

Summary of changes to the Petroleum (Onshore) Regulation

<i>Petroleum (Onshore) Regulation 2007</i>		<i>Petroleum (Onshore) Regulation 2016</i>		
Clause	Provision	Clause	Provision	Impact of proposed change
Part 1 Preliminary		Part 1 Preliminary		
1	Name of Regulation	1	Name of Regulation	Machinery – updated to refer to <i>Petroleum (Onshore) Regulation 2016</i> .
2	Commencement	2	Commencement	Updated for the 2016 Regulation to commence on 1 September 2016. 2016 Clause also states that the Regulation needs to be published on the NSW legislation website.
3	Definitions	3	Definitions	Additional definitions: <ul style="list-style-type: none"> • Definition of “rehabilitation” • Definition of “rehabilitation cost estimate” (see clause 12). Both now harmonise with the <i>Mining Regulation</i> . Definition of “commercial production” moved to clause 50. Minor wording change to simplify the definition to make it easier to understand. Does not change requirement on industry.
		50		
Part 2 Petroleum titles		Part 2 Petroleum titles		
4	Drawing of plans: sections 13, 19(2B)(b) and 22(2)	4	Drawing of maps and plans: section 13	<ul style="list-style-type: none"> • Imposes requirements relating to form and scale of maps. • Removes outdated map references no longer available. • Now more clearly links particular mapping types to specific titles admin under the Act. • Provides alternatives if an applicant cannot meet primary requirements. • The changes formalise titleholders’ current practice in complying with the intent of the provision. A small positive change for the industry through clarification of an outdated and confusing provision.
5	Work programs for exploration licences or assessment leases: section 14	5	Work programs for exploration licences or assessment leases: section 14	Machinery – renumbered subclauses to accommodate former clause 1A. No other change.
6	Progressive agendas: section 14(1)(d)	6	Progressive agendas: section 14(1)(d)	No change
7	Details to be provided: section 14	7	Details to be provided: section 14	No change

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Clause	Provision	Clause	Provision	
8	Commencement of exploration activities	8	Commencement of exploration activities	No change
9	Work program to be adhered to: clause 6(1)(c) of Schedule 1B	9	Work programs to be adhered to: clause 6(1)(c) of Schedule 1B	No change
10	Variation of work program	10	Variation of work programs	No change
11	Applications for low-impact prospecting titles: section 45D	11	Applications for low-impact prospecting titles: section 45D	Machinery – outdated transitional subclause deleted. Does not change requirement on industry.
11A	Applications for renewal of petroleum titles: section 19(2AA) and (2AB)	12	Applications for renewal of petroleum titles: section 19(2AA) and (2AB)	<ul style="list-style-type: none"> • New references to Maps and Plans clause 4. • New requirement in renewal justification statement in applications for renewal of assessment leases to identify “known resources” in addition to the existing summary of potential resources, to enable greater clarity in the Department’s decision making for renewal applications. This change will update requirements in line with industry accepted international standards for description and reporting of resources and exploration potential. • Harmonises with proposed change to <i>Mining Regulation</i> for renewal of assessment leases. • New requirement in renewal justification statement for a rehabilitation cost estimate, as is required in mineral title renewal applications. This change will formalise an existing procedural requirement and harmonise requirements with the <i>Mining Regulation</i>.
11B	Cancellation of petroleum title: section 22(2)	13	Cancellation of petroleum titles: section 22(2)	<ul style="list-style-type: none"> • New references to standard map clause 4. No other new requirements.
12	Records of titles: section 95	14	Records of titles: section 95	Minor change to modernise term: “means of computer equipment” to “electronically”. No other change
13	Prescribed particulars for transfers of titles: section 96	15	Prescribed particulars for transfers of titles: section 96	Rephrases existing clause on rehabilitation cost estimate as per proposed change in clause 12. No other change.
13A	Beneficial use of gas: section 28B	16	Beneficial use of gas: section 28B	No change

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<i>Part 3 Use of information and protected documents</i>		<i>Part 3 Use of information and protected documents</i>		
14	Use of audit information: section 83H	17	Use of audit information: section 83H	No change
15	Protected voluntary audit documents not admissible in certain proceedings or otherwise protected: section 83K	18	Protected voluntary audit documents not admissible in certain proceedings or otherwise protected: section 83K	No change
16	Disclosure of protected documents: section 113M	19	Disclosure of protected documents: section 113M	No change
<i>Part 3A Records and Reports</i>		<i>Part 4 Records and Reports</i>		
16A	Keeping of geological plans, maps and records: section 97A	20	Keeping of geological plans, maps and records: section 97A	No change
16B	Annual reports: section 97C	21	Annual reports: section 97C	No change
16C	Report on drilling and seismic activities: section 97C	22	Reports on drilling and seismic activities: section 97C	No change
16D	Partial relinquishment reports: section 97C	23	Partial relinquishment reports: section 97C	No change
16E	Final reports: section 97C	24	Final reports: section 97C	No change
16F	Requirements of reports	25	Requirements of reports	Machinery – consequential renumbering of references to other clauses, otherwise no change.
16G	Maps, plans and data in reports	26	Maps, plans and data in reports	Machinery – consequential renumbering of references to other clauses, otherwise no change.
16H	Exemption from lodgement of reports: section 97C (2) (b)	27	Extension of time to lodge reports: 97C	Existing clause 16H split into two. This clause provides for the timing of lodgement.
		28	Exemption from obligation to prepare and lodge reports: section 97C (2) (b)	Existing clause 16H split into two. This clause provides for exemptions. Minor change for greater clarity; does not change requirement on industry.
16I	Collection of cores and samples:	29	Collection of cores and samples: section	No change

