

**ACTS AMENDMENT
(PETROLEUM) ACT 1994**

No. 28 of 1994

AN ACT to amend the —

- *Acts Amendment (Petroleum) Act 1990;*
- *Petroleum Act 1967;*
- *Petroleum Pipelines Act 1969;*
- *Petroleum (Registration Fees) Act 1967; and*
- *Petroleum (Submerged Lands) Act 1982,*

and for related purposes.

[Assented to 29 June 1994.]

The Parliament of Western Australia enacts as follows:

PART 1 — PRELIMINARY

Short title

1. This Act may be cited as the *Acts Amendment (Petroleum) Act 1994*.

Commencement

2. This Act comes into operation on such day as is fixed by proclamation.

PART 2 — ACTS AMENDMENT (PETROLEUM) ACT 1990

Section 191 amended

3. Section 191 (2) of the *Acts Amendment (Petroleum) Act 1990** is amended by repealing paragraph (c) and substituting the following paragraph —

“

- (c) section 65 of the principal Act shall have effect in relation to the Barrow Island Pipeline and the Withnell Bay Pipeline as if it had been enacted in the following form —

“

Grant of pipeline licence in respect of the existing licence

65. (1) When a person makes an application under section 64, the Minister shall inform the person by instrument in writing served on the person that the Minister is prepared to grant a pipeline licence to that person in the form set out in that instrument, which form includes —

- (a) the conditions to which the pipeline licence is to be subject; and
- (b) in respect of the Withnell Bay Pipeline, all directions and conditions to which Pipeline Licence PL9 granted under the *Petroleum Pipelines Act 1969* is subject and all terms and conditions,

instruments and dealings
registered under Part IV of
that Act in respect of that
licence,

if the person within 30 days after that
service requests the Minister to grant
to him a pipeline licence in that form.

(2) On receiving from the person
referred to in subsection (1) a request
within the period referred to in that
subsection, the Minister shall, subject
to section 64 (2), grant to that person
a licence to operate a pipeline —

(a) in respect of the existing
pipeline specified; and

(b) in the form set out,

in the instrument served under that
subsection on that person.

(3) If a person on whom an
instrument has been served under
subsection (1) does not make the
request referred to in that subsection
within the period referred to in that
subsection, the application made by
that person lapses on the expiry of
that period.

” ”

PART 3 — PETROLEUM ACT 1967

Principal Act

4. In this Part the *Petroleum Act 1967** is referred to as the principal Act.

[* *Reprinted as at 17 December 1992.*]

Section 5 amended

5. Section 5 (1) of the principal Act is amended by inserting in the appropriate alphabetical positions the following definitions —

“**“holder of a drilling reservation”** means the registered holder of a drilling reservation;

“vessel” means a vessel used in navigation, other than air navigation, and includes a barge or other vessel;

”.

Section 29 amended

6. Section 29 of the principal Act is amended —

(a) by inserting after the section designation **“29.”** the subsection designation **“(1)”**; and

(b) by inserting the following subsection —

“
(2) In subsection (1) to **“explore for petroleum”** includes to conduct any geophysical survey, the data from which is intended for use in the search for petroleum.

”.

Section 31 amended

7. Section 31 (1) of the principal Act is amended —

(a) by inserting after “30” the following —

“ or 105 (3) (a) (ii) ”; and

(b) in paragraph (c) by deleting “200” and substituting the following —

“ 400 ”.

Section 32 amended

8. Section 32 of the principal Act is amended —

(a) in subsection (1) —

(i) by inserting after “section 30” the following —

“ or 105 (3) (a) (ii) ”; and

(ii) by deleting paragraph (a) and substituting the following paragraph —

“

(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;

”;

- (b) by repealing subsection (2) and substituting the following subsection —

“

(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.

”;

- (c) in subsection (3) by deleting all of the subsection following the word “allows” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to the applicant the permit referred to in the first-mentioned instrument.

”;

and

- (d) by repealing subsections (4) and (5) and substituting the following subsections —

“

(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.

”

Section 33 amended

9. Section 33 (1) of the principal Act is amended —

- (a) by deleting “or” after paragraph (aa);
- (b) by deleting the comma at the end of paragraph (b) and substituting the following —

“ ; or ”; and

- (c) by inserting after paragraph (b) the following paragraph —

“

- (c) a petroleum pool from which petroleum has been recovered is within or extends to a block which is, or to blocks which are, not the subject of a permit, drilling reservation, lease or licence,

”

Section 35 amended

10. Section 35 of the principal Act is amended —

- (a) by repealing subsection (4); and
- (b) in subsection (5) (b) —
 - (i) by inserting after subparagraph (i) the following —

“ and ”; and
 - (ii) by deleting subparagraphs (ii) and (iii) and substituting the following subparagraph —

“

(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 103 in respect of that balance.

”.

Section 36 amended

11. Section 36 of the principal Act is amended —

- (a) in subsection (1) —
 - (i) by inserting “and” after paragraph (a);
 - (ii) by deleting “; and” after paragraph (b) and substituting a fullstop; and
 - (iii) by deleting paragraph (c);
- and

(b) in subsection (2) —

(i) by inserting “or” after paragraph (a);

(ii) by deleting “; or” after paragraph (b) and substituting a comma; and

(iii) by deleting paragraph (c).

Section 37 amended

12. Section 37 of the principal Act is amended —

(a) by inserting “and” after paragraph (a);

(b) by deleting “; and” after paragraph (b) and substituting a comma; and

(c) by deleting paragraph (c).

Section 37A inserted

13. After section 37 of the principal Act the following section is inserted —

“

Grant of permits in respect of individual blocks

37A. (1) Where a permit (in this section called “**the original permit**”) is in force in respect of 2 or more blocks (not being blocks that form, or form part of, a location), the permittee may make an application to the Minister for the grant to him of 2 or more permits in respect of the blocks the subject of the original permit in exchange for the original permit.

(2) An application under subsection (1) —

(a) shall be made in the approved form;

- (b) shall be made in an approved manner;
- (c) shall specify the number of permits required;
- (d) shall specify the block or blocks the subject of the original permit in respect of which each permit is sought;
- (e) shall be accompanied by the prescribed fee;
- (f) shall be accompanied by particulars of the proposals of the applicant for work and expenditure in respect of the areas comprised in the block or blocks the subject of the original permit; and
- (g) shall set out the reasons why the applicant is applying under this section, and any other matters that the applicant wishes the Minister to consider in relation to the application.

