

# Petroleum (Onshore) Regulation 2007

[2007-422]



New South Wales

## Status Information

### Currency of version

Historical version for 18 December 2015 to 31 January 2016 (accessed 24 June 2024 at 23:32)

Legislation on this site is usually updated within 3 working days after a change to the legislation.

### Provisions in force

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

### Notes—

- **Does not include amendments by**  
*Work Health and Safety (Mines and Petroleum) Legislation Amendment (Harmonisation) Act 2015 No 43*  
(not commenced — to commence on 1.2.2016)

### Authorisation

This version of the legislation is compiled and maintained in a database of legislation by the Parliamentary Counsel's Office and published on the NSW legislation website, and is certified as the form of that legislation that is correct under section 45C of the [Interpretation Act 1987](#).

File last modified 29 January 2016

# Petroleum (Onshore) Regulation 2007



New South Wales

## Contents

<b>Part 1 Preliminary</b> .....	5
1 Name of Regulation .....	5
2 Commencement .....	5
3 Definitions and notes .....	5
<b>Part 2 Petroleum titles</b> .....	6
4 Drawing of plans: section 13 .....	6
5 Work programs: section 14 .....	6
6 Progressive agendas .....	7
7 Details to be provided .....	7
8 Commencement of exploration activity .....	7
9 Work program to be adhered to .....	7
10 Variation of work program .....	7
11 Applications for low-impact prospecting titles: section 45D .....	8
12 Records of titles: section 95 .....	8
13 Prescribed particulars for transfers of titles: section 96 .....	8
13A Beneficial use of gas: section 28B .....	9
<b>Part 3 Reports</b> .....	9
14 Report on operations in accordance with agenda .....	9
15 Geological plans and records: section 131 .....	10
16 Scale of plans accompanying annual record of operations: section 131 .....	10
<b>Part 4 Compensation</b> .....	10

17 Time allowed for parties to agree: section 108.....	10
18 Manner of assessing and determining compensation: section 110 .....	10
19 Manner of payment .....	11
<b>Part 5 Agents</b> .....	11
20 Agents: section 134.....	11
<b>Part 6 Fees</b> .....	11
<b>Division 1 General</b> .....	11
21 Fees .....	11
22 Remission or waiver .....	11
<b>Division 2 Annual rental fees</b> .....	12
22A Calculation of annual rental fee.....	12
22B Annual rental fee area .....	12
22C Minimum annual rental fee .....	13
22D References to initial term and second term (Schedule 1) .....	13
22E Phasing-in of annual rental fee for petroleum titles granted before 1 July 2012 .....	13
22F Grant anniversary date occurring during period in which petroleum title is automatically extended .....	14
22G Transitional arrangements for determination of annual rental fee area for petroleum titles in force .....	14
<b>Division 3 Administrative levies</b> .....	15
22H Grant anniversary date occurring during period in which petroleum title is automatically extended .....	15
22I Transitional assessment arrangements .....	15
<b>Part 7 Royalty</b> .....	17
23 Rate of royalty: section 85 .....	17
24 Rate of royalty: Mining Act 1992 section 286 .....	17
24AA Transitional provision .....	17
<b>Part 8 Miscellaneous</b> .....	17
24A Minimum deposit—security deposit conditions .....	17
25 Notification of commencement of commercial production .....	17

26 Non-compliance notices .....	17
27 Safety practices.....	18
27A Audits .....	18
28 Certificates of authority: section 101.....	18
29 Penalty notices for contravention of petroleum title: section 137A.....	19
30 References to officers in petroleum titles: section 138B.....	19
31 Savings and transitional provisions .....	19
<b>Schedule 1 Fees</b> .....	<b>19</b>
<b>Schedule 2 Penalty notice offences</b> .....	<b>22</b>

# Petroleum (Onshore) Regulation 2007



New South Wales

## Part 1 Preliminary

### 1 Name of Regulation

This Regulation is the *Petroleum (Onshore) Regulation 2007*.

### 2 Commencement

This Regulation commences on 1 September 2007.

