

# **Greater Sunrise Unitisation Agreement Implementation Act 2004**

No. 47, 2004

An Act to amend the *Petroleum (Submerged Lands)* Act 1967 and other legislation to give effect to the Greater Sunrise unitisation agreement, and for other purposes

Note: An electronic version of this Act is available in SCALEplus (http://scaleplus.law.gov.au/html/comact/browse/TOCN htm)

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[Assented to 21 April 2004]

The Parliament of Australia enacts:

#### 1 Short title

This Act may be cited as the Greater Sunrise Unitisation Agreement Implementation Act 2004.

2

#### 2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information				
Column 1 Column 2		Column 3		
Provision(s)	Commencement	Date/Details		
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	21 April 2004		
2. Section 4	At the same time as the provision(s) covered by table item 3.			
3. Schedule 1, items 1 to 86	A single day to be fixed by Proclamation.			
4. Schedule 1, items 87 and 88	The later of:  (a) immediately after the commencement of section 4 of this Act; and			
	(b) immediately after the commencement of item 1 of Schedule 3 to the <i>Petroleum</i> (Submerged Lands) Amendment Act 2003.			
5. Schedule 1, items 89 to 110	At the same time as the provision(s) covered by table item 3.			
6. Schedule 1, Part 2	Immediately after the commencement of item 47 of Schedule 1 to the <i>Petroleum</i> (Submerged Lands) Legislation Amendment Act (No. 1) 2000.	7 March 2000		
7. Schedule 2	At the same time as the provision(s) covered by table item 3.			
Note:	This table relates only to the provisions of this A	ct as originally		

This table relates only to the provisions of this Act as originally passed by the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

(2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

#### 3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

#### 4 Regulations

- (1) The Governor-General may make regulations in relation to transitional matters arising out of the amendments made by this Act.
- (2) The Governor-General may make regulations making provision (including provision by way of modification or adaptation of any Act) for or in relation to matters consequential on amendments made by this Act.
- (3) The Governor-General may make regulations that:
  - (a) in the Minister's opinion, are necessary or convenient for giving effect to any provision of the Greater Sunrise unitisation agreement; and
  - (b) are not inconsistent with any amendment made by this Act.
- (4) In this section:

*Greater Sunrise unitisation agreement* means the Agreement between the Government of Australia and the Government of the Democratic Republic of Timor-Leste relating to the Unitisation of the Sunrise and Troubadour Fields done at Dili on 6 March 2003.

Note:

In 2004, the text of the agreement was available in the Australian Treaties Database of the Department of Foreign Affairs and Trade, accessible on the Internet through that Department's world-wide web site.

# Schedule 1—Petroleum (Submerged Lands) Act 1967

# Part 1—Amendments implementing the Greater Sunrise unitisation agreement

#### 1 Subsection 5(1)

Insert:

*Eastern Greater Sunrise area* means the part of the adjacent area in respect of the Northern Territory that is described in Schedule 8 under the heading that refers to the Eastern Greater Sunrise area.

#### 2 Subsection 5(1)

Insert:

*Greater Sunrise unit area* means the area described in Schedule 8 under the heading that refers to the Greater Sunrise unit area.

#### 3 Subsection 5(1)

Insert:

*Greater Sunrise unitisation agreement* means the Agreement between the Government of Australia and the Government of the Democratic Republic of Timor-Leste relating to the Unitisation of the Sunrise and Troubadour Fields done at Dili on 6 March 2003.

Note:

In 2004, the text of the agreement was available in the Australian Treaties Database of the Department of Foreign Affairs and Trade, accessible on the Internet through that Department's world-wide web site.

#### 4 Subsection 5(1)

Insert:

Greater Sunrise unit reservoir licence means a licence in respect of one or more blocks within the Eastern Greater Sunrise area that would allow the licensee to recover petroleum from either or both of the Greater Sunrise unit reservoirs.

#### 5 Subsection 5(1)

Insert:

*Greater Sunrise unit reservoirs* means the Unit Reservoirs within the meaning of the Greater Sunrise unitisation agreement.

#### 6 Subsection 5(1)

Insert:

*Greater Sunrise visiting inspector* means an inspector who is specified in the certificate given to that inspector under subsection 125(2) as being a Greater Sunrise visiting inspector.

#### 7 Subsection 5(1)

Insert:

**Principal Northern Territory PSL area** means the part of the adjacent area in respect of the Northern Territory that is comprised of all of that adjacent area apart from the Eastern Greater Sunrise area.

#### 8 Subsection 5(1) (definition of Register)

After "adjacent area", insert ", or a part of an adjacent area".

# 9 Subsection 5(1) (at the end of subparagraph (a)(iii) of the definition of the Designated Authority)

Add ", or a part of an adjacent area".

# 10 Subsection 5(1) (at the end of paragraph (b) of the definition of the Designated Authority)

Add ", or a part of an adjacent area".

### 11 Subsection 5(1) (at the end of the definition of the Designated Authority)

Add ", or that part of an adjacent area".

