



ANALYSIS

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1982, No. 153

An Act to amend the Petroleum Act 1937

[16 December 1982]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

1. Short Title—This Act may be cited as the Petroleum Amendment Act 1982, and shall be read together with and deemed part of the Petroleum Act 1937 (hereinafter referred to as the principal Act).

2. Interpretation—Section 2 (1) of the principal Act (as substituted by section 2 of the Petroleum Amendment Act 1975) is hereby amended by repealing the definition of the term “mining operations”, and substituting the following definition:

“ ‘Mining operations’ means mining for petroleum; and includes prospecting for petroleum; and also includes, when carried out at or near the mining or prospecting site for the purposes of or necessarily in association with mining or prospecting,—

“(a) The extraction, production, treatment, processing, and separation of petroleum; and

“(b) The construction, maintenance, and operation of any works, structures, wells, buildings, storage tanks, pipelines, machinery, plant, wireless apparatus, telephonic equipment, railways, tramways, reservoirs, waterways, appliances, or chattels—

whether carried out by a licensee or not.”.

3. Minister may authorise extension of seismic surveys—Section 4 of the principal Act (as substituted by section 3 of the Petroleum Amendment Act 1975) is hereby amended by repealing subsections (2) and (3), and substituting the following subsections:

“(2) Notwithstanding the provisions of subsection (1) of this section but subject to subsection (3) of this section, the Minister may—

“(a) Authorise the holder of a licence to extend a seismic survey to any area adjoining the land comprised in the licence:

“(b) With the consent of the Minister of Transport, authorise any person to carry out a regional reconnaissance survey within the territorial sea or continental shelf—

subject to such terms and conditions as the Minister thinks fit to specify.

“(3) An authorisation shall not be granted under subsection (2) of this section in respect of any area comprised in a licence unless the licensee has consented to the grant.

“(4) This section shall bind the Crown.”

4. Power of Minister to modify or suspend prospecting programme—The principal Act is hereby further amended by repealing section 10 (as so substituted), and substituting the following section:

“10. On application by the holder of a prospecting licence, the Minister may—

“(a) Modify or suspend the whole or any part of the programme of work referred to in the licence or imposed by this Act:

“(b) Modify, suspend, or waive any obligation of that holder under the licence—
for such period or periods and upon such terms and conditions as the Minister thinks fit.”

5. Registers—Section 25 of the principal Act (as so substituted) is hereby amended by repealing subsection (3), and substituting the following subsection:

“(3) There shall be open to public inspection at the office of the Secretary, during ordinary office hours, on the payment of such fee as may be prescribed—

“(a) A copy of every licence granted under this Act;

“(b) The registers kept under subsection (1) of this section;
and

“(c) Every true copy of such other document or class of document as may from time to time be specified by the Governor-General by Order in Council.”

6. Right of entry on land—Section 28 (1) of the principal Act (as so substituted) is hereby amended—

(a) By inserting, after the words “conferred on the licensee by”, the words “or under”:

(b) By inserting, after the words “land comprised in the licence”, the words “, or on any land in respect of which authorisation has been granted under section 4 (2) (a) of this Act,”.

7. Land required for mining operations may be taken under Public Works Act 1981—(1) Section 35 (1) of the principal Act (as so substituted) is hereby amended—

(a) By omitting the word “For”, and substituting the words “Notwithstanding the provisions of section 22 of the Public Works Act 1981, for”:

(b) By omitting the words “1928, as if for a public work”, and substituting the words “1981, as if for a public work which is an essential work”.

(2) Section 35 (2) of the principal Act (as so substituted) is hereby amended by omitting the figures “1928”, and substituting the figures “1981”.

8. Records and reports to be kept by licensees—Section 47E of the principal Act (as so substituted) is hereby amended—

(a) By omitting from subsection (3) the word “Minister” wherever it occurs, and substituting in each case the word “Secretary”:

- (b) By omitting from subsection (4) the word “Minister”, and substituting the word “Secretary”.

