

PETROLEUM AMENDMENT BILL

EXPLANATORY NOTE

Clause 2: At present a prospecting licence under the Petroleum Act 1937 can only be granted in respect of an area not exceeding 200 square miles although there is no limit to the number of licences which may be granted to the same person. With the development of prospecting on the continental shelf large areas may be prospected and, under the existing legislation, this would involve the granting of a large number of licences involving considerable expense and work. This amendment permits the granting of one licence for a continuous area in the continental shelf in excess of 200 square miles but subject to such special conditions as the Minister may specify.

Clause 3: This clause enables the Minister to require the licensee of a prospecting licence to deposit a sum greater than £1,000 (the present maximum) but not greater than £10,000 in cases where the licence relates to an area in the continental shelf greater than 200 square miles. Alternatively, the Minister may require the licensee to give a bond instead of making a cash deposit.

Clause 4: This clause permits the delegation by the Minister of his powers under the principal Act to the Under-Secretary or other officer of the Mines Department. Identical provisions are contained in other mining legislation.

Hon. Mr Shand

PETROLEUM AMENDMENT

ANALYSIS

Title	3. Deposit when prospecting licence
1. Short Title	relates to area exceeding two
2. Area contained in prospecting licence	hundred square miles
	4. Delegation by Minister

A BILL INTITULED

An Act to amend the Petroleum Act 1937

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

1. Short Title—This Act may be cited as the Petroleum Amendment Act 1965, and shall be read together with and deemed part of the Petroleum Act 1937* (hereinafter referred to as the principal Act).

10 **2. Area contained in prospecting licence**—(1) Subsection (2) of section 5 of the principal Act is hereby amended by adding the following proviso:

15 “Provided that a prospecting licence may be granted in respect of a continuous area within the continental shelf in excess of two hundred square miles but, in any such case, the Minister may include in the licence as conditions thereof provisions requiring the licensee, in respect of the land comprised in the licence, to—

20 “(a) Expend a specified sum within a specified period on prospecting operations; and

*1957 Reprint, Vol. 11, p. 693
Amendment: 1962, No. 127

- “(b) Commence and carry on geological and geophysical investigations within such time as may be specified in the licence, and according to a work programme submitted by the applicant to the Minister and approved by him before the licence is granted; and 5
- “(c) Commence and carry on drilling operations as soon as practicable after the aforesaid geophysical investigations have been completed; and
- “(d) Undertake to surrender his licence unless the conditions included therein under this proviso are complied with.” 10

(2) Section 5 of the principal Act is hereby further amended by inserting, after subsection (2), the following subsection:

“(2A) Where any conditions are included in a licence under the proviso to subsection (2) of this section, the provisions of sections 8 and 8A of this Act and of sections 61 and 62 of the Statutes Amendment Act 1941 shall not apply to that licence.” 15

3. Deposit when prospecting licence relates to area exceeding two hundred square miles—Section 6 of the principal Act (as substituted by section 2 of the Petroleum Amendment Act 1953) is hereby amended by adding, as subsection (2), the following subsection: 20

“(2) Notwithstanding the foregoing provisions of this section, where the licence relates to an area within the continental shelf exceeding two hundred square miles, any sum required to be deposited under this section may exceed one thousand pounds but shall not exceed ten thousand pounds or the Minister may require the licensee, instead of making a deposit as aforesaid, to enter into a bond undertaking the payment to the Crown of such sum, not exceeding ten thousand pounds, as the Minister may determine.” 25 30

4. Delegation by Minister—The principal Act is hereby amended by inserting, after section 31, the following section:

“31A. (1) The Minister may from time to time, by writing under his hand, delegate to the Under-Secretary or to any other officer or officers of the Mines Department any of his powers under this Act or any regulations under this Act. 35

“(2) The officer or officers referred to in subsection (1) of this section may be an officer or officers referred to by name or the officer or officers who for the time being hold any specified position or positions in the Mines Department. 40

“ (3) Subject to any general or special conditions attached by the Minister, the person to whom any powers are delegated under this section may exercise those powers in the same manner and with the same effect as if they had been conferred
5 on him directly by this section and not by delegation.

“ (4) Every person purporting to act pursuant to any delegation under this section shall, in the absence of any proof to the contrary, be presumed to be acting in accordance with the terms of the delegation.

10 “ (5) Every delegation under this section shall be revocable in writing at will, and no such delegation shall prevent the exercise of any power by the Minister.

“ (6) Every delegation under this section shall, until it is revoked, continue in force according to its tenor, notwithstanding that the Minister by whom it was made may have
15 ceased to hold office, and shall continue to have effect as if made by his successor in office.

“ (7) Every reference to the Minister in any Act, regulation, order, application, notice, licence, or document whatsoever
20 shall, in relation to any power that the Minister has delegated to the Under-Secretary or to any other officer of the Mines Department under this section, be read as a reference to the Under-Secretary or to that other officer, as the case may require.”