

*Petroleum and Geothermal Energy Act 2000*  
Onshore Exploration Guideline

Onshore Exploration		Act Reference
<b>Title of licence</b>	Petroleum Exploration Licence (PEL), Geothermal Exploration Licence (GEL) or Gas Storage Exploration Licence (GSEL).	
<b>Who can apply</b>	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). A foreign corporation application must be registered under the provisions of the <i>Corporations Act 2001</i> .	
<b>When application can be made</b>	Initial licence at any time over an area which is not in a competitive tender region, otherwise by the closing time and date specified.  Renewal of licence not less than 2 months before existing licence is due to expire.	s.22  s.65(2)(a)
<b>Maximum area</b>	PEL - 10,000 km <sup>2</sup> GEL - 3,000 km <sup>2</sup> or GSEL - 2,500 km <sup>2</sup>	s.24(2)
<b>Application fee</b> <i>(Exempt from GST).</i>	For initial application - \$4,755  For each renewal - \$2,378	s.65(1)(e)  s.65(2)(d)
<b>Security</b>	Specified in letter of offer.	
<b>Term of licence</b>	Initial term 5 years.  Each renewal (to a maximum of 2 x 5) years.	s.26(1)  s.26(2)
<b>Annual fees payable</b> <i>(Exempt from GST).</i>	Initial 5-year licence term - *minimum \$4,022 or \$1.55 per km <sup>2</sup> whichever is greater. First renewal (2nd 5-year licence term) where licence is renewable for one further term) - *minimum \$4,022 or \$2.25 per km <sup>2</sup> whichever is the greater. First renewal (2nd 5-year licence term) where licence is renewable for two further terms) - *minimum \$4,022 or \$1.90 per km <sup>2</sup> whichever is the greater. Second renewal (3rd 5-year licence term) - *minimum \$4,022 or \$3.60 per km <sup>2</sup> whichever is greater.	s.78(1) Schedule
<b>Minimum work commitments</b>	As negotiated with applicant after application (which must contain a proposed 5-year work program) has been received.	s.25

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<b>Area to be relinquished on each renewal.</b>	50% or 33.3% of original licence area; this is in addition to any areas voluntarily surrendered during each 5-year licence term.	s.26(3)
<b>Fees for Minister's consent to dealing</b> <i>(Exempt from GST).</i>	\$2,378 per transaction (document)	s.114
<b>Fee for inspection of Commercial Register</b> <i>(Exempt from GST).</i>	\$237	s.118
<b>Method of application</b>	<p>An application for a Exploration Licence,</p> <ol style="list-style-type: none"> <li>must be addressed to the Minister; and</li> <li>must be signed or executed by the applicant; and</li> <li>must include, or be accompanied by, the following information or material (in addition to the material required by the Act):</li> </ol> <ol style="list-style-type: none"> <li>The full name, business address and telephone number of the applicant;</li> <li>The name and telephone number of a person who can be contacted about the application;</li> <li>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;</li> <li>A map indicating the area or route to which the application relates;</li> <li>Information on the size of the area to which the application relates, expressed in square kilometres;</li> <li>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);</li> <li>A statement of the technical qualifications and experience of the applicant;</li> <li>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);</li> <li>Must be accompanied by the prescribed fee.</li> </ol>	s.65(1)

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<b>Penalty for non-payment of annual rental fees</b>	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)
<b>Licence variations</b> <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 \$2,378.	s.25(4)
<b>Environmental conditions</b>	As set out in the Regulations and licence documentation, any special conditions will be outlined in the letter of offer attached to the licence.	
<b>Surrenders (partial or whole of licence)</b>	<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
<b>Required notice for approval to undertake work in licence area</b>	Three months' notice is required to arrange necessary clearances with other government agencies. This is carried out by DEM on the behalf of the licensee.	
<b>Required notice of entry to landholders</b>	A licensee must, at least twenty one days before entering the land, give written notice to the occupier of the land.	s.61
<b>Gazettals</b>	<p>Gazettals occur on:</p> <ul style="list-style-type: none"> <li>(a). grant of licence.</li> <li>(b). surrender of licence.</li> <li>(c). suspension of licence.</li> <li>(d). cancellation of licence.</li> <li>(e). deferment, variation or reduction of a work program where a licence was granted on the basis of competitive tender.</li> </ul>	s.92  s.25(5)(b)

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<b>Suspension and cancellation</b>	The Act provides for suspension and/or cancellation for failure to comply with licence conditions.	s.91
<b>Call for tenders.</b>	The Minister must call for tenders.  (a). within a competitive tender region (b). where a person has unsuccessfully applied for an exploration licence (but not in response to a call for tenders) asks the Minister to call for tenders for the relevant area.	s.22
<b>Criteria</b>	Criteria to be considered for the grant of a PEL, GEL or GSEL.	s.23
Fees current as at 1 July 2020. * The annual licence fee for a low level supervision operator may be reduced by an amount not exceeding 50%.		