

Petroleum Legislation Amendment Bill 2016

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Western Australia

LEGISLATIVE ASSEMBLY

Petroleum Legislation Amendment Bill 2016

A Bill for

An Act to amend the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum (Submerged Lands) Act 1982*.

The Parliament of Western Australia enacts as follows:

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Part 1 — Preliminary

1. Short title

This is the *Petroleum Legislation Amendment Act 2016*.

2. Commencement

This Act comes into operation as follows —

- (a) Part 1 — on the day on which this Act receives the Royal Assent;
- (b) the rest of the Act — on a day fixed by proclamation, and different days may be fixed for different provisions.

1 **Part 2 — *Petroleum and Geothermal Energy Resources***
2 ***Act 1967* amended**

3 **3. Act amended**

4 This Part amends the *Petroleum and Geothermal Energy*
5 *Resources Act 1967*.

6 **4. Section 5 amended**

7 (1) In section 5(1) insert in alphabetical order:

8

9 ***boundary-change permit*** means a petroleum
10 exploration permit granted under section 37B;

11 ***Commonwealth Act*** means the *Offshore Petroleum*
12 *and Greenhouse Gas Storage Act 2006*
13 (Commonwealth);

14 ***Commonwealth lease*** means a petroleum retention
15 lease as defined in the Commonwealth Act section 7;

16 ***Commonwealth licence*** means a fixed-term petroleum
17 production licence as defined in the Commonwealth
18 Act section 7;

19 ***Commonwealth permit*** means a petroleum exploration
20 permit as defined in the Commonwealth Act section 7;

21 ***granted***, in relation to a boundary-change permit, a
22 petroleum retention lease under section 48CD or a
23 petroleum production licence under section 61A,
24 means taken to have been granted;

25 ***offshore area*** has the meaning given in the *Petroleum*
26 *(Submerged Lands) Act 1982* section 4;

27

s. 5

- 1 (2) In section 5(1) in the definition of *geothermal exploration*
2 *permit* delete “issued under” and insert:
3
4 that confers the authority referred to in
5
- 6 (3) In section 5(1) in the definition of *petroleum exploration permit*
7 delete “issued under” and insert:
8
9 that confers the authority referred to in
10
- 11 (4) After section 5(8) insert:
12
- 13 (9) Notes in this Act are provided to assist understanding
14 and do not form part of the Act.
15
- 16 **5. Section 6A amended**
- 17 (1) In section 6A(1) insert in alphabetical order:
18
19 *Commonwealth instrument* means an instrument under
20 the Commonwealth Act that confers, in relation to the
21 offshore area, some or all of the rights that a permit,
22 lease or licence confers in relation to the inshore area;
23
- 24 (2) After section 6A(4) insert:
25
- 26 (5) If—
27 (a) a Commonwealth instrument has been granted
28 on the basis that an area (the *second affected*
29 *area*) is within the offshore area; and

1 (b) as a result of a change to the boundary of the
2 inshore area the second affected area —
3 (i) ceases to be within the offshore area;
4 and
5 (ii) falls within the inshore area,
6 then this Act does not apply to the second affected
7 area.

8 (6) Subsection (5) continues to apply in relation to the
9 second affected area only while the Commonwealth
10 instrument remains in force.
11

12 **6. Section 7A amended**

13 (1) In section 7A(2):

14 (a) delete “which an access” and insert:

15

16 which a geothermal access
17

18 (b) delete “petroleum pool or geothermal resources area,
19 being a pool or” and insert:

20

21 geothermal resources area, being an
22

23 (c) delete “access authority, any petroleum or” and insert:

24

25 geothermal access authority, any
26

27 (d) delete “under the licence” and insert:

28

29 under the geothermal production licence
30

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- 1 (2) In section 7A(3):
2 (a) delete “petroleum pool or”;
3 (b) delete “petroleum or” (each occurrence);
4 (c) delete “pool or” (each occurrence);
5 (d) delete “under the licence” and insert:
6
7 under the geothermal production licence
8
- 9 (3) In section 7A(5):
10 (a) delete “petroleum pool or”;
11 (b) delete “to explore for, or recover, petroleum, or”;
12 (c) delete “petroleum or” (each occurrence);
13 (d) delete “pool or” (each occurrence).
- 14 (4) In section 7A(7):
15 (a) in paragraph (a) delete “petroleum pool or”;
16 (b) in paragraph (a) delete “to explore for or recover
17 petroleum, or”;
18 (c) in paragraph (c) delete “petroleum or”;
19 (d) in paragraph (c) delete “pool or”;
20 (e) delete “all petroleum or” and insert:
21
22 all
23
- 24 (5) Delete section 7A(8) and insert:
25
- 26 (8) In this section —
27 (a) a reference to a geothermal production licence
28 includes a reference to a geothermal
29 exploration permit and a geothermal retention
30 lease; and

- 1 (b) a reference to a licensee is a reference to the
2 registered holder of a geothermal production
3 licence and includes a reference to a geothermal
4 permittee and a geothermal lessee; and
- 5 (c) a reference to a licence area is a reference to the
6 area constituted by the blocks that are the
7 subject of a geothermal production licence and
8 includes a reference to a geothermal permit area
9 and a geothermal lease area; and
- 10 (d) a reference to a State includes a reference to the
11 Northern Territory; and
- 12 (e) a reference to the Supreme Court is a reference
13 to the Supreme Court of the State, or of one of
14 the States, in which the petroleum pool is
15 wholly or partly situated.
- 16

17 Note: The heading to amended section 7A is to read:

18 **Geothermal resources area in, or extending into, other areas**

19 **7. Section 7B inserted**

20 After section 7A insert:

21

22 **7B. Petroleum pool in, or extending into, other areas**

- 23 (1) The provisions of this section have effect for the
24 purposes of this Act (including any Act with which this
25 Act is incorporated) and of licences (whether granted
26 before or after the commencement of this section).
- 27 (2) If a well-head is situated in a licence area or in an area
28 in respect of which a petroleum access authority is in
29 force (in this subsection called an ***access authority***
30 ***area***) and the well from that well-head is inclined so as
31 to enter a petroleum pool, being a pool that does not
32 extend to that licence area or access authority area, at a
33 place within an adjoining licence area of the same

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- 1 licensee or registered holder of the petroleum access
2 authority, any petroleum recovered through that well is
3 taken to have been recovered in that adjoining licence
4 area under the petroleum production licence in respect
5 of that area.
- 6 (3) If a petroleum pool is partly in one licence area and
7 partly in an adjoining licence area of the same licensee
8 and petroleum is recovered from that pool through a
9 well or wells in one or both of the licence areas, there
10 is taken to have been recovered in each of the licence
11 areas, under the petroleum production licence in
12 respect of that area, such proportion of all petroleum so
13 recovered as may reasonably be treated as being
14 derived from that area, having regard to the nature and
15 probable extent of the pool, and the respective
16 proportions are to be determined in accordance with
17 subsection (4).
- 18 (4) The proportions to be determined for the purposes of
19 subsection (3) may be determined by agreement
20 between the licensee and the Minister or, in the
21 absence of agreement, may be determined by the
22 Supreme Court on the application of the licensee or the
23 Minister.
- 24 (5) If a petroleum pool is partly in a licence area and partly
25 in another area in which the licensee has authority
26 under another written law or a law of another State or
27 the Commonwealth to explore for, or recover,
28 petroleum, and petroleum is recovered from that pool
29 through a well or wells in the licence area, the other
30 area or both, there is taken to have been recovered in
31 the licence area such proportion of all petroleum so
32 recovered as may reasonably be treated as being
33 derived from the licence area, having regard to the
34 nature and probable extent of the pool, and that

- 1 proportion is to be determined in accordance with
2 subsection (6).
- 3 (6) The proportion to be determined for the purposes of
4 subsection (5) may be determined —
- 5 (a) in the case of a licensee having authority under
6 another written law, by agreement between —
- 7 (i) that licensee; and
8 (ii) the Minister; and
9 (iii) if the other written law is administered
10 by a Minister of the Crown other than
11 the Minister, that Minister of the Crown,
12 or, in the absence of agreement, may be
13 determined by the Supreme Court on the
14 application of that licensee, the Minister, or the
15 Minister of the Crown (if applicable) referred to
16 in subparagraph (iii); or
- 17 (b) in the case of a licensee having authority under
18 a law of another State, by agreement
19 between —
- 20 (i) that licensee; and
21 (ii) the Minister; and
22 (iii) the State Minister administering the law
23 of the other State,
24 or, in the absence of agreement, may be
25 determined by the Supreme Court on the
26 application of that licensee, the Minister or the
27 State Minister referred to in subparagraph (iii);
28 or
- 29 (c) in the case of a licensee having authority under
30 a law of the Commonwealth, by agreement
31 between —
- 32 (i) that licensee; and
33 (ii) the Minister; and

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- 1 (iii) the Joint Authority,
2 or, in the absence of agreement, may be
3 determined by the Supreme Court on the
4 application of that licensee, the Minister or the
5 Joint Authority.
- 6 (7) In subsection (6) —
7 **Joint Authority** has the meaning given in the
8 Commonwealth Act section 7.
- 9 (8) If —
10 (a) an agreement is in force to explore for, or
11 recover, petroleum between —
12 (i) a licensee, the Minister and, if the other
13 written law mentioned in this
14 subparagraph is administered by a
15 Minister of the Crown other than the
16 Minister, that Minister of the Crown in
17 relation to a petroleum pool that is
18 partly in the licence area and partly in
19 another area (the **other area**) in which
20 the licensee has authority under another
21 written law; or
22 (ii) a licensee, the Minister and the State
23 Minister administering a law of another
24 State in relation to a petroleum pool that
25 is partly in the licence area and partly in
26 another area (the **other area**) in which
27 the licensee has authority under the law
28 of the other State; or
29 (iii) a licensee, the Minister and the Joint
30 Authority in relation to a petroleum pool
31 that is partly in the licence area and
32 partly in another area (the **other area**) in
33 which the licensee has authority under a
34 law of the Commonwealth;
- 35 and

- 1 (b) the agreement contains a provision (the
2 ***apportionment provision***) that provides that,
3 for the purposes of this section, there is taken to
4 be recovered in the licence area a specified
5 proportion of all of the petroleum recovered
6 from the petroleum pool; and
- 7 (c) assuming that petroleum were recovered from
8 the part of the seabed that is within the areal
9 and vertical extents specified in the agreement,
10 the specified proportion would be consistent
11 with such proportion of all petroleum so
12 recovered as may reasonably be treated as
13 being derived from the licence area, having
14 regard to the nature and probable extent of the
15 petroleum in that part of the seabed; and
- 16 (d) the agreement contains a provision to the effect
17 that if it becomes apparent that the areal and
18 vertical extents of the petroleum pool, as
19 specified in the agreement, comprise or are
20 likely to comprise more than one petroleum
21 pool, the apportionment set out in the
22 apportionment provision will apply to the
23 petroleum recovered from any or all of those
24 petroleum pools, regardless of their location but
25 within those areal and vertical extents; and
- 26 (e) after the time of the making of the agreement, it
27 becomes apparent that the areal and vertical
28 extents of the petroleum pool, as specified in
29 the agreement, comprise, or are likely to
30 comprise, 2 or more petroleum pools; and
- 31 (f) petroleum is recovered from any of those
32 petroleum pools through a well or wells in the
33 licence area, the other area or both,

