



Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2004

Statutory Rules 2004 No. 344¹

I, PHILIP MICHAEL JEFFERY, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following Regulations under the *Petroleum (Submerged Lands) Act 1967*.

Dated 1 December 2004

P. M. JEFFERY
Governor-General

By His Excellency's Command

IAN MACFARLANE
Minister for Industry, Tourism and Resources

Contents

Reader's guide		4
Part 1	Preliminary	
	1 Name of Regulations	5
	2 Commencement	5
	3 Object of Regulations	5
	4 Definitions	6
Part 2	Well operations management plans	
	5 Request for acceptance of well operations management plan	8
	6 Contents of well operations management plan	9
	7 Reasons for acceptance of well operations management plan	10
	8 Decision on well operations management plan	11
	9 Status of well operations management plans	12
Part 3	Variation of well operations management plan	
Division 1	Variation by titleholder	
	10 Request for variation of accepted well operations management plan	14
	11 Decision on request for variation	14
Division 2	Variation at request of Designated Authority	
	12 Requirement to vary well operations management plan	16
	13 Objection to requirement to vary	16
	14 Decision on objection	17
Division 3	Operation of well operations management plan	
	15 Commencement of well operations management plan and variations of well operations management plan	19
	16 Termination of well operations management plan	19

		Page
Part 4	Requirements for specific well activities	
17	Approval	20
Part 5	Withdrawal of acceptance of well operations management plan	
18	Reasons for withdrawal of acceptance	21
19	Notice of proposal to withdraw acceptance	21
20	Decision to withdraw acceptance	22
21	Relationship between withdrawal and other provisions	23
Part 6	Titleholder's general duties	
22	Undertaking activity	24
23	Well operations management plans for certain wells	24
24	Compliance with accepted well operations management plan and Regulations	25
25	Impact of well integrity hazard or increased risk not identified in well operations management plan	26

Reader's guide

This guide explains some of the main features of these Regulations.

These Regulations apply to all well operations associated with a well, as defined in section 5 of the *Petroleum (Submerged Lands) Act 1967*. These Regulations deal with the activity of Well Operations conducted on a facility.

Prior to undertaking the work, there will be an accepted Safety Case governing the management of the risks associated with the operations for which that facility has been designed and constructed to undertake. A document called a Well Operations Management Plan (WOMP) will be created to address these Regulations and submitted to the Designated Authority for acceptance.

The WOMP submission can be staged (ie, delivered in parts at the start and completion of distinct phases of the well such as drilling, completion, operation, maintenance, and abandonment or suspension), and will be linked to the Safety Case for the facility.

In line with the introduction of the National Offshore Petroleum Safety Authority (NOPSA) in 2005, it will be the responsibility of NOPSA to approve all safety aspects of well operations. Accordingly, these Regulations do not in any way seek to infringe NOPSA's responsibility. The Designated Authority in each State and Territory has responsibility for the oversight of the WOMP and the Environment Plan that must be submitted under regulations relating to environmental management.

Part 1 Preliminary

1 Name of Regulations

These Regulations are the *Petroleum (Submerged Lands) (Management of Well Operations) Regulations 2004*.

2 Commencement

These Regulations commence on the date of their notification in the *Gazette*.

3 Object of Regulations

The object of these Regulations is to ensure that, for petroleum exploration, appraisal and production in an adjacent area:

- (a) the design of downhole activities is in accordance with good oil-field practice; and
- (b) downhole activities are carried out in accordance with an accepted well operations management plan; and
- (c) risks are identified and managed in accordance with sound engineering principles and good oil-field practice.

Note 1 These Regulations are objective-based, to allow for well activity arrangements to be changed in response to technologies and other circumstances while adhering to the key legislative principles.

An essential part of this flexibility is the development of an agreed Well Operations Management Plan (a *WOMP*) that specifies acceptable methods of conducting well operations in accordance with sound engineering principles and good oil-field practice.

Note 2 The requirements of these Regulations are in addition to the requirements imposed on a person by any other regulations made under the Act.

Regulation 4

4 Definitions

In these Regulations:

accepted well operations management plan means a well operations management plan that has been accepted by the Designated Authority under regulation 8.

Act means the *Petroleum (Submerged Lands) Act 1967*.

risk means the likelihood of a specific, undesired, event occurring within a specific period or in specified circumstances.

