



Department of **Mines,**
Petroleum and Exploration

**Response
to submissions**

Guideline on the criteria for assessment: Petroleum and geothermal exploration permits

November 2025

Introduction

The proposed 'Criteria for assessment: Petroleum and geothermal energy exploration permits' was prepared to combine the Department of Mines, Petroleum and Exploration's (DMPE) existing separate guidance relating to petroleum exploration permits and geothermal energy exploration permits.

The new guideline provides further clarity and transparency in relation to the assessment of applications and the ranking of applications received through a competitive bidding Acreage Release.

The *Petroleum Legislation Amendment Act 2024*, once implemented, introduces significant changes to the existing legislative framework. New applicants will be able to apply for a Greenhouse Gas (GHG) Exploration Permit through an Acreage Release or GHG Special Prospecting Authority pathway. Existing petroleum titleholders will be able to add a regulated substance (e.g. hydrogen) to an existing title or apply for a new petroleum title with rights extending to a regulated substance. A further public consultation on the guide note will be released, incorporating the considerations for GHG titles and regulated substances.

Consultation

The 'Criteria for assessment: Petroleum and geothermal energy exploration permits' was open for public comment from 28 April 2025 to 26 June 2025.

At the closure of the consultation process on DMPE received four submissions.

The stakeholders and the submissions themselves remain confidential, however, the comments received have been summarised, grouped by key themes and responded to accordingly.

There were six key themes arising out of the submissions received.

Summary of key themes

1. General comments and considerations
2. Assessment and ranking framework
3. Technical assessments
4. Financial assessments
5. Other regulated substances not provided for, particularly natural hydrogen
6. *Native Title Act 1993* compliance

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Item	Guide reference	Summarised submission comment	DMPE response
Key Theme 1: General comments and considerations			
1.	General	Simplify the document by reducing repetitiveness – especially legal references – and consider a glossary for clarity.	Suggestion noted and minor edits made. The inclusion of a glossary will be considered for future reviews.
2.	General	Confidentiality: The guideline does not address how commercially sensitive information will be handled with no circumstances under which it may be withheld without affecting the assessment.	The legislative framework provides for certain information to remain permanently confidential. DMPE will only publish in the register the information that is required to be published in accordance with the relevant Act and/or regulations.
3.	General	Drilling Reservations: Drilling Reservations are omitted from the draft guidance and related application processes should be included. Historical Petroleum Criteria is cited (PD-PTLA-AR-106D) with a recommendation to reintroduce and explain application pathways for Drilling Reservation tenure.	The current guideline is only intended to address the requirements for Exploration Permits. Consideration will be given in future review/develop separate guidance on Drilling Reservations.
4.	General	Joint ventures bids: The draft guideline does not explain how joint venture bids will be considered, or how joint venture applicants should manage application reporting of past performance, financial data or technical ability.	Joint venture applicants will be assessed in accordance with the guideline. They must jointly meet the minimum criteria to be considered deserving of the grant. If there are multiple deserving bids, the application will be assessed comparatively using the ranking criteria.
5.	General	Checklist of application requirements: Recommendation to add a checklist of submissions to accompany an application to prevent omissions and reduce administrative errors.	The particulars required to be submitted with an application, as required by the legislation, are specified on the application form. A separate checklist is not required, but applicants are expected to be familiar with the respective requirements under the PGERA and the PSLA prior to lodgement.
Key Theme 2: Assessment and ranking framework			
1.	2	Request for clarification on how 'equally deserving' bids are differentiated beyond requesting additional work.	Equally deserving bids will be deemed comparatively equal in terms of the ranking criteria (neither is deemed overall superior or inferior). In these instances, the legislation allows for the Minister to request for the applicants to submit additional proposed work and expenditure, which will undergo a further comparative assessment to determine the preferred applicant.

