



Petroleum (Submerged Lands) Legislation Amendment Act 1987

No. 106 of 1987

**An Act to amend certain legislation relating to off-shore
petroleum, and for related purposes**

[Assented to 13 November 1987]

BE IT ENACTED by the Queen, and the Senate and the House of
Representatives of the Commonwealth of Australia, as follows:

PART I—PRELIMINARY

Short title

1. This Act may be cited as the *Petroleum (Submerged Lands)
Legislation Amendment Act 1987*.

Commencement

2. (1) This Act, except section 11, shall come into operation on the
day on which it receives the Royal Assent.

(2) Section 11 shall come into operation on a day to be fixed by
Proclamation.

**PART II—AMENDMENTS OF THE PETROLEUM (SUBMERGED
LANDS) ACT 1967**

Principal Act

3. The *Petroleum (Submerged Lands) Act 1967*¹ is in this Part referred to as the Principal Act.

Procedure of Joint Authorities

4. Section 8D of the Principal Act is amended by omitting subsection (9).

Repeal of section 8E

5. (1) Section 8E of the Principal Act is repealed.

(2) Where:

- (a) before the commencement of this section, the Designated Authority had served on the Commonwealth Minister a notice for the purpose of subsection 8E (2) of the Principal Act;
- (b) the notice related to the performance of a function, other than a function under section 103 of the Principal Act, that, on the commencement of this section, became vested in the Joint Authority; and
- (c) at the commencement of this section the period of 30 days from the day on which the notice was served had not expired;

the notice has effect, on and after the commencement of this section, as a communication between members of the Joint Authority.

Advertisement of blocks

6. Section 20 of the Principal Act is amended by omitting subsections (3), (4) and (5).

7. Section 22C of the Principal Act is repealed and the following section is substituted:

Permit under section 22B to continue in force in certain cases

“22C. Where:

- (a) a permit granted under section 22B, being:
 - (i) a permit in relation to which an instrument published under subsection 22A (1) stated that the permit would not be able to be renewed; or
 - (ii) a permit that has been renewed;expires; and
- (b) before the expiry of the permit:
 - (i) a block or blocks in respect of which the permit was in force had been nominated under section 36;

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- (ii) except where subparagraph (i) applies, the Joint Authority had required the permittee to nominate, under section 36, a block or blocks in respect of which the permit was in force; or
- (iii) a declaration under section 37 had been made in relation to a block or blocks in respect of which the permit was in force and the permittee had not requested that the declaration be revoked;

the permit continues in force in respect of that block or those blocks, as the case may be:

- (c) where the Joint Authority has required the permittee to nominate, under section 36, a block or blocks in respect of which the permit was in force, and the permittee does not comply with the requirement, until the expiration of the period allowed for compliance with the requirement; or
- (d) in any other case, until:
 - (i) a declaration under section 37 in relation to the block or blocks is revoked;
 - (ii) a lease or licence is granted in relation to the block or blocks;
 - (iii) the application period referred to in subsection 38A (4) in respect of the block or blocks expires without an application under section 38A for a lease in respect of the block or blocks having been made by the permittee; or
 - (iv) the application period referred to in subsection 39A (5) or 40 (4) in respect of the block or blocks expires without an application under section 39A or 40 for a licence in respect of the block or blocks having been made by the permittee;whichever first occurs.”.

Application for permit in respect of surrendered blocks etc.

8. Section 23 of the Principal Act is amended by omitting subsections (2) and (3).

9. (1) Sections 36 and 37 of the Principal Act are repealed and the following sections are substituted:

Nomination of blocks as location

“36. (1) Where a petroleum pool is identified in a permit area, the permittee may nominate the block in which the pool is situated, or the blocks (being blocks within the permit area) to which the pool extends, for declaration as a location.

“(2) Where 2 or more petroleum pools are identified in a permit area, the permittee may, instead of making a nomination under subsection (1) in relation to each pool, nominate all of the blocks to which the pools extend,

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or to which any 2 or more of the pools extend, for declaration as a single location.

“(3) A nomination may not be made under subsection (2) unless, in the case of each of the pools to which the nomination relates, at least one of the blocks to which the pool extends immediately adjoins a block to which the other, or another, of those pools extends.

“(4) A nomination by a permittee shall be in writing and served on the Designated Authority.

“(5) A nomination may not be made by a permittee unless the permittee or another person has, whether within or outside the permit area, recovered petroleum from the petroleum pool to which the nomination relates or, if the nomination relates to more than one pool, from each of those pools.