Note A risk may be understood as a frequency (the number of specified events occurring within a period) or a probability (the likelihood of a specific event following another event).

title means any of the following:

- (a) a permit;
- (b) a lease;
- (c) a licence;
- (d) an infrastructure licence.

titleholder means any of the following:

- (a) a permittee;
- (b) a lessee;
- (c) a licensee;
- (d) an infrastructure licensee.

well includes all equipment located downhole from a well, including equipment leading to:

- (a) a blow-out preventer; or
- (b) a well head; or
- (c) a Christmas Tree.

well activity means an activity relating to a petroleum well that is carried out during the life of the well.

Examples

- 1 Exploratory drilling.
- 2 Production drilling.
- 3 Appraisal drilling.
- 4 Testing a well.
- 5 A well workover.

Regulation 4

6 A well re-completion.

7 Maintenance of a well.

Note Provisions dealing with production-related issues will be included in regulations made under the Act dealing with resource management.

well integrity, for a well, means that the potential producing zone in the well bore:

- (a) is under control, in accordance with an accepted well operations management plan; and
- (b) is able to contain reservoir fluids; and
- (c) is not the subject of any unforeseen risk.

well integrity hazard means:

- (a) an event that:
 - (i) may compromise the well integrity of a well; and
 - (ii) would, if it occurred, have the consequence of a significant threat to the safety of individuals; or
- (b) an event that may involve a risk of significant damage to the environment or the well reservoir of a well.

workover operation means the performance of at least 1 activity in relation to a well for the purpose of:

- (a) altering production from the well; or
- (b) rectifying a problem that has occurred downhole.

Note Several other words and expressions used in these Regulations have the meaning given by section 5 of the Act. For example:

- adjacent area
- Designated Authority
- document
- lessee
- licensee
- permittee.

Regulation 5

Part 2 Well operations management plans

5 Request for acceptance of well operations management plan

- (1) A titleholder that wishes to carry out a well activity for which an accepted well operations management plan is required, or that wishes to replace an accepted well operations management plan, must:
 - (a) give a well operations management plan to the Designated Authority; and
 - (b) ask the Designated Authority to accept the well operations management plan.

Note 1 A titleholder does not require a current accepted well operations management plan for certain wells: see regulation 23.

Note 2 There is no compulsory form of request for this regulation.

- (2) The titleholder must give the well operations management plan to the Designated Authority:
 - (a) at least 30 days before the proposed start of the well activity; or
 - (b) if the Designated Authority allows, in writing, another period — within that period.
- (3) The well operations management plan:
 - (a) must be in writing; and
 - (b) may apply to well activities for more than 1 well.

Note Section 25 of the *Acts Interpretation Act 1901* explains the meaning of the word **writing** when it is used in legislation. The Designated Authority will make arrangements to notify the industry of formats for well operations management plans.

- (4) The titleholder must submit the well operations management plan as a single document unless the Designated Authority has given the titleholder permission, in writing, to submit the well operations management plan as 2 or more documents.

Regulation 6

- (5) The titleholder must submit the entire well operations management plan unless the Designated Authority has given the titleholder permission, in writing, to submit parts of the well operations management plan, for particular stages of the activity, at one or more later times.

6 Contents of well operations management plan

- (1) A well operations management plan must:
- (a) comply with the Act and these Regulations; and
 - (b) be appropriate for the nature and scale of the well activity; and
 - (c) show that the risks identified by the titleholder in relation to the well activity will be managed in accordance with sound engineering principles, standards, specifications and good oil-field practice.
- (2) The well operations management plan must include the following material, unless the Designated Authority has given the titleholder permission, in writing, not to include material specified in the permission:
- (a) information about the conduct of the well activity;
 - (b) an explanation of:
 - (i) the philosophy of, and criteria for, the design, construction, operational activity and management of the well; and
 - (ii) the possible production activities of the well;showing that the well activity, and all associated operational work, will be carried out in accordance with good oil-field practice;
 - (c) performance objectives against which the performance of the well activity is to be measured;
 - (d) measurement criteria that define the performance objectives;

Regulation 7

- (e) an explanation of how the titleholder will deal with:
 - (i) a well integrity hazard; or
 - (ii) a significant increase in an existing risk in relation to the well;including the possibility of continuing an activity for the purpose of dealing with the well integrity hazard or the risk;
 - (f) details of when and how the titleholder will notify the Designated Authority, and give reports and information, about:
 - (i) the well activity; and
 - (ii) well integrity hazards; and
 - (iii) significant increases in existing risks in relation to the well; and
 - (iv) other matters relevant to the conduct of the well activity;
 - (g) an explanation of the way in which the titleholder will keep information required by the well operations management plan.
- (3) The well operations management plan may include other material.

