

Version No. 003
Petroleum Regulations 2000

S.R. No. 65/2000

Version incorporating amendments as at 1 July 2004

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PART 1—PRELIMINARY MATTERS

1. Objectives

The objectives of these Regulations are—

- (a) to ensure that the environment, health and safety hazards and risks involved in undertaking petroleum operations are eliminated or minimised so far as is practicable; and
- (b) to prescribe various fees, administrative matters and other requirements authorised by the Act.

2. Authorising provision

These Regulations are made under section 252 of the **Petroleum Act 1998**.

3. Definitions

In these Regulations—

"Act" means the **Petroleum Act 1998**;

"completion" means a flowpath in a well that allows the production of fluids from, and the injection of fluid into, a discrete formation interval through the well, and includes the equipment necessary for that production or injection independent of other flowpaths in the well;

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"directional drilling", in relation to drilling a well, means drilling that involves intentional changes in the direction of drilling;

"facility" means a structure that—

- (a) is used or constructed for the purpose of recovering petroleum; or
- (b) carries, contains or includes equipment for the drilling or workover of a well;

"incident" means an accident or dangerous occurrence;

"lifecycle", of an operation, includes the design, construction, abandonment and rehabilitation stages of the operation;

"practicable", in relation to eliminating or minimising hazards and risks, means practicable having regard to—

- (a) the severity of the hazard or risk; and
- (b) the state of knowledge about the hazard or risk and any means of eliminating or minimising that hazard or risk; and
- (c) the availability and suitability of ways to eliminate or minimise that hazard or risk; and
- (d) the cost of eliminating or minimising that hazard or risk;

"workover operation" means a modification, maintenance or repair operation made to a well.

PART 2—CONDITIONS OF AUTHORITIES

4. Conditions of every authority

- (1) In addition to any conditions imposed on an authority under the Act, an authority is subject to the conditions specified in this regulation.
- (2) The holder of an authority must ensure that each environment, health or safety hazard associated with the lifecycle of a petroleum operation is eliminated or, if it is not practicable to eliminate the hazard, must ensure that the risk associated with the hazard is minimised so far as is practicable.
- (3) The holder of an authority must establish and maintain management systems to ensure that the obligations imposed on the holder of the authority by sub-regulation (2) are met.
- (4) Without limiting sub-regulation (3), the management systems must ensure that—
 - (a) each hazard and risk is identified and continually reviewed; and
 - (b) the risk associated with each hazard is assessed; and
 - (c) measures are established to eliminate each hazard or to minimise the risk of each hazard so far as is practicable; and
 - (d) accountabilities and responsibilities for the management of each hazard and risk are clearly established at appropriate levels and are understood and maintained; and
 - (e) employees associated with petroleum operations are informed of the hazards and risks and are aware of their role in identifying and managing them; and

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- (f) employees associated with petroleum operations are competent, by reason of having the necessary skills, training and ability, to undertake their duties; and
 - (g) control of the hazards and risks is maintained in the event of significant change; and
 - (h) systems are established to detect and respond to emergency situations; and
 - (i) incidents are reported, recorded and investigated and corrective actions are implemented; and
 - (j) there is routine monitoring, maintenance and testing of the measures used to eliminate the hazards and to minimise the risks; and
 - (k) the systems are documented and retained for inspection purposes; and
 - (l) there are regular audits and reviews of the systems and that steps are taken to ensure continuous improvement.
- (5) For the purposes of sub-regulation (4), a reference to employees includes a reference—
- (a) to independent contractors contracted by the holder of the authority to do any thing in relation to the petroleum operation; and
 - (b) to the employees of such independent contractors who do any thing in relation to the petroleum operation.
- (6) The holder of an authority must ensure that sufficient information and data relating to a petroleum operation is submitted to the Minister to verify that the work program is being undertaken.
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- (7) Without limiting sub-regulation (6), reports on operations, copies of original data and the results and interpretations of all processing tests, surveys, measurements and analyses must be submitted as soon as is practicable.
- (8) The holder of an authority must submit to the Minister a report of an incident that—
- (a) causes, or has the potential to cause, death, serious injury or significant environmental or property damage; or
 - (b) involves the release or spill of more than 80 litres of petroleum; or
 - (c) involves a petroleum emulsion in which the petroleum concentration is greater than 30 milligrams per litre; or
 - (d) involves any uncontrolled escape by ignition of flammable or combustible material—
- as soon as is practicable after the incident occurs.
- (9) The report must include—
- (a) the date, time and place of the incident; and
 - (b) a description of the incident; and
 - (c) any known or suspected causes of the incident; and
 - (d) a description of the steps taken to minimise the impact of the incident; and
 - (e) a description of the steps taken or proposed to prevent a recurrence of the incident.
- (10) The holder of a production licence must ensure that a summary of the reports is submitted to the Minister at intervals not exceeding one month.
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**PART 3—GEOPHYSICAL AND GEOCHEMICAL
OPERATIONS**

