

Number 7 of 1960.
PETROLEUM AND OTHER MINERALS DEVELOPMENT ACT, 1960

AN ACT TO VEST IN THE MINISTER FOR INDUSTRY AND COMMERCE ALL PROPERTY IN PETROLEUM EXISTING IN ITS NATURAL CONDITION IN STRATA, TO MAKE FURTHER AND BETTER PROVISION FOR THE WORKING AND DEVELOPMENT OF SUCH PETROLEUM, TO AMEND THE [REDACTED] AND TO PROVIDE FOR CERTAIN OTHER MATTERS CONNECTED WITH THE MATTERS AFORESAID.

[10th March 1960.]

PART I
PRELIMINARY

1 Short title.

1.-This Act may be cited as the Petroleum and Other Minerals Development Act, 1960.

PART II

purpose of access to or conveyance of petroleum or machinery or the ventilation or drainage or working of petroleum wells;

(c) a right to do any of the following things-

(i) to construct, operate and maintain roads and railways for the purpose of ingress and egress to or from any land specified in a petroleum lease,

(ii) to build, maintain, and operate on any such land such roads and railways as may be needed for the purpose of carrying on the exploration, prospecting, working, drilling and development of petroleum under such land, and for the purpose of access to any petroleum well, and the conveyance of petroleum from any petroleum well,

(iii) for all or any of the purposes aforesaid to use and occupy land and to exercise any rights in or over land or water;

(d) a right to lay pipe-lines, and to erect pumping and storage stations, loading racks, terminals and

5 Vesting of other petroleum in the Minister.

5.-(1) On the operative date, the property in all petroleum which is not State petroleum shall vest in the Minister and his successors.

(2) Compensation shall be payable by the Minister in respect of all petroleum vested in the Minister and his successors by subsection (1) of this section, and the provisions of Chapter VI of this Part shall apply in respect of such compensation.

7 Undertaking to grant explorations licences and petroleum prospecting licences.

7.-(1) The Minister may enter into an undertaking with any person to grant to him an exploration licence or a petroleum prospecting licence or both those licences.

(2) Where the Minister enters into an undertaking under this section it shall be lawful for him to carry out the undertaking.

8 Exploration licences.

8.-(1) The Minister may grant to any person such licence (in this Part referred to as an exploration licence) as is authorised by this section.

(2) Every exploration licence shall be granted upon such terms and conditions and in respect of such areas as the Minister thinks fit and specifies, therein.

(3) On the granting of the exploration licence the licensee shall pay to the Minister such consideration therefor as the Minister, with the concurrence of the Minister for Finance, may determine.

(4) Every exploration licence shall be expressed and operate to vest in the licensee the exclusive right of searching for petroleum in the area to which the licence extends.

(5) (a) An exploration licence shall not confer on the licensee any right to enter on land.

(b) Paragraph (a) of this subsection shall not be construed as preventing the licensee under an exploration licence from entering on land with the consent of the owner of the surface of that land.

(6) Every exploration licence shall contain an indemnity clause whereby the licensee indemnifies the Minister against any claim arising out of the exercise by the licensee of his rights under the licence.

(7) In this section "searching for petroleum" means the doing by the licensee under an exploration licence of all such things as are in his opinion necessary or desirable for the purpose of ascertaining the character, extent

(3) Every petroleum prospecting licence shall be granted upon such terms and conditions as the Minister thinks fit and specifies therein.

(4) On the granting of a petroleum prospecting licence, the licensee shall pay to the Minister such consideration therefor as the Minister, with the consent of the Minister for Finance, may determine.

(5) Every petroleum prospecting licence shall be expressed and operate to authorise the licensee, during the currency of such period as is specified in the licence, to enter on the land specified in the licence and there do all such things as the licensee considers necessary or desirable for the purpose of ascertaining the character, extent or value of the petroleum under such land and, in particular and without prejudice to the generality of the foregoing power, for the purpose aforesaid, to make geological, geophysical, geochemical and topographic examinations and to make borings, sink pits, remove water from old workings and take and remove reasonable quantities of petroleum and other minerals for the purpose of analysis, test, trial or experiment.

(6) Every petroleum prospecting licence shall contain an indemnity clause whereby the licensee indemnifies the Minister against any claim or demand whatsoever in respect of the land the subject of the licence or in any way arising out of the exercise by the licensee of the rights conferred on him by the licence.

