

## Petroleum Legislation Amendment Bill 2017

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Western Australia

LEGISLATIVE COUNCIL

## **Petroleum Legislation Amendment Bill 2017**

**A Bill for**

***An Act to amend the *Petroleum and Geothermal Energy Resources Act 1967* and the *Petroleum (Submerged Lands) Act 1982*.***

The Parliament of Western Australia enacts as follows:

1  
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9

**Part 1 — Preliminary**

**1. Short title**

This is the *Petroleum Legislation Amendment Act 2017*.

**2. Commencement**

This Act comes into operation as follows —

- (a) Part 1 — on the day on which this Act receives the Royal Assent;
- (b) the rest of the Act — on a day fixed by proclamation, and different days may be fixed for different provisions.



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- 1 (2) In section 5(1) in the definition of *geothermal exploration*  
2 *permit* delete “issued under” and insert:  
3  
4 that confers the authority referred to in  
5
- 6 (3) In section 5(1) in the definition of *petroleum exploration permit*  
7 delete “issued under” and insert:  
8  
9 that confers the authority referred to in  
10
- 11 (4) After section 5(8) insert:  
12
- 13 (9) Notes in this Act are provided to assist understanding  
14 and do not form part of the Act.  
15
- 16 **5. Section 6A amended**
- 17 (1) In section 6A(1) insert in alphabetical order:  
18  
19 *Commonwealth instrument* means an instrument under  
20 the Commonwealth Act that confers, in relation to the  
21 offshore area, some or all of the rights that a permit,  
22 lease or licence confers in relation to the inshore area;  
23
- 24 (2) After section 6A(4) insert:  
25
- 26 (5) If—  
27 (a) a Commonwealth instrument has been granted  
28 on the basis that an area (the *second affected*  
29 *area*) is within the offshore area; and



- 1                   (b) as a result of a change to the boundary of the  
2                   inshore area the second affected area —  
3                   (i) ceases to be within the offshore area;  
4                   and  
5                   (ii) falls within the inshore area,  
6                   then this Act does not apply to the second affected  
7                   area.  
8                   (6) Subsection (5) continues to apply in relation to the  
9                   second affected area only while the Commonwealth  
10                  instrument remains in force.  
11

12 **6. Section 7A amended**

- 13           (1) In section 7A(2):  
14           (a) delete “which an access” and insert:  
15  
16                   which a geothermal access  
17  
18           (b) delete “petroleum pool or geothermal resources area,  
19           being a pool or” and insert:  
20  
21                   geothermal resources area, being an  
22  
23           (c) delete “access authority, any petroleum or” and insert:  
24  
25                   geothermal access authority, any  
26  
27           (d) delete “under the licence” and insert:  
28  
29                   under the geothermal production licence  
30

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- 1 (2) In section 7A(3):  
2 (a) delete “petroleum pool or”;  
3 (b) delete “petroleum or” (each occurrence);  
4 (c) delete “pool or” (each occurrence);  
5 (d) delete “under the licence” and insert:  
6  
7 under the geothermal production licence  
8
- 9 (3) In section 7A(5):  
10 (a) delete “petroleum pool or”;  
11 (b) delete “to explore for, or recover, petroleum, or”;  
12 (c) delete “petroleum or” (each occurrence);  
13 (d) delete “pool or” (each occurrence).
- 14 (4) In section 7A(7):  
15 (a) in paragraph (a) delete “petroleum pool or”;  
16 (b) in paragraph (a) delete “to explore for or recover  
17 petroleum, or”;  
18 (c) in paragraph (c) delete “petroleum or”;  
19 (d) in paragraph (c) delete “pool or”;  
20 (e) delete “all petroleum or” and insert:  
21  
22 all  
23
- 24 (5) Delete section 7A(8) and insert:  
25
- 26 (8) In this section —  
27 (a) a reference to a geothermal production licence  
28 includes a reference to a geothermal  
29 exploration permit and a geothermal retention  
30 lease; and

- 1 (b) a reference to a licensee is a reference to the  
2 registered holder of a geothermal production  
3 licence and includes a reference to a geothermal  
4 permittee and a geothermal lessee; and
- 5 (c) a reference to a licence area is a reference to the  
6 area constituted by the blocks that are the  
7 subject of a geothermal production licence and  
8 includes a reference to a geothermal permit area  
9 and a geothermal lease area; and
- 10 (d) a reference to a State includes a reference to the  
11 Northern Territory; and
- 12 (e) a reference to the Supreme Court is a reference  
13 to the Supreme Court of the State, or of one of  
14 the States, in which the petroleum pool is  
15 wholly or partly situated.  
16

17 Note: The heading to amended section 7A is to read:

18 **Geothermal resources area in, or extending into, other areas**

19 **7. Section 7B inserted**

20 After section 7A insert:

21

22 **7B. Petroleum pool in, or extending into, other areas**

- 23 (1) The provisions of this section have effect for the  
24 purposes of this Act (including any Act with which this  
25 Act is incorporated) and of licences (whether granted  
26 before or after the commencement of this section).
- 27 (2) If a well-head is situated in a licence area or in an area  
28 in respect of which a petroleum access authority is in  
29 force (in this subsection called an ***access authority***  
30 ***area***) and the well from that well-head is inclined so as  
31 to enter a petroleum pool, being a pool that does not  
32 extend to that licence area or access authority area, at a  
33 place within an adjoining licence area of the same

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- 1 licensee or registered holder of the petroleum access  
2 authority, any petroleum recovered through that well is  
3 taken to have been recovered in that adjoining licence  
4 area under the petroleum production licence in respect  
5 of that area.
- 6 (3) If a petroleum pool is partly in one licence area and  
7 partly in an adjoining licence area of the same licensee  
8 and petroleum is recovered from that pool through a  
9 well or wells in one or both of the licence areas, there  
10 is taken to have been recovered in each of the licence  
11 areas, under the petroleum production licence in  
12 respect of that area, such proportion of all petroleum so  
13 recovered as may reasonably be treated as being  
14 derived from that area, having regard to the nature and  
15 probable extent of the pool, and the respective  
16 proportions are to be determined in accordance with  
17 subsection (4).
- 18 (4) The proportions to be determined for the purposes of  
19 subsection (3) may be determined by agreement  
20 between the licensee and the Minister or, in the  
21 absence of agreement, may be determined by the  
22 Supreme Court on the application of the licensee or the  
23 Minister.
- 24 (5) If a petroleum pool is partly in a licence area and partly  
25 in another area in which the licensee has authority  
26 under another written law or a law of another State or  
27 the Commonwealth to explore for, or recover,  
28 petroleum, and petroleum is recovered from that pool  
29 through a well or wells in the licence area, the other  
30 area or both, there is taken to have been recovered in  
31 the licence area such proportion of all petroleum so  
32 recovered as may reasonably be treated as being  
33 derived from the licence area, having regard to the  
34 nature and probable extent of the pool, and that

- 1                   proportion is to be determined in accordance with  
2                   subsection (6).
- 3           (6)   The proportion to be determined for the purposes of  
4           subsection (5) may be determined —
- 5                   (a)   in the case of a licensee having authority under  
6                   another written law, by agreement between —
- 7                           (i)   that licensee; and  
8                           (ii)  the Minister; and  
9                           (iii) if the other written law is administered  
10                           by a Minister of the Crown other than  
11                           the Minister, that Minister of the Crown,  
12                   or, in the absence of agreement, may be  
13                   determined by the Supreme Court on the  
14                   application of that licensee, the Minister, or the  
15                   Minister of the Crown (if applicable) referred to  
16                   in subparagraph (iii); or
- 17                   (b)   in the case of a licensee having authority under  
18                   a law of another State, by agreement  
19                   between —
- 20                           (i)   that licensee; and  
21                           (ii)  the Minister; and  
22                           (iii) the State Minister administering the law  
23                           of the other State,  
24                   or, in the absence of agreement, may be  
25                   determined by the Supreme Court on the  
26                   application of that licensee, the Minister or the  
27                   State Minister referred to in subparagraph (iii);  
28                   or
- 29                   (c)   in the case of a licensee having authority under  
30                   a law of the Commonwealth, by agreement  
31                   between —
- 32                           (i)   that licensee; and  
33                           (ii)  the Minister; and

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- 1 (iii) the Joint Authority,  
2 or, in the absence of agreement, may be  
3 determined by the Supreme Court on the  
4 application of that licensee, the Minister or the  
5 Joint Authority.
- 6 (7) In subsection (6) —  
7 **Joint Authority** has the meaning given in the  
8 Commonwealth Act section 7.
- 9 (8) If —  
10 (a) an agreement is in force to explore for, or  
11 recover, petroleum between —  
12 (i) a licensee, the Minister and, if the other  
13 written law mentioned in this  
14 subparagraph is administered by a  
15 Minister of the Crown other than the  
16 Minister, that Minister of the Crown in  
17 relation to a petroleum pool that is  
18 partly in the licence area and partly in  
19 another area (the **other area**) in which  
20 the licensee has authority under another  
21 written law; or  
22 (ii) a licensee, the Minister and the State  
23 Minister administering a law of another  
24 State in relation to a petroleum pool that  
25 is partly in the licence area and partly in  
26 another area (the **other area**) in which  
27 the licensee has authority under the law  
28 of the other State; or  
29 (iii) a licensee, the Minister and the Joint  
30 Authority in relation to a petroleum pool  
31 that is partly in the licence area and  
32 partly in another area (the **other area**) in  
33 which the licensee has authority under a  
34 law of the Commonwealth;



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- 1 (f) petroleum is recovered from any of those  
2 petroleum pools through a well or wells in the  
3 licence area, the other area or both,  
4 then —  
5 (g) for the purposes of this Act, there is taken to  
6 have been recovered in the licence area such  
7 proportion of all petroleum so recovered as is  
8 specified in the apportionment provision; and  
9 (h) subsection (5) does not apply to any of those  
10 petroleum pools.
- 11 (9) The question of whether there is or was a petroleum  
12 pool covered by subsection (8)(a) is to be determined  
13 on the basis of information known at the time of the  
14 making of the relevant agreement referred to in that  
15 provision.
- 16 (10) The question of whether subsection (8)(c) applies is to  
17 be determined on the basis of information known at the  
18 time of the commencement of the apportionment  
19 provision.
- 20 (11) The location of any of the 2 or more petroleum pools  
21 mentioned in subsection (8)(e) is immaterial.
- 22 (12) If —  
23 (a) at a particular time after the commencement of  
24 this section, a petroleum pool is partly in a  
25 licence area and partly in another area (the  
26 ***other area***) in which the licensee has authority  
27 under another written law or a law of another  
28 State or the Commonwealth to explore for, or  
29 recover, petroleum; and  
30 (b) at that time, an agreement is made between —  
31 (i) if the licensee has authority under  
32 another written law — the licensee, the  
33 Minister and, if the other written law is



- 1 administered by a Minister of the Crown  
2 other than the Minister, that Minister of  
3 the Crown; or
- 4 (ii) if the licensee has authority under a law  
5 of another State — the licensee, the  
6 Minister and the State Minister  
7 administering the law of the other State;  
8 or
- 9 (iii) if the licensee has authority under a law  
10 of the Commonwealth — the licensee,  
11 the Minister and the Joint Authority;
- 12 and
- 13 (c) the agreement specifies a part of the seabed by  
14 reference to its areal and vertical extents; and
- 15 (d) the areal and vertical extents of the specified  
16 part consist of —
- 17 (i) the whole or a part of the licence area;  
18 and
- 19 (ii) the whole or a part of the other area;  
20 and
- 21 (e) the areal and vertical extents of the specified  
22 part include the petroleum pool; and
- 23 (f) the agreement contains a provision (the  
24 ***apportionment provision***) that provides that,  
25 for the purposes of this section, there is taken to  
26 be recovered in the licence area a specified  
27 proportion of all of the petroleum recovered  
28 from the specified part; and
- 29 (g) assuming that petroleum were recovered from  
30 the specified part, the specified proportion  
31 would be consistent with such proportion of all  
32 petroleum so recovered as may reasonably be  
33 treated as being derived from the licence area,

