

# **Petroleum (Submerged Lands) (Further Amendment) Bill**

## **EXPLANATORY MEMORANDUM**

*Clause 1* sets out the purpose of the Act.

*Clause 2* provides for the Act to come into operation on a day to be proclaimed.

*Clause 3* refers to the **Petroleum (Submerged Lands) Act 1982** as the Principal Act.

*Clause 4* abolishes the refund of application fees to unsuccessful applicants under sections 21, 24 and 48 of the Principal Act.

*Clause 5* amends section 32 of the Principal Act to enable the Minister to grant or refuse to grant a renewal of a permit to the then permittee.

*Clause 6* inserts a new section 38BA which will enable the Minister to offer a lease to the then holder of the permit at the time of the offer.

*Clause 7* amends section 38F (4) to reflect the insertion of section 38BA.

*Clause 8* amends section 38G (1) to enable the Minister to grant or refuse to grant a renewal of a lease to the then holder of the lease.

*Clauses 9 and 10* make minor consequential amendments to sections 40 and 40A of the Act.

*Clause 11* inserts a new section 44A which treats the transferee as the applicant in the transfer of a licence.

*Clause 12* substitutes sub-sections (1) and (2) of section 55 and amends the rest of section 55 in relation to the grant or refusal to grant a renewal of a licence to allow the person who is then the holder of the licence to be granted a renewal.

*Clause 13* provides for the repeal of section 57 of the Act. This section requires production licence holders to spend \$300 000 per block per year or to recover production to that value, as a condition of the licence.

*Clause 14* amends section 65 to allow the granting of a pipeline licence to the person who is then the Production Licensee and repeals section 65 (12) which provided for a 90% refund of an application fee.

*Clause 15* makes consequential amendments to sections 69 (1) and 69 (2) of the Act in relation to the Minister's rights to grant or refuse the renewal of a pipeline licence to the person who is then the licensee.

*Clause 16* inserts new sub-sections 112 (1B) and 112 (1C) which will enable the Minister to grant a titleholder, or holder of a special prospecting authority, an access authority over an area in an adjoining adjacent area.

*Clause 17* amends section 2 of the Principal Act consequential to amendments made in July 1990.

*Clause 18* provides for a schedule of fees to be prescribed.

The Schedule sets out amendments to the sections of the Act which provide for fees and securities. The amendments will enable the level and form of fees and securities to be covered by Regulation.