



New South Wales

# **Petroleum (Onshore) Amendment (Royalty) Regulation 2000**

under the

**Petroleum (Onshore) Act 1991**

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Petroleum (Onshore) Act 1991*.

The Hon EDWARD OBEID, M.L.C.,

Minister for Mineral Resources

## **Explanatory note**

The object of this Regulation is to prescribe a rate of royalty for petroleum recovered under a mining lease for coal under the *Mining Act 1992*. The Regulation also makes a minor amendment by way of law revision.

This Regulation is made under the *Petroleum (Onshore) Act 1991*, including section 138 (the general regulation-making power) and section 85. The making of such a regulation under that Act in relation to petroleum recovered under a mining lease for coal is expressly referred to in section 286 (2) of the *Mining Act 1992*.

## **2000 No 559**

Clause 1            Petroleum (Onshore) Amendment (Royalty) Regulation 2000

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# **Petroleum (Onshore) Amendment (Royalty) Regulation 2000**

### **1 Name of Regulation**

This Regulation is the *Petroleum (Onshore) Amendment (Royalty) Regulation 2000*.

### **2 Amendment of Petroleum (Onshore) Regulation 1997**

The *Petroleum (Onshore) Regulation 1997* is amended as set out in Schedule 1.

### **3 Notes**

The explanatory note does not form part of this Regulation.

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## Schedule 1 Amendments

(Clause 2)

**[1] Clause 21 Rate of royalty: section 85**

Insert “commercial” before “production” in clause 21 (c).

**[2] Clause 21A**

Insert after clause 21:

**21A Rate of royalty: Mining Act 1992 section 286**

- (1) For the purposes of Division 3 of Part 14 of the *Mining Act 1992*, the prescribed rate of royalty for petroleum recovered under a mining lease for coal is as follows:
  - (a) for the first 5 years of commercial production—nil,
  - (b) for the 6th, 7th, 8th and 9th years of commercial production—6%, 7%, 8% and 9%, respectively, of the value at the well head of the petroleum,
  - (c) for the 10th and subsequent years of commercial production—10% of the value at the well head of the petroleum.
- (2) For the purposes of this clause:
  - (a) the number of years of commercial production of petroleum under a mining lease for coal over land in a single holding is to be calculated from the first year of commercial production of petroleum under that or any other mining lease for coal over that or any other land in the same holding, regardless of whether that year occurred before or after the commencement of this clause, and
  - (b) if at any time (whether before or after the commencement of this clause) there has been no commercial production of petroleum under a mining lease for coal over land in that holding for a period of 5 years or more, any period during which there has been commercial production of petroleum under such a lease prior to that period of 5 years is to be ignored.

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Schedule 1 Amendments

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- (3) No liability to pay royalty arises under this clause in relation to any petroleum recovered before the commencement of this clause.
- (4) In this clause:
- holding*, in relation to a mining lease for coal, means the whole of the land the subject of the lease and, if that land forms part of a colliery holding registered under the *Mining Act 1992*, includes all land within the colliery holding.
- mining lease* has the same meaning as it has in the *Mining Act 1992*.

BY AUTHORITY