



Queensland

Petroleum and Other Legislation Amendment Regulation (No. 1) 2011

Subordinate Legislation 2011 No. 35

made under the

Petroleum Act 1923

Petroleum and Gas (Production and Safety) Act 2004

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Part 1 Preliminary

1 Short title

This regulation may be cited as the *Petroleum and Other Legislation Amendment Regulation (No. 1) 2011*.

Part 2 Amendment of Petroleum Regulation 2004

2 Regulation amended

This part amends the *Petroleum Regulation 2004*.

3 Insertion of new s 15A

Chapter 2, part 1, division 2, subdivision 2—
insert—

‘15A Owners and occupiers to be given copy of notices required to be lodged under this subdivision [P&G, s 30A]

- ‘(1) This section applies if the holder of a 1923 Act petroleum tenure is required to lodge a notice under this subdivision.
- ‘(2) The holder must give a copy of the notice to each owner and each occupier of the land on which the authorised activities to which the notice relates have been or are to be carried out—
 - (a) for a notice of intention to drill a well or bore under section 16—at least 10 business days before the start of drilling; or
 - (b) for a notice of completion, alteration or abandonment of a well or bore under section 17—within 10 business days after an event mentioned in section 17(1) happens; or

[s 4]

- (c) for a notice of intention to carry out a seismic survey or scientific or technical survey under section 18—at least 10 business days before the survey starts; or
 - (d) for a notice of completion of a seismic survey or scientific or technical survey under section 19—within 10 business days after the completion day for the survey; or
 - (e) for a notice of intention to carry out hydraulic fracturing activities under section 20—at least 10 business days before starting the hydraulic fracturing activities; or
 - (f) for a notice of completion of hydraulic fracturing activities under section 20A—within 10 business days after finishing the hydraulic fracturing activities.
- ‘(3) The requirement under subsection (2) to give a copy of the notice—
- (a) to each owner of the land, does not apply if the holder is the owner or an owner of the land; or
 - (b) to each occupier of the land, does not apply if the holder is the occupier or an occupier of the land.’.

4 Amendment of s 16 (Notice of intention to drill a well or bore [P&G, s 31])

Section 16(1), ‘5’—

omit, insert—

‘10’.

5 Insertion of new ss 20 and 20A

Chapter 2, part 1, division 2, subdivision 2—

insert—

‘20 Notice of intention to carry out hydraulic fracturing activities [P&G, s 35]

- ‘(1) This section applies if the holder of a 1923 Act petroleum tenure is to carry out hydraulic fracturing activities in the prescribed area for the tenure.
- ‘(2) The holder must, at least 10 business days before starting hydraulic fracturing activities in the prescribed area for the tenure, lodge a notice stating the hydraulic fracturing activities are to start.
- ‘(3) The notice must—
 - (a) be lodged electronically using the system for submission of notices made or approved by the chief executive and available on the department’s website; and
 - (b) be in the digital form made or approved by the chief executive.

‘20A Notice of completion of hydraulic fracturing activities [P&G, s 35A]

- ‘(1) This section applies if the holder of a 1923 Act petroleum tenure has finished hydraulic fracturing activities in the prescribed area for the tenure after the commencement of this section.
- ‘(2) The holder must, within 10 business days after finishing the hydraulic fracturing activities, lodge a notice in the approved form about the completion of the hydraulic fracturing activities.
- ‘(3) Without limiting subsection (2), the approved form must provide for the holder to state—
 - (a) the commencement and completion dates of the hydraulic fracturing activities; and
 - (b) the operator of the drilling project involving the hydraulic fracturing activities; and

[s 6]

- (c) the contractor who carried out the hydraulic fracturing activities on behalf of the operator of the drilling project; and
 - (d) details of the composition of the hydraulic fracturing fluid pumped into the well used for the hydraulic fracturing activities.
- ‘(4) The notice must—
- (a) be lodged electronically using the system for submission of notices made or approved by the chief executive and available on the department’s website; and
 - (b) be in the digital form made or approved by the chief executive.’.

