



Australian Government

National Offshore Petroleum
Titles Administrator

Offshore Petroleum and Greenhouse Gas Storage Titles

» *An introduction to the
titles framework*



www.nopta.gov.au

Version 3

Disclaimer

- » The information in this presentation is a guide only and does not replace or amend information provided in the *Offshore Petroleum and Greenhouse Gas Storage Act* (the OPGGSA), associated regulations and guidelines available at: www.nopta.gov.au/legislation.
- » It is not intended as legal advice and should not be relied on when making commercial decisions.
- » In the event that there is any discrepancy between this information and the legislation or regulations, the legislation or regulations has precedence.

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2. Key institutions involved in the OPGGSA
3. Offshore petroleum & GHG titles overview
4. The application process
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7. Key information and links





I

Background
on NOPTA

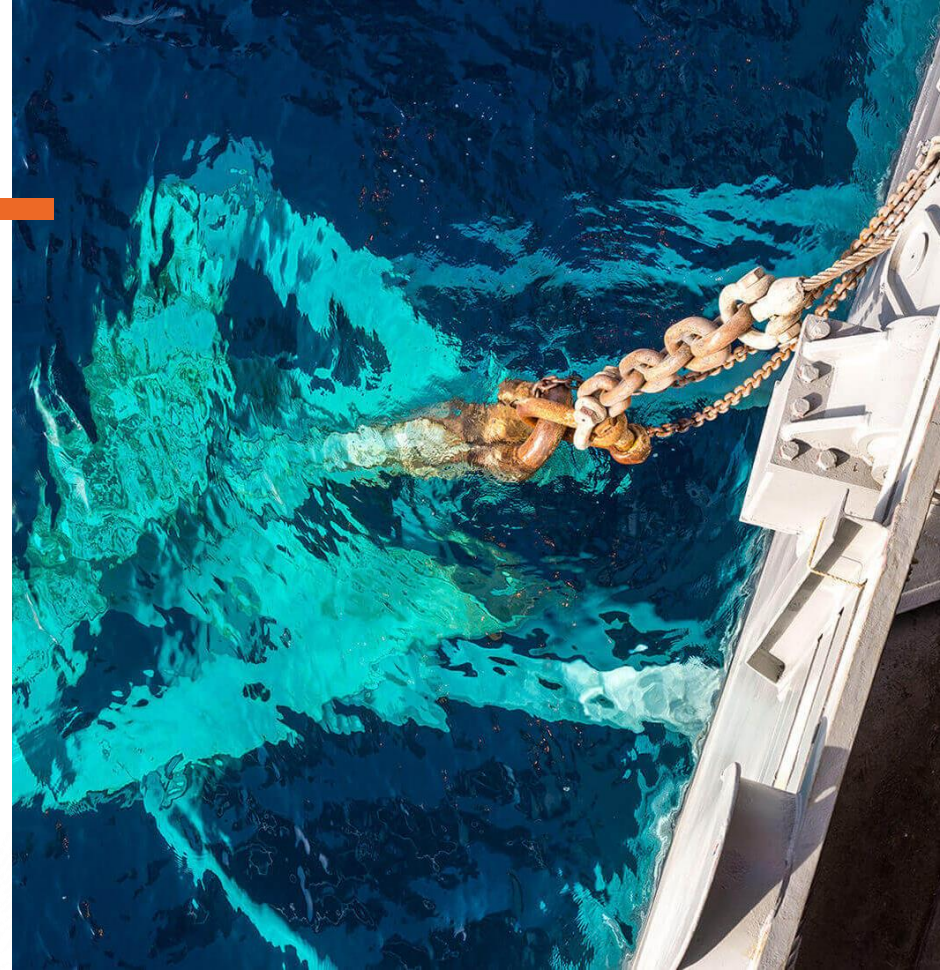
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National Offshore Petroleum Titles Administrator (NOPTA)

- Established 1 January 2012
- Appointed under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGSA)
- Part of the Department of Industry, Science, Energy and Resources (DISER)
- NOPTA's role is to administer titles and data management for petroleum and greenhouse gas (GHG) titles in Australian Commonwealth waters
- Operates on a full cost recovery basis



Functions

Provide technical information, assessments, analysis, advice and recommendations to the relevant title related decision makers

Facilitate life of title administration, including compliance monitoring

Engage with industry on performance in meeting regulatory obligations

Manage the submission and release of data

Cooperate with NOPSEMA on administration and enforcement of the OPGGSA

Maintain registers of offshore titles

Decision maker for short term titles & the registration of transfers and dealings



Resource Management Role

Field performance monitoring and reporting

Ensuring consistency with good oilfield practice

Secure optimum long-term recovery of petroleum

Engaging with titleholders on the management of late life assets





II

Key institutions involved
in the OPGGSA

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Key Institutions and functions - OPGGSA