7 Reasons for acceptance of well operations management plan

- (1) A well operations management plan may be accepted only if:
 - (a) it complies with regulation 6; and
 - (b) the Designated Authority is satisfied that the way in which the well activity will be carried out:
 - (i) will not result in the occurrence of any significant new detrimental risk or effect to the well activity; and
 - (ii) will not result in any significant increase in a detrimental risk or effect to the well activity that already exists.
- (2) A well operations management plan must not be accepted unless subregulation (1) applies.

Regulation 8

8 Decision on well operations management plan

- (1) Within 30 days after a titleholder gives a well operations management plan to the Designated Authority, the Designated Authority must:
- (a) accept the well operations management plan, or one or more parts of the well operations management plan; or
 - (b) reject the well operations management plan; or
 - (c) notify the titleholder, in writing, that the Designated Authority is unable to make a decision without further assessment of the well operations management plan.

Example for paragraph (a)

The Designated Authority may accept a well operations management plan to the extent that it deals with a particular stage of a well activity, but not to the extent that it deals with other stages.

- (2) If the Designated Authority is unable to make a decision, the Designated Authority must:
- (a) notify the titleholder, in writing, that the Designated Authority is unable to make a decision without further assessment of the well operations management plan; and
 - (b) include in the notification:
 - (i) a proposed timetable for assessment of the well operations management plan that gives the titleholder a reasonable opportunity to modify or resubmit the well operations management plan; and
 - (ii) a description of any further information the Designated Authority may require to assist it to assess the well operations management plan.
- (3) If the Designated Authority further assesses a well operations management plan in accordance with subregulation (2), the Designated Authority must, as soon as practicable:
- (a) accept the well operations management plan, or one or more parts of the well operations management plan; or
 - (b) reject the well operations management plan.
- (4) The Designated Authority may accept a well operations management plan subject to any conditions decided by the Designated Authority.

Regulation 9

- (5) The acceptance of one or more parts of a well operations management plan is taken to be the rejection of any other parts of the well operations management plan that are not accepted by the Designated Authority.
- (6) The Designated Authority must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision:
 - (a) the terms of the decision;
 - (b) if the decision is to reject, or accept one or more parts of, the well operations management plan:
 - (i) the reasons for the decision; and
 - (ii) for a well activity that is to be carried out in the adjacent area of a Territory mentioned in section 7 of the Act — a statement or summary of the right, under section 152 of the Act, of reconsideration or review of the decision;
 - (c) if the decision is to accept the well operations management plan, or one or more parts of the well operations management plan, subject to a condition:
 - (i) the terms of the condition; and
 - (ii) the reason for making the acceptance subject to the condition;
 - (d) the effect of regulation 15.

9 Status of well operations management plans

- (1) If a titleholder has been given permission to give a well operations management plan in parts:
 - (a) the first part of the well operations management plan that the Designated Authority accepts is taken to be an accepted well operations management plan in its own right; and
 - (b) a part that is given to the Designated Authority after that acceptance is taken to be a variation to which Part 3 applies.

Regulation 9

- (2) If the Designated Authority accepts one or more parts of a well operations management plan:
 - (a) the part of the well operations management plan that the Designated Authority accepts is taken to be an accepted well operations management plan in its own right; and
 - (b) a part that is given to the Designated Authority after that acceptance is taken to be a variation to which Part 3 applies.
- (3) If the Designated Authority accepts a well operations management plan as a replacement for an accepted well operations management plan, the previous accepted well operations management plan ceases to have effect.

Regulation 10

Part 3 Variation of well operations management plan

Division 1 Variation by titleholder

10 Request for variation of accepted well operations management plan

- (1) A titleholder that wishes to vary an accepted well operations management plan must:
 - (a) give each of the variations to the Designated Authority; and
 - (b) ask the Designated Authority to accept each variation.

Note 1 If the titleholder wishes to replace an accepted well operations management plan, Part 2 applies to the new well operations management plan.

Note 2 There is no compulsory form of request for this regulation.

- (2) The variation must be in writing.

Note Section 25 of the *Acts Interpretation Act 1901* explains the meaning of the word **writing** when it is used in legislation. The Designated Authority will make arrangements to notify the industry of formats for well operations management plans.