**Note—**

This Regulation replaces the *Petroleum (Onshore) Regulation 2002* which is repealed on 1 September 2007 under section 10 (2) of the *Subordinate Legislation Act 1989*.

### 3 Definitions and notes

(1) In this Regulation:

**commercial production** of petroleum means the use by, or supply to, any person (including the holder of a petroleum title or mining lease) of any petroleum extracted from an area of land to which a petroleum title or mining lease relates for any purpose (other than for well assessment, flaring or equipment testing that does not result in the generation of energy or supply of petroleum for commercial purposes).

**Note—**

The term **petroleum title** is defined in section 3 (1) of the Act to mean an exploration licence, assessment lease, production lease or special prospecting authority in force under the Act.

**fixed agenda** means a fixed agenda referred to in clause 5 (3) or 6 (1) or (2).

**mining lease** has the same meaning as it has in the *Mining Act 1992*.

**the Act** means the *Petroleum (Onshore) Act 1991*.

**work program** means a work program referred to in section 14 of the Act.

(2) Notes included in this Regulation do not form part of this Regulation.

## Part 2 Petroleum titles

### 4 Drawing of plans: section 13

- (1) A map or plan accompanying an application for a petroleum exploration licence must be drawn on or overlay the Department of Mineral Resources New South Wales Block Identification Map Series 1 (1:1 500 000) showing blocks.
- (2) A map or plan accompanying an application for any other petroleum title, or otherwise prepared for the purposes of the Act, must be drawn on or overlay:
  - (a) the Identification Map referred to in subclause (1) if the area to which the proposed title relates is larger than one block, or
  - (b) the Department of Mineral Resources New South Wales Block Identification Map Series 3 (1:100 000) showing units, or
  - (c) a standard topographical map or maps at a scale of 1:100 000, 1:50 000 or 1:25 000 or at such larger scale as the Minister may determine for that application, showing the co-ordinates (by reference to Map Grid of Australia co-ordinates) of all points where there is a change in direction of the boundaries of the land concerned.
- (3) In this clause, **Map Grid of Australia** means a rectangular co-ordinate system using a Transverse Mercator projection with zones 6 degrees wide and based on the Geocentric Datum of Australia (within the meaning of the [Surveying and Spatial Information Act 2002](#)).

### 5 Work programs: section 14

- (1) The work program supporting an application for an exploration licence or assessment lease may be prepared in either of two formats.
- (2) Under one format, it may consist of a fixed agenda describing in detail the nature and extent of operations to be carried on under the licence or lease during the whole of its term.
- (3) Under the other format (the **two-part format**), it may be divided into two parts, namely:
  - (a) a fixed agenda describing in detail the nature and extent of operations to be carried on during an initial period (at least the first two years) of the term of the licence or lease, and
  - (b) a summary of intended operations during the remainder of the term.
- (4) If prepared in the two-part format, it is a condition of the petroleum title, if granted, that the holder of the title will provide progressive agendas in accordance with clause

6.

- (5) The work program for a special prospecting authority is to be a fixed agenda describing in detail the nature and extent of operations to be carried on under the authority during the whole of its term.

## **6 Progressive agendas**

- (1) If the work program supporting the application for a petroleum title was prepared using the two-part format, the holder of the title must, not later than 30 days before the end of the period covered by the fixed agenda supporting the application, lodge another fixed agenda of operations for the next period of two years or for the remainder of the term of the title.
- (2) In the same way, further fixed agendas must be lodged, each not later than 30 days before the end of the period covered by the last agenda, until the entire term of the petroleum title is accounted for.

## **7 Details to be provided**

A fixed agenda must include details of:

- (a) the objectives of any proposed exploration, and
- (b) the methods of exploration proposed to be employed, and
- (c) the expenditure, estimated on a yearly basis, required by the relevant work program.

## **8 Commencement of exploration activity**

Not later than 14 days before starting work on any exploration borehole, seismic survey or other exploration within the area of a petroleum title, the holder of the title must advise the Minister of the intention to commence it.

Maximum penalty: 100 penalty units.

## **9 Work program to be adhered to**

It is a condition of every petroleum title that the holder of the title will carry out the operations, and only the operations, described in the work program, as for the time being in force, in respect of the title.

