

PETROLEUM (PROSPECTING AND MINING) ORDINANCE 1966

325

No. 28 of 1966

An Ordinance to amend the *Petroleum (Prospecting and Mining) Ordinance 1954-1964*

[Reserved 25th July, 1966.]

[Assented to 11th August, 1966.]*

BE it ordained by the Legislative Council for the Northern Territory of Australia, in pursuance of the powers conferred by the *Northern Territory (Administration) Act 1910-1965*, as follows:—

1—(1.) This Ordinance may be cited as the *Petroleum (Prospecting and Mining) Ordinance 1966*. Short title and citation.

(2.) The *Petroleum (Prospecting and Mining) Ordinance 1954-1964* is in this Ordinance referred to as the Principal Ordinance.

(3.) The Principal Ordinance, as amended by this Ordinance, may be cited as the *Petroleum (Prospecting and Mining) Ordinance 1954-1966*.

2. This Ordinance shall come into operation on a date to be fixed by the Administrator by notice in the *Gazette*. † Commencement.

3. Section three of the Principal Ordinance is amended— Parts.

(a) by omitting the word and figures “(Sections 8-11)” and inserting in their stead the word and figures “(Sections 7A-11)”;

(b) by omitting the word “Licences” (first occurring);

(c) by omitting the words and figures “Division 3.— Licences (Sections 30-42)”;

(d) by omitting the words “relating to Permits, Licences and Leases” and inserting in their stead the words “relating to Permits and Leases”.

4 Section four of the Principal Ordinance is amended— Definitions.

(a) by omitting the definition of “drilling” and inserting in its stead the following definition:—

“‘drilling’ means the perforation of the earth’s surface crust by mechanical means, without involving the descent of

Notified in the *Northern Territory Government Gazette* dated 17 August 1966.

† The date fixed was 7 December 1966 (see *Northern Territory Government Gazette* No. 61 of 7 December 1966, page 253)

persons into the hole caused by the perforation, whether the hole is vertical, inclined or horizontal, and includes—

- (a) all operations—
 - (i) for preventing the collapse of the sides of the hole; or
 - (ii) for preventing the hole from becoming filled by extraneous materials or water; and
- (b) the fitting of well heads;”;
- (b) by omitting the definition of “licence”;
- (c) by omitting the definition of “licensee”;
- (d) by omitting from sub-paragraph (ii) of paragraph (b) of the definition of “private land” the words “licence or”; and
- (e) by omitting the definition of “the Petroleum Advisory Board”.

5. After section seven of the Principal Ordinance the following section is inserted in Part II. of the Principal Ordinance:—

Administration
of this
Ordinance.

“7A. This Ordinance shall be administered to the intent that where under this Ordinance occasion arises for a power to be exercised or a function to be performed by the Administrator, the Administrator may refer the matter of the exercise of the power or the performance of the function to the Administrator in Council.”.

Oil
Advisory
Committee.

6. Section eight of the Principal Ordinance is amended by omitting sub-section (5.) and inserting the following sub-section in its stead:—

“(5.) The Oil Advisory Committee shall advise the Minister or the Administrator on any scientific or technical matter arising in connexion with the administration of this Ordinance which is referred to it for advice by the Minister or the Administrator.”.

7. Sections nine and ten of the Principal Ordinance are repealed and the following sections inserted in their stead:—

The Petroleum
Registrar.

“9.—(1.) The Administrator may appoint a person to be the Petroleum Registrar for the purposes of this Ordinance.

“(2.) A person appointed to be the Petroleum Registrar holds office during the pleasure of the Administrator.

“ 10.—(1.) The Petroleum Registrar shall establish and maintain—

Registers
of Permits
and Leases.

- (a) a Register of Permits; and
- (b) a Register of Leases,

in respect of permits and leases issued and granted under this Ordinance.

“ (2.) A permittee or lessee who deals with—

- (a) his permit or lease; or
- (b) any rights arising from his permit or lease,

whether by way of transfer, mortgage or charge, or otherwise, shall, for the purpose of having the dealing registered, forward to the Petroleum Registrar a copy of the instrument effecting the dealing, together with the prescribed fee and a statutory declaration that the copy is a true and correct copy of the instrument.

“ (3.) The Register of Permits and the Register of Leases shall be kept as the Petroleum Registrar determines until the regulations provide for the keeping of those Registers, and thereafter in accordance with the regulations.

“ (4.) When a memorial is entered in the Register of Permits or the Register of Leases, as the case requires, by or in accordance with a direction of the Petroleum Registrar, recording—

- (a) the issue of a permit;
- (b) the grant of a lease; or
- (c) the execution of an instrument effecting a dealing with a permit or lease or a right arising from a permit or lease,

the permit, lease or dealing is registered under this section.

“ (5.) A dealing with a permit or lease or a right arising from a permit or lease does not confer a right or impose an obligation in relation to the permit or lease on a party to the dealing unless it is registered under this section.

“ (6.) When a dealing is registered under this section the Petroleum Registrar shall give notice of the registration to each party to the instrument effecting the dealing.

“ 10A.—(1.) An entry in the Register of Permits or the Register of Leases is evidence of a fact stated in the entry.

Entries in
Registers.

“ (2.) A copy of such an entry certified by the Petroleum Registrar to be a true copy is evidence of a fact stated in the copy.

“ (3.) On receipt of an application in writing accompanied by the prescribed fee, the Petroleum Registrar shall furnish to the applicant a copy, certified by him to be a true copy, of an entry in the Register of Permits or the Register of Leases.”

Heading to
Part III.

8. The heading to Part III. of the Principal Ordinance is amended by omitting the word “, LICENCES”.

9. Section fourteen of the Principal Ordinance is repealed and the following section inserted in its stead:—

Limitations of
permits, &c.

