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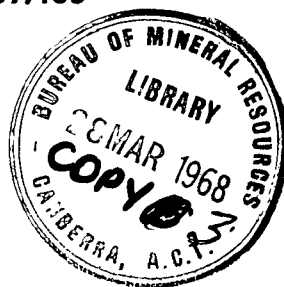
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COMMONWEALTH OF AUSTRALIA

DEPARTMENT OF NATIONAL DEVELOPMENT

BUREAU OF MINERAL RESOURCES, GEOLOGY AND GEOPHYSICS

RECORD No. 1967/109



SUMMARY OF PETROLEUM LEGISLATION  
IN AUSTRALIA AND THE TERRITORY  
OF PAPUA & NEW GUINEA  
MAY 1967

*Revision & Compilation by*

*Miss. B. COOK & J.M. HENRY*

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SUMMARY OF PETROLEUM LEGISLATION  
IN AUSTRALIA AND THE TERRITORY  
OF PAPUA AND NEW GUINEA

Prepared by the Petroleum Technology Section,  
Bureau of Mineral Resources, Geology and Geophysics,  
Canberra A.C.T.

May 1967

(Revision & Compilation by Miss  
B. Cook and J. M. Henry)

NOTE:

This Summary of Petroleum Legislation is designed to provide general information only. Interested persons are advised to contact the appropriate Department of Mines of the various States or Territories concerned for more detailed information. The addresses of the various Departments of Mines are included.

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General Notes on Petroleum Legislation in  
Australia

In Australia and its territories, all petroleum on or below the land is and shall be deemed always to have been the property of the Crown. Ownership of freehold land does not carry with it any rights to prospect for, or to produce petroleum.

In these notes and the summary that follows the term "Title" is a general word used to cover all types of authorities, permits, licences and leases throughout the Commonwealth, regardless of the specific names given to them by the various States and Territories.

A landowner, by virtue of the fact of being a landowner, is not entitled to any portion of the proceeds or profits that may be made from any petroleum, which includes natural gas, discovered on his property. A landowner may not refuse access to his property for the purposes of petroleum exploration by any company or individual authorised to carry out exploration within a title covering the area.

A landowner may claim compensation for damage to property, crops, water supplies etc., caused by petroleum exploration activities. Provision is also made for compensation or reimbursement for loss in respect of the use of land occupied.

Full control of petroleum exploration development rights and conditions of tenure of titles (permit, licence or lease) is vested in the Government or Administration of each State or Territory. No company or person is permitted to carry out any phase of petroleum exploration or development without the necessary Government authorization.

The names given to the different types of titles vary from State to State and Territory to Territory. In general there are three basic types of title:

<u>Permit</u>	for surface surveys
<u>Licence</u>	for exploration drilling
<u>Lease</u>	for commercial production

The conditions of tenure, work requirements, bonds, rents, size etc., applicable to titles for each State or Territory are summarized in the attached tabulation. However, as amending legislation may be effected at any time by the administration concerned, persons or companies are advised to contact the appropriate Department of Mines for up-to-date information.

The Commonwealth Government (Federal) does not itself issue petroleum titles except within the Territories. Its position vis-a-vis the various State Governments in respect of petroleum legislation is similar to that of the Dominion and Provincial Governments in Canada.

The Commonwealth Government, in conjunction with the States, is preparing draft legislation to cover exploration in off-shore areas, both of the territorial sea bed and on the outer continental shelf. Administration of the scheme will be in the hands of the States. Joint Commonwealth - State approval will be necessary in the granting of titles because of the Commonwealth Government's responsibilities in respect of external affairs, navigation, defence and customs.

In the summary that follows the petroleum legislation for each State and Territory is summarised under the basic headings of:

- A - Permit Stage
- B - Licence Stage
- C - Lease Stage

Reference is made to the Principal Act, amending Acts, Section and Sub-section of the relevant ordinances.

Note: All money values are in Australian currency. \$A1 equals U.S. \$1.12 equals 8/- sterling.

Addresses - Government DepartmentsCommonwealth Government (Federal)

The Secretary,  
Department of National Development,  
Tasman House,  
Hobart Place,  
(Box 10 G.P.O.)  
CANBERRA. A.C.T.

Phone: Canberra 49-6188  
Teleg: "Natdev" Canberra

The Director,  
Bureau of Mineral Resources,  
Geology and Geophysics,  
P.O. Box 378,  
CANBERRA CITY. A.C.T.

