

Queensland



**MINERAL RESOURCES AND  
ANOTHER ACT AMENDMENT  
BILL 2003**



# Queensland



## MINERAL RESOURCES AND ANOTHER ACT AMENDMENT BILL 2003

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**2003**

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**A BILL**

**FOR**

**An Act to amend the *Mineral Resources Act 1989* and the *Petroleum Act 1923***

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**The Parliament of Queensland enacts—** 1

**PART 1—PRELIMINARY** 2

**Clause 1 Short title** 3

This Act may be cited as the *Mineral Resources and Another Act Amendment Act 2003*. 4

**PART 2—AMENDMENT OF MINERAL RESOURCES  
ACT 1989** 5  
6

**Clause 2 Act amended in pt 2** 7

This part amends the *Mineral Resources Act 1989*. 8

**Clause 3 Insertion of new pt 18A** 9

After section 722— 10

*insert—* 11

**‘PART 18A—INTERIM RESTRICTION FOR  
OVERLAPPING MINING LEASE APPLICATIONS** 12  
13

*‘Division 1—Interpretation* 14

**‘722A Definitions for pt 18A** 15

‘In this part— 16

**“authority to prospect”** means an authority to prospect under the *Petroleum Act 1923*. 17  
18

**“demonstrated petroleum deposit”** see section 722C. 19

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- “mining lease (coal)”** means a mining lease for coal, whether or not the lease specifies any other mineral to be mined, and whether or not the lease is for any additional purpose. 1  
2  
3
- “mining lease (oil shale)”** means a mining lease for oil shale, whether or not the lease specifies any other mineral to be mined, and whether or not the lease is for any additional purpose. 4  
5  
6
- “overlapping mining lease application”** see section 722B. 7
- “petroleum”** see *Petroleum Act 1923*, section 2. 8
- “petroleum documents”** means the following documents as published by the Society of Petroleum Engineers<sup>1</sup>— 9  
10
- (a) ‘Petroleum resource classifications and definitions’; 11
  - (b) ‘Petroleum reserves definitions’; 12
  - (c) ‘Standards pertaining to the estimating and auditing of oil and gas reserve information’. 13  
14
- “petroleum lease”** means a petroleum lease under the *Petroleum Act 1923*. 15
- “prescribed day”** means— 16
- (a) 1 July 2004; or 17
  - (b) an earlier day prescribed under a regulation. 18
- “relevant code”** means— 19
- (a) the petroleum documents, as in force from time to time, including through amendment or replacement; or 20  
21
  - (b) if the petroleum documents stop being available as a published code—another document, as in force from time to time, that is— 22  
23
    - (i) published for purposes similar to the purposes for which the petroleum documents were published; and 24  
25
    - (ii) prescribed under a regulation. 26
- “specific purpose mining lease (coal)”** means a mining lease, other than a mining lease (coal), granted under section 234(1)(b), if the purposes for which it is granted include a purpose that is associated with, arises from or promotes the activity of coal mining. 27  
28  
29  
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1 See [http://www.spe.org/spe/jsp/basic/0,2396,1104\\_1730\\_0,00.html](http://www.spe.org/spe/jsp/basic/0,2396,1104_1730_0,00.html)

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**“specific purpose mining lease (oil shale)”** means a mining lease, other than a mining lease (oil shale), granted under section 234(1)(b), if the purposes for which it is granted include a purpose that is associated with, arises from or promotes the activity of oil shale mining.

**‘722B Meaning of “overlapping mining lease application”**

‘(1) An application for the grant of a mining lease is an **“overlapping mining lease application”** if—

- (a) the mining lease applied for is a mining lease (coal), a mining lease (oil shale), a specific purpose mining lease (coal) or a specific purpose mining lease (oil shale); and
- (b) land the subject of the application includes land that is also the subject of—
  - (i) a petroleum lease; or
  - (ii) an application for the grant of a petroleum lease; or
  - (iii) an authority to prospect.

‘(2) For subsection (1)(b), land is taken to be the subject of an application for the grant of a petroleum lease or an authority to prospect only to the extent of—

- (a) any deposit of petroleum that is a demonstrated petroleum deposit; and
- (b) a buffer area of 1km around the external boundary of the deposit.

***‘Division 2—Demonstrated petroleum deposits***

**‘722C Meaning of “demonstrated petroleum deposit”**

‘A deposit of petroleum is a **“demonstrated petroleum deposit”** if, in the opinion of the Minister—

- (a) the deposit is, under the relevant code—
  - (i) a low or best estimate contingent resource; or
  - (ii) a reserve; and



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- (b) the location, quantity, quality, geological characteristics and continuity of the deposit are known, or have been estimated or interpreted, from specific geological evidence and knowledge; and
- (c) there are reasonable prospects for the eventual economic production of the deposit.

