permit, lease, licence or special prospecting authority of which the registered holder is a person other than the registered holder of the access authority,

the Minister shall not approve the grant or the variation unless:

- (c) the Minister has, by instrument in writing served on that person, given not less than 1 month's notice of the intention to grant, or vary, as the case may be, the access authority, and
  - (d) a copy of the instrument has been served:
    - (i) on such other persons, if any, as the Minister thinks fit, and
    - (ii) where it is proposed to vary an access authority—on the registered holder of the access authority, and
  - (e) the instrument gives:
    - (i) particulars of the access authority that it is proposed to grant or vary, as the case may be, and
    - (ii) notice that a person on whom the instrument, or a copy of the instrument, has been served may, by instrument in writing served on the Minister on or before the date specified in the instrument, submit any matters that the person wishes the Minister to consider, and
  - (f) the Minister has taken into account any matters submitted in accordance with the notice referred to in paragraph (e) (ii).
- (5) An access authority, while it remains in force, authorizes the holder, subject to this Act and the regulations and in accordance with the conditions to which the access authority is subject, to carry on, in the area specified in the access authority, the operations so specified.

- (6) Nothing in an access authority authorizes the holder to make a well.
- (7) An access authority comes into force on the day specified for the purpose in the access authority and, unless surrendered or cancelled, remains in force for such period as is so specified but may be extended by the Minister for a further period.
- (8) An access authority:
  - (a) may be surrendered by the holder at any time by instrument in writing served on the Minister, and
  - (b) may be cancelled by the Minister at any time by instrument in writing served on the holder and on any person in whose permit area, lease area or licence area operations may be carried on in pursuance of the access authority.
- (9) Where an access authority has been surrendered or cancelled or has expired, the Minister may, by instrument in writing served on the person who was the holder of the access authority, direct that person to do any 1 or more of the following things:
  - (a) to remove or cause to be removed from the relinquished area all property brought into that area by any person engaged or concerned in the operations authorized by the access authority or to make arrangements that are satisfactory to the Minister with respect to that property,
  - (b) subject to this Part and to the regulations, to make provision, to the satisfaction of the Minister, for the conservation and protection of the natural resources in that area,
  - (c) to make good, to the satisfaction of the Minister, any damage to the sea-bed or subsoil in that area caused by any person engaged or concerned in those operations.
- (10) A person to whom a direction is given under subsection (9) shall comply with the direction.

Maximum penalty: 100 penalty units.

- (11) The holder of an access authority shall, if the access authority is in force in respect of an area that consists of, or includes, a block that is the subject of a permit, lease or licence of which he or she is not the registered holder, furnish to the registered holder of that permit, lease or licence, within 28 days after the end of each month during which the access authority is in force in respect of that block, a full report, in writing, of the operations carried on in that block during that month and a summary of the facts ascertained from those operations.

Maximum penalty: 50 penalty units.

- (12) Section 109 applies to and in relation to an access authority as if:

- (a) a reference in that section to a permit were a reference to an access authority, and
- (b) a reference in that section to a direction or an arrangement under section 108 were a reference to a direction or an arrangement under subsection (9).

(13) In this section:

**adjoining adjacent area** means an adjacent area (within the meaning of a corresponding law) that adjoins the New South Wales adjacent area.

**Designated Authority**, in relation to an adjoining adjacent area, means the Minister of State administering the corresponding law in respect of the adjoining adjacent area.

**extra-State title** means an authority, however described, granted under a corresponding law in respect of the exploration for, or the recovery of, petroleum.

#### **114 Sale of property**

- (1) Where a direction under section 109 has not been complied with in relation to any property, the Minister may do all or any of the following things:
  - (a) remove, in such manner as the Minister thinks fit, all or any of that property from the relinquished area concerned,
  - (b) dispose of, in such manner as the Minister thinks fit, all or any of that property,
  - (c) if the Minister has served a copy of the instrument by which the direction was given on a person whom the Minister believed to be an owner of that property or part of that property, sell, by public auction or otherwise, as the Minister thinks fit, all or any part of that property that belongs, or that the Minister believes to belong, to that person.
- (2) The Minister may deduct from the proceeds of a sale under subsection (1) of property that belongs, or that the Minister believes to belong, to a particular person:
  - (a) all or any part of any costs and expenses incurred by the Minister under that subsection in relation to that property,
  - (b) all or any part of any costs and expenses incurred by the Minister in relation to the doing of any thing required by a direction under section 108, 112 or 113, as the case may be, to be done by that person, and
  - (c) all or any part of any fees or amounts due and payable under this Act by that person.
- (3) Costs and expenses incurred by the Minister under subsection (1):
  - (a) if incurred in relation to the removal, disposal or sale of property, are a debt due

by the owner of the property to the Crown, or

(b) if incurred in relation to the doing of any thing required by a direction under section 108, 112 or 113, as the case may be, to be done by a person who is or was a permittee, lessee, licensee, pipeline licensee or holder of a special prospecting authority or access authority, are a debt due by that person to the Crown,

and, to the extent to which they are not recovered under subsection (2), are recoverable in a court of competent jurisdiction.

(4) Subject to subsection (3), no action lies in respect of the removal, disposal or sale of property under this section.

**115 (Repealed)**

**116 Minister etc may require information to be furnished etc**

(1) Where the Minister or an inspector has reason to believe that a person is capable of giving information or producing documents relating to petroleum exploration operations, operations for the recovery of petroleum or operations connected with the construction or operation of a pipeline in the adjacent area, the Minister or inspector may, by instrument in writing served on that person, require that person:

(a) to furnish to the Minister or inspector in writing, within the period and in the manner specified in the instrument, any such information, or

(b) to attend before the Minister or inspector or a person specified in the instrument, at such time and place as is so specified, and there to answer questions relating to those operations and to produce such documents relating to those operations as are so specified.

(2) A person is not excused from furnishing information, answering a question or producing a document when required to do so under this section on the ground that the information so furnished, the answer to the question or the production of the document might tend to incriminate him or her or make him or her liable to a penalty, but the information so furnished or the person's answer to the question is not admissible in evidence against him or her in proceedings other than proceedings for an offence against section 118.

**117 Power to examine on oath**

(1) The Minister or an inspector may administer an oath to a person required to attend before the Minister or inspector in pursuance of section 116 and may examine that person on oath.

(2) Where a person attending before the Minister or an inspector in pursuance of section 116 conscientiously objects to take an oath, the person may make an affirmation that the person conscientiously objects to take an oath and that the person will state the

truth, the whole truth and nothing but the truth to all questions asked him.

- (3) An affirmation made under subsection (2) is of the same force and effect, and entails the same penalties, as an oath.

### **118 Failing to furnish information etc**

A person shall not:

- (a) refuse or fail to comply with the requirement in an instrument under section 116 to the extent to which the person is capable of complying with it,
- (b) in purported compliance with such a requirement, knowingly furnish information that is false or misleading in a material particular, or
- (c) when attending before the Minister or an inspector in pursuance of such a requirement, knowingly make a statement or produce a document that is false or misleading in a material particular.

Maximum penalty: 100 penalty units.

### **119 Release of information**

- (1) The Minister may, at any time, make available to another Minister or to a Minister of State of the Commonwealth or another State:
- (a) any information contained in a document to which this section applies that has been furnished to the Minister, and
  - (b) any cores or cuttings from, or samples of, the sea-bed or subsoil in a block, or samples of petroleum recovered in a block, that have been furnished to the Minister.
- (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
  - (b) on request by a person and, if the Minister or the other Minister so requires, on payment of a fee calculated in accordance with the regulations, 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.

(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 calculated in accordance with the regulations, 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.

(3) The Minister or another Minister may, at any time after the relevant day:

- (a) make publicly known any particulars of, or
- (b) on request by a person and, if the Minister or the other Minister so requires, on payment of a fee calculated in accordance with the regulations, permit that person to inspect,

any cores or cuttings from, or samples of, the sea-bed or subsoil in a block, or samples of petroleum recovered in a block, that have been furnished to the Minister or have been made available to the other Minister under subsection (1).

(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, and

(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,

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:

- (i) the document, core, cutting or sample was furnished to the Minister at a time when a permit, lease or licence was not in force in respect of the block, and

- (ii) the information in the document or the core, cutting or sample was collected for the purpose of the sale of information on a non-exclusive basis,

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

(e) where:

- (i) the document, core, cutting or sample was furnished to the Minister at a time when a permit, lease or licence was not in force in respect of the block, and

(ii) paragraph (d) (ii) does not apply,

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

(5) Where:

(a) a document, core, cutting or sample referred to in subsection (1) was furnished to the Minister:

(i) during or in respect of a period during which a permit, lease or licence was in force in respect of the block, or

(ii) during or in respect of a period during which a special prospecting authority or access authority was in force in respect of the block but during which a permit, lease or licence was not in force in respect of the block, and

(b) the permittee, lessee, licensee or holder of the special prospecting authority or access authority or, if the permit, lease, licence, special prospecting authority or access authority has ceased to be in force, the person who was the holder of the permit, lease, licence, special prospecting authority or access authority:

(i) has made publicly known any information contained in the document or has consented in writing to any of that information being made publicly known, or

(ii) has made publicly known any particulars of that core, cutting or sample or has consented in writing to any particulars of that core, cutting or sample being made publicly known or to that core, cutting or sample being made available for inspection,

the Minister or another Minister to whom that information, core, cutting or sample has been made available under subsection (1) may, at any time after that information has, or those particulars have, been made publicly known or after that consent has been given:

(c) make publicly known that information or, on request by another person and, if the Minister or the other Minister so requires, on payment of a fee calculated in accordance with the regulations, make that information available to that other person, or

(d) make publicly known those particulars or, on request by any other person and, if the Minister or the other Minister so requires, on payment of a fee calculated in accordance with the regulations, permit that other person to inspect that core, cutting or sample,

as the case may be.