“ 14.—(1.) The Administrator shall not, without the approval of the Minister, issue a permit if the area of the land to which the permit would apply if it were issued, together with the area of land held or deemed to be held by the applicant under a permit or permits, exceeds ten thousand square miles.

“ (2.) The Administrator shall not, without the approval of the Minister, grant a lease if the area of land to which the lease would apply if it were granted, together with the area of land held or deemed to be held by the applicant under a lease or leases, exceeds one thousand square miles.

“ (3.) The Administrator shall not, without the approval of the Minister, issue a permit or grant a lease in respect of land that is portion of the sea-bed and is below the level of the sea at low tide.”.

10. Section fifteen of the Principal Ordinance is repealed and the following section inserted in its stead:—

Administrator
to lay
particulars
before
Legislative
Council.

“ 15. The Administrator shall cause particulars of all permits and leases issued or granted to be laid before the Legislative Council for the Northern Territory not later than the first sitting day of the next meeting of the Legislative Council for the Northern Territory after the issue or grant of the permit or lease.”.

11. After section sixteen of the Principal Ordinance the following section is inserted:—

Persons
deemed to
hold permits
or leases.

“ 16A.—(1.) Where a person is in a position to exercise control of a company or corporation he shall be deemed to hold each permit, lease and interest in a permit or lease held by the company or corporation.

“ (2.) For the purposes of this Ordinance a person who is, or who, by any application or applications of this sub-section, is deemed to be, in a position to exercise control of more than fifteen per centum of the total votes that could be cast at a general meeting of a company is deemed to be in a position to exercise control of that company and of any voting rights of that company as a shareholder.”.

12 Sections seventeen, eighteen and nineteen of the Principal Ordinance are repealed and the following sections inserted in their stead:—

“ 17. A permittee who is an applicant for the grant of a lease of any land to which his permit applies is entitled, subject to this Ordinance, to be granted a lease of that land in preference to any other person if he is not in breach of any term or condition of his permit or any provision of this Ordinance or the regulations that is applicable to him. Preference to permittee.

“ 18.—(1.) Subject to this Ordinance, a person may, in the manner and form prescribed, apply to the Administrator for a permit. Application for permit.

“ (2.) An application for a permit shall be accompanied by the fee prescribed in the regulations or, if no fee is prescribed, by a fee of One hundred pounds.

“ (3.) The fee accompanying an application for a permit shall be refunded to the applicant if the permit he has applied for is not issued.

“ (4.) Where an application is, in accordance with the next succeeding section, deemed to be in conflict with another application, the Minister shall decide to which, if any, of the applicants the Administrator shall issue a permit.

“ 19.—(1.) The Administrator shall cause—

(a) a notification of every application for a permit to be published in the *Gazette*; and

(b) a copy of the application to be posted and kept posted for a period of thirty days at the office of the Director of Mines. Notification of application.

“ (2.) For the purposes of this section—

(a) an application shall be deemed to be in conflict with another application if it is made—

(i) in respect of any land in respect of which the other application is made; and

(ii) after the other application but before the expiry of the thirty days during which a copy of the other application is required to be kept posted under the last preceding section; and

(b) the land in respect of which both applications are made shall be deemed to be the conflict area.

“ (3.) If a person makes an application that is in conflict with another application, the Administrator shall forthwith notify the person that his application is in conflict with that other application and furnish him with a map showing the extent of the conflict.

“(4.) Where an application is in conflict with another application and the Administrator decides to issue a permit to one of the applicants, the application of the other applicant shall, at the election of that other applicant, be deemed to be an application for a permit in respect of all the land in respect of which his application was made except the land in the conflict area.

“(5.) Where an application which is in conflict with another application is received after the first application has been posted for thirty days the Administrator shall not consider the later application until the earlier application has been dealt with.”

Matters to be
considered by
Administrator.

13. Section twenty of the Principal Ordinance is amended—
(a) by omitting paragraph (b) and inserting in its stead the following paragraph:—

“(b) unless, within the prescribed time, the applicant furnishes a bond—

(i) in accordance with a form approved by the Administrator;

(ii) in such sum, being not less than the prescribed sum, as the Administrator requires; and

(iii) with such surety as the Administrator approves,

for compliance with the terms and conditions of the permit and with such of the regulations as are applicable to him.”; and

(b) by adding at the end thereof the following subsection:—

“(2.) For the purposes of this section—

(a) ‘the prescribed time’ means the period of time commencing on the date when the Administrator notifies the applicant that he proposes to issue the permit to the applicant and ending thirty days, or such number of days exceeding thirty as the Administrator allows, after that date; and

(b) ‘the prescribed sum’ means—

(i) such sum as is prescribed by the regulations for the purposes of this section; or

(ii) if no sum is so prescribed, the sum of One thousand pounds.”.

14. After section twenty of the Principal Ordinance the following section is inserted:—

“20A. Where a permit, not being a permit that has expired after having been twice extended, previously applied to any land but no longer applies to that land because, in respect of that land—

Limitation a
issue of permit
in respect of
land to which
a permit
previously
applied.

(a) the permit has not been extended; or

(b) the permit has been cancelled,

the person who holds or held the first-mentioned permit may not apply for a permit in respect of that land until the expiration of one year after the date on which, in respect of that land, the first-mentioned permit expired without being extended, or was cancelled, as the case may be.”

15 Section twenty-one of the Principal Ordinance is amended by omitting sub-sections (2.) and (3.) and inserting in their stead the following sub-sections:—

Issue of
permit.