**‘722D Requirement for petroleum lease applicant or authority to prospect holder to supply information**

‘(1) This section applies if it appears to the Minister that an application for the grant of a mining lease is an overlapping mining lease application because of section 722B(1)(a) and (b)(ii) or (iii).

‘(2) The Minister may give a written notice to the applicant for the petroleum lease, or the holder of the authority to prospect, requiring the applicant or holder to give the Minister, in the way the Minister reasonably requires, relevant information for the land that—

- (a) is the subject of—
- (i) the application for the grant of the petroleum lease; or
  - (ii) the authority to prospect; and
- (b) is also the subject of the application for the grant of the mining lease.

‘(3) The applicant or holder must comply with the requirement within 30 business days after receiving the written notice.

‘(4) Without limiting subsection (3), the conditions applying under the *Petroleum Act 1923* to an authority to prospect are taken to include a condition that the holder of the authority must comply with subsection (3).

‘(5) In forming an opinion, for section 722C, about whether a deposit of petroleum is a demonstrated petroleum deposit, the Minister may have regard to, but is not limited to having regard to, information obtained from an applicant or holder under this section.

‘(6) In this section—

“**relevant information**”, for land, means information about the existence and extent of any resource or reserve of petroleum, estimated in accordance with the relevant code, to the extent the resource or reserve is included in the land.

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***‘Division 3—Interim restriction***

**‘722E Interim restriction**

‘(1) The Minister must not, before the prescribed day, recommend to the Governor in Council under section 271(1)(a) that a mining lease be granted if the application for the grant of the mining lease is an overlapping mining lease application.

‘(2) However, subsection (1)—

(a) does not stop the taking of any of the actions, before the prescribed day, that are required to be taken under this Act before the Minister can recommend that the mining lease be granted; and

(b) does not stop the Minister from recommending to the Governor in Council that the mining lease be granted if the relevant person gives written consent to the Minister recommending the granting of the lease.<sup>2</sup>

‘(3) In this section—

**“relevant person”** means—

(a) if the application for the grant of the mining lease is an overlapping mining lease application because of section 722B(1)(a) and (b)(i)—the lessee under the petroleum lease; or

(b) if the application for the grant of the mining lease is an overlapping mining lease application because of section 722B(1)(a) and (b)(ii)—the applicant for the petroleum lease; or

(c) if the application for the grant of the mining lease is an overlapping mining lease application because of section 722B(1)(a) and (b)(iii)—the holder of the authority to prospect.

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<sup>2</sup> For abandonment of the application, in whole or in part, see section 307 (Abandonment of application for the grant of a mining lease).

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<b>‘722F No compensation</b>	1
‘(1) No compensation is payable to any person because of the operation of section 722E.	2 3
‘(2) Subsection (1) applies despite any other provision of this Act and despite any other Act or law.	4 5
<b><i>‘Division 4—Expiry</i></b>	6
<b>‘722G Expiry of pt 18A</b>	7
‘This part expires at the beginning of the prescribed day.’.	8
 <b>PART 3—AMENDMENT OF PETROLEUM ACT 1923</b>	 9
<b>Clause 4 Act amended in pt 3</b>	10
This part amends the <i>Petroleum Act 1923</i> .	11
<b>Clause 5 Insertion of new pt 10</b>	12
After section 150—	13
<i>insert—</i>	14
 <b>‘PART 10—INTERIM RESTRICTION FOR OVERLAPPING PETROLEUM LEASE APPLICATIONS</b>	 15 16
 <b><i>‘Division 1—Interpretation</i></b>	 17
 <b>‘151 Definitions for pt 10</b>	 18
‘In this part—	19
<b>“Bowen Basin”</b> means land within the area bounded by—	20
(a) to the North—latitude 20°00'00" south; and	21

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(b) to the South—latitude 25°30'00" south; and	1
(c) to the East—longitude 150°15'00" east; and	2
(d) to the West—longitude 147°30'00" east.	3
<b>“demonstrated coal deposit”</b> see section 153.	4
<b>“demonstrated oil shale deposit”</b> see section 154.	5
<b>“exploration permit”</b> means an exploration permit under the <i>Mineral Resources Act 1989</i> .	6 7
<b>“exploration permit (coal)”</b> means an exploration permit for which either of the following applies—	8 9
(a) the mineral the subject of the permit is coal;	10
(b) the minerals the subject of the permit include coal.	11
<b>“exploration permit (oil shale)”</b> means an exploration permit for which either of the following applies—	12 13
(a) the mineral the subject of the permit is oil shale;	14
(b) the minerals the subject of the permit include oil shale.	15
<b>“JORC code”</b> means the ‘Australasian code for reporting of mineral resources and ore reserves’, and incorporated guidelines, as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. <sup>3</sup>	16 17 18 19 20
<b>“mineral development licence”</b> means a mineral development licence under the <i>Mineral Resources Act 1989</i> .	21 22
<b>“mineral development licence (coal)”</b> means a mineral development licence for which either of the following applies—	23 24
(a) the mineral the subject of the licence is coal;	25
(b) the minerals the subject of the licence include coal.	26
<b>“mineral development licence (oil shale)”</b> means a mineral development licence for which either of the following applies—	27 28
(a) the mineral the subject of the licence is oil shale;	29
(b) the minerals the subject of the licence include oil shale.	30