6 Insertion of new ch 2, pt 1, div 2, sdiv 6

Chapter 2, part 1, division 2—

insert—

‘Subdivision 6 Hydraulic fracturing activities completion report

‘30A Hydraulic fracturing activities completion report [P&G, s 46A]

- ‘(1) This section applies if the holder of a 1923 Act petroleum tenure has finished hydraulic fracturing activities in the prescribed area for the tenure after the commencement of this section.
- ‘(2) The holder must, within 2 months after finishing the hydraulic fracturing activities, lodge a report (a *hydraulic fracturing activities completion report*) that complies with subsection (3).
- ‘(3) The report must contain each of the following—
- (a) the type and number of the tenure;

- (b) the name and postal address of the contractor who carried out the hydraulic fracturing activities on behalf of the operator of the drilling project;
- (c) the identifying name of each treatment well or observation well for which the hydraulic fracturing activities were carried out;
- (d) the day the hydraulic fracturing activities for each well started;
- (e) the day the hydraulic fracturing activities for each well finished;
- (f) an identification of each method of hydraulic fracturing activities carried out;
- (g) the depth in metres of the top and bottom of—
 - (i) each stage over which the hydraulic fracturing activities were carried out; and
 - (ii) each geological interval over which hydraulic fracturing activities were carried out and the name of each geological interval;
- (h) a summary of the operations performed at each stage in carrying out the hydraulic fracturing activities, including the volume and type of chemical used at each stage;
- (i) an assessment of the implications of the hydraulic fracturing activities for each well for the future management of the natural underground reservoir involved, including for each stage of the hydraulic fracturing activities, over the geological interval, a graphic representation of the following—
 - (i) casing pressure with time;
 - (ii) calculated bottom hole pressure with time;
 - (iii) calculated bottom hole concentration with time;
 - (iv) the rate at which the hydraulic fracturing fluid is pumped into the well used for the hydraulic fracturing activities with time;

[s 6]

- (v) the concentration of proppant in the hydraulic fracturing fluid with time;
- (vi) maximum surface treatment pressure reached during each stage of the hydraulic fracturing activities;
- (vii) the estimated targeted fracture pressure over the geological interval during each stage of the hydraulic fracturing activities;
- (j) details of—
 - (i) the equipment used to carry out and monitor the hydraulic fracturing activities; and
 - (ii) the diagnostic techniques used to monitor the hydraulic fracturing activities;
- (k) if known, details of—
 - (i) any geological connection between a geological interval over which hydraulic fracturing activities were carried out and an aquifer; and
Example—

In the Surat Basin, if a Walloon subgroup geological interval hydraulic fracture treatment stage breaks through to the Upper Springbok Formation, the holder must include details of this event.
 - (ii) the distance separating a geological interval over which hydraulic fracturing activities were carried out from an aquifer;
- (l) details of the total volume of hydraulic fracturing fluid, in kilolitres, pumped into each well during each stage of the hydraulic fracturing activities;
- (m) if hydraulic fracturing activities were carried out on a coal seam—any other details about the hydraulic fracturing activities that would assist a person in making a future assessment of the impact of the hydraulic fracturing activities on the coal seam and any increased risk to safe and efficient mining of coal;

-
- (n) if a known event related to the hydraulic fracturing activities has caused material environmental harm, or serious environmental harm, within the meaning of the *Environmental Protection Act 1994*—details of each step taken to mitigate the harm.
- ‘(4) The holder must ensure the report is accompanied by a statement (a *hydraulic fracturing fluid statement*) stating, for the hydraulic fracturing fluid used in carrying out the hydraulic fracturing activities, the composition of the hydraulic fracturing fluid, including—
- (a) the quantity of each component of the hydraulic fracturing fluid in kilograms, litres, or kilolitres, as appropriate; and
 - (b) the concentration of each component in the hydraulic fracturing fluid; and
 - (c) the name of any chemical compound contained in the hydraulic fracturing fluid.

