

# PETROLEUM SEARCH SUBSIDY.

No. 57 of 1964.

An Act to amend the *Petroleum Search Subsidy Act* 1959-1961, and for purposes connected therewith.

[Assented to 2nd June, 1964.]

**B**E it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

Short title  
and citation.

1.—(1.) This Act may be cited as the *Petroleum Search Subsidy Act* 1964.

(2.) The *Petroleum Search Subsidy Act* 1959-1961\* is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Petroleum Search Subsidy Act* 1959-1964.

Commence-  
ment.

2.—(1.) Subject to this section, this Act shall come into operation on the day on which it receives the Royal Assent.

(2.) Sub-section (1.) of section three, and sections four and five, of this Act shall come into operation on a date to be fixed by Proclamation.

Interpretation.

3.—(1.) Section three of the Principal Act is amended—

(a) by omitting the definitions of “bore-hole survey” and “detailed structure drilling”;

(b) by omitting from the definition of “drilling operation” the words “, detailed structure drilling”;

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\* Act No. 60, 1959, as amended by No. 74, 1961.

- (c) by adding at the end of the definition of "geophysical survey" the words "but does not include a survey of a bore-hole";
- (d) by omitting the definition of "off-structure drilling operation";
- (e) by omitting from the definition of "operation" the words ", a bore-hole survey"; and
- (f) by omitting from the definition of "test drilling" the words "on an established structure".

(2.) Section three of the Principal Act is amended by adding at the end thereof the following sub-section:—

"(2.) In this Act, unless the contrary intention appears, a reference to Australia shall be read as including a reference to the sea-bed and subsoil of the continental shelf contiguous to any part of the coasts of Australia and of the continental shelf contiguous to any part of the coasts of a Territory to which this Act extends."

(3.) The sub-section added by the last preceding sub-section shall be deemed to have come into operation on the fourth day of November, One thousand nine hundred and fifty-nine.

4. Section nine of the Principal Act is amended by omitting sub-section (1.) and inserting in its stead the following sub-section:—

Amount of  
subsidy.

"(1.) Subject to this section, an agreement shall provide that the subsidy in respect of the approved operation to which the agreement applies shall be an amount equal to such part (not exceeding one-half) of the costs incurred by the person with whom the agreement is made in and in connexion with the approved operation as is prescribed in relation to a prescribed class of operations in which the approved operation is included."

5. Section nine A of the Principal Act is amended by omitting sub-section (1.) and inserting in its stead the following sub-section:—

Alternative  
method of  
calculating  
subsidy.

"(1.) If the person who will be entitled to subsidy under a proposed agreement relating to a drilling operation so desires, the agreement shall, in lieu of the provisions referred to in sub-sections (1.) and (3.) of the last preceding section—

- (a) make provision for the calculation of the subsidy in respect of the operation (excluding the carrying out of any production test) by reference to the footage of the hole or holes drilled in the course of the operation and according to the prescribed rate or rates, or the prescribed scale or scales of rates, of subsidy; and

- (b) make provision that, where a production test is carried out as part of the operation, the subsidy in respect of the carrying out of the production test shall be an amount equal to such part of the costs incurred by the person with whom the agreement is made in and in connexion with the carrying out of the production test as is prescribed, for the purposes of the last preceding section, in relation to test drilling.”.

Terms and  
conditions of  
agreement.

6. Section ten of the Principal Act is amended—

- (a) by omitting paragraphs (b) and (c) of sub-section (1.) and inserting in their stead the following paragraphs:—

“(b) the withholding by the Minister of payment of subsidy, or the varying by the Minister of the amount of subsidy, under circumstances specified in the agreement;

- (c) the rights and obligations of the parties to the agreement (whether with respect to subsidy or otherwise)—

(i) in the event of the operation being discontinued before the operation has been completed;

(ii) in the event of the operation being extended beyond the limits approved by the Minister or otherwise being carried out otherwise than in accordance with the Minister’s approval; or

(iii) in the case of a drilling operation—in the event of petroleum being discovered in the course of carrying out the operation; ”; and

- (b) by omitting from sub-section (2.) the words “detailed structure drilling or”.

Operation to be  
carried out  
within specified  
period.

7. Section eleven of the Principal Act is amended by omitting the words “One thousand nine hundred and sixty-five” and inserting in their stead the words “One thousand nine hundred and sixty-eight”.