

Guide note on the management of subsisting petroleum and geothermal energy titles

Petroleum and Geothermal Energy Resources Act 1967

Section 69A

August 2025

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1. Purpose

This document aims to:

- 1.1 Guide the Minister for Mines and Petroleum (the Minister) and officers of the Department of Mines, Petroleum and Exploration (the department) in the management of petroleum and geothermal energy titles that subsist in respect of the same blocks under the *Petroleum and Geothermal Energy Resources Act 1967* (PGERA); and
- 1.2 Assist applicants to identify the information the department considers relevant to the assessment of an application for subsisting petroleum and geothermal energy tenure.

2. Legislative framework

The PGERA governs Western Australia's onshore regulatory framework for the exploration and recovery of petroleum and geothermal energy resources.

- 2.1 This framework allows for petroleum and geothermal energy titles to subsist in respect of the same blocks (section 69A, PGERA).
- 2.2 Penalties apply under the PGERA to any person who explores for or recovers petroleum or geothermal energy except in accordance with a granted title; sections 29(1) and 49(1) for petroleum, and sections 29(2) and 49(2) for geothermal energy.
- 2.3 Both petroleum and geothermal energy operations are authorised in accordance with the rights conferred by the relevant individual title. Exploration and/or recovery operations cannot be authorised as both a petroleum operation and a geothermal energy operation.
- 2.4 Other than Access Authorities and Special Prospecting Authorities:
 - no petroleum title can subsist with another petroleum title; and
 - no geothermal energy title can subsist with another geothermal energy title.
- 2.5 The Minister must be informed of any discovery of petroleum or geothermal energy resources without delay. The Minister must subsequently be provided the particulars in writing within three days of the discovery and fines apply for non-compliance (section 44, PGERA). This extends to notification within three days of a discovery of petroleum or geothermal energy on an opposite resource title type; see section 44(1b). Further information on the Petroleum of Geothermal Energy Discovery Policy can be found on the Western Australian Government website.
- 2.6 There is no requirement to disclose the discovery of petroleum or geothermal energy to the holder of a subsisting title.
- 2.7 All petroleum and geothermal energy operations, including surveys and wells, are managed in accordance with the requirements of the:
 - Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015 (RMAR); and
 - Petroleum and Geothermal Energy Resources (Environment) Regulations 2012.
- 2.8 The legislative framework does not provide for joint or integrated petroleum and geothermal energy operations, nor does it allow for infrastructure to be transferred from one title type to the other.

3. Obtaining titles

3.1 Overview

The PGERA establishes two initial pathways to accessing acreage within Western Australia: Acreage Release and Special Prospecting Authorities.

3.1.1 Acreage release

Western Australia's petroleum and geothermal energy resources are responsibly managed through periodic release of discrete areas for which applications can be made for exploration permits (section 30, PGERA). This involves a competitive work-program bid assessment process.

- Acreage releases are published in the *Government Gazette* and on the <u>Western Australian Government</u> website.
- Discrete areas are selected based on a combination of nominations from proponents and an assessment of the prospectivity and/or proximity to relevant infrastructure.
- From time to time, the department will publish information on the <u>Western Australian</u> <u>Government</u> website, and depict in Tengraph Web, Prime Areas which are suitable to be set aside for future acreage releases (section 28, PGERA).

3.1.2 Special Prospecting Authorities (SPAs)

Acreage can also be accessed by applying for an SPA which specifies either petroleum or geothermal energy resources as the target (section 105, PGERA). At time of application, a proponent can request authority to apply for the grant of an exploration permit or a drilling reservation, known as the acreage option. The Minister may refuse a request for an acreage option.

- Areas subject to a declaration of reservation of blocks under section 28 of the PGERA will not be available for SPAs.
- Consideration of a request to apply for an exploration permit or a drilling reservation at the time of SPA application is a discretionary decision. Authority to apply for a permit or a drilling reservation may be withheld even if the SPA is granted.
- An SPA can only be granted for a six-month term and cannot be extended.
- An SPA does not authorise the drilling of a well (section 105(5), PGERA).

3.1.3 Other title types

Retention leases and production licences derive from exploration permits, and access authorities are issued in conjunction with operations approved to take place outside of a title area. These titles, along with exploration permits, drilling reservations and special prospecting authorities may also subsist with a title of the opposite resource type.