“ (2.) The Administrator shall not issue a permit to an applicant in respect of an area of land that is less than five hundred square miles unless he is satisfied that the oil resources of the Territory would not be investigated to the greatest extent reasonably possible unless the permit were issued.

“ (3.) A permit shall be—

(a) in accordance with the prescribed form;

(b) in respect of one area only;

(c) so far as is practicable, in respect of an area the shape of which conforms to a shape determined by the Administrator to be the standard shape for areas in respect of which permits are issued;

(d) subject to such terms and conditions as the Administrator determines; and

(e) for a term of five years.”

16. Section twenty-two of the Principal Ordinance is repealed and the following section inserted in its stead:—

“ 22.—(1.) A permittee may, not less than two months before the expiration of his permit, apply to the Administrator in accordance with the next succeeding sub-section for an extension of his permit.

Application
for extension
of permit..

“ (2.) The application—

(a) shall be in respect of specified land which is included in the land to which the permit applies and which comprises—

(i) not less than five hundred square miles or one-sixteenth of the land to which the permit applies, whichever is the greater; and

(ii) if the permit applies to land that is more than one thousand square miles in area, not more than one-half of the land to which the permit applies; and

(b) shall be accompanied by—

- (i) a statement setting out the extent and result of all geological and geophysical investigations made under the authority of the permittee in relation to the land to which the permit applies;
- (ii) an interpretation made by a competent person of the information obtained as a result of such geological and geophysical investigations; and
- (iii) copies of all drilling logs relating to drilling carried out under the authority of the permittee in relation to that land.

“ (3.) Subject to this Ordinance, on receiving the prescribed fee, the Administrator shall grant the extension applied for.

“ (4.) An extension may be granted whether or not the term of the permit to which it related has expired.

“ (5.) An extension shall be for a period of five years commencing on the expiration of the permit in respect of which it is granted.

“ (6.) The term of a permit together with any extensions shall not exceed fifteen years.

“ (7.) The Administrator may reject an application for an extension if he is satisfied that the applicant has not complied with the terms and conditions of the permit and the provisions of this Ordinance and the regulations that apply to him in relation to the permit.

“ (8.) The Administrator shall cause a notification of every extension of a permit to be published in the *Gazette*.”

17. Section twenty-three of the Principal Ordinance is amended by omitting from sub-section (2.) the words “and with the approval of the Minister”.

18. Sections twenty-four, twenty-five and twenty-six of the Principal Ordinance are repealed and the following sections inserted in their stead:—

“ 24.—(1.) A permittee may apply to the Administrator in writing for permission to surrender the permit with respect to the whole or a portion of the land to which the permit applies.

Suspension
of obligations
under permit.

Surrender of
permit.

“(2.) The Administrator may, if he thinks fit, permit the surrender of the permit—

- (a) with respect to the whole of the land to which the permit applies; or
- (b) subject to this section, with respect to a portion of that land.

“(3.) The Administrator shall not permit the surrender of a portion of the land to which a permit applies if the remainder of that land is less than five hundred square miles.

“(4.) Where a permit is surrendered with respect to a portion only of the land to which the permit applied, the permittee shall, in respect of the remainder of that land, be subject to such terms and conditions, in addition to or in substitution for the terms and conditions subject to which the permit was issued, as the Administrator determines.

“(5.) The Administrator shall cause to be published in the *Gazette* a notification of every surrender of a permit as to the whole or a portion of the land to which the permit applies.

“25. An application for a permit or an extension of a permit shall be supported by a statement signed by the applicant setting out—

Work
Programme.

- (a) the work proposed to be carried out, during each of the five years of the term of the permit or extension of the permit, in prospecting on the land in respect of which the permit or extension is applied for; and
- (b) the amounts of money which the applicant undertakes to expend in prospecting on that land in each of the five years of the term of the permit or extension of the permit.

“26. If the Administrator is satisfied that a permittee—

Cancellation
of permit.

- (a) has failed to comply with a term or condition of his permit; or
- (b) has contravened or failed to comply with a provision of this Ordinance or the regulations which is applicable to him,

the Administrator may, by notice published in the *Gazette*, cancel the permit.

“26A.—(1.) If under the last preceding section the Administrator cancels a permit the permittee may, within one month after notification of the cancellation is published in the *Gazette*, appeal against the cancellation to a warden’s court established or deemed to be established by or under the *Mining Ordinance 1939-1964*.

Appeal against
cancellation of
permit.

“(2.) At the hearing of such an appeal the warden constituting the court shall have the assistance of two technical experts.

“(3.) Each of the technical experts shall be a person—

- (a) holding office under the *Public Service Act 1922-1963* as a geologist or geophysicist in the Bureau of Mineral Resources of the Department of National Development; or
- (b) nominated by the Administrator and having the technical or scientific qualifications necessary for holding such an office.

“(4.) The technical experts assisting a warden shall provide technical advice but shall not perform any judicial function.

“(5.) The court shall hear the appeal and shall recommend to the Administrator—

- (a) that the cancellation of the permit be confirmed;
- (b) that the cancellation of the permit be revoked; or
- (c) that the cancellation of the permit be revoked as to a specified number of square miles (being not less than five hundred square miles) of the land to which the permit applied before cancellation and confirmed as to the remainder of that land.

“(6.) The Administrator may, in his discretion, by notice in the *Gazette*, confirm or revoke the cancellation of the permit or revoke it as to the specified number of square miles of the land to which the permit applied before cancellation and confirm it as to the remainder of that land.

“(7.) Where the cancellation of a permit is revoked as to a specified number of square miles only of the land to which the permit applied before cancellation, the person who held the permit before cancellation may select one piece of land, being land that contains no more than that specified number of square miles, to be the land in respect of which the cancellation of the permit is revoked.