**5. Operation plan for geophysical or geochemical
operations**

For the purposes of section 161 of the Act, an operation plan for geophysical or geochemical operations must include—

- (a) details of the operation, including any equipment or facilities to be used;
 - (b) an environment and safety assessment which—
 - (i) identifies the environment, health and safety hazards and risks associated with the operation; and
 - (ii) provides an assessment of the risks; and
 - (iii) identifies the measures to be used to eliminate the hazards and to minimise the risks so far as is practicable;
 - (c) a description of the management systems required by regulation 4.
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PART 4—DRILLING AND WORKOVER OPERATIONS

6. Operation plan for drilling or workover operations

- (1) For the purposes of section 161 of the Act, an operation plan for drilling or workover operations must include—
 - (a) details of the operation, including the location of wells and any equipment to be used;
 - (b) an environment and safety assessment which—
 - (i) identifies the environment, health and safety hazards and risks associated with the operation; and
 - (ii) provides an assessment of the risks; and
 - (iii) identifies the measures to be used to eliminate the hazards and to minimise the risks so far as is practicable;
 - (c) a description of the management systems required by regulation 4.
- (2) The operation plan must be submitted at least one month before the proposed start of the drilling or workover operations, unless the Minister agrees otherwise.

7. Drilling at location not approved

- (1) The Minister may direct that a well that is drilled in a location that is not identified in an operation plan for drilling operations must be plugged and abandoned.

- (2) The holder of an authority must comply with such a direction within the time specified by the Minister in giving the direction.

Penalty: 20 penalty units.

8. Casing requirements

The holder of an authority must ensure that a well is lined with casing and that the casing is cemented in accordance with good oil-field practice.

Penalty: 20 penalty units.

9. Blow-out prevention equipment

The holder of an authority must ensure that the blow-out prevention equipment (including accumulators) of a well is installed, operated, maintained and pressure tested in accordance with good oil-field practice.

Penalty: 20 penalty units.

10. Formation integrity testing

The holder of an authority must ensure that formation integrity testing of a well is undertaken before drilling to the next casing point in accordance with good oil-field practice.

Penalty: 20 penalty units.

11. Drilling fluid

The holder of an authority must ensure that the characteristics and the use of drilling fluid and equipment used in a well provide adequate control of any sub-surface pressures likely to be encountered in the well.

Penalty: 20 penalty units.

12. Cuttings, cores and fluid samples

- (1) The holder of an authority must ensure that any cuttings, cores or fluid samples recovered in connection with the drilling of a well are processed and stored in accordance with good oil-field practice and that undue deterioration and loss of the cuttings, cores and fluids is prevented.

Penalty: 20 penalty units.

- (2) The holder of an authority must ensure that the results obtained from any analysis of a fluid sample is submitted to the Minister as soon as is practicable after the results are obtained.

Penalty: 20 penalty units.

- (3) For the purposes of section 179(c) of the Act, the holder of an authority must, if directed to do so by the Minister, give the Minister cuttings, cores or fluid samples in accordance with the direction.

