



New South Wales

Petroleum (Submerged Lands) Amendment (Permits and Leases) Bill 2005

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Petroleum (Submerged Lands) Act 1982 (the NSW Act)*:

- (a) to limit to two the maximum number of renewals of exploration permits for petroleum, and
- (b) to reduce from two to one the number of requests that the Minister may make during the term of a retention lease for petroleum for the lessee to conduct a re-evaluation of the commercial viability of petroleum production in the lease area.

These proposed amendments are to be made in consequence of the enactment of Commonwealth legislation and in pursuance of paragraph (d) of the Preamble to the NSW Act.

This Bill also transfers to the Act the effect of a savings provision concerning the method by which the adjacent area of New South Wales is determined. This Bill repeals the Regulation that currently contains that provision.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent.

Clause 3 is a formal provision that gives effect to the amendments to the *Petroleum (Submerged Lands) Act 1982* set out in Schedules 1 and 2.

Clause 4 repeals the *Petroleum (Submerged Lands) Savings Regulation 2000* as a consequence of the amendments made by Schedule 2 [1] and [2].

Schedule 1 Amendments relating to permits and leases

Schedule 1 [1] and [2] limit to two the maximum number of renewals of an exploration permit for petroleum. The amendments do not apply to existing permits.

Schedule 1 [3] reduces from two to one the number of requests that the Minister may make during the term of a retention lease for petroleum for the lessee to conduct a re-evaluation of the commercial viability of petroleum production in the lease area.

Schedule 1 [7] ensures that the amendment made by Schedule 1 [3] applies in respect of existing leases.

Schedule 1 [4]–[6] provides for the making of savings and transitional regulations consequent on the enactment of the proposed Act.

Schedule 2 Amendments by way of statute law revision

Schedule 2 [1] and [2] transfer to the *Petroleum (Submerged Lands) Act 1982* the effect of a savings provision in the *Petroleum (Submerged Lands) Savings Regulation 2000*. That provision was made to ensure that the area identified in the NSW Act as *the adjacent area* of New South Wales did not change as a consequence of the repeal and re-enactment of section 7 of the NSW Act by the *Survey (Geocentric Datum of Australia) Act 1999*, which changed the method used to determine positions from the Australian Geodetic Datum to the Geocentric Datum of Australia.

Schedule 2 [3] updates an outdated reference.



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Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Petroleum (Submerged Lands) Act 1982 No 23	2
4 Repeal of Petroleum (Submerged Lands) Savings Regulation 2000	2
Schedule 1 Amendments relating to permits and leases	3
Schedule 2 Amendments by way of statute law revision	5



New South Wales

Petroleum (Submerged Lands) Amendment (Permits and Leases) Bill 2005

No. , 2005

A Bill for

An Act to amend the *Petroleum (Submerged Lands) Act 1982* in relation to renewals of exploration permits for petroleum and the imposition of conditions on retention leases for petroleum and in relation to the identification of certain land; and for other purposes.

The Legislature of New South Wales enacts:	1
1 Name of Act	2
This Act is the <i>Petroleum (Submerged Lands) Amendment (Permits and Leases) Act 2005</i> .	3 4
2 Commencement	5
This Act commences on the date of assent.	6
3 Amendment of Petroleum (Submerged Lands) Act 1982 No 23	7
The <i>Petroleum (Submerged Lands) Act 1982</i> is amended as set out in Schedules 1 and 2.	8 9
4 Repeal of Petroleum (Submerged Lands) Savings Regulation 2000	10
The <i>Petroleum (Submerged Lands) Savings Regulation 2000</i> is repealed.	11 12

Schedule 1	Amendments relating to permits and leases	1
		2
	(Section 3)	3
[1]	Section 31 Application for renewal of permit	4
	Omit “section 32” from section 31 (1). Insert instead “sections 32 and 32A”.	5
[2]	Section 32A	6
	Insert after section 32:	7
32A	Certain permits cannot be renewed more than twice	8
(1)	This section applies to an application for the renewal of a permit if:	9
	(a) the original permit was granted under section 23:	10
	(i) on or after 1 January 2006, and	11
	(ii) as a result of an application made in response to an invitation in an instrument that was published under section 21 (1) on or after 1 January 2006, or	12
	(b) the original permit was granted under section 28 on or after 1 January 2006.	13
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(2)	A permittee must not make such an application if it could result in the original permit being renewed more than twice.	18
		19
[3]	Section 39H Conditions of lease	20
	Omit “2 notices” from section 39H (4). Insert instead “a notice”.	21
[4]	Schedule 4 Savings, transitional and other provisions	22
	Insert before Part 1:	23
	Part 1AA Preliminary	24
[5]	Schedule 4	25
	Renumber clause 3 as clause 1AA and insert it in Part 1AA (as inserted by item [4]).	26
		27
[6]	Schedule 4	28
	Insert at the end of clause 1AA (1) (b) (as renumbered by item [5]):	29
	<i>Petroleum (Submerged Lands) Amendment (Permits and Leases) Act 2005</i>	30
		31

[7] Schedule 4, Part 3	1
Insert after clause 5:	2
Part 3 Provision consequent on enactment of Petroleum (Submerged Lands) Amendment (Permits and Leases) Act 2005	3 4 5
6 Saving of existing conditions	6
If, before the commencement of the amendment to section 39H made by the <i>Petroleum (Submerged Lands) Amendment (Permits and Leases) Act 2005</i> :	7 8 9
(a) a lessee had already complied with a notice of the kind referred to in section 39H (3) during the term of the lease, and	10 11 12
(b) the Minister had given to the lessee during that term a further notice of that kind, and	13 14
(c) the lessee had not complied with the further notice, this Act has effect, after the commencement of that amendment, as if the Minister had not given the further notice.	15 16 17

Schedule 2	Amendments by way of statute law revision	1
		2
	(Section 3)	3
[1]	Section 7 Ascertaining points and other matters	4
	Insert “(other than Schedule 2)” after “Act” where firstly occurring.	5
[2]	Section 7 (2)	6
	Insert at the end of section 7:	7
	(2) The points of latitude and longitude referred to in Schedule 2 are to be determined by reference to a spheroid having its centre at the centre of the Earth and a major (equatorial) radius of 6,378,160 metres and a flattening of 100/29825 and by reference to the position of the Johnston Geodetic Station in the Northern Territory of Australia, which is taken to be situated at 133 degrees, 12 minutes and 30.0771 seconds of East Longitude and at 25 degrees, 56 minutes and 54.5515 seconds of South Latitude and to have a ground level of 571.2 metres above that spheroid.	8 9 10 11 12 13 14 15 16 17
[3]	Section 92 Imposition of registration fees	18
	Omit “stamp duty under Part 3 of, and the Second Schedule to, the <i>Stamp Duties Act 1920</i> ” from section 92 (7).	19 20
	Insert instead “duty under the <i>Duties Act 1997</i> ”.	21