# 12 Subsection 5(1) (at the end of subparagraph (a)(iii) of the definition of the Joint Authority)

Add ", or a part of an adjacent area".

### 13 Subsection 5(1) (at the end of paragraph (b) of the definition of the Joint Authority)

Add ", or a part of an adjacent area".

### 14 Subsection 5(1) (at the end of the definition of the Joint Authority)

Add ", or that part of an adjacent area".

#### 15 Subsection 5(1)

Insert:

*Timor Sea Treaty* means the Timor Sea Treaty between Australia and East Timor done on 20 May 2002 as amended from time to time.

Note: The text of the Treaty is set out in the Australian Treaty Series at

[2003] ATS 13. In 2004 this was available in the Australian Treaties Database of the Department of Foreign Affairs and Trade, accessible on the Internet through that Department's world-wide web site.

#### 16 Subsection 5(1)

Insert:

*Timor Sea Treaty Designated Authority* means the Designated Authority within the meaning of the *Petroleum (Timor Sea Treaty) Act 2003*.

#### 17 Subsection 5(1)

Insert:

**Western Greater Sunrise area** means the area described in Schedule 8 under the heading that refers to the Western Greater Sunrise area.

Note: Activities occurring in the Western Greater Sunrise area in relation to

the exploration, development and exploitation of the Greater Sunrise unit reservoirs are dealt with under the *Petroleum (Timor Sea Treaty)* 

#### 18 Subsection 8A(3)

Repeal the subsection, substitute:

(3) For the purposes of this Act, the Joint Authority:

- (a) in respect of the adjacent area in respect of the Northern Territory; and
- (b) consisting of the Commonwealth Minister and the Territory Minister; and
- (c) known as the Commonwealth-Northern Territory Off-shore Petroleum Joint Authority; and
- (d) that was established by this section before the commencement of Part 1 of Schedule 1 to the *Greater Sunrise Unitisation Agreement Implementation Act* 2004;

is continued in existence under that name as the Joint Authority in respect of the Principal Northern Territory PSL area.

(4) For the purposes of this Act, there is established in respect of the Eastern Greater Sunrise area a Joint Authority consisting of the Commonwealth Minister, and that Joint Authority is to be known as the Greater Sunrise Off-shore Petroleum Joint Authority.

#### 19 Section 8C

After "adjacent area", insert ", or the part of an adjacent area,".

#### 20 Subsection 8D(1)

After "a Joint Authority", insert "consisting of 2 members".

#### 21 Subsection 8D(2)

Omit "If the members of a Joint Authority", substitute "If a Joint Authority consists of 2 members and they".

#### 22 Subsection 8D(3)

Omit "A", substitute "If a Joint Authority consists of 2 members, a".

#### 23 Before subsection 8H(1)

Insert:

(1A) This section only applies in respect of a Joint Authority consisting of 2 members.

Note: The heading to section 8H is altered by adding at the end "—other than Greater Sunrise Off-shore Petroleum Joint Authority".

#### 24 Subsection 8H(1)

Omit "two persons together.", substitute:

two persons together, each of whom is one of the following:

- (a) an APS employee who is an SES employee or acting SES employee;
- (b) an employee of a State, or of the Northern Territory.
- Note 1: The expressions *APS employee*, *SES employee* and *acting SES employee* are defined in section 17AA of the *Acts Interpretation Act* 1901
- Note 2: See also sections 34AA and 34AB of the *Acts Interpretation Act 1901*.

#### 25 Subsection 8H(2A)

Omit "Without", substitute "Subject to subsection (1), and without".

#### 26 At the end of Part IA

Add:

### 8J Greater Sunrise Off-shore Petroleum Joint Authority—consultations

The Greater Sunrise Off-shore Petroleum Joint Authority may consult with the Timor Sea Treaty Designated Authority before exercising any power, or performing any function, that is conferred on it under this Act, under an Act that incorporates this Act or under the regulations.

#### 8K Delegation by Greater Sunrise Off-shore Petroleum Joint Authority

- (1) The Greater Sunrise Off-shore Petroleum Joint Authority may, by written instrument, delegate to:
  - (a) an APS employee who is an SES employee or acting SES employee; or
  - (b) an employee of the Northern Territory; any or all of the powers or functions of the Joint Authority under this Act, under an Act that incorporates this Act or under the regulations.
  - Note 1: The expressions *APS employee*, *SES employee* and *acting SES employee* are defined in section 17AA of the *Acts Interpretation Act 1901*.
  - Note 2: See also sections 34AA and 34AB of the Acts Interpretation Act 1901.

- (2) If the Greater Sunrise Off-shore Petroleum Joint Authority delegates a power or function under this section, the delegation continues in force despite:
  - (a) a vacancy in the office of Joint Authority; or
  - (b) a change in the identity of the holder of the office of Joint Authority.
- (3) Despite subsection (2), a delegation under this section may be revoked by the Greater Sunrise Off-shore Petroleum Joint Authority in accordance with subsection 33(3) of the *Acts Interpretation Act 1901*.
- (4) A copy of each instrument making, varying or revoking a delegation under this section must be published in the *Gazette*.

