



Queensland

Petroleum and Gas (Production and Safety) Regulation 2004

Subordinate Legislation 2004 No. 309

made under the

Coal Mining Safety and Health Act 1999

Mineral Resources Act 1989

Petroleum and Gas (Production and Safety) Act 2004

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Chapter 1 Preliminary

Part 1 Introduction

1 Short title

This regulation may be cited as the *Petroleum and Gas (Production and Safety) Regulation 2004*.

2 Commencement

- (1) Section 58¹ commences on 1 July 2005.
- (2) The rest of this regulation commences on 31 December 2004.

Part 2 Interpretation and inspection of documents

3 Dictionary

The dictionary in schedule 12 defines particular words used in this regulation.

4 Where documents mentioned in this regulation can be inspected

- (1) A document mentioned in this regulation, other than a standard,² may be inspected free of charge at the department's head office at 41 George Street, Brisbane.
- (2) In this section—
standard means a standard published—

1 Section 58 (Processed natural gas transported through a pipeline)

2 Standards are available for purchase through the Australian Standards' website at <<http://www.standards.com.au>>.

- (a) by Standards Australia; or
- (b) jointly by Standards Australia and Standards New Zealand; or
- (c) jointly by Standards Australia and the International Electrotechnical Commission; or
- (d) by the International Standards Organisation.

Part 3 Preliminary matters prescribed for the Act

5 Substances that are petroleum

- (1) For section 10(1)(d)³ of the Act, the following substances are prescribed to be petroleum—
 - (a) biogas;
 - (b) gas produced from a waste disposal tip;
 - (c) gas produced during the treatment of sewage;
 - (d) a substance that is a mixture of LPG and air, known as ‘synthetic natural gas’.
- (2) However, subsection (1) applies only for the purpose of the following provisions of the Act—
 - (a) chapters 8 to 10;
 - (b) to the extent they apply for chapters 8 to 10, chapters 11 to 14.

6 Substances that are fuel gas

For section 11(2)(c)⁴ of the Act, the following substances are prescribed—

3 Section 10 (Meaning of *petroleum*) of the Act

4 Section 11 (Meaning of *LPG* and *fuel gas*) of the Act

- (a) hydrogen used or intended to be used as fuel for the propulsion of motor vehicles;
- (b) a mixture of LPG and air, known as ‘synthetic natural gas’.

7 Mandatory and preferred standards for particular safety requirements

- (1) A standard, code or other document listed in schedule 1, column 1 is prescribed as a safety requirement for the activity or thing stated opposite the document in column 2 of the schedule.
- (2) The document is a mandatory or preferred standard for the safety requirement as stated in column 3 of the schedule opposite the document.
- (3) If a document is a ***mandatory standard*** for a safety requirement, a person must comply with the document in order to comply with the safety requirement.
- (4) If a document is a ***preferred standard*** for a safety requirement—
 - (a) a person who complies with the document complies with the safety requirement; but
 - (b) a person may comply with the safety requirement without complying with the document, if the level of risk achieved by the person in relation to the activity or thing to which the safety requirement applies is equal to or less than the level of risk that would be achieved by complying with the document.
- (5) If the document allows a competent person, or any other person, to grant an exemption from, or in any other way change, the requirements stated in the document, the exemption or change may only be granted or made by the chief inspector.

Example—

An Australian Standard mentioned in schedule 1 might provide that a competent person can grant an exemption from provisions of the standard. For the purpose of this regulation, the exemption can only be granted by the chief inspector.

- (6) If a safety requirement prescribed under this section is inconsistent with a safety requirement (the *other safety requirement*) prescribed under another provision of this regulation, the other safety requirement prevails to the extent of the inconsistency.

8 Prescribed quality for fuel gas

- (1) For section 620⁵ of the Act, the prescribed quality for fuel gas supplied to consumers is—
- (a) for LPG used as an engine fuel—the quality required to comply with the document called ‘Liquefied petroleum gas for automotive use—specification 2000’ published in January 2000 by the Australian Liquefied Petroleum Gas Association Limited; and
 - (b) for LPG used for heating—the quality required to comply with—
 - (i) the requirements under subsection (2); and
 - (ii) the document called ‘Liquefied petroleum gas for heating use—specification 2000’ published in January 2000 by the Australian Liquefied Petroleum Gas Association Limited; and
 - (c) for processed natural gas—the quality required to comply with AS 4564 ‘Specification for general purpose natural gas’ (2003).
- (2) For subsection (1)(b)(i), the requirements are that, at the point of odourisation—
- (a) the average mole content of propylene in the fuel gas, calculated each day, must not exceed 50%; and
 - (b) the mole content of propylene in the fuel gas must not exceed 60% at any time.
- (3) In this section—
- average mole content*, of propylene in fuel gas, means the sum of the daily percentage measurements of the mole content

5 Section 620 (Prescribed quality) of the Act

of propylene in the fuel gas made for each day in the 90 day period ending on the day the calculation is made, divided by 90.

9 Prescribed odour for fuel gas

- (1) For section 627⁶ of the Act, the prescribed odour for fuel gas is an odour that—
 - (a) is distinct, unpleasant and non-persistent; and
 - (b) is of an intensity indicating the presence of gas down to one-fifth of the lower flammability limit; and
 - (c) for LPG—exists throughout the LPG's vaporisation range from the liquid state.
- (2) LPG is taken to have the prescribed odour if it contains 25 g of ethyl mercaptan for each tonne of liquid LPG.
- (3) In this section—

lower flammability limit means the lowest concentration of the fuel gas in air that will ignite.

10 Activities prescribed for definition of *operating plant*

For section 670(5)⁷ of the Act, the following activities are prescribed—

- (a) for section 670(5)(a)—the delivery, in the course of business, of non-automotive LPG in cylinders;
- (b) for section 670(5)(c)—the storage of cylinders at premises that are a dangerous goods location within the meaning of the Dangerous Goods Act;
- (c) for section 670(5)(e), either of the following—
 - (i) an activity involving consumption of more than 500 TJ of fuel gas in a year;

6 Section 627 (Prescribed odour) of the Act

7 Section 670 (What is an *operating plant*) of the Act

- (ii) an activity involving the use of fuel gas to produce theatrical or other special effects.

11 Prescribed incidents

- (1) For section 706(1)(a)⁸ of the Act, an incident listed in schedule 2, column 1 is a prescribed incident.
- (2) A prescribed incident must be reported to the chief inspector in the way mentioned in column 2 of the schedule opposite the incident.
- (3) If more than 1 way of reporting is mentioned in the schedule for an incident, the report must be given in each way mentioned.
- (4) The report must be given within the period mentioned in column 3 of the schedule opposite the incident.

Chapter 2 Exploring for and producing petroleum

Part 1 Reporting

Division 1 Content of reports and notices required under the Act

Subdivision 1 Preliminary

12 Definitions for div 1

In this division—

⁸ Section 706 (Requirement to report prescribed incident) of the Act

general area information, for a relinquishment report for a petroleum tenure, means each of the following—

- (a) a location map showing—
 - (i) the area of the petroleum tenure immediately before the relinquishment (the ***previous tenure area***); and
 - (ii) the relinquished part of the area of the tenure (the ***relinquished area***);
- (b) a map showing the location in the relinquished area of—
 - (i) each petroleum well and bore drilled under the tenure; and
 - (ii) each seismic line used for a seismic survey carried out under the tenure;
- (c) a structure contour map showing the seismic horizons (seismic reflectors) in the relinquished area;
- (d) a map showing the leads and prospects in the relinquished area;
- (e) a general description of the topographical features of the previous tenure area and the relinquished area, including, for example, access to the areas.

hazard information, for a relinquishment report or surrender report for a petroleum tenure, means each of the following—

- (a) a summary of all significant hazards to future safe and efficient mining of coal created under the tenure that, under section 690(1)(g) or 706 of the Act or under this regulation, are required to be reported;
- (b) for each hazard mentioned in the summary under paragraph (a)—a reference to the report that contains details of the hazard;
- (c) for any other hazard, or potential hazard, created under the tenure to future safe and efficient mining of coal or oil shale in the area of the tenure—
 - (i) the nature of the hazard or potential hazard; and

- (ii) the way in which the hazard or potential hazard was created; and
- (iii) the location of the hazard or potential hazard; and
- (iv) measures taken to prevent or reduce the hazard or potential hazard to mitigate its effects.

prediction period, for a prediction of the total drop in the water level in affected aquifers for a petroleum tenure, means the period—

- (a) starting on the day the taking of underground water under the petroleum tenure began; and
- (b) ending on—
 - (i) if the chief executive gives the holder notice in writing stating that the prediction must be for a period ending on a particular day—the day stated in the notice; or
 - (ii) the day that is 20 years after the day the term of the tenure will end if it is not renewed.

prescribed underground water information, for a review report about an impact report by a petroleum tenure holder or a pre-closure report for the tenure, means each of the following—

- (a) for the period starting when the tenure takes effect and ending at the relevant time, and for each month during that period—
 - (i) the volume of associated water taken; and
 - (ii) the volume of other underground water taken;
- (b) the extent of any change during the reporting period in the electrical conductivity of the water in each relevant petroleum well, relevant water observation bore and relevant Water Act bore;
- (c) the water level in each relevant water observation bore measured on, or as closely as practicable to, the last day of each quarterly period ending during the reporting period;

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- (d) the water level in each relevant petroleum well measured on, or as closely as practicable to, the last day of each quarterly period ending during the reporting period;
 - (e) details of any difference between—
 - (i) the actual drop in the water level in the affected aquifers for the tenure during the reporting period; and
 - (ii) the drop predicted for the reporting period, using the holder's underground water flow model, in the impact report for the tenure or the most recent review report for the impact report, whichever is the later;
 - (f) for a difference mentioned in paragraph (e)—the holder's assessment as to whether the holder's underground water flow model should be adjusted;
 - (g) for a review report, other than the first review report lodged about an impact report, or a pre-closure report—if restoration measures have been carried out in relation to a relevant Water Act bore after the day the most recent review report for the impact report was prepared, each of the following—
 - (i) the identifying name of the bore;
 - (ii) a description of the location of the bore;
 - (iii) the owner of the land on which the bore is located;
 - (iv) a description of the restoration measures carried out;
 - (v) whether the restoration measures have been completed.

relevant petroleum well, for a petroleum tenure, means a petroleum well from which associated water is taken under the tenure during the reporting period.

relevant time—

- (a) for a review report about an impact report by a petroleum tenure holder, means the last day of the

interval mentioned in section 267(1) of the Act to which the report relates; or

- (b) for a pre-closure report for a petroleum tenure, means the time mentioned in section 261(1)(a) to (c) of the Act before which the report must be lodged.

relevant Water Act bore, for a petroleum tenure, means a Water Act bore that is unduly affected by the exercise of the underground water rights for the tenure.

relevant water observation bore, for a petroleum tenure, means a water observation bore constructed or used by the tenure holder for the holder's monitoring program.

reporting period—

- (a) for an annual report required under section 552⁹ of the Act to be lodged by the holder of a petroleum authority, means the period to which the report relates under the section; and
- (b) for a review report about an impact report by a petroleum tenure holder, means—
 - (i) for the first review report about the impact report—the period starting on the day the impact report was accepted by the chief executive and ending at the relevant time; or
 - (ii) for a subsequent review report about the impact report—the first day of the interval mentioned in section 267(1) of the Act to which the report relates and ending at the relevant time; and
- (c) for a pre-closure report, means the period starting on the day the tenure takes effect and ending at the relevant time.

tenure information, for a relinquishment report for a petroleum tenure, means each of the following—

- (a) the day the petroleum tenure was granted;
- (b) the day the relinquishment takes effect;

9 Section 552 (Obligation to lodge annual reports) of the Act

- (c) the period of the work program or development plan, as applicable, for the tenure;
- (d) the blocks or sub-blocks comprising the relinquished part of the area of the tenure.

Subdivision 2 Proposed initial work programs and development plans

13 Proposed authority to prospect—proposed initial work program

For section 48(1)(f)¹⁰ of the Act, the matters are each of the following—

- (a) a description of the geological model for the area of the proposed authority;
- (b) an assessment of the potential for petroleum discovery in the area;
- (c) the rationale, in relation to the geological model for the area, for the activities proposed to be carried out under the proposed authority.

14 Proposed petroleum lease—proposed initial development plan

(1) For section 138(1)(g)¹¹ of the Act, the matters are—

- (a) for each natural underground reservoir within the area of the proposed petroleum lease the applicant is aware of—the area limit of the reservoir; and
- (b) details, including the location, type and size, of any planned infrastructure intended to be located within the area of the proposed lease.

10 Section 48 (General requirements) of the Act

11 Section 138 (General requirements) of the Act

Examples of infrastructure—

- 1 plant or works, including, for example, communication systems, compressors, powerlines, pumping stations, reservoirs, roads, evaporation or storage ponds and tanks
- 2 temporary structures or structures of an industrial or technical nature, including, for example, mobile and temporary camps

(2) In this section—

area limit of a natural underground reservoir means the location of the boundaries of—

- (a) the proved and probable reserves of petroleum in the reservoir; or
- (b) the reserves of petroleum in the reservoir determined in another way that is acceptable to the chief executive.

Example—

reserves of petroleum determined under a code other than the SPE code

Subdivision 3 Existing Water Act bores

15 Underground water impact report

- (1) For section 257(1)(g)¹² of the Act, the information and matters are each of the following—
 - (a) the electrical conductivity of the water in each relevant petroleum well, relevant water observation bore and relevant Water Act bore measured most recently before the relevant time, and the day on which the measurement was made;
 - (b) for each existing Water Act bore mentioned in section 257(1)(d) of the Act, each of the following—
 - (i) a description of the location of the bore;

12 Section 257 (Requirements for report) of the Act

- (ii) the name of the owner of the land on which the bore is located;
 - (iii) the purposes for which water taken from the bore is used;
Example—
 - domestic, stock irrigation, town supply or another purpose
 - (iv) the water level in the bore measured most recently before the relevant time, and the day on which the level was measured;
- (c) for each relevant water observation bore, each of the following—
- (i) a description of the location of the bore;
 - (ii) details about the bore's construction, including the type of casing and the casing intervals of the bore, and the total depth in metres of the bore and any cementing in the bore;
 - (iii) the water level in the bore measured most recently before the relevant time, and the day on which the level was measured;
 - (iv) how the holder proposes to monitor the water level in the bore;
- (d) a prediction, made using the holder's underground water flow model, of the drop in the water level in the affected aquifers for the tenure for the prediction period.
- (2) For section 257(2) of the Act, the underground water flow model must be a mathematical model representing the underground water flow system for the aquifers affected by the exercise of underground water rights for the tenure.
- (3) In this section—
relevant time see section 256(3) of the Act.

16 Monitoring report

- (1) For section 266(2)(b)¹³ of the Act, the information and matters are each of the following—
- (a) the volume, or an estimate of the volume, of associated water taken in each month in the period to which the report relates;
 - (b) the electrical conductivity of the water in each relevant petroleum well and relevant water observation bore measured on, or as closely as practicable to, the relevant day, and the day on which the measurement was made;
 - (c) the water level in each relevant petroleum well and relevant water observation bore measured on, or as closely as practicable to, the relevant day.
- (2) In this section—
- relevant day*** means the last day of the last quarterly period to which the report relates.

17 Review report

For section 267(2)(a)¹⁴ of the Act, the information and matters are each of the following—

- (a) the prescribed underground water information for a review report;
- (b) the amount of the drop, worked out using the holder's underground water flow model, predicted to occur in the water level in the affected aquifers during the period starting on the day the report is to be prepared and ending on the day (the ***next review day***) the next review report for the impact report is to be prepared;
- (c) the following details for any existing Water Act bores predicted by the holder, using the model, to become unduly affected by the exercise of the underground

13 Section 266 (Obligation to lodge monitoring reports) of the Act

14 Section 267 (Obligation to lodge review reports) of the Act

water rights for the petroleum tenure on or before the next review day—

- (i) a description of the location of the bore;
- (ii) the name of the owner of the land on which the bore is located;
- (iii) the purposes for which water taken from the bore is used;

Example—

domestic, stock irrigation, town supply or another purpose

- (iv) the water level in the bore measured most recently before the anniversary to which the report relates, and the day on which the measurement was made;
- (d) for a review report, other than the first review report lodged about an impact report, if the holder has adjusted the holder's underground water flow model since the most recent review report for the tenure—
 - (i) details of the adjustment; and
 - (ii) a prediction made using the adjusted model of the total drop in the water level in the affected aquifers for the prediction period; and
 - (iii) the difference between the prediction mentioned in subparagraph (ii) and the prediction for the drop stated in the impact report for the tenure.

18 Pre-closure report

For section 262(d)¹⁵ of the Act, the information and matters are—

- (a) the prescribed underground water information for a pre-closure report; and
- (b) a prediction made using the holder's underground water flow model of the total drop in the water level in affected aquifers for the prediction period.

¹⁵ Section 262 (Requirements for report) of the Act

Subdivision 4 Conversion to water supply bore

19 Notice of conversion

For section 284¹⁶ of the Act, the information is each of the following—

- (a) a description of the location of the water supply bore;
- (b) the name of the licensed water bore driller who carried out the modification of the petroleum well;
- (c) the date on which the petroleum well was converted to a water supply bore.

Subdivision 5 Relinquishment

20 Relinquishment report for an authority to prospect

- (1) This section prescribes, for section 545(1)(b)¹⁷ of the Act, other information that must be contained in a relinquishment report for an authority to prospect.
- (2) The information is each of the following—
 - (a) the tenure information for the report;
 - (b) the general area information for the report;
 - (c) the geological model of the relinquished part of the area of the authority (the *relinquished area*) and an assessment of the potential for petroleum discovery in the area;
 - (d) a summary of the results of all authorised activities for the authority carried out in the relinquished area since the authority took effect and the conclusions drawn by the holder based on the results;

16 Section 284 (Notice of conversion) of the Act

17 Section 545 (Relinquishment report by tenure holder) of the Act

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- (e) an index of all reports lodged, as required under the Act, in relation to the authorised activities carried out in the relinquished area;
 - (f) the hazard information for the report;
 - (g) the volume of petroleum or water produced from each petroleum well or bore in the relinquished area for each year since the authority took effect;
 - (h) if a petroleum well in the relinquished area has produced petroleum from a coal seam since the authority took effect—all data or other information held by the holder that, in the holder's reasonable opinion, may help a person to identify in the future any remaining areas of potential free gas that may have been created by removing water from the seam and producing gas from it;
 - (i) the reason the holder has relinquished the area.

21 Relinquishment report for a petroleum lease

- (1) This section prescribes, for section 545(1)(b)¹⁸ of the Act, other information that must be contained in a relinquishment report for a petroleum lease.
- (2) The information is each of the following—
 - (a) the tenure information for the report;
 - (b) the general area information for the report;
 - (c) if petroleum or a prescribed storage gas has been stored in a natural underground reservoir in the relinquished part of the area of the lease (the *relinquished area*) since the lease took effect—the methods used to store petroleum or a prescribed storage gas in, or produce it from, the reservoir;
 - (d) the volume and type of prescribed storage gases stored in each natural underground reservoir in the relinquished area when the relinquishment takes effect;

18 Section 545 (Relinquishment report by tenure holder) of the Act

- (e) the volume of petroleum or a prescribed storage gas stored in natural underground reservoirs in the relinquished area since the lease took effect;
- (f) the geological model of the natural underground reservoirs in the relinquished area;
- (g) the extraction methods used to produce petroleum or prescribed storage gases in the relinquished area under the lease;
- (h) the volume of petroleum or water produced under the lease from each petroleum well or bore in the relinquished area for each year since the lease took effect;
- (i) a summary of the results of all authorised activities for the lease carried out in the relinquished area since the lease took effect and the conclusions drawn by the holder based on the results;
- (j) an index of all reports lodged, as required under the Act, in relation to the authorised activities carried out in the relinquished area;
- (k) the hazard information for the report;
- (l) if a petroleum well in the relinquished area has produced petroleum from a coal seam since the lease took effect—all data or other information held by the holder that, in the holder's reasonable opinion, may help a person to identify in the future any remaining areas of potential free gas that may have been created by removing water from the seam and producing gas from it;
- (m) the reason the holder has relinquished the area.

Subdivision 6 End of tenure

22 End of tenure report

- (1) This section prescribes, for section 546(1)(b)¹⁹ of the Act, other information that must be stated in an end of tenure report.
- (2) The information is any information mentioned in section 20 or 21 or, for an end of tenure report for a petroleum lease, section 28, that is not mentioned in section 546(1)(a) of the Act.
- (3) For subsection (2), a reference in section 20 or 21 to the relinquished area, and a reference in section 28 to the surrendered area, is taken to be a reference to the area of the tenure immediately before it ended.
- (4) Subsection (2) does not apply to the extent the information mentioned in section 20, 21 or 28 has already been included in a relinquishment report or surrender report lodged for the tenure.

Subdivision 7 Annual reports

23 Annual report for an authority to prospect

- (1) For section 552(1)²⁰ of the Act, the following information must be contained in an annual report for an authority to prospect—
 - (a) the authorised activities for the authority carried out during the reporting period;
 - (b) the status, on the last day of the reporting period, of each petroleum well or bore drilled under the authority since it took effect;

19 Section 546 (End of tenure report) of the Act

20 Section 552 (Obligation to lodge annual reports) of the Act

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- (c) whether or not the work program for the authority was complied with during the reporting period, including details of, and reasons for, any failure to comply with the program;
 - (d) a statement of the authorised activities proposed to be carried out under the authority for the next 12 month period;
 - (e) an index of all reports lodged under the Act by the holder during the reporting period in relation to the authority;
 - (f) the volume, or an estimate of the volume, of associated water, and other underground water, taken during the reporting period in the exercise of the underground water rights under the authority;
 - (g) an expenditure statement disclosing the expenditure incurred in relation to each authorised activity carried out under the authority during the reporting period.
- (2) The expenditure statement mentioned in subsection (1)(g) must separately itemise expenditure in relation to each of the following, as appropriate—
- (a) drilling and completing a petroleum well or bore;
 - (b) seismic surveying;
 - (c) scientific or technical surveying;
 - (d) technical evaluation and analysis;
 - (e) operational and administrative expenses;
 - (f) expenditure relating to a data acquisition authority related to the authority to prospect, itemised in relation to the matters mentioned in paragraphs (a) to (e).
- (3) However, the expenditure statement must not include expenditure relating to any of the following—
- (a) costs of obtaining background land tenure searches and assessments;
 - (b) cultural heritage survey costs;

- (c) rent, fees and security paid under the Act in relation to the authority;
 - (d) legal costs;
 - (e) expenditure on capital items.
- (4) The expenditure statement must be lodged with, but be separate from, the rest of the annual report.

24 Annual report for a petroleum lease

- (1) For section 552(1) of the Act, the following information must be contained in an annual report for a petroleum lease—
- (a) the authorised activities for the lease carried out during the reporting period;
 - (b) the status, on the last day of the reporting period, of each petroleum well or bore drilled under the lease since it took effect;
 - (c) whether or not the development plan for the lease was complied with during the reporting period, including details of, and reasons for, any failure to comply with the plan;
 - (d) a statement of the authorised activities proposed to be carried out under the lease for the next 12 month period;
 - (e) an index of all reports lodged under the Act by the holder during the reporting period in relation to the lease;
 - (f) the volume of associated water, and other underground water, taken from each natural underground reservoir during the reporting period in exercising the underground water rights under the lease;
 - (g) the volume of petroleum produced under the lease from each natural underground reservoir during the reporting period;
 - (h) the holder's analysis of how the volume mentioned in paragraph (g) relates to any requirement stated in the development plan for the lease about the volume of petroleum to be produced under the lease;

- (i) the volume of a prescribed storage gas recovered under the lease from each natural underground reservoir during the reporting period;
 - (j) the volume of petroleum in a gaseous state produced under the lease that was flared or vented during the reporting period;
 - (k) the volume of petroleum that was used under the lease for carrying out authorised activities during the reporting period;
 - (l) the volume of petroleum or a prescribed storage gas that was injected into a natural underground reservoir for storage under the lease during the reporting period;
 - (m) an expenditure statement disclosing the total capital expenditure and the total operating expenditure in relation to authorised activities carried out under the lease during the reporting period.
- (2) The expenditure statement mentioned in subsection (1)(m) must be lodged with, but be separate from, the rest of the annual report.

25 Annual report for a data acquisition authority or survey licence

For section 552(1) of the Act, the following information must be contained in an annual report for a data acquisition authority or survey licence—

- (a) the authorised activities for the authority or licence carried out during the reporting period;
- (b) an index of all reports lodged under the Act by the holder during the reporting period in relation to the authority or licence.

26 Annual report for a water monitoring authority

For section 552(1) of the Act, the following information must be contained in an annual report for a water monitoring authority—

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- (a) the authorised activities for the authority carried out during the reporting period;
 - (b) a statement of the authorised activities proposed to be carried out under the authority for the next 12 month period;
 - (c) an index of all reports lodged under the Act by the holder during the reporting period in relation to the authority.

27 Annual report for a petroleum facility licence or pipeline licence

For section 552(1) of the Act, the following information must be contained in an annual report for a petroleum facility licence or pipeline licence—

- (a) the authorised activities for the licence carried out during the reporting period;
- (b) a statement of the authorised activities proposed to be carried out under the licence for the next 12 month period.

Subdivision 8 Surrenders

28 Surrender report for a petroleum lease

- (1) This section prescribes information that must be included in a report required under section 576(2)²¹ of the Act to accompany a surrender application in relation to part of the area of a petroleum lease.
- (2) The report must contain each of the following—
 - (a) in relation to the lease—
 - (i) the day it was granted; and

²¹ Section 576 (Requirements for making surrender application) of the Act

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- (ii) a description of, and map showing, the area (the *surrendered area*) the subject of the application, including access to the area;
 - (b) a description of the methods used to produce or recover petroleum or a prescribed storage gas from, or store petroleum or a prescribed storage gas in, natural underground reservoirs in the surrendered area under the lease;
 - (c) the volume of petroleum produced, and the volume of prescribed storage gases recovered, from each natural underground reservoir in the surrendered area under the lease for each year since the lease took effect;
 - (d) the volume of petroleum or a prescribed storage gas stored in natural underground reservoirs in the surrendered area under the lease when the surrender takes effect;
 - (e) a description of the geological features of the natural underground reservoirs in the surrendered area—
 - (i) from which petroleum was produced, or a prescribed storage gas recovered, under the lease; or
 - (ii) in which petroleum or a prescribed storage gas was stored under the lease;
 - (f) an index of all reports lodged, as required under the Act, in relation to the authorised activities carried out in the surrendered area;
 - (g) the hazard information for the report;
 - (h) if a petroleum well in the surrendered area has produced petroleum from a coal seam since the lease took effect—all data or other information held by the holder that, in the holder's reasonable opinion, may help a person to identify in the future any remaining areas of potential free gas that may have been created by removing water from the seam and producing gas from it;
 - (i) a map showing the location in the surrendered area of—

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- (i) each petroleum well and bore drilled under the lease; and
 - (ii) each seismic line used for a seismic survey carried out under the lease;
 - (j) structure contour maps of the seismic horizons (seismic reflectors) in the surrendered area;
 - (k) a map showing the leads and prospects in the surrendered area;
 - (l) the reason the holder has applied to surrender the part of the area of the lease.