(7) Every petroleum prospecting licence shall contain a clause requiring the licensee to exercise the rights conferred on him by the licence in such manner as not to interfere unnecessarily with the amenities of the area to which the licence relates.

(8) (a) A petroleum prospecting licence shall not confer on the licensee a right to sell or otherwise dispose of any petroleum found under the land specified in the licence.

(b) Nothing in paragraph (a) of this subsection shall be construed as preventing the licensee under a petroleum prospecting licence from taking and removing reasonable quantities of petroleum for the purposes of analysis, test, trial or experiment.

10 Undertaking by Minister to grant petroleum lease.

10.-(1) The Minister may enter into an undertaking to grant a petroleum lease to take effect from such date, as may

of this section, exercise, in relation to that area, all the p

14 Right of Minister to work and dispose of petroleum.

14.-(1) It shall be lawful for the Minister, with the consent of the Minister for Finance, at any time, subject to the terms of any licence or lease granted under this Part, to work petroleum in any area or areas and to sell or otherwise dispose of petroleum obtained by such working.

(2) Before commencing to work petroleum in exercise of the powers conferred on him by subsection (1) of this section, the Minister shall-

(a) specify the area or areas (each of which shall not be less than two square miles or more than five square miles in extent) within which he proposes to exercise those powers,

(b) publish in the Iris Oifigiúil a notice stating the locality and extent of such area or areas.

(3) The Minister may authorise any person in writing to exercise for and on behalf of the Minister the powers conferred on the Minister by this section and any act done by such person in pursuance of such authority shall for the purposes of this Part be deemed the act of the Minister.

(4) Where the Minister sells or disposes of petroleum under this section, the proceeds of such sale or disposal shall be paid into the Exchequer in such manner as the Minister for Finance shall direct.

15 Rights of entry on and user of land by lessee under petroleum lease or by Minister exercising powers under section 14.

15.-(1) The lessee under a petroleum lease may enter on the land specified in the lease and use such land in such manner as may be reasonably necessary for the working of petroleum or for any purpose incidental thereto.

(2) The Minister exercising the powers conferred on him by section 14 of this Act may enter on any land within the area in respect of which those powers are exercisable and use such land in such manner as may be reasonably necessary for the working of petroleum or for any purpose incidental thereto.

16 Compensation for damage or nuisance caused by lessee under petroleum lease or by Minister in working petroleum or exercising rights conferred by section 15.

16.-Where damage to the surface of land or to mineral deposits or to water supplies or a nuisance is caused directly or indirectly, either-

(a) by working or doing anything incidental to the working of petroleum, or

(b) by exercising the right of entry on and user of land conferred by section 15 of this Act,

the person causing such damage or nuisance, whether he is the lessee under a petroleum lease or the Minister, shall be liable to pay compensation for such damage or nuisance, and the provisions of Chapter VII of this Part shall apply in respect of such compensation.

17 Furnishing of information by lessees under petroleum leases.

17.-(1) Every lessee under a petroleum lease shall-

(a) as soon as may be after petroleum is brought to the surface for the first time at any borehole-notify the Minister of that fact;

(a) if such notice relates to the acquisition of land, state the situation and area of such land with sufficient particularity to enable such land to be easily identified and also state the nature and duration of the interest proposed to be acquired in such land, or

(b) if such notice relates to the acquisition of an ancillary right, state the nature of such right, the land or other property in respect of which such right is proposed to be acquired, and the period for which such right is proposed to be acquired.

(3) A notice required by this section to be served on any person may be served by registered post and, if so served, may be addressed to such person at his last-known place of abode.

25 Compensation for working facilities.

25.-(1) The Minister shall be liable to pay compensation for any land or ancillary right acquired by him under a working facilities acquisition order and the provisions of Chapter VII of this Part shall apply in respect of such compensation.

(2) All claims for compensation payable under this section in respect of any land or ancillary right acquired by the Minister under a working facilities acquisition order may be made at any time within six months or such longer period not exceeding altogether twelve months as the Minister may in any particular case allow after the date of the order, and no such claim shall be entertained unless made within that period.