Maximum penalty for subsection (4)—20 penalty units.’.

7 **Amendment of s 35 (Confidentiality of required information for 1923 Act petroleum tenure holders [P&G, s 51])**

Section 35(2)—

insert—

- ‘(i) for a hydraulic fracturing activities completion report required to be lodged under section 30A, including any accompanying hydraulic fracturing fluid statement—the day that is 5 years after the day on which the report is required to be lodged, or the day on which the report is lodged, whichever is the earlier.’.

8 **Insertion of new ch 4, pt 4**

Chapter 4—

insert—

9 Amendment of sch 4 (Dictionary)

- (1) Schedule 4, definition *operator*—

omit.

- (2) Schedule 4—

insert—

‘hydraulic fracturing activities means a form of stimulation that involves specially engineered fluids being pumped at a high pressure and rate into a reservoir for the purpose of opening fractures.

hydraulic fracturing activities completion report see section 30A(2).

hydraulic fracturing fluid means a fluid that—

- (a) is a mixture of water, liquid chemicals and other additives, including, for example, proppants; and
- (b) is commonly known as slurry.

hydraulic fracturing fluid statement see section 30A(4).

operator—

- (a) generally—has the meaning given under the 2004 Act; or
- (b) of a drilling project, means the corporation or other entity that is the decision-maker and has responsibility for the overall management for the project.

prescribed area, for a 1923 Act petroleum tenure, means an area within the tenure—

- (a) where hydraulic fracturing activities for a well are to be or have been conducted; and
- (b) that may be affected, or was affected, by the hydraulic fracturing activities associated with the well.

proppant means well-sorted and consistently-sized sand or manufactured materials that are mixed into a hydraulic fracturing fluid to hold the fracture faces apart after the fluid used for hydraulic fracturing activities has been pumped

- (d) for a notice of completion of a seismic survey or scientific or technical survey under section 34—within 10 business days after the completion day for the survey; or
 - (e) for a notice of intention to carry out hydraulic fracturing activities under section 35—at least 10 business days before starting the hydraulic fracturing activities; or
 - (f) for a notice of completion of hydraulic fracturing activities under section 35A—within 10 business days after finishing the hydraulic fracturing activities.
- ‘(3) The requirement under subsection (2) to give a copy of the notice—
- (a) to each owner of the land, does not apply if the holder is the owner or an owner of the land; or
 - (b) to each occupier of the land, does not apply if the holder is the occupier or an occupier of the land.’.

12 Amendment of s 31 (Notice of intention to drill a petroleum well or bore)

Section 31(1), ‘5’—

omit, insert—

‘10’.

13 Insertion of new ss 35 and 35A

Chapter 2, part 1, division 2, subdivision 2—

insert—

‘35 Notice of intention to carry out hydraulic fracturing activities

- ‘(1) This section applies if the holder of a petroleum tenure is to carry out hydraulic fracturing activities in the prescribed area for the tenure.
- ‘(2) The holder must, at least 10 business days before starting hydraulic fracturing activities in the prescribed area for the

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tenure, lodge a notice stating the hydraulic fracturing activities are to start.

- ‘(3) The notice must—
- (a) be lodged electronically using the system for submission of notices made or approved by the chief executive and available on the department’s website; and
 - (b) be in the digital form made or approved by the chief executive.

‘35A Notice of completion of hydraulic fracturing activities

- ‘(1) This section applies if the holder of a petroleum tenure has finished hydraulic fracturing activities in the prescribed area for the tenure after the commencement of this section.
- ‘(2) The holder must, within 10 business days after finishing the hydraulic fracturing activities, lodge a notice in the approved form about the completion of the hydraulic fracturing activities.
- ‘(3) Without limiting subsection (2), the approved form must provide for the holder to state—
- (a) the commencement and completion dates of the hydraulic fracturing activities; and
 - (b) the operator of the drilling project involving the hydraulic fracturing activities; and
 - (c) the contractor who carried out the hydraulic fracturing activities on behalf of the operator of the drilling project; and
 - (d) details of the composition of the hydraulic fracturing fluid pumped into the petroleum well used for the hydraulic fracturing activities.
- ‘(4) The notice must—
- (a) be lodged electronically using the system for submission of notices made or approved by the chief executive and available on the department’s website; and

- (b) be in the digital form made or approved by the chief executive.’.

