

**PETROLEUM (AMENDMENT) ACT.**

**New South Wales**



ANNO SEXTO DECIMO

**ELIZABETHÆ II REGINÆ**

\*\*\*\*\*

**Act No. 55, 1967.**

An Act to make further provisions with respect to exploration for, and the exploitation of, petroleum; for this purpose to amend the Petroleum Act, 1955, as amended by subsequent Acts; and for purposes connected therewith. [Assented to, 21st November, 1967.]

**B**E it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows :—

**1.** (1) This Act may be cited as the "Petroleum (Amendment) Act, 1967".

**(2)**

Short title,  
citation  
and com-  
mencement.

*Petroleum (Amendment).*

(2) The Petroleum Act, 1955, as amended by subsequent Acts and by this Act, may be cited as the Petroleum Act, 1955–1967. No. 55, 1967

(3) The Petroleum Act, 1955, as amended by subsequent Acts, is in this Act referred to as the Principal Act.

(4) The several provisions of this Act shall commence upon such day or days as may be appointed in respect thereof and notified by proclamation published in the Gazette.

2. Part I of the Principal Act is amended—

- (a) (i) by omitting from subsection one of section two the matter relating to Division 3 of Part III;
- (ii) by inserting in the same subsection next after the matter relating to Division 4 the following new matter :—

DIVISION 4A.—*Royalties.*

- (b) (i) by omitting from subsection one of section three the definition of “Bore-hole”;
- (ii) by omitting from the same subsection the definition of “Casinghead petroleum spirit”;
- (iii) by omitting from the same subsection the definition of “Crude oil”;
- (iv) by omitting from the definition of “‘Drilling’ or ‘boring’” in the same subsection the words “or ‘boring’”;
- (v) by omitting from the definition of “Mining surveyor” in the same subsection the words “Surveyors Act, 1929–1946, and specially appointed under the Mining Act, 1906–1952,

Amendment  
of Act No.  
28, 1955.

(Part I—  
Pre-  
liminary.)

Sec. 2.  
(Division  
into Parts.)

Sec. 3.  
(Interpre-  
tation.)

to

*Petroleum (Amendment).*

No. 55, 1967

to carry out surveys under that Act” and by inserting in lieu thereof the words “Surveyors Act, 1929, as amended by subsequent Acts”;

(vi) by omitting from the same subsection the definition of “Natural gas”;

(vii) by omitting from the same subsection the definition of “Petroleum” and by inserting in lieu thereof the following definition :—

“Petroleum” means—

(a) any naturally occurring hydrocarbon, whether in a gaseous, liquid or solid state;

(b) any naturally occurring mixture of hydrocarbons, whether in a gaseous, liquid or solid state; or

(c) any naturally occurring mixture of one or more hydrocarbons, whether in a gaseous, liquid or solid state, and one or more of the following, that is to say, hydrogen sulphide, nitrogen, helium and carbon dioxide,

and includes any substance referred to in paragraph (a), (b) or (c) of this definition that has been returned to a natural reservoir.

(viii) by omitting from the same subsection the definition of “Scout drilling”;

(ix) by omitting from the same subsection the definition of “Shut off”;

(x)

*Petroleum (Amendment).*

- (x) by omitting from the same subsection the definition of "Test well"; No. 55, 1967
- (xi) by inserting in the same subsection after the definition of "Under Secretary" the following definition : —
- "Well" means a hole made by drilling in connection with exploration for petroleum or operations for the recovery of petroleum, but does not include a seismic shot hole.
- (c) (i) by omitting from subsection one of section four the words "Mining Act, 1906–1952" and by inserting in lieu thereof the words "Mining Act, 1906, as amended by subsequent Acts"; Sec. 4.  
(Officers appointed under certain Acts deemed to be officers under this Act.)
- (ii) by omitting from the same subsection the words "Mines Inspection Act, 1901–1945" and by inserting in lieu thereof the words "Mines Inspection Act, 1901, as amended by subsequent Acts";
- (d) by omitting from section five the words ", petroleum prospecting licence". Sec. 5.  
(Minister or officer not to be interested in licence or lease.)
- 3.** Part II of the Principal Act is amended by omitting from subsection two of section six the words ", petroleum prospecting licences". Further amendment of Act No. 28, 1955.  
(Part II—Rights of the Crown as to Petroleum and Helium.)
- 4.** Sec. 6.  
(Petroleum and helium the property of the Crown.)