26 Working facilities permits.

26.-(1) The Minister may, upon the grant of a petroleum lease or at any time during the term granted by the lease, grant to the lessee a permit (in this Part referred to as a working facilities permit) to use any land or any ancillary right which has been acquired by a working facilities acquisition order.

(2) Every working facilities permit shall be granted on such terms and subject to such conditions as the Minister, with the consent of the Minister for Finance, shall determine.

(3) It shall be a condition of the grant of a working facilities permit that the person to whom it is granted repays to the Minister the costs incurred by the Minister in acquiring the land or the ancillary right to which the permit relates and the compensation payable by the Minister for such acquisition.

27 Working facilities permit in respect of State land.

27.-(1) In this section "State land" has the same meaning as in the State Property Act, 1954 (No. 25 of 1954).

(2) Whenever the Minister is of opinion that it is necessary, for the efficient or convenient exploitation of petroleum to which a petroleum lease applies, that the lessee should be granted the right to use any State land, the Minister with the consent of the Minister for Finance may grant to the lessee a permit (in this Act referred to as a working facilities (State land) permit), to use such land.

(3) Whenever the Minister is of opinion that it is necessary, for the efficient or convenient exploitation of petroleum to which a petroleum lease applies, that the lessee should be granted any ancillary right in relation to State land, the Minister may, with the consent of the Minister for Finance, grant to the lessee a permit (in this Act also referred to as a working facilities (State land) permit) to exercise that ancillary right,

(4) Every working facilities (State land) permit shall be granted on such terms and conditions as the

Minister, with the consent of the Minister for Finance, may determine.

(5) A person to whom a working facilities (State land) permit is granted shall as consideration therefor pay to the Minister such sum as the Minister, with the concurrence of the Minister for Finance, may determine.

28 Compensation for damage or nuisance caused by exercise of rights under a working facilities permit or a working facilities

- (a) on being duly summoned as a witness before the Board makes default in attending, or
- (b) being in attendance as a witness ref

1940, No. 31.

34 Compensation not payable for petroleum unless and until it is brought to the surface and used or sold.

34.-Compensation shall not be payable for petroleum unless and until it is brought to the surface and used or sold.

41 Determination of amount of compensation.

41.-(1) The amount of compensation shall, in default of agreement, be determined by the Board in accordance with the provisions of this Chapter.

(2) Where compensation is payable by the Minister, the Minister shall not enter into any agreement fixing the amount thereof without the consent, of the Minister for Finance.

42 Applications for compensation.

42.-(1) Where compensation is payable, the following persons, namely-

- (a) the Minister,
- (b) if the compensation is payable in respect of land which is subject to a land purchase annuity, the Land commission,
- (c) any person claiming to be entitled to such compensation may apply to the Board to determine the amount of such compensation.

(2) Subject to the provisions of this Chapter, the provisions of the Acquisition of Land (Assessment of Compensation) Act, 1919, shall apply to the determination of the amount of compensation.

43 Agreed compensation in respect of land subject to a land purchase annuity.

43.-Where the amount of compensation payable in respect of land is fixed by agreement, and the land in respect of which such compensation is payable is, subject to a land purchase annuity, the following provisions shall have effect, that is to say:-

- (a) the Land, Commission shall be a party to such agreement;
- (b) such compensation or so much thereof as is payable under such agreement to the Land Commission shall, when received by them, be applied by them in accordance with the following provisions, that is to say:-
 - (i) in case there are any arrears of such annuity and the amount so payable to the Land Commission (in this paragraph referred to as the said amount) does not exceed such arrears, in or towards discharge of such arrears,
 - (ii) in case there are any arrears of such annuity and the said amount exceeds such arrears-
 - (I) so much of the said amount as is equal to such arrears shall be applied in discharge of such arrears, and
 - (II) the balance of the said amount shall be applied in or towards redemption of such annuity,
 - (iii) in case there are no arrears of such annuity, in or towards redemption of such annuity;
- (c) if the Land commission is not a party to such agreement, the payment of the amount of the compensation fixed thereby shall not operate as a good discharge to the person paying the same of his liability to

pay such compensation.

44 Fees on application for compensation.

44.-Whenever an application is made to the Board by any person, other than the Minister or the Land Commission, [REDACTED] person shall pay to the Board in respect of such applications, such fee as the Minister, with the sanction of the Minister for Finance, shall prescribe.