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3 See <http://www.jorc.org>

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- “mining lease”** means a mining lease under the *Mineral Resources Act 1989*. 1  
2
- “mining lease (coal)”** means a mining lease for coal, whether or not the 3  
lease specifies any other mineral to be mined, and whether or not the 4  
lease is for any other purpose. 5
- “mining lease (oil shale)”** means a mining lease for oil shale, whether or 6  
not the lease specifies any other mineral to be mined, and whether or 7  
not the lease is for any other purpose. 8
- “overlapping petroleum lease application”** see section 152. 9
- “prescribed day”** means— 10
- (a) 1 July 2004; or 11
  - (b) an earlier day prescribed under a regulation. 12
- “relevant code”** means— 13
- (a) the JORC code, as in force from time to time, including through 14  
amendment or replacement; or 15
  - (b) if the JORC code stops being available as a published 16  
code—another document, as in force from time to time, that is— 17
    - (i) published for purposes similar to the purposes for which the 18  
JORC code was published; and 19
    - (ii) prescribed under a regulation. 20
- “specific purpose mining lease (coal)”** means a mining lease, other than a 21  
mining lease (coal), granted under the *Mineral Resources Act 1989*, 22  
section 234(1)(b), if the purposes for which it is granted include a 23  
purpose that is associated with, arises from or promotes the activity of 24  
coal mining. 25
- “specific purpose mining lease (oil shale)”** means a mining lease, other 26  
than a mining lease (oil shale), granted under the *Mineral Resources* 27  
*Act 1989*, section 234(1)(b), if the purposes for which it is granted 28  
include a purpose that is associated with, arises from or promotes the 29  
activity of oil shale mining. 30

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**‘152 Meaning of “overlapping petroleum lease application”**

**‘(1)** An application for the grant of a petroleum lease is an **“overlapping petroleum lease application”** if the land the subject of the application includes any land that is also the subject of—

- (a) a mining lease (coal) or a mining lease (oil shale); or
- (b) an application for the grant of a mining lease (coal) or for the grant of a mining lease (oil shale); or
- (c) an application for the grant of a specific purpose mining lease (coal) or for the grant of a specific purpose mining lease (oil shale); or
- (d) a mineral development licence (coal) or a mineral development licence (oil shale); or
- (e) an application for the grant of a mineral development licence (coal) or for the grant of a mineral development licence (oil shale); or
- (f) an exploration permit (coal) or an exploration permit (oil shale).

**‘(2)** For subsection (1), land is taken to be the subject of an application for the grant of a mining lease (coal), of an application for the grant of a mineral development licence (coal) or of an exploration permit (coal), only to the extent of—

- (a) any deposit of coal that is a demonstrated coal deposit; and
- (b) a buffer area of 1km around the external boundary of the deposit.

**‘(3)** For subsection (2), if the land is not included in the Bowen Basin, the reference to a demonstrated coal deposit is a reference to a demonstrated coal deposit to the extent the deposit is at a depth of 100 m or less from the surface of the land.

**‘(4)** For subsection (1), land is taken to be the subject of an application for the grant of a mining lease (oil shale), of an application for the grant of a mineral development licence (oil shale) or of an exploration permit (oil shale), only to the extent of—

- (a) any deposit of oil shale that is a demonstrated oil shale deposit; and
- (b) a buffer area of 1km around the external boundary of the deposit.

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***‘Division 2—Demonstrated coal and oil shale deposits*** 1

**‘153 Meaning of “demonstrated coal deposit”** 2

‘A deposit of coal is a **“demonstrated coal deposit”** if, in the opinion of the Minister— 3  
4

- (a) the deposit is, under the relevant code— 5
  - (i) an indicated resource; or 6
  - (ii) a measured resource; or 7
  - (iii) a reserve; and 8
- (b) the location, quantity, quality, geological characteristics and continuity of the deposit are known, or have been estimated or interpreted, from specific geological evidence and knowledge; and 9  
10  
11  
12
- (c) there are reasonable prospects for the eventual economic mining of the deposit. 13  
14