**No. 55, 1967**     **4.** Part III of the Principal Act is amended—

Further  
amendment  
of Act No.  
28, 1955.

(Part III—  
Licences  
and Leases  
Under  
This Act.)

Sec. 7.

(No pros-  
pecting or  
mining for  
petroleum  
except in  
pursuance  
of licence  
or lease.)

Sec. 8.

(Protection  
of rights  
under  
certain  
agreements.)

Sec. 9.

(Licences  
or leases  
may be  
granted.)

Sec. 10.

(Lodgment  
of applica-  
tions.)

- (a) (i) by omitting from section seven the words “or a petroleum prospecting licence”;
- (ii) by omitting from paragraph (b) of the proviso to the same section the words “, petroleum prospecting licence” wherever occurring;
- (b) by omitting section eight;
- (c) (i) by omitting from paragraph (a) of subsection one of section nine the words “and petroleum prospecting licences”;
- (ii) by omitting from subparagraph (ii) of the same subsection the words “, petroleum prospecting licence”;
- (d) (i) by inserting at the end of subparagraph (i) of paragraph (a) of subsection two of section ten the word “and”;
- (ii) by omitting subparagraph (ii) of the same paragraph;
- (iii) by inserting in paragraph (a) of subsection four of the same section after the word “Act” where firstly occurring the words “, and every request referred to in section fifteen of this Act,”;
- (iv) by inserting in the same subsection after the word “applicant” wherever occurring the words “or person nominated by the applicant”;

(e)

*Petroleum (Amendment).*

- (e) by omitting from paragraph (b) of section No. 55, 1967 seventeen the words "one thousand" and by inserting in lieu thereof the word "twenty-five";

Sec. 17.  
(Area of petroleum exploration licence.)

- (f) by omitting from subsection two of section eighteen the words ", and subject to section forty-three of this Act";

Sec. 18.  
(Term of petroleum exploration licence and renewal.)

- (g) by omitting section twenty;

Sec. 20.  
(Drilling other than scout drilling prohibited.)

- (h) (i) by omitting from paragraph (b) of subsection two of section twenty-one the words "the scout" and by inserting in lieu thereof the word "of";

Sec. 21.  
(Holder to furnish exploration scheme.)

- (ii) by omitting from paragraph (c) of the same subsection the word "scout";

- (iii) by inserting next after the same subsection the following new subsections :—

(2A) The Minister may, on an application in writing made to him by the holder of a petroleum exploration licence, exempt the holder from compliance with the requirement of this section that he furnish to the Minister a proposed scheme providing for a geological survey or other survey of the land comprised in the licence to be carried out if the Minister is satisfied that an adequate geological survey or other survey of the land has been carried out and that further such surveys are not necessary.

(2B) The holder of a petroleum exploration licence who has been so exempted shall, notwithstanding any other provision of this section, not be liable to comply with any requirement from which he has been so exempted.

(iv)

*Petroleum (Amendment).*

No. 55, 1967

(iv) by omitting from paragraphs (a), (b) and (c) of subsection six of the same section the word "scout" wherever occurring;

New secs.  
21A-21D.

(i) by inserting next after section twenty-one the following new sections :—

Work to be carried out by holder of petroleum exploration licence.

21A. The holder of a petroleum exploration licence shall, as from the commencement by him of prospecting operations on the land comprised in the licence, diligently and continuously carry on those operations in a workmanlike manner and in accordance with—

- (a) good oilfield practice;
- (b) the terms and conditions subject to which the licence was granted; and
- (c) any directions relating to the carrying on of those operations given to him by the Minister.

Discovery of petroleum to be notified.

21B. (1) Where petroleum is discovered in land comprised in a petroleum exploration licence, the holder of the licence—

- (a) shall forthwith inform the Minister of the discovery; and
- (b) shall, within a period of three days after the date of the discovery, furnish to the Minister particulars in writing of the discovery.