#### 27 Subsection 14(1)

After "adjacent area", insert "(other than the adjacent area in respect of the Northern Territory)".

Note: The heading to section 14 is altered by adding at the end "—adjacent areas other than the Northern Territory adjacent area".

#### 28 Subsections 14(5) and (6)

Repeal the subsections.

#### 29 After section 14

Insert:

#### 14A Designated Authorities—Northern Territory adjacent area

Principal Northern Territory PSL area

- (1) For the purposes of this Act, the Designated Authority:
  - (a) in respect of the adjacent area in respect of the Northern Territory; and
  - (b) consisting of the Northern Territory Minister; and
  - (c) that was established by subsection 14(1) of this Act before the commencement of Part 1 of Schedule 1 to the *Greater Sunrise Unitisation Agreement Implementation Act 2004*;

is continued in existence as the Designated Authority in respect of the Principal Northern Territory PSL area. (2) The functions and powers of the Northern Territory Minister as the Designated Authority in respect of the Principal Northern Territory PSL area may be performed and exercised by another Northern Territory Minister acting for and on behalf of that Minister.

Eastern Greater Sunrise area

- (3) For the purposes of this Act, there is to be a Designated Authority in respect of the Eastern Greater Sunrise area.
- (4) The Designated Authority in respect of the Eastern Greater Sunrise area is the Commonwealth Minister.

#### 14B Eastern Greater Sunrise Designated Authority—consultations

The Designated Authority in respect of the Eastern Greater Sunrise area may consult with the Timor Sea Treaty Designated Authority before exercising any power, or performing any function, that is conferred on it under this Act, under an Act that incorporates this Act or under the regulations.

#### 30 Subsection 15(1)

Repeal the subsection, substitute:

- (1) A Designated Authority may, by written instrument, delegate to:
  - (a) an APS employee who is an SES employee or acting SES employee; or
  - (b) an employee of a State, or of the Northern Territory; any or all of the powers or functions of the Designated Authority under this Act, under an Act that incorporates this Act or under the regulations.
  - Note 1: The expressions *APS employee*, *SES employee* and *acting SES employee* are defined in section 17AA of the *Acts Interpretation Act* 1901.
  - Note 2: See also sections 34AA and 34AB of the Acts Interpretation Act 1901.

#### 31 After subsection 41(1)

Insert:

(1A) An application under section 39A or 40A for the grant of a Greater Sunrise unit reservoir licence must also:

- (a) nominate a person to be the unit operator, as defined in the Greater Sunrise unitisation agreement; and
- (b) be accompanied by each Joint Venturers' Agreement, as defined in the Greater Sunrise unitisation agreement; and
- (c) be accompanied by a copy of the proposed Development Plan, as defined in the Greater Sunrise unitisation agreement.

#### 32 Subsection 43(1A)

After "must,", insert "subject to subsection (1B),".

#### 33 After subsection 43(1A)

Insert:

- (1B) The Greater Sunrise Off-shore Petroleum Joint Authority must not tell an applicant for the grant of a Greater Sunrise unit reservoir licence that the Joint Authority is prepared to grant to the applicant such a licence unless:
  - (a) the Joint Authority has given to the Timor Sea Treaty Designated Authority a written notice that:
    - (i) states that the Joint Authority is considering granting the licence to the applicant and naming the person who the applicant has nominated to be the unit operator; and
    - (ii) is accompanied by a copy of each Joint Venturers' Agreement that accompanied the application; and
    - (iii) is accompanied by a copy of the proposed Development Plan that accompanied the application; and
  - (b) the Joint Authority has approved:
    - (i) a unit operator in respect of the development of the Greater Sunrise unit reservoirs in the blocks to which the licence relates; and
    - (ii) each Joint Venturers' Agreement in respect of that development; and
    - (iii) the Development Plan in respect of that development; and is satisfied that the Timor Sea Treaty Designated Authority has approved the same unit operator, Joint Venturers' Agreements and Development Plan in respect of that development; and
  - (c) the Joint Authority has determined the conditions subject to which the licence is to be granted.

#### 34 After paragraph 43(3)(b)

Insert:

or (c) in the case of an application for the grant of a Greater Sunrise unit reservoir licence—the Joint Authority is not satisfied that the Timor Sea Treaty Designated Authority has given the approvals mentioned in paragraph (1B)(b);

#### 35 Paragraph 59(1)(a)

After "petroleum pool", insert "(other than either of the Greater Sunrise unit reservoirs)".

#### 36 Subsection 59B(1)

After "Designated Authority", insert "in respect of an adjacent area or a part of an adjacent area".

#### 37 Subsection 59B(1)

After "Joint Authority", insert "in respect of the adjacent area or the part of an adjacent area".

#### 38 Paragraph 59B(2)(b)

After "adjacent area,", insert "or a part of an adjacent area,".

#### 39 Subsection 60(1)

Omit "the adjacent area", substitute "an adjacent area, or a part of an adjacent area".