29 Surrender report for a pipeline licence

- (1) This section prescribes information that must be included in a report required under section 576(2) of the Act to accompany a surrender application for all or part of the area of a pipeline licence.
- (2) The report must contain each of the following—
 - (a) a summary of the methods used to decommission the pipeline;
 - (b) in relation to the licence, each of the following—
 - (i) the date it was granted;
 - (ii) its term;
 - (iii) a description of the area (the *surrendered area*) the subject of the application;
 - (c) a description of, and map showing, the location of the pipeline in the surrendered area, including access to the pipeline.

Division 2 Other notices and reports

Subdivision 1 Preliminary

30 Purpose of div 2

The division prescribes, for section 553(1)(b)²² of the Act, notices and reports required to be lodged by the holder of a petroleum authority.

Subdivision 2 Notices

31 Notice of intention to drill a petroleum well or bore

- (1) The holder of a petroleum tenure must, at least 5 business days before drilling of a petroleum well or bore under the tenure starts, lodge a notice stating that the well or bore is to be drilled.
- (2) The notice must—
 - (a) for a notice about a petroleum well—state a proposed identifying name for the petroleum well; and
 - (b) be in the approved form; and
 - (c) be accompanied by—
 - (i) a map showing the location of the well or bore in relation to the area of the tenure; and
 - (ii) for a notice about a petroleum well—a well proposal report for the well containing the information required under section 35.
- (3) A proposed identifying name of a petroleum well stated in the notice must not be the same, or substantially the same, as a

²² Section 553 (Power to require information or reports about authorised activities to be kept or given) of the Act

name recorded for a prescribed well in the petroleum register or the petroleum register under the 1923 Act.²³

32 Notice of completion, alteration or abandonment of petroleum well or bore

- (1) This section applies if—
 - (a) drilling of a petroleum well or bore is completed; or
 - (b) the completion configuration of a petroleum well changes; or
 - (c) a petroleum well or bore is abandoned.
- (2) For subsection (1)—
 - (a) drilling of a petroleum well or bore is completed if—
 - (i) the drilling rig last used to drill the well or bore is moved so it is no longer above the well or bore; and
 - (ii) the relevant holder intends no further drilling of the well or bore to occur; and
 - (b) the completion configuration of a petroleum well changes if, after drilling of the well is completed—
 - (i) additional casing is installed in the well; or
 - (ii) any part of the well is plugged, other than for decommissioning the well; or
 - (iii) an interval in the well is altered in any other way.
- (3) The relevant holder must, within 10 business days after the event mentioned in subsection (1) happens, lodge a notice stating that the event has happened.
- (4) The notice must—
 - (a) be in the approved form; and
 - (b) be accompanied by a map showing the location of the petroleum well or bore.

²³ On the commencement of this section, the names of prescribed wells could be viewed on the department's website at <<http://www.nrm.qld.gov.au>>.

- (5) In this section—

relevant holder means the holder of the petroleum tenure or water monitoring authority under which the petroleum well or bore was drilled.

33 Notice of intention to carry out seismic survey or scientific or technical survey

- (1) This section applies if a seismic survey or a scientific or technical survey is to be carried out in—
- (a) the area of a petroleum tenure; or
 - (b) the area subject to a data acquisition authority that relates to a petroleum tenure.
- (2) The tenure holder must, at least 10 business days before the survey starts, lodge a notice stating each of the following—
- (a) an identifying name or code for the survey;
 - (b) the type of survey to be carried out;
Examples—
seismic, geophysical, geochemical, geotechnical
 - (c) a description of the area to be surveyed;
 - (d) the day surveying will start;
 - (e) the expected duration of the surveying.
- (3) The notice must—
- (a) be in the approved form; and
 - (b) be accompanied by a map showing the location of the area to be surveyed.
- (4) The identifying name or code for the survey stated in the notice must not be the same, or substantially the same, as the name or code for another survey recorded in the petroleum register or the petroleum register under the 1923 Act.

34 Notice of completion of seismic survey or scientific or technical survey

- (1) This section applies if a seismic survey or a scientific or technical survey carried out within the area of a petroleum tenure, or the area subject to a data acquisition authority that relates to the tenure, is completed.
- (2) For subsection (1), a survey is completed as soon as all of the raw data for the survey has been recorded or recovered.
- (3) The tenure holder must, within 10 business days after the completion day for the survey, lodge a notice stating that the survey has been completed.
- (4) The notice must be in the approved form.

Subdivision 3 Well reports

35 Well proposal report

For section 31(2)(c)(ii), a well proposal report required to accompany a notice of intention to drill a petroleum well must contain each of the following—

- (a) a description of, and map showing, the location of the proposed petroleum well within the area of the petroleum tenure;
- (b) a geological summary of the area;
- (c) a description of the type, and an estimate of the volume, of the potential resources of the target natural underground reservoir;
- (d) in relation to the drilling proposed to be carried out for the well, each of the following—
 - (i) the predicted stratigraphy of the proposed location of the well;
 - (ii) the holder's plan for taking samples and cores during the drilling of the well;
 - (iii) the types of drill bits and drilling fluids to be used;

- (iv) details of the casing proposed to be used in the well, the intervals proposed to be cased and the specifications of the cement proposed to be used;
- (v) the testing for the presence of petroleum to be carried out by the holder;
- (vi) a time-depth curve showing the anticipated depth in metres to be drilled in relation to time.

36 Daily drilling report

- (1) A petroleum tenure holder must lodge a daily drilling report for each day on which drilling of a petroleum well is carried out under the tenure.
- (2) The report must be given not later than 5 p.m. on the next business day after the day to which the report relates.
- (3) The report must contain each of the following in relation to the drilling carried out during the day—
 - (a) the identifying name of the well;
 - (b) the tenure holder's name and the tenure under which the well was drilled;
 - (c) the type of drilling rig used;
 - (d) a summary of the drilling operations carried out;
 - (e) the depth in metres of the well at the end of the day's drilling;
 - (f) the size and type of drill bit used;
 - (g) the drilling fluids and additives used;
 - (h) the size and depth in metres of any casing inserted in the well;
 - (i) the depth in metres of the top and bottom of each cemented interval in the well;
 - (j) the results of any deviation surveys carried out in the well;
 - (k) a description of any drill stem tests or other tests carried out in the well;

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- (l) the depth in metres of the top and bottom of the hydrocarbon show intervals in the well and the type and description of any surface observations of each interval;
 - (m) the type of any perforations in the well and the depth in metres of the top and bottom of the perforated intervals;
 - (n) details of any stimulation carried out;
 - (o) details of any squeeze cementing or cement plugging carried out;
 - (p) a description of any cores or cutting samples taken.
- (4) In this section—

deviation survey means a survey of the path of a petroleum well that measures its direction in 3 dimensions.

37 Well completion report

- (1) A petroleum tenure holder must lodge a well completion report for a petroleum well drilled under the tenure.
- (2) The report must be given not later than 6 months after the rig release day for the well.
- (3) The report must contain each of the following—
 - (a) the type and number of the petroleum tenure;
 - (b) the name, and postal address, of the operator of the well;
 - (c) the identifying name of the well;
 - (d) a well card for the well (a summary of the information about the well in the report);
 - (e) a map showing the location of the well;
 - (f) a geological summary of the area of the tenure;
 - (g) the ground level and kelly bushing level in metres for the well;
 - (h) the total depth in metres of the well;
 - (i) the following days—
 - (i) the day the drilling of the well started;

- (ii) the day the total depth of the well was reached;
- (iii) the rig release day for the well;
- (j) details of the drilling rig, the number and type of drill bits, and the drilling fluids, used to drill the well;
- (k) the status of the well on the rig release day;
- (l) the surveyed path of the well;
- (m) details of the casing and equipment installed in the well, with a diagram showing their location in the well;
- (n) the type of any perforations in the well and the depth in metres of the top and bottom of the perforated intervals;
- (o) details of the cementing in the well, including its location, the type of cement used and the depth in metres of the top and bottom of each cemented interval;
- (p) a description of all tests or surveys carried out for the purpose of drilling the well;
- (q) a geological interpretation of the well, including the stratigraphy of the rock units it intersects;
- (r) an identification of the intervals in the well that have the potential to produce petroleum;
- (s) an assessment of—
 - (i) the relevance of the well to the hydrocarbon potential within the vicinity of the well; and
 - (ii) the implications of the well for the future management of the natural underground reservoir to which the well relates;
- (t) a description of each geological sample taken during the drilling of the well, including the depth in metres at which the sample was taken;

Examples of geological samples—

cuttings, sidewall cores and conventional cores

- (u) an interpretation of the data obtained from the geophysical (or wireline) logs that have been run in the well.

- (4) For a directional well, the report must also state the position of each of the following—
 - (a) the stratigraphic units intersected by the well;
 - (b) the bottom of the well;
 - (c) any intersection of the well with another petroleum well.
- (5) For subsection (4), the position must be expressed in relation to—
 - (a) total vertical depth in metres; and
 - (b) the horizontal plane.
- (6) The report must be accompanied by each of the following—
 - (a) a digital image of the cores taken during the drilling of the well;
 - (b) the raw data, in digital form, of each geophysical (or wireline) log that has been run in the well;
 - (c) a digital image of the graphic representations of the raw data mentioned in paragraph (b).
- (7) Also, if the well is plugged and abandoned before the rig release day for the well, the report must be accompanied by a well abandonment report for the well.

38 Well or bore abandonment report

- (1) If a petroleum well or bore is plugged and abandoned, the relevant petroleum authority holder must lodge a well or bore abandonment report—
 - (a) for a petroleum well that is plugged or abandoned before the rig release day for the well—with the well completion report for the well required under section 37; or
 - (b) otherwise—not later than 2 months after the completion day.
- (2) The report must contain each of the following—
 - (a) on the first page, each of the following details—

-
- (i) the type and number of the relevant petroleum authority;
 - (ii) the identifying name of the well or bore;
 - (iii) the name of the author of the report;
 - (iv) the name of the authority holder;
 - (v) the name of the operator of the well or bore;
 - (vi) the name of the person submitting the report;
 - (vii) the date of the report, in day-month-year format;
- (b) a summary and history of the well or bore, including a location map and, for a petroleum well, the date on which a well completion report for the well was lodged;
- (c) the following details about the well or bore—
- (i) its total depth in metres;
 - (ii) the position at the top and bottom, expressed as required under subsection (3), and the thickness, of any of the following intersected by the well or bore—
 - (A) a coal seam;
 - (B) a natural underground reservoir;
 - (C) an aquifer;
 - (iii) the depth in metres of any perforations in the casing of the well or bore;
 - (iv) the type of drilling rig used to drill the well or bore;
- (d) if stimulation of a coal seam was carried out in the well or bore under the relevant petroleum authority, the matters stated in subsection (4);
- (e) all surveys and measurements made in the well or bore, including any detailed interpretation of a survey or measurement;
- (f) in relation to the completion or abandonment of the well or bore, each of the following—

-
- (i) details of the casing and equipment installed in the well, with diagrams showing the major dimensions and features of the casing and equipment;
 - (ii) a full description of all equipment, including prescribed equipment, that is retained in the well or bore, including the size and nature of the equipment and any features of the equipment that may cause a hazard to coal mining operations;

Example of features that may cause a hazard to coal mining operations—

aluminium, electronics or batteries

- (iii) the surveyed location of any prescribed equipment;
 - (iv) the method of the cementing operations carried out in or on the well or bore, including the location and type of plugs, the intervals covered, the volume and type of cement used, any losses of cement due to voids or permeable strata, and the methods used to overcome losses of cement;
 - (v) the method, materials and volume of cement used to cement voids;
 - (vi) a description of any other abandonment procedures used for the well or bore;
 - (vii) any other details of the activities undertaken in drilling, completing and plugging and abandoning the well or bore, including an assessment of their possible impacts, that would assist a person in making an assessment of potential risks to safe and efficient mining of coal.
- (3) For subsection (2)(c)(ii), the position at the top and bottom of the coal seam, natural underground reservoir or aquifer must be identified in relation to—
- (a) for a directional well—
 - (i) total vertical depth in metres; and
 - (ii) the horizontal plane; or
 - (b) otherwise—the depth in metres.

-
- (4) For subsection (2)(d), the matters are each of the following—
- (a) the depth in metres of the top and bottom of the interval over which the stimulation was carried out;
 - (b) a description of the equipment used to carry out the stimulation;
 - (c) for the interval mentioned in paragraph (a), a graphic representation of each of the following—
 - (i) casing pressure with time;
 - (ii) calculated bottom hole pressure with time;
 - (iii) slurry rate with time;
 - (iv) proppant concentration with time;
 - (v) calculated bottom hole concentration with time;
 - (d) any record made about the stimulation by the person who carried it out;
 - (e) any other details about the stimulation that would assist a person in making a future assessment of the impact of the stimulation on the coal seam and any increased risk to safe and efficient mining of coal.

- (5) In this section—

completion day means the day on which plugging and abandoning of the well or bore is completed as required to comply with the requirements under schedule 3.

prescribed equipment see section 69.²⁴

relevant petroleum authority means a petroleum tenure or water monitoring authority.

Subdivision 4 Survey reports

39 Seismic survey report

- (1) This section applies if the holder of a petroleum tenure—

24 Section 69 (Requirement to remove particular equipment from coal seam)

-
- (a) carries out a seismic survey of the area of the tenure; or
 - (b) carries out a seismic survey of the area subject to a data acquisition authority to which the tenure relates; or
 - (c) reprocesses raw data obtained from a survey mentioned in paragraph (a) or (b).
- (2) The tenure holder must, not later than 12 months after the completion day for the survey, lodge a seismic survey report for the survey.
- (3) The report must contain each of the following—
- (a) a description of the location of the area surveyed;
 - (b) a geological summary of the area surveyed;
 - (c) an index of previous seismic surveys carried out under the tenure within the area and a summary of the results of the surveys;
 - (d) the objectives of the survey;
 - (e) the activities carried out for the survey, including, for example, details of the seismic lines used and the days on which the activities were carried out;
 - (f) a description of each method used to acquire raw data, including—
 - (i) the equipment used for positioning, surveying, navigation or other purposes; and
 - (ii) the techniques and equipment used for recording and testing the data;
 - (g) a description of how the raw data was processed or, for a survey mentioned in subsection (1)(c), reprocessed;
 - (h) an evaluation of the processed or reprocessed data, including an interpretation of the seismic horizons (seismic reflectors) and any leads or prospects identified from the data;
 - (i) a map showing the location of the seismic lines used for the survey;
 - (j) if the report is not accompanied by grid files for the area surveyed in digital form—

-
- (i) structure contour maps of seismic horizons (seismic reflectors) in the area surveyed; and
 - (ii) maps of the area showing variations in the thickness of stratigraphic units (isopach maps).
- (4) The report must be accompanied by—
- (a) each of the following in digital form—
 - (i) the raw data obtained in relation to the survey and the record made as the data was recorded (commonly known as the ‘observer’s logs’);
 - (ii) a list of the seismic lines used and the range of the numbered stations on each line;
 - (iii) the surveyed location, including the elevation, of each seismic source and receiver point;
 - (iv) the processed or reprocessed data derived from each seismic line used for the survey;
 - (v) a graphical representation of the data mentioned in subparagraph (iv); and
 - (b) if an activity for the survey was carried out by a contractor of the tenure holder, a copy of any report given to the holder by the contractor in relation to the activity.
- (5) In this section—
- grid file***, for an area, means a representation, on a close-spaced, regular grid, of an interpretation of time and depth to seismic horizons (seismic reflectors).

40 Scientific or technical survey report

- (1) This section applies if the holder of a petroleum tenure—
- (a) carries out a scientific or technical survey of the area of the tenure; or
 - (b) carries out a scientific or technical survey of the area subject to a data acquisition authority to which the tenure relates; or

- (c) reprocesses raw data obtained from a survey mentioned in paragraph (a) or (b).
- (2) The tenure holder must, not later than 6 months after the completion day for the survey, lodge a scientific or technical survey report for the survey.
- (3) The report must contain each of the following—
- (a) a description of the location of the area surveyed;
 - (b) a geological summary of the area surveyed;
 - (c) the type of survey carried out;
 - (d) an index of previous scientific or technical surveys, of the same type as the survey for which the report is given, carried out under the tenure within the area;
 - (e) the objectives of the survey;
 - (f) the activities carried out for the survey, including, for example, the days on which the activities were carried out;
 - (g) the methods and equipment used for acquiring and processing, or reprocessing, data;
 - (h) an interpretation of the processed or reprocessed data derived from the survey;
 - (i) a map showing the location of—
 - (i) the area surveyed; and
 - (ii) where any measurements were made or samples were taken in connection with the survey.
- (4) The report must be accompanied by each of the following in digital form—
- (a) the raw data obtained in relation to the survey;
 - (b) the processed or reprocessed data derived from the survey.

Subdivision 5 Petroleum reports

41 Definition for sdiv 5

In this subdivision—

6 month period, for a petroleum authority, means a following period in a year during which, for all or part of the period, the authority is in effect—

- (a) 1 January to 30 June;
- (b) 1 July to 31 December.

42 How particular volumes must be stated in reports

- (1) Subsection (2) applies if this subdivision requires a volume of any of the following to be stated in a report—
 - (a) a petroleum product;
 - (b) a prescribed storage gas;
 - (c) a substance prescribed under section 402(1)²⁵ of the Act;
 - (d) water.
- (2) The volume must be stated as—
 - (a) megalitres, for any of the following—
 - (i) water;
 - (ii) LPG;
 - (iii) condensate;
 - (iv) crude oil;
 - (v) any other liquid; or
 - (b) millions of cubic metres for gas, including coal seam gas.

25 Section 402 (Licence may extend transportation right to other prescribed substances) of the Act

On the commencement of this section, no substances have been prescribed for section 402 of the Act.

43 Petroleum production report—petroleum lease

- (1) A petroleum lease holder must, within 40 business days after the last day of a 6 month period for the lease, lodge a petroleum production report for the period.
- (2) The report must contain each of the following—
 - (a) the number of the lease;
 - (b) an identification of each natural underground reservoir and the reservoir formation (or geological unit) from which petroleum was produced under the lease during the period;
 - (c) each of the following for the 6 month period—
 - (i) the volume of each petroleum product derived from petroleum produced from each natural underground reservoir within the area of the lease;
 - (ii) the volume of petroleum produced under the lease that was flared or vented in a gaseous state;
 - (iii) the volume of petroleum produced under the lease that was used to produce petroleum;
 - (iv) the volume, or an estimate of the volume, of associated water taken under the lease from each natural underground reservoir;
 - (d) the volumes mentioned in paragraph (c)(i) to (iii) for the period starting on the day petroleum was first produced under the lease and ending on the last day of the 6 month period;
 - (e) the volume or estimate mentioned in paragraph (c)(iv) for the period starting on the day associated water was first taken under the lease and ending on the last day of the 6 month period;
 - (f) for each natural underground reservoir from which petroleum is produced under the lease—the number of petroleum wells producing petroleum under the lease from the reservoir;
 - (g) for each petroleum well drilled for the purpose of producing coal seam gas within the area of the lease,

each of the following for associated water taken from the well under the lease during the 6 month period—

- (i) the volume, or an estimate of the volume, of water taken;
- (ii) the pH of the water on each day during the period on which it was measured;
- (iii) the measurements taken of total dissolved solids (mg/l) in, and the electrical conductivity of, the water during the period.

44 Petroleum reserves report

- (1) This section applies if there are proved and probable reserves of petroleum within the area of a petroleum tenure.
- (2) The petroleum tenure holder must, within 40 business days after the last day of a 6 month period for the tenure, lodge a petroleum reserves report for the tenure for the period.
- (3) The report must contain each of the following in a form acceptable to the chief executive—
 - (a) the type and number of the petroleum tenure;
 - (b) an identification of each natural underground reservoir in which there were proved and probable reserves of petroleum during the period;
 - (c) the volume of the proved and probable reserves of petroleum in each natural underground reservoir within the area of the tenure worked out on the first day and last day of the period.

45 Production testing report

- (1) This section applies if production testing for a petroleum well is carried out under a petroleum tenure.²⁶

²⁶ See sections 73 (Permitted period for production or storage testing) and 152 (Permitted period for production or storage testing) of the Act.

-
- (2) The tenure holder must, within 40 business days after the last day of a relevant testing period, lodge a production testing report for the period.
- (3) The report must contain each of the following in a form acceptable to the chief executive—
- (a) the type and number of the tenure;
 - (b) the identifying name of the petroleum well;
 - (c) an identification of each natural underground reservoir and the reservoir formation (or geological unit) from which petroleum was produced as part of the production testing;
 - (d) the duration of the production testing carried out during the period;
 - (e) the type of any perforations in the well and the depth in metres of the top and bottom of the perforated intervals;
 - (f) the volumes, or estimates of the volumes, of gas, oil and water produced from the testing during the period;
 - (g) the choke size used for the well;
 - (h) the density of any oil produced from the testing during the period, measured using the American Petroleum Institute's scale of measuring the specific gravity of oil, commonly known as the 'API gravity' of the oil;
 - (i) the pressure in the well, measured during the period, at which petroleum can not escape from the wellhead for the well, commonly known as the 'shut-in pressure' of the well.

- (4) In this section—

relevant testing period means—

- (a) the period starting on the day production testing for the petroleum well first starts and ending on the earlier of—
 - (i) 30 days from the day testing first started; or
 - (ii) the day testing ends; and
- (b) if the production testing is carried out for more than 30 days with the Minister's approval—the period

starting on the 31st day of testing and ending on the day the testing ends.

46 Petroleum transmission report

- (1) The holder of a pipeline licence for a transmission pipeline must, within 20 business days after the last day of each 6 month period for the licence, lodge a petroleum transmission report for the period.
- (2) The report must contain each of the following in a form acceptable to the chief executive—
 - (a) the type and volume of any petroleum component transported through the pipeline during the period;
 - (b) for an impurity, including, for example, carbon dioxide or inert gases, transported through the pipeline during the period—
 - (i) the volume of the impurity; or
 - (ii) the volume by weight of the impurity; or
 - (iii) the concentration by volume of the impurity in the petroleum component.
- (3) In this section—

petroleum component means each of the following—

 - (a) butane;
 - (b) condensate;
 - (c) crude oil;
 - (d) ethane;
 - (e) LPG;
 - (f) propane;
 - (g) a prescribed storage gas;
 - (h) processed natural gas;

- (i) a substance or gas prescribed under section 5²⁷ to be petroleum;
- (j) a substance prescribed under section 402(1)²⁸ of the Act.

Division 3 Other matters relating to records and samples

47 Samples required to be kept

- (1) For section 547(1)²⁹ of the Act, the samples about the authorised activities carried out under a petroleum tenure that must be kept by the holder are the samples mentioned in sections 48 to 50.
- (2) A sample must be kept until the later of the following—
 - (a) the end of the term of the petroleum tenure;
 - (b) the sample, or part of the sample, is lodged as required under section 548³⁰ of the Act.
- (3) A sample must be kept in a way that prevents unnecessary deterioration or loss of the sample.

48 Cutting samples

- (1) A petroleum tenure holder must, for each petroleum well drilled under the tenure, keep the cutting samples of the geological formations penetrated by the drill for each interval mentioned in subsection (2).
- (2) For subsection (1), the intervals are—

27 Section 5 (Substances that are petroleum)

28 Section 402 (Licence may extend transportation right to other prescribed substances) of the Act

On the commencement of this section, no substances have been prescribed under section 402 of the Act.

29 Section 547 (Requirement to keep records and samples) of the Act

30 Section 548 (Requirement to lodge records and samples) of the Act

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- (a) each 10 m interval, or part of a 10 m interval, from the surface to as close as practicable to the top of the geological formation nearest to the surface that is likely to contain a natural underground reservoir; and
 - (b) each 3 m interval, or part of a 3 m interval, from as close as practicable to the top of the geological formation mentioned in paragraph (a) to the bottom of the well.
- (3) However, subsection (2)(a) does not apply in relation to a development well.
 - (4) The part of the sample that is lodged as required under section 548(1) of the Act must be—
 - (a) 250 g or more, but not more than 500 g; and
 - (b) washed and dried; and
 - (c) in a container that is suitable for long-term storage and handling and is labelled with each of the following—
 - (i) the identifying name of the well from which the sample was taken;
 - (ii) the depth in metres of the top and bottom of the interval from which the sample was taken.
 - (5) In this section—

cutting sample means a sample of the cuttings produced by the drilling of the well.

49 Cores

- (1) A petroleum tenure holder must keep each core recovered from a petroleum well under the petroleum tenure.
- (2) The part of the core that is lodged as required under section 548(1) of the Act must—
 - (a) be at least 50% of the core recovered; and
 - (b) have as complete a vertical face as is practicable; and
 - (c) be lodged in a box or other suitable container that is suitable for long-term storage and handling and is labelled with each of the following—

- (i) the identifying name of the well from which the core was recovered;
- (ii) if more than 1 core is recovered from the well—the number of the core;
- (iii) the depth in metres of the top and bottom of the interval cored;
- (iv) the length in metres of the core recovered.

50 Fluid samples

- (1) This section applies if the holder of a petroleum tenure recovers a sample (a *fluid sample*) of liquid petroleum from a petroleum well under the tenure and the sample is more than 10 l.
- (2) If the well is an exploration or appraisal well, the holder must—
 - (a) keep the fluid sample; and
 - (b) lodge, as required under section 548(1) of the Act, 500 ml or more of the fluid sample.
- (3) If the well is a development well, the holder must, if no fluid sample from the same natural underground reservoir from which the sample is taken has previously been lodged by the holder—
 - (a) keep the fluid sample; and
 - (b) lodge, as required under section 548(1) of the Act, 500 ml or more of the fluid sample.
- (4) A fluid sample that is lodged as required under section 548(1) of the Act must be lodged in a glass bottle that is—
 - (a) teflon sealed with a screw top; and
 - (b) labelled with at least the following information—
 - (i) the identifying name of the well;
 - (ii) the depth in metres of the top and bottom of the interval from which the sample was recovered;
 - (iii) the day on which the sample was recovered;

- (iv) the method by which the fluid sample was recovered.