(2) Where petroleum is discovered in land comprised in a petroleum exploration licence, the Minister may, from time to time, by instrument in writing served on the holder of the licence, direct the holder to furnish to him, within the period specified in the instrument, particulars in writing of any one or more of the following :—

- (a) the chemical composition and the physical properties of the petroleum;

(b)

*Petroleum (Amendment).*

- (b) the nature of the stratum in which the petroleum occurs; and
- (c) any other matters relating to the discovery that are specified by the Minister in the instrument.

21c. Where petroleum is discovered in land comprised in a petroleum exploration licence, the Minister may, by instrument in writing served on the holder of the licence, direct the holder to do, within the period specified in the instrument, such things as the Minister thinks necessary and specifies in the instrument to determine the chemical composition and physical properties of that petroleum and to determine the quantity of petroleum in the petroleum deposit to which the discovery relates or, if part only of that petroleum deposit is within the land comprised in the petroleum exploration licence, in such part of that petroleum deposit as is within that land.

Directions by Minister on discovery of petroleum.

21d. (1) Where petroleum is discovered in land comprised in a petroleum exploration licence the Minister may, by instrument in writing, direct the holder of the licence to apply, within such period as may be specified in the direction, for a petroleum mining lease of so much of that land as is so specified.

Direction to holder of petroleum exploration licence to apply for lease.

(2) If the holder of a petroleum exploration licence does not apply for a lease in accordance with directions given to him under subsection one of this section the Minister may cancel the licence.

- (j) by omitting Division 3;

Part III,  
Division 3.  
(Petroleum  
Prospecting  
Licences.)

- (k) by omitting from section twenty-eight the words "or a petroleum prospecting licence";

Sec. 28.  
(Grant of  
petroleum  
mining  
lease.)

(1)



*Petroleum (Amendment).*

- No. 55, 1967**
- Sec. 29.  
(Area of petroleum mining lease.)
- Sec. 30.  
(Term of petroleum mining lease and renewal.)
- Sec. 32.  
(Royalty on petroleum, etc.)
- New  
Division 4A.
- (1) by omitting from paragraph (a) of section twenty-nine the words "one hundred" and by inserting in lieu thereof the word "twenty-five";
- (m) by inserting in subsection two of section thirty after the word "Act" the words "in respect of leases, other than renewals of leases,";
- (n) by omitting section thirty-two;
- (o) by inserting next after section thirty-four the following new Division :—

DIVISION 4A.—*Royalties.*

Interpretation.

34A. In this Division "royalty period", in relation to a petroleum exploration licence or a petroleum mining lease, means—

- (a) the period from and including the date of the licence or lease to the end of the month of the year during which that date occurs; and
- (b) each month of the year thereafter.

Royalty.

34B. (1) The conditions subject to which a petroleum exploration licence or petroleum mining lease is granted shall include a condition that the holder of the licence or lease shall pay to the Minister a royalty at the prescribed rate in respect of all petroleum recovered under the licence or lease.

(2) The prescribed rate in respect of petroleum—

- (a) recovered under a petroleum exploration licence is such percentage, not exceeding ten per centum of the value at the well-head of  
**the**

*Petroleum (Amendment).*

the petroleum as may be determined by the Minister and notified by instrument in writing served on the holder of the licence; No. 55, 1967

- (b) recovered under a petroleum mining lease, not being a renewal of a petroleum mining lease, is the rate of ten per centum of the value at the well-head of the petroleum;
- (c) recovered under a petroleum mining lease, being a renewal of such a lease, is such rate as may be approved by the Governor under paragraph (b) of subsection two of section thirty of this Act; or
- (d) recovered under a petroleum mining lease, as deemed to be extended by section 30A of this Act, is the rate as varied under that section.

## 34c. (1) Royalty under this Act—

- (a) is not payable in respect of petroleum that the Minister is satisfied was unavoidably lost before the quantity of that petroleum was ascertained; Royalty not payable in certain cases.
- (b) is not payable in respect of petroleum that is used by the holder of the petroleum exploration licence or the petroleum mining lease, as approved by the Minister, for the purposes of operations authorised by the licence or lease, as the case may be; and
- (c) is not payable in respect of petroleum that, with the approval of the Minister, is flared or vented in connection with operations for the recovery of petroleum.