“(8.) The revocation of the cancellation of a permit reinstates the permit, and the permittee in his rights under the permit, according to the tenor of the revocation.

“(9.) The production of a copy of the *Gazette* containing a notice under sub-section (6.) of this section shall be conclusive evidence in any court that the cancellation of the permit to which the notice relates has been, according to the tenor of the notice, confirmed or revoked, or revoked as to the specified number of square miles of the land to which the permit applied before cancellation and confirmed as to the remainder of that land and that accordingly the right, title and interest in the permit of the permittee and of any person claiming under him remain lawfully

determined, or are restored, or are restored as to the specified number of square miles of the land to which the permit applied before cancellation and remain lawfully determined as to the remainder of that land.

“ 26B.—(1.) A permittee shall—

Duties of
permittee.

(a) within six months after the date of issue to him of a permit—

(i) cause a geological survey of the land to which the permit applies to be commenced by a geologist or geophysicist; or

(ii) cause a review of all information, available to the permittee and relating to the possibility of finding oil or gas on or in that land, to be completed by a geologist or geophysicist;

(b) retain for the duration of the permit all specimens obtained from the geological exploration of the land to which the permit applies;

(c) submit all such specimens to the Administrator—

(i) on the expiry or sooner determination of the permit; or

(ii) at the request of the Administrator, at any time during which the permit is in force;

(d) furnish to the Administrator as soon as is practicable samples of all fluids obtained from all wells drilled on the land to which the permit applies;

(e) as soon as is practicable after the end of three months after the date of issue of the permit and after the end of each successive period of three months thereafter, furnish to the Administrator a report of the progress of all work carried out on or in relation to the land to which the permit applies; and

(f) as soon as is practicable after the completion of—

(i) the geological survey referred to in paragraph (a) of this section;

(ii) the review referred to in that paragraph;
or

- (iii) where a work programme approved by the Administrator includes the carrying out of any other survey, that other survey,
submit to the Administrator—
- (iv) a detailed report setting out the results of that geological survey, that review or that other survey; and
- (v) where the survey completed is a geological survey, a geological map of the land surveyed, drawn to a scale acceptable to the Administrator.

“ (2.) In the event of the discovery of petroleum in a borehole on land to which a permit applies, the permittee shall immediately furnish to the Administrator a report accordingly, and shall, if so required by the Administrator, carry out such operations as are practicable for the purpose of proving the quantity and quality of the supply of petroleum.”

19. Section twenty-eight of the Principal Ordinance is repealed and the following section inserted in its stead:—

“ 28.—(1.) The Administrator may in writing grant authority to a person to enter on any land, including land to which a permit or lease applies, for the purpose of making a geological investigation.

“ (2.) Where the land is land to which a permit or lease applies, the Administrator shall not grant an authority under the last preceding sub-section unless he has, prior to the grant, given to the lessee or permittee such notice as the Administrator considers reasonable of his intention to grant the authority.

“ (3.) An authority granted under sub-section (1.) of this section entitles the person to whom it is granted—

(a) to enter on the land specified in the authority for the purpose of making a geological investigation; and

(b) for that purpose to carry out geological surveys on that land,

in accordance with the authority, but does not entitle him to carry out seismic, drilling or other detailed survey work on land to which a permit or lease applies except with the permission of the permittee or lessee of that land.”

20. Division 3. of Part III. of the Principal Ordinance is repealed.

Authority to enter on land to make a geological investigation.

Repeal of Division 3. of Part III.

21 Section forty-four of the Principal Ordinance is repealed and the following section inserted in its stead:—

“ 44.—(1.) The Administrator shall not grant a lease—

Preliminaries
to issue of
lease.

(a) unless he is satisfied the applicant—

(i) is the holder of a permit which applies to land which includes the land in respect of which his application is made;

(ii) has complied with the terms and conditions of that permit and with such of the provisions of this Ordinance and the regulations as are applicable to him; and

(iii) is of such financial standing, and is otherwise so fitted, as to be able to exercise the rights and perform the obligations that would be conferred and imposed on him by the granting of the lease applied for;

(b) in respect of land other than land in respect of which the applicant held a permit at the date when he made his application;

(c) in respect of land which exceeds one thousand square miles or one-half of the area of land to which the applicant's permit applied at the date of his application, whichever is the lesser area; or

(d) in respect of land unless that land is—

(i) compact and limited either by well marked permanent physical boundaries or by such other boundaries as the Administrator in a particular case determines; or

(ii) substantially in the form of a rectangle, the length of which is not more than five times its width.

“ (2.) The Administrator shall not grant a lease until the applicant has furnished a bond—

(a) in accordance with a form approved by the Administrator;

(b) in such sum, being not less than Ten thousand pounds, as the Administrator requires; and

(c) with such surety as the Administrator approves,

for compliance with the terms and conditions of the lease and with such of the provisions of this Ordinance and the regulations as are applicable to him.”

Minister may dispense with bonds in respect of additional leases.

22. Section forty-five of the Principal Ordinance is amended by omitting the words “paragraph (d)” and inserting in their stead the word and figure “sub-section (2.)”.

23. Section forty-seven of the Principal Ordinance is repealed and the following section inserted in its stead:—

“47.—(1.) Where a permittee is granted a lease in respect of portion only of the land to which his permit applied, the permit, subject to this Ordinance, continues in force in respect of the remainder of that land.

“(2.) A permit which continues in force by virtue of the last preceding sub-section is subject to such terms and conditions in addition to, or in substitution for, the terms and conditions subject to which the permit was issued or extended as the Administrator determines.”.

Continuance of permit after lease of part of land.

Application for exchange.