(3) Where an application has been made under subsection (1) the Minister may —

- (a) grant to the permittee the permits in accordance with the application; or
- (b) refuse to grant to the permittee the permits requested.

(4) A permit granted on an application under this section —

- (a) remains in force, subject to this Part, for the remainder of the term of the original permit;

- (b) shall be granted subject to conditions corresponding as nearly as may be to the conditions to which the original permit was subject, and any other conditions that the Minister thinks fit and specifies in the permit in respect of the information referred to in subsection (2) (f);
- (c) shall be granted subject to any directions under this Act previously given to the holder of the original permit in respect of the permit area of the original permit; and
- (d) shall be granted subject to any instruments and agreements in respect of the original permit a memorial of which is entered in the Register under section 70, insofar as such instruments and agreements apply to the permit, (or any such instruments and agreements which are in effect at the time that an application is granted under this section but in respect of which a memorial is not yet entered under that section).

(5) Where permits are granted on an application under this section —

- (a) the original permit is, by force of this subsection, determined; and
- (b) the determination has effect on and from the day on which those permits come into force.

Section 39 amended and transitional

14. (1) Section 39 (a) of the principal Act is amended by deleting “5” and substituting the following —

“ 6 ”.

(2) Where a permit referred to in section 39 (a) of the principal Act is in force at the commencement of this section, the registered holder of the permit may apply to the Minister for the term of that permit to be extended from 5 years to 6 years and that application shall —

- (a) be in accordance with a form approved by the Minister;
- (b) be accompanied by the particulars set out in section 31 (1) (d) (i) of the principal Act relevant to the year that the application is in respect of; and
- (c) set out any other matters that the applicant wishes the Minister to consider, or that the Minister requests, in connection with the application.

(3) By instrument in writing served on a person who has made an application under subsection (2) the Minister shall inform that person —

- (a) that the Minister is prepared to extend the term of the permit, and the instrument shall contain a summary of any conditions subject to which the extension is to be granted; or
- (b) that the Minister has refused to extend the term of the permit.

(4) The Minister shall grant to an applicant on whom there has been served an instrument under subsection (3) (a) the extension referred to in the instrument if the applicant requests the Minister to do so by instrument in writing served on the

Minister within one month after the service on the applicant of the instrument under subsection (3) (a).

Section 41 amended and transitional

15. (1) Section 41 of the principal Act is amended —

(a) by repealing subsection (1) and substituting the following subsection —

“

(1) Subject to subsection (2a), 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, $\frac{1}{2}$ of that number; or

(b) where the number of blocks in respect of which the permit is in force is a number that is one less or one more than a number that is divisible by 4 without remainder, $\frac{1}{2}$ of that last mentioned number.

”;

(b) in subsection (2) by deleting “paragraph (d) or (e) of”;

(c) in subsection (4) by deleting “first, second or third”; and

(d) in subsection (5) by deleting “, in relation to a proposed application for the first, second or third renewal of a permit, the number calculated in

accordance with subsections (1), (2) and (2a)” and substituting the following —

“
the maximum number of blocks in respect of which an application for the renewal of a permit may be made in accordance with this section
”.

(2) Section 41 of the principal Act as in force immediately before the commencement of this section continues to have effect in relation to the renewal of all permits in force at the commencement of this section, other than those permits in respect of which an extension from 5 years to 6 years has been granted under section 14 of this Act, in which case section 41 of the principal Act as amended by this section applies.

Section 42 amended

16. Section 42 of the principal Act is amended —

(a) by repealing subsections (1) and (2) and substituting the following subsections —

“
(1) Where an application has been made under section 40 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 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 permittee 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 to that person the renewal of the permit.

”;

- (b) in subsection (4) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;
- (c) by deleting all of subsection (5) following the phrase “instrument on him” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to the permittee the renewal of the permit.

”;

- (d) in subsection (6) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (5) ”; and

- (e) in subsection (7) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“ has not made a request under subsection (5) ”.

Section 43A amended

17. Section 43A of the principal Act is amended by inserting after subsection (2) the following subsection —

“

(3) The Minister may, for reasons that the Minister thinks sufficient, in an instrument published under subsection (1), direct that no application fee is payable with respect to the applications.

”.

Section 43B amended

18. Section 43B (1) of the principal Act is amended —

- (a) by inserting after “43A” the following —

“ or 105 (3) (a) (ii) ”; and

- (b) in paragraph (f) by inserting before “shall be accompanied” the following —

“ subject to section 43A (3), ”.

Section 43C amended**19. Section 43C of the principal Act is amended —**

(a) in subsection (1) —

(i) by inserting after “section 43B” the following —

“ or 105 (3) (a) (ii) ”; and

(ii) by deleting all of paragraph (a) following the phrase “inform the applicant” and substituting the following —

“

that the Minister is prepared to grant to the applicant a drilling reservation in respect of the block or blocks specified in the instrument;

”;

(b) by repealing subsection (2) and substituting the following subsection —

“

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

(a) a summary of the conditions subject to which the drilling reservation is 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 drilling reservation.

”;

- (c) by deleting all of subsection (3) following the word “allows” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to the applicant the drilling reservation referred to in the first-mentioned instrument.

”;

- (d) in subsection (4) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“

has made a request under subsection (3)

”;

and

- (e) by repealing subsection (5) and substituting the following subsection —

“

(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.

”.

Section 43F amended

20. Section 43F (2) of the principal Act is amended by inserting after “drilling reservation has” the following —

“ drilled ”.

Section 48B amended**21. Section 48B of the principal Act is amended —**

- (a) by deleting all of subsection (1) following the phrase “inform the applicant” and substituting the following —

“

that he is prepared to grant to the applicant a lease in respect of the block or blocks specified in the application.

”;

- (b) in subsection (3) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;

- (c) by deleting all of subsection (4) following the word “allows” and substituting the following —

“

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

”;

- (d) in subsection (5) by deleting everything following the phrase “subsection (1)” until the end of paragraph (b) and substituting the following —

“ has made a request under subsection (4) ”;

and

- (e) in subsection (6) by deleting everything following the phrase “subsection (1)” until the end of paragraph (b) and substituting the following —

“

has not made a request under subsection (4)

”.