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- 1 then —
- 2 (g) for the purposes of this Act, there is taken to
3 have been recovered in the licence area such
4 proportion of all petroleum so recovered as is
5 specified in the apportionment provision; and
- 6 (h) subsection (5) does not apply to any of those
7 petroleum pools.
- 8 (9) The question of whether there is or was a petroleum
9 pool covered by subsection (8)(a) is to be determined
10 on the basis of information known at the time of the
11 making of the relevant agreement referred to in that
12 provision.
- 13 (10) The question of whether subsection (8)(c) applies is to
14 be determined on the basis of information known at the
15 time of the commencement of the apportionment
16 provision.
- 17 (11) The location of any of the 2 or more petroleum pools
18 mentioned in subsection (8)(e) is immaterial.
- 19 (12) If —
- 20 (a) at a particular time after the commencement of
21 this section, a petroleum pool is partly in a
22 licence area and partly in another area (the
23 *other area*) in which the licensee has authority
24 under another written law or a law of another
25 State or the Commonwealth to explore for, or
26 recover, petroleum; and
- 27 (b) at that time, an agreement is made between —
- 28 (i) if the licensee has authority under
29 another written law — the licensee, the
30 Minister and, if the other written law is
31 administered by a Minister of the Crown
32 other than the Minister, that Minister of
33 the Crown; or

- 1 (ii) if the licensee has authority under a law
2 of another State — the licensee, the
3 Minister and the State Minister
4 administering the law of the other State;
5 or
6 (iii) if the licensee has authority under a law
7 of the Commonwealth — the licensee,
8 the Minister and the Joint Authority;
9 and
10 (c) the agreement specifies a part of the seabed by
11 reference to its areal and vertical extents; and
12 (d) the areal and vertical extents of the specified
13 part consist of —
14 (i) the whole or a part of the licence area;
15 and
16 (ii) the whole or a part of the other area;
17 and
18 (e) the areal and vertical extents of the specified
19 part include the petroleum pool; and
20 (f) the agreement contains a provision (the
21 ***apportionment provision***) that provides that,
22 for the purposes of this section, there is taken to
23 be recovered in the licence area a specified
24 proportion of all of the petroleum recovered
25 from the specified part; and
26 (g) assuming that petroleum were recovered from
27 the specified part, the specified proportion
28 would be consistent with such proportion of all
29 petroleum so recovered as may reasonably be
30 treated as being derived from the licence area,
31 having regard to the nature and probable extent
32 of the petroleum in the specified part; and

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- 1 (h) petroleum is recovered from the specified part
2 through a well or wells in the licence area, the
3 other area or both,
- 4 then —
- 5 (i) for the purposes of this Act, there is taken to
6 have been recovered in the licence area such
7 proportion of all petroleum so recovered as is
8 specified in the apportionment provision; and
- 9 (j) subsection (5) does not apply to a petroleum
10 pool located in the specified part.
- 11 (13) The question of whether there is or was a petroleum
12 pool covered by subsection (12)(a) at a particular time
13 is to be determined on the basis of information known
14 at that time.
- 15 (14) The question of whether subsection (12)(g) applies is
16 to be determined on the basis of information known at
17 the time of the commencement of the apportionment
18 provision.
- 19 (15) If —
- 20 (a) a petroleum pool is partly in a licence area and
21 partly in another area, whether in the State or
22 not, in respect of which another person has
23 authority, whether under this Act or another
24 written law or under the law of another State or
25 the Commonwealth, to explore for or recover
26 petroleum; and
- 27 (b) a unit development agreement in accordance
28 with section 69 is in force between the licensee
29 and that other person; and

1 (c) petroleum is recovered from that pool through a
2 well or wells in the licence area, the other area
3 or both,

4 there is taken to have been recovered in the licence area
5 such proportion of all petroleum so recovered as is
6 specified in, or determined in accordance with, the
7 agreement referred to in paragraph (b).

8 (16) In this section —

- 9 (a) a reference to a petroleum production licence
10 includes a reference to a petroleum exploration
11 permit and a petroleum retention lease; and
- 12 (b) a reference to a licensee is a reference to the
13 registered holder of a petroleum production
14 licence and includes a reference to a petroleum
15 permittee and a petroleum lessee; and
- 16 (c) a reference to a licence area is a reference to the
17 area constituted by the blocks that are the
18 subject of a petroleum production licence and
19 includes a reference to a petroleum permit area
20 and a petroleum lease area; and
- 21 (d) a reference to a State includes a reference to the
22 Northern Territory; and
- 23 (e) a reference to the Supreme Court is a reference
24 to the Supreme Court of the State, or of one of
25 the States, in which the petroleum pool is
26 wholly or partly situated.
- 27

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1 **8. Section 37B inserted**

2 After section 37A insert:

3

4 **37B. Grant of boundary-change permit**

5 (1) In this section —

6 **section 27 block** means —

- 7 (a) a block constituted as provided by section 27;
8 or
9 (b) if a graticular section is wholly within the area
10 that was covered by the Commonwealth permit
11 concerned — the graticular section; or
12 (c) if a part only of a graticular section is within
13 the area that was covered by the
14 Commonwealth permit concerned — that part
15 of the graticular section.

16 Note for this definition:

17 See also subsection (8).

18 (2) This section applies if —

- 19 (a) a Commonwealth permit has been granted on
20 the basis that an area (the **relevant area**) is
21 within the offshore area; and
22 (b) as a result of a change to the boundary of the
23 offshore area, the relevant area —
24 (i) ceases to be within the offshore area;
25 and
26 (ii) falls within the inshore area;
27 and
28 (c) either —
29 (i) the conditions set out in subsection (3)
30 are satisfied; or

- 1 (ii) the conditions set out in subsection (4)
2 are satisfied.
- 3 (3) The conditions mentioned in subsection (2)(c)(i) are —
4 (a) one or more, but not all, of the section 27
5 blocks that were covered by the
6 Commonwealth permit immediately before the
7 change are in the relevant area; and
8 (b) the Commonwealth permit subsequently ceases
9 to be in force at the same time (the *relevant*
10 *time*) —
11 (i) as to all of the section 27 blocks that
12 were covered by the Commonwealth
13 permit immediately before the change
14 and that are in the offshore area; and
15 (ii) otherwise than as the result of the
16 cancellation or surrender of the
17 Commonwealth permit.
- 18 (4) The conditions mentioned in subsection (2)(c)(ii)
19 are —
20 (a) all of the section 27 blocks that were covered
21 by the Commonwealth permit immediately
22 before the change are in the relevant area; and
23 (b) the Commonwealth permit subsequently ceases
24 to be in force at the same time (the *relevant*
25 *time*) —
26 (i) as to all of the section 27 blocks that
27 were covered by the Commonwealth
28 permit immediately before the change;
29 and
30 (ii) otherwise than as the result of the
31 cancellation or surrender of the
32 Commonwealth permit.

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- 1 (5) If —
- 2 (a) assuming that —
- 3 (i) the change to the boundary of the
- 4 offshore area had not occurred; and
- 5 (ii) the relevant area had remained in the
- 6 offshore area,
- 7 the holder of the Commonwealth permit would
- 8 have been entitled to apply under the
- 9 Commonwealth Act for the renewal of the
- 10 Commonwealth permit in relation to all of the
- 11 section 27 blocks that are —
- 12 (iii) covered by the Commonwealth permit;
- 13 and
- 14 (iv) in the relevant area;
- 15 and
- 16 (b) there are one or more section 27 blocks (the
- 17 **relevant section 27 blocks**) that —
- 18 (i) correspond to the section 27 blocks
- 19 covered by paragraph (a); and
- 20 (ii) are in the inshore area; and
- 21 (iii) are not the subject of a variation under
- 22 section 97A,
- 23 the Minister is taken —
- 24 (c) to have granted the holder of the
- 25 Commonwealth permit a petroleum exploration
- 26 permit over those relevant section 27 blocks;
- 27 and
- 28 (d) to have done so immediately after the relevant
- 29 time mentioned in whichever of subsection (3)
- 30 or (4) is applicable.

31 Note for this subsection:

32 For the duration of the petroleum exploration permit, see

33 section 39(1A).

- 1 (6) If —
- 2 (a) assuming that —
- 3 (i) the change to the boundary of the
- 4 offshore area had not occurred; and
- 5 (ii) the relevant area had remained in the
- 6 offshore area,
- 7 the holder of the Commonwealth permit would
- 8 not have been entitled to apply under the
- 9 Commonwealth Act for the renewal of the
- 10 Commonwealth permit in relation to all of the
- 11 section 27 blocks that are —
- 12 (iii) covered by the Commonwealth permit;
- 13 and
- 14 (iv) in the relevant area;
- 15 and
- 16 (b) there are one or more section 27 blocks (the
- 17 ***relevant section 27 blocks***) that —
- 18 (i) correspond to the section 27 blocks that
- 19 were covered by the Commonwealth
- 20 permit immediately before the change;
- 21 and
- 22 (ii) are in the inshore area; and
- 23 (iii) are not the subject of a variation under
- 24 section 97A,
- 25 the Minister is taken —
- 26 (c) to have granted the holder of the
- 27 Commonwealth permit a petroleum exploration
- 28 permit over those relevant section 27 blocks;
- 29 and

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- 1 (d) to have done so immediately after the relevant
2 time mentioned in whichever of subsection (3)
3 or (4) is applicable.
- 4 Note for this subsection:
5 For the duration of the petroleum exploration permit, see
6 section 39(1B).
- 7 (7) For the purposes of subsections (5) and (6), the
8 following provisions of the Commonwealth Act are to
9 be disregarded —
- 10 (a) the standard halving rules in section 123 of that
11 Act;
- 12 (b) the modified halving rules in section 124 of that
13 Act;
- 14 (c) a provision of a kind specified in the
15 regulations.
- 16 (8) If, after the change to the boundary of the offshore
17 area —
- 18 (a) a part of a section 27 block that was covered by
19 the Commonwealth permit immediately before
20 the change is in the offshore area; and
- 21 (b) the remaining part of the section 27 block is in
22 the inshore area,
- 23 then, for the purposes of this section (other than this
24 subsection), each of those parts is taken to constitute,
25 and to have always constituted, a section 27 block.
- 26 (9) An assumption in subsection (5)(a) or (6)(a) does not
27 affect subsection (8).
28

1 **9. Section 39 amended**

2 After section 39(1) insert:

3

4 (1A) Subject to this Part, a boundary-change permit granted
5 under section 37B(5) remains in force for a period of
6 5 years commencing on the day on which the permit is
7 granted.

8 (1B) Subject to this Part, a boundary-change permit granted
9 under section 37B(6) remains in force for a period of
10 12 months commencing on the day on which the permit
11 is granted.