#### **40 Subsection 60(4)**

Omit "the adjacent area", substitute "an adjacent area, or a part of an adjacent area".

#### **41 Subsection 60(5)**

Omit "the adjacent area", substitute "an adjacent area, or a part of an adjacent area".

#### **42 Subsection 60(6)**

Omit "The", substitute "A".

#### 43 Subsection 62(1)

After "Designated Authority", insert "in respect of an adjacent area, or a part of an adjacent area,".

#### 44 At the end of paragraph 62(1)(d)

Add ", or the part of an adjacent area".

#### 45 Section 63

After "Designated Authority", insert "in respect of an adjacent area, or a part of an adjacent area,".

#### 46 Section 63

Omit "in an adjacent area", substitute "in the adjacent area, or the part of an adjacent area,".

#### 47 Subsection 65(1)

After "an adjacent area", insert ", or a part of an adjacent area,".

#### 48 Subsection 65(1)

After ", adjacent area", insert ", or a part of an adjacent area".

#### **49 Subsection 65(2)**

After "an adjacent area", insert ", or a part of an adjacent area,".

#### 50 Subsection 65(2A)

After "an adjacent area", insert ", or a part of an adjacent area,".

#### **51 Subsection 65(3)**

After "an adjacent area", insert ", or a part of an adjacent area,".

#### 52 Paragraph 66(a)

Omit "an adjacent area", substitute "the adjacent area, or the part of an adjacent area, specified in the pipeline licence".

#### 53 Subparagraph 66(a)(i)

After "that adjacent area", insert ", or that part of an adjacent area,".

#### 54 Paragraph 66(c)

After "adjacent area", insert ", or that part of an adjacent area,".

#### 55 At the end of subsection 76(1)

Add ", or the part of the adjacent area, in respect of which the Designated Authority is the Designated Authority".

#### 56 Section 92

After "adjacent area", insert ", or a part of the adjacent area,".

#### **57 Subsection 101(1)**

Omit "The Designated Authority", substitute "A Designated Authority in respect of an adjacent area, or a part of an adjacent area,".

#### 58 Paragraph 101(2)(b)

After "the adjacent area" (wherever occurring), insert ", or the part of the adjacent area,".

#### **59 Subsection 101(2)**

After "person who is in the adjacent area", insert ", or the part of the adjacent area,".

#### **60 Subsection 101(2C)**

After "Designated Authority", insert "in respect of an adjacent area, or a part of an adjacent area,".

#### **61 Subsection 101(2C)**

Omit "in an adjacent area", substitute "in the adjacent area, or the part of an adjacent area".

#### 62 Subsection 102(1A)

Omit "by the Joint Authority", substitute "by a Joint Authority comprised of 2 members".

#### 63 At the end of section 103A

Add:

14

- (6) For the purposes of subsection (5):
  - (a) the Commonwealth-Northern Territory Off-shore Petroleum Joint Authority; and
  - (b) the Greater Sunrise Off-shore Petroleum Joint Authority;

are taken to have been established in relation to the Northern Territory.

#### **64 Subsection 107(2)**

After "The Designated Authority", insert ", in respect of an adjacent area, or a part of an adjacent area,".

#### **65 Subsection 107(2)**

Omit "is a permittee, lessee, licensee, infrastructure licensee or pipeline licensee", substitute "holds a permit, lease, licence, infrastructure licence, or pipeline licence, in respect of one or more blocks in that adjacent area, or that part of an adjacent area".

#### 66 Paragraph 107(2)(a)

Omit "part of", substitute "area in".

#### 67 Paragraph 107(2)(a)

Omit "or part by", substitute "by".

#### 68 Paragraph 107(2)(b)

Omit "or part".

#### 69 Paragraph 107(2)(c)

Omit "or part".

#### 70 Paragraph 107(2)(d)

Omit "or part".

#### **71 Subsection 112(1)**

After "Designated Authority", insert "in respect of the adjacent area, or the part of the adjacent area, in which the blocks that the permit, lease or licence relates to are located,".

#### **72 Subsection 112(1)**

Omit "being part of the adjacent area", substitute "being part of that adjacent area, or that part of an adjacent area,".

#### **73 Subsection 112(1C)**

After "within an adjacent area", insert ", or a part of an adjacent area,".

#### **74 Subsection 112(1C)**

After "that adjacent area", insert ", or that part of an adjacent area,".

#### **75 Subsection 112(1C)**

After "in an adjacent area", insert ", or a part of an adjacent area,".

#### **76 Subsection 112(1C)**

After "first-mentioned adjacent area", insert ", or part of an adjacent area".

#### **77 Subsection 112(4)**

After "the Designated Authority", insert ", in respect of an adjacent area, or a part of an adjacent area,".

#### **78 Subsection 112(4)**

After "block" (wherever occurring), insert "in that adjacent area, or that part of an adjacent area,".

#### **79 Subsection 112(4A)**

After "adjacent area", insert ", or the part of an adjacent area,".

#### 80 Subsection 112(4B)

After "adjacent area", insert ", or the part of an adjacent area,".

