



Cancellation of offshore petroleum titles

This factsheet provides general information about the process followed by NOPTA and the Joint Authority (JA) when cancelling offshore petroleum titles. This information should be read in conjunction with the [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#) (OPGGSA), associated regulations, relevant guidelines (which are available on [NOPTA's website](#)) and [NOPTA's compliance & enforcement policy](#).

Note: for information about the cancellation of special prospecting authorities or revocation of access authorities, please contact NOPTA.

General

Part 2.13 of the OPGGSA sets out the grounds and process for cancelling petroleum titles.

Exploration permits, production licences and pipeline licences can be cancelled in whole or in part (section 275).

Retention leases or infrastructure licences can only be cancelled in their entirety (section 275).

It is the titleholder's responsibility to ensure that all obligations in respect of the title are met.

Titleholders who are at risk of defaulting on a condition of their title should consider their options to apply to vary, suspend, extend or be exempted from a condition of the title (section 264).

Grounds for cancellation

A title may be cancelled if the titleholder has not:

- complied with a condition of the title, including any work program commitments
- complied with a direction given by the responsible Commonwealth Minister; the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA); or the JA

- paid a fee, royalty or the annual titles administration levy within 90 days after the amount became payable; or
- complied with any other provision of chapters 2, 4, 6 and part 7.1 of the OPGGSA and the regulations (including submitting all reports and data due) (section 274).

Consultation & submissions

The titleholder will be given at least 30 days' written notice¹ of the JA's intention to cancel, setting out the reasons for the proposed cancellation and an invitation to make a written submission to the JA (through NOPTA) regarding the proposed cancellation (section 276).

Submissions should address the following:

- any steps the titleholder has taken to remove the ground(s) of cancellation (e.g. by completion of a guaranteed work commitment)
- any steps the titleholder has taken to prevent the recurrence of similar grounds; and
- any other relevant matters.

Exploration permittees may at this time choose to submit an application to enter into a Good Standing Agreement with the JA (see below).

Decision to cancel

Before deciding to cancel a title, the JA must consider any submissions made by the titleholder or other relevant person (subsection 276(3)), and take into account any action taken by the titleholder to remove the ground(s) for cancellation, or to prevent its recurrence (subsection 275(2)).

The titleholder will be notified in writing if the JA cancels the title. Cancellation takes effect on the day the cancellation notice is published in the [Australian Government Gazette](#) (subsection 275(3)).

¹ Note: The JA may also provide a copy of the notice to any person it sees fit, who will also have an opportunity to make submissions on the proposed cancellation (ss 276(1)(b)).



Australian Government

National Offshore Petroleum
Titles Administrator

Important note: levies incurred during a cancellation process (e.g. if the title is in force on the anniversary date and a notice of intention to cancel has been issued) are still payable and are not refundable.

Good Standing Agreements (work-bid exploration permits only)

For work-bid exploration permittees, cancellation of the permit without work program conditions being satisfied will result in the titleholder company (including parent company where applicable) and its directors being considered as 'not in good standing' with the JA for a period of five years, unless a Good Standing Agreement is in place.

Please refer to Section 4 of the *Offshore Petroleum Exploration Guideline: Work-bid* on [NOPTA's website](#) for further information on the potential implications of a cancellation decision on a work bid exploration permittee's good standing with the JA, including eligibility criteria for entering into a Good Standing Agreement with the JA.

See also the [Fact sheet—Good Standing Agreement: Regional studies](#).

More information

If you have any questions regarding the cancellation of petroleum titles, please contact titles@nopta.gov.au.

Please note: this document is intended as a guide only and should not be relied on as legal advice or regarded as a substitute for legal advice in individual cases.

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