12

13 **10. Section 40 amended**

14 In section 40(1) delete “sections 41 and 42A,” and insert:

15

16 sections 41, 42A and 42B,

17

18 **11. Section 41 amended**

19 After section 41(6) insert:

20

21 (7) Subsections (1) to (5) do not apply to an application for
22 the renewal of a permit if —

23 (a) the permit was granted on the basis that an area
24 (the *relevant area*) was within the inshore area;
25 and

26 (b) as a result of a change to the boundary of the
27 offshore area, the relevant area —

28 (i) ceased to be within the inshore area; and

29 (ii) fell within the offshore area;

30 and

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- 1 (c) immediately before the change, the relevant
2 area was a part of the permit area.
- 3 (8) For the purposes of subsection (7) —
4 (a) section 6A is to be disregarded; and
5 (b) it is immaterial whether the change occurred
6 before, at or after the commencement day.
- 7 (9) In subsection (8)(b) —
8 *commencement day* means the day on which the
9 *Petroleum Legislation Amendment Act 2016* section 11
10 comes into operation.
11

12 **12. Section 42B inserted**

13 After section 42A insert:
14

15 **42B. Limits on renewal of boundary-change permits**

- 16 (1) If —
17 (a) a boundary-change permit is granted under
18 section 37B(5); and
19 (b) the relevant Commonwealth permit that ceases
20 to be in force, as mentioned in
21 section 37B(3)(b) or (4)(b), was granted
22 otherwise than by way of renewal,
23 then —
24 (c) section 41 applies to an application for the
25 renewal of the boundary-change permit; and
26 (d) an application must not be made for the
27 renewal of the boundary-change permit if the
28 Minister has previously granted a renewal of
29 the permit.

- 1 (2) If—
2 (a) a boundary-change permit is granted under
3 section 37B(5); and
4 (b) the relevant Commonwealth permit that ceases to
5 be in force, as mentioned in section 37B(3)(b) or
6 (4)(b), was granted by way of renewal,
7 an application must not be made for the renewal of the
8 boundary-change permit.
9 (3) If a boundary-change permit is granted under
10 section 37B(6), an application must not be made for the
11 renewal of the permit.
12

13 **13. Section 43 amended**

- 14 (1) After section 43(1) insert:
15
16 (1A) Subsection (1) does not apply to a boundary-change
17 permit.
18
19 (2) After section 43(2) insert:
20
21 (3) The Minister may, by written notice given to the
22 permittee, vary a boundary-change permit by imposing
23 one or more conditions to which the permit is subject.
24 (4) A notice under subsection (3) may only be given within
25 14 days after the grant of the boundary-change permit.
26 (5) A variation under subsection (3) takes effect on the day
27 on which notice of the variation is given to the
28 permittee.
29 (6) If, when a boundary-change permit is granted, the
30 relevant Commonwealth permit that ceases to be in
31 force, as mentioned in section 37B(3)(b) or (4)(b), is of

s. 13

- 1 a kind that corresponds to a petroleum exploration
2 permit granted under section 32(4) or 37, any or all of
3 the conditions mentioned in subsection (7) may be
4 specified in —
- 5 (a) the boundary-change permit; or
6 (b) a permit granted by way of the renewal of the
7 boundary-change permit.
- 8 (7) The following conditions are specified for the purposes
9 of subsection (6) —
- 10 (a) conditions requiring the permittee to carry out
11 work in, or in relation to, the permit area
12 (including conditions requiring the permittee to
13 carry out the work during a period of 12 months
14 or longer, or during periods each of which is
15 12 months or longer);
- 16 (b) conditions relating to the amounts that the
17 permittee must spend in carrying out such
18 work;
- 19 (c) conditions requiring the permittee to comply
20 with directions that —
- 21 (i) relate to the matters covered by
22 paragraphs (a) and (b); and
23 (ii) are given in accordance with the permit.
- 24 (8) Subsection (6) does not limit subsection (3).
- 25 (9) If —
- 26 (a) a boundary-change permit is granted; and
27 (b) the relevant Commonwealth permit that ceases
28 to be in force, as mentioned in
29 section 37B(3)(b) or (4)(b), is a cash-bid
30 petroleum exploration permit, as defined in the
31 Commonwealth Act section 7,

- 1 the conditions mentioned in subsection (10) must not
2 be specified in —
- 3 (c) the boundary-change permit; or
- 4 (d) a permit granted by way of the renewal of the
5 boundary-change permit.
- 6 (10) The following conditions are specified for the purposes
7 of subsection (9) —
- 8 (a) conditions requiring the permittee to carry out
9 work in, or in relation to, the permit area;
- 10 (b) conditions requiring the permittee to spend
11 particular amounts on the carrying out of work
12 in, or in relation to, the permit area.
13

14 **14. Section 47 amended**

- 15 (1) Before section 47(1) insert:
16
- 17 (1A) In this section —
- 18 **section 27 block** means —
- 19 (a) a block constituted as provided by section 27;
20 or
- 21 (b) if a graticular section is wholly within the area
22 that was covered by the Commonwealth permit
23 concerned — the graticular section; or
- 24 (c) if a part only of a graticular section is within
25 the area that was covered by the
26 Commonwealth permit concerned — that part
27 of the graticular section.
28

s. 14

- 1 (2) After section 47(2) insert:
2
- 3 (2A) Subsection (2B) applies if —
4 (a) a boundary-change permit is granted over one
5 or more section 27 blocks; and
6 (b) immediately before the grant, those
7 section 27 blocks were, or were part of, a
8 location as defined in the Commonwealth Act
9 section 7; and
10 (c) apart from this subsection, those
11 section 27 blocks are not, and are not part of, a
12 location as defined in section 5 of this Act.
- 13 (2B) The Minister is taken —
14 (a) to have declared those section 27 blocks to be a
15 location; and
16 (b) to have done so immediately after the grant.
- 17 (2C) Subsection (2D) applies if —
18 (a) a permit is varied under section 97A so as to
19 include in the permit area one or more
20 section 27 blocks; and
21 (b) immediately before the variation, those
22 section 27 blocks were, or were part of, a
23 location as defined in the Commonwealth Act
24 section 7; and
25 (c) apart from this subsection, those section 27
26 blocks are not, and are not part of, a location as
27 defined in section 5 of this Act.
- 28 (2D) The Minister is taken —
29 (a) to have declared those section 27 blocks to be a
30 location; and
31 (b) to have done so immediately after the variation.
32

1 **15. Section 48CD inserted**

2 After section 48CC insert:

3

4 **48CD. Grant of petroleum retention lease as result of**
5 **change to boundary of offshore area**

6 (1) In this section —

7 **section 27 block** means —

- 8 (a) a block constituted as provided by section 27;
9 or
10 (b) if a graticular section is wholly within the area
11 that was covered by the Commonwealth lease
12 concerned — the graticular section; or
13 (c) if a part only of a graticular section is within
14 the area that was covered by the
15 Commonwealth lease concerned — that part of
16 the graticular section.

17 Note for this definition:

18 See also subsection (6).

19 (2) This section applies if —

- 20 (a) a Commonwealth lease has been granted on the
21 basis that an area (the **relevant area**) is within
22 the offshore area; and
23 (b) as a result of a change to the boundary of the
24 offshore area, the relevant area —
25 (i) ceases to be within the offshore area;
26 and
27 (ii) falls within the inshore area;
28 and
29 (c) either —
30 (i) the conditions set out in subsection (3)
31 are satisfied; or

s. 15

- 1 (ii) the conditions set out in subsection (4)
2 are satisfied;
- 3 and
- 4 (d) there are one or more section 27 blocks (the
5 **relevant section 27 blocks**) that —
- 6 (i) correspond to the section 27 blocks that
7 were covered by the Commonwealth
8 lease immediately before the change;
9 and
- 10 (ii) are in the inshore area; and
- 11 (iii) are not the subject of a variation under
12 section 97A.
- 13 (3) The conditions mentioned in subsection (2)(c)(i) are —
- 14 (a) one or more, but not all, of the section 27
15 blocks that were covered by the
16 Commonwealth lease immediately before the
17 change are in the relevant area; and
- 18 (b) the Commonwealth lease subsequently ceases
19 to be in force at the same time (the **relevant**
20 **time**) —
- 21 (i) as to all of the section 27 blocks that
22 were covered by the Commonwealth
23 lease immediately before the change
24 and that are in the offshore area; and
- 25 (ii) otherwise than as the result of the
26 cancellation or surrender of the
27 Commonwealth lease.
- 28 (4) The conditions mentioned in subsection (2)(c)(ii)
29 are —
- 30 (a) all of the section 27 blocks that were covered
31 by the Commonwealth lease immediately
32 before the change are in the relevant area; and

- 1 (b) the Commonwealth lease subsequently ceases
2 to be in force at the same time (the *relevant*
3 *time*) —
- 4 (i) as to all of the section 27 blocks that
5 were covered by the Commonwealth
6 lease immediately before the change;
7 and
8 (ii) otherwise than as the result of the
9 cancellation or surrender of the
10 Commonwealth lease.
- 11 (5) The Minister is taken —
- 12 (a) to have granted the holder of the
13 Commonwealth lease a petroleum retention
14 lease over the relevant section 27 blocks; and
15 (b) to have done so immediately after the relevant
16 time mentioned in whichever of subsection (3)
17 or (4) is applicable.
- 18 Note for this subsection:
19 For the duration of the petroleum retention lease, see
20 section 48D(2).
- 21 (6) If, after the change to the boundary of the offshore
22 area —
- 23 (a) a part of a section 27 block that was covered by
24 the Commonwealth lease immediately before
25 the change is in the offshore area; and
26 (b) the remaining part of the section 27 block is in
27 the inshore area,
- 28 then, for the purposes of this section (other than this
29 subsection), each of those parts is taken to constitute,
30 and to have always constituted, a section 27 block.
31

s. 16

1 **16. Section 48D amended**

2 (1) In section 48D:

3 (a) delete “Subject” and insert:

4

5 (1) Subject

6

7 (b) delete “otherwise)” and insert:

8

9 otherwise and other than a petroleum retention lease
10 granted under section 48CD)

11

12 (2) At the end of section 48D insert:

13

14 (2) Subject to this Part, a petroleum retention lease granted
15 under section 48CD remains in force for a period of
16 5 years commencing on the day on which the lease is
17 granted.

18

19 **17. Section 48H amended**

20 (1) After section 48H(1) insert:

21

22 (1A) Subsection (1) does not apply to a petroleum retention
23 lease granted under section 48CD.

24

25 (2) After section 48H(4) insert:

26

27 (5) The Minister may, by written notice given to the lessee,
28 vary a petroleum retention lease granted under
29 section 48CD by imposing one or more conditions to
30 which the lease is subject.

