

# Petroleum (Submerged Lands) Bill 1981

## NOTES ON CLAUSES

*Clause 1* provides that the Act may be cited as the *Petroleum (Submerged Lands) Act 1980* and shall come into operation on the first day on which certain specified Commonwealth Acts are all in operation.

*Clause 2* repeals the *Petroleum (Submerged Lands) Act 1967*, amends the *Petroleum Act 1958* and the *Acts Interpretation Act 1958* and gives effect to certain transitional provisions set out in the Fourth and Fifth Schedules.

*Clause 3* sets out the Divisions of the Act.

*Clause 4* contains provisions relating to the interpretation of the provisions of the Act.

*Clause 5* provides that the Act is to be construed having regard to the limits on the powers of the Parliament to legislate.

*Clause 6* applies the Act to all natural persons and corporations, whether Victorian or not.

*Clause 7* contains provisions relating to petroleum recovered from a field extending into two or more areas.

*Clause 8* defines the geodetic datum to be used in measurements under the Act.

*Clause 9* defines the "Commonwealth adjacent area".

*Clause 10* relates to the exercise of powers by the Minister under the Commonwealth Act as a member of the Joint Authority.

*Clause 11* authorizes the Minister to be Designated Authority under the Commonwealth Act in the Commonwealth adjacent area.

*Clause 12* covers delegations by the Minister under the Commonwealth Act to State Public Service officers.

*Clause 13* authorizes officers of the State Public Service to perform functions under the Commonwealth Act.

*Clause 14* allows State laws applying in the adjacent area to be modified or excluded insofar as they relate to petroleum operations.

*Clause 15* extends the jurisdiction of the courts of Victoria to cover matters arising under modifications of the law affected under section 14.

*Clause 16* sets out the delegation powers vested in the Minister.

*Clause 17* details the graticulation of the earth's surface for the purposes of the Act.

*Clause 18* allows the Minister to reserve blocks in the adjacent area as blocks over which no permit, licence, pipeline licence, special prospecting authority or access authority shall be granted.

*Clause 19* states that exploration for petroleum can only be carried out under permit.

*Clause 20* allows the Minister to invite applications for permits.

*Clause 21* details the form in which applications for permits can be made.

*Clause 22* details the power of the Minister to grant or refuse an application for a permit.

*Clause 23* details the procedures prescribed in respect of applications for permits in respect of surrendered blocks.

*Clause 24* covers the fees which must accompany permit applications.

*Clause 25* details the alternatives the Minister can consider in reviewing applications for permits.

*Clause 26* covers the procedure by which an approved applicant may request the grant of a permit.

*Clause 27* covers the granting of a permit on request by an approved applicant.

*Clause 28* details the rights conferred by a permit.

*Clause 29* outlines the period during which a permit remains in force.

*Clause 30* allows a permittee to apply to renew a permit.

*Clause 31* sets out the formula to be used in determining the area over which a permit may be renewed.

*Clause 32* gives power to the Minister to renew a permit.

*Clause 33* allows conditions to be attached to a permit.

*Clause 34* requires the discovery of petroleum to be notified to the Minister.

*Clause 35* gives the Minister power to direct action in the event of a discovery of petroleum.

*Clause 36* details the procedures for nominating a block for the purposes of declaring a location.

*Clause 37* outlines the procedures to be followed in respect of the declaration of a location.

*Clause 38* defines adjoining blocks for the purposes of defining locations.

*Clause 39* requires persons to obtain a licence before recovering petroleum from the adjacent area.

*Clause 40* specifies the number of blocks in respect of which a permittee may apply for a licence.

*Clause 41* specifies the form in which a licence application may be made.

*Clause 42* relates to royalty rates payable where a secondary licence is applied for.

*Clause 43* covers the notification to the applicant that the Minister is prepared to grant the licence.

*Clause 44* covers the procedure by which the applicant who has been served a notice under section 43 is granted a licence.

*Clause 45* makes provision for a variation by the Minister of the licence area.

*Clause 46* provides for the determination of a permit in respect of location blocks not taken up by the licensee.

*Clause 47* provides a procedure for inviting applications for licences in respect of surrendered, &c., blocks.

