## **DEPARTMENT:** DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

**TOPIC:** Retention Leases

**REFERENCE:** Question on Notice (Hansard, 2 March 2017, page 117)

## **QUESTION No.:** AI-46

Senator XENOPHON: At the moment, if somebody wants to contest it—someone is holding onto a resource, others say, 'We think we can use it, we can do a better job'—before they could make a bid on it, they would have to have access to all of the seismic surveys, all of the technical data, wouldn't they?

Mr Waters: They certainly would be helpful to them, yes. In most cases, and if we are talking primarily about Bass Strait, the vast majority of the 2D and 3D seismic surveys that have been shot over that area is available for public review.

Senator XENOPHON: Sure, but if there is something that the original exploration company with the retention lease actually have, they are not obliged to share that with a company contesting their use of it—is that right?

Mr Waters: That is a commercial matter that we would not get involved in.

Senator XENOPHON: All right, but you can understand the disadvantage that a company may have in those circumstances?

Senator Canavan: I can certainly understand the point of the question. I have asked similar questions of NOPTA on those things. With your particular interest in Bass Strait, given it has been a long developed historical gas resource for Australia, there does seem to be a lot of public data available on those aspects that would assist third parties making those applications if they saw fit. Senator XENOPHON: I want to put on notice: if there is to be genuine contestability, the argument could be that a company is seeking to challenge the existing leaseholder or potential leaseholder, is there an administrative process or a fair use process for them to have access to all of the data so that they can make an informed to bid before they make a decision? One scenario that has been put to me is that the holder of the retention lease may have drilling resources tiled up elsewhere in the world and it may not be a priority for them, that particular retention lease. Other potential bidders may have drilling resources available that may tip it into the commercial viability sphere. That is one scenario that has been put to me.

## ANSWER

There are rules governing access to data relating to retention leases where that data has been acquired by the titleholder or a third party.

Part 7 Division 3 of the Offshore Petroleum and Greenhouse Gas Storage (Resource Management and Administration) Regulations 2011 (RMA Regulations) sets out the requirements for petroleum titleholders to give reports, cores, cuttings and samples to the Titles Administrator. This information relates to operational activities undertaken within a petroleum title such as drilling a well or undertaking a survey.

This information is then available for public release after set timeframes outlined under Part 8 Division 3 of the RMA Regulations. Key timeframes are summarised in the table below.

	Type of Data	Available for release after
Seismic, geophysical or geotechnical surveys	Basic	3 years
	Interpretative	5 years
Wells	Basic	2 years
	Interpretative	5 years

Seismic companies may also collect non-exclusive data which is available for purchase. Often a non-exclusive survey covers multiple petroleum titles or open acreage. Where a seismic survey has been completed on a non-exclusive basis (i.e. to be made available for commercial sale or license), the data becomes publicly available 15 years after survey completion. Other (i.e. non-seismic) non-exclusive survey data becomes available after six years from completion of the activity.

Further information on the submission and release of offshore petroleum data is available at: <u>http://www.nopta.gov.au/data-mgmt/index.html</u>

The OPGGS (Resource Management Administration) Regulations are available at: <u>https://www.legislation.gov.au/Series/F2011L00647</u>

Data may be released with the approval of the Titles Administrator, and this approval can only be given after the relevant date has passed (i.e. the identified confidentiality period has passed). Where a petroleum title is surrendered or otherwise terminated, the basic data becomes releasable on the date of title termination. It is the practice of the National Offshore Petroleum Titles Administrator for all data to be made publicly available as soon as practicable after the relevant day has passed.

The public release of data associated with petroleum activities provides the opportunity for third party scrutiny of the work undertaken by a titleholder, informs industry participants on regional prospectivity and supports future exploration activities.

Accessibility to data is generally viewed as being a strength of the Australian offshore petroleum regime. The 2016 Global Petroleum Survey by the Fraser Institute found that Offshore Australia was one of only 10 jurisdictions (of 99 considered) where access to the country's geological database was not a deterrent to investment.