24. Section forty-eight of the Principal Ordinance is amended by omitting paragraphs (a) and (b) of sub-section (4.) and inserting in their stead the following paragraphs:—

“(a) compact and limited either by well marked permanent physical boundaries or by such other boundaries as the Administrator in a particular case determines; or

(b) substantially in the form of a rectangle the length of which is not more than five times its width.”.

Renewal of lease.

25. Section fifty of the Principal Ordinance is amended by adding at the end thereof the following sub-section:—

“(5.) When the Administrator renews a lease he shall cause notice that the lease has been renewed to be published in the *Gazette*.”.

Minister may dispense with bonds.

26. Section fifty-one of the Principal Ordinance is amended by omitting the word “Minister” (wherever occurring) and inserting in its stead the word “Administrator”.

27. Section fifty-two of the Principal Ordinance is repealed and the following section is inserted in its stead:—

“52.—(1.) A lessee may apply to the Administrator for the suspension of the whole or a part of his obligations under his lease.

“(2.) Subject to the next succeeding sub-section, the Administrator may grant an application under sub-section (1.) of this section and suspend the obligations of the lessee for a period not exceeding twelve months either wholly or in part and either absolutely or conditionally.

Suspension of obligations under lease.

“(3.) Except with the approval of the Minister, the Administrator shall not suspend the obligations of a lessee for a period which, when added to the periods of previous suspensions in respect of his lease, would result in the total period of all suspensions in respect of the lease being in excess of five years.”.

28. Section fifty-three of the Principal Ordinance is amended by adding at the end thereof the following sub-section:— Surrender of lease.

“(6.) When a lessee surrenders his lease with respect to the whole or a portion of the land comprised in the lease the Administrator shall cause notice that the lease has been so surrendered to be published in the *Gazette*.”.

29. Section fifty-four of the Principal Ordinance is amended— Cancellation of lease.

(a) by omitting sub-section (1.);

(b) by omitting from sub-section (2.) the words
“, after obtaining a report under the last preceding sub-section,”.

30. Section fifty-five of the Principal Ordinance is amended by omitting paragraph (b) of sub-section (1.) and inserting in its stead the following paragraph:— Duties of lessee.

“(b) throughout the remainder of the term of the lease diligently and continuously carry on operations in a workmanlike manner so that the land comprised in the lease will be developed in accordance with good oilfield practice.”.

31. Section fifty-six of the Principal Ordinance is repealed and the following section inserted in its stead:—

“56.—(1.) A lessee shall pay in advance a yearly rent at the prescribed rate. Rent.

“(2.) The prescribed rate is the rate prescribed by the regulations or, if no rate is so prescribed, a rate of—

(a) Fifteen pounds per square mile in respect of each of the first, second, third, fourth and fifth years of the term of the lease;

(b) Thirty pounds per square mile in respect of each of the sixth, seventh, eighth, ninth and tenth years of the term of the lease; or

(c) Fifty pounds per square mile in respect of each year after the tenth year of the term of the lease.”.

32. Section fifty-seven of the Principal Ordinance is amended by omitting from paragraph (b) of sub-section (3.) the word “Minister” and inserting in its stead the word “Administrator”. Royalty.

Suspension of
royalty and
rent.

33. Section fifty-eight of the Principal Ordinance is amended by omitting from sub-section (1.) the words "after receiving a report from the Oil Advisory Committee and with the approval of the Minister".

Tenders for
surrendered or
cancelled
leases.

34. Section fifty-nine of the Principal Ordinance is amended by omitting sub-section (3.).

Heading to
Division 6. of
Part III.

35. The heading to Division 6. of Part III. of the Principal Ordinance is amended by omitting the word "*Licences*".

36. Section sixty-eight of the Principal Ordinance is repealed and the following section inserted in its stead:—

Administrator
may require
permittee to
apply for lease.

" 68.—(1.) If the Administrator is satisfied that petroleum can be economically produced and marketed from land held under a permit he may by notice in writing direct the holder of the permit to apply in accordance with this Ordinance, within two months of the date on which the notice is served on the permittee, for the grant of a lease of—

(a) the land; or

(b) such portion of the land, being a portion not less in area than the area specified in the notice, as the holder of the permit determined.

" (2.) Subject to this section, if a holder of a permit fails to comply with a notice served on him under the last preceding sub-section the Administrator may cancel the permit.

" (3.) A holder of a permit may appeal in accordance with this section against a direction under sub-section (1.) of this section.

" (4.) An appeal under this section shall be—

(a) in writing signed by the appellant;

(b) addressed to the Minister;

(c) lodged with the Administrator within two months of the date on which notice of the direction to which it relates is served on the appellant; and

(d) accompanied by a copy of the appeal for the information of the Administrator.

" (5.) The Administrator shall forward the appeal without delay to the Minister.

" (6.) The period of two months specified in the notice to which an appeal under this section relates does not run during the period commencing on the day on which the appeal is lodged in accordance with this section and ending at the end of the day on which notice of the Minister's decision in the appeal is served on the appellant.

“(7.) The Minister shall consider an appeal under this section and may allow or disallow it or vary the direction appealed against but shall not so vary the period within which an application for a lease is directed to be made that the period expires more than two months after the date on which notice of his decision in the appeal is served on the appellant.

“(8.) The decision of the Minister in an appeal is final and has effect according to its tenor when notice of it is served on the appellant.”.