Phone: Canberra 49-9111  
Teleg: "Buromin" Canberra

State and TerritoriesQueensland

The Under Secretary,  
Department of Mines,  
Mineral House,  
2 Edward Street,  
BRISBANE. QUEENSLAND

Phone: Brisbane 33-9011

Victoria

The Secretary for Mines,  
Department of Mines,  
Treasury Place,  
MELBOURNE. VICTORIA

Phone: Melbourne 63-0321

South Australia

The Director of Mines,  
Department of Mines,  
169 Rundle Street,  
ADELAIDE. SOUTH AUSTRALIA

Phone: Adelaide 23-0461  
Teleg: "Domex" Adelaide

New South Wales

The Under Secretary,  
Department of Mines,  
G.P.O. Box 48,  
SYDNEY. NEW SOUTH WALES

Phone: Sydney 27-7361

Tasmania

The Director of Mines,  
Department of Mines,  
G.P.O. Box 124B,  
HOBART. TASMANIA.

Phone: Hobart 30-3011

Western Australia

The Under Secretary for Mines,  
Mines Department,  
Treasury Building,  
PERTH. WESTERN AUSTRALIA

Phone: Perth 23-0151

Northern Territory

The Director of Mines,  
Northern Territory Administration,  
P.O. Box 231,  
DARWIN. NORTHERN TERRITORY

Phone: Darwin 489  
Teleg: "Direcmin" Darwin

Territory of Papua-New Guinea

The Director,  
Department of Lands, Surveys &  
Mines,  
KONEDOBU. PAPUA

Phone: Konedobu 4271  
Teleg: "Lands" Konedobu

Australian Capital Territory  
(Canberra and Jervis Bay)

Commonwealth Surveyor-General,  
Survey Branch,  
Department of the Interior,  
Civic Offices,  
CANBERRA CITY. A.C.T.

Phone: Canberra 40411

Petroleum LegislationQueensland-A. Permit Stage

----Principal Act; 1923-1958

\*Amendment Act; No.30 of 1962

Subject -----	Substance of Section -----	Reference Sect.	Sub-Sec
<u>Permit Name:</u>	Authority to Prospect		
<u>Area:</u>	Max. and Min. both subject to Minister's discretion.	9A	1
<u>No. Of Permits:</u>	To be fixed by Minister	9A	1
<u>Term:</u>	To be fixed by Minister	9A	1
<u>Bond(Deposit):</u>	\$4,000 usual (\$2,000 min.)	14	6
<u>Fee:</u>	None		
<u>Rent:</u>	Payable in advance-the amount to be fixed by the Minister, 2½ cents per sq. ml. usual	9A	2
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	The Authority entitles the holder to the exclusive right to carry out search for oil in the area covered by that Authority. Work obligations are to be determined by the Minister.	9A	2
<u>Credits:</u>	Not provided for		
<u>Groupings:</u>	Not provided for		
<u>Preferential right to licence and obligation:</u>	If payable oil discovered, Minister may require the Permittee to take up leases.	9A	4



Petroleum LegislationQueensland- B. Licence Stage

----Principal Act; 1923-1958

Amendment Act; No.30 of 62

<u>Subject</u> -----	<u>Substance of Section</u> -----	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Name:</u>	Prospecting Petroleum Permit		
<u>Area:</u>	Max.- 200 sq.mls.; Min.- None.	9	I.i
<u>No. of Licences:</u>	No limit in any of 3 Divisions (fixed by 20th and 24th parallels Lat.) but max. of 5 permits and leases when more than 5 permits and leases are held in any other Division of the State.	12	2
<u>Term:</u>	2 years; with 2 extensions of 2 years each.	17 & 18	
<u>Survey:</u>	Boundaries to be marked within 90 days of commencement.	19	
<u>Bond:</u>	\$2,000 (min.)	14	6
<u>Fee:</u>	50c per sq.ml.- refunded if no permit granted.		
	- credited to rent if permit granted.	14	5
<u>Rent:</u>	50c. per sq.ml. per annum.	20	
<u>Royalty:</u>	10% of well-head value of petroleum produced in permit area	40A	1

<u>Subject</u>	<u>Substance of Section</u>	Reference <u>Sect.</u> <u>Sub-Sec.</u>	
<u>Work Obligations:</u>	<p>Within 4 months start geological or geological and geophysical survey and furnish proof to the Minister within 6 months that this has been done.</p> <p>Permittee shall carry out scout-drilling when directed by Minister. Furnish Minister periodically with reports, logs and other data regarding work carried out.</p> <p>Within 12 months start drilling and within 2 years drill at least 1 well 2,000ft.min depth or wells with a min. aggregate depth of 2,000 ft.</p>	22	22A
<u>Credits:</u>	Not provided for.		

