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PETROLEUM (SUBMERGED LANDS) ACT 1982

**PETROLEUM (SUBMERGED
LANDS) (MANAGEMENT
OF WELL OPERATIONS)
REGULATIONS 2006**

Western Australia

Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2006

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***Petroleum (Submerged Lands) (Management of Well Operations)
Regulations 2006***

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Petroleum (Submerged Lands) Act 1982

Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2006

Made by the Governor in Executive Council.

Part 1 — Preliminary

1. Citation

These regulations are the *Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2006*.

2. Object of these regulations

The object of these regulations is to ensure that, in relation to petroleum wells in the adjacent area —

- (a) well activities are carried out in accordance with good oil-field practice and an accepted well operations management plan; and
- (b) well integrity hazards that may affect those wells are identified and managed, in accordance with good oil-field practice and an accepted well operations management plan.

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Part 1 Preliminary

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3. Definitions

In these regulations —

“accepted well operations management plan” means a well operations management plan that has been accepted by the Minister under regulation 12;

“risk” means the likelihood of a specific, undesired, event occurring;

“title” means any of the following —

- (a) a permit;
- (b) a lease;
- (c) a licence;

“titleholder” means any of the following —

- (a) a permittee;
- (b) a lessee;
- (c) a licensee;

“well” includes all equipment located downhole from a well, including equipment leading to —

- (a) a blow-out preventer;
- (b) a well head; or
- (c) a Christmas Tree;

“well activity” means an activity relating to a petroleum well that is carried out during the life of the well;

“well integrity” for a well means that the potential producing zone in the wellbore —

- (a) is under control, in accordance with an accepted well operations management plan;
- (b) is able to contain reservoir fluids; and
- (c) is not the subject of any reasonably foreseeable risk;

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Preliminary

Part 1

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“well integrity hazard” means —

- (a) an event that —
 - (i) may compromise the well integrity of a well;
and
 - (ii) would, if it occurred, have the consequence of
a significant threat to the safety of individuals;
- or
- (b) an event that may involve a risk of significant
damage to the environment or the well reservoir
section of a well.

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Part 2 Titleholder's general duties

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Part 2 — Titleholder's general duties

4. Activity not to be carried out without accepted well operations management plan

A titleholder must not carry out a well activity in the adjacent area under a title unless the titleholder has an accepted well operations management plan for the well activity.

Penalty: a fine of \$5 500.

5. Compliance with accepted well operations management plan and regulations

(1) A titleholder that has an accepted well operations management plan must carry out well activities for the well in accordance with —

- (a) the accepted well operations management plan; and
- (b) any requirements set out in these regulations.

Penalty: a fine of \$5 500.

(2) The titleholder of a well for which there is an accepted well operations management plan must —

- (a) deal with —
 - (i) any well integrity hazard; or
 - (ii) any significant increase in an existing risk in relation to the well,

in accordance with the accepted well operations management plan;

- (b) notify the Minister, and give the reports and information, about —
 - (i) well activities;
 - (ii) well integrity hazards;
 - (iii) significant increases in existing risks in relation to the well; and

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Titleholder's general duties

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(iv) other matters relevant to the carrying out of the well activity,

in accordance with the accepted well operations management plan;

(c) keep information of the kind and in the manner required by the accepted well operations management plan.

6. Impact of well integrity hazard or increased risk not identified in well operations management plan

(1) A titleholder must not carry out a well activity if —

(a) either —

(i) a well integrity hazard has been identified in relation to the well; or

(ii) there has been a significant increase in an existing risk in relation to the well;

and

(b) the titleholder has not controlled the well integrity hazard or the risk.

Penalty: a fine of \$5 500.

(2) It is a defence to a prosecution under subregulation (1) if the defendant had a reasonable excuse.

7. Approval for well activities that change wellbore

(1) A titleholder must not carry out any well activity that physically changes a wellbore without the approval of the Minister.

Penalty: a fine of \$5 500.