13. Minister may require coring, logging and testing

- (1) If the Minister considers that the holder of an authority is not undertaking sufficient coring, logging or testing to evaluate an occurrence, or potential occurrence, of petroleum, the Minister may direct the holder of the authority to carry out any coring, logging and testing that the Minister thinks is necessary and reasonable in the circumstances.

- (2) The holder of an authority must comply with such a direction within the time specified by the Minister in giving the direction.

Penalty: 20 penalty units.

14. Age dating

- (1) The Minister may direct the holder of an authority to undertake all reasonable steps to ascertain the ages of rock strata penetrated by an exploration well.
- (2) The holder of an authority must comply with such a direction within the time specified by the Minister in giving the direction.

Penalty: 20 penalty units.

15. Well evaluation logs

- (1) The holder of an authority must ensure that before a well is cased (other than with surface or intermediate casing), completed or abandoned, a suite of logs is run and recorded.

Penalty: 20 penalty units.

- (2) Sub-regulation (1) does not apply if—
 - (a) there is an immediate threat to the integrity of the well; or
 - (b) the Minister states in writing that a suite of logs is not required before casing in certain circumstances, and those circumstances exist.
- (3) The holder of an authority must ensure that the suite of logs is sufficient to at least provide a proper determination of—
 - (a) formation porosity; and
 - (b) formation fluid saturation; and
 - (c) stratigraphic correlation with surrounding wells; and
 - (d) if inadequate control exists in the vicinity of the well—velocity control.

Penalty: 20 penalty units.

- (4) The holder of an authority must ensure that a copy of each log run is submitted to the Minister as soon as is practicable after it is recorded.

Penalty: 20 penalty units.

16. Protection of aquifers

The holder of an authority must ensure that all reasonable steps are undertaken during an operation on a well to prevent communication between, leakage from, or the pollution of, aquifers.

Penalty: 20 penalty units.

17. Consent to conduct production or drill stem tests

- (1) The holder of an authority must not conduct a production or drill stem test in an exploration or development well that has not been opened to production except with, and in accordance with, the written consent of the Minister.

Penalty: 20 penalty units.

- (2) An application for consent must provide details of the testing program and the equipment to be used.

18. Well completion

- (1) The holder of an authority must ensure that the surface and sub-surface equipment of a completed well is, as far as is practicable, arranged to allow the pressure and temperature at the well-head and at the bottom of the well to be measured and to allow any other test required for the maintenance or management of the well or the reservoir.

Penalty: 20 penalty units.

- (2) The holder of an authority must ensure that the surface equipment is fitted with sampling means.

Penalty: 20 penalty units.

- (3) On the completion and any re-completion of a well, the holder of an authority must make and retain for inspection purposes an accurate record of all—

- (a) sub-surface equipment; and
- (b) material remaining in the well as a result of maintenance work.

Penalty: 20 penalty units.

- (4) The holder of an authority must ensure that before opening a well to production and after every major repair, re-completion or workover operation, the well-head and flow line of the well is pressure tested.

Penalty: 20 penalty units.

19. Protection of well site

The holder of an authority must ensure that adequate controls are in place to protect a completed well site from outside interference and to ensure the safety of the public.

Penalty: 20 penalty units.

20. Disposal of oil or gas produced

The holder of an authority must ensure that any oil or gas—

- (a) that is circulated out of, or produced from, a well during a drilling, testing or repair operation; and
- (b) that has not flowed through the flow line of the well to a gathering facility—

is disposed of in a manner that minimises any environmental damage in accordance with good oil-field practice.

Penalty: 20 penalty units.

21. Consent for workover operations

- (1) The holder of an authority must ensure that a well is not worked over except with, and in accordance with, the written consent of the Minister.

Penalty: 20 penalty units.

- (2) An application for consent must include details of—

- (a) the zone in the well to be abandoned (if any); and
- (b) the zone in the well to be developed (if any); and
- (c) the proposed modifications, maintenance or repair to equipment in the well (if any); and
- (d) the proposed modifications, maintenance or repair to the well-head and production equipment (if any); and
- (e) the proposed procedures for undertaking the workover operation.