45 Right of audience on hearing before the Board rg BT 19 /F2 10.08 Tf -0.0223 Tc 0.142d

(6) A certificate, purporting to be certified by the secretary of the Board, which contains a statement of the following matters, namely:-

- (a) the fact that the Board has made an award,
- (b) the nature and amount of the compensation payable under such award,
- (c) the person to whom such compensation is Payable,
- (d) the person by whom such compensation is payable,

shall be received in all legal proceedings as prima facie evidence of the matters so certified without proof of the signature of the person by whom such certificate purports to be certified or that he was in fact the secretary of the Board.

47 Awards of compensation in respect of land subject to a land purchase annuity.

47.-(1) (a) Where compensation is assessed by the Board in respect of land which is subject, but not in conjunction with other land, to a land purchase annuity, the Land Commission may, if they so think fit, request the Board-

(i) if the amount of such compensation is equal to or less than the redemption price of such annuity and the arrears (if any) of such annuity-to order by its award payment to the Land Commission of the whole or such part of the compensation as the Land Commission request, or

(ii) if the amount of such compensation exceeds the redemption price of such annuity and the arrears (if any) of such annuity-to order by its award payment to the Land Commission of so much of the compensation, not exceeding the amount of the said redemption price and arrears (if any), as the Land Commission request,

and the Board shall comply with such request.

(b) Where any award in relation to land which is subject, but not in conjunction with other land, to a land purchase annuity provides under paragraph (a)of this subsection for the payment of any moneys to the Land Commission, such moneys shall upon receipt thereof be applied by the Land Commission in accordance with the following provisions, that is to say-

(i) in case there are any arrears of such annuity and the amount of such moneys does not exceed such arrears-in or towards discharge of such arrears,

(ii) in case there are any arrears of such annuity and the amount of such moneys exceeds such arrears-

(I) so much of such moneys as is equal to such arrears shall be applied in discharge of such arrears, and

(II) the balance of such moneys shall be applied in or towards redemption of such annuity,

(iii) in case there are no arrears of such annuity-in or towards redemption of such

annuity.

- (2) (a) Where compensation is assessed by the Board in respect of land (in this paragraph

CHAPTER VIII
Provisions ancillary to Chapters VI and VII

49 Finality of Board's decisions on questions of fact.

CHAPTER IX
Miscellaneous and General

52 Provisions in relation to petroleum operations.

52.-(1) (a) Regulations may provide for all or any of the following matters-

- (i) the siting and spacing of petroleum wells,
- (ii) safety measures in relation to petroleum operations,
- (iii) restrictions on the production of petroleum from boreholes commenced or completed nearer the boundaries of land to the petroleum under which a petroleum lease applies than the distance specified in the regulations,
- (iv) the conservation of petroleum,
- (v) restrictions on the disposal of water and waste products,
- (vi) the blocking of abandoned boreholes,
- (vii) the measurement of petroleum,

defaulter under subparagraph (i) of this paragraph) take such remedial action as was required by the notice to be taken by the defaulter, and may recover any expenses incurred by him in doing so from the defaulter as a simple contract debt in any court of competent jurisdiction.

(d) Where the Minister is entitled under subparagraph (ii) of paragraph (c) of this subsection to recover any expenses, a certificate sealed with the official seal of the Minister and certifying the amount thereof shall be prima facie evidence of the amount of such expenses.

(3) Every person guilty of an offence under subsection (1) or (2) of this section shall be liable on summary conviction thereof to a fine not exceeding one hundred pounds, together with, in the case of a continuing offence, a further fine not exceeding one hundred pounds for every day on which the offence is continued.

(4) Where the same set of facts constitutes an offence under both subsection (1) and subsection (2) of this section and the offender is charged with both offences, the offender shall be liable to be punished for one of the offences only.

53 Royalty rents for petroleum acquired under the Mines and Minerals Act, 1931, and the Minerals Development Act, 1940.

53.-Where-

(a) a royalty rent has been fixed, by an award made under the Mines and Minerals Act, 1931 or by an agreement made under that Act, as compensation for petroleum acquired under that Act, or

1931, No. 54.