**‘154 Meaning of “demonstrated oil shale deposit”** 15

‘A deposit of oil shale is a **“demonstrated oil shale deposit”** if, in the opinion of the Minister— 16  
17

- (a) the deposit is, under the relevant code— 18
  - (i) an indicated resource; or 19
  - (ii) a measured resource; or 20
  - (iii) a reserve; and 21
- (b) the location, quantity, quality, geological characteristics and continuity of the deposit are known, or have been estimated or interpreted, from specific geological evidence and knowledge; and 22  
23  
24  
25
- (c) there are reasonable prospects for the eventual economic mining of the deposit. 26  
27

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<b>‘155 Requirement for mining lease or mineral development licence applicant or exploration permit holder, to supply information</b>	1 2
<b>‘(1)</b> This section applies if it appears to the Minister that an application for the grant of a petroleum lease may be an overlapping petroleum lease application because of section 152(1)(b), (e) or (f).	3 4 5
<b>‘(2)</b> The Minister may give a written notice to the applicant for the mining lease, the applicant for the mineral development licence or the holder of the exploration permit, requiring the applicant or holder to give the Minister, in the way the Minister reasonably requires, relevant information for the land that—	6 7 8 9 10
(a) is the subject of—	11
(i) the application for the grant of the lease or mineral development licence; or	12 13
(ii) the exploration permit; and	14
(b) is also the subject of the application for the grant of the petroleum lease.	15 16
<b>‘(3)</b> The applicant or holder must comply with the requirement within 30 business days after receiving the written notice.	17 18
<b>‘(4)</b> Without limiting subsection (3), the conditions applying under the <i>Mineral Resources Act 1989</i> to an exploration permit (coal) or an exploration permit (oil shale) are taken to include a condition that the holder of the exploration permit must comply with subsection (3).	19 20 21 22
<b>‘(5)</b> In forming an opinion, for section 153 or 154, about whether a deposit of coal is a demonstrated coal deposit, or about whether a deposit of oil shale is a demonstrated oil shale deposit, the Minister may have regard to, but is not limited to having regard to, information obtained from an applicant or holder under this section.	23 24 25 26 27
<b>‘(6)</b> In this section—	28
<b>“relevant information”</b> , for land, means information about the existence and extent of any resource or reserve of coal or oil shale, estimated in accordance with the relevant code, to the extent the resource or reserve is included in the land.	29 30 31 32



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***‘Division 3—Interim restriction***

**‘156 Interim restriction**

‘(1) The Governor in Council must not, before the prescribed day, grant a petroleum lease under section 40 or 42 if the application for the grant of the petroleum lease is an overlapping petroleum lease application.

‘(2) Subsection (1) applies—

- (a) despite any entitlement a person may have under section 40 or 42 to the grant to the person of the petroleum lease; and
- (b) despite any requirement the Governor in Council would otherwise have under section 40 or 42 to grant the petroleum lease.

‘(3) However, subsection (1)—

- (a) does not stop the taking of any of the actions, before the prescribed day, that are required to be taken under this Act before the petroleum lease can be granted; and
- (b) does not stop the Governor in Council from granting the petroleum lease if the relevant person gives written consent to the granting of the lease.

‘(4) If, under subsection (1), a petroleum lease is not able to be granted under section 40 because the application for the grant of the petroleum lease is an overlapping petroleum lease application, the applicant for the grant of the petroleum lease may amend the application to exclude any area causing the application to be an overlapping petroleum lease application.

‘(5) In this section—

**“relevant person”** means—

- (a) if the application for the grant of the petroleum lease is an overlapping petroleum lease application because of section 152(1)(a)—the holder of the mining lease; or
- (b) if the application for the grant of the petroleum lease is an overlapping petroleum lease application because of section 152(1)(b)—the applicant for the mining lease; or

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(c) if the application for the grant of the petroleum lease is an overlapping petroleum lease application because of section 152(1)(c)—the applicant for the mining lease; or	1 2 3
(d) if the application for the grant of the petroleum lease is an overlapping petroleum lease application because of section 152(1)(d)—the holder of the mineral development licence; or	4 5 6 7
(e) if the application for the grant of the petroleum lease is an overlapping petroleum lease application because of section 152(1)(e)—the applicant for the mineral development licence; or	8 9 10 11
(f) if the application for the grant of the petroleum lease is an overlapping petroleum lease application because of section 152(1)(f)—the holder of the exploration permit.	12 13 14
<b>‘157 No compensation</b>	15
‘(1) No compensation is payable to any person because of the operation of section 156.	16 17
‘(2) Subsection (1) applies despite any other provision of this Act and despite any other Act or law.	18 19
 <b><i>‘Division 4—Expiry</i></b>	 20
<b>‘158 Expiry of pt 10</b>	21
‘This part expires at the beginning of the prescribed day.’.	22