## **10 Variation of work program**

- (1) The holder of a petroleum title who wishes to vary the work program in force in respect of the title must lodge a submission with the Minister providing adequate details of the variation proposed to be made and setting out the reasons for making it.
- (2) The Minister may approve of the variation if the Minister is satisfied that there is just and sufficient cause for making the variation and if the revised work program meets

the Minister's requirements.

- (3) The variation becomes effective when the Minister signifies approval of it by a notice in writing served on the holder of the title.
- (4) The Minister's approval of a variation may also, to any extent the Minister considers necessary or convenient, vary the requirements of this Part in so far as it applies to the holder of the title concerned.

#### **11 Applications for low-impact prospecting titles: section 45D**

- (1) A low-impact prospecting title is not to be granted during the period of 4 months following service of notice of the application for the title on the representative bodies referred to in section 45D (1) (c) of the Act.
- (2) This clause extends to applications made, but not granted, before the commencement of this clause.

#### **12 Records of titles: section 95**

For the purposes of section 95 (2) of the Act, the record required to be kept:

- (a) must be kept in written form or by means of computer equipment, and
- (b) must contain the following particulars:
  - (i) the type of petroleum title and the identifying number or code allocated to it,
  - (ii) the date on which the petroleum title was first granted,
  - (iii) the name and address of each person who is a holder of the petroleum title,
  - (iv) a description of the land over which the petroleum title is in force,
  - (iva) the annual rental fee area for a petroleum title granted or proposed to be granted, if the Secretary is required to keep a record of the annual rental fee area under Part 6,
  - (v) the period for which the petroleum title is to have effect,
  - (vi) the current status of the petroleum title (that is, "current", "expired" or "cancelled"),
  - (vii) any interest registered under section 97 of the Act in relation to the petroleum title.

#### **13 Prescribed particulars for transfers of titles: section 96**

For the purposes of section 96 (2) (c) of the Act, the following particulars are prescribed:

- (a) the name of the proposed transferee,



- (b) a description of the financial resources available to the proposed transferee,
- (c) details of any person providing technical advice to the proposed transferee,
- (d) a description of the proposed program of work,
- (e) an estimate of the amount of money proposed to be expended on prospecting,
- (f) a calculation of the cost of rehabilitating title areas disturbed by activities carried out or intended to be carried out pursuant to the title (whether carried out by the current holder or contemplated by the proposed transferee).

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

- (1) For the purposes of section 28B (1) (a) of the Act, all assessable prospecting operations authorised by the exploration licence or assessment lease concerned, and by an activity approval, may be carried out to enable the beneficial use of gas.
- (2) For the purposes of section 28B (1) (b) of the Act:
  - (a) the right to the beneficial use of gas conferred by section 28B is limited to a period of 270 days (whether or not consecutive), per well, in total, and
  - (b) gas cannot be used beneficially unless the activity approval for the assessable prospecting operation involved specifically extends to include the beneficial use of the gas.
- (3) For the purposes of section 28B (2) of the Act, royalty is payable under and in accordance with Part 7 of the Act in respect of any petroleum recovered by the holder of the title and used beneficially.

## **Part 3 Reports**

### **14 Report on operations in accordance with agenda**

- (1) Within 6 months after the completion of:
  - (a) a seismic program, or
  - (b) the drilling of an exploration borehole, or
  - (c) any activity described in the conditions of the title as a significant component of a work program,

the holder of a petroleum title must forward to the Secretary, in the format specified in the conditions of the title, a report on operations carried out in the activity concerned, together with all raw and processed data and the main conclusions drawn from it.

- (2) After the end of the period covered by a fixed agenda, the holder of the title must forward to the Secretary:
  - (a) within 30 days, a summary of operations carried out during the period covered by the agenda, and
  - (b) within 6 months, a full report on operations carried out during that period.

Maximum penalty: 100 penalty units.