“(6) Where:

- (a) the Joint Authority is of the opinion that a permittee is entitled to nominate a block or blocks under subsection (1) or (2); and
- (b) the permittee has not done so;

the Joint Authority may require the permittee to exercise the permittee's right to nominate the block or blocks within 3 months after the date of the making of the requirement.

“(7) A requirement by the Joint Authority under subsection (6) shall be by written notice served on the permittee.

“(8) On written request by a permittee within the period fixed by subsection (6), the Joint Authority may extend the time for compliance with a requirement under that subsection by not more than 3 months.

“(9) If a permittee fails to comply with a requirement under subsection (6), the Joint Authority may, by written notice served on the permittee, nominate the block or blocks for declaration as a location.

Declaration of location

“37. (1) Where:

- (a) a permittee has made a nomination under section 36; and
- (b) the Joint Authority is of the opinion that the permittee is entitled under that section to nominate the block or blocks specified in the nomination;

the Joint Authority shall, by notice published in the *Gazette*, declare the block or blocks to which the nomination relates to be a location.

“(2) Where the Joint Authority has made a nomination under subsection 36 (9), the Joint Authority shall, by notice published in the *Gazette*, declare the block or blocks to which the nomination relates to be a location.

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“(3) The Joint Authority may, at the request of the permittee, revoke a declaration.

“(4) The Joint Authority may vary a declaration:

- (a) by adding to the location a block in the permit area to which, in the opinion of the Joint Authority, a petroleum pool within the location extends; or**
- (b) deleting from the location a block to which, in the opinion of the Joint Authority, no petroleum pool within the location extends.**

“(5) The Joint Authority may not vary a declaration unless:

- (a) the Joint Authority has caused to be served on the permittee notice in writing of the proposed variation, identifying the block to be added to, or deleted from, the location;**
- (b) the period of 30 days after the date of service of the notice has expired; and**
- (c) the Joint Authority has considered any matters submitted to it by the permittee in relation to the proposed variation.**

“(6) Subsection (5) does not apply where a variation is made at the request of the permittee.”.

(2) Where:

- (a) at the commencement of this section, a nomination had been made under section 36 of the Principal Act; and**
- (b) at that commencement, a declaration had not been made under section 37 as a result of the making of the nomination;**

sections 36, 37 and 38 of the Principal Act, as in force immediately before the commencement of this section, continue to have effect in relation to that nomination and the block or blocks that would be affected by a declaration as if this Act had not been enacted.

(3) A declaration made under section 37 of the Principal Act as continued in force by subsection (2) has effect, and the Principal Act, as amended by this Act, applies to the declaration, as if the declaration had been made under that section as amended by this Act.

(4) A declaration in force under section 37 of the Principal Act immediately before the commencement of this section has effect after that commencement as if it were a declaration under section 37 of the Principal Act, as amended by this Act.

(5) Where:

- (a) the permittee under a permit granted before the commencement of this section applies under section 40 of the Principal Act, as amended by this Act, for a licence;**
- (b) the location that includes the block or blocks to which the application relates was declared under section 37 of the Principal Act, as amended by this Act;**

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- (c) the location consists of not more than 8 blocks;
- (d) the Joint Authority notifies the applicant in writing that, in its opinion, the number of blocks specified in the notification represents the maximum number of blocks that the applicant would have been entitled to have declared as a location instead of the block or blocks constituting the location referred to in paragraph (b) if this Act had not been enacted; and
- (e) the number of blocks specified in the notification exceeds the number of blocks in the location referred to in paragraph (b);

subsection 40 (1) of the Principal Act, as amended by this Act, applies as if the first-mentioned location were constituted by the number of blocks specified in the notification referred to in paragraph (d).

(6) Where:

- (a) a lessee under a lease of a block or blocks for which a permit was granted before the commencement of this section applies under section 40B of the Principal Act, as amended by this Act, for a licence;
- (b) the location that includes the block or blocks to which the application relates was declared under section 37 of the Principal Act, as amended by this Act;
- (c) the location consists of not more than 8 blocks;
- (d) the Joint Authority notifies the applicant in writing that, in its opinion, the number of blocks specified in the notification represents the maximum number of blocks that the applicant would have been entitled to have declared as a location instead of the block or blocks constituting the location referred to in paragraph (b) if this Act had not been enacted; and
- (e) the number of blocks specified in the notification exceeds the number of blocks in the location referred to in paragraph (b);

subsection 40B (2) of the Principal Act, as amended by this Act, applies as if the lease were in respect of the number of blocks specified in the notification referred to in paragraph (d).