Examples—

drill stem tests, production tests

51 Confidentiality of required information for petroleum tenure holders

- (1) This section prescribes, for section 550(1)³¹ of the Act, the confidentiality period for required information for a petroleum tenure.
- (2) The period starts on the day the information is lodged under the Act and ends on the following day—
 - (a) for an annual report required to be lodged under section 552 of the Act—
 - (i) for an authority to prospect—the day that is 2 years after the last day of the period to which the report relates; or
 - (ii) for a petroleum lease—the day that is 5 years after the last day of the period to which the report relates;
 - (b) for a well proposal report required to be lodged under section 31(2)(c)(ii)—the day that is 5 years after the day on which the report is required to be lodged;
 - (c) for a daily drilling report required to be lodged under section 36 or a well completion report—
 - (i) for an appraisal well or an exploration well—the day that is 2 years after the day on which the report is required to be lodged; or
 - (ii) for a development well—the day that is 5 years after the day on which the report is required to be lodged;
 - (d) subject to subsection (3), for a well or bore abandonment report—

31 Section 550 (Public release of required information) of the Act

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- (i) for an appraisal well, exploration well or bore—the day that is 2 years after the day on which the report is required to be lodged; or
 - (ii) for a development well—the day that is 5 years after the day on which the report is required to be lodged;
 - (e) for a seismic survey report required under section 39 to be lodged—the day that is 2 years after the day on which the report is required to be lodged;
 - (f) for a scientific or technical survey report required under section 40 to be lodged—the day that is 2 years after the day on which the report is required to be lodged;
 - (g) for a petroleum production report required under section 43 to be lodged for a petroleum lease—the day that is 6 months after the last day of the period to which the report relates;
 - (h) for a petroleum reserves report required under section 44 to be lodged—the day that is 6 months after the last day of the period to which the report relates;
 - (i) for a production testing report required under section 45 to be lodged—
 - (i) for an authority to prospect—the day that is 2 years after the last day of the period to which the report relates; or
 - (ii) for a petroleum lease—the day that is 5 years after the last day of the period to which the report relates;
 - (j) for a cutting sample, core or fluid sample³² required under section 548 of the Act to be lodged—
 - (i) for an appraisal well or an exploration well—the day that is 2 years after the day on which part of the sample or core is required to be lodged under section 548 of the Act; or

32 See also sections 48 (Cutting samples), 49 (Cores) and 50 (Fluid samples).

- (ii) for a development well—the day that is 5 years after the day on which part of the sample or core is required to be lodged under section 548 of the Act.
- (3) There is no confidentiality period for making a well or bore abandonment report for a petroleum well available under section 550(1)(b) of the Act to the holder of a coal or oil shale mining tenement if the well was drilled within the area of the tenement.
- (4) There is no confidentiality period for required information not mentioned in subsection (2).

52 Publication of required information

- (1) This section prescribes, for section 550(1)(a) of the Act, the ways in which the chief executive may publish required information.
- (2) The ways are each of the following—
 - (a) in a journal published by the department or under the Minister's authority;
 - (b) in another publication considered appropriate by the chief executive;
 - (c) on the department's web site on the internet;
 - (d) in a publicly available database;
 - (e) on a map that is made available to the public for inspection or purchase;
 - (f) in digital or electronic form, including, for example, on a disc or tape;
 - (g) by displaying it on a notice that is available to the public for inspection at—
 - (i) the department's head office; and
 - (ii) other places the chief executive considers appropriate;
 - (h) by telling it to another person or presenting it to the person in a visual form.

Part 2 Safety requirements

53 Purpose of pt 2

The purpose of this part is to prescribe safety requirements in relation to exploring for, and producing, petroleum.

54 Operating plant used for drilling

- (1) This section prescribes safety requirements for an operating plant used to drill for petroleum.
- (2) The operating plant must—
 - (a) be fit for all purposes for which it is designed to be used; and
 - (b) comply with all other requirements that apply to the operating plant under the Act; and
 - (c) be equipped to undertake reasonable remedial measures if unplanned events occur in connection with the operation of the plant.

Example of remedial measures—

recovering lost drill string

- (3) The operator of the plant must ensure the safety requirements prescribed under this section are complied with.

55 Requirement to survey the surface location and elevation of a prescribed well

- (1) The holder of a petroleum tenure or 1923 Act petroleum tenure under which a prescribed well is drilled must ensure that the surface location and elevation of the well are surveyed—
 - (a) before, or as soon as practicable after, drilling of the well starts; but
 - (b) not later than 6 months after drilling starts.
- (2) The survey must be carried out by a person—

-
- (a) who is registered under the *Surveyors Act 2003*, section 36(1)(a), (b) or (c); or
 - (b) who holds a corresponding registration as a surveyor in another State.
- (3) The survey must—
- (a) be tied to the State control survey under the *Survey and Mapping Infrastructure Act 2003*; and
 - (b) be tied to a survey mark related to the AHD; and
 - (c) be tied to 2 suitable permanent survey marks not more than 200 m away from the well.
- (4) The survey must achieve a level of accuracy that is at least the following class under the survey standard—
- (a) for the location of the well—class C order 3;
 - (b) for the elevation of the well—
 - (i) for differential levelling—class LD; or
 - (ii) for trigonometric and Global Positioning System heighting—class C.
- (5) In this section—

AHD means the Australian height datum adopted by the National Mapping Council of Australia for referencing a level or height back to a standard base level.

permanent survey mark has the meaning given by the *Survey and Mapping Infrastructure Act 2003*.

survey standard means the document called ‘Standards and Practices for Control Surveys’ (version 1.5, May 2002) published by the Inter-governmental Committee on Surveying and Mapping.³³

³³ On the commencement of this section, the document could be viewed at <<http://www.icsm.gov.au/icsm/publications/sp1/sp1.htm>>.

56 Survey plan to be submitted to chief executive

- (1) As soon as practicable after a survey of a prescribed well required under section 55 is completed, but not later than 3 months after the completion of the survey, the tenure holder must lodge a survey plan for the survey with the chief executive.
- (2) The plan must be accompanied by a certification, signed by the person who carried out the survey, stating that—
 - (a) the person carried out the survey represented on the survey plan; and
 - (b) the survey was carried out as required under the Act; and
 - (c) the survey plan accurately represents the survey carried out.
- (3) If the chief executive considers a survey plan lodged as required under subsection (1) does not meet the requirements under subsection (2), the chief executive may do any of the following—
 - (a) require that the survey plan be amended in order to comply with the requirements;
 - (b) require that an amendment to the survey plan mentioned in paragraph (a) must be made within a stated period;
 - (c) reject the survey plan.

57 Additional downhole survey required if prescribed well intersects a coal seam

- (1) This section applies in relation to a prescribed well that is—
 - (a) a horizontal well; or
 - (b) another well that intersects a coal seam more than 1 m in thickness.³⁴
- (2) The holder of the petroleum tenure or 1923 Act petroleum tenure under which the well is drilled must ensure that, as

34 See also chapter 3 (Safety provisions relating to coal mining), part 4 (Exemptions).

soon as practicable after drilling of the well starts, but not later than 3 months after the rig release day for the well, a downhole survey of the well is carried out.

- (3) For a horizontal well, the downhole survey must achieve a level of accuracy that is within—
 - (a) for inclination, plus or minus 0.5°; and
 - (b) for azimuth—
 - (i) plus or minus 1.0°; or
 - (ii) for each 1 000 m of the drilled hole—plus or minus 6m vertically and plus or minus 20 m laterally.
- (4) However, if the horizontal well intersects another well that is not a horizontal well, the level of accuracy achieved by the downhole survey of the horizontal well must be at least as good as the level of accuracy achieved by the downhole survey of the other well.
- (5) For a well, other than a horizontal well, that intersects a coal seam more than 1 m in thickness, the downhole survey must achieve a level of accuracy that is at least as good as the level of accuracy required under subsection (3).

58 Processed natural gas transported through a pipeline

- (1) This section prescribes a safety requirement for processed natural gas that—
 - (a) contains oil; and
 - (b) is supplied for transport through a pipeline.³⁵
- (2) The supplier of the gas must ensure that it does not contain more than 20 ml of oil for each TJ of gas.

³⁵ See section 626(2) (Fuel gas supplied through pipeline) of the Act.

Part 3 Other requirements

59 General additional requirements for safety management plan

- (1) For section 675(1)(u)³⁶ of the Act, each of the following additional matters must be included in a safety management plan for an operating plant that is a coal mining area plant—
- (a) an assessment of the likelihood of a drilling incident occurring at the plant;
 - (b) an identification of the potential risks for the plant associated with a drilling incident identified as required under paragraph (a);

Example of a potential risk—

the risk of drilling using air and creating an explosive mixture

- (c) a description of the technical or other measures undertaken, or proposed to be undertaken, to control the risks mentioned in paragraph (b).
- (2) In this section—

coal mining area plant means an operating plant—

- (a) in, or adjacent to, the area of a coal mining lease; or
- (b) in an area where the operator of the plant knows, or ought reasonably to know, current or abandoned mine workings exist.

drilling incident means a prescribed well drilled at an operating plant intersecting—

- (a) current or abandoned mine workings; or
- (b) broken strata created by mine workings.

mine workings means parts of a coal mine that have been or are being excavated.

³⁶ Section 675 (Content requirements for safety management plans) of the Act
See also section 65 (Additional requirements relating to coal mining for safety management plan).

60 Plugging and abandoning a petroleum well or bore

- (1) For section 292(4)(a)(i)³⁷ of the Act, a petroleum well or bore must be plugged and abandoned in the way stated in schedule 3.
- (2) Also, the safety requirements stated in sections 69 and 70 apply for plugging and abandoning a well.

61 Requirement to plug shot holes

- (1) The holder of a petroleum tenure must ensure that, if a hole is drilled within the area of the tenure for use as a shot hole—
 - (a) as soon as practicable after the hole is no longer required for use as a shot hole—
 - (i) the hole is plugged with solid material, including, for example, soil, rock or concrete; and
 - (ii) any area around the hole that has been disturbed by the firing of an explosive is restored as far as is practicable to its original state; and
 - (b) if the hole caves in or collapses after it is plugged as required under paragraph (a)—any subsequent damage caused by the hole caving in or collapsing is restored.

Maximum penalty—20 penalty units.

- (2) To the extent the requirement under subsection (1) is inconsistent with a relevant environmental condition for the tenure, the relevant environmental condition prevails.

37 Section 292 (Obligation to decommission) of the Act

Chapter 3 Safety provisions relating to coal mining

Part 1 Preliminary

62 Purpose of ch 3

The purpose of this chapter is to prescribe requirements about exploring for or producing petroleum to ensure those activities do not adversely affect the safe and efficient mining or future mining of coal.

63 Application of ch 3

This chapter applies to all operating plants within the area of a petroleum authority or a 1923 Act petroleum tenure.

64 Definitions for ch 3

In this chapter—

acceptable level, of risk to a person from coal mining operations, has the meaning given under the Coal Mining Safety and Health Act, section 29.³⁸

relevant coal mining area, for an operating plant in or adjacent to the area of a coal mining lease, means the area of the coal mining lease.

65 Additional requirements relating to coal mining for safety management plan

- (1) For section 675(1)(u)³⁹ of the Act, each of the following additional matters must be included in a safety management plan for an operating plant to which this chapter applies—

38 Coal Mining Safety and Health Act, section 29 (What is an acceptable level of risk)

39 Section 675 (Content requirements for safety management plans) of the Act

See also section 59 (General additional requirements for safety management plan).

-
- (a) for an operating plant drilling or completing a prescribed well—a specific identification and assessment of the potential risk to safe and efficient mining or future mining of coal that may be created by stimulation of a coal seam proposed to be carried out in the prescribed well, having regard to each of the following—
- (i) the proposed method of stimulation;
 - (ii) the predicted characteristics of the strata immediately above and below the coal seam;
 - (iii) the stress regime of the coal seam and surrounding strata;
 - (iv) information reasonably available to its operator about similar stimulation cases;

Example—

information may include a previous experience of mining through part of a coal seam that has been stimulated

- (b) if the operating plant is in, or adjacent to, the area of a coal mining lease—
- (i) a specific identification and assessment of the potential risk posed by the operation of the operating plant to the safe and efficient mining or future mining of coal in the area of the lease; and
 - (ii) the measures put in place, or proposed to be put in place, by its operator to minimise the risk.

Example—

a buffer zone or area adjacent to the boundary of the area of the coal mining lease in which a particular activity must not be carried out at the operating plant

- (2) In this section—

similar stimulation cases means previous instances involving stimulation of a coal seam in a well—

- (a) involving methods similar to the methods used or proposed to be used by the operator of the operating plant; and

-
- (b) that was carried out in geological and geotechnical conditions that are similar to the conditions relating to the prescribed well.

66 Description of location of particular hazards in safety reports

- (1) For section 690(1)(f)(iii)⁴⁰ of the Act, the location of a hazard or potential hazard to coal mining operations must be described in relation to its surveyed location.
- (2) For subsection (1), the survey of the location must be carried out as required under sections 55 and 57.

67 Coal seam gas potential hazard guide

- (1) The coal seam gas potential hazard guide in schedule 4 is a list of potential hazards in relation to current or future coal mining that may be created by an operating plant used for exploring for, or producing, petroleum.
- (2) The guide is intended to help the operator of an operating plant identify the activities, and the impact of the activities, carried out, or proposed to be carried out, at the plant that may affect safe and efficient mining, or future mining, of coal as required under the Act.⁴¹

40 Section 690 (Content requirements for safety reports) of the Act

41 See for example sections 675 (Content requirements for safety management plans) and 388 (Additional content requirements) of the Act

Part 2 Safety requirements

Division 1 Requirements for all operating plants

68 Steel casing not to be used in particular horizontal wells

The operator of an operating plant that is drilling a horizontal well must ensure steel casing is not used for drilling or completing the well.

69 Requirement to remove particular equipment from coal seam

- (1) The operator of an operating plant must use the operator's best endeavours to ensure all prescribed equipment that is in, or immediately adjacent to, a coal seam in a prescribed well or bore at the plant is removed before the well or bore is plugged and abandoned.

Examples of metal equipment—

drilling equipment, geophysical logging tools

- (2) If, after using the operator's best endeavours as required under subsection (1), the equipment can not be removed before the well or bore is plugged and abandoned, the operator must ensure—
- (a) the location of the equipment in the well or bore is surveyed before the well or bore is plugged and abandoned; and
- (b) details of the equipment and its location are included in an end of tenure report or well abandonment report for the well as required under chapter 2, part 1.
- (3) The survey mentioned in subsection (2)(a) must be carried out as required under sections 55 and 57.
- (4) In this section—

prescribed equipment means—

- (a) metal equipment, other than casing;⁴² and
- (b) any other equipment that may create a hazard to coal mining operations.

70 Requirement to cement particular voids in a prescribed well

- (1) This section prescribes safety requirements for plugging and abandoning a prescribed well at an operating plant if—
 - (a) a void is created by stimulation of a coal seam in the well; and
 - (b) the void is sufficiently large that it may adversely affect—
 - (i) the safe and efficient future mining of coal from the seam; or
 - (ii) the integrity of the natural underground reservoir in which the void is created.
- (2) The operator must ensure that, as part of the plugging and abandoning of the well, the void is filled with as much cement as is reasonably practicable.
- (3) Subject to schedule 3, the cement used to fill the void must not be so strong that it unduly prevents the future efficient mining of coal from the seam.
- (4) This section applies in addition to the standard abandonment requirements for the well.

42 For requirements about removing casing from a petroleum well, see schedule 3.

**Division 2 Additional requirements for
operating plants in or adjacent to
the area of a coal mining lease****71 Application of div 2**

- (1) This division prescribes safety requirements in relation to an operating plant in, or adjacent to, the area of a coal mining lease.
- (2) The safety requirements apply in addition to the safety requirements prescribed under division 1.

72 Requirement to stop and not resume particular activities

- (1) The operator of the operating plant must ensure an activity for which the operating plant is used stops immediately if the operator becomes aware, or ought reasonably to be aware, that—
 - (a) the activity creates a risk to a person who is carrying out coal mining operations in the relevant coal mining area; and
 - (b) the level of the risk is not an acceptable level.⁴³
- (2) The operator must ensure the activity does not resume until the operator has taken all reasonable and necessary steps to reduce the level of the risk to an acceptable level.

⁴³ See also section 699A (Operator's obligation for adjacent or overlapping coal mining operations) of the Act.

Part 3 Other requirements

73 Additional requirement for operator of an operating plant in or adjacent to the area of a coal mining lease

- (1) This section applies in relation to an operating plant in, or adjacent to, the area of a coal mining lease.
- (2) The operator of the operating plant must ensure an activity for which the operating plant is used stops immediately if—
 - (a) the operator becomes aware, or ought reasonably to be aware, that the activity creates an adverse affect on the efficiency with which coal mining operations may be carried out in the relevant coal mining area to an extent greater than the coal mining operations would themselves create if the activity were not carried out; and
 - (b) the holder of the coal mining lease has not consented in writing to the activity being carried out.
- (3) The operator must ensure the activity does not resume until—
 - (a) the activity is modified so it does not adversely affect the efficiency of the coal mining activities to the extent mentioned in subsection (2)(a); or
 - (b) the holder of the coal mining lease consents in writing to the activity being carried out.

Maximum penalty—20 penalty units.

Part 4 Exemptions

74 Definitions for pt 4

In this part—

alternative safety measures means systems, methods or procedures that—

- (a) do not comply with the relevant requirement, or part of the requirement, that is the subject of an application for exemption under section 76; and
- (b) achieve a level of risk that is equal to or less than the level of risk that would be achieved by complying with the requirement or part of the requirement.

applicant, for an exemption, means a following person who lodges an application under section 76 for an exemption—

- (a) an operator or proposed operator of an operating plant;
- (b) the holder of a petroleum tenure or 1923 Act petroleum tenure.

chief inspector of coal mines means the chief inspector of coal mines under the Coal Mining Safety and Health Act.

relevant coal or oil shale mining tenement holder means the holder of a coal or oil shale mining tenement if the operating plant for which an application is made under section 76 is located—

- (a) in the area of the tenement; or
- (b) if the tenement is a coal or oil shale mining lease—adjacent to the area of the tenement.

relevant requirement means a requirement under any of the following provisions—

- (a) section 57;⁴⁴
- (b) section 65;⁴⁵
- (c) section 68;⁴⁶
- (d) section 69;⁴⁷

44 Section 57 (Additional downhole survey required if prescribed well intersects a coal seam)

45 Section 65 (Additional requirements relating to coal mining for safety management plan)

46 Section 68 (Steel casing not to be used in particular horizontal wells)

47 Section 69 (Requirement to remove particular equipment from coal seam)

- (e) section 70;⁴⁸
- (f) the standard abandonment requirements for a prescribed well.

75 Chief inspector may give exemption

- (1) The chief inspector, acting with the agreement of the chief inspector of coal mines, may—
 - (a) give the operator, or proposed operator, of an operating plant an exemption from complying with a stated applicable operating plant requirement, or a stated part of an applicable operating plant requirement, in relation to any of the following—
 - (i) any prescribed well drilled or to be drilled under a stated petroleum tenure or 1923 Act petroleum tenure;
 - (ii) a stated prescribed well;
 - (iii) a stated coal seam; or
 - (b) give the holder of a petroleum tenure or 1923 Act petroleum tenure an exemption from complying with all or part of section 57 in relation to the tenure.
- (2) In this section—

operating plant requirement means a relevant requirement other than the requirement under section 57.

76 Application for exemption

- (1) The operator or proposed operator of an operating plant, or the holder of a petroleum tenure or 1923 Act petroleum tenure, may apply to the chief inspector for an exemption under this part.
- (2) The application must—
 - (a) be in the approved form; and

48 Section 70 (Requirement to cement particular voids in a prescribed well)

-
- (b) contain the information necessary to enable the chief inspector to decide the application; and
 - (c) if the applicant proposes to implement alternative safety measures—contain details of the proposed measures; and
 - (d) be lodged at—
 - (i) the office of the department for lodging the application, as stated in a gazette notice by the chief executive; or
 - (ii) if no office is gazetted under subparagraph (i) and an office is stated on the approved form—the stated office; or
 - (iii) otherwise—the office of the chief inspector.

77 Notice of application to be given to relevant coal or oil shale mining tenement holder

- (1) The chief inspector must, after receiving an application for an exemption under this part, give any relevant coal or oil shale mining tenement holder—
 - (a) a copy of the application; and
 - (b) a notice stating the holder may, within 20 business days after receiving the notice (the *submission period*), lodge submissions about the application at—
 - (i) the office of the department for lodging the submissions, as stated in a gazette notice by the chief executive; or
 - (ii) if no office is gazetted under subparagraph (i)—the office of the chief inspector.
- (2) The holder must give the applicant a copy of any submissions lodged by the holder within the submission period.
- (3) The holder may, before the submission period ends, give the chief inspector notice that the holder does not intend to lodge a submission.
- (4) If the holder lodges any submissions within the submission period, the chief inspector must give the applicant at least

15 business days after the lodging of the holder's submissions to respond to them in writing.

78 Consideration of application by chief inspector

- (1) The chief inspector must consider each of the following—
 - (a) the application for exemption;
 - (b) any submissions lodged by a relevant coal or oil shale exploration tenement holder within the submission period under section 77;
 - (c) any response made by the applicant within the 15 business day period under section 77(4).
- (2) The application must not be decided unless—
 - (a) section 77(2) has been complied with; or
 - (b) the holder has given the chief inspector notice under section 77(3).
- (3) The chief inspector—
 - (a) may seek advice or recommendations from a technical advisory committee for coal seam gas established under section 732B⁴⁹ of the Act; and
 - (b) is not required to give the exemption only because a relevant coal or oil shale mining tenement holder agrees to the exemption.
- (4) If advice or recommendations obtained by the chief inspector under subsection (3)(a) are adverse to the applicant, the chief inspector must, before making a decision about whether to grant the exemption, give the applicant—
 - (a) a copy of the advice or recommendations; and
 - (b) at least 15 business days to make submissions to the chief inspector about the advice or recommendations.

⁴⁹ Section 732B (Technical advisory committees) of the Act

79 Chief inspector to decide application

- (1) The chief inspector must either give the exemption, with or without conditions, or refuse the application.
- (2) The chief inspector may give the exemption only if—
 - (a) the chief inspector of coal mines agrees; and
 - (b) the requirement stated in subsection (3) or (4), as applicable, is complied with for the exemption.
- (3) For exempting the holder of a petroleum tenure or 1923 Act petroleum tenure from complying with section 57, the requirement is that the chief inspector is reasonably satisfied none of the coal seams intersected by the prescribed well are likely to be mined.
- (4) For an exemption from a relevant requirement not mentioned in subsection (3), the requirement is that the chief inspector is reasonably satisfied—
 - (a) that if the exemption is granted—
 - (i) the likely impact on the future safe and efficient mining of coal is low; and
 - (ii) it is unlikely to cause a level of risk to the safe mining, or future mining, of coal that is more than an acceptable level of risk; and
 - (b) that the likely impact mentioned in paragraph (a)(i), and the level of risk mentioned in paragraph (a)(ii), are easily and reliably quantifiable.

Examples—

A coal seam that is unlikely to be economically mined in the next 25 years due to unfavourable quality, the thickness or depth of the seam, the seam being discontinuous or structurally disturbed, or the seam being intruded or affected by heat.

A coal seam that is likely to be mined but alternative safety measures are proposed that reduce the level of risk so it is less than or equal to the level of risk that would be achieved under the relevant requirement.

- (5) Subsection (2)(b) does not apply if—
 - (a) the applicant is the holder of a 1923 Act lease, or the operator or proposed operator of a prescribed well

- within the area of a 1923 Act lease, that is in effect immediately before the 2004 Act start day; and
- (b) the area of the lease does not include land that is within the area of a coal or oil shale mining tenement.
- (6) If subsection (2)(b) does not apply, the chief inspector must have regard to section 295(f)⁵⁰ of the Act in deciding the application.
 - (7) Without limiting subsection (1), a condition may require the applicant to comply with stated alternative safety measures.
 - (8) The chief inspector must give notice of the decision to—
 - (a) the applicant; and
 - (b) if a relevant coal or oil shale exploration tenement holder lodged a submission about the application—the holder.

Chapter 4 Pipelines

80 Requirement for strategic pipeline to be inspected

- (1) The holder of a pipeline licence for a strategic pipeline must ensure the pipeline is inspected—
 - (a) if there is a system for pipeline integrity in place for the pipeline under AS 2885—at the times provided for under the system, but at least—
 - (i) within 7 years after the pipeline first becomes operational; and
 - (ii) at least once in every 10 year period after the end of the 7 year period mentioned in subparagraph (i);
or

50 Section 295 (Main purposes of ch 3) of the Act

(b) otherwise—at least once in every 5 year period.⁵¹

(2) In this section—

inspected, for a pipeline, means an inspection of the inside of the pipeline to identify whether the pipeline is fit for the purpose for which it is used.

strategic pipeline means a pipeline listed in schedule 5.

81 Requirement for decommissioning pipelines

(1) This section prescribes, for section 559(1)⁵² of the Act, a requirement for decommissioning a pipeline that is—

(a) subject to a pipeline licence; and

(b) constructed under AS 2885.

(2) The requirement is that the pipeline must be decommissioned in a way that complies with AS 2885, part 3 ‘Operation and maintenance’ (2001).

Chapter 5 Fuel gas

Part 1 Distribution of fuel gas

Division 1 Safety requirements

82 Purpose of div 1

This division prescribes safety requirements in relation to fuel gas networks.

51 See also section 916(3) (Pipeline licences) of the Act for how this requirement applies to a pipeline licence under the 1923 Act that is in force immediately before the 2004 Act start day.

52 Section 559 (Obligation to decommission pipelines) of the Act

83 Fuel gas network operator must minimise leakages of fuel gas

The operator of a fuel gas network must take all reasonable and necessary steps to ensure that fuel gas does not leak from—

- (a) if the network is a distribution system—any part of the network; or
- (b) if the network is an LPG delivery network—a fuel gas container or gas fitting that is part of the network.

84 Required gauge pressure

- (1) This section applies to a person who—
 - (a) connects a consumer's fuel gas system to a fuel gas network for the first time; or
 - (b) starts to supply fuel gas to the gas system through a fuel gas network for the first time.
- (2) The person must ensure the fuel gas is supplied, at the relevant point, at a gauge pressure of at least—
 - (a) for LPG in a vaporous state—2.75 kPa; or
 - (b) for processed natural gas—1.13 kPa.
- (3) Fuel gas may be supplied at a higher pressure.
- (4) However, fuel gas must not be supplied at a higher pressure that adversely affects the performance of the gas system.
- (5) In this section—

relevant point means the outlet of—

 - (a) if there is a meter for the consumer's gas system—the meter; or
 - (b) otherwise—the regulator nearest to the consumer's gas system.

85 Testing and inspection of fuel gas containers

- (1) This section prescribes safety requirements in relation to fuel gas containers that are part of an LPG delivery network.

-
- (2) The operator of the network must ensure—
 - (a) a cylinder is tested at least once in every 10 years; and
 - (b) a tank is—
 - (i) visually inspected at least once in every 5 years; and
 - (ii) internally inspected at least once in every 10 years.
 - (3) The test or inspection must be carried out by an authorised test station.
 - (4) The test or inspection must comply with all relevant safety requirements under schedule 1.

86 Operator of LPG delivery network must ensure only particular persons supply LPG through the network

The operator of an LPG delivery network must ensure another person does not supply LPG through the network to a consumer's gas system unless—

- (a) the person is recorded as an LPG supplier for the network in the operator's safety management plan for the fuel gas network; and
- (b) the operator is reasonably satisfied the person has the skills, knowledge and experience required under the safety management plan to supply LPG through the network.

Division 2 Other requirements for fuel gas network operators

87 Fuel gas network operator must attend particular incidents

- (1) This section applies if—
 - (a) an incident involving, or that may involve, fuel gas supplied through a fuel gas network is reported to the operator of the network; and

- (b) the location of the incident is reported to the operator.
- (2) If the operator reasonably believes the incident is occurring when it is reported to the operator, the operator must ensure sufficient competent persons and equipment to deal with the incident as expeditiously as possible go to the reported location of the incident.

Maximum penalty—20 penalty units.

88 Fuel gas network operator must keep records

- (1) The operator of a fuel gas network must, for the required period, keep the following records in relation to a gas system supplied with fuel gas by the network—
 - (a) for a compliance certificate given to the operator by the installer of the gas system—a record of the number of the installer’s gas work licence or authorisation stated in the certificate;
 - (b) a record of the day fuel gas is first supplied to the gas system.