#### **15 Geological plans and records: section 131**

- (1) The holder of a petroleum title must, in accordance with directions issued from time to time by the Secretary, keep geological plans and records relating to work carried out in connection with the title.
- (2) For the purposes of section 131 (1) of the Act, the prescribed form is any form that shows a summary of the operations conducted during the period to which the record relates, together with details of expenditure in respect of each such operation.
- (3) The requirements of this clause are in addition to the other requirements of this Part.
- (4) The holder of a petroleum title who does not keep geological plans and records as required by this clause, or who does not furnish to the Minister any record required to be furnished under section 131 of the Act within the time allowed under that section, is guilty of an offence.

Maximum penalty (subclause (4)): 100 penalty units.

#### **16 Scale of plans accompanying annual record of operations: section 131**

For the purposes of section 131 (1) of the Act, the prescribed scale for any plan accompanying an annual record of operations is any of the following scales, namely, 1:25 000, 1:100 000 or 1:250 000.

### **Part 4 Compensation**

#### **17 Time allowed for parties to agree: section 108**

For the purposes of section 108 (2) of the Act, the prescribed time is 30 days after the service by either party on the other of a notice requiring an agreement as to the amount of compensation payable.

#### **18 Manner of assessing and determining compensation: section 110**

- (1) If compensation is to be assessed by the Land and Environment Court, 7 days' notice must be given to all persons appearing to the Court to be interested in the assessment.

- (2) Proceedings may be conducted for the purposes of the assessment in the Land and Environment Court or on the land concerned.

### **19 Manner of payment**

- (1) The Land and Environment Court may order that compensation be paid into court in one amount or in instalments.
- (2) The order is to fix the time within which any such payment is required to be made.

## **Part 5 Agents**

### **20 Agents: section 134**

- (1) The following persons may appoint one or more agents for the purposes of the Act and this Regulation:
  - (a) the holder of a petroleum title,
  - (b) an applicant for a petroleum title,
  - (c) any person who owns or occupies land over which a petroleum title is in force or to which an application for a petroleum title relates.
- (2) The Secretary may refuse to deal with a person who claims to be acting as an agent unless notice of the person's appointment as an agent, and of the agent's powers and functions in relation to the Act and this Regulation, have been served on the Secretary.
- (3) The appointment of a person as an agent for the service of documents on the principal does not render invalid the service of any document otherwise than on the agent.

## **Part 6 Fees**

### **Division 1 General**

#### **21 Fees**

- (1) The fees prescribed in Schedule 1 are payable in connection with the matters indicated in that Schedule.
- (2) Copies of or extracts from any record may be obtained from the Department on payment of such charge as the Secretary may determine.

#### **22 Remission or waiver**

The Minister may remit or waive payment of the whole or part of any fee payable under this Regulation in relation to a particular person or class of persons, but only if the Minister is satisfied that there is sufficient cause to do so.

## **Division 2 Annual rental fees**

### **22A Calculation of annual rental fee**

- (1) An annual rental fee specified in Schedule 1 as per block, per hectare, per square kilometre or per unit is to be calculated on the basis of the annual rental fee area.
- (2) The **annual rental fee area** is the number of blocks, hectares, square kilometres or units of land comprised in the annual rental fee area for the petroleum title for which the annual rental fee is payable, as specified in the record kept by the Secretary under the Act.
- (3) If the annual rental fee area includes a part of a unit or block, that part is to be disregarded.
- (4) If the annual rental fee area includes a part of a hectare, or square kilometre, that part is to be included in the calculation.
- (5) If there is no annual rental fee area for a petroleum title for which an annual rental fee is payable, the annual rental fee is to be calculated as if the description of the land over which the petroleum title is in force, as specified in the record of the petroleum title kept by the Secretary under the Act, were the annual rental fee area.
- (6) To avoid doubt, subclause (5) continues to apply until an annual rental fee area is determined for the petroleum title under this Division and specified in the record kept by the Secretary under the Act.