- (3) The Designated Authority must notify the titleholder that the titleholder's accepted well operations management plan is not varied unless the Designated Authority accepts the variation.

11 Decision on request for variation

- (1) As soon as practicable after a titleholder gives a variation to the Designated Authority, the Designated Authority must:
 - (a) accept the variation if the well operations management plan, as varied, would comply with regulation 6; or
 - (b) reject the variation; or

Regulation 11

- (c) notify the titleholder, in writing, that the Designated Authority is unable to make a decision without further assessment of the variation.

Note In the majority of cases, a period of 30 days should be sufficient time for making a decision to accept or reject a variation.

- (2) If the Designated Authority is unable to make a decision, the Designated Authority must:
 - (a) notify the titleholder, in writing, that the Designated Authority is unable to make a decision without further assessment of the variation; and
 - (b) include in the notification:
 - (i) a proposed timetable for assessment of the variation that gives the titleholder a reasonable opportunity to modify or resubmit the variation; and
 - (ii) a description of any further information the Designated Authority may require to assist it to assess the variation.
- (3) If the Designated Authority further assesses a variation in accordance with subregulation (2), the Designated Authority must, as soon as practicable:
 - (a) accept the variation if the well operations management plan, as varied, would comply with regulation 6; or
 - (b) reject the variation.
- (4) The Designated Authority may accept a variation subject to any conditions decided by the Designated Authority.
- (5) The Designated Authority must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision:
 - (a) the terms of the decision;
 - (b) if the decision is to reject the variation:
 - (i) the reasons for the decision; and
 - (ii) for a well activity being carried out in the adjacent area of a Territory mentioned in section 7 of the Act — a statement or summary of the right, under section 152 of the Act, of reconsideration or review of the decision;

Regulation 12

- (c) if the decision is to accept the variation, subject to a condition:
 - (i) the terms of the condition; and
 - (ii) the reason for making the acceptance subject to the condition;
- (d) the effect of regulation 15.

Division 2 Variation at request of Designated Authority

12 Requirement to vary well operations management plan

The Designated Authority may give a titleholder a notice, in writing:

- (a) advising the titleholder that the Designated Authority requires the titleholder to give to the Designated Authority the variation or variations of the titleholder's well operations management plan set out in the notice; and
- (b) setting out the reasons for requiring the variation or variations; and
- (c) identifying the proposed date of effect of the variation; and
- (d) advising the titleholder of the effect of regulation 13.

13 Objection to requirement to vary

- (1) If the Designated Authority gives a titleholder a notice under regulation 12, the titleholder may give an objection, in writing, to the Designated Authority:
 - (a) stating one or more of the following:
 - (i) that the variation should not occur;
 - (ii) that the variation should be in terms different from the proposed terms;
 - (iii) that the variation should take effect on a date later than the proposed date; and
 - (b) giving reasons for the objection.

Regulation 14

- (2) The titleholder must make the objection within:
 - (a) 21 days after receiving the notice; or
 - (b) if the Designated Authority, in writing, allows a longer period — that period.
- (3) If the titleholder does not make an objection, the Designated Authority must notify the titleholder of the effect of regulation 15.

14 Decision on objection

- (1) As soon as practicable after a titleholder gives an objection to the Designated Authority under regulation 13, the Designated Authority must:
 - (a) accept the objection; or
 - (b) reject the objection; or
 - (c) notify the titleholder, in writing, that the Designated Authority is unable to make a decision without further assessment of the objection.
- (2) If the Designated Authority notifies the titleholder that the Designated Authority is unable to make a decision, the Designated Authority must include in the notification:
 - (a) a proposed timetable for assessment of the objection that gives the titleholder a reasonable opportunity to modify or resubmit the objection; and
 - (b) a description of any further information the Designated Authority may require to assist it to consider the objection.
- (3) If the Designated Authority further assesses an objection in accordance with subregulation (2), the Designated Authority must, as soon as practicable:
 - (a) accept the objection; or
 - (b) reject the objection.