Section 48BA inserted

22. After section 48B of the principal Act the following section is inserted —

“

Application of sections 48A and 48B where permit is transferred

48BA. Where —

- (a) after an application has been made under section 48A (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 48B (1) or (2) in relation to the application,

a transfer of the permit is registered under section 72, sections 48A and 48B have effect, after the time of the transfer, as if any reference in those sections to the applicant were a reference to the transferee.

”.

Section 48F amended

23. Section 48F (4) of the principal Act is amended by deleting “a lessee makes an application” and substituting the following —

“ an application has been made ”.

Section 48G amended

24. Section 48G of the principal Act is amended —

- (a) by repealing subsections (1) and (2) and substituting the following subsections —

“

(1) Where —

- (a) an application for the renewal of a lease has been made under section 48F;
- (b) any further information required by the Minister under subsection (4) of section 48F 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 lease,

inform the person who is then the lessee, by instrument in writing served on that person, that the Minister is prepared to grant to that 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 48F and —

- (a) any further information required by the Minister under subsection (4) of section 48F has not been furnished in accordance with that subsection;
- (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.

”;

- (b) in subsection (4) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;
- (c) by deleting all of subsection (6) following the phrase “on the lessee” and substituting the following —

“

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

”;

- (d) in subsection (7) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (6) ”;

and

- (e) in subsection (8) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“

has not made a request under subsection (6)

”.

Section 50 amended

25. Section 50 of the principal Act is amended —

- (a) in subsection (2) (b) by inserting before “may” the following —

“

being the holder of a licence referred to in paragraph (a),

”;

and

- (b) in subsection (3) (b) by deleting “to whom a licence has been granted” and substituting the following —

“ who is the holder of a licence ”.

Section 53 amended

26. Section 53 of the principal Act is amended —

- (a) by deleting all of subsection (1) following the phrase “served on the applicant” and substituting the following —

“

shall inform the applicant that he is prepared to grant to him a licence in respect of the blocks specified in the application.

”;

and

- (b) in subsection (2) by deleting all of paragraph (c) following the word “lapse” and substituting the following —

“

if the applicant does not make a request under section 54 (1) in respect of the grant of the licence.

”.

Section 54 amended

27. Section 54 of the principal Act is amended —

- (a) by deleting all of subsection (1) following the word “allows” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to him the licence referred to in the first-mentioned instrument.

”;

- (b) in subsection (2) by deleting everything following the phrase “section 53 (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (1) ”;

and

- (c) in subsection (4) by deleting everything following the phrase “section 53 (1)” to the end of paragraph (b) and substituting the following —

“

has not made a request under subsection (1)

”.

Section 54A inserted

28. After section 54 of the principal Act the following section is inserted —

“

Application of sections 51 to 54 where permit etc. transferred

54A. Where —

- (a) after an application has been made —
 - (i) under section 50 for the grant of a licence in respect of a block or blocks in respect of which a permit or drilling reservation is in force; or
 - (ii) under section 50A for the grant of a licence in respect of a block or blocks in respect of which a lease is in force;
- and
- (b) before a decision has been made by the Minister under section 53 (1) in relation to the application,

a transfer of the permit, drilling reservation or lease, as the case may be, is registered under section 72, then, after the time of the transfer sections 51 to 54 have effect in relation to the application as if any reference in those sections to the applicant were a reference to the transferee.

”.

Section 57 amended

29. Section 57 (1) of the principal Act is amended —

- (a) by deleting “or” after paragraph (a);
- (b) by deleting the comma at the end of paragraph (b) and substituting the following —

“ ; or ”; and

- (c) by inserting after paragraph (b) the following paragraph —

“

(ba) a petroleum pool from which petrol has been recovered is within or extends to a block which is, or to blocks which are, not the subject of a permit, drilling reservation, lease or licence,

”.

Section 59 amended

30. Section 59 of the principal Act is amended —

- (a) by repealing subsection (4);
- (b) in subsection (5) (c) —
 - (i) by inserting “or” after subparagraph (i);
 - (ii) by deleting “; or” after subparagraph (ii) and substituting a fullstop; and
 - (iii) by deleting subparagraph (iii);

- (c) in subsection (6) —
 - (i) by inserting “and” after paragraph (a);
 - (ii) by deleting “; and” after paragraph (b) and substituting a fullstop; and
 - (iii) by deleting paragraph (c);and
- (d) in subsection (7) —
 - (i) by inserting “or” after paragraph (a);
 - (ii) by deleting “; or” after paragraph (b) and substituting a comma; and
 - (iii) by deleting paragraph (c).

Section 60 amended

31. Section 60 of the principal Act is amended —

- (a) by inserting “and” after paragraph (a);
- (b) by deleting “; and” after paragraph (b) and substituting a comma; and
- (c) by deleting paragraph (c).

Section 61 amended

32. Section 61 of the principal Act is amended —

- (a) by repealing subsection (3);

- (b) in subsection (4) by deleting everything following the word “licensee” to the end of paragraph (b) and substituting the following —

“ has made an application under this section ”;

and

- (c) in subsection (5) —

(i) by deleting “and” after paragraph (a);

(ii) by deleting the fullstop at the end of paragraph (b) and substituting a semicolon; and

(iii) by inserting after paragraph (b) the following paragraphs —

“

(c) shall be granted subject to any directions under this Act previously given to the holder of the original licence in respect of the licence area of the original licence; and

(d) shall be granted subject to any instruments and agreements in respect of the original licence a memorial of which is entered in the Register under section 70, insofar as such instruments and agreements apply to the licence, (or any such instruments and agreements which are in effect at the time that an application is granted under this section but in respect of which a memorial is not yet entered under that section).

”.

Section 65 amended

33. Section 65 of the principal Act is amended —

- (a) by repealing subsections (1), (2) and (3) and substituting the following subsections —

“

(1) Where —

- (a) an application for the renewal of a licence has been made under section 64; 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 64; 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.

”;

(b) in subsection (5) —

- (i) by deleting “a licensee makes an application” and substituting the following —

“ an application has been made ”; and

- (ii) by inserting after “served on the” the following —

“ person who is then the ”;

- (c) by repealing subsection (6);

- (d) in subsection (7) by deleting paragraph (b) and substituting the following paragraph —

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

- (e) by deleting all of subsection (8) following the phrase “on him” and substituting the following —

“
 , by instrument in writing served on the Minister, request the Minister to grant to him the renewal of the licence.
”;

- (f) by deleting everything in subsection (9) following the phrase “subsection (1) or (2)” to the end of paragraph (b) and inserting the following —

“ has made a request under subsection (8) ”;

and

- (g) by deleting everything in subsection (10) following the phrase “subsection (1) or (2)” to the end of paragraph (b) and substituting the following —

“
 has not made a request under subsection (8)
”.