Maximum penalty—20 penalty units.

- (2) In this section—

required period means the period for which fuel gas is supplied to the gas system through the fuel gas network.

Part 2 Gas systems supplied with fuel gas by a fuel gas network

89 Application of pt 2

This part applies in relation to a gas system supplied, or to be supplied, with fuel gas through a fuel gas network.

90 Requirements to be complied with before carrying out particular gas work

- (1) This section applies to gas work involving—
- (a) the installation of a gas system—
 - (i) that is to be supplied with fuel gas through a fuel gas network that is a distribution system; and
 - (ii) that has not previously been supplied with fuel gas through a distribution system; or
 - (b) the connection of 1 or more additional major use gas devices to an existing gas system that is supplied with fuel gas through a fuel gas network that is a distribution system.
- (2) Before a person carries out the gas work, the person must notify the relevant network operator of—
- (a) the nature of the work to be carried out; and
 - (b) the anticipated demands of the gas system or device on the network's supply of fuel gas.

Maximum penalty—10 penalty units.

- (3) In this section—

major use gas device means a gas device (type A) or (type B) with the capacity to consume more than 100 MJ in an hour.

91 Copy of compliance certificate for a new gas system to be given to particular persons

A holder of a gas work licence or authorisation who installs a new gas system that will be supplied with fuel gas through a fuel gas network must, as soon as practicable after completing the installation, give a copy of the compliance certificate for the gas system to—

- (a) the relevant network operator; and
- (b) the owner, operator or proposed operator of the gas system.

Maximum penalty—10 penalty units.

92 Requirements to be complied with before supplying fuel gas to a gas system for the first time

- (1) This section applies if—
 - (a) the operator of a fuel gas network proposes to supply fuel gas to a gas system that has not previously been supplied with fuel gas by a fuel gas network; or
 - (b) for a fuel gas network that is an LPG delivery network—a person proposes to start supplying LPG through the network to a gas system, whether or not LPG has previously been supplied through a fuel gas network to the gas system.
- (2) Before starting to supply fuel gas to the gas system, the person connecting fuel gas to the gas system must ensure—
 - (a) the pressure at which fuel gas will be supplied to the gas system complies with section 84;⁵³ and
 - (b) there is no significant leakage of fuel gas from the gas system.

Maximum penalty—20 penalty units.

- (3) If subsection (1)(a) applies, the person connecting fuel gas to the gas system must ensure that, not later than 30 days after connection—
 - (a) a compliance certificate is issued by the installer of the gas system; and
 - (b) a copy of the certificate is provided to the operator of the fuel gas network.

Maximum penalty—20 penalty units.

- (4) The operator must not start supplying fuel gas to the gas system if the operator knows, or ought reasonably to know, that the gas system does not comply with a relevant safety requirement.

Maximum penalty—20 penalty units.

- (5) In this section—

53 Section 84 (Required gauge pressure)

significant leakage, of fuel gas from a gas system, means that, after being locked up for 10 minutes, the system shows a discernable drop in pressure on a calibrated and appropriately scaled gauge.

93 General obligations of owner of a gas system

- (1) The owner of a gas system must take all reasonable steps to ensure the gas system complies with all relevant safety requirements, including, for example, ensuring—
 - (a) a suitably qualified person carries out the installation, servicing, repairing, decommissioning and disposal of any part of the gas system; and
 - (b) if a suitably qualified person notifies the owner that the gas system is unsafe, the gas system is not used until it is safe.

Maximum penalty—20 penalty units.

- (2) For this section and section 94, *owner* includes a person in possession of a gas system under any of the following for the system—
 - (a) an agreement for sale;
 - (b) a hire purchase agreement;
 - (c) a lease;
 - (d) any other similar arrangement.

- (3) In this section—

suitably qualified person means—

- (a) for a gas system that includes a gas device (type A)—the holder of a gas work licence that authorises the person to carry out the gas work; or
- (b) for a gas system that includes a gas device (type B)—the holder of, or a person acting under, a gas work authorisation for the device.

94 Operator must report safety concerns to owner of gas system

- (1) This section applies if—
 - (a) the operator of a gas system is not the owner of it; and
 - (b) the operator has a safety concern in relation to the gas system.
- (2) For subsection (1), the operator has a *safety concern* in relation to the gas system if the operator knows or suspects, or ought reasonably to know or suspect, the gas system does not or may not comply with all relevant safety requirements.
- (3) The operator must, as soon as practicable, give the owner of the gas system notice of the operator's safety concern.

95 Owner of gas system must address operator's safety concern

- (1) This section applies if an owner of a gas system is given a notice of a safety concern of the operator of the gas system under section 94.
- (2) The owner must, as soon as practicable after receiving the notice, take reasonable steps to address the operator's safety concern.

Maximum penalty—20 penalty units.

Part 3 Gas systems in vehicles and vessels

96 Application of pt 3

This part applies in relation to a vehicle or vessel that has 1 or more gas systems.

97 Definitions for pt 3

In this part—

authorised certifier means the holder of a gas work authorisation (motor fuel installation).

commercial vehicle or vessel means a vehicle or vessel, other than a road tank vehicle, that is used —

- (a) for carrying passengers or goods for hire or reward; or
- (b) in the course of business, if the vehicle or vessel uses fuel gas other than for the propulsion of the vehicle or vessel.

dealer—

- (a) for a vehicle—means the holder of a motor dealer's licence under the *Property Agents and Motor Dealers Act 2000*; and
- (b) for a vessel—means a person who is in the business of buying and selling vessels.

inspection certificate means an inspection certificate issued for the gas systems in a vehicle or vessel by an authorised certifier under section 101.

owner—

- (a) for a vehicle—means the registered operator of the vehicle under the *Transport Operations (Road Use Management) Act 1995*; or
- (b) for a vessel—means the registered operator of the vessel under the *Transport Operations (Marine Safety) Act 1994*.

used vehicle or vessel means a vehicle or vessel that has been sold, or ownership of which has been transferred, after the registration of the vehicle or vessel under—

- (a) the *Transport Operations (Road Use Management) Act 1995* or the *Transport Operations (Marine Safety) Act 1994*; or
- (b) a law of another State that corresponds to the relevant Act mentioned in paragraph (a).

98 New vehicle or vessel must not be offered for sale without an inspection certificate

- (1) A person must not offer to sell a vehicle or vessel, other than a used vehicle or vessel, unless an inspection certificate has been issued for the gas systems in the vehicle or vessel.

Maximum penalty—20 penalty units.

- (2) The person must give a copy of the certificate to the buyer of the vehicle or vessel when the buyer takes possession of the vehicle or vessel.

Maximum penalty—20 penalty units.

99 Copy of inspection certificate to be given to new owner of used vehicle or vessel

- (1) A person who sells or otherwise transfers ownership of a used vehicle or vessel, other than to a dealer, must give a copy of an inspection certificate for the gas systems in the vehicle or vessel to the person (the *buyer*) to whom the vehicle or vessel is sold or transferred.

Maximum penalty—20 penalty units.

- (2) The certificate must be issued not earlier than 3 months before the buyer takes possession of the vehicle or vessel.

100 Owner of commercial vehicle or vessel must ensure its gas systems are inspected and certified

The owner of a commercial vehicle or vessel must ensure the gas systems in the vehicle or vessel are inspected and certified by an authorised certifier at least once in every 12 month period.

Maximum penalty—20 penalty units.

101 Issue of inspection certificates for gas systems in vehicle or vessel

- (1) This section applies if an authorised certifier inspects the gas systems in a vehicle or vessel.

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- (2) The certifier must issue to the owner of the vehicle or vessel an inspection certificate, in the approved form, for the gas systems if the certifier reasonably believes the systems comply with all relevant safety requirements.
 - (3) If the certifier reasonably believes 1 or more of the gas systems do not comply with all relevant safety requirements, the certifier must give the owner of the vehicle or vessel notice of the gas work or other action that must be carried out in order for an inspection certificate to be issued for the gas systems.
 - (4) If the certifier gives the owner of a vehicle or vessel a notice under subsection (3), and the gas work or other action stated in the notice is carried out to the certifier's reasonable satisfaction, the certifier must issue to the owner an inspection certificate, in the approved form, for the gas systems in the vehicle or vessel.

102 Certification by person who alters or repairs a gas system in a vehicle or vessel

- (1) This section applies to a person who alters or repairs a gas system in a vehicle or vessel.
- (2) The person must, immediately after completing the work, give the owner or operator of the vehicle or vessel a certificate, in the approved form, stating that the work complies with all relevant safety requirements.
- (3) If the certificate relates to a motor vehicle, the certificate must include a carbon monoxide analysis if—
 - (a) the vehicle is a commercial vehicle; and
 - (b) the person believes the vehicle may be used in an unventilated place where excessive carbon monoxide levels might cause a hazard to the health of persons.

Example—

a forklift used in a refrigerated store room

- (4) The person must keep a copy of the certificate for 3 years after the completion of the work.
- (5) In this section—

carbon monoxide analysis means an analysis of the level of the carbon monoxide exhaust emissions from the vehicle—

- (a) when it is idling; and
- (b) under light, medium and heavy load conditions.

103 Labelling requirements for LPG fuel systems in vehicles

- (1) This section applies—
 - (a) in relation to a gas system for a vehicle that uses LPG; and
 - (b) despite the requirements under AS/NZS 1425 ‘LP gas for fuel systems for vehicle engines’ (2003)⁵⁴ (the **relevant standard**).
- (2) The person who installs the gas system in the vehicle must comply with this section.
Maximum penalty—10 penalty units.
- (3) A label used to identify a vehicle that uses LPG, as required under the relevant standard, may be—
 - (a) metallic; or
 - (b) adhesive and non-metallic.
- (4) An identifying label is required for each place where gas cylinders are installed in the vehicle.

Examples—

- if 2 LPG tanks were installed in the boot of a vehicle, only 1 label would be required for the boot
 - if 1 LPG tank was installed on the tray of a truck and another under the body, both places would be required to be labelled
- (5) If the relevant standard requires a label to be fixed to the number plate of a vehicle but the label does not fit on it, the label may be fixed in a visible place adjacent to the number plate.

⁵⁴ See schedule 1 (Mandatory and preferred standards for safety requirements), part 4 (LPG storage and handling).

104 Use of gas system for propulsion of a vessel

The owner of a vessel must not use, or allow to be used, a fuel gas system for the propulsion of the vessel unless the plans and specifications for the gas system have been approved by an inspector.

Maximum penalty—20 penalty units.

105 Requirements for owner of vehicle or vessel

The owner of a vehicle or vessel must take all reasonable steps to ensure—

- (a) a gas system in or on the vehicle or vessel complies with all relevant safety requirements; and
- (b) if a certification has been issued for the alteration or repair of the gas system under section 102 and the certification included a carbon monoxide analysis under section 102(3)—the carbon monoxide exhaust emissions from the vehicle do not exceed the levels stated in the certificate.

Maximum penalty—20 penalty units.

Part 4 General provisions relating to fuel gas

Division 1 Provisions about gas work

106 Gas work carried out by holder of gas work licence or authorisation

The holder of a gas work licence or authorisation must ensure, in relation to gas work carried out by or for the holder—

- (a) the work—
 - (i) complies with all relevant safety requirements; and

- (ii) is carried out in a thorough and professional way;
and
- (b) all reasonable precautions are taken, at the place where the work is carried out, to avoid injury or damage being caused to persons or property because of the work.

Maximum penalty—20 penalty units.

107 Repair of gas work that does not comply with the Act

- (1) This section applies if—
 - (a) gas work is carried out by or for the holder of a gas work licence or authorisation on a gas device (type A) or (type B); and
 - (b) the gas work is found to be non-compliant within 3 years after the work is completed; and
 - (c) an inspector considers that the non-compliance is due to faulty workmanship.
- (2) The inspector may give the holder notice in writing requiring the holder to remedy the non-compliance within 14 days after the holder receives the notice.
- (3) The holder must remedy the non-compliance, or cause it to be remedied, within the 14 day period.

Maximum penalty—20 penalty units.

- (4) The holder must bear the cost of remedying the non-compliance.
- (5) This section—
 - (a) is in addition to, not in substitution for, any other right or remedy available to a consumer under an Act or law; but
 - (b) does not entitle a consumer to recover the cost of remedying the non-compliance more than once.
- (6) In this section—

non-compliant, for gas work, means the gas work does not comply with all relevant safety requirements.

Division 2 Safety requirements

108 Gas devices (type A)

Schedule 6 states safety requirements for gas devices (type A).

109 Transporting cylinders in vehicles

Schedule 7 prescribes safety requirements for transporting cylinders in vehicles.

110 Installing particular cylinders in enclosed spaces

A person who installs a cylinder inside premises in an enclosed space, including, for example, a cupboard, must ensure the enclosed space—

- (a) is vented to outside; and
- (b) is sealed from the room and from the gas device that consumes gas from the cylinder.

111 Installing gas devices in caravans

- (1) This section prescribes safety requirements for a person who installs a gas device in a caravan.
- (2) The person must ensure—
 - (a) the device complies with all relevant safety requirements mentioned in schedule 1; and
 - (b) if the device is stored, when not in use, in a compartment or other enclosed space—the device is installed so that gas can not flow to it when it is not in use.

112 Cylinders used in hot air balloons

- (1) This section prescribes safety requirements in relation to a cylinder used in a hot air balloon.

- (2) The operator of the cylinder must ensure it is clearly labelled as a cylinder used in a hot air balloon.
- (3) A person must not use or fill the cylinder if it has an excess flow valve.
- (4) If the cylinder is tested or serviced at an authorised test station, the test station must, when the cylinder is returned to the operator of the cylinder, give the operator a certificate stating that the valve configuration of the cylinder—
 - (a) has not been changed from the original manufacturer's specification; and
 - (b) complies with directive AD/BAL/14 'Fast flow restrictor valves' published by the Civil Aviation Safety Authority of the Commonwealth in 1995.
- (5) In this section—

excess flow valve means a device designed to stop the flow of gas from a cylinder if the flow increases suddenly.

Division 3 Other requirements

113 Requirements for using flammable hydrocarbon gases for refrigeration or air conditioning

Schedule 8 states requirements, including safety requirements, for using flammable hydrocarbon gases for refrigeration or air conditioning.

Division 4 Offences relating to fuel gas

114 Offence to transfer LPG between fuel gas containers in residential areas

A person must not, without the written approval of the chief inspector, transfer LPG from 1 fuel gas container to another at or adjacent to residential premises if, as a result of the transfer, LPG vapour or liquid gas is released into the air.

Maximum penalty—20 penalty units.

115 Offence to tamper with a gas system

A person must not knowingly tamper with a gas system.

Maximum penalty—20 penalty units.

Part 5 Gas work licences and authorisations

Division 1 Gas work licences

116 Qualifications or experience for a gas work licence

- (1) For section 728C(2)(a)⁵⁵ of the Act, the qualifications or experience for a gas work licence are—
 - (a) completion of a course of training in gas work of the relevant type that is listed in appendix A, B or C of the gas licensing requirements; or
 - (b) the chief inspector reasonably believes the individual otherwise demonstrates the skill and knowledge required to carry out gas work of the relevant type as required under the gas licensing requirements.
- (2) For subsection (1)(b), the chief inspector may require the individual to sit a written, oral or practical examination.
- (3) In this section—

gas licensing requirements means the ‘Queensland Gas Licensing Notes’ (2004) published on the department’s website.⁵⁶

⁵⁵ Section 728C (Deciding application) of the Act

⁵⁶ On the commencement of this section, the department’s website was <<http://www.nrm.qld.gov.au>>.

117 Particular apprentices and trainees taken to be holders of gas work licence

- (1) This section applies to a person who is an apprentice or trainee of the holder of a gas work licence, if the person is acting in the presence of and under the direct supervision of the holder.
- (2) The person is taken to be a holder of the gas work licence.
- (3) However, the person can not certify a gas system of a gas device (type A).
- (4) In this section, *apprentice* and *trainee* have the meanings given under the *Vocational Education, Training and Employment Act 2000*.

118 Annual fee payable by holder of a gas work licence

- (1) The holder of a gas work licence must pay an annual fee for each year during the term of the licence.
- (2) The amount of the fee is stated in schedule 9, part 6.

Division 2 Gas work authorisations**119 Definition for div 2**

In this division—

industrial appliance means a gas device (type B) designed for using fuel gas as a fuel or feed stock in an industrial process.

120 Types of gas work authorisations

The chief inspector may issue the following types of gas work authorisations for gas devices (type B) or types of gas device (type B)—

- (a) gas work authorisation (hydrocarbon refrigerant);
- (b) gas work authorisation (industrial appliances);
- (c) gas work authorisation (major project);

- (d) gas work authorisation (motor fuel installation);
- (e) gas work authorisation (servicing).

121 What gas work authorisation (hydrocarbon refrigerant) authorises

A gas work authorisation (hydrocarbon refrigerant) authorises the holder, or a person acting under the holder's authority, to carry out gas work in relation to a gas device (type B) that uses hydrocarbon refrigerants as stated in the authorisation.

122 What gas work authorisation (industrial appliances) authorises

A gas work authorisation (industrial appliances) authorises the holder, or a person acting under the holder's authority, to carry out gas work in relation to an industrial appliance, group of industrial appliances, or gas system, as stated in the authorisation.

123 What gas work authorisation (major project) authorises

- (1) For this section, *major project* means the development and construction of an operating plant that will consume more than 100 TJ of fuel gas in a year.
- (2) A gas work authorisation (major project) authorises the holder, or a person acting under the holder's authority, to carry out gas work for a major project.

124 What gas work authorisation (motor fuel installation) authorises

- (1) For this section, *motor fuel installation* means gas work that involves installing, repairing and certifying under part 3, a gas system that supplies fuel to the engine of a vehicle or vessel.
- (2) A gas work authorisation (motor fuel installation) authorises the holder, or a person acting under the holder's authority, to carry out motor fuel installations as stated in the authorisation.

125 What gas work authorisation (servicing) authorises

- (1) For this section, *servicing* means carrying out gas work that involves maintaining or repairing a gas device (type B).
- (2) A gas work authorisation (servicing) authorises the holder, or a person acting under the holder's authority, to service a gas device (type B), or a group of gas devices (type B), as stated in the authorisation.

126 Annual fee payable by holder of a gas work authorisation

- (1) The holder of a gas work authorisation must pay an annual fee for each year during the term of the authorisation.
- (2) The amount of the fee is stated in schedule 9, part 6.

Chapter 6 Miscellaneous

Part 1 Measurement

127 Requirements for measurement scheme

- (1) For section 637(1)(d)⁵⁷ of the Act, a meter that measures more than 25 cubic metres of petroleum or fuel gas in an hour must be replaced or tested not less than once in each 10 year period.
- (2) For section 637(1)(k) of the Act, a measurement scheme must, if a measurement of petroleum or fuel gas is to be converted into another form of measurement under the scheme, state the method for converting the measurement.
- (3) For this section—

form of measurement means any of the following—

- (a) a measurement of the energy of the petroleum or fuel gas;

⁵⁷ Section 637 (Content requirements for measurement schemes) of the Act

- (b) a measurement of the mass of the petroleum or fuel gas;
- (c) a measurement of the volume of the petroleum or fuel gas.

128 Tolerance for error for a meter

- (1) This section prescribes, for section 635⁵⁸ of the Act, the tolerance for error in accuracy for a meter.
- (2) If the meter measures not more than 25 cubic metres of petroleum or fuel gas in an hour, the tolerance is—
 - (a) for a meter installed before this section commences—plus 2% or minus 3%; or
 - (b) otherwise—plus or minus 1.5%.
- (3) For a meter not mentioned in subsection (2), the tolerance is plus or minus 1%.
- (4) This section is subject to sections 129 and 130.

129 Other requirements for accuracy of meter—100 TJ to 1 PJ

- (1) This section applies in relation to a meter that measures 100 TJ or more, but not more than 1 PJ, a year.
- (2) The controller of the meter must ensure the meter is installed with a device to correct the meter's readings to standard temperature and pressure for section 11 of the Act.
- (3) The overall tolerance for error for the meter, including the correcting device, is plus or minus 1%.
- (4) The accuracy of the meter must be checked at least once in each 6 month period.

130 Other requirements for accuracy of meter—over 1 PJ

- (1) This section applies in relation to a meter that measures more than 1 PJ a year.

58 Section 635 (What is the *tolerance for error* for a meter) of the Act

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- (2) The controller of the meter must ensure the meter is installed with a flow computer to calculate the energy of the petroleum or fuel gas flowing through the meter.
 - (3) The overall tolerance for error for the meter, including the flow computer, is plus or minus 1%.
 - (4) The accuracy of the meter must be checked at least once in every 3 month period.

131 Requirement for gas pressure regulator

The controller of a meter must ensure the addition of a gas pressure regulator to the meter does not disadvantage a consumer.

Example of how a gas pressure regulator could disadvantage a consumer—

excessive regulator droop that could result in incorrect billing

Maximum penalty—20 penalty units.

132 Metering factors

If there is a correction factor for calculating the price of gas flowing through a meter, the controller of the meter must ensure the pressure at which the meter must be operated is clearly marked on, or in the immediate vicinity of, the meter.

Maximum penalty—20 penalty units.

Part 2 Fees, rents and royalties etc.

Division 1 Preliminary

133 Fees generally

- (1) The fees payable under the Act are stated in schedule 9.

- (2) If a fee payable is for a supply for which GST is payable, the fee is to be increased to take account of the GST.

134 Payment of annual licence fee for pipeline licence or petroleum facility licence

The annual licence fee⁵⁹ for a pipeline licence or a petroleum facility licence must be paid—

- (a) by cash, cheque or electronic transfer of funds; and
- (b) on or before each anniversary of the day the licence takes effect.

Division 2 Audit and inspection fees

Subdivision 1 Liability to pay fee

135 Who is liable to pay an audit and inspection fee

- (1) Subject to sections 141 and 142, a person (a *liable person*) who is a person mentioned in subsection (2) at any time during a financial year must pay an audit and inspection fee for the year.
- (2) For subsection (1), the persons are each of the following—
 - (a) the operator of an operating plant used to drill a prescribed well;
 - (b) the holder of a petroleum lease, or 1923 Act lease, under which petroleum was produced;
 - (c) the holder of a petroleum facility licence for a petroleum processing facility;
 - (d) the holder of a petroleum lease, or 1923 Act lease, under which a petroleum processing facility was operated if, during the year—

⁵⁹ See schedule 9 (Fees), part 4 (Survey licence, pipeline licence and petroleum facility licence fees).

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- (i) the facility was a major processing facility; or
 - (ii) the facility produced LPG from petroleum or separated and produced liquid and gaseous petroleum products; or
 - (iii) the petroleum produced from prescribed wells under the lease was less than 1 PJ and the facility processed more petroleum than the amount of the produced petroleum;
- (e) the holder of a pipeline licence;
 - (f) the holder of a distribution authority;
 - (g) the operator of an LPG delivery network;
 - (h) a person (a *major consumer*) who consumes more than 500 TJ of fuel gas during the year at a place, other than a person mentioned in any of paragraphs (a) to (g).
- (3) Subject to subsection (5), the amount of the fee must be calculated in the way provided for under schedule 9, part 8.
- (4) A liable person who is mentioned in more than 1 category of liable persons for a year must pay an audit and inspection fee for the year in relation to each category.
- (5) However, if the liable person, other than a major consumer, is not a liable person in relation to a category for the whole year, the amount of the fee payable by the person in relation to the category is the proportion of the fee that is equivalent to the proportion of the year for which the person was a liable person in relation to the category.
- (6) In this section—
- category of liable person* means a liable person mentioned in subsection (2)(a), (b), (c), (d), (e), (f), (g) or (h).

Subdivision 2 Payment of fixed fee by major consumers

136 Application of sdiv 2

This subdivision applies in relation to a liable person who is a major consumer.

137 Date for payment of fee

- (1) The audit and inspection fee payable by the person for a financial year must be paid not later than 30 September immediately after the end of the financial year.
- (2) If the person does not pay the fee on or before 30 September, when the fee is paid it must be accompanied by the late fee mentioned in schedule 9, part 8, section 8(1).

Subdivision 3 Lodgement of audit and inspection fee return and payment of fee by other liable persons

138 Application of sdiv 3

This subdivision applies in relation to a liable person, other than a major consumer.

139 Requirement to lodge audit and inspection fee return

- (1) The person must lodge a written return (an *audit and inspection fee return*) for a financial year not later than 30 July immediately after the end of the year.
Maximum penalty—20 penalty units.
- (2) An audit and inspection return must be in the approved form and must state—
 - (a) for a person mentioned in section 135(2)(a)—the total distance (km) drilled in all prescribed wells drilled by the person during the year; and

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- (b) for a person mentioned in section 135(2)(b)—the amount of petroleum (TJ) produced under the petroleum lease or 1923 Act lease during the year; and
 - (c) for a person mentioned in section 135(2)(c)—the amount of petroleum (TJ) processed by the petroleum processing facility during the year; and
 - (d) for a person mentioned in section 135(2)(d)—each of the following—
 - (i) the amount of petroleum (TJ) processed by the petroleum processing facility during the year;
 - (ii) whether the petroleum processing facility produced LPG from petroleum, or separated and produced liquid and gaseous petroleum products, during the year;
 - (iii) the amount of petroleum (TJ) produced from prescribed wells under the petroleum lease or 1923 Act lease; and
 - (e) for a person mentioned in section 135(2)(e) or (f)—the length (km) and diameter (mm) of a pipeline under the licence or authority that was used to transport petroleum or fuel gas, or that was commissioned, during the year; and
 - (f) for a person mentioned in section 135(2)(g)—the number of each of the following fuel gas containers owned by the person at any time during the year—
 - (i) fuel gas containers with a capacity less than 50 l;
 - (ii) fuel gas containers with a capacity 50 l or more but less than 1 kl;
 - (iii) fuel gas containers with a capacity 1 kl or more but less than 8kl;
 - (iv) fuel gas containers with a capacity more than 8 kl.
- (3) The return must be lodged at the office of the chief inspector.
- (4) The information that must be included in the return under subsection (2) is the ***required information***.

140 Fee for late lodgement of audit and inspection fee return

- (1) This section applies if—
 - (a) a liable person does not lodge an audit and inspection fee return for a financial year; or
 - (b) a purported audit and inspection fee return lodged by a liable person does not contain all of the required information.
- (2) The obligation under section 139 to lodge an audit and inspection return continues to apply until the section is complied with.
- (3) When the return is lodged it must be accompanied by the late fee mentioned in schedule 9, part 8, section 8(2).
- (4) The late fee applies and is payable as well as any penalty imposed under section 139(1).

141 Requirement for invoice to be given

An audit and inspection fee is not payable by a liable person unless the chief inspector gives the person an invoice stating the amount of the fee.

142 Date for payment

- (1) A liable person who receives an invoice for the audit and inspection fee from the chief inspector must pay the fee not later than 30 days after receiving the invoice.
- (2) If the person does not pay the fee on or before the day mentioned in subsection (1), when the fee is paid it must be accompanied by the late fee mentioned in schedule 9, part 8, section 8(1).