Application for licence in respect of surrendered blocks etc.

10. Section 47 of the Principal Act is amended:

- (a) by omitting subsections (4) and (5);
- (b) by adding at the end of paragraph (6) (d) “and”; and
- (c) by omitting paragraph (6) (e).

Approval of dealings relating to existing titles

11. (1) Section 81 of the Principal Act is amended:

- (a) by omitting subsection (4) and substituting the following subsections:

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“(4) An application under subsection (3) for approval of a dealing:

- (a) shall be accompanied by the instrument evidencing the dealing or, if that instrument has already been lodged with the Designated Authority for the purposes of another application, a copy of that instrument; and
- (b) may be accompanied by an instrument setting out such particulars (if any) as are prescribed for the purposes of an application for approval of a dealing of that kind.

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

- (a) the application;
 - (b) the instrument referred to in paragraph (4) (a); and
 - (c) any instrument lodged for the purposes of paragraph (4) (b).”;
- (b) by omitting from subsection (8) “paragraph (4) (c) in so far as that paragraph” and substituting “subsection (4A) in so far as that subsection”; and
- (c) by omitting subsection (13) and substituting the following subsections:

“(13) Where an entry is made in the Register in relation to a dealing in accordance with subsection (12):

- (a) if the dealing was approved before the commencement of section 11 of the *Petroleum (Submerged Lands) Legislation Amendment Act 1987* or the application for approval of the dealing was not accompanied by an instrument for the purpose of paragraph (4) (b), one copy of the instrument evidencing the dealing endorsed with a memorandum of approval shall be retained by the Designated Authority and made available for inspection in accordance with this Division;
- (b) if the application for approval of the dealing was accompanied by an instrument for the purpose of paragraph (4) (b), a copy of that instrument endorsed with a copy of the memorandum of approval of the dealing shall be retained by the Designated Authority and made available for inspection in accordance with this Division but a copy of the instrument evidencing the dealing shall not be so made available; and
- (c) the original instrument evidencing the dealing, or a copy of the original instrument, as the case requires, endorsed with a memorandum of approval and the instrument (if any) lodged for the purpose of paragraph (4) (b) shall be returned to the person who made the application for approval.

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“(13A) The approval of a dealing or the making of an entry in the Register in relation to a dealing is not rendered ineffective by any failure to comply, in relation to the application for approval of the dealing, with the requirements of this section.”.

(2) If, when the first regulations made for the purposes of paragraph 81 (4) (b) of the Principal Act, as amended by this Act, take effect, an application for approval of a dealing has been made but the Joint Authority has neither approved nor refused to approve the dealing:

- (a) the Designated Authority shall give to the applicant written notice that the applicant is entitled to lodge an instrument for the purpose of paragraph 81 (4) (b) in relation to the application;
- (b) the applicant may lodge an instrument for the purpose of paragraph 81 (4) (b);
- (c) the application shall not be dealt with by the Joint Authority until after the end of 30 days after the day on which notice is given for the purpose of paragraph (a); and
- (d) where the applicant lodges an instrument under paragraph (b), the applicant shall lodge with the instrument 2 copies of the instrument.

(3) An instrument lodged under subsection (2) shall be taken, for the purposes of subsection 81 (13) of the Principal Act, as amended by this Act, to have accompanied the application when the application was lodged.

Inspection of Register and documents

12. Section 86 of the Principal Act is amended by inserting in subsection (1) “or copies of instruments” after “instruments”.

Exemption

13. (1) Section 103 of the Principal Act is amended:

- (a) by omitting subsection (1) and substituting the following subsections:

“(1) Where:

- (a) a permit, lease, licence or pipeline licence is, under this Part, to be deemed to continue in force until the Joint Authority grants, or refuses to grant, the renewal of the permit, lease, licence or pipeline licence;
- (b) a licence is varied under section 45;
- (c) a licensee enters into an agreement under section 59, or a direction is given to a licensee under that section;
- (d) a permit, lease or licence is partly cancelled, partly determined or surrendered as to one or more but not all of the blocks in respect of which it is in force;
- (e) a pipeline licence is varied under section 71 or 72;
- (f) a direction is given to a pipeline licensee under section 73;
- (g) a pipeline licence is partly cancelled;

