

## Oil, gas and geothermal resources in the Netherlands Applications for permits for exploration and production

The exploration and production of mineral and geothermal resources require an appropriate permit from the Dutch Minister of Economic Affairs.

- Exploration permit
- Production permit: in cases of application by the holder of the exploration permit
- Production permit: for an open area

### Exploration permit

The procedure for applying for an exploration permit is outlined in Chapter 2 of the Mining Act (Articles 14–17, in particular) and detailed in Chapter 1 of the Mining Regulations. Section 1.3 and Appendices 1 and 2 of the Mining Regulations contain a summary of the information that must be provided with a permit application.

An application for an exploration permit for an open area can be submitted to the Dutch Ministry of Economic Affairs at any time. Once the application is received, an invitation for counter-applications is placed in the Official Journal of the European Union (applies only to cases of exploration for hydrocarbons) and in the *Staatscourant*, the Dutch Government Gazette (this for hydrocarbons, other resources and geothermal energy), (Article 15 of the Mining Act). Interested parties have 13 weeks from the date of publication in the Official Journal and/or Government Gazette to submit a competitive application. Should the announcement also be published in the Official Journal of the European Union then the date of that publication is used to determine the 13 week period.

Once the 13 weeks have passed, the Dutch Ministry of Economic Affairs solicits the advice of TNO

Advisory Group for Economic Affairs (TNO-AGE)<sup>1</sup>, *Energie Beheer Nederland* (EBN), which stands for 'Netherlands Energy Management'<sup>2</sup>, the National Mines Inspectorate (SODM)<sup>3</sup> and, if the area for which a permit is being requested falls under the dominion of a provincial government, the Provincial Executive (GS)<sup>4</sup> of the province in question. They will, if possible issue their recommendations concerning various aspects of the application within 6 weeks, if possible, of when the period for submitting counter-applications ended. The Dutch Minister of Economic Affairs then seeks the advice of the Mining Advisory Council (Article 105, third paragraph, of the Mining Act) with regard to the permit that he/she has been asked to issue. The council meets 10 times a year.

In accordance with the provisions in Article 17 of the Mining Act, the Minister of Economic Affairs must issue a decision on the application for an exploration permit no later than 6 months after the period for submitting counter-applications ended. The minister can extend the decision-making period one time, by no longer than 6 months. The decision to issue the exploration permit is announced in the Government Gazette (Article 17 of the Mining Act). If it is not contested, the permit becomes irrevocable after 6 weeks.

The application for an offshore exploration license follows the same steps, with the provision that the uniform public procedure for preparation of department 3:4 of the General administrative law applies. This means that after the necessary advice has been sought, initially a concept decision with underlying documents will be provided for inspection for anyone during six weeks. This so as any viewpoints against the concept decision can be submitted. After this period the decision is prepared respecting the submitted viewpoints and will again be provided for inspection with underlying documents during six weeks. Appeals against this decree may be submitted to the "Raad van State".

<sup>1</sup> TNO Advisory group for Economic Affairs advises on the geological substantiation in the application and, if necessary, the boundaries of the area.

<sup>2</sup> EBN also advises on the financial resources of new companies apart from the specific application.

<sup>3</sup> SODM also advises on the technical capacities of new companies/operators apart from the specific application.

<sup>4</sup> The GS of the applicable province advises on issues they deem of importance.

Table: Procedure for exploration permit pursuant to Article 6 of the Mining Act

<b>Procedure en Streefwaarden voor termijnen</b>	
<b>Receipt of permit application</b>	1 week
<b>Place invitation in EU Official Journal and Government Gazette</b>	Varies
<b>Period for counter-applications</b>	13 weeks
<b>Advice from:</b> <ul style="list-style-type: none"> <li>• EBN</li> <li>• TNO-AGE</li> <li>• Sodm</li> <li>• Province (onshore)</li> </ul>	± 6 weeks
<b>Advice from Mining Advisory Council</b>	± 6 weeks
<b>Economic Affairs issues permit</b>	± 1 month
<b>Permit goes into effect</b>	1 day after sending
<b>Announcement of decision in Government Gazette</b>	If not contested: permit irrevocable after 6 weeks

Table: Summary of information required in an application, pursuant to Art. 1.3 of the Mining Regulations

Application Information, Art. 1.3 of the Mining Regulations
<ul style="list-style-type: none"><li>- The time period;</li><li>- A map and a description of the requested area (Article 1.2.2 of the Mining Regulations);</li><li>- Type of mineral or geothermal resource;</li><li>- Scheduled of proposed activities in the subject area;</li><li>- Geological report;</li><li>- General, technical and financial information on the applicant(s) (see Appendices I and II of the Mining Regulations);</li><li>- Mining operations owned by the applicant(s) that can be used for the planned activities;</li><li>- Collective terms and conditions applicable if application is submitted by more than one applicant;</li><li>- Surface area, in km<sup>2</sup>, of the requested area</li><li>- At least 2 copies of the application (4 copies + 1 digital copy preferred).</li></ul>

**Production permit: procedure in cases of application by the holder of the exploration permit**

The procedure for applying for a production permit is outlined in Chapter 2 of the Mining Act (Article 14–17, in particular) and Chapter 1 of the Mining Regulations. Section 1.3 and Appendices 1 and 2 of the Mining Regulations contain a summary of the information that must be provided with a permit application.