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Key Theme 2: Assessment and ranking framework			
2.	2	Competing deserving applications: Comment on the Minister's ability to request additional work be completed within the firm period, in order to determine the most deserving applicant. Respondent has interpreted the 'firm period' as the time to respond to such a request, and requests more time be provided to smaller companies that may not have access to the same resources to respond quickly.	Minor clarifying change made to section 2. The 'firm period' refers to the first two permit years of a granted title. This is the guaranteed work commitment put forth by the applicant, which is expected to not be varied or extended during the firm period. In making such a request for applicants to bid for additional firm period work commitments, DMPE will consider an appropriate length of time for submissions to be made to balance fairness to applicants and expediency of the assessment process.
3.	3. Minimum Criteria (MC1-4)	The weighting or relative importance of the Minimum Criteria (MC1-MC4) or the absence of weighting should be explicitly identified in the guideline.	There is no weighting to the Minimum Criteria. An application must meet the Minimum Criteria to be considered deserving of the grant of a permit. Applications that do not meet the Minimum Criteria will be refused. Where there are multiple deserving applications, the Ranking Criteria shall be used to undertake a comparative assessment between the applicants to determine the preferred applicant.
4.	3. Minimum Criteria (MC1-4) 4. Ranking Criteria (RC1-4)	Reduce overlap and clarify ranking criteria. – Minimum Criteria and Ranking Criteria have significant overlap e.g. MC1 and RC3 both assess technical ability. They should be merged, clearly differentiating the initial assessment and competitive assessment criteria.	The assessment framework is intentionally structured to separate Minimum Criteria from Ranking Criteria. Ranking Criteria shall only be used where there are competitive deserving applications under consideration. Minor amendments added to the guide to clarify the distinction.
5.	3.3.2 (MC3)	'Known petroleum resources' is not clearly defined. Provide a consistent definition and link to Drilling Reservations, i.e. if a known petroleum resource is identified at acreage release, then the guidelines should consider a release of a Drilling Reservation	Known petroleum resources refer to hydrocarbon accumulations forming a petroleum pool that have been penetrated by one or more wells. The subsequent activities to enhance the technical maturity of the petroleum pool, increasing confidence in the assessment of their commercial viability, are considered appraisal activities. Proposed work program of exploration permit should have a significant exploration component towards assessment of prospective resources. Hence, work intended to appraise a known petroleum resource cannot form part of the proposed work program unless it can be demonstrated to have a significant exploration component. Drilling Reservations are beyond the scope of this guideline. Drilling Reservations are for where a drillable target has already been identified and is not necessarily a known petroleum resource.

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Key Theme 2: Assessment and ranking framework			
6.	3.3.3 (MC3)	<p>Indicative expenditure: Request for clarification of 'considered' in the context of 'Applicants should note that the indicative cost will be considered in the assessment of the applicant's knowledge of exploration techniques'.</p> <p>Concern expressed that there will be significant subjective assessment and is perhaps designed to prevent overbidding.</p>	<p>The applicant's work program and expenditure will be assessed with consideration to the optimum use of the State's resources and advancement of geological knowledge, in addition to having the highest potential to reduce key exploration uncertainties and risks. These factors are considered under RC1.</p> <p>The associated indicative expenditure should reflect the applicant's understanding of the financial requirements necessary to fulfil the proposed commitments. Accordingly, both the proposed work program and its indicative costs will be considered in assessing the overall impact of the program and the applicant's financial capacity to execute it under RC4.2.</p>
7.	3.4.1 (MC4)	<p>Past vs poor performance: Request for distinction between past performance and past poor performance, particularly in context of past cancellations, weighted for those in the past five years. The lack of a negotiated outcome may reflect complexity of negotiations and not poor performance of the applicant. Request for clarification on how the factors relating to past performance will be weighted as this may deter emerging or foreign companies from applying.</p>	<p>This criterion allows applicants to directly address instances of past performance, poor or otherwise, to provide the Minister relevant information to consider in making an assessment of whether or not they meet the minimum criteria to be considered deserving of the grant. Specific factors/ weightings cannot be outlined, as the relevance will depend on an applicant's relevant history. These will be assessed on a case-by-case basis.</p>
8.	3.4.2 (MC4)	<p>Subsisting titles: Further guidance requested on how DMPE intends to assess an applicant's proposed work program and ensure its achievable without interference to another title. Does DMPE intend to engage with titleholders/applicants disputes over technical data, how would commercially sensitive data be managed?</p> <p>Query on status of 2023 draft guide on subsisting titles.</p>	<p>The guidance on subsisting titles is now finalised and published. Changes to that guide are beyond the scope of this guideline.</p> <p>In line with that guidance, applicants for an exploration permit that will create subsisting titles are encouraged to detail their relevant considerations relating to the underlying title.</p>
9.	3.4.3 (MC4)	<p>Consideration of other matters: Request for clarification in the guide as to whether an applicant has to justify why specific matters in their history are not relevant to the application and whether this should be supported by evidence.</p>	<p>An applicant may choose to provide a statement in relation to relevant matters and they may choose to support this with evidence.</p>