- 1 (6) A notice under subsection (5) may only be given within
2 14 days after the grant of the petroleum retention lease.
- 3 (7) A variation under subsection (5) takes effect on the day
4 on which notice of the variation is given to the lessee.
5

6 **18. Section 56 amended**

7 After section 56(6) insert:
8

- 9 (7) This section does not apply in relation to a permit if —
- 10 (a) the permit has been granted on the basis that an
11 area (the **relevant area**) is within the inshore
12 area; and
- 13 (b) as a result of a change to the boundary of the
14 offshore area, the relevant area —
- 15 (i) ceases to be within the inshore area; and
16 (ii) falls within the offshore area;
17 and
- 18 (c) immediately before the change, the relevant
19 area was a part of the permit area.
- 20 (8) For the purposes of subsection (7) —
- 21 (a) section 6A is to be disregarded; and
22 (b) it is immaterial whether the change occurred
23 before, at or after the commencement day.
- 24 (9) In subsection (8)(b) —
- 25 **commencement day** means the day on which the
26 *Petroleum Legislation Amendment Act 2016* section 18
27 comes into operation.
28

s. 19

1 **19. Section 61A inserted**

2 After section 61 insert:

3

4 **61A. Grant of petroleum production licence as result of**
5 **change to boundary of offshore area**

6 (1) In this section —

7 **section 27 block** means —

- 8 (a) a block constituted as provided by section 27;
9 or
10 (b) if a graticular section is wholly within the area
11 that was covered by the Commonwealth licence
12 concerned — the graticular section; or
13 (c) if a part only of a graticular section is within
14 the area that was covered by the
15 Commonwealth licence concerned — that part
16 of the graticular section.

17 Note for this definition:

18 See also subsection (6).

19 (2) This section applies if —

- 20 (a) a Commonwealth licence has been granted on
21 the basis that an area (the **relevant area**) is
22 within the offshore area; and
23 (b) as a result of a change to the boundary of the
24 offshore area, the relevant area —
25 (i) ceases to be within the offshore area;
26 and
27 (ii) falls within the inshore area;
28 and

- 1 (c) either —
- 2 (i) the conditions set out in subsection (3)
- 3 are satisfied; or
- 4 (ii) the conditions set out in subsection (4)
- 5 are satisfied;
- 6 and
- 7 (d) there are one or more section 27 blocks (the
- 8 **relevant section 27 blocks**) that —
- 9 (i) correspond to the section 27 blocks that
- 10 were covered by the Commonwealth
- 11 licence immediately before the change;
- 12 and
- 13 (ii) are in the inshore area; and
- 14 (iii) are not the subject of a variation under
- 15 section 97A.
- 16 (3) The conditions mentioned in subsection (2)(c)(i) are —
- 17 (a) one or more, but not all, of the section 27
- 18 blocks that were covered by the
- 19 Commonwealth licence immediately before the
- 20 change are in the relevant area; and
- 21 (b) the Commonwealth licence subsequently ceases
- 22 to be in force at the same time (the **relevant**
- 23 **time**) —
- 24 (i) as to all of the section 27 blocks that
- 25 were covered by the Commonwealth
- 26 licence immediately before the change
- 27 and that are in the offshore area; and
- 28 (ii) otherwise than as the result of the
- 29 cancellation or surrender of the
- 30 Commonwealth licence.

s. 19

- 1 (4) The conditions mentioned in subsection (2)(c)(ii)
2 are —
- 3 (a) all of the section 27 blocks that were covered
4 by the Commonwealth licence immediately
5 before the change are in the relevant area; and
- 6 (b) the Commonwealth licence subsequently ceases
7 to be in force at the same time (the *relevant*
8 *time*) —
- 9 (i) as to all of the section 27 blocks that
10 were covered by the Commonwealth
11 licence immediately before the change;
12 and
- 13 (ii) otherwise than as the result of the
14 cancellation or surrender of the
15 Commonwealth licence.
- 16 (5) The Minister is taken —
- 17 (a) to have granted the holder of the
18 Commonwealth licence a petroleum production
19 licence over the relevant section 27 blocks; and
- 20 (b) to have done so immediately after the relevant
21 time mentioned in whichever of subsection (3)
22 or (4) is applicable.
- 23 Note for this subsection:
24 For the duration of the licence, see section 63(3).
- 25 (6) If, after the change to the boundary of the offshore
26 area —
- 27 (a) a part of a section 27 block that was covered by
28 the Commonwealth licence immediately before
29 the change is in the offshore area; and

1 (b) the remaining part of the section 27 block is in
2 the inshore area,

3 then, for the purposes of this section (other than this
4 subsection), each of those parts is taken to constitute,
5 and to have always constituted, a section 27 block.
6

7 **20. Section 63 amended**

8 (1) In section 63(2) delete “section 41(3)” and insert:
9

10 section 41(3), other than a petroleum production licence granted
11 under section 61A,
12

13 (2) After section 63(2) insert:
14

15 (3) Subject to this Part, a petroleum production licence
16 granted under section 61A remains in force for the
17 period of 21 years commencing on the day on which
18 the licence is granted.
19

20 **21. Section 64 amended**

21 (1) Delete section 64(1) and insert:
22

23 (1) Subject to this section, a licensee under a licence to
24 which section 63(1)(a) or (b) or (3) applies may, from
25 time to time, make an application to the Minister for
26 the renewal of the licence.
27

s. 22

- 1 (2) After section 64(3) insert:
2
- 3 (4) If —
4 (a) a petroleum production licence is granted under
5 section 61A; and
6 (b) the relevant Commonwealth licence that ceases
7 to be in force, as mentioned in
8 section 61A(3)(b) or (4)(b), was granted
9 otherwise than by way of renewal,
10 an application must not be made for the renewal of the
11 petroleum production licence if the Minister has
12 previously granted a renewal of the licence.
- 13 (5) If —
14 (a) a petroleum production licence is granted under
15 section 61A; and
16 (b) the relevant Commonwealth licence that ceases
17 to be in force, as mentioned in
18 section 61A(3)(b) or (4)(b), was granted by
19 way of renewal,
20 an application must not be made for the renewal of the
21 petroleum production licence.
22

23 **22. Section 66 amended**

- 24 After section 66(2) insert:
25
- 26 (3) Subsection (1) does not apply to a petroleum
27 production licence granted under section 61A.
- 28 (4) The Minister may, by written notice given to the
29 licensee, vary a petroleum production licence granted
30 under section 61A by imposing one or more conditions
31 to which the licence is subject.

1 (5) A notice under subsection (4) may only be given within
2 14 days after the grant of the petroleum production
3 licence.

4 (6) A variation under subsection (4) takes effect on the day
5 on which notice of the variation is given to the
6 licensee.

7

8 **23. Section 69 amended**

9 (1) Before section 69(1) insert:

10

11 (1A) In this section —

12 *Joint Authority* and *offshore area* have the respective
13 meanings given in the Commonwealth Act section 7.

14

15 (2) In section 69(1)(a)(i) delete “State or of the Northern Territory,”
16 and insert:

17

18 State, the Northern Territory or the Commonwealth,

19

20 (3) In section 69(11):

21 (a) in paragraph (b) delete “Territory,” and insert:

22

23 Territory; or

24

25 (b) after paragraph (b) insert:

26

27 (c) the offshore area,

28

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- 1 (c) delete “another State or a Territory referred to in
2 paragraph (a).” and insert:
3
4 the other State or the Territory if paragraph (a) or (b)
5 applies and with the Joint Authority if paragraph (c)
6 applies.
7
- 8 (4) In section 69(11a) delete “another State or a Territory referred
9 to in paragraph (a).” and insert:
10
11 the other State or the Territory.
12
- 13 (5) In section 69(12) delete “concerned.” and insert:
14
15 concerned and with the approval of the Joint Authority if
16 subsection (11)(c) applies.
17
- 18 **24. Section 97A inserted**
19 After section 97 insert:
20
- 21 **97A. Variation of petroleum title by including area as**
22 **result of change to boundary of offshore area**
- 23 (1) In this section —
24 ***Commonwealth title*** means —
25 (a) a Commonwealth permit; or
26 (b) a Commonwealth lease; or
27 (c) a Commonwealth licence;
28 ***fixed-term WA petroleum production licence*** means a
29 petroleum production licence granted for a fixed period
30 of years;

1 **petroleum title** means a petroleum exploration permit,
2 petroleum retention lease or fixed-term WA petroleum
3 production licence;

4 **section 27 block** means —

- 5 (a) a block constituted as provided by section 27;
6 or
7 (b) if a graticular section is wholly within the area
8 that was covered by the Commonwealth title
9 concerned — the graticular section; or
10 (c) if a part only of a graticular section is within
11 the area that was covered by the
12 Commonwealth title concerned — that part of
13 the graticular section.

14 Note for this definition:

15 See also subsection (14).

16 (2) This section applies if —

- 17 (a) a Commonwealth title has been granted on the
18 basis that an area (the **relevant area**) is within
19 the offshore area; and
20 (b) as a result of a change to the boundary of the
21 offshore area, the relevant area —
22 (i) ceases to be within the offshore area;
23 and
24 (ii) falls within the inshore area;
25 and
26 (c) either —
27 (i) the conditions set out in subsection (3)
28 are satisfied; or
29 (ii) the conditions set out in subsection (4)
30 are satisfied;
31 and

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- 1 (d) immediately before the relevant time mentioned
2 in whichever of subsection (3) or (4) is
3 applicable —
4 (i) the Commonwealth title was held by the
5 registered holder of a petroleum title
6 that corresponds to the Commonwealth
7 title; and
8 (ii) at least one section 27 block covered by
9 the petroleum title immediately adjoined
10 at least one other section 27 block that
11 was covered by the Commonwealth title
12 and that is in the relevant area;
13 and
14 (e) before the relevant time mentioned in
15 whichever of subsection (3) or (4) is
16 applicable —
17 (i) the registered holder of the
18 Commonwealth title; and
19 (ii) the registered holder of the petroleum
20 title,
21 gave the Minister a written notice electing to
22 accept the variation under this section of the
23 petroleum title.
24 Note for this subsection:
25 For when a petroleum title corresponds to a Commonwealth
26 title, see subsection (13).
27 (3) The conditions mentioned in subsection (2)(c)(i) are —
28 (a) one or more, but not all, of the section 27
29 blocks that were covered by the
30 Commonwealth title immediately before the
31 change are in the relevant area; and