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	section 97G		97G	
Part 4 Compensation		Part 5 Compensation		
17	Time allowed for parties to agree: section 108	30	Time allowed for parties to agree: section 108	No change
18	Manner of assessing and determining compensation: section 110	31	Manner of assessing and determining compensation: section 110	No change
19	Manner of payment	32	Manner of payment	No change
Part 5 Agents		Part 6 Agents		
20	Agents: section 134	33	Agents: section 134	No change
20A	Notification of agents: section 97F	34	Notification of agents: section 97F	Machinery – consequential renumbering of references to other clauses.
Part 6 Fees		Part 7 Fees		
<i>Division 1 General</i>		<i>Division 1 General</i>		
21	Fees	35	Fees	No change
22	(Repealed)			Repealed – clause deleted.
<i>Division 2 Annual Rental Fees</i>		<i>Division 2 Annual Rental Fees</i>		
22A	Calculation of annual rental fee	36	Calculation of annual rental fee	No change
22B	Annual rental fee area	37	Annual rental fee area	No change
22C	Minimum annual rental fee	38	Minimum annual rental fee	No change
22D	References to initial term and second term (Schedule 1)	39	References to initial term and second term and subsequent terms (Schedule 1)	<ul style="list-style-type: none"> New subclauses (5) and (6) inserted as clarification to reflect the fact that there may be more than 2 terms and to clarify that the annual rental fee requirements apply to all. The additional subclause applies the same requirements for second and subsequent terms: no additional costs are imposed on industry.
22E	(Repealed)			Repealed – clause deleted

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22F	Grant anniversary date occurring during period in which petroleum title is automatically extended	40	Grant anniversary date occurring during the period in which petroleum title is automatically extended	No change
22G	(Repealed)			Repealed: clause deleted
<i>Division 3 – Administrative levies</i>		<i>Division 3 – Administrative levies</i>		
22H	Grant anniversary date occurring during period in which petroleum title is automatically extended	41	Grant anniversary date occurring during period in which petroleum title is automatically extended	No change
22I	(Repealed)			Repealed: clause deleted
Part 7 Royalty		Part 8 Royalty		
No Divisions		<i>Division 1 Rates of royalty</i>		Divisions included to clearly present the Community Benefit Fund provisions (inserted as part of Gas Plan legislative package) that commenced on 1 July 2016.
23	Rate of royalty: section 85	42	Rate of royalty: section 85	No change
24	Rate of royalty: <i>Mining Act</i> section 286	43	Rate of royalty: <i>Mining Act</i> section 286	No change
24AA	Transitional provision			Machinery change – outdated clause deleted.
Commenced on 1 July 2016, see Schedule 2[15] <i>Petroleum (Onshore) Legislation Amendment (Harmonisation) Regulation 2016</i>		<i>Division 2 Refunds or rebates of royalty where contribution made to authorised fund providing for community benefits</i>		
24AB (1)	No clause heading	44	Definitions	No change
24AB (2)-5	Declaration of authorised fund	45	Declaration of authorised funds	No change
24AB (6)-(9)	Rebates against royalty payable	46	Rebates against royalty payable	Clause 46(2) now includes reference to “first full production” year, to link with the existing reference to this term in clause 46(3). Included to improve clarity only. Minor changes – consequential renumbered references to other clauses.

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24AB (10)-(12)	Refunds of royalty paid	47	Refunds of royalty paid	No change
24AB (13)-(14)	Refunds (of royalty paid) and rebates (against royalty payable)	48	Refunds (of royalty paid) and rebates (against royalty payable)	No change
Part 8 Miscellaneous		Part 9 Miscellaneous		
24A	Minimum deposit – security deposit conditions	49	Minimum deposit – security deposit conditions	No change
25	Notification of commencement of commercial production	50	Notifications of commencement of commercial production	Now includes definition of “commercial production” moved from clause 3. Minor word change in definition that does not change the legal definition. Otherwise no change.
26-27A	(Repealed)			Repealed – clause deleted
28	Certificate of authority: section 104N	51	Certificates of authority: section 104N	Subclauses 1 and 2 swapped in order to improve clarity, otherwise no change.
29	Penalty notice offences and penalties: section 125N	52	Penalty notice offences and penalties: section 125N	No change
30	Reference to officers in petroleum titles: section 138B	53	Reference to officers in petroleum titles: section 138B	No change
31	Savings and transitional provisions	54	Repeal and savings and transitional provisions	Machinery – outdated subclause deleted, consequential renumbered reference to another clause. Otherwise no change. Removes outdated subclause for clarity and accuracy. Does not change requirement on industry.
Schedule 1 Fees		Schedule 1 Fees		No change
Schedule 2 Penalty notice offences		Schedule 2 Penalty notice offences		No change