#### **81 Subsection 115(1)**

After "an adjacent area", insert ", or a part of an adjacent area,".

#### **82 Subsection 115(1)**

After "recovery of petroleum", insert "(including the measurement of the amount of petroleum recovered)".

#### 83 Subsection 115(1)

After "that adjacent area,", insert "or that part of an adjacent area,".

#### 84 Subsection 119(1)

After "an adjacent area", insert ", or a part of an adjacent area".

#### **85 Subsection 122(1)**

After "Designated Authority", insert " in respect of an adjacent area, or a part of an adjacent area,".

#### **86 Subsection 122(1)**

Omit "in an adjacent area", substitute "in the adjacent area, or the part of an adjacent area,".

#### 87 Paragraph 122A(1)(a)

After "adjacent area", insert ", or a part of an adjacent area,".

#### 88 Paragraph 122A(2)(a)

After "adjacent area", insert ", or a part of an adjacent area,".

#### 89 Subsection 123(1)

Omit "The Designated Authority", substitute "A Designated Authority in respect of an adjacent area, or a part of an adjacent area,".

#### 90 Subsection 123(1)

Omit "in an adjacent area", substitute "in the adjacent area, or the part of an adjacent area,".

#### 91 Subsection 123(3)

After "the adjacent area", insert ", or the part of the adjacent area,".

#### 92 Subsection 125(1)

After "adjacent area" (first occurring), insert ", or a part of an adjacent area,".

#### 93 At the end of subsection 125(1)

Add ", or that part of an adjacent area".

#### 94 After subsection 125(2)

Insert:

(2A) The Designated Authority in respect of the Eastern Greater Sunrise area may specify in a certificate given to an inspector under subsection (2) that the inspector is a Greater Sunrise visiting inspector.

#### **95 Subsection 126(1)**

After "an inspector", insert "(other than a Greater Sunrise visiting inspector)".

#### 96 Paragraph 126(1)(a)

After "the adjacent area", insert "or the part of an adjacent area,".

#### 97 Paragraph 126(1)(a)

After "that area" (wherever occurring), insert "or part".

#### 98 Paragraph 126(1)(b)

After "that area", insert "or part".

#### 99 Paragraph 126(1)(c)

After "in that area", insert "or part".

#### 100 After subsection 126(1)

Insert:

- (1A) For the purposes of paragraph (1)(c), the Eastern Greater Sunrise area is taken to be specified in Schedule 2 as being an adjacent area in respect of the Northern Territory.
- (1B) For the purposes of this Act and the regulations, a Greater Sunrise visiting inspector who produces, at a reasonable time, a certificate given to him or her under section 125:
  - (a) is to be given access to the regions in:
    - (i) the Eastern Greater Sunrise area; or
    - (ii) the Principal Northern Territory PSL area; specified in the certificate; and
  - (b) is to be given access to any structure, ship, aircraft or building in that region that, in his or her opinion, contains any equipment used to measure amounts of petroleum recovered from one or more of the Greater Sunrise unit reservoirs; and
  - (c) may inspect and test any equipment that, in his or her opinion, is being used in that region to measure amounts of petroleum recovered from one or more of the Greater Sunrise unit reservoirs.

#### 101 Subsection 126(2)

After "subsection (1)", insert "or (1B)".

#### 102 Section 127

After "if petroleum", insert ", other than petroleum from the Greater Sunrise unit reservoirs,".

#### 103 At the end of section 127

Add:

- (2) Subject to this Act, if an amount of petroleum is recovered at a particular time from one of the Greater Sunrise unit reservoirs by a permittee, lessee or licensee in the permit area, lease area or licence area:
  - (a) the current apportionment percentage of the amount of the petroleum becomes the property of the permittee, lessee or licensee; and
  - (b) property in the remainder of the amount of petroleum is determined under the Timor Sea Treaty; and
  - (c) the amount of petroleum is not subject to any rights of other persons (other than any person to whom the person whose property the petroleum becomes, under paragraph (a) or (b), assigns or otherwise disposes of the petroleum or an interest in the petroleum).

#### (3) In this section:

current apportionment percentage, in relation to an amount of petroleum recovered at a particular time, means 79.9% unless, before that time, the Apportionment Ratio set out in article 7 of the Greater Sunrise unitisation agreement has changed, at least once, because it has been:

- (a) redetermined due to a technical redetermination undertaken in accordance with paragraph 8(1) of the agreement; or
- (b) altered due to an agreement in accordance with paragraph 8(2) of the Greater Sunrise unitisation agreement;

in which case it means the percentage of the production of petroleum from the Greater Sunrise unit reservoirs that is apportioned to Australia under the Greater Sunrise unitisation agreement immediately after the most recent change to the Apportionment Ratio.

#### 104 Subsection 137(1)

After "adjacent area", insert ", or a part of an adjacent area,".

#### 105 At the end of subsection 137(1)

Add ", or that part of an adjacent area".

#### 106 Subsection 157(3)

After "rights", insert ", and compliance with Australia's obligations,".