143 Notice may be given to liable person if return not lodged or is inadequate

- (1) This section applies if the chief inspector is of the opinion, based on information available to the chief inspector, that a liable person—

- (a) has failed to lodge an audit and inspection fee return as required under section 139; or
 - (b) has lodged an audit and inspection fee return that does not contain all of the required information; or
 - (c) has lodged an audit and inspection fee return containing required information that is incorrect.
- (2) The chief inspector may give the person a notice—
- (a) stating each of the following—
 - (i) the ground mentioned in subsection (1)(a), (b) or (c) on which the chief inspector reasonably believes this section applies in relation to the person;
 - (ii) the required information the chief inspector reasonably believes is correct;
 - (iii) the amount of the audit and inspection fee the chief inspector reasonably believes is payable by the person;
 - (iv) the facts and circumstances forming the basis for the beliefs mentioned in subparagraphs (i) to (iii); and
 - (b) inviting the person to lodge, at the office of the chief inspector and within a stated reasonable period, submissions as to why the person should not be invoiced for the amount mentioned in paragraph (a)(iii).
- (3) The chief inspector must consider any submissions lodged within the stated period by the person.
- (4) If, after complying with subsection (3), the chief inspector is satisfied an audit and inspection fee is payable by the person, the chief inspector may give the person an invoice for the fee.
- (5) Subsection (4) applies even if the person has already been given an invoice for, or paid, a different amount for the fee.

Subdivision 4 Overpayment of audit and inspection fee

144 Refund of overpayment of audit and inspection fee

- (1) If an audit and inspection fee is overpaid by a liable person, the chief inspector may refund the amount of the overpayment to the person.
- (2) No interest is payable on the amount refunded.

Division 3 Rents

145 Annual rent

- (1) The annual rent payable for each of the following authorities is stated in schedule 10, part 1—
 - (a) an authority to prospect;
 - (b) a petroleum lease;
 - (c) a data acquisition authority;
 - (d) a water monitoring authority;
 - (e) a 1923 Act ATP.⁶⁰
- (2) If annual rent payable is for a supply for which GST is payable, the rent is to be increased to take account of the GST.
- (3) The annual rent for an authority mentioned in subsection (1) must be paid—
 - (a) by cash, cheque or electronic transfer of funds; and
 - (b) on or before each of the following days—
 - (i) for the first year of the authority, if the Minister has not already required payment of the rent⁶¹—the 20th business day after the authority takes effect;

⁶⁰ See section 74N (Petroleum royalty and annual rent) of the 1923 Act.

⁶¹ See, for example, section 40 (Provisions for preferred tenderers) of the Act.

- (ii) for a later year—each anniversary of the day the authority takes effect.
- (4) If the annual rent for an authority mentioned in subsection (1) is paid for a year and the authority ends during the year, the proportion of the annual rent that relates to the remainder of the year may be refunded.

146 Storage rent payable by owner of stored petroleum or prescribed storage gas

- (1) For section 227(3)⁶² of the Act, the rate at which rent is payable by each current owner of stored petroleum or a prescribed storage gas for a year is stated in schedule 10, part 2.
- (2) If rent payable is for a supply for which GST is payable, the rent is to be increased to take account of the GST.
- (3) The rent must be paid—
 - (a) for the first year—within 20 business days after the following day—
 - (i) if no notices have been lodged under section 219 of the Act for the stored petroleum or prescribed storage gas—the day the Minister decides, under section 215 of the Act, that the person is the owner of the stored petroleum or prescribed storage gas;
 - (ii) if a notice has been lodged under section 219 of the Act for the stored petroleum or prescribed storage gas—the day the person becomes the owner of the stored petroleum or prescribed storage gas; and
 - (b) for a later year—on or before each anniversary of the following day—
 - (i) if no notices have been lodged under section 219 of the Act for the stored petroleum or prescribed storage gas—the day the old lease ended;

62 Section 227 (Storage rent payable by current owner) of the Act

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- (ii) if a notice has been lodged under section 219 of the Act for the stored petroleum or prescribed storage gas—the day the person became the current owner of the petroleum or prescribed storage gas.
 - (4) The rent must be paid by cash, cheque or electronic transfer of funds.
 - (5) If the rent is paid for a year and the petroleum or prescribed storage gas is stored for only part of the year, the proportion of the rent that relates to the remainder of the year may be refunded.

Division 4 Petroleum royalty

147 Petroleum royalty

- (1) This section prescribes requirements, for section 590⁶³ of the Act, in relation to the petroleum royalty imposed on petroleum producers.
- (2) The royalty must be paid—
 - (a) for petroleum produced under a petroleum tenure or a 1923 Act petroleum tenure⁶⁴—on or before the last business day of the month immediately after the month in which the petroleum is disposed of; or

Example—

If petroleum is produced under a petroleum lease on 30 September and disposed of between 23 and 31 October, the petroleum royalty for the petroleum must be paid on or before the last business day in November.

- (b) otherwise—on or before the last day of the month immediately after the month in which the petroleum is produced.

63 Section 590 (Imposition of petroleum royalty on petroleum producers) of the Act

64 See also section 74N (Petroleum royalty and annual rent) of the 1923 Act.

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- (3) The royalty is payable at the rate of 10% of the wellhead value of the petroleum disposed of or, if subsection (2)(b) applies, produced, by the producer during a month.
 - (4) A petroleum producer *disposes of* petroleum if the producer—
 - (a) sells or otherwise transfers ownership of the petroleum to another person; or
 - (b) flares or vents the petroleum.

148 Working out wellhead value of petroleum

- (1) The wellhead value of petroleum disposed of or, if section 147(2)(b) applies, produced by a petroleum producer in a month is—
 - (a) the amount that the petroleum could reasonably be expected to realise if it were sold on a commercial basis; less
 - (b) the sum of the following—
 - (i) the expenses for the month mentioned in subsection (2);
 - (ii) any negative wellhead value deducted under subsection (4).
- (2) For subsection (1)(b)(i), the expenses are each of the following—
 - (a) a pipeline tariff or other charge paid or payable by the petroleum producer to a third party for transporting the petroleum through a pipeline to the point of its disposal, if the Minister reasonably believes the amount of the tariff is reasonable on a commercial basis;
 - (b) a processing plant toll or other charge paid or payable by the petroleum producer to a third party for processing the petroleum before it is disposed of, if the toll is calculated—
 - (i) on a commercial basis; or
 - (ii) if the Minister reasonably believes that use of the plant by other petroleum producers or for other

purposes makes another basis for charging the most practicable basis—on the other basis;

- (c) depreciation of capital expenditure by the petroleum producer on a petroleum facility or pipeline used for processing the petroleum or transporting it from the wellhead of the well in which it was produced to the point of its disposal, allocated over—
- (i) 10 years; or
 - (ii) a shorter period decided by the Minister, if the Minister reasonably believes the shorter period is reasonable having regard to the expected potential for production of the natural underground reservoir from which the petroleum is produced;
- (d) an operating cost incurred, or to be incurred, by the petroleum producer that directly relates to—
- (i) treating, processing or refining the petroleum before it is disposed of; or
 - (ii) transporting the petroleum to the point of its disposal;

Examples of operating costs that may be directly related to treating, processing, refining or transporting the petroleum—

- personnel wages and salaries
- catering, accommodation and travel costs for personnel
- costs associated with transporting the petroleum such as a reasonable portion of road maintenance and repairs, motor vehicle costs and wharfage fees and harbour dues
- consumable stores used at the site of the petroleum production
- repairs and maintenance of, and insurance costs for, petroleum facilities and pipelines used to process the petroleum or transport it from the wellhead to the point of its disposal
- petroleum tenure rents
- petroleum storage costs
- communication costs

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- (e) another expense incurred, or to be incurred, by the petroleum producer in relation to the operation of the site at which the petroleum was produced that is approved by the Minister for the purpose of this subsection.
- (3) However, the following expenses are not included under subsection (2)—
- (a) an expense incurred by the petroleum producer in producing the petroleum, including, for example, lifting costs;
- (b) office overhead costs for an office that is not located—
- (i) for petroleum produced under a petroleum tenure or 1923 Act petroleum tenure—within the area of the tenure; or
- (ii) otherwise—at the site at which the petroleum is produced;
- (c) marketing costs in relation to the sale of the petroleum;
- (d) Commonwealth excise levies;
- (e) a civil penalty, or interest on an amount, payable by the producer under the Act.⁶⁵

Example—

In a month, a petroleum producer sells 20 units of gas and uses 2 units of gas to generate electricity. Half of the electricity generated is used in recovering gas to ground level and the remainder is used to operate other plant at the field. The cost of the electricity used to recover the gas to ground level would not be included under subsection (2).

- (4) If a petroleum producer's expenses mentioned in subsection (2) for a month are more than the amount mentioned in subsection (1)(a) for the month—
- (a) the amount of the excess is a ***negative wellhead value*** for the month; and

⁶⁵ See, for example, sections 76 (Civil penalty for nonpayment of annual rent), 588 (Interest on amounts owing to the State other than for petroleum royalty) and 602 (Interest on unpaid petroleum royalty or additional petroleum royalty) of the Act.

- (b) the negative wellhead value may be deducted under subsection (1)(b)(ii) in a later month in the same royalty return period.
- (5) To remove doubt, it is declared that a petroleum producer is not entitled to receive any payment in relation to a negative wellhead value.
- (6) For this section—
royalty return period has the meaning given under section 599(4) of the Act.

149 Information to be contained in royalty return

- (1) For section 594(2)⁶⁶ of the Act, the information that must be contained in a royalty return is each of the following—
 - (a) the wellhead value of the petroleum disposed of or, if section 147(2)(b) applies, produced by the petroleum producer during the month;
 - (b) a breakdown of the expenses deducted under section 148(1)(b)(i) for working out the wellhead value mentioned in paragraph (a);
 - (c) the amount of any negative wellhead value deducted under section 148(1)(b)(ii) for working out the wellhead value mentioned in paragraph (a);
 - (d) for each relevant petroleum product disposed of by the producer during the month—
 - (i) the volume of the product disposed of; and
 - (ii) the amount of any revenue earned by the producer in relation to the product.
- (2) The information must be provided using the approved form.
- (3) In this section—
relevant petroleum product means—
 - (a) a petroleum product; and

66 Section 594 (Obligation to lodge royalty return) of the Act

- (b) any other petroleum, or substance derived from petroleum, disposed of by the petroleum producer.

Division 5 Other matters

150 Security for petroleum authorities

- (1) For section 488(2)(a)⁶⁷ of the Act, the following forms of security are prescribed—
 - (a) cash;
 - (b) cheque;
 - (c) electronic transfer of funds;
 - (d) an unconditional security issued by a financial institution that—
 - (i) is in favour of the ‘State of Queensland’ and is payable on demand; and
 - (ii) has no expiry date; and
 - (iii) states—
 - (A) the type and number of the petroleum authority or proposed petroleum authority; and
 - (B) the address of the financial institution; and
 - (iv) is signed for the financial institution by an officer who has authority to sign the security;
 - (e) a combination of the forms mentioned in paragraphs (a) to (d).
- (2) For section 488(2)(b) of the Act, the following amounts are prescribed—
 - (a) for an authority to prospect or proposed authority to prospect—\$12 000;

⁶⁷ Section 488 (Power to require security for petroleum authority) of the Act

- (b) for a data acquisition authority or proposed data acquisition authority—\$10 500;
- (c) for a petroleum lease or proposed petroleum lease—\$35 000;
- (d) for a water monitoring authority or proposed water monitoring authority—\$10 500.

151 Prescribed interest rates

For sections 588(3) and 602(2)⁶⁸ of the Act, the rate of interest is 15% a year.

Part 3 Other provisions

152 Required level of knowledge for reserves of petroleum

- (1) For section 121(1)(b)⁶⁹ of the Act, the prescribed level of knowledge of reserves of petroleum is—
 - (a) for a proposed petroleum lease to which chapter 3, part 3⁷⁰ of the Act applies—low or best estimate contingent resources; or
 - (b) otherwise—
 - (i) at least 20% of the reserves is a proved or probable reserve; and
 - (ii) the remainder of the reserves, if any, is a low or best estimate contingent resource.
- (2) In this section—

68 Sections 588 (Interest on amounts owing to the State other than for petroleum royalty) and 602 (Interest on unpaid petroleum royalty or additional petroleum royalty) of the Act

69 Section 121 (Requirements for grant) of the Act

70 Chapter 3 (Provisions for coal seam gas), part 3 (Obtaining petroleum lease over land in area of coal mining lease or oil shale mining lease) of the Act

low or best estimate contingent resource has the meaning given under the following documents published by the Society of Petroleum Engineers—

- (a) ‘Petroleum resource classifications and definitions’;
- (b) ‘Petroleum reserves definitions’;
- (c) ‘Standards pertaining to the estimating and auditing of oil and gas reserve information’.

153 Required level of knowledge for a deposit of coal or oil shale

- (1) For section 318(1)⁷¹ of the Act, the level of knowledge about a deposit of coal or oil shale in the land is—
 - (a) at least 20% of the area of the deposit must be a reserve under the relevant code; and
 - (b) the remainder of the deposit must be an indicated or measured resource under the relevant code.
- (2) The estimate of reserves and resources made for subsection (1) must comply with the relevant code.
- (3) For determining the amount of data required to make the estimate for a deposit of coal, regard must be had to the document called ‘Australian guidelines for estimating and reporting of inventory coal, coal resources and coal reserves’ (2003) published by the Coalfields Geology Council of New South Wales and the Queensland Mining Council.
- (4) In this section—

relevant code see section 318(4) of the Act.

154 Requirements for petroleum register

For section 565(1)⁷² of the Act, the information that must be included in the petroleum register for a petroleum authority is stated in schedule 11.

71 Section 318 (When preference decision is required) of the Act

72 Section 565 (Keeping of register) of the Act

155 Conversion of 1923 Act lease number 201 to petroleum lease

For section 893(1)(b)⁷³ of the Act, the 1923 Act lease numbered 201 is prescribed.

Chapter 7 Transitional and saving provisions

Part 1 Transitional provisions for Gas (Residual Provisions) Regulation 1989

156 Definitions for pt 1

In this part—

chief gas examiner means the chief gas examiner under the repealed *Gas (Residual Provisions) Act 1965*.

commencement means the commencement of section 860⁷⁴ of the Act.

existing, for an approval or certificate given under the repealed regulation, means an approval or certificate that is in effect immediately before the commencement.

repealed regulation means the repealed *Gas (Residual Provisions) Regulation 1989*.

157 Approval for non-conforming gas

An existing approval given by the chief gas examiner under section 21⁷⁵ of the repealed regulation is, on the

73 Section 893 (Application of sdiv 1) of the Act

74 Section 860 (Repeal) of the Act

75 Section 21 (Non-conforming gases) of the repealed regulation

commencement, taken to be a gas quality approval given by the chief inspector under section 622⁷⁶ of the Act.

158 Approval of gas devices etc.

- (1) An existing approval for an appliance, container, fitting or system given by an approval body under section 81⁷⁷ of the repealed regulation is taken to be an approval given by the chief inspector, or a person or body approved by the chief inspector, under section 733(2)⁷⁸ of the Act.
- (2) In this section—

approval body means—

 - (a) the chief gas examiner; or
 - (b) a person or body approved by the chief gas examiner under section 81 of the repealed regulation.

159 Continuing effect of certificates of compliance

- (1) An existing certificate of compliance under section 99⁷⁹ of the repealed regulation continues, on the commencement, to have effect as an inspection certificate under chapter 5, part 3.⁸⁰
- (2) A certificate mentioned in section 109(2A)(b)⁸¹ of the repealed regulation given by a licensed person is, on the commencement, taken to be a certification given under section 734(3)⁸² of the Act.
- (3) A certificate mentioned in section 110(2), 111(2) or 112(2)⁸³ of the repealed regulation given by a licensed person

76 Section 622 (Chief inspector's power to approve quality) of the Act

77 Section 81 (Observance of regulation) of the repealed regulation

78 Section 733 (Certification of gas device or gas fitting) of the Act

79 Section 99 (Fittings etc. in motor vehicles etc.) of the repealed regulation

80 Chapter 5 (Fuel gas), part 3 (Gas systems in vehicles and vessels)

81 Section 109 (Installations in premises) of the repealed regulation

82 Section 734 (Safety obligations of gas system installer) of the Act

83 Section 110 (Installations in caravans), 111 (Installations in vessels) or 112 (Installations in motor vehicles) of the repealed regulation

continues, on the commencement, to have effect as an inspection certificate under chapter 5, part 3.

(4) In this section—

licensed person means a licensed person under the repealed regulation.

160 Approval of plans and specifications for particular installations

- (1) An existing approval given by the chief gas examiner under section 100(2)⁸⁴ of the repealed regulation continues, on the commencement, to have effect.
- (2) The installation to which the approval relates is not required to comply with a safety requirement to the extent that the approval relates to an aspect of the plans and specifications for the installation that does not comply with the safety requirement.
- (3) However, subsection (2) no longer applies if—
 - (a) the installation is modified so that it no longer complies with the approved plans and specifications; or
 - (b) the plans and specifications that were approved are modified.

161 Effect of existing approval of vessel's gas system

- (1) This section applies if the plans and specifications for a gas fuel system used for the propulsion of a vessel were approved under section 105⁸⁵ of the repealed regulation.
- (2) For section 104,⁸⁶ the plans and specifications of the vessel's gas system are taken to have been approved by an inspector.

84 Section 100 (Standards etc.) of the repealed regulation

85 Section 105 (Vessel's gas fuel system to be approved) of the repealed regulation

86 Section 104 (Use of gas system for propulsion of a vessel)

162 Continuing effect of exemption

- (1) This section applies if—
 - (a) an existing exemption was given by the chief gas examiner under section 122⁸⁷ of the repealed regulation; and
 - (b) the exemption related to a requirement under the repealed regulation for which there is a corresponding requirement under this regulation.
- (2) On the commencement, the exemption continues to have effect for the purpose of the corresponding requirement.
- (3) However—
 - (a) the chief inspector may cancel the exemption at any time by giving notice to the holder of the exemption; and
 - (b) section 122(3) of the repealed regulation continues in force in relation to the exemption.

Part 2 Other transitional provisions**163 Continued application of Petroleum Act 1923 in relation to drilling of particular wells**

- (1) Sections 57 and 68⁸⁸ do not apply in relation to a prescribed well—
 - (a) that was drilled before the commencement; or
 - (b) if drilling of the well starts before 1 July 2005.
- (2) If sections 57 and 68 do not apply in relation to a prescribed well, the drilling of the well must comply with all relevant requirements under the 1923 Act, as it was before the commencement.

87 Section 122 (Exemptions) of the repealed regulation

88 Sections 57 (Additional downhole survey required if prescribed well intersects a coal seam) and 68 (Steel casing not to be used in particular horizontal wells)

164 Audit and inspection fee for 2004/2005 financial year

The audit and inspection fee payable by a liable person for the financial year starting on 1 July 2004 is the amount that is one-half of the fee for the year provided for under chapter 6, part 2, division 2.⁸⁹

Chapter 8 Amendment of regulations

Part 1 Amendment of Coal Mining Safety and Health Regulation 2001

165 Regulation amended in pt 1

This part amends the *Coal Mining Safety and Health Regulation 2001*.

166 Insertion of new s 6A

After section 6—

insert—

‘6A Potential hazard guide—coal seam gas or petroleum

- ‘(1) The potential hazard guide in schedule 1A is a list of potential hazards that may be created by coal mining operations in relation to exploring for or producing coal seam gas or petroleum.
- ‘(2) The guide is intended to help the site senior executive for a coal mine identify the matters mentioned in subsection (3) for preparing the coal mine’s safety and health management system, including a principal hazard management plan mentioned in division 4.

⁸⁹ Chapter 6 (Miscellaneous), part 2 (Fees, rents and royalties etc.), division 2 (Audit and inspection fees)

- ‘(3) For subsection (2), the matters are the activities, and the impact of the activities, that—
- (a) are carried out or proposed to be carried out as part of coal mining operations at the coal mine; and
 - (b) that may affect safe and efficient production of coal seam gas or petroleum under an adjacent or overlapping petroleum lease.’.

167 Insertion of new ch 2, pt 2, div 4

Chapter 2, part 2—

insert—

‘Division 4 Principal hazard management plan

‘12A Application of div 4

‘This division applies in relation to a coal mine on land the subject of a mining lease if—

- (a) coal mining operations are carried out at the coal mine—
 - (i) within the area of a petroleum lease (an *overlapping petroleum lease*); or
 - (ii) adjacent to the area of a petroleum lease (an *adjacent petroleum lease*); and
- (b) the coal mining operations physically affect, or may physically affect the safety of persons or plant in the area of the petroleum lease.

‘12B Principal hazard management plan

- ‘(1) The coal mine must, before the coal mining operations commence, have a principal hazard management plan that contains at least the matters stated in the *Mineral Resources Regulation 2003*, section 19D(1)(a)(i), (b) and (c).

- ‘(2) Before making the plan, the site senior executive must comply with the consultation requirement under section 19B(2)(b) of that regulation.
- ‘(3) If the mining lease for the coal mine is in force immediately before this section commences, this section does not apply for the coal mine until 6 months after the day this section commences.’.

168 Insertion of new s 60A

After section 60—

insert—

‘60A Borehole abandonment record

- ‘(1) This section applies if, during an annual reporting period—
 - (a) a borehole is abandoned at a coal mine; and
 - (b) prescribed equipment is left in, or immediately adjacent, to a coal seam in the borehole.
- ‘(2) The site senior executive must ensure a record complying with this section is made and given to the chief executive within 2 months after the last day of the annual reporting period.
- ‘(3) The record must include each of the following—
 - (a) details of the casing and equipment left in the borehole, with diagrams showing the major dimensions and features of the casing and equipment;
 - (b) a full description of all equipment, including prescribed equipment, that is left in the borehole, including—
 - (i) the size and nature of the equipment; and
 - (ii) any features of the equipment that may cause a hazard to coal mining operations;

Example of features that may cause a hazard to coal mining operations—

aluminium, electronics or batteries

- (c) for prescribed equipment—the surveyed location of the equipment as required under section 100(1)(a);

-
- (d) the method of the cementing operations carried out in or on the borehole, including each of the following—
 - (i) the location and type of plugs;
 - (ii) the intervals covered;
 - (iii) the volume and type of cement used;
 - (iv) any losses of cement due to voids or permeable strata;
 - (v) the methods used to overcome losses of cement;
 - (e) the method, materials and volume of cement used to cement voids;
 - (f) a description of any other abandonment procedures used for the borehole;
 - (g) any other details of the activities undertaken in drilling, completing and abandoning the borehole, including an assessment of their possible impacts, that would assist a person in making an assessment of potential risks to safe and efficient mining.

‘(4) In this section—

annual reporting period, for a mining tenure, means a period of 1 year starting on each anniversary of the day the tenure was granted.

prescribed equipment means—

- (a) metal equipment, including casing; and
- (b) any other equipment that may create a hazard to coal mining operations.’.

169 Amendment of s 61 (Plans of coal mine workings)

Section 61—

insert—

- ‘(3) Also, the site senior executive must ensure plans of the mine’s workings include—

- (a) the following matters that may affect the safety and health of a person in the area of an adjacent or overlapping petroleum lease—
 - (i) the surveyed location of all abandoned mining equipment, including, for example, mobile plant and conveyors;
 - (ii) the surveyed location and other details of all known incidents of spontaneous combustion; and
- (b) the following data or information obtained in relation to mining through part of a coal seam that has been stimulated—
 - (i) the location of the stimulation;
 - (ii) the observed extent and impact of the stimulation on the coal seam;
 - (iii) the observed effect of the stimulation on the mineability of the coal seam.

‘(4) In this section—

stimulation means a technique used to increase the permeability of a coal seam, including, for example, hydraulic fracturing, cavitations, fracture acidising, and the use of proppant treatments.’.

170 Replacement of s 100 (Securing boreholes)

Section 100—

omit, insert—

‘100 Requirements for drilling and abandoning boreholes

- ‘(1) If a borehole is drilled or abandoned at a coal mine, the site senior executive must ensure the following provisions of the *Petroleum and Gas (Production and Safety) Regulation 2004* (the *petroleum and gas regulation*) are complied with—
 - (a) sections 55 to 57 and 68 to 70;
 - (b) schedule 3, sections 2 and 4, 5 to 8 and 10;
 - (c) for a drilling rig used to drill the borehole—section 54(2)(a) and (c).

Maximum penalty—20 penalty units.

- ‘(2) Subsection (1)(b) does not apply in relation to an in-seam borehole drilled from underground.
- ‘(3) For subsection (1), the borehole is taken to be a prescribed well under the petroleum and gas regulation.
- ‘(4) Sections 57 and 68 of the petroleum and gas regulation do not apply in relation to a borehole—
 - (a) that was drilled before 31 December 2004; or
 - (b) if drilling of the borehole starts before 1 July 2005.
- ‘(5) If sections 57 and 68 of the petroleum and gas regulation do not apply in relation to a borehole, the drilling of the borehole must comply with this regulation as it was before the commencement of the petroleum and gas regulation.
- ‘(6) This section applies subject to section 295.⁹⁰

‘100AA Chief inspector may give exemption from s 100

‘The chief inspector, acting with the agreement of the chief inspector, petroleum and gas, may give the site senior executive for a coal mine an exemption from complying with a requirement under section 100 in relation to—

- (a) a stated borehole, or boreholes drilled or proposed to be drilled, at a coal mine; or
- (b) a stated coal seam.

‘100AB Site senior executive may apply for exemption from s 100

- ‘(1) The site senior executive may apply to the chief inspector for an exemption from a requirement under section 100.
- ‘(2) The application must—
 - (a) be in the approved form; and

90 Section 295 (Preventing inrushes through boreholes)

- (b) contain the information necessary to enable the chief inspector to decide the application; and
- (c) if the applicant proposes to implement alternative safety measures—contain details of the proposed measures; and
- (d) be lodged at—
 - (i) the office of the department for lodging the application, as stated in a gazette notice by the chief executive; or
 - (ii) if no office is gazetted under subparagraph (i) and an office is stated on the approved form—the stated office; or
 - (iii) otherwise—the office of the chief inspector.

‘(3) In this section—

alternative safety measures means systems, methods or procedures that—

- (a) do not comply with a requirement under section 100; and
- (b) achieve a level of risk that is equal to or less than the level of risk that would be achieved by complying with the requirement.

‘100AC Chief inspector to decide application for exemption from s 100

- ‘(1) In deciding an application for an exemption from a requirement under section 100, the chief inspector may seek advice or recommendations from a technical advisory committee for coal seam gas established under section 732B⁹¹ of the Petroleum and Gas (Production and Safety) Act.
- ‘(2) If advice or recommendations obtained by the chief inspector under subsection (1) are adverse to the site senior executive, the chief inspector must, before making a decision about

91 Section 732B (Technical advisory committees) of the Petroleum and Gas (Production and Safety) Act

whether to grant the exemption, give the site senior executive—

- (a) a copy of the advice or recommendations; and
 - (b) at least 15 business days to make submissions to the chief inspector about the advice or recommendations.
- ‘(3) The chief inspector must either give the exemption, with or without conditions, or refuse the application.
- ‘(4) The chief inspector may give the exemption only if—
- (a) the chief inspector, petroleum and gas agrees; and
 - (b) the requirement stated in subsection (5) is complied with for the exemption.
- ‘(5) For subsection (4)(b), the requirement is that the chief inspector is reasonably satisfied—
- (a) that if the exemption is granted—
 - (i) the likely impact on the future safe and efficient mining of coal is low; and
 - (ii) it is unlikely to cause a level of risk to the safe mining, or future mining, of coal that is more than an acceptable level of risk; and
 - (b) that the likely impact mentioned in paragraph (a)(i), and the level of risk mentioned in paragraph (a)(ii), are easily and reliably quantifiable; and

Examples—

A coal seam that is unlikely to be economically mined in the next 25 years due to unfavourable quality, the thickness or depth of the seam, the seam being discontinuous or structurally disturbed, or the seam being intruded or affected by heat.