Regulation 14

- (4) The Designated Authority must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision:
 - (a) the terms of the decision;
 - (b) if the decision is to reject the objection:
 - (i) the reasons for the decision; and
 - (ii) for a well activity being carried out in the adjacent area of a Territory mentioned in section 7 of the Act — a statement or summary of the right, under section 152 of the Act, of reconsideration or review of the decision;
 - (c) the effect of subregulation (5) or (6), as applicable.
- (5) If the Designated Authority accepts an objection that a variation should be in terms different from the proposed terms, or that a variation should take effect on a date later than the proposed date:
 - (a) the titleholder must give the Designated Authority the variation required by the Designated Authority, as affected by the objection, as soon as practicable; and
 - (b) the Designated Authority must accept the variation as soon as practicable if it is in accordance with the objection; and
 - (c) the Designated Authority must notify the titleholder of the effect of regulation 15.
- (6) If the Designated Authority rejects the objection:
 - (a) the titleholder must give the Designated Authority the variation or variations required by the Designated Authority as soon as practicable; and
 - (b) the Designated Authority must accept the variation or variations as soon as practicable; and
 - (c) the Designated Authority must notify the titleholder of the effect of regulation 15.

Division 3 Operation of well operations management plan

15 Commencement of well operations management plan and variations of well operations management plan

- (1) A well operations management plan commences on the day on which the Designated Authority accepts it.
- (2) A variation of a well operations management plan commences on the day on which the Designated Authority accepts it.

16 Termination of well operations management plan

An accepted well operations management plan ceases to have effect at the earliest of:

- (a) when the titleholder withdraws the well operations management plan; and
- (b) when the Designated Authority accepts another well operations management plan that replaces the well operations management plan; and
- (c) when the Designated Authority withdraws its acceptance of the well operations management plan under Part 5; and
- (d) the end of the period of 5 years starting when the well operations management plan was accepted;

whether or not the well operations management plan has been varied since being accepted.

Note An effect of paragraph (d) is that a titleholder will be required to submit another well operations management plan to the Designated Authority after 5 years because the existing well operations management plan has ceased to have effect.

Regulation 17

Part 4 Requirements for specific well activities

17 Approval

- (1) A titleholder must not commence any of the following well activities, that lead to the physical change of a wellbore, without the approval of the Designated Authority:
 - (a) well drilling;
 - (b) testing;
 - (c) well completion;
 - (d) abandonment or suspension of a well;
 - (e) well intervention.

Note Other well activities that do not alter the well configuration, such as wireline activities, require only notification to the Designated Authority.

- (2) Subregulation (1) applies whether or not:
 - (a) the titleholder has a current accepted well operations management plan relating to the activity; or
 - (b) a new well integrity hazard exists that requires the titleholder to vary the titleholder's accepted well operations management plan.

Note A titleholder does not require a current accepted well operations management plan for certain wells: see regulation 23.

- (3) An application for approval to commence a well activity must include:
 - (a) a description of the well activity; and
 - (b) the titleholder's proposed timetable for carrying out the well activity.

Note There is no compulsory application form for this regulation.

Part 5

Withdrawal of acceptance of well operations management plan

18 Reasons for withdrawal of acceptance

The Designated Authority may withdraw its acceptance of a titleholder's accepted well operations management plan if:

- (a) the titleholder has not complied with the Act, these Regulations, or a direction given under section 101 of the Act; or
- (b) the titleholder has not complied with the accepted well operations management plan; or
- (c) the Designated Authority is satisfied for any other reason that its acceptance of the well operations management plan should be withdrawn.

19 Notice of proposal to withdraw acceptance

- (1) If the Designated Authority believes it may be necessary to withdraw its acceptance of a well operations management plan, the Designated Authority must, at least 30 days before the Designated Authority would withdraw its acceptance:
 - (a) notify the titleholder, in writing, that the Designated Authority is considering the withdrawal of the acceptance; and
 - (b) include in the notification:
 - (i) an explanation of the reasons why the Designated Authority is intending to withdraw the acceptance; and
 - (ii) a date by which the titleholder may give the Designated Authority any information that the Designated Authority may take into account before deciding whether to withdraw the acceptance; and
 - (iii) any other information that the Designated Authority considers appropriate.

Regulation 20

- (2) The Designated Authority may give a copy of the notice to a person other than the titleholder if:
 - (a) the Designated Authority considers it appropriate; and
 - (b) the titleholder agrees in writing.