#### 107 At the end of subsection 157(3)

Add "(whether in an adjacent area or not)".

#### 108 Subclause 29(1) of Schedule 7

After "an inspector", insert "(other than a Greater Sunrise visiting inspector)".

#### 109 Subclause 29(1) of Schedule 7

After "adjacent area", insert ", or a part of an adjacent area,".

#### 110 At the end of the Act

Add:

### Schedule 8—Greater Sunrise areas

Note 1: See subsection 5(1) (definitions of Greater Sunrise unit area, Western Greater Sunrise area and Eastern Greater Sunrise area).

Note 2: For datum, see section 150M.

#### Greater Sunrise unit area

The Greater Sunrise unit area is the area the boundary of which commences at the point of Latitude 9° 50′ 00′′ South, Longitude 127° 55′ 00′′ East and runs:

- (a) thence easterly along the rhumb line to the point of Latitude 9° 50′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (b) thence northerly along the rhumb line to the point of Latitude 9° 40′ 00′′ South, Longitude 128° 20′ 00′′ East;

- (c) thence easterly along the rhumb line to the point of Latitude 9° 40′ 00′′ South, Longitude 128° 25′ 00′′ East;
- (d) thence northerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 128° 25′ 00′′ East;
- (e) thence westerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (f) thence northerly along the rhumb line to the point of Latitude 9° 25′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (g) thence westerly along the rhumb line to the point of Latitude 9° 25′ 00′′ South, Longitude 128° 00′ 00′′ East;
- (h) thence south-westerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 127° 53′ 20′′ East;
- (i) thence westerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 127° 52′ 30′′ East;
- (j) thence southerly along the rhumb line to the point of Latitude 9° 35′ 00′′ South, Longitude 127° 52′ 30′′ East;
- (k) thence westerly along the rhumb line to the point of Latitude 9° 35′ 00′′ South, Longitude 127° 50′ 00′′ East;
- (l) thence southerly along the rhumb line to the point of Latitude 9° 37′ 30′′ South, Longitude 127° 50′ 00′′ East;
- (m) thence westerly along the rhumb line to the point of Latitude 9° 37′ 30′′ South, Longitude 127° 45′ 00′′ East;
- (n) thence southerly along the rhumb line to the point of Latitude 9° 45′ 00′′ South, Longitude 127° 45′ 00′′ East;
- (o) thence easterly along the rhumb line to the point of Latitude 9° 45′ 00′′ South, Longitude 127° 50′ 00′′ East;
- (p) thence southerly along the rhumb line to the point of Latitude 9° 47′ 30′′ South, Longitude 127° 50′ 00′′ East;
- (q) thence easterly along the rhumb line to the point of Latitude 9° 47′ 30′′ South, Longitude 127° 55′ 00′′ East;
- (r) thence southerly along the rhumb line to the point of commencement.

#### **Eastern Greater Sunrise area**

The Eastern Greater Sunrise area is the area the boundary of which commences at the point of Latitude 9° 50′ 00′′ South, Longitude 128° 03′ 22.51′′ East and runs:

- (a) thence easterly along the rhumb line to the point of Latitude 9° 50′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (b) thence northerly along the rhumb line to the point of Latitude 9° 40′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (c) thence easterly along the rhumb line to the point of Latitude 9° 40′ 00′′ South, Longitude 128° 25′ 00′′ East;
- (d) thence northerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 128° 25′ 00′′ East;
- (e) thence westerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (f) thence northerly along the rhumb line to the point of Latitude 9° 25′ 00′′ South, Longitude 128° 20′ 00′′ East;
- (g) thence westerly along the rhumb line to the point of Latitude 9° 25′ 00′′ South, Longitude 128° 00′ 00′′ East;
- (h) thence south-westerly along the rhumb line to the point of Latitude 9° 28′ 00′′ South, Longitude 127° 56′ 00′′ East;
- (i) thence south-easterly along the geodesic to the point of Latitude 9° 29′ 57′′ South, Longitude 127° 58′ 47′′ East;
- (i) thence south-easterly along the geodesic to the point of commencement.

#### Western Greater Sunrise area

The Western Greater Sunrise area is the area the boundary of which commences at the point of Latitude 9° 28′ 00″ South, Longitude 127° 56′ 00′′ East and runs:

- (a) thence south-westerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 127° 53′ 20′′ East;
- (b) thence westerly along the rhumb line to the point of Latitude 9° 30′ 00′′ South, Longitude 127° 52′ 30′′ East;
- (c) thence southerly along the rhumb line to the point of Latitude 9° 35′ 00′′ South, Longitude 127° 52′ 30′′ East;
- (d) thence westerly along the rhumb line to the point of Latitude 9° 35′ 00′′ South, Longitude 127° 50′ 00′′ East;
- (e) thence southerly along the rhumb line to the point of Latitude 9° 37′ 30″ South, Longitude 127° 50′ 00″ East;
- (f) thence westerly along the rhumb line to the point of Latitude 9° 37′ 30′′ South, Longitude 127° 45′ 00′′ East;