Petroleum LegislationQueensland - C. Lease StagePrincipal Act: 1923- 1958\*Amendment Act; No.30 of 1962

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Petroleum Lease		
<u>Area:</u>	One-half the Permit area. <del>Max.</del> -100 sq.mls.	9 28	I.ii
<u>No. of Leases:</u>	Land that is not contiguous may be included in one lease under special circumstances. State is divided into 3 zones. A lessee may not hold more than 5 leases and permits in any one zone when he holds more than 5 in any other zone.	28	
<u>Unitization:</u>	Permitted subject to approval by Minister.	41	
<u>Obligations and Privileges:</u>	Exclusive right to produce and dispose of petroleum. Mining for gold and other minerals may be allowed by Minister.	56	
	May not drill within 200ft. of another lease or permit. Helium remains property of the Crown. Drilling to commence within 3 months. Area may be required to be surveyed at expense of applicant. A bond of \$10,000 required with application.	31 44 30*	b
<u>Rent:</u>	\$20 per sq.ml. per annum: deductible from royalty.	32	1

<u>Subject</u>	<u>Substance of Section</u>	Reference <u>Sect.</u> <u>Sub-Sec.</u>	
<u>Surrendered Area:</u>	Upon granting of lease of part of land covered by Permit, the remainder shall remain covered by Permit until expiration of 12 months from date of lease first granted to permittee notwithstanding that period of permit may have expired, and during such period permittee shall be entitled to preferential right to lease of remainder or any portion of land covered by Permit. If after expiration of such period of 12 months, period of Permit has not expired, so much of land as has not been under lease or leases by permittee shall remain covered by Permit until termination of permits.	29	
<u>Term:</u>	21 years; renewable for 21 year period	31	c
<u>Royalty:</u>	10% of well-head value of all petroleum.	40A	1

Petroleum LegislationNew South Wales- A. Permit StagePrincipal Act; No.28,1955  
Amendment Act; No.59,1961

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Petroleum Exploration Licence		
<u>Area:</u>	Max. - 5,000 sq.mls.; Min.-1,000 sq. mls.	17	
<u>No. of Permits:</u>	No. limit		
<u>Term:</u>	2 years. Extensions of 1 year at Minister's discretion.	18	i,ii
<u>Bond(Deposit):</u>	\$2,000 (min.)	11	
<u>Fee:</u>	None		
<u>Rent:</u>	0.20c per sq. ml. per annum	19	
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Permittee must forward for approval within 3 months, programme of exploration which may include scout-drilling. This programme may be modified at any time by Minister's consent or direction; quarterly reports, maps, etc. required.	21	6,7
<u>Credits:</u>	Not provided for.		
<u>Grouping:</u>	Not provided for.		
<u>Preferential right to licence and obligation:</u>	If payable oil discovered, Minister may require the permittee to take up leases.	27	3

Petroleum LegislationNew South Wales- B. Licence Stage

Principal Act; No.28,1955

Amendment Act; No.59,1961

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Name:</u>	Petroleum Prospecting Licence		
<u>Area:</u>	Max.-200 sq.mls.; Min.-8 sq.mls	23	
<u>No. of Licences:</u>	No limit specified.		
<u>Term:</u>	4 years max. Extensions of up to 1 year each at Minister's discretion.	24	
<u>Bond:</u>	\$2,000 (min.)	11	
<u>Fee:</u>	None.		
<u>Rent:</u>	\$2 per sq.ml. per annum	25	
<u>Royalty:</u>	10% of wellhead value (gross)-as for Petroleum Mining Leases.	32	
<u>Work Obligations:</u>	Within 3 months submit proposed scheme of prospecting which shall provide for a detailed geological or other survey. Licencees shall submit details of same, showing time intervals and sums of money to be spent. Licencee required to start drilling operations within 6 months. Minister may reject or modify scheme. Licencee is required to provide for regular mineralogical and palaeontological examinations of samples. Licencee is required to retain samples and cores for at least 12 months; submit detailed quarterly reports, maps, and expenditure. If petroleum discovered, Minister may direct Licencee to prove quality and quantity of petroleum and may require Licencee to apply for a lease of specified area.	26	
<u>Credits:</u>	Not provided for.		

Petroleum LegislationNew South Wales- C. Lease Stage

Principal Act; No.28, 1955

\*Amendment Act; No.59, 1961

<u>Subject</u>	<u>Substance of Section</u>	Reference	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Petroleum Mining Lease		
<u>Area:</u>	Max.-100 sq.mls.; Min.-4 sq.mls	29	
<u>No. of Leases:</u>	Not specified (Minister's discretion)		
<u>Unitization:</u>	Allowed at Minister's discretion. Minister may require that oilfield be unit developed.	68	
<u>Obligations and privileges:</u>	Right to produce petroleum. Must start drilling operations within 6 months.	33	1
<u>Rent:</u>	\$20 per sq. ml. per annum deductible from royalty.	31 & 30A	3a,b
<u>Surrendered Area:</u>	The holder of a Licence who discovers petroleum must apply for a lease when directed to do so by the Minister. A lease may be granted to other than the holder of the Licence.	27	3c
<u>Term:</u>	20 years first term; renewable for 20 year periods.	30	1
<u>Royalty:</u>	10% of gross value at wellhead.	32	

