
MINES AND ENERGY

DEPARTMENT OF MINES AND ENERGY

**DECREE OF THE MINISTER OF MINES AND ENERGY
NUMBER : 1946/K/102/M.PE/1995; DATED : DECEMBER 26, 1995**

RE

**LICENSING FOR THE DRILLING FOR AND TAKING OF UNDERGROUND
WATER FOR MINES AND ENERGY BUSINESS ACTIVITIES**

THE MINISTER OF MINES AND ENERGY

Considering : that as enforcement of Article 7 of the Regulation of the Minister of Mines and Energy No. 02.P/101/M.PE/1994 dated December 26, 1994, it is deemed necessary to stipulate the licensing for the drilling for and taking of underground water for mines and energy business activities.

**Bearing
in mind**

1. Act No. 44 Prp/1960 (State Gazette No. 133/1960, Supplementary to State Gazette No. 2070);
2. Act No. 11/1967 (State Gazette No. 22/1967, Supplementary to State Gazette No. 2381);
3. Act No. 11/1974 (State Gazette No. 65/1974, Supplementary to State Gazette No. 3046);
4. Act No. 4/1982 (State Gazette No. 65/1974, Supplementary to State Gazette No. 3215);

5. Government Regulation No. 22/1982 (State Gazette No. 37/1982, Supplementary to State Gazette No. 3225);
6. Government Regulation No. 6/1988 (State Gazette No. 10/1988, Supplementary to State Gazette No. 3373);
7. Presidential Decree No. 22/1981 dated June 1, 1981 jo. Presidential Decree No. 45/1991 dated October 1, 1991;
8. Presidential Decree No. 96/M/1993 dated March 17, 1993;
9. Regulation of the Minister of Mines and Energy No. 02.P/101/M.PE/1994 dated December 26, 1994;
10. Joint Decree of the Minister of Public Works and the Minister of Mines and Energy No. 04/KPTS/1991 and No. 0076.K/101/M.PE/1991 dated January 19, 1991;
11. Decree of the Minister of Mines and Energy No. 390.K/008/M.PE/1995 dated May 2, 1995;

H A S D E C I D E D :

To stipulate : THE DECREE OF THE MINISTER OF MINES AND ENERGY ON THE LICENSING FOR THE DRILLING FOR AND TAKING OF UNDERGROUND WATER FOR MINES AND ENERGY BUSINESS ACTIVITIES.

**CHAPTER I
GENERAL PROVISION**

Article 1

Referred to in this Ministerial Decree as :

- a. The Minister shall be the Minister assuming responsibility in the mines and energy areas;
- b. The Director General shall be the Director General of Geology and Mineral Resources;
- c. The Governor shall be the Governor/First-Level Region Head;
- d. District Head/Municipality Head shall be the District Head/Municipality Head of a Second-Level Region;
- e. The Director shall be the Director of the Directorate of the Geology of Environmental Arrangement;
- f. The Head of a Regional Office shall be the Head of a Regional Office of the Ministry of Mines and Energy;
- g. Underground water shall be all water found in the water-containing layer underground, including springs which may naturally appear above the ground;
- h. Mines and energy business activities shall encompass :

1. general surveys, explorations, exploitation, processing, purification and transportation of mines as referred to in Act No. 11/1967;
 2. explorations, exploitation, purification, processing and transportation of natural oil and gas as referred to in Act No. 44 Prp/1960;
 3. explorations and exploitation of geothermal resources, including geothermal processing as referred to in Presidential Decree No. 22/1981 jo. Presidential Decree No. 45/1991;
 4. electricity-related business activities and everything connected with these activities as referred to in Act No. 15/1985.
- i. A company shall be a company owning a licence to conduct mines and energy business activities;
 - j. A monitoring well shall be a well made to monitor the surface and the quality of underground water at a particular aquifer layer;
 - k. Environmental Management Effort (UKL) shall be a document containing efforts to manage the environmental impacts brought about by a business undertaking or activity plan;
 - l. An Environmental Monitoring Effort (UPL) shall be a document containing efforts to monitor the environmental components affected by the impacts brought about by a business undertaking or activity plan.