(b) a royalty rent has been fixed, by an award made under the Minerals Development Act, 1940 or by an agreement made under that Act, as compensation for petroleum acquired under that Act,

1940, No. 31.

the said royalty rent, in respect of so much if any of that petroleum as is brought to the surface at a petroleum well within the appointed area in relation to that petroleum well (as defined by subsection (1) of section 33 of this Act), shall, in lieu of being at the rate fixed by the relevant award or agreement, be at a rate which bears to the rate fixed by the relevant award or agreement the same proportion as that part of the area to which the relevant award or agreement relates and which is inside the said appointed area bears to the said appointed area.

54 Right to drill for and take away petroleum not to be a rateable hereditament.

54.-(1) In this section, "oil pool" means an underground natural reservoir containing or appearing to contain an accumulation of petroleum separated or appearing to be separated from any other such reservoir or accumulation in the general geological structure.

(2) For the purposes of the Valuation Acts, the right to drill for and take away petroleum shall be deemed not to be a rateable hereditament in relation to a particular oil pool until the expiration of twenty years from the date on which petroleum was first produced from that oil pool.

55 Payments to lessees under petroleum leases.

55.-If the total amount paid by the lessee under a petroleum lease as such lessee in respect of rent, royalties, income-tax, sur-tax, corporation profits tax and rates for any period exceeds such amount as the Minister, with the

Minister for Finance, may determine, the Minister, with the consent of the Minister for Finance, provided by the Oireachtas, make to the lessee a payment equal to the excess.

56 Minister to be given notice of sinking of shafts or boreholes.

A person proposes, for the purpose of getting petroleum, to sink a shaft or borehole intended to reach twenty feet below the surface, he shall before commencing such sinking, give to the Minister of his intention to do so or such shorter notice as the Minister may permit.

A person who, for the purpose of searching for or getting petroleum, sinks a shaft or borehole to a depth of more than twenty feet below the surface shall keep a journal thereof and shall retain the same (for more than three months) as the Minister may direct such specimens of the strata passed through or seen obtained in the course of the sinking thereof, either as cores or fragments.

A person who keeps in pursuance of subsection (2) of this section a journal of a shaft or a borehole shall, on demand by the Minister, furnish to him a copy of the journal and a site map, which site map shall be approved by the Minister.

A person shall be entitled at all reasonable times to do all or any of the following things, that is to

to have free access to any such shaft, borehole or core as aforesaid;

to inspect and take copies of journals of such shafts or boreholes;

to inspect all specimens so obtained and kept;

to take representative samples of the petroleum obtained (Section 161.e2.48 reference 0 375.36 paragraph 161.12.48 reference 0 C)

on such 30th day of June or such 31st day of December, all of the following matters, that is to say:-

- (a) particulars of all petroleum leases, licences and working facilities permits made or granted by him under this Part and for the time being current;
- (b) the total amount of all moneys collected by the Minister, either by way of fine or lump sum payment or by way of rent, under or by virtue of any such lease, licence or permit;
- (c) any other matter relating to petroleum or to the development and working of petroleum which the Minister thinks proper to include in such report.

58 Disposal of moneys received as consideration.

58.-All moneys received by the Minister (whether in the nature of a fine or lump sum, or in the nature of rent or other periodical payment) as consideration for any sale, lease, licence or permit made or granted by him under this Part or as compensation under section 28 of this Act, shall, as and when received, be paid into or disposed of for the benefit of the Exchequer in such manner as the Minister for Finance shall direct.

59 Collection and disposal of fees.

59.-(1) All fees payable under this Part, whether to the Minister or the Board, shall be collected and taken in such manner as the Minister for Finance shall from time to time direct and shall be paid into or disposed of for the benefit of the Exchequer in accordance with the directions of the Minister for Finance.

(2) The Public Offices Fees Act, 1879, shall not apply in respect of any fees payable under this Part.

60 Regulations in relation to applications for licences under Part II, fees thereon, and size and shape of areas for which those licences may be granted.