- (3) The holder of an authority must ensure that a well that is to be worked over for gas lift operations is pressure tested in the 12 months before the operations start to prove the integrity of the well production casing, tubing and associated equipment.

Penalty: 20 penalty units.

22. Cessation of drilling operations

The holder of an authority must ensure that a well is made safe in accordance with good oil-field practice whenever drilling operations cease.

Penalty: 20 penalty units.

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23. Consent to suspend or abandon a well

- (1) The holder of an authority must ensure that a well is not suspended except with, and in accordance with, the written consent of the Minister.

Penalty: 20 penalty units.

- (2) The holder of an authority must ensure that a well with a measurable interval of petroleum is not abandoned except with, and in accordance with, the written consent of the Minister.

Penalty: 20 penalty units.

- (3) An application for consent to suspend or abandon a well must include—

- (a) the name and number of the well; and
 - (b) the reasons for the proposed suspension or abandonment; and
 - (c) details of the proposed suspension or abandonment program, including the method by which the well will be made safe.
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PART 5—PRODUCTION AND STORAGE OPERATIONS

24. Operation plan for production or storage operations

For the purposes of section 161 of the Act, an operation plan for petroleum production or storage operations must include—

- (a) details of each stage of the lifecycle of the operation, including the facilities and equipment to be used;
- (b) an environment and safety assessment which—
 - (i) identifies the environment, health and safety hazards and risks associated with the operation; and
 - (ii) provides an assessment of the risks; and
 - (iii) identifies the measures to be used to eliminate the hazards and to minimise the risks so far as is practicable;
- (c) a description of the management systems required by regulation 4.

25. Design, construction, installation, maintenance and modification

- (1) An operation plan that applies to a facility must specify an effective means of ensuring the adequacy of the design, construction, installation, maintenance and modification of the facility.
- (2) Without limiting sub-regulation (1), the means specified must ensure that at all times—
 - (a) adequate inventory isolation and pressure relief can occur in the event of an emergency; and

- (b) there is access for servicing and maintaining all parts of the facility; and
- (c) the structural integrity of the facility is maintained.

26. Consent to construct and install a facility

- (1) The holder of an authority must not start to construct or install a facility except with the written consent of the Minister.

Penalty: 20 penalty units.

- (2) An application for consent must include—
 - (a) details of the proposed design, layout, location, construction and installation of the facility; and
 - (b) independent validation of the adequacy of the design, construction and installation of plant included in the proposal.
- (3) In giving such consent, the Minister may specify any conditions that she or he considers to be appropriate.
- (4) The holder of an authority must ensure that any such conditions are complied with.

Penalty: 20 penalty units.

27. Provisional acceptance of operation plan to commission a facility

- (1) The Minister may, by notice in writing, provisionally accept an operation plan to the extent that it applies to a facility to enable the facility to be commissioned if she or he is satisfied that the plan provides for the safe commissioning of the facility.

- (2) The notice of acceptance must specify—
 - (a) the period during which the provisional acceptance is in force; and
 - (b) the extent to which the operation plan has been accepted; and
 - (c) any limitations or conditions that apply in respect to the use or operation of the facility.
- (3) The Minister is not required to accept an operation plan which has been provisionally accepted if the holder of the authority does not comply with the notice of acceptance.

28. Consent to modify a facility

- (1) The holder of an authority must not make a significant modification to a facility except with the written consent of the Minister.
Penalty: 20 penalty units.
- (2) An application for consent must include details of the modification, including details of any change to the risks associated with the use of the facility.
- (3) In giving such consent, the Minister may specify any conditions that she or he considers to be appropriate.
- (4) The holder of an authority must ensure that any such conditions are complied with.

Penalty: 20 penalty units.