Titles Administrator

- Contact for titles applications, guidance & associated title administration
- Provides technical advice to relevant the decision maker (JA, RCM or Titles Administrator)
- Manages the titles register
- Monitors data and title compliance aspects
- Undertakes resource management functions
- Decision maker for short term titles, transfers & dealings

Offshore Petroleum Joint Authority (JA)

- Decision maker for certain offshore petroleum decisions including granting titles, imposition of conditions and cancellation or surrender of a title.
- Comprises of the relevant State/NT and Commonwealth Minister. The Joint Authority arrangements for the following offshore areas comprises the responsible Commonwealth Minister only: Tasmania, Eastern Greater Sunrise, Offshore areas of external territories (e.g. the Territory of Ashmore and Cartier Islands).

Responsible Commonwealth Minister (RCM)

- Decision maker for all greenhouse gas (GHG) decisions (excluding infrastructure licences, pipeline licences & cross-boundary assessment permits)

National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)

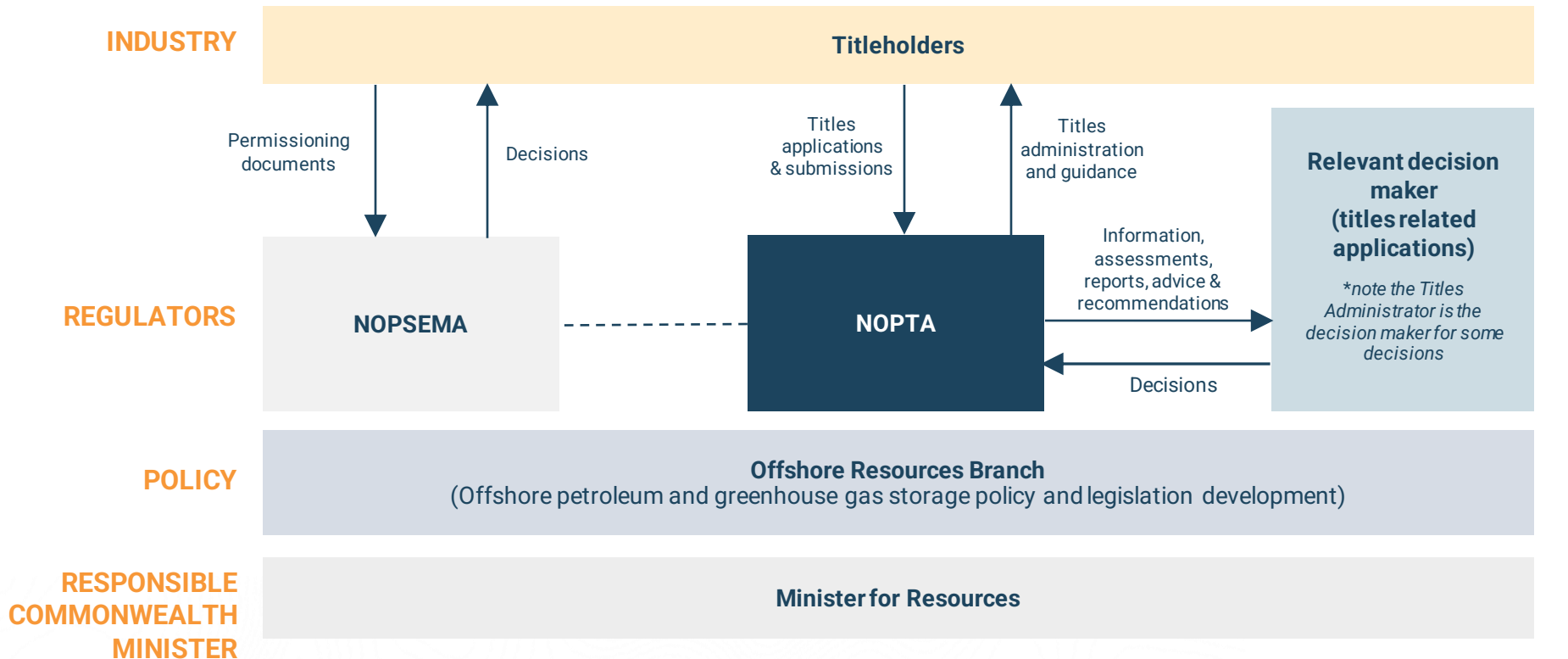
- Independent regulator for health and safety, structural (well) integrity and environmental management for all offshore petroleum and GHG operations in Commonwealth waters and in coastal waters where regulatory powers & functions have been conferred.