CHAPTER II AUTHORITY AND RESPONSIBILITY

Article 2

- (1) The authority and responsibility regarding the administrative processing of underground water of mines and energy business activities shall rest with the Minister.
- (2) The administrative processing of underground water as referred to in paragraph (1) shall be implemented by the Director General.

CHAPTER III LICENSING

Article 3

- (1) The drilling for and taking of underground water for mines and energy business activities can be implemented only after a licence has been obtained from the Director General.
- (2) The taking of underground water for drinking water and household purposes shall up to a certain extent be implemented on the basis of the prevailing Acts.
- (3) The stipulation as referred to in paragraph (1) shall not apply to water obtained from or coming out along with drilling activities in mines and energy business activities.

Article 4

- (1) A Licence for the Drilling of Underground Water as referred to in Article 3 shall be granted for

a period of 3 (three) years.

- (2) A Licence for the Taking of Underground Water as referred to in Article 3 shall be granted for period of 5 (five) years and is renewable.
- (3) The Drilling Licence as referred to in paragraph (1) shall apply only for one underground water drilling point.
- (4) Every Drilling Licence as referred to in paragraph (1) and every Taking Licence as referred to in paragraph (2) shall be subject to contribution.
- (5) The cost as referred to in paragraph (4) and the procedure for its payment shall be stipulated by the Minister.

Article 5

- (1) An application for a Licence for the Drilling of Underground Water, a Licence for the Taking of Underground Water, the renewal of each and an alteration plan shall obligatorily be submitted to the Director General with carbon copies to be submitted to the Governor, the District Head/Municipality Head, the Director and the Head of the local Regional Office.
- (2) Every application for a licence as referred to in paragraph must obligatorily be completed with an UKL and an UPL.
- (3) The procedure and requirements for a licence application as referred to in paragraph (1) shall be stipulated by the Director General.

CHAPTER IV THE OBLIGATIONS OF COMPANIES

Article 6

- (1) A company already obtaining a Licence for the Drilling for Underground Water shall be obligated to notify the Director General of the implementation plan for the installation of filters, test pumping and water meters.
- (2) The requirements for installation of filters, test pumping and water meters shall be stipulated by the Director General.

Article 7

A company already obtaining a Licence for the Drilling of Underground Water and a Licence for the Taking of Underground Water shall be obligated :

- a. to report the quantity of the water used every month to the Director General with carbon copies to be submitted to the Governor, the Director and the Head of the local Regional office.
- b. to pay the contribution for the Drilling for Underground Water and the contribution for the Taking of Underground Water.
- c. to share some of the water obtained with the surrounding community if necessary, at least 10% (ten percent) of the demit stipulated in the licence.

- d. to provide one monitoring well equipped with an automatic water level recorder if :
1. the underground water used comes from five wells in an area measuring less than 10 hectares;
 2. the underground water is used at the rate of 50 (fifty) litres per second or more in an area measuring less than 10 hectares;
 3. the underwater used at the rate of 50 (fifty) litres per second or more comes from one well.

**CHAPTER V
NURTURING, CONTROL AND SUPERVISION**

Article 8

- (1) The nurturing, control and supervision of the drilling for and taking of underground water for mines and energy business activities shall be undertaken by the Director General in cooperation with officials from other relevant government agencies.
- (2) The procedure for nurturing, control and supervision as referred to in paragraph (1) shall be stipulated by the Director General.

**CHAPTER VI
TRANSITIONAL AND CLOSING PROVISIONS**

Article 9

Licences for the Drilling for and Taking of Underground Water already issued prior to the stipulation of this Ministerial Decree shall remain valid until they expire.

Article 10

This Ministerial Decree shall take effect as from the date of stipulation.

Stipulated in : Jakarta
On : December 26, 1995
THE MINISTER OF MINES AND ENERGY

sgd.
I.B. SUDJANA

ooo000ooo