9. Interpretation—(1) Section 49 (1) of the principal Act (as substituted by section 7 (1) of the Petroleum Amendment Act (No. 2) 1980) is hereby amended by repealing the definition of the term “authorised pipeline”, and substituting the following definition:

“ ‘Authorised pipeline’ means a pipeline for which an authorisation has been granted and is in force under this Part of this Act.”.

(2) The said section 49 (1) (as so substituted) is hereby further amended by repealing the definition of the term “Deputy Secretary”.

(3) The said section 49 (1) (as so substituted) is hereby further amended by repealing the definitions of the terms “natural gas”, “oil”, and “pipeline”, and substituting the following definitions:

“ ‘Natural gas’ means—

“(a) Any naturally occurring gaseous hydrocarbon; or

“(b) Any mixture of naturally occurring gaseous hydrocarbons; or

“(c) Any other naturally occurring substance— which is in a gaseous state at a temperature of 15 degrees Celsius and an absolute pressure of 101.325 kilopascals and which is recovered by mining:

“ ‘Oil’ means any alcohol or hydrocarbon, other than—

“(a) Gas as defined in the Gas Act 1982; or

“(b) Coal; or

“(c) Natural gas:

“ ‘Pipeline’ means a pipeline or a proposed pipeline used or intended to be used for the conveyance of minerals, oil, or dangerous goods (other than natural gas at a gauge pressure of 2000 kilopascals or less); and includes any part of such a pipeline or proposed pipeline; and also includes all directly associated fittings, pumps, tanks, and appurtenances required for the conveyance of the product or material in the pipeline or for its safe operation; but does not include—

“(a) Any bulk storage installation; or

“(b) Any pipeline wholly within the same plant property; or

“(c) Any pipeline between a bulk storage installation and a place where the product or material conveyed is transferred from or to a transport system other than another pipeline, unless—

“(i) The Minister, after consultation with the Minister of Labour, otherwise directs in any particular case; or

“(ii) The pipeline is used or intended to be used for the conveyance of liquefied petroleum gas; or

“(d) Any pipeline owned and used by a franchise holder, within the meaning of the Gas Act 1982, for the conveyance of natural gas at a gauge pressure exceeding 2000 kilopascals if the Minister, on the application of the franchise holder, so directs in any particular case; or

“(e) Any pipeline forming part of mining operations (as defined in section 2 (1) of this Act), unless the Minister otherwise directs in any particular case; or

“(f) Any pipeline between a compressor and a point of discharge which is used for the conveyance of natural gas intended solely as a motor vehicle fuel.”

(4) Sections 51 (1) and 83 (2) of the principal Act (as so substituted) are hereby amended by omitting the words “Deputy Secretary” wherever they occur, and substituting in each case the word “Secretary”.

10. Application for pipeline authorisation—(1) Section 51 of the principal Act (as so substituted) is hereby amended by repealing subsection (2), and substituting the following subsection:

“(2) Every such application shall contain the following particulars:

“(a) The size, length, and maximum working pressure of the proposed pipeline:

“(b) The proposed location of fittings, pumps, tanks, and appurtenances intended to be directly associated with the operation of the proposed pipeline and thus required to be included in the authorisation:

“(c) Sufficient details to describe the extent to which the application relates to any land to which section 29 of this Act applies:

“(d) Such other particulars as may be prescribed.”

(2) Section 51 (3) of the principal Act (as so substituted) is hereby amended by repealing paragraph (a), and substituting the following paragraph:

“(a) The flagged and clearly identifiable route of the proposed pipeline.”

(3) Section 51 of the principal Act (as so substituted) is hereby further amended by adding the following subsection:

“(6) Every applicant for a pipeline authorisation shall forward a copy of the application, of the accompanying plan and report, and of any other information and plans furnished to the Minister, to the united or regional council, the territorial authority within the meaning of the Local Government Act 1974, and the Regional Water Board, within whose district it is proposed that the pipeline be situated, at the same time as those items are forwarded to the Minister.”

11. Appointment of Commission of Inquiry—(1) Section 54 of the principal Act (as so substituted) is hereby amended by repealing subsection (1), and substituting the following subsections:

“(1) Before granting an application for a pipeline authorisation the Minister may in his discretion refer the application or such part of it as he thinks fit to a Commission of Inquiry appointed in that behalf by the Governor-General in Council.