If the applicant already holds an exploration permit, counter-applications are not accepted. As part of the application, the applicant must be able to demonstrate that the mineral or geothermal resources found in the permit area are economically viable.

Table: Procedure for a production permit for an exploration permit holder, Article 6 of the Mining Act

**Procedure and Projected Turnaround Times**

<b>Receipt of permit application</b>	1 week
<b>Advice from:</b> <ul style="list-style-type: none"> <li>• TNO-AGE</li> <li>• SODM</li> <li>• EBN</li> <li>• Province (onshore)</li> </ul>	3 to 6 months
<b>Advice from Mining Advisory Council</b>	± 6 weeks
<b>Economic Affairs issues permit</b>	± 1 month
<b>Permit goes into effect</b>	1 day after sending
<b>Announcement of decision in Government Gazette</b>	If not contested: permit irrevocable after 6 weeks

### **Production permit: for an open area**

An application for a production permit for an open area (called a 'spontaneous production permit') can be submitted to the Dutch Ministry of Economic Affairs at any time. Once the application is received, an invitation for counter-applications is placed in the Official Journal of the European Union (applies only to cases of exploration for hydrocarbons) and in the *Staatscourant*, the Dutch Government Gazette (this for hydrocarbons, other resources and geothermal energy) , (Article 15 of the Mining Act). Interested parties have 13 weeks from the date of publication in the Official Journal and/or Government Gazette to submit a competitive application. Should the announcement also be published in the Official Journal of the European Union then the date of that publication is used to determine the 13 week period.

Once the 13 weeks have passed, the Dutch Ministry of Economic Affairs solicits the advice of TNO Advisory Group for Economic affairs (TNO-AGE)<sup>1</sup>, *Energie Beheer Nederland* (EBN), which stands for 'Netherlands Energy Management'<sup>2</sup>, National Mines Inspectorate (SodM)<sup>3</sup> and, if the area for which a permit is being requested falls under the dominion of a provincial government, the Provincial Executive (GS)<sup>4</sup> of the province in question. They will issue their recommendations concerning various aspects of the application within 3 to 6 months, if possible, of when the date for submitting counter-applications ended. The Dutch Minister of Economic Affairs then seeks the advice of the Mining Advisory Council (Article 105, third paragraph, of the Mining Act) with regard to the permit that he/she has been asked to issue. The council meets 10 times a year.

In accordance with the provisions in Article 17 of the Mining Act, the Minister of Economic Affairs must issue a decision on the application for an exploration permit no later than 6 months after the period for submitting counter-applications ended. The minister can extend the decision-making period one time, by no longer than 6 months. The decision to issue the production permit is announced in the Government Gazette (Article 17 of the Mining Act). If it is not contested, the permit becomes irrevocable after 6 weeks.

If the application for a spontaneous production permit concerns an overlapping section of a proven field that was identified in an exploration or production permit, an abbreviated procedure applies (fourth paragraph, Item b, and fifth paragraph of Article 15, Mining Act).

<sup>1</sup> TNO-AGE advises on the geological substantiation in the application and, if necessary, the boundaries of the area.

<sup>2</sup> EBN advises on the financial resources of new companies.

<sup>3</sup> SODM advises on the technical capacities of new companies/operators.

<sup>4</sup> The GS of the applicable province advises on issues related to the territory.

Table: Procedure for a production permit for an open territory, Article 6 of the Mining Act

<b>Procedure and Projected Turnaround Times</b>	
<b>Receipt of permit application</b>	<i>1 week</i>
<b>Place invitation in EU Official Journal and Government Gazette</b>	<i>varies</i>
<b>Period for counter-applications</b>	<i>13 weeks</i>
<b>Advice from:</b> <ul style="list-style-type: none"> <li>• TNO-AGE</li> <li>• SodM</li> <li>• EBN</li> <li>• Province (onshore)</li> </ul>	<i>3 to 6 months</i>
<b>Advice from Mining Advisory Council</b>	<i>± 6 weeks</i>
<b>Economic Affairs issues permit</b>	<i>± 1 month</i>
<b>Permit goes into effect</b>	<i>1 day after sending</i>
<b>Announcement of decision in Government Gazette</b>	If not contested: permit irrevocable after 6 weeks