(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 calculated in accordance with the regulations, make available to that person,

any information contained in the document, being information that relates to the seabed 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,
  - (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.
- (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.
- (6) Except as provided by the preceding provisions of this section or for the purposes of the administration of this Act and the regulations, the Minister or another Minister to whom any information, core, cutting or sample has been made available under subsection (1) shall not:
- (a) make publicly known, or make available to any person (not being a Minister or a Minister of State of the Commonwealth or another State), any information contained in a document to which this section applies, or
  - (b) make publicly known any particulars of, or permit any person (not being a Minister referred to in paragraph (a)) to inspect, any core, cutting or sample so referred to.
- (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.
- (6B) A reference in this section to a return or other document furnished to the Minister under this Act includes a reference to a return or other document relating to royalty under this Act that is obtained by the Minister, or a delegate of the Minister, from a tax officer (within the meaning of the [Taxation Administration Act 1996](#)).
- (7) In this section, a reference to a core, cutting or sample includes a reference to a portion of a core, cutting or sample.
- (8) For the purposes of this section:
- (a) cores and cuttings, and well data logs, sample descriptions and other documents, relating to the drilling of a well, shall be deemed to have been furnished to the Minister not later than 1 month after the drilling of the well was, in the opinion of the Minister, substantially completed, and

(b) geophysical or geochemical data relating to geophysical or geochemical surveys shall be deemed to have been furnished to the Minister not later than 1 year after the geophysical or geochemical field work was, in the opinion of the Minister, substantially completed.

(8A) Subsections (2) and (5A) apply to information contained in a document to which this section applies that was furnished to the Minister before or after 1 July 1986.

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

(9) In this section, a reference to a Minister of State of another State includes a reference to a Minister of State of the Northern Territory.

## **120 Safety zones**

(1) For the purpose of protecting a well or structure, or any equipment, in the adjacent area, the Minister may, by instrument published in the Gazette, prohibit:

(a) all vessels,

(b) all vessels other than specified vessels, or

(c) all vessels other than the vessels included in specified classes of vessels,

from entering or remaining in a specified area (in this section called a **safety zone**) surrounding the well, structure or equipment without the consent in writing of the Minister.

(2) A safety zone specified in an instrument under subsection (1) may extend to a distance of 500 metres around the well, structure or equipment specified in the instrument measured from each point of the outer edge of the well, structure or equipment.

(3) Where a vessel enters or remains in a safety zone specified in an instrument under subsection (1) in contravention of the instrument, the owner and the person in command or in charge of the vessel are each guilty of an offence against this section and are punishable, upon conviction, by a penalty not exceeding 1,000 penalty units or imprisonment for 10 years, or both.

## **121 Discovery and use of water**

Where water is discovered in a permit area, a lease area or a licence area, the permittee, lessee or licensee, as the case may be, shall, within a period of 1 month after the date of the discovery, furnish to the Minister, in writing, particulars of the discovery.

Maximum penalty: 100 penalty units.

## **122 Survey of wells etc**

- (1) The Minister may, at any time, by instrument in writing served on a permittee, lessee or licensee, direct the permittee, lessee or licensee:
  - (a) to carry out a survey of the position of the well, structure or equipment specified in the instrument, and
  - (b) to furnish to the Minister a report in writing of the survey.
- (2) Where the Minister is not satisfied with a report of a survey furnished to the Minister under subsection (1) by a permittee, lessee or licensee, the Minister may, by instrument in writing served on the permittee, lessee or licensee, direct the permittee, lessee or licensee to furnish further information in writing in connexion with the survey.
- (3) A person to whom a direction is given under either subsection (1) or (2) shall comply with the direction.

Maximum penalty: 100 penalty units.

## **123 Records etc to be kept**

- (1) The Minister may, by instrument in writing served on a person carrying on operations in the adjacent area under a permit, lease, licence, pipeline licence, special prospecting authority, access authority or instrument of consent under section 124, direct that person to do any 1 or more of the following things:
  - (a) to keep such accounts, records and other documents in connexion with those operations as are specified in the instrument,
  - (b) to collect and retain such cores, cuttings and samples in connexion with those operations as are so specified,
  - (c) to furnish to the Minister, or to such person as is so specified, in the manner so specified, such reports, returns, other documents, cores, cuttings and samples in connexion with those operations as are so specified.
- (2) A person to whom a direction is given under subsection (1) shall comply with the direction.

Maximum penalty: 100 penalty units.

## **124 Scientific investigations**

- (1) The Minister may, by instrument in writing, consent to the carrying on in the adjacent area by any person of petroleum exploration operations in the course of a scientific investigation.

- (2) An instrument of consent under subsection (1) may be made subject to such conditions, if any, as are specified in the instrument.
- (3) An instrument of consent in force under subsection (1) authorizes the person specified in the instrument, subject to section 125 and in accordance with the conditions, if any, to which the instrument is subject, to carry on, in the adjacent area, petroleum exploration operations so specified in the course of the scientific investigation so specified.

### **125 Interference with other rights**

A person carrying on operations in the adjacent area under a permit, lease, licence, pipeline licence, special prospecting authority, access authority or instrument of consent under section 124 shall carry on those operations in a manner that does not interfere with:

- (a) navigation,
- (b) fishing,
- (c) the conservation of the resources of the sea and sea-bed, or
- (d) any operations of another person being lawfully carried on by way of exploration for, recovery of or conveyance of a mineral, whether petroleum or not, or by way of construction or operation of a pipeline,

to a greater extent than is necessary for the reasonable exercise of the rights and performance of the duties of that firstmentioned person.

Maximum penalty: 100 penalty units.

### **126 Inspectors**

- (1) The Minister may, by instrument in writing, appoint a person to be an inspector for the purposes of this Act and the regulations.
- (2) The Minister may furnish to an inspector a certificate stating that the inspector is an inspector for the purposes of this Act and the regulations.
- (3) Where the appointment of a person under this section expires or is revoked, that person shall forthwith surrender the certificate furnished to the person under this section to the Minister or, if the Minister, by instrument in writing served on that person, specifies another person to whom the certificate is to be surrendered, to that other person.

Maximum penalty: 5 penalty units.

### **127 Powers of inspectors**

- (1) For the purposes of this Act and the regulations, an inspector, at all reasonable times and on production of the certificate furnished to the inspector under section 126:
  - (a) shall have access to any part of the adjacent area and to any structure, ship, aircraft or building in that area that, in the inspector's opinion, has been, is being or is to be used in connexion with petroleum exploration operations, operations for the recovery of petroleum or operations connected with the construction or operation of a pipeline in that area,
  - (b) may inspect and test any equipment that, in his opinion, has been, is being or is to be used in that area in connexion with any of those operations, and
  - (c) may enter any structure, ship, aircraft, building or place in that area or in New South Wales, in which, in his opinion, there are any documents relating to any of those operations and may inspect, take extracts from and make copies of any of those documents.
- (2) A person who is the occupier or person in charge of any building, structure or place, or is the person in charge of any ship, aircraft or equipment referred to in subsection (1), shall provide an inspector with all reasonable facilities and assistance for the effective exercise of his powers under this section.
- (3) A person shall not, without reasonable excuse, obstruct or hinder an inspector in the exercise of his powers under this section.

Maximum penalty: 50 penalty units.

### **128 Property in petroleum**

Subject to this Act, if petroleum is recovered by a permittee, lessee or licensee in the permit area, lease area or licence area:

- (a) the petroleum becomes the property of the permittee, lessee or licensee, and
- (b) it is not subject to any rights of other persons (other than any person to whom the permittee, lessee or licensee transfers, assigns or otherwise disposes of the petroleum or an interest in the petroleum).

### **129 Certain payments to be made by State to Commonwealth**

- (1) The Treasurer shall, not later than the last day of each month of the year, pay to the Commonwealth amounts ascertained in accordance with the formula:

where:

**A** is the amount of royalty payable under this Act, together with the amount, if any,

payable by reason of late payment of that royalty, by a permittee, lessee or licensee in respect of petroleum recovered in the adjacent area under the permit, lease or licence and received by the Minister during the preceding month, and

**B** is the percentage rate at which royalty is payable under this Act by the permittee, lessee or licensee in respect of that petroleum.