(2) Where petroleum that has been recovered by the holder of a petroleum exploration licence or petroleum mining lease is, with the approval of the Minister, returned to a natural reservoir, royalty under this Act is not payable in respect

*Petroleum (Amendment).*

No. 55, 1967

respect of that petroleum by reason of that recovery but this subsection does not affect the liability of that or any other holder of a petroleum exploration licence or petroleum mining lease to pay royalty in respect of petroleum that is recovered from that natural reservoir.

Ascertain-  
ment of  
well-head.

34D. For the purposes of this Act, the well-head, in relation to any petroleum, is such equipment used for the recovery of the petroleum as is agreed between the holder of the exploration licence or petroleum mining lease and the Minister, or, in default of agreement within such period as the Minister allows, is such equipment used for the recovery of petroleum by that holder as is determined by the Minister as being that well-head.

Ascertain-  
ment of  
value.

34E. For the purposes of this Act, the value at the well-head of any petroleum is such amount as is agreed between the holder of the petroleum exploration licence or petroleum mining lease and the Minister, or, in default of agreement within such period as the Minister allows, as is determined by the Minister as being that value.

Ascertain-  
ment of  
quantity of  
petroleum  
recovered.

34F. For the purposes of this Act, the quantity of petroleum recovered by the holder of a petroleum exploration licence or petroleum mining lease during a period shall be taken to be—

- (a) the quantity measured during that period by a measuring device approved by the Minister and installed at the well-head or at such other place as the Minister approves; or
- (b) where no such measuring device is so installed, or the Minister is not satisfied that the quantity of petroleum recovered by the holder

*Petroleum (Amendment).*

holder of the licence or lease has been properly or accurately measured by such a measuring device—the quantity determined by the Minister as being the quantity recovered by the holder of the licence or lease during that period. No. 55, 1967

34G. (1) Royalty under this Act in respect of petroleum recovered during a royalty period is payable not later than the last day of the next succeeding royalty period. Payment  
of royalty.

(2) Where an amount of royalty under this Act is not paid as provided by subsection one of this section, there is payable to the Minister by the holder of the petroleum exploration licence or the petroleum mining lease an additional amount calculated at the rate of one-third of one per centum per day upon the amount of royalty from time to time remaining unpaid, to be computed from the time when the royalty became payable until it is paid.

(3) An additional amount is not payable under subsection two of this section in respect of any period before the expiration of seven days after the value of the petroleum was agreed or determined under section 34E of this Act.

34H. Royalty under section 34B of this Act and an amount payable under section 34G of this Act are debts due by the holder of the petroleum exploration licence or petroleum mining lease to the Crown and are recoverable in a court of competent jurisdiction. Royalty  
and penal-  
ties debts  
due to  
the Crown.

(p)

*Petroleum (Amendment).*

No. 55, 1967

Subst.  
sec. 38.Registration.  
cf. Act No.  
49, 1906,  
s. 109.

(p) by omitting section thirty-eight and by inserting in lieu thereof the following section :—

38. (1) Every licence or lease under this Act shall be registered with the Registrar, Department of Mines, Sydney.

(2) Every transfer or assignment (except an assignment by operation of law) of, and every instrument (whether a sublease, tribute agreement, option contract, mortgage, deed of trust, partnership agreement, working agreement, or any other instrument) affecting, any licence or lease under this Act, together with a copy of every such instrument certified by any two persons to be a true copy of the original, shall be lodged within the time and in the manner prescribed for the concurrence of the Minister and for registration by the Registrar, Department of Mines, Sydney, under the provisions of this section.

The Minister may refuse such concurrence or may grant it absolutely or subject to such amendments, modifications, stipulations or conditions as he may think necessary in the public interest to make or impose.

Any person who neglects or fails to comply with any such amendment, modification, stipulation or condition so imposed upon him shall be liable to a penalty not exceeding one hundred dollars and to a further penalty not exceeding ten dollars for each and every day such neglect or failure continues.

Any transfer, assignment or other instrument required to be lodged for registration under this subsection, which is not lodged within the time and in the manner prescribed, shall not be registered unless the Minister so approves.