Offshore Resources Branch, Department of Industry, Science and Resources (DISR)

- Offshore petroleum and GHG policy and legislation development and oversight
- Offshore petroleum and GHG acreage release
- Briefs the responsible Minister or delegate for all Commonwealth decisions



Key Institutions and functions - OPGGSA





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Offshore petroleum & GHG
titles overview

IV

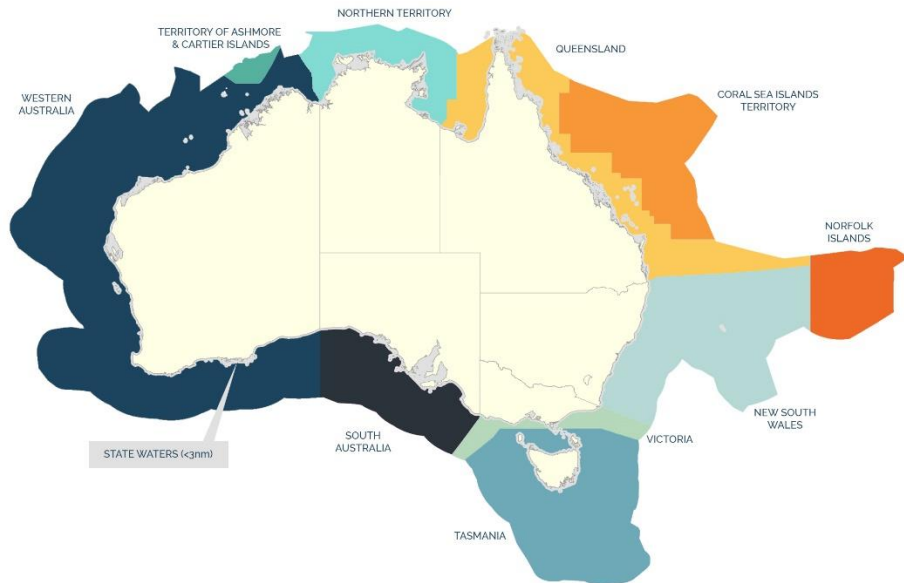
The application process

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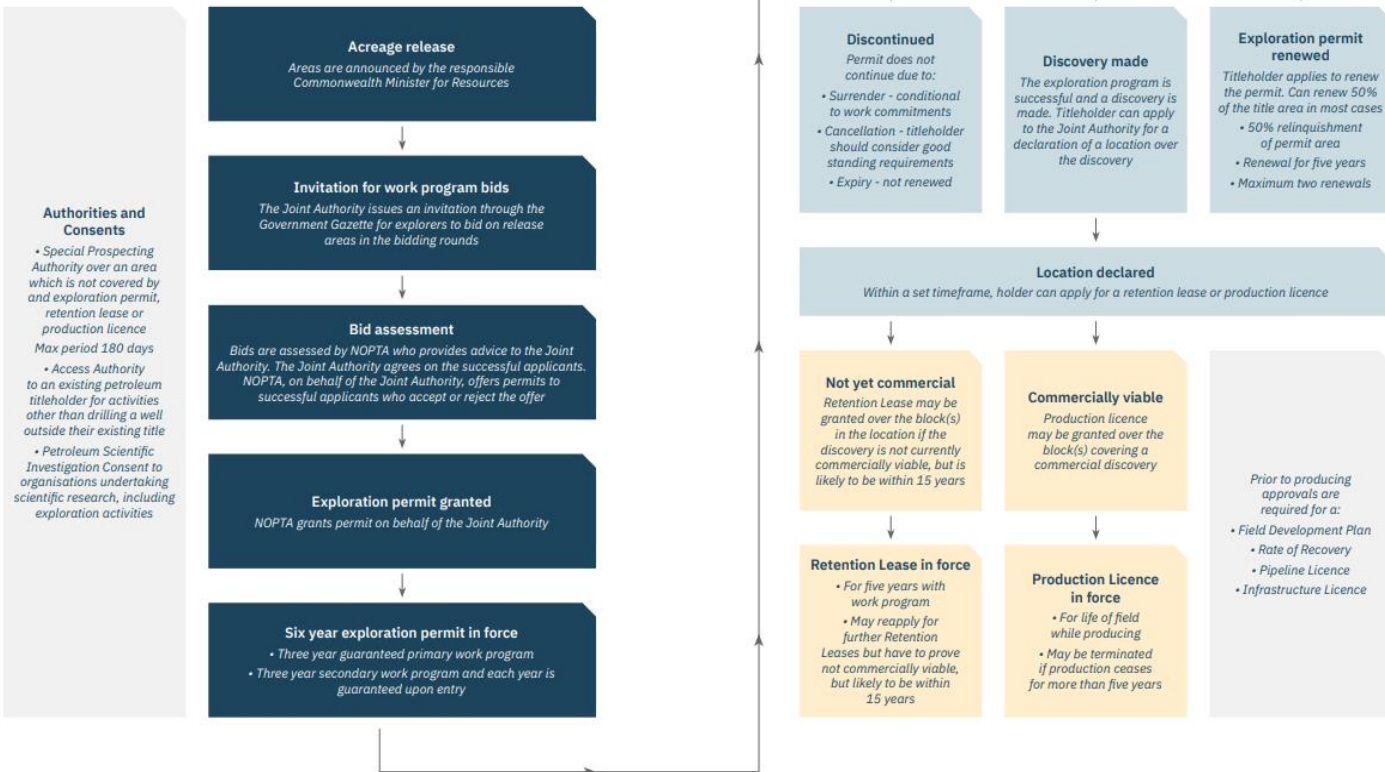