*Clause 48* specifies fees required for the application and grant of a licence.

*Clause 49* details the procedures required by the applicant for the grant of a licence in respect of a surrendered block.

*Clause 50* obliges the Minister to grant a licence upon request under the provisions of section 49.

*Clause 51* makes provision for splitting a single licence into two or more individual licences.

*Clause 52* specifies the rights conferred by a licence.

*Clause 53* prescribes the term of a licence, including a renewed licence.

*Clause 54* outlines the procedures required on an application for renewal of a licence.

*Clause 55* sets out the powers of the Minister to grant or refuse renewal of a licence.

*Clause 56* relates to conditions contained in a licence.

*Clause 57* requires certain work to be carried out upon each block in a licence.

*Clause 58* allows directions by the Minister to be given in respect of recovery of petroleum.

*Clause 59* relates to unit development agreements.

*Clause 60* requires the operator of a pipeline to obtain a pipeline licence.

*Clause 61* provides exceptions to the provisions of section 60 for acts done in an emergency.

*Clause 62* provides for the removal of a pipeline or associated facilities which have been constructed in contravention of the Act.

*Clause 63* provides power for the Minister to declare a terminal station.

*Clause 64* details the procedures to be followed in the application for a pipeline licence.

*Clause 65* sets out the power of the Minister to grant or refuse a pipeline licence.

*Clause 66* sets out the rights conferred by a pipeline licence.

*Clause 67* fixes the term of the pipeline licence.

*Clause 68* allows a pipeline licensee to make application for renewal of a pipeline licence.

*Clause 69* contains provisions which must be taken into consideration by the Minister in renewing or refusing to renew a pipeline licence.

*Clause 70* allows conditions to be imposed upon the grant of a pipeline licence.

*Clause 71* enables a pipeline licensee to make application for the variation of a pipeline licence.

*Clause 72* makes provision for variation of a pipeline licence by the Minister.

*Clause 73* gives the Minister power to direct that a pipeline licensee is a common carrier.

*Clause 74* prohibits the cessation of operation of a pipeline without the consent of the Minister.

*Clause 75* requires the Minister to keep a register of certain instruments.

*Clause 76* details what information is to be maintained in the register.

*Clause 77* requires memorials of determined permits, &c., to be entered in the register.

*Clause 78* requires approval and registration of transfers of titles to be entered in the register.

*Clause 79* covers entries in the register on devolution of title.

*Clause 80* requires any interests in titles to be created by instrument in writing.

*Clause 81* covers the approval of instruments creating interests in title.

*Clause 82* requires the true consideration to be shown for any transfer of title.

*Clause 83* provides that registration does not affect the legal validity of registrable instruments.

*Clause 84* gives the power to the Minister to require information on certain title dealings.

*Clause 85* authorizes the Minister to require production and inspection of certain documents.

*Clause 86* sets out the conditions relating to the inspection of the register and registered instruments.

*Clause 87* provides that the register is evidence in all courts.

*Clause 88* provides that a person may apply for rectification of the register.

*Clause 89* states that a Minister is not liable to legal action in respect of maintenance of the register.

*Clause 90* creates offences relating to entries lodged in the register.

*Clause 91* covers the assessment of the fee payable under section 92.

*Clause 92* imposes registration fees for documents registered.

*Clause 93* provides that certain instruments are exempt from stamp duty.

*Clause 94* requires certain notices to be published in the *Gazette*.

*Clause 95* provides that certain instruments have effect on publication of notice in the *Gazette*.

*Clause 96* requires work required to be carried out by a permittee, licensee or pipeline licensee to be commenced within six months of the grant of the permit, licence or pipeline licence.

*Clause 97* provides that all petroleum operations shall be carried out in accordance with good oilfield practice.

*Clause 98* requires operators in the adjacent area to maintain structures and other property correctly.

*Clause 99* makes sections 97 and 98 subject to certain specified provisions.

*Clause 100* requires Ministerial approval if drilling is carried out closer than 300 metres to a boundary of a permit area or licence area.

*Clause 101* sets out the direction-making power of the Minister.

*Clause 102* requires a person to comply with any direction given by the Minister.