(3)

*Petroleum (Amendment).*

---

(3) Every transfer, assignment or instrument which by this section is required to be lodged for registration shall be lodged by such person as may be prescribed. No. 55, 1967

Any person so prescribed who neglects or fails to lodge any transfer, assignment or instrument in accordance with the requirements of subsection two of this section shall be liable upon conviction to a penalty not exceeding one hundred dollars and to a further penalty not exceeding ten dollars for each and every day such neglect or failure continues.

(4) (a) No transfer or assignment (except an assignment by operation of law) of, and no instrument (whether a sublease, tribute agreement, option contract, mortgage, deed of trust, partnership agreement, working agreement or any other instrument) affecting, any licence or lease under this Act shall have any force or effect unless it is in writing and is signed by the parties thereto.

Nothing in this paragraph applies to any transfer or assignment or instrument made before the commencement of this section.

(b) Any transfer, assignment or other instrument required to be lodged for registration under subsection two of this section shall not have any force or effect until it is registered under the provisions of this section.

Nothing in this paragraph applies to any transfer, assignment or other instrument made before the commencement of this section.

(5) Any person claiming interest in any licence or lease under this Act may, before the registration of any instrument required by subsection one or two of this section to be registered, lodge with the Minister a caveat in the prescribed form,

*Petroleum (Amendment).*

No. 55, 1967

form, and accompanied by the prescribed fee, against such registration. On receipt of such caveat the Minister shall stay registration for twenty-eight days, unless the caveat is sooner withdrawn, but may then register the instrument, unless the person lodging the caveat has obtained and served upon him an order of some competent court forbidding such registration.

(6) Every licence or lease or transfer, assignment or instrument registered, or submitted for registration, and every caveat lodged, under and in accordance with this section as in force before the substitution of this section by the Petroleum (Amendment) Act, 1967, shall be deemed to have been registered, or lodged for registration, or lodged, as the case may be, under and in accordance with this section as so substituted.

(7) Any amendments, modifications, stipulations or conditions made or imposed by the Minister at the time of his granting his concurrence or sanction under this section as in force before the substitution of this section by the Petroleum (Amendment) Act, 1967, shall be deemed to be amendments, modifications, stipulations or conditions imposed by the Minister under this section as so substituted.

(8) Subject to subsection four of this section this section shall apply to licences, leases, transfers, assignments and instruments executed or made before the substitution of this section by the Petroleum (Amendment) Act, 1967, except instruments not required to be registered under this section before such substitution.

(9) The functions of the Registrar under this section may be performed by the Deputy Registrar, Department of Mines, Sydney.

(q)

*Petroleum (Amendment).*

(q) (i) by omitting from paragraph (a) of subsection one of section forty-one the words "Mining Act, 1906-1952" and by inserting in lieu thereof the words "Mining Act, 1906, as amended by subsequent Acts";

No. 55, 1967

Sec. 41.

(Disputes between holders of licences or leases

and other persons carrying on operations on land under licence or lease.)

(ii) by omitting from paragraph (d) of the same subsection the word "minerals," and by inserting in lieu thereof the words "minerals; or";

(iii) by inserting next after the same paragraph the following new paragraph :—

(e) the provisions of the State Coal Mines Act, 1912, as amended by subsequent Acts,

(r) by omitting from paragraph (a) of subsection two of section forty-two the word "bore-holes" and by inserting in lieu thereof the word "wells";

Sec. 42.

(Suspension of conditions of licence or lease.)

(s) by inserting next after section forty-two the following new section :—

New sec. 42A.

42A. (1) The holder of a licence or lease under this Act who has commenced drilling operations on the land comprised in the licence or demised by the lease shall not, without the consent of the Minister, cease those operations or remove any drilling rig from the site of those operations.

Drilling operations to be carried on continuously.

(2) A holder of a licence or lease under this Act who contravenes any of the provisions of subsection one of this section is guilty of an offence against this Act.

(3) A consent given by the Minister under this section may be subject to such conditions and requirements as are specified in the consent.

(4)



*Petroleum (Amendment).*

No. 55, 1967

(4) The holder of a licence or lease under this Act who fails to comply with, or contravenes, any condition or requirement subject to which a consent was given to him under this section is guilty of an offence against this Act.