What is an offshore petroleum or GHG title?

- » Offshore petroleum and GHG activities beyond designated state and territory coastal waters (beyond three nautical miles) are governed by the OPGSA and associated regulations.
- » The legislation provides for orderly:
 - petroleum exploration and recovery; and
 - injection and storage of GHG substances in offshore areasand sets out a basic framework of rights, duties, obligations, entitlements and responsibilities of governments and industry.
- » An offshore petroleum title grants the titleholder the right to explore, appraise, develop (depending on the title type).
- » An offshore GHG title grants the titleholder the right to explore, appraise, inject and store a GHG substance (depending on the title type).
- » **Titles alone do not authorise petroleum or GHG activities.**



Overview of the offshore petroleum exploration and development framework



Comparison of Work Bid Petroleum & GHG titles

Action	Petroleum Titles	GHG Titles
EXPLORE	Exploration Permit <ul style="list-style-type: none"> Initial 6 year work program then relinquish 50% for each further 5 year term 	GHG Assessment Permit <ul style="list-style-type: none"> Initial 6 year term with work program; then 3 year renewal term (maximum two). No relinquishment.
DECLARE Required to progress to leases or licences	Petroleum Location (2 plus 2 years) (Declared Discovery) Requires: <ul style="list-style-type: none"> Recovery of hydrocarbons Understanding of pool extent (at P₅₀) 	GHG Storage Formation (valid for term of project, and must be wholly within the title) Requires: <ul style="list-style-type: none"> Detailed understanding of the characteristics and extent of the storage formation and the fundamental suitability determinants Understanding of extent of plume migration Some or all of the source from petroleum operations
APPRAISE	Retention Lease (5 years) <ul style="list-style-type: none"> Field not currently commercial but likely to be within 15 years Multiple renewals 	GHG Holding Lease (5 years) <ul style="list-style-type: none"> Not currently in a position to inject and store a GHG substance but is likely to be within 15 years (for renewal, within 10 years) Can only be renewed once
OPERATE & DECOMMISSIONING	Production Licence (life of field) <ul style="list-style-type: none"> Produce hydrocarbons Production requires a Field Development Plan & rate of recovery 	GHG Injection Licence <ul style="list-style-type: none"> Inject and store greenhouse gases (>100,000 tonnes) Injection requires a Site Plan/Decommissioning Plan Other regulatory approvals for example sea dumping permit from the Department of Climate Change, Energy, the Environment and Water.



Pathways to a GHG title

The OPPGS Act provides two pathways for a proponent to obtain a GHG Injection Licence:

1. GHG assessment permit (through acreage release process similar to petroleum)

GHG Acreage Release → GHG Assessment Permit → GHG Holding Lease or GHG Injection Licence

2. If you have an existing petroleum title:

Petroleum Retention Lease → GHG Holding Lease (granted under s 345 of the OPGGS Act)

Petroleum Production Licence → GHG Injection Licence

- A declaration of identified storage formation must be approved first before applying for an injection licence (s 312 of the OPGGS Act)(see slide 13)
- Existing petroleum title holders should be aware of potential complexities in relation to tied titles if applicable

NB There is no pathway from a petroleum exploration permit to an assessment permit

The OPGGS Act does permit some GHG exploration in petroleum titles such as exploring the title area for potential GHG storage formation or potential injection site, requirements on notifications under RMA Regulations – Part 6.



Who is the decision maker for **petroleum** titles applications?

Joint Authority Title Application Decisions	NOPTA Title Application Decisions
Grant and Renewal (exploration permits, retention leases and production licences)	Extension of time to lodge a renewal application
Declaration of a location (including variation or revocation)	Extension to an application period (location)
Grant of a pipeline and infrastructure licences (including variation & consent to cease a pipeline)	Change of company name and devolution (all titles)
Variation, suspension, extension or exemption of a condition of title	Credits (work program)
Field Development Plan (including variation), rate of recovery, equipment and procedures	Dealings, Transfers and Change in Control (all titles)
Surrender and cancellation (including good standing)	Access Authorities (short term title)
Scientific Investigation Consent	Special Prospecting Authorities (Short term title)



Who is the decision maker for GHG titles applications?