- (2) The Consolidated Fund is appropriated to the extent necessary for the purposes of this section.

### **130 Determination to be disregarded in certain cases**

Where a determination has been made by the Minister under section 144 in relation to a well, that determination shall be disregarded in ascertaining the value of B for the purposes of section 129.

### **131 Continuing offences**

- (1) Where an offence is committed by a person by reason of the person's failure to comply, within the period specified in a direction given to the person under this Act or the regulations, with the requirements specified in the direction, the offence, for the purposes of Subsection (3), shall be deemed to continue so long as any requirement specified in the direction remains undone, notwithstanding that the period has elapsed.
- (2) Where an offence is committed by a person by reason of the person's failure to comply with a requirement made by this Act or the regulations, the offence, for the purposes of subsection (3), shall be deemed to continue so long as that failure continues, notwithstanding that any period within which the requirement was to be complied with has elapsed.
- (3) Where, under either subsection (1) or (2), an offence is to be deemed to continue, the person who committed the offence commits an additional offence against this Act on each day during which the offence is to be deemed to continue and is liable, upon conviction for such an additional offence, to a penalty not exceeding 100 penalty units.

### **132 Prosecution of offences**

- (1) In this section:
  - (a) a reference to an offence against this Act shall be read as including a reference to an offence against the Regulations, and
  - (b) a reference to a prescribed offence shall be read as a reference to an offence against this Act the maximum monetary penalty in respect of which exceeds 50 penalty units, with or without a penalty of imprisonment.

- (2) Except as provided by subsections (3) and (3A), prescribed offences are punishable on indictment.
- (3) A court of summary jurisdiction may hear and determine proceedings for a prescribed offence (other than an offence under section 120) summarily if the court is satisfied that it is appropriate to do so and the defendant and the prosecutor consent.
- (3A) Chapter 5 of the *Criminal Procedure Act 1986* (which relates to the summary disposal of certain indictable offences unless an election is made to proceed on indictment) applies to and in respect of an offence under section 120.
- (4) Where, in accordance with subsection (3) or (3A), a court of summary jurisdiction convicts a person of a prescribed offence, the penalty that the court may impose in respect of the offence is:
  - (a) where the penalty in respect of the offence includes a term of imprisonment—a fine not exceeding 50 penalty units or imprisonment for a period not exceeding 2 years, or both, or
  - (b) where the penalty in respect of the offence does not include a term of imprisonment—a fine not exceeding 50 penalty units or the maximum penalty provided by this Act or the Regulations in respect of the offence, whichever is the less.
- (5) An offence against this Act, other than a prescribed offence, is punishable summarily.

### **133 Orders for forfeiture in respect of certain offences**

- (1) Where a person is convicted by the Supreme Court of an offence against section 20, 40 or 61, the Court may, in addition to imposing a penalty, make 1 or more of the following orders:
  - (a) an order for the forfeiture of a specified aircraft or vessel used in the commission of the offence,
  - (b) an order for the forfeiture of specified equipment used in the commission of the offence, and
  - (c) an order:
    - (i) for the forfeiture of specified petroleum recovered, or conveyed through a pipeline, as the case may be, in the course of the commission of the offence,
    - (ii) for the payment by that person to the Crown of an amount equal to the proceeds of the sale of specified petroleum so recovered or conveyed, or
    - (iii) for the payment by that person to the Crown of an amount equal to the value at the well-head, assessed by the Court, of the quantity, so assessed, of



petroleum so recovered or conveyed or for the payment of such part of that amount as the Court, having regard to all the circumstances, thinks fit.

- (2) Where the Court is satisfied that an order made under subsection (1) (c) (i) cannot, for any reason, be enforced, the Court may, upon the application of the person by whom the proceedings were brought, set aside the order and make either of the orders referred to in subsection (1) (c) (ii) or (iii).
- (3) The Court may, before making an order under this section, require notice to be given to, and hear, such persons as the Court thinks fit.
- (4) Goods in respect of which an order is made under this section shall be dealt with as the Attorney General directs and, pending his direction, may be detained in such custody as the Court directs.

#### **134 Time for bringing proceedings for offences**

Proceedings in respect of an offence against this Act (being an offence arising under this Part) or the regulations may be brought at any time.

#### **135 Judicial notice**

- (1) All courts shall take judicial notice of the signature of a person who is, or has been, the Minister or a delegate of the Minister and of the fact that that person is, or has been, the Minister or a delegate of the Minister.
- (2) In this section, **court** includes all persons authorized by the law of New South Wales or by consent of parties to receive evidence.

#### **136 Service**

- (1) A document required or permitted by this Act to be served on a person other than the Minister or a corporation shall be served:
  - (a) by delivering the document to that person personally,
  - (b) by prepaying and posting the document as a letter addressed to that person at the person's last known place of residence or business or, if the person is carrying on business at 2 or more places, at 1 of those places,
  - (c) by leaving the document at the last known place of residence of that person with some person apparently a resident of that place and apparently not less than 16 years of age, or
  - (d) by leaving the document at the last known place of business of that person or, if the person is carrying on business at 2 or more places, at 1 of those places, with some person apparently in the service of that person and apparently not less than 16 years of age.

- (2) A document required or permitted by this Act to be served on the Minister shall be served:
- (a) by prepaying and posting the document as a letter addressed to the Minister at a place of business of the Minister, or
  - (b) by leaving it at a place of business of the Minister with some person apparently employed in connexion with the business of the Minister and apparently not less than 16 years of age.
- (3) A document required by this Act to be served on a person, being a corporation, shall be served:
- (a) by prepaying and posting the document as a letter addressed to the corporation at its last known place of business or, if it is carrying on business at 2 or more places, at 1 of those places, or
  - (b) by leaving it at that place, or at 1 of those places, with some person apparently in the service of the corporation and apparently not less than 16 years of age.
- (4) Where a document required by this Act to be served is posted as a letter in accordance with this section, service shall, unless the contrary is proved, be deemed to have been effected at the time at which the letter would have been delivered in the ordinary course of post.
- (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,
- 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.

## **Division 6A Powers of authorized persons**

### **136A Definitions**

(1) In this Division:

**authorized person** means:

(a) a member of the police force, or

(b) a person, or a person included in a class of persons, authorized to perform duties under this Division in accordance with subsection (2).

**exempt vessel**, in relation to a safety zone, means a vessel:

(a) that is excluded from the operation of section 120 in relation to that safety zone by virtue of the instrument establishing the safety zone, or

(b) in respect of which there is in force a consent in writing of the Minister under section 120 (1) in relation to that safety zone.

**Government vessel** means a vessel that is beneficially owned by, or a vessel the whole possession and control of which is for the time being vested in, the State, another State, the Commonwealth or a Territory or an authority of the State, another State, the Commonwealth or a Territory.

**master**, in relation to a vessel, means the person having command or charge of the vessel.

**relevant vessel** means a vessel:

- (a) that is registered under the *Shipping Registration Act 1981* of the Commonwealth and the gross tonnage of which specified in the certificate of registration of the vessel exceeds 200,
- (b) that is not registered under the *Shipping Registration Act 1981* of the Commonwealth but is permitted to be registered under that Act (other than a vessel that, under the law of another country, is entitled to fly the flag of that country and is flying that flag), being a vessel the tonnage length of which is equal to or exceeds 24 metres, or
- (c) not being a vessel to which paragraph (a) or (b) applies, that is in the adjacent area for the purpose of exploring the sea-bed or subsoil of the adjacent area for petroleum or minerals or for the purpose of exploiting the natural resources, being petroleum or minerals, of that sea-bed or subsoil,

but does not include a Government vessel.

**safety zone** means an area that is a safety zone for the purposes of section 120.

- (2) The Minister may, by notice published in the Gazette, authorize a person, or a person included in a specified class of persons, to perform duties under this Division.
- (3) The reference in the definition of **Government vessel** in subsection (1) to an authority of the State, another State, the Commonwealth or a Territory shall be read as a reference to a body corporate established for a public purpose by or under a law of the State, another State, the Commonwealth or Territory, as the case may be, other than:
  - (a) the Australian Shipping Commission,
  - (b) the Western Australian Coastal Shipping Commission,
  - (c) the Transport Commission established under the *Transport Act 1938* of Tasmania, or
  - (d) a body corporate that is declared by regulations made under the *Shipping Registration Act 1981* of the Commonwealth not to be a Government authority for the purposes of that Act.
- (4) For the purposes of this Division, the tonnage length of a ship shall be determined in the same manner as it is determined for the purposes of the *Shipping Registration Act 1981* of the Commonwealth.