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- 1                                   having regard to the nature and probable extent  
2                                   of the petroleum in the specified part; and
- 3                                   (h) petroleum is recovered from the specified part  
4                                   through a well or wells in the licence area, the  
5                                   other area or both,
- 6                                   then —
- 7                                   (i) for the purposes of this Act, there is taken to  
8                                   have been recovered in the licence area such  
9                                   proportion of all petroleum so recovered as is  
10                                   specified in the apportionment provision; and
- 11                                   (j) subsection (5) does not apply to a petroleum  
12                                   pool located in the specified part.
- 13                                   (13) The question of whether there is or was a petroleum  
14                                   pool covered by subsection (12)(a) at a particular time  
15                                   is to be determined on the basis of information known  
16                                   at that time.
- 17                                   (14) The question of whether subsection (12)(g) applies is  
18                                   to be determined on the basis of information known at  
19                                   the time of the commencement of the apportionment  
20                                   provision.
- 21                                   (15) If —
- 22                                   (a) a petroleum pool is partly in a licence area and  
23                                   partly in another area, whether in the State or  
24                                   not, in respect of which another person has  
25                                   authority, whether under this Act or another  
26                                   written law or under the law of another State or  
27                                   the Commonwealth, to explore for or recover  
28                                   petroleum; and
- 29                                   (b) a unit development agreement in accordance  
30                                   with section 69 is in force between the licensee  
31                                   and that other person; and

1                   (c) petroleum is recovered from that pool through a  
2                   well or wells in the licence area, the other area  
3                   or both,

4                   there is taken to have been recovered in the licence area  
5                   such proportion of all petroleum so recovered as is  
6                   specified in, or determined in accordance with, the  
7                   agreement referred to in paragraph (b).

8           (16) In this section —

- 9                   (a) a reference to a petroleum production licence  
10                   includes a reference to a petroleum exploration  
11                   permit and a petroleum retention lease; and
- 12                   (b) a reference to a licensee is a reference to the  
13                   registered holder of a petroleum production  
14                   licence and includes a reference to a petroleum  
15                   permittee and a petroleum lessee; and
- 16                   (c) a reference to a licence area is a reference to the  
17                   area constituted by the blocks that are the  
18                   subject of a petroleum production licence and  
19                   includes a reference to a petroleum permit area  
20                   and a petroleum lease area; and
- 21                   (d) a reference to a State includes a reference to the  
22                   Northern Territory; and
- 23                   (e) a reference to the Supreme Court is a reference  
24                   to the Supreme Court of the State, or of one of  
25                   the States, in which the petroleum pool is  
26                   wholly or partly situated.  
27

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1 **8. Section 37B inserted**

2 After section 37A insert:

3

4 **37B. Grant of boundary-change permit**

5 (1) In this section —

6 *section 27 block* means —

- 7 (a) a block constituted as provided by section 27;  
8 or  
9 (b) if a graticular section is wholly within the area  
10 that was covered by the Commonwealth permit  
11 concerned — the graticular section; or  
12 (c) if a part only of a graticular section is within  
13 the area that was covered by the  
14 Commonwealth permit concerned — that part  
15 of the graticular section.

16 Note for this definition:

17 See also subsection (8).

18 (2) This section applies if —

- 19 (a) a Commonwealth permit has been granted on  
20 the basis that an area (the *relevant area*) is  
21 within the offshore area; and  
22 (b) as a result of a change to the boundary of the  
23 offshore area, the relevant area —  
24 (i) ceases to be within the offshore area;  
25 and  
26 (ii) falls within the inshore area;  
27 and  
28 (c) either —  
29 (i) the conditions set out in subsection (3)  
30 are satisfied; or

- 1 (ii) the conditions set out in subsection (4)  
2 are satisfied.
- 3 (3) The conditions mentioned in subsection (2)(c)(i) are —
- 4 (a) one or more, but not all, of the section 27  
5 blocks that were covered by the  
6 Commonwealth permit immediately before the  
7 change are in the relevant area; and
- 8 (b) the Commonwealth permit subsequently ceases  
9 to be in force at the same time (the *relevant*  
10 *time*) —
- 11 (i) as to all of the section 27 blocks that  
12 were covered by the Commonwealth  
13 permit immediately before the change  
14 and that are in the offshore area; and
- 15 (ii) otherwise than as the result of the  
16 cancellation or surrender of the  
17 Commonwealth permit.
- 18 (4) The conditions mentioned in subsection (2)(c)(ii)  
19 are —
- 20 (a) all of the section 27 blocks that were covered  
21 by the Commonwealth permit immediately  
22 before the change are in the relevant area; and
- 23 (b) the Commonwealth permit subsequently ceases  
24 to be in force at the same time (the *relevant*  
25 *time*) —
- 26 (i) as to all of the section 27 blocks that  
27 were covered by the Commonwealth  
28 permit immediately before the change;  
29 and
- 30 (ii) otherwise than as the result of the  
31 cancellation or surrender of the  
32 Commonwealth permit.

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- 1 (5) If —
- 2 (a) assuming that —
- 3 (i) the change to the boundary of the
- 4 offshore area had not occurred; and
- 5 (ii) the relevant area had remained in the
- 6 offshore area,
- 7 the holder of the Commonwealth permit would
- 8 have been entitled to apply under the
- 9 Commonwealth Act for the renewal of the
- 10 Commonwealth permit in relation to all of the
- 11 section 27 blocks that are —
- 12 (iii) covered by the Commonwealth permit;
- 13 and
- 14 (iv) in the relevant area;
- 15 and
- 16 (b) there are one or more section 27 blocks (the
- 17 **relevant section 27 blocks**) that —
- 18 (i) correspond to the section 27 blocks
- 19 covered by paragraph (a); and
- 20 (ii) are in the inshore area; and
- 21 (iii) are not the subject of a variation under
- 22 section 97A,
- 23 the Minister is taken —
- 24 (c) to have granted the holder of the
- 25 Commonwealth permit a petroleum exploration
- 26 permit over those relevant section 27 blocks;
- 27 and
- 28 (d) to have done so immediately after the relevant
- 29 time mentioned in whichever of subsection (3)
- 30 or (4) is applicable.

31 Note for this subsection:

32 For the duration of the petroleum exploration permit, see

33 section 39(1A).

- 1           (6) If —
- 2               (a) assuming that —
- 3                   (i) the change to the boundary of the
- 4                   offshore area had not occurred; and
- 5                   (ii) the relevant area had remained in the
- 6                   offshore area,
- 7               the holder of the Commonwealth permit would
- 8               not have been entitled to apply under the
- 9               Commonwealth Act for the renewal of the
- 10              Commonwealth permit in relation to all of the
- 11              section 27 blocks that are —
- 12                   (iii) covered by the Commonwealth permit;
- 13                   and
- 14                   (iv) in the relevant area;
- 15              and
- 16              (b) there are one or more section 27 blocks (the
- 17              ***relevant section 27 blocks***) that —
- 18                   (i) correspond to the section 27 blocks that
- 19                   were covered by the Commonwealth
- 20                   permit immediately before the change;
- 21                   and
- 22                   (ii) are in the inshore area; and
- 23                   (iii) are not the subject of a variation under
- 24                   section 97A,
- 25              the Minister is taken —
- 26                   (c) to have granted the holder of the
- 27                   Commonwealth permit a petroleum exploration
- 28                   permit over those relevant section 27 blocks;
- 29                   and

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- 1 (d) to have done so immediately after the relevant  
2 time mentioned in whichever of subsection (3)  
3 or (4) is applicable.

4 Note for this subsection:

5 For the duration of the petroleum exploration permit, see  
6 section 39(1B).

- 7 (7) For the purposes of subsections (5) and (6), the  
8 following provisions of the Commonwealth Act are to  
9 be disregarded —  
10 (a) the standard halving rules in section 123 of that  
11 Act;  
12 (b) the modified halving rules in section 124 of that  
13 Act;  
14 (c) a provision of a kind specified in the  
15 regulations.
- 16 (8) If, after the change to the boundary of the offshore  
17 area —  
18 (a) a part of a section 27 block that was covered by  
19 the Commonwealth permit immediately before  
20 the change is in the offshore area; and  
21 (b) the remaining part of the section 27 block is in  
22 the inshore area,
- 23 then, for the purposes of this section (other than this  
24 subsection), each of those parts is taken to constitute,  
25 and to have always constituted, a section 27 block.
- 26 (9) An assumption in subsection (5)(a) or (6)(a) does not  
27 affect subsection (8).  
28



1    **9.       Section 39 amended**

2            After section 39(1) insert:

3

4            (1A) Subject to this Part, a boundary-change permit granted  
5                under section 37B(5) remains in force for a period of  
6                5 years commencing on the day on which the permit is  
7                granted.

8            (1B) Subject to this Part, a boundary-change permit granted  
9                under section 37B(6) remains in force for a period of  
10              12 months commencing on the day on which the permit  
11              is granted.

12

13    **10.       Section 40 amended**

14            In section 40(1) delete “sections 41 and 42A,” and insert:

15

16            sections 41, 42A and 42B,

17

18    **11.       Section 41 amended**

19            After section 41(6) insert:

20

21            (7) Subsections (1) to (5) do not apply to an application for  
22                the renewal of a permit if —

23                (a) the permit was granted on the basis that an area  
24                    (the *relevant area*) was within the inshore area;  
25                    and

26                (b) as a result of a change to the boundary of the  
27                    offshore area, the relevant area —

28                    (i) ceased to be within the inshore area; and

29                    (ii) fell within the offshore area;

30                    and

**s. 12**

---

- 1 (c) immediately before the change, the relevant  
2 area was a part of the permit area.
- 3 (8) For the purposes of subsection (7) —  
4 (a) section 6A is to be disregarded; and  
5 (b) it is immaterial whether the change occurred  
6 before, at or after the commencement day.
- 7 (9) In subsection (8)(b) —  
8 *commencement day* means the day on which the  
9 *Petroleum Legislation Amendment Act 2017* section 11  
10 comes into operation.  
11

12 **12. Section 42B inserted**

13 After section 42A insert:  
14

15 **42B. Limits on renewal of boundary-change permits**

- 16 (1) If —  
17 (a) a boundary-change permit is granted under  
18 section 37B(5); and  
19 (b) the relevant Commonwealth permit that ceases  
20 to be in force, as mentioned in  
21 section 37B(3)(b) or (4)(b), was granted  
22 otherwise than by way of renewal,  
23 then —  
24 (c) section 41 applies to an application for the  
25 renewal of the boundary-change permit; and  
26 (d) an application must not be made for the  
27 renewal of the boundary-change permit if the  
28 Minister has previously granted a renewal of  
29 the permit.