Section 67 inserted

34. After section 66 of the principal Act the following section is inserted —

“

Petroleum stored underground

67. (1) A person shall not inject petroleum into a natural underground reservoir —

- (a) for the purpose of storage and subsequent recovery other than in accordance with an agreement made under this section; or
- (b) for a purpose other than storage and subsequent recovery without the approval of the Minister.

Penalty: \$10 000.

(2) Where a person wishes to inject petroleum into a natural underground reservoir, the person shall apply in writing to the Minister who may reject the application or may —

- (a) where the Minister is of the opinion the injection is for the purpose of storage and subsequent recovery, require the applicant to enter into an agreement with the Minister as to the injection, storage and subsequent recovery of that petroleum; or
- (b) where the Minister is of the opinion the injection is for a purpose other than storage and subsequent recovery, approve the application.

(3) An agreement under subsection (2) (a) —

- (a) shall specify the details of the methods to be used for the injection, storage and subsequent recovery of the petroleum; and
- (b) may specify —
 - (i) whether or not royalty under this Act or the *Petroleum (Submerged Lands) Act 1982* in respect of that petroleum by reason of the initial recovery is to be paid; and
 - (ii) such conditions, restrictions and other matters as the Minister thinks fit.

”.

Section 70 amended

35. Section 70 (3) (c) of the principal Act is amended by inserting after “section” the following —

“ 67 or ”.

Section 72 amended

36. Section 72 of the principal Act is amended —

- (a) by repealing subsection (6) and substituting the following subsection —

“

(6) The Minister shall consider each application for approval of the transfer of a title and determine whether to approve the transfer.

”.

- (b) in subsection (7) by deleting “and shall set out in the notice details of any security required to be lodged by the transferee or transferees”; and
- (c) by repealing subsection (8).

Section 75 amended

37. Section 75 (13) of the principal Act is amended in paragraph (a) by deleting “1989” and substituting the following —

“ 1990 ”.

Section 78 amended

38. Section 78 (2) of the principal Act is amended by inserting after “not” the following —

“ knowingly ”.

Section 88 amended

39. Section 88 of the principal Act is amended in paragraph (c) by inserting after “permit area,” the following —

“ drilling reservation, ”.

Section 91 amended

40. Section 91 of the principal Act is amended by deleting the penalty provision at the foot of the section and substituting the following —

“

Penalty: For contravention of subsection (1), (2)
or (3), \$10 000.

”.

Section 91A repealed and a section substituted

41. Section 91A of the principal Act is repealed and the following section is substituted —

“

Conditions relating to insurance

91A. (1) The registered holder of a permit, drilling reservation, lease or 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, drilling reservation, lease or 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 registered 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) When —

- (a) a permit, drilling reservation, lease or licence was in force immediately before the commencement of section 41 of the *Acts Amendment (Petroleum) Act 1994*;

- (b) the Minister has required the registered holder to maintain insurance under subsection (1); and
- (c) the Minister is satisfied that the required insurance is in effect,

the Minister shall issue a certificate to the effect that he is so satisfied.

(4) Where the Minister issues a certificate under subsection (3), any security in force in relation to the permit, drilling reservation, lease or licence, being a security that was required under this Act before the commencement of section 41 of the *Acts Amendment (Petroleum) Act 1994*, 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.

”.

Section 92 amended

42. Section 92 of the principal Act is amended by deleting the penalty provision at the foot of the section and substituting the following —

“

Penalty: For contravention of subsection (2) or (3), \$10 000.

”.

Section 93 amended

43. Section 93 of the principal Act is amended by deleting “91 and 92” and substituting the following —

“ 91, 91A and 92 ”.

Section 97 amended

44. Section 97 (1) of the principal Act is amended in paragraph (g) by inserting after “permit,” the following —

“ drilling reservation, ”.

Section 105 amended

45. Section 105 of the principal Act is amended —

- (a) by inserting after subsection (1) the following subsection —

“
 (1a) A person making an application under subsection (1) may also request authority to apply for the grant of a permit in accordance with section 31 or a drilling reservation in accordance with section 43B in respect of that block or those blocks. ”;

and

- (b) by deleting paragraph (a) of subsection (3) and substituting the following paragraph —

“
 (a) may —
 (i) grant to the applicant a special prospecting authority subject to such conditions as the Minister thinks fit and specifies in the authority; and
 (ii) if the Minister considers it appropriate to do so and so specifies in the special prospecting authority, authorize the applicant to apply for the grant of a permit or drilling reservation as requested under subsection (1a); ”.

Section 106 amended

46. Section 106 (11) of the principal Act is amended by inserting after “during that month and” the following —

“ a summary ”.

Section 108 repealed

47. Section 108 of the principal Act is repealed.

Section 112 amended

48. Section 112 of the principal Act is amended —

- (a) in subsection (1a) by inserting after “permit,” the following —

“ drilling reservation, ”;

- (b) in subsection (4) —

- (i) in paragraph (a) (i) by inserting after “permit” the following —

“ , drilling reservation ”;

- (ii) in paragraph (a) (ii) (A) by inserting after “permit” the following —

“ , drilling reservation ”;

- (iii) in paragraph (a) (ii) (B) by inserting after “permit” the following —

“ or drilling reservation ”;

- (iv) in paragraph (b) (ii) (B) by inserting after “permit” the following —

“ , drilling reservation ”;

- (v) in paragraph (c) (i) by inserting after “block” the following —

“ , and a permit or licence is not granted in exchange in respect of that block under section 37A or 61 ”;

- (vi) by deleting “and” at the end of paragraph (c); and

- (vii) by deleting paragraph (d) and substituting the following paragraphs —

“ (d) where —

(i) the document, core, cutting or sample was furnished to the Minister during a period during which a permit, drilling reservation, 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 during a period during which a permit, drilling reservation, lease or licence was not in force in respect of the block; and

(ii) subparagraph (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.

”;

and

(c) by inserting after subsection (8) the following subsections —

“

(9) 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 the commencement of section 90 of the *Acts Amendment (Petroleum) Act 1990*.