### **136B Powers of authorized persons**

- (1) Subject to subsection (3), an authorized person may:

- (a) board a vessel that the person has reasonable grounds to believe has been used, is being used or is about to be used in contravention of section 120,
  - (b) where the person has boarded a vessel in the exercise of powers under paragraph (a):
    - (i) require any person on board the vessel to answer questions relating to the vessel or to the movements of the vessel,
    - (ii) require the master of the vessel to state whether there is in force in respect of the vessel a consent under section 120 and, if so, to produce the consent,
    - (iii) if the vessel is registered under the *Shipping Registration Act 1981* of the Commonwealth—require the master of the vessel to produce the certificate of registration of the vessel, or
    - (iv) search the vessel for any documents relating to the vessel or to the movements of the vessel,
  - (c) require the master of a vessel, being a vessel that is in a safety zone and that is not an exempt vessel in relation to the safety zone, to take the vessel outside the safety zone,
  - (d) require the master of a disabled vessel:
    - (i) that is in a safety zone, or
    - (ii) that is, or that the person has reasonable grounds to believe is, a relevant vessel and that the person has reasonable grounds to believe is likely to cause damage to any well, pipeline, structure or equipment in the safety zone,to permit the vessel to be towed away from the safety zone or to accept the giving of such other assistance to the vessel as the person considers necessary, or
  - (e) detain a vessel that the person has reasonable grounds to believe has been used in contravention of section 120.
- (2) A person shall not:
- (a) fail to facilitate by all reasonable means the boarding of a vessel by an authorized person pursuant to subsection (1),
  - (b) refuse to allow a search that is authorized under subsection (1) to be made by an authorized person,
  - (c) refuse or neglect to comply with a requirement made by an authorized person under subsection (1),
  - (d) when an authorized person requires the person to give information, pursuant to

the powers of the authorized person under subsection (1)—give information that is, to the knowledge of the person, false or misleading in a material particular, or

(e) resist or obstruct an authorized person who is acting pursuant to subsection (1).

Maximum penalty: 50 penalty units.

(3) The powers of an authorized person in relation to a vessel under subsection (1) (a), (b) and (e) shall not be exercised except:

(a) pursuant to a warrant issued under section 136C,

(b) after obtaining the consent of the master of the vessel, or

(c) in circumstances of seriousness and urgency, in accordance with section 136D.

### **136C Search warrants**

(1) Where an information on oath is laid before a Magistrate alleging that there are reasonable grounds to believe that a vessel has been used, is being used or is about to be used in contravention of section 120 and the information sets out those grounds and identifies the vessel, a Magistrate may issue a warrant authorizing an authorized person named in the warrant, with such assistance as the authorized person thinks necessary, to exercise all or any of the powers referred to in section 136B (1) (a), (b) and (e) in relation to that vessel.

(2) A Magistrate shall not issue a warrant unless:

(a) the informant or some other person has given to the Magistrate either orally or by affidavit such further information (if any) as the Magistrate requires concerning the grounds on which the issue of the warrant is being sought, and

(b) the Magistrate is satisfied that there are reasonable grounds for issuing the warrant.

(3) A warrant shall:

(a) specify the purpose for which the warrant is issued,

(b) set out a description of the vessel in relation to which the warrant is issued, and

(c) specify a day, not being later than 7 days after the day on which the warrant is issued, as being the day on which the warrant ceases to have effect.

(4) In this section, **Magistrate** includes an authorised officer within the meaning of the [Criminal Procedure Act 1986](#).

### **136D Exercise of powers in serious circumstances**

An authorized person may exercise, in relation to a vessel, all or any of the powers

referred to in section 136B (1) (a), (b) and (e) where:

- (a) the authorized person has reasonable grounds to believe that:
  - (i) the vessel has been used, is being used or is about to be used in contravention of section 120, or
  - (ii) the exercise of those powers is necessary to prevent damage being caused to any well, pipeline, structure or equipment in a safety zone, and
- (b) the circumstances are of such a serious nature as to require and justify the immediate exercise of those powers without the authority of a warrant issued under section 136C.

## **Division 7 Fees and royalties**

### **137 Permit fees**

There is payable to the Minister by a permittee, in respect of each year of the term of the permit, a fee calculated in accordance with the regulations.

### **137A Lease fees**

There is payable to the Minister by a lessee, in respect of each year of the term of the lease, a fee calculated in accordance with the regulations.

### **138 Licence fees**

There is payable to the Minister by a licensee, in respect of each year of the term of the licence, a fee calculated in accordance with the regulations.

### **139 Pipeline licence fees**

There is payable to the Minister by a pipeline licensee, in respect of each year of the term of the pipeline licence, a fee calculated in accordance with the regulations.

### **140 Time of payment of fees**

A fee referred to in section 137, 137A, 138 or 139 is payable within 1 month after:

- (a) in the case of the first year of the term of the permit, lease, licence or pipeline licence—the day on which that term commenced, and
- (b) in the case of a year of the term of the permit, lease, licence or pipeline licence other than the first—each anniversary of that day.

### **141 Penalty for late payment**

Where the liability of a permittee, lessee, licensee or pipeline licensee to pay a fee under section 137, 137A, 138 or 139 is not discharged at or before the time when the fee is

payable, there is payable to the Minister by the permittee, lessee, licensee or pipeline licensee an additional amount calculated at the rate of one-third of 1 per cent per day upon the amount of the fee from time to time remaining unpaid, to be computed from the time when the fee became payable until it is paid.

#### **142 Fees and penalties debts due to the Crown**

A fee under section 137, 137A, 138 or 139 or an amount payable under section 141 is a debt due by the permittee, lessee, licensee or pipeline licensee, as the case may be, to the Crown and is recoverable in a court of competent jurisdiction.

#### **143 Royalty**

- (1) A permittee, lessee or licensee shall, subject to this Division, pay to the Crown a royalty at the prescribed rate in respect of all petroleum recovered by the permittee, lessee or licensee in the permit area, lease area or licence area.
- (2) Subject to the succeeding provisions of this section and the provisions of section 144, the prescribed rate in respect of petroleum recovered under a permit, lease or licence is 10 per cent of the value at the well-head of the petroleum.
- (3) The prescribed rate in respect of petroleum recovered under a secondary licence is the percentage determined by the Minister in pursuance of section 43 (1) in respect of petroleum so recovered.
- (4) Where a secondary licence is granted to the holder of a primary licence, the prescribed rate in respect of petroleum recovered under the primary licence is, as from the commencement of the next royalty period after the day from which the secondary licence has effect, the same percentage as is applicable in respect of petroleum recovered under the secondary licence.
- (5) Where:
  - (a) a licence is granted on an application under section 48, and
  - (b) the instrument served on the applicant under section 50 contains a statement that the applicant will be required to pay, in respect of petroleum recovered under that licence, royalty at the rate specified in that statement,the prescribed rate in respect of petroleum recovered under that licence is the percentage specified in that statement.
- (6) Where a licence is granted on an application under section 52 (1), the prescribed rate in respect of petroleum recovered under that licence is the same percentage as was applicable in respect of petroleum recovered under the original licence as defined by that subsection.
- (7) The prescribed rate in respect of petroleum recovered in the licence area referred to



in a licence granted by way of renewal of a licence is the percentage that would be the prescribed rate if the licence so granted were the continuation in force of the previous licence.

- (8) A reference in this section or in a permit, lease or licence to royalty at the prescribed rate or royalty at the rate that is for the time being the prescribed rate shall be read as a reference to royalty at the rate that is or was the prescribed rate applicable in accordance with the provisions of this Act as in force from time to time.

#### **144 Reduction of royalty in certain cases**

- (1) Where the Minister is satisfied that the rate of recovery of petroleum from a well has become so reduced that, having regard to the rate or rates of royalty applicable under section 143, further recovery of petroleum from that well would be uneconomic, the Minister may, by instrument in writing, determine that the royalty in respect of all or any of the petroleum recovered from that well on or after a date specified in the determination shall be at such rate (being a rate lower than the rate that would be applicable under section 143) as the Minister specifies.
- (2) The prescribed rate in respect of petroleum to which a determination under subsection (1) is applicable is the rate specified in the determination.
- (3) The Minister may, by instrument in writing, revoke or vary a determination under subsection (1) and the revocation or variation applies to petroleum recovered on or after such date as is specified in the instrument.
- (4) The Chief Commissioner is to remit the interest or penalty tax on any royalty that ceases to be payable because of a determination of the Minister under this section.

#### **145 Royalty not payable in certain cases**

- (1) Royalty under this Act:
- (a) is not payable in respect of petroleum that the Minister is satisfied was unavoidably lost before the quantity of that petroleum was ascertained,
  - (b) is not payable in respect of petroleum that is used by the permittee, lessee or licensee, as approved by the Minister, for the purposes of petroleum exploration operations or operations for the recovery of petroleum, and
  - (c) is not payable in respect of petroleum that, with the approval of the Minister, is flared or vented in connexion with operations for the recovery of petroleum.
- (2) Where petroleum that has been recovered by a permittee, lessee or licensee is, with the approval of the Minister, returned to a natural reservoir, royalty under this Act is not payable in respect of that petroleum by reason of that recovery but this subsection does not affect the liability of that or any other permittee, lessee or licensee to pay royalty in respect of petroleum that is recovered from that natural

reservoir.