Responsible Commonwealth Minister Decisions	Titles Administrator Decisions
Grant and Renewal (assessment permit, holding lease and injection licence) & key operations	Transfers and Change in Control (all titles)
Declaration of an identified storage formation (including variation or revocation)	Dealings (all titles)
Variation, suspension, extension or exemption of a condition of title	Change of company name & devolution of title (all titles)
Site Closing Certificate	Credits (work program)
Surrender and cancellation	Search Authority (short term title) – <i>delegated to the General Manager of NOPTA</i>
Research consent	Special Authority (short term title) – <i>delegated to the General Manager of NOPTA</i>
Offshore Petroleum Joint Authority Decisions	Cross-boundary Authority Decisions
Grant of a pipeline and infrastructure licences	Grant of cross-boundary GHG assessment permits (Including renewals, suspensions, extensions, variations and exemptions of title conditions)



Title Application Assessments

NOPTA is the technical assessor for offshore petroleum and GHG titles related applications.

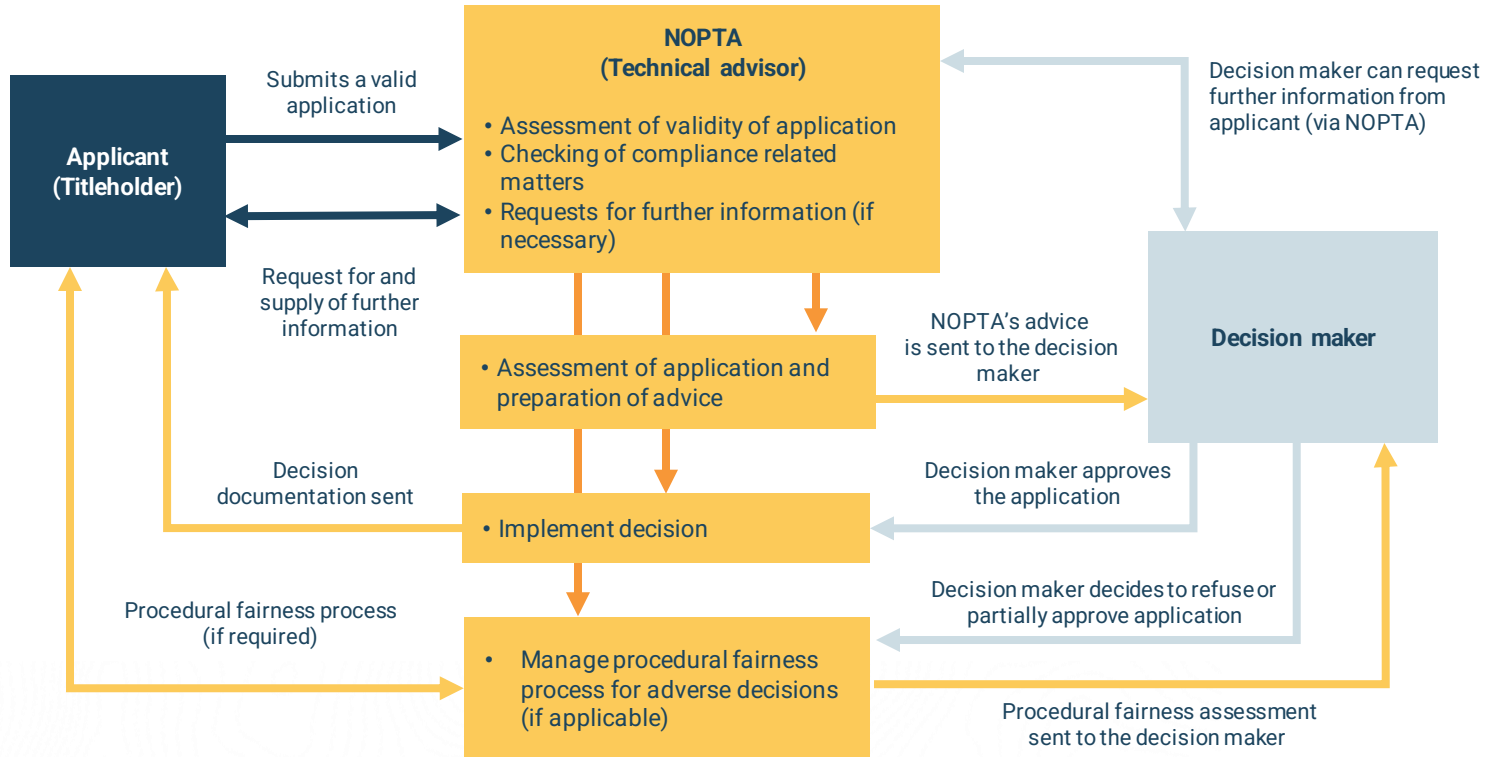
When applications are submitted or processes are initiated in NOPTA:

- » Receipts and assesses valid applications and provides advice to the relevant decision maker(s)
 - Offshore Petroleum Joint Authority (JA) or
 - Responsible Commonwealth Minister (RCM) or
 - Cross-boundary Authority or
 - Titles Administrator
- » Where recommendations are adverse, on agreement from the decision maker, provides procedural fairness to applicants/titleholders, reassess applications taking any submission into account and provides secondary advice to the relevant decision maker(s)
- » Implements decisions
 - Advises applicants/titleholders of the outcome
 - Records outcomes in the Titles Register and reflect in NEATS if applicable

Prior to submitting an application, NOPTA often meets with the applicant to provide guidance and information on the legislation, guidelines and application process.



Sample Application Assessment Process





Key information for offshore petroleum title applications

Legislation

- [*Offshore Petroleum and Greenhouse Gas Storage Act 2006*](#)
- [*Offshore Petroleum and Greenhouse Gas Storage \(Resources Management and Administration\) Regulations 2011*](#)

Guidance

- The current fact sheets and guidelines can be found on the NOPTA website - www.nopta.gov.au/guidelines-and-factsheets/offshore-petroleum-guidelines.html
- Guidelines are a policy document and are maintained by the Offshore Resources Branch, within the Department of Industry, Science, Energy and Resources
- Fact Sheets are a NOPTA generated guidance documents to assist with title applications and reporting requirements
- NOPTA application forms - www.nopta.gov.au/forms/forms.html



Key information for GHG title applications

Legislation

- [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#)
- [Offshore Petroleum and Greenhouse Gas Storage \(Greenhouse Gas Injection and Storage\) Regulations 2011](#) (GHG Regulations)
- [Offshore Petroleum and Greenhouse Gas Storage \(Resource Management and Administration\) Regulation 2011](#) (RMA Regulations)

Guidance

- The current guidelines can be found on the NOPTA website <https://www.nopta.gov.au/documents/guidelines/Guideline-OffshoreGreenhouseGasWork-bidGreenhouseGasAssessmentPermits.pdf>
- Application forms - <https://www.nopta.gov.au/forms/forms.html#greenhouse-forms>
- Forms guide - <https://www.nopta.gov.au/forms/nopta-forms/nopta-forms-guidance/nopta-forms-guidance.pdf>





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**Title ownership &
transfers/dealings**

VI

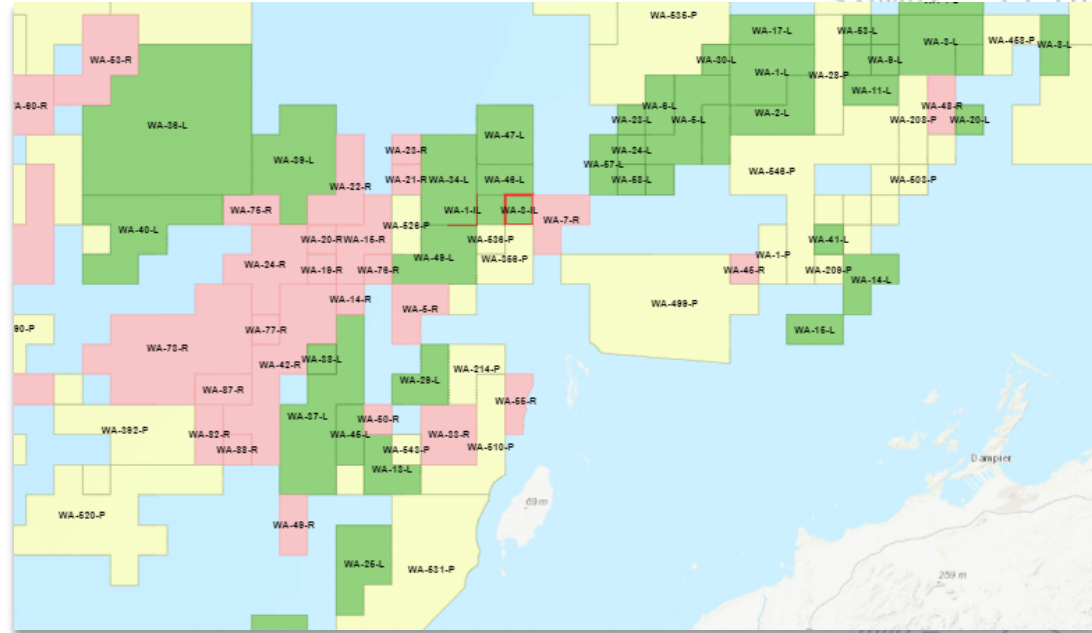
**Register function & the
National Electronic
Approvals Tracking System**

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Who can hold a title?