Petroleum LegislationVictoria-A. Permit Stage

Principal Act; 1958

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Petroleum Exploration Permit		
<u>Area:</u>	Max.-5,000 sq.mls.; Min.-1,000 sq. mls. Minister may approve lesser area..	65	1
<u>No. of Permits:</u>	No limit.		
<u>Term:</u>	2 years. Extensions of 1 year, provided Minister has been given good reasons.	67 &68	1 1,2
<u>Bond (Deposit):</u>	\$2,000 (min.) with a surety approved by Minister.	64	6
<u>Fee:</u>	\$2 permit preparation fee.	82	j
<u>Rent:</u>	0.20c per sq.ml. per annum.	69	1,2
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Within 3 months commence a reconnaissance, aerial, geological, or geophysical survey. Submit quarterly reports and maps. Keep records and samples. Drilling only on Minister's consent.	70	1,2
<u>Credits:</u>	Not provided for.		
<u>Grouping:</u>	Not provided for.		
<u>Preferential right to licence and obligation:</u>	Permittee who carried out his obligations and duties has preferential rights to PPL for one or more parts of the permit. If oil discovered, Minister may require the permittee to take up Petroleum Mineral Leases.	73  71	  1



Principal Act: 1958

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Name:</u>	Petroleum Prospecting Licence		
<u>Area:</u>	Max.-200 sq.mls. Min.-None	9	1
<u>No. of Licences:</u>	No limit		
<u>Bond:</u>	\$2,000 (min.)	11	5
<u>Term:</u>	4 years max. Extension of one year; may again be extended for further periods of one year.	14	1
<u>Fee:</u>	\$50 applicable towards rent if Licence is granted.	11	4c
<u>Rent:</u>	0.50c per sq.ml. per annum but min.\$50 p.a. paid half-yearly in advance.	15	1
<u>Royalty:</u>	Payable at same rate as if lessee was holding Petroleum Mineral Lease (10% of gross value of petroleum produced) Lease must be applied for if petroleum is discovered in commercial quantities.	16 & 18	1
<u>Work Obligations:</u>	Licences required within 3 months to submit proposed scheme of prospecting which shall provide for a detailed geological or other survey including drilling, and shall submit details of same showing time intervals and sums of money to be spent. Licencee is required to provide for regular mineralogical and palaeontological examinations of samples. Minister may reject or modify scheme. Licencee required to retain samples and cores for at least 12 months. Submit detailed quarterly reports, maps and expenditure. If petroleum discovered, Minister may direct Licencee to prove quality and quantity of petroleum and may require licencee to apply for a lease of specified area.	17 & 18	1
<u>Credits:</u>	Not provided for.		

Petroleum LegislationVictoria - C. Lease Stage

Principal Act; 1958

<u>Subject</u>	<u>Substance of Section</u>	Reference	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Petroleum Mineral Lease		
<u>Area:</u>	Max.-100 sq. mls.	9	1b
<u>No. of Leases:</u>	Not specified. Minister's discretion.	25	
<u>Unitization:</u>	Minister may require operations to be joined so as to permit unit development of an oilfield.	63	
<u>Obligations and priviledges:</u>	Right to produce petroleum. A bond of \$2,000 is required with application. Minister may require that production be refined in Victoria or elsewhere in Australia. Mining for gold and other minerals may be allowed on lease area.	28	1
<u>Rent:</u>	\$20 per sq.ml. per annum deductible from royalty.	31	1,3
<u>Surrendered Area:</u>	On grant of lease of portion of land covered by licence, remaining area covered by licence till the licence terminates; it then reverts to the Crown.	26	
<u>Term:</u>	15 years; renewable for 15 year periods.	27	
<u>Royalty:</u>	10% of gross value of petroleum produced.	31	3

Petroleum LegislationTasmania- A. Permit Stage

Principal Act; 1929

\*Amendment Act; No.17 of 1962

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u> <u>Sect.</u> <u>Sub-Sec.</u>	
<u>Permit Name:</u>	Exploration Licence		
<u>Area:</u>	Max. and Min. subject to Minister's discretion	15B	3i
<u>No. of Permits:</u>	No limit.		
<u>Term:</u>	Determined by Minister.	15B	3i
<u>Bond:</u>	Sufficient to protect the interests of private land-holders, must be given before entering private land.	70	2
<u>Fee:</u>	\$1 per sq.ml. for first 25 sq.mls. and 10c. for each additional sq.ml.	15B	3ii
<u>Rent:</u>	As the Minister may determine.	15B	3ii
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Geological, geophysical or aerial surveys to satisfaction of Minister. Furnish reports and keep records of operations. Drilling may be undertaken.	15B	4
<u>Credits:</u>	Not Provided for.		
<u>Grouping:</u>	Not provided for.		
<u>Preferential right to licence and obligation</u>	Preferential right to apply for a lease of such areas as the Minister may determine.	42 & 35	1