- 1           (2) If—
- 2                 (a) a boundary-change permit is granted under
- 3                         section 37B(5); and
- 4                 (b) the relevant Commonwealth permit that ceases to
- 5                         be in force, as mentioned in section 37B(3)(b) or
- 6                         (4)(b), was granted by way of renewal,
- 7                         an application must not be made for the renewal of the
- 8                         boundary-change permit.
- 9           (3) If a boundary-change permit is granted under
- 10                         section 37B(6), an application must not be made for the
- 11                         renewal of the permit.
- 12

13   **13.     Section 43 amended**

- 14           (1) After section 43(1) insert:
- 15
- 16                 (1A) Subsection (1) does not apply to a boundary-change
- 17                         permit.
- 18
- 19           (2) After section 43(2) insert:
- 20
- 21                 (3) The Minister may, by written notice given to the
- 22                         permittee, vary a boundary-change permit by imposing
- 23                         one or more conditions to which the permit is subject.
- 24                 (4) A notice under subsection (3) may only be given within
- 25                         14 days after the grant of the boundary-change permit.
- 26                 (5) A variation under subsection (3) takes effect on the day
- 27                         on which notice of the variation is given to the
- 28                         permittee.

**s. 13**

---

- 1 (6) If, when a boundary-change permit is granted, the  
2 relevant Commonwealth permit that ceases to be in  
3 force, as mentioned in section 37B(3)(b) or (4)(b), is of  
4 a kind that corresponds to a petroleum exploration  
5 permit granted under section 32(4) or 37, any or all of  
6 the conditions mentioned in subsection (7) may be  
7 specified in —
- 8 (a) the boundary-change permit; or  
9 (b) a permit granted by way of the renewal of the  
10 boundary-change permit.
- 11 (7) The following conditions are specified for the purposes  
12 of subsection (6) —
- 13 (a) conditions requiring the permittee to carry out  
14 work in, or in relation to, the permit area  
15 (including conditions requiring the permittee to  
16 carry out the work during a period of 12 months  
17 or longer, or during periods each of which is  
18 12 months or longer);
- 19 (b) conditions relating to the amounts that the  
20 permittee must spend in carrying out such  
21 work;
- 22 (c) conditions requiring the permittee to comply  
23 with directions that —
- 24 (i) relate to the matters covered by  
25 paragraphs (a) and (b); and  
26 (ii) are given in accordance with the permit.
- 27 (8) Subsection (6) does not limit subsection (3).
- 28 (9) If —
- 29 (a) a boundary-change permit is granted; and  
30 (b) the relevant Commonwealth permit that ceases  
31 to be in force, as mentioned in  
32 section 37B(3)(b) or (4)(b), is a cash-bid

- 1                                    petroleum exploration permit, as defined in the  
2                                    Commonwealth Act section 7,  
3                                    the conditions mentioned in subsection (10) must not  
4                                    be specified in —  
5                                    (c) the boundary-change permit; or  
6                                    (d) a permit granted by way of the renewal of the  
7                                    boundary-change permit.
- 8                    (10) The following conditions are specified for the purposes  
9                    of subsection (9) —  
10                    (a) conditions requiring the permittee to carry out  
11                    work in, or in relation to, the permit area;  
12                    (b) conditions requiring the permittee to spend  
13                    particular amounts on the carrying out of work  
14                    in, or in relation to, the permit area.  
15

16    **14. Section 47 amended**

- 17            (1) Before section 47(1) insert:  
18
- 19            (1A) In this section —  
20            **section 27 block** means —  
21            (a) a block constituted as provided by section 27;  
22            or  
23            (b) if a graticular section is wholly within the area  
24            that was covered by the Commonwealth permit  
25            concerned — the graticular section; or  
26            (c) if a part only of a graticular section is within  
27            the area that was covered by the  
28            Commonwealth permit concerned — that part  
29            of the graticular section.  
30

**s. 14**

---

- 1 (2) After section 47(2) insert:  
2
- 3 (2A) Subsection (2B) applies if —  
4 (a) a boundary-change permit is granted over one  
5 or more section 27 blocks; and  
6 (b) immediately before the grant, those  
7 section 27 blocks were, or were part of, a  
8 location as defined in the Commonwealth Act  
9 section 7; and  
10 (c) apart from this subsection, those  
11 section 27 blocks are not, and are not part of, a  
12 location as defined in section 5 of this Act.
- 13 (2B) The Minister is taken —  
14 (a) to have declared those section 27 blocks to be a  
15 location; and  
16 (b) to have done so immediately after the grant.
- 17 (2C) Subsection (2D) applies if —  
18 (a) a permit is varied under section 97A so as to  
19 include in the permit area one or more  
20 section 27 blocks; and  
21 (b) immediately before the variation, those  
22 section 27 blocks were, or were part of, a  
23 location as defined in the Commonwealth Act  
24 section 7; and  
25 (c) apart from this subsection, those section 27  
26 blocks are not, and are not part of, a location as  
27 defined in section 5 of this Act.
- 28 (2D) The Minister is taken —  
29 (a) to have declared those section 27 blocks to be a  
30 location; and  
31 (b) to have done so immediately after the variation.  
32

1 **15. Section 48CD inserted**

2 After section 48CC insert:

3

4 **48CD. Grant of petroleum retention lease as result of**  
5 **change to boundary of offshore area**

6 (1) In this section —

7 **section 27 block** means —

- 8 (a) a block constituted as provided by section 27;  
9 or  
10 (b) if a graticular section is wholly within the area  
11 that was covered by the Commonwealth lease  
12 concerned — the graticular section; or  
13 (c) if a part only of a graticular section is within  
14 the area that was covered by the  
15 Commonwealth lease concerned — that part of  
16 the graticular section.

17 Note for this definition:

18 See also subsection (6).

19 (2) This section applies if —

- 20 (a) a Commonwealth lease has been granted on the  
21 basis that an area (the **relevant area**) is within  
22 the offshore area; and  
23 (b) as a result of a change to the boundary of the  
24 offshore area, the relevant area —  
25 (i) ceases to be within the offshore area;  
26 and  
27 (ii) falls within the inshore area;  
28 and  
29 (c) either —  
30 (i) the conditions set out in subsection (3)  
31 are satisfied; or

**s. 15**

---

- 1 (ii) the conditions set out in subsection (4)  
2 are satisfied;
- 3 and
- 4 (d) there are one or more section 27 blocks (the  
5 **relevant section 27 blocks**) that —
- 6 (i) correspond to the section 27 blocks that  
7 were covered by the Commonwealth  
8 lease immediately before the change;  
9 and
- 10 (ii) are in the inshore area; and
- 11 (iii) are not the subject of a variation under  
12 section 97A.
- 13 (3) The conditions mentioned in subsection (2)(c)(i) are —
- 14 (a) one or more, but not all, of the section 27  
15 blocks that were covered by the  
16 Commonwealth lease immediately before the  
17 change are in the relevant area; and
- 18 (b) the Commonwealth lease subsequently ceases  
19 to be in force at the same time (the **relevant**  
20 **time**) —
- 21 (i) as to all of the section 27 blocks that  
22 were covered by the Commonwealth  
23 lease immediately before the change  
24 and that are in the offshore area; and
- 25 (ii) otherwise than as the result of the  
26 cancellation or surrender of the  
27 Commonwealth lease.
- 28 (4) The conditions mentioned in subsection (2)(c)(ii)  
29 are —
- 30 (a) all of the section 27 blocks that were covered  
31 by the Commonwealth lease immediately  
32 before the change are in the relevant area; and



- 1                   (b) the Commonwealth lease subsequently ceases  
2                   to be in force at the same time (the *relevant*  
3                   *time*) —
- 4                   (i) as to all of the section 27 blocks that  
5                   were covered by the Commonwealth  
6                   lease immediately before the change;  
7                   and
- 8                   (ii) otherwise than as the result of the  
9                   cancellation or surrender of the  
10                  Commonwealth lease.
- 11               (5) The Minister is taken —
- 12                   (a) to have granted the holder of the  
13                   Commonwealth lease a petroleum retention  
14                   lease over the relevant section 27 blocks; and
- 15                   (b) to have done so immediately after the relevant  
16                   time mentioned in whichever of subsection (3)  
17                   or (4) is applicable.
- 18               Note for this subsection:  
19                   For the duration of the petroleum retention lease, see  
20                   section 48D(2).
- 21               (6) If, after the change to the boundary of the offshore  
22               area —
- 23                   (a) a part of a section 27 block that was covered by  
24                   the Commonwealth lease immediately before  
25                   the change is in the offshore area; and
- 26                   (b) the remaining part of the section 27 block is in  
27                   the inshore area,
- 28               then, for the purposes of this section (other than this  
29               subsection), each of those parts is taken to constitute,  
30               and to have always constituted, a section 27 block.
- 31

**s. 16**

---

1 **16. Section 48D amended**

2 (1) In section 48D:

3 (a) delete “Subject” and insert:

4

5 (1) Subject

6

7 (b) delete “otherwise)” and insert:

8

9 otherwise and other than a petroleum retention lease  
10 granted under section 48CD)

11

12 (2) At the end of section 48D insert:

13

14 (2) Subject to this Part, a petroleum retention lease granted  
15 under section 48CD remains in force for a period of  
16 5 years commencing on the day on which the lease is  
17 granted.

18

19 **17. Section 48H amended**

20 (1) After section 48H(1) insert:

21

22 (1A) Subsection (1) does not apply to a petroleum retention  
23 lease granted under section 48CD.

24

25 (2) After section 48H(4) insert:

26

27 (5) The Minister may, by written notice given to the lessee,  
28 vary a petroleum retention lease granted under  
29 section 48CD by imposing one or more conditions to  
30 which the lease is subject.

- 1           (6) A notice under subsection (5) may only be given within  
2                   14 days after the grant of the petroleum retention lease.
- 3           (7) A variation under subsection (5) takes effect on the day  
4                   on which notice of the variation is given to the lessee.  
5

6 **18. Section 56 amended**

7           After section 56(6) insert:  
8

- 9           (7) This section does not apply in relation to a permit if —
- 10                   (a) the permit has been granted on the basis that an  
11                        area (the *relevant area*) is within the inshore  
12                        area; and
- 13                   (b) as a result of a change to the boundary of the  
14                        offshore area, the relevant area —
- 15                           (i) ceases to be within the inshore area; and  
16                           (ii) falls within the offshore area;  
17                        and
- 18                   (c) immediately before the change, the relevant  
19                        area was a part of the permit area.
- 20           (8) For the purposes of subsection (7) —
- 21                   (a) section 6A is to be disregarded; and  
22                   (b) it is immaterial whether the change occurred  
23                        before, at or after the commencement day.
- 24           (9) In subsection (8)(b) —  
25                   *commencement day* means the day on which the  
26                   *Petroleum Legislation Amendment Act 2017* section 18  
27                   comes into operation.  
28

**s. 19**

---

1 **19. Section 61A inserted**

2 After section 61 insert:

3

4 **61A. Grant of petroleum production licence as result of**  
5 **change to boundary of offshore area**

6 (1) In this section —

7 **section 27 block** means —

- 8 (a) a block constituted as provided by section 27;  
9 or  
10 (b) if a graticular section is wholly within the area  
11 that was covered by the Commonwealth licence  
12 concerned — the graticular section; or  
13 (c) if a part only of a graticular section is within  
14 the area that was covered by the  
15 Commonwealth licence concerned — that part  
16 of the graticular section.