- (3) The Chief Commissioner is to remit the interest or penalty tax on any royalty that ceases to be payable because of a decision of the Minister under this section.

#### **146 Ascertainment of well-head**

For the purposes of this Act, the well-head, in relation to any petroleum, is such valve station as is agreed between the permittee, lessee or licensee and the Minister, or, in default of agreement within such period as the Minister allows, is such valve station as is determined by the Minister as being that well-head.

#### **147 Ascertainment of value**

For the purposes of this Act, the value at the well-head of any petroleum is such amount as is agreed between the permittee, lessee or licensee and the Minister, or, in default of agreement within such period as the Minister allows, is such amount as is determined by the Minister as being that value.

#### **148 Ascertainment of quantity of petroleum recovered**

For the purposes of this Act, the quantity of petroleum recovered by a permittee, lessee or licensee from a well during a period shall be taken to be:

- (a) the quantity measured during that period by a measuring device approved by the Minister and installed at the well-head or at such other place as the Minister approves, or
- (b) where no such measuring device is so installed, or the Minister is not satisfied that the quantity of petroleum recovered by the permittee, lessee or licensee from the well has been properly or accurately measured by such a measuring device—the quantity determined by the Minister as being the quantity recovered by the permittee, lessee or licensee from the well during that period.

#### **149 Payment of royalty**

- (1) Royalty under this Act in respect of petroleum recovered during a royalty period is payable not later than the last day of the next succeeding royalty period.
- (2) A failure to pay royalty payable under this Act by the end of that next succeeding royalty period is a tax default for the purposes of the [Taxation Administration Act 1996](#).

**Note—**

If a tax default occurs, interest and penalty tax may be charged under the [Taxation Administration Act 1996](#).

- (3) A tax default does not occur before the expiration of 7 days after the value of the relevant petroleum is agreed or determined under section 147.

### **149A Royalty returns**

- (1) A person who is required to pay royalty under this Act is required to lodge with the Chief Commissioner a return relating to each royalty period.
- (2) The return is to be lodged with the Chief Commissioner no later than the last day of the next succeeding royalty period.
- (3) The Chief Commissioner is to give a copy to the Minister of each return lodged with the Chief Commissioner.
- (4) The Minister may give directions to the Chief Commissioner as to the information that is to be included in the form of return approved under the [Taxation Administration Act 1996](#).

**Note—**

The [Taxation Administration Act 1996](#) requires a return to be in a form approved by the Chief Commissioner.

### **150 Penalty for late payment of fees**

- (1) Where a fee under this Act is not paid under this Division at or before the time when the fee is payable there is payable to the Minister by the permittee, lessee, licensee or pipeline licensee an additional amount calculated at the rate of one-third of 1 per cent per day upon the amount of the fee from time to time remaining unpaid to be computed from the time when the amount became payable until it is paid.
- (2) (Repealed)

### **151 (Repealed)**

#### **151A Assessment and recovery of royalties**

- (1) Royalty payable under this Act is a tax for the purposes of the [Taxation Administration Act 1996](#).

**Note—**

The [Taxation Administration Act 1996](#) applies to the assessment and recovery of royalty.

- (2) The royalty is payable to the Chief Commissioner in accordance with that Act.
- (3) The Minister is to provide the Chief Commissioner with any information necessary to enable the Chief Commissioner to exercise the Chief Commissioner's functions with respect to royalties under this Act and the [Taxation Administration Act 1996](#).
- (4) A certificate that is signed by the Minister and that states that, on a specified date, the Minister made a determination, or did anything else, under any of the following provisions, is admissible in evidence in any proceedings and is evidence of the fact or facts so certified:

(a) section 43 (1), 144, 145, 146, 147 or 148, or

(b) any other provision of this Act relating to royalties that is prescribed by the regulations.

(5) The Chief Commissioner may request a certificate under this section and a certificate is to be provided in accordance with that request.

### **151B Disclosure of royalty information**

(1) The Minister, or a person engaged in the administration of this Act, may disclose royalty information obtained from a tax officer under this Act or the [Taxation Administration Act 1996](#) in connection with the administration or execution of this Act.

(2) This section applies despite section 84 of the [Taxation Administration Act 1996](#) but subject to any restrictions in this Act.

#### **Note—**

See section 119 of this Act.

(3) In this section:

**royalty information** means information in a return lodged with the Chief Commissioner under this Act or any other information relating to the assessment or recovery of royalty.

**tax officer** has the same meaning as it has in the [Taxation Administration Act 1996](#).

## **Part 5 Regulations**

### **152 Regulations**

(1) The Governor may make regulations, not inconsistent with this Act, prescribing all matters that by this Act are required or permitted to be prescribed or are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

(2) In particular, but without limiting the generality of subsection (1), the regulations may make provision for securing, regulating, controlling or restricting all or any of the following matters:

(a) the exploration for petroleum and the carrying on of operations, and the execution of works, for that purpose,

(b) the recovery of petroleum and the carrying on of operations, and the execution of works, for that purpose,

(c) conserving, and preventing the waste of, the natural resources, whether petroleum or otherwise, of the adjacent area,

- (d) the construction and operation of pipelines, water lines, secondary lines, pumping stations, tank stations or valve stations and the carrying on of operations, and the execution of works, for any of those purposes,
  - (e) the construction, erection, maintenance, operation or use of installations or equipment,
  - (f) the control of the flow or discharge, and the prevention of the escape, of petroleum, water or drilling fluid, or a mixture of water or drilling fluid with petroleum or any other matter,
  - (g) the clean-up or other remedying of the effects of the escape of petroleum,
  - (h) the prevention of damage to petroleum-bearing strata in an area, whether within the adjacent area or not, in respect of which a permit, lease or licence is not in force,
  - (i) the keeping separate of:
    - (i) each petroleum pool discovered in a permit area, lease area or licence area, and
    - (ii) each source of water discovered in a permit area, lease area or licence area,
  - (j) the prevention of water or other matter from entering a petroleum pool through wells,
  - (k) the prevention of the waste or escape of petroleum or water from a pipeline, water line, secondary line, pumping station, tank station or valve station,
  - (l) the maintaining in good condition and repair of all structures, equipment and other property in the adjacent area used or intended to be used for or in connexion with exploration for, or the exploitation of, petroleum in the adjacent area, and
  - (m) the removal from the adjacent area of structures, equipment and other property brought into the adjacent area for or in connexion with exploration for, or the exploitation of, petroleum that are not used or intended to be used in connexion with exploration for, or the exploitation of, petroleum in the adjacent area.
- (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.

- (3) The regulations may prescribe, in relation to the exploration for, and the exploitation of, the natural resources (being petroleum) of the adjacent area, matters for carrying out or giving effect to the Convention.
- (4) The regulations may provide, in respect of an offence against the regulations, for the imposition of:
  - (a) a penalty not exceeding 100 penalty units, or
  - (b) a penalty not exceeding that amount for each day on which the offence occurs.

## **Schedule 1 Convention on the continental shelf**

(Section 5 (1))

*The States Parties to this Convention*

*Have agreed as follows:*

### **ARTICLE 1**

For the purpose of these articles, the term "continental shelf" is used as referring (a) to the seabed and subsoil of the submarine areas adjacent to the coast but outside the area of the territorial sea, to a depth of 200 metres or, beyond that limit, to where the depth of the superjacent waters admits of the exploitation of the natural resources of the said areas; (b) to the seabed and subsoil of similar submarine areas adjacent to the coasts of islands.

### **ARTICLE 2**

#### **1.**

The coastal State exercises over the continental shelf sovereign rights for the purpose of exploring it and exploiting its natural resources.

#### **2.**

The rights referred to in paragraph 1 of this article are exclusive in the sense that if the coastal State does not explore the continental shelf or exploit its natural resources, no one may undertake these activities, or make a claim to the continental shelf, without the express consent of the coastal State.

#### **3.**

The rights of the coastal State over the continental shelf do not depend on occupation, effective or notional, or on any express proclamation.

#### **4.**

The natural resources referred to in these articles consist of the mineral and other non-living resources of the seabed and subsoil together with living organisms belonging to sedentary species, that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil.

### **ARTICLE 3**

The rights of the coastal State over the continental shelf do not affect the legal status of the superjacent waters as high seas, or that of the airspace above those waters.

### **ARTICLE 4**

Subject to its right to take reasonable measures for the exploration of the continental shelf and the exploitation of its natural resources, the coastal State may not impede the laying or maintenance of submarine cables or pipelines on the continental shelf.

### **ARTICLE 5**

#### **1.**

The exploration of the continental shelf and the exploitation of its natural resources must not result in any unjustifiable interference with navigation, fishing or the conservation of the living resources of the sea, nor result in any interference with fundamental oceanographic or other scientific research carried out with the intention of open publication.