“(1A) An applicant for a pipeline authorisation may request the Minister to refer the application or any part of it to such a Commission of Inquiry; and in any such case the Minister, subject to subsection (1B) of this section, shall so refer the application or part of it, as the case may be.

“(1B) If an applicant requests the Minister to refer part of an application to such a Commission of Inquiry the Minister may in his discretion so refer the whole application.”

(2) Section 54 (2) of the principal Act (as so substituted) is hereby amended—

(a) By inserting, after the word “application” where it first occurs, the words “or part of an application”:

(b) By adding the words “or part of the application, as the case may be”.

12. Grant or refusal of authorisation—Section 55 of the principal Act is hereby amended by adding the following additional proviso:

“Provided also that the Minister shall not grant such an authorisation before the expiry of a period of 40 days after the date on which he received the application for it.”

13. Conditions of authorisation—Section 56 of the principal Act (as so substituted) is hereby amended by repealing subsection (4), and substituting the following subsections:

“(4) The provisions of section 145 of the Public Works Act 1981 shall apply in respect of the construction and operation of an authorised pipeline, but if a dispute arises relating to the grant of consent by the National Roads Board under that section it shall be determined by the Minister of Energy and the Minister of Works and Development.

“(5) The provisions of section 35 of the New Zealand Railways Corporation Act 1981 shall apply in respect of the construction and operation of an authorised pipeline, but if a dispute arises relating to the grant of an easement by the New Zealand Railways Corporation under that section it shall be determined by the Minister of Energy and the Minister of Railways.”

14. Application to change line of pipeline—The principal Act is hereby further amended by repealing section 59 (as so substituted), and substituting the following section:

“59. (1) A change shall not be made to the line of a pipeline as shown on the plan attached to an authorisation without the written approval of the Minister.

“(2) The provisions of this Part of this Act relating to applications for pipeline authorisations shall, with the necessary modifications, apply to every application for an approval under subsection (1) of this section, but if, in the Secretary’s opinion, the proposed change is not of a significant nature, he may dispense with such of the requirements contained in those provisions as he thinks fit.

“(3) On granting any approval under this section, the Minister may amend such documents and give such certificates as may be required to give effect to the approval.

“(4) Notwithstanding the provisions of subsections (1) and (2) of this section, where there is imminent danger to the public or to an authorised pipeline arising from any unusual circumstances, the holder may change the line of the pipeline without an approval under this section, but if any such change is intended to be permanent, the holder shall as soon as practicable notify the Minister and comply with any requirement of the Minister in respect of the change.

“(5) This section shall not apply to—

“(a) Any relinquishment of the line of a pipeline if the pipeline does not as a result come closer than 2 metres to—

“(i) The boundary of any easement granted or agreed to be granted under section 69 of this Act; or

“(ii) The boundary of the easement as shown on the plan attached to the easement certificate issued under section 70 of this Act; or

“(b) Any change to the line of a pipeline made pursuant to section 60 or section 61 of this Act.”

15. Pipeline easement certificates—(1) Section 70 (1) of the principal Act (as so substituted) is hereby amended by omitting the word “If”, and substituting the words “Notwithstanding the provisions of section 22 of the Public Works Act 1981, if”.

(2) Section 70 of the principal Act (as so substituted) is hereby amended by inserting, after subsection (1), the following subsection:

“(1A) The holder of the authorisation shall forward a copy of the application to the owner and occupier of any land to which the application relates at the same time as the application is forwarded to the Minister.”

(3) Section 70 (2) of the principal Act (as so substituted) is hereby amended by omitting the words “diagram showing the actual”, and substituting the words “plan showing the intended”.

(4) Section 70 (3) of the principal Act (as so substituted) is hereby amended—

(a) By inserting, after the words “pipeline is”, the words “intended to be”;

(b) By inserting in paragraph (b) of the proviso, after the words “show the”, the word “intended”.