(2) Subregulation (1) applies whether or not —

(a) the titleholder has an accepted well operations management plan relating to the activity; or

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Part 2 Titleholder's general duties

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- (b) a well integrity hazard has been identified that is not dealt with in the titleholder's accepted well operations management plan.
- (3) An application for approval to carry out a well activity must include —
 - (a) a description of the well activity; and
 - (b) the titleholder's proposed timetable for carrying out the well activity.

8. Emergencies

- (1) Nothing in this Part prevents a titleholder from carrying out any well activity that is reasonably necessary to prevent, or prevent the continuation of, an emergency.
- (2) If a titleholder carries out a well activity the carrying out of which would, but for subregulation (1), contravene this Part, the titleholder must immediately notify the Minister of the carrying out of the activity and the reasons for it.

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Well operations management plans

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Part 3 — Well operations management plans

9. Request for acceptance of well operations management plan

- (1) A titleholder that wishes to carry out a well activity for which an accepted well operations management plan is required, or that wishes to replace an accepted well operations management plan, must —
 - (a) give a well operations management plan to the Minister; and
 - (b) ask the Minister to accept the well operations management plan.
- (2) The titleholder must give the well operations management plan to the Minister —
 - (a) at least 30 days before the proposed start of the well activity; or
 - (b) if the Minister allows, in writing, another period — within that period.
- (3) The well operations management plan —
 - (a) must be in writing; and
 - (b) may apply to well activities for more than one well.
- (4) The titleholder must submit the well operations management plan as a single document unless the Minister has given the titleholder permission, in writing, to submit the well operations management plan as 2 or more documents.
- (5) The titleholder must submit the entire well operations management plan unless the Minister has given the titleholder permission, in writing, to submit parts of the well operations management plan, for particular stages of the activity, at one or more later times.

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10. Contents of well operations management plan

- (1) A well operations management plan must —
 - (a) be appropriate for the nature and scale of the well activity; and
 - (b) show that the risks identified by the titleholder in relation to the well activity will be managed in accordance with sound engineering principles, standards and specifications and good oil-field practice.
- (2) The well operations management plan must include the following material, unless the Minister has given the titleholder permission, in writing, not to include material specified in the permission —
 - (a) information about the carrying out of the well activity;
 - (b) an explanation of the possible production activities of the well showing that the well activity, and all associated operational work, will be carried out in accordance with good oil-field practice;
 - (c) performance objectives against which the performance of the well activity is to be measured;
 - (d) measurement criteria that define the performance objectives;
 - (e) an explanation of how the titleholder will deal with —
 - (i) a well integrity hazard; or
 - (ii) a significant increase in an existing risk in relation to the well,including the possibility of continuing an activity for the purpose of dealing with the well integrity hazard or the risk;
 - (f) details of when and how the titleholder will notify the Minister, and give reports and information, about —
 - (i) the well activity;
 - (ii) well integrity hazards;

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Well operations management plans

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- (iii) significant increases in existing risks in relation to the well; and
 - (iv) other matters relevant to the carrying out of the well activity;
 - (g) an explanation of the way in which the titleholder will keep information required by the well operations management plan.
- (3) The well operations management plan may include other material.

11. Reasons for acceptance of well operations management plan

A well operations management plan may be accepted only if —

- (a) it complies with regulation 10; and
- (b) the Minister is satisfied that the way in which the well activity will be carried out will not —
 - (i) create a well integrity hazard; or
 - (ii) significantly increase the risk of the occurrence of any existing well integrity hazard.

12. Decision on well operations management plan

- (1) Within 30 days after a titleholder gives a well operations management plan to the Minister, the Minister must —
- (a) accept the well operations management plan, or one or more parts of the well operations management plan;
 - (b) reject the well operations management plan; or
 - (c) notify the titleholder, in writing, that the Minister is unable to make a decision without further assessment of the well operations management plan.