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10.	4. (RC1-4)	Ranking process: The ranking methodology is complex and a weighted scoring matrix with greater transparency should be considered as a replacement.	A weighted scoring matrix may introduce unintended complexity. The current framework assesses competitive applicants against each ranking criterion, deeming them comparatively equal, superior or inferior on each measure. The preferred applicant is the applicant deemed more superior across the ranking criteria.
11.	4.1.2 (RC1)	Relevance of work: Where multiple exploration targets are identified, prospective targets should be prioritised to support commercial development, rather than pursuing broad, exhaustive exploration programs that may fail to yield or advance development and production.	The current wording does not exclude pursuing prospective targets as a priority. When multiple targets are identified, exploration programs that aim to investigate multiple targets – thereby strategically building a portfolio of opportunities – will be favoured over the approach of focusing solely on a single target which may limit the advancement of geological knowledge. It is recommended that applicants demonstrate the effectiveness of their proposed exploration rationale as part of their submission.
12.	Appendix 1, Table 2	Consider assigning weights or rankings of sub-categories or using a visual flowchart to depict the ranking process more plainly.	Comment noted, however, considering that comparative assessments will be undertaken case-by-case and depend on the applications under consideration, DMPE consider the current example sufficient to plainly depict the ranking of applicants against the Ranking Criteria.
13.	Process Flowchart, Step 6	'Pre-grant requirements' is undefined. Recommend clear definition or sourcing to guide applicants on these requirements	This proposed guideline outlines the pre-grant requirements: these comprise all the information/approvals required before an exploration permit can proceed to grant.
Key Theme 3: Technical assessments			
1.	3.1 (MC1) 4.1.1 (MC4)	Expectation that DMPE officers possesses the technical knowledge to assess the technical ability/ knowledge of the applicant. Request DMPE publish assessors' capability to assess this criterion. To ensure evaluations are robust, assessors should be experienced geoscientists, with expertise in petroleum exploration geology and minimum technical experience and qualifications, in addition to holding membership of one or more recognised professional societies.	DMPE employs experienced geoscientists with strong technical competencies, holding expertise in petroleum exploration geology, minimum technical experience and qualifications, working within multi-disciplinary teams. Many are equipped with industry experience and work collaboratively to deliver high-quality technical assessments. These specialist technical roles are permanently funded within DMPE to provide the Minister with the relevant technical assessment ability and advice. Detailed job descriptions are separately available in public forums. Details of DMPE officers will not be published in guidance material.

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2.	4.3 (RC3)	<p>RC3 - Technical capability</p> <p>Claim that this statement indicates that applicants relying on third party contractors will be ranked higher:</p> <p>'Applicants that can demonstrate a prior working relationship or demonstrate existing agreements with third party contractors will be regarded more favourably'.</p>	<p>Statement does not address the full context of section 4.3, which also states 'Superior technical qualifications of employees and contractors will rank higher than those lesser qualified'.</p> <p>DMPE considers that superior technical qualifications of employees and contractors, as well as prior working relationships and agreements with third-party contractors, should provide the best outcome in terms of the advancement of geological knowledge, with the highest potential to reduce key exploration uncertainties and risks, and optimum use of the State's resources.</p> <p>On-ground activities such as survey acquisition and drilling typically require the engagement of services of third-party contractors. Therefore, the superior technical qualifications of both employees and third-party contractors are essential for the successful execution and delivery of an exploration permit work program.</p>

Key Theme 4: Financial assessments

1.	3.2 (MC2)	<p>MC2 – Financial capacity</p> <p>The prescriptive requirements could be broadened to better accommodate international applicants or diverse corporate structures. The intent of this section should be to ensure the applicant meets all costs of exploration, including decommissioning and rehabilitation.</p> <p>Requiring immediate financial capability may limit the pool of applicants. DMPE should introduce conditional financial capacity approvals and instead consider financial capacity for competitive bids.</p>	<p>This is a Minimum Criterion that addresses the specific legislative requirement for an application to be accompanied by, amongst other particulars, 'the financial resources available to the applicant'. It is not a test of financial capacity, nor does it require applicants to demonstrate they have the current financial resources to meet all the costs of exploration, decommissioning and rehabilitation. Those factors may be considered in the comparative assessment if applicants differ significantly on the demonstrated current financial resources available (see 4.2, RC2).</p>
2.	3.2 (MC2)	<p>MC2 – Financial capacity</p> <p>Strict application may disadvantage smaller operators in the bidding process. Recommendation to adjust requirements based on applicant's individual circumstances.</p>	<p>This is a Minimum Criterion that must be satisfied by an applicant to be considered as deserving of grant. MC2 requires an applicant to demonstrate the financial resources available to them. It is not a comparative assessment.</p>
3.	3.2 (MC2)	<p>Parent company guarantees:</p> <p>Clarification is needed on how parent company guarantees are evaluated to avoid uncertainty of applicants relying on this avenue of financial assurance.</p>	<p>This can only be assessed on a case-by-case basis. It is up to the applicant to satisfy the legislative requirement that the application be accompanied by the 'financial resources available to the applicant', which if reliant on the parent company's guarantee, would require the parent company to demonstrate the financial resource available to it.</p>