37. Section sixty-nine of the Principal Ordinance is amended— Signing of application.

(a) by omitting paragraph (b) and inserting in its stead the following paragraph:—

“(b) if made by a body corporate, be executed—

(i) in the case of a foreign company registered under Division 3. of Part XI. of the *Companies Ordinances 1963*—in the manner provided for by the *Companies Ordinances 1963*; or

(ii) in any other case—in a manner provided or permitted by law for that body corporate;”;

(b) by omitting paragraph (d) and inserting in its stead the following paragraph:—

“(d) if made by an association of bodies corporate in a manner specified in sub-paragraph (i) or (ii) of paragraph (b) of this section, whichever is appropriate; and”;

(c) by omitting from paragraph (e) the words “be under the seal of each body corporate” and inserting in their stead the words “be executed by each of those bodies corporate in a manner specified in sub-paragraph (i) or (ii) of paragraph (b) of this section, whichever is appropriate.”.

38 Section seventy of the Principal Ordinance is repealed and the following section inserted in its place:—

“70. Subject to this Ordinance, on application by a permittee or lessee, the Administrator may vary the terms or conditions of the permit or lease or the area of land to which the permit or lease applies.”. Variation of terms of permit or lease.

N assignment,
&c., without
consent.

39 Section seventy-two of the Principal Ordinance is amended—

- (a) by omitting from paragraph (b) of sub-section (2.) the words “shall cancel the permit, licence or lease” and inserting in their stead the words “may cancel the permit or lease”; and
- (b) by adding at the end thereof the following sub-section:—

“(6.) An application for the consent of the Administrator under this section shall be accompanied by the prescribed fee.”.

40. After section seventy-two of the Principal Ordinance the following section is inserted:—

Interests in
permits and
leases.

“72A. For the purposes of this Ordinance, a permittee or lessee who has an interest in a permit or lease is deemed to be the holder of a permit or lease over an area of land which bears to the area of the land included in the permit or lease the same ratio as his interest in the permit or lease bears to the whole of the permit or lease.”.

Reservations
to the Crown.

41. Section seventy-six of the Principal Ordinance is amended—

- (a) by omitting from paragraph (d) of sub-section (1.) the word “and”; and
- (b) by adding at the end of sub-section (1.) the following word and paragraph:—

“; and (f) the right to grant authority to a person under section twenty-eight of this Ordinance to enter any land to which the permit or lease applies for the purpose of making a geological investigation and for that purpose to carry out geological surveys on that land.”.

Rights of
permittee,
licensee and
lessee to water,
&c.

42. Section seventy-seven of the Principal Ordinance is amended—

- (a) by omitting paragraph (a) and inserting in its stead the following paragraph:—

“(a) drill for and take water that is or may be under the surface of any land to which the permit or lease applies and take and divert water from any natural

spring, lake, pool or watercourse situated on or flowing through any land (including private land and improved land) to which the permit or lease applies and use the water for any purpose for his prospecting or mining operations under the permit or lease; and ”; and

(b) by inserting after sub-section (1.) the following sub-section:—

“ (1A.) A permittee or lessee who drills for water that is or may be under land to which the permit or lease applies shall comply with any law in force in the Northern Territory with respect to drilling for underground water.”.

43 Section eighty-four of the Principal Ordinance is repealed and the following section inserted in its stead:—

“ 84.—(1.) All information which a permittee or lessee is required to furnish under this Ordinance shall be furnished at the expense of the permittee or lessee and, subject to this section, except with the consent in writing of the permittee or lessee (which shall not be unreasonably withheld) shall be treated as confidential.

Reports to be
treated as
confidential.

“ (2.) Notwithstanding anything contained in the last preceding sub-section—

- (a) any such information may be disclosed to any person expressly authorized in that behalf by the Minister or the Administrator;
- (b) any information furnished in respect of a permit and based on information obtained from or arising out of the drilling of a well may be made public after one year has expired after the date of the release of the drilling rig from that well;
- (c) where a lease is cancelled, or a lease is surrendered, or the term of a lease has expired, the Minister or the Administrator may immediately make public any information furnished in respect of the lease;
- (d) the Minister or the Administrator may at any time make use of any information furnished by a permittee or lessee for the purpose of preparing and publishing aggregate returns and general reports with respect to operations under this Ordinance;

- (e) where, as to the whole of a permit area, a permit—
- (i) is surrendered;
 - (ii) has expired and is not extended; or
 - (iii) has been cancelled,
- the Minister or the Administrator may immediately make public any information furnished in respect of the permit;
- (f) where, as to a portion only of a permit area, a permit—
- (i) is surrendered;
 - (ii) has expired and is not extended; or
 - (iii) has been cancelled,
- the Minister or the Administrator may make public any information obtained not later than one year before the date of the surrender, expiration or cancellation in relation to all or any portion of the permit area and furnished in respect of the permit.

“(3.) In this section—

- ‘information’ includes logs, records, plans, cross-sections and maps;
- ‘permit area’ means an area of land in respect of which a permit has been issued.”.

Abandonment
and plugging
of wells.

44. Section ninety of the Principal Ordinance is amended by adding at the end thereof the following sub-section:—

“(5.) Where the circumstances of the case make it necessary or desirable for a permittee or lessee to plug a well immediately, sub-sections (3.) and (4.) of this section do not apply in relation to the plugging of the well but in such a case the permittee or lessee shall notify the Administrator in writing as soon as is practicable that he has plugged the well and shall set out in the notification—

- (a) particulars of the method of plugging which was used; and
- (b) his reasons for plugging the well without complying with sub-section (3.) of this section.”.

Rights to mine
for mineral oil
under Mining
Ordinance.

45. Section ninety-four of the Principal Ordinance is amended—

- (a) by omitting the words “in the opinion of the Minister” and inserting in their stead the words “in the opinion of the Administrator”; and
- (b) by omitting the words “the Administrator” and inserting in their stead the word “he”.

46 Section ninety-five of the Principal Ordinance is repealed. Repeal of Sec. 95.

47. Section ninety-seven of the Principal Ordinance is repealed and the following section inserted in its stead:—

“ 97.—(1.) Where the Administrator cancels a permit or lease he shall cause a notification of the cancellation to be published in the *Gazette*. Procedure on cancellation of permit or lease.