Sec. 43.

(Power of Minister on application for re-newal.)

(t) by omitting section forty-three;

Sec. 45.

(Saving of powers to dispose of land.)

(u) (i) by inserting in section forty-five after the word "lease" where firstly occurring the words ", or in any easement or right of way,";

(ii) by inserting in the same section after the word "lease" where fourthly occurring the words ", or any easement or right of way,";

Sec. 47.

(Operations on private land.)

(v) (i) by inserting in section forty-seven after the word "lease" where firstly occurring the words ", or the subject of an easement or right of way,";

(ii) by inserting in the same section after the word "conducted" the words ", and the easement or right of way shall be used,";

Sec. 48.

(Liability to compensate owner or occupier.)

(w) (i) by inserting in section forty-eight after the word "lease" where firstly occurring the words ", or a person to whom an easement or right of way has been granted,";

(ii) by inserting in the same section after the word "lease" where secondly occurring the words ", or the subject of the easement or right of way,";

(iii) by omitting from the same section the words "scout drilling,";

(iv) by inserting in the same section after the word "holder" where lastly occurring the words "or by reason of the use of the easement or right of way";

(x)

*Petroleum (Amendment).*

- (x) (i) by omitting from subsection one of section fifty-one the words "scout drilling or" wherever occurring; **No. 55, 1967**  
Sec. 51.  
 (Compensation before commencement of scout drilling or drilling on private land covered by licence.)
- (ii) by inserting in the same subsection after the word "operations" where secondly occurring the words "notify the owner and occupier, if any, of the private lands of his intention to carry out the operations and";
- (y) (i) by inserting in subsection one of section fifty-three after the word "lease" where firstly occurring the words ", or a person to whom an easement or right of way has been granted,"; Sec. 53.  
 (Compensation.)
- (ii) by inserting in the same subsection after the word "holder" where secondly occurring the words "or person, as the case may be,";
- (iii) by inserting in the same subsection after the word "lease" where secondly occurring the words "or such easement or right of way";
- (iv) by inserting next after the same subsection the following new subsection :—
- (1A) The holder of a licence or lease under this Act shall be liable to compensate in accordance with this Act any other holder of a licence or lease whose operations under the licence or lease are detrimentally affected by the grant under this Act of an easement or right of way through, upon or in the land comprised in the licence, or demised by the lease, held by that other holder or by the use of any such easement or right of way.
- (v) by omitting from subsection two of the same section the word "Compensation" and by inserting in lieu thereof the words "Subject to subsection (1A) of this section, compensation";
- (vi)

*Petroleum (Amendment).*

No. 55, 1967

(vi) by inserting in the same subsection after the word "lease" the words ", or a person to whom an easement or right of way has been granted,";

(vii) by inserting in the same subsection after the word "holder" where secondly occurring the words "or person, as the case may be,";

Sec. 55.  
(Measure of  
compensation.)

(z) by inserting next after paragraph (b) of subsection one of section fifty-five the following new paragraph :—

(bi) any loss occasioned to the holder of a licence or lease by reason of that holder's operations under the licence or lease being detrimentally affected by the grant under this Act, to the holder of another licence or lease, of an easement or right of way through, upon or in the land comprised in the licence, or demised by the lease, held by that firstmentioned holder, or by the use of any such easement or right of way;

Sec. 56.  
(How compensation  
assessed.)

(aa) (i) by omitting from subsection one of section fifty-six the words "Mining Act, 1906-1952" and by inserting in lieu thereof the words "Mining Act, 1906, as amended by subsequent Acts";

(ii) by inserting in subsection three of the same section after the word "lease" the words ", or by the person to whom the easement or right of way has been granted,";

(iii) by inserting in subsection four of the same section after the word "holder" the words ", or the easement or right of way granted to the person,";

(iv) by inserting in the same subsection after the word "cancelled" the words "or revoked, as the case may be";

(v)

