

Petroleum and Geothermal Energy Act 2000
Onshore Production Guideline

Onshore Production		Act Reference
Title of licence	Petroleum Production licence (PPL), Geothermal Production Licence (GPL) or Gas Storage Licence (GSL).	
Who can apply	An individual, a body corporate (i.e. a company) or an unincorporated association of persons and bodies corporate (i.e. a joint venture involving several persons and/or companies).	
When application can be made	Following discovery of economic quantities of a regulated resource within an exploration or retention licence.	s.35(1)
Maximum area	In the case of a petroleum production licence, twice the area of the field concerned, or 100 km ² , whichever is the smaller, and in the case of a geothermal production licence or a gas storage licence, the total area of the licence must not exceed 1,000 km ² .	s.37
Application fee <i>(Exempt from GST).</i>	For initial application - \$4,666	s.65(1)(e)
Renewal application fee <i>(Exempt from GST).</i>	Where applicable - \$2334	s.65(2)(d)
Security	Specified in letter of offer	
Term of licence	Unlimited	s.40
Annual fees payable <i>(Exempt from GST).</i>	Petroleum - minimum \$3,947 or \$726 per km ² whichever is greater*. Geothermal or gas storage - \$3,947 or \$172 per km ² whichever is greater*.	s.78(1) Schedule
Minimum work commitments	Not applicable	
Area to be relinquished on each renewal.	Not applicable	
Fees for Minister's consent to dealing <i>(Exempt from GST).</i>	\$2,334 per transaction (document)	s.114
Fee for inspection of Commercial Register <i>(Exempt from GST).</i>	\$233	s.118

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Method of application	<p>An application for a Exploration Licence,</p> <ul style="list-style-type: none"> a) must be addressed to the Minister; and b) must be signed or executed by the applicant; and c) must include, or be accompanied by, the following information or material (in addition to the material required by the Act): <ol style="list-style-type: none"> 1. The full name, business address and telephone number of the applicant; 2. The name and telephone number of a person who can be contacted about the application; 3. A description of the area to which the application relates, using co-ordinates in a form determined or approved by the Minister, and, if available, cadastral boundaries; 4. A map indicating the area or route to which the application relates; 5. Information on the size of the area to which the application relates, expressed in square kilometres; 6. In the case of an incorporated body a copy of the body s most recent audited annual financial statements, or in any other case statements that demonstrate the expected financial position of the applicant over the anticipated term of the licence (or a shorter term determined by the Minister); 7. A statement of the technical qualifications and experience of the applicant; 8. If the application is being made by more than one person information on the interest that each person will have in the licence (which may be expressed as a percentage); 9. Must be accompanied by the prescribed fee. 	s.65(1)
Penalty for non-payment of annual rental fees	All fees are payable in advance. Fees not paid by the due date may attract a fine of the greater of either \$1,000 or 10% of the outstanding fee. In addition, interest on any outstanding amount will accrue at the rate of 6% per annum.	s.78(2)
Licence variations <i>(Exempt from GST).</i>	On application by the licensee, the Minister may at any time during the term of the licence, vary or revoke a condition of the licence or attach new conditions to the licence. Fee \$2,334.	s.38(4)
Environmental conditions	As set out in the Regulations and licence documentation, any special conditions will be outlined in the letter of offer attached to the licence.	

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Surrenders (partial or whole of licence)	<p>The Act requires the licensee to apply to the Minister for permission to surrender.</p> <p>Surrender is only permitted if the licensee has fulfilled all the terms and conditions of the licence up to and including the year in which the application to surrender is lodged. Licensees are required to lodge all outstanding data on their licences and carry out the clean-up and rehabilitation of their licence areas (where necessary) as a condition of surrender.</p> <p>Surrenders are effective from the end of the appropriate year of the term of the licence (unless specified otherwise).</p>	s.89
Required notice of entry to landholders	Not applicable	
Gazettals	<p>Gazettals occur on:</p> <ul style="list-style-type: none"> (a). grant of licence. (b). surrender of licence. (c). suspension of licence. (d). cancellation of licence. 	s.92
Suspension and cancellation	The Act provides for suspension and/or cancellation for failure to comply with licence conditions.	s.91
Royalty	<p>For a regulated substance 10% of the value at the wellhead. For geothermal energy 2.5%</p>	s.43(2)
	<p>Royalty is not payable in respect of:</p> <ul style="list-style-type: none"> (a). Petroleum returned to the pool, or destroyed or dissipated in accordance with sound petroleum production practices. (b). Petroleum used in the course of operations or for purposes incidental thereto. (c). Regulated substance which has been in a natural reservoir in the area of a production licence for storage purposes. 	s.43(3)
<p>Fees current as at 1 July 2019.</p> <p>* The annual licence fee for a low level supervision operator may be reduced by an amount not exceeding 50%.</p>		