Petroleum LegislationTasmania- B. Licence Stage

Principal Act; 1929

Amendment Act; No.17 of 62

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Name:</u>	Coal and Oil Licence		
<u>Area:</u>	3,200 acres=Max.	14	1
<u>No. of Licences:</u>	One only	13	4
<u>Term:</u>	Max-2 years. May be renewed for further year.	14	4
<u>Bond:</u>	Nil		
<u>Fee:</u>	\$2 filing fee.		
<u>Rent:</u>	2c per acre per annum for 2 years and 1c per acre for 3rd year.	14	2,4
<u>Royalty:</u>	Cannot dispose of oil until a lease is granted	26	4
<u>Work Obligations:</u>	Commence prospecting within 90 days and submit monthly reports giving full particulars of all drilling and other work. All discoveries must be reported to the Minister forthwith.	14	5
<u>Credits:</u>	Not provided for.		

Petroleum LegislationTasmania- C. Lease Stage

Principal Act; 1929

\*Amendment Act; No.17 of 1962

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u> <u>Sect.</u> <u>Sub-Sec.</u>	
<u>Lease Name:</u>	Oil Lease		
<u>Area:</u>	As the Minister may determine	*25	2
<u>No. of Leases:</u>	2 or more leases may be consolidated at discretion of Minister.	27	1
<u>Unitization:</u>	Not provided for.		
<u>Obligations and privileges:</u>	Right to mine and dispose of oil and helium. gas associated with that oil.  Drilling to start within 6 months. Drilling and production operations to develop oilfield according to good practice.	31	4
<u>Rent:</u>	Each case to be determined by Minister.	*29A (*8)	1
<u>Surrendered Area:</u>	Reverts to Crown.	21	2
<u>Term:</u>	Max.-21 years; renewable at Minister's discretion.	25	4
<u>Royalty:</u>	10% of gross value at wellhead after first 50,000 gallons.	*30 (*9)	1

Petroleum LegislationSouth Australia- A. Permit Stage

Principal Act; No.58, 1940

\*Amendment Act; No.16, 1958

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Oil Exploration Licence		
<u>Area:</u>	Max.-None; Min-1,000 sq.mls.	15	1
<u>No. of Permits:</u>	No limit; one OEL may be granted over two or more areas.	8a	
<u>Term:</u>	5 years.	16	1
	Extensions of 5 years unless otherwise agreed.	16	2
<u>Bond(Deposit):</u>	\$2,000 (min.)	13	1
<u>Fee:</u>	\$50	7	2
<u>Rent:</u>	\$100 per 1,000 sq.mls. per annum if fee not less than \$100 per annum and not more than \$1,000 per annum.	15	2
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Within 6 months start surface geological work.		
	Other requirements may be added to the above.	17	1
	Submit quarterly reports and maps to the Minister.		
<u>Credits:</u>	Not provided for.		
<u>Grouping:</u>	Not provided for.		
<u>Preferential right to Licence and obligation:</u>	May not dispose of petroleum	17	2
	Permittee has a preferential right to Oil Prospecting Licence or Oil Mining Licence of any part of an Oil Exploration Licence.	18	

Petroleum LegislationSouth Australia- B. Licence Stage

Principal Act; No.58, 1940

\*Amendment Act; No.16, 1958

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Name:</u>	Oil Prospecting Licence		
<u>Area:</u>	Max.-200 sq.mls.; Min.-8 sq.mls.	20	1
<u>No. of Licences:</u>	No limit		
<u>Term:</u>	5 years max. Renewal possible for same period as initial grant.	23	1,2
<u>Bond:</u>	\$2,000 (min.) with surety approved by Minister.	13	1
<u>Fee:</u>	\$50	7	2
<u>Rent:</u>	Initial term= 50c per sq.ml. per annum. (min. \$25) Renewals \$1 per sq.ml. per annum (min. \$50) All payable in advance.	24	a,b
<u>Royalty:</u>	Cannot dispose of petroleum until an Oil Mining Licence has been granted.	25	3
<u>Work Obligations:</u>	Scheme of prospecting approved by Minister. Carry out detailed survey by or under supervision of a geologist to Minister's satisfaction. Examination of samples and fossils. Retain same, submit quarterly reports, submit geological map. If petroleum found in a borehole, licensee may be directed by Minister to prove quality and quantity of petroleum.	25	1,2
<u>Credits:</u>	Not provided for.		