- (g) thence southerly along the rhumb line to the point of Latitude 9° 45′ 00′′ South, Longitude 127° 45′ 00′′ East;
- (h) thence easterly along the rhumb line to the point of Latitude 9° 45′ 00′′ South, Longitude 127° 50′ 00′′ East;
- (i) thence southerly along the rhumb line to the point of Latitude 9° 47′ 30″ South, Longitude 127° 50′ 00″ East;
- (j) thence easterly along the rhumb line to the point of Latitude 9° 47′ 30′′ South, Longitude 127° 55′ 00′′ East;
- (k) thence southerly along the rhumb line to the point of Latitude 9° 50′ 00′′ South, Longitude 127° 55′ 00′′ East;
- (l) thence easterly along the rhumb line to the point of Latitude 9° 50′ 00′′ South, Longitude 128° 03′ 22.51′′ East;
- (m) thence north-westerly along the geodesic to the point of Latitude 9° 29′ 57″ South, Longitude 127° 58′ 47″ East;
- (n) thence north-westerly along the geodesic to the point of commencement.

#### Part 2—Technical corrections

#### **111 Subsection 44(1)**

Omit "an instrument under subsection 43(1)", substitute "a notice under subsection 43(1A)".

#### **112 Subsection 44(1)**

Omit "instrument on", substitute "notice on".

#### **113 Subsection 44(1)**

Omit "first-mentioned instrument", substitute "notice".

#### 114 Subsection 44(2)

Omit "an instrument under subsection 43(1)", substitute "a notice under subsection 43(1A)".

#### 115 Subsection 44(4)

Omit "an instrument under subsection 43(1)", substitute "a notice under subsection 43(1A)".

#### 116 Paragraph 44A(b)

Omit "subsection 43(1)", substitute "subsection 43(1A)".

### Schedule 2—Amendment of other Acts

#### Petroleum Resource Rent Tax Assessment Act 1987

#### 1 Section 2

Insert:

apportionment percentage figure has the meaning given by subsection 2C(2).

#### 2 Section 2

Insert:

current apportionment percentage has the meaning given by subsection 2C(1).

#### 3 Section 2

Insert:

Greater Sunrise project means a petroleum project for the recovery of petroleum from one or more of the Greater Sunrise unit reservoirs.

#### 4 Section 2

Insert:

Greater Sunrise unit area has the same meaning as in the Petroleum (Submerged Lands) Act 1967.

#### 5 Section 2

Insert:

Greater Sunrise unit reservoirs has the same meaning as in the Petroleum (Submerged Lands) Act 1967.

#### 6 Section 2 (definition of production licence)

Repeal the definition, substitute:

production licence means:

- (a) a production licence for petroleum under Part III of the *Petroleum (Submerged Lands) Act 1967*; or
- (b) a lawful authority or right (however described) to undertake activities in the Western Greater Sunrise area for the recovery of petroleum from one or more of the Greater Sunrise unit reservoirs.

#### 7 Section 2 (definition of production licence area)

Repeal the definition, substitute:

production licence area means a licence area within the meaning of the Petroleum (Submerged Lands) Act 1967 and, in relation to a Greater Sunrise project, includes the Western Greater Sunrise area.

# 8 Section 2 (note at the end of the definition of *transferable* exploration expenditure)

Omit "Note", substitute "Note 1".

### 9 Section 2 (at the end of the definition of *transferable* exploration expenditure)

Add:

Note 2: Special rules apply in relation to the transfer of Greater Sunrise exploration expenditure: see Part 1A of the Schedule.

#### 10 Section 2

Insert:

Western Greater Sunrise area has the same meaning as in the Petroleum (Submerged Lands) Act 1967.

#### 11 After section 2B

Insert:

#### **2C** Greater Sunrise apportionments

(1) For the purposes of this Act, *current apportionment percentage* means the percentage applying from time to time under the definition of *current apportionment percentage* in subsection 127(3) of the *Petroleum (Submerged Lands) Act 1967*.

- (2) For the purposes of this Act, *apportionment percentage figure*, in relation to a year of tax, means:
  - (a) if the current apportionment percentage did not change during the year of tax—the numerator of the fraction with a denominator of 100 that represents the current apportionment percentage that applied during that year; or
  - (b) if the current apportionment percentage changed during the year of tax—means the amount worked out using the following formula:

$$\frac{\left(\text{First \% figure} \times \text{Prior days}\right) + \left(\text{Second \% figure} \times \text{Subsequent days}\right)}{\text{Days in tax year}}$$

#### where:

days in tax year means the number of days in the year of tax. first % figure, in relation to a year of tax in which the current apportionment percentage changed, means the numerator of the fraction with a denominator of 100 that represents the current apportionment percentage applying before the change.

*prior days*, in relation to a year of tax in which the current apportionment percentage changed, means the number of days in that year before the current apportionment percentage changed.

**second** % **figure**, in relation to a year of tax in which the current apportionment percentage changed, means the numerator of the fraction with a denominator of 100 that represents the current apportionment percentage applying after the change.

subsequent days, in relation to a year of tax in which the current apportionment percentage changed, means the number of days in that year from and including the day on which the current apportionment percentage changed.