16. Middle line notices, etc.—The principal Act is hereby further amended by repealing section 71 (as so substituted), and substituting the following sections:

“71. Defining middle line of pipeline of national importance—(1) In this section and in sections 71A and 71B of this Act, unless the context otherwise requires, ‘land’ includes a road, a motorway, a railway, a limited access road, an access way, and a service lane.

“(2) Notwithstanding anything in this Act, if the Minister is satisfied that the construction of any pipeline in respect of which an authorisation has been granted is of national

importance he may issue a notice in the *Gazette* defining the middle line of the pipeline, or any part of it, and may from time to time by a subsequent notice revoke that notice in whole or in part, or amend that notice so as to alter the middle line in any manner or to any extent which may be found necessary for the construction of the pipeline.

“(3) Every notice under this section shall define, by reference either to a distance on each side of the middle line or to existing legal boundaries, or by reference to both, such land within 100 metres from the middle line upon or in respect of which it is intended to exercise the powers conferred by this Act or any other Act in respect of the construction, maintenance, and use of the pipeline.

“(4) In placing the pipeline in its final position, construction work (including the provision of access for vehicles and plant) shall be confined to a strip of land—

“(a) Not more than 30 metres wide; or

“(b) Of such greater width as the Secretary (after consultation, if possible, with the occupier of the land) may allow in any particular case owing to special circumstances—

within the strip of land defined in the notice.

“(5) The Minister shall cause a copy of every notice under this section, and of every map and plan prepared in connection with it, to be deposited without fee in the office of the District Land Registrar for each district in which is situated any land affected by the notice.

“(6) The District Land Registrar shall without fee register against the title of any such land a memorial of the notice and of the accompanying maps and plans.

“(7) As soon as practicable after the publication in the *Gazette* of any such notice, the Minister shall notify every owner of, and every person with a registered interest in, land affected by the notice (so far as they can be ascertained) of the existence and effect of the notice.

“(8) The holder of the pipeline authorisation, within 6 months after the completion of the pipeline, shall prepare plans in accordance with section 72 of this Act and prepare and present to the Minister, for signing by him or on his behalf, easement certificates for all the land affected by the pipeline and in respect of which an agreement has not been entered into under section 69 (1) (b) of this Act.

“(9) Every pipeline easement certificate issued under subsection (8) of this section shall for the purposes of this Act be deemed to have been issued under section 70 of this Act.

“71A. Middle line notice to lapse after 5 years—

(1) Every notice defining the middle line of a pipeline under section 71 of this Act shall be deemed to be revoked on the expiry of a period of 5 years after the date on which it was published in the *Gazette* unless construction of the pipeline commenced before the expiry of that period and it is necessary to enter on the land affected by the notice to continue and complete the work, in which case the notice shall be deemed to be revoked in respect of any land when the portion of the work that affects that land is completed.

“(2) On the expiry of the 5-year period or on the completion of the portion of the work, as the case may be, the Minister shall notify the District Land Registrar who shall thereupon without fee take all necessary steps to discharge or cancel all memorials or entries relating to the revoked notice.

“71B. Registration of middle line notice may be cancelled—(1) At any time after a pipeline has been completed or after the construction of a proposed pipeline has been abandoned, or after the Minister is satisfied that any pipeline referred to in a middle line notice does not, or will not, pass over, upon, under, or injuriously affect the land against which the middle line notice has been registered, or if for any other reason the Minister considers it expedient to do so, he may require the holder of the relevant authorisation to deposit with him plans of, and a description of or reference to, all land in respect of which cancellation of the registration is desired.

“(2) The Minister, after being satisfied that such cancellation is in order, may cause to be deposited, without fee, in the appropriate District Land Registry Office, a certificate signed by him or on his behalf authorising the cancellation of the registration of the middle line notice and setting forth a description of or reference to all land for which cancellation is required.

“(3) On the deposit of any certificate under subsection (2) of this section, the District Land Registrar shall without fee take all necessary steps to discharge or cancel the memorials or entries made under section 71 of this Act in respect of all land referred to in the certificate.”