### **22B Annual rental fee area**

- (1) The Secretary is to determine an annual rental fee area for any petroleum title that is granted or proposed to be granted on or after 1 July 2012.
- (2) The Secretary may determine (and must determine, if required to do so by this Division) an annual rental fee area for a petroleum title granted before 1 July 2012.
- (3) The annual rental fee area is a description of the land to which the petroleum title applies, or is proposed to apply, in terms that enable an annual rental fee payable under Part 7A of the Act to be calculated in respect of the petroleum title.
- (4) Exclusions specified, or proposed to be specified, in a petroleum title are to be counted towards the annual rental fee area.
- (5) The Secretary is required to record an annual rental fee area determined under this clause in the record kept by the Secretary under section 95 of the Act.
- (6) The Secretary may, if the Secretary considers it is fair and reasonable to do so, revise his or her determination of the annual rental fee area for a petroleum title by varying the determination or substituting a new determination.

- (7) If the Secretary revises his or her determination of the annual rental fee area for a petroleum title, the Secretary is to update the record of the annual rental fee area kept under section 95 of the Act to reflect that revision.
- (8) It is not necessary to determine an annual rental fee area in respect of a petroleum title if the petroleum title is exempt from the requirement to pay an annual rental fee.

#### **22C Minimum annual rental fee**

If the annual rental fee payable in respect of a petroleum title under Part 7A of the Act would, but for this clause, be less than \$100, the annual rental fee is taken to be \$100.

#### **22D References to initial term and second term (Schedule 1)**

- (1) In Schedule 1, a reference to the **initial term** of a petroleum title is a reference to the initial term for which the petroleum title is granted.
- (2) The initial term of a petroleum title does not include any period starting when the title, as granted, would have expired, but for section 20 of the Act, and during which the title continues in force under that section.
- (3) In Schedule 1, a reference to the **second term** of a petroleum title is a reference to:
  - (a) the term (if any) for which the title is first renewed, and
  - (b) any part of the term of the petroleum title that starts when the initial term ends and during which the title continues in force under section 20 of the Act.
- (4) The second term of a petroleum title does not include the period starting when the title, as renewed, would have expired, but for section 20 of the Act, and during which the title continues in force under that section.
- (5) A term of a petroleum title is **after** another term, for the purposes of Schedule 1, if it starts when, or at any time after, the other term ends.

#### **22E Phasing-in of annual rental fee for petroleum titles granted before 1 July 2012**

- (1) In relation to a petroleum title in force on 1 July 2012 that was renewed or due for renewal before 1 July 2012, the current term of the title is taken to be the initial term of the title for the purposes of Schedule 1.
- (2) The **current term** of the title is the term starting on the date when the petroleum title was last renewed or, if the title has not been renewed by 1 July 2012 but continues in force under section 20 of the Act, the date that it was last due for renewal.
- (3) The current term of the title ends when the title is next due for renewal (on or after 1 July 2012) or when the title ceases to have effect (whichever happens sooner).

- (4) For the purposes of clause 22D, the first term for which the title is renewed (if any) after the current term is taken to be the term for which the title is first renewed.
- (5) A petroleum title is **due for renewal** when the term for which it is granted or renewed is due to expire (that is, disregarding any period for which the title is taken to continue in force under section 20 of the Act).

**22F Grant anniversary date occurring during period in which petroleum title is automatically extended**

- (1) The amount of the annual rental fee payable under Part 7A of the Act in respect of a grant anniversary date that occurs during a period in which a petroleum title is taken to continue in force under section 20 of the Act is to be reassessed if the Minister finally disposes of an application for renewal of the petroleum title by refusing it.
- (2) In such a case, the annual rental fee payable in respect of the most recent grant anniversary date to have occurred is taken to be the relevant proportion of the annual rental fee that, but for this clause, would be payable.
- (3) The **relevant proportion** is the proportion that the number of days in the period from (and including) that most recent grant anniversary date to (but not including) the date the application is refused bears to 366 days.
- (4) A refund is to be provided, as necessary, in accordance with the reassessment.