#### **2.**

Subject to the provisions of paragraphs 1 and 6 of this article, the coastal State is entitled to construct and maintain or operate on the continental shelf installations and other devices necessary for its exploration and the exploitation of its natural resources, and to establish safety zones around such installations and devices and to take in those zones measures necessary for their protection.

#### **3.**

The safety zones referred to in paragraph 2 of this article may extend to a distance of 500 metres around the installations and other devices which have been erected, measured from each point of their outer edge. Ships of all nationalities must respect these safety zones.

#### **4.**

Such installations and devices, though under the jurisdiction of the coastal State, do not possess the status of islands. They have no territorial sea of their own, and their presence does not affect the delimitation of the territorial sea of the coastal State.

#### **5.**

Due notice must be given of the construction of any such installations, and permanent means for giving warning of their presence must be maintained. Any installations which are abandoned or disused must be entirely removed.

#### **6.**

Neither the installations or devices, nor the safety zones around them, may be established where interference may be caused to the use of recognized sea lanes essential to international navigation.

#### **7.**

The coastal State is obliged to undertake, in the safety zones, all appropriate measures for the protection of the living resources of the sea from harmful agents.

#### **8.**

The consent of the coastal State shall be obtained in respect of any research concerning the

continental shelf and undertaken there. Nevertheless the coastal State shall not normally withhold its consent if the request is submitted by a qualified institution with a view to purely scientific research into the physical or biological characteristics of the continental shelf, subject to the proviso that the coastal State shall have the right, if it so desires, to participate or to be represented in the research, and that in any event the results shall be published.

#### **ARTICLE 6**

**1.**

Where the same continental shelf is adjacent to the territories of two or more States whose coasts are opposite each other, the boundary of the continental shelf appertaining to such States shall be determined by agreement between them. In the absence of agreement, and unless another boundary line is justified by special circumstances, the boundary is the median line, every point of which is equidistant from the nearest points of the baselines from which the breadth of the territorial sea of each State is measured.

**2.**

Where the same continental shelf is adjacent to the territories of two adjacent States, the boundary of the continental shelf shall be determined by agreement between them. In the absence of agreement, and unless another boundary line is justified by special circumstances, the boundary shall be determined by application of the principle of equidistance from the nearest points of the baselines from which the breadth of the territorial sea of each State is measured.

**3.**

In delimiting the boundaries of the continental shelf, any lines which are drawn in accordance with the principles set out in paragraphs 1 and 2 of this article should be defined with reference to charts and geographical features as they exist at a particular date, and reference should be made to fixed permanent identifiable points on the land.

#### **ARTICLE 7**

The provisions of these articles shall not prejudice the right of the coastal State to exploit the subsoil by means of tunnelling irrespective of the depth of water above the subsoil.

#### **ARTICLE 8**

This Convention shall, until 31 October 1958, be open for signature by all States Members of the United Nations or of any of the specialized agencies, and by any other State invited by the General Assembly of the United Nations to become a party to the Convention.

#### **ARTICLE 9**

This Convention is subject to ratification. The instruments of ratification shall be deposited with the Secretary-General of the United Nations.

#### **ARTICLE 10**

This Convention shall be open for accession by any States belonging to any of the categories mentioned in Article 8. the instruments of accession shall be deposited with the Secretary-General of the United Nations.

#### **ARTICLE 11**

**1.**



This Convention shall come into force on the thirtieth day following the date of deposit of the twenty-second instrument of ratification or accession with the Secretary-General of the United Nations.

**2.**

For each State ratifying or acceding to the Convention after the deposit of the twenty-second instrument of ratification or accession, the Convention shall enter into force on the thirtieth day after deposit by such State of its instrument of ratification or accession.

**ARTICLE 12**

**1.**

At the time of signature, ratification or accession, any State may make reservations to articles of the Convention other than to articles 1 to 3 inclusive.

**2.**

Any Contracting State making a reservation in accordance with the preceding paragraph may at any time withdraw the reservation by a communication to that effect addressed to the Secretary-General of the United Nations.

**ARTICLE 13**

**1.**

After the expiration of a period of five years from the date on which this Convention shall enter into force, a request for the revision of this Convention may be made at any time by any Contracting Party by means of a notification in writing addressed to the Secretary-General of the United Nations.

**2.**

The General Assembly of the United Nations shall decide upon the steps, if any, to be taken in respect of such request.

**ARTICLE 14**

The Secretary-General of the United Nations shall inform all States Members of the United Nations and the other States referred to in article 8:

- (a) Of signatures to this Convention and of the deposit of instruments of ratification or accession, in accordance with articles 8, 9 and 10;
- (b) Of the date on which this Convention will come into force, in accordance with article 11;
- (c) Of requests for revision in accordance with article 13;
- (d) Of reservations to this Convention, in accordance with article 12.

**ARTICLE 15**

The original of this Convention, of which the Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations, who shall send certified copies thereof to all States referred to in article 8.

IN WITNESS WHEREOF the undersigned Plenipotentiaries, being duly authorized thereto by their respective Governments, have signed this Convention.

DONE at Geneva, this twenty-ninth day of April, one thousand nine hundred and fifty-eight.

*(Here follow the signatures on behalf of the parties to the Agreement, including Australia.)*

## **Schedule 2 The adjacent area**

(Section 5)

1. Subject to paragraph 2, the adjacent area of New South Wales is so much of the following area as is part of the territorial sea of Australia, including the territorial sea adjacent to any island forming part of New South Wales, namely, the area the boundary of which commences at a point that is the intersection of the coastline at mean low water by the geodesic between the trigonometrical station known as Point Danger near Point Danger and a point of Latitude 27° 58' South, Longitude 154° East and runs thence north-easterly along that geodesic to the last-mentioned point, thence north-easterly along the geodesic to a point of Latitude 27° 48' South, Longitude 154° 22' East, thence easterly along the geodesic to a point of Latitude 26° 59' 05" South, Longitude 165° 40' East, thence southerly along the meridian of Longitude 165° 40' East to its intersection by the parallel of Latitude 34° 03' 30" South, thence south-westerly along the geodesic to a point of Latitude 34° 16' South, Longitude 165° 16' East, thence south-westerly along the geodesic to a point of Latitude 37° 21' 30" South, Longitude 164° 23' East, thence south-westerly along the geodesic to a point of Latitude 37° 32' South, Longitude 164° 11' East, thence south-westerly along the geodesic to a point of Latitude 37° 59' South, Longitude 163° 47' East, thence south-westerly along the geodesic to a point of Latitude 38° 58' South, Longitude 161° 15' 30" East, thence south-westerly along the geodesic to a point of Latitude 39° 12' South, Longitude 160° East, thence south-westerly along the geodesic to a point of Latitude 40° 40' South, Longitude 158° 53' East, thence north-westerly along the geodesic to a point of Latitude 37° 35' South, Longitude 150° 10' East, thence north-westerly along the geodesic to the intersection of the coastline at mean low water by the boundary between the States of New South Wales and Victoria, thence generally northerly along the coastline of Australia at mean low water to the point of commencement.

2. If at any time the breadth of the territorial sea of Australia is determined or declared to be greater than 3 nautical miles, the adjacent area of New South Wales shall be determined as if the breadth of the territorial sea had continued to be 3 nautical miles.

## **Schedule 3 Scheme for transitional arrangements**

(Section 3 (4))

### **1 Definitions**

(1) In this scheme:

***altered arrangements*** means the arrangements agreed on between the Commonwealth, the States and the Northern Territory with respect to the exploration for, and the exploitation of, the petroleum resources of certain submerged lands in lieu of the arrangements provided for by the agreement between the Commonwealth and the States dated 16 October 1967.

**commencing day** means the day on which the *Petroleum (Submerged Lands) Amendment Act 1980* of the Parliament of the Commonwealth, or that Act as amended, comes into operation.

**Commonwealth Act** means the *Petroleum (Submerged Lands) Act 1967* of the Parliament of the Commonwealth, as amended from time to time.

**Commonwealth jurisdiction** means the areas comprised in the adjacent areas under the Commonwealth Act, as amended to give effect to the altered arrangements.

**new permit** means a permit that is to be deemed, under clause 2 of this scheme, to be in force on and after the commencing day.

**new pipeline licence** means a pipeline licence that is to be deemed, under clause 4 of this scheme, to be in force on and after the commencing day.

**pipeline** includes pumping stations, tank stations and valve stations related to a pipeline.

**State Act**, in relation to a State, means the Act of that State that deals with the exploration for, and the exploitation of, the petroleum resources of submerged land and contains a Schedule substantially corresponding to this Schedule, and includes that Act as amended from time to time.

**State jurisdiction**, in relation to a State, means the area comprised in the adjacent area under the State Act of that State.

**subsisting permit** means an exploration permit for petroleum subsisting under the Commonwealth Act immediately before the commencing day, being a permit in respect of an area that is partly in the Commonwealth jurisdiction and partly in a State jurisdiction.

**subsisting pipeline licence** means a pipeline licence subsisting under the Commonwealth Act immediately before the commencing day, being a pipeline licence in respect of a pipeline that is, or is to be, partly in the Commonwealth jurisdiction and partly in a State jurisdiction.