Petroleum LegislationSouth Australia- C. Lease Stage

Principal Act; No.58, 1940

\*Amendment Act; No.16, 1958

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Oil Mining Licence		
<u>Area:</u>	Not more than 100 sq.mls. or less than 4 sq.ml.	28	
<u>No. of Leases:</u>	No limit. One OML may cover two or more areas.	8a	
	Minister may alter areas of Licence or require that two or more licencees join their holdings to permit unit development of an oilfield.	72	1
<u>Obligations and privileges:</u>	Right to conduct oil mining operations.	45b	
	Helium remains property to the Crown.	33 &	
	Drilling to commence within 6 months.	36	1
<u>Rent:</u>	\$20 per sq.ml. per annum deductible from royalty.	34	
<u>Surrendered Area:</u>	Holder of OPL has preferential right to OML within his OPL. It may be granted over land adjacent to an OPL held by the applicant.	26	
<u>Term:</u>	21 years first term; renewed at Minister's discretion.	32	1
<u>Royalty:</u>	10% of selling value of all petroleum produced.	35	1



Petroleum LegislationWestern Australia-A. Permit Stage

Principal Act; 1936-1954

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Permit to Explore		
<u>Area:</u>	Max.- None ; Min.-1,000 sq.mls.	33	
<u>No. of Permits:</u>	No limit.		
<u>Term:</u>	2 years. Extensions of one year at Minister's discretion.	35	3
<u>Bond:</u>	\$2,000 by sureties.	35	1
<u>Fee:</u>	\$200	24	1
<u>Rent:</u>	None		
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	To the satisfaction of the Minister. Scout-drilling only allowed. Within 3 months start reconnaissance, aerial, geological, or geophysical survey. Submit quarterly reports, maps and samples, etc. May not drill at all without the consent of the Minister.	38	1,2
<u>Credits:</u>	Not provided for.		
<u>Groupings:</u>	Not provided for.		
<u>Preferential right to Licence and obligation:</u>	The Minister may grant or cause to be granted to the permittee, who has carried out his work obligations to the Minister's satisfaction, one or more Licences to Prospect.	42	1

Petroleum LegislationWestern Australia- B. Licence Stage

Principal Act; 1936-1954

<u>Subject</u>	<u>Substance of Section</u>	Reference	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Name:</u>	Licence to Prospect		
<u>Area:</u>	Max.-200 sq.mls. ; Min.- 8 sq.mls.	44	3
<u>No. of Licences:</u>	No limit.		
<u>Term:</u>	2 years for licences granted after 1.1.55; 3 extensions of 1 year may be granted by Minister.	45	3a
<u>Bond:</u>	\$2,000 (min.) with surety approved by Minister	44	4
<u>Fee:</u>	None.		
<u>Rent:</u>	50c per sq.ml. for first year; (max.\$25). Every subsequent year \$1 per sq.ml. per annum (max. \$50).	48	
<u>Royalty:</u>	Production prohibited without a lease.	55	4
<u>Work Obligations:</u>	Within 6 months start geological survey and carry it out thereafter. Keep records of operations, samples, etc. Forward monthly reports to Minister. May not drill at all without consent in writing by Minister "which consent shall not be unreason- ably withheld".	49	1,2
<u>Credits:</u>	Not provided for.		
<u>Surrendered Area:</u>	On application for lease, 50% of each licence area shall revert to the Crown.	55A	2

Petroleum LegislationWestern Australia- C. Lease Stage

Principal Act; 1936-1954

<u>Subject</u>	<u>Substance of Section</u>	Reference <u>Sect.</u> <u>Sub-Sec.</u>	
<u>Lease Stage:</u>	Lease		
<u>Area:</u>	Not more than one-half of Licence to Prospect if Licence granted after 1.1.55.	55A	3
<u>No. of Leases:</u>	No limit.	55A	1
<u>Unitization:</u>	Not provided for.		
<u>Obligations and Privileges:</u>	Right to produce petroleum. Minister may direct that production be disposed of only in Australia. Drilling to commence within 6 months.	63	1
<u>Rent:</u>	\$20 per sq.ml. per annum deductible from royalty.	60	
<u>Term:</u>	21 years for first term; renewed at Minister's discretion.	59	1
<u>Royalty:</u>	Fixed by Minister, between 5-15% of gross value of petroleum produced.	71	3