3.2 Assessing applications

3.2.1 Criteria for assessment

The criteria for assessing applications for exploration permits and drilling reservations is separately addressed in the following guidelines:

- WA Petroleum Guideline Criteria for Assessment
- WA Geothermal Energy Guideline Criteria for Assessment

3.2.2 Assessment considerations for subsisting titles

Prior to making an application either as part of an acreage release or for an SPA, applicants are encouraged to undertake the following:

- make themselves aware of any existing petroleum or geothermal energy titles intersecting with the application area; and
- be aware that proposals for work may be restricted due to potential impacts to existing operations. It is recommended that applicants identify potential impacts and demonstrate how these might be mitigated or managed (section 31(1)(e), PGERA).

It is recommended that applicants demonstrate that the proposed work program and expenditure does not interfere with subsisting titles or rights to a greater extent than necessary (section 117(c), PGERA), or potential excluded areas (section 91B, PGERA).

Note that in the case of applications received as part of an acreage release, work programs cannot be changed by the applicant post bid; however, the Minister may approve an alternative work program after the grant of the permit.

The department recognises that not all information will be available to an applicant regarding an underlying title and the potential impact a subsisting title may have on existing operations. It is recommended that the applicant consider the potential for impacts in their application.

Competitive assessments will be based on the requirements of section 31 of the PGERA along with the published criteria for assessment and not include criteria relating to assessment of potential impacts on subsisting titles.

3.2.3 Subsisting assessment principles

The following guiding principles will be applied by the department when assessing tenure applications which would create subsisting titles:

- avoidance of potential impacts to existing recovery operations and declared locations will be prioritised over exploration operations and leads or prospects; and
- discovered resources are given priority over prospective resources.

The department will assess applications on a case-by-case basis.

3.2.4 Assessing impacts

The following process has been developed for assessing applications which subsist with existing petroleum or geothermal energy titles.

To assess potential impacts, the department will undertake the following:

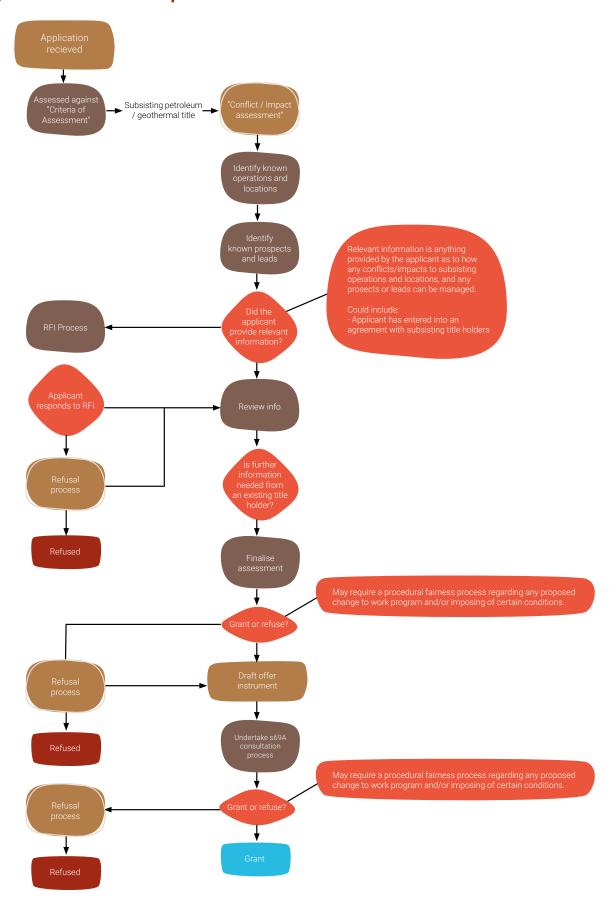
- Identify potential impacts to existing petroleum or geothermal energy recovery and exploration operations.
- Review the information regarding the mitigation or management of impacts that may be submitted as part of the application.
- If appropriate, request the applicant provide further information regarding any potential impacts (sections 31(4), 43C(4), 48A(3) and 51(2), PGERA). While not exhaustive, this may include requests for:
 - a description of discovered petroleum pools or geothermal energy resources within subsisting titles, or where there may be an impact on another title;
 - the outcomes of any consultation undertaken with existing registered holders; and
 - whether the applicant intends to explore in the same geologic intervals as any declared locations, petroleum pools or geothermal energy resources within subsisting titles or another title.

The department may also choose to seek information from existing petroleum or geothermal energy registered holders on what they consider to be the potential impact on their operations and how best these might be mitigated or managed.