- (2) References in this scheme to a State shall, unless the contrary intention appears, be read as including references to the Northern Territory.

## **2 Subsisting permits to be deemed to be 2 permits**

- (1) On and after the commencing day but subject to the law relating to surrender, cancellation, variation or suspension of permits, each subsisting permit shall be deemed to comprise 2 permits, being:
- (a) a permit under the Commonwealth Act, in respect of the portion of the permit area that is within the Commonwealth jurisdiction, for the balance of the period of the

- subsisting permit but otherwise in the same terms as the subsisting permit, and
- (b) a permit under the State Act, in respect of the portion of the permit area that is within the State jurisdiction of a State, for the balance of the period of the subsisting permit but otherwise in the same terms as the subsisting permit.
- (2) The carrying out of work or the expenditure of money by the permittee in or in relation to the permit area of either of the new permits (whether before or after the commencing day) is to be taken into account as performance to the extent of that work or expenditure of the conditions of both the new permits.
- (3) For the purposes of any condition of a new permit relating to the carrying out of work or the expending of moneys by the permittee:
- (a) a reference in that condition to a year of the permit shall be read as a reference to a year that was, or would have been, that year of the subsisting permit, and
- (b) the new permits shall be deemed to have been in force during the whole of the year of the subsisting permit that is current on the commencing day.
- (4) A variation or suspension of, or an exemption from compliance with, any of the conditions of a new permit arising out of a subsisting permit shall not have effect unless the same variation, suspension or exemption is effected in respect of the other new permit arising out of the same subsisting permit.
- (5) In a matter arising under a State Act in relation to a new permit, being a matter of a kind that, if it arose under the Commonwealth Act, would be a matter for decision by, or could be referred to, a Joint Authority established under the Commonwealth Act, the Designated Authority under the State Act shall not take action except after consultation with the Commonwealth Minister.

### **3 Renewal of permits**

- (1) A person who holds 2 new permits arising out of a subsisting permit may apply under the Commonwealth Act for renewal of the new permit under that Act and may apply under the State Act for renewal of the new permit under that Act, or may make either of those applications.
- (2) If a person who was the holder of 2 new permits arising out of a subsisting permit has ceased to be the holder of 1 of those permits, the person may apply under the Commonwealth Act or the State Act, whichever is appropriate, for renewal of the other new permit, and the relevant Act shall apply in relation to such an application as if the new permit had been a permit granted under that Act in respect of the blocks that are comprised in the new permit.
- (3) Where the holder of 2 new permits arising out of a subsisting permit wishes to apply for renewal of either or both of the new permits, the blocks that were comprised in the

subsisting permit that may be included, in whole or in part, in the application or applications shall be selected in accordance with the Commonwealth Act as if the new permits were 1 permit under the Commonwealth Act and the application or applications were an application under that Act for renewal of that permit.

- (4) For the purposes of subclause (3), the Designated Authority under the Commonwealth Act may exercise the Designated Authority's powers under section 31 (5) and (6) of the Commonwealth Act.
- (5) An application referred to in subclause (3) under the Commonwealth Act shall relate to the blocks selected in accordance with that subclause, and parts of those blocks, that are within the Commonwealth jurisdiction and an application referred to in that subclause under the State Act shall relate to the blocks so selected, and parts of those blocks, that are within the State jurisdiction.
- (6) Subject to the foregoing provisions of this clause, an application under the Commonwealth Act made in accordance with this clause shall be dealt with under the Commonwealth Act and an application under the State Act made in accordance with this clause shall be dealt with under the State Act.
- (7) For the purposes of the application, in accordance with this clause, of the provisions of the Commonwealth Act or of a State Act relating to the renewal of permits, a reference in those provisions to compliance with the conditions to which the permit is subject shall be read as including a reference to compliance with the conditions to which the subsisting permit was subject before the commencing day.

#### **4 Subsisting pipeline licences to be deemed to be 2 licences**

- (1) On and after the commencing day but subject to the law relating to surrender, cancellation or variation of pipeline licences, each subsisting pipeline licence shall be deemed to comprise 2 pipeline licences, being:
  - (a) a pipeline licence under the Commonwealth Act, in respect of the portion of the pipeline that is, or is to be, within the Commonwealth jurisdiction, for the balance of the period of the subsisting pipeline licence but otherwise in the same terms as the subsisting pipeline licence, but so that those terms shall have effect only to the extent that they are applicable to or in relation to the portion of the pipeline that is, or is to be, within the Commonwealth jurisdiction, and
  - (b) a pipeline licence under the State Act, in respect of the portion of the pipeline that is, or is to be, within the State jurisdiction of a State, for the balance of the period of the subsisting pipeline licence but otherwise in the same terms as the subsisting pipeline licence, but so that those terms shall have effect only to the extent that they are applicable to or in relation to the portion of the pipeline that is, or is to be, within that State jurisdiction.

- (2) For the purposes of the application, in relation to a new pipeline licence, of the provisions of the Commonwealth Act or of a State Act relating to the renewal of pipeline licences, a reference in those provisions to compliance with the conditions to which the pipeline licence is subject shall be read as including a reference to compliance with the conditions to which the subsisting pipeline licence was subject before the commencing day.

## **5 Transfer of permits and pipeline licences**

A transfer of a new permit arising out of a subsisting permit or of a new pipeline licence arising out of a subsisting pipeline licence shall not be made unless a transfer to the same transferee of the other new permit or new pipeline licence arising out of that subsisting permit or subsisting pipeline licence (if that other permit or licence is still in force) is made at the same time and neither of such transfers has effect before the other transfer has been approved in accordance with the Commonwealth Act, or the relevant State Act, as the case requires.

## **6 Preservation of existing interests and rights**

All legal and equitable interests and rights that existed immediately before the commencing day in or in relation to a subsisting permit or subsisting pipeline licence, to the extent that those interests or rights were applicable in relation to the permit area of a new permit arising out of that subsisting permit, or to the portion of the pipeline to which a new pipeline licence arising out of that subsisting pipeline licence relates, shall be deemed to continue in or in relation to that new permit or new pipeline licence.

## **7 Saving of approvals etc**

Every approval, consent or direction given before the commencing day under or in relation to a subsisting permit or subsisting pipeline licence has effect, on and after the commencing day, in relation to each new permit or new pipeline licence arising out of that subsisting permit or subsisting pipeline licence, as if it were a corresponding approval, consent or direction given under or in relation to that new permit or new pipeline licence.

## **8 Existing Register**

The Register kept and maintained by the Designated Authority for the purposes of the Commonwealth Act immediately before the commencing day shall continue to be the Register for the purposes of the Commonwealth Act and, except as provided in clause 9 of this scheme, shall cease on that day to be the Register for the purposes of a State Act.

## **9 Registration of, and of instruments relating to, subsisting permits and pipeline licences**

(1) This clause applies to:

- (a) every instrument being a subsisting permit or subsisting pipeline licence, and
- (b) any instrument by which such a permit or licence has been transferred or by

which a legal or equitable interest in or affecting such a permit or licence has or may have been created, assigned, affected or dealt with, being an instrument in respect of which an entry or notation has been made before the commencing day in the Register kept for the purposes of the Commonwealth Act.

- (2) On the commencing day, the Designated Authority under the Commonwealth Act shall forthwith make such entries in the Register referred to in subclause (1) and on copies of instruments to which this clause applies that are kept by the Designated Authority as the Designated Authority thinks appropriate to indicate that instruments to which this clause applies have effect subject to the provisions of this scheme.
- (3) For the purposes of a State Act but subject to subclause (4), the Commonwealth Register shall be deemed to be the State Register in relation to instruments to which this clause applies to the extent that they have effect under a State Act in accordance with this scheme, transfers of interests under such instruments, and instruments by which legal or equitable interests in or affecting interests under such instruments are, or may be, created.
- (4) The Designated Authority under a State Act may, if he thinks fit to do so, make entries in the Register kept by the Designated Authority under the State Act, in accordance with the State Act, in respect of a subsisting permit or subsisting pipeline licence that has effect, in accordance with this scheme, under the law of the State, and if he does so:
  - (a) he shall make an appropriate entry of the kind referred to in subclause (2), and
  - (b) the Commonwealth Register shall cease to be deemed to be the State Register in relation to that permit or licence to the extent that it has effect under the State Act in accordance with this scheme, or in relation to instruments of the kind referred to in subclause (3) affecting that permit or licence as so having effect.

## **10 Fees**

In the application in relation to, or to transactions in respect of, a new permit or new pipeline licence of the laws of the Commonwealth and of the States relating to fees:

- (a) a reference to a year of the term of the permit or licence shall be read as a reference to a year that would have been a year of the term of the subsisting permit or subsisting pipeline licence commencing on or after the commencing day,
- (b) fees in respect of a year of the term of the subsisting permit or subsisting pipeline licence that commenced before the commencing day and not paid before the commencing day shall be payable in accordance with the law that was in force immediately before that day, and
- (c) a person is not liable to pay by way of such fees in respect of any year or transaction a greater total amount than would have been payable if the subsisting permit or

subsisting pipeline licence had continued in force and the whole of the permit area, or the whole of the pipeline, had been within the Commonwealth jurisdiction.