*Petroleum (Amendment).*

- (v) by inserting in subsection five of the same section after the word "lease" the words ", or the revocation of an easement or right of way,"; **No. 55, 1967**
- (ab) by omitting from section fifty-seven the words "Mining Act, 1906-1952" and by inserting in lieu thereof the words "Mining Act, 1906, as amended by subsequent Acts"; **Sec. 57.**  
(Application of certain provisions of Act No. 49, 1906.)
- (ac) by omitting subsection three of section sixty-one; **Sec. 61.**  
(Drilling of wells with respect to wells on other land.)
- (ad) by omitting section sixty-three and by inserting in lieu thereof the following section :— **Subst. sec. 63.**
63. (1) The holder of a petroleum exploration licence or a petroleum mining lease shall before abandoning a well— **Abandonment of wells.**
- (a) give to the Minister or an inspector under this Act at least twenty-four hours' notice of his intention to abandon the well and shall specify in the notice particulars of the method proposed to be used, and the works proposed to be carried out, by the holder in connection with the abandonment of the well; and
- (b) comply with any directions given to him by the Minister or an inspector with respect to the abandonment of the well.
- (2) Forthwith after the receipt of any such notice the Minister or inspector shall cause particulars thereof to be transmitted to the Secretary of the Water Conservation and Irrigation Commission.

*Petroleum (Amendment).*

No. 55, 1967

(3) Any such holder shall not, without the prior consent of the Minister and except in accordance with any directions given to him by the Minister, withdraw or cause to be withdrawn any casing from a well.

Sec. 67.  
(Agreements  
for joint  
drilling  
of wells.)

(ae) by omitting from subsection three of section sixty-seven the words "sections twenty-seven and" and by inserting in lieu thereof the word "section";

Subst.  
sec. 68.

(af) by omitting section sixty-eight and by inserting in lieu thereof the following section :—

Unit  
develop-  
ment.

68. (1) In this section, "unit development", in relation to a petroleum deposit, means the co-ordination of operations for the recovery of petroleum being carried on or to be carried on in land demised by a lease under this Act in which there is part of that deposit with other operations for the recovery of petroleum being carried on or to be carried on in any other area, whether within the State of New South Wales or not, in which there is part of that deposit.

(2) The holder of a lease under this Act may from time to time enter into an agreement in writing for or in relation to the unit development of a petroleum deposit.

(3) The Minister, of his own motion or on application made to him in writing by—

(a) the holder of a lease under this Act where there is part of a particular petroleum deposit in the land demised by the lease held by that lessee; or

(b) a person who is lawfully entitled to carry on operations for the recovery of petroleum in an area outside the State of New South Wales that includes part of a particular petroleum deposit that extends into the State of New South Wales,

may,

*Petroleum (Amendment).*

---

may, for the purpose of securing the more effective No. 55, 1967 recovery of petroleum from the petroleum deposit, direct the holder of any lease under this Act of land that includes part of the petroleum deposit to enter into an agreement in writing, within the period specified in the instrument, for or in relation to the unit development of the petroleum deposit and to lodge the agreement with him forthwith in accordance with section thirty-eight of this Act.

(4) Where—

- (a) the holder of a lease under this Act who is directed under subsection three of this section to enter into an agreement for or in relation to the unit development of a petroleum deposit does not enter into such an agreement within the specified period;  
or
- (b) the holder of a lease under this Act enters into such an agreement but the agreement is not lodged for the concurrence of the Minister and for registration in accordance with subsection three of this section or, if so lodged, does not receive the Minister's concurrence under section thirty-eight of this Act,

the Minister may, by instrument in writing served on the holder of the lease, direct that holder to submit to him, within the period specified in the instrument, a scheme for or in relation to the unit development of the petroleum deposit.

(5) At any time after the expiration of the period within which a scheme for or in relation to the unit development of a petroleum deposit is to be submitted by the holder of a lease under this Act under subsection four of this section the Minister may, by instrument in writing served on  
the

*Petroleum (Amendment).***No. 55, 1967**

the holder of the lease, give to the holder such directions as the Minister thinks necessary for the purpose of securing the more effective recovery of petroleum from the petroleum deposit.

(6) Where there is part of a particular petroleum deposit in lands demised by two or more leases under this Act held by the same person, the Minister may, after consultation with the holder of the leases, by instrument in writing served on the holder, give to the holder such directions as the Minister thinks necessary for the purpose of securing the more effective recovery of petroleum from the petroleum deposit.