17 Note for this definition:

18 See also subsection (6).

19 (2) This section applies if —

- 20 (a) a Commonwealth licence has been granted on  
21 the basis that an area (the **relevant area**) is  
22 within the offshore area; and  
23 (b) as a result of a change to the boundary of the  
24 offshore area, the relevant area —  
25 (i) ceases to be within the offshore area;  
26 and  
27 (ii) falls within the inshore area;  
28 and

- 1                   (c) either —
- 2                         (i) the conditions set out in subsection (3)
- 3                                 are satisfied; or
- 4                         (ii) the conditions set out in subsection (4)
- 5                                 are satisfied;
- 6                   and
- 7                   (d) there are one or more section 27 blocks (the
- 8                         **relevant section 27 blocks**) that —
- 9                         (i) correspond to the section 27 blocks that
- 10                                 were covered by the Commonwealth
- 11                                 licence immediately before the change;
- 12                                 and
- 13                         (ii) are in the inshore area; and
- 14                         (iii) are not the subject of a variation under
- 15                                 section 97A.
- 16           (3) The conditions mentioned in subsection (2)(c)(i) are —
- 17                   (a) one or more, but not all, of the section 27
- 18                                 blocks that were covered by the
- 19                                 Commonwealth licence immediately before the
- 20                                 change are in the relevant area; and
- 21                   (b) the Commonwealth licence subsequently ceases
- 22                                 to be in force at the same time (the **relevant**
- 23                                 **time**) —
- 24                         (i) as to all of the section 27 blocks that
- 25                                 were covered by the Commonwealth
- 26                                 licence immediately before the change
- 27                                 and that are in the offshore area; and
- 28                         (ii) otherwise than as the result of the
- 29                                 cancellation or surrender of the
- 30                                 Commonwealth licence.

**s. 19**

---

- 1 (4) The conditions mentioned in subsection (2)(c)(ii)  
2 are —
- 3 (a) all of the section 27 blocks that were covered  
4 by the Commonwealth licence immediately  
5 before the change are in the relevant area; and
- 6 (b) the Commonwealth licence subsequently ceases  
7 to be in force at the same time (the *relevant*  
8 *time*) —
- 9 (i) as to all of the section 27 blocks that  
10 were covered by the Commonwealth  
11 licence immediately before the change;  
12 and
- 13 (ii) otherwise than as the result of the  
14 cancellation or surrender of the  
15 Commonwealth licence.
- 16 (5) The Minister is taken —
- 17 (a) to have granted the holder of the  
18 Commonwealth licence a petroleum production  
19 licence over the relevant section 27 blocks; and
- 20 (b) to have done so immediately after the relevant  
21 time mentioned in whichever of subsection (3)  
22 or (4) is applicable.
- 23 Note for this subsection:  
24 For the duration of the licence, see section 63(3).
- 25 (6) If, after the change to the boundary of the offshore  
26 area —
- 27 (a) a part of a section 27 block that was covered by  
28 the Commonwealth licence immediately before  
29 the change is in the offshore area; and

1                   (b) the remaining part of the section 27 block is in  
2                   the inshore area,

3                   then, for the purposes of this section (other than this  
4                   subsection), each of those parts is taken to constitute,  
5                   and to have always constituted, a section 27 block.  
6

7   **20. Section 63 amended**

8       (1) In section 63(2) delete “section 41(3)” and insert:  
9

10                   section 41(3), other than a petroleum production licence granted  
11                   under section 61A,  
12

13       (2) After section 63(2) insert:  
14

15                   (3) Subject to this Part, a petroleum production licence  
16                   granted under section 61A remains in force for the  
17                   period of 21 years commencing on the day on which  
18                   the licence is granted.  
19

20   **21. Section 64 amended**

21       (1) Delete section 64(1) and insert:  
22

23                   (1) Subject to this section, a licensee under a licence to  
24                   which section 63(1)(a) or (b) or (3) applies may, from  
25                   time to time, make an application to the Minister for  
26                   the renewal of the licence.  
27

**s. 22**

---

- 1 (2) After section 64(3) insert:  
2
- 3 (4) If —  
4 (a) a petroleum production licence is granted under  
5 section 61A; and  
6 (b) the relevant Commonwealth licence that ceases  
7 to be in force, as mentioned in  
8 section 61A(3)(b) or (4)(b), was granted  
9 otherwise than by way of renewal,  
10 an application must not be made for the renewal of the  
11 petroleum production licence if the Minister has  
12 previously granted a renewal of the licence.
- 13 (5) If —  
14 (a) a petroleum production licence is granted under  
15 section 61A; and  
16 (b) the relevant Commonwealth licence that ceases  
17 to be in force, as mentioned in  
18 section 61A(3)(b) or (4)(b), was granted by  
19 way of renewal,  
20 an application must not be made for the renewal of the  
21 petroleum production licence.  
22

23 **22. Section 66 amended**

- 24 After section 66(2) insert:  
25
- 26 (3) Subsection (1) does not apply to a petroleum  
27 production licence granted under section 61A.
- 28 (4) The Minister may, by written notice given to the  
29 licensee, vary a petroleum production licence granted  
30 under section 61A by imposing one or more conditions  
31 to which the licence is subject.



1           (5) A notice under subsection (4) may only be given within  
2                   14 days after the grant of the petroleum production  
3                   licence.

4           (6) A variation under subsection (4) takes effect on the day  
5                   on which notice of the variation is given to the  
6                   licensee.

7

8   **23. Section 69 amended**

9           (1) Before section 69(1) insert:

10

11           (1A) In this section —

12                   *Joint Authority* and *offshore area* have the respective  
13                   meanings given in the Commonwealth Act section 7.

14

15           (2) In section 69(1)(a)(i) delete “State or of the Northern Territory,”  
16                   and insert:

17

18                   State, the Northern Territory or the Commonwealth,

19

20           (3) In section 69(11):

21                   (a) in paragraph (b) delete “Territory,” and insert:

22

23                           Territory; or

24

25                   (b) after paragraph (b) insert:

26

27                           (c) the offshore area,

28

**s. 24**

---

- 1 (c) delete “another State or a Territory referred to in  
2 paragraph (a).” and insert:  
3  
4 the other State or the Territory if paragraph (a) or (b)  
5 applies and with the Joint Authority if paragraph (c)  
6 applies.  
7
- 8 (4) In section 69(11a) delete “another State or a Territory referred  
9 to in paragraph (a).” and insert:  
10  
11 the other State or the Territory.  
12
- 13 (5) In section 69(12) delete “concerned.” and insert:  
14  
15 concerned and with the approval of the Joint Authority if  
16 subsection (11)(c) applies.  
17
- 18 **24. Section 97A inserted**  
19 After section 97 insert:  
20
- 21 **97A. Variation of petroleum title by including area as**  
22 **result of change to boundary of offshore area**
- 23 (1) In this section —  
24 ***Commonwealth title*** means —  
25 (a) a Commonwealth permit; or  
26 (b) a Commonwealth lease; or  
27 (c) a Commonwealth licence;  
28 ***fixed-term WA petroleum production licence*** means a  
29 petroleum production licence granted for a fixed period  
30 of years;

1                    **petroleum title** means a petroleum exploration permit,  
2                    petroleum retention lease or fixed-term WA petroleum  
3                    production licence;

4                    **section 27 block** means —

- 5                    (a) a block constituted as provided by section 27;  
6                    or  
7                    (b) if a graticular section is wholly within the area  
8                    that was covered by the Commonwealth title  
9                    concerned — the graticular section; or  
10                    (c) if a part only of a graticular section is within  
11                    the area that was covered by the  
12                    Commonwealth title concerned — that part of  
13                    the graticular section.

14                    Note for this definition:

15                    See also subsection (14).

16                    (2) This section applies if —

- 17                    (a) a Commonwealth title has been granted on the  
18                    basis that an area (the **relevant area**) is within  
19                    the offshore area; and  
20                    (b) as a result of a change to the boundary of the  
21                    offshore area, the relevant area —  
22                    (i) ceases to be within the offshore area;  
23                    and  
24                    (ii) falls within the inshore area;  
25                    and  
26                    (c) either —  
27                    (i) the conditions set out in subsection (3)  
28                    are satisfied; or  
29                    (ii) the conditions set out in subsection (4)  
30                    are satisfied;  
31                    and

**s. 24**

---

- 1 (d) immediately before the relevant time mentioned  
2 in whichever of subsection (3) or (4) is  
3 applicable —  
4 (i) the Commonwealth title was held by the  
5 registered holder of a petroleum title  
6 that corresponds to the Commonwealth  
7 title; and  
8 (ii) at least one section 27 block covered by  
9 the petroleum title immediately adjoined  
10 at least one other section 27 block that  
11 was covered by the Commonwealth title  
12 and that is in the relevant area;  
13 and  
14 (e) before the relevant time mentioned in  
15 whichever of subsection (3) or (4) is  
16 applicable —  
17 (i) the registered holder of the  
18 Commonwealth title; and  
19 (ii) the registered holder of the petroleum  
20 title,  
21 gave the Minister a written notice electing to  
22 accept the variation under this section of the  
23 petroleum title.

24 Note for this subsection:

25 For when a petroleum title corresponds to a Commonwealth  
26 title, see subsection (13).

- 27 (3) The conditions mentioned in subsection (2)(c)(i) are —  
28 (a) one or more, but not all, of the section 27  
29 blocks that were covered by the  
30 Commonwealth title immediately before the  
31 change are in the relevant area; and

- 1                   (b) the Commonwealth title subsequently ceases to  
2                   be in force at the same time (the *relevant*  
3                   *time*) —
- 4                   (i) as to all of the section 27 blocks that  
5                   were covered by the Commonwealth  
6                   title immediately before the change and  
7                   that are in the offshore area; and
- 8                   (ii) otherwise than as the result of the  
9                   cancellation or surrender of the  
10                  Commonwealth title.
- 11               (4) The conditions mentioned in subsection (2)(c)(ii)  
12               are —
- 13               (a) all of the section 27 blocks that were covered  
14               by the Commonwealth title immediately before  
15               the change are in the relevant area; and
- 16               (b) the Commonwealth title subsequently ceases to  
17               be in force at the same time (the *relevant*  
18               *time*) —
- 19               (i) as to all of the section 27 blocks that  
20               were covered by the Commonwealth  
21               title immediately before the change; and
- 22               (ii) otherwise than as the result of the  
23               cancellation or surrender of the  
24               Commonwealth title.
- 25               (5) If the conditions set out in subsection (2)(d) and (e) are  
26               met in relation to only one petroleum title, that  
27               petroleum title is the *relevant petroleum title* for the  
28               purposes of this section.
- 29               (6) If the conditions set out in subsection (2)(d) and (e)  
30               would, apart from this subsection, be met in relation to  
31               2 or more petroleum titles that have the same registered  
32               holder, the Minister must, by written notice given to  
33               the registered holder, declare that one of those

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- 1 petroleum titles is the *relevant petroleum title* for the  
2 purposes of this section.
- 3 (7) If the relevant petroleum title is a petroleum  
4 exploration permit —
- 5 (a) the Minister must, by written notice given to  
6 the permittee, vary the permit to include in the  
7 permit area all of the section 27 blocks that —
- 8 (i) correspond to the section 27 blocks that  
9 were covered by the Commonwealth  
10 title immediately before the change; and  
11 (ii) are in the inshore area;  
12 and
- 13 (b) the section 27 blocks included in the permit  
14 area because of the variation are, for the  
15 remainder of the term of the permit, blocks in  
16 relation to which the permit is in force.
- 17 (8) If the relevant petroleum title is a petroleum retention  
18 lease —
- 19 (a) the Minister must, by written notice given to  
20 the lessee, vary the lease to include in the lease  
21 area all of the section 27 blocks that —
- 22 (i) correspond to the section 27 blocks that  
23 were covered by the Commonwealth  
24 title immediately before the change; and  
25 (ii) are in the inshore area;  
26 and
- 27 (b) the section 27 blocks included in the lease area  
28 because of the variation are, for the remainder  
29 of the term of the lease, blocks in relation to  
30 which the lease is in force.