- 1 (b) the Commonwealth title subsequently ceases to
2 be in force at the same time (the *relevant*
3 *time*) —
- 4 (i) as to all of the section 27 blocks that
5 were covered by the Commonwealth
6 title immediately before the change and
7 that are in the offshore area; and
- 8 (ii) otherwise than as the result of the
9 cancellation or surrender of the
10 Commonwealth title.
- 11 (4) The conditions mentioned in subsection (2)(c)(ii)
12 are —
- 13 (a) all of the section 27 blocks that were covered
14 by the Commonwealth title immediately before
15 the change are in the relevant area; and
- 16 (b) the Commonwealth title subsequently ceases to
17 be in force at the same time (the *relevant*
18 *time*) —
- 19 (i) as to all of the section 27 blocks that
20 were covered by the Commonwealth
21 title immediately before the change; and
- 22 (ii) otherwise than as the result of the
23 cancellation or surrender of the
24 Commonwealth title.
- 25 (5) If the conditions set out in subsection (2)(d) and (e) are
26 met in relation to only one petroleum title, that
27 petroleum title is the *relevant petroleum title* for the
28 purposes of this section.
- 29 (6) If the conditions set out in subsection (2)(d) and (e)
30 would, apart from this subsection, be met in relation to
31 2 or more petroleum titles that have the same registered
32 holder, the Minister must, by written notice given to
33 the registered holder, declare that one of those

s. 24

- 1 petroleum titles is the *relevant petroleum title* for the
2 purposes of this section.
- 3 (7) If the relevant petroleum title is a petroleum
4 exploration permit —
- 5 (a) the Minister must, by written notice given to
6 the permittee, vary the permit to include in the
7 permit area all of the section 27 blocks that —
- 8 (i) correspond to the section 27 blocks that
9 were covered by the Commonwealth
10 title immediately before the change; and
11 (ii) are in the inshore area;
12 and
- 13 (b) the section 27 blocks included in the permit
14 area because of the variation are, for the
15 remainder of the term of the permit, blocks in
16 relation to which the permit is in force.
- 17 (8) If the relevant petroleum title is a petroleum retention
18 lease —
- 19 (a) the Minister must, by written notice given to
20 the lessee, vary the lease to include in the lease
21 area all of the section 27 blocks that —
- 22 (i) correspond to the section 27 blocks that
23 were covered by the Commonwealth
24 title immediately before the change; and
25 (ii) are in the inshore area;
26 and
- 27 (b) the section 27 blocks included in the lease area
28 because of the variation are, for the remainder
29 of the term of the lease, blocks in relation to
30 which the lease is in force.

- 1 (9) If the relevant petroleum title is a petroleum production
2 licence —
- 3 (a) the Minister must, by written notice given to
4 the licensee, vary the licence to include in the
5 licence area all of the section 27 blocks that —
- 6 (i) correspond to the section 27 blocks that
7 were covered by the Commonwealth
8 title immediately before the change; and
9 (ii) are in the inshore area;
- 10 and
- 11 (b) the section 27 blocks included in the licence
12 area because of the variation are, for the
13 remainder of the term of the licence, blocks in
14 relation to which the licence is in force.
- 15 (10) Subsections (7)(b), (8)(b) and (9)(b) have effect subject
16 to this Part.
- 17 (11) A variation mentioned in subsection (7)(a), (8)(a) or
18 (9)(a) takes effect immediately after the relevant time
19 mentioned in whichever of subsection (3) or (4) is
20 applicable.
- 21 (12) For the purposes of this section, a section 27 block
22 immediately adjoins another section 27 block if —
- 23 (a) the graticular section that constitutes or
24 includes that section 27 block and the graticular
25 section that constitutes or includes that other
26 section 27 block —
- 27 (i) have a side in common; or
28 (ii) are joined together at one point only;
- 29 or
- 30 (b) that section 27 block and that other section 27
31 block are in the same graticular section.

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- 1 (13) For the purposes of this section —
- 2 (a) a petroleum exploration permit granted
- 3 otherwise than by way of renewal corresponds
- 4 to a Commonwealth permit granted otherwise
- 5 than by way of renewal; and
- 6 (b) a petroleum retention lease corresponds to a
- 7 Commonwealth lease; and
- 8 (c) a fixed-term WA petroleum production licence
- 9 granted otherwise than by way of renewal
- 10 corresponds to a Commonwealth licence
- 11 granted otherwise than by way of renewal; and
- 12 (d) a petroleum exploration permit granted by way
- 13 of first renewal corresponds to a
- 14 Commonwealth permit granted by way of first
- 15 renewal; and
- 16 (e) a fixed-term WA petroleum production licence
- 17 granted by way of first renewal corresponds to
- 18 a Commonwealth licence granted by way of
- 19 first renewal; and
- 20 (f) a petroleum exploration permit granted by way
- 21 of second renewal corresponds to a
- 22 Commonwealth permit granted by way of
- 23 second renewal; and
- 24 (g) a fixed-term WA petroleum production licence
- 25 granted by way of second or subsequent
- 26 renewal corresponds to a fixed-term petroleum
- 27 production licence, as defined in the
- 28 Commonwealth Act section 7, granted by way
- 29 of second or subsequent renewal.
- 30 (14) If, after the change to the boundary of the offshore
- 31 area —
- 32 (a) a part of a section 27 block that was covered by
- 33 the Commonwealth title immediately before the
- 34 change is in the offshore area; and

1 (b) the remaining part of the section 27 block is in
2 the inshore area,
3 then, for the purposes of this section (other than this
4 subsection), each of those parts is taken to constitute,
5 and to have always constituted, a section 27 block.
6

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Part 3 — *Petroleum (Submerged Lands) Act 1982* amended

25. Act amended

This Part amends the *Petroleum (Submerged Lands) Act 1982*.

26. Section 4 amended

(1) In section 4 delete “In” and insert:

(1) In

(2) In section 4 delete the definition of *interstate Minister*.

(3) In section 4 insert in alphabetical order:

boundary-change permit means a permit granted under section 27A;

Commonwealth lease means a petroleum retention lease as defined in the Commonwealth Act section 7;

Commonwealth licence means a fixed-term petroleum production licence as defined in the Commonwealth Act section 7;

Commonwealth permit means a petroleum exploration permit as defined in the Commonwealth Act section 7;

granted, in relation to a boundary-change permit, a lease under section 38CD or a licence under section 51A, means taken to have been granted;

(4) In section 4 in the definition of *permit* delete “Part III;” and insert:

Part III, including a boundary-change permit;

- 1 (5) At the end of section 4 insert:
2
- 3 (2) Notes in this Act are provided to assist understanding
4 and do not form part of the Act.
5
- 6 **27. Section 6A amended**
- 7 (1) In section 6A(3)(b) delete “waters” and insert:
8
- 9 area
10
- 11 (2) In section 6A(5)(b) delete “waters the first” and insert:
12
- 13 area the second
14
- 15 **28. Section 9 amended**
- 16 (1) Before section 9(1) insert:
17
- 18 (1A) In this section —
19 *Joint Authority* has the meaning given in the
20 Commonwealth Act section 7.
21
- 22 (2) After section 9(7) insert:
23
- 24 (7A) If a petroleum pool is partly in a licence area and partly
25 in another area (in this subsection called the *other*
26 *area*) in which the licensee has authority, under another
27 written law, to explore for or recover petroleum, and
28 petroleum is recovered from that pool through a well or
29 wells in the licence area, the other area or both, there is
30 taken to have been recovered in the licence area such

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- 1 proportion of all petroleum so recovered as may
2 reasonably be treated as being derived from that area,
3 having regard to the nature and probable extent of the
4 pool, and that proportion is to be determined in
5 accordance with subsection (7B).
- 6 (7B) The proportion to be determined for the purposes of
7 subsection (7A) may be determined by agreement
8 between the licensee, the Minister and, if the other
9 written law is administered by a Minister of the Crown
10 other than the Minister, that Minister of the Crown or,
11 in the absence of agreement, may be determined by the
12 Supreme Court on the application of any of those
13 persons.
14
- 15 (3) After section 9(8) insert:
16
- 17 (8A) If —
18 (a) an agreement is in force to explore for, or
19 recover, petroleum between —
20 (i) a licensee, the Joint Authority and the
21 Minister in relation to a petroleum pool
22 that is partly in the licence area and
23 partly in another area (the *other area*) in
24 which the licensee has authority under
25 the Commonwealth Act; or
26 (ii) a licensee, the Minister and the Minister
27 administering a corresponding law in
28 relation to a petroleum pool that is
29 partly in the licence area and partly in
30 another area (the *other area*) in which
31 the licensee has authority under the
32 corresponding law; or
33 (iii) a licensee, the Minister and, if the other
34 written law mentioned in this

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- 1 extents of the petroleum pool, as specified in
2 the agreement, comprise, or are likely to
3 comprise, 2 or more petroleum pools; and
- 4 (f) petroleum is recovered from any of those
5 petroleum pools through a well or wells in the
6 licence area, the other area or both,
- 7 then —
- 8 (g) for the purposes of this Act, there is taken to
9 have been recovered in the licence area such
10 proportion of all petroleum so recovered as is
11 specified in the apportionment provision; and
- 12 (h) subsection (4), (6) or (7A), as the case requires,
13 does not apply to any of those petroleum pools.
- 14 (8B) The question of whether there is or was a petroleum
15 pool covered by subsection (8A)(a) is to be determined
16 on the basis of information known at the time of the
17 making of the relevant agreement referred to in that
18 provision.
- 19 (8C) The question of whether subsection (8A)(c) applies is
20 to be determined on the basis of information known at
21 the time of the commencement of the apportionment
22 provision.
- 23 (8D) The location of any of the 2 or more petroleum pools
24 mentioned in subsection (8A)(e) is immaterial.
- 25 (8E) If —
- 26 (a) at a particular time after the commencement
27 day, a petroleum pool is partly in a licence area
28 and partly in another area (the *other area*) in
29 which the licensee has authority under the
30 Commonwealth Act, a corresponding law or
31 another written law to explore for, or recover,
32 petroleum; and

- 1 (b) at that time, an agreement is made between —
- 2 (i) if the licensee has authority under the
- 3 Commonwealth Act — the licensee, the
- 4 Joint Authority and the Minister; or
- 5 (ii) if the licensee has authority under a
- 6 corresponding law — the licensee, the
- 7 Minister and the Minister administering
- 8 the corresponding law; or
- 9 (iii) if the licensee has authority under
- 10 another written law — the licensee, the
- 11 Minister and, if the other written law is
- 12 administered by a Minister of the Crown
- 13 other than the Minister, that Minister of
- 14 the Crown;
- 15 and
- 16 (c) the agreement specifies a part of the seabed by
- 17 reference to its areal and vertical extents; and
- 18 (d) the areal and vertical extents of the specified
- 19 part consist of —
- 20 (i) the whole or a part of the licence area;
- 21 and
- 22 (ii) the whole or a part of the other area;
- 23 and
- 24 (e) the areal and vertical extents of the specified
- 25 part include the petroleum pool; and
- 26 (f) the agreement contains a provision (the
- 27 ***apportionment provision***) that provides that,
- 28 for the purposes of this section, there is taken to
- 29 be recovered in the licence area a specified
- 30 proportion of all of the petroleum recovered
- 31 from the specified part; and

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- 1 (g) assuming that petroleum were recovered from
2 the specified part, the specified proportion
3 would be consistent with such proportion of all
4 petroleum so recovered as may reasonably be
5 treated as being derived from the licence area,
6 having regard to the nature and probable extent
7 of the petroleum in the specified part; and
- 8 (h) petroleum is recovered from the specified part
9 through a well or wells in the licence area, the
10 other area or both,
- 11 then —
- 12 (i) for the purposes of this Act, there is taken to
13 have been recovered in the licence area such
14 proportion of all petroleum so recovered as is
15 specified in the apportionment provision; and
- 16 (j) subsection (4), (6) or (7A), as the case requires,
17 does not apply to a petroleum pool located in
18 the specified part.
- 19 (8F) The question of whether there is or was a petroleum
20 pool covered by subsection (8E)(a) at a particular time
21 is to be determined on the basis of information known
22 at that time.
- 23 (8G) The question of whether subsection (8E)(g) applies is
24 to be determined on the basis of information known at
25 the time of the commencement of the apportionment
26 provision.
- 27 (8H) In subsection (8E)(a) —
28 **commencement day** means the day on which the
29 *Petroleum Legislation Amendment Act 2016* section 28
30 comes into operation.
31

1 (4) In section 9(9)(a) after “this Act,” insert:

2

3 another written law,

4

5 Note: The heading to amended section 9 is to read:

6

Petroleum pool extending into 2 licence areas or other areas

7 **29. Section 11 amended**

8 (1) In section 11 delete the definition of *Designated Authority*.