A coal seam that is likely to be mined but alternative safety measures are proposed that reduce the level of risk so it is less than or equal to the level of risk that would be achieved under the relevant requirement.

- (c) that if the exemption is granted, the likely impact on the future safe and efficient production of petroleum is low.
- ‘(6) Without limiting subsection (3), a condition may require the site senior executive to comply with stated alternative safety measures within the meaning of section 100AB.

-
- ‘(7) The chief inspector must give the site senior executive notice of the decision.

‘100AD Requirements for site senior executive in relation to effect of coal mining operations on petroleum activities

- ‘(1) The site senior executive for a coal mine must ensure that coal mining operations carried out at the mine stop immediately if the site senior executive becomes aware, or ought reasonably to be aware, that—
- (a) the operations create a risk to the safety of persons in the area of an adjacent or overlapping petroleum lease; and
 - (b) the level of the risk is not an acceptable level.
- ‘(2) The site senior executive must ensure the operations do not resume until any reasonable and necessary action to reduce the level of the risk to an acceptable level have been taken.
- ‘(3) In this section—
acceptable level of risk see the Petroleum and Gas (Production and Safety) Act, section 700.’.

171 Insertion of new sch 1A

After section 373—

insert—

‘Schedule 1A Potential hazard guide—coal seam gas or petroleum

section 6A(1)

| Type of hazard | Potential impact of hazard |
|---------------------------------------|---|
| unsealed holes | gas released to the atmosphere (resource lost; safety hazard to personnel) |
| inaccurately located holes | remedial measures are hindered connection to a petroleum well created |
| dewatering a significant area of coal | invalidation of prior exploration data if there are permanent geotechnical or quality changes to the coal creation of ‘free gas’ causing a hazard in the petroleum well and at the surface impact on horizon stress field and coal strength, with potential shearing or deformation of casing in the well problems with coal seam gas exploration activity, including, for example, friable coal unable to be cored for sampling, and changes of coal characteristics fluid losses during drilling through a depressurised zone |
| mine workings or broken strata | if potential hazard is drilled into: influx of gas under pressure; injury to personnel; damage to equipment; compromising of the structural integrity of the mine uncontrolled drill string movement inability to drill (bogged or lost rods causing personal injury during retrieval; reduced access to lower targets) inability to set casing |

| Type of hazard | | Potential impact of hazard |
|----------------------------------|-------------|---|
| | | drilling with air may create an explosive mixture |
| abandoned equipment | mine | if equipment is intersected: inability to drill; injury to personnel; damage to equipment |
| abandoned combustion area | spontaneous | if area is intersected: downhole fire caused by drilling with air |
| stability of wells in goaf areas | | adverse affect on stress field and coal strength, potential shearing or deformation of casing’. |

172 Amendment of sch 9 (Dictionary)

Schedule 9—

insert—

‘***abandoned***, for a borehole, means the borehole—

- (a) is no longer required for the purpose for which it was drilled; and
- (b) is not required for any other operational or investigative purpose.

adjacent petroleum lease, for coal mining operations, see section 12A(a)(ii).

chief inspector, petroleum and gas means the chief inspector under the Petroleum and Gas (Production and Safety) Act.

overlapping petroleum lease, for coal mining operations, see section 12A(a)(i).

Petroleum and Gas (Production and Safety) Act means the *Petroleum and Gas (Production and Safety) Act 2004*.

petroleum lease means a lease under the *Petroleum Act 1923* or a petroleum lease under the Petroleum and Gas (Production and Safety) Act.’.

Part 2**Amendment of Mineral
Resources Regulation 2003****173 Regulation amended in pt 2**

This part amends the *Mineral Resources Regulation 2003*.

174 Insertion of new s 15A

Part 7—

insert—

‘15A Definitions for pt 7

‘In this part—

adjacent petroleum lease, for coal mining operations, see section 19B(1)(a)(ii).

coal mine has the meaning given under the *Coal Mining Safety and Health Act 1999*, section 9.

coal mining operations has the meaning given under the *Coal Mining Safety and Health Act 1999*, schedule 3.

overlapping petroleum lease, for coal mining operations, see section 19B(1)(a)(i).

petroleum lease means a lease under the *Petroleum Act 1923* or a petroleum lease under the *Petroleum and Gas (Production and Safety) Act*.’.

175 Insertion of new ss 19A–19F

Part 7—

insert—

‘19A Required level of knowledge about resources or reserves of petroleum

- ‘(1) This section prescribes, for section 318BA(1)(c)⁹² of the Act, the required level of knowledge about a resource or reserve (the *deposit*) of petroleum in the land.
- ‘(2) The requirements are that the Minister is reasonably satisfied that—
- (a) at least 20% of the deposit is a proved or probable reserve under the relevant codes; and
 - (b) the remainder of the deposit, if any, is a low or best estimate contingent resource under the relevant codes.
- ‘(3) Also, for a deposit of coal seam gas, the Minister must be reasonably satisfied that—
- (a) there is adequate geological continuity for each coal seam (*relevant coal seam*) in relation to which the deposit occurs; and
 - (b) there is adequate data to establish each of the following—
 - (i) the composition of the gas in the natural underground reservoir;
 - (ii) the volume of the gas in the natural underground reservoir in relation to the mass of the coal seam;
 - (iii) flow rates for the natural underground reservoir, based on information obtained from drill stem or other tests; and
 - (c) sufficient production testing for coal seam gas has been undertaken throughout the deposit in the relevant coal seams to provide adequate certainty in relation to the estimations required under subsection (2)(a) and (b); and
 - (d) there are reasonable prospects for the economic production of coal seam gas from the deposit.

92 Section 318BA (When preference decision is required) of the Act

- ‘(4) In deciding the amount of data required to make estimates of the resource or reserve for subsection (2)(a) and (b) for a deposit of coal seam gas, and the amount of data required in relation to subsection (3)(a) to (c), the Minister may have regard to the document called ‘Australian guidelines for estimating and reporting of inventory coal, coal resources and coal reserves’ (2003) published by the Coalfields Geology Council of New South Wales and the Queensland Mining Council.
- ‘(5) In this section—
relevant codes see section 318BA of the Act.

‘19B Condition of mining lease—principal hazard management plan

- ‘(1) This section applies in relation to a coal mining lease if—
- (a) coal mining operations carried out under the mining lease are carried out—
 - (i) within the area of a petroleum lease (an *overlapping petroleum lease*); or
 - (ii) adjacent to the area of a petroleum lease (an *adjacent petroleum lease*); and
 - (b) the coal mining operations physically affect, or may physically affect—
 - (i) the safety of persons or plant in the area of the petroleum lease; or
 - (ii) the efficiency with which the authorised activities under the petroleum lease can be carried out.
- ‘(2) It is a condition of the mining lease that the holder must—
- (a) before the coal mining operations commence, make a principal hazard management plan for the mining lease that complies with section 19D; and
 - (b) if section 19C applies, before making the plan—
 - (i) make reasonable attempts to consult with the petroleum lease holder about the plan; and

-
- (ii) subject to section 19C(3), have regard to any reasonable provisions for the plan proposed by the petroleum lease holder; and
 - (c) implement and maintain the plan.
 - ‘(3) A principal hazard management plan made by the mining lease holder may also relate to another coal mining lease—
 - (a) that is held by the same holder; and
 - (b) under which coal mining operations are carried out in or adjacent to the area of the petroleum lease.
 - ‘(4) The condition of the holder’s mining lease mentioned in subsection (2) is taken to have been complied with if—
 - (a) a principal hazard management plan (a *mine’s principal hazard management plan*) has been implemented under the *Coal Mining Safety and Health Act 1999* for each coal mine operated under the lease at which coal mining operations mentioned in subsection (1) are carried out; and
 - (b) the mine’s principal hazard management plan contains all of the matters mentioned in section 19D; and
 - (c) before the mine’s principal hazard management plan was made, the consultation requirements under subsection (2)(b) were complied with to the extent the plan was proposed to contain the matters mentioned in section 19D.
 - ‘(5) If the holder’s mining lease is in force immediately before this section commences, the condition in subsection (2) does not apply for the lease until 6 months after the day this section commences.

‘19C Consultation requirement for principal hazard management plan

- ‘(1) This section applies if—
 - (a) the holder of a mining lease to which section 19B applies is not the holder of the adjacent or overlapping petroleum lease; and

- (b) the coal mining operations are carried out adjacent to the area of the petroleum lease.
- ‘(2) For section 19B(2)(b)(i), the mining lease holder is taken to have made reasonable attempts to consult if—
 - (a) the holder gives the petroleum lease holder a copy of the holder’s proposed principal hazard management plan; and
 - (b) the petroleum lease holder has not, within 20 days after being given the copy, made any proposal to the mining lease holder about the provisions for the plan.
- ‘(3) The obligation under section 19B(2)(b)(ii) applies only to the extent the provisions are commercially and technically feasible for the mining lease holder or the holder of any adjacent or overlapping petroleum lease.

‘19D Content of principal hazard management plan

- ‘(1) For section 19B, a principal hazard management plan must, for the coal mining operations mentioned in section 19B(1)—
 - (a) identify and assess the physical effects created or that may be created by the coal mining operations in relation to—
 - (i) the safety of persons or plant in the area of an adjacent or overlapping petroleum lease; or
 - (ii) the efficiency with which the authorised activities under the adjacent or overlapping petroleum lease can be carried out; and
 - (b) identify the triggers or material changes or effects, or the likely triggers, material changes or effects, that must be monitored, including for example, specific purpose boundary monitoring, if required; and
 - (c) for each matter identified under paragraph (b)—
 - (i) state response procedures and times; and
 - (ii) state the type of action required for the response; and

Examples of action that may be required—

- 1 a risk analysis
 - 2 notice to the petroleum lease holder of—
 - (a) a drop in hydrostatic pressure that may show a potential hazard to persons carrying out authorised activities under the petroleum lease; or
 - (b) a change in water that may show fluid interconnections with an adjacent petroleum lease
- (iii) state the reporting procedures.
- ‘(2) The potential hazard guide in schedule 2A is a list of potential hazards that may be created by coal mining operations in relation to exploring for or producing coal seam gas or petroleum.
- ‘(3) The guide is intended to help the mining lease holder identify and assess the effects mentioned in subsection (1)(a).

‘19E Resolving disputes about provision proposed by petroleum lease holder

- ‘(1) This section applies if there is a dispute between the holder of the mining lease and a petroleum lease holder about the reasonableness of a provision proposed by the petroleum lease holder for the mining lease holder’s proposed principal hazard management plan for the mining lease.
- ‘(2) Either party may refer the dispute to the chief inspector of coal mines to decide whether the proposed provision is reasonable.
- ‘(3) The referral must be—
- (a) written; and
 - (b) lodged at the following office (the *relevant office*)—
 - (i) the office of the department for lodging the referral, as stated in gazette notice by the chief inspector of coal mines;

(ii) if no office is gazetted under subparagraph (i)—the office of the chief inspector of coal mines.

- ‘(4) Before deciding the dispute, the chief inspector of coal mines must give each party a reasonable opportunity to lodge at the relevant office submissions about the dispute.
- ‘(5) The chief inspector may decide the dispute only with the agreement of the chief inspector, petroleum and gas.
- ‘(6) The decision of the chief inspector of coal mines binds each party to the dispute.
- ‘(7) The chief inspector of coal mines must give each party written notice of the decision.
- ‘(8) In this section—

chief inspector of coal mines means the chief inspector of coal mines under the *Coal Mining Safety and Health Management Act 1999*.

chief inspector, petroleum and gas means the chief inspector under the Petroleum and Gas (Production and Safety) Act.

‘19F Requirement to stop particular activities

- ‘(1) The holder of a mining lease must ensure coal mining operations carried out under the lease stop immediately if—
 - (a) the holder becomes aware, or ought reasonably to be aware, that the operations physically affect the efficiency with which authorised activities under an adjacent or overlapping petroleum lease can be carried out; and
 - (b) the holder of the petroleum lease has not consented to the operations being carried out.

Maximum penalty—20 penalty units.
- ‘(2) The holder must ensure the activity does not resume until—
 - (a) the operations are modified so they do not have a physical affect on the efficiency of the petroleum activities to the extent mentioned in subsection (1); or

- (b) the holder of the petroleum lease consents in writing to the operations being carried out.

Maximum penalty—20 penalty units.

- (3) In this section—

acceptable level of risk has the meaning given under the Petroleum and Gas (Production and Safety) Act, section 700.’.

176 Amendment of s 33 (Exemption for hydrocarbons)

- (1) Section 33, heading, ‘hydrocarbons’—

omit, insert—

‘coal seam gas’.

- (2) Section 33, ‘hydrocarbons that are’—

omit, insert—

‘coal seam gas that is’.

- (3) Section 33(b)—

omit, insert—

‘(b) for incidental coal seam gas mined under a mining lease, or coal seam gas mined under a mineral hydrocarbon mining lease⁹³—used beneficially for mining the coal that produced the gas.’.

- (4) Section 33—

insert—

- ‘(2) However, subsection (3) applies if incidental coal seam gas mined under a mining lease, or coal seam gas mined under a mineral hydrocarbon mining lease, is used to generate electricity that is—

- (a) partly used for mining under the mining lease; and
(b) partly used for another purpose.

⁹³ See sections 318CM (Limited entitlement to mine coal seam gas) and 747 (Continuation of particular rights relating to coal seam gas under mineral hydrocarbon mining leases) of the Act.

- ‘(3) Subsection (1) applies only to the proportion of the gas that is equivalent to the proportion of the electricity generated from the gas that is used for mining under the mining lease.
- ‘(4) Despite subsection (1)(b), if the first underground mining of coal under a mining lease started before 31 December 2004, coal seam gas produced under the lease and used beneficially for mining under the lease is exempt from royalty.’.

177 Replacement of pt 9, div 3, sdiv 2, hdg (Hydrocarbons)

Part 9, division 3, subdivision 2, heading—

omit, insert—

‘Subdivision 2 Coal seam gas’.

178 Replacement of s 41 (Working out value of hydrocarbons)

Section 41—

omit, insert—

‘41 Value of coal seam gas

‘The value of coal seam gas must be worked out in the same way as the value of petroleum is worked out for the Petroleum and Gas (Production and Safety) Act, section 590(3).⁹⁴’.

179 Amendment of pt 9, div 3, sdiv 3, hdg (Minerals other than hydrocarbons)

Part 9, division 3, subdivision 3, heading, ‘hydrocarbons’—

omit, insert—

‘coal seam gas’.

180 Amendment of s 43 (Working out value of minerals other than hydrocarbons)

- (1) Section 43, heading, ‘hydrocarbons’

⁹⁴ Petroleum and Gas (Production and Safety) Act, section 590 (Imposition of petroleum royalty on petroleum producers)

omit, insert—

‘coal seam gas’.

(2) Section 43(1), ‘hydrocarbon’—

omit, insert—

‘coal seam gas’.

181 Insertion of new sch 2A

After schedule 2—

insert—

‘Schedule 2A Potential hazard guide

section 19D(2)

| Type of hazard | Potential impact of hazard |
|---------------------------------------|--|
| unsealed holes | gas released to the atmosphere (resource lost; safety hazard to personnel) |
| inaccurately located holes | remedial measures are hindered connection to a petroleum well created |
| dewatering a significant area of coal | invalidation of prior exploration data if there are permanent geotechnical or quality changes to the coal creation of ‘free gas’ causing a hazard in the petroleum well and at the surface impact on horizon stress field and coal strength, with potential shearing or deformation of casing in the well problems with coal seam gas exploration activity, including, for example, friable coal unable to be cored for sampling, and changes of coal characteristics |

| Type of hazard | Potential impact of hazard |
|---------------------------------------|---|
| mine workings or broken strata | <p>fluid losses during drilling through a depressurised zone</p> <p>if potential hazard is drilled into: influx of gas under pressure; injury to personnel; damage to equipment; compromising of the structural integrity of the mine</p> <p>uncontrolled drill string movement</p> <p>inability to drill (bogged or lost rods causing personal injury during retrieval; reduced access to lower targets)</p> <p>inability to set casing</p> <p>drilling with air may create an explosive mixture</p> |
| abandoned mine equipment | if equipment is intersected: inability to drill; injury to personnel; damage to equipment |
| abandoned spontaneous combustion area | if area is intersected: downhole fire caused by drilling with air |
| stability of wells in goaf areas | adverse affect on stress field and coal strength, potential shearing or deformation of casing’. |

182 Amendment of sch 4 (Royalty payable for minerals)

Schedule 4, part 2, section 5—

omit, insert—

‘5 Coal seam gas

‘The royalty rate for coal seam gas is the rate applying to petroleum under the Petroleum and Gas (Production and Safety) Act, section 590.⁹⁵’.

⁹⁵ Petroleum and Gas (Production and Safety) Act, section 590 (Imposition of petroleum royalty on petroleum producers)

183 Amendment of sch 6 (Fees)

Schedule 6—

insert—

‘Part 5A Fees relating to pt 7AA of the Act

| | | |
|---|---|----------|
| 1 | Application for amendment of relinquishment condition (Act, s 318DC(h)) | 400.00 |
| 2 | Application to consolidate coal mining leases or oil shale mining leases (Act, s 318DM(2)(b)) | 500.00 |
| 3 | Proposed later development plan lodged within the time required under the Act, s 318EB(3) (Act, s 318EB(6)) . . . | 400.00 |
| 4 | Proposed initial development plan (Act, s 758(2)(b)) | 400.00’. |

184 Amendment of sch 7 (Dictionary)

(1) Schedule 7, definition *hydrocarbon*—
omit.

(2) Schedule 7—
insert—

‘adjacent petroleum lease, for part 7, see section 15A.

coal mine, for part 7, see section 15A.

coal mining operations, for part 7, see section 15A.

overlapping petroleum lease, for part 7, see section 15A.

petroleum lease, for part 7, see section 15A.

principal hazard management plan, for a mining lease, means a principal hazard management plan for the lease made as required under the condition of the lease mentioned in section 19B(2).’.

Schedule 1 Mandatory and preferred standards for safety requirements

section 7 and schedule 8, sections 2(a) and 4

Part 1 Exploring for and producing petroleum

| Column 1 | Column 2 | Column 3 |
|---|---|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| 'Plant advisory standard' published in 2000 by the Division of Workplace Health and Safety, Department of Industrial Relations | operating plant that is a drilling rig | preferred |
| ISO 10405 'Petroleum and natural gas industries—casing and tubing' (2000) | petroleum exploration and production drilling and completion; wellhead production; plant design, manufacture, operation and maintenance (<i>petroleum exploration and drilling</i>) | preferred |
| ISO 10407 'Petroleum and natural gas industries—care and use of drilling and production equipment; drill stem design and operating limits' (1993) | petroleum exploration and drilling | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|---|--|---------------------------------|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| ISO 10414 'Petroleum and natural gas industries—field testing of drilling fluids' Part 1 'Water-based fluids' (2001) Part 2 'Oil-based fluids' (2002) | petroleum exploration and drilling | preferred |
| ISO 10423 'Petroleum and natural gas industries—drilling and production equipment—wellhead and christmas tree equipment' (2003) | petroleum exploration and drilling | preferred |
| ISO 10424 'Petroleum and natural gas industries—rotary drilling equipment' Part 1 'Rotary drill stem elements' (2004) | petroleum exploration and drilling | preferred |
| ISO 10427 'Petroleum and natural gas industries—casing centralizers' Part 1 'Bow-spring casing centralizers' (2001) Part 2 'Centralizer placement and stop-collar testing' (2004) Part 3 'Performance testing of cementing float equipment' (2003) | petroleum exploration and drilling | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|---|---|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| ISO 10432 'Petroleum and natural gas industries—downhole equipment—subsurface safety valve equipment' (2003) | petroleum exploration and drilling | preferred |
| ISO 11960 'Petroleum and natural gas industries—steel pipes for use as casing or tubing for wells' (2001) | petroleum exploration and drilling | preferred |
| ISO 11961 'Petroleum and natural gas industries—steel pipes for use as drill pipe—specification' (1996) | petroleum exploration and drilling | preferred |
| ISO 13500 'Petroleum and natural gas industries—drilling fluid material—specifications and tests' (1998) | petroleum exploration and drilling | preferred |
| ISO 13533 'Petroleum and natural gas industries—drilling and production equipment—drill-through equipment' (2001) | petroleum exploration and drilling | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|---|--|---------------------------------|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| ISO 13534 'Petroleum and natural gas industries—drilling and production equipment—inspection, maintenance, repair and remanufacture of hoisting equipment' (2000) | petroleum exploration and drilling | preferred |
| ISO 13535 'Petroleum and natural gas industries—drilling and production equipment—hoisting equipment' (2000) | petroleum exploration and drilling | preferred |
| ISO 13626 'Petroleum and natural gas industries—drilling and production equipment—drilling and well-servicing structures' (2003) | petroleum exploration and drilling | preferred |
| ISO 13679 'Petroleum and natural gas industries—procedures for testing casing and tubing connections' (2002) | petroleum exploration and drilling | preferred |
| ISO 14693 'Petroleum and natural gas industries—drilling and well-servicing equipment' (2003) | petroleum exploration and drilling | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|--|---|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| ISO 15136 'Downhole equipment for petroleum and natural gas industries—progressing cavity pump systems for artificial lift' Part 1 'Pumps' (2001) | petroleum exploration and drilling | preferred |
| ISO 15546 'Petroleum and natural gas industries—aluminium alloy drill pipe' (2002) | petroleum exploration and drilling | preferred |

Part 2

Transmission pipelines

| Column 1 | Column 2 | Column 3 |
|--|---|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS 2885 'Pipelines—gas and liquid petroleum' Part 1 'Design and construction' (2001) Part 2 'Welding' (2002) Part 3 'Operation and maintenance' (2001) Part 4 'Offshore submarine pipeline systems' (2003) Part 5 'Field pressure testing' (2002) | design, construction, operation and maintenance of transmission pipelines | mandatory |

Schedule 1 (continued)

Part 3 Fuel gas distribution

| Column 1 | Column 2 | Column 3 |
|---|--|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AG 603 'Gas distribution code' (1982) | distribution of LPG vapour and natural gas | preferred |
| AS 1697 'SAA gas pipeline code' (1981) | design and construction of high pressure distribution systems | preferred |
| AS 2033 'Installation of polyethylene pipe systems' (1980) | installation of distribution systems | preferred |
| AS/NZS 2648.1 'Underground marking tape—non-detectable tape' (1995) | installation of buried distribution systems and consumer pipes | preferred |
| AS 3723 'Installation and maintenance of plastics pipe systems for gas' (1989) | installation and maintenance of distribution systems | preferred |
| AS 4041 'Pressure piping' (1998) | installation of distribution pipelines, facilities and consumer piping | preferred |
| AS/NZS 4129 'Fittings for polyethylene (PE) pipes for pressure applications' (2000) | installation of distribution systems | preferred |

Schedule 1 (continued)

Part 4 **LPG storage and handling**

| Column 1 | Column 2 | Column 3 |
|---|---|---------------------------------|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS/NZS 1425 ‘LP gas for fuel systems for vehicle engines’ (2003) | design, installation and certification of motor fuel gas systems | preferred |
| AS/NZS 1596 ‘The storage and handling of LP gas’ (2002) | storing and handling LPG, including installing and handling fuel gas containers | preferred |
| AS/NZS 2229, ‘Fuel dispensing equipment for explosive atmospheres’ (2004) | design and construction of LPG liquid dispensing systems | preferred |
| AS 4732 ‘LP gas fuel systems for marine engines’ (2002) | design, installation and certification of gas fuel systems in vessels | preferred |

Schedule 1 (continued)

Part 5 Gas work

| Column 1 | Column 2 | Column 3 |
|--|--|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS 5601 / AG 601 'Gas installations' (2004) | installation of gas systems | preferred |
| AS 3814 / AG 501 'Industrial and commercial gas-fired appliances' (2002) | design and certification of gas devices (type B) | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|--|--|---------------------------------|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| <p>AS 61508 'Functional safety of electrical / electronic / programmable electronic safety-related systems' Part 1 'General requirements' (1999) Part 2 'Requirements for electrical / electronic / programmable electronic safety-related systems' (2001) Part 3 'Software requirements' (1999) Part 4 'Definition and abbreviations' (1999) Part 5 'Examples of methods for the determination of safety integrity levels' (1999) Part 6 'Guidelines on the application of AS 61508.2 and AS 61508.3' (2001) Part 7 'Overview of techniques and measures' (2001)</p> | <p>installation and operation of gas systems</p> | <p>preferred</p> |

Schedule 1 (continued)

| Column 1 Name of code, standard or document | Column 2 What the safety requirement applies to | Column 3 Mandatory or preferred standard |
|--|--|---|
| AS/IEC 61511 'Functional safety—safety instrumented systems for the process industry sector' Part 1 'Framework, definitions, systems, hardware and software requirements' (2004) Part 2 'Guidelines for the application of AS/IEC 61511—1' (2004) Part 3 'Guidance for the determination of the required safety integrity levels' (2004) | installation and operation of gas systems | preferred |

Schedule 1 (continued)

Part 6 Other safety requirements

| Column 1 | Column 2 | Column 3 |
|--|---|---------------------------------|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS 1210 'Pressure vessels' (1997) | materials, design, manufacture, testing, inspection, certification and despatch of fired and unfired pressure vessels | preferred |
| AS/NZS 1677 'Refrigerating systems' Part 1 'Refrigerant classification' (1998) Part 2 'Safety requirements for fixed applications' (1998) | design of gas devices (type B) that use flammable hydrocarbon gas as a refrigerant | mandatory |
| AS 2030 'The verification, filling, inspection, testing and maintenance of cylinders for storage and transport of compressed gases' Part 1 'Cylinders for compressed gases other than acetylene' (1999) | verification, filling, inspection and maintenance of cylinders | preferred |
| AS 2809.3 'Road tank vehicles for dangerous goods—tankers for compressed liquefiable gases' (1999) | design of road tank vehicles | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|---|--|---------------------------------|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS 2337 ‘Gas cylinder test stations’ Part 1 ‘General requirements, inspection and tests—gas cylinders’ (2004) Part 2 ‘LP gas fuel vessels for automotive use’ (2004) Part 3 ‘Inspection and testing of fibre reinforced plastics (FRP) gas cylinders’ (1998) | inspection and testing of fuel gas containers | mandatory |
| AS 2430.3 ‘Classification of hazardous areas—examples of area classification’ Part 1 ‘General’ (2004) Part 4 ‘Flammable gases’ (2004) Part 7 ‘Landfill gas, sewage treatment and sewage pumping plants’ (2004) | assessing the hazardous nature of a gas system for fuel gas or petroleum | preferred |
| AS/NZS 60079, part 10 ‘Electrical apparatus for explosive gas atmospheres—classification of hazardous areas’ (2004) | design of a gas system for fuel gas or petroleum | preferred |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|---|---|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS 2809 'Road tank vehicles for dangerous goods' Part 1 'General requirements' (1999) Part 2 'Tankers for flammable liquids' (1999) Part 3 'Tankers for compressed liquefiable gases' (1999) Part 5 'Tankers for bitumen-based products' (2001) | design of road tank vehicles | preferred |
| AS/NZS 2739 'Natural gas (CNG) fuel systems for vehicle engines' (2003) | design, installation and certification of natural gas (CNG) fuel systems in vehicles | preferred |
| AS 2746 'Working areas for gas-fuelled vehicles' (1999) | design and operation of workshops where gas devices in gas fuelled vehicles are installed or repaired | preferred |
| AS/NZS 3788 'Pressure equipment—in-service inspection' (2001) | inspection of tanks | mandatory |

Schedule 1 (continued)

| Column 1 | Column 2 | Column 3 |
|--|--|--|
| Name of code, standard or document | What the safety requirement applies to | Mandatory or preferred standard |
| AS 4332 'The storage and handling of gases in cylinders' (2004) | storage, handling and distribution of cylinders to which the standard applies, other than those to which AS 1596 'The storage and handling of LP gas' (2002) applies | preferred |
| AS 4983 'Gas fuel systems for forklifts and industrial engines' (2003) | design, installation and certification of gas fuel systems for forklifts and industrial engines | preferred |

Schedule 2 Prescribed incidents

section 11 and schedule 12, definition *immediately*

| Column 1 | Column 2 | Column 3 |
|---|--|----------------------------------|
| Incident | Way report must be given | When report must be given |
| An incident involving death of a person | By telephone | Immediately |
| | In writing ¹ | As soon as practicable |
| An incident involving injury to a person requiring medical treatment other than at the operating plant | By telephone | Immediately |
| | In writing, if a written report is requested by an inspector | As soon as practicable |
| An emergency, including an emergency alarm activation other than as part of a routine test, at an operating plant that is a major hazard facility under the Dangerous Goods Act | By telephone | Immediately |
| | In writing | As soon as practicable |
| A fire at an operating plant | By telephone | Immediately |
| | In writing | As soon as practicable |

Schedule 2 (continued)

| Column 1 | Column 2 | Column 3 |
|---|--|--|
| Incident | Way report must be given | When report must be given |
| An uncontrolled oil or gas leak attended by emergency services | In writing, if a written report is requested by an inspector | As soon as practicable |
| An incident with the potential to cause a general shortage of fuel gas in Queensland or an area of Queensland | By telephone | Immediately |
| | In writing | As soon as practicable |
| An incident involving damage to property that substantially increases the risk of damage to plant or equipment or injury to persons | By telephone | Immediately |
| | In writing | As soon as practicable |
| An incident involving coal mining operations at an operating plant in the area of a coal or oil shale mining lease | As required under the principal hazard management plan for the operating plant | As required under the principal hazard management plan for the operating plant |

Schedule 2 (continued)

| Column 1 | Column 2 | Column 3 |
|--|---------------------------------|--|
| Incident | Way report must be given | When report must be given |
| An incident at an operating plant to which the <i>Workplace Health and Safety Act 1995</i> does not apply, if the incident is not otherwise mentioned in this schedule | In writing | As soon as practicable after the end of the month during which the incident occurs |
| An incident that had the potential to, but did not, cause the death of, or injury to, a person or damage to plant or equipment | In writing | As soon as practicable after the end of the month during which the incident occurs |

1 See also the *Electronic Transactions (Queensland) Act 2001*.

Schedule 3 Requirements for plugging and abandoning petroleum wells and bores

section 60(1)

Part 1 Preliminary

1 Definitions for sch 3

In this schedule—

prescribed well or bore means a well or bore, other than a horizontal well.

well or bore means a petroleum well or bore drilled under a petroleum authority.