The department's assessment will consider:

- The degree to which any proposed exploration (as per the proposal for work and expenditure) or recovery operations interfere with exploration or recovery operations in subsisting petroleum or geothermal energy titles.
- Where applicable, how the proposed work program will assist with the future demonstration of how the extraction of petroleum or geothermal energy in the application area will not affect the extraction of the other resource.

Figure 1 - Assessment process



3.3. Requirements of Section 69A of the PGERA

3.3.1 Notifying underlying registered holders

Section 69A of the PGERA requires the Minister to notify any underlying registered holders, allowing them time to make a submission relating to the proposed grant, prior to the grant of a subsisting title. Any submissions made must be considered in making a decision to grant the subsisting title, including if any additional conditions should be imposed.

Prior to grant, the department will:

- provide all relevant underlying registered holders with a written notice of intention to grant a subsisting title, including a draft of the proposed title instrument detailing the particulars of the proposed grant (but excluding commercially sensitive information);
- allow underlying registered holders a minimum of one month to make a written submission relating to the proposed grant;
- assess and consider any submissions and make further requests for information if required; and
- notify respondents of the department's recommendation, prior to the application being determined.

3.4 Title conditions and endorsements

3.4.1 Conditions

The Minister may grant titles subject to such conditions as the Minister sees fit (sections 43, 43C(2)(a), 48H, 66, 105(3)(a)(i), and 106(3)(a), PGERA).

Without limitation, conditions may be applied to:

- prevent impact to existing petroleum or geothermal energy titles;
- prohibit the holder from entering specified land (section 91B of the PGERA). Such
 specified land could include any land upon which existing petroleum or geothermal
 energy infrastructure exists (such as well pads and production facilities), but will
 generally not be applied to entire blocks unless there is an appropriate reason to do so;
- · mitigate or manage potential impacts; and
- · remediate or rehabilitate actual impacts, if they were to occur.

The PGERA provides for the Minister to consider requests to vary, revoke or exempt compliance with conditions (sections 97 and 91B).

3.4.2 Endorsements

An endorsement on all petroleum and geothermal energy titles notifies registered holders that petroleum and geothermal energy titles can subsist in respect to the same blocks.

4. Management of operations post grant of title

4.1 General considerations

- 4.1.1 Post grant, each operation will be considered on a case-by-case basis and the further approvals required to undertake works or activities under the granted title will take into accountpotential impacts to subsisting operations before approvals are issued. An operation cannot be authorised as both a petroleum operation and a geothermal energy operation.
- 4.1.2 Any petroleum or geothermal energy operation which results in requirements for decommissioning and/or rehabilitation will remain the responsibility of the holder of the title under which the operation was authorised.
- 4.1.3 Petroleum and geothermal energy operations are encouraged to be carried out in a manner that avoids interference with other approved petroleum and/or geothermal energy operations (section 117(c), PGERA). The department recommends that registered holders cooperate to minimise the risk of potential interference.
- 4.1.4 A three-step process will be undertaken by the department when assessing potential interference between operations:
 - encouraging registered holders to share information and cooperate to minimise the risk of potential interference;
 - if required, facilitating discussion between registered holders to minimise the risk of potential interference; and
 - in the event that no satisfactory arrangement can be made between registered holders, the department may perform its own analysis or engage independent external advisors.
- 4.1.5 Penalties apply to a person who intentionally or recklessly:
 - causes damage to or interferes with equipment/structure/vessel used in petroleum or geothermal energy operations (section 117A(a), PGERA); or
 - interferes with any petroleum or geothermal energy operation (section 117A(b), PGERA).

4.2 Land access

- 4.2.1 Both petroleum and geothermal energy titles grant land access rights for the purpose of their respective approved activities.
- 4.2.2 A petroleum or geothermal energy title holder does not require an Access Authority for approved activities on land within their title area, including blocks over which there are subsisting titles. Registered holders are encouraged to communicate with each other when accessing land within the shared title area.
- 4.2.3 Where a title condition has been imposed under section 91B of the PGERA, consideration may be given to varying restrictions on the basis the proponent can demonstrate that an agreement has been entered into with any relevant petroleum or geothermal energy registered holders.

4.3 Variations, exemptions, extensions for subsisting titles

- 4.3.1 A titleholder has the right to apply to vary title conditions, this includes varying the minimum work commitments (section 97, PGERA).
- 4.3.2 Work proposed to be undertaken as part of a variation application will be assessed for any potential impacts using the principles outlined above at 3.2.3.
- 4.3.3 Registered holders should be aware that proposals for work may be restricted due to potential impacts to existing petroleum or geothermal energy operations and should consider appropriate mitigation strategies at the time of making an application.

