significant elements of the new petroleum and gas regime. The POLA Bill also takes care of some "house keeping" and amends provisions of the P&G Bill.

Thirdly, the POLA Bill includes transitional provisions for the new petroleum regime in Queensland.

Coal Seam Gas

As noted in the July 2004 edition of this journal, one of the main catalysts for the introduction of the POLA Bill has been the recent expansion of the coal seam gas industry in Queensland. Under the P&G Bill, a petroleum lease can only be granted over existing coal or oil shale mining leases, and vice versa, if the existing lease holder:

(a) enters into a "coordination arrangement" with the person seeking the overlapping lease; or

(b) the existing lease holder is a joint applicant.

The requirement for a joint application or a coordination arrangement with coal or oil shale mining lease holders underpins the Queensland Government's policy regarding coal seam gas production. As a result, any holders of exploration tenures for petroleum in Queensland where there is an overlap with a coal mining tenure (either exploration or production) will lose their current rights under the 1923 Act to the grant of a petroleum lease without being required to undergo native title processes. Any applications for the grant of a petroleum lease from an exploration tenement that overlaps a coal or oil shale mining lease shall be deemed to be made in accordance with the P&G Bill.

Transitional Arrangements

The POLA Bill incorporates transitional provisions for current tenures from the old regime to the new. Exploration tenures granted before 23 December 1996 and any production leases granted from these exploration tenure will continue to operate under the 1923 Act. All other tenures will be transferred over to the P&G Bill.

Summary

The POLA Bill continues the Queensland Government's review of existing petroleum legislation. It is intended that the new petroleum laws will deliver the certainty and stability needed for Queensland's significant coal seam gas and petroleum resources to be developed and to ensure the continuing development of a cleaner source of energy for the State.

APPLICATION FOR MINING LEASE[*]

Re Millennium Coal Pty Ltd ([2004] QLRT 72 (Smith DP))

Mining lease – Financial and technical capabilities – Recommendation

Background

The applicant lodged applications for mining leases for the purpose of mining coal and overburden stockpiles, mine excavations, environmental dams, and haul and access roads. Although two objections were initially lodged, these were subsequently withdrawn.

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[*] Matt Black, research officer to the presiding members, Land and Resources Tribunal.

The applicant requested that the application be considered without an oral hearing. Smith DP was satisfied that the provisions of Pt 7 of the Act had been complied with and in particular that the owner of restricted land in the application area had consented to the application. The Deputy President therefore heard the matter without an oral hearing pursuant to s 270, *Mineral Resources Act 1989*.

Financial and Technical Capabilities

One of the matters which the Tribunal must take into account is whether the applicant has the necessary financial capabilities to carry on the proposed mining operation (s 269(4)(f)). Smith DP noted that the applicant had expended over $3M to date on the project[1] and had raised a further $1.6M through a share issue.

The Deputy President was of the view that the applicant did not immediately hold sufficient funds for the large scale mine proposed. However, the evidence demonstrated that other significant sources of funding were in the final stages of negotiation and this funding was, to some extent, dependent upon the grant of the mining lease.

Smith DP concluded that he was satisfied that the applicant had sufficient funds to progress establishment of the mine and would, if the proposed funding sources proceeded as envisaged, have sufficient funds for the project.

The question of technical capabilities was also addressed by the Deputy President. He noted that although the applicant had not previously held a mining lease, it had engaged a significant number of people with detailed and extensive mining experience.

Recommendation

Smith DP was satisfied that the applicant had sufficient financial and technical capabilities and that all other considerations were adequately addressed. He recommended that the lease be granted as applied for.

APPLICATIONS FOR ACCESS AGREEMENTS*

Mount Isa Mines Ltd & Callope & Ors ([2004] QLRT 55 (Koppenol P and Kingham DP)); ***Lach Drummond Resources Ltd (Administrators Appointed)*** ([2004] QLRT 74 (Koppenol P and Kingham DP))

Access agreement – Low impact exploration permit – Native title party – Decision as to terms of agreement – Compensation

Background

In both of these cases the applicant held a low impact exploration permit over land that was subject to native title claims. The applicants and the native title parties were unable to conclude access agreements because not all the individuals constituting each native title party was agreeable.

In each case the applicant had the matter referred to the Tribunal for determination. The Tribunal's role in each case was to decide the terms of the access agreement and to make a

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1 Including funds spent on a related lease application.

* Matt Black, research officer to the presiding members, Land and Resources Tribunal.