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- (h) a permittee, lessee or licensee consents to the making of a determination under section 149;
- (j) a permittee, lessee, licensee or pipeline licensee applies, by written instrument served on the Designated Authority:
 - (i) for a variation or suspension of; or
 - (ii) for exemption from compliance with;
any of the conditions to which the permit, lease, licence or pipeline licence is subject; or
- (k) the Designated Authority or Joint Authority, under this Part or the regulations, gives a direction or consent to a permittee, lessee, licensee or pipeline licensee;

the Joint Authority may, at any time, by written instrument served on the permittee, lessee, licensee or pipeline licensee:

- (m) vary or suspend; or
- (n) exempt the permittee, lessee, licensee or pipeline licensee from compliance with;

any of the conditions to which the permit, lease, licence or pipeline licence is subject, upon such conditions, if any, as the Joint Authority determines and specifies in the instrument.

“(1A) Where:”

- (a) an access authority is granted in respect of a block the subject of a permit, lease or licence, or an access authority as in force in respect of such a block is varied;
- (b) the holder of a special prospecting authority or access authority applies, by written instrument served on the Designated Authority:
 - (i) for a variation or suspension of; or
 - (ii) for exemption from compliance with;
any of the conditions to which the special prospecting authority or access authority is subject; or
- (c) the Designated Authority, under this Part or the regulations, gives a direction or consent to the holder of a special prospecting authority or access authority;

the Designated Authority may, at any time, by written instrument served on the holder of the special prospecting authority or access authority:

- (d) vary or suspend; or
- (e) exempt the holder of the special prospecting authority or access authority from compliance with;

any of the conditions to which the special prospecting authority or access authority is subject, upon such conditions, if any, as the Designated Authority determines and specifies in the instrument.”; and

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- (b) by omitting from subsection (3) "Designated" and substituting "Joint".

(2) Where:

- (a) before the commencement of this section, an application was made for the purpose of paragraph 103 (1) (j) of the Principal Act;
- (b) the application was made by a permittee, lessee, licensee or pipeline licensee; and
- (c) at the commencement of this section, the Designated Authority or the Joint Authority had not granted the variation, suspension or exemption sought by the application and had not informed the applicant that the application was refused;

section 103 of the Principal Act, as amended by this Act, applies as if:

- (d) this section had been in operation when the application was made; and
- (e) the application had been made for the purposes of section 103 of the Principal Act, as amended by this Act.

(3) A variation, suspension or exemption in force under section 103 of the Principal Act immediately before the commencement of this section has the same operation after that commencement as it would have had if:

- (a) this section had been in operation when the variation, suspension or exemption was granted; and
- (b) the variation, suspension or exemption had been granted under section 103 of the Principal Act, as amended by this Act.

Release of information

14. Section 118 of the Principal Act is amended by adding at the end 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 Designated Authority before or after the commencement of section 31 of the *Petroleum (Submerged Lands) Amendment Act 1985*.

"(10) Subsection (3) applies to cores, cuttings and samples furnished to the Designated Authority before or after the commencement of section 31 of the *Petroleum (Submerged Lands) Amendment Act 1985*."

Records etc. to be kept

15. Section 122 of the Principal Act is amended by adding at the end the following subsections:

"(3) The Commonwealth Minister may give to the Designated Authority directions with respect to the exercise by the Designated Authority of the powers conferred by subsection (1).

"(4) A direction under subsection (3) may be in respect of a particular case or of general application."

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Amendments

16. The Principal Act is further amended as set out in the Schedule.

Transitional provision

17. Where:

- (a) under the Principal Act, as in force immediately before the commencement of a provision of this Part, a function or power (other than a function or power under section 103) was vested in the Designated Authority; and
- (b) under the Principal Act, as amended by that provision, the function or power is vested in the Joint Authority;

an act done by the Designated Authority in the performance of that function or the exercise of that power and having effect immediately before the commencement of that provision has the same effect after that commencement as it would have had if:

- (c) that provision had been in operation when the act was done; and
- (d) the act had been done by the Joint Authority under the Principal Act, as amended by that provision.