14 Insertion of new ch 2, pt 1, div 2, sdiv 6

Chapter 2, part 1, division 2—

insert—

‘Subdivision 6 Hydraulic fracturing activities completion report

‘46A Hydraulic fracturing activities completion report

- ‘(1) This section applies if the holder of a petroleum tenure has finished hydraulic fracturing activities in the prescribed area for the tenure after the commencement of this section.
- ‘(2) The holder must, within 2 months after finishing the hydraulic fracturing activities, lodge a report (a ***hydraulic fracturing activities completion report***) that complies with subsection (3).
- ‘(3) The report must contain each of the following—
- (a) the type and number of the tenure;
 - (b) the name and postal address of the contractor who carried out the hydraulic fracturing activities on behalf of the operator of the drilling project;
 - (c) the identifying name of each treatment well or observation well for which the hydraulic fracturing activities were carried out;
 - (d) the day the hydraulic fracturing activities for each petroleum well started;
 - (e) the day the hydraulic fracturing activities for each petroleum well finished;
 - (f) an identification of each method of hydraulic fracturing activities carried out;
 - (g) the depth in metres of the top and bottom of—

[s 14]

- (i) each stage over which the hydraulic fracturing activities were carried out; and
 - (ii) each geological interval over which hydraulic fracturing activities were carried out and the name of each geological interval;
- (h) a summary of the operations performed at each stage in carrying out the hydraulic fracturing activities, including the volume and type of chemical used at each stage;
- (i) an assessment of the implications of the hydraulic fracturing activities for each petroleum well for the future management of the natural underground reservoir involved, including for each stage of the hydraulic fracturing activities, over the geological interval, a graphic representation of the following—
 - (i) casing pressure with time;
 - (ii) calculated bottom hole pressure with time;
 - (iii) calculated bottom hole concentration with time;
 - (iv) the rate at which the hydraulic fracturing fluid is pumped into the well used for the hydraulic fracturing activities with time;
 - (v) the concentration of proppant in the hydraulic fracturing fluid with time;
 - (vi) maximum surface treatment pressure reached during each stage of the hydraulic fracturing activities;
 - (vii) the estimated targeted fracture pressure over the geological interval during each stage of the hydraulic fracturing activities;
- (j) details of—
 - (i) the equipment used to carry out and monitor the hydraulic fracturing activities; and
 - (ii) the diagnostic techniques used to monitor the hydraulic fracturing activities;

-
- (k) if known, details of—
- (i) any geological connection between a geological interval over which hydraulic fracturing activities were carried out and an aquifer; and
- Example—*
- In the Surat Basin, if a Walloon subgroup geological interval hydraulic fracture treatment stage breaks through to the Upper Springbok Formation, the holder must include details of this event.
- (ii) the distance separating a geological interval over which hydraulic fracturing activities were carried out from an aquifer;
- (l) details of the total volume of hydraulic fracturing fluid, in kilolitres, pumped into each petroleum well during each stage of the hydraulic fracturing activities;
- (m) if hydraulic fracturing activities were carried out on a coal seam—any other details about the hydraulic fracturing activities that would assist a person in making a future assessment of the impact of the hydraulic fracturing activities on the coal seam and any increased risk to safe and efficient mining of coal;
- (n) if a known event related to the hydraulic fracturing activities has caused material environmental harm, or serious environmental harm, within the meaning of the *Environmental Protection Act 1994*—details of each step taken to mitigate the harm.
- ‘(4) The holder must ensure the report is accompanied by a statement (a ***hydraulic fracturing fluid statement***) stating, for the hydraulic fracturing fluid used in carrying out the hydraulic fracturing activities, the composition of the hydraulic fracturing fluid, including—
- (a) the quantity of each component of the hydraulic fracturing fluid in kilograms, litres, or kilolitres, as appropriate; and
 - (b) the concentration of each component in the hydraulic fracturing fluid; and

[s 15]

- (c) the name of any chemical compound contained in the hydraulic fracturing fluid.