## Schedule 4 Savings, transitional and other provisions

(Section 3 (8))

### Part 1AA Preliminary

#### 1AA Regulations

- (1) The regulations may contain provisions of a savings or transitional nature consequent on:
  - (a) the publication by the Surveyor-General of a notice under section 4 (2) of the *Survey (Geocentric Datum of Australia) Act 1999*, or
  - (b) the enactment of the following Acts:
    - Survey (Geocentric Datum of Australia) Act 1999*
    - Petroleum (Submerged Lands) Amendment (Permits and Leases) Act 2005*
- (2) Any such provision may, if the regulations so provide, take effect from the date of publication of the notice under section 4 (2) of the *Survey (Geocentric Datum of Australia) Act 1999* or the date of assent to the Act concerned (as the case may be), or a later date.
- (3) To the extent to which any such provision takes effect from a date that is earlier than the date of its publication in the Gazette, the provision does not operate so as:
  - (a) to affect, in a manner prejudicial to any person (other than the State or an authority of the State), the rights of that person existing before the date of its publication, or
  - (b) to impose liabilities on any person (other than the State or an authority of the State) in respect of anything done or omitted to be done before the date of its publication.

### Part 1 Provisions consequent on enactment of **Petroleum (Submerged Lands) Amendment Act 1986**

#### 1 **Petroleum (Submerged Lands) Amendment Act 1986**

- (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,
  - (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.

## **Part 1A Provisions consequent on enactment of *Petroleum (Submerged Lands) Further Amendment Act 1991***

### **1A *Petroleum (Submerged Lands) Further Amendment Act 1991***

- (1) If:
  - (a) at the commencement of this clause, a nomination had been made under section 37, and
  - (b) at that commencement, a declaration had not been made under section 38 as a result of the making of the nomination,sections 37, 38 or 39, as in force immediately before the commencement of this clause, continue to have effect in relation to that nomination and the block or blocks that would be affected by a declaration as if the amending Act had not been enacted.
- (2) A declaration made under section 38 as continued in force by subclause (1) has effect, and this Act, as amended by the amending Act, applies to the declaration, as if the declaration had been made under that section as amended by the amending Act.
- (3) A declaration in force under section 38 immediately before the commencement of this clause has effect after that commencement as if it were a declaration under section 38, as amended by the amending Act.
- (4) If:
  - (a) the permittee under a permit granted before the commencement of this clause

applies under section 41, as amended by the amending Act, for a licence, and

- (b) the location that includes the block or blocks to which the application relates was declared under section 38, as amended by the amending Act, and
- (c) the location consists of not more than 8 blocks, and
- (d) the Minister notifies the applicant in writing that, in the Minister's opinion, the number of blocks specified in the notification represents the maximum number of blocks that the applicant would have been entitled to have declared as a location instead of the block or blocks constituting the location referred to in paragraph (b) if the amending Act had not been enacted, and
- (e) the number of blocks specified in the notification exceeds the number of blocks in the location referred to in paragraph (b),

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

- (5) If, when the first regulations made for the purposes of section 81 (4) (b), as amended by the amending Act, take effect, an application for approval of a dealing has been made but the Minister has neither approved nor refused to approve the dealing:
  - (a) the Minister must give to the applicant written notice that the applicant is entitled to lodge an instrument for the purpose of section 81 (4) (b) in relation to the application, and
  - (b) the applicant may lodge an instrument for the purpose of section 81 (4) (b), and
  - (c) the application must not be dealt with by the Minister until after the end of 30 days after the day on which notice is given for the purpose of paragraph (a), and
  - (d) if the applicant lodges an instrument under paragraph (b)—the applicant must lodge with the instrument 2 copies of the instrument.
- (6) An instrument lodged under subclause (5) must be taken, for the purposes of section 81 (13), as amended by the amending Act, to have accompanied the application when the application was lodged.
- (7) This clause is taken to have commenced on 14 January 1992 (28 days after the date of assent to the amending Act).
- (8) Subclauses (1)–(6) re-enact (with minor modifications) Schedule 3 to the amending Act. Subclauses (1)–(6) are transferred provisions to which section 30A of the [Interpretation Act 1987](#) applies.
- (9) In this clause:

**amending Act** means the *Petroleum (Submerged Lands) Further Amendment Act 1991*.

## **Part 2 Provisions consequent on enactment of Survey (Geocentric Datum of Australia) Act 1999**

### **2 Definition**

In this Part, the **amending Act** means the *Survey (Geocentric Datum of Australia) Act 1999*.

### **3** (Renumbered as clause 1AA)

### **4 Boundaries of exploration permits**

- (1) On the commencement of this clause, an exploration permit that is in force applies to an area of land (in so far as a graticular section or unit referred to in section 18 is used to specify the area) determined in accordance with section 7 as repealed and re-enacted by the amending Act.
- (2) To the extent that, by the operation of subclause (1), the area to which an exploration permit in force on the commencement of this clause applies would be taken to include:
  - (a) land outside New South Wales, or
  - (b) any land over which, according to the provisions of Part 4 or of any other Act or law, the grant of a permit is prohibited,the land is excluded from the area.
- (3) On application made in writing, within 90 days after the commencement of this clause, by the holder of a permit applying to an area from which any land has been excluded by the operation of subclause (1), the Minister, on being satisfied that, before the commencement of this clause, significant evidence of valuable petroleum deposits existed in relation to the excluded land, may by order amend the permit so as to restore the whole or a specified part of the land excluded.
- (4) An order may be made under subclause (3) even though the land restored would, but for the order, have been subject to another permit.
- (5) A person dissatisfied with the decision of the Minister on an application under this clause may appeal to a Warden's Court. In determining the appeal, the Court has all the functions of the Minister under this clause.
- (6) No compensation is payable to any person for loss or damage arising from the operation of this clause.

## **5 Applications for exploration permits**

On the commencement of this clause, a pending application for an exploration licence applies to an area of land (in so far as a graticular section or unit referred to in section 18 is used to specify the area) determined in accordance with section 7 as repealed and re-enacted by the amending Act.

## **Part 3 Provision consequent on enactment of [Petroleum \(Submerged Lands\) Amendment \(Permits and Leases\) Act 2005](#)**

### **6 Saving of existing conditions**

If, before the commencement of the amendment to section 39H made by the [Petroleum \(Submerged Lands\) Amendment \(Permits and Leases\) Act 2005](#):

- (a) a lessee had already complied with a notice of the kind referred to in section 39H (3) during the term of the lease, and
- (b) the Minister had given to the lessee during that term a further notice of that kind, and
- (c) the lessee had not complied with the further notice,

this Act has effect, after the commencement of that amendment, as if the Minister had not given the further notice.

## **Part 4 Provisions consequent on enactment of [Statute Law \(Miscellaneous Provisions\) Act 2007](#)**

### **7 Reference to [Petroleum \(Submerged Lands\) Act 1982](#)**

A reference in any other Act (other than the [Statute Law \(Miscellaneous Provisions\) Act 2007](#)), in any instrument made under another Act, or in any document of any kind, to the [Petroleum \(Submerged Lands\) Act 1982](#) of this State is to be read as a reference to the [Petroleum \(Offshore\) Act 1982](#).

## **Part 5 Provisions consequent on enactment of [State Revenue and Other Legislation Amendment \(Budget Measures\) Act 2014](#)**

### **8 Assessment and recovery of royalties under [Taxation Administration Act 1996](#)**

- (1) An amendment made to this Act by the [State Revenue and Other Legislation Amendment \(Budget Measures\) Act 2014](#) applies only to royalty under this Act that is payable in respect of a royalty period that commences on or after the commencement of the amendment.
- (2) This Act, as in force before such an amendment, continues to apply to royalty under this Act that is payable in respect of a royalty period that commenced before the commencement of the amendment.

## 9 Requirements to pay royalty to the Minister

- (1) A requirement imposed by or under this Act to pay royalty under this Act to the Minister is taken, from the relevant commencement date, to be a requirement to pay royalty under this Act to the Crown.
- (2) A reference in any document to royalty payable to the Minister under this Act is taken, from the relevant commencement date, to be a reference to royalty payable to the Crown under this Act.
- (3) In this clause, the **relevant commencement date** means the date of commencement of section 151A, as inserted by the *State Revenue and Other Legislation Amendment (Budget Measures) Act 2014*.

## Schedule 5 Applications for exploration permits by way of cash bidding

(Section 3 (9))

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:

#### **23A Application for permits by way of cash bidding**

- (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
  - (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.
- (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.

### **23B Grant or refusal of permit in relation to application**

- (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
  - (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.

(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.

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

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

(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,”.

(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—”.

**(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.