60.-Regulations may provide for all or any of the following matters-

- (a) the manner in which and the persons by whom application for licences under this Part may be made,
- (b) the fees to be paid on any of those applications,
- (c) the conditions to be complied with by applicants for those licences,
- (d) the furnishing by every applicant for any of those licences of evidence as to his character, financial standing and technical qualifications and the giving by him of security for the fulfilment of his obligations under the licence,
- (e)

- (2) Where the Minister proposes to make any regulation under this Part, he shall before doing so-
- (a) cause a draft of the proposed regulation to be made,
 - (b) publish in one or more newspapers circulating in the State, a notice which shall state-
 - (i) that a draft of the proposed regulation has been prepared and may be inspected at the office of the Minister in Dublin at specified times,
 - (ii) the provision of this Act under which it is proposed to make the proposed regulation,
 - (iii) that the Minister will consider any representations in relation to the proposed regulation which are made to him not later than such date as the Minister thinks proper and specifies in the notice.
- (3) Every regulation made under this Part shall be laid before each House of the Oireachtas as soon as may be after it is made and if a resolution annulling such regulation is passed by either such House within the next subsequent twenty-one days on which such House has sat after such regulation is laid before it, such regulation shall be annulled accordingly but without prejudice to the validity of anything previously done under such regulation.

62 Prosecution of offences.

62.-Any offence under any section contained in this Part may be prosecuted by the Minister.

63 Expenses.

63.-The expenses incurred by the Minister in the administration of this Part shall, to such extent as may be sanctioned by the Minister for Finance, be paid out of moneys provided by the Oireachtas.

64 Repeal of Petroleum (Production) Act, 1918.

64.-The Petroleum (Production) Act, 1918, is hereby repealed.

1918, c. 52.

65 Saving for powers and duties of the Revenue Commissioners under the enactments relating to customs and excise.

65.-The provisions of this Part of this Act shall be without prejudice to the powers and duties of the Revenue Commissioners under any enactment in force, whether passed before or after this Act, for the management, collection or protection of the revenue of customs and excise.

66 Deductions from compensation of debts due to the State.

66.-Where the amount of any compensation which is payable under this Act by the Minister to any person is determined by an award, and a debt is due and owing by that person to any Minister of State or to the Central Fund, the Minister may deduct the amount of the debt from such compensation, and may direct that the amount so deducted be (as the case may require) either paid to the appropriate Minister of State or paid into or disposed of for the benefit of the Exchequer in such manner as the Minister for Finance may direct.

PART III
AMENDMENT OF THE MINERALS DEVELOPMENT ACT, 1940



latter word firstly occurs,

(b) "or nuisance" shall be inserted after "damage" where the latter word secondly and fourthly occurs.

81 Amendment of section 42 of the Principal Act.

(ii) in case there are any arrears of such annuity and the amount of such moneys exceeds such arrears-

(I) so much of such moneys as is equal to such arrears shall be applied in discharge of such arrears, and

(II) the balance of such moneys shall be applied in or towards redemption of such annuity,

(iii) in case there are no arrears of such annuity-in or towards redemption of such annuity.

(2) (a) Where compensation is assessed by the Board in respect of land (in this paragraph referred to as the affected land) which is subject, in conjunction with other land, to a land purchase annuity and the Land Commission apportion the annuity between the affected land and the other land, the Land Commission, may, if they so think fit, request the Board-

(i) if the amount of such compensation is equal to or less than the redemption price of such annuity as is apportioned to the affected land and the arrears (if any) of such annuity-to order by its award payment to the Land Commission of the whole or such part of the compensation as the Land Commission request, or

(ii) if the amount of such compensation exceeds the said redemption price and the arrears (if any) of such annuity-to order by its award payment to the Land Commission of so much of the compensation, not exceeding the amount of the said redemption price and the arrears (if any) of the annuity, as the Land Commission request,

and the Board shall comply with such request.

(b) Where an award in relation to land (in this paragraph referred to as the affected land) which is subject, in conjunction with other land, to a land purchase annuity provides for the payment under paragraph (a) of this subsection of any moneys to the Land Commission, such moneys shall upon receipt thereof be applied by the Land Commission as follows-

(i) in case there are any arrears of such annuity and the amount of such moneys does not exceed such arrears-in or towards discharge of such arrears,

(ii) in case there are any arrears of such annuity and the amount of such moneys exceeds such arrears-

(I) so much of such moneys as is equal to such arrears shall be applied in discharge of such arrears, and

(II) the balance of such moneys shall be applied in or towards redemption of so much of the annuity as is apportioned to the affected land,

(iii) in case there are no arrears of the annuity-in or towards redemption of so much of such annuity as is apportioned to the affected land."