29. Petroleum production development plan

- (1) For the purposes of section 63 of the Act, a petroleum production development plan must include—
 - (a) a description of the relevant existing geological and reservoir data and interpretations of that data; and

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- (b) details of proposed further data acquisition and studies to enhance geological and reservoir understanding; and
- (c) a reservoir management plan that—
 - (i) describes how the reservoir will be produced; and
 - (ii) provides the reasons for adopting the proposed approach; and
 - (iii) estimates the future performance of the reservoir; and
 - (iv) specifies the proposed rate of recovery of petroleum.
- (2) The holder of an authority must ensure that the plan is reviewed within 3 months after initial production (unless the Minister agrees to a longer period of time) and then at intervals not exceeding one year.

Penalty: 20 penalty units.
- (3) The holder of an authority must submit the results of the review to the Minister as soon as is practicable after the review is completed.

Penalty: 20 penalty units.

30. Storage development plan

- (1) For the purposes of section 68 of the Act, a storage development plan must include—
 - (a) a description of the relevant existing geological and reservoir data and interpretations of that data; and
 - (b) details of proposed further data acquisition and studies to enhance geological and reservoir understanding; and

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- (c) a reservoir management plan that—
- (i) estimates the remaining recoverable reserves; and
 - (ii) evaluates the suitability of the reservoir and seal for storage purposes; and
 - (iii) specifies the proposed storage operating volume; and
 - (iv) specifies the proposed rates of injection and recovery of petroleum; and
 - (v) details the method to be used to monitor the petroleum-water contact; and
 - (vi) provides information about any proposals to conduct storage operations at nearby petroleum fields.
- (2) The holder of an authority must ensure that the plan is reviewed at intervals not exceeding one year.
- Penalty: 20 penalty units.
- (3) The holder of an authority must submit the results of the review to the Minister as soon as is practicable after the review is completed.
- Penalty: 20 penalty units.

31. Petroleum production requirements

The holder of a production licence must ensure that operations for—

- (a) the enhanced recovery of, or recycling of, petroleum; and
- (b) the processing, storage or disposal of petroleum; and

- (c) the injection and recovery of petroleum or water into an underground formation—

are undertaken in accordance with good oil-field practice.

Penalty: 20 penalty units.

32. Production testing

- (1) The holder of a production licence must ensure that before a petroleum completion or re-completion is brought into production, or within one month of being brought into production, the well is subject to a production test to determine, so far as is practicable—

(a) representative chemical analyses of fluids that exist in the reservoir; and

(b) the production capacity of the well.

Penalty: 20 penalty units.

- (2) The holder of a production licence must notify the Minister of a proposal to carry out a production test on a newly discovered reservoir at least one week before the test is undertaken.

Penalty: 20 penalty units.

- (3) The holder of a production licence must ensure that, unless reliable test data are in existence, a completion that is subjected to a major stimulation procedure (such as fracturing or acidizing) is tested in accordance with sub-regulation (4) not more than 6 months before the stimulation and is further tested within 3 months after the stimulation.

Penalty: 20 penalty units.

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- (4) The tests must be appropriate to determine, so far as is practicable, any changes—
- (a) to the fluid flowing from the completion as a result of the stimulation; and
 - (b) to the production capacity of the completion as a result of the stimulation; and
 - (c) to the formation characteristics as a result of the stimulation.

Penalty: 20 penalty units.

33. Reporting of rate of recovery and composition of petroleum

The holder of a production licence must ensure that a report on the rate of recovery and the composition of produced petroleum and other fluids is submitted to the Minister at intervals not exceeding one month.

Penalty: 20 penalty units.

34. Well performance monitoring

- (1) The holder of a production licence must ensure that, if downhole equipment permits, bottom hole pressure build-up surveys are conducted on each producing well for a reservoir at intervals not exceeding the greater of—
- (a) one year; or
 - (b) the time required to produce 10% of the currently estimated total recoverable reserves of the reservoir.

Penalty: 20 penalty units.

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- (2) The holder of a production licence must ensure that—
- (a) each producing gas well is tested to determine changes in the flow characteristics of the well at intervals not exceeding 4 years; and
 - (b) each producing gas well is tested to determine water production at intervals not exceeding 6 months.