17. Preparation of plans—The principal Act is hereby further amended by repealing section 72 (as so substituted), and substituting the following section:

“72. (1) Subject to subsections (2) and (3) of this section, within 6 months after the completion of construction of a

pipeline, the holder of the authorisation shall cause a survey in accordance with the Survey Regulations 1972 of the actual position of the pipeline to be completed, and shall cause plans to be prepared and lodged in the office of the appropriate Chief Surveyor showing the position of the pipeline and the strip of land not exceeding 20 metres in width forming the easement through which the pipeline passes.

“(2) The easement boundary shown on the plan shall not be closer than 2 metres from the pipeline.

“(3) If the pipeline is laid within a road reserve the plan shall only be required to show the actual position of the pipeline.

“(4) Within the said period of 6 months the holder shall also—

“(a) Forward to the Secretary 3 copies of the plans showing the position of the pipeline:

“(b) Deposit in the appropriate District Land Registry Office a copy of those plans:

“(c) Forward to the territorial authority within whose district the pipeline is situated a copy of those plans:

“(d) Forward to the owner of any land in respect of which an agreement has been made under section 69 (1) (b) of this Act or in respect of which an easement certificate has been issued under section 70 of this Act a copy of the plan showing the position of the pipeline on that owner's land.

“(5) If an easement certificate which has been issued under section 70 of this Act is not in conformity with subsection (2) of this section, the holder, within 3 months after the completion of the survey plans, shall apply to the Minister under section 73 (3) of this Act for a variation of the easement certificate.

“(6) If, on the application of the holder, the Secretary is satisfied that any delay in complying with any provision of this section is beyond the control of the holder, the Secretary may extend the time allowed by not more than 3 months.”

18. Registration of easements—(1) Section 73 of the principal Act (as so substituted) is hereby amended by repealing subsection (1), and substituting the following subsections:

“(1) The holder of an authorisation shall, where possible, register—

“(a) Every easement granted to him pursuant to an agreement made under section 69 of this Act; and

“(b) Every easement certificate issued to him under section 70 of this Act—

against the title to all land affected thereby; and the District Land Registrar or Registrar of Deeds shall register the easement or easement certificate without production of the duplicate certificate of title or other document of title relating to the land if the holder of the authorisation is unable to produce it.

“(1A) An easement granted pursuant to an agreement made under section 69 of this Act shall not be registered unless it is in conformity with section 72 (2) of this Act.”

(2) Section 73 (2) of the principal Act (as so substituted) is hereby amended by inserting, after the words “Any such”, the words “easement or”.

(3) Section 73 (5) of the principal Act (as so substituted) is hereby amended by inserting, after the words “rule of law”, the words “any grant of a pipeline easement and”.

(4) Section 73 (6) of the principal Act (as so substituted) is hereby amended by omitting the words “certificate issued under this section”, and substituting the words “grant of a pipeline easement or by any pipeline easement certificate”.

(5) Section 73 (7) of the principal Act (as so substituted) is hereby amended by omitting the word “certificate”, and substituting the words “grant of a pipeline easement or in any pipeline easement certificate”.

(6) Section 73 (8) of the principal Act (as so substituted) is hereby amended by omitting the word “certificate”, and substituting the words “grant of a pipeline easement or pipeline easement certificate”.

19. Entry on land for purpose of exercising rights in authorisation—(1) Section 75 (2) (a) of the principal Act (as so substituted) is hereby amended by omitting the word “Proclamation”, and substituting the word “notice”.

(2) Section 75 (3) of the principal Act (as so substituted) is hereby amended by omitting the words “subsection (2) of this section does not apply”, and substituting the words “subsection (2) (a) of this section applies”.

20. Taking of land—Section 78 (1) of the principal Act (as so substituted) is hereby amended—

(a) By omitting the word “For”, and substituting the words “Notwithstanding the provisions of section 22 of the Public Works Act 1981, for”:

- (b) By omitting the words “1928, as if for a public work”, and substituting the words “1981, as if for a public work which is an essential work”.

21. Repealing provisions relating to prohibition of works likely to damage pipeline—Section 80 of the principal Act is hereby repealed.

This Act is administered in the Ministry of Energy.