- 1           (9) If the relevant petroleum title is a petroleum production  
2           licence —
- 3               (a) the Minister must, by written notice given to  
4               the licensee, vary the licence to include in the  
5               licence area all of the section 27 blocks that —
- 6                     (i) correspond to the section 27 blocks that  
7                     were covered by the Commonwealth  
8                     title immediately before the change; and  
9                     (ii) are in the inshore area;
- 10              and
- 11               (b) the section 27 blocks included in the licence  
12               area because of the variation are, for the  
13               remainder of the term of the licence, blocks in  
14               relation to which the licence is in force.
- 15           (10) Subsections (7)(b), (8)(b) and (9)(b) have effect subject  
16           to this Part.
- 17           (11) A variation mentioned in subsection (7)(a), (8)(a) or  
18           (9)(a) takes effect immediately after the relevant time  
19           mentioned in whichever of subsection (3) or (4) is  
20           applicable.
- 21           (12) For the purposes of this section, a section 27 block  
22           immediately adjoins another section 27 block if —
- 23               (a) the graticular section that constitutes or  
24               includes that section 27 block and the graticular  
25               section that constitutes or includes that other  
26               section 27 block —
- 27                     (i) have a side in common; or  
28                     (ii) are joined together at one point only;
- 29              or
- 30               (b) that section 27 block and that other section 27  
31               block are in the same graticular section.

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- 1 (13) For the purposes of this section —
- 2 (a) a petroleum exploration permit granted
- 3 otherwise than by way of renewal corresponds
- 4 to a Commonwealth permit granted otherwise
- 5 than by way of renewal; and
- 6 (b) a petroleum retention lease corresponds to a
- 7 Commonwealth lease; and
- 8 (c) a fixed-term WA petroleum production licence
- 9 granted otherwise than by way of renewal
- 10 corresponds to a Commonwealth licence
- 11 granted otherwise than by way of renewal; and
- 12 (d) a petroleum exploration permit granted by way
- 13 of first renewal corresponds to a
- 14 Commonwealth permit granted by way of first
- 15 renewal; and
- 16 (e) a fixed-term WA petroleum production licence
- 17 granted by way of first renewal corresponds to
- 18 a Commonwealth licence granted by way of
- 19 first renewal; and
- 20 (f) a petroleum exploration permit granted by way
- 21 of second renewal corresponds to a
- 22 Commonwealth permit granted by way of
- 23 second renewal; and
- 24 (g) a fixed-term WA petroleum production licence
- 25 granted by way of second or subsequent
- 26 renewal corresponds to a fixed-term petroleum
- 27 production licence, as defined in the
- 28 Commonwealth Act section 7, granted by way
- 29 of second or subsequent renewal.
- 30 (14) If, after the change to the boundary of the offshore
- 31 area —
- 32 (a) a part of a section 27 block that was covered by
- 33 the Commonwealth title immediately before the
- 34 change is in the offshore area; and



1                   (b) the remaining part of the section 27 block is in  
2                   the inshore area,  
3                   then, for the purposes of this section (other than this  
4                   subsection), each of those parts is taken to constitute,  
5                   and to have always constituted, a section 27 block.  
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**Part 3 — *Petroleum (Submerged Lands) Act 1982* amended**

**25. Act amended**

This Part amends the *Petroleum (Submerged Lands) Act 1982*.

**26. Section 4 amended**

(1) In section 4 delete “In” and insert:

(1) In

(2) In section 4 delete the definition of *interstate Minister*.

(3) In section 4 insert in alphabetical order:

*boundary-change permit* means a permit granted under section 27A;

*Commonwealth lease* means a petroleum retention lease as defined in the Commonwealth Act section 7;

*Commonwealth licence* means a fixed-term petroleum production licence as defined in the Commonwealth Act section 7;

*Commonwealth permit* means a petroleum exploration permit as defined in the Commonwealth Act section 7;

*granted*, in relation to a boundary-change permit, a lease under section 38CD or a licence under section 51A, means taken to have been granted;

(4) In section 4 in the definition of *permit* delete “Part III;” and insert:

Part III, including a boundary-change permit;

1       (5) At the end of section 4 insert:

2

3               (2) Notes in this Act are provided to assist understanding  
4                       and do not form part of the Act.

5

6       **27. Section 6A amended**

7       (1) In section 6A(3)(b) delete “waters” and insert:

8

9               area

10

11       (2) In section 6A(5)(b) delete “waters the first” and insert:

12

13               area the second

14

15       **28. Section 9 amended**

16       (1) Before section 9(1) insert:

17

18               (1A) In this section —

19                       *Joint Authority* has the meaning given in the  
20                       Commonwealth Act section 7.

21

22       (2) After section 9(7) insert:

23

24               (7A) If a petroleum pool is partly in a licence area and partly  
25                       in another area (in this subsection called the *other*  
26                       *area*) in which the licensee has authority, under another  
27                       written law, to explore for or recover petroleum, and  
28                       petroleum is recovered from that pool through a well or  
29                       wells in the licence area, the other area or both, there is  
30                       taken to have been recovered in the licence area such

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- 1 proportion of all petroleum so recovered as may  
2 reasonably be treated as being derived from that area,  
3 having regard to the nature and probable extent of the  
4 pool, and that proportion is to be determined in  
5 accordance with subsection (7B).
- 6 (7B) The proportion to be determined for the purposes of  
7 subsection (7A) may be determined by agreement  
8 between the licensee, the Minister and, if the other  
9 written law is administered by a Minister of the Crown  
10 other than the Minister, that Minister of the Crown or,  
11 in the absence of agreement, may be determined by the  
12 Supreme Court on the application of any of those  
13 persons.  
14
- 15 (3) After section 9(8) insert:  
16
- 17 (8A) If —  
18 (a) an agreement is in force to explore for, or  
19 recover, petroleum between —  
20 (i) a licensee, the Joint Authority and the  
21 Minister in relation to a petroleum pool  
22 that is partly in the licence area and  
23 partly in another area (the *other area*) in  
24 which the licensee has authority under  
25 the Commonwealth Act; or  
26 (ii) a licensee, the Minister and the Minister  
27 administering a corresponding law in  
28 relation to a petroleum pool that is  
29 partly in the licence area and partly in  
30 another area (the *other area*) in which  
31 the licensee has authority under the  
32 corresponding law; or  
33 (iii) a licensee, the Minister and, if the other  
34 written law mentioned in this



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- 1 extents of the petroleum pool, as specified in  
2 the agreement, comprise, or are likely to  
3 comprise, 2 or more petroleum pools; and
- 4 (f) petroleum is recovered from any of those  
5 petroleum pools through a well or wells in the  
6 licence area, the other area or both,
- 7 then —
- 8 (g) for the purposes of this Act, there is taken to  
9 have been recovered in the licence area such  
10 proportion of all petroleum so recovered as is  
11 specified in the apportionment provision; and
- 12 (h) subsection (4), (6) or (7A), as the case requires,  
13 does not apply to any of those petroleum pools.
- 14 (8B) The question of whether there is or was a petroleum  
15 pool covered by subsection (8A)(a) is to be determined  
16 on the basis of information known at the time of the  
17 making of the relevant agreement referred to in that  
18 provision.
- 19 (8C) The question of whether subsection (8A)(c) applies is  
20 to be determined on the basis of information known at  
21 the time of the commencement of the apportionment  
22 provision.
- 23 (8D) The location of any of the 2 or more petroleum pools  
24 mentioned in subsection (8A)(e) is immaterial.
- 25 (8E) If —
- 26 (a) at a particular time after the commencement  
27 day, a petroleum pool is partly in a licence area  
28 and partly in another area (the *other area*) in  
29 which the licensee has authority under the  
30 Commonwealth Act, a corresponding law or  
31 another written law to explore for, or recover,  
32 petroleum; and

- 1                   (b) at that time, an agreement is made between —
- 2                         (i) if the licensee has authority under the
- 3                             Commonwealth Act — the licensee, the
- 4                             Joint Authority and the Minister; or
- 5                         (ii) if the licensee has authority under a
- 6                             corresponding law — the licensee, the
- 7                             Minister and the Minister administering
- 8                             the corresponding law; or
- 9                         (iii) if the licensee has authority under
- 10                            another written law — the licensee, the
- 11                            Minister and, if the other written law is
- 12                            administered by a Minister of the Crown
- 13                            other than the Minister, that Minister of
- 14                            the Crown;
- 15                         and
- 16                         (c) the agreement specifies a part of the seabed by
- 17                            reference to its areal and vertical extents; and
- 18                         (d) the areal and vertical extents of the specified
- 19                            part consist of —
- 20                                 (i) the whole or a part of the licence area;
- 21                                     and
- 22                                 (ii) the whole or a part of the other area;
- 23                            and
- 24                         (e) the areal and vertical extents of the specified
- 25                            part include the petroleum pool; and
- 26                         (f) the agreement contains a provision (the
- 27                            ***apportionment provision***) that provides that,
- 28                            for the purposes of this section, there is taken to
- 29                            be recovered in the licence area a specified
- 30                            proportion of all of the petroleum recovered
- 31                            from the specified part; and

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- 1 (g) assuming that petroleum were recovered from  
2 the specified part, the specified proportion  
3 would be consistent with such proportion of all  
4 petroleum so recovered as may reasonably be  
5 treated as being derived from the licence area,  
6 having regard to the nature and probable extent  
7 of the petroleum in the specified part; and
- 8 (h) petroleum is recovered from the specified part  
9 through a well or wells in the licence area, the  
10 other area or both,
- 11 then —
- 12 (i) for the purposes of this Act, there is taken to  
13 have been recovered in the licence area such  
14 proportion of all petroleum so recovered as is  
15 specified in the apportionment provision; and
- 16 (j) subsection (4), (6) or (7A), as the case requires,  
17 does not apply to a petroleum pool located in  
18 the specified part.
- 19 (8F) The question of whether there is or was a petroleum  
20 pool covered by subsection (8E)(a) at a particular time  
21 is to be determined on the basis of information known  
22 at that time.
- 23 (8G) The question of whether subsection (8E)(g) applies is  
24 to be determined on the basis of information known at  
25 the time of the commencement of the apportionment  
26 provision.
- 27 (8H) In subsection (8E)(a) —  
28 **commencement day** means the day on which the  
29 *Petroleum Legislation Amendment Act 2017* section 28  
30 comes into operation.  
31



1       (4) In section 9(9)(a) after “this Act,” insert:

2

3               another written law,

4

5               Note: The heading to amended section 9 is to read:

6

**Petroleum pool extending into 2 licence areas or other areas**

7       **29. Section 11 amended**

8       (1) In section 11 delete the definition of *Designated Authority*.

9       (2) In section 11 in the definition of *Commonwealth Act*  
10       paragraph (d) delete “(Commonwealth);” and insert:

11

12               (Commonwealth).

13

14               Note: The heading to amended section 11 is to read:

15

**Term used: Commonwealth Act**

16       **30. Sections 13 and 14 deleted**

17               Delete sections 13 and 14.

18       **31. Section 15 replaced**

19               Delete section 15 and insert:

20

21       **15. Public service officers performing functions under**  
22       **Commonwealth Act**

23       (1) In this section —

24               *officer* means a public service officer employed in the  
25               department of the Public Service principally assisting  
26               the Minister in the administration of this Act.