4.4 Renewal of title

- 4.4.1 Work proposed to be undertaken as part of an application to renew a petroleum or geothermal energy title will be assessed for any potential impacts using the principles outlined above at 3.2.3.
- 4.4.2 Registered holders should be aware that proposals for work may be restricted due to potential impacts to existing petroleum or geothermal energy operations and should consider potential restrictions at time of making an application.
- 4.4.3 If renewed, consideration will be given to the title conditions required to carry over any requirements or obligations to the next renewal period, in relation to activities conducted under the previous title period and existing infrastructure.
- 4.4.4 The PGERA does not assign a priority to either title holder once a subsisting title is granted and provides, per sections 5(4), 5(4a), 5(5) and 5(5a) that the renewal of a title is the same as the grant of a new title. Thus, prior to renewing a title, the Minister must first consult with any subsisting registered holders per the requirements of section 69A of the Act.

4.5 Petroleum and Geothermal Energy Resources (Resource Management and Administration) Regulations 2015

4.5.1 Significant events

Regulation 62 of the RMAR requires that the Minister receive notification of any significant event occurring within a licence.

- A significant event, amongst other meanings, refers to:
 - a new or increased risk to the recovery of petroleum or geothermal energy within the licence area; see regulation 62(1)(b); or
 - a new or increased risk to the recovery of petroleum or geothermal energy outside the licence area caused by the development of petroleum pools or geothermal energy resources areas in the licence area; see regulation 62(1)(c).
- While this regulation applies to petroleum production licences and geothermal energy production licences, all registered holders are encouraged to notify the Minister in the event of such an occurrence.

4.5.2 Release of technical information

All petroleum or geothermal energy data remains confidential in accordance with the RMAR Part 9 – Release of technical information about petroleum and geothermal energy resources.

4.5.3 Well management plans

Activities for petroleum and geothermal energy wells are conducted under a well management plan (WMP) in accordance with the RMAR, Schedule 1 – Well management plan:

- Schedule 1 Item 4 The well activity, including risk management and data requirements, should be carried out in accordance with the well objective as either petroleum or geothermal energy.
- A well activity under a petroleum title is linked to that petroleum title. A well activity under a geothermal energy title is linked to the holder of that title. A well cannot be both a petroleum well and a geothermal energy well. A well cannot be transferred from one title type to another title type.
- A well activity under a petroleum or geothermal energy title must include an explanation of how the registered holder will identify, monitor, mitigate and otherwise deal with a well integrity hazard. Under regulation 33 of the RMAR, the registered holder is required to control a well integrity hazard or risk. A well integrity hazard includes damage to an underground formation that contains petroleum or geothermal energy resources.
- In accordance with regulation 13(8) of the RMAR, the Minister may impose reasonable conditions on a WMP to safeguard petroleum or geothermal energy resources.
- The Minister may withdraw approval of a WMP to, amongst other reasons, safeguard petroleum or geothermal energy resources as per regulation 29(c) of the RMAR.

4.5.4 Field management plans for petroleum recovery

Activities for the recovery of petroleum are conducted under a field management plan (FMP) in accordance with the RMAR, Schedule 3 – Field management plan:

- An approved FMP must be in place and a petroleum production licence must have been granted before petroleum recovery operations can commence. Only the holder of the production licence (the licensee) or an applicant for a production licence can apply for approval of an FMP (regulation 43(1), RMAR).
- Schedule 3 of the RMAR sets out the detailed technical content that must be included in an FMP, in accordance with regulation 48. The guidelines to the RMAR describe the FMP requirements as identified in the regulations.
- Under regulation 44(1)(c) and 44(2) of the RMAR, an applicant may be requested to provide further information to support that activities will not interfere with operations for the recovery of discovered geothermal energy resources.
- Under regulation 44(5) of the RMAR, the Minister may apply conditions to the FMP to protect geothermal energy resources and, under regulation 45(a)(ii), must provide the reasons for the imposition of the condition.
- Under regulation 51(2) of the RMAR, an application for revision to an FMP, made under regulation 50, may require evidence to support that activities will not interfere with discovered geothermal energy resources.
- Under regulation 51(5) of the RMAR, the Minister may apply conditions to a revision to an FMP to protect geothermal energy resources and, under regulation 52(a)(ii), must provide the reasons for imposition of the condition.
- The Minister may request a revision to the FMP pursuant to regulation 54 to, amongst other reasons, protect nearby geothermal energy resources and state the technical reasons for the revision.
- In addition to the information requested under Schedule 3 of the RMAR, information that may be requested that is specific to the preservation of geothermal energy resources may include (but is not limited to):
 - The regional extent of geological reservoirs for which material or substance is to be extracted or injected.
 - The volumes of materials or substances to be extracted from each geological reservoir.
 - The volumes, composition and properties of materials or substances to be injected into each geological reservoir.
 - An estimate of the spatial changes to each geologic reservoir, including pressure, temperature and fluid composition, in the subsurface that will result from the extraction or injection of materials or substances per the FMP. This should be based on information such as: regional geological concepts, regional hydrodynamics, past well performance, rock properties, geomechanics, and faults.
 - Information on how changes to geological reservoirs will be monitored throughout field life in respect to geothermal energy resources.