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Part 3 Well operations management plans

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- (2) If the Minister is unable to make a decision, the Minister must —
- (a) notify the titleholder, in writing, that the Minister is unable to make a decision without further assessment of the well operations management plan; and
 - (b) include in the notification —
 - (i) a proposed timetable for assessment of the well operations management plan that gives the titleholder a reasonable opportunity to modify and resubmit the well operations management plan; and
 - (ii) a description of any further information the Minister may require to be able to assess the well operations management plan.
- (3) If a well operations management plan is resubmitted under subregulation (2)(b)(i), or further information is provided under subregulation (2)(b)(ii), the Minister must, as soon as practicable, further assess the well operations management plan and either —
- (a) accept the well operations management plan, or one or more parts of the well operations management plan; or
 - (b) reject the well operations management plan.
- (4) The Minister may accept a well operations management plan, or one or more parts of the well operations management plan, subject to any conditions decided by the Minister.
- (5) The acceptance of one or more parts of a well operations management plan is taken to be the rejection of any other parts of the well operations management plan that are not accepted by the Minister.

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Regulations 2006***

Well operations management plans

Part 3

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- (6) The Minister must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision —
- (a) the terms of the decision;
 - (b) if the decision is to reject, or accept one or more parts of, the well operations management plan, the reasons for the decision;
 - (c) if the decision is to accept the well operations management plan, or one or more parts of the well operations management plan, subject to a condition —
 - (i) the terms of the condition; and
 - (ii) the reason for making the acceptance subject to the condition;
 - (d) the terms of regulation 14.

13. Status of well operations management plans

- (1) If a titleholder has been given permission to give a well operations management plan in parts —
- (a) the first part of the well operations management plan that the Minister accepts is taken to be an accepted well operations management plan in its own right; and
 - (b) a part that is given to the Minister after that acceptance is taken to be a variation to which Part 4 applies.
- (2) If the Minister accepts one or more parts of a well operations management plan —
- (a) the part of the well operations management plan that the Minister accepts is taken to be an accepted well operations management plan in its own right; and
 - (b) a part that is given to the Minister after that acceptance is taken to be a variation to which Part 4 applies.

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Part 3 Well operations management plans

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- (3) If the Minister accepts a well operations management plan as a replacement for an accepted well operations management plan, the previous accepted well operations management plan ceases to have effect.

14. Commencement of well operations management plan

A well operations management plan commences on the day on which the Minister accepts it.

15. Termination of well operations management plan

An accepted well operations management plan ceases to have effect at the earliest of —

- (a) when the titleholder withdraws the well operations management plan;
- (b) when the Minister accepts another well operations management plan that replaces the well operations management plan;
- (c) when the Minister withdraws acceptance of the well operations management plan under Part 4; and
- (d) the end of the period of 5 years starting when the well operations management plan was accepted,

whether or not the well operations management plan has been varied since being accepted.

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Variation of well operations management plans **Part 4**
Variation at request of titleholder **Division 1**
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**Part 4 — Variation of well operations
management plans**

Division 1 — Variation at request of titleholder

- 16. Request for variation of accepted well operations management plan**
- (1) A titleholder that wishes to vary an accepted well operations management plan must —
 - (a) give each of the variations to the Minister; and
 - (b) ask the Minister to accept each variation.
 - (2) The variation must be in writing.
 - (3) On receipt of a variation under subregulation (1) the Minister must notify the titleholder that the variation has been received but is of no effect unless and until it is accepted by the Minister.
- 17. Decision on request for variation**
- (1) As soon as practicable after a titleholder gives a variation to the Minister, the Minister must —
 - (a) accept the variation if the well operations management plan, as varied, would comply with regulation 10;
 - (b) reject the variation; or
 - (c) notify the titleholder, in writing, that the Minister is unable to make a decision without further assessment of the variation.
 - (2) If the Minister is unable to make a decision, the Minister must —
 - (a) notify the titleholder, in writing, that the Minister is unable to make a decision without further assessment of the variation; and

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Part 4 Variation of well operations management plans

