



Cancellation of Offshore Petroleum Titles

All fact sheets should be read in conjunction with the [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#) (the **OPGGGS Act**), associated regulations, relevant guidelines and policies (available on [NOPTA's website](#)).

This factsheet provides general information about the process followed by NOPTA and the Joint Authority (JA) when cancelling offshore petroleum titles.

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

Overview

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

Under s 275(1) of the Act the following may be cancelled:

- some or all of the blocks in relation to an exploration permit and a production licence;
- the whole, or a part of, a pipeline licence;
- the whole of a retention lease or infrastructure licence.

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 (and extend) or be exempted from a condition of the title (s 264 and s 265).

Grounds for cancellation (s 274)

A title may be cancelled if the titleholders have 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, or the JA.
- complied with any other provision of chapters 2, 4, 6 and part 7.1 of the Act and regulations (including submitting all reports and data due); or
- paid a fee, royalty or the annual titles administration levy within 90 days after the amount became payable.

Title obligations – title 'in force'

The title will remain in force during the cancellation process, with all title obligations still being applicable (for example payment of levies and submission of reports). If a title is subsequently cancelled levies are not refundable – see [NOPTA Refunds Policy](#).

Cancellation of title

Consultation (s 276)

The titleholders will be given at least 30 days' written notice of the JA's intention to cancel. This notification may also be provided to other persons as the JA sees fit. The notice will set out the reasons for the proposed cancellation and invite the recipient to make a written submission to the JA (through NOPTA) regarding the proposed cancellation.

Decision (s 275(2))

Before deciding to cancel a title, the JA must take into account any action taken by the titleholders to:

- remove the ground(s) for cancellation (e.g. by completion of a guaranteed work commitment or rectification of non-compliance with the Act, title conditions and regulations);
- prevent the recurrence of similar grounds.

The JA will also consider:

- any submissions made by the titleholders or other relevant persons;
- any other relevant matters.

Notification and effective date of decision (s 275(3))

The titleholders 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. The published gazette notice will be entered in the Titles Register, made available on the [NEATS website](#).



Good Standing Agreements (work-bid exploration permits only)

An exploration permittee may choose to submit an application to enter into a Good Standing Agreement with the JA, at any time during the cancellation process.

For work-bid exploration titleholders, cancellation of the permit without the work program conditions being satisfied will result in the titleholder companies (including parent companies where applicable) and their 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.

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.

Version history

Version	Date	Comment
3.0	17/02/2023	Update hyperlinks
2.0	1/11/2019	Update to layout, links, reviewed text to emphasise when cancellation comes into effect and that title obligations continue.