- » Titles can be held by a single company or by several working together (joint venture). These are known as a 'registered holder/ titleholder(s)'.
- » An approved and registered transfer of a title will result in change(s) to the registered holders of a title.
- » Registered holders of titles have certain rights, duties and obligations under the OPGGSA. Duties and obligations apply to all holders of a title, although if there are multiple titleholders, any of the titleholders can discharge an obligation (section 775D).



What is the effect of approval and registration of a transfer?

- » A transfer is of no force until it has been approved and registered – section 472/524
- » Upon registration, the ‘transferees’ become the titleholders within a given title – subsection 479(4)/530(4)
- » May give effect to a dealing (e.g. where this is associated with a change in titleholders)
- » In addition to certain rights, titleholders have duties, and obligations under the OPGGSA.

Examples of titleholder duties/responsibilities:

Good oil field practice (section 569/570)	To prevent and control the escape of petroleum (section 569 and section 572C)
Financial assurance and insurance obligations (section 571/571A)	Maintenance and removal of property (section 572)
Interference with other users rights (section 280/ 460)	Compliance with a direction given to a titleholder

- » Titleholders are the responsible party for compliance with most provisions in the OPGGSA and Regulations



Effect of approval and registration of a dealing

What effect does approval and registration of a dealing have?	What effect doesn't approval and registration of a dealing have?
<ul style="list-style-type: none">• A dealing is of no force in so far as the dealing would have an effect of a kind referred to in section 486/537 in relation to a particular title until the Titles Administrator has approved and registered the dealing (section 487/538).	<ul style="list-style-type: none">• The approval of a dealing does not give to the dealing any force, effect or validity that the dealing would not have had if Chapter 4 or 5 had not been enacted (section 497/547).• The approval of a dealing does not indicate that other matters contemplated within the dealing would be approved (e.g. future OPGGS Act applications).



The Titles Register

- » One of NOPTA's legislative functions is to keep a register of offshore petroleum and GHG titles: **sections 469/521**
- » The Register is a record of matters relating to offshore petroleum and GHG titles, including commercial transactions such as dealings: **section 494/544**



- » The Register is a public record: section 515/564; and is to be received in all courts and legal proceedings as prima facie evidence of all matters required or authorised to be entered in it: **section 516/565**
- » The Titles Administrator considers the integrity of the Register to be a matter of public interest: **section 779**
- » The register is currently a paper version, however public information can also be found on National Electronic Approvals Tracking System (NEATS) www.public.neats.nopta.gov.au.

NEATS will become an electronic register in due course.



Due Diligence

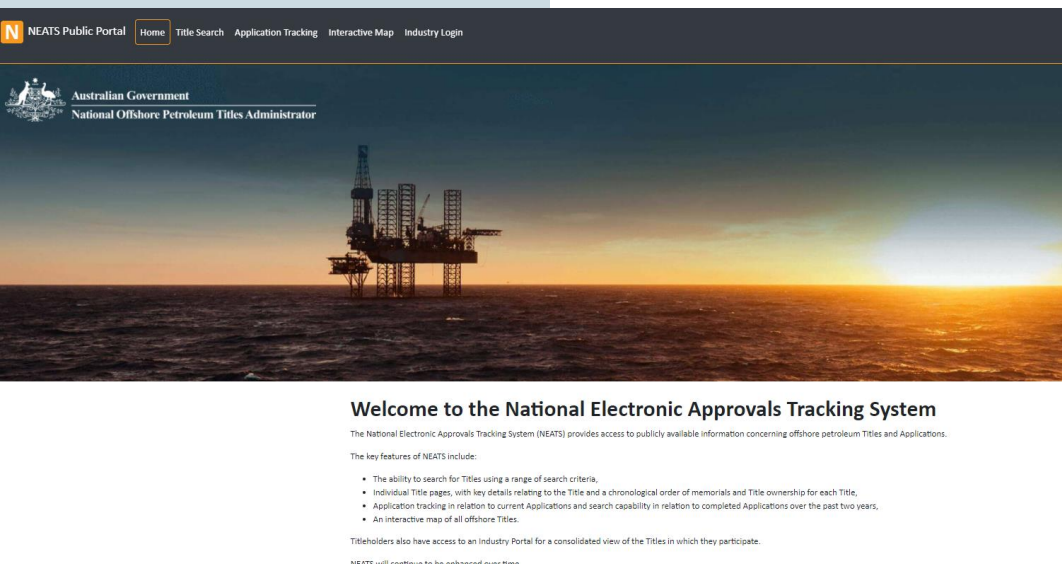
The Register may be used as a source of information for legal review of:

- » Title details and obligations
- » Title interests (includes registered dealings)
- » Title endorsements (includes changes in title obligations)

NOPTA cannot guarantee that the Register is a complete record of a dealings relating to the title, it is a record of the dealings approved and registered by NOPTA.