9 (2) In section 11 in the definition of *Commonwealth Act*
10 paragraph (d) delete “(Commonwealth);” and insert:

11

12 (Commonwealth).

13

14 Note: The heading to amended section 11 is to read:

15

Term used: Commonwealth Act

16 **30. Sections 13 and 14 deleted**

17 Delete sections 13 and 14.

18 **31. Section 15 replaced**

19 Delete section 15 and insert:

20

21 **15. Public service officers performing functions under**
22 **Commonwealth Act**

23 (1) In this section —

24 *officer* means a public service officer employed in the
25 department of the Public Service principally assisting
26 the Minister in the administration of this Act.

27 (2) An officer is to perform any function or duty that the
28 Minister, as a member of the Joint Authority, requires

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1 the officer to perform in relation to a Commonwealth
2 Act.
3

4 **32. Section 27A inserted**

5 After section 27 insert:
6

7 **27A. Grant of boundary-change permit**

8 (1) In this section —

9 **section 17 block** means —

- 10 (a) a block constituted as provided by section 17;
11 or
12 (b) if a graticular section is wholly within the area
13 that was covered by the Commonwealth permit
14 concerned — the graticular section; or
15 (c) if a part only of a graticular section is within
16 the area that was covered by the
17 Commonwealth permit concerned — that part
18 of the graticular section.

19 Note for this definition:

20 See also subsection (8).

21 (2) This section applies if —

- 22 (a) a Commonwealth permit has been granted on
23 the basis that an area (the **relevant area**) is
24 within the offshore area; and
25 (b) as a result of a change to the boundary of the
26 offshore area, the relevant area —
27 (i) ceases to be within the offshore area;
28 and
29 (ii) falls within the adjacent area;
30 and

- 1 (c) either —
2 (i) the conditions set out in subsection (3)
3 are satisfied; or
4 (ii) the conditions set out in subsection (4)
5 are satisfied.
- 6 (3) The conditions mentioned in subsection (2)(c)(i) are —
7 (a) one or more, but not all, of the section 17
8 blocks that were covered by the
9 Commonwealth permit immediately before the
10 change are in the relevant area; and
11 (b) the Commonwealth permit subsequently ceases
12 to be in force at the same time (the *relevant*
13 *time*) —
14 (i) as to all of the section 17 blocks that
15 were covered by the Commonwealth
16 permit immediately before the change
17 and that are in the offshore area; and
18 (ii) otherwise than as the result of the
19 cancellation or surrender of the
20 Commonwealth permit.
- 21 (4) The conditions mentioned in subsection (2)(c)(ii)
22 are —
23 (a) all of the section 17 blocks that were covered
24 by the Commonwealth permit immediately
25 before the change are in the relevant area; and
26 (b) the Commonwealth permit subsequently ceases
27 to be in force at the same time (the *relevant*
28 *time*) —
29 (i) as to all of the section 17 blocks that
30 were covered by the Commonwealth
31 permit immediately before the change;
32 and

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- 1 (ii) otherwise than as the result of the
2 cancellation or surrender of the
3 Commonwealth permit.
- 4 (5) If —
- 5 (a) assuming that —
- 6 (i) the change to the boundary of the
7 offshore area had not occurred; and
- 8 (ii) the relevant area had remained in the
9 offshore area,
- 10 the holder of the Commonwealth permit would
11 have been entitled to apply under the
12 Commonwealth Act for the renewal of the
13 Commonwealth permit in relation to all of the
14 section 17 blocks that are —
- 15 (iii) covered by the Commonwealth permit;
16 and
- 17 (iv) in the relevant area;
- 18 and
- 19 (b) there are one or more section 17 blocks (the
20 **relevant section 17 blocks**) that —
- 21 (i) correspond to the section 17 blocks
22 covered by paragraph (a); and
- 23 (ii) are in the adjacent area; and
- 24 (iii) are not the subject of a variation under
25 section 103A,
- 26 the Minister is taken —
- 27 (c) to have granted the holder of the
28 Commonwealth permit a permit over those
29 relevant section 17 blocks; and

- 1 (d) to have done so immediately after the relevant
2 time mentioned in whichever of subsection (3)
3 or (4) is applicable.

4 Note for this subsection:

5 For the duration of the permit, see section 29(1A).

- 6 (6) If—

- 7 (a) assuming that—

8 (i) the change to the boundary of the
9 offshore area had not occurred; and

10 (ii) the relevant area had remained in the
11 offshore area,

12 the holder of the Commonwealth permit would
13 not have been entitled to apply under the
14 Commonwealth Act for the renewal of the
15 Commonwealth permit in relation to all of the
16 section 17 blocks that are—

17 (iii) covered by the Commonwealth permit;
18 and

19 (iv) in the relevant area;

20 and

- 21 (b) there are one or more section 17 blocks (the
22 **relevant section 17 blocks**) that—

23 (i) correspond to the section 17 blocks that
24 were covered by the Commonwealth
25 permit immediately before the change;
26 and

27 (ii) are in the adjacent area; and

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1 (iii) are not the subject of a variation under
2 section 103A,

3 the Minister is taken —

4 (c) to have granted the holder of the
5 Commonwealth permit a permit over those
6 relevant section 17 blocks; and

7 (d) to have done so immediately after the relevant
8 time mentioned in whichever of subsection (3)
9 or (4) is applicable.

10 Note for this subsection:

11 For the duration of the permit, see section 29(1B).

12 (7) For the purposes of subsections (5) and (6), the
13 following provisions of the Commonwealth Act are to
14 be disregarded —

15 (a) the standard halving rules in section 123 of that
16 Act;

17 (b) the modified halving rules in section 124 of that
18 Act;

19 (c) a provision of a kind specified in the
20 regulations.

21 (8) If, after the change to the boundary of the offshore
22 area —

23 (a) a part of a section 17 block that was covered by
24 the Commonwealth permit immediately before
25 the change is in the offshore area; and

26 (b) the remaining part of the section 17 block is in
27 the adjacent area,

28 then, for the purposes of this section (other than this
29 subsection), each of those parts is taken to constitute,
30 and to have always constituted, a section 17 block.

1 (9) An assumption in subsection (5)(a) or (6)(a) does not
2 affect subsection (8).
3

4 **33. Section 29 amended**

5 After section 29(1) insert:
6

7 (1A) Subject to this Part, a boundary-change permit granted
8 under section 27A(5) remains in force for a period of
9 5 years commencing on the day on which the permit is
10 granted.

11 (1B) Subject to this Part, a boundary-change permit granted
12 under section 27A(6) remains in force for a period of
13 12 months commencing on the day on which the permit
14 is granted.
15

16 **34. Section 30 amended**

17 In section 30(1) delete “sections 31 and 32A,” and insert:
18

19 sections 31, 32A and 32B,
20

21 **35. Section 31 amended**

22 After section 31(6) insert:
23

24 (7) Subsections (1) to (5) do not apply to an application for
25 the renewal of a permit if —

26 (a) the permit was granted on the basis that an area
27 (the *relevant area*) was within the adjacent
28 area; and

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- 1 (b) as a result of a change to the boundary of the
2 offshore area, the relevant area —
3 (i) ceased to be within the adjacent area;
4 and
5 (ii) fell within the offshore area;
6 and
7 (c) immediately before the change, the relevant
8 area was a part of the permit area.
- 9 (8) For the purposes of subsection (7) —
10 (a) section 6A is to be disregarded; and
11 (b) it is immaterial whether the change occurred
12 before, at or after the commencement day.
- 13 (9) In subsection (8)(b) —
14 *commencement day* means the day on which the
15 *Petroleum Legislation Amendment Act 2016* section 35
16 comes into operation.
17

18 **36. Section 32B inserted**

19 After section 32A insert:
20

21 **32B. Limits on renewal of boundary-change permits**

- 22 (1) If —
23 (a) a boundary-change permit is granted under
24 section 27A(5); and
25 (b) the relevant Commonwealth permit that ceases
26 to be in force, as mentioned in
27 section 27A(3)(b) or (4)(b), was granted
28 otherwise than by way of renewal,

- 1 then —
- 2 (c) section 31 applies to an application for the
- 3 renewal of the boundary-change permit; and
- 4 (d) an application must not be made for the
- 5 renewal of the boundary-change permit if the
- 6 Minister has previously granted a renewal of
- 7 the permit.
- 8 (2) If —
- 9 (a) a boundary-change permit is granted under
- 10 section 27A(5); and
- 11 (b) the relevant Commonwealth permit that ceases
- 12 to be in force, as mentioned in
- 13 section 27A(3)(b) or (4)(b), was granted by
- 14 way of renewal,
- 15 an application must not be made for the renewal of the
- 16 boundary-change permit.
- 17 (3) If a boundary-change permit is granted under
- 18 section 27A(6), an application must not be made for
- 19 the renewal of the permit.
- 20

21 **37. Section 33 amended**

- 22 (1) After section 33(1) insert:
- 23
- 24 (1A) Subsection (1) does not apply to a boundary-change
- 25 permit.
- 26
- 27 (2) After section 33(2) insert:
- 28
- 29 (3) The Minister may, by written notice given to the
- 30 permittee, vary a boundary-change permit by imposing
- 31 one or more conditions to which the permit is subject.