27       (2) An officer is to perform any function or duty that the  
28               Minister, as a member of the Joint Authority, requires

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1 the officer to perform in relation to a Commonwealth  
2 Act.  
3

4 **32. Section 27A inserted**

5 After section 27 insert:  
6

7 **27A. Grant of boundary-change permit**

8 (1) In this section —

9 **section 17 block** means —

- 10 (a) a block constituted as provided by section 17;  
11 or  
12 (b) if a graticular section is wholly within the area  
13 that was covered by the Commonwealth permit  
14 concerned — the graticular section; or  
15 (c) if a part only of a graticular section is within  
16 the area that was covered by the  
17 Commonwealth permit concerned — that part  
18 of the graticular section.

19 Note for this definition:

20 See also subsection (8).

21 (2) This section applies if —

- 22 (a) a Commonwealth permit has been granted on  
23 the basis that an area (the **relevant area**) is  
24 within the offshore area; and  
25 (b) as a result of a change to the boundary of the  
26 offshore area, the relevant area —  
27 (i) ceases to be within the offshore area;  
28 and  
29 (ii) falls within the adjacent area;  
30 and

- 1 (c) either —  
2 (i) the conditions set out in subsection (3)  
3 are satisfied; or  
4 (ii) the conditions set out in subsection (4)  
5 are satisfied.
- 6 (3) The conditions mentioned in subsection (2)(c)(i) are —  
7 (a) one or more, but not all, of the section 17  
8 blocks that were covered by the  
9 Commonwealth permit immediately before the  
10 change are in the relevant area; and  
11 (b) the Commonwealth permit subsequently ceases  
12 to be in force at the same time (the *relevant*  
13 *time*) —  
14 (i) as to all of the section 17 blocks that  
15 were covered by the Commonwealth  
16 permit immediately before the change  
17 and that are in the offshore area; and  
18 (ii) otherwise than as the result of the  
19 cancellation or surrender of the  
20 Commonwealth permit.
- 21 (4) The conditions mentioned in subsection (2)(c)(ii)  
22 are —  
23 (a) all of the section 17 blocks that were covered  
24 by the Commonwealth permit immediately  
25 before the change are in the relevant area; and  
26 (b) the Commonwealth permit subsequently ceases  
27 to be in force at the same time (the *relevant*  
28 *time*) —  
29 (i) as to all of the section 17 blocks that  
30 were covered by the Commonwealth  
31 permit immediately before the change;  
32 and

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---

- 1 (ii) otherwise than as the result of the  
2 cancellation or surrender of the  
3 Commonwealth permit.
- 4 (5) If —
- 5 (a) assuming that —
- 6 (i) the change to the boundary of the  
7 offshore area had not occurred; and
- 8 (ii) the relevant area had remained in the  
9 offshore area,
- 10 the holder of the Commonwealth permit would  
11 have been entitled to apply under the  
12 Commonwealth Act for the renewal of the  
13 Commonwealth permit in relation to all of the  
14 section 17 blocks that are —
- 15 (iii) covered by the Commonwealth permit;  
16 and
- 17 (iv) in the relevant area;
- 18 and
- 19 (b) there are one or more section 17 blocks (the  
20 **relevant section 17 blocks**) that —
- 21 (i) correspond to the section 17 blocks  
22 covered by paragraph (a); and
- 23 (ii) are in the adjacent area; and
- 24 (iii) are not the subject of a variation under  
25 section 103A,
- 26 the Minister is taken —
- 27 (c) to have granted the holder of the  
28 Commonwealth permit a permit over those  
29 relevant section 17 blocks; and

- 1                   (d) to have done so immediately after the relevant  
2                   time mentioned in whichever of subsection (3)  
3                   or (4) is applicable.

4                   Note for this subsection:

5                   For the duration of the permit, see section 29(1A).

- 6                   (6) If—

- 7                   (a) assuming that —

8                   (i) the change to the boundary of the  
9                   offshore area had not occurred; and

10                  (ii) the relevant area had remained in the  
11                  offshore area,

12                  the holder of the Commonwealth permit would  
13                  not have been entitled to apply under the  
14                  Commonwealth Act for the renewal of the  
15                  Commonwealth permit in relation to all of the  
16                  section 17 blocks that are —

17                  (iii) covered by the Commonwealth permit;  
18                  and

19                  (iv) in the relevant area;

20                  and

- 21                  (b) there are one or more section 17 blocks (the  
22                  **relevant section 17 blocks**) that —

23                  (i) correspond to the section 17 blocks that  
24                  were covered by the Commonwealth  
25                  permit immediately before the change;  
26                  and

27                  (ii) are in the adjacent area; and

28                  (iii) are not the subject of a variation under  
29                  section 103A,

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- 1 the Minister is taken —
- 2 (c) to have granted the holder of the
- 3 Commonwealth permit a permit over those
- 4 relevant section 17 blocks; and
- 5 (d) to have done so immediately after the relevant
- 6 time mentioned in whichever of subsection (3)
- 7 or (4) is applicable.
- 8 Note for this subsection:
- 9 For the duration of the permit, see section 29(1B).
- 10 (7) For the purposes of subsections (5) and (6), the
- 11 following provisions of the Commonwealth Act are to
- 12 be disregarded —
- 13 (a) the standard halving rules in section 123 of that
- 14 Act;
- 15 (b) the modified halving rules in section 124 of that
- 16 Act;
- 17 (c) a provision of a kind specified in the
- 18 regulations.
- 19 (8) If, after the change to the boundary of the offshore
- 20 area —
- 21 (a) a part of a section 17 block that was covered by
- 22 the Commonwealth permit immediately before
- 23 the change is in the offshore area; and
- 24 (b) the remaining part of the section 17 block is in
- 25 the adjacent area,
- 26 then, for the purposes of this section (other than this
- 27 subsection), each of those parts is taken to constitute,
- 28 and to have always constituted, a section 17 block.
- 29 (9) An assumption in subsection (5)(a) or (6)(a) does not
- 30 affect subsection (8).
- 31

1   **33.   Section 29 amended**

2           After section 29(1) insert:

3

4           (1A) Subject to this Part, a boundary-change permit granted  
5               under section 27A(5) remains in force for a period of  
6               5 years commencing on the day on which the permit is  
7               granted.

8           (1B) Subject to this Part, a boundary-change permit granted  
9               under section 27A(6) remains in force for a period of  
10              12 months commencing on the day on which the permit  
11              is granted.

12

13   **34.   Section 30 amended**

14           In section 30(1) delete “sections 31 and 32A,” and insert:

15

16           sections 31, 32A and 32B,

17

18   **35.   Section 31 amended**

19           After section 31(6) insert:

20

21           (7) Subsections (1) to (5) do not apply to an application for  
22              the renewal of a permit if —

23                   (a) the permit was granted on the basis that an area  
24                      (the *relevant area*) was within the adjacent  
25                      area; and

26                   (b) as a result of a change to the boundary of the  
27                      offshore area, the relevant area —

28                           (i) ceased to be within the adjacent area;  
29                           and

30                           (ii) fell within the offshore area;

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---

- 1 and  
2 (c) immediately before the change, the relevant  
3 area was a part of the permit area.
- 4 (8) For the purposes of subsection (7) —  
5 (a) section 6A is to be disregarded; and  
6 (b) it is immaterial whether the change occurred  
7 before, at or after the commencement day.
- 8 (9) In subsection (8)(b) —  
9 **commencement day** means the day on which the  
10 *Petroleum Legislation Amendment Act 2017* section 35  
11 comes into operation.  
12

13 **36. Section 32B inserted**

14 After section 32A insert:  
15

16 **32B. Limits on renewal of boundary-change permits**

- 17 (1) If —  
18 (a) a boundary-change permit is granted under  
19 section 27A(5); and  
20 (b) the relevant Commonwealth permit that ceases  
21 to be in force, as mentioned in  
22 section 27A(3)(b) or (4)(b), was granted  
23 otherwise than by way of renewal,
- 24 then —  
25 (c) section 31 applies to an application for the  
26 renewal of the boundary-change permit; and  
27 (d) an application must not be made for the  
28 renewal of the boundary-change permit if the  
29 Minister has previously granted a renewal of  
30 the permit.



- 1           (2) If—
- 2                 (a) a boundary-change permit is granted under
- 3                     section 27A(5); and
- 4                 (b) the relevant Commonwealth permit that ceases
- 5                     to be in force, as mentioned in
- 6                     section 27A(3)(b) or (4)(b), was granted by
- 7                     way of renewal,
- 8                     an application must not be made for the renewal of the
- 9                     boundary-change permit.
- 10           (3) If a boundary-change permit is granted under
- 11                 section 27A(6), an application must not be made for
- 12                 the renewal of the permit.
- 13

14 **37. Section 33 amended**

- 15           (1) After section 33(1) insert:
- 16
- 17                 (1A) Subsection (1) does not apply to a boundary-change
- 18                     permit.
- 19
- 20           (2) After section 33(2) insert:
- 21
- 22                 (3) The Minister may, by written notice given to the
- 23                     permittee, vary a boundary-change permit by imposing
- 24                     one or more conditions to which the permit is subject.
- 25                 (4) A notice under subsection (3) may only be given within
- 26                     14 days after the grant of the boundary-change permit.
- 27                 (5) A variation under subsection (3) takes effect on the day
- 28                     on which notice of the variation is given to the
- 29                     permittee.

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- 1           (6) If—
- 2               (a) a boundary-change permit is granted; and
- 3               (b) the relevant Commonwealth permit that ceases
- 4                     to be in force, as mentioned in
- 5                     section 27A(3)(b) or (4)(b), is of a kind that
- 6                     corresponds to a permit granted under
- 7                     section 22(4) or 27,
- 8           any or all of the conditions mentioned in subsection (7)
- 9           may be specified in—
- 10               (c) the boundary-change permit; or
- 11               (d) a permit granted by way of the renewal of the
- 12                     boundary-change permit.
- 13           (7) The following conditions are specified for the purposes
- 14               of subsection (6)—
- 15               (a) conditions requiring the permittee to carry out
- 16                     work in, or in relation to, the permit area
- 17                     (including conditions requiring the permittee to
- 18                     carry out the work during a period of 12 months
- 19                     or longer, or during periods each of which is
- 20                     12 months or longer);
- 21               (b) conditions relating to the amounts that the
- 22                     permittee must spend in carrying out such
- 23                     work;
- 24               (c) conditions requiring the permittee to comply
- 25                     with directions that—
- 26                       (i) relate to the matters covered by
- 27                         paragraphs (a) and (b); and
- 28                       (ii) are given in accordance with the permit.
- 29           (8) Subsection (6) does not limit subsection (3).
- 30           (9) If—
- 31               (a) a boundary-change permit is granted; and

- 1 (b) the relevant Commonwealth permit that ceases  
2 to be in force, as mentioned in  
3 section 27A(3)(b) or (4)(b), is a cash-bid  
4 petroleum exploration permit, as defined in the  
5 Commonwealth Act section 7,  
6  
7 the conditions mentioned in subsection (10) must not  
8 be specified in —  
9 (c) the boundary-change permit; or  
10 (d) a permit granted by way of the renewal of the  
11 boundary-change permit.  
12 (10) The following conditions are specified for the purposes  
13 of subsection (9) —  
14 (a) conditions requiring the permittee to carry out  
15 work in, or in relation to, the permit area;  
16 (b) conditions requiring the permittee to spend  
17 particular amounts on the carrying out of work  
18 in, or in relation to, the permit area.