(7) Where an agreement under this section is in force or the Minister has given directions under subsection five or six of this section, the Minister may, having regard to additional information that has become available, and after consultation with the holder of the lease or the holders of the leases concerned, by instrument in writing served on the holder or holders, give to the holder or holders such directions, or further directions as the case may be, as he thinks necessary for the purpose of securing the more effective recovery of petroleum from the petroleum deposit.

(8) Directions under subsection five, six or seven of this section may include directions as to the rate at which petroleum is to be recovered.

(9) An agreement under this section is an instrument to which section thirty-eight of this Act applies.

Sec. 69.  
(Notification  
of intention  
to drill.)

(ag) by omitting from section sixty-nine the word "borehole" wherever occurring and by inserting in lieu thereof the word "well";

(ah)

*Petroleum (Amendment).*

- (ah) (i) by omitting from subsection one of section seventy-two the words "bore cores" wherever occurring and by inserting in lieu thereof the word "cores"; **No. 55, 1967**  
Sec. 72.  
 (Samples of strata, petroleum and water.)
- (ii) by omitting from paragraph (a) of the same subsection the word "bore-hole" wherever occurring and by inserting in lieu thereof the word "well".

## 5. Part IV of the Principal Act is amended—

- Further amendment of Act No. 28, 1955.  
 (Part IV—Inspection and Control.)
- (a) (i) by inserting in section seventy-four after the word "lease" where firstly occurring the words ", or the subject of an easement or right of way,"; Sec. 74.  
 (Authority to enter on land.)
- (ii) by inserting in the same section after the word "lease" where secondly occurring the words "or easement or right of way";
- (b) by omitting from subsection one of section seventy-five the words "scout drilling or"; Sec. 75.  
 (Appointment of manager.)
- (c) by inserting in paragraph (a) of section seventy-six after the word "lease" the words ", or on any land the subject of an easement or right of way granted to him under this Act,"; Sec. 76.  
 (Health and safety.)
- (d) (i) by inserting in subsection one of section seventy-seven after the word "lease" where firstly occurring the words ", or with the use of any easement or right of way"; Sec. 77.  
 (Notice to be given of cause of danger.)
- (ii) by inserting in the same section after the word "manager" the words "or to the person to whom the easement or right of way was granted"; (e)



*Petroleum (Amendment).*

**No. 55, 1967**  
**Sec. 78.**  
**(Accidents.)**

- (e) (i) by inserting in subsection one of section seventy-eight after the word "lease" where secondly occurring the words ", or with the use of an easement or right of way under this Act";
- (ii) by inserting in the same subsection after the word "holder" where secondly occurring the words "or the person to whom the easement or right of way was granted";
- (iii) by inserting in subsection two of the same section after the word "manager" the words "and the person to whom any easement or right of way was granted";
- (iv) by inserting in the same subsection after the word "aforesaid" the words "or with the use of the easement or right of way";

**Sec. 79.**  
**(Power of Minister to do works required by this Act.)**

- (f) (i) by inserting next after subsection one of section seventy-nine the following new subsection :—

(1A) If a person to whom an easement or right of way has been granted under this Act fails or refuses to comply with any lawful instruction or direction given to him under this Act or to carry out any operations or do any act in accordance with the requirements of any provision of this Act applicable to him, the Minister may by his workmen or agents enter on the land the subject of the easement or right of way and carry out any works specified in the instructions or direction, or carry out those operations or do that act, at the expense of that person.

- (ii) by inserting in subsection two of the same section after the word "one" the word and symbols "or (1A)";

(iii)

*Petroleum (Amendment).*

- 
- (iii) by omitting from the same subsection the words "such holder" and by inserting in lieu thereof the words "the person to whom the instructions were or the direction was given".

6. Part V of the Principal Act is amended—

Further  
amendment  
of Act No.  
28, 1955.

(Part V—  
Miscel-  
laneous.)

- (a) by omitting from subsection one of section eighty-one the word ", royalties" wherever occurring;
- (b) by omitting from subsection two of the same section the word ", royalty".

Sec. 81.  
(Fees, etc.,  
payable by  
due date.)

---

**APPROPRIATION**