**22G Transitional arrangements for determination of annual rental fee area for petroleum titles in force**

- (1) The holder of a petroleum title in force immediately before 1 July 2012, and in relation to which an annual rental fee area has not been determined by the Secretary under this Part, may apply to the Secretary for:
  - (a) a determination of the annual rental fee area for the petroleum title, and
  - (b) a reassessment of any liability for an annual rental fee that arose before that determination.
- (2) The application must be lodged with the Secretary before 1 July 2013.
- (3) If an application is made in accordance with this clause, the Secretary must:
  - (a) determine an annual rental fee area for the petroleum title, and
  - (b) reassess any annual rental fee for which liability arose before the determination in accordance with the determination.
- (4) An application under this clause must:
  - (a) be in writing, and

- (b) be lodged with the Secretary, and
  - (c) specify the manner in which it is requested that the annual rental fee area be defined, and
  - (d) state the reasons why it is fair and reasonable to define the annual rental fee area in the manner specified, and
  - (e) be accompanied by any information or documents required in relation to the request by the Secretary (which requirement may be specified on the Department's website).
- (5) An application under this clause may be made as an adjunct to a request for the partial cancellation of the petroleum title under section 22, and the Secretary may have regard to that request when determining the annual rental fee area.

### **Division 3 Administrative levies**

#### **22H Grant anniversary date occurring during period in which petroleum title is automatically extended**

- (1) The amount of the administrative levy payable under Part 7A of the Act in respect of a grant anniversary date that occurs during a period in which a petroleum title is taken to continue in force under section 20 of the Act is to be reassessed if the Minister finally disposes of an application for renewal of the petroleum title by refusing it.
- (2) In such a case, the administrative levy payable in respect of the most recent grant anniversary date to have occurred is taken to be the relevant proportion of the administrative levy that, but for this clause, would be payable.
- (3) The **relevant proportion** is the proportion that the number of days in the period from (and including) that most recent grant anniversary date to (but not including) the date the application is refused bears to 366 days.
- (4) A refund is to be provided, as necessary, in accordance with the reassessment.

#### **22I Transitional assessment arrangements**

- (1) The holder of a petroleum title to which the transitional assessment arrangements apply may apply to the Secretary for an assessment of the amount of the security deposit that may be required by a security deposit condition for the petroleum title.
- (2) The transitional assessment arrangements apply to the following petroleum titles:
  - (a) a petroleum title in force on 1 July 2012 that, on that date, is subject to a security deposit condition that requires the holder to give and maintain a security deposit (other than a group security deposit) in excess of the minimum deposit for that petroleum title,

- (b) a petroleum title in force on 1 July 2012 that, on that date, is subject to a security deposit condition that requires a group security deposit to be given and maintained that is in excess of the sum of the minimum deposits for all petroleum titles for which that group security deposit is required (disregarding any petroleum titles that have been cancelled or otherwise ceased to have effect).
- (3) An application under this clause may be made no later than 6 months after liability for the first administrative levy payable in respect of the petroleum title arises.
- (4) An application under this clause must:
  - (a) be in writing, and
  - (b) be lodged with the Secretary, and
  - (c) contain particulars of the grounds on which the assessment is sought, and
  - (d) be accompanied by any information or documents required in relation to the application by the Secretary (which requirement may be specified on the Department's website).
- (5) If an application is made in accordance with this clause, the Secretary must assess the amount of the security deposit.
- (6) Section 106E of the Act applies in relation to an assessment under this clause in the same way as it applies to an assessment under that section.
- (7) After the Secretary makes the assessment, the Minister is to vary the security deposit condition imposed on the petroleum title so that the amount of the security deposit required to be given and maintained in respect of the petroleum title is the assessed deposit.
- (8) If the assessed deposit is less than the security deposit required to be given and maintained in respect of the petroleum title at the time the application is made, the Secretary is to reassess any liability for an administrative levy that arose before the assessment as if the amount of the security deposit required to be given and maintained had been, at the time that the liability arose, the assessed deposit.
- (9) Sections 106F and 106G of the Act apply in relation to an assessment under this clause in the same way as they apply in relation to an assessment under section 106E of the Act.
- (10) In this clause:

**group security deposit** has the same meaning as it has in Part 10A of the Act.



## Part 7 Royalty

### 23 Rate of royalty: section 85

For the purposes of section 85 (2) of the Act, the prescribed annual rate of royalty is 10 per cent of the value at the well-head of the petroleum.

