2010-2011

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Offshore Petroleum (Royalty) Amendment Bill 2011

(Government)

(1) Schedule 1, page 3 (before line 4), before item 1, insert:

1A Section 4
Insert:

State Minister means the responsible State Minister of Western Australia.

[definitions]

(2) Schedule 1, item 1, page 3 (line 5), omit “Titles Administrator”, substitute “State Minister”.

[rate of royalty—petroleum production licences]

(3) Schedule 1, item 2, page 3 (line 7), omit “Titles Administrator’s”, substitute “State Minister’s”.

[rate of royalty—petroleum production licences]

(4) Schedule 1, item 3, page 3 (lines 8 to 10), omit the item, substitute:

3 Subsection 9(1)
Omit “Designated Authority”, substitute “State Minister”.

[reduction of royalty—potentially uneconomic wells]

(5) Schedule 1, page 3 (before line 11), before item 4, insert:

3A Paragraph 10(1)(a)
Omit “Designated Authority”, substitute “State Minister”.

3B Paragraphs 10(1)(b) and (c)
Repeal the paragraphs, substitute:

(b) is not payable in relation to petroleum if:
(i) the State Minister is satisfied that the petroleum was used by the registered holder of the petroleum exploration permit, petroleum retention lease or petroleum production licence for the purposes of petroleum exploration operations or operations for the recovery of petroleum; and
(ii) the use did not contravene the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* or regulations under that Act; and
(c) is not payable in relation to petroleum if:
   (i) the State Minister is satisfied that the petroleum has been flared or vented in connection with operations for the recovery of petroleum; and
   (ii) the flaring or venting did not contravene the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* or regulations under that Act.

### 3C Subsection 10(2)

Repeal the subsection, substitute:

(2) If petroleum has been recovered by the registered holder of:
   (a) a petroleum exploration permit; or
   (b) a petroleum retention lease; or
   (c) a petroleum production licence;
royalty under this Act is not payable in relation to the petroleum because of that recovery if:
   (d) the State Minister is satisfied that the petroleum has been returned to a natural reservoir; and
   (e) the return of the petroleum to the reservoir did not contravene the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* or regulations under that Act.

### 3D Section 11

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

### 3E Section 12

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

### 3F Section 13

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

### 3G Section 14

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

[exemptions from royalty]

(6) Schedule 1, page 3, after proposed item 3C, insert:

### 3D Section 11

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

[meaning of wellhead]

(7) Schedule 1, page 3, after proposed item 3D, insert:

### 3E Section 12

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

[meaning of wellhead]

(8) Schedule 1, page 3, after proposed item 3E, insert:

### 3F Section 13

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

[quantity of petroleum recovered]

(9) Schedule 1, page 3, after proposed item 3F, insert:

### 3G Section 14

Omit “Designated Authority” (wherever occurring), substitute “State Minister”.

[directions by Joint Authority]
(10) Schedule 1, page 3, after proposed item 3G, insert:

3H Subsection 15(1)

Omit “Designated Authority”, substitute “State Minister”.

(provisional payment of royalty)

(11) Schedule 1, page 3, after proposed item 3H, insert:

3J After section 16

Insert:

16A Delegation by State Minister

The State Minister may, by written instrument, delegate to an employee of Western Australia any or all of the powers or functions of the State Minister under this Act.

degregation

(12) Schedule 1, item 4, page 3 (line 18), at the end of paragraph (1)(b), add “(other than paragraph 10(1)(b) or (c) or subsection 10(2))”.

transitional

(13) Schedule 1, item 4, page 3 (line 21), omit “Titles Administrator”, substitute “State Minister”.

transitional

(14) Schedule 1, item 5, page 3 (line 25), omit “Titles Administrator”, substitute “State Minister”.

(transitional)

(15) Schedule 1, item 5, page 3 (line 31), at the end of paragraph (1)(b), add “(other than paragraph 10(1)(b) or (c) or subsection 10(2))”.

(transitional)

(16) Schedule 1, item 5, page 4 (line 3), omit “Titles Administrator”, substitute “State Minister”.

(transitional)

(17) Schedule 1, page 4 (after line 5), at the end of the Schedule, add:

6 Application of amendments—exemptions from royalty

1 The amendments of section 10 of the Offshore Petroleum (Royalty) Act 2006 made by this Schedule, in so far as the amendments relate to a use of petroleum, apply to a use that occurs after the commencement of this item.

2 The amendments of section 10 of the Offshore Petroleum (Royalty) Act 2006 made by this Schedule, in so far as the amendments relate to the flaring or venting of petroleum, apply to flaring or venting that occurs after the commencement of this item.

3 The amendments of section 10 of the Offshore Petroleum (Royalty) Act 2006 made by this Schedule, in so far as the amendments relate to the return of petroleum to a natural reservoir, apply to a return that occurs after the commencement of this item.

(application)