Penalty: 20 penalty units.

35. Concurrent production

- (1) The Minister may direct the holder of a production licence to ensure that a completion is not produced as a gas completion if, in her or his opinion, the reservoir could commercially produce oil.
- (2) However, the Minister must not make a direction to prevent the concurrent production of gas and oil from the reservoir if, in her or his opinion, it is not detrimental to the ultimate recovery of hydrocarbons from the reservoir.
- (3) Before making a direction, the Minister must—
 - (a) advise the holder of the production licence in writing of her or his intention to issue the direction; and
 - (b) provide the licence holder with 30 days to comment on the proposed direction; and
 - (c) consider any comments made by the licence holder.
- (4) The holder of a production licence must ensure that a direction made by the Minister is complied with.

Penalty: 20 penalty units.

36. Production prohibited if pressure below bubble point

- (1) The holder of a production licence must ensure that an oil completion is not produced so that the bottom hole pressure is below the bubble point pressure.

Penalty: 20 penalty units.

- (2) Despite sub-regulation (1), the Minister may, on the application of the holder of a production licence, approve production of an oil completion that does not comply with sub-regulation (1) if the Minister is satisfied that it will not lead to the undue loss of petroleum.

- (3) In giving such approval, the Minister may specify any conditions that she or he considers necessary to prevent the undue loss of petroleum.

- (4) The holder of a production licence must ensure that any such conditions are complied with.

Penalty: 20 penalty units.

37. Production from different reservoirs not to be commingled

- (1) The holder of a production licence must, unless otherwise approved by the Minister, ensure that petroleum and water recovered from more than one reservoir in a well or from different reservoirs from more than one well is not commingled until the petroleum and water pass a point where the quantity and composition of the petroleum and water from each reservoir and each well is determined.

Penalty: 20 penalty units.

- (2) The holder of an authority must ensure that the effectiveness of segregation between completions of a multiple completion well is tested on completion of the well, after sub-surface

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modifications are made to the well and at intervals not exceeding one year.

Penalty: 20 penalty units.

- (3) The holder of an authority must submit the results of the tests to the Minister as soon as is practicable.

Penalty: 20 penalty units.

- (4) If a test indicates that segregation is ineffective, the Minister may direct that one or more of the completions be sealed off or that the well be shut-in.

- (5) The holder of a production licence must ensure that a direction made by the Minister is complied with.

Penalty: 20 penalty units.

38. Prevention of cross flow

- (1) If a completion is shut-in, the holder of a production licence must ensure that the completion is left in a condition that will prevent deleterious cross flow between zones.

Penalty: 20 penalty units.

- (2) Sub-regulation (1) does not apply if a completion is shut-in in an emergency.

39. Oil, gas or water wastage

- (1) The Minister may, if she or he considers that there is a reasonable possibility that oil, gas or water is being wasted, direct the holder of a production licence to carry out specified tests to determine if waste is occurring.

- (2) The holder of a production licence must submit the results of any test undertaken under this regulation to the Minister as soon as is practicable.

Penalty: 20 penalty units.

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- (3) If the results of the tests establish that waste is occurring, the holder of a production licence must take such steps as are necessary to remedy or prevent the waste.

Penalty: 20 penalty units.

- (4) The Minister may direct the holder of a production licence to carry out further tests to determine the effectiveness of the steps undertaken to remedy or prevent the waste.

- (5) The holder of a production licence must ensure that a direction made by the Minister under this regulation is complied with.

Penalty: 20 penalty units.

40. Disposition of gas

The holder of a production licence must ensure that, subject to these Regulations, gas under the control of the holder of the production licence within the licence area is not used or produced for any purpose other than—

- (a) to be sold; or
- (b) to be used in the facility in accordance with the operation plan; or
- (c) to be re-injected into a reservoir for reservoir maintenance purposes in accordance with the petroleum production development plan; or
- (d) to be injected into a reservoir for storage purposes in accordance with the storage development plan.