### 24 Rate of royalty: [Mining Act 1992 section 286](#)

For the purposes of Division 3 of Part 14 of the [Mining Act 1992](#), the prescribed annual rate of royalty is 10 per cent of the value at the well-head of the petroleum.

### 24AA Transitional provision

- (1) The rate of royalty imposed by clauses 23 and 24 (as substituted by the [Petroleum \(Onshore\) Amendment \(Royalties and Penalties\) Act 2012](#)) applies to petroleum recovered on or after 1 January 2013.
- (2) Clauses 23 and 24, as in force before their substitution by that Act, continue to apply to petroleum recovered before 1 January 2013.

## Part 8 Miscellaneous

### 24A Minimum deposit—security deposit conditions

For the purposes of section 106H of the Act, the minimum deposit for a petroleum title is \$10,000.

### 25 Notification of commencement of commercial production

It is a condition of every assessment lease or production lease in force under the Act that:

- (a) the holder of the lease must notify the Secretary in writing of the date on which commercial production first commences on the land to which the lease relates, and
- (b) the notification must be given within the period of 7 days after that date.

### 26 Non-compliance notices

- (1) If the Secretary is of the opinion that the holder of a petroleum title has contravened a provision of this Regulation in relation to the title, the Secretary may serve a notice (a **non-compliance notice**) requiring the holder of the title to comply with the provision within the time limited by the notice.
- (2) It is a condition of every petroleum title that the holder of the title must comply with the terms of any non-compliance notice.
- (3) The provisions of this clause are in addition to any provision of this Regulation imposing a penalty for its contravention, and do not affect the liability of any person to pay any such penalty.

## **27 Safety practices**

- (1) Subject to section 128 of the Act, all exploration or other activity carried out under the authority of a petroleum title is to be carried out in conformity with the *Schedule of Onshore Petroleum Exploration and Production Safety Requirements* published by the Department of Mineral Resources in August 1992 (**the Schedule**), as amended from time to time.
- (2) It is a condition of every petroleum title that the holder of the title will comply with the requirements of subclause (1).
- (3) A copy of the Schedule, together with any amendments made to it from time to time, is to be made available at the main office of the Department in Maitland, and at such other offices as the Secretary may appoint, for inspection by any person without fee.
- (4) Copies of or extracts from the Schedule and any such amendments may be made or taken by any person on payment of the fee fixed by the Secretary.

## **27A Audits**

- (1) The Secretary may by notice in writing direct the holder of a petroleum title to cause an audit to be carried out in respect of any matter specified in the notice that relates to the title or to activities carried on under the title.
- (2) The notice may specify any one or more of the following:
  - (a) the persons who may carry out the audit (including whether any such person is required to be approved by the Secretary),
  - (b) the manner and time in which the audit must be carried out,
  - (c) the documents that must be produced in relation to the audit and the content and form of any such documents,
  - (d) the persons to whom, and the time and manner in which, such documents are to be provided.
- (3) More than one notice may be served under this clause in respect of a title holder or in respect of a particular audit.
- (4) It is a condition of every petroleum title that the holder of the title must comply with any notice given under this clause.

## **28 Certificates of authority: section 101**

- (1) The certificate must be signed by the Secretary (or by the Secretary's delegate, if issued under delegation) and must include the following particulars:
  - (a) a statement to the effect that it is issued under the *Petroleum (Onshore) Act 1991*,

(b) the name of the person to whom it is issued,

(c) the nature of the powers it confers.

(2) For the purpose of authorising a person to exercise a power conferred by Part 9 of the Act, the Secretary may issue the person with a certificate of authority.

(3) Such a certificate is the form of evidence required for the purposes of section 101 (1) (b) of the Act.

### **29 Penalty notices for contravention of petroleum title: section 137A**

For the purposes of section 137A (2) of the Act, the prescribed penalty for an offence under section 136A of the Act that consists of a contravention of or failure to comply with a condition of a petroleum title described in Column 1 of Schedule 2 is the penalty specified in Column 2 of that Schedule opposite the description of the condition.