Division 1 Variation at request of titleholder

r. 17

- (b) include in the notification —
 - (i) a proposed timetable for assessment of the variation that gives the titleholder a reasonable opportunity to modify and resubmit the variation; and
 - (ii) a description of any further information the Minister may require to be able to assess the variation.
- (3) If a variation is resubmitted under subregulation (2)(b)(i), or further information is provided under subregulation (2)(b)(ii), the Minister must, as soon as practicable, further assess the variation and either —
 - (a) accept the variation if the well operations management plan, as varied, would comply with regulation 10; or
 - (b) reject the variation.
- (4) The Minister may accept a variation subject to any conditions decided by the Minister.
- (5) The Minister must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision —
 - (a) the terms of the decision;
 - (b) if the decision is to reject the variation, the reasons for the decision;
 - (c) if the decision is to accept the variation, subject to a condition —
 - (i) the terms of the condition; and
 - (ii) the reason for making the acceptance subject to the condition;
 - (d) the terms of regulation 14.

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Variation of well operations management plans

Part 4

Variation proposed by the Minister

Division 2

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Division 2 — Variation proposed by the Minister

18. Proposal to vary well operations management plan

The Minister may give a titleholder a notice, in writing —

- (a) advising the titleholder that the Minister requires the titleholder to give to the Minister the variation or variations of the titleholder's well operations management plan set out in the notice;
- (b) setting out the reasons for requiring the variation or variations;
- (c) identifying the proposed date of effect of the variation; and
- (d) advising the titleholder of the terms of regulation 19.

19. Objection to proposal to vary

- (1) If the Minister gives a titleholder a notice under regulation 18, the titleholder may give an objection, in writing, to the Minister —
 - (a) stating one or more of the following —
 - (i) that the variation should not occur;
 - (ii) that the variation should be in terms different from the proposed terms;
 - (iii) that the variation should take effect on a date later than the proposed date;and
 - (b) giving reasons for the objection.
- (2) The titleholder must make the objection within —
 - (a) 21 days after receiving the notice; or
 - (b) if the Minister, in writing, allows a longer period — that period.

***Petroleum (Submerged Lands) (Management of Well Operations)
Regulations 2006***

Part 4 Variation of well operations management plans

Division 2 Variation proposed by the Minister

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- (3) If the titleholder does not make an objection, the Minister must notify the titleholder of the terms of regulation 14.

20. Decision on objection

- (1) As soon as practicable after a titleholder gives an objection to the Minister under regulation 19, the Minister must —
- (a) accept the objection;
 - (b) reject the objection; or
 - (c) notify the titleholder, in writing, that the Minister is unable to make a decision without further assessment of the objection.
- (2) If the Minister notifies the titleholder that the Minister is unable to make a decision, the Minister must include in the notification —
- (a) a proposed timetable for assessment of the objection that gives the titleholder a reasonable opportunity to modify and resubmit the objection; and
 - (b) a description of any further information the Minister may require to be able to consider the objection.
- (3) If an objection is resubmitted under subregulation (2)(a) or further information is provided under subregulation (2)(b), the Minister must, as soon as practicable, further consider the objection and either —
- (a) accept the objection; or
 - (b) reject the objection.
- (4) The Minister must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision —
- (a) the terms of the decision;

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Variation of well operations management plans **Part 4**
Operation of variations **Division 3**
r. 21

- (b) if the decision is to reject the objection, the reasons for the decision;
 - (c) the terms of subregulation (5) or (6), as applicable.
- (5) If the Minister accepts an objection that a variation should be in terms different from the proposed terms, or that a variation should take effect on a date later than the proposed date —
- (a) the titleholder must give the Minister the variation required by the Minister, as affected by the objection, as soon as practicable;
 - (b) the Minister must accept the variation as soon as practicable if it is in accordance with the objection; and
 - (c) the Minister must notify the titleholder of the terms of regulation 14.
- (6) If the Minister rejects the objection —
- (a) the titleholder must give the Minister the variation or variations required by the Minister as soon as practicable;
 - (b) the Minister must accept the variation or variations as soon as practicable; and
 - (c) the Minister must notify the titleholder of the terms of regulation 14.