19 **38. Section 37 amended**

- 20 (1) Before section 37(1) insert:  
21  
22 (1A) In this section —  
23 *declaration* includes a declaration that is taken to have  
24 been made under subsection (2A) or (2B);  
25 *section 17 block* means —  
26 (a) a block constituted as provided by section 17;  
27 or  
28 (b) if a graticular section is wholly within the area  
29 that was covered by the Commonwealth permit  
30 concerned — the graticular section; or

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---

- 1 (c) if a part only of a graticular section is within  
2 the area that was covered by the  
3 Commonwealth permit concerned — that part  
4 of the graticular section.  
5
- 6 (2) After section 37(2) insert:  
7
- 8 (2A) If —
- 9 (a) a boundary-change permit is granted over one  
10 or more section 17 blocks; and
- 11 (b) immediately before the grant, those section 17  
12 blocks were, or were part of, a location as  
13 defined in the Commonwealth Act section 7;  
14 and
- 15 (c) apart from this subsection, those section 17  
16 blocks are not, and are not part of, a location as  
17 defined in section 4 of this Act,
- 18 the Minister is taken —
- 19 (d) to have declared those section 17 blocks to be a  
20 location; and
- 21 (e) to have done so immediately after the grant.
- 22 (2B) If —
- 23 (a) a permit is varied under section 103A so as to  
24 include in the permit area one or more  
25 section 17 blocks; and
- 26 (b) immediately before the variation, those  
27 section 17 blocks were, or were part of, a  
28 location as defined in the Commonwealth Act  
29 section 7; and
- 30 (c) apart from this subsection, those section 17  
31 blocks are not, and are not part of, a location as  
32 defined in section 4 of this Act,

- 1                   the Minister is taken —
- 2                   (d) to have declared those section 17 blocks to be a
- 3                   location; and
- 4                   (e) to have done so immediately after the variation.
- 5

6 **39. Section 38CD inserted**

7                   After section 38CC insert:

8

9 **38CD. Grant of lease as result of change to boundary of**

10 **offshore area**

- 11                   (1) In this section —
- 12                   *section 17 block* means —
- 13                   (a) a block constituted as provided by section 17;
- 14                   or
- 15                   (b) if a graticular section is wholly within the area
- 16                   that was covered by the Commonwealth lease
- 17                   concerned — the graticular section; or
- 18                   (c) if a part only of a graticular section is within
- 19                   the area that was covered by the
- 20                   Commonwealth lease concerned — that part of
- 21                   the graticular section.

22                   Note for this definition:

23                   See also subsection (6).

- 24                   (2) This section applies if —
- 25                   (a) a Commonwealth lease has been granted on the
- 26                   basis that an area (the *relevant area*) is within
- 27                   the offshore area; and
- 28                   (b) as a result of a change to the boundary of the
- 29                   offshore area, the relevant area —
- 30                   (i) ceases to be within the offshore area;
- 31                   and

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- 1 (ii) falls within the adjacent area;  
2 and  
3 (c) either —  
4 (i) the conditions set out in subsection (3)  
5 are satisfied; or  
6 (ii) the conditions set out in subsection (4)  
7 are satisfied;  
8 and  
9 (d) there are one or more section 17 blocks (the  
10 **relevant section 17 blocks**) that —  
11 (i) correspond to the section 17 blocks that  
12 were covered by the Commonwealth  
13 lease immediately before the change;  
14 and  
15 (ii) are in the adjacent area; and  
16 (iii) are not the subject of a variation under  
17 section 103A.
- 18 (3) The conditions mentioned in subsection (2)(c)(i) are —  
19 (a) one or more, but not all, of the section 17  
20 blocks that were covered by the  
21 Commonwealth lease immediately before the  
22 change are in the relevant area; and  
23 (b) the Commonwealth lease subsequently ceases  
24 to be in force at the same time (the **relevant**  
25 **time**) —  
26 (i) as to all of the section 17 blocks that  
27 were covered by the Commonwealth  
28 lease immediately before the change  
29 and that are in the offshore area; and  
30 (ii) otherwise than as the result of the  
31 cancellation or surrender of the  
32 Commonwealth lease.

- 1 (4) The conditions mentioned in subsection (2)(c)(ii)  
2 are —
- 3 (a) all of the section 17 blocks that were covered  
4 by the Commonwealth lease immediately  
5 before the change are in the relevant area; and
- 6 (b) the Commonwealth lease subsequently ceases  
7 to be in force at the same time (the *relevant*  
8 *time*) —
- 9 (i) as to all of the section 17 blocks that  
10 were covered by the Commonwealth  
11 lease immediately before the change;  
12 and
- 13 (ii) otherwise than as the result of the  
14 cancellation or surrender of the  
15 Commonwealth lease.
- 16 (5) The Minister is taken —
- 17 (a) to have granted the holder of the  
18 Commonwealth lease a lease over the relevant  
19 section 17 blocks; and
- 20 (b) to have done so immediately after the relevant  
21 time mentioned in whichever of subsection (3)  
22 or (4) is applicable.
- 23 Note for this subsection:  
24 For the duration of the lease, see section 38D(2).
- 25 (6) If, after the change to the boundary of the offshore  
26 area —
- 27 (a) a part of a section 17 block that was covered by  
28 the Commonwealth lease immediately before  
29 the change is in the offshore area; and

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- 1 (b) the remaining part of the section 17 block is in  
2 the adjacent area,  
3 then, for the purposes of this section (other than this  
4 subsection), each of those parts is taken to constitute,  
5 and to have always constituted, a section 17 block.  
6

7 **40. Section 38D amended**

- 8 (1) In section 38D:  
9 (a) delete “Subject” and insert:  
10  
11 (1) Subject  
12  
13 (b) delete “otherwise)” and insert:  
14  
15 otherwise and other than a lease granted under  
16 section 38CD)  
17  
18 (2) At the end of section 38D insert:  
19  
20 (2) Subject to this Part, a lease granted under section 38CD  
21 remains in force for a period of 5 years commencing on  
22 the day on which the lease is granted.  
23

24 **41. Section 38H amended**

- 25 (1) After section 38H(1) insert:  
26  
27 (1A) Subsection (1) does not apply to a lease granted under  
28 section 38CD.  
29



- 1           (2) After section 38H(4) insert:  
2
- 3           (5) The Minister may, by written notice given to the lessee,  
4           vary a lease granted under section 38CD by imposing  
5           one or more conditions to which the lease is subject.
- 6           (6) A notice under subsection (5) may only be given within  
7           14 days after the grant of the lease.
- 8           (7) A variation under subsection (5) takes effect on the day  
9           on which notice of the variation is given to the lessee.  
10

11 **42. Section 46 amended**

12 After section 46(6) insert:  
13

- 14           (7) This section does not apply in relation to a permit if —  
15           (a) the permit has been granted on the basis that an  
16           area (the *relevant area*) is within the adjacent  
17           area; and  
18           (b) as a result of a change to the boundary of the  
19           offshore area, the relevant area —  
20           (i) ceases to be within the adjacent area;  
21           and  
22           (ii) falls within the offshore area;  
23           and  
24           (c) immediately before the change, the relevant  
25           area was a part of the permit area.
- 26           (8) For the purposes of subsection (7) —  
27           (a) section 6A is to be disregarded; and  
28           (b) it is immaterial whether the change occurred  
29           before, at or after the commencement day.

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- 1 (9) In subsection (8)(b) —  
2 *commencement day* means the day on which the  
3 *Petroleum Legislation Amendment Act 2017* section 42  
4 comes into operation.  
5

6 **43. Section 51A inserted**

7 After section 51 insert:  
8

9 **51A. Grant of licence as result of change to boundary of**  
10 **offshore area**

- 11 (1) In this section —  
12 *section 17 block* means —  
13 (a) a block constituted as provided by section 17;  
14 or  
15 (b) if a graticular section is wholly within the area  
16 that was covered by the Commonwealth licence  
17 concerned — the graticular section; or  
18 (c) if a part only of a graticular section is within  
19 the area that was covered by the  
20 Commonwealth licence concerned — that part  
21 of the graticular section.

22 Note for this definition:  
23 See also subsection (6).

- 24 (2) This section applies if —  
25 (a) a Commonwealth licence has been granted on  
26 the basis that an area (the *relevant area*) is  
27 within the offshore area; and  
28 (b) as a result of a change to the boundary of the  
29 offshore area, the relevant area —  
30 (i) ceases to be within the offshore area;  
31 and

- 1 (ii) falls within the adjacent area;  
2 and  
3 (c) either —  
4 (i) the conditions set out in subsection (3)  
5 are satisfied; or  
6 (ii) the conditions set out in subsection (4)  
7 are satisfied;  
8 and  
9 (d) there are one or more section 17 blocks (the  
10 **relevant section 17 blocks**) that —  
11 (i) correspond to the section 17 blocks that  
12 were covered by the Commonwealth  
13 licence immediately before the change;  
14 and  
15 (ii) are in the adjacent area; and  
16 (iii) are not the subject of a variation under  
17 section 103A.
- 18 (3) The conditions mentioned in subsection (2)(c)(i) are —  
19 (a) one or more, but not all, of the section 17  
20 blocks that were covered by the  
21 Commonwealth licence immediately before the  
22 change are in the relevant area; and  
23 (b) the Commonwealth licence subsequently ceases  
24 to be in force at the same time (the **relevant**  
25 **time**) —  
26 (i) as to all of the section 17 blocks that  
27 were covered by the Commonwealth  
28 licence immediately before the change  
29 and that are in the offshore area; and  
30 (ii) otherwise than as the result of the  
31 cancellation or surrender of the  
32 Commonwealth licence.

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- 1 (4) The conditions mentioned in subsection (2)(c)(ii)  
2 are —
- 3 (a) all of the section 17 blocks that were covered  
4 by the Commonwealth licence immediately  
5 before the change are in the relevant area; and
- 6 (b) the Commonwealth licence subsequently ceases  
7 to be in force at the same time (the *relevant*  
8 *time*) —
- 9 (i) as to all of the section 17 blocks that  
10 were covered by the Commonwealth  
11 licence immediately before the change;  
12 and
- 13 (ii) otherwise than as the result of the  
14 cancellation or surrender of the  
15 Commonwealth licence.
- 16 (5) The Minister is taken —
- 17 (a) to have granted the holder of the  
18 Commonwealth licence a licence over the  
19 relevant section 17 blocks; and
- 20 (b) to have done so immediately after the relevant  
21 time mentioned in whichever of subsection (3)  
22 or (4) is applicable.
- 23 Note for this subsection:  
24 For the duration of the licence, see section 53(3).
- 25 (6) If, after the change to the boundary of the offshore  
26 area —
- 27 (a) a part of a section 17 block that was covered by  
28 the Commonwealth licence immediately before  
29 the change is in the offshore area; and
- 30 (b) the remaining part of the section 17 block is in  
31 the adjacent area,

1                   then, for the purposes of this section (other than this  
2                   subsection), each of those parts is taken to constitute,  
3                   and to have always constituted, a section 17 block.  
4

5   **44.   Section 53 amended**

6       (1)   In section 53(2) delete “section 107(3)” and insert:  
7

8                   section 107(3), other than a licence granted under section 51A,  
9

10      (2)   After section 53(2) insert:  
11

12                   (3)   Subject to this Part, a licence granted under  
13                   section 51A remains in force for the period of 21 years  
14                   commencing on the day on which the licence is  
15                   granted.  
16

17   **45.   Section 54 amended**

18      (1)   Delete section 54(1) and insert:  
19

20                   (1)   Subject to this section, a licensee under a licence to  
21                   which section 53(1)(a) or (b) or (3) applies may, from  
22                   time to time, make an application to the Minister for  
23                   the renewal of the licence.  
24

25      (2)   After section 54(3) insert:  
26

27                   (4)   If —

28                           (a)   a licence under section 51A (the *relevant*  
29                           *licence*) is granted; and

30                           (b)   the Commonwealth licence that ceases to be in  
31                           force, as mentioned in section 51A(3)(b) or

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- 1 (4)(b), was granted otherwise than by way of  
2 renewal,
- 3 an application must not be made for the renewal of the  
4 relevant licence if the Minister has previously granted a  
5 renewal of the licence.
- 6 (5) If —
- 7 (a) a licence under section 51A (the *relevant*  
8 *licence*) is granted; and
- 9 (b) the Commonwealth licence that ceases to be in  
10 force, as mentioned in section 51A(3)(b) or  
11 (4)(b), was granted by way of renewal,
- 12 an application must not be made for the renewal of the  
13 relevant licence.  
14
- 15 **46. Section 56 amended**
- 16 (1) In section 56 delete “A licence” and insert:  
17
- 18 (1) A licence  
19
- 20 (2) At the end of section 56 insert:  
21
- 22 (2) Subsection (1) does not apply to a licence granted  
23 under section 51A.
- 24 (3) The Minister may, by written notice given to the  
25 licensee, vary a licence granted under section 51A by  
26 imposing one or more conditions to which the licence  
27 is subject.
- 28 (4) A notice under subsection (3) may only be given within  
29 14 days after the grant of the licence.