Where do I find public information on offshore petroleum and GHG titles?

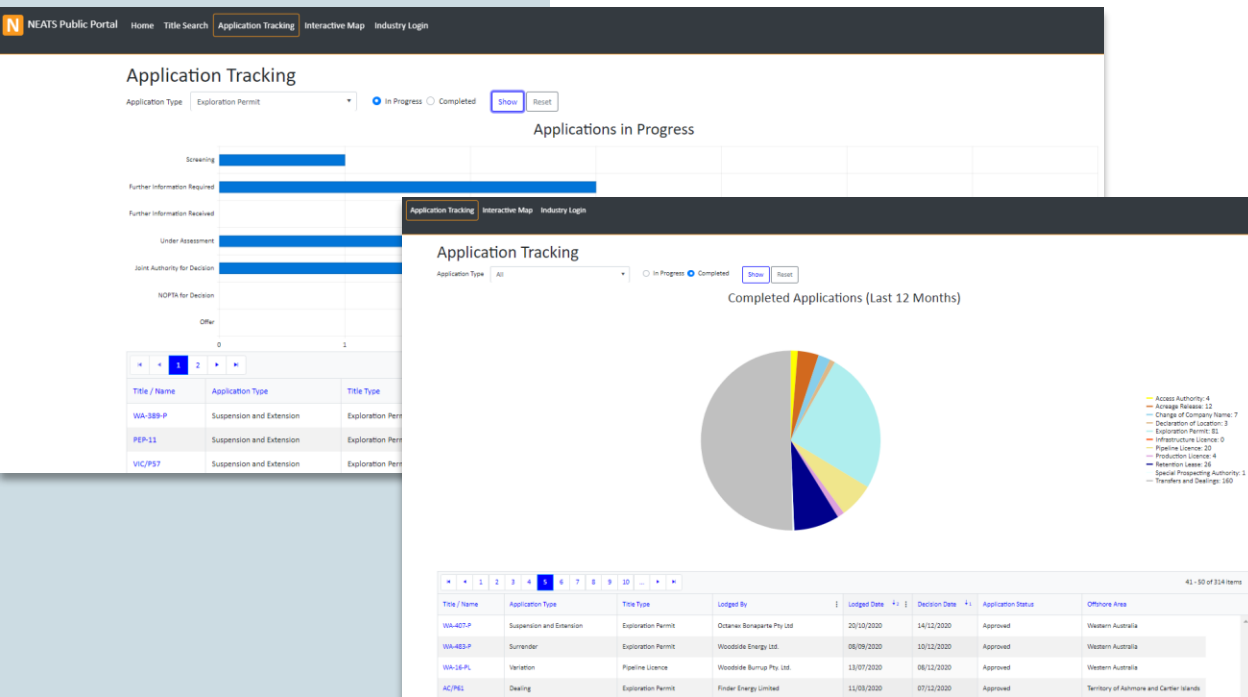


National Approvals Tracking System (NEATS) www.public.neats.gov.au

- Search for offshore petroleum & GHG titles
- View title details including titleholders, work programs and memorials
- Application tracking
- Interactive map



How do I track an application's progress?



National Approvals Tracking System (NEATS)

www.public.neats.gov.au

- The approvals tracking tab in NEATS allows you to search for public information concerning the progress of current applications and view completed application details



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Key Information
and links

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Where to find more information

Acreage Release | www.petroleum-acreage.gov.au or GHGAcreage@industry.gov.au

- Current release areas open for bidding
- Nomination of blocks for future acreage release
- Australian Petroleum News eNewsletter (subscribe - www.industry.gov.au/subscribe-to-australian-petroleum-news)

NOPTA | www.nopta.gov.au & <https://public.neats.nopta.gov.au/>

- Guidelines and factsheets
- Application forms
- Current application fees and annual levies

NOPIMS | <http://www.ga.gov.au/nopims>

- Metadata about new & legacy well, survey and title activities from the date of activity commencement
- More than a million searchable records, linked to downloadable data

NOPSEMA | www.nopsema.gov.au

- Guidance Notes on Safety Case, Well Operations Management Plan, Environment Plan
- Links to Commonwealth Marine Reserves and National Parks information



If you would like to discuss anything in this presentation please contact NOPTA at:
titles@nopta.gov.au



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