Maximum penalty for subsection (4)—20 penalty units.’.

15 Amendment of s 51 (Confidentiality of required information for petroleum tenure holders)

Section 51(2)—

insert—

- ‘(j) for a hydraulic fracturing activities completion report required to be lodged under section 46A, including any accompanying hydraulic fracturing fluid statement—the day that is 5 years after the day on which the report is required to be lodged, or the day on which the report is lodged, whichever is the earlier.’.

16 Insertion of new ch 7, pt 7

Chapter 7—

insert—

‘Part 7 Transitional provisions for Petroleum and Other Legislation Amendment Regulation (No. 1) 2011

‘171 Existing intention to drill a petroleum well or bore

- ‘(1) This section applies if—
 - (a) before the commencement of this section, a petroleum tenure holder intended to drill a well or bore; and
 - (b) the holder is required to lodge, but has not lodged, a notice under section 31 for the well or bore.
- ‘(2) Old section 31 continues to apply to the holder for the well or bore.

‘(3) In this section—

old section 31 means section 31 as in force immediately before the commencement of this section.

‘172 Confidentiality period for report about hydraulic fracturing activities lodged before commencement

‘(1) This section applies to a report, about hydraulic fracturing activities carried out by the holder of a petroleum tenure, lodged under section 553(1)(b) of the Act before the commencement.

‘(2) Despite section 51(2)(j), the prescribed confidentiality period for the report starts on the commencement and ends on the day that is 5 years after the commencement.

‘(3) In this section—

commencement means commencement of this section.’.

17 Amendment of sch 9 (Fees)

(1) Schedule 9, part 4, item 4(a), ‘116.30’—

omit, insert—

‘119.20’.

(2) Schedule 9, part 4, item 4(b), ‘28.95’—

omit, insert—

‘29.65’.

(3) Schedule 9, part 4, item 6(a), ‘2 327.00’—

omit, insert—

‘2 385.15’.

(4) Schedule 9, part 4, item 6(b), ‘1 163.00’—

omit, insert—

‘1 192.05’.

[s 18]

18 Amendment of sch 12 (Dictionary)

(1) Schedule 12—

insert—

‘hydraulic fracturing activities means a form of stimulation that involves specially engineered fluids being pumped at a high pressure and rate into a reservoir for the purpose of opening fractures.

hydraulic fracturing activities completion report see section 46A(2).

hydraulic fracturing fluid means a fluid that—

- (a) is a mixture of water, liquid chemicals and other additives, including, for example, proppants; and
- (b) is commonly known as slurry.

hydraulic fracturing fluid statement see section 46A(4).

prescribed area, for a petroleum tenure, means an area within the tenure—

- (a) where hydraulic fracturing activities for a well are to be or have been conducted; and
- (b) that may be affected, or was affected, by the hydraulic fracturing activities associated with the well.

proppant means well-sorted and consistently-sized sand or manufactured materials that are mixed into a hydraulic fracturing fluid to hold the fracture faces apart after the fluid used for hydraulic fracturing activities has been pumped under pressure into the well and the pressure has been released.’.

(2) Schedule 12, definition *operator*—

insert—

- ‘(c) of a drilling project, means the corporation or other entity that is the decision-maker and has responsibility for the overall management for the project.’.

ENDNOTES

- 1 Made by the Governor in Council on 7 April 2011.
- 2 Notified in the gazette on 8 April 2011.
- 3 Laid before the Legislative Assembly on . . .
- 4 The administering agency is the Department of Employment, Economic Development and Innovation.

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