Part 2 Requirements for all wells and bores

2 Abandonment to be consistent with good industry practice

A well or bore must be abandoned in accordance with good industry practice, to the extent that practice is consistent with this regulation.

3 Capping of well or bore

The well or bore must be capped with a metal plate inscribed with the following information—

- (a) the identifying name of the well or bore;

Schedule 3 (continued)

- (b) the total depth in metres of the well or bore;
- (c) the date the well or bore was abandoned.

4 Casing to be sealed

- (1) The casing of the well or bore must be sealed below ground level.
- (2) The stub of the casing must be buried below the surface at a depth that—
 - (a) allows for the efficient later re-entry to the well or bore; and
 - (b) will not adversely interfere with the normal activities of the owner of the land on which the well or bore is located.

Part 3 Additional requirements for wells and bores, other than horizontal wells**5 Isolation of aquifers and porous formations**

An aquifer or porous formation, including, for example, a coal seam, that is intersected by a prescribed well or bore must be isolated so there is no interconnection of gas or water between the aquifers or porous formations.

6 Casing of prescribed well or bore

- (1) Steel casing must be removed from any section of a prescribed well or bore that is within or immediately adjacent to a coal seam.
- (2) However, subsection (1) need not be complied with if it is not technically or commercially feasible to remove the casing.

Schedule 3 (continued)

Example—

production casing that has been cemented in place and can not feasibly be removed

7 Cement to be used for plugs etc.

- (1) A prescribed well or bore must have a surface plug of cement in the casing.
- (2) Also, if a prescribed well or bore has more than 1 casing string and any inner casing string does not reach the surface, the inner casing string must, if required to comply with section 5,⁹⁶ be plugged with cement at the top of the string.
- (3) Cement used as a plug in a prescribed well or bore must be of an industry accepted grade, having regard to the salinity of the fluids in the surrounding strata.
- (4) A plug in, or adjacent to, a coal seam in a prescribed well or bore must, if reasonably practicable, be adequately secured.
- (5) The operator of the well or bore must test any cement that is used as a plug in the well or bore and ensure that it complies with the requirements under this regulation.

8 Requirement for packer left in prescribed well or bore

A packer in, or adjacent to, a coal seam in a prescribed well or bore that is not to be removed from the well or bore must, if reasonably practicable—

- (a) be made of a material that is intrinsically safe; and
- (b) be adequately secured.

9 Fluid to be left in prescribed well or bore

A prescribed well or bore must be left full of fluid that is of sufficient density to—

⁹⁶ Section 5 (Isolation of aquifers and porous formations)

Schedule 3 (continued)

- (a) help maintain the structural integrity of the well or bore; and
- (b) prevent gas influx.

10 Requirements if steel casing or drill string is left in coal seam

- (1) This section applies if steel casing or drill string is left within a coal seam in a prescribed well or bore.
- (2) The well or bore must be abandoned in a way that assists future entry of the well or bore for the purpose of milling or removing steel from the coal seam.
- (3) In complying with subsection (2), the operator must ensure that each of the following is carried out before the well or bore is plugged and abandoned—
 - (a) sucker rods, pump and tubing and any other debris in the well or bore that can practicably be removed are removed;
 - (b) perforated casing is cemented to ensure all aquifers and porous formations, including for example, coal seams, are isolated as required under section 5;
 - (c) if casing remains in the well or bore, the fluid left in the well or bore as required under section 9—
 - (i) is anti corrosive; and
 - (ii) has corrosion inhibitor added to it if the fluid is or may become corrosive;
 - (d) casing strings are cut off at approximately 1.5 m below ground level and all wellhead equipment is removed;
 - (e) before backfilling, a metal plate is welded fully across the top of the innermost casing string and marker tape is laid approximately 20 cm above the top of the casing;
 - (f) a plaque, stating the following information, is placed on the nearest fence, building or other permanent structure—

Schedule 4 Coal seam gas potential hazard guide

section 67(1)

| Type of hazard | Potential impact of hazard |
|--|--|
| Physical disturbance of environment | |
| stimulation of coal seam | structural integrity of coal seam and strata immediately above and below the coal seam (roof and floor) adversely affected air paths over pillars |
| dewatering of a significant area of coal | impact on coal quality (unlikely) invalidation of prior exploration data if permanent geotechnical or quality changes to coal, roof or floor impact on mining horizon may stress field and coal strength, with potential shearing or deformation of coal, roof or floor problems with coal exploration activity, including, for example, friable coal unable to be cored for sampling, and changes of coal characteristics may cause spontaneous combustion at the subcrop of the coal |
| Creation of hazardous objects | |
| unrecovered steel casing or drill string | may damage equipment, create delays, cause additional costs, reduce productivity, sterilise resources or create safety issues |
| unrecovered radioactive device | health hazard to coal miners; coal rendered unmineable or additional costs and delays to mining |

Schedule 4 (continued)

| Type of hazard | Potential impact of hazard |
|--|--|
| introduction of sand or other foreign material, including, for example, gels | may affect coal quality and production (unlikely because of small quantities typically used by operating plants) |
| Creation of hazardous zones | |
| gas-filled voids | explosion or asphyxiation due to entry of methane into working face after intersecting void, including, for example, an open horizontal hole |
| unsealed holes and voids | an open petroleum well, including, for example, a surface to in-seam well, that connects with underground mine workings or goaf (the entry of air may increase the risk of spontaneous combustion) |
| | open horizontal wells in a coal seam allowing air path through pillars |
| | entry of water from an open petroleum well connecting a significant accumulation of water (surface or upper seam goafs or aquifers) to a location underground |
| isolated areas and patches of high residual gas | requirement for supplementary gas drainage; gas hazard if not detected |
| | a pressurised gas reservoir may connect to workings |
| Hazards associated with adjacent or overlapping mining operations | |
| dewatering affecting adjacent mine | increased risk of spontaneous combustion in some circumstances, including, for example, goaf and up-dip areas of the coal seam |

Schedule 4 (continued)

| Type of hazard | Potential impact of hazard |
|--|---|
| | <p>active impact on stress field and strength characteristics of the coal seam, roof or floor; effect on strata control in coal mining operations</p> <p>additional release of gas into mine workings and the atmosphere</p> <p>potential fire or explosion caused by a mixture of gas and air in a goaf; migration of the air/methane explosive zone</p> <p>increased dust</p> |
| <p>gas drainage paths connecting with adjacent mine workings</p> | <p>potential fire or explosion if mine workings intersect uncontrolled underground heating</p> |

Schedule 5 Strategic pipelines

section 80(2), definition *strategic pipeline*

| Description of pipeline | Pipeline licence number |
|--|--------------------------------|
| pipeline from Moonie to Brisbane | 1 |
| pipeline from Roma to Brisbane | 2 |
| pipeline from Jackson to Moonie | 6 |
| pipeline from Ballera to the South Australian border | 13 |
| pipeline from Ballera to Wallumbilla | 24 |
| pipeline from Wallumbilla to Gladstone and Rockhampton | 30 |
| pipeline from Ballera to Mount Isa | 41 |
| pipeline from Moranbah to Townsville | 89 |
| pipeline from Durham to ML1A | 90 |

Schedule 6 Safety requirements for gas devices (type A)

section 108

Part 1 Preliminary

1 Definitions for sch 6

In this schedule—

device means a gas device (type A).

manufacturer's instructions, for a device, means the instructions for the device required under section 12.

required warning notice, for a device or its packaging, means a warning about any of the following matters that is required by the manufacturer to be stated on the device or its packaging—

- (a) any restrictions on the permitted uses of the device;
- (b) who may install the device.

supplier of a device means a person who offers the device for sale to another person.

2 Instructions etc. to be written in English

A notice or instruction required under this schedule must be written in English.

Schedule 6 (continued)

Part 2 Manufacturer's obligations**3 Manufacturer's obligation to comply with requirements in
pt 2**

The manufacturer of a device must ensure the requirements stated in this part are complied with for the device.

4 Materials used in device

A material with which a device is constructed must—

- (a) be appropriate for the intended function of the device;
and
- (b) be impervious to the physical, chemical and thermal conditions to which the material will be subjected in the course of normal use of the device.

**5 General requirements for design and construction of
device**

- (1) The design and construction of a device must ensure the device is free from hazards of an electrical nature.
- (2) The design of a device must—
 - (a) minimise to the greatest practicable extent the risk of explosion because of a fire originating other than in the device; and
 - (b) ensure the safety of the device is not affected by condensation from flue gases produced from using the device; and
 - (c) ensure the device will continue to operate safely if there is a normal fluctuation of electrical supply to the device; and
 - (d) ensure an abnormal fluctuation or failure of electrical supply, or the restoration of electrical supply, will not cause the device to be unsafe.

Schedule 6 (continued)

- (3) The construction of a device must ensure—
- (a) if the device is used in accordance with the manufacturer's instructions for the device, no mechanical instability, distortion, breakage or undue wear, likely to affect the safety of the device, can occur; and
 - (b) the gas supply piping for the device will not be contaminated by air, water or another material that could affect the safe operation of the device.

6 Requirements about release of unburned gas

A device must be designed so that—

- (a) any leakage of gas from the device is minimised and can not cause a hazard; and
- (b) the release of gas during ignition, re-ignition or flame extinction is minimised to the extent necessary to avoid a hazardous accumulation of unburned gas in and around the device; and
- (c) there is no dangerous accumulation of unburned gas during the operation of the device.

7 Requirements about ignition

A device must be constructed so that, if the device is used in accordance with the manufacturer's instructions for the device—

- (a) ignition and reignition is reliable and complete; and
- (b) cross-lighting of burners is assured.

8 Requirements about combustion

- (1) A device must be designed and constructed so that, if the device is installed (if applicable) and used in accordance with the manufacturer's instructions for the device—

Schedule 6 (continued)

- (a) flame stability is assured; and
 - (b) the emission of substances that are harmful to a person's health is minimised; and
 - (c) the use of the device does not cause a fire hazard; and
 - (d) there is no unintended release of combustion products.
- (2) If the device is designed to be connected to a flue for removing combustion products, the device must be constructed so that, if the device is installed in accordance with the manufacturer's instructions, the quantity of combustion products released in abnormal draught conditions is safe.
- (3) If the device is a heating device and is not designed to be connected to a flue, the device must be constructed so that, if the device is installed and used in accordance with the manufacturer's instructions, the concentration of combustion products released from the device minimises the risk of a hazard to the health of persons or domestic animals.

9 Requirements about temperature

- (1) A device must be designed and constructed so that an accessible part of the device does not cause a risk of injury to the user due to high temperature.
- (2) A device must be designed having regard to the particular dangers high temperatures may cause to children.
- (3) In this section—

accessible part of a device means a component of the device that is designed to be touched, or may in the normal course of operation be touched, by the user of the device.

10 Requirements for device equipped with safety or controlling mechanism

- (1) The design and construction of a device must ensure the action or failure of a safety mechanism initiates the shut down of the device.

Schedule 6 (continued)

- (2) If a device is equipped with both safety and controlling mechanisms, the functioning of a controlling mechanism must not compromise the functioning of a safety mechanism.
- (3) A device must be clearly marked to indicate—
 - (a) the location of a controlling mechanism; and
 - (b) how to correctly operate the controlling mechanism.
- (4) A controlling mechanism must be designed to prevent the device being accidentally operated.
- (5) A controlling mechanism operated manually must, if applicable, be marked to indicate the lowest operating position for a burner control.

11 Requirements for components

- (1) A component of a device must be designed and built so that it correctly performs its intended function when installed in the device.
- (2) Subsection (3) applies in relation to an adjustable component of a device, if the component—
 - (a) is preset during manufacturing; and
 - (b) must not be adjusted by an installer or user of the device.
- (3) The device must be designed and constructed to prevent the component being adjusted by a person other than the manufacturer.
- (4) A pressurised part of a device must be able to withstand the mechanical and thermal stresses to which the part may be subjected in the course of normal use of the device so the safety of the device is not affected.

12 Requirement for manufacturer's instructions

- (1) The manufacturer of a device must prepare instructions for the device and ensure that the instructions accompany the device at the time it is supplied to another person.

Schedule 6 (continued)

- (2) The instructions must contain information, in relation to each reasonably foreseeable use of the device, about the installation, commissioning, use and maintenance of the device.
- (3) The information must be sufficient, about each matter mentioned in subsection (2), to ensure—
 - (a) a person carrying out the matter has sufficient information in order to carry it out correctly; and
 - (b) a person using the device is sufficiently informed as to how to use the device safely.
- (4) Without limiting subsection (3), the instructions must state each of the following—
 - (a) the type of gas with which the device must be used;
 - (b) the required gas pressure at a particular point;
 - (c) the ventilation requirements for each of the following purposes—
 - (i) combustion air supply;
 - (ii) avoiding the formation of unburned gas mixtures;
 - (iii) disposing of combustion products;
 - (iv) any other purpose, including, for example, maintaining room air quality.
- (5) The instructions relating to use of the device must prominently state—
 - (a) any restrictions on use of the device imposed by its manufacturer; and

Examples of restrictions—

outdoor use only

for use only with natural gas

use only in a well ventilated area

keep away from combustible material

Schedule 6 (continued)

- (b) any special precautions that should be taken by the user to ensure safe use of the device.

Part 3 Supplier's obligations

13 Supplier's obligation to comply with requirements in pt 3

- (1) This part imposes requirements in relation to devices and gas fittings for devices.
- (2) The supplier of a device or gas fitting must ensure the requirements stated in this part are complied with for the device.

14 General requirement for the design and construction of device

- (1) A device may be supplied to a person only if it is designed and constructed so that it operates safely and does not present a danger to persons, domestic animals or property if the device is installed and used in accordance with the manufacturer's instructions for the device.
- (2) Subsection (1) applies subject to the other provisions in this schedule.

15 Requirements for device offered for sale

- (1) A device that is offered for sale must—
 - (a) be accompanied by the manufacturer's instructions for the device; and
 - (b) have attached to it all required warning notices.
- (2) The packaging of the device must also have attached to it all required warning notices.

Schedule 6 (continued)**16 Requirements for gas fittings offered for sale**

- (1) A gas fitting for a device that is offered for sale separately from the device itself must, where appropriate, be accompanied by the manufacturer's instructions for the gas fitting.
- (2) The manufacturer's instructions must contain information about the installation, adjustment, operation and maintenance of the gas fitting.

17 Requirement for warning notices on device or packaging

The required warning notices attached to the device and its packaging must clearly state any restrictions on use of the device imposed by its manufacturer, including, for example, restrictions about using the device only in areas where there is adequate ventilation.

Schedule 7 Safety requirements for transporting cylinders in vehicles

section 109

Part 1 Preliminary

1 Meaning of *enclosed vehicle*

- (1) For this schedule, *enclosed vehicle* means any enclosed vehicle, whether or not—
 - (a) the vehicle is used for private or business purposes or is used for providing public transport; and
 - (b) 1 or more of the vehicle's windows are open.
- (2) However, a vehicle licensed under the *Transport Operations (Road Use Management) Act 1995* for carrying dangerous goods by road is not an enclosed vehicle.

Part 2 Transporting LPG cylinders

2 Application of pt 2

This part applies in relation to cylinders for LPG.

3 Prohibition on carrying 30 litre cylinders in enclosed vehicles

A person must not carry a cylinder with a capacity of more than 30 l in an enclosed vehicle.

Example of a cylinder that could not be carried in an enclosed vehicle—

a 13.5 kg cylinder

Schedule 7 (continued)**4 Restriction on carrying 9 kg cylinders in enclosed vehicles**

- (1) A person may carry a cylinder with a capacity of 9 kg in an enclosed vehicle only for transporting the cylinder to or from a place where the cylinder is or was exchanged or filled.
- (2) However, subsection (1) does not apply if the cylinder is transported in the vehicle in a sealed compartment that is vented to outside the vehicle.

5 No more than 2 cylinders may be carried at a time

A person must not carry more than 2 cylinders in an enclosed vehicle at a time.

6 Requirements for transporting cylinders in enclosed vehicles

A person who carries a cylinder in an enclosed vehicle must ensure—

- (a) the cylinder is stored—
 - (i) securely in an upright position, in the boot of the vehicle if possible; and
 - (ii) in a way that avoids excessive exposure of the cylinder to heat or direct exposure to sunlight; and
- (b) the service valve of the cylinder is tightly closed.

Schedule 7 (continued)

Part 3 **Provisions for LPG delivery networks****7** **Requirement to make cylinder plugs available for purchase**

- (1) A person who supplies LPG through an LPG delivery network to consumers must make screw plastic plugs for cylinders available for purchase by relevant consumers at a reasonable price.
- (2) Subsection (1) does not apply if the plugs can not reasonably be obtained by the person.
- (3) In this section—
relevant consumer means a consumer who exchanges a cylinder, or has a cylinder refilled, through the LPG delivery network.

8 **Cylinders not to be overfilled**

A person who supplies LPG through an LPG delivery network to consumers must, if filling a cylinder with LPG, fill the cylinder in a way that prevents it being overfilled.

9 **Signage required at places where cylinders are filled or exchanged**

- (1) A person who supplies LPG through an LPG delivery network to consumers must ensure a notice stating the information mentioned in subsection (2) is displayed at each place where the person fills or exchanges cylinders that are part of the LPG delivery network.
- (2) For subsection (1), the information is—
 - (a) the requirements under part 2; and
 - (b) the recommendation that screw plastic plugs be fitted to cylinders that are not in use.

Schedule 7 (continued)

Part 4 Labelling of cylinders**10 Labelling of cylinders**

- (1) A person who supplies a new cylinder to a consumer must ensure the required label is attached to the cylinder.
- (2) An authorised test station must ensure the required label is attached to a cylinder that is tested by the station.
- (3) In this section—

required label means the following label, or a label containing words to the following effect—

CYLINDER SAFETY INSTRUCTIONS

LPG cylinders are safe if used correctly. It is important that—

- (a) cylinders are carried and stored upright at all times
- (b) cylinders are secured upright in vehicles, preferably in the boot, and not more than 2 cylinders are carried at a time
- (c) valves are checked to ensure they are tightly turned off
- (d) cylinders are kept away from heat or direct sun
- (e) contents of cylinder must not be inhaled.

For added safety, fit a screw plug to the cylinder outlet when not in use.

Schedule 7 (continued)

Part 5**Signage of vehicles
transporting particular
cylinders****11 Requirement for filling or supplying particular cylinders**

- (1) A person (a *supplier*) must not fill a cylinder for another person, or supply a cylinder to the person, if the supplier knows, or ought reasonably to know, that—
 - (a) the cylinder will be transported by the person in a vehicle with other cylinders and all of the cylinders have a total capacity of more than 250 l; and
 - (b) the vehicle is not fitted with ‘flammable gas’ signs as required under the dangerous goods code.
- (2) In this section—

dangerous goods code means the sixth edition of the ‘Australian Code for the Transport of Dangerous Goods by Road and Rail’ (1998) published by the Department of Transport and Regional Services (Cwlth).

Schedule 8 Requirements for using flammable hydrocarbons for refrigeration or air conditioning

section 113

1 Definitions for sch 8

In this schedule—

approval person means the chief inspector or a person or body approved by the chief inspector under section 733(2) of the Act.⁹⁷

relevant gas device means a gas device (type A) or (type B) that uses flammable hydrocarbon gas for refrigeration or air conditioning.

2 Requirements for applications for approval of relevant gas device under the Act, s 733(2)

An application for approval under section 733(2) of the Act in relation to a relevant gas device must be accompanied by either—

- (a) evidence satisfactory to the approval person that the device complies with all relevant safety requirements mentioned in schedule 1, part 6; or
- (b) a safety report for the device as required under section 3.

3 Requirements for safety report

- (1) This section prescribes requirements for a safety report mentioned in section 2(b).
- (2) The report must include a safety and risk assessment in relation to each stage of use of the gas device, including at least each of the following—

⁹⁷ Section 733 (Certification of gas device or gas fitting) of the Act

Schedule 8 (continued)

- (a) an assessment of the effect that a change in the refrigerant used by the device might have on the safety and reliability of the device;
- (b) an identification of the hazards associated with each relevant stage for the device, using a hazard identification model the approval person reasonably believes is appropriate, and an analysis of the likely consequences and likelihood of occurrence of each hazard identified;

Examples of hazard identification models—

hazard and operability study (HAZOP); failure modes and effect analysis (FMEA); fault tree analysis; event tree analysis

- (c) a description of the measures that could be undertaken to control or avoid the risk associated with the hazards identified under paragraph (b), and the reasons why the applicant would or would not undertake the measures;
- (d) an identification of the class of people, and any particular characteristics of them increasing their vulnerability, who might be affected if the device is not safe;
- (e) an assessment of the risks in relation to each relevant stage for the device, including each of the following—
 - (i) if the device was originally designed for use with a non-flammable gas—a comparison of the risks identified with any risks associated with the device used as it was originally designed;
 - (ii) the risks to the community, whether direct or indirect;
 - (iii) if practicable, an estimate of the likely number of injuries and deaths of persons from the device for a year;
- (f) the results of any testing undertaken on the device;
- (g) an identification of—

Schedule 8 (continued)

- (i) all sources of information and data relied on in producing the report; and
 - (ii) any assumptions made in the report.
- (3) For subsection (2)(e), risks should be assessed quantitatively as well as qualitatively if appropriate in the circumstances.
- (4) In this section—
- relevant stage***, for a relevant gas device, means each of the following in relation to the device—
- (a) installation;
 - (b) maintenance;
 - (c) use;
 - (d) decommissioning;
 - (e) disposal;
 - (f) obsolescence.

4 Application of other safety requirements to flammable hydrocarbon gas

A safety requirement mentioned in schedule 1 that applies in relation to LPG also applies, with any necessary modifications, in relation to flammable hydrocarbon gas.

5 Safety requirements for gas fittings used with flammable hydrocarbon gases

- (1) A gas fitting that is used with flammable hydrocarbon gases must—
- (a) comply with AS 1596 ‘The storage and handling of LP gas’ (2002), and all relevant standards listed in Appendix A of AS 1596; and
 - (b) be fit for the purpose for which it is used.
- (2) Subsection (1) is a safety requirement.

Schedule 8 (continued)

6 Safety requirements for installation of flammable hydrocarbon gas in a relevant gas device

- (1) A person who installs flammable hydrocarbon gas in a relevant gas device must—
 - (a) be the holder of a gas work authorisation (hydrocarbon refrigerant); and
 - (b) ensure the device—
 - (i) complies with section 5; and
 - (ii) has been approved for use under section 733(2) of the Act; and
 - (c) ensure a plate is fixed to the device, in a place that is easily observable by a person carrying out gas work on the device, stating the device contains flammable hydrocarbon gas.
- (2) The person must give the owner of the device a certificate, in the approved form, stating that the installation of the gas in the device complies with all relevant safety requirements.
- (3) The person must keep a copy of a certificate mentioned in subsection (2) for 3 years.
- (4) This section is a safety requirement.