“ (2.) Subject to section twenty-six A of this Ordinance, upon the publication of a notification under the last preceding sub-section, the right, title, estate and interest in the permit or lease to which the notification relates of the permittee or lessee, and of any person claiming under him, cease and determine, without re-entry on the land in respect of which the cancelled permit or lease was in force.

“ (3.) Subject to section twenty-six A of this Ordinance production of a copy of the *Gazette* containing a notification under sub-section (1.) of this section shall be conclusive evidence in any court that the right, title, estate and interest in the permit or lease to which the notification relates, and of any person claiming under him, have been lawfully determined.

“ (4.) Subject to section twenty-six A of this Ordinance, the cancellation of a permit or lease—

(a) is final and without appeal; and

(b) does not release the permittee or lessee from any liability in respect of the permit or lease incurred before the date of cancellation.”

48. Section ninety-eight of the Principal Ordinance is amended by omitting from sub-section (1.) the words “ after obtaining a report from the Oil Advisory Committee ”. Unit development.

49. The Principal Ordinance is amended as set out in the Schedule to this Ordinance. Additional amendments.

50.—(1.) Subject to this section, and notwithstanding anything contained elsewhere in this Ordinance, all permits and licenses issued or granted and in force before the commencement of this Ordinance continue in existence, and continue to be held, subject to the provisions of the *Petroleum (Prospecting and Mining) Ordinance 1954-1964* and the regulations made and in force under that Ordinance before the commencement of this Ordinance. Conversion of existing permits and licences.

(2.) In their application to or in relation to such permits and licences those provisions shall be read as if all references contained in them to the Petroleum Advisory Board were omitted.

(3.) The holder of a permit or licence in force at the commencement of this Ordinance may, at any time while the permit or licence is in force, apply in writing to the Administrator for the conversion of his permit or licence to a permit of the class of permits issued after the commencement of this Ordinance.

(4.) The application shall be supported by a statement signed by the applicant, setting out—

- (a) the work proposed to be carried out during the first five years after the conversion on the land to which the application applies; and
- (b) the amounts of money which the applicant undertakes to expend in prospecting on that land in each of the first five years after the conversion.

(5.) The prescribed fee is the fee that would be payable if the permit or licence held were a permit of the class of permits issued after the commencement of this Ordinance and the application for conversion were an application for an extension of such a permit.

(6.) The Administrator may, in writing to the applicant offer to convert the applicant's permit or licence as to the whole or portion of the land to which the permit or licence applies and subject to such terms and conditions as the Administrator thinks fit and specifies in the offer.

(7.) If the applicant accepts the offer, the Administrator shall issue a permit and the applicant's previous permit or licence shall be deemed to have expired.

(8.) A permit issued in pursuance of the last preceding sub-section may be extended as if it were issued in pursuance of section twenty-one of the *Petroleum (Prospecting and Mining) Ordinance 1954-1965* but so that the maximum term of that permit and all its extensions shall not be greater than—

- (a) ten years, if the land to which the permit applies had, at the date of issue of the permit, already been held—
 - (i) under a permit for more than five years; or
 - (ii) first under a permit and then under a licence for a total period of more than five years; or
- (b) fifteen years, in any other case.

(9.) Subject to the last preceding sub-section, a permit issued under sub-section (6.) of this section is subject to the provisions of the *Petroleum (Prospecting and Mining) Ordinance 1954-1965* as if it were issued in pursuance of section twenty-one of that Ordinance.

THE SCHEDULE.

Section 33.

ADDITIONAL AMENDMENTS.

Section mended.	Amendments.
6	Omit " , licences " (second occurring).
7	Omit from sub-section (2.) " , licensee ".
12	Omit from sub-section (1.) " licence or " Omit from sub-section (2.) " licence or " Omit from paragraph (a) of sub-section (3.) " , licence " Omit from paragraph (b) of sub-section (3.) " licence or ".
13	Omit " , licence ".
14	Omit from paragraph (a) " licensee or " Omit from paragraph (b) " licence or " (first occurring). Omit from paragraph (b) " , licensee " Omit from paragraph (b) " , licence " (second occurring). Add, at the end of sub-paragraph (i) of paragraph (b) " or " Omit sub-paragraph (ii) of paragraph (b). Omit from sub-paragraph (iii) of paragraph (b) " or one-half of the area of land to which his licences applied, whichever is the lesser,".
15	Omit " , licences " Omit " , licence ".
16	Omit " , licence " (wherever occurring).
43	Omit from sub-section (1.) " licensee ", insert " permittee " Omit from sub-section (4.) " licensee " (wherever occurring), insert " permittee " Omit from sub-section (4.) " licence " (wherever occurring), insert " permit ".
48	Omit from sub-section (1.) " licence " (first occurring), insert " permit " Omit from paragraph (b) of sub-section (1.) " licence ", insert " permit " Omit from sub-section (3.) " licence " (wherever occurring), insert " permit ".
49	Omit from sub-section (2.) " licence ", insert " permit ".
62	Omit " or licence ".
64	Omit " , licence " Omit " or licence ".
69	Omit " licence or ".
71	Omit " licence or " Omit " , licence ".
72	Omit from sub-section (1.) " , licence " (wherever occurring). Omit from sub-section (4.) " , licence " Omit from sub-section (5.) the word " , licensee " (first occurring). Omit from paragraph (a) of sub-section (5.) the words " licensee or " Omit from paragraph (b) of sub-section (5.) the words " , licence " and " , licensee ".
73	Omit " , licence " (wherever occurring). Omit " , licensee ".