**PART III—AMENDMENT OF THE PETROLEUM (SUBMERGED
LANDS) (REGISTRATION FEES) ACT 1967**

Imposition of registration fees

18. Section 4 of the *Petroleum (Submerged Lands) (Registration Fees) Act 1967*² is amended:

- (a) by omitting subsection (3) and substituting the following subsection:

“(3) Where:

- (a) a fee imposed by this Act, as in force at any time, in respect of an entry of approval of an instrument or dealing, being an instrument or dealing pursuant to which the transfer of a title is agreed to, has been paid; and
- (b) but for this subsection, the amount of the fee imposed by subsection (2) in respect of the entry of a memorandum of the transfer of the title, being a transfer executed for the purpose of giving effect to the dealing or instrument referred to in paragraph (a), would be greater than \$300;

the amount of the fee imposed by subsection (2) in respect of the entry of the memorandum of the transfer is \$300.”; and

- (b) by omitting subparagraph (5) (b) (iv) and substituting the following subparagraph:

“(iv) the Joint Authority is satisfied that the dealing was not made pursuant to another dealing or an instrument, being

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a dealing or instrument that relates to that title and in respect of an entry of approval of which a fee has been paid under this Act, as in force at any time;”.

PART IV—AMENDMENT OF THE PETROLEUM (SUBMERGED LANDS) (CASH BIDDING) AMENDMENT ACT 1985

Repeal of section 3

19. Section 3 of the *Petroleum (Submerged Lands) (Cash Bidding) Amendment Act 1985* is repealed.

SCHEDULE

Section 16

AMENDMENTS OF PETROLEUM (SUBMERGED LANDS) ACT 1967

Subsection 20 (1):

- (a) Omit “Designated”, substitute “Joint”.
- (b) Omit “, of his own motion or at the request of the Commonwealth Minister”.

Subsection 20 (2):

- (a) Omit “Designated”, substitute “Joint”.
- (b) Omit “he”, substitute “it”.

Subsection 23 (1):

Omit “Designated”, substitute “Joint”.

Subsection 25 (3):

Omit the subsection.

Subsection 31 (5):

- (a) Omit “Designated”, substitute “Joint”.
- (b) Omit “he”, substitute “it”.

Section 38:

Omit “sections 36 and 37”, substitute “section 36”.

Paragraph 39A (5) (b):

Omit “Designated” (first occurring), substitute “Joint”.

Paragraph 40 (1) (a):

After “9”, insert “or more”.

SCHEDULE—continued

Paragraph 40 (4) (b):

Omit “Designated” (first occurring), substitute “Joint”.

Paragraph 40B (2) (a):

After “9”, insert “or more”.

Subsections 46 (3), (5) and (6):

Omit “subsection 37 (1)” (wherever occurring), substitute “section 37”.

Subsections 47 (1) and (2):

Omit “Designated” (wherever occurring), substitute “Joint”.

Subsection 47 (3):

(a) Omit “Designated” (wherever occurring), substitute “Joint”.

(b) Omit “him”, substitute “the Designated Authority”.

Subparagraph 48 (1) (b) (i):

Omit “the application is made under subsection 47 (1) or (4) and”.

Subparagraph 48 (1) (b) (ii):

Omit “the application is made under subsection 47 (1) and the Designated Authority”, substitute “the Joint Authority”.

Subsection 48 (3):

Omit “or (3)”.

Subsection 49 (3):

Omit the subsection.

Subsection 49 (7):

Omit “(1), (2) or (3)”, substitute “(1) or (2)”.

Subsection 57 (4):

(a) Omit “Designated” (wherever occurring), substitute “Joint”.

(b) Omit “he”, substitute “it”.

(c) Omit “his”, substitute “its”.

Subsection 71 (1):

After “variation”, insert “by the Joint Authority”.

Subsection 71 (4):

Omit “Designated” (last occurring), substitute “Joint”.

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SCHEDULE—continued

Subsection 71 (5):

Omit the subsection, substitute the following subsection:

“(5) After considering any matters submitted to the Designated Authority under subsection (4), the Joint Authority may, by instrument in writing, vary the pipeline licence to such extent as it thinks necessary or may refuse to vary the pipeline licence.”.

Subsection 74 (1):

Omit “Designated”, substitute “Joint”.

Subsection 125 (1):

Omit “Designated”, substitute “Joint”.

Schedules 4 and 5:

Omit the Schedules.

NOTES

1. No. 118, 1967, as amended. For previous amendments, see No. 1, 1968; No. 36, 1973; No. 216, 1973 (as amended by No. 20, 1974); No. 57, 1974; No. 80, 1980 (as amended by Nos. 79 and 176, 1981); No. 79, 1981; No. 80, 1982; Nos. 22 and 166, 1984; and Nos. 80 and 132, 1985.
2. No. 123, 1967, as amended. For previous amendments, see No. 37, 1976; No. 82, 1980; Nos. 80 and 92, 1981; and No. 82, 1985.
3. No. 132, 1985.

[*Minister's second reading speech made in—
House of Representatives on 23 September 1987
Senate on 22 October 1987*]