- 1           (5) A variation under subsection (3) takes effect on the day  
2           on which notice of the variation is given to the  
3           licensee.  
4

5   **47. Section 59 amended**

- 6           (1) In section 59(11):  
7               (a) before paragraph (a) insert:  
8  
9                   (aa) if a petroleum pool extends, or is reasonably  
10                  believed by the Minister to extend, from the  
11                  adjacent area into an area to which another  
12                  written law relating to the exploitation of  
13                  petroleum resources applies, consult with any  
14                  other Minister concerned; or  
15  
16               (b) in paragraph (a) after “resources apply,” insert:  
17  
18                   or into the adjacent area of an adjoining State or the  
19                   Northern Territory,  
20  
21               (c) delete paragraphs (b) and (c) and insert:  
22  
23                   (b) if a petroleum pool extends, or is reasonably  
24                  believed by the Minister to extend, from the  
25                  adjacent area into the offshore area of a State  
26                  (other than Western Australia) within the  
27                  meaning of the Commonwealth Act, or the  
28                  offshore area of the Northern Territory, within  
29                  the meaning of that Act, consult with the Joint  
30                  Authority, as defined in the Commonwealth  
31                  Act section 7, in respect of that State or the  
32                  Northern Territory concerning the exploitation  
33                  of the petroleum pool; or

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- 1 (c) if a petroleum pool extends, or is reasonably  
2 believed by the Minister to extend, from the  
3 adjacent area into the offshore area of Western  
4 Australia, consult with the Joint Authority  
5 concerning the exploitation of the petroleum  
6 pool; or  
7 (d) if 2 or more of paragraphs (aa), (a), (b) and (c)  
8 apply, comply with each of those applicable  
9 paragraphs.  
10

11 (2) In section 59(12) delete “authority or Designated” and insert:  
12

13 Minister, authority or Joint  
14

15 **48. Section 103A inserted**

16 After section 103 insert:  
17

18 **103A. Variation of petroleum title by including area as**  
19 **result of change to boundary of offshore area**

20 (1) In this section —

21 ***Commonwealth title*** means —

- 22 (a) a Commonwealth permit; or  
23 (b) a Commonwealth lease; or  
24 (c) a Commonwealth licence;

25 ***fixed-term WA licence*** means a licence granted for a  
26 fixed period of years;

27 ***petroleum title*** means a permit, lease or licence;

28 ***section 17 block*** means —

- 29 (a) a block constituted as provided by section 17;  
30 or



- 1                   (b) if a graticular section is wholly within the area
- 2                   that was covered by the Commonwealth title
- 3                   concerned — the graticular section; or
- 4                   (c) if a part only of a graticular section is within
- 5                   the area that was covered by the
- 6                   Commonwealth title concerned — that part of
- 7                   the graticular section.

8                   Note for this definition:  
9                   See also subsection (14).

- 10               (2) This section applies if —
- 11                   (a) a Commonwealth title has been granted on the
  - 12                   basis that an area (the *relevant area*) is within
  - 13                   the offshore area; and
  - 14                   (b) as a result of a change to the boundary of the
  - 15                   offshore area, the relevant area —
  - 16                         (i) ceases to be within the offshore area;
  - 17                         and
  - 18                         (ii) falls within the adjacent area;
  - 19                   and
  - 20                   (c) either —
  - 21                         (i) the conditions set out in subsection (3)
  - 22                         are satisfied; or
  - 23                         (ii) the conditions set out in subsection (4)
  - 24                         are satisfied;
  - 25                   and
  - 26                   (d) immediately before the relevant time mentioned
  - 27                   in whichever of subsection (3) or (4) is
  - 28                   applicable —
  - 29                         (i) the Commonwealth title was held by the
  - 30                         registered holder of a petroleum title
  - 31                         that corresponds to the Commonwealth
  - 32                         title; and

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- 1 (ii) at least one section 17 block covered by  
2 the petroleum title immediately adjoined  
3 at least one other section 17 block that  
4 was covered by the Commonwealth title  
5 and that is in the relevant area;  
6 and  
7 (e) before the relevant time mentioned in  
8 whichever of subsection (3) or (4) is  
9 applicable —  
10 (i) the registered holder of the  
11 Commonwealth title; and  
12 (ii) the registered holder of the petroleum  
13 title,  
14 gave the Minister a written notice electing to  
15 accept the variation under this section of the  
16 petroleum title.
- 17 Note for this subsection:  
18 For when a petroleum title corresponds to a Commonwealth  
19 title, see subsection (13).
- 20 (3) The conditions mentioned in subsection (2)(c)(i) are —  
21 (a) one or more, but not all, of the section 17  
22 blocks that were covered by the  
23 Commonwealth title immediately before the  
24 change are in the relevant area; and  
25 (b) the Commonwealth title subsequently ceases to  
26 be in force at the same time (the *relevant*  
27 *time*) —  
28 (i) as to all of the section 17 blocks that  
29 were covered by the Commonwealth  
30 title immediately before the change and  
31 that are in the offshore area; and  
32 (ii) otherwise than as the result of the  
33 cancellation or surrender of the  
34 Commonwealth title.

- 1           (4) The conditions mentioned in subsection (2)(c)(ii)  
2           are —
- 3               (a) all of the section 17 blocks that were covered  
4               by the Commonwealth title immediately before  
5               the change are in the relevant area; and
- 6               (b) the Commonwealth title subsequently ceases to  
7               be in force at the same time (the ***relevant***  
8               ***time***) —
- 9                     (i) as to all of the section 17 blocks that  
10                    were covered by the Commonwealth  
11                    title immediately before the change; and
- 12                   (ii) otherwise than as the result of the  
13                    cancellation or surrender of the  
14                    Commonwealth title.
- 15           (5) If the conditions set out in subsection (2)(d) and (e) are  
16           met in relation to only one petroleum title, that  
17           petroleum title is the ***relevant petroleum title*** for the  
18           purposes of this section.
- 19           (6) If the conditions set out in subsection (2)(d) and (e)  
20           would, apart from this subsection, be met in relation to  
21           2 or more petroleum titles that have the same registered  
22           holder, the Minister must, by written notice given to  
23           the registered holder, declare that one of those  
24           petroleum titles is the ***relevant petroleum title*** for the  
25           purposes of this section.
- 26           (7) If the relevant petroleum title is a permit —
- 27               (a) the Minister must, by written notice given to  
28               the permittee, vary the permit to include in the  
29               permit area all of the section 17 blocks that —
- 30                     (i) correspond to the section 17 blocks that  
31                    were covered by the Commonwealth  
32                    title immediately before the change; and
- 33                    (ii) are in the adjacent area;

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- 1 and
- 2 (b) the section 17 blocks included in the permit
- 3 area because of the variation are, for the
- 4 remainder of the term of the permit, blocks in
- 5 relation to which the permit is in force.
- 6 (8) If the relevant petroleum title is a lease —
- 7 (a) the Minister must, by written notice given to
- 8 the lessee, vary the lease to include in the lease
- 9 area all of the section 17 blocks that —
- 10 (i) correspond to the section 17 blocks that
- 11 were covered by the Commonwealth
- 12 title immediately before the change; and
- 13 (ii) are in the adjacent area;
- 14 and
- 15 (b) the section 17 blocks included in the lease area
- 16 because of the variation are, for the remainder
- 17 of the term of the lease, blocks in relation to
- 18 which the lease is in force.
- 19 (9) If the relevant petroleum title is a licence —
- 20 (a) the Minister must, by written notice given to
- 21 the licensee, vary the licence to include in the
- 22 licence area all of the section 17 blocks that —
- 23 (i) correspond to the section 17 blocks that
- 24 were covered by the Commonwealth
- 25 title immediately before the change; and
- 26 (ii) are in the adjacent area;
- 27 and
- 28 (b) the section 17 blocks included in the licence
- 29 area because of the variation are, for the
- 30 remainder of the term of the licence, blocks in
- 31 relation to which the licence is in force.

- 1           (10) Subsections (7)(b), (8)(b) and (9)(b) have effect subject  
2           to this Part.
- 3           (11) A variation mentioned in subsection (7)(a), (8)(a) or  
4           (9)(a) takes effect immediately after the relevant time  
5           mentioned in whichever of subsection (3) or (4) is  
6           applicable.
- 7           (12) For the purposes of this section, a section 17 block  
8           immediately adjoins another section 17 block if —
- 9                   (a) the graticular section that constitutes or  
10                   includes that section 17 block and the graticular  
11                   section that constitutes or includes that other  
12                   section 17 block —
- 13                           (i) have a side in common; or  
14                           (ii) are joined together at one point only;
- 15                   or
- 16                   (b) that section 17 block and that other section 17  
17                   block are in the same graticular section.
- 18           (13) For the purposes of this section —
- 19                   (a) a permit granted otherwise than by way of  
20                   renewal corresponds to a Commonwealth  
21                   permit granted otherwise than by way of  
22                   renewal; and
- 23                   (b) a lease corresponds to a Commonwealth lease;  
24                   and
- 25                   (c) a fixed-term WA licence granted otherwise  
26                   than by way of renewal corresponds to a  
27                   Commonwealth licence granted otherwise than  
28                   by way of renewal; and
- 29                   (d) a permit granted by way of first renewal  
30                   corresponds to a Commonwealth permit  
31                   granted by way of first renewal; and

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- 1 (e) a fixed-term WA licence granted by way of  
2 first renewal corresponds to a Commonwealth  
3 licence granted by way of first renewal; and
- 4 (f) a permit granted by way of second renewal  
5 corresponds to a Commonwealth permit  
6 granted by way of second renewal; and
- 7 (g) a fixed-term WA licence granted by way of  
8 second or subsequent renewal corresponds to a  
9 Commonwealth licence granted by way of  
10 second or subsequent renewal.
- 11 (14) If, after the change to the boundary of the offshore  
12 area —
- 13 (a) a part of a section 17 block that was covered by  
14 the Commonwealth title immediately before the  
15 change is in the offshore area; and
- 16 (b) the remaining part of the section 17 block is in  
17 the adjacent area,
- 18 then, for the purposes of this section (other than this  
19 subsection), each of those parts is taken to constitute,  
20 and to have always constituted, a section 17 block.
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