(10) Subsection (3) applies to cores, cuttings and samples furnished to the Minister before or after the commencement of section 90 of the *Acts Amendment (Petroleum) Act 1990*.

”

Section 112A inserted

49. After section 112 of the principal Act the following section is inserted —

“

Safety zones

112A. (1) For the purpose of protecting a well or structure, or any equipment, in an area of water in the State, the Minister may, by instrument in writing 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) The owner and the person in command or in charge of a vessel shall ensure that the vessel does not enter or remain in a safety zone specified in an instrument under subsection (1) in contravention of the instrument.

Penalty: \$100 000 or imprisonment for 10 years.

”.

Section 113 amended

50. Section 113 of the principal Act is amended by deleting “drilling reservation” in the first place where it occurs and substituting the following —

“ a drilling reservation ”.

Section 114 amended

51. Section 114 (1) of the principal Act is amended by inserting after “permittee,” in the second place where it occurs the following —

“ holder of a drilling reservation, ”.

Section 115 amended

52. Section 115 (1) of the principal Act is amended by deleting “holder of a”.

Section 123 amended

53. Section 123 of the principal Act is amended in subsection (1) (a) by inserting after “specified” the following —

“ vessel, ”.

Section 134A amended

54. Section 134A of the principal Act is amended in paragraph (d) by deleting subparagraph (v) and substituting the following subparagraph —

“

- (v) section 91A of this Act applies to and in relation to the insurance to be maintained by the lessee;

”.

Section 134B repealed and transitional

55. (1) Section 134B of the principal Act is repealed.

(2) Notwithstanding the repeal of section 134B of the principal Act, Part III of the principal Act continues to apply to and in relation to a licence granted on an application made under that section.

Section 138 amended

56. Section 138 of the principal Act is amended —

- (a) by inserting after the section designation “138.” the subsection designation “(1)”; and
- (b) by inserting the following subsections —

“

(2) The Minister may, on application made by a licensee, for reasons the Minister thinks sufficient, by notice in writing reduce or waive the fee payable under subsection (1).

(3) A reduction or waiver of a fee under subsection (2) may apply for an indefinite period of time or for a limited

period specified in the notice and may apply subject to such conditions as the Minister specifies in the notice.

”.

Section 139 amended

57. Section 139 (a) and (b) of the principal Act is amended by inserting after “permit,” in both places where it occurs the following —

“ drilling reservation, ”.

Section 140 amended

58. Section 140 of the principal Act is amended —

- (a) by inserting after “permittee,” in the first place where it occurs the following —

“ holder of a drilling reservation, ”; and

- (b) by inserting after “permittee,” in the second place where it occurs the following —

“ holder of the drilling reservation, ”.

Section 144 amended

59. Section 144 of the principal Act is amended —

- (a) in subsection (1) (b) by inserting before “drilling reservation” the following —

“ holder of the ”; and

- (b) after subsection (2) by inserting the following subsections —

“

(3) Where petroleum that has been recovered by a permittee, holder of a drilling reservation, lessee or licensee is, pursuant to an agreement entered into under section 67 (2) (a), injected into a natural underground reservoir for the purpose of storage and subsequent recovery, royalty under this Act is not payable in respect of that petroleum by reason of the initial recovery except as provided under that agreement.

(4) Subject to any agreement entered into under section 67 (2) (a), nothing in subsection (3) affects the liability of any permittee, holder of a drilling reservation, lessee or licensee to pay royalty in respect of petroleum that is recovered from the natural reservoir in which it is stored.

”.

Section 148 amended

60. Section 148 (2) of the principal Act is amended by inserting before “holder of the drilling reservation” the following —

“ the ”.

Sections 152A and 152B repealed

61. Sections 152A and 152B of the principal Act are repealed.

Section 153 amended

62. Section 153 (2) of the principal Act is amended in paragraph (c) by deleting “the natural resources” and substituting the following —

“ natural resources ”.

PART 4 — PETROLEUM PIPELINES ACT 1969

Principal Act

63. In this Part the *Petroleum Pipelines Act 1969** is referred to as the principal Act.

[* *Reprinted as at 19 February 1992.*]

Section 4 amended

64. Section 4 (1) of the principal Act is amended by inserting in the appropriate alphabetical position the following definition —

“ “**approved**” means approved by the Minister; ”.

Section 9 amended

65. Section 9 of the principal Act is amended by repealing subsection (2).

Section 10 amended

66. Section 10 (1) (a) of the principal Act is amended by deleting “in addition to any other security required by this Act”.

Section 11 amended

67. Section 11 of the principal Act is amended by repealing subsection (6).

Section 12 amended

68. Section 12 of the principal Act is amended by repealing subsection (2) and substituting the following subsection —

“

(2) The conditions referred to in subsection (1) may include a condition that the licensee shall complete the construction of, and commence to operate, the pipeline within the period specified in the licence.

”.

Section 13 amended

69. Section 13 of the principal Act is amended —

- (a) in subsection (1) by deleting “or section 12”;
- (b) in subsection (3) by deleting “or section 12”; and
- (c) by repealing subsection (6) and substituting the following subsection —

“

(6) A security referred to in section 10 may be sued on if the subscriber fails to make any payment referred to in section 10 (1).

”.

Section 36A inserted

70. After section 36 of the principal Act the following section is inserted —

“

Work practices

36A. A licensee shall operate the pipeline specified in the licence of which he is the registered holder in a

proper and workmanlike manner and shall secure the safety, health and welfare of persons engaged in operations in connection with the pipeline.

Penalty: \$10 000.

”.

Section 37A inserted

71. After section 37 of the principal Act the following section is inserted —

“

Conditions relating to insurance

37A. (1) A licensee 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 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) Where —

- (a) a licence was in force immediately before the commencement of section 71 of the *Acts Amendment (Petroleum) Act 1994*;
- (b) the Minister has required the registered holder to maintain insurance under subsection (1); and
- (c) the Minister is satisfied that the required insurance is in effect,

the Minister shall issue a certificate to the effect that he is so satisfied.

(3) Where the Minister issues a certificate under subsection (2), any security in force in relation to the licence, being a security that was required under this Act before the commencement of section 71 of the *Acts Amendment (Petroleum) Act 1994*, is discharged.

(4) The discharge of a security under subsection (3) has no effect on any liability arising under or in relation to the security before its discharge.