Schedule 9 Fees

sections 118(2), 126(2), 133(1), 135(3), 137(2), 140(3) and 142(2)

Part 1 Petroleum tenure fees

| | | \$ |
|----|---|----------|
| 1 | Tender for authority to prospect—Act, s 37(e) | 1 000.00 |
| 2 | Application for approval to amend the work program for an authority to prospect—Act, s 61(b) | 400.00 |
| 3 | Proposed later work program lodged within the time required under the Act, s 79(3)—Act, s 79(6) | 400.00 |
| 4 | Application for renewal of authority to prospect—Act, s 82(1)(j)(i) | 500.00 |
| 5 | Application under the Act, s 89 for potential commercial area for an authority to prospect | 800.00 |
| 6 | Application for extension of the term of a declaration of a potential commercial area of the area of an authority to prospect—Act, s 93(2)(b) | 400.00 |
| 7 | Application to divide an authority to prospect—Act, s 104(h) | 500.00 |
| 8 | ATP-related application for a petroleum lease—Act, s 118(e) | 1 000.00 |
| 9 | Proposed later development plan for petroleum lease lodged within the time required under the Act, s 159(3)—Act, s 159(6) | 400.00 |
| 10 | Application for renewal of petroleum lease—Act, s 162(1)(h)(i) | 500.00 |
| 11 | Application to divide petroleum lease—Act, s 172(h) . . . | 500.00 |
| 12 | Fee to accompany a claim for stored petroleum or prescribed storage gas—Act, s 213(2)(c) | 400.00 |
| 13 | Application for approval of proposed co-ordination arrangement—Act, s 235(2)(c)(ii) | 400.00 |

Schedule 9 (continued)

Part 4 **Survey licence, pipeline licence
and petroleum facility licence
fees**

| | \$ |
|---|----------|
| 1 Application for survey licence—Act, s 395(2)(e) | 300.00 |
| 2 Application for pipeline licence—Act, s 409(h) | 1 000.00 |
| 3 Handling fee for recording information about completion of pipeline—Act, s 420(3)(c). | 500.00 |
| 4 Annual licence fee for pipeline licence—Act, s 423(1)— (a) for a point-to-point pipeline licence (for each km of the pipeline). | 100.00 |
| (b) for an area pipeline licence (for each km of the pipeline). | 25.00 |
| 5 Application for petroleum facility licence—Act, s 445(h) | 1 000.00 |
| 6 Annual licence fee for petroleum facility licence—Act, s 454(1)— (a) if the petroleum facility land for the licence is 2 km ² or less | 2 000.00 |
| (b) if the petroleum facility land for the licence is more than 2 km ² (for each km ² of the petroleum facility land). | 1 000.00 |
| 7 Application for a part 5 permission—Act, s 464(c) | 500.00 |
| 8 Application to amend licence—Act, s 475(c) | 400.00 |
| 9 Application for renewal of licence—Act, s 480(d)(i) | 500.00 |

Schedule 9 (continued)

**Part 5 General petroleum authority
fees payable under the
Act, ch 5**

| | | \$ |
|---|---|--------|
| 1 | Fee for required information for a petroleum tenure made available by the chief executive—Act, s 550(1)(b)— | |
| | (a) for information made available in an electronic form, other than on a tape cartridge | 115.00 |
| | (b) for information made available on a tape cartridge | 230.00 |
| 2 | Fee for a copy of all or part of a notice, document or information in the petroleum register—Act, s 566(c)— | |
| | (a) for a copy of a standard departmental public tenure enquiry report | 9.30 |
| | (b) otherwise | 45.60 |
| 3 | Request fee—Act, s 571(3) | 100.00 |
| 4 | Application for approval of dealing—Act, s 572(2)(c)(iii) | 100.00 |
| 5 | Application for surrender of petroleum authority—Act, s 576(1)(c) | 400.00 |

**Part 6 Gas work licence and gas work
authorisation**

| | | \$ |
|---|--|-------|
| 1 | Application for gas work licence—Act, s 728A(c)— | |
| | (a) if the applicant applies for a gas work authorisation (industrial appliances) at the same time | nil |
| | (b) otherwise | 30.00 |
| 2 | Annual fee for gas work licence—s 118— | |
| | (a) if the holder also holds a gas work authorisation (industrial appliances) | nil |
| | (b) otherwise | 20.00 |

Schedule 9 (continued)

| | | \$ |
|---|--|----------|
| 3 | Application for gas work authorisation—Act, s 728A(c)— | |
| | (a) for a gas work authorisation (hydrocarbon refrigerant) | 100.00 |
| | (b) for a gas work authorisation (industrial appliances) . . | 50.00 |
| | (c) for a gas work authorisation (major project) | 1 500.00 |
| | (d) for a gas work authorisation (motor fuel installation) | 50.00 |
| | (e) for a gas work authorisation (servicing) | 50.00 |
| 4 | Annual fee for gas work authorisation—s 126— | |
| | (a) for a gas work authorisation (hydrocarbon refrigerant) | 30.00 |
| | (b) for a gas work authorisation (industrial appliances) . . | 30.00 |
| | (c) for a gas work authorisation (major project) | 1 500.00 |
| | (d) for a gas work authorisation (motor fuel installation) | 30.00 |
| | (e) for a gas work authorisation (servicing) | 30.00 |
| 5 | Fee for replacement of gas work licence or gas work authorisation under the Act, s 849 | 30.00 |

Schedule 9 (continued)

Part 7 Other fees mentioned in the Act

| | \$ |
|---|--------|
| 1 Late fee for royalty return—Act, s 595(3) | 83.60 |
| 2 Application for gas quality approval—Act, s 622(2)(c) . . | 250.00 |
| 3 Fee for copy of a document or information held in the register of gas work licences and authorisations—Act, s 731(1)(c) | 10.00 |

Part 8 Audit and inspection fees

1 Drilling a prescribed well

The audit and inspection fee payable for a financial year by the operator of an operating plant used to drill a prescribed well during the year is—

$$F = 80000 \frac{A}{B}$$

where—

A is the distance (km) drilled in all prescribed wells drilled by the person during the year.

B is the total distance (km) drilled in all prescribed wells during the year.

F is the audit and inspection fee in dollars.

Schedule 9 (continued)

2 Producing petroleum under a petroleum lease or 1923 Act lease

The audit and inspection fee payable for a financial year by the holder of a petroleum lease, or 1923 Act lease, under which petroleum was produced during the year is—

$$F = 260000 \frac{A}{B}$$

where—

A is the amount of petroleum (TJ) produced under the lease during the year.

B is the total amount of petroleum (TJ) produced under all petroleum leases or 1923 Act leases during the year.

F is the audit and inspection fee in dollars.

3 Processing petroleum

- (1) The audit and inspection fee payable for a financial year by the holder of a petroleum facility licence is—
 - (a) for a major processing facility—\$20 000; or
 - (b) for another petroleum processing facility—\$5 000.
- (2) The audit and inspection fee payable for a financial year by the holder of a petroleum lease or 1923 Act lease under which a petroleum processing facility is operated is—
 - (a) for a major processing facility—\$20 000; or
 - (b) for another petroleum processing facility—
 - (i) if the facility produces LPG from petroleum or separates and produces liquid and gaseous petroleum products—\$5 000; or
 - (ii) if the petroleum produced from prescribed wells under the lease during the year is less than 1 PJ and the facility processes more petroleum than the amount of the petroleum produced under the lease—\$5 000.

Schedule 9 (continued)

4 Holding a pipeline licence

- (1) The audit and inspection fee payable for a financial year by the holder of a pipeline licence is—

$$F = 175000 \frac{A}{B}$$

where—

A is the pipeline index for all pipelines under the licence that were used to transport petroleum or fuel gas, or were commissioned, during the year.

B is the total of the pipeline indexes for all pipelines under pipeline licences that were used to transport petroleum or fuel gas, or were commissioned, during the year.

F is the audit and inspection fee in dollars.

- (2) For subsection (1), the *pipeline index* for a pipeline means the amount calculated using the following formula—

$$PI = L \times D^2$$

where—

D means the diameter (mm) of the pipeline.

L means the length (km) of the pipeline.

PI means the pipeline index.

5 Holding a distribution authority

The audit and inspection fee payable for a financial year by the holder of a distribution authority is—

$$F = 640000 \frac{A}{B}$$

where—

A is the length (km) of a pipeline under the authority that was used to transport fuel gas, or was commissioned, during the year.

Schedule 9 (continued)

B is the total length (km) of all pipelines under distribution authorities that were used to transport fuel gas, or were commissioned, during the year.

F is the audit and inspection fee in dollars.

6 Owning an LPG delivery network

- (1) The audit and inspection fee payable for a financial year by the operator of an LPG delivery network is—

$$F = 800000 \frac{A}{B}$$

where—

A is the operator's container index for the year.

B is the total of the container indexes for the year for all operators of LPG delivery networks.

F is the audit and inspection fee in dollars.

- (2) For subsection (1), the operator's *container index* for the year must be worked out using the following formula—

$$CI = D/40 + (E \times 2) + (G \times 5) + (H \times 25)$$

where—

CI is the container index.

D is the number of the fuel gas containers owned by the operator at any time during the year with a capacity less than 50 l.

E is the number of the fuel gas containers owned by the operator at any time during the year with a capacity 50 l or more but less than 1 kl.

G is the number of the fuel gas containers owned by the operator at any time during the year with a capacity 1 kl or more but less than 8 kl.

Schedule 9 (continued)

H is the number of the fuel gas containers owned by the operator at any time during the year with a capacity of 8 kl or more.

7 Major consumer

The audit and inspection fee payable for a financial year by a major consumer is \$5 000.

8 Late fees

- (1) The late fee for paying an audit and inspection fee after the last day for payment under section 137(1) or 142(1) is \$500.
- (2) For section 140(3), the late fee for lodging an audit and inspection fee return after the last day for lodging the return under section 140(1) is \$500.

Schedule 10 Annual rent

sections 145(1) and 146(1)

Part 1 Annual rent

| | \$ |
|---|--------|
| 1 Annual rent for authority to prospect (for each block included in the area for the authority)—Act, s 75(1)(b) . . . | 50.00 |
| 2 Annual rent for petroleum lease (for each km ² of the area for the lease)—Act, s 155(1)(b). | 100.00 |
| 3 Annual rent for data acquisition authority (for each block included in the area of the authority)—Act, s 184A(1) . . . | 50.00 |
| 4 Annual rent for water monitoring authority (for each block included in the area of the authority)—Act, s 202A(1). | 25.00 |
| 5 Annual rent for 1923 Act ATP (for each block included in the area for the authority)—1923 Act, s 74N | 50.00 |

Part 2 Storage rent

| | \$ |
|---|--------|
| 1 Annual rent for storing petroleum or prescribed storage gas (for each km ² of the area for the old lease or, if the Minister has made a call for tenders under the Act, section 218, the area of the proposed petroleum lease stated in the call for tenders)—Act, s 227(3). | 100.00 |

Schedule 11 Requirements for petroleum register

section 154

1 All petroleum authorities

The petroleum register must contain each of the following in relation to a petroleum authority—

- (a) the authority type and number;
- (b) the Act under which the authority was granted;
- (c) the full name of the holder of the authority, including, if there is more than 1 holder, the share held by each holder;
- (d) the postal address of—
 - (i) the holder; or
 - (ii) if the holder has nominated another person as the holder's address for service for the Act—the nominated person;⁹⁸
- (e) the following days—
 - (i) the day the holder applied for the authority;
 - (ii) the day the authority was granted;
 - (iii) the day the authority took effect;
 - (iv) the last day of the current term of the authority;
 - (v) if the authority is renewable—the earliest day on which an application to renew the authority may be made;
- (f) a general description of the location of the area of the authority;
- (g) any permitted dealings relating to the authority—

98 See also section 852 (Name and address for service) of the Act

Schedule 11 (continued)

- (i) for which the Minister has given an indication under section 571⁹⁹ of the Act; or
- (ii) that are approved by the Minister;
- (h) for a pipeline licence or a petroleum facility licence—the following details for any part 5 permissions granted in relation to the licence—
 - (i) the land that is the subject of the permission;
 - (ii) any conditions to which the permission is subject.

2 Additional matters for an authority to prospect

The petroleum register must also contain each of the following additional matters for an authority to prospect—

- (a) if the authority was divided from a previous authority to prospect—the number of the previous authority;
- (b) the tender details for the call for tender;
- (c) for a converted ATP—a list, and the number, of the transitional notional sub-blocks for the authority;
- (d) a list, and the number, of original notional sub-blocks for the authority, if—
 - (i) the authority is a converted ATP that is renewed after the 2004 Act start day; or
 - (ii) the authority is granted after the 2004 Act start day;
- (e) the relinquishment days for the authority;
- (f) for a potential commercial area declared for the authority, each of the following—
 - (i) a list of the sub-blocks for which the area is declared;

⁹⁹ Section 571 (Minister may give indication for proposed permitted dealing) of the Act

Schedule 11 (continued)

- (ii) the day the Minister makes the declaration;
- (iii) the term of the declaration;
- (g) the day on which any relinquishment notice is lodged by the holder and the number of blocks and sub-blocks relinquished;
- (h) a summary of the work program, including any dates provided for in the program on which activities to be carried out under the authority are to be completed;
- (i) the day the work program expires;
- (j) if a petroleum well is drilled under the authority—the identifying name of the well;
- (k) if a seismic survey or scientific or technical survey is carried out under the authority—the identifying name or code for the survey;
- (l) any conditions or provisions of the authority, other than the mandatory conditions for authorities to prospect.

3 Additional matters for a petroleum lease

The petroleum register must also contain the each of the following additional matters for a petroleum lease—

- (a) if the lease was divided from a previous petroleum lease—the number of the previous lease;
- (b) if the lease was granted in relation to a call for tenders—the tender details for the call for tender;
- (c) if the lease was granted in relation to an ATP-related application—the number of the authority to prospect;
- (d) a list of the sub-blocks, or a description of the area, and the total area (km²), of the lease when it was granted;
- (e) if the lease is subject to a relinquishment condition—the relinquishment days;

Schedule 11 (continued)

- (f) the day on which any relinquishment notice is lodged by the holder and a list, and the number, of sub-blocks relinquished;
- (g) the day the development plan expires;
- (h) for coordination arrangement made by the holder and approved by the Minister—
 - (i) the day the arrangement was approved; and
 - (ii) the number of the petroleum lease, 1923 Act lease or mining lease to which the arrangement relates;
- (i) if a coordination arrangement mentioned in paragraph (h) is cancelled by, or with the approval of, the Minister—the day the arrangement is cancelled;
- (j) if a petroleum well is drilled under the lease—the identifying name of the well;
- (k) if a seismic survey or scientific or technical survey is carried out under the lease—the identifying name or code for the survey;
- (l) any conditions or provisions of the lease, other than the mandatory conditions for leases.

4 Additional matters for a pipeline licence

The petroleum register must also contain each of the following additional matters for a pipeline licence—

- (a) whether the licence is an area pipeline licence or a point-to-point pipeline licence;
- (b) a description of the land in the area of the licence;
- (c) the length of the pipeline constructed or operated under the licence and the location of its end points;
- (d) each substance the holder is entitled to transport through the pipeline.

Schedule 12 Dictionary

section 3

6 month period, for chapter 2, part 1, division 2, subdivision 5, see section 41.

acceptable level, for chapter 3, see section 64.

affected aquifers, for a petroleum tenure, means the aquifers predicted by the holder, for the impact report required to be lodged under the Act for the tenure, to be affected by the exercise of the underground water rights for the petroleum tenure.

AG means a code published by the Australian Gas Association.

alternative safety measures, for chapter 3, part 4, see section 74.

applicant, for chapter 3, part 4, see section 74.

appraisal well means a petroleum well that is drilled to test the potential of 1 or more natural underground reservoirs for producing or storing petroleum.

AS 2885 means AS 2885 ‘Pipelines—Gas and liquid petroleum’.

AS 3814 means AS 3814 ‘Industrial and commercial gas-fired appliances’ (2002).

AS 5601 means AS 5601 ‘Gas installations’ (2002).

AS/IEC means a standard published jointly by Standards Australia and the International Electrotechnical Commission.

AS/NZS means a standard published jointly by Standards Australia and Standards New Zealand.

audit and inspection fee means a fee payable under section 135.

audit and inspection fee return see section 139(1).

authorised certifier, for chapter 5, part 3, see section 97.

Schedule 12 (continued)

authorised test station means—

- (a) a cylinder test station authorised by Standards Australia; or
- (b) another appropriately qualified person approved by the chief inspector for the purpose of this paragraph.

bore means a water observation bore or a water supply bore.

caravan—

- (a) means a structure—
 - (i) that is designed or adapted for human habitation or use as a workshop or kitchen; and
 - (ii) that can be moved from 1 place to another, whether by being towed by, or transported on, a vehicle or trailer; and
- (b) includes a vehicle designed or adapted for use as a structure mentioned in paragraph (a).

chief gas examiner, for chapter 7, part 1, see section 156.

chief inspector of coal mines, for chapter 3, part 4, see section 74.

coal mining operations see the Coal Mining Safety and Health Act, schedule 3.

commencement, for chapter 7, part 1, see section 156.

commercial vehicle or vessel, for chapter 5, part 3, see section 97.

completion day, for a survey, means—

- (a) if the survey involves reprocessing of raw data recorded or recovered for a previous survey—the day on which reprocessing of the data is completed; or
- (b) otherwise—the last day on which raw data is recorded or recovered for the survey.

compliance certificate, for the installation of a gas system, means the certification given as required under

Schedule 12 (continued)

section 734(3)¹⁰⁰ of the Act by the person who installs the system.

condensate means liquid formed as a result of condensation caused by reduced pressure and temperature of hydrocarbons in a gaseous state in a natural underground reservoir.

cylinder means a cylinder to which AS 2030 ‘The verification, filling, inspection, testing and maintenance of cylinders for storage and transport of compressed gases’, part 1 ‘Cylinders for compressed gases other than acetylene’ (1999) applies.

Dangerous Goods Act means the *Dangerous Goods Safety Management Act 2001*.

dealer, for chapter 5, part 3, see section 97.

development well means a petroleum well that is drilled to produce or store petroleum.

directional well means a part of a petroleum well that is intentionally not drilled vertically.

disposes of, for petroleum, see section 147(4).

distribution authority means a distribution authority under the *Gas Supply Act 2003*.

distribution system means a system of distribution pipelines and meters and other equipment used for, or in connection with, the supply of LPG or processed natural gas to more than 1 consumer within a fuel gas market, but does not include—

- (a) pipelines connected from the exit point of a meter installed for a consumer’s premises; or
- (b) appliances or equipment connected to pipelines mentioned in paragraph (a).

existing, for chapter 7, part 1, see section 156.

exploration well means a petroleum well that is drilled to—

100 Section 734 (Safety obligations of gas system installer) of the Act

Schedule 12 (continued)

- (a) explore for the presence of petroleum or natural underground reservoirs suitable for storing petroleum; or
- (b) obtain stratigraphic information for the purpose of exploring for petroleum.

explosive has the meaning given under the *Explosives Act 1999*.

flammable hydrocarbon gas means a gas consisting predominantly of hydrocarbons that, when mixed with air in certain proportions, forms an explosive gas atmosphere.

fuel gas container means each of the following—

- (a) a cylinder;
- (b) a tank.

fuel gas network means—

- (a) a distribution system, including meters and meter regulators whether or not they are owned by the operator of the distribution system; and
- (b) an LPG delivery network, including a gas pressure regulator through which the LPG is delivered to a consumer's gas system, whether or not the regulator is owned by the operator of the network.

gas fitting means—

- (a) a component of a gas device (type A) or (type B); or
- (b) a thing used, or designed or intended for use—
 - (i) with a gas device (type A) or (type B); or
 - (ii) in the supply, distribution or consumption of fuel gas.

general area information, for chapter 2, part 1, division 1, see section 12.

geological summary, of an area, means a summary of—

- (a) the major structural and stratigraphic features of the area; and

Schedule 12 (continued)

Examples—

- the history of the accumulation and structuring of stratigraphic units
 - the timing of structural and metamorphic events
- (b) the geophysical features of the area.

Examples—

the gravitational and magnetic potential fields

hazard means a thing or situation with potential to cause harm to any of the following—

- (a) a person, including, for example, financial losses or increased liabilities;
- (b) property;
- (c) the environment.

hazard information, for chapter 2, part 1, division 1, see section 12.

horizontal well means a petroleum well, any part of which travels in a generally horizontal direction along a coal seam.

identifying name—

- (a) for a bore, means a number by which the bore is identified in the Groundwater Database System operated by the chief executive of the department responsible for administering the *Water Act 2000*; or
- (b) for a petroleum well, means the unique identifying name for the well recorded in the petroleum register.

immediately, for schedule 2, means without delay after the incident occurs, other than a delay caused by action taken to—

- (a) save the life of, or prevent further injury to, a person; or
- (b) contain damage to property.

Schedule 12 (continued)

impact report means an underground water impact report required, under section 256¹⁰¹ of the Act, to be lodged for a petroleum tenure by the holder.

industrial appliance, for chapter 5, part 5, division 2, see section 119.

inspection certificate, for chapter 5, part 3, see section 97.

ISO means a standard published by the International Standards Organisation.

lead means a potential prospect that is, in the reasonable opinion of a petroleum tenure holder, indicated by the available seismic or other data.

liable person see section 135(1).

LPG delivery network—

- (a) means the process of supplying LPG, in fuel gas containers owned by the operator of the network, from an LPG storage facility to a gas system operated by a consumer; and
- (b) includes any part of the process that is carried out by an agent of the operator of the network.

Examples—

the delivery of cylinders of LPG to a consumer

the bulk delivery of LPG to a tank

major consumer see section 135(2)(h).

major processing facility means a petroleum processing facility that processes more than 2 000 000 000 cubic metres of petroleum during a financial year.

mandatory standard see section 7(3).

motor vehicle has the meaning given under the *Transport Operations (Road Use Management) Act 1995*.

Schedule 12 (continued)

operator—

- (a) for an LPG delivery network, means the operator of the relevant LPG storage facility; and
- (b) for a distribution system, means the holder of a distribution authority for the system.

other underground water means underground water taken in the exercise of underground water rights under a petroleum tenure, other than associated water.

Example—

water taken from a water supply bore

owner, for chapter 5, part 3, see section 97.

petroleum processing facility means—

- (a) a petroleum facility operated under a petroleum facility licence used for processing petroleum; or
- (b) a facility for processing petroleum operated under a petroleum lease or 1923 Act lease.

petroleum product means any of the following—

- (a) coal seam gas;
- (b) condensate;
- (c) crude oil;
- (d) LPG;
- (e) processed natural gas.

prediction period, for chapter 2, part 1, division 1, see section 12.

preferred standard see section 7(4).

prescribed underground water information, for chapter 2, part 1, division 1, see section 12.

prescribed well means—

- (a) a petroleum well; or
- (b) a well under the 1923 Act.

Schedule 12 (continued)

principal hazard management plan, for schedule 2, see the *Mineral Resources Regulation 2003*.

production testing means testing for petroleum production from a petroleum well within the area of the petroleum tenure.

prospect means a geological structure, such as an anticline—

- (a) that, in the reasonable opinion of a petroleum tenure holder based on a seismic survey or other data, is likely to contain a quantity of petroleum suitable for commercial production; and
- (b) from which petroleum has not yet been commercially produced.

proved and probable reserves, of petroleum or a petroleum product, has the meaning given under the SPE code.

quarterly period means each of the following 3 month periods in a year—

- (a) 1 January to 31 March;
- (b) 1 April to 30 June;
- (c) 1 July to 30 September;
- (d) 1 October to 31 December.

relevant coal mining area, for chapter 3, see section 64.

relevant coal or oil shale mining tenement holder, for chapter 3, part 4, see section 74.

relevant network operator, for a gas system to which fuel gas is supplied by a fuel gas network, means the operator of the fuel gas network.

relevant petroleum well, for chapter 2, part 1, division 1, see section 12.

relevant requirement, for chapter 3, part 4, see section 74.

relevant time, for chapter 2, part 1, division 1, see section 12.

relevant Water Act bore, for chapter 2, part 1, division 1, see section 12.

Schedule 12 (continued)

relevant water observation bore, for chapter 2, part 1, division 1, see section 12.

repealed regulation, for chapter 7, part 1, see section 156.

reporting period, for chapter 2, part 1, division 1, see section 12.

required information see section 139(4).

rig release day, for a petroleum well, means the day the drilling rig last used to drill the well is moved so it is no longer above the well, if the petroleum tenure holder intends no further drilling of the well to occur.

road tank vehicle means a road tank vehicle within the meaning of AS 2809 'Road tank vehicles for dangerous goods', part 1 'General requirements' (1999).

safety requirement means a safety requirement prescribed under section 669¹⁰² of the Act.

scientific or technical survey means a geophysical, geochemical or geotechnical survey or another survey for a similar purpose, other than a seismic survey.

seismic survey means a survey carried out to determine the subsurface features by transmitting sound waves into the ground and measuring the time they take to return to the surface.

shot hole means a hole that has been drilled for the purpose of firing an explosive in connection with carrying out a seismic survey.

SPE code means—

- (a) the document called 'Petroleum Reserves Definitions' published in 1997 by the Society of Petroleum Engineers and the World Petroleum Congresses; and
- (b) the document called 'Petroleum Resources Definitions' published in 2000 by the Society of Petroleum

Schedule 12 (continued)

Engineers, the World Petroleum Congresses and the American Association of Petroleum Geologists.

standard abandonment requirements means—

- (a) for a petroleum well—the requirements mentioned in section 60(1); or
- (b) for a well under the 1923 Act—the requirements mentioned in the *Petroleum Regulation 2004*, section 37(1).

status, of a petroleum well or bore, means any of the following that describes the well or bore—

- (a) for a petroleum well that is producing petroleum or a water supply bore that is in use—producing;
- (b) for a petroleum well that has temporarily stopped producing petroleum—shut in;
- (c) for a petroleum well that is capable of producing petroleum but the productive interval in the well has not been completed for production—cased and suspended;
- (d) for a water observation bore that has not been plugged and abandoned—in use;
- (e) for a petroleum well or bore that has been plugged and abandoned—plugged and abandoned;
- (f) for a petroleum well that has been converted to a water observation bore—converted to a water observation bore;
- (g) for a petroleum well that has been converted to a water supply bore—converted to a water supply bore;
- (h) for a petroleum well that has been converted to a Water Act bore—converted to a Water Act bore.

stimulation means a technique used to increase the permeability of a natural underground reservoir, including, for example, hydraulic fracturing, cavitations, fracture acidising, and the use of proppant treatments.

Schedule 12 (continued)

tank means a pressure vessel to which AS 1210 ‘Pressure vessels’ (1997) applies.

tender details, for the call for tenders for a petroleum tenure, means each of the following—

- (a) the day the call for tender was published and its closing day;
- (b) if the call for tenders is identified by a unique identifying number—the number;
- (c) the proposed area of the petroleum tenure stated in the call for tenders;
- (d) the name of any preferred tenderer for the call for tenders.

tenure information, for chapter 2, part 1, division 1, see section 12.

used vehicle or vessel, for chapter 5, part 3, see section 97.

vehicle means—

- (a) a caravan; or
- (b) a motor vehicle.

vessel has the meaning given under the *Transport Operations (Road Use Management) Act 1995*, schedule 4.

well completion report means a well completion report required under section 37 to be lodged for a petroleum well.

wellhead value, for petroleum disposed of by a petroleum producer, means the wellhead value of the petroleum worked out as required under section 148.

well or bore abandonment report means a well or bore abandonment report required under section 38 to be lodged for a petroleum well or bore.

ENDNOTES

- 1 Made by the Governor in Council on 16 December 2004.
- 2 Notified in the gazette on 17 December 2004.
- 3 Laid before the Legislative Assembly on . . .
- 4 The administering agency is the Department of Natural Resources and Mines.