Petroleum LegislationNorthern Territory- A. Permit Stage

Principal Act; 1954-1964

\*Amendment Act; No.28, 1966

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Permit		
<u>Area:</u>	Max.- 10,000 sq.mls.	14	1
	Min.- 500 sq.mls. (Both may be waived at discretion of Administrator.)	*21	
		(*15)	(2)
<u>No. of Permits:</u>	No limit on number. Max. aggregate area may exceed 10,000 sq.mls. with approval of Minister.	14	1
<u>Term:</u>	5 years.	21	3e
	Extensions of 5 years but aggregate permit term must not exceed 15 years.	22	5,6
<u>Bond (Deposit):</u>	\$2,000 (min.) surety approved by Administrator	*20b	*2b
		(*13)	
<u>Fee:</u>	\$200	*18	2
		(*12)	
<u>Rent:</u>	None		
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Within 6 months start reconnaissance survey by competent geologist or geophysicist and carry it out to satisfaction of Administrator. Submit quarterly reports, keep logs, samples, etc. If oil or gas discovered in a well, the permittee may be required to prove quality and quantity.	26B	1,2
<u>Credits:</u>	Not Provided for in Ordinance, but aggregation of expenditure may be approved by Administrator.	25b	
<u>Grouping:</u>	Not provided for.		
<u>Preferential right to Licence and obligation:</u>	Permittee who carried out his obligations and duties has preferential right to a lease of any permit.	17	
	May not dispose of any petroleum from land comprising the Permit until a lease is granted.	27	1

Petroleum Legislation

\*Licence Stage entirely omitted by 1966 Amendment

Northern Territory-B. \*Lease Stage

Principal Act; 1954-64

\*Amendment Act; No.28, 1966

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Lease		
<u>Area:</u>	Max.-1,000 sq.mls. or one-half the Permit area, whichever is the lesser.	44	1a,c
<u>No. of Leases:</u>	No limit provided aggregate area does not exceed 1,000 sq.mls.	*14 (*19)	2
<u>Unitization:</u>	Administrator may require that a scheme which covers several leases and which is acceptable to him be made effective for the unit development of any oilfield.	98	1
<u>Obligations and privileges:</u>	Drilling to commence within 6 months.	55	1
	Exclusive right to produce petroleum.	60	
	A bond of \$20,000 to be furnished with the application.	44	2
	Initial leases only to the holder of a Permit.		
	If more than one lease is applied for, bond requirement may be waived.	45	2
<u>Rent:</u>	\$30 per sq.ml. for first 5 years.		
	\$60 per sq.ml. for next 5 years.	56	2
	\$100 per sq.ml. therefore; may be reduced if circumstances warrant.		
	Rent is deductible from royalty.		
<u>Surrendered Area:</u>	Excluded land may be held under Permit.	47	1
	Area of land under Permit may be increased by the acreage of any lease granted.	48	1a
<u>Term:</u>	21 years;	46	2c
	Renewable for 21 years.	50	1
<u>Royalty:</u>	10% of wellhead value (gross)	57	1

Petroleum LegislationPapua- New Guinea - A. Permit Stage

Principal Act; 1951-62

\*Amendment Act; 11, 1963

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Permit		
<u>Area:</u>	Max.-10,000 sq.mls. unless with approval of Governor-General. Min.-None.	21	2
<u>No. of Permits:</u>	No limit on number held. Max. aggregate area may exceed 10,000 sq.mls. with permission of Governor-General.	17	1b
<u>Term:</u>	1 year.	21	3d.
	Extensions of up to 3 years each but aggregate permit term must not exceed 10 years.	21	5,6
<u>Bond (Deposit):</u>	\$2,000 (min.) surety approved by Administrator	20	b,c
<u>Fee:</u>	\$200	19	3
<u>Rent:</u>	None		
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Within 6 months start reconnaissance survey by competent geologist or geophysicist and carry it out to satisfaction of Administrator. Submit quarterly reports, keep logs, samples, etc. If oil discovered, the permittee may be required to prove quality and quantity.	25	1,2
<u>Credits:</u>	Not provided for in Ordinance but aggregation of expenditure may be approved of by the Administrator.	29	2
<u>Grouping:</u>	Not provided for.		
<u>Preferential right to Licence and obligation</u>	Permittee who carried out his obligations and duties has a preferential right to a Licence of any part of Permit.	18	
	May not dispose of any petroleum from land comprising the Permit until a lease is granted.	25	3
	N.B. Administrator may authorize disposal before lease granted.	25	4

Petroleum LegislationPapua- New Guinea- B. Licence Stage

Principal Act; 1951-1962

\*Amendment Act; No.11, 1963

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Licence Stage:</u>	Licence		
<u>Area:</u>	Max.-2,500 sq.mls.; Min.-50 sq.mls.	30	2
<u>No. of Licences:</u>	No limit as to number specified but aggregate area of Licences may not exceed 2,500 sq.mls. or $\frac{1}{2}$ the area of the Permit, whichever is the lesser.	17	1b,ii
		30	2c.
<u>Term:</u>	2 years. Extensions of up to 1 year but aggregate Licence term may not exceed 8 years, except with approval of Governor-General.	31	1,3
<u>Bond:</u>	\$50,000 (max.) may cover several Licences. \$10,000 (Min.) with sureties.	29	1b,c & 2
<u>Fee:</u>	\$40 plus \$50 applicable to first year's rent if Licence granted- otherwise refunded.	27	2
<u>Rent:</u>	10c per sq.ml. for first year; increasing by 10c every year to 5th year inclusive. 50c per sq.ml. for 5th year increasing by 50c per sq.ml. every year to 8th year inclusive.	35	
<u>Royalty:</u>	Cannot dispose of production until a Lease is granted without special permission.	36	4,5
<u>Work Obligations:</u>	Carry out detailed survey by geologist or under his supervision. Make scientific examination of samples, specimens, etc. Retain samples, specimens, etc. Submit quarterly reports, after completion of survey, submit detailed reports, and supporting evidence and data; a geological map to a minimum scale of 1:50,000; report on results of examination of specimens. In the event of the discovery of petroleum in a well, Licencee may be required to prove quality and quantity of petroleum.	36	1,3
<u>Credits:</u>	Not provided for in the Ordinance but aggregation of expenditure may be approved by Administrator.	40	2