”.

Section 41 amended

72. Section 41 of the principal Act is amended by repealing subsections (2) and (3) and substituting the following subsections —

“

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

(a) a class of persons specified in the direction, 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 licensee;

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

or

(b) any person (not being a person to whom the direction applies otherwise than in accordance with this paragraph) who is in

the State for any reason touching, concerning, arising out of or connected with the construction, operation or maintenance of a pipeline, 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 State 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 State as mentioned in paragraph (b), as the case may be.

(3) Where a direction under this section applies to a licensee and to a person referred in subsection (2) (a), the licensee 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 the State frequented by that other person.

Penalty: \$5 000.

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

Penalty: \$5 000.

(5) Where a direction under this section applies to a licensee and to a person referred to in subsection (2) (b), the Minister may, by notice in writing given to the licensee, require the licensee to cause to be displayed at such places in the State, and in such manner, as are specified in the notice, copies of the

instrument by which the direction was given, and the licensee shall comply with that requirement.

Penalty: \$5 000.

(6) A direction under this section has effect and shall be complied with notwithstanding any previous direction under this section.

(7) Section 67 (1a) and (1b) applies in relation to directions made under this section in like manner as that section applies to the regulations.

(8) A direction under this section has effect and shall be complied with notwithstanding anything in the regulations.

(9) A person to whom a direction is given, or to whom a direction is expressed to apply, shall comply with the direction.

Penalty: \$10 000.

(10) Where —

(a) a direction given under this section applies to a licensee and another person and that other person is prosecuted for an offence against subsection (9) in relation to that 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.

Section 42 repealed and a section substituted

73. Section 42 of the principal Act is repealed and the following section is substituted —

“

Compliance with directions

42. (1) Where a person does not comply with a direction given or applicable to the person under this Act or 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 State and are recoverable in a court of competent jurisdiction.

(3) Where —

- (a) a direction given under section 41 applies to a licensee 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.

(4) It is a defence if a person charged with failing to comply with a direction given or applicable to the person under this Act or under the regulations, or a

defendant in an action under subsection (2), proves that that person took all reasonable steps to comply with the direction.

”.

Section 44 amended

74. Section 44 of the principal Act is amended —

- (a) by repealing subsection (6) and substituting the following subsection —

“

(6) The Minister shall consider each application for approval of the transfer of a licence and determine whether to approve the transfer.

”;

- (b) in subsection (7) by deleting “and shall set out in the notice details of any security required to be lodged by the transferee or transferees”; and
- (c) by repealing subsection (8).

Section 59 amended

75. Section 59 (2) of the principal Act is amended by deleting “1989” and substituting the following —

“ 1990 ”.

Section 67 amended

76. Section 67 of the principal Act is amended by inserting after subsection (1) the following subsections—

“

(1a) 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 Australia), 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.

(1b) The regulations 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.

”.

“Prescribed” changed to “approved”

77. In each provision specified in the table to this section “prescribed” is deleted in each place where it occurs and the following is substituted in each place —

“ approved ”.

TABLE

Sections 8 (1) (a) and (b), 11 (2) (b) and (c), 14 (2), 15 (2) (a), 21 (2) (a) and (b) and 38 (a).

PART 5 — PETROLEUM (REGISTRATION FEES) ACT 1967

Section 4 amended

78. Section 4 (1) of the *Petroleum (Registration Fees) Act 1967** is amended by inserting after “permit,” the following —

“ drilling reservation, ”.

[* *Reprinted as at 16 January 1992.*]

PART 6 — PETROLEUM (SUBMERGED LANDS) ACT 1982

Principal Act

79. In this Part the *Petroleum (Submerged Lands) Act 1982** is referred to as the principal Act.

[* *Reprinted as at 24 March 1992 and amended by Act No. 6 of 1993.*]

Section 19 amended

80. Section 19 of the principal Act is amended —

- (a) by inserting after the section designation “19.” the subsection designation “(1)”; and
- (b) by inserting the following subsection —

“

(2) In subsection (1) to “**explore for petroleum**” includes to conduct any geophysical survey, the data from which is intended for use in the search for petroleum.

”.

Section 22 amended

81. Section 22 of the principal Act is amended —

- (a) in subsection (1) by deleting paragraph (a) and substituting the following paragraph —

“

- (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;

”;

- (b) in subsection (2) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;
- (c) by deleting all of subsection (3) following the word “allows” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to the applicant the permit referred to in the first-mentioned instrument.

”;

and

- (d) by repealing subsections (4) and (5) and substituting the following subsections —

“

(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 him 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.

”.

Section 23 amended

82. Section 23 (1) of the principal Act is amended —

- (a) by deleting “or” after paragraph (aa);
- (b) by deleting the comma after paragraph (b) and substituting the following —

“ ; or ”; and

- (c) by inserting after paragraph (b) the following paragraph —

“

- (c) a petroleum pool from which petroleum has been recovered is within or extends to a block or blocks in respect of which no permit, lease or licence is in force,

”.

Section 25 amended

83. Section 25 of the principal Act is amended —

- (a) by repealing subsection (4); and
- (b) in subsection (5) (b) —
 - (i) by inserting “and” after subparagraph (i);
 - (ii) by deleting “; and” after subparagraph (ii) and substituting a fullstop; and
 - (iii) by deleting subparagraph (iii).

Section 26 amended

84. Section 26 of the principal Act is amended —

(a) in subsection (1) —

- (i) by inserting “and” after paragraph (a);
- (ii) by deleting “; and” after paragraph (b) and substituting a fullstop; and
- (iii) by deleting paragraph (c);

and

(b) in subsection (2) —

- (i) by inserting “or” after paragraph (a);
- (ii) by deleting “; or” after paragraph (b) and substituting a comma; and
- (iii) by deleting paragraph (c).

Section 27 amended

85. Section 27 of the principal Act is amended —

- (a) by inserting “and” after paragraph (a);
- (b) by deleting “; and” after paragraph (b) and substituting a comma; and
- (c) by deleting paragraph (c).

Section 32 amended

86. Section 32 of the principal Act is amended —

- (a) by repealing subsections (1) and (2) and substituting the following subsections —

“

(1) Where an application has been made under section 30 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 that 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.

”;

- (b) in subsection (4) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;
- (c) by deleting all of subsection (5) following the phrase “instrument on him” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to him the renewal of the permit.

