



ANNO VICESIMO SEPTIMO

**ELIZABETHAE II REGINAE**

A.D. 1978

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**No. 95 of 1978**

An Act to amend the Petroleum Act, 1940-1971.

[Assented to 7th December, 1978]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

Short titles.

1. (1) This Act may be cited as the "Petroleum Act Amendment Act, 1978".

(2) The Petroleum Act, 1940-1971, is hereinafter referred to as "the principal Act".

(3) The principal Act, as amended by this Act, may be cited as the "Petroleum Act, 1940-1978".

Commencement.

2. This Act shall come into operation on a day to be fixed by proclamation.

Amendment of  
principal Act,  
s. 3—  
Interpretation.

3. Section 3 of the principal Act is amended—

(a) by striking out from subsection (1) the definition of "the Department" and inserting in lieu thereof the following definitions:—

"the Department" means the Department of Mines and Energy;

"the Director-General" means the person for the time being holding, or acting in, the office of Director-General of Mines and Energy;

and

(b) by striking out the definition of "Minister".

Amendment of  
principal Act,  
s. 4a—  
Transitional  
provisions.

4. Section 4a of the principal Act is amended by inserting in paragraph (f) of subsection (3) after the passage "shall apply thereafter" the passage "(subject to any written agreement between the Minister and the licensee)".

5. Section 7 of the principal Act is amended—

- (a) by striking out from subsection (1) the passage “the Director of Mines” and inserting in lieu thereof the passage “the Director-General”;
- (b) by striking out from subsection (2) the passage “one hundred dollars” and inserting in lieu thereof the passage “two hundred dollars”;
- and
- (c) by striking out from subsection (2) the passage “seventy-five dollars” and inserting in lieu thereof the passage “one hundred and fifty dollars”.

Amendment of principal Act, s. 7—  
Application for licence.

6. Section 13 of the principal Act is amended by striking out from subsection (1) the passage “two thousand dollars” and inserting in lieu thereof the passage “four thousand dollars”.

Amendment of principal Act, s. 13—  
Bond.

7. Section 15 of the principal Act is amended by striking out from subsection (1) the passage “ten thousand square miles” and inserting in lieu thereof the passage “twenty-six thousand square kilometres”.

Amendment of principal Act, s. 15—  
Area to be comprised in petroleum exploration licence and term thereof.

8. Section 16 of the principal Act is amended—

- (a) by striking out from subsection (2) the passage “in substitution for” and inserting in lieu thereof the passage “in addition to, or in substitution for”;
- (b) by striking out from subsection (2) the passage “and their substitution for” and inserting in lieu thereof the passage “and, where appropriate, their substitution for”;
- and
- (c) by inserting after subsection (2) the following subsection:—

Amendment of principal Act, s. 16—  
Approval of works by Minister.

(3) A licensee shall not carry out, or cause to be carried out, works that have not been approved by the Minister.

9. Section 17 of the principal Act is repealed and the following section is enacted and inserted in its place:—

Repeal of s. 17 of principal Act and enactment of section in its place.

17. (1) Subject to subsection (4) of this section, it shall be a condition of a petroleum exploration licence that the licensee is required diligently to carry out, or cause to be carried out, during the initial term of the licence a programme of exploration such that the minimum expenditure on works approved by the Minister is—

Expenditure in relation to initial term.

- (a) during each of the first two years of the initial term of the licence—sixteen dollars for each square kilometre of the area comprised in the licence;
- and
- (b) during each subsequent year of the initial term of the licence—twenty-four dollars for each square kilometre of the area comprised in the licence.

(2) Where an amount is expended upon approved works during any year in excess of the minimum expenditure referred to in subsection (1) of this section, the Minister may authorize the excess, or part of the excess, to be carried over until a subsequent year (including a year of a subsequent term of the licence) and, where such an authorization has been given, the amount carried over shall, for the purposes of this Act and the conditions of the licence, be deemed to have been expended upon approved works during that subsequent year.

(3) The Minister may, upon the application of a licensee, defer wholly or partly the expenditure that is to be made during any year of the term of a licence in pursuance of the condition referred to in subsection (1) of this section until the year next ensuing.

(4) The condition referred to in subsection (1) of this section may be varied by the express terms of a licence.

Amendment of principal Act, s. 18—  
Renewal of petroleum exploration licence.

10. Section 18 of the principal Act is amended by striking out from subsection (5) the passage "eight hundred square miles" and inserting in lieu thereof the passage "two thousand square kilometres".

Repeal of s. 18a of principal Act and enactment of section in its place.

11. Section 18a of the principal Act is repealed and the following section is enacted and inserted in its place:—

Expenditure to be incurred by licensee upon renewal of petroleum exploration licence.

18a. (1) Where a petroleum exploration licence is renewed, it shall, subject to subsection (4) of this section, be a condition of the licence that the licensee is required diligently to carry out or cause to be carried out a programme of exploration such that the annual minimum expenditure on works approved by the Minister is—

(a) during the period of the first renewal—thirty-one dollars for every square kilometre of the area comprised in the licence;

(b) during the period of the second renewal—forty dollars for every square kilometre of the area comprised in the licence;

and

(c) during the period of the third renewal—forty-seven dollars for every square kilometre of the area comprised in the licence.

(2) Where an amount is expended upon approved works during any year in excess of the minimum expenditure referred to in subsection (1) of this section, the Minister may authorize the excess, or any part of the excess, to be carried over until a subsequent year (including a year of a subsequent term of the licence) and, where such an authorization has been given, the amount carried over shall, for the purposes of this Act and the conditions of the licence, be deemed to have been expended upon approved works during that subsequent year.