### **30 References to officers in petroleum titles: section 138B**

Pursuant to section 138B of the Act, a reference in any petroleum title to any of the following officers is, for the purpose of the performance of a function involving rehabilitation or environmental requirements, taken to be a reference to the Minister:

District Inspector,

Inspector of Petroleum.

### **31 Savings and transitional provisions**

(1) Subject to subclause (2), any act, matter or thing that, immediately before the repeal of the *Petroleum (Onshore) Regulation 2002*, had effect under that Regulation continues to have effect under this Regulation.

(2) For the purposes of calculating royalties that are payable on or after the commencement of this Regulation, the provisions of clauses 23 (2) and 24 (2) extend to commercial production that was first begun on land before the commencement of this Regulation.

## **Schedule 1 Fees**

(Clause 21)

<b>Matter</b>	<b>Fee</b>
<b>General administrative fees</b>	
On application for a petroleum title (section 12)	\$50,000
On application for a renewal of a petroleum title (section 19)	\$1,000
On application for the appointment of an arbitrator under section 69G	\$180

On application for approval of a transfer of a title, for each title	\$1,000
On registration of a transfer	\$180
On lodgment of a caveat	\$250
Registration of any instrument under section 97	\$250
On application by a person for the grant of an easement or right of way under section 105	\$1,000
On application by a person for the grant of a right of way under section 106	\$1,000
Release of information in accordance with a request under section 118	120% of the cost to the Department of making available the information to which the request relates
Inspection of cores, cuttings or samples in accordance with a request under section 119	120% of the cost to the Department of making available the cores, cuttings or samples to which the request relates
Release of information in accordance with a request under section 120	120% of the cost to the Department of making available the information to which the request relates
On application by a person on whom the rights of the registered holder of a title have devolved by operation of law to have the person's name recorded as the registered holder of the title, for each title	\$250
For noting a change of name of the registered holder of a title, for each title	\$250
<b>Title fees</b>	
Title fee—on grant of a petroleum exploration licence (section 94F):	
(a) for a term of less than 3 years	\$10,000
(b) for a term of not less than 3 years	\$15,000
Title fee—on renewal of a petroleum exploration licence (section 94F):	
(a) for a term of less than 3 years	\$10,000
(b) for a term of not less than 3 years	\$15,000
Title fee—on grant of a petroleum assessment lease (section 94F):	
(a) for a term of less than 3 years	\$10,000

(b) for a term of not less than 3 years	\$15,000
Title fee—on renewal of a petroleum assessment lease (section 94F):	
(a) for a term of less than 3 years	\$10,000
(b) for a term of not less than 3 years	\$15,000
Title fee—on grant of a petroleum production lease (section 94F):	
(a) if associated with methane drainage in or over a colliery	\$5,000
(b) in any other case	\$40,000
Title fee—on renewal of a petroleum production lease (section 94F):	
(a) if associated with methane drainage in or over a colliery	\$5,000
(b) in any other case	\$40,000
Title fee—on grant of a special prospecting authority (section 94F)	\$1,000
<b>Annual rental fees</b>	
Annual rental fee—petroleum exploration licence (section 94I):	
(a) for a grant anniversary date occurring during the initial term of the licence	\$60 per block or \$2.40 per unit
(b) for a grant anniversary date occurring during the second term of the licence	\$104 per block or \$4.16 per unit
(c) for a grant anniversary date occurring during a term of the licence after the second term	\$187.50 per block or \$7.50 per unit
Annual rental fee—assessment lease (section 94I):	
(a) for a grant anniversary date occurring during the initial term of the lease	\$9,000 per block or \$120 per sq km
(b) for a grant anniversary date occurring during a term of the lease after the initial term	\$18,000 per block or \$240 per sq km
Annual rental fee—special prospecting authority (section 94I)	\$18.75 per block
Annual rental fee—production lease (section 94I)	\$10,000 per block or \$133.33 per sq km or \$1.33 per ha

## Schedule 2 Penalty notice offences

(Clause 29)

### Column 1

### Column 2

#### Nature of condition

#### Penalty for contravention or failure to comply

Any condition identified in the title as a condition related to environmental management	\$2,500
--	---------

Any other condition of a title	\$1,250
--------------------------------	---------