”;

- (d) in subsection (6) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (5) ”; and

- (e) in subsection (7) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“

has not made a request under subsection (5)

”.

Section 38B amended

87. Section 38B of the principal Act is amended —

- (a) by deleting all of subsection (1) following the phrase “inform the applicant” and substituting the following —

“
that he is prepared to grant to the
applicant a lease in respect of the block or
blocks specified in the application.
”;

- (b) in subsection (3) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;

- (c) by deleting all of subsection (4) following the word “allows” and substituting the following —

“
 , by instrument in writing served on the
Minister, request the Minister to grant to
the applicant the lease.
”;

- (d) in subsection (5) by deleting everything following the phrase “subsection (1)” until the end of paragraph (b) and substituting the following —

“ has made a request under subsection (4) ”;

and

- (e) in subsection (6) by deleting everything following the phrase “subsection (1)” until the end of paragraph (b) and substituting the following —

“
has not made a request under subsection
(4)
”.

Section 38BA inserted

88. After section 38B of the principal Act the following section is inserted —

“

Application of sections 38A and 38B where permit is transferred

38BA. Where —

- (a) after an application has been made under section 38A (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 38B (1) or (2) in relation to the application,

a transfer of the permit is registered under section 78, sections 38A and 38B have effect, after the time of the transfer, as if any reference in those sections to the applicant were a reference to the transferee.

”.

Section 38F amended

89. Section 38F (4) of the principal Act is amended by deleting “a lessee makes an application” and substituting the following —

“ an application has been made ”.

Section 38G amended

90. Section 38G of the principal Act is amended —

- (a) by repealing subsections (1) and (2) and substituting the following subsection —

“

(1) Where —

- (a) an application for the renewal of a lease has been made under section 38F;

- (b) any further information required by the Minister under subsection (4) of section 38F 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 that 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 38F and —

- (a) any further information required by the Minister under subsection (4) of section 38F has not been furnished in accordance with that subsection;
- (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.

- (b) in subsection (4) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;
- (c) by deleting all of subsection (6) following the phrase “on the lessee” and substituting the following —

“

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

”;

- (d) in subsection (7) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (6) ”;

and

- (e) in subsection (8) by deleting everything following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“

has not made a request under subsection (6)

”.

Section 40 amended

91. Section 40 of the principal Act is amended —

- (a) in subsection (2) (b) by inserting before “may” the following —

“

being the holder of a licence referred to in paragraph (a),

”;

and

- (b) in subsection (3) (b) by deleting “to whom a licence has been granted” and substituting the following —

“ who is the holder of a licence ”.

Section 43 amended

92. Section 43 of the principal Act is amended —

- (a) by deleting all of subsection (1) following the phrase “served on the applicant” and substituting the following —

“
shall inform the applicant that he is
prepared to grant to the applicant a licence
in respect of the blocks specified in the
application.
”,

and

- (b) in subsection (2) by deleting all of paragraph (c) following the word “lapse” and substituting the following —

“
if the applicant does not make a request
under section 44 (1) in respect of the grant
of the licence.
”.

Section 44 amended

93. Section 44 of the principal Act is amended —

- (a) by deleting all of subsection (1) following the word “allows” and substituting the following —

“
, by instrument in writing served on the
Minister, request the Minister to grant to
him the licence referred to in the first-
mentioned instrument.
”,

- (b) in subsection (2) by deleting everything following the phrase “section 43 (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (1) ”;

and

- (c) in subsection (4) by deleting everything following the phrase “section 43 (1)” to the end of paragraph (b) and substituting the following —

“
has not made a request under subsection
(1) ”.

Section 44A inserted

94. After section 44 of the principal Act the following section is inserted —

“

**Application of sections 41 to 44 where permit
etc. transferred**

44A. Where —

- (a) after an application has been made —

- (i) under section 40 for the grant of a licence in respect of a block or blocks in respect of which a permit is in force; or
- (ii) under section 40A for the grant of a licence in respect of a block or blocks in respect of which a lease is in force;

and

- (b) before a decision has been made by the Minister under section 43 (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 41 to 44 have effect in relation to the application as if any reference in those sections to the applicant were a reference to the transferee.

”.

Section 47 amended

95. Section 47 (1) of the principal Act is amended —

- (a) by deleting “or” after paragraph (a);
- (b) by deleting the comma after paragraph (b) and substituting the following —

“ ; or ”; and

- (c) by inserting after paragraph (b) the following paragraph —

“

- (ba) a petroleum pool from which the petroleum has been recovered is within or extends to a block or blocks in respect of which no permit, lease or licence is in force,

”.

Section 49 amended

96. Section 49 of the principal Act is amended —

- (a) by repealing subsection (4);

- (b) in subsection (5) (c) —
 - (i) by inserting “or” after subparagraph (i);
 - (ii) by deleting “; or” after subparagraph (ii) and substituting a fullstop; and
 - (iii) by deleting subparagraph (iii);
- (c) in subsection (6) —
 - (i) by inserting “and” after paragraph (a);
 - (ii) by deleting “; and” after paragraph (b) and substituting a fullstop; and
 - (iii) by deleting paragraph (c);and
- (d) in subsection (7) —
 - (i) by inserting “or” after paragraph (a);
 - (ii) by deleting “; or” after paragraph (b) and substituting a comma; and
 - (iii) by deleting paragraph (c).

Section 50 amended

97. Section 50 of the principal Act is amended —

- (a) by inserting “and” after paragraph (a);
- (b) by deleting “; and” after paragraph (b) and substituting a comma; and
- (c) by deleting paragraph (c).

Section 51 amended

98. Section 51 of the principal Act is amended —

- (a) by repealing subsection (3); and
- (b) in subsection (4) by deleting everything following the word “licensee”, where it first occurs, to the end of paragraph (b) and substituting the following —

“ has made an application under this section ”.

Section 55 amended

99. Section 55 of the principal Act is amended —

- (a) by repealing subsections (1), (2) and (3) and substituting the following subsections —

“

(1) Where —

- (a) an application for the renewal of a licence has been made under section 54; 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 that person that the Minister is prepared to grant to that person the renewal of the licence.

(2) Where —

- (a) an application for the renewal of a licence has been made under section 54; 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 that 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.