(3) The Minister may, upon the application of a licensee, defer wholly or partly the expenditure that is to be made during any year of the term of a licence in pursuance of the condition referred to in subsection (1) of this section until the year next ensuing.

(4) The condition referred to in subsection (1) of this section may be varied by the express terms of a licence.

**12. Section 18c of the principal Act is amended—**

Amendment of principal Act, s. 18c—  
Fees.

- (a) by striking out from paragraph (a) the passage “ten cents for every square mile” and inserting in lieu thereof the passage “eight cents for every square kilometre”;
  - (b) by striking out from paragraph (b) the passage “fifteen cents for every square mile” and inserting in lieu thereof the passage “twelve cents for every square kilometre”;
  - (c) by striking out from paragraph (c) the passage “twenty cents for every square mile” and inserting in lieu thereof the passage “sixteen cents for every square kilometre”;
- and
- (d) by striking out from paragraph (d) the passage “twenty-five cents for every square mile” and inserting in lieu thereof the passage “twenty cents for every square kilometre”.

**13. The following section is enacted and inserted in the principal Act after section 18d thereof:—**

Enactment of s. 18e of principal Act.

**18e. (1) Where—**

- (a) a licensee holds a petroleum exploration licence and a petroleum production licence comprising contiguous areas;
- and
- (b) the area comprised in the petroleum production licence was excised from an area formerly comprised in the petroleum exploration licence,

Special provision relating to exploration expenditure where licensee holds a petroleum exploration licence and a petroleum production licence.

the Minister may on the application of the licensee, approve for the purposes of this section, works relating to the exploration for petroleum to be carried out by the licensee upon the area of the petroleum production licence.

(2) Where the Minister has, in pursuance of subsection (1) of this section, approved works relating to the exploration for petroleum, any expenditure to be made in any year by the licensee under the petroleum exploration licence shall be reduced by the amount expended by the licensee in that year in carrying out works approved by the Minister under subsection (1) of this section.

**14. Section 28 of the principal Act is amended—**

Amendment of principal Act, s. 28—  
Size of area of oil mining.

- (a) by striking out from paragraph (a) the passage “one hundred square miles” and inserting in lieu thereof the passage “two hundred and sixty square kilometres”;
- and
- (b) by striking out from paragraph (b) the passage “four square miles” and inserting in lieu thereof the passage “ten square kilometres”.

Amendment of principal Act, s. 28a—  
Licence in respect of area comprising two or more fields.

15. Section 28a of the principal Act is amended by striking out the passage “one hundred square miles” and inserting in lieu thereof the passage “two hundred and sixty square kilometres”.

Amendment of principal Act, s. 32—  
Term and renewal of petroleum production licence.

16. Section 32 of the principal Act is amended by striking out from paragraph (c) of subsection (2) the passage “one hundred dollars” and inserting in lieu thereof the passage “two hundred dollars”.

Amendment of principal Act, s. 34—  
Fees.

17. Section 34 of the principal Act is amended by striking out the passage “ten cents for every acre” and inserting in lieu thereof the passage “fifty cents for every hectare”.

Amendment of principal Act, s. 42—  
Consent to dealings with licences.

18. Section 42 of the principal Act is amended by striking out from subsection (3) the passage “one hundred dollars” and inserting in lieu thereof the passage “two hundred dollars”.

Amendment of principal Act, s. 49—  
Restrictions on rights of licensees over certain lands.

19. Section 49 of the principal Act is amended—

(a) by striking out from paragraph (e) of subsection (1) the passage “one hundred dollars” and inserting in lieu thereof the passage “two hundred dollars”;

(b) by striking out from paragraph (e) of subsection (1) the word “yards” and inserting in lieu thereof the word “metres”;

and

(c) by striking out from paragraph (f) of subsection (1) the word “yards” and inserting in lieu thereof the word “metres”.

Amendment of principal Act, s. 59—  
Restriction on drilling.

20. Section 59 of the principal Act is amended by striking out the passage “three hundred and twenty-five feet” and inserting in lieu thereof the passage “one hundred metres”.

Amendment of principal Act, s. 76—  
Determination of compensation.

21. Section 76 of the principal Act is amended by striking out from subsection (4) the passage “one thousand five hundred dollars” and inserting in lieu thereof the passage “thirty thousand dollars”.

Amendment of principal Act, s. 80c—  
Fees.

22. Section 80c of the principal Act is amended by striking out the passage “twenty dollars for every mile” and inserting in lieu thereof the passage “twenty-five dollars for every kilometre”.

Amendment of principal Act, s. 80v—  
Powers of Committee.

23. Section 80v of the principal Act is amended by striking out from subsection (2) the passage “two hundred dollars” and inserting in lieu thereof the passage “four hundred dollars”.

Amendment of principal Act, s. 87—  
Offences.

24. Section 87 of the principal Act is amended—

(a) by striking out from subsection (1) the passage “not less than one hundred dollars and not more than one thousand dollars” and inserting in lieu thereof the passage “not less than two hundred dollars and not more than two thousand dollars”;

(b) by striking out from subsection (2) the passage “not less than one hundred dollars and not more than one thousand dollars” and inserting in lieu thereof the passage “not less than two hundred dollars and not more than two thousand dollars”;

and

(c) by striking out from subsection (2) the passage “not less than fifty dollars and not more than five hundred dollars” and inserting in lieu thereof the passage “not less than one hundred dollars and not more than one thousand dollars”.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

K. D. SEAMAN, Governor