*Clause 103* gives the Minister power to grant exemptions from conditions of permits and licences, &c.

*Clause 104* covers the procedure for the surrender of permits, &c.

*Clause 105* covers the procedure for the cancellation of permits, &c.

*Clause 106* provides that the holder of a cancelled permit, &c., is still subject to the provisions of the Act notwithstanding the cancellation.

*Clause 107* requires the removal of all property from the adjacent area upon determination or cancellation of a permit, &c.

*Clause 108* gives power to the Minister to remove property from the adjacent area.

*Clause 109* provides that permit and licence fees payable may be paid by instalments.

*Clause 110* provides a penalty for late payment of instalments under section 109.

*Clause 111* allows special prospecting authorities to be granted.

*Clause 112* contains provisions for granting access authorities.

*Clause 113* sets out the powers of the Minister to remove or dispose of property in the adjacent area.

*Clause 114* details the security required for permits, &c.

*Clause 115* gives the Minister power to require information to be furnished in respect of operations in the adjacent area.

*Clause 116* gives the Minister power to examine persons on oath.

*Clause 117* prohibits people from refusing to furnish information, &c.

*Clause 118* sets out the circumstances in which information relating to petroleum operations may be released.

*Clause 119* allows the Minister to specify a safety zone which vessels may not enter around a well or structure.

*Clause 120* provides for the notification of the discovery and use of water in the adjacent area.

*Clause 121* relates to the survey of wells drilled in the adjacent area.

*Clause 122* makes provision for the Minister to direct that certain records be kept.

*Clause 123* gives the Minister power to consent to scientific investigations.

*Clause 124* provides that any operations in the adjacent area under the Act are to be carried out without interference to certain other operations.

*Clause 125* covers the appointment of inspectors under the Act.

*Clause 126* covers the powers of inspectors appointed under section 125.

*Clause 127* gives the property in petroleum to permittees or licensees.

*Clause 128* gives power to the Minister to suspend the rights conferred by permit.

*Clause 129* provides that certain royalty payments are to be made by the State to the Commonwealth.

*Clause 130* relates to the determination of the wellhead value in calculating the royalty payable to the Commonwealth in section 129.

*Clause 131* covers offences against the regulations or directions under the Act.

*Clause 132* makes a person knowingly concerned in the commission of an offence guilty of that offence.

*Clause 133* covers procedures for the prosecution of offences under the Act.

*Clause 134* provides for the forfeiture of certain equipment in respect of certain licences.

*Clause 135* covers the disposal of goods forfeited under the provisions of section 134.

*Clause 136* sets out the time for bringing proceedings for offences.

*Clause 137* requires courts to take judicial notice of the signature of the Minister.

*Clause 138* relates to the service of notices.

*Clause 139* covers permit fees.

*Clause 140* covers licence fees.

*Clause 141* covers pipeline licence fees.

*Clause 142* covers the time of payment of fees.

*Clause 143* requires a permittee or licensee to pay royalty to the Minister.

*Clause 144* makes allowance for reduction of royalty in certain cases.

*Clause 145* gives the power to the Minister to not require royalty to be paid in certain cases.

*Clause 146* relates to the ascertainment of the position of the wellhead for royalty purposes.

*Clause 147* relates to the ascertainment of the value of petroleum at the wellhead for royalty purposes.

*Clause 148* provides for the ascertainment of quantity of petroleum recovered from a well.

*Clause 149* relates to the time of payment of royalty.

*Clause 150* provides a penalty for late payment of royalty.

*Clause 151* states that fees and penalties are debts due to the State of Victoria.

*Clause 152* sets out the regulation-making powers of the Governor in Council.

---

## SCHEDULES

The *First Schedule* lists amendments to, and repeals of, certain amendments.

The *Second Schedule* sets out the 1958 Convention on the Continental Shelf.

The *Third Schedule* describes the area that includes the adjacent area under this Act.

The *Fourth Schedule* sets out transitional provisions which will apply to permits and pipeline licences that straddle the outer boundary of the territorial sea.

The *Fifth Schedule* contains transitional provisions ensuring that certain things done under the Commonwealth Act prior to the commencement of this Act continue to have effect for the purposes of this Act.