20 Decision to withdraw acceptance

- (1) If the Designated Authority notifies a titleholder under subregulation 19 (1), the Designated Authority must, as soon as practicable after the date mentioned in subparagraph 19 (1) (b) (ii) has passed:
 - (a) withdraw its acceptance of a well operations management plan; or
 - (b) decide not to withdraw its acceptance.
- (2) The Designated Authority must not withdraw its acceptance unless the Designated Authority:
 - (a) has taken any information given under subparagraph 19 (1) (b) (ii) into account; and
 - (b) is satisfied that a reason mentioned in regulation 18 exists.
- (3) The Designated Authority must notify the titleholder, in writing, of the following matters as soon as practicable after making a decision:
 - (a) the terms of the decision;
 - (b) if the decision is to withdraw its acceptance of a well operations management plan:
 - (i) the reasons for the decision; and
 - (ii) for a well activity being carried out in the adjacent area of a Territory mentioned in section 7 of the Act — a statement or summary of the right, under section 152 of the Act, of reconsideration or review of the decision to withdraw the acceptance.

Regulation 21

21 Relationship between withdrawal and other provisions

- (1) The Designated Authority may withdraw its acceptance of a well operations management plan even if the titleholder has been convicted of an offence because of a failure to comply with a provision of the Act or of these Regulations.
- (2) If the Designated Authority withdraws its acceptance of a well operations management plan, the withdrawal does not prevent the titleholder from being convicted of an offence because of a failure to comply with a provision of the Act or of these Regulations.

Regulation 22

Part 6 Titleholder's general duties**22 Undertaking activity**

- (1) A titleholder must not undertake a well activity in an adjacent area under a title unless the titleholder:
- (a) has a well operations management plan for the well activity that is accepted and current; or
 - (b) is not required, under regulation 23, to have an accepted well operations management plan at that time.

Penalty: 50 penalty units.

- (2) An offence against subregulation (1) is an offence of strict liability.

Note For **strict liability**, see section 6.1 of the *Criminal Code*.

23 Well operations management plans for certain wells

A titleholder in relation to a well is not required to have an accepted well operations management plan for the well activity:

- (a) in the circumstances set out in the following table; and
- (b) for the period mentioned in the table.

Item	Circumstances of the well	Period in which accepted well operations management plan is not required
1	The well is in operation at the commencement of these Regulations	Either: <ul style="list-style-type: none"> (a) 2 years after the commencement of these Regulations; or (b) if the Designated Authority allows the titleholder, in writing, a different period — that period

Regulation 24

Item	Circumstances of the well	Period in which accepted well operations management plan is not required
2	An approval in relation to the well is in force at the commencement of these Regulations	Either: (a) 2 years after the commencement of these Regulations; or (b) if the Designated Authority allows the titleholder, in writing, a different period — that period
3	The well is to be started within 6 months after the commencement of these Regulations	Within 12 months after the commencement of these Regulations

24 Compliance with accepted well operations management plan and Regulations

- (1) A titleholder that has an accepted well operations management plan must carry out well activities for the well in accordance with:
- (a) the accepted well operations management plan; and
 - (b) any requirements set out in these Regulations.

Penalty: 50 penalty units.

Note The Act also requires a titleholder to carry out operations in accordance with good oil-field practice: see section 97.

- (2) An offence against subregulation (1) is an offence of strict liability.

Note For *strict liability*, see section 6.1 of the *Criminal Code*.

Regulation 25

25 Impact of well integrity hazard or increased risk not identified in well operations management plan

- (1) A titleholder must not commence a well activity if:
- (a) either:
 - (i) a well integrity hazard has been identified in relation to the well; or
 - (ii) there has been a significant increase in an existing risk in relation to the well; and
 - (b) the titleholder has not controlled the well integrity hazard or the risk.

Penalty: 50 penalty units.

Note The Act also requires a titleholder to carry out operations in accordance with good oil-field practice: see section 97.

- (2) A titleholder must not continue a well activity if:
- (a) either:
 - (i) a well integrity hazard has been identified in relation to the well; or
 - (ii) there has been a significant increase in an existing risk in relation to the well; and
 - (b) the titleholder has not controlled the well integrity hazard or the risk.

Penalty: 50 penalty units.

Note The Act also requires a titleholder to carry out operations in accordance with good oil-field practice: see section 97.

- (3) It is a defence to a prosecution under subregulation (1) or (2) if the defendant had a reasonable excuse.

Note A defendant bears an evidential burden in relation to the matter in subregulation (3) (see subsection 13.3 (3) of the *Criminal Code*).

Note

1. Notified in the *Commonwealth of Australia Gazette* on 8 December 2004.