ADDITIONAL AMENDMENTS—*continued.*

Section amended.	Amendments.
74	Omit from paragraph (a) " licence ". Omit from paragraph (a) " licensee ". Omit from paragraph (b) " licensee ". Omit from paragraph (b) " licence ".
75	Omit from sub-section (1.) " licence ". Omit from sub-section (1.) " licensee " (wherever occurring). Omit from sub-section (2.) " licensee ". Omit from sub-section (3.) " licensee ".
76	Omit from sub-section (1.) " licence," (first occurring). Omit from paragraph (a) of sub-section (1.) " licence ". Omit from sub-paragraph (ii) of paragraph (a) of sub-section (1.) " licensees". Omit from paragraph (b) of sub-section (1.) " licence ". Omit from paragraph (b) of sub-section (1.) " licensee ". Omit from paragraph (c) of sub-section (1.) " licence ". Omit from paragraph (d) of sub-section (1.) " licence ". Omit from paragraph (e) of sub-section (1.) " licence ".
77	Omit " licensee ". Omit from paragraph (b) " licence ".
78	Omit " licensee ". Omit " licence " (first occurring). Omit from paragraph (a) " licence " (wherever occurring). Omit from paragraph (b) " licence ".
79	Omit " licence ". Omit from paragraph (a) " licensee ". Omit from paragraph (b) " licensee ".
80	Omit from sub-section (1.) " licensee or ". Omit from sub-section (2.) " licensee or ".
81	Omit from sub-section (1.) " licensee ". Omit from sub-section (2.) " licensee ".
82	Omit from sub-section (1.) " licensee ". Omit from sub-section (1.) " licence ". Omit from sub-section (2.) " licensee ". Omit from sub-section (2.) " permit, licence or lease ", insert " permit or lease ". Omit from paragraph (c) of sub-section (2.) " licence or ". Omit from sub-section (3.) " licensee ". Omit from paragraph (a) of sub-section (3.) " licence ". Omit from paragraph (b) of sub-section (3.) " licence ".
83	Omit from sub-section (1.) " licensee ". Omit from paragraph (a) of sub-section (1.) " licence ". Omit from sub-section (3.) " licensee ".
85	Omit " licensee ". Omit from paragraph (a) " licence ". Omit from paragraph (b) " licence ".
86	Omit from sub-section (1.) " licensee ". Omit from paragraph (a) of sub-section (1.) " licence ". Omit from sub-section (2.) " licensee ". Omit from paragraph (a) of sub-section (2.) " licence ".

ADDITIONAL AMENDMENTS—continued.

Section amended.	Amendments.
	Omit from sub-section (3.) " permittee, licensee and lessee ", insert " permit- tee or lessee ". Omit from sub-section (4.) " , licensee " .
87	Omit " , licensee " . Omit " , licence " .
88	Omit from sub-section (1.) " , licensee " . Omit from sub-section (2.) " , licensee " .
89	Omit " , licensee " . Omit " , licence " .
90	Omit from sub-section (1.) " , licensee " . Omit from sub-section (2.) " , licensee " . Omit from sub-section (3.) " , licensee " .
91	Omit from sub-section (1.) " , licensee " . Omit from sub-section (1.) " , licence " . Omit from sub-section (2.) " , licensee " (wherever occurring). Omit from sub-section (2.) " , licence " . Omit from sub-section (3.) " , licensee " . Omit from sub-section (4.) " , licensee " .
92	Omit from paragraph (a) " , licence " . Omit from paragraph (b) " , licence " .
93	Omit from sub-section (1.) " , licence " (wherever occurring). Omit from sub-section (1.) " , licensee " . Omit from sub-section (2.) " , licensee " . Omit from sub-section (2.) " , licence " .
94	Omit " , licence " . Omit " , licensee " .
96	Omit " , licence " . Omit " , licensee " .
98	Omit from paragraph (a) of sub-section (1.) " , licence " . Omit from paragraph (c) of sub-section (1.) " , licensee " . Omit from paragraph (d) of sub-section (1.) " , licensee " . Omit from paragraph (d) of sub-section (1.) " , licensees " . Omit from sub-section (2.) " licence or " . Omit from sub-section (4.) " , licensee " . Omit from sub-section (5.) " , licensee " .
99	Omit " , licensee " . Omit " , licence " .
100	Omit from sub-section (1.) " , licensee " . Omit from sub-section (1.) " , licence " (wherever occurring).
101	Omit from sub-section (1.) " , licensee " (first occurring). Omit from paragraph (a) of sub-section (1.) " , licensee " . Omit from paragraph (b) of sub-section (1.) " , licensee " . Omit from sub-section (2.) " , licensee " .
102	Omit " , licensee " . Omit " , licence " .

ADDITIONAL AMENDMENTS—*continued.*

Section amended.	Amendments.
103	Omit from sub-section (1.) “, licensee”.
104	Omit from paragraph (b) of sub-section (1.) “, licence” (wherever occurring). Omit from paragraph (b) of sub-section (1.) “, licensee”.
105	Omit “, licensee”.
106	Omit “, licensee”. Omit “, licence”.
109	Omit from sub-section (2.) “, licence”.
111	Omit from sub-section (2.) “, licence” (wherever occurring).
113	Omit from sub-section (1.) “ licensee or ” (wherever occurring).
115	Omit from sub-section (1.) “, licensee”. Omit from sub-section (1.) “, licence”. Omit from sub-section (2.) “, licensee” (wherever occurring). Omit from sub-section (2.) “, licence”. Omit from sub-section (3.) “, licensee”. Omit from sub-section (3.) “, licence”.
116	Omit “, licensee”. Omit “, licence” (wherever occurring).