”;

(b) in subsection (5) —

(i) by deleting “a licensee makes an application” and substituting the following —

“ an application has been made ”; and

(ii) by inserting after “served on the” the following —

“ person who is then the ”;

(c) by repealing subsection (6);

(d) in subsection (7) by deleting paragraph (b) and substituting the following paragraph —

“

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

”;

(e) by deleting all of subsection (8) following the phrase “on him” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to him the renewal of the licence.

”;

- (f) by deleting everything in subsection (9) following the phrase “subsection (1) or (2)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (8) ”;

and

- (g) by deleting everything in subsection (10) following the phrase “subsection (1) or (2)” to the end of paragraph (b) and substituting the following —

“
has not made a request under subsection
(8)
”.

Section 65 amended

100. Section 65 of the principal Act is amended —

- (a) by repealing subsections (1), (2) and (3) and substituting the following subsections —

“
(1) Where a person makes an application in accordance with section 64, the Minister —

- (a) may, if that person is not the licensee and the application has not been rejected under section 64 (3); or

- (b) shall, if the application is by a pipeline operator under the Commonwealth Act or a corresponding law,

inform the applicant, by instrument in writing served on the applicant, that the

Minister is prepared to grant a pipeline licence to the applicant.

(2) Where an application for a pipeline licence in respect of the construction in the adjacent area of a pipeline for the conveyance of petroleum recovered in a licence area in respect of which the applicant is the licensee is made in accordance with section 64 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 of 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 the adjacent area of a pipeline for the conveyance of petroleum recovered in a licence area in respect of which the applicant is the licensee is made in accordance with section 64 by the licensee, 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 the regulations has not been complied with; and
- (b) the Minister is not satisfied that special circumstances exist that justify the granting of the pipeline licence,

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

”;

- (b) by repealing subsection (6);
- (c) in subsection (7) (c) by deleting “and lodge with the Minister the security referred to in the instrument”;
- (d) in subsection (9) by deleting all of the subsection following the word “allows” and substituting the following —

“

, by instrument in writing served on the Minister, request the Minister to grant to him the pipeline licence.

”;

- (e) by deleting everything in subsection (10) following the phrase “subsection (1) or (2)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (9) ”;

and

- (f) by deleting everything in subsection (11) following the phrase “subsection (1) or (2)” to the end of paragraph (b) and substituting the following —

“
has not made a request under subsection
(9)
”.

Section 69 amended

101. Section 69 of the principal Act is amended —

- (a) by repealing subsections (1) and (2) and substituting the following subsections —

“

(1) Where an application has been made under section 68 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 that person that the Minister is prepared to grant to that person the renewal of the pipeline licence.

(2) Where an application has been made under section 68 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.

”;

(b) in subsection (4) (b) by deleting “and lodge with the Minister the security referred to in the instrument”;

(c) by deleting all of subsection (5) following the phrase “on him” and substituting the following —

“
 , by instrument in writing served on the
 Minister, request the Minister to grant to
 him the renewal of the pipeline licence.
”;

(d) by deleting everything in subsection (6) following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“ has made a request under subsection (5) ”;

and

(e) by deleting everything in subsection (7) following the phrase “subsection (1)” to the end of paragraph (b) and substituting the following —

“
 has not made a request under subsection
 (5)
”.

Section 78 amended

102. Section 78 of the principal Act is amended —

(a) by repealing subsection (6) and substituting the following subsection —

“
 (6) The Minister shall consider each
 application for approval of the transfer of a
 title and determine whether to approve the
 transfer.
”;

- (b) in subsection (7) by deleting “and shall set out in the notice details of any security required to be lodged by the transferee or transferees”; and
- (c) by repealing subsection (8).

Section 84 amended

103. Section 84 (2) of the principal Act is amended by inserting after “not” the following —

“ knowingly ”.

Section 97 amended

104. Section 97 of the principal Act is amended —

- (a) by repealing subsection (6); and
- (b) by deleting the penalty provision at the foot of the section and substituting the following —

“
Penalty: For contravention of
subsections (1) to (5), \$10 000.
”.

Section 97A inserted

105. After section 97 of the principal Act the following section is inserted —

“

Conditions relating to insurance

97A. (1) The registered 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 registered 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) When —

- (a) a permit, lease, licence, or pipeline licence was in force immediately before the commencement of section 105 of the *Acts Amendment (Petroleum) Act 1994*;
- (b) the Minister has required the registered holder to maintain insurance under subsection (1); and
- (c) the Minister is satisfied that the required insurance is in effect,

the Minister shall issue a certificate to the effect that he 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 or under the *Acts Amendment (Petroleum) Act 1990* before the commencement of section 105 of the *Acts Amendment (Petroleum) Act 1994*, 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.

”.

Section 98 amended

106. Section 98 of the principal Act is amended by deleting the penalty provision at the foot of the section and substituting the following —

“

Penalty: For contravention of subsection (2) or (3), \$10 000.

”.

Section 99 amended

107. Section 99 of the principal Act is amended by deleting “97 and 98” and substituting the following —

“ 97, 97A and 98 ”.

Section 112 amended

108. Section 112 (11) of the principal Act is amended by inserting after “during that month and” the following —

“ a summary ”.

Section 114 repealed

109. Section 114 of the principal Act is repealed.

Section 118 amended

110. Section 118 of the principal Act is amended —

(a) in subsection (4) —

- (i) by deleting “and” after paragraph (c); and
- (ii) by deleting paragraph (d) and substituting the following paragraphs —

“

(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 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 during a period during which a permit, lease or licence was not in force in respect of the block; and

(ii) subparagraph (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.

”;

(b) in subsection (8a) by deleting “1989” and substituting the following —

“ 1990 ”; and

(c) in subsection (8b) by deleting “1989” and substituting the following —

“ 1990 ”.

Section 145 amended

111. Section 145 of the principal Act is amended by inserting after subsection (2) the following subsection —

“

(3) Where petroleum that has been recovered by a permittee, lessee or licensee is, pursuant to an agreement under section 67 (2) (a) of the

Petroleum Act 1967, injected into a natural reservoir for the purpose of storage and subsequent recovery, royalty under this Act is not payable in respect of that petroleum by reason of the initial recovery except as provided under that agreement.

”.

Schedule 4 amended

112. Schedule 4 to the principal Act is amended by repealing subclause (4) of clause 1 and substituting the following subclause —

“

(4) The Minister may direct the holder of a licence granted on an application made under this clause to maintain insurance in terms of section 97A and that section shall apply to and in relation to that insurance.

”.