#### 12 At the end of section 22 (after the note)

Add:

27

Allowing for Greater Sunrise apportionments

(2) However, if the petroleum project is a Greater Sunrise project, the person is taken for the purposes of this Act to have a taxable profit in relation to the project and the year of tax of an amount worked out using the following formula:

 $\frac{\text{Initial taxable profit} \times \text{Apportionment percentage figure}}{100}$ 

where:

apportionment percentage figure has the meaning given by subsection 2C(2).

*initial taxable profit* means the amount of taxable profit worked out under subsection (1) ignoring this subsection.

#### **13 Subsection 23(1)**

Omit "subsection (2)", substitute "subsections (2) and (3)".

#### 14 At the end of section 23

Add:

- (3) For the purposes of this Act, assessable receipts, in relation to a Greater Sunrise project, are to be calculated as if each amount of the petroleum recovered from a Greater Sunrise unit reservoir became the property of the person who recovered that amount as soon as it was recovered.
- (4) Subsection (3) has effect despite subsection 127(2) of the *Petroleum (Submerged Lands) Act 1967*.

#### 15 At the end of section 46

Add:

Greater Sunrise closing-down credits

(2) However, for the purposes of the operation of paragraph (1)(a) in relation to a Greater Sunrise project, the amount that is so much of the excess as does not exceed the amount of the closing-down expenditure is taken to be the amount worked out using the following formula:

Initial excess × Apportionment percentage figure 100

where:

apportionment percentage figure has the meaning given by subsection 2C(2).

initial excess means the amount that is so much of the excess as does not exceed the amount of the closing-down expenditure under paragraph (1)(a) ignoring this subsection.

#### 16 After Part 1 of the Schedule

Insert:

### Part 1A—Special rules relating to the transfer of **Greater Sunrise expenditure**

#### 4A Certain Greater Sunrise expenditure is not transferable

Despite paragraphs 7(b), 8(5)(c), 11(b), 12(4)(c) and 18(3)(e) of this Schedule and subclauses 18(1) and 18(2) of this Schedule, amounts of exploration expenditure incurred in relation to the Western Greater Sunrise area before 6 March 2003 are not transferable under section 45A, 45B or 45C.

#### 4B Greater Sunrise transferable exploration expenditure must be adjusted

Transfers from a Greater Sunrise project

(1) If, in relation to a year of tax, transferable exploration expenditure is transferred from a Greater Sunrise project to a petroleum project other than a Greater Sunrise project, the amount of that expenditure for the purposes of the other petroleum project is taken to be the amount worked out using the following formula:

Amount transferred × Apportionment percentage figure

where:

amount transferred means the amount transferred, in relation to the year of tax, from the Greater Sunrise project before that amount is reduced by the operation of this subclause.

apportionment percentage figure has the meaning given by subsection 2C(2).

Transfers to a Greater Sunrise project

(2) If, in relation to a year of tax, transferable exploration expenditure is transferred to a Greater Sunrise project from a petroleum project other than a Greater Sunrise project, the amount of that expenditure for the purposes of the Greater Sunrise project is taken to be the amount worked out using the following formula:

Amount transferred × 100

Apportionment percentage figure

where:

amount transferred means the amount transferred, in relation to the year of tax, from the project other than the Greater Sunrise project before that amount is increased by the operation of this subclause.

apportionment percentage figure has the meaning given by subsection 2C(2).

#### 17 At the end of clause 20 of the Schedule

Add:

Special rules apply in relation to the transfer of Greater Sunrise Note:

exploration expenditure: see Part 1A of this Schedule.

#### 18 At the end of clause 29 of the Schedule

Add:

Note:

Special rules apply in relation to the transfer of Greater Sunrise exploration expenditure: see Part 1A of this Schedule.

#### Radiocommunications Act 1992

#### 19 At the end of paragraph 16(1)(d)

Add "or 17A".

#### 20 After section 17

Insert:

#### 17A Western Greater Sunrise area

- (1) Subject to subsection (2), this Act applies in relation to the Western Greater Sunrise area as if references in this Act to Australia, when used in a geographical sense, included references to the Western Greater Sunrise area.
- (2) The extended application given to this Act by subsection (1) extends only in relation to:
  - (a) acts, matters and things directly or indirectly connected with exploration of, or exploitation of the resources of, either or both of the Greater Sunrise unit reservoirs; and
  - (b) acts done by or in relation to, and matters, circumstances and things affecting, any person who is in the Western Greater Sunrise area for a reason directly or indirectly connected with such exploration or exploitation.
- (3) In this section:

*Greater Sunrise unit reservoirs* has the same meaning as in the *Petroleum (Submerged Lands) Act 1967.* 

Western Greater Sunrise area has the same meaning as in the Petroleum (Submerged Lands) Act 1967.

[Minister's second reading speech made in— House of Representatives on 10 March 2004 Senate on 10 March 2004]

(29/04)