Division 3 — Operation of variations

21. Commencement of variations of well operations management plan

A variation of a well operations management plan commences on the day on which the Minister accepts it.

***Petroleum (Submerged Lands) (Management of Well Operations)
Regulations 2006***

Part 5 Withdrawal of acceptance of well operations management plan

r. 22

**Part 5 — Withdrawal of acceptance of well operations
management plan**

22. Grounds for withdrawal of acceptance

The Minister may withdraw acceptance of a titleholder's accepted well operations management plan if —

- (a) the titleholder has not complied with the Act, these regulations, or a direction given under section 101 of the Act;
- (b) the titleholder has not complied with the accepted well operations management plan; or
- (c) the Minister is satisfied for any other reason that acceptance of the well operations management plan should be withdrawn.

23. Notice of proposal to withdraw acceptance

- (1) If the Minister believes it may be necessary to withdraw acceptance of a well operations management plan, the Minister must, at least 30 days before the Minister would withdraw acceptance —
 - (a) notify the titleholder, in writing, that the Minister is considering the withdrawal of the acceptance; and
 - (b) include in the notification —
 - (i) an explanation of the reasons for the Minister's intention to withdraw the acceptance;
 - (ii) a day by which the titleholder may give the Minister any information that the Minister must consider before deciding whether to withdraw the acceptance; and
 - (iii) any other information that the Minister considers appropriate.

***Petroleum (Submerged Lands) (Management of Well Operations)
Regulations 2006***

Withdrawal of acceptance of well operations management plan

Part 5

r. 24

- (2) The Minister may give a copy of the notice to a person other than the titleholder if —
- (a) the Minister considers it appropriate; and
 - (b) the titleholder agrees in writing.

24. Decision to withdraw acceptance

- (1) If the Minister notifies a titleholder under regulation 23(1), the Minister must, as soon as practicable after the day mentioned in regulation 23(1)(b)(ii) —
- (a) withdraw acceptance of a well operations management plan; or
 - (b) decide not to withdraw the acceptance.
- (2) The Minister must not withdraw acceptance unless the Minister has considered any information given under regulation 23(1)(b)(ii).
- (3) The Minister must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision —
- (a) the terms of the decision;
 - (b) if the decision is to withdraw acceptance of a well operations management plan, the reasons for the decision.

25. Relationship between withdrawal of approval and offence

- (1) The Minister may withdraw acceptance of a well operations management plan under regulation 24 whether or not the titleholder has been convicted of any offence under the Act.
- (2) The withdrawal under regulation 24 of the acceptance of a well operations management plan does not affect any prosecution of the titleholder for any offence under the Act.

Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2006

Part 6 Transitional

r. 26

Part 6 — Transitional

26. Transitional arrangement for certain existing or proposed wells

- (1) A titleholder in relation to a well is not required to have an accepted well operations management plan for a well activity —
- (a) in the circumstances set out in the Table to this subregulation; and
 - (b) for the period mentioned in the Table.

Table

Item	Circumstances of the well	Period in which accepted well operations management plan is not required
1	The well is in operation at the commencement of these regulations.	Either — (a) 2 years after the commencement of these regulations; or (b) if the Minister allows the titleholder, in writing, a longer period — that period.
2	Ministerial approval to drill or re-enter the well, given under a direction given under section 101 of the Act, is in force at the commencement of these regulations.	Either — (a) 2 years after the commencement of these regulations; or (b) if the Minister allows the titleholder, in writing, a longer period — that period.
3	The well is to be started within 6 months after the commencement of these regulations.	Within 12 months after the commencement of these regulations.

- (2) If, under this regulation, a titleholder is not required to have an accepted well operations management plan for a well activity during a period, regulation 4 does not apply to that titleholder in relation to that well activity during that period.

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Regulations 2006***

Transitional **Part 6**

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By Command of the Governor,

M. C. WAUCHOPE, Clerk of the Executive Council.



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