Petroleum LegislationPapua- New Guinea - C. Lease Stage

Principal Act; 1951-1962

\*Amendment Act; No.11, 1963

<u>Subject</u>	<u>Substance of Section</u>	<u>Reference</u>	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Lease		
<u>Area:</u>	(Granted only to Licencees or Permittee)		
	Max.-500 sq.mls.; Min.-10 sq.mls.	41	4
<u>No. of Leases:</u>	No limit provided aggregate area of leases does not exceed 500 sq.mls. or $\frac{1}{2}$ area of Licence, whichever is the lesser.	17 41	1b.iii 3c.
<u>Unitization:</u>	Administrator may require that a scheme that covers several leases and which is acceptable to him be made effective for the unit development of any oilfield.	83	1
<u>Obligations and priviledges;</u>	Drilling to commence within 6 months.	48	1
	Exclusive right to produce and dispose of pet. A bond of \$20,000 to be furnished with the application.	45 40	1b
	Initial leases granted only to the holder of a Licence.	41	2
	If more than one lease is applied for, bond requirement may be waived.	40	2
	Rent is deductible from royalty.		
<u>Rent:</u>	\$30 per sq.ml. for first 5 years, \$60 per sq. ml. for next 5 years; \$100 per sq.ml. thereafter may be reduced if circumstances warrant.	46	
<u>Surrendered Area:</u>	Licence continues in force for balance of land for 3 years or for total term for which the Licence could be extended; whichever is longer. Lessee has right to exchange any portion for an equal area of lease.	42	1
<u>Term:</u>	21 years; renewable for 21 year periods.	43	1
<u>Royalty:</u>	10% of Gross value at wellhead.	47	1



Petroleum Legislation

Australian Capital Territory (Canberra &amp; Jervis Bay)

A- Permit Stage

Principal Act: A.C.T. Mining Ordinance  
1930-1966

<u>Subject</u>	<u>Substance of Section</u>	Reference	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Permit Name:</u>	Authority to Prospect	14	(1)
<u>Area:</u>	At discretion of the Minister for the	14	(2)
	Interior. A Miner's Right must be obtained for each authority.	12	(3)
<u>No. of Permits:</u>	At Ministerial discretion.	12	(3)
		13	(2) (3) (4)
<u>Term:</u>	At Ministerial discretion	14	(2)
<u>Bond:</u>	--		
<u>Fee:</u>	At Ministerial discretion	14	(4)
<u>Rent:</u>	At Ministerial discretion	14	(4)
<u>Royalty:</u>	--		
<u>Work Obligations:</u>	Carry out prospecting operation in accordance with the conditions as determined. Upon discovery of petroleum shall report same to Minister within 14 days.	14	(5)
<u>Credits:</u>	Not provided for.		
<u>Preferential rights to lease:</u>	Minister may require holder to apply for a lease in the event of a discovery.	14	(6)

Petroleum Legislation

Australian Capital Territory (Canberra &amp; Jervis Bay)

C- Lease Stage

Principal Act: A.C.T. Mining Ordinance  
1930-1966

<u>Subject</u>	<u>Substance of Section</u>	Reference	
		<u>Sect.</u>	<u>Sub-Sec.</u>
<u>Lease Name:</u>	Mining Lease	20	(1)
<u>Area:</u>	640 acres (1 sq.mile) Max. as	31	(1)(c)
	Minister determines	31	(2)
<u>No. of Leases:</u>	No limit - amalgamation provided for - \$2 fee for amalgamation	40	(1) to (5)
<u>Term:</u>	20 years with renewal for a further 20 years.	35	(1)(2)
<u>Bond:</u>	At Ministerial discretion	36	
<u>Rent:</u>	At Ministerial discretion	33	
<u>Royalty:</u>	One percent of value of all production.	34	(1)(2)(3)
	No royalty payable if value does not exceed \$1000		
<u>Work Obligations:</u>	Carry out development and production	36	
	in accordance with the conditions		
	as determined. Discovery of minerals other than Petroleum, Minister may vary lease.	32	(2)