Penalty: 20 penalty units.

41. Flaring of gas

The holder of a production licence must ensure that during the cleaning up or testing of a gas completion, the amount of gas flared is kept to a minimum in accordance with good oil-field practice.

Penalty: 20 penalty units.

42. Consent to vent or flare petroleum

The holder of a production licence must ensure that venting or flaring of petroleum is not carried out except—

- (a) in an emergency; or
- (b) with the consent of the Minister.

Penalty: 20 penalty units.

43. Notification of wireline operations and changes to subsurface equipment

- (1) The holder of a production licence must ensure that the Minister is given prior notice of—

- (a) a non-routine wireline operation in a well; or
- (b) a change to an item of subsurface equipment in a well.

Penalty: 20 penalty units.

- (2) Sub-regulation (1) does not apply in an emergency.

44. Consent to suspend or abandon a facility

- (1) The holder of an authority must not suspend or abandon a facility except with, and in accordance with, the written consent of the Minister.

Penalty: 20 penalty units.

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- (2) An application for consent to abandon must include details of the dismantling and removal of the facility.
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Part 6—Provisions Relating to Operation Plans Generally

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**PART 6—PROVISIONS RELATING TO OPERATION PLANS
GENERALLY**

45. Additional information

- (1) If an operation plan has been submitted, the Minister may, by notice in writing, require the holder of an authority to provide any additional information that the Minister considers to be relevant to acceptance of the plan.
- (2) The Minister is not required to accept an operation plan until the additional information is provided.

46. Review of operation plans

- (1) The holder of an authority must ensure that an operation plan is reviewed when there is a significant change to the risks associated with the operation and at intervals not exceeding 5 years.
Penalty: 20 penalty units.
 - (2) The holder of an authority must submit the results of the review to the Minister as soon as is practicable after the review is completed.
Penalty: 20 penalty units.
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PART 7—ROYALTIES AND RENT

47. Time of payment of royalties

- (1) Unless otherwise specified in a production licence, royalties must be paid for each period of 6 months ending on 30 June and 31 December in each year and must be paid within 10 days of the expiry of the period for which they are payable.
- (2) Unless otherwise specified in a production licence, the royalty payment for the period must be accompanied by a copy of records of the quantity of petroleum extracted or recovered in that period from any well within the licence area as measured by an approved measuring device.
- (3) The holder of a production licence must retain a copy of records of petroleum extracted or recovered for inspection purposes for 5 years.
Penalty: 20 penalty units.
- (4) Sub-regulations (2) and (3) do not apply in relation to a well in any period in which the quantity of petroleum extracted or recovered from that well in that period was determined by the Minister in accordance with section 153(3) of the Act.

48. Rent for occupancy of Crown land

- (1) In this regulation—
 "valuer-general" means the person appointed as the valuer-general under section 3 of the **Valuation of Land Act 1960**.
- (2) Unless otherwise specified in an authority, the rent payable for the purposes of section 160(3) of the Act is the rent determined by a valuer nominated by the valuer-general.

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- (3) The rent is the current market value for occupying the land, having regard to the use of the land permitted by the authority.
 - (4) The holder of the authority is liable for the costs incurred in obtaining the determination.
 - (5) The rent must be reviewed by a valuer nominated by the valuer-general at intervals not exceeding 3 years but not less than one year.
 - (6) Rent must be paid for each period of 6 months ending on 30 June and 31 December in each year and must be paid within 10 days of the commencement of the period for which the rent is payable.

49. Application for variation to royalty rate

A person who applies for a variation to the royalty rate or for a different method of collecting revenue under section 156 of the Act must also provide an economic assessment supporting the application.