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- 1 (4) A notice under subsection (3) may only be given within
2 14 days after the grant of the boundary-change permit.
- 3 (5) A variation under subsection (3) takes effect on the day
4 on which notice of the variation is given to the
5 permittee.
- 6 (6) If —
- 7 (a) a boundary-change permit is granted; and
8 (b) the relevant Commonwealth permit that ceases
9 to be in force, as mentioned in
10 section 27A(3)(b) or (4)(b), is of a kind that
11 corresponds to a permit granted under
12 section 22(4) or 27,
- 13 any or all of the conditions mentioned in subsection (7)
14 may be specified in —
- 15 (c) the boundary-change permit; or
16 (d) a permit granted by way of the renewal of the
17 boundary-change permit.
- 18 (7) The following conditions are specified for the purposes
19 of subsection (6) —
- 20 (a) conditions requiring the permittee to carry out
21 work in, or in relation to, the permit area
22 (including conditions requiring the permittee to
23 carry out the work during a period of 12 months
24 or longer, or during periods each of which is
25 12 months or longer);
- 26 (b) conditions relating to the amounts that the
27 permittee must spend in carrying out such
28 work;
- 29 (c) conditions requiring the permittee to comply
30 with directions that —
- 31 (i) relate to the matters covered by
32 paragraphs (a) and (b); and

- 1 (ii) are given in accordance with the permit.
- 2 (8) Subsection (6) does not limit subsection (3).
- 3 (9) If —
- 4 (a) a boundary-change permit is granted; and
- 5 (b) the relevant Commonwealth permit that ceases
- 6 to be in force, as mentioned in
- 7 section 27A(3)(b) or (4)(b), is a cash-bid
- 8 petroleum exploration permit, as defined in the
- 9 Commonwealth Act section 7,
- 10 the conditions mentioned in subsection (10) must not
- 11 be specified in —
- 12 (c) the boundary-change permit; or
- 13 (d) a permit granted by way of the renewal of the
- 14 boundary-change permit.
- 15 (10) The following conditions are specified for the purposes
- 16 of subsection (9) —
- 17 (a) conditions requiring the permittee to carry out
- 18 work in, or in relation to, the permit area;
- 19 (b) conditions requiring the permittee to spend
- 20 particular amounts on the carrying out of work
- 21 in, or in relation to, the permit area.
- 22

23 **38. Section 37 amended**

- 24 (1) Before section 37(1) insert:
- 25

- 26 (1A) In this section —
- 27 *declaration* includes a declaration that is taken to have
- 28 been made under subsection (2A) or (2B);

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- 1 **section 17 block** means —
- 2 (a) a block constituted as provided by section 17;
- 3 or
- 4 (b) if a graticular section is wholly within the area
- 5 that was covered by the Commonwealth permit
- 6 concerned — the graticular section; or
- 7 (c) if a part only of a graticular section is within
- 8 the area that was covered by the
- 9 Commonwealth permit concerned — that part
- 10 of the graticular section.
- 11
- 12 (2) After section 37(2) insert:
- 13
- 14 (2A) If —
- 15 (a) a boundary-change permit is granted over one
- 16 or more section 17 blocks; and
- 17 (b) immediately before the grant, those section 17
- 18 blocks were, or were part of, a location as
- 19 defined in the Commonwealth Act section 7;
- 20 and
- 21 (c) apart from this subsection, those section 17
- 22 blocks are not, and are not part of, a location as
- 23 defined in section 4 of this Act,
- 24 the Minister is taken —
- 25 (d) to have declared those section 17 blocks to be a
- 26 location; and
- 27 (e) to have done so immediately after the grant.
- 28 (2B) If —
- 29 (a) a permit is varied under section 103A so as to
- 30 include in the permit area one or more
- 31 section 17 blocks; and

- 1 (b) immediately before the variation, those
2 section 17 blocks were, or were part of, a
3 location as defined in the Commonwealth Act
4 section 7; and
- 5 (c) apart from this subsection, those section 17
6 blocks are not, and are not part of, a location as
7 defined in section 4 of this Act,
- 8 the Minister is taken —
- 9 (d) to have declared those section 17 blocks to be a
10 location; and
- 11 (e) to have done so immediately after the variation.
- 12

13 **39. Section 38CD inserted**

14 After section 38CC insert:

15

16 **38CD. Grant of lease as result of change to boundary of**
17 **offshore area**

- 18 (1) In this section —
- 19 *section 17 block* means —
- 20 (a) a block constituted as provided by section 17;
21 or
- 22 (b) if a graticular section is wholly within the area
23 that was covered by the Commonwealth lease
24 concerned — the graticular section; or
- 25 (c) if a part only of a graticular section is within
26 the area that was covered by the
27 Commonwealth lease concerned — that part of
28 the graticular section.

29 Note for this definition:

30 See also subsection (6).

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- 1 (2) This section applies if —
- 2 (a) a Commonwealth lease has been granted on the
- 3 basis that an area (the *relevant area*) is within
- 4 the offshore area; and
- 5 (b) as a result of a change to the boundary of the
- 6 offshore area, the relevant area —
- 7 (i) ceases to be within the offshore area;
- 8 and
- 9 (ii) falls within the adjacent area;
- 10 and
- 11 (c) either —
- 12 (i) the conditions set out in subsection (3)
- 13 are satisfied; or
- 14 (ii) the conditions set out in subsection (4)
- 15 are satisfied;
- 16 and
- 17 (d) there are one or more section 17 blocks (the
- 18 *relevant section 17 blocks*) that —
- 19 (i) correspond to the section 17 blocks that
- 20 were covered by the Commonwealth
- 21 lease immediately before the change;
- 22 and
- 23 (ii) are in the adjacent area; and
- 24 (iii) are not the subject of a variation under
- 25 section 103A.
- 26 (3) The conditions mentioned in subsection (2)(c)(i) are —
- 27 (a) one or more, but not all, of the section 17
- 28 blocks that were covered by the
- 29 Commonwealth lease immediately before the
- 30 change are in the relevant area; and

- 1 (b) the Commonwealth lease subsequently ceases
2 to be in force at the same time (the *relevant*
3 *time*) —
- 4 (i) as to all of the section 17 blocks that
5 were covered by the Commonwealth
6 lease immediately before the change
7 and that are in the offshore area; and
- 8 (ii) otherwise than as the result of the
9 cancellation or surrender of the
10 Commonwealth lease.
- 11 (4) The conditions mentioned in subsection (2)(c)(ii)
12 are —
- 13 (a) all of the section 17 blocks that were covered
14 by the Commonwealth lease immediately
15 before the change are in the relevant area; and
- 16 (b) the Commonwealth lease subsequently ceases
17 to be in force at the same time (the *relevant*
18 *time*) —
- 19 (i) as to all of the section 17 blocks that
20 were covered by the Commonwealth
21 lease immediately before the change;
22 and
- 23 (ii) otherwise than as the result of the
24 cancellation or surrender of the
25 Commonwealth lease.
- 26 (5) The Minister is taken —
- 27 (a) to have granted the holder of the
28 Commonwealth lease a lease over the relevant
29 section 17 blocks; and

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1 (b) to have done so immediately after the relevant
2 time mentioned in whichever of subsection (3)
3 or (4) is applicable.

4 Note for this subsection:

5 For the duration of the lease, see section 38D(2).

6 (6) If, after the change to the boundary of the offshore
7 area —

8 (a) a part of a section 17 block that was covered by
9 the Commonwealth lease immediately before
10 the change is in the offshore area; and

11 (b) the remaining part of the section 17 block is in
12 the adjacent area,

13 then, for the purposes of this section (other than this
14 subsection), each of those parts is taken to constitute,
15 and to have always constituted, a section 17 block.

16

17 **40. Section 38D amended**

18 (1) In section 38D:

19 (a) delete “Subject” and insert:

20

21 (1) Subject

22

23 (b) delete “otherwise)” and insert:

24

25 otherwise and other than a lease granted under
26 section 38CD)

27

1 (2) At the end of section 38D insert:

2

3 (2) Subject to this Part, a lease granted under section 38CD
4 remains in force for a period of 5 years commencing on
5 the day on which the lease is granted.

6

7 **41. Section 38H amended**

8 (1) After section 38H(1) insert:

9

10 (1A) Subsection (1) does not apply to a lease granted under
11 section 38CD.

12

13 (2) After section 38H(4) insert:

14

15 (5) The Minister may, by written notice given to the lessee,
16 vary a lease granted under section 38CD by imposing
17 one or more conditions to which the lease is subject.

18 (6) A notice under subsection (5) may only be given within
19 14 days after the grant of the lease.

20 (7) A variation under subsection (5) takes effect on the day
21 on which notice of the variation is given to the lessee.

22

23 **42. Section 46 amended**

24 After section 46(6) insert:

25

26 (7) This section does not apply in relation to a permit if —

27 (a) the permit has been granted on the basis that an
28 area (the *relevant area*) is within the adjacent
29 area; and

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- 1 (b) as a result of a change to the boundary of the
2 offshore area, the relevant area —
3 (i) ceases to be within the adjacent area;
4 and
5 (ii) falls within the offshore area;
6 and
7 (c) immediately before the change, the relevant
8 area was a part of the permit area.
- 9 (8) For the purposes of subsection (7) —
10 (a) section 6A is to be disregarded; and
11 (b) it is immaterial whether the change occurred
12 before, at or after the commencement day.
- 13 (9) In subsection (8)(b) —
14 *commencement day* means the day on which the
15 *Petroleum Legislation Amendment Act 2016* section 42
16 comes into operation.
17

18 **43. Section 51A inserted**

19 After section 51 insert:
20

21 **51A. Grant of licence as result of change to boundary of**
22 **offshore area**

- 23 (1) In this section —
24 *section 17 block* means —
25 (a) a block constituted as provided by section 17;
26 or
27 (b) if a graticular section is wholly within the area
28 that was covered by the Commonwealth licence
29 concerned — the graticular section; or

- 1 (c) if a part only of a graticular section is within
2 the area that was covered by the
3 Commonwealth licence concerned — that part
4 of the graticular section.

5 Note for this definition:

6 See also subsection (6).

- 7 (2) This section applies if —
- 8 (a) a Commonwealth licence has been granted on
9 the basis that an area (the *relevant area*) is
10 within the offshore area; and
- 11 (b) as a result of a change to the boundary of the
12 offshore area, the relevant area —
- 13 (i) ceases to be within the offshore area;
14 and
- 15 (ii) falls within the adjacent area;
16 and
- 17 (c) either —
- 18 (i) the conditions set out in subsection (3)
19 are satisfied; or
- 20 (ii) the conditions set out in subsection (4)
21 are satisfied;
- 22 and
- 23 (d) there are one or more section 17 blocks (the
24 *relevant section 17 blocks*) that —
- 25 (i) correspond to the section 17 blocks that
26 were covered by the Commonwealth
27 licence immediately before the change;
28 and
- 29 (ii) are in the adjacent area; and
- 30 (iii) are not the subject of a variation under
31 section 103A.

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- 1 (3) The conditions mentioned in subsection (2)(c)(i) are —
- 2 (a) one or more, but not all, of the section 17
- 3 blocks that were covered by the
- 4 Commonwealth licence immediately before the
- 5 change are in the relevant area; and
- 6 (b) the Commonwealth licence subsequently ceases
- 7 to be in force at the same time (the *relevant*
- 8 *time*) —
- 9 (i) as to all of the section 17 blocks that
- 10 were covered by the Commonwealth
- 11 licence immediately before the change
- 12 and that are in the offshore area; and
- 13 (ii) otherwise than as the result of the
- 14 cancellation or surrender of the
- 15 Commonwealth licence.
- 16 (4) The conditions mentioned in subsection (2)(c)(ii)
- 17 are —
- 18 (a) all of the section 17 blocks that were covered
- 19 by the Commonwealth licence immediately
- 20 before the change are in the relevant area; and
- 21 (b) the Commonwealth licence subsequently ceases
- 22 to be in force at the same time (the *relevant*
- 23 *time*) —
- 24 (i) as to all of the section 17 blocks that
- 25 were covered by the Commonwealth
- 26 licence immediately before the change;
- 27 and
- 28 (ii) otherwise than as the result of the
- 29 cancellation or surrender of the
- 30 Commonwealth licence.