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4.	3.2 (MC2)	<p>Interests held in other titles:</p> <p>Financial obligations linked to existing permits may be unknown at the time of application, especially where wells have not yet been drilled or activities that require rehabilitation have not been undertaken. This could instead be considered under 'Other matters of considerations', not MC2.</p>	The comment is noted. DMPE intends for this item to remain under the financial capacity of the applicant and recommends that applicants contemplate this component of financial capacity in consideration of existing commitments in upcoming granted title years.

Key Theme 5: Other regulated substances not provided for, particularly natural hydrogen

1.	General	<p>The guideline omits regulated substances such as natural hydrogen, despite the recently passed legislation introducing other regulated substances. This omission is viewed as a critical gap in the framework.</p> <p>There is no clarity on how applicants opting to explore for other regulated substances are assessed versus those who don't, creating procedural ambiguity. Suggestion to revise the criteria to explicitly include regulated substances and establish appropriate guidance for assessing natural hydrogen exploration programs.</p>	<p>The purpose of the current review and consultation was to combine the separate existing guidance for petroleum titles and geothermal energy titles, as well as to clarify the assessment and ranking framework.</p> <p>A further review is being undertaken to incorporate considerations for other regulated substances and greenhouse gas titles. The proposed guide will be released for further public comment.</p>
2.	3.3 (MC3)	<p>No guidance exists for hydrogen-only applications under MC3 or for comparing hydrogen versus hydrocarbon proposals.</p> <p>Hydrogen exploration differs significantly from hydrocarbon exploration in methods, cost and technical needs.</p>	As above.
3.	4.1.4 (RC1)	<p>Provided examples (e.g. Sec. 4.1.4) may be unsuitable for natural hydrogen strategies.</p>	As above.

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Key Theme 6: <i>Native Title Act 1993</i> compliance			
1.	3.4 3.4.3 (MC4)	MC4 is the only criterion addressing Native Title obligations under the <i>Native Title Act 1993</i> (Cth) (NTA). This does not acknowledge the significance of and necessity to comply with Native Title processes for a valid grant.	<p>This guideline is not intended to address processes required under the NTA prior to an exploration permit being granted. The purpose is to outline the assessment of minimum requirements for an applicant to satisfy the grant under the petroleum and geothermal titles legislation and how competing applications will be compared to determine a preferred applicant.</p> <p>Only the preferred applicant will be referred for NTA processes to be completed. All other competing applications shall be refused. The preferred application shall not be granted until NTA processes have been cleared. If an applicant cannot clear NTA processes within a reasonable time, DMPE will instead consider refusing the application and re-releasing the area for a future round of competitive bidding.</p>
2.	3.4 3.4.3 (MC4)	MC4 does not set clear evidentiary standards (e.g. no formal requirement to consult Native Title parties or conduct heritage surveys). Without clear evidentiary standard, applicants may receive vague 'credit' for minimal pre-planning without demonstrating actual compliance and does not set expectations for Native Title readiness.	<p>DMPE does not intend to prescribe particulars relating to this and does not have the legislative power to do so.</p> <p>MC4 is an opportunity for applicants to address any relevant past performance and/or demonstrate future planning considerations given to Native Title or other matters that may impact the applicant's ability to progress a title to grant or to commence an exploration program.</p>
3.	General	<p>Exploration, 'major disturbance' and the expedited procedure:</p> <p>The draft guide gives no guidance on the National Native Title Tribunal's position on the use of the expedited procedure and applicants may assume their application is eligible for the expedited procedure, irrespective of the potential high impact nature of petroleum exploration.</p>	<p>Separate published DMPE guidance is available on the assessment undertaken to determine whether or not an application is notified with a statement that attracts the expedited procedure. See the 'Expedited Procedure Case Management Guidelines'.</p> <p>DMPE will not grant an application for a permit until after it clears any NTA future act processes.</p>
4.	General	The guide should state that the Right to Negotiate process is likely to apply to petroleum exploration tenements.	As above, separate guidance is available on DMPE's approach to determining whether or not to notify an application with the inclusion of the expedited statement.

Government of Western Australia

**Department of Mines,
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8.30am – 4.30pm

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