PART 8—ADMINISTRATIVE MATTERS

Division 1—Fees

50. Annual fees

- | | |
|---|--|
| <p>(1) The annual fee for an exploration permit is \$0.55 per square kilometre and must be paid—</p> <p style="margin-left: 40px;">(a) within 7 days of registration of the permit; and</p> <p style="margin-left: 40px;">(b) before the expiry of each 12 month period after the date of registration.</p> <p>(2) The annual fee for a retention lease is 550 fee units and must be paid—</p> <p style="margin-left: 40px;">(a) within 7 days of registration of the lease; and</p> <p style="margin-left: 40px;">(b) before the expiry of each 12 month period after the date of registration.</p> <p>(3) The annual fee for a production licence is 1100 fee units and must be paid—</p> <p style="margin-left: 40px;">(a) within 7 days of registration of the licence; and</p> <p style="margin-left: 40px;">(b) before the expiry of each 12 month period after the date of registration.</p> | <p>Reg. 50(1)
amended by
S.R. No.
91/2000
reg. 3(a).</p>

<p>Reg. 50(2)
amended by
S.R. Nos
91/2000
reg. 3(b),
88/2004
reg. 4(Sch. 1
item 31.1).</p>

<p>Reg. 50(3)
amended by
S.R. Nos
91/2000
reg. 3(c),
88/2004
reg. 4(Sch. 1
item 31.2).</p> |
|---|--|

51. Late fee for renewal of exploration permits

The late fee for the purposes of section 29(3) of the Act is 10 fee units.

Reg. 51
amended by
S.R. No.
88/2004
reg. 4(Sch. 1
item 31.3).

Division 2—Pecuniary interest statements

52. Definitions

In this Division—

"family", in relation to an officer, means—

- (a) a spouse or defacto spouse of that officer; or
- (b) any related person who is under the age of 18 years and who normally resides with that officer;

"reportable interest", in relation to an officer, means a pecuniary interest of the officer, or of a member of the officer's family, which might appear to raise a conflict with the officer's responsibilities as an officer but does not include any remuneration or allowance received by an officer under the Act or the **Public Sector Management and Employment Act 1998**;

"interest register" means the register of interests of officers established under regulation 54;

"officer" means a person who is employed in the administration of the Act.

53. Duty of disclosure of pecuniary interests

- (1) An officer must disclose all reportable interests to the Minister within 30 days of becoming an officer.
- (2) An officer must disclose any change in a reportable interest to the Minister within 30 days of becoming aware of the change.
- (3) An officer must not perform or exercise any function or power under the Act in relation to a matter to which a reportable interest relates unless the Minister authorises her or him to do so.

54. Disclosure of interest register

The Minister must cause an interest register to be established and maintained containing the information included in disclosures submitted to the Minister under regulation 53.

55. Inspection of register

The interest register must be kept at a place nominated by the Minister and must be open to inspection by any person who has the consent of the Minister.

Division 3—Other administrative matters

56. Time period before a disputed claim can go to Tribunal or Court

Unless otherwise agreed by the owner or occupier of land and the holder of an authority for that land, the period of time for the purposes of section 134(2) of the Act is—

- (a) if the claim for compensation relates to petroleum exploration—14 days after the claim is first made; and
 - (b) if the claim for compensation relates to petroleum production—30 days after the claim is first made.
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Endnotes

ENDNOTES

1. General Information

The Petroleum Regulations 2000, S.R. No. 65/2000 were made on 4 July 2000 by the Governor in Council under section 252 of the **Petroleum Act 1998**, No. 96/1998 and came into operation on 4 July 2000.

The Petroleum Regulations 2000 will sunset 10 years after the day of making on 4 July 2010 (see section 5 of the **Subordinate Legislation Act 1994**).

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Endnotes

2. Table of Amendments

This Version incorporates amendments made to the Petroleum Regulations 2000 by statutory rules, subordinate instruments and Acts.

Petroleum (GST) Regulations 2000, S.R. No. 91/2000

Date of Making: 26.9.00

Date of Commencement: 26.9.00

Monetary Units Regulations 2004, S.R. No. 88/2004

Date of Making: 29.6.04

Date of Commencement: 1.7.04: reg. 3

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Endnotes

3. Explanatory Details

No entries at date of publication.