4.5.5 Geothermal energy recovery development plans

Activities for the recovery of geothermal energy are conducted under a geothermal energy recovery development plan (GERDP) in accordance with the RMAR, Schedule 4 - Geothermal energy recovery development plan or in accordance with section 38(2)(b) of the PGERA.

- An approved GERDP must be in place and a geothermal energy production licence must be granted before geothermal energy recovery operations can commence. Only a geothermal energy licensee (and not an applicant for a licence) can apply for the approval or variation of a GERDP.
- Schedule 4 of the RMAR sets out the detailed technical content that must be included in a GEDRP as required by regulation 63.
- In addition to the information required under Schedule 4, information may be requested that is specific to the preservation of petroleum resources and may include (but is not limited to):
 - the regional extent of geological reservoirs for which material is to be extracted or injected;
 - the volumes of materials to be extracted from each geological reservoir;
 - the volumes, composition and properties of materials to be injected into each geological reservoir;
 - an estimate of the spatial changes to each geologic reservoir, including pressure, temperature and fluid composition, in the subsurface that will result from the extraction or injection of materials per the GEDRP. This should be based on information such as: regional geological concepts, regional hydrodynamics, past well performance, rock properties, geomechanics and faults; and
 - information on how changes to geological reservoirs will be monitored throughout field life in respect to petroleum resources.
- Under section 62B of the PGERA, the Minister may require a geothermal energy licensee to vary the approved GERDP for the purpose of securing more effective recovery of geothermal energy.

4.6 Petroleum and Geothermal Energy Resources (Environment) Regulations 2012 (the Environment Regulations)

4.6.1 Environment Plans (EP)

All petroleum and geothermal energy activities as defined in the Environment Regulations, require an approved Environment Plan (EP) prior to commencement of the activity. The activity must comply with the approved EP at all times.

- An activity must not continue if new or increased environmental impact(s) or environmental risk(s) is identified.
- An EP must include the matters set out in regulations 14, 15, 16 and 17 of the Environment Regulations.
- Environment is defined in regulation 4 of the Environment Regulations as:
 - ecosystems and their constituent parts, including people and communities; and
 - natural and physical resources; and
 - the qualities and characteristics of locations, places and areas; and
 - the heritage value of places, and includes the social, economic and cultural features of the matters mentioned above.
- Therefore, all potential risk and impacts of an activity must consider the impacts and risks to subsisting activities.
- The requirement to engage and consult with relevant authorities and other relevant interested persons and organisations and report on all consultations in the EP is set in regulation 17(1)(b) of the Environment Regulations.
- Regulations 18 and 19 of the Environment Regulations set the requirements for a revision of an EP.
- Petroleum and geothermal energy activities are assessed on a case-by-case basis. Regulation 3 of the Environment Regulations specifies the object of the regulations is to ensure that any activity carried out in the State is:
 - carried out in a manner consistent with the principles of ecologically sustainable development; and
 - carried out in accordance with an EP that:
 - (i) demonstrates that the environmental impacts and environmental risks of the activity will be reduced to as low as is reasonably practicable; and
 - (ii) has appropriate environmental performance objectives and environmental performance standards; and
 - (iii) has appropriate measurement criteria for determining whether those objectives and standards have been met.

Government of Western Australia

Department of Mines, Petroleum and Exploration

8.30am - 4.30pm

Mineral House, 100 Plain Street East Perth, Western Australia 6004 Tel: +61 8 9222 3333 Fax: +61 8 9222 3862

Online

Website: www.dmpe.wa.gov.au Email: petroleum.titles@dmpe.wa.gov.au

Mailing address

Locked Bag 100 East Perth WA 6892

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