- 1 (5) The Minister is taken —
2 (a) to have granted the holder of the
3 Commonwealth licence a licence over the
4 relevant section 17 blocks; and
5 (b) to have done so immediately after the relevant
6 time mentioned in whichever of subsection (3)
7 or (4) is applicable.

8 Note for this subsection:

9 For the duration of the licence, see section 53(3).

- 10 (6) If, after the change to the boundary of the offshore
11 area —
12 (a) a part of a section 17 block that was covered by
13 the Commonwealth licence immediately before
14 the change is in the offshore area; and
15 (b) the remaining part of the section 17 block is in
16 the adjacent area,

17 then, for the purposes of this section (other than this
18 subsection), each of those parts is taken to constitute,
19 and to have always constituted, a section 17 block.
20

21 **44. Section 53 amended**

- 22 (1) In section 53(2) delete “section 107(3)” and insert:
23
24 section 107(3), other than a licence granted under section 51A,
25
26 (2) After section 53(2) insert:
27
28 (3) Subject to this Part, a licence granted under
29 section 51A remains in force for the period of 21 years
30 commencing on the day on which the licence is
31 granted.
32

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1 **45. Section 54 amended**

2 (1) Delete section 54(1) and insert:

3

4 (1) Subject to this section, a licensee under a licence to
5 which section 53(1)(a) or (b) or (3) applies may, from
6 time to time, make an application to the Minister for
7 the renewal of the licence.

8

9 (2) After section 54(3) insert:

10

11 (4) If —

12 (a) a licence under section 51A (the *relevant*
13 *licence*) is granted; and

14 (b) the Commonwealth licence that ceases to be in
15 force, as mentioned in section 51A(3)(b) or
16 (4)(b), was granted otherwise than by way of
17 renewal,

18 an application must not be made for the renewal of the
19 relevant licence if the Minister has previously granted a
20 renewal of the licence.

21 (5) If —

22 (a) a licence under section 51A (the *relevant*
23 *licence*) is granted; and

24 (b) the Commonwealth licence that ceases to be in
25 force, as mentioned in section 51A(3)(b) or
26 (4)(b), was granted by way of renewal,

27 an application must not be made for the renewal of the
28 relevant licence.

29

1 **46. Section 56 amended**

2 (1) In section 56 delete “A licence” and insert:

3

4 (1) A licence

5

6 (2) At the end of section 56 insert:

7

8 (2) Subsection (1) does not apply to a licence granted
9 under section 51A.

10 (3) The Minister may, by written notice given to the
11 licensee, vary a licence granted under section 51A by
12 imposing one or more conditions to which the licence
13 is subject.

14 (4) A notice under subsection (3) may only be given within
15 14 days after the grant of the licence.

16 (5) A variation under subsection (3) takes effect on the day
17 on which notice of the variation is given to the
18 licensee.

19

20 **47. Section 59 amended**

21 (1) In section 59(11):

22

23 (a) before paragraph (a) insert:

24

25 (aa) if a petroleum pool extends, or is reasonably
26 believed by the Minister to extend, from the
27 adjacent area into an area to which another
28 written law relating to the exploitation of
29 petroleum resources applies, consult with any
30 other Minister concerned; or

30

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- 1 (b) in paragraph (a) after “resources apply,” insert:
2
3 or into the adjacent area of an adjoining State or the
4 Northern Territory,
5
6 (c) delete paragraphs (b) and (c) and insert:
7
8 (b) if a petroleum pool extends, or is reasonably
9 believed by the Minister to extend, from the
10 adjacent area into the offshore area of a State
11 (other than Western Australia) within the
12 meaning of the Commonwealth Act, or the
13 offshore area of the Northern Territory, within
14 the meaning of that Act, consult with the Joint
15 Authority, as defined in the Commonwealth
16 Act section 7, in respect of that State or the
17 Northern Territory concerning the exploitation
18 of the petroleum pool; or
19 (c) if a petroleum pool extends, or is reasonably
20 believed by the Minister to extend, from the
21 adjacent area into the offshore area of Western
22 Australia, consult with the Joint Authority
23 concerning the exploitation of the petroleum
24 pool; or
25 (d) if 2 or more of paragraphs (aa), (a), (b) and (c)
26 apply, comply with each of those applicable
27 paragraphs.
28
29 (2) In section 59(12) delete “authority or Designated” and insert:
30
31 Minister, authority or Joint
32

1 **48. Section 103A inserted**

2 After section 103 insert:

3

4 **103A. Variation of petroleum title by including area as**
5 **result of change to boundary of offshore area**

6 (1) In this section —

7 **Commonwealth title** means —

8 (a) a Commonwealth permit; or

9 (b) a Commonwealth lease; or

10 (c) a Commonwealth licence;

11 **fixed-term WA licence** means a licence granted for a
12 fixed period of years;

13 **petroleum title** means a permit, lease or licence;

14 **section 17 block** means —

15 (a) a block constituted as provided by section 17;
16 or

17 (b) if a graticular section is wholly within the area
18 that was covered by the Commonwealth title
19 concerned — the graticular section; or

20 (c) if a part only of a graticular section is within
21 the area that was covered by the
22 Commonwealth title concerned — that part of
23 the graticular section.

24 Note for this definition:

25 See also subsection (14).

26 (2) This section applies if —

27 (a) a Commonwealth title has been granted on the
28 basis that an area (the **relevant area**) is within
29 the offshore area; and

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- 1 (b) as a result of a change to the boundary of the
2 offshore area, the relevant area —
- 3 (i) ceases to be within the offshore area;
4 and
- 5 (ii) falls within the adjacent area;
6 and
- 7 (c) either —
- 8 (i) the conditions set out in subsection (3)
9 are satisfied; or
- 10 (ii) the conditions set out in subsection (4)
11 are satisfied;
- 12 and
- 13 (d) immediately before the relevant time mentioned
14 in whichever of subsection (3) or (4) is
15 applicable —
- 16 (i) the Commonwealth title was held by the
17 registered holder of a petroleum title
18 that corresponds to the Commonwealth
19 title; and
- 20 (ii) at least one section 17 block covered by
21 the petroleum title immediately adjoined
22 at least one other section 17 block that
23 was covered by the Commonwealth title
24 and that is in the relevant area;
- 25 and
- 26 (e) before the relevant time mentioned in
27 whichever of subsection (3) or (4) is
28 applicable —
- 29 (i) the registered holder of the
30 Commonwealth title; and

- 1 (ii) the registered holder of the petroleum
2 title,
3 gave the Minister a written notice electing to
4 accept the variation under this section of the
5 petroleum title.

6 Note for this subsection:

7 For when a petroleum title corresponds to a Commonwealth
8 title, see subsection (13).

- 9 (3) The conditions mentioned in subsection (2)(c)(i) are —
10 (a) one or more, but not all, of the section 17
11 blocks that were covered by the
12 Commonwealth title immediately before the
13 change are in the relevant area; and
14 (b) the Commonwealth title subsequently ceases to
15 be in force at the same time (the *relevant*
16 *time*) —
17 (i) as to all of the section 17 blocks that
18 were covered by the Commonwealth
19 title immediately before the change and
20 that are in the offshore area; and
21 (ii) otherwise than as the result of the
22 cancellation or surrender of the
23 Commonwealth title.

- 24 (4) The conditions mentioned in subsection (2)(c)(ii)
25 are —
26 (a) all of the section 17 blocks that were covered
27 by the Commonwealth title immediately before
28 the change are in the relevant area; and
29 (b) the Commonwealth title subsequently ceases to
30 be in force at the same time (the *relevant*
31 *time*) —
32 (i) as to all of the section 17 blocks that
33 were covered by the Commonwealth
34 title immediately before the change; and

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- 1 (ii) otherwise than as the result of the
2 cancellation or surrender of the
3 Commonwealth title.
- 4 (5) If the conditions set out in subsection (2)(d) and (e) are
5 met in relation to only one petroleum title, that
6 petroleum title is the *relevant petroleum title* for the
7 purposes of this section.
- 8 (6) If the conditions set out in subsection (2)(d) and (e)
9 would, apart from this subsection, be met in relation to
10 2 or more petroleum titles that have the same registered
11 holder, the Minister must, by written notice given to
12 the registered holder, declare that one of those
13 petroleum titles is the *relevant petroleum title* for the
14 purposes of this section.
- 15 (7) If the relevant petroleum title is a permit —
16 (a) the Minister must, by written notice given to
17 the permittee, vary the permit to include in the
18 permit area all of the section 17 blocks that —
19 (i) correspond to the section 17 blocks that
20 were covered by the Commonwealth
21 title immediately before the change; and
22 (ii) are in the adjacent area;
23 and
24 (b) the section 17 blocks included in the permit
25 area because of the variation are, for the
26 remainder of the term of the permit, blocks in
27 relation to which the permit is in force.
- 28 (8) If the relevant petroleum title is a lease —
29 (a) the Minister must, by written notice given to
30 the lessee, vary the lease to include in the lease
31 area all of the section 17 blocks that —

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- 1 section that constitutes or includes that other
2 section 17 block —
- 3 (i) have a side in common; or
4 (ii) are joined together at one point only;
5 or
- 6 (b) that section 17 block and that other section 17
7 block are in the same graticular section.
- 8 (13) For the purposes of this section —
- 9 (a) a permit granted otherwise than by way of
10 renewal corresponds to a Commonwealth
11 permit granted otherwise than by way of
12 renewal; and
- 13 (b) a lease corresponds to a Commonwealth lease;
14 and
- 15 (c) a fixed-term WA licence granted otherwise
16 than by way of renewal corresponds to a
17 Commonwealth licence granted otherwise than
18 by way of renewal; and
- 19 (d) a permit granted by way of first renewal
20 corresponds to a Commonwealth permit
21 granted by way of first renewal; and
- 22 (e) a fixed-term WA licence granted by way of
23 first renewal corresponds to a Commonwealth
24 licence granted by way of first renewal; and
- 25 (f) a permit granted by way of second renewal
26 corresponds to a Commonwealth permit
27 granted by way of second renewal; and
- 28 (g) a fixed-term WA licence granted by way of
29 second or subsequent renewal corresponds to a
30 Commonwealth licence granted by way of
31 second or subsequent renewal.

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- (14) If, after the change to the boundary of the offshore area —
- (a) a part of a section 17 block that was covered by the Commonwealth title immediately before the change is in the offshore area; and
 - (b) the remaining part of the section 17 block is in the adjacent area,
- then, for the purposes of this section (other than this subsection), each of those parts is taken to constitute, and to have always constituted, a section 17 block.

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